



When Parody Misses the Mark

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By François Larose and Alexandre Paquette-Dénommé

Parody is not a defence to trademark infringement under the *Trademarks Act*.

The Superior Court of Quebec recently affirmed that parody does not excuse trademark infringement or depreciation of goodwill in a dispute involving an unauthorized “parody” of a newspaper. In *MédiaQMI Inc. v. Murray-Hall*, 2019 QCCS 1922, MédiaQMI Inc. (QMI), the owner of the well-known registered trademark *Le Journal de Montréal*, took action against the distributor of the electronic publication *Le Journal de Mourréal*. QMI claimed that the use of the mark *Le Journal de Mourréal* by the defendant caused confusion and depreciated the value of the goodwill of its mark *Le Journal de Montréal*, and sought a permanent injunction and profits derived from the unauthorized use of its trademark.

In the summer of 2013, QMI received several complaints about vulgar and crude content apparently published in its *Le Journal de Montréal*. However, QMI discovered that this content was in fact published by the defendant. The latter was publishing *Le Journal de Mourréal*, a satirical newspaper that contained fake “funny” news that mocked QMI’s renowned publication *Le Journal de Montréal*. It also used a nearly identical layout, graphics and logo as QMI’s newspaper. In fact, the only distinction between the two marks was the spelling of “Montréal” transformed into its slang version “Mourréal.” The defendant published his newspaper online at <journaldemourreal.com>, and content was also available through a Facebook page with more than 150,000 Facebook subscribers.

The Court began its analysis by applying the elements for the finding of trademark infringement under section 20(1)(a) of the *Trademarks Act*, that is, the existence of a registered trademark; “use” of a confusing trademark by an allegedly infringing party; sale, distribution, or advertisement of any goods or services in association with that confusing trademark; and lack of entitlement or authorization. In doing so, the Court referred to *United Airlines Inc. v. Cooperstock*, 2017 FC 616, a decision that also dealt with a defence of parody in trademarks (read our article on this decision [here](#)), and came to the conclusion that QMI was the owner of the registered trademark *Le Journal de Montréal*, that it never authorized the defendant to use its trademark, and that the mark *Le Journal de Mourréal* was used as an indicator of origin of its publication.

Turning to the factors for the assessment of confusion between the two marks (inherent distinctiveness, length of use, nature of services and trade and resemblance between the marks (as in section 6(5) of the *Trademarks Act*)), the Court found that the resemblance between them was so striking that it alone would support a finding of confusion. The defendant objected to this finding, arguing that the humorous intent of *Le Journal de Mourréal* and the disclaimer on its Facebook page (“Warning this content is not intended for ordinary people who are rather in a hurry”) negated the likelihood of confusion; however, the proof of complaints from readers who confused QMI’s newspaper for that of the defendant’s militated against this argument. Worse, journalist Anne-Marie Dussault, who was the subject of a fake news article published in *Le Journal de Mourréal* that claimed she was in a relationship with a Quebec minister then in office, testified for QMI on comments she received from different high-profile personalities who believed this fake news article to be true.

Thus, the Court rejected the defence based on the parodic nature of *Le Journal de Mourréal*, recalling that such a defence, despite being available under section 29 of the *Copyright Act*, does not exist under the *Trademarks Act*.

Although QMI based its action solely on the *Trademarks Act*, the Court undertook an analysis of the defence of fair dealing for the purpose of parody under section 29 of the *Copyright Act*. In *CCH Canadian Ltd. v. Law Society of Upper Canada*, [2004] 1 SCR 339 (CCH), the Supreme Court articulated a two-prong test to this defence: the first prong requires the dealing to be for one of the allowable purposes under the *Copyright Act*, and the second requires the dealing to be fair. In



order to assess the fairness of a dealing, six factors were set out in CCH, namely the purpose of the dealing, the character of the dealing, the amount of the dealing, the nature of the work, available alternatives to the dealing and the effect of the dealing on the work.

In applying those six factors, the Court concluded that the defendant's use of QMI's copyrighted works was unfair. It considered the commercial purpose and widespread distribution of *Le Journal de Mourréal* to favour a finding of unfairness. Likewise, the similarities between both newspapers and the existence of alternatives that would not infringe QMI's copyright equally favoured such finding.

With respect to depreciation of goodwill (section 22 of the *Trademarks Act*), the Court sided with QMI's argument that the crudeness of some of the content published in *Le Journal de Mourréal*, combined with the finding of confusion between the two marks, negatively impacted the value of the mark *Le Journal de Montréal*. Of interest here is how QMI used the contextual and social backdrop of the case to its advantage: it emphasized that in an era where real news and fake news are increasingly difficult to differentiate, the use of a confusingly similar mark by the defendant threatened the journalistic credibility of *Le Journal de Montréal*.

The defendant also advanced that granting an injunction against him would amount to an unjustifiable limit to his freedom of expression. But while parody is protected by freedom of expression, such protection is not absolute. Given the likelihood of confusion between the two marks, an injunctive order was considered a justifiable limit and therefore the Charter-based argument was rejected.

The Court concluded by granting the injunction and ordering the defendant to hand over his profits to QMI as damages.

Since then, the defendant filed a notice of appeal. At the time of writing this article, his appellate brief was not yet due. However, for the time being, this case should serve as a cautionary tale of the dangers of walking the very thin line between parody and confusion in trademark law.

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