SUPERIOR COURT

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

No.: 500-17-110307-199
500-17-110344-192

DATE: August 11, 2025

BY THE HONOURABLE LUKASZ GRANOSIK, J.S.C.

BLINDS TO GO INC.
and
BLINDS TO GO (US) INC.
Plaintiffs / Cross-Defendants
v.
DAVID BLACHLEY
Defendant / Cross-Plaintiff

JUDGMENT
(injunction and damages)[1]

INTRODUCTION AND CONTEXT

[1] Plaintiff Blinds to Go Inc., is a corporation founded in 1954. It evolved from a family-owned single store located in East-end Montreal called ‘‘Au Bon Marché’’ to a successful and well-known company that manufactures and sells custom-made blinds and shades in its own brand-named retail stores located in Canada and the Eastern

[1] La traduction a été demandée, mais vu le délai annoncé pour sa livraison, le Tribunal estime que de retarder la signature du présent jugement dans l’attente de la version traduite entraînerait un retard préjudiciable à l’intérêt public ou causerait une injustice ou un inconvénient grave à une des parties au litige. La traduction suivra.

United States. Plaintiff Blinds to Go (US) Inc., is a wholly owned subsidiary of Blinds to Go inc. (collectively “BTG”).

[2] David Blachley is an inventor from the United States who resides in California and holds several patents related to various window shutter technologies.

[3] First contact between the parties occurred in 2015 through Earl Takefman, an acquaintance of BTG’s president, Stephen Shiller, and Mark Bradlee, an agent who previously met Blachley. Takefman[2] and Bradlee represented Blachley to sell a unique window shutter called DuraShutter, that Blachley invented and patented[3]. At that time, BTG did not manufacture shutters but was interested to add shutters to its product range.

[4] Blachley presented DuraShutter as a fully developed and functional shutter product. He stated that he was engaged in discussions with leading retailers, including Home Depot and Lowe’s, regarding the commercialization of his invention.

[5] An initial meeting between Blachley and Shiller took place in New Jersey, where BTG maintained an office with approximately 100 employees and operated a factory employing around 250 people. Blachley came with samples and a video and made a passionate sales pitch. He was convinced that his product would generate around $ 250,000 of sales in each of BTG’s stores.

[6] Several emails back and forth followed this encounter. Different projects were exchanged as Shiller was contemplating the idea of hiring Blachley with an annual salary of $ 200,000 and/or giving him one million dollars in shares or to buy the patents, etc. The negotiation was somewhat complicated by the fact that in the beginning of 2015, Takefman had sued Blachley for unpaid commission in the district court in Miami with regards to their arrangement.

[7] Ultimately, the parties agreed on a licensing agreement, and their lawyers were tasked with preparing the contract.

[8] In October 2015, Shiller flew to Miami, where Blachley’s legal counsel was based, to conclude the negotiations. In November 2015, further negotiations took place in Montreal where Blachley came to continue the discussion.

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[2] The use of last names in this judgment is meant solely to lighten the text and it should not be interpreted as a lack of respect toward the persons concerned.

[3] The product distinguished itself through several features, notably its cordless design.

[9] Finally, on November 20, 2015, after annotating the draft by hand, and in company of his lawyer, Blachley signed[4] the Licensing Agreement with BTG. The relevant terms of the contract are as follows:

> **2. License:**
>
> (…)
>
> (b) Licensor hereby grants BTG an exclusive license for BTG and its affiliates to use the lntellectual Property in connection with the manufacture, distribution and sale of the Products in the Territory. BTG and its affiliates will also have a non-exclusive license to use the Intellectual Property in connection with the manufacture, distribution and sale of the Products anywhere in the world outside of the Territory. Licensor acknowledges and agrees that BTG may use its own trade-marks and branding in association with the distribution, sale and promotion of the Products. (…)
>
> **3. Advance:**
>
> (a) Subject to Licensor granting to BTG a security interest in the lntellectual Property and Licensor fulfilling his obligations pursuant to Section 5(e), BTG will advance the sum of $150,000 USD (the "**Advance**"), payable as follows:
>
> (i) $75,000 USD within 48 hours of the execution by ail parties to this Agreement and the granting by Licensor of a security interest in the intellectual Property to BTG. Licensor will provide all information and documents needed for BTG to record and publish the security;
>
> (ii) $75,000 USD upon completion by BTG of the Test, but by no later than May 30, 2016, unless the commercialisation of the Products is impossible due to any misrepresentation by Licensor. The parties agree that it is in their mutual best interest to complete the Test as soon as reasonably possible and they undertake to provide their best reasonable effort in order to achieve this goal.
>
> (b) The Advance shall not bear any interest.
>
> (c) ln the event that the Advance is not repaid to BTG in full, as per Section 4, within 10 (ten) years from the execution of this Agreement, or that this Agreement is terminated by Licensor under Section 7(e) or by BTG, may demand full repayment of any balance of the Advance and, if unpaid within 10 days of such demand, may take any action to realize its security interest in the Intellectual Property.
>
> **4. Royalties:**

[4] Shiller executed this Licensing Agreement in Montreal on December 1.

