

The Tragically Hip v Mill Street Brewery: A long time running

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A battle between two quintessential Canadian brands has finally found its way into court. On February 9, 2021, the Canadian musical group The Tragically Hip filed a Statement of Claim in the Federal Court of Canada against Trillium Beverage Inc. doing business as Mill Street Brewery. At issue is Mill Street Brewery's use of "100th Meridian" as the name of a beer and allegedly associating the beer with The Tragically Hip without the band's permission.

While the matter is still at the pleadings stage, the move highlights the importance of rights holders not sitting on rights and paying close attention to the limitation periods applicable to intellectual property claims.

Background

At the Hundredth Meridian is one of The Tragically Hip's most renowned songs, appearing on the band's 1992 album *Fully Completely*. In the Statement of Claim, The Tragically Hip claims to have an unregistered trademark in the phrase "At the Hundredth Meridian", along with other registered and unregistered trademarks.

The events giving rise to the legal dispute date back to April 2014, when Mill Street Brewery started selling a beer called "100th Meridian Organic Amber Lager". In the Statement of Claim, The Tragically Hip allege that since the beer's launch, Mill Street Brewery has associated its "100th Meridian" beer with The Tragically Hip, despite there being no business or legal relationship between the two.

The Statement of Claim references a number of posts on Mill Street Brewery's social media accounts starting in late 2014, though the majority of the posts are from 2016, when the band embarked on its farewell tour. The Statement of Claim includes screenshots of posts that include images of the "100th Meridian" beer with captions allegedly promoting The Tragically Hip concerts, images of the "100th Meridian" beer in front of The Tragically Hip's albums, and Mill Street Brewery "liking" followers' comments associating the parties.

The Tragically Hip claims they are entitled to damages for Mill Street Brewery's alleged infringement of its intellectual property rights. Specifically, The Tragically Hip claims Mill Street Brewery is liable for passing off, trademark infringement, depreciation of goodwill, and copyright infringement. The Tragically Hip also seeks an order invalidating Mill Street Brewery's registered trademarks 100th Meridian and 100th Meridian Organic Amber Lager & Silo and Field Design (collectively, the "100th Meridian Marks").

Limitation periods

Without considering the substance of the claims, The Tragically Hip may face some preliminary challenges for not bringing an action when Mill Street first released the beer. Claims can be disposed of summarily if they are commenced after the applicable limitation period expired.

The *Federal Courts Act* establishes two different limitation periods for claims heard in the Federal Court of Canada, like this proceeding. First, where the cause of action occurred in a given province, the laws respecting limitation periods that are in force in that province apply, except where other legislation says otherwise.¹ With respect to the passing off, depreciation of goodwill, and trademark infringement claims, the *Trademarks Act* does not include limitation periods, meaning the basic two-year limitation period under the *Limitations Act, 2002*² may apply to trademark claims that arise in Ontario. Since The Tragically Hip only referenced possibly infringing events that occurred between 2014 and 2016 in their Statement of Claim, the limitation period for their passing off, depreciation of goodwill, and trademark infringement claims may have expired for events that occurred in that period.

The second limitation period under the *Federal Courts Act* is a six-year limitation period for causes of action that occurred other than in a province.³ This six-year limitation period prevents the plaintiff from seeking damages from infringing acts that occurred more than six years before the date on which the plaintiff commenced the claim. In the 2014 case *Driving Alternative Inc. v Keyz Thankz Inc.*⁴, the Federal Court of Canada held that this six-year limitation period applies where the cause of action occurred in one province, but the plaintiff also suffered damages in other provinces. The Tragically Hip has not explicitly claimed that they suffered damages in provinces other than Ontario, but it does plead that the defendant has brewpubs across Canada. Even if the Federal Court extends The Tragically Hip the benefit of the six-year limitation period, any claims for damages relating to events that occurred more than six years before the claim was commenced (i.e., for events occurring before February 9, 2015, as pleaded) may be time-barred.

When it comes to invalidating registered trademarks, it is easier to do so within the first five years of registration. While plaintiffs can seek to invalidate a trademark registration after five years on the basis that the moving party had previous use of the trademark, after that time, plaintiffs must also prove that the defendant knew that the plaintiff previously used or made their trademark known.⁵ The 100th Meridian Marks proceeded to registration on October 21, 2015, meaning the five-year period ended in October 2020.

For the claims of copyright infringement, the Copyright Act establishes a three-year limitation period from the date of the event, or the date the plaintiff first knew or reasonably could have known about the infringement, if they could not have reasonably known about it at the time.⁶

In the event that the limitation periods do not bar The Tragically Hip's claims, the equitable doctrine of laches may nevertheless apply. Laches is an equitable defence that precludes a plaintiff from obtaining a remedy where the plaintiff delayed in asserting legal rights, and the delay either constitutes acquiescence to the defendant's actions or it makes prosecution unreasonable in the circumstances.⁷

Takeaways

Even though time will tell whether any of The Tragically Hip's claims are statute barred, what can be gleaned from this cursory review of the Statement of Claim is that plaintiffs should not sit on their rights. If you become aware of activity that infringes your intellectual property rights, you should move promptly to protect your rights. Doing so not only best protects your rights, but it also ensures you are not precluded from recovery later on. If you find yourself in a situation where you discover someone may be infringing your intellectual property rights, consider reaching out to **Dentons' Technology New Media and IP Litigation** group. Our professionals are experienced in litigating complex intellectual property claims and navigating the various limitation periods that may apply.

This article was authored with the assistance of student Kristin AuCoin.

1. *Federal Courts Act*, RSC 1985, c F-7 at s 39(1).↩

2. *Limitations Act, 2002*, SO 2002, c 24, Sched B at s 4.↩

3. *Federal Courts Act*, RSC 1985, c F-7 at s 39(2).↵
4. *Driving Alternative Inc. v Keyz Thankz Inc.*, 2014 FC 559.↵
5. *Trademarks Act*, RSC 1985, c T-13 at s 17(2).↵
6. *Copyright Act*, RSC 1985, c C-42 at s 43.1(1).↵
7. *M. (K.) v M. (H.)*, [1992] 3 SCR 6. ↵

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