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**ALAI COPYRIGHT ANNUAL MID-YEAR REVIEW**

**2024-2025**

**BARRY SOOKMAN**

**MCCARTHY TETRAULT**

**[BSOOKMAN@MCCARTHY.CA](mailto:BSOOKMAN@MCCARTHY.CA)**

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## 1. Subsistence and ownership of copyright

### a. Subject matter - computer programs

*Nexus v. Krougly*, 2025 ONSC 1346

[301] A “literary work” is defined under the *Copyright Act* to include “computer programs”. A “computer program” means “a set of instructions or statements, expressed, fixed, embodied or stored in any manner, that is to be used directly or indirectly in a computer in order to bring about a specific result”.

[303] There is no dispute in this case that Nexus’ CEMView, a “computer program”, would be protected by copyright.

### b. Subject matter – TV programs

*Demirören TV Radyo Yayincılık Yapımcılık A.Ş. v. General Entertainment and Music Inc.*, 2024 FC 1127

[36] The Federal Court has consistently considered television programs to be cinematographic works entitled to the presumption of copyright and their “makers” entitled to a presumption of ownership of such copyright under section 34.1(1)(a) and (b) of the *Copyright Act* RSC, 1985, c C-42, s. 1 [the *Copyright Act*] (see *Vidéotron Ltée v Konek Technologies Inc*, 2023 FC 741 at paras 26 and 35 [*Vidéotron*]).

The Kanal D Programs are original cinematographic works that unquestionably meet the requisite level of skill and judgement which is “more than trivial” (*CCH Canadian Ltd v Law Society of Upper Canada*, 2004 SCC 13 at para 16).

### c. Subject matter – logos

*Morinaga & Co., Ltd v. Nguyen*, 2024 FC 1710

Morinaga brought a motion for default judgment against Ms. Hoang, which was granted by the Court on April 22, 2022 [Default Judgment]. The Court found, among other things, that:...Copyright subsists in the HI-CHEW logo and Ms. Hoang has infringed Morinaga’s copyright in such work, contrary to the *Copyright Act*, RSC, 1985, c. C-42.

*Indigo Books & Music Inc. v. John Doe 1 (Indigo Kills Kids)*, 2024 FC 1465

Noting that there is no requirement for copyright to be registered to find that it subsists, I am prepared to find, for the purpose of this motion, that the Plaintiff owns copyright in the following image [!INDIGOKIDS Work]:



### d. Subject matter- broadcast signals

*Toronto Regional Real Estate Board v. IMS Incorporated (RE Stats)*, 2024 FC 1537

[14] The essence of the Defendant’s argument to strike paragraphs 1(c), 1(d)(iii), 12, 13, 14, 24(c), 25, and 34(c) is that these paragraphs allege infringement of rights relating to communication signals that are

broadcast on the Internet which cannot be communication signals within the meaning of the *Copyright Act*. Fundamental to this argument is the Defendant's assertions that the Plaintiff is not a broadcaster and that internet transmission is not a communication signal as it does not constitute transmissions of radio waves through space without any artificial guide.

[15] The Defendant's arguments are premised on factual determinations as to whether the Plaintiff is a broadcaster and how internet transmission is achieved. While the factual arguments of the Defendant may ultimately be proven to be true, for the purpose of a motion to strike the allegations in the pleading that are capable of being proved must be taken as true. Hence, on this motion it must be assumed that the alleged facts in the Second Amended Claim that the Plaintiff is the owner of the copyright in the communication signals and that it has and continues to broadcast on the Internet are true. It is inappropriate for the Court to resolve these factual and evidentiary issues on this motion to strike.

e. **Originality and authorship**

*Cavan Speciality Advertising Ltd. v. Les Promotions Universelles Inc.*, 2025 FC 205



In the Action, Cavan alleges that LPU infringed copyrights belonging to it by creating and selling hoodies bearing a drawing of a contemporary version of the famous “Rosie the Riveter” icon [Rosie] [LPU Design]. Cavan claims that the LPU Design is an illicit copy of its own contemporary drawing of Rosie

[Cavan Design] and of the photo at the source of the Cavan Design [Contemporary Rosie], for which Cavan holds an exclusive license from the author.

[76] In short, a particular combination of otherwise public or generic material can become an original work or the expression of an idea subject to copyright protection.

[57] To be original within the meaning of the *Copyright Act*, a work needs not be innovative or unique. It merely has to result from “an exercise of skill and judgment” (*Cinar* at para 24; *CCH* at para 16). Skill is demonstrated by “the use of one’s knowledge, developed aptitude or practised ability in producing the work,” whereas judgment is exercised by “the use of one’s capacity for discernment or ability to form an opinion or evaluation by comparing different possible options in producing the work” (*CCH* at para 16).

[58] Considering that originality does not require innovation, “the use of common techniques and methods can still result in an original work” (*Pyrrha Design Inc v Plum and Posey Inc*, 2019 FC 129 at para 110 [*Pyrrha FC*], aff’d 2022 FCA 7 [*Pyrrha FCA*], citing *Rains v Molea*, 2013 ONSC 5016 at paras 13–16 [*Rains*])...

[72] I am ready to accept that, taken individually, the following four features of the Cavan Design represent mere ideas from the public domain: (i) the character of the original Rosie and her generic physical attributes; (ii) the fact of presenting a tattooed, Black, Muslim, or Asian Rosie; (iii) the use of generic symbols of the feminist union circles such as roses; and (iv) the use of common words such as “sisterhood” and “solidarité féminine.” The copyright on the original Rosie has long since expired, and the use of tattoos — rather than the reproduction of a specific original tattoo — as well as race, gender, common terms, and other conventional ideas are arguably not copyrightable *per se*. However, I reiterate that non-original elements should not be excluded from the substantiality analysis, since they can form part of the substantial part reproduced where the specific combination of these elements has been copied (*Cinar* at para 36; *Pyrrha FC* at paras 127–128).

[73] Similarly, a work created by compiling elements produced or designed by others can be protected by copyright as long as the arrangement developed by the author stems from the exercise of his or her skill and judgment. In *CCH*, the SCC stated that one may have copyright “in the form represented by the compilation” because what is covered by copyright is not the various components from which the compilation is made, but rather “the overall arrangement of them which [the author] through his industry has produced” (*CCH* at para 33; see also *Lainco* at paras 84–85). Here, in creating the Cavan Design (aside from the Contemporary Rosie), Cavan reused ideas rather than tangible material produced by others, but the principle remains that “[c]opyright protects originality of form or expression” (*CCH* at para 33).

[76] In short, a particular combination of otherwise public or generic material can become an original work or the expression of an idea subject to copyright protection.

[77] In addition to the compilation of the non-original elements highlighted above, it is also worth to separately discuss LPU’s copying of the Cavan Design’s tagline.

[78] In principle, slogans and other short phrases should not be protected by copyright, as they are more akin to ideas than original expressions. Conferring copyright protection on them would be tantamount to handing down a death sentence to complex literary works, since the former are essential to the creation of the latter.

[79] Based on the foregoing, the word “solidarité” alone would certainly not be subject to copyright. Rather, the originality of the Cavan Design’s tagline lies in Cavan’s skill and judgment in translating

“sisterhood” into “solidarité féminine.” As Cavan explains, “solidarité féminine” is not a direct French translation of “sisterhood” (it would rather be “sororité”). In cross-examination, Mr. Mimeault indeed confirmed that he had initially indicated to Mr. Zollinger that the “solidarité féminine” translation was unusual and should not be used. He then asked Unifor if LPU could not use those same words, while pointing out that “solidarité féminine” is not a common expression in union circles and that he had in fact never seen it used before. Unifor refused, forcing Mr. Mimeault to ask Mr. Zollinger to include the specific words in the LPU Design (Transcript of the Cross-Examination of Mr. Mimeault at pp 41, 75–77).

[80] This Court has previously recognized that translations of literary works can themselves be protected by copyright. In *Drolet v Stiftung Gralsbotschaft*, 2009 FC 17 [*Drolet*], Justice Yves de Montigny (as he then was) found copyright protection for French translations of several texts that had entered the public domain. Justice de Montigny held that, although they were inspired by the original texts of the work and earlier translations, the translations in question were “undoubtedly a sign of creative work” (*Drolet* at para 229). The translator “did not simply repeat a previous translation by making only cosmetic changes, but substantially altered its style to make it more literary and less literal” (*Drolet* at para 229).

[81] In the same vein, the Cavan Design’s tagline could be covered by copyright protection in its capacity as the title of the work. The definition of “work” at section 2 of the *Copyright Act* provides that a “work includes the title thereof when such title is original and distinctive.” While this does not make the title a separate work — it is rather part of the work as a whole, it may form a part or the entirety of the “substantial part” reproduced, thus contributing to a finding of infringement (*Winkler v Hendley*, 2021 FC 498 at paras 147, 151 [*Winkler*], citing *Francis, Day & Hunter Ltd v Twentieth Century Fox Corp Ltd et al*, 1939 CanLII 276 (UK JCPC), [1939] 4 DLR 353 at pp 359–360). In the words of my colleague, Justice Nicholas McHaffie, “[w]hile the title may be qualitatively important in the determination of whether there is a substantial taking, the issue remains whether there has been a substantial taking of the work as a whole, rather than simply a substantial portion of the title” (*Winkler* at para 151).

[82] As it stands, I find that LPU’s reliance on Cavan’s tagline in its drawing weighs heavily in the substantiality analysis, at least at the stage of the Motion — as opposed to the merits of the Action. In fact, in accordance with the qualitative and holistic analysis prescribed by the SCC, it is theoretically possible for a single specific element included in an original work to constitute a substantial part of the work, so long as it is likely to have an impact on the value of the work as a whole (*Cinar* at paras 25–26). This could be the case here, given the visual predominance of the tagline in the Cavan Design. Indeed, in the case of artistic works, the crucial similarities in the substantiality analysis are those that are “visually significant” (*Pyrrha FC* at para 126, citing John S. McKeown, *Fox on Canadian Law of Copyright and Industrial Designs*, 4th ed (Toronto: Thomson Reuters, 2003) (loose-leaf updated 2018), c 10 at 21:6).

**2572495 Ontario Inc. v. Terlin Construction Ltd., 2024 FC 1366**

[29] The EZGARD Copyright Registration stands in the name of the Plaintiff and identifies Allan Blue and Graham Blue as the authors. It protects the artistic work entitled “EZGARD Packaging with EZGARD and Design Mark” [Work].

[32] Terlin argues that the above representation of the Work is nearly identical to the initial packaging mock-up created by its employee, Teresa Stirling, who also created the EZGARD Logo at the same time. VPC counters that in the process of creating design materials, Teresa Stirling worked with Allan Blue and Graham Blue to develop a design that has some of the same elements as the Work but there is no evidence she designed the actual Work.



[33] I cannot accept VPC's arguments regarding the authorship and ownership of the Work because they fail to address whether the Work is a substantial copy of the initial packaging mock-up created by Teresa Stirling. I find that it is, and that this is a determinative answer to the authorship and ownership question regarding the Work....Because the Work is a substantial copy of the EZGARD Packaging, it also cannot be said, in my view, that VPC is the owner of copyright in the Work, nor, as a consequence, does VPC enjoy the rights enumerated in subsection 3(1) of the Copyright Act; instead, those belong to Terlin.

[44] As this Court previously has observed, "the author is the one who clothes the work with form and not the one who has the idea without making it concrete": *Tremblay v Orio Canada Inc*, 2013 FC 109 at para 34; appeal dismissed 2013 FCA 225 [*Tremblay FCA*]. See also *Milano Pizza*, above at para 144, citing *Kantel v Frank E Grant, Nisbet & Auld Ltd*, 1933 CanLII 584 (CA EXC).

**Rai v Meta Platforms, Inc. 2024 BCSC 1408**

[49] The plaintiff asserts that the defendants have infringed on her copyright of "Bobby Dazzler"; however, it is not clear in the notice of civil claim how the defendants breached any copyright that the plaintiff may have. The plaintiff provides no information on the nature of the copyright that she has. She asserts that she did not allow the defendants to use her copyright and that the fact this name is being used by multiple users on the Facebook platform is a breach of her copyright. The defendants assert that according to the Canadian Copyright Database, the plaintiff's registered copyright is the literary work entitled, "Bobby Dazzler 'got what's hot!' and still hot!", and not the name "Bobby Dazzler". Unfortunately, the defendants did not provide the evidence to support such an assertion in the evidentiary record before me.

[53] The use of the name in emails sent to her or the use of the name by other individuals of Facebook is clearly not a copyright infringement under the [Copyright Act](#).

[54] Further, I accept that the plaintiff has not copyrighted the name "Bobby Dazzler" as provided for in *Winkler v. Hendley*, 2021 FC 498 at para. 147:

[147] As the plaintiffs point out, the definition of "work" in [section 2](#) of the [Copyright Act](#) provides that a "**work** includes the title thereof when such title is original and distinctive." At the same time, this does not make the title a separate work. Rather, it forms only part of the work as a whole: *Francis, Day & Hunter Ltd v Twentieth Century Fox Corp Ltd et al*, [1939] 4 DLR 353, [1939 CanLII 276 \(UK JCPC\)](#) at pp 359–360.

[55] It is clear that simply the name "Bobby Dazzler" is not an original name, nor is it an original work in which copyright subsists: *Albo v. The Winnipeg Free Press et al.*, [2019 MBQB 34](#) at para. 63(e).

[56] I agree that the plaintiff has not plead any viable claim for copyright infringement. The use of the name in emails sent to her or the use of the name by other individuals of Facebook is clearly not a copyright infringement.

**Nexus v. Krougly, 2025 ONSC 1346**

[302] In order to be subject to copyright law, the work need not be creative, in the sense of being novel or unique. It must be the product of the exercise of skill and judgment (see: *CCH Canadian Ltd. v. Law Society of Upper Canada*, [2004 SCC 13](#), at para. 16). The exercise of skill and judgment must not be so trivial as to be characterized as a purely mechanical exercise. It does not extend to facts or ideas, just the expression of facts and ideas.

[303] There is no dispute in this case that Nexus' CEMView, a "computer program", would be protected by copyright. Furthermore, there is no dispute that Vlad's contributions, if any, that led to Limesdas creation would have involved the exercise of skill and judgment. In the event that there is any dispute, I find as a fact that Vlad's contributions to Limesdas involved the exercise of skill and judgment.

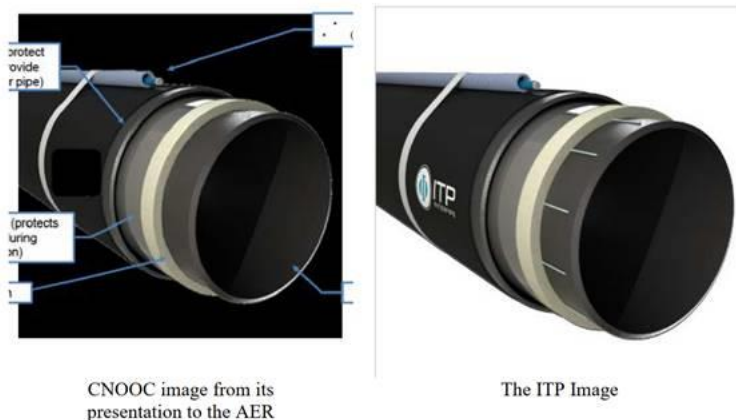
*Louis Vuitton Malletier S.A. v. Torf*, 2024 FC 1152

[37] In the absence of any contrary evidence or argument, the uncontested evidence of Ms. Checa Chong is also sufficient to establish that Louis Vuitton Malletier is the owner of copyright in a work known as "Multicolored Monogram-White Print." This work shows a repeated series of Louis Vuitton trademarks, including the LV DESSIN and several flower designs, arrayed in a geometric pattern in multiple colours against a white background, and appears effectively to be a multi-coloured version of the design registered as TOILE MONOGRAM NsurB (LV & DESSIN), TMA960,128.

[38] The evidence demonstrates that at least two of the seized counterfeit goods bear the Multicolored Monogram-White Print. The defendants do not contest that these goods entail the reproduction of the Multicolored Monogram-White Print in whole or substantial part. I conclude that Louis Vuitton has established infringement of copyright contrary to [sections 3](#) and [27](#) of the *Copyright Act*.

*ITP SA v. CNOOC Petroleum North America ULC*, 2025 FC 684

[32] The parties broadly agree that an artistic depiction of an industrial product, such as the ITP Image, can qualify as a copyrightable work under the *Act*. They also accept that the controlling legal framework for evaluating the existence of copyright is set out in *CCH Canadian Ltd. v Law Society of Upper Canada*, [2004 SCC 13](#), which provides that a work must be "original," meaning it originates from the author through the exercise of skill and judgment beyond trivial or purely mechanical effort. The parties' dispute lies in whether ITP has provided sufficient admissible evidence to prove that the ITP Image satisfies this standard and that it was created by an author with the requisite ties to a Berne Convention country.



[33] ITP argues that it benefits from the presumption of authorship provided by [subsection 34.1\(1\)](#) of the *Act*, which states that "copyright shall be presumed, unless the contrary is proved, to subsist in the work... and the author... shall, unless the contrary is proved, be presumed to be the owner of the copyright". According to ITP, this shifts the burden of proof to CNOOC, requiring CNOOC to

demonstrate that ITP is not the original author of the ITP Image. ITP further contends that it has met each requirement for asserting copyright in the ITP Image.

[34.1 (1) In any civil proceedings taken under this Act in which the defendant puts in issue either the existence of the copyright or the title of the plaintiff to it,

- (a) copyright shall be presumed, unless the contrary is proved, to subsist in the work, performer's performance, sound recording or communication signal, as the case may be; and
- (b) the author, performer, maker or broadcaster, as the case may be, shall, unless the contrary is proved, be presumed to be the owner of the copyright.]

[37] ITP's reliance on the presumption of authorship under subsection 34.1(1) fails because it overlooks the principle that this presumption does not extend to corporations. As the Federal Court of Appeal stated in *P.S. Knight Co. Ltd. v Canadian Standards Association*, [2018 FCA 222](#) at paragraph 147, "a corporation, capable of only metaphorical life and death... cannot benefit from the presumption in paragraph 34.1(1)(a) of the *Copyright Act*." Consequently, ITP, as a corporate entity, cannot invoke this presumption and thus bears the burden of proving authorship of the ITP Image.

**f. Presumptions of ownership**

[\*Demirören TV Radyo Yayincılık Yapımcılık A.Ş. v. General Entertainment and Music Inc.\*, 2024 FC 1127](#)

[36] The Federal Court has consistently considered television programs to be cinematographic works entitled to the presumption of copyright and their "makers" entitled to a presumption of ownership of such copyright under [section 34.1\(1\)\(a\)](#) and (b) of the *Copyright Act* RSC, 1985, c C-42, s. 1 [the *Copyright Act*] (see *Vidéotron Ltée v Konek Technologies Inc.*, [2023 FC 741](#) at paras [26](#) and [35](#) [*Vidéotron*])

[40] Turning to the presumption of ownership under [section 34.1\(1\)\(b\)](#) of the *Copyright Act*, section 2 of the *Copyright Act* defines the "maker" of a cinematographic work to be "the person by whom the arrangements necessary for the making of the work are undertaken." I am satisfied that Kanal D meets the definition of "maker" by virtue of each of the Producer Agreements attached to the Turkmen and Çarıkçı Affidavits. The terms of these agreements confirm that Kanal D hired content creators and acquired the copyright and all associated rights of reproduction, distribution, transmission and broadcasting in the subject cinematographic works. By meeting the definition of "maker", I am in turn satisfied that Kanal D is entitled to the presumption of ownership of the Kanal D Programs.

**g. Assignments of copyright**

[2572495 Ontario Inc. v. Terlin Construction Ltd.](#), 2024 FC 1366

[49] VPC argues that Terlin acquiesced in the registration of the intellectual property rights in VPC's name so that they could take advantage of enforcement mechanisms available through VPC's Amazon storefront, thus giving rise to an implied assignment of copyright from Terlin to VPC. I do not agree.

[50] I am unconvinced by VPC's reliance on Tremblay FCA. There, the Federal Court of Appeal held that it was "excessively formalistic" to disregard an unsigned copyright assignment clause, where the transferor drafted the clause and recognized the assignment clause in court as governing the relationship:

Tremblay FCA, at para 22. Here, the parties were unable to reduce their arrangement to writing; in attempting to do so, the relationship broke down. Considering the evidence before the Court, it cannot be said, in my view, that Terlin clearly provided informed consent to assign to VPC the copyright in the EZGARD Packaging created by Teresa Stirling.