> (a) BTG shall pay Licensor a total royalty equal to $5.00 USD per square foot of the product sold by BTG, minus the Costs (as determined in good faith by the parties upon completion of the Test). The royalty will be payable by the applicable BTG entity who completed the sale and, where payable by the Canadian BTG entity, may be subject to withholding taxes. No royalty is payable during the test.
>
> (b) Commencing after the completion of the Test, Royalties will be calculated with respect to Products sold by BTG in a calendar month and payable in USD on the 10th day of the following calendar month (or the following business day).

[10] The Licensing Agreement included the following definitions[5]:

> "Costs" means the sum of ail direct labor to manufacture and assemble 1 (one) square foot of a typical shutter unit, ail costs for shipment to BTG retail store and all material costs to produce such a unit, including extra wood stabilizers, fasteners, frames, hinges, louvers, louver holders, etc. However, the Costs do not include any factory overhead expenses or any non-specific or indirect labor such as supervision, maintenance, machine technicians, or materials handling. The Costs shall be mutually determined, in good faith, by the parties shortly upon completion of the Test. Any fluctuation in the Costs thereafter shall not impact the amount of royalty payable under Section 4 below.
>
> "Intellectual Property" means all patents (including such patents as the parties may schedule to this Agreement from time to time), know-how, best practices and technical information of Licensor or entity he may own or control directly or indirectly, and any related entity with respect to the Products, and any and all improvements and developments thereto.
>
> "Products" means window shutters.
>
> "Test" means a reasonable period of time following the execution of this Agreement during which BTG will test the performance of the Products in some of its stores in order to facilitate the commercialisation of the Products within the Territory.
>
> "Territory" means the states of Connecticut, Delaware, Maryland, Massachusetts, New York, New Jersey, Pennsylvania, Rhode Island, New Hampshire, Virginia and Washington DC, as well as ail provinces and territories of Canada.

[11] From the outset of the negotiations, BTG wanted to pay Blachley a fixed amount per square foot of the Product sold, finding it easier to calculate and more convenient,

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5 Section 1 of the Licensing Agreement.

but Blachley insisted on the royalties being dependent on costs and his position was ultimately accepted by BTG.

[12] At the time of the signature of the Licensing Agreement, BTG provided Blachley with a cheque dated November 13, 2015, for $ 75 000 (USD) in accordance with Section 3 a) i) of the contract. A few days later, Blachley asked for a wire transfer of the same amount, saying the cheque would take too long to clear and he would destroy it instead of depositing it. BTG obliged and wired the money to Blachely's lawyers. At the same time, BTG put a stop payment on the cheque.

[13] Very early following the conclusion of the agreement, BTG discovered that contrary to Blachley's representations, DuraShutter was not ready to be commercialized. In support of that position, Mayte Jennings,[6] testified persuasively that it was impossible to manufacture the shutters on an industrial scale as there were no drawings, no profiles, no process as to how to make it, no materials defined, no tooling ready, no formulas based on the size, no specifications and there was no established supplier chain. Blachley provided only minimal documentation which was not sufficient to obtain bids from potential manufacturers. BTG was not interested in manufacturing components because it usually buys all the parts and then assembles and sells the product.

[14] BTG research and development team had to take over and Shiller, with Blachley, visited various potential supplier facilities (including Frame America, Patrick Industries, and Triwood, all suggested by Blachley) to set up a viable process to translate Blachley's idea into a product that would be then brought to BTG's stores in industrial quantities. BTG received only two quotes, both high, as none of these compagnies had the tooling necessary and ready to make the product.

[15] BTG had to re-engineer the shutters, draw the designs and work with vendors. The initial period of three months, as originally planned to put the product in stores, was impossible to achieve because the product was simply not ready to go to market. Blachley offered to help but was not able to provide relevant information.[7]

[16] In May 2016, in accordance with the Licensing Agreement, even though the "Test" was not completed, BTG proceeded to pay the second instalment of the advance on royalties to Blachley and wire transferred another amount of $ 75 000 (USD). Meanwhile, BTG was still working on putting in place a viable manufacturing process, which in total took over a year.

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6 She works at BTG's Research and development team and holds an engineering degree and an MBA.
7 See exchanges at P-25 to P-29.

[17] On November 18, 2016, Blachley unexpectedly cashed the cheque from November 13, 2015, despite having undertaken to destroy it after receiving the wire transfer for the first royalty advance installment. Schiller was taken aback by this decision of Blachley. He was not aware that the stop payment instructions in the United States differ from those in Canada and that in the US such instructions expire after one year while the cheque remains valid beyond this period. On November 29, 2016, BTG sent a lawyer's letter to Blachley requesting an explanation and reimbursement but took no further legal action at that time.

[18] In early 2017, BTG filed for trademark registration of "MorView" in both Canada and the United States using brand concepts introduced by Blachley and began selling the shutters in its brand-name stores across Canada and the Eastern United States.

[19] Schiller testified that the costs of production of DuraShutter were around $ 15 to $ 16 per square foot and if the overhead was included, it could amount up to $ 20 per square foot.

[20] The projected sales did not materialize. Instead of $ 20 million per year, sales were approximately $ 400,000 a year ($ 200,000 in the US and $ 200,000 in Canada).[8] Basically, BTG was losing money on every DuraShutter sold, because including the installation - offered to attract more customers - the actual cost was neighboring $ 40 per square foot. Shiller qualified the licensing agreement with Blachley as his "worst deal made in 49 years" at the helm of BTG.

