Date Issued: September 16, 2025

File: SC-2024-003092

Type: Small Claims

### Civil Resolution Tribunal

Indexed as: DDS Wireless International Inc. v. Bonny's Taxi Ltd., 2025 BCCRT 1291

BETWEEN:

DDS WIRELESS INTERNATIONAL INC.

**APPLICANT** 

AND:

BONNY'S TAXI LTD.

RESPONDENT

#### **REASONS FOR DECISION**

**Tribunal Member:** 

Maria Montgomery

## INTRODUCTION

1. This dispute is about an unpaid invoice for software services. The applicant, DDS Wireless International Inc., says that it provided services to the respondent, Bonny's Taxi Ltd. DDS says that Bonny's Taxi did not pay its final invoice of \$5,784.71. DDS claims \$5,000 and has abandoned any claim it might have above \$5,000, to fit within the small claims monetary limit at the Civil Resolution Tribunal (CRT).

- 2. Bonny's Taxi says that it did not pay the invoice because DDS failed to deliver the contracted services.
- 3. DDS is represented by its legal counsel, Sheena Mitchell. Bonny's Taxi is represented by an employee.

## JURISDICTION AND PROCEDURE

- 4. These are the CRT's formal written reasons. The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that 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.
- 5. The CRT conducts most hearings by written submissions, but has discretion to decide the hearing's format, including by telephone or videoconference. No party requested an oral hearing, and I find I am able to make a decision on the written record before me. So, I decided to hear this dispute through written submissions.
- Section 42 of the CRTA says the CRT may accept as evidence information that it
  considers relevant, necessary and appropriate, whether or not the information
  would be admissible in court.
- 7. Under CRTA section 48(1), the CRT may make an order on terms and conditions it considers appropriate.

# Preliminary Issue

8. DDS's final invoice shows that Bonny's Taxi was charged \$232.13 for services in December 2023, though contracts in evidence show monthly charges of \$6,199. In order to provide clarity on this matter, I asked the parties to provide further evidence and submissions about how much DDS charged Bonny's Taxi for service in December 2023. Both parties did so and had an opportunity to comment on each other's evidence, though only DDS provided a comment.

### **ISSUE**

9. The issue in this dispute is whether Bonny's Taxi must pay DDS \$5,000 for its unpaid invoice.

### **EVIDENCE AND ANALYSIS**

- 10. In a civil claim such as this, DDS, as the applicant, must prove its claims on a balance of probabilities. This means more likely than not. While I have read all the parties' evidence and submissions, except as noted above, I only refer to what is necessary to explain my decision. DDS did not provide reply submissions, despite the opportunity to do so.
- 11. It is undisputed that Bonny's Taxi received mobile application dispatch software services from DDS for several years. The parties signed separate contracts for the following services: mSlate, IVR, and migration from pathfinder to Taxibook software. The parties also had an agreement for hardware which is unrelated to this dispute.
- 12. On October 1, 2023, Bonny's Taxi notified DDS that it intended to end their agreement as of January 31, 2024. Bonny's Taxi said this was due to some unavailable features. DDS does not dispute that Bonny's Taxi had a right to cancel the contract. DDS says that Bonny's Taxi did not pay its final invoice for \$5,784.71 which included invoiced charges from September to January 2024.
- 13. Bonny's Taxi says it did not pay the invoice because DDS provided inadequate services that lead to operational disruptions and revenue losses. Bonny's Taxi says that by doing so, DDS breached the parties' contract.
- 14. In contract law, if one party breaches a contract in a way that is considered a fundamental breach, the wronged party can terminate the contract immediately and claim damages based on their out-of-pocket losses, rather than the ordinary measure of expected performance. See *Bhullar v. Dhanani* at paragraphs 42 to 45, and *Karimi v. Gu*, 2016 BCSC 1060 at paragraphs 206 to 211. So, the question is if the problems that Bonny's Taxi complains of amounted to a fundamental breach.

