

FEDERAL COURT

BETWEEN:

FORTRESS REAL DEVELOPMENTS INC.

F I L E D	FEDERAL COURT COUR FÉDÉRALE		D E P O S É
	FEB 22 2016		
	Taina Wong		
TORONTO, ON			

Applicant

seal

- and -

FORTRESS PROPERTIES INC.

Respondent

NOTICE OF APPLICATION UNDER SECTION 56 OF THE  
TRADEMARKS ACT, R.S.C. 1985, C. T-13

TO THE RESPONDENT:

A PROCEEDING HAS BEEN COMMENCED by the Applicant. The relief claimed by the Applicant appears on the following pages.

THIS APPLICATION will be heard by the Court at a time and place to be fixed by the Judicial Administrator. Unless the Court orders otherwise, the place of hearing will be as requested by the Applicant. The Applicant requests that this application be heard at Toronto, Province of Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the Application or to be served with any documents in the Application, you or a solicitor acting for you must prepare a notice of

appearance in Form 305 prescribed by the *Federal Courts Rules* and serve it on the Applicant's solicitors WITHIN TEN (10) DAYS after being served with this Notice of Application.

Copies of the *Federal Courts Rules*, information concerning the local offices of the Court and other necessary information may be obtained on request to the Administrator of this Court at Ottawa (telephone 613-992-4238) or at any local office.

IF YOU FAIL TO OPPOSE THIS APPLICATION, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU.

Issued February 22, 2016

Issued by: **TAINA WONG**  
**REGISTRY OFFICER**  
**AGENT DU GREFFE**  

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*(Registry Officer)*

Address of  
local office: 180 Queen St. West,  
Suite 200  
Toronto, Ontario  
M5V 3L6

TO: **THE ADMINISTRATOR**  
Federal Court

AND TO: **THE REGISTRAR OF TRADEMARKS**  
c/o The Canadian Intellectual Property Office  
Executive Office to the Registrar of Trademarks  
50 Victoria Street, Phase I, 4th Floor  
Gatineau, Quebec K1A 0C9

AND TO: **THE ATTORNEY GENERAL OF CANADA**  
c/o Federal Court Registry  
(Pursuant to Rule 133)

AND TO: **FORTRESS PROPERTIES INC.**  
2610 Koyl Avenue  
Saskatoon, Saskatchewan  
S7L 5X9

## APPLICATION

The Applicant appeals to the Federal Court from the decision of the Registrar of Trademarks dated December 22, 2015, and dispatched December 23, 2015, pursuant to Section 56 of the *Trademarks Act*, R.S.C. 1985, c. T-13 (the "Act") and Rule 300(d) of the *Federal Courts Rules*, by which the Registrar refused the application for the registration of the trademark FORTRESS REAL CAPITAL & Castle Design.

### **THE APPLICANT MAKES APPLICATION FOR:**

- A. An Order setting aside the decision of the Registrar of Trademarks dated December 22, 2015 and dispatched December 23, 2015, refusing Application No. 1,514,906;
- B. An Order directing the Registrar of Trademarks to allow Application No. 1,514,906 for the registration of the trademark FORTRESS REAL CAPITAL & Castle Design;
- C. An Order allowing Application No. 1,514,906 for the registration of the trademark FORTRESS REAL CAPITAL & Castle Design;
- D. Costs of the present Application in favour of the Applicant; and
- E. Such further or other relief as counsel may advise and as to this Honourable Court may seem just.

**THE GROUNDS FOR THE APPLICATION ARE:**

**The Opposed Mark**

1. On February 11, 2011, the Applicant's predecessor-in-title, Fortress Real Capital Inc., filed a trademark application for the registration of the mark FORTRESS REAL CAPITAL & Castle Design (shown below)



for use in association with services described as follows:

(1) Financial services, namely providing an investment product structured as a syndicated mortgage that allows for retail and institutional clients to invest in real estate development projects in both non-accredited form and RSP eligible form.

The Application was assigned Application No. 1,514,906 (the "**Opposed Mark**".)

2. The Application was advertised for opposition in the Trademarks Journal on October 19, 2011, in Volume 58, Issue 2973.

## The Opposition

3. On February 20, 2012, the Respondent, Fortress Properties Inc. filed a Statement of Opposition to the registration of the Opposed Mark.
4. On April 16, 2012, the Applicant filed a Counterstatement to the Statement of Opposition wherein the Applicant denied all of the Respondent's allegations.
5. On August 9, 2012, pursuant to Rule 41 of the *Trademarks Regulations* (SOR/96-195) (the "**Regulations**"), the Respondent filed the Affidavit of John Kearley in support of the Opposition (the **Kearley Affidavit**).
6. On October 3, 2012, pursuant to Rule 44(2) of the Regulations, the Applicant requested, and was granted, an Order to cross-examine Mr. Kearley on his affidavit dated August 8, 2012.
7. Mr. Kearley was cross-examined by the Applicant on March 1, 2013, and the transcripts thereof were filed with the Trademarks Office on March 27, 2013.
8. On July 29, 2013, pursuant to Rule 42 of the Regulations, the Applicant filed the Affidavit of Jawad Rathore in support of the Application.
9. The Respondent was granted an Order to cross-examine Mr. Rathore on November 7, 2013. However, the Respondent did not proceed with the cross-examination.
10. On February 4, 2014, the Respondent appointed a new trademark agent to act on its behalf in the opposition proceedings.