[21] In any case, BTG was unable to get the cost below 5 $ par square foot which was the threshold for the royalties payable. Even a retailer Kass Kassraie, who testified on behalf of Blachley, recognized that the costs would be at least $ 3 to $ 5 per square foot for material and at least $ 2.50 for labour[9].

[22] On September 6, 2017, Blachley sent a demand letter[10] to BTG expressing his dissatisfaction with the way BTG was handling the product and requesting a modification of the Licensing Agreement. Several meetings and discussions between the parties took place but with no resolution.

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8 The American executive of BTG, Nkere Udofia, testified that the US sales were around $ 400,000 in 2023 and $ 250,000 in 2024, with no profitability. Blachley pretends that BTG sold approximately 200,000 shutter units at $ 35 per square foot, resulting in $ 7 million in total revenue over three years but I cannot accept his testimony without any supporting evidence.

9 Surprisingly, he also testified that in his store in Virginia he would sell for $ 250,000 to $ 300,000 DuraShutter par year with no problems with the product or the supply chain. I cannot accept his testimony as he mentioned *inter alia* that the shutters were manufactured using handsaws, which is not credible. This retailer had to discontinue these sales once the contract between BTG and Blachley was in force because his state was in the "Territory" specified in the Licensing Agreement.

10 Exhibit P-4.

[23] On August 28, 2019, Blachley issued a second demand letter,[11] announcing that he was unilaterally ending the Licensing Agreement. BTG replied on September 17, 2019,[12] asserting that any such unilateral decision would be unlawful and demanding Blachley to reimburse the sum of $ 75 000 (USD) for the cheque Blachley cashed contrary to his undertaking to destroy it.

[24] On October 28, 2019,[13] Blachely advised BTG through his lawyer that he was terminating the Licensing Agreement and that he would be continuing the manufacturing and selling of the DuraShutter in stead and place of BTG. In the following days, Blachely also sent several emails to BTG's suppliers, sales representatives and employees informing them of the end of the Licensing Agreement and threatening legal action should they continue to commercialize his product.

[25] In response, on November 8, 2019, BTG brought an Application for Damages, seeking restitution of the amount of $ 75,000 USD[14] for the advance cashed by Blachley. A few days later, BTG filed an Application for Injunctive Relief seeking to prohibit Blachley from selling the shutter covered by the Licensing Agreement and from communicating with BTG partners and employees.

[26] Blachley responded by a Cross-application in which he sought the cancellation of the Licensing Agreement, and damages in the amount of ‘‘$3 million in illegal profits on all sales since May 30, 2016’’, while further reserving the right to claim damages for ‘‘loss of further royalties, time, sales, opportunity and lack of commercialisation’’[15].

[27] On November 15, 2019, a provisional injunction in favor of BTG was issued by this court, ordering as follows:

> **ORDERS** defendant David Blachley to cease and desist from using any and all products defined in the Licensing Agreement including products whose patents bear numbers: US 6,622,433 B2, US 8,522,478 BT, US 8,091,281, US 7,987,565 B1, US 7,536,766 B1, US 7,055,231 B1, US 6,854,211 B1 (the “Intellectual Property”) in connection with the manufacture and sale of window shutters and all products in Canada, Connecticut, Delaware, Maryland, Massachusetts, New York, New Jersey, Pennsylvania, Rhode Island, New Hampshire, Virginia and Washington DC (the “Territory”).

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11 Exhibit P-5.
12 Exhibit P-6.
13 Exhibit P-7.
14 $ 101,302.50 (CAD).
15 In his written argumentation he writes: “Award adjusted damages between $1.8 million to $62.5 million CAD based on BTG's breach, false cost declarations, and unjust enrichment.”

> **ORDERS** defendant David Blachley to cease and desist from using the trademark MorView.
>
> **ORDERS** defendant David Blachley not to communicate with, directly or indirectly, Plaintiffs' suppliers, retail stores, employees including any business partners or customers or individuals involved with or who may impact Plaintiffs' brand and/or business – in a non limitative capacity.
>
> **ALLOWS** Plaintiffs to serve the judgment to be rendered outside of the legal days and times required for service and to effect service of same by way of special mode of service by email to the Defendant at the following address: dave@americaninnovationgroup.com.
>
> **ORDERS** defendant David Blachley to immediately remove from all websites that he directly or indirectly controls any and all photographs, designs, or material referencing or emanating from Blinds To Go Inc. and Blinds To Go (US) Inc., including the pictures in annexe to this judgment, as well as all references to MorView Shutters.
>
> **ORDERS** the Plaintiffs to provide a surety of $20,000 CAD to be deposited in Plaintiffs' attorney's trust account.

[28] This injunction was renewed several times on the consent of the parties. On December 16, 2019, an interlocutory injunction order was granted.

