SUPERIOR COURT OF QUEBEC REFUSES INJUNCTION IN TRADE-MARK CASE

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The Superior Court of Quebec refused to grant an injunction to the Plaintiff Illico Communication. The Court held that the services in association with the Parties' trade-marks differed significantly, resulting in its finding that there was no risk of confusion between the trade-marks ILLICO, ILLICO COMMUNICATION and the trade-mark ILLICO (*Illico Communication Inc.* v. *Vidéotron Ltée et al*, No 500-05-067846-012, August 20th, 2004).

The facts

Plaintiff

Illico Communication Inc, (hereinafter the "Plaintiff") offers computer assisted jurisprudence searches. Plaintiff also publishes a legal bulletin and on the Internet, publishes articles for the general public relating to case law searches. The vast majority of the Plaintiff's clientele is comprised of lawyers. Plaintiff has been operating a web site since 1997 allowing mainly for the promotion of its services.
Plaintiff is the owner of the registered trade-mark ILLICO in association with computer assisted case law search services and the trade-mark ILLICO COMMUNICATION in association with graphics services relating to publicity in magazines and banners as well as drafting, translated and editing publicity texts.

Defendants

Vidéotron Ltée, (hereinafter "Videotron"), has been offering digital television services and interactive television services since September 2001, under the

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name ILLICO. In July, 2001, Videotron filed trade-mark applications for the trade-marks ILLICO, ILLICO.CA, ILLICO.COM and ILLICO.TV, in association with several services, amongst others, access and navigation on the Internet, transactional services as well as interactive television services, such as access to video games, electronic messaging. In October 2001, Videotron also filed trade-mark applications for the marks "i"LLICO design and "i"design with similar services.
On September 11th, 2001, Plaintiff sent a cease and desist letter to the Defendants ordering them to cease use of the trade-mark ILLICO, the latter denying any risk of confusion between the marks at issue.
On November 1st, 2001, Plaintiff filed an injunction before the Superior Court of Quebec alleging trade-mark infringement . On June 14th, 2002, the Plaintiff aquired the design mark !LLICO and the same domain name in relation to the conception and administration of web sites.

Issues at bar

Among the issues addressed by the Court were the following:

(i) Did the Defendants violate the Plaintiff's exclusive trade-marks rights in its mark ILLICO?

(ii) Does the Superior Court of Quebec have jurisdiction to declare the Plaintiff's trade-mark ILLICO COMMUNICATION ineffective against the Defendants based on lack of distinctive character ?

(iii) Is the claim of ineffectiveness by the Defendants prescribed under the *Trade*-marks Act ?

Superior Court of Quebec Decision

(i) infringement

On the issue of infringement, the Superior Court held that the Defendants did not violate Plaintiff's trade-mark marks in the mark ILLICO. After reviewing the criteria for confusion under the *Trade-marks Act*, the Court opined that there was no risk of confusion between the marks at issue because the services offered by the respective parties were "dramatically different". The Court accorded considerable weight to this criteria. On the one hand, Plaintiff offered case law search services to a restricted portion of the public, mostly lawyers, who accounted for 80% of its business, while on the other, Videotron offered digital television services to the general public.

The Court also stated that the nature of the Parties' trades differed. Plaintiff offered its search services on-line, by telephone or by facsimile while Videotron

offered services only via a subscription which also required the purchase of a decoder at specific commercial establishments.

(ii) jurisdiction of the Superior Court

On this issue, citing case law and doctrine, the Court held that it had the requisite jurisdiction to declare a trade-mark ineffective against the Defendants. The Court stated that the Defendants did not ask the Court expunge the Plaintiff's mark ILLICO COMMUNICATION which lies within the Federal Court's exclusive jurisdiction.

The Defendants sought a declaration of non-enforcibility of the mark ILLICO COMMUNICATION against them based on the argument that the Plaintiff had abandoned this mark associated with graphics and related services. The Court held that there was no evidence before it that would allow for a conclusion of abandonment.

(iii) The issue of prescription was not addressed in light of the Courts findings on ineffectiveness.

Conclusion

Based on the above findings, the Superior Court denied the Plaintiff's injunction request. In so doing, this decision supports the wave of jurisprudence which demonstrates that injunctions are difficult to obtain, particularly in the case where the products and/or services in question radically differ from one another. Trade-mark practitioners should err on the side of caution when contemplating such an action involving wares/services which are unrelated.