11. On May 14, 2014, pursuant to Rule 40 of the Regulations, the Respondent sought leave to file an Amended Statement of Opposition asserting three new grounds opposition.

12. On May 28, 2014, pursuant to Rule 44(1) of the Regulations, the Respondent sought leave to file additional evidence in the opposition proceedings.

13. On June 26, 2014, at the invitation of the Trademarks Office, the Applicant filed submissions objecting to the Respondent's requests for leave to file the amended Statement of Opposition and to file additional evidence in the opposition proceedings.

14. On July 15, 2014 the Trademarks Office ruled that, with the exception of the withdrawal of one of the grounds of opposition, and the redefinition of the Respondent's services, it was not in the interest of justice to grant leave to amend the Statement of Opposition or to grant leave for the filing of the additional evidence (the "**Trademarks Office Ruling**").

15. Pursuant to the Trademarks Office Ruling, the Respondent filed an amended Statement of Opposition and the Applicant filed an amended Counterstatement.

16. Only the Applicant filed written arguments. No oral hearing took place.

#### **The Decision of the Registrar of Trademarks**

17. By decision dated December 22, 2015 and dispatched December 23, 2015, the Registrar of Trademarks refused the application for registration of the trademark FORTRESS REAL CAPITAL & Castle Design.

18. The Registrar of Trademarks erroneously concluded that the casual consumer, somewhat in a hurry, seeing the Opposed Mark with real estate investment services in the form of syndicated mortgages, would be likely to think that they were from the same source as property management services offered by the Respondent.

**Registrar's Errors Relating to s. 16(1)(c) of the Act**

19. The Registrar of Trademarks made a number of errors of fact and law in the decision to refuse the Application for registration of the Opposed Mark:

- (a) The Registrar of Trademarks erred in finding that the Respondent met its initial burden to support the s. 38(2)(c) and 16(1)(c) grounds of opposition.
- (b) The Registrar of Trademarks erred in accepting the propriety of copies of the advertisements attached as Exhibit G to the Kearley Affidavit.
- (c) The Registrar of Trademarks erred in giving weight to the screen shots of photos showing signs marked "Fortress Properties Inc." on properties allegedly managed by the Respondent.
- (d) The Registrar of Trademarks erred in finding that the Respondent had shown use and promotion of the trade name Fortress Properties in association with property management services in Canada since 2001.
- (e) The Registrar of Trademarks erred in law by considering each factor for confusion under s. 6(5) of the Act in isolation. If the Registrar of Trademarks had considered the test for confusion as

a whole, she would have allowed the Application for the Opposed Mark.

- (f) The Registrar of Trademarks erred in finding a connection between the Applicant's and Respondent's services.
- (g) The Registrar of Trademarks erred in finding that there is a significant degree of resemblance in sound, appearance, and in ideas suggested between the Respondent's trade name and the Opposed Mark.
- (h) The Registrar of Trademarks failed to draw an adverse inference from the absence of any evidence from the Respondent of actual confusion between the Respondent's trade name and the Applicant's Mark, despite concurrent use in the market-place for many years.
- (i) The Registrar of Trademarks erred in finding that the Applicant had not discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Opposed Mark and the Respondent's trade name.

20. The Applicant relies on:

- (a) the *Trademarks Act*;
- (b) the *Federal Courts Act* and *Federal Courts Rules*; and
- (c) such further and other grounds as counsel may advise and this Honourable Court may permit.



**THIS APPLICATION WILL BE SUPPORTED BY THE FOLLOWING MATERIALS:**

1. The record that was before the Board in making its decision, or such portions of this record as will be included in the Applicant's application record;
2. Further affidavit(s) to be filed in accordance with the *Federal Courts Rules*; and
3. Such further and other materials as counsel may advise and this Honourable Court may permit.

DATED at Toronto, Ontario this 22nd day of February, 2016.

  
for: **Norton Rose Fulbright Canada LLP**  
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**Solicitors for the Applicant,  
Fortress Real Development Inc.**

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**FEDERAL COURT**

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**FORTRESS REAL  
DEVELOPMENTS INC.**

Applicant

- and -

**FORTRESS PROPERTIES INC.**

Respondent

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**NOTICE OF APPLICATION**

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Court File No. T-317-16

**FEDERAL COURT**

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**FORTRESS REAL DEVELOPMENTS INC.**

- and -

**FORTRESS PROPERTIES INC.**

Applicant	COURT
	FEDERALE
JUN 10 2016	
Respondent	PIW
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**PARTIES' MOTION FOR AN EXTENSION OF TIME PURSUANT TO  
RULE 8 OF THE *FEDERAL COURTS RULES***

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**Solicitors for the Respondent**