[29] One month before the scheduled trial, Blachley, then represented by a lawyer, brought a motion to postpone. He alleged medical reasons that prevented him from travelling and effectively preparing for trial. This motion was denied on February 26, 2025, given the absence of credible evidence in support of this motion. The following day, Blachley's lawyer advised that he wanted to cease to represent his client. At the same time, Blachley filed a *Revocation of Mandate*. On March 7, 2025, notwithstanding BTG's objection, Blachley's lawyer was authorized by the court to withdraw from the file, but Justice Dufour ordered the trial to proceed as scheduled and for Blachley to attend in person.

[30] Blachley communicated with the Court via email expressing his intention to again ask for a postponement. His request was first refused by the coordinating judge and again by the undersigned at the outset of the trial on March 31, 2025.

[31] Contrary to Justice Dufour's order, Blachley did not travel to Montreal and instead attended the trial remotely via Teams. BTG accepted this situation, and I agreed to hold the trial, nonetheless.

[32] Throughout the trial, Blachley was explained the applicable rules of procedure and the evidence as much as it was possible by the undersigned. He was granted breaks and suspensions, explained and re-explained the rights and obligations of the parties in a civil trial and was provided with legal information allowing both the trial to take place and Blachley to proceed in an orderly and timely fashion.

[33] Blachley was also given additional time to file his written argumentation and most of his requests - although often communicated via email and not according to the rules of our civil procedure -, were nevertheless received and adjudicated during the trial. More specifically, Blachley was allowed to file several new exhibits, contrary to the applicable rules (because sent at the last minute via email without prior disclosure) and to present an unannounced witness. In sum, he was provided with significant assistance and accommodation to the extent possible without jeopardizing the fairness of the trial for the plaintiffs.

[34] It is useful to note that despite efforts to appear ignorant, Blachley understood very well what was going on. The Court is of the view that he is a very intelligent person who easily grasped the requirements of the trial. He understood the relevant concepts quickly and comprehensively but showed a total disregard to the rulings of the Court, to plaintiffs, to their lawyers and the judicial process as a whole.

[35] Plaintiff’s lawyers, on the other hand, cooperated in a professional fashion. They regularly accepted without challenge several of Blachley’s requests, for example, providing electronic support for Blachley’s exhibits via Teams or by printing hundreds of pages of documents, sent on a number of occasions (sometimes in the middle of the night) to the Court via email. It was only through their assistance and professionalism that the trial was able to proceed as scheduled and to finish within given time limits.

[36] This judgment, despite lengthy evidence administered, is simple and deals with only three issues: the legality of the payment of $ 75,000.00 (USD), BTG’s rights to commercialize the shutters in accordance with the Licensing Agreement and to prohibit communications with BTG’s partners and employees and, finally, the validity of the Licensing Agreement and potential damages.

ANALYSIS

1. Payment of $ 75,000 (USD)

[37] Following the execution of the Licensing Agreement, Blachely asked Shiller to receive the first installment of the advance by way of a wire transfer despite the fact that he had already been provided a cheque a few days before. He undertook to destroy that cheque but around November 18, 2016 - nearly a year after the Licensing Agreement

was signed and six months after the second installment was paid – Blachley deposited the cheque. Because Blachely had already received $ 150 000 (USD) from BTG, this was a $ 75 000 (USD) overpayment.

[38] This is a clear case of the recovery of payments not owed, as provided by the *Civil Code of Quebec*:

> **1491.** A payment made in error, or merely to avoid injury to the person making it while protesting that he owes nothing, obliges the person who receives it to make restitution.
> However, a person who receives the payment in good faith is not obliged to make restitution where, in consequence of the payment, the person's claim is prescribed or the person has destroyed his title or relinquished a security, saving the remedy of the person having made the payment against the true debtor.
>
> **1492.** Restitution of payments not due is made according to the rules for the restitution of prestations.
>
> **1699.** Restitution of prestations takes place where a person is bound by law to return to another person the property he has received, either without right or in error, or under a juridical act which is subsequently annulled with retroactive effect or whose obligations become impossible to perform by reason of superior force.
> The court may, exceptionally, refuse restitution where it would have the effect of according an undue advantage to one party, whether the debtor or the creditor, unless it considers it sufficient, in that case, to modify the scope or modalities of the restitution instead.

[39] There are three essential elements for receipt of a payment not due under article 1491:

(1) There must be a payment;

(2) The payment must be made in the absence of debt between the parties;

(3) The payment must be made either in error or under protest to avoid injury.[16]

[40] When these criteria are met, restitution will follow under article 1492, and the payee (the *accipiens*) is subject to the obligation to make restitution of the payment to the payor (the *solvens*) in accordance with the rules for the restitution of prestations. Such action under article 1491 exists even in the presence of a contractual relationship between the parties, notably when said mistake relates to the extent of one's obligation.[17]

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16 *Threlfall* v. *Carleton University*, 2019 SCC 50.
17 *Green Line Investor Services inc.* v. *Quin*, J.E. 96-1493 (CA).

[41] Here, Blachley received $ 75 000 (USD) without right and must pay this sum back.