**h. Works created in the course of employment**

*2572495 Ontario Inc. v. Terlin Construction Ltd.*, 2024 FC 1366

[35] In civil proceedings where a defendant puts the existence of copyright or a plaintiff's title in issue, copyright is presumed to subsist in a relevant work and the author/creator of the work is presumed to be the copyright owner, unless the contrary is proved: *Copyright Act*, s 34.1(1). (See also *Milliken & Co v Interface Flooring Systems (Canada) Inc* (TD), 1998 CanLII 9044 (FC), [1998] 3 FC 103 [*Milliken*] at para 17.) Further, where copyright in a work is registered, the registration is evidence that copyright subsists and the person registered is the owner: *Copyright Act*, s 53(2).

[36] These are rebuttable presumptions, however. For example, a work created by an employee in the course of their employment gives rise to an exception to the litigation presumption, by reason of subsection 13(3) of the *Copyright Act*. Absent an agreement to the contrary, the employer is deemed (i.e. shall be) the first owner of copyright.

[46] There is no dispute that Ms. Stirling was an employee of Terlin when she created the EZGARD Packaging and that she did so in the course of employment. By operation alone of subsection 13(3) of the Copyright Act, Terlin is deemed the first owner of copyright in the EZGARD Packaging.

*Nexus v. Krougly*, 2025 ONSC 1346

[312] Given my finding that there was no substantial copying in this case, for the Plaintiff to succeed, Nexus must establish that it is the rightful owner of the copyright in Limesoft's product. Under s. 13(1), Vlad, as the creator of at least his contributions to Limesoft, would be the owner of the copyright, unless s. 13(3) applies.

[313] Accordingly, it is s. 13(3) of the *Copyright Act* that led to the formulation of the first question posed by Grace J.'s bifurcation Order. Obviously, s. 13 (3) requires the court to determine whether or not Vlad developed his contribution to Limesoft in the course of his employment with Nexus under a contract of service. If not, Vlad is the "author" of that portion of the Limesoft software and is entitled to copyright in respect of it. If the answer to the question is "yes", then Nexus owns the copyright.

[13(3) Where the author of a work was in the employment of some other person under a contract of service or apprenticeship and the work was made in the course of his employment by that person, the person by whom the author was employed shall, in the absence of any agreement to the contrary, be the first owner of the copyright...]

[314] The recourse to labour law principles in this analysis was described in *Keatley Surveying Ltd. v. Teranet Inc.*, 2019 SCC 43 (CanLII), [2019] 3 SCR 418, where Abella J. described as follows, at para. 60:

[60] It is worth noting that s. 13(3) of the *Act* states that an employer will be the first owner of the copyright of a work produced by an employee in the course of their employment, or some other person under a contract of service. This means that the Crown will own copyright in works produced by its employees created in the course of their employment. Because s. 13(3) generally only applies if the author is an employee and not a freelancer or independent contractor, a determination of whether the employer

owns the copyright requires recourse to labour law principles. The relationship between the parties must be analysed to determine if the author is an independent contractor or under the control of whoever is paying him or her (*Intellectual Property Law*, at p. 125)...

[319] However, I agree with the submissions of counsel for the Defendants that Lord Morris' statement does not stand for the proposition that if the answer is "yes, the employer could have ordered the employee to do something", that the employee must have been in the course of his employment when he did something he was not actually ordered to do. Rather, the test that has emerged from *Stevenson Jordan and Harrison*, is that espoused by Lord Denning at page 111, the so-called "Integration test". Lord Denning stated as follows:

"One feature which seems to run through the instances is that, under a contract of service, a man is employed as part of the business, and his work is done as an integral part of the business; whereas, under a contract for services, his work, although done for the business, is not integrated into it, but is only accessory to it."

[320] Canadian cases have referred to Lord Denning's passage when *Stevenson Jordan and Harrison* is cited (see, for example, *671122 Ontario Limited v. Sagaz Industries Canada Inc.*, [2000 CanLII 5624 \(ON CA\)](#) at para. 12; *671122 Ontario Limited v. Sagaz Industries Canada Inc.*, [2001 SCC 59 \(CanLII\)](#), [2001] 2 S.C.R. 983 at para. 40; *Royal Winnipeg Ballet v. M.N.R.* (F.C.A.), [2006 FCA 87 \(CanLII\)](#), [2007] 1 FCR 35, at para. 36; *Walden v. Danger Bay Productions Ltd.*, [1994 CanLII 515 \(BC CA\)](#) at paras. 45-46). While none of those cases are copyright cases, they all involve distinguishing between an employee and an independent contractor. I am satisfied that the proper test that has emerged from *Stevenson Jordan and Harrison* is this "Integration test". That test is used to distinguish between an employee and an independent contractor. Here, there is no issue that Vlad is an employee.

[321] Thus, were Vlad's actions an "integral part of Nexus' business" while he was working on the Limesoft material? Or was, as Lord Denning notes shortly after describing the Integration test, Vlad employed under a contract of service but nonetheless performing services outside the contract?...

[325] I have some concerns about applying principles of patent law cases to the case before me. The *Patent Act* is unlike the *Copyright Act* because it does not specifically address patent rights in inventions made during the course of employment. In my view, copyright law is distinct, and I would rely on patent law principles with caution...

[336] With those legal principles in mind, I reach the following findings of fact in this case.

[337] I am persuaded that much of the narrative that the Plaintiff asserts transpired, is, in fact, what transpired, on the balance of probabilities.

[338] I find that from the spring of 2008, Vlad was looking for an exit strategy from Nexus. As a result, he started communicating with Jabir, whom he had met through his employment at Nexus, in April, May and July 2008. I accept that these were originally about non-CEMS projects such as the Habeed project and DISOMAT. Vlad, as evidenced by his response to Jabir in April 2008, was comfortable with the work because it was similar to what he had been doing at Nexus.

[339] Vlad did these early projects through ACT Group. I accept that for the most part he did this work on his own time, as opposed to Nexus' time. I do not accept that he told Joseph about any of these projects...

[361] As noted, I accept the evidence of Mr. HelfinSiegel that some of the Limesoft development was done on Vlad's Nexus desktop computer. However, I find that the bulk of the commits and writing of source code did not occur at Nexus, or with Nexus property.

[362] Furthermore, I find that the vast majority of the Limesoft development was done outside of Nexus' work hours.

[367] As stated by Luci Guibault et al, *Canadian International Copyright Law* (CanLIIDocs 4489, 2022) at 62-63:

“Consistent with most other countries that follow the Anglo-American copyright tradition, Canada has an exception to the creator doctrine in the case of works created “in the course of employment”. Other jurisdictions refer to this exception as “works for hire” or “employee created works”, but all follow the same general approach. The basis for the attribution of the initial ownership of rights to the employer is that since the latter assumes the major financial, organizational, and associative risks involved in the creation, production and distribution of the work, they should have full control, including with respect to third parties, over the exploitation of that work. In these circumstances, the author receives compensation for their intellectual creation not in the form of an exclusive economic right in the work—which is presumed transferred to the employer, but in the form of a salary or any other form of agreed remuneration.”

[368] Here, whether or not Nexus ultimately was economically harmed by its employees lack of fidelity, if any, Nexus did not expend resources for the development of Limesoft. Nexus did not assume any major financial, organizational, and associative risks involved in the creation, production and distribution of Limesoft. Vlad received a salary, but it was the same salary he was being paid prior to starting Limesoft on his own time. His salary was not increased when he took on his own project. In fact, the programmers were specifically advised that they were not to do any unauthorized coding and would not be paid for it by Joseph.

[369] With considerable reluctance, I am persuaded that Nexus is not entitled to a proprietary remedy in the circumstances of this case under copyright law. Nexus did not bargain for, nor expend resources that led to the development of Limesoft by Vlad or Serge. Limesoft was not developed in the course of Vlad's employment, although he developed it while he was employed at Nexus.

[370] Although I acknowledge that this is a harsh result based on my view of the Defendants' conduct in this case, to find otherwise would upend the purposes of copyright law—to allocate risk and reward to the person that actually does the creating. It must be kept in mind that there was no copying here according to the Plaintiff's expert, Mr. James. The purpose of copyright law is not, in my respectful opinion, to punish bad actors simply because their actions may run afoul of their duties towards their employers. There are other remedies available to an aggrieved employer.

[Westlaw AI “The interpretation of “work made in the course of employment” hinges on whether the work was created as part of the employee's duties as defined by the employment contract. Courts may examine the terms of employment, including hours and scope of work, to determine if the creation of the work fell within the employment duties (CED Copyright § 46. Employment Situations)[7], (CED Employment Law (Western) § 112. Ownership of Copyright)[8], (CED Employment Law (Ontario) § 72. Ownership of Copyright)[9].]



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[48] In my view, the Board’s authority, as granted by the *Education Act*, to “perform all duties” conferred or imposed by the *Act* necessarily extends to corporate control and proprietary interest in artwork developed to identify schools – past and present – under its administration.

[49] On a balance of probabilities, I infer that the original creation of the artwork identifying the high schools was made in an employment context, under the authority of the Board. The rebuttable presumption in favour of copyright is therefore made out.

[50] I find that copyright subsists with the Board, which has a moral and a statutory right extending to names, mascots, and logos for all of its current and former schools.

## 2. Infringement

### a. Express or implied licenses

*ITP SA v. CNOOC Petroleum North America ULC*, 2025 FC 684

[51] As to the express licence argument presented by CNOOC, there is no compelling reason, upon reading the contract, to extend its language beyond materials actually produced during the pipeline project. The phrase “arising out of the Works” logically applies only to drawings and documentation produced as deliverables within the scope of the original agreement. By contrast, the ITP Image was created explicitly for marketing purposes over a year after the contracts ended. That timing and intended use clearly distinguish it from materials originally intended to be handed over to CNOOC. Additionally, *Netupsky* is of limited assistance to CNOOC’s position: *Netupsky* permits project owners to reuse original construction plans, but this right applies to materials directly related to the contracted project. The ITP Image, independently developed for ITP’s promotional website, does not fall within that category. Although CNOOC has attempted to argue that the ITP Image somehow arises from the Works, it has not provided sufficient evidence to support this assertion. Indeed, when asked for such evidence at the hearing, CNOOC’s counsel merely referenced general points from Mr. Grobbelaar’s affidavit and the cross-examination of Mr. Ollier, acknowledging explicitly that no direct evidence from the alleged author exists to clarify what, if any, links exist between the ITP Image and the Works covered by the contract. Given that the burden of proof to demonstrate authorization falls upon CNOOC, the general evidence it has tendered falls short of establishing, on a balance of probabilities, that the ITP Image is covered by any express licence confined to materials arising from the original contractual Works.

[52] Regarding CNOOC’s claim of any implied licence, the principle articulated in *ADI Ltd.*, which grants owners an implied right to reuse or adapt engineering designs, is specifically geared toward the legitimate functional use of project-specific deliverables to prevent forcing project owners to reinvent or undermine original designs when doing necessary repairs or modifications. In this case, however, the ITP Image was not part of the functional documentation prepared for the K1A Pipeline. Rather, it is a general marketing depiction of ITP’s PIP technology, not a design integral or specific to the pipeline’s operation, maintenance, or repair. Hence, the implied licence that courts have occasionally recognized for practical engineering or construction uses does not extend so far as to embrace purely promotional illustration. Nor does it allow the client to repurpose a new, post-contract illustration in a separate project or regulatory submission simply because it happens to depict the same general concept underlying the PIP technology.

**b. When is a work reproduced**

*Rai v Meta Platforms, Inc.* 2024 BCSC 1408

[50] Copyright is a statutory creature in Canada. Section 3(1) of the *Copyright Act*, R.S.C. 1985, c. C-42 defines copyright as a series of rights in a work...

[51] Generally, copyright infringement is the doing, without the consent of the copyright owner, of something reserved to the copyright owner under the *Copyright Act*. In relation to a work in which copyright subsists, s. 2 of the *Copyright Act* defines “infringing” as “any copy, including any colourable imitation, made or dealt with in contravention of this Act”.

[52] Copyright is, in essence, a protection against plagiarism: *British Columbia v. Mihaljevic*, 1989 CanLII 10329 (BC SC), [1989] B.C.J. No. 956, 26 C.P.R. (3d) 184 (S.C.) at para. 17, aff’d [1991] 57 B.C.L.R. (2d) 46, 1991 CanLII 287 (C.A.).

**c. Idea expression dichotomy**

*Cavan Speciality Advertising Ltd. v. Les Promotions Universelles Inc.*, 2025 FC 205

[55] The purpose of the *Copyright Act* is to establish “a balance between promoting the public interest in the encouragement and dissemination of works of the arts and intellect and obtaining a just reward for the creator” (*Théberge v Galerie d’Art du Petit Champlain Inc.*, 2002 SCC 34 at para 30; see also *Society of Composers, Authors and Music Publishers of Canada v Entertainment Software Association*, 2022 SCC 30 at para 67). However, it does not give the author a monopoly on ideas or elements that are in the public domain. These form an important part of our collective culture, and everyone is free to draw inspiration from them (*Cinar Corporation v Robinson*, 2013 SCC 73 at para 23 [*Cinar*]).

[56] The *Copyright Act* protects all original literary, dramatic, musical, or artistic works (section 5 of the *Copyright Act*). It protects the expression of ideas in original works, but not the ideas themselves (*Cinar* at para 24; *CCH Canadian Ltd v Law Society of Upper Canada*, 2004 SCC 13 at para 8 [*CCH*]). The idea/expression dichotomy is also a fundamental feature of copyright law in England and the United States, although the scope of what constitutes an idea is greater in the United States than in Canada or England, thus narrowing the breadth of copyright protection in this country (*Andrews v McHale*, 2016 FC 624 at para 86, citing *Delrina Corp v Triolet Systems Inc.*, 2002 CanLII 11389 (ON CA), 58 OR (3d) 339 at paras 32–36).

[*Delrina v Triolet*: “[34] Although the idea/expression dichotomy is a common feature of copyright law in the three countries, it has been observed that it is applied with greater rigour in the United States, with the effect of enlarging the idea aspect of a work and, correspondingly, reducing the expression aspect. The result is a narrowing of the scope of copyright protection. The submitted wider protection afforded under the English/Canadian approach is based on some recognition of the skill and labour in the creation of the work:

While Anglo-Canadian copyright law also places significant emphasis on the idea/expression distinction, this principle has not been applied with the same rigour. Canadian and British courts have been willing to depart from this principle and grant copyright protection based on the skill and labour used in the creation of a work. This departure has created some doctrinal tension. In choosing to protect skill and labour, British and Canadian courts have accorded a certain degree of protection to ideas.

Michael F. Morgan, "Canadian Copyright and Computer Software: Back to the Future?" (1995), 12 C.I.P.R. 162 at pp. 173-74.



[Note: *CCH Canadian Ltd. v. Law Society of Upper Canada*, 2004 SCC 13]

**d. Substantial part**

*Nexus v. Krougly*, 2025 ONSC 1346

[305] One path to a finding of copyright infringement, is if there has been copying of the work or a substantial part of the work and access to the copyright protected work. What constitutes ‘substantial’ is a question of fact. Courts have given more emphasis to the quality of what was taken from the original work, rather than the quantity (see: *U & R Tax Services Ltd. v. H & R Block Canada Inc.*, 1995 CarswellNat 1343, [1995] F.C.J. No. 962, 56 A.C.W.S. (3d) 396, at para. 35 and *Cinar, supra*, at para. 26). Courts have considered:

(a) the quality and quantity of the material taken;

(b) the extent to which the defendant’s use adversely affects the plaintiff’s activities and diminishes the value of the copyright;

(c) whether the material taken is the proper subject-matter of a copyright;

(d) whether the defendant intentionally appropriated the plaintiff’s work to save time and effort; and

(e) whether the material taken is used in the same or a similar fashion as the plaintiff’s.

[306] In *Cinar, supra*, Chief Justice McLachlin described that under copyright law, the unauthorized reproduction of a *substantial* part of an original work constitutes copyright infringement, for which a copyright owner can seek various remedies (para. 1). Later, at paragraph 26, McLachlin CJC described that a substantial part of a work is a flexible notion that is a matter of fact and degree. “Whether a part is substantial must be decided by its quality rather than its quantity”, quoting from *Ladbroke (Football), Ltd. v. William Hill (Football), Ltd.*, [1964] 1 All E.R. 465 (H.L.), at pa. 481. She continued that:

[26]...What constitutes a substantial part is determined in relation to the originality of the work that warrants the protection of the Copyright Act. As a general proposition, a substantial part of a work is a part of the work that represents a substantial portion of the author’s skill and judgment expressed therein.

[307] McLachlin C.J.C., continued as follows, at para. 35:

[35] ...Canadian courts have generally adopted a qualitative and holistic approach to assessing substantiality. “The character of the works will be looked at, and the court will in all cases look, not at isolated passages, but at the two works as a whole to see whether the use by the defendant has unduly interfered with the plaintiff’s right”: J. S. McKeown, *Fox on Canadian Law of Copyright and Industrial Designs* (loose-leaf), at p. 21-16.4 (emphasis added).

[308] At para. 39, she added as follows:

[39] The question of whether there has been substantial copying focuses on whether the copied features constitute a substantial part *of the plaintiff’s work* — not whether they amount to a substantial part *of the defendant’s work*: Vaver, at p. 186; E. F. Judge and D. J. Gervais, *Intellectual Property: The Law in Canada* (2nd ed. 2011), at p. 211. The

alteration of copied features or their integration into a work that is notably different from the plaintiff's work does not necessarily preclude a claim that a substantial part of a work has been copied. As the [Copyright Act](#) states, infringement includes “any colourable imitation” of a work: definition of “infringing”, [s. 2](#). (emphasis in original)

[309] In the case before me, I cannot find that any of the Defendants copied any substantial portion of Nexus' CEMView. It was Dr. James' opinion that the source code in CEMView and Limesoft's Limesoft was not the same. The algorithms used were dissimilar. The structures of the files were dissimilar. Although the data in these systems originated from sensors, the data was dissimilar. In Dr. James' opinion, there was no evidence of copying. I accept that opinion, especially since it was proffered by the Plaintiff's expert.

[310] Clearly, however, there are similarities between the Nexus CEMView and Limesoft's Limesoft. They are both intended to be continuous emissions monitoring systems. They both, at least up until at least mid-2011, relied upon OPC Foundation protocol. They each had the same tiered services—a DataLogger (or Basic) edition, a Standard edition and a Premium edition. They also both relied upon data acquisition, data analysis and data presentation components. Both systems were designed to collect, store, display and report emissions monitoring data and generate regulatory compliance data reports.

[311] Despite these similarities, I am of the opinion that all of these aspects relate to “facts and ideas” rather than the “expression of facts and ideas”. I accept, for example, that data acquisition, data analysis and data presentation are components in many aspects of automation, not just CEMS. Accordingly, Nexus is not entitled to claim copyright over all those aspects of CEMView. Otherwise, Nexus would be in position to shutdown any competitor in the field that has developed a CEMS product subsequent to theirs.

[Lakehead District School Board v. Mauro et al.](#), 2024 ONSC 5174

[20] The onus is on the plaintiff to prove that a copyright infringement has occurred, whether wholly or substantially.

[21] At para. 26 of *Cinar*, the Supreme Court described substantial infringement in the following terms:

A substantial part of a work is a flexible notion. It is a matter of fact and degree. “Whether a part is substantial must be decided by its quality rather than its quantity”. What constitutes a substantial part is determined in relation to the originality of the work that warrants the protection of the [Copyright Act](#). As a general proposition, a substantial part of a work is a part of the work that represents a substantial portion of the author's skill and judgment expressed therein...

[40] Ms. Mauro contends that this action is inspired by her business competitors, who are under contract with the Board to sell school uniforms. Apart from her suspicion to that effect, there is no evidence to support this claim....

[51] Ms. Mauro argues that if the Board enjoys copyright, her artwork did not breach the copyright because her products were sufficiently different from the logos. She submits that her product line did not identify either the high schools nor identify them as Thunder Bay schools.

[52] She points to other schools and institutions with the same names or initials. She also claims that, except for the Selkirk High School design, her artwork was taken from the public realm and was generic in focus, designed to appeal to American customers and students who never attended the former high schools.

[53] I do not agree. Examining the designs in a holistic sense, I conclude that they were created to evoke local nostalgia for the now-closed Thunder Bay high schools. Indeed, Ms. Mauro's affidavit states:

I do not deny that I used as inspiration the high schools in Thunder Bay that existed in the 70s and 80s. However, I was careful to select only schools that no longer existed and use them as inspiration only.

[54] The combined use of historic school colours, mascots, logos associated with the schools, and the school names or abbreviations, such as "FWCI" or "PACI", was designed to identify these specific schools and evoke nostalgia in the Thunder Bay community, which was Ms. Mauro's intended primary market. In a small city, such as Thunder Bay, the touchstones for these schools would immediately be understood, not only by the former students and staff at these high schools, but in the broader community.