- 15. The question of whether a breach was fundamental is an objective one. This means that I must assess the nature of the breach from the perspective of a reasonable person in Bonny's Taxi's position.
- 16. A fundamental breach is where a party fails to fulfill a primary obligation of a contract in a way that deprives the other party of substantially the whole benefit of the contract: see *Hunter Engineering Co. v. Syncrude Canada Ltd.*, 1989 CanLII 129 (SCC). Put another way, a fundamental breach is a breach that destroys the whole purpose of the contract and makes further performance of the contract impossible: see *Bhullar v. Dhanani*, 2008 BCSC 1202.
- 17. Bonny's Taxi says the dispatch system was unstable on December 5, 6, 7, 8, 9, and 13 and inoperable for 3.5 hours on December 14, 2023. An email dated December 13, 2023, from a Bonny's Taxi employee to DDS noted "the system is unstable and going down every single day even up to 3 hours." In response DDS did not dispute that the system had the noted issues, said the system was working again and said, "this should not be doing down at all let alone multiple times in a couple days." In text messages on December 18, 2023, a DDS employee apologized for issues and said, "we are working on it." In several other undated messages, Bonny's Taxi's employee complained of system problems. From these messages, I infer that Bonny's Taxi had difficulty with booking and navigation aspects of the software. So, I find that the parties' communications confirm that Bonny's Taxi experienced problems with DDS's software that impaired its business operations on at least 6 days in December 2023.
- 18. However, for the following reasons I find the service disruptions did not amount to a fundamental breach of contract. First, the evidence does not show that Bonny's Taxi was unable to use DDS software for an extended period of time, with the exception of 3.5 hours on December 14, 2023. For the other noted days, the system was unstable or glitchy, but Bonny's Taxi continued operations. So, I find the purpose of the contract was not destroyed. In fact, Bonny's Taxi continued to use the software into January 2024, indicating that further performance of the contract was not

- impossible. Finally, there is no indication of service disruption after December 14 or in January 2024.
- 19. Though not a fundamental breach, I agree that the service disruptions were a breach of the parties' agreement because the software DDS was contracted to provide was inoperable entirely for 3.5 hours on December 14, 2023. So, I find that DDS's breach entitles Bonny's Taxi to damages.
- 20. Damages for breach of contract are typically meant to put the innocent party in the position they would have been in had the contract been performed. See Water's Edge Resort v. Canada (Attorney General), 2015 BCCA 319. Bonny's Taxi says that the service disruptions lead to a loss of revenue and provided spreadsheets that show fewer service calls in December 2023 as compared to December 2022. However, I note that there were fewer service calls throughout December 2023 as compared to 2022, not only on the days of a service disruption. So, it is not clear that the service disruption caused fewer service calls or if something else was the cause. Bonny's Taxi did not provide other details, such as what revenue it expected to earn on the days it experienced service disruptions. Without more, I am not able to determine what loss of revenue Bonny's Taxi suffered.
- 21. It is undisputed that the total charges for December 2023 were \$6,199. In the circumstances, I find it reasonable to deduct an amount from this invoice to account for the inoperable system for 3.5 hours on December 14, 2023. Dividing the total monthly charges by the 31 days in December, this equals \$199.96 for December 14, 2023. However, DDS says it removed an application license fee of \$412.50 from the invoice. DDS says this leaves \$5,786.50 remaining on its final invoice. I note this differs slightly from the amount of \$5,784.71, the amount stated in the Dispute Notice, other submissions, and the invoice in evidence. However, nothing turns on this difference. I find that the remaining invoiced charges of \$5,784.71 reasonable and I order Bonny's Taxi to pay DDS \$5,000 for invoiced charges, the full amount DDS claims.

- 22. The *Court Order Interest Act* applies to the CRT. DDS is entitled to pre-judgment interest on the \$5,000 from January 5, 2024, the date the invoice was emailed to Bonny's Taxi, to the date of this decision. This equals \$368.62.
- 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. I see no reason in this case not to follow that general rule. I find DDS is entitled to reimbursement of \$175 in CRT fees.
- 24. DDS claims \$800 in dispute-related expenses for delivery of documents, copies of documents, and third-party supplier fees relating to preparing evidence. However, DDS did not explain why it was necessary to make copies of documents for an online proceeding or what third-party supplier fees it incurred. DDS also did not provide any receipts for these expenses. So, I dismiss DDS' claim for dispute-related expenses.

### **ORDERS**

- 25. Within 30 days of the date of this decision, I order Bonny's Taxi to pay DDS a total of \$5,543.62, broken down as follows:
  - a. \$5,000 in debt,
  - b. \$368.62 in pre-judgment interest under the Court Order Interest Act, and
  - c. \$175 in CRT fees.
- 26. DDS is entitled to post-judgment interest, as applicable.
- 27. I dismiss DDS's claim for dispute-related expenses.

28.	This is a validated decision and order. 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. Once filed, a CRT order has the same force and effect as an order of the
	Provincial Court of British Columbia.
	Maria Montgomery, Tribunal Member