Nickled and Dimed: The Dispute over Intellectual Property Rights in the Bluenose II

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The Bluenose Schooner forms part of the folk history of Nova Scotia, and is a Canadian icon. Popular assumptions that its name and image formed part of the public domain were put to the test in 2003 when the Bluenose II Preservation Trust Society brought suit against a Halifax business for infringement of its official marks, trademarks and copyrights relating to the ship and its name. The litigation garnered local and national media attention, and the provincial government soon became involved in the dispute.

In this article, the author provides some background to the dispute before moving on to consider the merits of the trademark and copyright claims. Because the infringement suit was eventually dropped as part of an agreement between the Trust and the Province of Nova Scotia, the legal issues raised by this case remain unresolved. The author argues that the intellectual property claims of the Trust were largely without merit. She is critical of the official marks regime under the Trade-marks Act, and discusses the boundaries between intellectual property and the public domain.

La goélette Bluenose fait partie du folklore de la Nouvelle-Écosse et elle est un symbole canadien. Les notions généralement répandues que le nom et l'image du Bluenose sont dans le domaine public ont été mises à l'épreuve en 2003 lorsque le Bluenose II Preservation Trust Society (le Trust) a poursuivi une entreprise de Halifax pour contrefaçon de ses marques officielles, de ses marques de commerce et de son droit d'auteur quant à la goélette et à son nom. La poursuite a attiré l'attention des médias locaux et nationaux, et le gouvernement provincial est même intervenu dans le différend.

L'auteure rappelle le contexte dans lequel le différend a pris naissance puis elle examine le bien-fondé des allégations relatives à la marque de commerce et aux droits d'auteur. La poursuite en contrefaçon ayant été abandonnée dans le cadre d'une entente entre le Trust et la Nouvelle-Écosse, les questions de droit soulevées par l'affaire restent sans réponse. L'auteure allègue que les allégations de propriété intellectuelle faites par le Trust n'avaient, à son avis, aucun fondement. Elle critique le régime des marques officielles de la Loi sur les marques de commerce, et discute des limites entre la propriété intellectuelle et le domaine public.
Introduction

1. A Chronology of the Intellectual Property Dispute

II. Intellectual Property Rights in the Bluenose II

1. Official Marks
   a. Public Authority Status
   b. Is the Bluenose II Preservation Trust Society a Public Authority?
   c. Official Marks in Need of Reform
2. Other Trade-mark Claims
3. Copyright in the Image of the Bluenose
   a. Copyright in Naval Architectural Plans
4. The Public Domain

Conclusion

Introduction

The Bluenose schooner is a Canadian icon. In its first incarnation, launched in 1921, it was a working fishing schooner that became a world class racing champion. The ship has become part of the folk history of Nova Scotia. But the name of the ship is also a "nickname" for the people of Nova Scotia. Nova Scotians have been called "blue nosers" or "blue noses" since the 1700s. Popular lore offers a variety of explanations of the origin of the term. Some say it comes from the Bluenose variety of potatoes grown in the colony and exported abroad. Others say it has to do with blue smudges left on the noses of Nova Scotian fishermen from rubbing their

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1. In fact, the Nova Scotia Archives and Record Management website, NSARM Online, has created a special online archive for information on the Bluenose titled "Bluenose: A Canadian Icon", online: <http://www.gov.ns.ca/nsarm/> (NSARM Online).
2. Ibid.
3. "How the Bluenose Got its Name," ibid. NSARM Online notes that the first recorded use of the name was in 1785.
noses with blue mittens, or, in one version, wiping their noses on blue sleeves.\(^5\) In yet another story, it is alleged that the name was given to the people of Nova Scotia by loyalists who arrived in the province and found the place so cold and damp that the locals were said to have noses blue with the cold.\(^6\) Another account links the name to the blue painted bows of Nova Scotia whaling ships.\(^7\) Whatever the origin, the name predates the ship, and part of the ship’s resonance with the people of Nova Scotia as an icon flows, no doubt, from the fact that the ship carried the name of the people of the province. Suffice it to say that both the name and the image of the ship, which has graced the Canadian dime since 1937,\(^8\) are part of the cultural history of the province, and ultimately of the nation.\(^9\) Until recently, most Nova Scotians were comfortable in their belief that the name and image formed a part of the public domain.\(^10\)

I. A Chronology of the Intellectual Property Dispute

The original Bluenose schooner sank in 1946.\(^11\) In 1963, a replica schooner was built in Lunenburg. The replica, christened Bluenose II, was made

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7. Ibid.
8. A News Release on the web site of the Canadian Mint indicates that the identity of the schooner on the dime was confirmed as being the Bluenose in 2002, with the assistance of the Bluenose II Preservation Trust Society, one of the parties in the litigation discussed in this comment. “Bluenose Officially Recognized as the Schooner on Canada’s 10-Cent Coin”, (March 15, 2002), online: Royal Canadian Mint <http://www.mint.ca/en/news/pr/bluenose.htm> [News Release]. It would appear that the Canadian Mint also paid a license fee to the Society, presumably for use of the image of the ship which had been used on the dime for over five decades prior to the inception of the Society. (Affidavit of Hon. Wilfred P. Moore, Q.C. in Bluenose II Preservation Trust Society v. Tall Ships Art Productions Ltd., August 5, 2003, at para. 32 [Moore Affidavit]).
9. As noted earlier, the image of the Bluenose has been on the Canadian dime since 1937. It was also featured on a Canadian postage stamp in 1929. The NSARM Online refers to the schooner as a “national institution”. It notes that the ship was an “ambassador” for Canada at the 1933 Chicago World’s Fair, and at the Silver Jubilee of King George V in 1935. NSARM Online, supra note 1. 10. The public domain is an elusive concept. Jessica Litman has described the public domain as “a true commons comprising elements of intellectual property that are ineligible for private ownership. The contents of the public domain may be mined by any member of the public.” (Jessica Litman, “The Public Domain”, (1990) 39 Emory L.J. 965 at 975. Noting that the concept of the “public domain” has been formally absent in Canadian intellectual property law, Margaret Ann Wilkinson refers to it as “at least, a powerful rhetorical element in policy debates involving intellectual property.” (Margaret Ann Wilkinson, “National Treatment, National Interest and the Public Domain”, (2003-2004) 1 & 2 University of Ottawa Law and Technology Journal 25 at 26.
11. The Canadian owners of the ship had fallen on hard times, and sold the schooner out of country. It was ultimately shipwrecked off the coast of Haiti NSARM Online, supra note 1.
according to the original design plans for the ship, which were drafted by naval architect William J. Roué. Its construction was funded by the Oland Brewery and the ship was used in commercial promotions for the brewery. In 1971, the Oland family sold the Bluenose II to the province of Nova Scotia for one dollar. For the next two decades the ship was used to promote the province's tourism industry. In 1993, the ship was declared unseaworthy, due to a rotting hull. In 1994, the Province of Nova Scotia entered into an agreement with a group of volunteers, who would later be the founders of the Bluenose II Preservation Trust Society (the Society). The volunteers undertook to restore the Bluenose II and to operate the vessel on behalf of the province. On November 17, 1994, the Society was incorporated under the Societies Act of Nova Scotia. The objectives of the Society were to raise money to make the schooner seaworthy and to maintain the ship as a sailing monument. In 1998, the Province of Nova Scotia entered into a formal contract with the Society for the maintenance and operation of the schooner.

