

**SUPREME COURT OF NOVA SCOTIA**

**Citation:** Scanwood Canada Ltd. (Re), 2011 NSSC 495

**Date:** 20111219

**Docket:** Hfx. No. 342377

**Registry:** Halifax

**IN THE MATTER OF:** The *Bankruptcy and insolvency Act*, R.S.C. 1985,  
c. B-3, as amended

**AND IN THE MATTER OF:** The *Judicature Act*, R.S.N.S. 1989, c. 240

**AND IN THE MATTER OF:** Scanwood Canada Limited (in Receivership)

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**Judge:** The Honourable Justice Suzanne M. Hood

**Heard:** December 15, 2011

**Written Decision:** January 20, 2012 (*Written release of oral decision of Dec. 19, 2011*)

**Subject:** Receivership; *res judicata*

**Summary:** Scanwood's Receiver seeks court approval to destroy dressers produced by Scanwood which IKEA has declined to buy. Royal Bank of Canada ("RBC") opposes the destruction of the dressers. It submits that the buy-back agreement requires IKEA to purchase the dressers; alternatively, that equity requires IKEA to purchase them; or, in the further alternative, that the court should order the dressers to be sold to third parties at a liquidation sale.

**Issues:**

1. *Res judicata*;
2. If the matter is not barred by the doctrine of *res judicata*, does the court have authority to order IKEA to purchase the inventory, or
3. Can the dressers be sold to a third party?

**Result:** Doctrine of *res judicata* applies.

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