[55] It is evident that Ms. Mauro did not seek permission from the Board prior to creating her high school nostalgia line of clothing and offering it for sale. In failing to do so, I find that Ms. Mauro infringed the Board's copyright, as well as and the Board's moral rights with respect to the integrity of its work identifying high schools that it had administered.

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[60] The notion of "substantial part" is flexible. It is a matter of fact and degree: "[a]s a general proposition, a substantial part of a work is a part of the work that represents a substantial portion of the author's skill and judgment expressed therein" (*Cinar* at para 26). This concept is assessed on a qualitative basis, rather than a quantitative one. The analysis is therefore not limited to counting the number of similarities between the original work and the alleged infringing work. A specific element of an original work may alone represent a substantial part of the work if it is likely to have an impact on the value of the work as a whole, in the same way as several less striking elements of the work, if they have a similar impact when considered together (see, *a contrario*, *Cinar* at para 25). That being said, it is worth noting that "simple" works enjoy less copyright protection, meaning that the "substantial part" reproduced must be more important: "the simpler a copyrighted work is, the more exact must be the copying in order to constitute infringement" (*Pyrha FCA* at para 53, citing *DRG Inc v Datafile Ltd*, 1987 CanLII 8999 (FC), [1988] 2 FC 243 at p 256 [DRG], aff'd 1991 CanLII 14293 (FCA), [1991] FCJ No 144 (FCA)).

[61] In determining substantiality, a qualitative and holistic assessment of the original work and the alleged infringement must be carried out. Concretely, one must, on the one hand, assess all the cumulative effect of the similarities between the works and, on the other hand, determine whether the similarities as a whole are a "substantial part" of the author's skill and judgment (*Cinar* at paras 35–36, 41; *Pyrha FC* at para 126). This means that one must not "conduct the substantiality analysis by dealing with the copied features piecemeal" (*Cinar* at para 36). Importantly, non-original elements cannot be eliminated from the analysis and can form part of the "substantial part" where the specific combination of these elements has been reproduced in the alleged infringement (*Cinar* at para 36; *Pyrha FC* at paras 127–128).

[62] Moreover, the alteration of certain reproduced features or their incorporation into a work that is notably different from the copyrighted work does not necessarily preclude a decision in favour of the plaintiff (*Cinar* at para 39). Indeed, copyright infringement includes a situation where a person creates a "colourable imitation" of the work (see the definition of "infringing" at section 2 of the *Copyright Act*), i.e. "a form of the original work that has been altered or modified in such a way as to deceive" (*Techno-Pieux* at para 120, citing *Rains* at para 45, and May M. Cheng and Michael Shortt, "Colourable Imitation: The Neglected Foundation of Copyright Law" (2012) 17 *Intellectual Property* at p 1131).

[64] Following a careful examination of the two works in dispute, I conclude that LPU has not met its burden of proving the absence of a genuine issue for trial, as it is not sufficiently clear that the LPU Design is an original creation rather than an infringement of the Cavan Design.

[65] A priori, it is important to underline that LPU recognizes that the Cavan Design (and the Contemporary Rosie) are copyrighted works, and that Cavan holds the copyright. Nor does LPU dispute the fact that Unifor showed it the Cavan Design as part of the order for hoodies for its annual women's convention in 2022. From that point on, the crux of the Action is exclusively on the question of whether the LPU Design reproduces a substantial part of the Cavan Design.

[66] In its memorandum, LPU provides a comparative table exhaustively highlighting the differences between the two works. As examples, I single out the following differences explained by the table: (i) there is no Latina Rosie, Indigenous Rosie, or LGBTQ+ Rosie in the Cavan Design; (ii) LPU's White Rosie does not feature the unique sleeve tattoo of the Contemporary Rosie, unlike the White Rosie in the Cavan Design; and (iii) the textures used for the Rosies in the LPU Design are more sophisticated and realistic than those used for the Rosies in the Cavan Design.

[67] After completing its comparative analysis, LPU concludes that the only similarities between the LPU Design and the Cavan Design (including the Contemporary Rosie) relate to common source material from the public domain. More specifically, this public source material would be the character of the original Rosie and her generic physical attributes, as well as the fact of presenting a tattooed, Black, Muslim, or Asian Rosie, the use of generic symbols of the feminist union circles (like roses) and the use of common words such as "sisterhood" or "solidarité féminine." In other words, these features would not be original aspects of the Cavan Design or of the Contemporary Rosie and would rather be mere ideas. In light of this, LPU asserts that Cavan could not prevent anyone from using them via the pretext of copyright exclusivity.

[68] I agree with LPU that there are many differences between the two works. The LPU Design is certainly not an exact copy of the Cavan Design. Nevertheless, LPU's strictly comparative approach essentially amounts to a "piecemeal" analysis or dissection process prohibited by the SCC in *Cinar* (*Cinar* at para 36). This type of analysis is barred due to the importance of a holistic and qualitative assessment and of the concept of "colourable imitation." For instance, the Ontario Superior Court found that the differences between two townhomes did not detract from the fact that there was substantial similarity — and later copyright infringement — between both works: "[t]his is evidenced by the fact that despite some aesthetic, construction, and other changes, the two designs remain observably strikingly similar with respect to the overall concept design and layout as reflected in the style of home, the outside appearance, the relationship of one room to another and the flow of the building" (*1422986 Ontario Limited v 1833326 Ontario Limited*, 2020 ONSC 1041 at para 80 [*1422986 Ontario*]).

[69] After conducting a preliminary holistic and qualitative analysis of the LPU Design and the Cavan Design, I am of the view that there remains sufficient similarity between the two works to prevent me from concluding, at this stage, that the Action is clearly without legal basis.

[71] In the present case, the cumulative effect of the specific combination of diverse Rosies, the sleeve tattooed Contemporary Rosie, the roses, and the words "sisterhood" and "solidarité féminine" argue in favour of some basis for the Action. I am satisfied that this composition, drawings, and design iterations arguably involved an exercise of skill and judgment by Mr. Ladrillo and Cavan's team. It goes without saying that the dismissal of the Motion in no way suggests that, on the merits of the Action, the trial judge would find infringement. I only conclude that LPU has not met its burden of proving that the Action is clearly without merit. On the merits, the Action may very well be dismissed due to the elevated similarity

threshold for simpler works (*Pyrrha FCA* at para [53](#), citing *DRG* at p 256), depending on the trial judge's appraisal of the law and the evidence.

e. **Streaming**

*Demirören TV Radyo Yayıncılık Yapımcılık A.Ş. v. General Entertainment and Music Inc.*, 2024 FC 1127

[56] I find on the evidence that of the various alleged activities, Kanal D has shown that GEM infringed Kanal D's copyright in the Kanal D Programs by copying, translating, broadcasting and streaming 2,729 episodes in 2021 without Kanal D's authorization [the Infringing Acts] contrary to [subsections 3\(1\)\(a\), \(d\) and \(f\) and 27\(1\)](#) of the *Copyright Act* (*Rogers Communications Inc v Society of Composers, Authors and Music Publishers of Canada*, [2012 SCC 35](#) at para [56](#)); *Society of Composers, Authors and Music Publishers of Canada v Entertainment Software Association*, [2022 SCC 30](#) at para [8](#)).

f. **Authorizing/inducing infringement**

*Maier Estate v. Bulger*, 2024 FC 1267

[119] The Plaintiff asserts that the Defendants have authorized infringement by selling and exporting the B&W Negatives and the Goldstein HD to FAIG for the purpose of permitting others to reproduce, publish, offer for sale, sell and exhibit unauthorized and infringing copies of the Maier Works, contrary to [section 3](#) and [subsection 27\(1\)](#) of the *Act* (*issue 1e of the JSI*).

[120] Authorization is a distinct right granted to copyright owners: *Society of Composers, Authors and Music Publishers of Canada v Entertainment Software Association*, [2022 SCC 30](#) [*ESA*] at para [105](#); *Salna* at para [78](#); *Voltage Holdings, LLC v Doe#1*, [2023 FCA 194](#) [*Voltage*] at para [22](#). A person infringes the authorization right where without the consent or a license from the copyright owner, they hold themselves out as capable of granting one of the copyright owner's exclusive rights: *Voltage* at paras [22-23](#).

[121] To "authorize" means to sanction, approve and countenance: *CCH* at para [38](#); *Voltage* at para [24](#).

[127] The Defendants raise two preliminary issues with the Estate's argument. First, they assert that there is a jurisdiction issue as in order to make a claim under the *Act*, the authorized act (infringing act) must have occurred in Canada. Second, they argue that the Estate's theory ignores the fact that the Gallery had the legitimate right to sell the B&W Negatives to FAIG under the principles of copyright exhaustion and legitimate sale.

[128] As set out in *Sirius Canada Inc v CMRRA/SODRAC Inc*, [2010 FCA 348](#) at paragraph [47](#): "the authorization of a particular act infringes copyright only if the authorized act is itself an act of infringement." Thus, the act of authorizing in Canada is not actionable under the *Act* where the primary infringement occurs outside Canada (at para [46](#)).

[130] In my view, the law is clear, there is a territorial limitation to the acts under [subsection 3\(1\)](#) of the *Act*, including authorization.

[131] The Plaintiff notes that authorization may be found without the reproduction actually having taken place: *ESA* at para [105](#). As the FAIG Agreement does not limit the territory for making prints from the B&W Negatives, it argues that territoriality should not apply as the uncompleted act could occur anywhere. The Estate notes that Bulger had at one point discussed an arrangement with FAIG's affiliate

KMS where prints would be made in Canada from the B&W Negatives that KMS was expected to own (Exhibit 19, readins, item 35, BUL-425, FC141).

[132] However, no such evidence was put to Bulger on cross-examination: *Browne v Dunn* (1893), 1893 CanLII 65 (FOREP), 6 R 67 (HL (Eng)). Nor does this evidence even if taken as read support a finding of unlawful authorization. Rather, the scenario proposes the possibility of Bulger authorizing FAIG to then authorize someone like Bob Carnie to make prints from the B&W Negatives in Canada. This is authorization to authorize, which is not actionable under the Act. As differentiated by the FCA in *Voltage* at paragraph 34:

[34] There is no question, based on *ESA*, that the person using the respondents' internet accounts to make the Work available for download via BitTorrent is authorizing infringement. This situation is the precise example of authorizing infringement described throughout *ESA* (*ESA* at paras. 8, 103, 106-108). However, the appellant's claim of authorizing infringement does not mirror this example, *ESA* says that an authorizer permits reproduction; the appellant says that an authorizer is someone who permits someone to permit reproduction. And, as Rowe J. observes, subsection 3(1) of the Act "exhaustively" sets out the scope of copyright interests (*ESA* at para 54).

[133] Moreover, I agree with the Defendants, the Estate has not established that the Gallery countenanced infringement and maintained control over the activities of FAIG with respect to the B&W Negatives as required for authorization. As highlighted by the Defendants, the Gallery had a legitimate right to sell the B&W Negatives. Although there were terms of the FAIG Agreement that contemplated the sale of prints in Canada by the Gallery from the B&W Negatives after they were sold to FAIG, those terms are not inconsistent with Bulger's evidence that such co-operation was intended to happen once the copyright issue was dealt with and FAIG had received the necessary approvals.

[135] Further, although transfer of the Goldstein HD is not considered under the principles of copyright exhaustion, as previously held, it is my view that the Plaintiff has similarly not established that sale of the Goldstein HD would satisfy the requirements of authorizing infringement as it has not shown that the Goldstein HD has or would be used by FAIG for any infringing act in Canada or otherwise. As set out earlier, the Goldstein HD was primarily used as a contact sheet. It did not include images in a resolution that could make fine prints. Like the B&W Negatives, the Plaintiff has not established the type of conduct and control necessary to establish authorization.

**g. Territorial limitations**

*Maier Estate v. Bulger*, 2024 FC 1267

*Williams v. Music and Entertainment Rights Licensing Independent Network Ltd.*, 2024 FC 861

[41] Most importantly, as the Respondents point out, JioSaavn cannot have infringed the Applicant's copyright under the Act because it did not offer or provide streams of his content into Canada. As the Supreme Court has held, copyright law respects the territorial principle: *Society of Composers, Authors & Music Publishers of Canada v Canadian Assn. of Internet Providers*, 2004 SCC 45 at paras 56-57, 63. In other words, if the stream is not sent from or received in Canada, it cannot constitute an infringement of copyright under the Act.

[42] Accordingly, even if JioSaavn did distribute the Applicant's music for free, it did not do so in Canada. Therefore, even if the Respondents' conduct breached the Artist Agreement, to which this Court does not agree, it does not constitute infringement under the Act.



**h. Establishing Infringement**

**Cavan Speciality Advertising Ltd. v. Les Promotions Universelles Inc., 2025 FC 205**

[63] Finally, in the absence of evidence of actual copying, the Court may infer that copyright infringement took place when the evidence indicates (1) that there is a substantial similarity between the two works and (2) that the infringer had access to the original work at the time the infringing work was conceived (*Techno-Pieux* at para [121](#); *Pyrrha FC* at paras [121–122](#), citing *Philip Morris Products SA v. Malboro Canada Limited*, [2010 FC 1099](#) at paras [315](#), 320 [*Philip Morris*], aff'd [2012 FCA 201](#) at para [119](#)). This inference can be rebutted, however, by establishing that the similarity between the two works arises solely from the use of conventional ideas or of common source material, or that the allegedly infringing work was conceived independently of the original work (*Pyrrha FC* at para [122](#), citing *Philip Morris* at para 320; see also *Techno-Pieux* at para [121](#)).

[85] Second, there remains significant doubt on whether the LPU Design was truly conceived independently of the Cavan Design or whether it is instead a colourable imitation.

[86] In support of its Motion, LPU provided detailed explanations on Mr. Zollinger's creative process for the LPU Design: (i) Mr. Zollinger first received the Cavan Design but was instructed not to copy it; (ii) he then used several previous "Rosie-style" designs from LPU as a starting point for the LPU Design; (iii) in parallel, he made several sketches based on vector files of Rosies of various ethnicities, which were taken from the websites "etsy.com" and "buytshirtdesigns.com"; (iv) among other changes, he changed the skin and hair colour of a Black Rosie found on "buytshirtdesigns.com" to create the LPU Design's White Rosie; (v) he arranged five diverse Rosies in a circular form, superimposed one on top of the other with the Black Rosie in the central position; (vi) he added three roses to the bottom of the drawing; and (vii) he inserted the words "sisterhood" and "solidarité féminine" around the image.

[87] There is no doubt that the LPU Design did not copy the Cavan Design's specific Rosies and rather reused those it found online. However, LPU may regardless have reproduced the "style" or arrangement of the Cavan Design's features as well as its tagline and the Contemporary Rosie's tattooed arm, which would be enough to thwart the defence of independent creation. Indeed, the designs from LPU's archives that were provided to Mr. Zollinger are quite different, meaning that LPU could possibly have copied the arrangement of the Cavan Design. The LPU Design's tagline is also identical to the one used for the Cavan Design. In other words, faced with these doubts, I am of the view that the LPU Design cannot clearly be considered as an independent creation, and that Cavan therefore deserves to have its "day in court."

**i. Secondary infringement**

**Maier Estate v. Bulger, 2024 FC 1267**

[35] [Subsection 27\(1\)](#) of the [Copyright Act](#), RSC 1985, c C-42 [Act] describes what is known as "primary infringement" (*Euro-Excellence Inc v Kraft Canada Inc*, [2007 SCC 37](#) [*Euro-Excellence*] at para [17](#)) or "direct infringement" of copyright. Primary infringement occurs when any person, without consent of the copyright owner, does anything that only the copyright owner has the right to do under the Act. [Subsection 3\(1\)](#) of the Act sets out the rights that a copyright owner possesses under the Act, which includes the right to produce or reproduce, perform, or publish the work. It also grants the sole right to authorize any such acts.

[36] [Subsection 27\(2\)](#) of the [Act](#) describes what is known as "secondary infringement" or "indirect infringement" of copyright...

[38] To establish secondary infringement, three elements must be satisfied: (i) the copy in question must be the product of primary infringement; (ii) the secondary infringer must, or should have known, that they were dealing with a product of infringement; and (iii) the secondary infringer must have sold, distributed, or exposed for sale the infringing good: *Salna v Voltage Pictures, LLC*, 2021 FCA 176 [*Salna*] at para 87; *CCH Canadian Ltd v Law Society of Upper Canada*, 2004 SCC 13 [*CCH*] at para 81; *Euro-Excellence* at para 19.

[39] Contrary to primary infringement, secondary infringement requires knowledge, on the part of the alleged infringer. The burden of proving such knowledge rests upon the plaintiff. This burden does not require proof that actual knowledge exists: *R v Jorgensen*, 1995 CanLII 85 (SCC), [1995] 4 SCR 55 [*Jorgensen*] at para 100; *Microsoft Corporation v 9038-3746 Quebec Inc*, 2006 FC 1509 [*Microsoft*] at para 78. Rather, knowledge may be established when the conduct of the defendant amounts to wilful blindness through a deliberate choice not to know something, despite being given reason to make further inquiry: *Jorgensen* at paras 100-103.

### **Infringement by exhibiting, offering for sale**

[4] The Estate alleges that the Defendants have infringed copyright by commissioning, exhibiting, offering for sale, and/or selling prints made from the B&W Negatives; offering for sale, selling and/or exporting a hard drive made of scans of the positive images from the B&W Negatives to a Swiss company, Fine Art Invest Group AG [FAIG]; authorizing infringement through the sale and exportation of the B&W Negatives and the hard drive to FAIG; and making a copy of the hard drive and exporting the copy to FAIG for the purpose of offering for sale and selling the original hard drive. Although subject to a pleadings objection, the Estate also asserts infringement of copyright embodied in the Colour Negatives.

[56] As set out further below, even without the admission, I agree with the Plaintiff that the requisite knowledge has been established to satisfy the test for secondary infringement for the majority of the alleged actions.

### **Infringement by Offering for sale, selling and/or exporting to FAIG the Goldstein HD**

[90] There is no doubt that the Goldstein HD was sold to FAIG.

[91] As established earlier, by the date of the FAIG Agreement (June 9, 2016), the Defendants knew that they did not own copyright relating to the B&W Negatives. This was an express term of the FAIG Agreement.

[92] Further, by December 2014 (the date of the Goldstein Agreement), the Gallery knew they could not make or sell prints from the B&W Negatives without the permission of the copyright owner.

[93] While the Estate argues that the Defendants should have known that restrictions also applied to the Goldstein HD, the Defendants contend that it was reasonable for the Gallery to have maintained a good faith belief that they could transfer the Goldstein HD to FAIG in the same way as the B&W Negatives they had purchased.

[94] At paragraph 22 of the Amended Defence (cited above), the Defendants allege that the Goldstein HD is not actionable because of copyright exhaustion. Like the B&W Negatives, the Defendants allege that the Goldstein HD is a chattel that can be transferred freely by its purchaser (issue 4d of the JSI). However, I agree with the Plaintiff, as an unauthorized reproduction, copyright exhaustion does not apply to the Goldstein HD as a matter of law. The general principle is that “[o]nce an authorized copy of a work is sold to a member of the public, it is generally for the purchaser, not the author, to determine what



happens to it” [emphasis added]: *Théberge v Galerie d’Art du Petit Champlain Inc*, [2002 SCC 34](#) at para 31. The Goldstein HD is not an authorized reproduction. Thus, it cannot be freely conveyed in the same way.

[95] For secondary infringement, however, the Plaintiff must establish that the Defendants had knowledge that the Goldstein HD was infringing, or was wilfully blind to such knowledge. It is my view that the Plaintiff has not met this burden.

[102] Thus, it is my opinion that the Plaintiff has not established that the export to FAIG of the Goldstein HD was an infringing activity.

**j. Liability of officer and directors**

***Maier Estate v. Bulger*, 2024 FC 1267**

[157] The Estate alleges that Bulger is personally liable for the actions of the Gallery (*issue 3 of the JSI*). It argues that as sole director of the Gallery, he was its directing mind and that his actions demonstrated an indifference to the risk of copyright infringement.

[158] As set out in *Mentmore Manufacturing Co v National Merchandise Manufacturing Co Inc*, [1978 CanLII 2037](#); 89 DLR (3d) 195 (FCA) [*Mentmore*] at pp 204-205, to establish personal liability:

...there must be circumstances from which it is reasonable to conclude that the purpose of the director or officer was not the direction of the manufacturing and selling activity of the company in the ordinary course of his relationship to it but the deliberate, wilful and knowing pursuit of a course of conduct that was likely to constitute infringement or reflected an indifference to the risk of it.

[159] The mere fact that an individual is the sole shareholder or director of a company is not in and of itself enough: *Mentmore* at p 202; *Vachon Bakery Inc v Racioppo*, [2021 FC 308](#) at para 121. Personal liability will only attach when the actions of the director are such that the director’s own behavior is tortious or exhibits a separate identity or interest from that of the corporation such as to make the acts or conduct complained of those of the individual: *Mentmore* at p 203. The degree and nature of participation of the individual must be considered; it is a question of fact to be determined on the circumstances of each case: *Mentmore* at p 203.