In 1995, the family of the late William J. Roué donated the copyright in the original Bluenose plans to the Society. Following the receipt of the plans for the Bluenose, the Society began to assert copyright claims in the image of the Bluenose II. In 1996, Tall Ships Art Productions (Tall Ships), a Nova Scotian company that designed and manufactured a variety of souvenirs and other items for the Nova Scotian tourism industry, received a letter from the Society demanding that the company pay a licensing fee to use the image of the Bluenose II on clothing and other souvenir...

12. Ibid.
13. Ibid.
14. Moore Affidavit, supra note 8 at para. 5
19. Public notice of the Society's copyright interest was given in a notice published in the Halifax Chronicle-Herald, Saturday, April 20, 1996, at D-13. The notice described the copyright in the plans and stated: "Persons who may now, or who may wish to, make use of the said intellectual property in any wares or works whatsoever must first obtain permission to do so by writing to Bluenose II Preservation Trust ..."
products that it produced. Tall Ships was not the only business that received such a letter.

In 2001, the Society received official marks for "Bluenose," "Bluenose II Preservation Trust," "The Original Bluenose Clothing Company," and "Bluenose II Ship's Company Store," under s. 9(1)(n)(iii) of the Trademarks Act. This was done without the knowledge of the province. The Society continued with its demands to various businesses for annual license fees based now on both its copyright and trademark claims. These demands went beyond local businesses.

Although many local businesses paid the license fees on demand, Tall Ships consistently refused to pay. In July of 2003, the Society filed suit against Tall Ships for copyright and trademark infringement. Spurred on, perhaps, by the publicity and public outcry caused by the litigation, the Province sought to intervene in the lawsuit. As part of its defense, Tall Ships commenced a separate action in Federal Court to have the official marks struck on the basis that the Society was not a public authority. The Province subsequently made its own application for judicial review of the giving of public notice of the marks. Before either the
lawsuit or the judicial review applications could proceed on the merits, the province entered into an agreement with the Society. Under the agreement, the Society would transfer the disputed marks to the province of Nova Scotia and drop its law suit against Tall Ships. It was also announced as part of the agreement that a new body with input from the province would be formed to oversee and operate the Bluenose II. At the time of writing of this article, talks between the Nova Scotia government and the Society to create a new oversight body have broken down. The contract to maintain and operate the Bluenose II expired at the end of March 2005. In a press release issued on February 4, 2005, the Department of Tourism, Culture and Heritage announced that the contract would be awarded to the Lunenburg Marine Museum Society.

II. *Intellectual Property Rights in the Bluenose II*

Only some of the issues around the official marks in this case have been resolved. The marks "Bluenose II" and "Nova Scotia Bluenose II and Design" currently list the government of Nova Scotia as the registrant. However, the marks for "Bluenose", "Bluenose II Ship's Company Store", "The Original Bluenose Clothing Company" and "Bluenose II Preservation Trust" are still listed as official marks held by the Society. In addition, neither the unregistered trademark nor the copyright issues were addressed in the settlement. At the time of writing, copyright in the plans for the Bluenose has been assigned back to the Roué heirs. It is not known what their plans are with respect to the copyright, although the Society's website

32. Ibid.
33. Canadian Press Newswire, "N.S. government fails to reach deal with operator of the Bluenose II", November 22, 2004
asserts copyright on their behalf. Further, because of the settlement with the province, the merits of the original intellectual property claims have never been ruled on by a court. As a result, the public is left with uncertainty as to whether, but for the intervention of the government, the Society was legitimately in a position to act as it did.

In the information age, and in an increasingly "branded" society, intellectual property has taken on a very significant commercial value. As a result, some entities may attempt to acquire intellectual property over things in which no such rights are likely to exist. It is a kind of intellectual property "gold rush" in which claims are staked over territory in the public domain. This approach poses a real threat to the public domain by effectively turning aspects of general culture into a private party's revenue stream. It also undermines the rights of those who cannot resist or respond to claims because of lack of resources. Instead they are forced to acknowledge the dominion of the other over the asserted intellectual property, regardless of whether the claims to intellectual property have merit. In this paper, I will argue that the claims to intellectual property rights asserted in the Bluenose II litigation were flimsy at best. Although the public interest and public good were asserted as motivating factors in the assertion of the intellectual property claims, I will argue that the impact on the public and the public domain was largely negative. In the pages which follow, I will examine each of the intellectual property claims made in this case: rights in official marks, common law trademarks and copyright. In each case I will critically examine the underlying legal principles, and assess the merits of the claims.

1. Official Marks
The most significant aspect of the Society's lawsuit against Tall Ships was a claim that its official trademarks had been infringed. The Society held

35. The website of the Bluenose II Preservation Trust Society asserts copyright in the following manner: "Bluenose II Preservation Trust is the registered owner of the copyright in the original work authored and created by William James Roue more particularly described as the hull and keel profile, the deck plan, the water line, the transom and the sail plan for the gaff-rigged two-masted schooner called BLUENOSE, and the replica thereof called BLUENOSE II, entitled "Design No. 17 - BLUENOSE". No part of this file or the aforesaid work may be reproduced in any form or any means without permission in writing from Bluenose II Preservation Trust" Online: Bluenose II Preservation Trust Society  <http: www.bluenose2.ns.ca >.

36. I have identified this as the most significant part of their claim because the official marks were actually held by the Trust (even though, as I will argue, they were of questionable validity).
a series of official marks dating back to when the Registrar of Trade-marks gave public notice of the marks in 2001. In order to examine the entitlement of the Society to these marks, it is necessary first to review the case law on official marks.

a. Public Authority Status

Section 9 of the Trade-marks Act sets out a scheme which automatically removes a series of official symbols and designations from the realm of ordinary trade and commerce. In addition to the specific marks, the adoption or use of which is prohibited under s. 9, s. 9(1)(n)(iii) also allows entities which are "public authorities" to request the Registrar of Trademarks to give public notice of their adoption and use of particular names or symbols. These marks are referred to as "official marks". Once notice is given, these official marks are also removed from the general realm of trade and commerce. Section 9(1)(n)(iii) reads:

9(1) No person shall adopt in connection with a business, as a trade-mark or otherwise, any mark consisting of, or so nearly resembling as to be likely to be mistaken for,

... 

(n) any badge, crest, emblem or mark ...

(iii) adopted and used by any public authority, in Canada as an official mark for wares or services, in respect of which the Registrar has, at the request of Her Majesty or of the university or public authority, as the case may be, given public notice of its adoption and use ...