[42] In his written argument, Blachley pleads:

> 162. Blachley never received a single royalty payment despite substantial shutter sales and revenues.
>
> 163. The $150,000 USD advance was not a gift or a settlement—it was a contractual prepayment on expected royalties.
>
> 164. BTG falsely claimed that a $75,000 cheque was wrongfully deposited, ignoring the context of ongoing royalty disputes.
>
> 165. That cheque was held as symbolic consideration and later deposited in response to BTG's refusal to make royalty payments.
>
> 166. The cheque was only deposited after BTG had materially breached the agreement and cut Blachley out of all communications.
>
> 167. The stop-payment order referenced by BTG had long expired under U.S. banking rules.
>
> 168. More importantly, BTG's president, Shiller, delivered the cheque knowing its symbolic and legal implications.
>
> 169. BTG's framing of the cheque deposit as "misappropriation" is not only misleading but legally unsound.
>
> 170. The Licensing Agreement was breached repeatedly by BTG before the cheque was ever deposited.

[43] All these explanations and reasons lack legal merit. The evidence is clear and uncontradicted to the effect that no royalties were due in accordance with the Licensing Agreement. The costs surpassed the $ 5 per square foot threshold and BTG was struggling to make any profits from the products patented by Blachley. No royalties (or even advance) were payable at all.

[44] Moreover, if BTG breached the contract, which Blachely has failed to prove as discussed below, there is no basis, either in the Licensing Agreement or in our law, for allowing Blachely to take justice into his own hands. Finally, Blachley has not shown any legal or even "symbolic" grounds (to use his terms) that would authorize him to cash the cheque, over and above the agreed advance.

[45] It is remarkable that Blachley candidly admitted in the examination for discovery and confirmed at the trial, that "*we needed the money, so I cashed it*".

[46] As for the value of this amount in Canadian currency, the Court of Appeal states[18]:

> [11] It is generally conceded that save where it can be shown that a creditor was negligent, it should benefit from choosing the most favourable date to it of a conversion rate, as long as that date is a justifiable one. Here, the proposed date of the institution of the action is one that can certainly be justified, and, as it happens, it is better than the conversion rate on the date preferred by the incidental respondents.
>
> (Reference omitted)

[47] Therefore, BTG calculation in the proceedings is correct and the amount due is $ 101,302.50, with the interest accrued since November 29, 2016 (date of the first demand letter).[19]

2. Injunction

[48] BTG also seeks an injunction ordering Blachley to cease and desist from using the products defined and protected by the patents numbers specified in the Licensing Agreement in connection with the manufacture and sale of window shutters in Canada, Connecticut, Delaware, Maryland, Massachusetts, New York, New Jersey, Pennsylvania, Rhode Island, New Hampshire, Virginia and Washington DC, as well as to cease and desist from using the trademark MorView.

[49] BTG also requests an order prohibiting Blachley from communicating with Plaintiffs' suppliers, retail stores, employees, business partners or customers or individuals involved with or who may impact its brand and business and to order Blachely to immediately remove from his websites all photographs, designs, or material belonging to BTG.

[50] BTG's rights are clear under the Licensing Agreement. BTG also holds a valid and enforceable trademark in MorView, as evidenced by the trademark registration in both Canada and the US.

[51] The evidence demonstrates that Blachley was using BTG's MorView trademark and displaying BTG's material on his website and in his communications, including

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[18] *Équipements Stosik inc.* v. *Hock Seng Lee Heavy Industries*, *sdn bhd*, 2007 QCCA 1532. See also *Cohen* v. *Hill Samuel & Co*., 1989 CanLII 845 (QC CA).

[19] Article 1617 of the *Civil Code of Quebec*.

product images and marketing content. He has also attempted to intimidate and threaten BTG's commercial network - namely its suppliers, stores, employees, business partners and other affiliates.[20]

[52] BTG clearly has the right to enforce its trademark and prevent any unauthorized use of the MorView name by Blachley. It also has the right to the exclusive use of the visual representation of its products. BTG has demonstrated that it has developed substantial goodwill, reputation and market recognition through its brand that there is a risk of confusion and that damages are possible.[21]

[53] It is worth noting that Blachley offered no tangible defense to the injunctive proceedings. In fact, he admitted using the MorView name even after an injunction was issued in 2019.

[54] These violations of the Licensing Agreement and Court orders justify the requested injunction. The injunction will obviously not prohibit Blachley from using his own trademarks or to commercialize his products anywhere outside of the territory defined in the Licensing Agreement, which only covers ten (10) US states and Washington, DC.

[55] The conclusion sought concerning communications is overly broad. Blachley should retain the right to communicate with others provided he does not engage in conduct likely to cause harm or incur liability. The conclusion will be modified to fit the facts of this case while respecting Blachley's freedom of expression.

[56] Finally, there is no justification for ordering the provisional execution of the judgment, which is already in force in accordance with article 514 of the *Code of Civil Procedure*. The surety can be now released as this is a final injunction on the merits.

3. Cross-application

[57] Blachley seeks "judicial cancellation of the Licensing Agreement, as well as damages for breach of contract, bad faith, and other equitable relief." In his written submissions, Blachley presents arguments that are difficult to follow. He references cases that he did not file and a few that do not seem to exist.[22]

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20 Exhibits P-8, P-9, P-13, P-14.

21 *Fonds GB v. 9451-3082 Québec Inc.*, 2024 QCCS 1122**;** *Montréal Auto Prix inc. v. 168360 Canada inc.,* 2022 QCCS 2036.