[160] In this case, the Plaintiff relies on the same evidence that it asserts establishes the knowledge component for the secondary infringement grounds relating to the Gallery for its personal liability allegations against Bulger. It asserts that Bulger’s actions reflect an indifference to the risk of infringement in the way he directed the Gallery and its personnel.

[161] However, I agree with the Defendants, the evidence does not meet the high bar necessary to establish personal liability. Bulger’s actions in respect of the Maier Works fall within his role as director of the Gallery and were conducted in this capacity. All prints made from the B&W Negatives that were exhibited, offered for sale and/or sold at exhibitions were made, exhibited, offered for sale and/or sold on behalf of the Gallery and not Bulger personally. The Gallery issued invoices for those sales and all profits were made by the Gallery. Sales did not attribute to the benefit of Bulger personally.

***Louis Vuitton Malletier S.A. v. Torf*, 2024 FC 1152**

[74] Intellectual property infringements by a company may result in personal liability by its directors or officers where there are “circumstances from which it is reasonable to conclude that the purpose of the

director or officer was not the direction of the manufacturing and selling activity of the company in the ordinary course of [their] relationship to it but the deliberate, wilful and knowing pursuit of a course of conduct that was likely to constitute infringement or reflected an indifference to the risk of it”: *Mentmore Manufacturing Co, Ltd et al v National Merchandising Manufacturing Co Inc et al*, 1978 CanLII 2037 (FCA), 89 DLR (3d) 195 at pp 204–205; *Cinar Corporation v Robinson*, 2013 SCC 73 at para 60. In other words, personal liability will only attach when there is “that degree and kind of personal involvement by which the director or officer makes the tortious act [their] own”: *Mentmore* at p 203.

[75] In the present case, Louis Vuitton does not point to any actions from which it is reasonable to conclude that Khaled deliberately, wilfully, or knowingly pursued conduct likely to constitute infringement, or that he had a degree of personal involvement that would make the infringements his own. While it argues that Khaled “expressly directed, ordered, authorized, aided, and abetted the activities of Vivo Rosa,” it points to no evidence of express direction, ordering, authorizing, aiding, or abetting of the infringement, any direct financial benefit from it, or even any knowledge of it. Rather, Louis Vuitton effectively relies exclusively on Khaled’s role as a director and officer of the company, which appears to have been largely a paper role. This is insufficient to meet the *Mentmore* test for liability: *Lam Chan Kee #1* at para 16, rev’d on other grounds, *Kwan Lam #1*; *Chanel S de RL v Lam Chan Kee Company Ltd*, 2016 FC 987 [*Lam Chan Kee #2*] at paras 33–34, aff’d on other grounds, *Kwan Lam v Chanel S de RL*, 2017 FCA 38 [*Kwan Lam #2*]. In this regard, I note that there is no evidence that Khaled acted as the controlling mind of Vivo Rosa either the counterfeit business or the non-counterfeit business of Vivo Rosa “as his own.”

[76] I am not persuaded that Louis Vuitton has established on a balance of probabilities that Khaled Bani Torf is personally liable for the violations of the *Trademarks Act* and the *Copyright Act* set out above.

#### ***Bahaaldin Brifcany***

[77] Bahaaldin Brifcany similarly states that while he set up Canadian Madmac as a property management business for his sons, Hakam and Tayeb, it was run by them and he was never involved in the active management of the company. He states that he was not involved with the sale of Louis Vuitton counterfeit bags and had no knowledge of it.

[78] As with Khaled, Louis Vuitton alleges Bahaaldin is liable for the violations of the *Trademarks Act* and the *Copyright Act* because of his role as an officer of Canadian Madmac, alleging that he “expressly directed, ordered, authorized, aided, and abetted the activities of Canadian Madmac.” They also assert that he is liable as the sole director of an Ontario company that purchased Unit 75, which was used for the counterfeit business. They also point to Bahaaldin’s admission on cross-examination that he attended Unit 75 after the counterfeit business was established there, an admission made after he initially denied having visited the unit after having bought it.

[79] For reasons similar to those above, I am not satisfied that Louis Vuitton has established that Bahaaldin himself engaged in infringing conduct, that he deliberately, wilfully, or knowingly pursued conduct likely to constitute infringement, or that he had a degree of personal involvement that would make the infringements his own: *Mentmore* at pp 203–205. There is no evidence that he directed, ordered, authorized, aided, or abetted the counterfeiting business, and again no evidence that Bahaaldin treated the counterfeit business or Canadian Madmac “as his own.”

[80] I agree with Louis Vuitton that Bahaaldin’s changing answer regarding having been present at Unit 75 undermines his credibility. However, I am not satisfied that his presence demonstrates a personal involvement that creates personal liability, either through his own conduct, or as a listed officer of Canadian Madmac or director of the Ontario company that owns Unit 75. Nor am I satisfied that the

financial transactions Louis Vuitton points to establish that Bahaaldin knowingly either funded or benefited from the counterfeiting business in a manner that would attract personal liability for the infringements.

[81] On the evidence and arguments presented, I am not satisfied that Louis Vuitton has established on a balance of probabilities that Bahaaldin Brifcany is personally liable for the violations of the *Trademarks Act* and the *Copyright Act* set out above.

### ***Canadian Madmac***

[82] Hakam concedes that money from the counterfeit business was put through the Canadian Madmac bank account. Indeed, he asserts that most of the money from the businesses was put through that account, an assertion discussed further below in discussing damages. E-transfers made for counterfeit goods, sent to Hakam's personal email address, showed as deposits being made to Canadian Madmac and ended up in the Canadian Madmac account. I am satisfied that Hakam's actions in connection with the counterfeiting business were taken in association with the Canadian Madmac company and render that company liable for the violations of the *Trademarks Act* and the *Copyright Act* set out above.

### ***Vivo Rosa***

[83] Mohammed and Waleed's evidence seeks to distinguish between the legitimate business of Vivo Rosa, selling Vivo Rosa branded shoes and accessories, and the counterfeit business. However, it is clear from the evidence that the Vivo Rosa business and name were associated with the counterfeit business: Vivo Rosa rented the Unit 24 space to Ms. Waisglass for the counterfeit business; merchandise bags bearing the Vivo Rosa name were displayed and used in connection with the counterfeit business; the <@vivo.warehouse> Instagram handle was used to advertise counterfeit items and attract business to the warehouse selling counterfeit goods; and at least Waleed accepted payments for counterfeit goods using a Vivo Rosa email address.

[84] I am satisfied that Mohammed and Waleed's actions in connection with the counterfeiting business were sufficiently associated with the Vivo Rosa company to render that company liable for the violations of the *Trademarks Act* and the *Copyright Act* set out above to the date of service of the Anton Piller Order. After that date, there is no evidence connecting Vivo Rosa to the ongoing infringement of Louis Vuitton's trademark rights or copyright. In particular, there is no evidence connecting Vivo Rosa, Mohammed, or Waleed to the <@luxury\_toronto1> Instagram handle or to the further sale by Hakam.

[85] I therefore conclude that Alhakam Brifcany, Mohammed Bani Torf, Waleed Bani Torf, Canadian Madmac, and Vivo Rosa were engaged in and are liable for the violations of the *Trademarks Act* and the *Copyright Act* arising from the business of selling counterfeit Louis Vuitton goods. For ease of reference, in the discussion below, I will use the terms "defendants" and "defendants' business" to refer to these defendants who I have found are liable for the counterfeit business.

## **3. Defense to infringement**

### **a. Fair dealing**

#### ***Maier Estate v. Bulger*, 2024 FC 1267**

[18] On or about June 9, 2016, the Gallery entered into an agreement with FAIG [FAIG Agreement]. The "Assets" conveyed included the B&W Negatives and the Goldstein HD. A second hard drive that was a watermarked, lower resolution copy of the Goldstein HD [Watermarked HD] was also made and sent to FAIG prior to the purchase as a preview. The purchase price of the sale was \$1.6 million USD.

[103] As set out earlier, the Estate asserts that making the Watermarked HD is an infringing reproduction contrary to subsection 3(1) and subsection 27(1) of the Act and that exporting the Watermarked HD to FAIG was for the purpose of offering for sale and selling the Goldstein HD and is contrary to subsection 27(2.11) of the Act (issue 1d of the JSI)

[104] The Defendants acknowledge that the Watermarked HD is a reproduction of the Goldstein HD that was made by the Gallery. However, they assert that this reproduction was a fair dealing and is not infringing (issue 4b of the JSI).

[107] In this instance, I agree with the Defendants that the reproduction of the scans of the Goldstein HD onto the Watermarked HD falls within fair dealing.

[108] The threshold for the first part of the test is low with “research” to be given a large and liberal meaning to ensure that user’s rights are not unduly constrained. It is not intended to be limited to non-commercial or private contexts: *CCH* at para 51. In the commercial context, providing an excerpt or preview of a musical work that allows a potential purchaser to decide whether to purchase the musical work was found to fall within the definition of research: *Society of Composers, Authors and Music Publishers of Canada v Bell Canada*, 2012 SCC 36 [*SOCAN*] at paras 36 and 49.

[109] Similar to this case, the preview provided by the Watermarked HD of the images on the B&W Negatives in my view satisfies the first part of the fair dealing test. While the Estate seeks to distinguish *SOCAN* on the basis that the previews here were to the entire collection of B&W Negatives and occurred after FAIG had expressed an interest in purchasing the B&W Negatives, I do not consider this difference to be material to this part of the test. Rather, I agree with the Defendants, as research is to be given a liberal interpretation, use of the Watermarked HD as research into whether or not to proceed with the deal is sufficient to satisfy [section 29](#) of the [Act](#).

[110] It is also my view that when the use of the Watermarked HD is considered under the factors of the second part of the test, the requirements of “fair” dealing have been met.

[111] Although the *purpose of the dealing* was for a commercial purpose (the sale to FAIG), in my view it was nonetheless fair as there were reasonable safeguards in place (watermarking and decreased resolution) to ensure that the Watermarked HD was being used for research: *SOCAN* at para 36. In addition to the watermarking and decreased resolution of the images on the Watermarked HD, the Gallery stipulated in correspondence with FAIG before transfer of the Watermarked HD that the transfer was conditional on the assurance that the Watermarked HD would not be shared and that only a restricted number of individuals who were key decision-makers would have access (three people). If the deal did not proceed, the Watermarked HD was also to be destroyed.

[112] With respect to the *character of the dealing*, only a single copy of each work was used to make the Watermarked HD with, as noted above, safeguards in place. The Gallery set out in writing that the Watermarked HD was not to be copied and the images were not to be shared with anyone but were to be kept confidential (Exhibit 33; TT, 412:27-414:25). Before the Watermarked HD was sent, FAIG confirmed that it had “no interest in spreading the images” from the Watermarked HD and that the preview would be limited to only a small number of individuals (Exhibit 33).

[113] While the Estate argues that the character of the dealing was not fair because it was part of an overall scheme to promote and exploit infringement, in my view that concern is misplaced as it relates to the Watermarked HD. As set out earlier, the use of the Watermarked HD was for research and preview of the images on the B&W Negatives only.

[114] Although the *amount of the dealing* included all of the digital scans, in my view this was nonetheless fair in view of the type of works in issue (*CCH* at para 56), the safeguards in place and the assurances that no copies would be made of the Watermarked HD. The inclusion of all of the images on the Watermarked HD was necessary to provide a preview of the full scope of the images and the number of negatives.

[115] I agree with the Defendants there were no reasonable *alternatives to the dealing* to meet the objectives. The preview was done in a manner customary to industry practice. As the Goldstein HD was an asset included with the purchase, it was not yet in the hands of FAIG at the time of the preview. The Watermarked HD was necessary to conduct the preview.

[116] The *nature of the work* examines whether the work is of a type that should be “widely disseminated” (*SOCAN* at para 47). In this case, it cannot be disputed that it is desirable to sell and disseminate photographic works. As a matter of industry practice, in order to be disseminated photographic works are typically previewed through an electronic guide in the same manner used here. The goal of the dealing was to engage an entity who would continue to share Maier’s work with the public, and continue to recognize her as an artist.

[117] The *effect of the dealing* considers whether the reproduced work is likely to compete in the market with the original work: *CCH* at para 59. In this case, the safeguards that the Gallery put in place eliminated the possibility that the images on the Watermarked HD would be used for any purpose other than as a preview. The Estate has not led any evidence that the Watermarked HD had any effect on the original works.

[118] As it is my view that the use of the Watermarked HD is a fair dealing, the reproduction to make the Watermarked HD is not an infringement. Without an act of primary infringement, I similarly conclude that there has been no secondary infringement under [subsection 27\(2.11\)](#) of the [Act](#).

**b. Quasi-criminal offense of secondary infringement**

***Ullah v Canada (Public Safety and Emergency Preparedness)*, 2024 CanLII 137206**

These are the reasons and decision regarding the admissibility of Mr. Amman ULLAH (“Mr. Ullah”). A hearing was held on January 26, 2024 concerning Mr. Ullah.

The Minister alleges that Mr. Ullah is inadmissible to Canada for criminality under [section 36\(2\)\(b\)](#) of the [Immigration and Refugee Protection Act](#).

**42 (1) Every person commits an offence who knowingly**

**(b) sells or rents out, or by way of trade exposes or offers for sale or rental, an infringing copy of a work or other subject-matter in which copyright subsists;**

**(c) distributes infringing copies of a work or other subject-matter in which copyright subsists, either for the purpose of trade or to such an extent as to affect prejudicially the owner of the copyright;**

an infringing copy of a work or other subject-matter in which copyright subsists.

[3] The Minister alleges that Mr. Ullah was convicted, in Portugal, on three occasions; July 14, 2009; July 28, 2011; and June 13, 2013, of “Exploitation of usurped work, foreseen and punished by articles 199,

paragraph 1, and 197, both of the Copyright and Related Rights Code.”<sup>[1]</sup> They allege that this offence, if committed in Canada, equates to [section 42\(1\)](#) of the [Copyright Act](#) under the Revised Statutes of Canada, which is an indictable offence liable to a fine of not more than \$1,000,000 (CAD) or to imprisonment for a term of not more than five years or to both.

[4] The offences in question took place in the context of Mr. Ullah being in possession of, and selling counterfeit DVD’s and CD’s at street markets in Portugal on multiple occasions.

[37] In this context I would note generally that Mr. Ullah’s offences in Portugal centered around instances where he was caught by police at a street market, offering for sale ‘bootleg’ or counterfeit copies of CD’s, DVD’s (ie movies, video games, and music albums) that were commercially available works of music or video, or video games. This was demonstrated amply in evidence where it was established that the copies were not original, and that they were being transported for the purpose of sale<sup>[36]</sup>, or offered for sale at a ‘street market’ in Trofa, Portugal.

[5] I find that Mr. Ullah is described under [section 36\(2\)\(b\)](#) of the [Immigration and Refugee Protection Act](#). Upon assessing the Canadian and Portuguese statutes, I find that the convictions that Mr. Ullah received are all equivalent to an offence that, if committed in Canada, would constitute an offence under [section 42\(1\)](#) of the [Copyright Act](#) under the Revised Statutes of Canada.

**c. Limitation period**

[\*Marsh, Christopher and Blockchain Markets Inc. v. Electronica AI Inc. and Aristotle Andrulakis\*, 2024 ONSC 5869](#)

The [Copyright Act](#), R.S.C. 1985, c. C-42 provides in section 43.1 that:

**Limitation or prescription period for civil remedies**

43.1 (1) Subject to subsection (2), a court may award a remedy for any act or omission that has been done contrary to this Act only if

(a) the proceedings for the act or omission giving rise to a remedy are commenced within three years after it occurred, in the case where the plaintiff knew, or could reasonably have been expected to know, of the act or omission at the time it occurred; or

(b) the proceedings for the act or omission giving rise to a remedy are commenced within three years after the time when the plaintiff first knew of it, or could reasonably have been expected to know of it, in the case where the plaintiff did not know, and could not reasonably have been expected to know, of the act or omission at the time it occurred.

**Restriction**

(2) The court shall apply the limitation or prescription period set out in paragraph (1)(a) or (b) only in respect of a party who pleads a limitation period.

[57] I pause again to observe that while the proposed Counterclaim would plead a breach of the [Copyright Act](#) (i.e., the unlawful transfer and unauthorized use of the intellectual property of Electronica by BCM to third parties, and further while the proposed Counterclaim continues to plead the two year limitation period in the *Limitations Act*, it still does not plead the three year limitation period in the *Copyright Act* on which it sought to rely at the hearing of this motion.



[58] In any event, and even if it had done so, in my view, the claims now sought to be advanced are not, as was submitted by the moving parties, entirely derivative of a breach of the [Copyright Act](#). On the contrary, it is clear from a plain and common sense reading of the pleading that the claims flow directly from the alleged breach of contract (the Service Agreement). The core allegation at the root of all of the claims now sought to be advanced (breach of contract, negligence, unjust enrichment, breach of confidence and copyright infringement) has the same factual underpinning: an alleged transfer of intellectual property owned by EAI to a third party through BCM. Accordingly, the two-year limitation period in the *Limitations Act* applies.

[59] Moreover, and in the event that I am in error in this regard, since I have found that the claim was not only discoverable but in fact discovered at least by September 26, 2019, the issue about which statute applies is moot since the proposed Counterclaim was not brought within even the longer three-year limitation period.

**d. Copyright Misuse**

[\*Zoe International Distributing Inc. v. Smoke Arsenal Inc.\*, 2024 FC 2087](#)

18. The Defendant (Plaintiff by Counterclaim), Smoke Arsenal, claims:

(a) A declaration that Zoe Distributing has:

iii. Refused to deal with Smoke Arsenal contrary to [section 75\(1\)](#) of the [Competition Act](#); and

iv. Abused its dominant position contrary to [sections 78\(1\)](#) and [79\(1\)](#) of the [Competition Act](#).

(b) An interim, interlocutory and permanent injunction restraining Zoe Distributing, its officers, directors, shareholders, agents, servants, employees, successors, assigns and those in privity with or controlled by Zoe Distributing from engaging in any act contrary to the [Trademarks Act](#) and [Competition Act](#), including:

i. Making false or misleading statements that tend to discredit the business, goods or services of Smoke Arsenal; and

ii. Making representations to the public that are false or misleading in a material respect for the purpose of promoting, directly or indirectly, the supply or use of its products and/or business interests.

[collectively the “**Part VIII Competition Act Allegations**”]

[39] Smoke Arsenal relies on decisions from the Supreme Court and this Court which, according to Smoke Arsenal, “open the door” for it to plead a misuse of copyright defence in the manner set out above. It points to *Euro-Excellence Inc v Kraft Canada Inc*, [2007 SCC 37](#), in which the Supreme Court recognized misuse of copyright as a “developing American doctrine” meant to act as a sort of equitable defence when “a copyright holder attempts to extend his copyright beyond the scope of the exclusive rights granted by Congress in a manner that violates [federal antitrust law or] the public policy embodied in copyright law”: para 98, citing K. Judge, “Rethinking Copyright Misuse” (2004), 57 Stan. L Rev 901, at 904. However, the Supreme Court deferred commenting on the possible application of this doctrine in Canada to another day, as it was unnecessary to consider it to deal with the issue of parallel importation of consumer goods in that case.

[40] Smoke Arsenal also referred the Court to *Havana House Cigar & Tobacco Merchants Ltd v Worldwide Tobacco Distribution Inc*, [2008] FCJ No 1828 and *Millennium Funding* at paras [30-48](#); see also *Maier Estate v Bulger*, [2024 FC 1267](#) at paras [151 to 156](#). Although these cases discuss the doctrine of misuse of copyright, the doctrine has yet to be fully adjudicated.

[41] In *Millennium Funding*, the Court examined the doctrine of misuse of copyright in the context of an appeal from a decision of Case Management Judge Aalto, in which he struck portions of an amended statement of defence and counterclaim which alleged a defence of misuse of copyright. Justice Furlanetto describes the doctrine in the following terms (paras 34 to 36):

[34] As outlined in William F Patry, *Patry on Copyright* (Thomson West) (looseleaf) 2021 [*Patry on Copyright*], at §10A:1, with reference to comments made by Judge Wardlaw of the ninth Circuit Court: “[t]he copyright misuse doctrine “forbids the use of the copyright to secure an exclusive right or limited monopoly not granted by the Copyright Office.” *Lasercomb, 911 F.2d at 977* (alterations omitted). The defence is often applied when a defendant can provide either: (1) a violation of the antitrust laws; (2) that the copyright owner otherwise illegally extended its monopoly; or (3) that the copyright owner violated the public policies underlying the copyright laws. *Soc’y of Holy Transfiguration Monastery, Inc. v Gregory*, 689 F.3d 29, 65 (1st Cir. 2012).”