Section 9(1)(n)(iii) of the Act is controversial, and for good reason. The provision gives an enormous advantage to government bodies and "public authorities" with respect to trade-mark rights. Section 9(1) prohibits anyone else from adopting an official mark. The prohibition is absolute. With a regular trademark, another trader may register an identical or simi-
lar mark as long as it is in relation to different wares or services and there is no likelihood of confusion. Not so with official marks. Once declared as such, others are barred from adopting marks that are identical to or "so nearly resembling as to be likely to be mistaken for" the official mark.  

Further, the usual formalities required for trademark registration are not required for the adoption of official marks. A public authority need only request that the Registrar give public notice of its adoption and use of a mark. The Registrar does not scrutinize the mark to determine if it is registrable, and there is no opposition proceeding. An official mark can be descriptive and is not required to be distinctive of the public authority's wares or services. It may also be confusingly similar to an already existing mark. Any challenge to the validity of the mark must be made through the vehicle of an application for judicial review of the Registrar's decision to give public notice of the adoption and use of the mark. There is also no requirement to renew such marks: once declared their duration is potentially unlimited.

The enormous statutory advantages of official marks were commented upon by Cattanach J. in Insurance Corp. of British Columbia v. Registrar of Trade-marks. He noted:

A public authority may embark on a venture of supplying wares and services to the public and in doing so adopt an official mark. Having done so, then all other persons are precluded from using that mark and, as a result of doing so, on its own initiative, the public authority can appropriate unto itself the marks so adopted and used by it without restriction or control other than its own conscience and the ultimate will of the electorate expressed by the method available to it.

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41 Section 9(1), Trade-marks Act, supra note 37.
42 These features of official marks have been commented upon in a number of cases. See, for example, Canadian Jewish Congress v. Chosen People Ministries, Inc., [2003] 1 F.C. 29 2002 CarswellNat 1184, at paras. 22-25 [Canadian Jewish Congress], Ontario Association of Architects v. Association of Architectural Technologists, [2003] 1 F.C. 331 2002 CarswellNat 2257, at paras. 33-36 [Ontario Association of Architects].
43 Ontario Association of Architects, ibid. at para. 34. As noted in Canadian Jewish Congress, ibid. at para. 24, "An applicant need not demonstrate the distinctiveness of the proposed official mark or establish any secondary meaning.
44 Ontario Association of Architects, supra note 42 at para. 34.
45 Supra note 42 at paras. 39-40.
46 Official marks form part of the category of "prohibited marks" under s. 9 of the Trade-marks Act. As such, they are marks which other traders are prohibited from registering under s. 12(1)(e), or adopting and using under s. 11. They are not themselves registered trademarks. The renewal requirement in s. 46 of the Act refers to the renewal of a "registration.
47 Insurance Corporation of BC (1979), 44 C.P.R. (2d) 1 (F.C.T.D.)
48 Ibid., at para. 75.
It is significant that Cattanach J. refers to the will of the electorate as a check on the use of official marks by public authorities. This check is obviously only effective if the term “public authority” is limited to those bodies that are in any way responsive, directly or indirectly, to the will of the electorate. Yet the “public authority” requirement has been a poor gatekeeper, in part, perhaps, because of the lack of provision for a pre-emptive challenge to the granting of such marks. Over the years, public notice has been given to marks at the request of a wide range of organizations, many of which may well not qualify as “public authorities.”

It is only very recently that the Federal Court has begun to more clearly articulate the criteria that must be met for an entity to qualify as a public authority. The issue is an important one. As noted in the above quote from Insurance Corp. of British Columbia, the limits on the exercise of the powers flowing from an official mark are only the public authority’s conscience and “the will of the electorate.” Without a sufficient governmental nexus, there would be no real check of any kind on the extraordinary scope of official marks.

The 2002 Federal Court of Appeal decision in Ontario Association of Architects v. Assn. of Architectural Technologists of Ontario is now the leading case on the issue of what constitutes a “public authority” under s. 9(1)(n)(iii) of the Act. In that case, the Court confirmed the two-part test consisting of “government control and public benefit.” At issue in Ontario Association of Architects was the status of the Association of Architectural Technologists of Ontario (AATO). This latter group had requested that the Registrar of Trade-marks give public notice of certain official marks under s. 9(1)(n)(iii) of the Act. The Ontario Association of Architects (OAA) challenged the status of the AATO as a public authority after the Registrar gave public notice of the marks. After the trial judge ruled that the AATO was a public authority, the decision was appealed to the Federal Court of Appeal.

49 In spite of the enormous advantages of s. 9(1)(n)(iii) marks over regular trade-marks, there are some statutory requirements. The mark must have been “adopted and used”, the adoption and use must be by a “public authority in Canada”, and the adoption and use must be “as an official mark for wares or services” (Trade-marks Act, supra note 37, s. 9(1)(n)(iii)).

50 In Canadian Rehabilitation Council for the Disabled v. Rehabilitation Foundation for the Disabled (2004), 35 C.P.R. (4th) 270, at para. 10, the court noted: “The Registrar’s decision whether to issue a public notice under s. 9(1)(n)(iii) is based simply on the applicant’s assertion that it is a public authority that has adopted and used the mark in question.”

51 Insurance Corp. of B.C., supra note 47 at 75

52 Supra note 42

53 Ibid. at para. 52. This test was previously laid out by the court in Canadian Olympic Assn. v. Canada (Registrar of Trade-Marks (1982)), [1983] 1 F.C. 692, 67 C.P.R. (2d) 59 (C.A.).
Evans J.A., who wrote for a unanimous panel of the Court, confirmed that the test for a “public authority” required the body in question to be under government control and operating for the public benefit. The Court was not specifically required to consider the issue of what would meet the “public benefit” aspect of the two-part test because they had found a lack of government control over the AATO. Nevertheless, Evans J.A. chose to address the issue. He noted that, “in determining whether a body’s functions are sufficiently for the public benefit, a court may consider its objects, duties and powers, including the distribution of its assets.” He further observed that “a duty to do something that is of benefit to the public is relevant as an element of “public benefit”, even though it is not a “public duty” in the sense of being legally enforceable by a public law remedy...” Evans J.A. noted that the AATO was a self-regulating body whose regulatory activities offered some benefit to that part of the public requiring the services of an architectural technician or technologist. The fact that the activities of the AATO also benefited its members did not obscure the benefit to the public.

The Court seems to establish a fairly low threshold for determining whether a “public benefit” exists. It is sufficient if the activities of the organization offer some benefit to the public; the fact that members of the organization may also benefit does not negate the existence of a public benefit. Yet the low threshold for finding a public benefit is far from determinative of an organization’s status as a public authority. Of the two requirements, that of government control is by far the more important. There are a wide range of organizations that can be said to offer some form of benefit to the public. So, in order to place any reasonable limit on the ability of organizations to obtain the highly advantageous marks available under s. 9(1)(n)(iii), the organization providing the public benefit must do so under the control (and not simply the blessing) of government.

