



# Civil Resolution Tribunal

Date Issued: June 30, 2020

File: SC-2019-009929

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Rapid Signs Inc. v. Westcorp Developments Ltd.*, 2020 BCCRT 726

B E T W E E N :

RAPID SIGNS INC.

**APPLICANT**

A N D :

WESTCORP DEVELOPMENTS LTD. and  
AXIS REAL ESTATE SOLUTIONS INC.

**RESPONDENTS**

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## REASONS FOR DECISION

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Tribunal Member:

Lynn Scrivener

## INTRODUCTION

1. This dispute is about payment for signage. The applicant, Rapid Signs Inc. (Rapid Signs), says that it produced interior and exterior signs for the respondents, Westcorp Developments Ltd. (Westcorp) and Axis Real Estate Solutions Inc. (Axis),

but that it has not been paid in full. Rapid Signs asks for an order that the respondents pay it the outstanding \$2,160.90.

2. The respondents agree that Rapid Signs produced the requested signage, but disagree about who contracted for it and the agreed-upon cost. Westcorp says that the contract was between Rapid Signs and Axis, and it is not responsible for the outstanding amounts. Axis says that Westcorp is responsible for the outstanding amounts, and that it should pay what it owes.
3. Each party is presented by an employee.

## **JURISDICTION AND PROCEDURE**

4. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). The CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness, and recognize any relationships between parties to a dispute that will likely continue after the dispute resolution process has ended.
5. The CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. I decided to hear this dispute through written submissions, because I find that there are no significant issues of credibility or other reasons that might require an oral hearing.
6. The CRT may accept as evidence information that it considers relevant, necessary and appropriate, whether or not the information would be admissible in a court of law. The CRT may also ask questions of the parties and witnesses and inform itself in any other way it considers appropriate.
7. Where permitted by section 118 of the CRTA, in resolving this dispute the CRT may order a party to do or stop doing something, pay money or make an order that includes any terms or conditions the CRT considers appropriate.

## **ISSUES**

8. The issues in this dispute are:
  - a. whether Rapid Signs had a contract with Westcorp or Axis, and
  - b. whether either Westcorp or Axis is responsible to pay the outstanding \$2,160.90 from Rapid Sign's invoices.

## **EVIDENCE AND ANALYSIS**

9. In a civil dispute like this, an applicant bears the burden of proof on a balance of probabilities. Rapid Signs provided evidence, but the respondents did not, despite the opportunity to do so. All parties provided submissions in support of their positions. While I have considered all of this information, I will refer to only what is necessary to provide context to my decision.
10. Although the details are not entirely clear from the limited evidence before me, there were some discussions in early 2019 about Rapid Signs making signs for one of Westcorp's projects. Rapid Signs apparently produced a quote that was revised at least once, but this document is not in evidence. In a March 23, 2019 email message between Axis, 2 Westcorp employees and a designer (who is not a party to this dispute), an Axis employee stated "Westcorp says to proceed with the PC at a cost of \$6,700 (as per the revised quote)". The Axis employee also asked whether Rapid Signs could match the quote of another vendor for 5 different types of signs.
11. Rapid Signs says that it verbally agreed to match the other vendor's quote. The designer sent Rapid Signs the files it needed to produce the signs, and it did so. Rapid Signs says its employees made 2 trips to install the signs because they were not able to complete the work on the first scheduled trip. Rapid Signs also says that site conditions were "harder" than anticipated due to the presence of rocks and debris, and it produced a "revised price as part of the quote". It is not clear whether this revised quote was communicated to, or approved by, either of the respondents.