22 See for example : *Produits Gilbert Inc. c. Fiset,* 2007 QCCA 378; *Les Entreprises Marc Leblanc Inc. v. Dupuis,* 2003 QCCS 1559; *BGE Canada v. LG Electronics Inc.,* 2017 FCA 68*; Bail v. Sherbrooke Mechanical*, 2003 QCCA 435. I suspect the references are the product of artificial intelligence ("hallucinations"?) and have no basis in law.

[58] The *Civil Code of Quebec* provides the following:

> **1399.** Consent must be free and enlightened. It may be vitiated by error, fear or lesion.
>
> **1400.** Error vitiates the consent of the parties or of one of them where the error relates to the nature of the contract, to the object of the prestation or to any essential element that determined the consent.
>
> An inexcusable error does not constitute a defect of consent.
>
> **1402**. Fear of serious injury to the person or property of one of the parties vitiates consent given by that party where the fear is induced by violence or threats exerted or made by or known to the other party.
>
> Apprehended injury may also relate to another person or his property and is appraised according to the circumstances.
>
> **1439**. A contract may not be resolved, resiliated, modified or revoked except on grounds recognized by law or by agreement of the parties.

[59] Blachley does not allege lesion. He pleads rather– if my understanding of his somewhat unorthodox arguments is correct – that his consent was vitiated by fear and by error.[23]

[60] Two preliminary remarks are warranted. First, it must be underscored that the one who invokes that his consent was vitiated has the burden of proving it. Second, Blachley was represented by counsel throughout the negotiation process and annotated the final version of the Licensing Agreement by hand before signing it on November 20, 2015.

[61] As far as the argument that his consent vitiated by fear is concerned, it has not been proven. It is true that there was an outstanding legal action taken by Takefman against Blachley. Blachley argues that an email regarding this situation from Shiller should be construed as trying to trap him.[24] First, I do not find this communication problematic (I understand that Shiller is trying to move forward in the negotiations and explores alternatives). Second, there is not an iota of evidence of duress or any other problem with consent or capacity that would allow me to annul or cancel the Licensing Agreement.

[62] On the contrary, the Licensing Agreement specifically refers to Takefman in the context of litigation and the "Sales Representation Agreement" by which Status-One Investments Inc., which includes Takefman, claims to be entitled to a 10 % commission of the net sales to BTG under the "Sales Representation Agreement" and the

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[23] Blachley refers to “duress” and “misrepresentations”.
[24] Exhibit P-34.

proceedings in the U.S. District Court, Southern District of Florida (Miami). As part of the Licensing Agreement, Blachley undertakes to execute mutual release and discharge documents with Status-One, Takefman and Bradlee concerning the intellectual property, the litigation and the "Sales Representation Agreement", by which he will not be required to pay them, nor will they be required to pay him anything to obtain such a release. In summary, the agreement provides that Blachley must resolve this litigation and claims related to the "Sales Representation Agreement".

[63] Such terms do not plausibly support Blachley's argument of fear or duress. Blachley might have faced a court order from the American Court requiring a 10 % payment to the plaintiffs and opted to settle out of court with no payment obligation imposed. Moreover, it is trite law that the threat of legal action is not sufficient to vitiate consent.[25]

[64] As for the alleged misrepresentations, once again, there is no proof whatsoever that BTG made any false representations with regards to the essential parts of the contract. Blachley blames BTG for being unable to correctly market and sell his invention, but this has nothing to do with his consent to sign the Licensing Agreement. In addition, he neither shows nor claims that, with different information, he would have made a different decision regarding the contract or contracted under different terms.

[65] It is true that the evidence is contradictory with respect to the commercialization of DuraShutter and the implementation of the Licensing Agreement. Blachley and a retailer with whom he did work in the past, Kass Kassraie both testify that the Product was nearly perfect and easy to sell, with minimum investment in costs and efforts. BTG on the contrary submits that, once all the initial hurdles regarding the design and the manufacturing were overcome, it was discovered that the Product was not waterproof, which made it unsuitable for installation in bathrooms and kitchens and that when manufactured in larger sizes, the slats began to warp, or they would fall out. As a result, BTG says that it had to discount the retail price for the shutters and to offer professional installation services.

[66] It is not necessary to determine who is right about this specific issue because it does not change the outcome. It is sufficient to observe that the parties' conduct during the implementation of the Licensing Agreement and the problems encountered with the commercializing of the shutters cannot constitute misrepresentations that would justify the annulment of the contract.

[67] With respect to the matter of termination for cause, the Licensing Agreement provides that Blachley may terminate the contract if BTG fails to sell any Products for

[25] *Northex Environnement inc.* v. *Banque Toronto-Domnion*, 2011 QCCA 5265.

three consecutive years following completion of the Test, or if BTG breaches any of its obligations and fails to cure such breach within ten days after receiving written notice. None of these situations were proved.

[68] BTG started in early 2017 manufacturing, commercializing and selling the Product under the "MorView" trademark in its stores across Canada and the Eastern United States and has continued to do so since. There is no evidence to the effect, as Blachley contends, that under the parties' original understanding, BTG agreed that if commercialization of the MorView Shutter product did not proceed for three years, he would be free to sell his patented ready-made shutter products to major national retailers such as Home Depot and Lowe's. This is not what the Licensing Agreement provides either.