[35] Misuse does not require that the defendant be prejudiced by the conduct in question, it is enough that a public policy embodied in the grant of copyright is violated: *Havana House* at para 12, citing *Patry on Copyright*; *Lasercomb* at 979.

[36] However, the defence of copyright misuse acts as a complete bar to maintaining an infringement action: *Havana House* at para 12, citing *Patry on Copyright*. When copyright misuse applies, enforcement of copyright is not permitted for the period of the misuse. As the remedy for copyright misuse is equitable, US courts have commented that it makes little sense to allow an independent claim for copyright misuse when there has been no allegation of copyright infringement: *Altera Corp v Clear Logic Inc*, 424 F3d 1079 (9<sup>th</sup> Cir. 2005).[my emphasis]

[42] In that case, the defendant alleged that the plaintiffs’ activities were a misuse of copyright under the third application described in *Patry on Copyright*, namely that the plaintiffs’ conduct was contrary to the public policy objectives of the *Copyright Act*. Justice Furlanetto concluded that Case Management Judge Aalto erred in taking a limited approach to the misuse of copyright defence, but he did not err in finding that there was a lack of material facts pled to support the defence. The Court observed that “[t]he full merits and intricacies of the doctrine are beyond the scope of a motion to strike such as this” (para 45).

[43] In the case at bar, unlike *Millennium Funding*, Smoke Arsenal pleads all three applications of the doctrine of misuse of copyright described in *Patry on Copyright*. That said, Smoke Arsenal’s Part VIII *Competition Act* Allegations appear to relate primarily to the first application, namely “a violation of the antitrust laws”. Smoke Arsenal pleads that HBI Canada is “committing anti-competitive acts” by refusing to deal with Smoke Arsenal, and by abusing its dominant position, contrary to [sections 75\(1\), 78\(1\) and 79\(1\)](#) of the [Competition Act](#) (the *Competition Act* being Canada’s counterpart to the American “antitrust laws”)....

[62] As earlier noted, Smoke Arsenal also predicates its defence of misuse of copyright on the second and third applications described in *Patry on Copyright*, namely: “(2) that the copyright owner otherwise illegally extended its monopoly; or (3) that the copyright owner violated the public policies underlying the copyright laws”. Specifically, it pleads at paragraph 16a of the Amended Defence and Counterclaim



that “ ...Additionally, the Plaintiff is misusing its alleged copyright by illegally extending its monopoly and violating the public policies underlying the Copyright Act”.

[63] In *Millennium Funding* at para 46, the Court held that a pleading of misuse of copyright must set out an ulterior or improper purpose by the copyright owner, such as an anti-competitive purpose. It must also set out “what” the misuse is and “how” the conduct complained of is contrary to public policies underlying the copyright laws.

[64] Having reviewed the allegations in subparagraphs 16a to 16e of the Amended Statement of Defence, I am not satisfied that Smoke Arsenal has pled sufficient facts to support the defence of misuse of copyright based on the second and third applications described in *Patry on Copyright*. Smoke Arsenal makes a bald allegation that HBI Canada is “misusing its alleged copyright by illegally extending its monopoly and violating the public policies underlying the Copyright Act”, but it does not set out a sufficient factual foundation for what constitutes the alleged misuse, or how the conduct complained of is illegally extending HBI Canada’s monopoly, and/or is contrary to public policies underlying the *Copyright Act*.

[65] Accordingly, I conclude that the remaining portions of subparagraphs 16a to 16e of the Statement of Defence should also be struck out for failure to plead sufficient material facts to disclose a reasonable defence. However, considering the novel nature of the defence, the impugned allegations are struck with leave to further amend its Statement of Defence to plead the requisite material facts to support a defence of misuse of copyright based on HBI Canada having “otherwise illegally extended its monopoly” or having “violated the public policies underlying the copyright laws”

[152] The copyright misuse defence is a US doctrine that acts as an equitable defence when a copyright holder attempts to extend their exclusive rights in a manner that violates the public policy embodied in the grant of copyright: *Lasercomb America, Inc v Reynolds*, 911 F2d 970, 972 (4<sup>th</sup> Cir. 1990). While the doctrine has been discussed in Canadian jurisprudence (see for example, the recent discussion in *Millennium Funding, Inc v Bell Canada*, [2023 FC 764](#) at paras [30-48](#)), it has yet to be adjudicated under Canadian law. In *Euro-Excellence*, the Supreme Court of Canada recognized misuse of copyright as a “developing doctrine” in the US but held that the question of whether the copyright misuse doctrine is good law in Canada was a matter “best left for another day” (at para 98).

**e. Legal protection of technological protection measures (TPMs)**

[\*1395804 Ontario Ltd. \(Blacklock's Reporter\) v. Canada \(Attorney General\)\*](#), 2024 FC 829

[\*Barry Sookman, Understanding subscription licenses, fair dealing and legal protection for TPMs in Canada: A critical commentary of the Blacklock's Reporter Parks Canada decision\*](#)

The Blacklock’s Reporter decision is riddled with mistakes. It misconstrued the BR terms and conditions, came to the conclusion that they were binding on Parks Canada, but then decided the case as if they were not binding. The decision found that Parks Canada’s unauthorized copying was a [fair dealing](#), but this analysis was tainted by its contract/license analysis, a flawed analysis of fair dealing, and its ambiguous and questionable *obiter dicta* about the technological protection measures ([TPMs](#)) provisions in the *Copyright Act* and their relationship to the fair dealing defense.

“You might think after reading the decision that it decided or correctly decided that:

a person can buy a single subscription to a news service and rely on fair dealing to copy and distribute articles to any interested readers to avoid paying for a bulk or organizational license and paying the usual price;

an online subscription service which makes reasonable efforts to bring online license terms to the attention of subscribers (including sophisticated subscribers) cannot enforce those terms unless the specific license terms are brought to the subscribers' attention during the contracting process;

fair dealing is a defense to the violation of the Copyright Act's prohibition on circumventing TPMs;

fair dealing trumps the Act's anti-circumvention prohibition; and

a person who buys a subscription to a news service can copy and distribute copies of articles along with passwords to enable others to unlock the articles without any person being liable for violating the Act's legal protection of TPMs."

**f. Cause of action estoppel**

*Wiseau Studio, LLC v. Harper*, 2024 FCA 157

[3] The appellant takes issue with the Federal Court Judge's analysis on one element of the test for finding cause of action estoppel, namely, whether the cause of action in the prior action is separate and distinct from the current cause of action. The appellant argues that the Federal Court Judge should have adopted a more flexible approach. The appellant further argues that its action relates to a relatively new provision of the *Copyright Act*, R.S.C. 1985, c. C-42—section 41.1 on the circumvention of technological protection measures—and, as such, deserves adjudication through a fulsome trial.

[4] The Federal Court Judge properly identified the legal test for finding cause of action estoppel—as did the Associate Judge. The Federal Court Judge also applied the appropriate standard of review: did the Associate Judge make a palpable and overriding error in his analysis of whether the two causes of action are separate and distinct, a question of mixed fact and law: *Hospira* at para. 79. In reviewing in accordance with this standard, the Federal Court Judge considered all relevant circumstances of this case and made no error.

[5] Finally, even if we were to accept that section 41.1 is a relatively new provision of the *Copyright Act*, this newness, in itself, would not warrant adjudication in the absence of a justiciable claim.

**4. Remedies**

**a. Declarations**

*Demirören TV Radyo Yayincılık Yapımcılık A.Ş. v. General Entertainment and Music Inc.*, 2024 FC 1127

[76] Kanal D's entitlement to declaratory relief flows from what it has established on the evidence. It is therefore entitled to a declaration that it is the owner of the copyright in the Kanal D Programs and that GEM has infringed that copyright.

**b. Injunctive relief**

**Demirören TV Radyo Yayıncılık Yapımcılık A.Ş. v. General Entertainment and Music Inc., 2024 FC 1127**

[78] Given my finding that Kanal D has established GEM's infringement of the Kanal D Programs, Kanal D is entitled to a permanent injunction restraining any further infringement (*Trimble Solutions Corporation v. Quantum Dynamics Inc.*, [2021 FC 63](#) at para [66](#)). I am satisfied that it would be just in the circumstances considering: GEM's wilful and knowing infringement; its attempts to deny and conceal its infringing activities; and its apparent disregard for court processes.

[79] Kanal D has also requested a wide injunction pursuant to [section 39.1\(1\)](#) of the *Copyright Act*, which would enjoin GEM from engaging in any of the infringing activities in connection with any other works. Kanal D has not, however, satisfied the requirement under subsection 39.1(1)(b) of showing that GEM will likely infringe the copyright in those other works or subject-matter unless enjoined by the court from doing so. In fact, Kanal D's pleading suggests the contrary: it pleaded that GEM's infringing activities have stopped.

**Rogers Media Inc. v. John Doe 1, 2024 FC 1082**

[45] A permanent injunction may be granted for copyright infringement: *CCH Canadian Ltd. v. Law Society of Upper Canada*, [2004 SCC 13](#), [2004] 1 SCR 339, at para [85](#); *Vidéotron Ltée v. Konek Technologies Inc.*, [2023 FC 741](#), at paras [21](#), 72-75; *Microsoft Corporation v. Liu*, [2016 FC 950](#), at para [35](#); *Wing v. Velthuisen*, [2000 CanLII 16609 \(FC\)](#), 197 FTR 126, 9 CPR (4th) 449 (FC), at paras [65-67](#).

[46] This Court has granted permanent injunctions in copyright infringement proceedings based on an assessment of the likelihood or risk of future wrongful conduct (either continued infringement or re-infringement): *Burberry Limited v. Ward*, [2023 FC 1257](#), at para [77](#); *Vidéotron Ltée*, at para [73](#); *Lululemon Athletica Canada Inc. v. Campbell*, [2022 FC 194](#), at para [31](#); *Thomson v. Afterlife Network Inc.*, [2019 FC 545](#), at para [37](#); *Young v. Thakur*, [2019 FC 835](#), at para [36](#). Issuing an injunction to restrain further infringement has become a typical remedy if the legal test is met, assuming there is sufficient risk that the unlawful conduct will continue: *Lululemon Athletica*, at paras 29-30; *Trimble Solutions Corporation v. Quantum Dynamics Inc.*, [2021 FC 63](#), at para [66](#).

[47] As a court of equity, the Court may also grant an order against third party respondents if it appears to be just or convenient to make such an order: *Google Inc. v. Equustek Solutions Inc.*, [2017 SCC 34](#), [2017] 1 SCR 824, at para [28](#); *Lukács v. Canada (Citizenship and Immigration)*, [2023 FCA 36](#), at para [61](#); *GoldTV FCA*, at paras [18-21](#), [30-32](#), [39-45](#); *Federal Courts Act*, sections 4 and [44](#); *Copyright Act*, [section 34](#).

[48] To obtain a permanent injunction, the claiming party must establish three elements:

- 1)an infringement of rights – that is, proof of each of the elements of the cause of action on a final adjudication of the claimed rights;
- 2)that damages or other alternative remedies are not sufficient or adequate to address the wrongful conduct; and
- 3)that there is no impediment to the Court's discretion to grant an injunction.

See: *Google Inc.*, at para 66 (Côté and Rowe JJ., dissenting), citing *1711811 Ontario Ltd. (AdLine) v. Buckley Insurance Brokers Ltd.*, [2014 ONCA 125](#), at paras [74-80](#); *Bruderheim Community Church v.*

*Moravian Church In America (Canadian District)*, [2020 ABCA 393](#), at para [24](#); *Liu v. Hamptons Golf Course Ltd.*, [2017 ABCA 303](#), at para [17](#); *NunatuKavut Community Council Inc v. Nalcor Energy*, [2014 NLCA 46](#), at paragraphs [46–72](#); *Cambie Surgeries Corp. v. British Columbia (Medical Services Commission)*, [2010 BCCA 396](#), at paras [27–28](#), 32, 34–37; *Vidéotron Ltée*, at para [72](#); *Alberta Health Services v. Johnston*, [2023 ABKB 209](#), at para [124](#).

[49] In addition:

- a) The injunction should be carefully tailored to remedy the wrong committed or threatened in the specific case and to ensure compliance with its aim: *Pro Swing Inc. v. Elta Golf Inc.*, [2006 SCC 52](#), [2006] 2 SCR 612, at para [24](#); *Nalcor Energy*, at para [71](#); *Cambie Surgeries*, at paras 39–40.
- b) The terms of a permanent injunction, particularly one that involves mandatory action, should be carefully examined to ensure that its terms are precisely drafted: *Pro Swing*, at para 24; *Google Inc.*, at para [75](#); *Co-operative Insurance Society Ltd. v. Argyll Stores (Holdings) Ltd.*, [1998] A.C. 1 (H.L.), at p. 13H). See similarly, *Thibodeau v. Air Canada*, [2014 SCC 67](#), [2014] 2 SCR 340, at paras [126–127](#).
- c) One of the reasons for careful drafting of an injunction order is that non-compliance may give rise to contempt proceedings: see *Lululemon Athletica*, at paras 32–35.
- d) The Court should be cautious about making orders that require ongoing supervision or “cumbersome court-supervised updating”: *Pro Swing*, at para 24; *Google Inc.*, at para [76](#). See similarly, *Thibodeau*, at paras [126](#), [128](#), [131](#).

[50] The requirements for a permanent injunction are conceptually distinct from the three-step framework for an interlocutory injunction, including a mandatory injunction. In some cases, such as this one, the elements are more closely related than in other cases. The permanent injunction requires a final adjudication of the plaintiff’s or applicant’s rights, whereas a mandatory interlocutory injunction requires proof that the applying party is “very likely to succeed” on the merits at an eventual trial. If the evidence is very clear, the legal standard may make no difference: see e.g., *GoldTV FCA*, at paras [67–68](#). The requirements for a permanent injunction do not include the second and third *RJR-MacDonald* steps, although the inadequacy of money damages may feature in both and both may consider equitable factors in deciding whether to grant relief: *Nalcor Energy*, at paras [60–62](#); *Cambie Surgeries*, at para 27; *Google Inc.*, at para [25](#). See *GoldTV FCA*, at paras [60–61](#); *Rogers Media 2022*, at paras 110–111; *Bombardier Recreational Products Inc. v. Arctic Cat, Inc.*, [2020 FC 691](#), at para [189](#); *GoldTV FC*, at paras [51–54](#). The decided cases do not suggest (nor do I) that the legal tests for an interlocutory mandatory injunction and a permanent injunction should not remain distinct.

### **Permanent Injunction against the John Doe Respondents**

[51] I agree with the applicants that the John Doe Respondents should be enjoined permanently from infringing the applicants’ copyright in the Protected Live Content, under [subsection 34\(1\)](#) of the *Copyright Act*. The definition of Protected Live Content in the Court’s Judgment (Schedule 1) will include the applicants’ rights in the NHL, NBA and Premier League games.

[52] The applicants’ evidence amply demonstrates pervasive, continued and likely conscious copyright infringement by the John Doe Respondents, who select the live content to stream to viewers and take active steps to make it available to members of the Canadian public through servers and infrastructure outside Canada. The injunction is necessary owing to the inability of other legal and self-help remedies to restrain the conduct of the stealthy offshore pirates, and the ineffectiveness of any damages that could be

awarded against them. I see no equitable considerations that prevent the Court from issuing a permanent injunction and every indication that it is just and equitable to do so.

### Wide Injunction against the John Doe Respondents

[53] Having decided to grant an injunction under subsection 34(1), the next question is whether to grant a wide injunction under section 39.1. That provision enables the Court to “further enjoin” (in the French version of the Act: “*le tribunal peut en outre interdire*”) the John Doe Respondents from infringing the copyright “in any other work” (“*sur d’autres oeuvres*”) or subject-matter, if the requirements in paragraphs 39.1(1)(a) and (b) are met. If the requirements in those two provisions are met, subsection 39.1(2) provides that the further injunction may extend to works (or other subject-matter): (a) in respect of which the applicants did not have an interest in the copyright when the application was commenced, or (b) that did not exist when the application was commenced. Section 39.1 of the Act provides:

#### Wide injunction

39.1 (1) When granting an injunction in respect of an infringement of copyright in a work or other subject-matter, the court may further enjoin the defendant from infringing the copyright in any other work or subject-matter if

(a) the plaintiff is the owner of the copyright or the person to whom an interest in the copyright has been granted by licence; and

(b) the plaintiff satisfies the court that the defendant will likely infringe the copyright in those other works or subject-matter unless enjoined by the court from doing so.

#### Application of injunction

(2) An injunction granted under subsection (1) may extend to works or other subject-matter

(a) in respect of which the plaintiff was not, at the time the proceedings were commenced, the owner of the copyright or the person to whom an interest in the copyright has been granted by licence; or

#### Interdiction

39.1 (1) Dans les cas où il accorde une injonction pour violation du droit d’auteur sur une oeuvre ou un autre objet, le tribunal peut en outre interdire au défendeur de violer le droit d’auteur sur d’autres oeuvres ou d’autres objets dont le demandeur est le titulaire ou sur d’autres oeuvres ou d’autres objets dans lesquels il a un intérêt concédé par licence, si le demandeur lui démontre que, en l’absence de cette interdiction, le défendeur violera vraisemblablement le droit d’auteur sur ces autres oeuvres ou ces autres objets.

#### Application de l’injonction

(2) Cette injonction peut viser même les oeuvres ou les autres objets sur lesquels le demandeur n’avait pas de droit d’auteur ou à l’égard desquels il n’était pas titulaire d’une licence lui concédant un intérêt sur un droit d’auteur au moment de l’introduction de l’instance, ou qui n’existaient pas à ce moment.

(b) that did not exist at the time the proceedings were commenced.

[54] I agree with the applicants that the circumstances and evidence filed on this application demonstrate that a wide injunction is warranted against the John Doe Respondents. It is clear from the evidence that the John Doe Respondents will continue to infringe the applicants' copyright in the Protected Live Content, and will likely infringe their future exclusive rights to broadcast other copyright works, as live sports events occur.

[55] What are the rights and the "other works" to which the further, wide injunction will apply? The applicants pointed to evidence that they currently broadcast many other live sports events, in respect of which they presumably already have rights. Counsel advised that the applicants intend to add rights in relation to the broadcast of live MLB games. They also adduced evidence that they expect to continue to obtain rights to live sports events, including by way of additional rights to NHL games, over the proposed two-year term of the injunction. Finally, at the hearing the applicants noted evidence suggesting that some unauthorized streaming services provide access to full channels (such as all of the Sportsnet channels), which may also be added to Schedule 1.

[56] With those other and to-be-acquired rights in mind, the applicants requested that the Court include terms that would allow them to update the definition of Protected Live Content in Schedule 1 of the Court's Judgment, upon service and filing of an affidavit or other supporting evidence demonstrating their ownership or exclusive licence in live sports content not already included in Schedule 1 (or attesting that certain rights and content should be removed). The applicants' proposed terms would not require any determination or adjudication by the Court to change Schedule 1. However, the proposed terms would allow any respondent to object and bring the matter to Court by motion and if so, the Schedule would remain unamended until the motion is decided (or the Court orders otherwise). Otherwise, the amendment of Schedule 1 would come into effect 10 days after the service and filing of the proposed update materials.

[57] The applicants did not refer to any decided case (whether interlocutory or final) that enabled a plaintiff or applicant to do this. The Court's prior dynamic site-blocking orders did not contain terms enabling the plaintiffs to update the definition of Protected Live Content in the schedules to the orders, in the manner proposed in this proceeding...

[60] With this case law in mind, the resolution of the issue in this case involves an interpretation of section 39.1 and consideration of the evidence adduced to support the applicants' position.

[61] The applicants did not refer to any extrinsic evidence showing what Parliament intended or contemplated in enacting section 39.1: see *An Act to amend the Copyright Act*, SC 1997, c 24, section 20. Looking at section 39.1 with section 34, Parliament presumably sought to give the Court additional remedial flexibility to address serial copyright infringement – for example, infringement that continues during the litigation process and is expected to continue after Judgment. Remedial flexibility is consistent with the nature of an injunction as a remedy whose origins are in equity. It seems unlikely Parliament specifically contemplated dynamic site-blocking orders to prevent copyright infringement during live streaming when it enacted the provision in 1997.

[62] I turn to the text and statutory context of the provision to explain the conclusion I have reached, recognizing that this application was unopposed so there were no competing submissions on how to interpret the provision.



[63] Paragraph 39.1(1)(a) contemplates that the applicants be a person to whom an interest in the copyright “has been granted by licence” (*le demandeur “a un intérêt concédé par licence”*). Paragraph (b) requires that the applicant “satisfies the court” (“*si le demandeur lui [le tribunal] démontre*”) that the respondents will likely infringe the copyright in “those other works” (“*sur ces autres oeuvres*”) unless enjoined from doing so. The text of these phrases suggests that when issuing an order or judgment, the Court should be in a position to determine (at the time of Judgment and on the evidence in the record) whether the applicants have rights granted by licence, what the “other works” are and whether the respondents are likely to infringe the copyright in those other works.