Past court decisions have provided some guidance on the interpretation of “government control”. In Canadian Olympic Association v. Registrar of Trademarks, the Federal Court of Appeal found five indicia that, together, satisfied it that the Canadian Olympic Association (COA) was under government control: the COA was incorporated by statute; should
the COA surrender its charter, the federal government would dispose of its assets in conjunction with the International Olympic Committee; the COA is substantially funded by government with some level of government monitoring of the disposition of its funds; the demonstration of influence brought to bear by the federal government over the decision of the COA to boycott the 1980 Olympics; and the close relationship between the COA and government officials in various functions of the COA.\(^5^9\)

The criteria identified in *Canadian Olympic Association* point to a substantial degree of government involvement in the COA. However, the first indicator that of being a creature of statute later became a leverage point for organizations claiming public authority status. In *Ontario Association of Architects*, the Federal Court of Appeal noted that simply because a body is a creature of statute that is not in itself sufficient to resolve the issue of government control.\(^6^0\) There must be some kind of "ongoing government supervision of the activities of the body claiming to be a public authority ..."\(^6^1\) In the case of the AATO, the only "governmental control" that it could point to in the enabling legislation was the power of the legislature to amend its enabling legislation to change its statutory objects, powers and duties. According to Evans J.A., "[t]his is insufficient to satisfy the governmental control test because it is not a power that enables government, directly or through its nominees, to exercise a degree of ongoing influence in the body's governance and decision-making ..."\(^6^2\)

The Court's interpretation is strongly influenced by public policy concerns. Evans J.A. notes the exceptional nature of trademarks granted under s. 9(1)(n)(iii), and the very substantial advantages of these marks over regular registered trademarks. In his view, this means that s. 9(1)(n)(iii) "should not be given an expansive meaning by equating the need for legislative amendment with government control."\(^6^3\)

Government control may require some ongoing participation of members of government. In *Anne of Green Gables Licensing Authority Inc. v. Avonlea Traditions Inc.*,\(^6^4\) the Ontario Supreme Court was asked, *inter alia*, to determine whether the Anne of Green Gables Licensing Authority (AGGLA) constituted a public authority. The AGGLA had been established by agreement between the Province of Prince Edward Island

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61. *Ibid.* at para. 59
63. *Ibid.* at para. 64.
and the heirs of Lucy Maud Montgomery to promote the legacy of Lucy Maud Montgomery and her works. Although the issue did not ultimately need to be decided to resolve the dispute, Wilson J. agreed that the AGGLA met the criteria of government control and public benefit. In particular, he noted the significant control exercised by the P.E.I. government over the activities of the AGGLA through the participation of members of the government on its operating committee.65

In Canadian Jewish Congress v. Chosen People Ministries, Inc.,66 the Federal Court Trial Division applied the two-pronged test of public authority as laid out in Ontario Association of Architects. The Canadian Jewish Congress (CJC) sought judicial review of a decision of the Registrar of Trade-marks who gave public notice under s. 9(1)(n)(iii) of the Trade-marks Act of the adoption and use by the Chosen People Ministries Inc. (CPM) of a design mark consisting of a representation of a menorah. CPM was a U.S. based non-profit Christian organization that had as its sole objective "the spread of the Gospel of the Lord Jesus Christ among the Jews in the United States of America and in all parts of the world."67 The Registrar had initially denied recognition of the mark; the Registrar later reversed this decision without reasons, after a request for reconsideration by the CPM.

The CJC's primary argument was that CPM was not entitled to the mark because it was not a public authority. The CPM countered that it was a public authority in part because it was "incorporated as a non-profit corporation with charitable objects, has obtained tax-exempt status, the ability to issue charitable receipts to donors,"68 and could be compelled by government to provide its financial and accounting records to the Public Guardian and Trustee of Ontario.69 Blais J. found all of these elements to be insufficient to establish the status of the CPM as a public authority. Noting that all charitable organizations are subject to government regulation, he observed that "as soon as they comply with the regulations in place, the charitable organizations are not subject to "significant" government control."70 In commenting on the indicia of control not present in the

65. Ibid. at para. 170. The Board of Directors of the Authority consisted of 8 members. Three were nominees of the government, three were nominees of the heirs, and two others were jointly nominated by the government and the heirs.
66. Canadian Jewish Congress, supra note 42.
67. Ibid. at para. 3, quoting from the group's certificate of incorporation.
68. Ibid. at para. 55.
69. Ibid.
70. Ibid.
case of CPM, Blais J. noted that: "CPM's property is not to be disposed of at the direction of the government. The CPM is not funded by the Government of Canada or the United States and is in no way subject to monitoring by the government in any shape or form."  

Blais J. referred to the court’s earlier decision in Big Sisters Assn. of Ontario v. Big Brothers of Canada where the status of a charitable organization as a “public authority” was also at issue. In that case, the court stated:

On the facts before me, the parties to this litigation were clearly dedicated to the public good, but I am not sure that they were under a “duty” to the public. Nor does the evidence disclose that they were subject to a significant degree of governmental control.

It is interesting that the court in Big Sisters appears to reject the status of the groups as public authorities not solely on the ground that charitable organizations lack sufficient government control, but also on the basis that being dedicated to the public good is not the same as being under an inherent duty to provide a benefit to the public. In Canadian Jewish Congress, Blais J. seems to accept that the CPM failed to meet both aspects of the public authority test: it was not under government control, nor did it owe a duty to the public. The case was later appealed to the Federal Court of Appeal. In a brief oral judgment by Sexton J.A. the court upheld the decision of Blais J., although it did so solely on the basis that the CPM was not under government control.  

The case law on s. 9(1)(n)(iii) makes it clear that the most important element of the two-part test for “public authority” is that of government control. Past cases also show a judicial awareness that public authority trademarks are exceptional and confer substantial benefits on the holders of such marks. As such, the decision in Ontario Association of Architects should be read as one that mandates a more restrictive approach to construing “government control” on any given set of facts.

71 Ibid. at para. 57.
73 Ibid. at para. 56.
75 See, for example, Canadian Jewish Congress, supra note 42 at paras. 22-25; Ontario Association of Architects, supra note 42 at paras. 34-36, and paras. 63-64.
b. Is the Bluenose II Preservation Trust Society a Public Authority?

As noted earlier, in the fall of 2001, the Registrar of Trade-marks gave public notice of the adoption and use by the Society as a public authority of the marks "Bluenose", "Bluenose II Preservation Trust", "Bluenose II Ship's Company Store", and "The Original Bluenose Clothing Company." In their application to invalidate the official marks, Tall Ships argued that the Society did not have the status of a public authority as required under s. 9(1)(n)(iii).

