

BOUGHTON

Doing Business in Canada:

Key Differences in Trade Mark Practice

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1. Madrid Protocol

Canada is not a member of the Madrid Protocol.

The only way to register a trade mark in Canada is by filing a Canadian application.

2. No Classification System.

Canada does not follow the International Classification System.

There is only one filing fee, so you can claim proposed use for a wide range of goods and services at no additional cost. It also means less time is required to sort out which class the applicant's wares or services belong in.

However, the goods or services have to be described in 'ordinary commercial terms', and specifically enough to satisfy the examiner or a query will follow.

3. Applicants do not have to sign the application.

Canadian agents can prepare and file an application based on the information and instructions provided. No Power of Attorney or other documentation is necessary.

There is less delay caused by waiting for the applicant to 'sign' the application for filing.

4. The first use date must be accurate.

If the claimed date of first use in Canada turns out to be earlier than the actual date of first use, the application can be successfully challenged in an opposition as invalid.

Claiming proposed or intended use if the mark has actually been used in Canada at the time the application was filed can also lead to invalidation.

5. Multiple claims are possible.

An applicant can file on more than one ground - eg, actual use for wares,

proposed use for services and registration and use abroad – for no additional cost.

If the proposed use claim is abandoned and the claim for actual use is successfully challenged in an opposition, the claim based on registration and use abroad may still be valid.

6. Registration and use abroad.

An applicant wanting to rely on a foreign application or registration must specifically make that claim and confirm that the mark has been used in a foreign country before the claim will be acceptable.

A claim based on an application or registration and use abroad does not have to be made at the time of filing, but must be made before the application is published for opposition.

7. Confusion test is bilingual.

Canada has two official languages, English and French, so the average consumer may be English-speaking or French-speaking or bilingual.

This has to be taken into account when assessing the likelihood of confusion with a prior mark, especially the degree of resemblance between two marks in appearance, sound or the ideas suggested by each of them in English and in French.

For example, the marks RED HOUSE and MAISON ROUGE for 'wine' may not be confusing in appearance and sound in English, but could be confusing under the bilingual test because they mean the same thing in English and French.

8. Examiners not bound by consent agreements.

In some jurisdictions, consent agreements are accepted unless there are other factors which clearly show a likelihood of confusion.

Under Canadian rules, the examiner is not bound by a consent agreement between the owner of a cited mark and the applicant and may maintain a refusal if he or she believes there is still a likelihood of confusion.

9. No supplemental register.

There is only one register in Canada. If a mark is found to be clearly descriptive, it will be refused unless it has acquired a sufficient level of distinctiveness to warrant registration.

10. No divided applications.

There is no procedure in Canada for dividing an application to register the mark for certain goods or services and maintain it pending for the remaining goods or services.

The applicant can proceed to registration for use of a mark on only some of the goods or services claimed in a proposed use application, but must abandon the rest and refile if it still wants to protect the mark for the remaining proposed goods or services for which there has not been any use.

11. No specimen of use required.

No specimen of use is required either at the application, registration or renewal stages.

12. Fraud doctrine vs innocent misstatement.

Under US rules, it may amount to fraud and result in cancellation of an entire registration if there is a material misstatement that a mark has been used for one or more goods or services when that is not the case, even if the statement is correct for the remaining items.

Under Canadian rules, if a material misstatement is innocent and made in good faith, the registration can be amended.

13. Registration grants national protection.

There are no provincial registrations.

Registration is national and is enforceable in every part of the country regardless as to whether the registrant has used the mark in every region.

14. Longer registration term.

A Canadian registration is valid for 15 years and may be renewed for an indefinite number of terms.

15. Incontestability.

A registration acquires a degree of incontestability after five years.

For example, if an applicant registers a mark in 2010, but discovers that another party had prior use of the same mark, in the first five years after registration the prior user could invalidate it based on its prior use. After five years, however, the registration would be considered incontestable.

16. No mandatory requirement to prove use during term.

There is no equivalent in Canada to the US section 8 proof of use requirement.

A registration will remain valid for the full term unless it is successfully challenged for non-use under section 45 of our Act or an expungement action in the Federal Court.

17. Section 45 proceedings.

This is a relatively inexpensive way to remove unused marks from the register.

If a confusingly similar mark registered by a third party has priority over the applicant's proposed mark, but has not been used for at least three years, a request can be made to the Registrar under this section to demand evidence of use from the owner, or exceptional circumstances which would excuse the absence of use, failing which the registration is cancelled.

18. Lower costs and more relaxed time limits for filing Declarations of Use.

The applicant has an initial time limit of three years from the filing of a proposed use application to file the Declaration of Use, but can get six month extensions of time for a further three years with minimal reasons. The extension fees are also much lower than for extensions in the US and other

jurisdictions which follow the International Classification System.

19. Simple renewal.

Canadian rules for renewal of a registration are comparatively relaxed.

There is a six month grace period from the end of the term. Renewal can be done electronically and the confirmation is almost instantaneous. No evidence of use is required.

20. Licensing.

Use by a licensee accrues to the benefit of the owner if the owner exercises direct or indirect control over the character and quality of the wares or services on which the mark is used.

It is advisable that the licence be in writing. The owner must not only have the right to control, but actually exercise sufficient control in order to meet the requirements.

21. Official Marks

These are special marks which prohibit the adoption, in connection with a business, of any 'badge, crest, emblem or mark' which has been adopted and used by any 'public authority'.

Official marks operate under a different set of rules from regular trade marks.

There is no public examination, advertisement or opposition. If the applicant is accepted as a public authority, the mark is given public notice as an official mark in the Trade Marks Journal.

Once the notice is published, no one else can adopt or use the mark, or any mark so closely resembling as likely to be mistaken for that mark, without the consent of the owner. There is no restriction on the scope of use, no use requirement, no maintenance or renewal requirement and no provisions for cancellation or revocation.

The effect is prospective only, ie, a pending application which has not yet been allowed would no longer be registrable, although the applicant could continue to use the mark if such use predated the public notice.