[64] That said, these phrases must be read in the context of the adjacent subsection 39.1(2), which expressly contemplates that the further (wide) injunction issued under subsection (1) may extend to rights not held by the applicants when the application was commenced, or works that did not yet exist at that time. I observe that a claimant’s rights in such “other works” could, in a given case, be obtained after the lawsuit is commenced but before the time of Judgment, or they could be obtained at some time after Judgment. Of course, it is axiomatic that orders and judgments speak from the time they are endorsed in writing and signed by the Court, unless they provide otherwise (e.g. orders *nunc pro tunc*): see Rule 392(2). See also *Canadian Imperial Bank of Commerce v. Green*, [2015 SCC 60](#), [2015] 3 SCR 801, at paras [85-90](#); *Canada v. Larsson*, [1997 CanLII 6178 \(FCA\)](#).

[65] In this application, the applicants seek an ability to amend a schedule to the Judgment after it is issued, without any additional adjudication by the Court, to add new rights that would constitute Protected Live Content. The applicants’ evidence was that rights to live sports events are licensed after lengthy and detailed negotiations between the applicants and the owners, some of which are not finalized until after the sports season has commenced. The applicants’ evidence was essentially that they broadcast the live games before the parties have executed their agreement, doing so on the strength of their business relationship and their accord on critical terms of the licence. Thus, if the applicants are unable to implement site-blocking when a sports season begins and have to wait for the licence to be signed and for the Court to issue an order (even on informal motion), there will be a delay and the applicants may not be able to protect their copyright broadcasts by dynamic site-blocking during the early games in that season. The applicants adduced separate evidence about the impact of delay arising from informal motions under previous site-blocking orders. The applicants’ position was that the sooner the Judgment can be implemented to block the unauthorized broadcast of games, the more effective the Judgment will be in stopping copyright infringement.

[66] I agree that by virtue of the evidence in the record related to copyright infringement of live sports events and the scope of section 39.1, the applicants should have a mechanism in this case to update the definition of Live Protected Content to include rights that do not exist as of the time of Judgment in respect of live sports events occurring after Judgment. However, I am not inclined to believe that the Court should stretch the remedial flexibility granted by section 39.1 to enable a party to enforce new or additional rights under the *Copyright Act* without, at minimum, adjudication of the issues related to the rights and works under paragraphs 39.1(1)(a) and (b).

[67] Whether or not section 39.1 could bear it in law (a question I do not decide), in this case I decline on the evidence to grant a wide injunction that would enable Schedule 1 to be updated without a motion to the Court to determine whether the proposed post-Judgment revisions meet the requirements of subsection 39.1(1). While I am conscious of the commercial realities of lengthy and detailed negotiations related to live sports events, the timing of completion of such negotiations is something within the parties’ control. The negotiating parties have a common financial interest in preventing copyright infringement in the communication of the live sports events. In addition, there should be no material concerns about the Federal Courts’ ability to provide responsive and timely determination of truly urgent issues (see *Wilson v. Meeches*, [2023 FCA 233](#), at para [21](#)) and the filed evidence does not persuade me otherwise. I conclude

there is insufficient basis to exercise the Court’s remedial discretion in the manner proposed by the applicants, even assuming the statute permits it.

[70] The applicants’ request for a wide injunction will be granted, with a mechanism to update Schedule 1 as just described.

**ITP SA v. CNOOC Petroleum North America ULC, 2025 FC 684**

[59] I also would not grant a wide injunction broadly prohibiting CNOOC from reproducing or using any future copyrighted materials belonging to ITP. While I understand ITP’s concern, the evidence on record does not support a finding of a likely or credible threat of ongoing or repeated infringement. This Court has granted wide injunctions where the record clearly establishes a propensity for further violations: *Nintendo of America Inc v King*, 2017 FC 246 at paras 175-177, and has refused to grant such injunctions where the evidence does not show a credible threat of continued infringement: *Interbox Promotion Corp v 9012-4314 Québec Inc*, 2003 FC 1254 at para 67. In this case, CNOOC’s misguided reliance on contractual language does not indicate a deliberate intent or pattern of infringing ITP’s copyright interests. Although CNOOC was unpersuasive in its attempt to extend the phrase “arising out of... Works” beyond the original pipeline agreement’s scope, such interpretive overreach alone does not suggest a future pattern of infringement. Moreover, there is no evidence that CNOOC intends to use ITP’s marketing or other proprietary materials in future filings, regulatory or otherwise. Therefore, had infringement been established, an injunction tailored to the specific image in question would have been sufficient. A broader injunction would be disproportionate to the actual risk posed by CNOOC’s conduct.

**c. Blocking orders**

**Rogers Media Inc. v. John Doe 1, 2024 FC 1082**

[71] The applicants provided the terms of their proposed Judgment to the Third Party Respondents several weeks before the hearing of this application. The terms are mandatory in that they require the Third Party Respondents to take certain steps to implement dynamic site-blocking. Subject to some revisions just before the hearing and some clarifications at it, the Third Party Respondents did not oppose the terms proposed by the applicants.

[72] Broadly speaking, the proposed Judgment reflected the terms of dynamic site-blocking orders previously issued by the Court on an interlocutory basis in relation to live NHL, FIFA, MLB season and Premier League games. I agree with the applicants that a two-year mandatory injunction implementing dynamic site-blocking should be issued, unopposed, as against the Third Party Respondents as the best effective remedy to stop the widespread and persistent infringement of their copyright in the communication of live sports events in Canada.

[73] The applicants proposed one change to prior dynamic site-blocking orders that requires some explanation. The Judgment will include a [REDACTED] related to [REDACTED] to block during live games (known as “Protected Live Content Windows” under the Judgment). [REDACTED] will be generated by FMTS on a rolling basis. The mechanism for doing so is based in part on a formula with specific criteria. I have examined those criteria and conclude that they are acceptable in the present case, in that they satisfactorily include [REDACTED] IP addresses to block and remove [REDACTED] based on monitoring and other evidence available to FMTS (as of now and as gathered during the two year term of the Judgment). As some of the evidence is properly confidential (as I address below), I will observe that [REDACTED] will be generated using evidence from FMTS’s years-long experience in monitoring the unauthorized



communication of live sports events in several sports leagues including (but not limited to) the NHL, NBA and Premier League.

[74] The ||||| will be in Schedule 2 to this Judgment, but will be updated regularly during the two-year term of the Judgment. The applicants argued that their proposed mechanism to update ||||| automatically (without a Court order) would increase the effectiveness of the Judgment compared with prior site-blocking orders. While I did not find the increased effectiveness evidence to be as compelling as the applicants contended, the proposed mechanism does not expand the scope of the injunction to add any “new” respondent (akin to *Burberry*), nor any new licensed rights or additional works (so it does not invoke the wide injunction provision in section 39.1). Rather, using information available to FTMS and the criteria described in the confidential evidence, the mechanism updates the specific means ||||| being used by the pirates to infringe the applicants’ copyright and ensures that the site-blocking is better targeted and current in the application of site-blocking during Protected Live Content Windows. The proposed terms relating to Schedule 2 also do not appear to run contrary to any provision in the *Copyright Act* to which my attention was drawn. As a result, and with acceptable inclusion and exclusion criteria, I do not believe that an ongoing role for the Court by way of informal motion is legally or practically required to update Schedule 2 of the Judgment, subject to (a) service and filing of a confidential affidavit supporting why the deletions have been made and (b) giving confidential notice to the Third Party Respondents.

[75] As mentioned, the Judgment will terminate two years after it is issued, other than the permanent injunction against the John Doe Respondents. Practically speaking, that injunction will end when the applicants’ infringed rights come to an end. If motions are filed to amend Schedule 1, the Court may revisit the sunset provision in the Judgment as it concerns the permanent injunction.

*Bell Media Inc. v. John Doe 1 (Soap2day)*, 2025 FC 133

[10] The Site-Blocking Order granted in this proceeding is comparable to the one granted in *GoldTV*, but potentially encompasses additional Soap2Day platforms (copycat sites) that may appear, or increase in popularity, following deactivation of existing platforms. These additional sites may be included within the scope of the Order only if they make infringing content available to the public, are unresponsive to notices of infringement, and operate in substantially the same way as the existing sites. The Plaintiffs may notify the Third Party Respondents of the additional infringing websites and, absent an objection from the Third Party Respondents, may expand the scope of the Site-Blocking Order with a simplified motion to the Court...

[13] This Court has continued to expand the scope of injunctive relief following the order granted in *GoldTV*. In *Rogers Media Inc v John Doe 1*, [2022 FC 775](#), Justice William Pentney issued what he described as a “dynamic” site blocking order against unknown defendants, in a case where National Hockey League livestreams were regularly moved from one site to another and it was impracticable to enforce copyright laws with a static site-blocking order (at para 6). This order required ISPs to block IP addresses that were broadcasting illegally only for the duration of the specified “game window” (see also *Rogers Media Inc v John Doe 1* (November 21, 2022), Ottawa T-955-21 (FC); *Bell Media Inc v John Doe 1*, [2022 FC 1432](#); *Rogers Media Inc et al v John Doe 1 et al* (July 18, 2023), Vancouver T-1253-23 (FC)).

[14] More recently, Justice Andrew Little granted a multi-event dynamic site blocking order that allowed the plaintiff to apply the order to future sporting events by filing a motion to that effect (*Rogers Media Inc v John Doe 1*, [2024 FC 1082](#)). While the relevant precedents had typically taken the form of interlocutory injunctions, Justice Little found (at paras 45-50) that a permanent injunction could be granted for copyright infringement and, as a court of equity, the Court could also grant an order against third party respondents if it appeared to be just or convenient to do so.

*Indigo Books & Music Inc. v. John Doe 1 (Indigo Kills Kids)*, 2024 FC 1465

[5] A domain blocking or site-blocking order is a form of injunctive relief enjoining Internet Service Providers [ISPs] to block their subscribers' attempts to access the infringing domains, handles, and content on the Internet. It is aimed at preventing users from accessing infringing content in situations where it is not possible to stop infringers effectively from distributing infringing content.

[17] The IKK Platforms display the following image [IKK Image]:



[18] In addition to the express message conveyed by the IKK Image (i.e. that the Plaintiff is responsible for killing children), the IKK Website calls for a boycott of the Plaintiff's stores, redirects visitors to competitors of the Plaintiff, and claims to be organizing a day of action against the Plaintiff on September 25, 2024.

[6] In this case, the Plaintiff seeks a site-blocking order known as Domain Name System [DNS] blocking, limited to the specific domains or subdomains involved, thus diminishing the risk that untargeted websites nonetheless could be affected by the order.

[7] It is settled law that this Court has the jurisdiction to issue the type of site-blocking order the Plaintiff seeks: *Bell Media Inc v GoldTV.Biz*, [2019 FC 1432](#) [*GoldTV*] at paras [22-26](#)....

[10] In addition, more recent jurisprudence of this Court has established the appropriateness of the following factors, known as the *Cartier* factors, in determining the proportionality of a site-blocking order in the context of whether it would be a just and equitable remedy in all the circumstances: (a) necessity; (b) effectiveness; (c) dissuasiveness; (d) complexity and cost; (e) barriers to legitimate use or trade; (f) fairness; (g) substitution; and (h) safeguards. See *GoldTV*, above at paras [51-52](#); appeal dismissed *Teksavvy Solutions Inc v Bell Media Inc*, [2021 FCA 100](#) [*Teksavvy*]. The Federal Court of Appeal held specifically that the *Cartier* factors appropriately were considered: *Teksavvy*, at para [77](#).

[19] Turning to the applicable three-part test, I am persuaded that the Plaintiff has shown a serious issue, if not a *prima facie* case, of copyright infringement in respect of the !INDIGOKIDS Work and depreciation of the goodwill attaching to the INDIGO Marks, particularly !NDIGOKIDS and !ndigokids Design.

[24] I further find that an interim domain blocking order is necessary and proportional to limit the harm to the Plaintiff, as well as the potential risk to untargeted websites, until the merits of the motion for interlocutory relief can be heard...

**d. Anton Pillar orders**

*Peninsula Employment Services Ltd. v. Castillo*, 2024 ONSC 5442

This is an *ex parte* motion for an *Anton Piller* order against the four personal defendants and Castillo HR Consulting Inc. ("CHR") (together the "AP defendants"). The motion is based on the AP defendants' alleged wrongful activities in unlawfully accessing and removing Peninsula's proprietary information and

documentation, infringing its copyright-protected materials and exploiting its trade secrets. In addition to the order to preserve evidence, the plaintiff seeks interim orders to enjoin the continued infringement of copyright and a sealing order pending the return of the motion.

[7] In order to obtain an *Anton Piller* order the plaintiff must establish the following four elements:

- • A strong *prima facie* case;
- • The damage to the plaintiff arising from the defendant's alleged misconduct, whether potential or actual, must be very serious;
- • There must be convincing evidence that the defendant has incriminating documents or things in their possession; and
- • There must be a real possibility that the defendant may destroy such material before the discovery process. See *Celanese Canada Inc. v. Murray Demolition Corp.*, [2006 SCC 36 \(CanLII\)](#), [2006] 2 S.C.R. 189 at paras [32 and 36](#); *Promo-Ad v. Keller*, [2013 ONSC 1633](#) at paras [46-53](#).

[10] Mr. Castillo may have diverted to his own credit card the Subscribers' payments owing to the plaintiff. There is evidence that all four personal defendants were involved in editing the copyrighted documents that were provided to CHR's client (the private investigator). Each of the four is listed as a contact for at least one Subscriber.

[11] There is a strong *prima facie* case that the works are subject to copyright as defined in the [Copyright Act](#), R.S.C. 1985, c. C-42 and the case law, for example *Apple Computer, Inc. v. Mackintosh Computers Ltd.* [1987 CanLII 9003 \(FCA\)](#), [1988] 1 FC 673 (Fed. CA); *CCH Canadian Ltd. v. Law Society of Upper Canada*, [2004 SCC 13](#); *P.S. Knight Co. Ltd. v. Canadian Standards Association*, [2018 FCA 222](#).

[12] There is a strong *prima facie* case that there has been an infringement and secondary infringement of the plaintiff's copyright. There is a strong *prima facie* case that the personal defendants engaged in a "deliberate, wilful and knowing pursuit of a course of conduct that was likely to constitute infringement or reflect an indifference to the risk of it" and that they are not entitled to be hide behind CHR: *Louis Vuitton Malletier S.A. v. Singga Enterprises (Canada) Inc.*, [2011 FC 776 \(CanLII\)](#), [2013] 1 FCR 413 at para. [113](#).

### **The damage must be very serious**

[13] I am satisfied that the damage to the plaintiff is very serious. The AP defendants are undercutting the plaintiff's pricing with their own customers, and using the plaintiff's copyrighted work to do so. The production and careful distribution of its copyrighted work is the entire essence of the plaintiff's business. To lose control over the copyrighted work is to lose control of its business. Serious damage flows from copyright infringement: *Canadian Private Copying Collective v. Amico Imaging Services Inc.*, [2004 FC 469](#) at para. [18](#).

### **Terms of the injunction**

[24] Section 39.1 of the Copyright Act permits an injunction to be issued broadly to include works that have not yet been created. The entire nature of the plaintiff's business is to continually create new copyrighted materials for their clients. I find that the broad injunction is therefore warranted.

*Seismotech IP Holdings Inc. v. Ecobee Technologies ULC*, 2024 FCA 205

[1] Before the Court is an appeal of an order of Grammond J. of the Federal Court (the Motion Judge) dated December 7, 2023 ([2023 FC 1649](#)) dismissing the appellants' motion for a *Norwich* order (the Motion). The Motion was brought in relation to two simplified actions launched by the appellants against as of yet unidentified consumers who bought and installed smart thermostats in their homes, which, the appellants claim, infringe certain patents they own. The appellants allege that more than 75 brands and models of smart thermostats, made by Canadian (Federal Court file T-1147-23) and foreign (Federal Court file T-1148-23) manufacturers, infringe their patents. One of the Canadian manufacturers, Ecobee Technologies ULC (Ecobee), was granted party status as a defendant on October 5, 2023. Our Court confirmed that order on September 12, 2024 ([2024 FCA 144](#)).

[2] If granted, the requested *Norwich* order would have forced Apple Inc. and Apple Canada Inc. (Apple), which are non-party respondents to the Motion, to disclose the names and addresses of consumers who downloaded the app from the App Store that allegedly controls these devices. The appellants estimate that there are hundreds of thousands of these consumers.

### **The Public Interest Criterion**

[42] As stated at the outset of these reasons, the Motion Judge found that it would be against the public interest to issue a *Norwich* order in this case, because this would unjustly deprive the consumer defendants of meaningful access to justice. This was so given the inherent complexity of a patent infringement action and the practical impossibility for these defendants to defend such an action individually.

[43] The Motion Judge reasoned that the main goal of *Norwich* orders, which is to facilitate access to justice for right holders unaware of the identity of alleged wrongdoers, was equally important for defendants in cases where meaningfully defending an action would be out of reach, potentially resulting in unfair settlements or unopposed default judgments (Motion Judge's Reasons at paras. 41–42, 46–47). In this case, “special considerations” were given to the fact that: (i) patent litigation is costly and requires expert evidence; and (ii) the action is directed at a large number of individuals, each having modest amounts at stake and lacking in technical skills (Motion Judge's Reasons at para. 44).

[52] In *Norwich Pharmacal*, for instance, the public interest criterion was formulated in the broadest terms by the House of Lords, which stated that disclosure was required when otherwise warranted “unless there is some consideration of public policy which prevents that” (cited in *Glaxo* at para. 26). As we have seen, in the particular circumstances of that case, the balancing analysis opposed the public interest in favour of disclosure to the statutory protection from disclosure of the alleged infringers' identity. This broad terminology was echoed in *Glaxo* (*Glaxo* at para. 65).

[53] Besides privacy and confidentiality, other public interest concerns have been considered by the courts in *Norwich* motions, such as:

- a) the nature and apparent strength of the plaintiff's case (*Stewart* at paras. 59, 75, 145);
- b) whether denying the motion would leave the plaintiff without a remedy (*Stewart* at para. 142; *Blumoon Capital* at para. 16);
- c) freedoms of expression, association and peaceful assembly under the *Canadian Charter of Rights and Freedoms*, Part I of the [Constitution Act, 1982](#), being Schedule B to the *Canada Act*

1982 (U.K.), 1982, c. 11 (the *Charter*) (*Olsen v. Facebook Inc.*, [2016 NSSC 155](#) at para. 11; *Cooper Creek Cedar Ltd. v. Ogden*, [2023 BCSC 465](#) at paras. 83–84 (*Cooper Creek*));

- d) the administration of justice, free press and compliance with securities legislation (*Stewart* at paras. 77, 99, 103);
- e) the chilling effect resulting from disclosure (*Cooper Creek* at para. 84); and
- f) the interests of alleged wrongdoers and the public (*Harrington Global Opportunities Fund S.A.R.L. v. Investment Industry Regulatory Organization of Canada*, [2018 ONSC 7739](#) at paras. 93, 111; *ME2 Productions, Inc. v. Doe*, [2019 FC 214](#) at para. 106; and *Voltage* at paras. 25–27, 40–41).

[54] These cases show that non-privacy concerns are well within the ambit of public policy and interests of justice considerations inherent to the extraordinary, discretionary, and equitable nature of *Norwich* proceedings.

[58] I agree with the respondents that the Motion Judge’s analysis was restricted to the highly unusual facts of this case. As indicated above, the Motion Judge found that meaningfully defending the appellants’ action would be out of reach for individual consumers given the inherent complexity of patent infringement actions compared to, for example, copyright infringement actions, the cost of defending such actions for individual consumers who only have modest amounts at stake, as well as their lack of technical skills. He was concerned that in such context, the appellants’ action could result in unfair settlements or default judgments, something which, on a mass scale, as here, would not be in the interest of justice.

[59] The appellants claim that instead of dismissing the Motion based on access to justice concerns, assuming this was a valid public interest consideration, the Motion Judge should have come up with solutions to solve these concerns on behalf of the consumer defendants. They say that the Motion Judge overlooked “judicial tools” that were available to him, such as appointing an *amicus curiae* to represent the interest of the consumer defendants, imposing ongoing court oversight of communications with the defendants, or making use of the Federal Court’s case management authority to manage the action in a manner that would alleviate these concerns.