12. Rapid Signs issued invoice 12493 to Westcorp in the amount of \$10,270.40. It received payments of \$8,526 from Westcorp, leaving an outstanding balance of \$1,744.40. Rapid Signs also sent invoice 12505 for \$7,661.50 to Westcorp, and received payments of \$7,245. Rapid Signs says the outstanding balance of \$416.50 represents the provincial sales tax (PST). Rapid Signs seeks payment of these outstanding amounts, which total \$2,160.90.
13. The first consideration is whether the contract was with Westcorp or Axis. Rapid Signs says (and Axis agrees) that it had a contract with Westcorp. Westcorp says it never had a contract with Rapid Signs, but that it had a marketing contract with Axis that required pre-approval for any expenditures. Westcorp says that, under this marketing contract, Axis is responsible for any additional amounts over the approved budget. Westcorp also says that it is not responsible for material not delivered to it, but it did not provide details about any missing items.
14. The law of agency applies when one party (the principal) gives authority to another party (the agent) to enter contracts with third parties on its behalf. So long as the agent discloses that they are acting as an agent for the principal, the agent will not generally be liable under a contract they make between the principal and third party. Rapid Signs submits that it understood that its communications were with an agent, and that Westcorp would pay for the signs. I find that Axis' involvement with the formation of the contract with Rapid Signs was consistent with agency.
15. Westcorp's suggestion that Axis entered into the contract with Rapid Signs is not consistent with the contents of the March 23, 2019 email message. This message communicated Westcorp's agreement to pay for the listed items. There is no indication in this message or elsewhere that Axis agreed to pay Rapid Signs anything or receive any product from Rapid Signs. I find that, although other individuals were involved in the communication, the contract was formed between Westcorp and Rapid Signs.
16. As there was no agreement between Axis and Rapid Signs, I dismiss Rapid Signs' claims against Axis.

17. Next, I will consider the contents of Rapid Signs' agreement with Westcorp. As noted, the quotes that resulted in the agreed-upon \$6,700 are not before me. However, a review of the description of items on the invoices shows that the signs included in the \$6,700 quote were billed in invoice 12505 while the signs included in the matched quote from the other vendor were billed in invoice 12493.
18. The pre-tax charges for signs on invoice 12493 equal \$6,900. Rapid Signs says that its quote of \$6,700 did not include all of the signs that Westcorp ultimately requested, something that it says is common in the industry. However, Westcorp denies that it agreed to pay for anything over \$6,700 and there is no documentation to establish an addition to the parties' agreement. Based on the evidence before me, I find that the amount Westcorp agreed to pay was limited to the \$6,700, and that Rapid Signs is not entitled to the additional \$200.
19. Rapid Signs says that it is required to collect and remit the PST. Although Westcorp says that PST did not apply to this particular transaction, it did not provide evidence of any exemption. The 7% PST on \$6,700 equals \$469, and I find that Rapid Signs is entitled to this amount.
20. The prices charged for 2 types of signs in invoice 12493 are higher than the prices quoted by the other vendor, which Rapid Signs agreed to match. There was no explanation for the discrepancy. In addition, the other vendor's quote was for installed signs. There is no indication that the parties agreed that there would only be 1 trip required to install the signs, or that Rapid Signs could charge for additional trips.
21. Based on the evidence before me, and keeping in mind that an applicant bears the burden of proof, I find that Rapid Signs has not proven that it is entitled to the \$1,744.40 under the parties' agreement. I dismiss this claim.
22. Rapid Signs claims pre-judgment interest but does not submit that there was an agreement for contractual interest. I find that the *Court Order Interest Act* applies,

and that Rapid Signs is entitled to pre-judgment interest on the \$469. From the May 1, 2019 date of the invoice to the date of this decision, this equals \$10.70.

23. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. As Rapid Signs was partially successful, I find that it is entitled to half of the \$150 in tribunal fees it paid, or \$75. Rapid Signs did not make a claim for dispute-related expenses.

## **ORDERS**

24. Rapid Signs' claims against Axis are dismissed.
25. Within 30 days of the date of this order, I order Westcorp to pay Rapid Signs a total of \$554.70, broken down as follows:
- a. \$469 in debt,
  - b. \$10.70 in pre-judgment interest under the *Court Order Interest Act*, and
  - c. \$75 for reimbursement of CRT fees.
26. Rapid Signs is entitled to post-judgment interest, as applicable.
27. Under section 48 of the CRTA, the CRT will not provide the parties with the Order giving final effect to this decision until the time for making a notice of objection under section 56.1(2) has expired and no notice of objection has been made. The time for filing a notice of objection is 28 days after the party receives notice of the CRT's final decision. The Minister of Public Safety and Solicitor General has issued a Ministerial Order under the *Emergency Program Act*, which says that tribunals may waive, extend or suspend a mandatory time period. The CRT can only waive, suspend or extend mandatory time periods during the declaration of a state of emergency. After the state of emergency ends, the CRT will not have this ability. A party should contact the CRT as soon as possible if they want to ask the CRT to

consider waiving, suspending or extending the mandatory time to file a Notice of Objection to a small claims dispute.

28. Under section 58.1 of the CRTA, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. A CRT order can only be enforced if it is an approved consent resolution order, or, if no objection has been made and the time for filing a notice of objection has passed. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

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Lynn Scrivener, Tribunal Member