CITATION: The Stone Yard Ltd v. Brampton Brick Limited, 2026 ONSC 5858
COURT FILE NO.: CV-26-00015285-0000
DATE: 20261015

ONTARIO

SUPERIOR COURT OF JUSTICE

BETWEEN:	
The Stone Yard Ltd Plaintiff/Applicant	*Andrew Ostrom and Zhentao Cao*, for the Plaintiff/Applicant
– and –	
Brampton Brick Limited Defendant/Respondent	*Hailey Abramsky and Alexander Evangelista*, for the Defendant/Respondent
	HEARD: September 25, 2026

JUSTICE S. CHACE

REASONS FOR JUDGMENT

OVERVIEW

[1] The plaintiff, The Stone Yard Ltd. ("SYL"), seeks a mandatory interlocutory injunction requiring the defendant, Brampton Brick Limited ("Brampton Brick"), to resume providing it with landscaping products pursuant to what the plaintiff says was a dealership agreement.

[2] In my view, the plaintiff does not meet the test for an injunction. The plaintiff cannot point to a written contract between the parties setting out an ongoing obligation for Brampton Brick to provide its products to SYL. Nor on the evidence before me has the plaintiff demonstrated a shared intention between the parties sufficient to establish an oral agreement.

[3] In the absence of any agreement, and particularly in light of the plaintiff's outstanding liability to the defendant for unpaid invoices, the plaintiff does not meet its onus under the *RJR-MacDonald* test: *RJR-MacDonald Inc. v. Canada (Attorney General)*, 1994 CanLII 117 (SCC), [1994] 1 S.C.R. 311.

[4] Accordingly, the plaintiff's motion is dismissed.

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Summary of Relevant Facts

[5] SYL is a retailer of bricks and landscaping products. The company was incorporated in Ontario in 1993.

[6] Brampton Brick is a manufacturer of bricks and landscaping products.

[7] In 2014, SYL began selling Brampton Brick products, in particular the "Oaks" line of concrete landscaping products.

[8] In March 2026, the ownership of SYL changed hands. Pursuant to a share purchase agreement that closed on March 6, 2026, SYL was sold to 1001318522 Ontario Corporation ("1001318522 Ontario"). One of the principals of 1001318522 Ontario, Ms. Yanshan Feng, who is now a director of SYL, brokered the sale.

[9] Ms. Feng is an experienced professional in the landscaping supplies industry. In negotiating the sale, Ms. Feng worked closely with the prior owners of SYL and with Mr. Harvey Jonkman, a sales representative for Brampton Brick, who the plaintiff says assured Ms. Feng that Brampton Brick would be happy to do business with SYL after its acquisition.

[10] Ms. Feng's understanding at the time of the sale appears to have been that SYL was one of a limited number of retailers who enjoyed a "dealership" relationship with Brampton Brick, although on cross-examination she acknowledged that she had never seen any such agreement. Brampton Brick's evidence is that it never had any agreement with SYL whereby it agreed to provide SYL with its products or guaranteed continued access to those products.

[11] The President of Brampton Brick, Dave Carter, describes a "dealership" as an informal recognition that a retailer is permitted to sell Brampton Brick products. Brampton Brick primarily, but not always, sells its landscaping products through its dealer network. Mr. Carter's evidence is that a dealership requires his verbal or written consent. The company does not sell dealerships and dealerships do not automatically transfer to the new ownership when a company changes hands. Brampton Brick tightly controls its dealer network to prevent unnecessary competition between existing dealers for the same customers and, for the same reason, restricts the number of active dealerships in a given area.

[12] When 1001318522 Ontario purchased SYL, Ms. Feng was aware that the transfer of Brampton Brick dealerships was not a routine occurrence. She acknowledged in cross-examination that she knew that Brampton Brick was not approving new dealerships. She also knew from her prior work at another landscape retailer, Calin Stone Ltd., that Brampton Brick could and would revoke a dealership where a retailer failed to pay its invoices.

[13] There is no dispute that the parties did not sign a dealership or other written agreement. SYL pleads what it describes as "an oral and partly implied dealership agreement" with Brampton Brick, whereby Brampton Brick agreed to supply its products to SYL on an

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ongoing basis. SYL relies primarily on Ms. Feng's discussions with Mr. Jonkman to support this submission. Ms. Feng did not speak to an officer or director of Brampton Brick until after the purchase of SYL. On cross-examination, Ms. Feng acknowledged that the relationship between the companies was more in the nature of an "implied cooperation model" than a supplier/dealer relationship.

[14] To the extent that there is written documentation governing the relationship between the parties, it is found in Brampton Brick's Terms and Conditions. The Terms and Conditions, which are incorporated into each order that is placed with Brampton Brick, provide that:

1. The Terms are the sole terms governing each order placed with Brampton Brick;
2. Each order is a separate and severable individual contract;
3. The buyer will pay each invoice when due; and
4. Brampton Brick may terminate all or part of any order if the buyer is in default of any of its performance obligations.

