



Civil Resolution Tribunal

Date Issued: August 23, 2024

File: SC-2022-010217

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Lange v. Great Solution Inc. (dba Spray-Net Vancouver)*,
2024 BCCRT 818

B E T W E E N :

DEAN LANGE

APPLICANT

A N D :

GREAT SOLUTION INC. (Doing Business As SPRAY-NET
VANCOUVER), JEAN-MARC LANDRY, SYLVIE BOUDREAU, and
GREAT SOLUTION INC.

RESPONDENTS

REASONS FOR DECISION

Tribunal Member:

David Jiang

INTRODUCTION

1. This dispute is about a deposit to paint a house. The applicant, Dean Lange, alleges the following. He provided the deposit to the respondent, Great Solution Inc. (doing business as Spray-Net Vancouver) (Spray-Net Vancouver). He says the

respondents, Jean-Marc Landry and Sylvie Boudreau, owned or controlled Spray-Net Vancouver at the time. He seeks an order for the return of the \$2,086.10 deposit, reimbursement of \$1,591.42 in legal fees, and \$1,322.48 as compensation for “personal time dealing with this issue”. Mr. Lange did not explain the difference between Spray-Net Vancouver and the respondent, Great Solution Inc. (Great Solution). As discussed below, I find they are the same legal entity.

2. Great Solution denies liability. It says that it sold all its franchises back to a franchisor, Spray-Net Canada Ltd. (Spray-Net Canada). It says that Spray-Net Canada assumed responsibility for all contracts, including the one with Mr. Lange. Spray-Net Canada is not a party to this dispute. Spray-Net Vancouver and Mr. Landry did not file a Dispute Response and are technically in default. However, as Mr. Landry filed Great Solution’s Dispute Response, I find Great Solution, Spray-Net Vancouver, and Mr. Landry all essentially rely on the same Dispute Response. Sylvie Boudreau did not file a Dispute Response and is in default.
3. Mr. Lange represents himself. Mr. Landry represents Great Solutions, Spray-Net Vancouver, and himself.
4. For the reasons that follow, I find Mr. Lange has proven his claim against Mr. Landry.

JURISDICTION AND PROCEDURE

5. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that the CRT’s mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness.
6. Section 39 of the CRTA says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT’s mandate

that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary in the interests of justice.

7. Section 42 of the CRTA says the CRT may accept as evidence information that it considers relevant, necessary, and appropriate, whether or not the information would be admissible in court.
8. Where permitted by section 118 of the CRTA, in resolving this dispute the CRT may order a party to do or stop doing something, pay money or make an order that includes any terms or conditions the CRT considers appropriate.
9. As noted, I find that Spray-Net Vancouver and Great Solution are the same entity as Mr. Lange referred to Spray-Net Vancouver as another business name for Great Solution Inc. However, little turns on this because, as discussed below, I find Mr. Lange did not contract with Spray-Net Vancouver or Great Solution.

ISSUE

10. The main issue in this dispute is whether any respondents are liable to Mr. Lange for the refund.

BACKGROUND, EVIDENCE AND ANALYSIS

11. In a civil proceeding like this one, Mr. Lange as the applicant must prove his claims on a balance of probabilities. I have read all the parties' submissions and evidence but refer only to the evidence and argument that I find relevant to provide context for my decision. As stated earlier, Sylvie Boudreau is in default and did not provide any evidence.
12. On March 10, 2022, Mr. Lange signed a \$10,951.50 quote to prepare and paint his house. The contract was vague on who Mr. Lange contracted with. I find it was between only Mr. Lange and Mr. Landry for the reasons that follow.

13. The contract said the other contracting party was “DBA: Spray-Net Vancouver Lower Mainland”. An address, telephone number, and what appears to be Mr. Landry’s email appeared under this. Directly under that, it says “the Authorized Franchise Partner”. Further down the page, Mr. Lange’s name is written in the contract. In uploaded submissions, Mr. Lange says that Mr. Landry operated a Spray-Net franchise as a sole proprietorship. Mr. Landry did not deny this. Other evidence, discussed below, from another individual, ELW, refers to Mr. Landry as the franchisee. I find all these facts support my finding that Mr. Landry was the authorized franchise party and other party to the contract.
14. The contract did not mention Great Solution, Great Solution Inc., Sylvie Boudreau, or Spray-Net Canada. So, I find it unlikely that Mr. Lange contracted with them. While Mr. Landry may have intended to contract using Spray-Net Vancouver as a corporate entity or Great Solution, the contract does not objectively reflect that. Consistent with this, section 27 of the BC *Business Corporations Act* says that a corporation must display its name on all of its contracts.
15. On March 10, 2022, Mr. Lange provided a \$2,086.10 deposit for the work. The receipt does not show the recipient, but given my findings on the contract, I find it was likely provided to Mr. Landry.
16. The contract did not say when work would begin. Mr. Lange’s undisputed submission is that the parties expected work to start around May 2022. It is also undisputed that work did not start.
17. In late August 2022, another individual, ELW, contacted Mr. Lange. ELW said that the Spray-Net franchisor had “bought out” the franchisee Mr. Landry. ELW said they were now running the franchise and would take over the project. I infer that ELW was a franchisee of Spray-Net Canada, though nothing turns on this.
18. On August 26, 2022, Mr. Lange signed 2 additional contracts. Both contracts appeared to have what I find were ELW’s email and other contact information showing ELW was the Authorized Franchise Partner. They also had ELW’s full name on it.