The Society was created in 1994 under the Societies Act 76 of Nova Scotia. The objects of the Society are set out in its Memorandum of Association as follows:

(a) To raise and hold in trust capital for the purpose of refurbishing the vessel "Bluenose II".
(b) To promote the use of the Bluenose II as an educational and historical ambassador for the province of Nova Scotia.
(c) To preserve Nova Scotia's heritage and its traditional craft of building wooden vessels by maintaining the Bluenose II as an educational and historical sailing monument.
(d) To buy, own, hold, lease, mortgage, sell and convey such real and personal property as may be necessary or desirable in the carrying out of the objects of the Society.
(e) To acquire by way of grant, gift, purchase, bequest, devise or otherwise, real and personal property and to use and apply such property to the realization of the objects of the Society.
(f) To generally promote the affairs of the Society. 77

While it can be argued that the functions of the Society have some public benefit, as noted above, the public benefit aspect of the test for public authority status is not the key element in the test. Crucial to the test is "government control". Given the case law outlined above, it is difficult to see how the Society could even come close to meeting the necessary level of government control to qualify as a public authority. It is not a creature of statute, and there is no formalized government oversight or control. 78

76. Societies Act, R.S.N.S. 1989, c. 435
78. On November 11, 1994, the Minister in charge of the Nova Scotia Economic Renewal Agency sent a letter to Wilfred P. Moore, the Chair of the Society, indicating that it "consents" to the incorporation of the Bluenose II Preservation Trust Society under the Societies Act. It is difficult to see how "consent" to a society's incorporation can be construed as any form of control. [Letter from Minister Ross Bragg to Hon. Wilfred P. Moore, Q.C. (November 17, 1994) on file with the Office of the Registrar of Joint Stock Companies.]
Unlike the AGGLA in *Anne of Green Gables Licensing Authority*, there are no government members or representatives on its Board of Directors. Further, in contrast with *Canadian Olympic Association*, in the event that the Society's operations are terminated or wound up, its assets are to be "paid to some other charitable organization in Canada, having objects similar to those of the Society." There are simply no indicia of government control in the establishment or operation of the Society that would support a finding of public authority status.

The argument of government control is further undermined by the fact that the actual ship, the *Bluenose II* is owned by the Province of Nova Scotia. The province asserts an ongoing interest in using the ship and its image to promote trade and tourism in Nova Scotia. The province's relationship with the Society began in 1994, when it entered into a contract with the Society whereby the Society became responsible for the maintenance and operation of the *Bluenose II*. At the time of the litigation in this matter, the operating agreement was set to expire in March of 2005. In its Pre-Hearing Submissions in its application for leave to intervene in the case, the Attorney General of Nova Scotia noted that "[u]nless renewed or replaced, once the current operating agreement expires the Society will cease to have any authority over the maintenance or operation of the *Bluenose II*." It is difficult to see how a limited term contract between a government and a society for the operation and maintenance of a piece of government property can elevate the society to the status of a public authority.

Quite apart from the lack of any credible basis for arguing that the Society is a public authority, the Province of Nova Scotia in its application for leave to intervene in the litigation stated:

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79 Of the original five members of the association, three were lawyers, and two were businessmen.
80 Memorandum of Association, supra note 77.
81 Pre-hearing Submissions on Behalf of the Applicant Attorney General of Nova Scotia, August 28, 2003, S.H. No. 204198, at para. 5
82 Ibid at para. 7.
83 The contract between the government and the trust for the maintenance and operation of the *Bluenose II* provided that the government would pay the Society the amount of $650,000 per year to be applied towards maintenance and operation costs of the vessel. The agreement also acknowledges that the government is the owner of the vessel. The contract deals exclusively with issues relating to the operation and maintenance of the *Bluenose II*. Agreement Between Her Majesty the Queen in Right of the Province of Nova Scotia and *Bluenose II Preservation Trust Society*, April 2, 1998 (Motion Record of Attorney General of Nova Scotia in *Attorney General of Nova Scotia v. Bluenose II Preservation Trust Society*, Fed. Ct. File # 03-T-49).
The Department of Tourism and Culture, the Department that is primarily responsible for the *Bluenose II* on behalf of the Province of Nova Scotia, has never accepted the scope of rights claimed by the Society and believes that it has exclusive rights relating to the name "Bluenose II" and the image of the *Bluenose II*.\(^8^4\)

This clear opposition by the Province of Nova Scotia to the intellectual property claims of the Society indicates that the Society was not under any form of government control. The fact that the Society managed to obtain such marks, and to use them to compel various parties to pay licence fees to the Society as a consequence is indicative both of a major flaw in the trademark regime, and a lack of effective intellectual property management on the part of the government of Nova Scotia.

c. Official Marks in Need of Reform

The case of the *Bluenose II* highlights serious issues that have been raised elsewhere,\(^8^5\) about the process by which official marks are granted. It is not clear on what basis the Registrar decided that the Society was a public authority, as the Registrar is not required to give reasons. The legislation contains no mechanism whereby any application for such marks can be subject to scrutiny or opposition. Because the marks are not advertised before the Registrar gives public notice of their status as official marks, there is no possibility for interested parties to raise objections or challenge the status of the alleged "public authority" before the marks are entered onto the trademarks register. Any challenge to such marks involves the initiation of costly judicial review proceedings.

It has been suggested that s. 9(1)(n)(iii) may violate the *Canadian Bill of Rights* because it fails to provide "the right to a fair hearing in accordance with the principles of fundamental justice" for the determination of one's rights and obligations.\(^8^6\) This violation would arguably arise because the *Trade-marks Act* fails to provide a means by which official marks can be challenged before public notice of them is given. This can

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85. See, for example, Vaver, *supra* note 39, and Morrow, *supra* note 40. See also the comments of the judges in *Ontario Association of Architects*, *supra* note 42, at paras. 33-36, and *Canadian Jewish Congress*, *supra* note 42 at paras. 22-25.

significantly disadvantage a party. In the case of the *Bluenose II*, the defendant was sued for trademark and copyright infringement in Nova Scotia Supreme Court. In order to raise the validity of the official marks in its defence, Tall Ships had to make a separate application to the Federal Court for judicial review of the decision of the Registrar to give public notice of the marks. Because the limitation period for judicial review had expired, Tall Ships also had to make an application for an extension of the time limits for bringing the application. An opposition proceeding might be a less expensive process than this sort of after-the-fact challenge.

It is clear that the courts in recent years have become more stringent in their approach to public authority status under s. 9(1)(n)(iii). The Federal Court has acknowledged the exceptional character of official marks and the remarkable advantages they offer over regular trademarks. In such a context it is of crucial importance to ensure that only those entities that truly are public authorities have access to such marks. While the legislation could be amended to offer greater transparency to the process of issuing such marks, it might also be worth considering whether the full range of advantages that accompany such marks truly serve the public interest.  

A final observation remains regarding the official marks in this case. As noted earlier, the Society remains the holder of four official marks, even though, as argued above, it does not meet the criteria for a "public authority." Once declared, these marks remain in effect unless and until they are invalidated through judicial review proceedings. Currently, both the province of Nova Scotia and the Society are holders of the official mark "Bluenose"; the scheme under the Act contains no mechanism to avoid this anomalous result.

