It really is rocket science: Court rules in favor of employer concerning technology developed by former employee

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Following a series of urgent proceedings in late December and early January, the Quebec Superior Court issued an interesting decision[1] on January 8, 2026, providing important clarifications on the scope of policies relating to intellectual property, confidential information and conflicts of interest, as well as on the duties of loyalty and confidentiality set out in employees' employment contracts.

The facts

Concordia University ("**Concordia**") sought a provisional injunction from the Court against a former employee and student, Mr. Oleg Khalimonov, as well as against Polaris Aerospace Inc. ("**Polaris**"), a company of which he was a director and shareholder.

Mr. Khalimonov was employed by Concordia from September 2023 to December 2025. He had also been a student at the University since 2016 and, since 2023, he had served as Program Leader for Space Concordia, one of the University's student associations. The group received significant public visibility with the launch of *Starsailor* in August 2025, described as the first rocket launch from Canadian soil in twenty-five years. These research and development activities are said to have generated significant intellectual property and attracted interest from commercial partners looking to invest in Concordia's projects.

In December 2025, Concordia was informed that Polaris was claiming in the market it had acquired Space Concordia's intellectual property and as the entity behind the *Starsailor* project.

On December 16, 2025, Concordia formally notified Mr. Khalimonov that his dual role with Polaris and Space Concordia raised serious concerns about potential breaches of his employment contract,

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the University's Intellectual Property Policy, and its Conflict of Interest Policy.

This process led to Mr. Khalimonov's resignation as Program Leader for Space Concordia on December 18, 2025.

On December 29, 2025, Polaris submitted a bid under the *Launch the North* initiative, a program of the Government of Canada's Department of National Defense providing for a total of 105 million dollars in investments and grants over three years.

Concordia asked the Court to order Polaris and Mr. Khalimonov to:

> Cease any use of proprietary or confidential information belonging to the University.
> Withdraw Polaris's bid; and
> Remit any documentation in their possession relating to Space Concordia and/or the *Starsailor* project.

Analysis of the criteria applicable to the provisional injunction

The Court concluded that issuing the requested provisional injunction was appropriate and that Concordia had met its burden of proof.

The evidence clearly showed that Mr. Khalimonov had played a central role in the University's rocketry initiatives and that he had never formally disclosed to Concordia his simultaneous involvement with Polaris. He had undertaken to comply with strict obligations to Concordia regarding intellectual property and proprietary information, including keeping such information strictly confidential during and after his employment and acknowledging that any intellectual property developed in the course of his employment would remain Concordia's exclusive property, with no vested rights accruing to him.

Mr. Khalimonov also had to comply with university policies, including the Conflict of Interest Policy and the Intellectual Property Policy. The latter provided that the "Inventors" of "Qualifying Inventions" were deemed to have automatically assigned to Concordia the related intellectual property. The Court found that *Starsailor* constituted a "Qualifying Invention", and that Mr. Khalimonov met the definition of an "Inventor" within the meaning of that policy. It also found that Polaris's proposal used intellectual property and confidential information belonging to Concordia.

In that context, the Court considers, on a *prima facie* basis, that Mr. Khalimonov had breached his obligations arising from his employment contract, the Intellectual Property Policy, and the Conflict of Interest Policy.

The Court also concluded that refusing to grant the provisional injunction would result in the submission of competing proposals under the *Launch the North* initiative, creating significant uncertainty as to the ownership of the intellectual property upon which those proposals were based, and thereby causing irreparable harm to Concordia. It found that the balance of inconvenience favored Concordia and supported granting the requested provisional injunction, since the absence of a provisional injunction would likely lead to the disqualification of both Polaris's and Concordia's proposals due to unresolved competing claims regarding the intellectual property.

Conclusions

The Court granted Concordia University's application for a provisional injunction and ordered, among other things, that Mr. Khalimonov and Polaris cease disseminating false statements suggesting that Polaris held any rights whatsoever in Concordia's intellectual property, including in relation to Space Concordia's rocketry projects.

It also ordered Mr. Khalimonov and Polaris to cease using Concordia's intellectual property (including for Space Concordia's rocketry projects), as well as any confidential or proprietary information belonging to Concordia. Finally, it ordered the immediate withdrawal of Polaris's

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submission filed under the *Launch the North* project.

General Principles — Ownership of Inventions

In Canada, except for inventions developed by federal public servants, ownership of inventions is derived from inventorship. Thus, the starting point for ownership of an invention lies with the inventor(s), who may subsequently transfer their rights.

For Canadian federal public servants, inventions produced by a federal employee in the course of their employment are “vested in Her Majesty in right of Canada” and therefore belong to the federal government, pursuant to the provisions of the *Public Servants Inventions Act*.

However, the *Patent Act* contains no comparable express provisions regarding ownership of an invention developed by an employee in the course of employment. The case law has established the general principle mentioned above: in the absence of a valid agreement relating to such rights in the context of employment ownership of an invention vests in the employee who created it, unless the employee was “hired to invent.” The leading case in this respect is the Federal Court’s decision in *Comstock*[2]. In that case, the Court noted that the nature and context of the employer–employee relationship could be analyzed using various factors in order to determine whether an employee had indeed been “hired to invent.”

Such a determination can be complex and remains uncertain, since each case depends on its particular facts. It is therefore always prudent to put in place an agreement governing ownership of inventions developed in the course of employment.

Key Takeaway

Concordia University’s success in its application for a provisional injunction underscores the importance for employers of including robust intellectual property and confidentiality clauses in employment contracts. This decision is a reminder that it is not enough to rely on general principles: employers are well advised to draft comprehensive, clear, and operational provisions governing (i) the ownership and assignment of intellectual property rights, (ii) the definition and handling of confidential information, and (iii) the rules applicable during employment and after its termination.

It is just as crucial that these policies and undertakings (intellectual property, confidentiality, conflicts of interest) be brought to the employee’s attention at the time of hiring, properly incorporated into or referenced in the employment contract, and easily accessible at all times. These contractual mechanisms complement the duties of loyalty and confidentiality set out in article 2088 of the *Civil Code of Québec*, which continue to apply after the end of the employment contract—but whose scope often remains insufficient in specialized sectors where intellectual property issues are decisive.

In short, this case shows that, without well-structured contractual clauses, Concordia would have had much greater difficulty asserting its rights and obtaining the withdrawal of Polaris’s competing submission under *Launch the North*.

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1. *Concordia University* v. *Polaris Aerospace Inc.*, 2026 QCCS 30.
2. *Comstock Canada et al. v. Electec Ltd. and Hyde*, (1991) 45 F.T.R. 241 (TD).

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