[69] Aside from Blachley's statements alleging that BTG misapplied the technology and hindered the product's successful commercialization, there is no evidence to suggest that BTG did not appropriately manage its costs or that the pricing was inaccurate. Allegations to the effect that the costs should be below $ 5 per square foot are not substantiated or supported by any tangible evidence, documentation, cost estimates or else. In any case, his own witness, a retailer who has been selling DuraShutter for quite some time, testified that the costs per square foot oscillated at minimum between $ 5.50 and $ 7.50 (USD). This confirms that, under the Licensing Agreement, no royalties were due because costs never fell below the $ 5 threshold.

[70] It is worth noting that in his demand letters, Blachely never asserted that the costs were overestimated by BTG or falsified. He rather stated that BTG was commercializing a different, more expensive window shutter[26] or that BTG proceeded to redesign the shutters, contrary to the agreement.[27] In short, maintaining Blachley's position would imply that BTG has intentionally manufactured and sold the Product at a loss during all these years. This is simply not credible. In any case, this specific question is not before the Court.

[71] Finally, Blachley did not[28] submit any expert reports concerning the calculation of revenues and royalties, and regarding his product. Therefore, Blachley did not present any reliable evidence on actual or potential sales, on financial statements or for that matter, on any royalties possibly due.

[72] During my deliberations, Blachley filed a *Motion To Correct The Record, Admit Suppressed Evidence, And Order Emergency Hearing On Exhibits U-11 And U-7*. He

[26] Demand letter of September 6, 2018, exhibit P-4.
[27] Demand letter of August 28, 209, exhibit P-5.
[28] See *Blinds to Go Inc.* c. *Blachley*, 2022 QCCS 3686.

submitted that - following articles 202 and 206 of the *Code of Civil Procedure* and article 2870 of the *Civil Code of Québec* -, among other conclusions, the trial should be reopened, additional exhibits filed, the injunctions suspended and the sales of shutters by BTG prohibited, until the safety of the substituted design is verified, and full royalties are paid.

[73] This motion is inadmissible since once again, Blachley did not follow the provisions of the *Code of Civil Procedure*, but it is also unfounded as the matters regarding the “new” evidence where already dealt with during the trial and that, even taking for granted all the allegations of this motion, it does not satisfy the criteria allowing for a reopening of the hearing.[29]

[74] The Court of appeal stated principles applicable to motions seeking to reopen a hearing in *Symons General Insurance Co.* c. *Rochon*[30] :

> CONSIDÉRANT les critères à étudier lorsqu'un juge est saisi d'une telle demande: a) les nouveaux éléments de preuve découverts étaient inconnus du requérant au moment du procès, b) il lui était impossible, malgré sa diligence, de les connaître avant le procès, c) ces nouveaux éléments de preuve pourront avoir une influence déterminante sur la décision à rendre (Les Entreprises C.P.R. inc. c. Blanchette (1983) R.P. 546 (C.S.);
>
> CONSIDÉRANT que tous ces critères doivent être évalués les uns par rapport aux autres, à la lumière de toutes les circonstances de l'espèce;
>
> CONSIDÉRANT que cette évaluation doit se faire de façon à permettre que la preuve, sur la foi de laquelle le jugement sera prononcé, soit la plus complète possible, et ce, dans l'intérêt de la justice (Beaver Foundations Limited c. R.N.R. Transport Limitée, [1984] R.D.J. 497 (C.A.); Gauthier c. Laroche, [1966] R.P. 361 (le juge Marcel Crête, alors qu'il était à la Cour supérieure); Poulin c. Laliberté, [1953] B.R. 8);

[75] These tenets were reaffirmed in *Simard* c. *Fabrique de la paroisse Notre-Dame du Royaume*[31]:

> [4] La partie qui soumet une demande en réouverture des débats doit démontrer :
>
> a) que les nouveaux éléments de preuve découverts lui étaient inconnus au moment du procès;
>
> b) qu'il lui était impossible, malgré sa diligence, de les connaître auparavant;

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29 Article 323 of the *Code of Civil Procedure*.
30 J.E. 95-602 (C.A.).
31 2011 QCCS 889; see also *4210310 Canada inc.* v. *7755791 Canada inc*., 2017 QCCS 4093.

> c) que ces nouveaux éléments de preuve pourront avoir une influence déterminante sur la décision à prendre.
>
> [5] Les trois critères ici retenus par la jurisprudence doivent être évalués les uns par rapport aux autres, à la lumière de toutes les circonstances de l'espèce.
>
> [6] La doctrine rappelle également que le Tribunal dispose d'une grande discrétion en matière de réouverture des débats et que, pour assurer une saine administration de la justice, le juge devrait garder à l'esprit le principe d'application générale voulant qu'il faille éviter que le débat ne s'éternise.
>
> (References omitted)

[76] These cases were founded on article 463 of the former *Code of Civil Procedure* but these authorities apply also to current article 323, since it reiterates in essence the former section of the *Code of Civil Procedure*.[32]

[77] In his motion, Blachley acknowledges that the evidence in question was already available during the trial and had been considered by the Court, which ultimately ruled against its admission. This motion must therefore be denied because it seeks to relitigate issued already decided.

