

**Date: 20090316**

**Docket: T-1854-08**

**Citation: 2009 FC 260**

[ENGLISH TRANSLATION]

**Montréal, Quebec, March 16, 2009**

**Present: Maître Richard Morneau, prothonotary**

**BETWEEN:**

**BAUER HOCKEY CORP.**

**Plaintiff /  
Defendant by Counterclaim**

**and**

**THERMA BLADE INC.**

**Defendant /  
Plaintiff by Counterclaim**

**REASONS FOR ORDER AND ORDER**

[1] WHEREAS the applicant (hereafter Bauer) has filed a motion to have the law firm Brouillette & Partners LLP (Brouillette & Associés LLP) disqualified from continuing as counsel of record for the respondent;

[2] WHEREAS Bauer initiated action for trade-mark infringement against the respondent Therma Blade Inc. (hereafter Therma Blade) with respect to registered trade-mark TMA512,683, a distinguishing guise protecting the TUUK edge holder (hereafter registration '683);

[3] WHEREAS Therma Blade is represented by Maître Thomas Geissmann (and until very recently by Maître Ali Argun) of the firm Brouillette & Partners (hereafter B&P). Maître Robert Brouillette is a founding partner of B&P. It is a relatively small law firm with a limited number of approximately five (5) lawyers. Maître Brouillette and Maître Argun became partners in 1997. They were partners at Brouillette Charpentier Fortin (now BCF) until 2005. In 2005, they founded B&P together;

[4] WHEREAS from the early 1980s until the file was transferred to the firm Smart & Biggar in late 1994, Maître Brouillette was ultimately responsible for preparation, filing and proceedings concerning the application filed on February 8, 1990, leading to registration '683 issued on July 7, 1999;

[5] WHEREAS the Court is satisfied it can be reasonably considered that registration '683 was obtained to protect an important intellectual property asset of Bauer and that multiple discussions and consultations took place between Maître Brouillette and Bauer management concerning the decision to proceed with said registration;

[6] WHEREAS the Court is satisfied that it can be reasonably considered that Maître Brouillette was aware of the various strengths and weaknesses of registration '683, including any potential issues with regard to chain of title;

[7] WHEREAS the evidence concerning the past representation of Bauer (both general and specific to registration '683) by Maître Brouillette and the importance of this representation are to be viewed as not effectively contested by Therma Blade in that the latter did not cross-examine any of Bauer's affiants;

[8] WHEREAS in this regard, and in the absence of cross-examination, the Court cannot accept the argument that the information held by Maître Brouillette should be deemed irrelevant in light of the fact that Maître Brouillette's involvement was some years ago and that over time, the management of Bauer and its predecessors has undergone certain changes;

[9] WHEREAS counsel for Therma Blade chose not to produce any evidence to establish any measures that may have been taken to prevent the disclosure and/or use, whether voluntary or other, of confidential information concerning Bauer's affairs against its interests in the context of this litigation;

[10] WHEREAS in determining whether B&P should be disqualified from representing Therma Blade, the two (2)-part test developed by the Supreme Court of Canada in *MacDonald Estate v. Martin*, [1990] 3 RCS 1235, at pages 1259-1260 (hereafter *Martin*) is applicable;

[T]he test must be such that the public represented by the reasonably informed person would be satisfied that no use of confidential information would occur. (...)

Typically, these cases require two questions to be answered:

- (1) Did the lawyer receive confidential information attributable to a solicitor and client relationship relevant to the matter at hand?
- (2) Is there a risk that it will be used to the prejudice of the client?

[11] WHEREAS in this respect the Court is more than satisfied that the relationship between the two retainers is evident. Maître Brouillette was directly involved in the strategy guiding Bauer's decision to apply for registration '683 to obtain protection for the TUUK edge holder;

[12] WHEREAS B&P is now seeking on behalf of Therma Blade not only to deny any infringement but also to have this protection invalidated, citing grounds directly related to what is very likely the crux of the advice provided at the time by Maître Brouillette himself. In this regard, the Court cannot accept that there is no relationship between the two retainers based on the argument that the current litigation is a trade-mark rather than a patent dispute and that as such, all pertinent aspects are based on publicly available information. Although some of Therma Blade's challenges are to be evaluated based on information that is publicly available, by denying paragraphs 3 and 6 to 8 of Bauer's statement of claim, among others, Therma Blade finds itself challenging Bauer's chain of title as well as the rights of Bauer and its predecessors in title in this regard. As a result, Maître Brouillette's specific and general past relationships are to be viewed as having provided him ammunition to potentially support these challenges. I do not believe that the fact that the Bauer file was transferred to Maître Guay in 1994 and that registration '683 was not obtained until 1999 in any way defuses this dynamic;

[13] WHEREAS the Court initially infers as a result that confidential information was shared with Maître Brouillette; and whereas Therma Blade and its counsel have not produced any evidence to refute this presumption, the Court also concludes that the confidential information was shared with Maître Brouillette and that said information was used to the detriment of Bauer;

[14] WHEREAS, concerning the disqualification of B&P, the Court is not convinced that reasonable measures were taken by B&P to prevent the disclosure of the confidential information shared, all members of that firm are to be disqualified as stated in *Martin, supra*, at page 1262;

There is, however, a strong inference that lawyers who work together share confidences. In answering this question, the court should therefore draw the inference, unless satisfied on the basis of clear and convincing evidence, that all reasonable measures have been taken to ensure that no disclosure will occur by the "tainted" lawyer to the member or members of the firm who are engaged against the former client.

[15] WHEREAS in the circumstances, the Court also does not find the delay between July 2008 and the exchanges after that date between Maître Argun and Maître Guay to be of a nature to lead this Court to consider that Bauer agreed to the representation of Therma Blade by B&P;

[16] WHEREAS the Court is satisfied overall that in the present matter, a reasonably informed person would not be satisfied that no use was made of pertinent confidential information;

[17] WHEREAS the Court is satisfied further that Bauer needs time to serve and file its reply and statement of defence concerning the counterclaim of Therma Blade;

**ORDER**

**THE COURT, BY THIS ORDER AND FOR THE REASONS OUTLINED ABOVE:**

1. **FINDS** the firm Brouillette & Partners LLP to be disqualified from representing the respondent Therma Blade Inc. in this action;
  
2. **PERMITS** the applicant to file its response and statement of defence to the counterclaim within twenty (20) days of the date of this order;
  
3. **WITH COSTS.**

**"Richard Morneau"**

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Prothonotary

**FEDERAL COURT**  
**SOLICITORS OF RECORD**

**DOCKET:** T-1854-08

**STYLE OF CAUSE:** BAUER HOCKEY CORP.  
v.  
THERMA BLADE INC.

**PLACE OF HEARING:** Montréal, Quebec

**DATE OF HEARING:** March 11, 2009

**REASONS FOR ORDER:** PROTHONOTARY MORNEAU

**DATED:** March 16, 2009

**APPEARANCES:**

François M. Grenier

FOR THE APPELLANT

Ali T. Argun  
Thomas Geissmann

FOR THE RESPONDENT

**SOLICITORS OF RECORD:**

Léger Robic Richard, LLP  
Montréal, Quebec

FOR THE APPLICANT

Brouillette & Partners, LLP  
Montréal, Quebec

FOR THE RESPONDENT