[60] I agree with the respondents that the Motion Judge was not required to design a plan on the appellants’ behalf aimed at solving the access to justice issues the Motion raised, especially in a mass litigation context directed at hundreds of thousands of consumers, according to the appellants’ own estimation. Some of these alleged alleviating measures (releasing the information sought to be disclosed in small manageable batches, sending out cover letters protecting the proposed consumer defendants from being intimidated into settlement, considering the intervention of a public interest organization, appointment of a lawyer by the manufacturers, and providing advance costs) were not put before the Motion Judge. It is trite that this Court will normally not entertain issues that were not raised in the court below (*Quan v. Cusson*, [2009 SCC 62](#), [2009] 3 S.C.R. 712 at paras. 36–39; *Rouet v. Canada (Justice)*, [2023 FCA 50](#); see also: *Athey v. Leonati*, [1996 CanLII 183 \(SCC\)](#), [1996] 3 S.C.R. 458 at paras. 51–52).

[61] As for the proposed alleviating measures put before the Motion Judge (permitting the consumer defendants to seek joint representation or to bring a motion to certify the action as a reverse class action, or allowing manufacturers to seek intervener status), the Motion Judge found that they were either:

- a) Out of touch with reality, given the number of individuals involved and the amount at stake for each of them; or

- b) Disingenuous given that the appellants had explicitly declined to seek certification of their action as a reverse class action and had opposed Ecobee's motion to be added as a party or intervener to said action.

[62] I see no palpable and overriding error in the Motion Judge's findings in this regard. Again, it was open to him, based on the record before him, to conclude the way he did. In the end, the appellants are asking this Court to reassess the record in the hope of reaching different conclusions. However, this is not our role.

[63] Ecobee contends that even when the public interest favoring disclosure is assessed against privacy concerns, disclosure is not warranted. It claims that the appellants have made no effort to minimize the invasion of privacy by seeking to capture as many people as possible, regardless of whether they are even defendants in the action. Ecobee asserts in this regard that the requested disclosure would reveal the personal information of individuals that have merely downloaded an app to operate or control non-impugned devices.

[65] In sum, I am of the view that the Motion Judge committed no reviewable error on the law or on the facts, in concluding that the public interest in access to justice outweighed the public interest in favour of disclosure in the particular circumstances of this case.

**e. Statutory damages**

**Maier Estate v. Bulger, 2024 FC 1267**

[166] If infringement is for commercial purposes, statutory damages may be awarded "in a sum of not less than \$500 and not more than \$20,000 that the court considers just, with respect to all infringements involved in the proceedings for each work" ([subsection 38.1\(1\)\(a\)](#) of the [Act](#)).

[167] If infringement is for non-commercial purposes, statutory damages may be awarded "in a sum of not less than \$100 and not more than \$5,000 that the court considers just, with respect to all infringements involved in the proceedings for all works" ([subsection 38.1\(1\)\(b\)](#) of the [Act](#)).

[168] The Court has discretion to lower the amount of statutory damages awarded per work for commercial purposes to less than \$500, but not less than \$200, if it is satisfied that "the defendant was not aware and had no reasonable grounds to believe that the defendant had infringed copyright" ([subsection 38.1\(2\)](#) of the [Act](#)). **In special cases, the prescribed range per work for commercial purposes can be reduced even further where there is more than one work or other subject-matter in a single medium, and awarding the minimum amount per work would yield a total award that is grossly out of proportion to the infringement ([subsection 38.1\(3\)](#) of the [Act](#)).**

[169] Determining the appropriate amount of statutory damages is not a precise science and is to be considered on a case-by-case basis. It involves consideration of all relevant circumstances, with the aim of yielding a just result: *Rallysport Direct LLC v 2424508 Ontario Ltd*, [2020 FC 794](#) [*Rallysport FC*] at para [6](#); *aff'd* [2022 FCA 24](#) [*Rallysport FCA*]; *Collett v Northland Art Company Canada Inc*, [2018 FC 269](#) at para [59](#), citing to *Telewizja Polsat SA v Radiopol Inc*, [2006 FC 584](#) at para [37](#).

[174] As a preliminary matter, the parties dispute whether commissioning the Carnie Prints constitutes infringement for commercial or non-commercial purposes. I agree with the Plaintiff that while the Carnie Prints were exhibited at a show (*Meaning Without Context*) where the prints were not for sale, as a commercial gallery the Gallery's ultimate goal was to sell the prints exhibited (TT, 657:28-657:7). Indeed, Bulger testified that the Gallery followed up with those customers who expressed an interest in the prints from the exhibition for the purpose of offering the prints for sale (see for example, Exhibit 46).



Further, I note that the vast majority of the unique works printed by Carnie were the same works reflected in prints exhibited, offered for sale or sold at the *Photographs of Children* exhibition or printed by FAIG (through KMS) and imported by the Gallery to be offered for sale under the FAIG Agreement (Appendix B to the Plaintiff's Closing Submissions). As noted earlier, I need only establish one act of infringement for each unique work. I thus consider the infringement relating to the unique works reflected in the Carnie Prints to have been made for a commercial purpose.

[175] I similarly find that [subsection 38.1\(3\)](#) of the [Act](#) (i.e., the single medium provision) cannot be used to lower the statutory damage amount. The Defendants argue that “medium” as used elsewhere in the Act refers to a single category of medium ([subsection 13\(4\)](#) of the Act) as opposed to a single item. They assert that subsection 38.1(3) is not to be interpreted in a manner that is “too technical or mechanical”; nor one that would result in an “astronomical” damages award: *Vidéotron* at paras [85, 105](#). However, as noted by Justice Pallotta in *Patterned Concrete Mississauga Inc v Bomanite Toronto Ltd*, [2021 FC 314](#) [*Patterned Concrete*], “[i]t is the works, not the copies, that must be in a single medium in order for section 38.1(3) to apply” (at para 65). The provision was intended to apply to works like newspapers or anthologies, where multiple copyrights may exist in a single copied medium (*Nintendo of America Inc v King*, [2017 FC 246](#) [*Nintendo*] at para [148](#)), or to works that exist in an electronic medium like a website (*Trader v CarGurus*, [2017 ONSC 1841](#) at paras [57-58](#)).

[176] The situation is very different here. In this case, the works infringed are those embodied in the B&W Negatives. As set out in my earlier findings, the infringing acts do not extend to the hard drives. The images as contained in the negatives are each separate and may be separately copied. They are not in a single medium where multiple copyrights are infringed through a single copy. Accordingly, it is my view that subsection 38.1(3) does not apply and that the appropriate quantum of statutory damages should fall within the range specified by the [Act](#); that is, between \$500 and \$20,000 per work.

[193] Considering all of the factors under [subsection 38.1\(5\)](#) of the [Act](#), the financial realities, the specific circumstances of this case, and the jurisprudence referenced in Appendix “E” to the Defendants’ submissions, it is my view that a just award would be more than the minimum amount per work, but a magnitude less than the maximum amount and should be set at \$2,000 CAD per work for a total of \$194,000 CAD in statutory damages.

#### ***Louis Vuitton Malletier S.A. v. Torf*, 2024 FC 1152**

[123] Louis Vuitton Malletier has established infringement of its copyright in the “Multicolored Monogram-White Print.” It seeks statutory damages pursuant to [section 38.1](#) of the *Copyright Act*, in the maximum available amount of \$20,000. Unlike an award of damages under the *Trademarks Act*, an award of statutory damages may be made without proof of actual damage: *Oakley* at para 7; *Lululemon* at para 41. In exercising its discretion to award statutory damages, the Court considers all relevant factors, including the good or bad faith of the defendant, the parties’ conduct before and during the proceedings, and the need for deterrence: *Copyright Act*, s 38.1(5)(a)–(c); *Yang* at paras [19–26](#). Notably, the *Copyright Act* states that consideration of hardship to the defendant, and the impact of the infringements on the plaintiff are relevant considerations for non-commercial infringements, suggesting they are not relevant for commercial infringement: *Copyright Act*, s 38.1(5)(d).

[124] This Court has awarded the maximum available \$20,000 in a number of counterfeiting cases: *Yang* at paras [22, 26](#); *Wang* at paras [196–198](#); *Singga* at paras [157–160](#). Without wishing to suggest that this is necessarily appropriate regardless of the circumstances or the number of copyright works at issue, particularly where the works are also subject to trademark protection, I conclude that the \$20,000 maximum is appropriate in this case. I reach this conclusion despite the fact that the evidence only shows two instances of the Multicolored Monogram-White Print work appearing on counterfeit products, and

that the defendants conceded infringement. The defendants' infringing conduct in importing and selling counterfeit goods, including counterfeit goods bearing the Multicolored Monogram-White Print was in bad faith, was wilful and, as discussed further below, is conduct that requires deterrence, both specific and general. An award of \$20,000 is appropriate.

*Demirören TV Radyo Yayincılık Yapımcılık A.Ş. v. General Entertainment and Music Inc.*, 2024 FC 1127

[80] Pursuant to [section 38.1](#) of the *Copyright Act*, Kanal D has elected to recover an award of statutory damages instead of its actual damages.

[81] Kanal D is asking for \$15,000 per episode. This falls within the \$500 to \$20,000 per work range prescribed by statute where the infringing acts were for commercial purposes (*Copyright Act*, s 38.1(1)(a)). For the reasons that follow, I believe that \$10,000 per episode is a more appropriate and just award.

[82] In order to assess the reasonableness of the statutory damages sought, I start with the principle that statutory damages are to be assessed on a case-by-case basis to achieve a just result (*Rallysport Direct LLC v 2424508 Ontario Ltd.*, [2020 FC 794](#) at para [6](#) [*Rallysport FC*] aff'd *2424508 Ontario Ltd v RallySport Direct LLC*, [2022 FCA 24](#) [*Rallysport FCA*]).

[83] Kanal D supports its statutory damages claim by pointing to the evidence of its probable economic losses in the form of lost licensing fees. While not determinative (*Rallysport FCA* at paras 29 and 38), I consider Kanal D's evidence relating to its actual loss to be an important starting point in arriving at an amount of statutory damages that is fair and proportionate. The Iran Licenses are evidence of 16 of the commercially negotiated licensing fees that Kanal D and GEMCO agreed on for the linear broadcasting of various Kanal D Programs in a single country over a decade ago. Those licensing fees ranged from USD\$500 to \$4,000 per episode [the Iran Licensing Rates]. The Turkmen Affidavit provides evidence that today, Kanal D would charge at least USD\$4,000 (or CAD \$5,500) per year per episode to broadcast or stream any of the Kanal D Programs in a single territory [the Current Licensing Rate]. Kanal D's claim for \$15,000 per episode is based on the Current Licensing Rate multiplied by three, a number that Kanal D admits is random, but which reflects the fact that GEM's infringing activities allowed for streaming in more than one country.

[84] I appreciate that arriving at a statutory damages award is a "rough and ready" exercise that is intended to facilitate justice by allowing the Court to provide a copyright owner with a monetary award without the need to prove actual damages. Still, I am not prepared to arbitrarily multiply the Current Licensing Rate without more cogent evidence as to Kanal D's current licensing practices for the streaming of the Kanal D Programs, which it could easily have tendered.

[85] I am satisfied, however, that an award of \$10,000 per episode for each Kanal D Program shown to have been infringed by GEM is justified based on the aggravating factors of GEM's bad faith, its conduct in these proceedings, and most importantly, the need for deterrence. All of these are factors that must be considered pursuant to [sections 38.1\(5\)\(a\)\(b\) and \(c\)](#) of the *Copyright Act*.

[86] *GEM's Bad Faith* - GEM is a sophisticated litigant whose assertion of its own copyright in the GEM Action shows that it understands the damage that pirating can inflict on a copyright owner. By all accounts, GEMCO negotiated the Iran Licenses and when they expired, GEM continued to access the Kanal D Programs, translated them and made them available on its GEM TV website thereby avoiding the payment of licensing fees. Not only did GEM seek to avoid paying licensing fees, but it wrongfully

obtained copyright registrations for works that infringed Kanal D's intellectual property rights and sought to monetize those rights.

[87] *GEM's conduct in this proceeding* - GEM's lack of participation in this motion, and in this action as a whole, makes it difficult for the Court to gauge whether the statutory amount awarded is grossly disproportionate to GEM's profits from engaging in the infringing activities. However, the fact that GEM itself sought a statutory damage award of \$20,000 per episode against like infringers in the GEM Action confirms that an award of \$10,000 per episode is not grossly out of proportion to the infringement.

[88] *Deterrence* - A per episode rate that is meaningfully higher than the actual Current Licensing Rate, ensures that GEM and other defendants who might seek to avoid the payment of licensing fees in the future are deterred (*Vidéotron* at para [81](#)). This Court has recognized the "enduring harm" that results from unauthorized broadcasting and streaming which includes an unlimited potential for continued infringement due to the loss of control over the copyrighted works (*Bell Canada* at para [101](#)). GEM itself understands this and sought damages in the GEM Action on the basis of the "irreparable damage" that similar acts caused it. Infringers who ask their customers to "pay per view" should likewise do the same.

**f. Punitive damages**

***Maier Estate v. Bulger*, 2024 FC 1267**

[194] While an election by the copyright owner to recover statutory damages does not affect any right the copyright owner might have to exemplary or punitive damages ([subsection 38.1\(7\)](#) of the [Act](#)), in my view this is not an appropriate case for a punitive damages award.

[195] Punitive damages are for exceptional cases where "malicious, oppressive and high-handed" misconduct represents a "marked departure from ordinary standards of decent behaviour" and offends the court's sense of decency: *Whiten v Pilot Insurance Co*, [2002 SCC 18](#) [*Whiten*] at paras [36 and 94](#). Relevant factors include: whether the conduct was planned and deliberate; the intent and motive of the defendant; whether the defendant persisted in the outrageous conduct over a lengthy period of time; whether the defendant concealed or attempted to cover up the misconduct; the defendant's awareness of the wrongdoing; and whether the defendant profited from the misconduct: *Yang* at para [47](#).

[196] However, punitive damages are only to be awarded if all other penalties and damages have been taken into account and they are found to be inadequate to accomplish the objectives of retribution, deterrence and denunciation: *Whiten* at para [123](#). Thus, where statutory damages include a significant punitive component, awarding punitive damages would be redundant: *Vidéotron* at para [117](#).

[197] For the reasons already stated, including my finding that specific deterrence is not necessary, I do not consider that the facts here justify an additional punitive damages award.

[17] Divided success can arise from a case that involves different parts with different outcomes, but not one dealing with the level of success on an issue. The extent of success on an issue is a separate factor (see rule 400(3)(b)) that may be relevant to the assessment of costs: *Energizer Brands, LLC v Gillette Company*, [2024 FC 717](#) [*Energizer*] at paras [21-24](#).

[18] In this case, both the Plaintiff and the Defendants claim to be the successful party in the litigation. As noted earlier, the Estate attributes success to the Court's finding of copyright infringement and the injunction and award of statutory damages imposed against the Gallery. The Defendants, in contrast, contend that they have achieved overall success as the Estate was unsuccessful on a number of its infringement claims, and the quantum of statutory damages awarded was far less than what was claimed. They also point to the dismissal of the claim against Bulger personally.

[19] At trial, the Plaintiff asserted infringement in respect of activities involving both prints and digital scans of negatives embodying the Maier Works. The inclusion of the digital scans in the claim increased the number of alleged infringed works from 98 to 16,643. Once the Court found that the alleged acts relating to the digital scans of the negatives were not infringing, the magnitude of the statutory damage award changed significantly.

[20] This was not a case where there were different, unrelated causes of action alleged as the Court found in *Energizer*. Although there were various acts of infringement alleged in respect of the prints and the digital scans, all allegations were for copyright infringement, and copyright infringement was found in respect of 97 unique works, with statutory damages and an injunction ordered in respect of each of the Maier Works.

[21] While the degree of success on the allegations of copyright infringement is relevant to the assessment of costs (rule 400(3)(b)), in my view they do not detract from the finding that the Plaintiff was successful in its overriding allegation that there was copyright infringement.

***Louis Vuitton Malletier S.A. v. Torf*, 2024 FC 1152**

[127] Applying these principles, I conclude that an award of punitive damages is appropriate in this case. The evidence demonstrates that the conduct of Hakam, Mohammed, and Waleed in selling counterfeit Louis Vuitton goods was planned and deliberate, done for financial gain with disregard for Louis Vuitton's intellectual property rights. The conduct was persistent, continuing over the course of two full years. Importantly, it continued long after they had been served with a letter clearly explaining Louis Vuitton's rights and demanding they cease violating those rights.

[128] I reject the testimony of Mohammed and Hakam on cross-examination suggesting they did not know that selling counterfeit goods was wrong. Mohammed and Waleed were involved in the fashion industry through their own retail stores and the Vivo Rosa brand, for which they had registered a trademark. It is simply not credible that they were unaware of the importance of trademark rights and the unlawfulness of using another person's trademarks. Indeed, Waleed's evidence was that he knew that it was wrong and tried to tell Hakam to stop selling counterfeit goods.

[133] Louis Vuitton asks that a punitive damages award of \$250,000 be levied against the defendants generally. In cases involving a counterfeit business with multiple personal defendants, Courts have sometimes awarded punitive damages jointly and severally against all defendants: *Yang* at paras [49–53](#), [61](#); *Wang* at para [192](#); *Ward* at paras [121–124](#). In other cases, the Court has imposed separate punitive damages amounts, differing based on the culpability and involvement of the defendant or defendant group: *Lee* at paras [90–91](#); *Singga* at para [180](#).

[134] In terms of quantum, this Court has awarded punitive damages in amounts ranging from \$30,000 to \$250,000, and up to \$500,000 cumulatively, depending on factors such as the nature and scope of the counterfeiting operation; its duration; the extent to which the defendants have ignored legal processes or, importantly, Court orders; their efforts to conceal and/or continue their conduct through the use of aliases or other methods; and their conduct in the action: *Yang* at paras [50–53](#) (\$100,000); *Lee* at paras [86–91](#) (\$100,000 and \$200,000 to different defendant groups); *Singga* at paras [170–180](#) (\$50,000, \$200,000, and \$250,000 to different defendant groups); *Harley-Davidson Motor Company Group, LLC v Manoukian*, [2013 FC 193](#) at paras [49–51](#) (\$50,000); *Lam Chan Kee #2* at paras 68–79 (\$250,000); *Wang* at paras [188–192](#) (\$225,000); *Lululemon* at paras 58–66 (\$30,000); *Rosales* at paras [59–64](#) (\$30,000); *Ward* at paras [121–124](#) (\$100,000); see also *Dermaspark Products Inc c Étienne*, [2023 QCCS 1268](#) at paras [59–64](#) (\$30,000).

[135] I have considered the circumstances of the foregoing cases and the awards given therein. In the present case, I consider that the different degrees of culpability and activity of the defendants warrant separate punitive damages awards. Given the facts and factors discussed at paragraphs [126]–[130] above; the particular involvement and actions of the individual defendants both prior to and in the litigation; and the need for specific and general deterrence, I conclude that it is appropriate to award punitive damages in the amount of \$100,000 against Alhakam Brifcany and Canadian Madmac jointly and severally, and punitive damages in the amount of \$50,000 each against Mohammed Bani Torf and Waleed Bani Torf, for which amounts Vivo Rosa shall also be jointly and severally liable.

[136] In accordance with [subsection 37\(1\)](#) of the *Federal Courts Act*, RSC 1985, c F-7, interest shall run on the foregoing amounts in accordance with [sections 127](#) and [129](#) of the *Courts of Justice Act*, RSO 1990, c C.43.

**g. Expungement of copyright registrations**

[\*Demirören TV Radyo Yayincılık Yapimcilik A.Ş. v. General Entertainment and Music Inc.\*, 2024 FC 1127](#)

[77] Kanal D seeks an order expunging the GEM Copyright Registrations pursuant to [subsection 57\(4\)](#) of the *Copyright Act*. Having found that the GEM Copyright Registrations were improperly obtained by GEM, the relief sought by Kanal D is granted for the following registrations: 1170700, 1173797, 1173798, 1173799, 1173800, 1173801, 1173802, 1174065, 1174069, 1174072, 1174441 and 1174444.

**5. Infringement of moral rights**

[\*Lakehead District School Board v. Mauro et al.\*, 2024 ONSC 5174](#)

In my view, such declaratory relief is appropriate to protect the Board's rights to copyright in the works for future. A declaration will issue:

a) that copyright in the works drawings subsists with the Board; and

b) that the Board's copyright and moral rights have been infringed by the defendant, Anna Mauro.

**6. Procedure**

**a. Declaratory relief**

[\*Lakehead District School Board v. Mauro et al.\*, 2024 ONSC 5174](#)

The Board claims declarations, pursuant to [s. 97](#) of the *Courts of Justice Act*, R.S.O. 1990, c. C. 43, that copyright in the works drawings subsists with the Board, and that the Board's copyright and moral rights have been infringed by the defendant.