19. The first contract reflected the fact that Mr. Lange paid a \$2,086.10 deposit. It was for ELW to prepare and paint siding for a total of \$6,961.50. Less the deposit, it had a stated balance remaining of \$4,875.40. The second contract was for ELW to paint doors and trim for \$3,990.
20. Mr. Lange began texting ELW to arrange to have the work done. The text messages are undated and placed in an email, leaving the senders and recipients unclear. However, I find they do show that the initial March 2022 contract was between Mr. Lange and Mr. Landry, as noted earlier.
21. At some point, Mr. Lange texted ELW to cancel the work and requested a deposit refund. ELW agreed to cancel the work. However, they said that the “head office” had to process the refund. ELW eventually said that Mr. Landry still had the money and refused to return it. He said that Mr. Lange should see the money from Mr. Landry. Mr. Landry does not deny having the deposit, so I find it likely he still has it.

Are any respondents liable to Mr. Lange for the refund?

22. I will first consider Mr. Lange’s claim against Mr. Landry. Mr. Lange says that Mr. Landry is liable as he first contracted with Mr. Landry in March 2022, and Mr. Landry did not do any of the work.
23. Mr. Landry denies liability. He says that Spray-Net Canada “bought” his business under the terms of an August 15, 2022 agreement. He says that Spray-Net Canada is liable for the deposit.
24. The August 15, 2022 agreement is in evidence. I find it is not a sales agreement. Instead, it is a termination and mutual release agreement between Spray-Net Canada as franchisor, Great Solution Inc. as franchisee, and Mr. Landry and Sylvie Boudreau as guarantors. Overall, I find it has only limited relevance to this dispute.
25. I find it clear that Mr. Landry repudiated his contract with Mr. Lange. He took the deposit and made it objectively clear he had no desire to perform the contract in

August 2022 by signing the August 2022 termination and mutual release agreement. ELW communicated the repudiation to Mr. Landry as noted above.

26. Under contract law, an innocent party may either accept such a repudiation or affirm the contract. If the innocent party accepts the repudiation, the contract is at an end, both parties are relieved of their obligations under it, and the innocent party may sue for damages immediately without waiting for the time that the contract should have been performed. If the innocent party affirms the contract, the contract remains ongoing. See *Dosanjh v. Liang*, 2014 BCSC 162, aff'd 2015 BCCA 18 at paragraph 33.
27. I find Mr. Landry repudiated the contract in August 2022, and that Mr. Lange accepted the repudiation when he signed new contracts with ELW in August 2022. Mr. Lange subsequently cancelled his contract with ELW. This did not change the fact that Mr. Landry still had the deposit. As such, I find Mr. Lange ultimately suffered damages equal to his deposit. So, I order Mr. Landry to pay Mr. Lange damages of \$2,086.10.
28. Mr. Landry says that Mr. Lange's claim should be against Spray-Net Canda. I disagree as Mr. Lange is not a party to any agreement with Spray-Net Canada. The August 2022 termination agreement does not end any claim Mr. Lange has against Mr. Landry.
29. I do not find Great Solution, Spray-Net Vancouver, or Sylvie Boudreau liable as they never contracted with Mr. Lange. I acknowledge that Sylvie Boudreau is in default, and that liability is normally assumed in such circumstances. However, the evidence and submissions before me show no legal basis to hold Sylvie Boudreau responsible for Mr. Lange's damages.
30. The *Court Order Interest Act* applies to the CRT. Mr. Lange is entitled to pre-judgment interest on the refund of \$2,086.10 from August 15, 2022, the approximate date of the breach, to the date of this decision. This equals \$180.96.
31. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable

dispute-related expenses. I see no reason in this case not to follow that general rule. I find Mr. Lange is entitled to reimbursement of \$175 in CRT fees.

32. Mr. Lange claims reimbursement of \$1,591.42 in legal fees. CRT rule 9.5(3) says that the CRT will only order reimbursement of legal fees in extraordinary circumstances. CRT rule 9.5(4) lists several factors the CRT may consider, namely the dispute's complexity, the representative's degree of involvement, and whether the representative's conduct caused unnecessary delay or expense. I find this dispute lacks extraordinary circumstances. It was of average complexity and the lawyer Mr. Lange hired largely limited their involvement to writing a demand letter. This is shown in the November 2022 invoice in evidence.
33. Mr. Lange also claims \$1,322.48 as compensation for "personal time dealing with this issue". The CRT generally does not award compensation for a party's inconvenience and time spent on issues in a dispute. I see no reason to depart from the general rule and dismiss this claim. To the extent Mr. Lange claims for time spent as a dispute-related expense, I would dismiss this claim as well. CRT Rule 9.5(5) says the CRT will not order one party to pay another for time spent dealing with the dispute unless there are extraordinary circumstances. I have already found that this dispute was not extraordinary.

ORDERS

34. Within 30 days of the date of this order, I order Mr. Landry to pay Mr. Lange a total of \$2,442.06, broken down as follows:
- a. \$2,086.10 as damages for breach of contract,
 - b. \$180.96 in pre-judgment interest under the *Court Order Interest Act*, and
 - c. \$175 in CRT fees.
35. Mr. Lange is entitled to post-judgment interest, as applicable.
36. I dismiss Mr. Lange's remaining claims.

37. This is a validated decision and order. Under section 58.1 of the CRTA, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

David Jiang, Tribunal Member