
BETWEEN:

WILKINSON SWORD (CANADA) LIMITED ..... PLAINTIFF;

AND

ARTHUR JUDA, carrying on business as CONTINENTAL WATCH IMPORT CO. ..... DEFENDANT.

Ottawa
1966
Nov. 15
Nov. 22

Trade marks—Judgment ordering expungement of trade mark—Appeal to Supreme Court of Canada—Application for stay of execution—No jurisdiction in Exchequer Court to grant stay—Trade Marks Act, ss. 56, 61—Exchequer Court Act, s. 21.

Judgment was pronounced dismissing this action and ordering that defendant's counterclaim for expungement of the registration of certain trade marks be allowed. Plaintiff commenced appeal proceedings to the Supreme Court of Canada and applied to the Exchequer Court to stay

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execution of its judgment pending the appeal, suggesting that the action to be taken by the Registrar of Trade Marks on the order for expungement be stayed pending disposition of the appeal.

Held: Neither s. 21 of the *Exchequer Court Act* nor s. 56 of the *Trade Marks Act* authorizes the Court to grant the order sought and in the absence of specific statutory authority for such an order the power of the Court to make it is not to be assumed. The expungement of the trade mark was effective from the pronouncement of judgment so ordering and the substance of the order sought by plaintiff was thus to reinstate the registration pending disposition of the appeal. For such a procedure there was no authority.

APPLICATION for stay of execution.

J. A. Devenny for plaintiff.

Kent H. E. Plumley for defendant.

THURLOW J.:—This is an application "for an order staying execution of the judgment of this Honourable Court pronounced in this cause insofar as the said judgment relates to the expungement of the trade mark registrations of the plaintiff referred to in the statement of claim, pending an appeal to the Supreme Court of Canada".

Following the trial of the action and counterclaim before the President of this Court, reasons for judgment were filed on September 1, 1966, stating in the final paragraph:

> My conclusion is, therefore, that the registrations of the trade marks in question are invalid. The defendant may move for judgment in accordance with that finding at some time convenient to all concerned.

Judgment had not however been pronounced when on October 19, 1966, the plaintiff filed in this Court a notice of appeal to the Supreme Court of Canada "from the judgment of the Exchequer Court of Canada pronounced by the Honourable President on the 1st day of September, 1966". I was informed that the other steps necessary to perfect an appeal to the Supreme Court of Canada were also taken including the posting of security in the amount of $500.

Notice of the present motion returnable November 15, 1966, was filed on November 10, 1966.

On November 12, the President pronounced judgment dismissing the action and ordering "that the Defendant's counterclaim for expungement of the registration of Canadian Trade Mark Registrations Nos. N.S. 197/50113 and 136,228 be and the same is hereby allowed." Costs of the action and counterclaim were also awarded to the defendant. Payment of these costs has not been secured.

Sections 60 and 61 of the *Trade Marks Act* provide:

60. An appeal lies to the Supreme Court of Canada from any judgment of the Exchequer Court of Canada in any action or proceeding under this Act irrespective of the amount of money, if any, claimed to be involved.

61. The Registrar of the Exchequer Court of Canada shall file with the Registrar a certified copy of every judgment or order made by the Exchequer Court of Canada or by the Supreme Court of Canada relating to any trade mark on the register.

It was not suggested that the order sought should purport either to alter the judgment as pronounced or to direct the Registrar of this Court to refrain from complying with section 61. As I understand it what was suggested was that the Court make a further order countermanding in part the order already made by directing that proceedings to be taken on it by the Registrar of Trade Marks be stayed pending disposition of the plaintiff's appeal. In support of his contention that the Court has authority to make such an order counsel referred to section 21[1] of the *Exchequer Court Act* and to section 56[2] of the *Trade Marks Act* and he submitted that this Court being a Superior Court of record and having exclusive jurisdiction in all matters pertaining to the register of trade marks has inherent jurisdiction to make the order.

In my opinion, the Court having pronounced judgment in the matter ordering the expungement of the marks in

[1] 21. The Exchequer Court has jurisdiction as well between subject and subject as otherwise,

(*a*) in all cases of conflicting applications for any patent of invention, or for the registration of any copyright, trade mark or industrial design;

(*b*) in all cases in which it is sought to impeach or annul any patent of invention, or to have any entry in any register of copyrights, trade marks or industrial designs made, expunged, varied or rectified; and

(*c*) in all other cases in which a remedy is sought under the authority of any Act of the Parliament of Canada or at common law or in equity, respecting any patent of invention, copyright, trade mark, or industrial design.

[2] 56. (1) The Exchequer Court of Canada has exclusive original jurisdiction, on the application of the Registrar or of any person interested, to order that any entry in the register be struck out or amended on the ground that at the date of such application the entry as it appears on the register does not accurately express or define the existing rights of the person appearing to be the registered owner of the mark.

(2) No person is entitled to institute under this section any proceeding calling into question any decision given by the Registrar of which such person had express notice and from which he had a right to appeal.

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question, has exhausted its jurisdiction arising under both section 21 of the *Exchequer Court Act* and section 56 of the *Trade Marks Act* and as there appears to be no specific statutory provision authorizing an order of the kind sought I do not think it is to be assumed that the Court has authority to make it. Jurisdiction to make such an order does not appear to me to arise under paragraph (*a*) of section 21 of the *Exchequer Court Act*, since that paragraph is concerned only with conflicting applications for trade mark registrations, or under paragraph (*b*) since this is not an application for registration of a trade mark or for expungement, variation or rectification of a registration, or under paragraph (*c*) since the relief sought does not appear to be authorized by any Act of the Parliament of Canada or at common law or in equity. Nor does section 56 of the *Trade Marks Act* authorize such an order. The position might have been somewhat different had the application been made before judgment was pronounced as the Court at that stage might conceivably have given consideration to the problem and suspended the operation of its order pending the appeal. That however has not occurred. Instead the order has passed without qualification as to when it is to take effect and as section 61 of the *Trade Marks Act* appears to me to be a purely administrative provision the expungement in my view is and has been effective from the pronouncement of the judgment. The substance of the order sought would thus have to be to reinstate the registration pending disposition of the appeal. There is so far as I am aware no authority for such a procedure. References were made to sections 80-86 of the *Exchequer Court Act*, to Rule 208[1] of the *General Rules and Orders of the Exchequer Court* and to various provisions of the *Supreme Court Act* including in particular section 70 thereof but there does not appear to me to be authority in any of these provisions for the making of the order applied for.

In the course of argument counsel also referred to *Kerley on Trade Marks* eighth edition, from which it appears, at page 208, that the practice in England is to stay the expungement pending appeal but it appears from page 506 that the statutory provisions in England respecting

[1] *Vide: The King v. Consolidated Distilleries Ltd. et al.* [1931] Ex. C.R. 125.

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expungement are not comparable with those in effect here since they contemplate directions in the order itself for service of it on the Comptroller-General. The English practice accordingly in my view affords no support for the application except insofar as it suggests that if authority to order a stay exists the balance usually favours granting the stay. Had I been of the opinion that the Court has authority to make the order asked for I should have thought in the present case that the order should be granted upon the plaintiff giving security for payment of the costs awarded by the judgment of this Court. However as already indicated I am of the opinion that in the circumstances of this case there is no authority for making the order.

The application therefore fails and it will be dismissed with costs.