[78] Finally, on July 31, 2025, Blachley submitted a *Plaintiff's Supplemental Post-Trial Motion for Wage Enforcement, Provisional Execution, and Referral for Criminal Investigation*. The motion comprises a detailed combination of factual allegations and legal arguments, difficult to follow and to understand.

[79] It does not comply with the *Code of Civil Procedure*[33] and is thus inadmissible. Moreover, Blachley's request to enforce an employment contract is a totally new cause of action. This modification cannot be accepted at this point of time pursuant to article 206 of the *Code of Civil Procedure*, as it constitutes an entirely new application and delays the proceedings. A hearing is unnecessary because the motion does not address at all these two key issues. Blachley also requests a judicial seizure of BTG's assets without providing supporting facts for such a procedure, as well as a "criminal referral" to Canadian and American[34] authorities, even though this Court is not the appropriate forum for such referrals.

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32 *Cansica Holding inc.* v. *Boidman*, 2016 QCCS 5793; *Brutman Alidzaeva* v. *Alipoor*, 2016 QCCS 1537.
33 Articles 99, 101, 105 and 106.
34 "Refer Defendants to the Trump Administration, U.S. DOJ, FTC, CPSC, and EPA for criminal and civil investigation (…) »

CONCLUSION

[80] Blachley is required to repay the sum of $ 75,000 (USD) that was received without entitlement. The Licensing Agreement remains valid and enforceable. Accordingly, BTG holds the exclusive right to commercialize the patents encompassed by this agreement within the designated territory. Furthermore, Blachley will be required to limit his communications with BTG's suppliers, employees, business partners, or customers. Blachley's Cross-application will be dismissed.

FOR THESE REASONS, THE COURT:

[81] **GRANTS** the Originating Application for damages, with legal costs;

[82] **CONDEMNS** defendant David Blachley to pay plaintiffs Blinds to Go Inc. or Blinds to Go (USA) Inc, an amount of $ 101,302.50 with interest at the legal rate and the additional indemnity provided at article 1619 of the *Civil Code of Quebec* since November 29, 2016;

[83] **GRANTS** the permanent injunction, with legal costs;

[84] **ORDERS** defendant David Blachley to cease and desist from using any and all products defined in the Licensing Agreement including products who's patents bear numbers: US 6,622,433 B2, US 8,522,478 BT, US 8,091,281, US 7.987,565 B1, US 7,536,766 B1, US 7,055,231 B1, US 6,854,211 B1 in connection with the manufacture and sale of window shutters and all products in Canada, Connecticut, Delaware, Maryland, Massachusetts, New York, New Jersey, Pennsylvania, Rhode Island, New Hampshire, Virginia and Washington, DC;

[85] **PROHIBITS** defendant David Blachley from communicating with, directly or indirectly, partners, customers or individuals involved with plaintiffs Blinds to Go Inc. or Blinds to Go (USA) Inc. suppliers, retail stores, employees including any business partners, customers or individuals involved with plaintiffs Blinds to Go Inc. or Blinds to Go (USA) Inc., disparaging or depreciating plaintiffs Blinds to Go Inc. or Blinds to Go (USA) Inc., or their brand and/or business;

[86] **PROHIBITS** defendant David Blachley from communicating with, directly or indirectly, partners, customers or individuals involved with plaintiffs Blinds to Go Inc. or Blinds to Go (USA) Inc. suppliers, retail stores or employees, including any business partners, customers or individuals involved with plaintiffs Blinds to Go Inc. or Blinds to Go (USA) Inc., about the Licensing Agreement, DuraShutter or MorView shutters;

[87] **ORDERS** defendant David Blachley to immediately remove from all websites that he directly or indirectly controls any and all photographs, designs, or material belonging to or emanating from plaintiffs Blinds to Go Inc. or Blinds to Go (USA) Inc.;

[88] **ORDERS** defendant David Blachley to cease and desist from using the trademark MorView;

[89] **ALLOWS** plaintiffs Blinds to Go Inc. or Blinds to Go (USA) Inc. to serve this judgment outside of the legal days and times required for service and to effect service of same by way of special mode of service by email at the following address: dave@americaninnovationgroup.com;

[90] **DISPENSES** plaintiffs Blinds to Go Inc. or Blinds to Go (USA) Inc. from providing a surety;

[91] **DISMISSES** defendant David Blachley's Cross-application, with legal costs;

[92] **DISMISSES** defendant David Blachley's Motion to Correct The Record, Admit Suppressed Evidence, And Order Emergency Hearing On Exhibits U-11 And U-7, with legal costs;

[93] **DISMISSES** defendant David Blachley's Supplemental Post-Trial Motion for Wage Enforcement, Provisional Execution, and Referral for Criminal Investigation with legal costs.

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LUKASZ GRANOSIK, J.S.C.

Me Michael Vathilakis
Me Justine Covey
Me Dylan Garber
RENNO VATHILAKIS INC.
Lawyers for Plaintiffs / Cross-Defendants

Mr. David Blachley
SELF-REPRESENTED
Defendant / Cross-Plaintiff

Hearing dates: March 31st, 2025, to April 9th, 2025 (8 days)
Last written reply received on May 23rd, 2025
Last Motion received on July 31, 2025