2. **Other Trademark Claims**

It should be noted that the Society also claimed infringement of a number of unregistered "common law" trademarks. The most significant of these were the names "Bluenose" and "Bluenose II." Because the case did not proceed to trial, there is little in the way of an evidentiary record, and therefore it is difficult to discuss these claims in any detail. However, in order to establish these names as unregistered trademarks belonging to the
Society, a number of very significant hurdles would have to be overcome. The Society would not only have to establish goodwill and reputation in the marks, it would also have to show that it (the Society) was the owner of that goodwill and reputation. Since the Society only came into being in 1994, and Tall Ships had been manufacturing and selling wares imprinted with the image and name of the Bluenose and Bluenose II for over a decade prior to that, the argument that the "marks" were distinctive of the Society would be a tough one to make. Further, as is clear from the Nova Scotia archives, the name "Bluenose" was widely used across Nova Scotia in the names of publications, incorporated companies, businesses, railway services and boats. These include the well known Bluenose II restaurant on Hollis Street in Halifax which has been in operation since the mid-1960s. The image of the Bluenose has been on the Canadian dime since 1937; the ship's image has also been used on Nova Scotia licence plates since 1989. It would be difficult for the Society to establish that the ordinary consumer of tourist wares would associate the name Bluenose or Bluenose II with the Society as a source. If there is any particular association between the names Bluenose and Bluenose II and a particular source, it is likely the ship itself, which belongs to the Nova Scotia government.

3. Copyright in the Image of the Bluenose

The Society's assertion of copyright in the image of the schooner has not been addressed or resolved by a court, and any agreement made with the Province at the time the law suit in the Tall Ships litigation was dropped did not touch on the copyright claims. Even after the agreement with the Province, the website of the Society continued to assert copyright in the image of the Bluenose II, although this time on behalf of the Rouë heirs, and the unresolved claims leave businesses, artists, photographers and other members of the Nova Scotia community who use the image of the Blue-


91. *NSARM*, *supra* note 1. The Nova Scotia Archives and Record Management website indicates that there has been ongoing marketing and commercial activity regarding the name of the ship (and even its image) over many years and across many businesses. The Archives website goes on to note that several other boats before the famous schooner bore the name Bluenose. A quick canvass of the Halifax phone directory reveals the following listings: Bluenose Accounting and Tax Services, Bluenose Bottle Exchange, Bluenose Fundraising Services, Bluenose II Restaurant, Bluenose Inn and Suites, Bluenose Laundromat, Bluenose Lighting and Alarm Inc., Bluenose Mini Market, Bluenose Optical, Bluenose Soaring Club, Bluenose Vending Services Ltd., Bluenose Video, Bluenose Water Cleaners, and Bluenose Well Drilling. (*Allant Phone Directory, White Pages, 2004*).
none on an uncertain footing with respect to the copyright claims.92

a. Copyright in Naval Architectural Plans

The Society's claim to copyright in the image of the ship was based on its copyright in the plans for the ship drafted by naval architect William J. Roué. Ownership of the plans and their attendant copyright had been transferred to the Society in 1995.93 The plans consisted of: "the hull and keel profile, the deck plan, the waterline, the transom, and the sail plan for the gaff-rigged two-masted Schooner called Bluenose and the replica thereof called Bluenose II."94 The Society also claimed, as a source of its rights, the copyright in two books about the Bluenose II,95 which copyrights had also been transferred to the Society.96

The essence of the Society's claim, it would seem, flows from the line of cases that have established that it is possible to infringe copyright in two-dimensional drawings by making the three dimensional object depicted in those drawings. In *King Features Syndicate, Inc. v. O. & M. Kleeman*,97 the House of Lords found that copyright in drawings of the cartoon character Popeye were infringed by dolls and brooches made based on the character. According to Lord Wright, "... the sole right to produce or

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92 It is also interesting to note that in its intervention in the Tall Ships litigation the Nova Scotia government seems to reserve to itself some form of copyright over the ship. In its Pre-Hearing Submissions, *supra* note 81, at para. 21, the Attorney-General of Nova Scotia stated that: "... the right to restrict, or not restrict the use of the name and image of the Bluenose II is a right specifically claimed by the Province of Nova Scotia, which right it views as having been acquired with ownership of the vessel, either by virtue of an associated or implicit transfer of a copyright or other intellectual property interest with title, or as an incident of ownership separate and apart from copyright or intellectual property issues.” There is no elaboration of what is actually meant here, but the concept of an "implicit transfer of a copyright or other intellectual property” with the transfer of the ownership of a physical thing would seem inconsistent with basic intellectual property principles.

93 On February 9, 2005 it was reported that the Trust had assigned the copyright in the plans back to the Roué family. See Peter McLaughlin, "Trust gives Bluenose image copyrights to family", *Halifax Daily News*, February 9, 2005.

94 *Moore Affidavit, supra* note 8 at para. 12.


96 One T-Shirt produced by Tall Ships Art Productions featured drawings featured on Jenson's *Bluenose II - The Last of the Tall Schooners: Measured Drawings, ibid*. Presumably, therefore, copyright infringement was also being alleged with respect to this T-Shirt. However, Tall Ships had filed a letter from Nimbus Publishing Ltd., indicating that permission had been granted to Tall Ships to reproduce the image on T-Shirts as a means of promoting sales of the books. (Letter from Dan Scoucoup to Paul Radford (August 25, 2003) Affidavit of Allan Rodger, S.H. No. 204198, September 5, 2003).

reproduce the sketches or any substantial part thereof in any material form whatsoever would cover a reproduction of a substantial part of the sketches or any of them in three-dimensional form ... 98

In *Bayliner Marine Corp. v. Doral Boats Ltd.* 99 Walsh J. of the Federal Court Trial Division ruled that copyright in the design plans for a boat hull could be infringed by the making of the three-dimensional object depicted in the plans. He wrote:

... when one looks at plaintiff's two boats in question it can be seen that they are derived from the drawings, and while the drawings themselves were not copied by defendant, the intermediate object made from them, in this case the boats, was admittedly copied ... 100

In *Bayliner*, the court was influenced by two English cases, *L.B. (Plastics) Ltd. v. Swish Products Ltd.* 101 and *British Leyland Motor Corp. Ltd. v. Armstrong Patents Co. Ltd.* 102 In each of these cases, the courts found that copyright in design drawings of utilitarian objects were infringed by the making of the three-dimensional objects depicted in the drawings. 103 The decisions are not without controversy. Although in most cases the full impact of these findings is muted by the interrelationship of the Copyright Act and the Industrial Design Act, 104 the cases have been criticized on public policy grounds. 105 Indeed, in the *British Leyland* case, the majority of the House of Lords acknowledged that the impact of their decision that the making of a car muffler as a spare part would infringe copyright in the car manufacturer's design drawings for the muffler, would be to suppress the market for auto spare parts, and to drive up the price of spare parts by eliminating competition in that market. 106 As a result, although they found copyright infringement to have occurred, the Lords found the copyright to be unenforceable for public policy reasons. Lord Griffiths, in dissent on