[15] Brampton Brick's position is that these Terms and Conditions govern all of its sales – those in its dealer network and those with all other customers – and, for this reason, even if SYL could establish a dealership relationship there was nevertheless no ongoing obligation for Brampton Brick to provide SYL with landscaping products.

[16] To purchase products from Brampton Brick, a retailer must apply to the company's credit department. If credit is granted, an entity may only place orders up to its maximum credit limit. The term that Brampton Brick may revoke credit at any time at its sole discretion is in every credit application.

[17] Brampton Brick extended credit of $200,000 to SYL under its new ownership. SYL placed its first order in April 2026. Between April-June 2026, TSY ordered and paid for $324,737.85 in product from Brampton Brick. At the time that SYL started this action, it owed $205,546.69 to Brampton Brick. The plaintiff has since paid down $50,000.

[18] Ms. Feng gave evidence that SYL stopped paying invoices in June 2026 because of the conflict with the defendant but acknowledged on cross-examination that YSL is financially unable to pay the balance owing.

[19] The conflict between the parties arose from allegations made by Interlock Depot Ltd. ("Interlock"), a dealer of Brampton Brick products, that SYL was undercutting prices and disrupting the market for Brampton Brick products. Interlock is a one of Brampton Brick's largest customers, responsible for about $18 million in sales annually. SYL historically accounted for a much smaller volume of sales of about $600,000 at its peak.

[20] Interlock raised its concern with Mr. Carter, advising him that it would no longer do business with Brampton Brick if it continued to supply SYL. Brampton Brick decided to

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stop supplying products to SYL, notifying the plaintiff on June 18, 2026, that it was terminating the supply of its products, effective immediately.

[21] Ms. Feng and her colleague, Shang Ma, subsequently met with Mr. Carter three times on a without prejudice basis in an apparent effort to repair the relationship. Brampton Brick became aware after this litigation was commenced and materials were delivered that those conversations were secretly recorded, which has further damaged the parties' relationship.

[22] The parties' recollections of these meetings differ, with Ms. Feng recalling that Mr. Carter suggested a transition period during which Brampton Brick would continue to provide SYL with its products and perhaps some compensation for SYL. Mr. Carter's evidence is that he adopted a conciliatory tone, but in no way suggested the possibility of a continued commercial relationship with SYL.

[23] Shortly after these meetings, the plaintiff commenced its action.

Issues to be Determined

[24] The sole issue before me is whether SYL is entitled to an interlocutory injunction requiring Brampton Brick to resume providing it with landscaping products.

[25] In *RJR-MacDonald Inc.*, the Supreme Court of Canada set out the following test for an interlocutory injunction (at p. 334):

1. Is there a serious question to be tried?

2. Will the plaintiff suffer irreparable harm if the injunction is not granted?

3. Does the balance of convenience favour granting the injunction?

[26] The parties disagree as to whether the injunction sought here is mandatory in nature, and thus whether a higher test applies on the first step of the *RJR-MacDonald* analysis – *i.e.*, a strong *prima facie* case. See: *R. v. Canadian Broadcasting Corp.*, [2018] 1 S.C.R. 196 at paras. 15-18.

[27] In my view, the Defendant's position is more persuasive. The plaintiff asks that Brampton Brick be required to take a positive step and resume its supply of products to SYL. The requested interlocutory injunction is therefore mandatory in nature.

[28] Nothing turns on this disagreement, however, as on either version of the first step of the *RJR-MacDonald* test, the plaintiff is unable to meet its onus.

No Strong Prima Facie Case or Serious Issue to be Tried

[29] On the record before me, SYL has not demonstrated the existence of a dealership relationship with Brampton Brick, either in writing or orally. Nor has it established that a dealership relationship, if it could be proven, would have guaranteed an ongoing supply of

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products from Brampton Brick and thus a potential entitlement to reasonable notice of termination. It is therefore difficult to see how SYL could meet the first step of the *RJR-Macdonald* test, even on the serious issue to be tried standard.

[30] The only written documentation between the parties is found in the Terms and Conditions, which clearly state that the Terms are the sole terms governing each order; each order is a separate and severable individual contract; the buyer will pay each invoice when due; and Brampton Brick may terminate all or part of any order if the buyer is in default of any of its performance obligations. There is no dispute that SYL is offside these terms with unpaid invoices that now sit at $151,546.69.

[31] Nor am I persuaded at this stage that the plaintiff can establish an ongoing obligation for Brampton Brick to provide its landscaping products to SYL through oral conversations between the parties. The plaintiff's argument is based primarily on discussions between Ms. Feng and Mr. Jonkman at or around the time that Ms. Feng purchased SYL. Mr. Jonkman's role did not include negotiating dealership agreements on behalf of Brampton Brick. The plaintiff argues that there is no way that Ms. Feng could have known the scope of Mr. Jonkman's authority. The evidence before me, however, suggests otherwise. Ms. Feng was familiar with Mr. Jonkman from her time at Calin Stone Ltd. where she dealt with him in his capacity as a local sales representative and not a senior decision-maker for Brampton Brick. There is, in any event, no evidence before me that Mr. Jonkman promised SYL a dealership arrangement or a continuous supply of Brampton Brick products.