[57] In *Rains v. Molea*, [2013 ONSC 5016](#), 114 C.P.R. (4th) 161, at para. [91](#), Chiappetta J. observed:

In my view, declaratory relief is appropriate if copyright subsists and infringement is established. Copyright vests rights exclusively in its owner. A misappropriation of those rights warrants a binding declaration of the rights determined to be properly vested.  
[Citations omitted.]

[58] In my view, such declaratory relief is appropriate to protect the Board's rights to copyright in the works for future



**b. Use of applications**

**Rogers Media Inc. v. John Doe 1, 2024 FC 1082**

[19] As noted, the applicants joined together to commence an application seeking an order to enforce their copyright by way of permanent but time-limited injunction, rather than commencing separate proceedings by way of an action and seeking an interlocutory injunction under Rule 373. This makes procedural sense.

[20] First, common questions of law and fact arise in respect of their copyright claims and requests for injunctive relief. Some of the evidence would have overlapped if they had commenced separate proceedings, including the evidence of an employee of FMTS, which will be discussed below. The applicants' claims arise from substantially similar facts and are very similar matters in substance. The order they have requested seeks to address the same problem (pirated communications of live sports events) and is directed at the same Third Party Respondent ISPs. See Rule 102 of the [Federal Courts Rules](#), SOR/98-106.

[21] Second, the *Copyright Act* contemplates a summary application may be used for infringement proceedings. See Rule 300(b); *Copyright Act*, [subsection 34\(1\)](#) and [paragraph 34\(4\)\(a\)](#); and *BBM Canada v. Research In Motion Limited*, [2011 FCA 151](#), [2013] 1 FCR 117.

[22] Third, as the applicants advised, there are no practical reasons to commence an action. The relief sought is only injunctive, based on affidavit evidence that is extensive but not contested. The applicants do not require discovery and did not expect the John Doe Respondents to appear. There are no credibility issues that need to be resolved at a trial. The applicants do not seek damages. They therefore will not seek default Judgment against the John Doe Respondents for financial compensation as there is no prospect of enforcing a money Judgment against them (either because they cannot be identified or they are outside the Court's jurisdiction). If the applicants had commenced one or more actions, the actions would be discontinued after the interlocutory injunction expired. While the facts and evidence on this application are admittedly complex, they are manageable and amenable to adjudication by summary application, as previous site-blocking motions have demonstrated.

[23] Finally, there are obvious efficiencies for the parties and their common counsel, for the Third Party Respondents, and for the Court.

[24] Accordingly, I conclude that the applicants have properly commenced this proceeding by way of application and did not need to commence one or more actions under the *Copyright Act* and the [Federal Courts Rules](#).

**c. Joinder of copyright owners**

**Rogers Media Inc. v. John Doe 1, 2024 FC 1082**

**A. The applicants do not need to add the copyright owners as parties**

[25] The applicants observed that their proposed order would constitute a decision on the merits in a proceeding commenced by them as rightsholders, which implied that the copyright owners must be made a party to the proceeding: see *Copyright Act*, [subsections 41.23\(1\)](#) and [\(2\)](#). However, the applicants maintained that the exception in paragraph 41.23(2)(c) applies – it is a case in which the Court should conclude that the interests of justice do not require the copyright owner to be a party.

[26] I agree. The copyright owners have confirmed their support of the applicants' application and have executed confirmatory licences in favour of the applicants for the purposes of this proceeding. The



Canadian Intellectual Property Office has issued certificates of registration of the copyright in the asserted works. The affidavit evidence filed by the applicants also advised that the owners have confirmed that they will not separately seek a site-blocking order for the same acts of infringement as the applicants have alleged. The applicants do not seek a financial order against any respondent in this proceeding, so there is no risk of double compensation being awarded or double damages being imposed.

**d. Arbitration of disputes**

*Zanin v. Ooma, Inc.*, 2025 FC 51

[183] Moreover, the SCC decision in *Desputeaux v Editions Chouette (1987) Inc.*, 2003 SCC 17 [*Desputeaux*] responds completely to Mr. Zanin’s argument on section 25 of the FC Act. In *Desputeaux*, the SCC dealt with section 37 of the Copyright Act, RSC 1985, c C-42 (as the provision was then known), which provided that this Court had concurrent jurisdiction with provincial courts to hear and determine all proceedings under that legislation.

[184] It is worth reproducing paragraphs 42 and 46 of Justice Louis LeBel’s reasons in *Desputeaux*. They read as follows:

[42] The purpose of enacting a provision like section 37 of the Copyright Act is to define the jurisdiction *ratione materiae* of the courts over a matter. It is not intended to exclude arbitration. It merely identifies the court which, within the judicial system, will have jurisdiction to hear cases involving a particular subject matter. It cannot be assumed to exclude arbitral jurisdiction unless it expressly so states. Arbitral jurisdiction is now part of the justice system of Quebec, and subject to the arrangements made by Quebec pursuant to its constitutional powers.

[...]

[46] Section 37 of the Copyright Act gives the Federal Court concurrent jurisdiction in respect of the enforcement of the Act, by assigning shared jurisdiction *ratione materiae* in respect of copyright to the Federal Court and “provincial courts.” That provision is sufficiently general, in my view, to include arbitration procedures created by a provincial statute. If Parliament had intended to exclude arbitration in copyright matters, it would have clearly done so.

[Emphasis added.]

[186] Like section 41.25 of the Copyright Act — the modern equivalent of the provision examined in *Desputeaux*, section 25 of the FC Act does not prevent an arbitrator from ruling on matters of federal law, such as questions concerning the Competition Act or the Trademarks Act. The provision was not, and is not, intended to exclude arbitration. It merely identifies the court which, within the judicial system, will have jurisdiction to hear cases involving a particular subject matter. It is sufficiently general to include arbitration procedures.

[187] I further note that *Desputeaux* was subsequently followed by the federal courts in *Difederico FCA* at paragraph 77, in *Murphy FC* at paragraphs 61–63, aff’d *Murphy FCA*, and in *Gold Line* at paragraphs 48–49.

[188] In *Murphy FC*, the Court agreed that, as in the case of *Desputeaux*, subsection 36(3) of the Competition Act did not confer exclusive jurisdiction to the Court, but merely identified the Court as a court of competent jurisdiction to hear section 36 claims: “[p]ut in other words, section 36 merely

provides for the *ratione materiae* jurisdiction of the Federal Court and in no way excludes arbitration as a valid forum” (*Murphy FC* at para 63). In *Gold Line*, the Court reaffirmed that [section 41.25](#) of the *Copyright Act* was not intended to exclude arbitration. Its sole purpose is to identify the court which, within the judicial system, will have jurisdiction to hear cases involving a particular subject matter. The Court reiterated that it cannot be assumed to exclude arbitral jurisdiction unless it expressly so states (*Gold Line* at paras 48–49).

**e. Common interest privilege**

[\*Irving Shipbuilding Inc. v. Beazley Syndicates AFB 2623\*](#), 2025 NSSC 52

Justice Bourgeois, speaking for our Court of Appeal in *Sable*, said this:

[62] The chambers judge undertook a thorough review of the case authorities outlining the creation and nature of common interest privilege. The foundation of her analysis arises from a definition provided by Lord Denning. At paragraph 116 of her decision the chambers judge writes:

[116] As Denning, L.J. said in *Buttes Gas and Oil Co. v. Hammer* (No. 3), [1981] Q.B. 223 (C.A.) at p. 243:

... There is a privilege which may be called a ‘common interest’ privilege. That is a privilege in aid of anticipated litigation in which several persons have a common interest. It often happens in litigation that a plaintiff or defendant has other persons standing alongside him – who have the self-same interest as he – and who have consulted lawyers on the self-same points as he – but these others have not been made parties to the action. Maybe for economy or for simplicity or what you will. All exchange counsel’s opinions. All collect information for the purpose of litigation. All make copies. All await the outcome with the same anxious anticipation – because it affects each as much as it does the others. Instances come readily to mind. Owners of adjoining houses complain of a nuisance which affects them both equally. Both take legal advice. Both exchange relevant documents. But only one is a plaintiff.

An author writes a book and gets it published. It is said to contain a libel or to be an infringement of copyright. Both author and publisher take legal advice. Both exchange documents. But only one is made a defen.

In all such cases I think the courts should – for the purposes of discovery – treat all the persons interested as if they were partners in a single firm or departments in a single company. Each can avail himself of the privilege in aid of litigation. Each can collect information for the use of his or the other’s legal adviser. Each can hold originals and each make copies. And so forth. All are the subject of the privilege in aid of anticipated litigation, even though it should transpire that, when the litigation is afterwards commenced, only one of them is made a party to it. No matter that one has the originals and the other has the copies. All are privileged.

[63] The above passage has been previously endorsed by this Court (see **Mitsui** at para. 51). I find no fault with the chambers judge’s articulation of the law.

## 7. Tariffs

### [SOCAN Tariff 22.D.3 – Online Allied Audiovisual Services \(2014-2024\)](#), 2024 CB 6

[37] We find that the last-approved tariffs are usable proxies for what could be fair.

[38] Often, the last-approved tariff is a starting point for the Board’s analyses by acting as a proxy of what could be fair and equitable.<sup>[23]</sup> Starting with the presumption that the last-approved tariff is fair for the period in which it was approved, one reason to question whether the last-approved tariff is an appropriate proxy for the next period is if the relevant market has changed.<sup>[24]</sup> Where collective societies and users agree to maintain the *status quo*, their agreement can be evidence that they do not think that the market has changed in a way that affects the rate.<sup>[25]</sup>

[39] In the current proceeding, the terms and conditions in the Jointly Submitted Text mirror the last-approved tariffs. As described above, two tariffs can be said to be last-approved: *SOCAN 22.D.3 (2007-2013)*<sup>[26]</sup> [for CAB members] and *SOCAN 22.D.1 (2007-2013)*<sup>[27]</sup> [for all other users]. These tariffs contain the same royalty structure and rates as the Jointly Submitted Text. In the case of *SOCAN 22.D.3 (2007-2013)*, this similarity is because that decision was also based on the Jointly Submitted Text, which covers the period from 2007 to 2018. We infer from the fact that the CAB and the BDUs have agreed to royalty rates that maintain the *status quo* over this period that they do not think the market has changed in a way that would affect rates.

[40] Additionally, SOCAN’s other television tariffs, *SOCAN Tariff 2.A (2009-2013)* and *SOCAN Tariff 17 (2009-2013)* also contain the same main royalty rate as the Jointly Submitted Text. The similarity of the Jointly Submitted Text to these other television tariffs also stems from the Agreement, where SOCAN, the CAB and the BDUs agree to maintain the *status quo* for Tariffs 2.A and 17, including royalty rates. The main rate of 1.9% in these tariffs was first implemented in 2002.<sup>[28]</sup> The fact that these rates are stable across SOCAN’s television tariffs and a period of over 20 years adds further support to our finding that the market has not changed.

[41] This *status quo* is supported by a majority of the television industry. The CAB submits that it represents the vast majority of commercial television broadcasters and discretionary service providers operating in Canada.<sup>[29]</sup> The BDUs further submit that they represent more than 95% of all subscribers in Canada.<sup>[30]</sup> While we make no finding on whether the CAB and the BDUs can represent the interests of all users, we accept their submissions that they represent a majority of the television industry.

[42] Given this strong evidence that the market has not changed, we adopt the last-approved tariffs as proxies. Applying these proxies, we find that the royalty rates and related terms and conditions in the Jointly Submitted Text, are fair and equitable.

## 8. Contempt

### [Morinaga & Co., Ltd v. Nguyen](#), 2024 FC 1710

The legal principles applicable on this motion were recently confirmed by Chief Justice Crampton in *Bell Media Inc v Macciachera (Smoothstreams.tv)*, [2023 FC 801](#):

[25] The principle objective of the law of civil contempt is to foster compliance with court orders: *Carey v Laiken*, [2015 SCC 17](#), at para [30](#) [*Carey*]; *Bell Canada v Adwokot*, [2023 FCA 106](#), at para [18](#). This is essential to maintain public confidence in the administration of justice, support the rule of law, and ensure that “social order prevails

rather than chaos”: *Morasse v Nadeau-Dubois*, [2016 SCC 44](#) at para [81](#) [*Morasse*], per Wagner CJC (dissenting on other grounds); *Minister of National Revenue v Bjornstad*, [2006 FC 818](#), at para [5](#); see also *Canada (Human Rights Commission) v Canadian Liberty Net (CA)*, [1996 CanLII 4021 \(FCA\)](#), [1996] 1 FC 787, at 796 (CA). This is because contempt of court is “a challenge to the judicial authority whose credibility and efficiency it undermines as well as those of the administration of justice”: *9038-3746 Quebec Inc v Microsoft Corporation*, [2010 FCA 151](#), at para [18](#) [*Microsoft*].

[26] To establish civil contempt, three elements must be established. First, the order or judgment that is alleged to have been breached must state clearly and unequivocally what should and should not be done. Where an order contains overly broad language, has an unclear meaning due to external circumstances, or omits an essential detail, the Court *may* find that this first element has not been established: *Carey*, above, at para [33](#). In addition, where there is ambiguity, the alleged contemnor is entitled to the most favourable interpretation of the order. However, this does not mean “that the alleged contemnor is entitled to have the courts contort the language of an order to narrow its ambit. The court will interpret the order in accordance with its ordinary meaning, taking into account its context”: *Fraser Health Authority v Schmidt*, [2015 BCCA 72](#), at para [4](#) [*Schmidt*]. Moreover, “a defendant cannot hide behind a restrictive and literal interpretation to circumvent the order and make a mockery of it and of the administration of justice”: *Zhang v Chau*, [2003 CanLII 75292 \(QC CA\)](#), 229 DLR (4th) 298 [QCCA], at para [32](#).

[27] The second element to be established is that the party alleged to be in breach must have actual knowledge of the order or judgment in question. Such knowledge can be inferred from the circumstances, and can be deemed to exist in the presence of wilful blindness: *Carey*, above, at para [34](#); *Bell Canada et al v Red Rhino Entertainment Inc et al*, [2019 FC 1460](#), at para [17](#) [*Red Rhino 2019*]; *Canadian Private Copying Collective v Fuzion Technology Corp et al*, [2009 FC 800](#), at paras [58 and 63](#) [CPCC].

[28] The third element to be established is that the alleged contemnor must have intentionally done the act that the order or judgment prohibits, or intentionally failed to do the act that the order or judgment compels. It is not necessary to establish “contumacious” intent, that is to say, an intention to interfere with the administration of justice or to disobey, in the sense of desiring or knowingly choosing to disobey the order or judgment in question. It will suffice to demonstrate an intentional act or omission that is in fact a breach of a clear order of which the alleged contemnor has had notice: *Carey*, above, at paras [29, 35, 38 and 47](#). Stated differently, it will suffice to demonstrate that the defendant knowingly contravened the order or judgment in question: *Urus Industrial Corp v Lifegear Inc*, [2005 FCA 63](#), at para [1](#).

[29] Each of the three elements of civil contempt described above must be established on the evidentiary standard of beyond a reasonable doubt: [Rule 469, Federal Courts Rules](#), SOR/98-106, [the *Rules*]; *Carey*, above, at para [32](#). This standard is more onerous than proof on a balance of probabilities, but is not as high as absolute certainty. If there are alternative explanations or inferences that give rise to a doubt based on reason and common sense that is logically based upon the evidence or lack of evidence, the standard of proof beyond a reasonable doubt will not be met: *R v Lifchus*, [1997 CanLII 319 \(SCC\)](#), [1997] 3 SCR 320, at paras [30 and 36](#). However, those alternative explanations or inferences must be reasonable: *R v Villaroman*, [2016 SCC 33](#), at 36 [*Villaroman*].

Doubts that are speculative, imaginary or frivolous in nature will not be reasonable: *Villaroman*, at 28 and 35-36; *R v Cyr-Langlois*, [2018 SCC 54](#), at para [15](#).

[30] Where the three requisite elements have been established beyond a reasonable doubt, the Court retains the discretion to decline to find an alleged contemnor in contempt...

I find no reason to exercise such discretion in relation to paragraphs 3(a) and 5. Ms. Hoang is actively continuing to infringe Morinaga's intellectual property rights and failing to provide information required by Morinaga to curtail further infringing behaviours by others. In light of this conduct, coupled with Ms. Hoang's failure to participate in this proceeding, failure to comply with the Court's procedural orders and failure to attend the contempt hearing, she will not benefit from the exercise of my discretion. Accordingly, I find that Ms. Hoang is guilty of contempt of Court in relation to paragraphs 3(a) and 5 of the Default Judgment.

***Bell Media Inc. v. Macciachera (Smoothstreams.tv)*, 2025 FC 461**

[55] The attraction of the potential passport surrender order discussed in *Sussex Group* is of little to no assistance to the Plaintiffs here. In *Sussex Group*, the passport surrender order was contemplated as part of the potential sentence to be imposed on the contemnor and then only as part of a sentence that included a term of home confinement. This reflects that a passport surrender order may be appropriate as part of a penalty order or sentence after a penalty or sentencing hearing, but it does not support making such an Order as an interlocutory order pending the penalty or sentencing hearing.

[56] I find the reasoning in *Mendlowitz* as to the making of an interlocutory order in a contempt proceeding, as well as to the scope of orders that may be made pending a penalty or sentencing hearing, to be persuasive. The similarities in the regulatory language used in [Rules](#) 60.11(5)(d) and (f) of the ORCP and Rule 472(d) of the *Rules* suggest a procedural kinship that can support an interpretation of [Rule](#) 472(d) of the *Rules* in a manner consistent with the interpretation of Rules 60.11(5)(d) and (f) of the ORCP in Ontario. The wording of Rule 472 reflects that the Court's discretion to impose a penalty upon a contemnor pursuant to Rule 472(d) is triggered by a judicial finding of contempt. Once that judicial finding of contempt has been made the Court has the discretion to impose a wide range of penalties as set out in Rule 472 (*Musqua . Bellegarde*, [2024 FCA 85](#) at para 17). Rule 472 does not suggest that the scope of the Court's discretion to make an order against a contemnor is strictly limited to making an order that is in the nature of a sentence that follows a penalty hearing.

[57] I find no regulatory language in Rule 472 that would preclude the Court from making an interlocutory penalty order against a contemnor pending a penalty hearing and the imposition of a sentence. In light of the principle that the [Rules](#) themselves are to be interpreted in a manner that is proactive in preventing, eliminating or minimizing conduct that causes delay and cost (*Viiv Healthcare Company v Gilead Sciences Canada, Inc.*, [2021 FCA 122](#) at para [18](#)), I conclude that Rule 472 is sufficiently broad to enable Court to impose an interlocutory penalty against a contemnor without exhausting the Court's ability to render a sentence after a penalty hearing. Interlocutory orders to ensure that a contemnor appears before the Court to hear and present evidence and argument as to the penalty ultimately imposed upon them, including orders for the surrender of a passport, may be appropriate in appropriate circumstances would fall within the ambit of Rule 472(d). I therefore agree with the Plaintiffs Rule 472(d) of the *Rules* is sufficiently broad to include the making of an interlocutory order as sought here.

[58] Notwithstanding this conclusion, the Plaintiffs have not persuaded me that the Court should exercise its discretion to impose the more drastic form of the interlocutory penalty proposed by the Plaintiffs on the Personal Defendants.

[59] Despite the Plaintiffs' able argument that the Personal Defendants have a long record of disregarding and failing to obey this Court's orders such as the Interim Order, the costs orders made payable forthwith, and the orders compelling them to answer questions put to them on examinations for discovery, it remains that they have been found in contempt on a limited number of charges in connection with the Interim Order only. This is not to suggest that their conduct is to be considered lightly or that their alleged failures to comply with other orders should be minimized. They certainly should not. Nevertheless, the relief sought on this motion follows the findings of contempt in connection with the Interim Order only, and ought not to be predicated upon alleged failures to comply with other court orders for which they have not been charged with contempt pursuant to Rule 467 nor found in contempt.

[60] Antonio's social media posts from 2 or 3 years ago are reasonably explained as posts arising from holidays to visit family overseas and are not sufficient to establish on a balance of probabilities that Antonio is a flight risk today. Evidence that Marshall resides a significant portion of any given year in Thailand, combined with his admissions that he regularly resides in Thailand with his fiancée, does not persuade me that Marshall will not attend his penalty hearing or that he is a flight risk.

[61] The Personal Defendants have attended previous hearings and cross-examinations virtually and in person and the evidence adduced does not persuade me that it is reasonable or necessary to order them to surrender their passports for safekeeping well in advance of their penalty hearing to ensure their attendance.

[62] As noted above, the Personal Defendants informed the Court at the conclusion of the hearing of this motion that they did not object to delivering up their passports at the outset of the penalty hearing and not in advance to be held by this Court for safekeeping pending their penalty being determined by the penalty hearing judge. They objected to all of the other passport orders sought by the Plaintiffs.

***Bell Media Inc. v. Marshall Macciacchera*, 2024 FC 1292**

(See also for the contempt order)