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98. *Ibid.* at 435
100. *Ibid.* (F.C.T.D.), at 308 (setting to C.P.R.'s)
102. [1986] 1 A.C. 577 (H.L.), [*British Leyland*]
103. In *British Leyland*, the objects in question were car mufflers. In *Swish Products*, the objects were office desk drawers.
105. See, for example, David Vaver, *Copyright Law.*, (Concord Ont.: Irwin Law, 2000) at 125 (suggesting that such an approach is stifling to creative and artistic expression).
106. See, for example, *British Leyland*, supra note 102 at 613 (per Lord Scarman), at 614-5 (per Lord Edmund-Davies), and at 623 and 625 (per Lord Bridge of Harwich).
the issue of copyright infringement was critical of the majority. He reasoned:

"reproducing" in s. 3(5) should not be given the extended meaning of "indirect copying" in cases in which the mechanical drawing or blueprint is of a purely functional object. In such cases the scope of artistic copyright should be limited to the natural meaning of the words, namely direct copying including use of the drawing to make the object it depicts.\textsuperscript{107}

In spite of the controversy in \textit{British Leyland}, the \textit{Bayliner} case has been followed in Canada in \textit{Spiro-Flex Industries Ltd. v. Progressive Sealing Inc.}\textsuperscript{108}

Although there is case law that would clearly support the view that the making of the three dimensional object depicted in two-dimensional plans infringes the copyright in the plans, there is no authority in Canada to support the view that taking a photograph, or making a painting, for example, of the three dimensional object amounts to an infringement of the two dimensional plans. The leap is an enormous one. In making their argument, the Society relied upon the English case, \textit{Dorling v. Honnor Marine Ltd.}\textsuperscript{109} In that case, the English Court of Appeal considered whether the copyright in plans for a sailing dinghy was infringed by the contents of kits sold by the defendants. The kits contained parts that could be used to construct the dinghy that was the subject of the plaintiff’s copyright. Included in the kits were instructions to build the boat, including photographs of the dinghy or parts of it. The photos had been taken of the completed boat or of the various parts made from the plans. In the words of Danckwerts J., "[t]he result, at any rate in my opinion, was a series of pictures which strongly resembled the drawings in the plaintiff’s set of plans."\textsuperscript{110} Danckwerts J. later went on to conclude that,

[the parts and the completed boat are reproductions of the two-dimensional plans ... and the plans thus having been converted into a three-dimensional form are reproduced by the photographs in a two-dimensional form. It is clearly a case of copying a copy of an artistic work protected by the Copyright Act, 1956, and, therefore, an infringement of copyright.\textsuperscript{111}
It is important to remember, however, that the photographs in issue were part of a series of photographs, including photographs of individual parts or components of the dinghy, combined with instructions and provided as part of kits which would allow individuals to build replicas of the dinghy. The particular factual context makes the case distinguishable from situations where a simple photograph is taken of a ship. On the facts of Dorling, the photographs were part of a package aimed at facilitating the execution of the copyright protected plans for the ship. It is because the photographs are part of an overall strategy to infringe copyright in the plans that infringement is found.\footnote{112}

In Théberge v. Galerie d’Art du Petit Champlain,\footnote{113} Binnie J. for the majority of the Supreme Court, in the context of a discussion of the meaning of the term “reproduction”, noted: “[t]ransformation of an artistic work from two dimensions to three dimensions, or vice versa, will infringe copyright even though the physical reproduction of the original expression of that work has not been mechanically copied.”\footnote{114} While it might be argued that this statement supports the position that copyright in two-dimensional plans can be infringed by a photograph of a three-dimensional reproduction of the plans, the argument is at best a stretch. Not only is the statement made absent any relevant factual context,\footnote{115} it could equally stand for nothing more than the proposition that copyright in a three-dimensional artistic work such as a sculpture, can be infringed by taking a photograph of the sculpture. This is a much more realistic interpretation of the scope of the comment.

\footnote{112} This interpretation is supported by the comments of Lord Griffiths in British Leyland, supra note 102, at 651. In the words of Lord Griffiths: “The commercial value of Mr. Dorling’s plans lay in the fact that the kit parts and the boat could be constructed from the plans. The company by copying the plans to produce the parts had stolen the value of Mr. Dorling’s work and labour in producing the plans and the photographs were but part and parcel of that theft for they furthered its purpose by facilitating the construction of the boat.” (Emphasis added). It should also be noted that in reaching his conclusion that the photographs of the three-dimensional object infringe the copyright in the two dimensional plans of which the three-dimensional object is a reproduction, Danckwerts J. relied upon s. 48(1) of the U.K. Copyright Act, 1956, which defines reproduction, in the case of an artistic work, as including “a version produced by converting the work into a three-dimensional form, or, if it is in three dimensions, by converting it into a two-dimensional form, and references to reproducing a work shall be construed accordingly.” (Copyright Act, 1956, s. 48(1)). The equivalent provision does not exist in the Canadian Copyright Act, which refers instead, to reproduction “in any material form whatever” (Copyright Act, R.S.C. 1985, c. C-42, s. 3(1)).

\footnote{113} [2002] 2 S.C.R. 336. [Théberge]

\footnote{114} Ibid. at para. 47.

\footnote{115} Ibid. at para. 47. Binnie J. goes on to note that “Nevertheless, the important evolution of legal concepts in the field of copyright is not engaged by the facts here.”
There are good public policy reasons to resist the copyright arguments put forward by the Society in this case. The Copyright Act is quite specific about the kinds of works that are intended to be covered by the Act. Normally, utilitarian or functional items that are not inherently artistic works, or works of artistic craftsmanship, are not protected under the Act. Plans, including architectural and design plans, are protected as artistic works, and the protection accorded these plans will prevent anyone from "reproducing" the plans by building the object that is depicted in them. Beyond that, it is not clear what public interest is served by extending copyright protection so as to prevent anyone from photographing the three-dimensional object. In many instances, the object at issue will be functional or utilitarian. Absent any plans, it would not have been protected by copyright. The further reach of protection would place such an object on a par, in terms of protection, with a sculpture. In addition, since the copyright concern is that no one be allowed to reproduce a set of plans or any substantial part thereof without permission from the owner of copyright, it is difficult to see how a photograph of a three-dimensional object could amount to any kind of meaningful reproduction of the plans. It is not likely that one can build a replica of a ship simply from a photograph of the ship sailing by on a sunny day. It is possible that a series of photographs that detail all of the parts and components of the ship, or which are done in such a way as to include measurements and proportions might, taken together, amount to an infringement of the copyright in the plans. However, it is difficult to see how a photograph of the Bluenose II would give anyone much insight into the contents of the naval architectural plans for its construction.\footnote{News Release, supra note 8. It was not until 2002, and following "comprehensive historical research" that the Society and the Canadian Mint were able to confirm that the schooner on the Canadian 10 cent piece was, in fact, the Bluenose.}

A consideration of the consequences of an argument that a photograph of a three-dimensional object made based on a set of two-dimensional plans will infringe the copyright in the plans demonstrate the absurdity of the argument and the ramifications on a public policy level. Photographs regularly incorporate objects and items that are built from two-dimensional design plans, as do sketches and paintings. If the Society's position were accepted, a photograph of children playing at a unique modular playground might infringe the copyright in the plans for the playground; a photograph of a person standing on someone's front lawn might infringe the copyright in the landscape design plans for that front lawn. The possible examples
are limitless. Absolutely no public purpose is served by extending copyright protection in design plans to this extreme. Beyond the inherent insensibility of the argument, there are also further public policy arguments that can be advanced under the Act. These will be considered in the next section.