[32] While courts will strive to uphold contractual obligations, there must at the least be evidence of agreement on essential terms. The plaintiff relies on an alleged oral agreement but has not pointed to words and actions by the parties sufficient to demonstrate a mutual intent to be bound by a shared set of terms: *Shane v. Ontario Aboriginal Housing Support Services Corporation*, 2025 ONSC 1176 at paras. 42-45. As the defendant argues, SYL's own Notice of Motion would seem to acknowledge the lack of any agreement on essential terms. The Notice asks that the court require Brampton Brick to supply products "on ordinary commercial terms consistent with the parties' course of dealing" rather than referring to any more specific contractual terms.

[33] SYL's claims are premised on only two and-a-half months of dealings with Brampton Brick under its current ownership from April-June 2026. I accept the defendant's evidence on the record before me that throughout this period the relationship between SYL and Brampton Brick was not that of supplier/dealer but rather a more informal arrangement on an order-to-order basis.

[34] Even if the plaintiff could establish a dealership or other contractual relationship, it is hard to see how Brampton Brick would have an obligation to supply further landscaping products given that SYL is in debt to the defendant: *Best Theratronics Ltd. V. Canadian Nuclear Laboratories Ltd.*, 2015 ONSC 7993 at paras. 94-95, leave to appeal refused: 2016 ONSC 3063. Any further supply would result in SYL's credit limit being exceeded. The plaintiff has not established a basis on which to compel Brampton Brick to extend above-limit credit.

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[35] The plaintiff has therefore not met its onus to demonstrate a strong *prima facie* case or a serious issue to be tried under the first step of the *RJR-MacDonald* test.

No Irreparable harm

[36] Irreparable harm is harm that cannot be adequately compensated for in a damages award.

[37] As the plaintiff asserts, in some circumstances, commercial loss may rise to the level of irreparable harm: *859824 Ontario Limited v. Gen Digital Inc.*, 2025 ONSC 6360 at para. 46.

[38] The plaintiff describes Brampton Brick's discontinuation of its supply of landscaping products as an "existential threat" to SYL. As the moving party, SYL has the onus of demonstrating this alleged irreparable harm. While SYL asserts that 72.77% of its inventory is sourced from Brampton Brick, there is no documentation in the record before me to establish this number. Evidence of harm that is non-compensable must be clear and not speculative: *ProPurchaser Inc. v. Wifidelity Inc.*, 2017 ONSC 7307 at para. 35.

[39] Nor has the plaintiff demonstrated at this stage that it cannot source comparable products from another vendor in the landscaping space. The evidence is that there are at least seven, and perhaps eight, similar suppliers of landscaping products in Ontario. SYL says it has been unable to obtain an alternate supplier. The record, however, suggests that the plaintiff's efforts to do so have been limited and that the plaintiff has not availed itself of opportunities to mitigate its losses.

[40] Claims of lost sales revenue and diminished profitability are, generally speaking, losses that can be quantified and compensated by damages. The alleged harm in other words is reparable. SYL has not established otherwise here.

[41] The plaintiff has therefore not met its onus to demonstrate irreparable harm under the second step of the *RJR-MacDonald* test.

Balance of Convenience Does Not Favour the Plaintiff

[42] The balance of convenience here does not favour the plaintiff.

[43] SYL is in debt to Brampton Brick for approximately $150,000 and has indicated that it cannot pay off this debt. I agree with the defendant that to require it to resume providing landscaping products to the plaintiff – which in these circumstances would necessitate extending further credit to SYL – would not be equitable: *Best Theratronics Ltd.*, at paras. 94-96.

[44] The defendant asserts that the plaintiff has come to court with unclean hands because, at least in part, of its debt to Brampton Brick. I am not prepared to make this finding, but I do find that the plaintiff's failure to pay the outstanding invoices weighs against it in the balance of convenience analysis.

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[45] The plaintiff argues that its financial circumstances are a result of Brampton Brick's decision to terminate supply and cannot be held against it. In my view, the situation is somewhat more nuanced. To the extent that Ms. Feng made the decision to acquire SYL without the necessary due diligence to ensure that written contracts would be in place for an ongoing supply of landscaping products, this decision is not one that can be placed at the feet of the defendant. I note that Ms. Feng was represented by counsel throughout the purchase and sale transaction.

[46] The plaintiff has therefore not met its onus to demonstrate that the balance of convenience favours SYL under the final step of the *RJR-MacDonald* test.

Conclusion

[47] The plaintiff's motion for a mandatory interlocutory injunction is dismissed.

[48] I thank both counsel for their concise and helpful submissions.

[49] The defendant is entitled to its costs. If the parties cannot agree as to costs, they may submit brief submissions of no more than three pages each by October 30, 2026. These submissions may be emailed to my assistant, Emma Yeung.

Justice S. Chace

Released: October 15, 2026

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