4. The Public Domain
In a series of recent copyright decisions, the Supreme Court of Canada has taken an approach which is clearly protective both of the public domain,¹¹⁷ and of the rights of users in relation to copyright protected works.¹¹⁸ More specifically, in Théberge, which the Society had cited as authority for its position on copyright law. Binnie J. wrote: "[t]he Copyright Act is usually presented as 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 ...".¹¹⁹ He added:

"[t]he proper balance among these and other public policy objectives lies not only in recognizing the creator's rights but in giving due weight to their limited nature. In crassly economic terms it would be as inefficient to overcompensate artists and authors for the right of reproduction as it would be self-defeating to undercompensate them."¹²⁰

These comments have been cited and reiterated in CCH Canadian Ltd. v. Law Society of Upper Canada,¹²¹ in which the Supreme Court of Canada took an expansive approach to the users' right of fair dealing, and in SOCA v. CAIP¹²² where the Court extended the protection of s. 2.4(1)(b) of the Copyright Act to Internet Service Providers.

The balancing approach to copyright mandated by the Supreme Court of Canada should be sufficient to resolve any uncertainty about whether photographs of three-dimensional objects built based on two-dimensional plans infringe the copyright in the plans. To stretch copyright law to this point would be to give the owner of copyright in the plans an inordinate

¹¹⁸. CCH Canadian Ltd., supra.
¹¹⁹. Théberge, supra note 113 at para. 30
¹²⁰. Ibid. This interpretive approach has since been adopted in other cases. See, for example, Society of Composers, Authors and Music Publishers of Canada v. Canadian Association of Internet Providers, [2002] 4 F.C. 3 (FCA) (SOCAN v. CAIP); CCH Canadian Ltd., supra note 117.
¹²¹. Supra note 117.
¹²². SOCA v. CAIP, supra note 120.
power to control the rights of third parties in their interaction with the three-dimensional object. In the case of the Bluenose II, the three-dimen-
sional object is a ship, publicly visible as part of a harbour view. In other instances, the three-dimensional object might be a piece of furniture in a person's home, or any other item or object that can be built based on a set of design plans. It serves no reasonable purpose, and is counter to the public interest, to allow copyright law to protect acts which do not in any way amount to an attempt to reproduce the plans, or to produce in three dimensions the object represented in the plans.

If common sense and the words of the Supreme Court of Canada are not enough to lead to this conclusion, further support can be found in s. 32.2 of the Copyright Act. This section sets out a series of acts that, if performed, do not infringe copyright. Of particular relevance in this case is the following:

32.2 (1). It is not an infringement of copyright

(b) for any person to reproduce, in a painting, drawing, engraving, photograph or cinematographic work

(i) an architectural work, provided the copy is not in the nature of an architectural drawing or plan, or

(ii) a sculpture or work of artistic craftsmanship or a cast or model of a sculpture or work of artistic craftsmanship, that is permanently situated in a public place or building

Thus, where the work at issue is an artistic work in three dimensions, and it is in a public space, it is not an infringement for members of the public to interact with the work by taking photographs of it, making sketches or paintings of it. If this exception is present for three-dimensional artistic works, it is difficult to see why two-dimensional artistic works reproduced in three dimensions should be insulated from similar acts, particularly where they are in public view. Although a three-masted schooner may not be "permanently situated in a public place", it is permanently situated in public places, and to find copyright in plans infringed by photos and sketches of the ship flies in the face of the public policy expressed in s. 32.2(1)(b).

123. Supra note 112.
Conclusion

The above analysis of the legal arguments advanced in the statement of claim for the Society demonstrates that the Society's intellectual property claims against Tall Ships and other local businesses and artists were largely without merit. Yet because of the high cost of defending oneself against an infringement suit, license fees were paid to the Society for years, and by many different parties.\(^\text{124}\) In the case of the Bluenose II, the fact that the ship and its name were a part of the history and culture of the people of the province adds the sting of irony to any underlying injustice. The case serves to highlight the significant defects in the official marks provisions of the Trade-marks Act, the failure of the province of Nova Scotia to properly manage intellectual property issues, and the broader issues raised by the exploitation of poorly understood intellectual property laws by stronger parties at the expense of economically weaker parties. The public outcry over the law suit brought by the Society against Tall Ships is noteworthy.\(^\text{125}\) Although few were able to understand the legal basis for the intellectual property arguments asserted by the Society, public concern flowed from an almost intuitive sense of the public domain. As a public icon, a part of the province's heritage and history, and an element of local culture, there was a public sentiment that the name and image of the Bluenose II belonged to the people of Nova Scotia. In many ways copyright and trademark law actually create boundaries between what can be privately owned and what is in the public domain. In this context, the defects in the regime around official marks are particularly problematic, as they allow for largely unchecked encroachments on the public space. Further, the increasing creep of copyright law into the commercial context has created a situation where copyright has become, in some cases, almost

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\(^\text{124}\) Moore Affidavit, supra note 8 at para. 32.

\(^\text{125}\) The case generated extensive media interest, and prompted the intervention of the Attorney General of Nova Scotia in the law suit launched in the Supreme Court of Nova Scotia, and the Attorney General of Nova Scotia's separate action to challenge the validity of the official marks held by the Society.
a form of superTrademark protection. The recent concern demonstrated by the Supreme Court of Canada for the protection of the public domain from excessive privatization through copyright law is an indication of the dimensions of the problem.

126. In both Compagnie Générale des Etablissements Michelin - Michelin & Cie v National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), [1997] 2 F.C. 306 (F.C.T.D.) and Rotisserie St-Hubert Ltee v. Le Syndicat des Travailleurs de la Rotisserie St Hubert de Drummondville (C.S.N.) (1986), 17 C.P.R. (3d) 461 (Q.S.C.), the courts dealt with combined trademark and copyright infringement claims in relation to the use of corporate logos on materials produced by unions in the course of labour disputes. In both cases, the courts ruled that trademark rights were not infringed by the use of the logos in the non-commercial protest context. However, both courts ruled that copyright in the logos was infringed. The results are quite striking and illustrate how copyright law can, in some cases, offer much more extensive protection to trademarks than was contemplated by the legislation. In another recent case, copyright law was used to stop the parallel importation of goods in a context where no trademark rights were infringed. See Kraft Canada Inc. v EuroExcellence Inc. (2004), 33 C.P.R. (4th) 246.