

## **CANADA**

**Janice M Bereskin, R Scott MacKendrick, Jennie Yum**

**(Bereskin & Parr LLP)**

### **LEGAL FRAMEWORK**

#### **Domestic law**

**1. What is the primary legislation governing trademarks in your jurisdiction?**

The primary legislation governing trademarks in Canada is the Trademarks Act (RSC, 1985, c T-13).

#### **International law**

**2. Which international trademark agreements has your jurisdiction signed?**

Canada is a member of the following international agreements:

- the Madrid Protocol;
- the Singapore Treaty on the Law of Trademarks;
- the Nice Agreement;
- the WIPO Convention;
- the Paris Convention for the Protection of Industrial Property; and
- the Agreement on Trade-Related Aspects of Intellectual Property Rights.

#### **Regulators**

**3. Which government bodies regulate trademark law?**

Trademark law in Canada is regulated by the Canadian Intellectual Property Office.

## **REGISTRATION AND USE**

### **Ownership of marks**

#### **4. Who may apply for registration?**

A trademark application may be applied for by or on behalf of, a 'person'. A 'person' includes an individual, partnership, trade union, association, joint venture or corporation, and two or more persons who, by agreement, do not have the right to use the trademark in Canada except on behalf of both or all of them.

### **Scope of trademark**

#### **5. What may and may not be protected and registered as a trademark?**

A trademark is a sign or combination of signs that is used or proposed to be used by a person for the purpose of distinguishing or to distinguish their goods or services from those of others. A trademark may incorporate words or designs and also encompasses non-traditional trademarks such as sounds, holograms, moving images, scents, tastes, colors (namely, a single colour or combination of colors without delineated contours), three-dimensional shapes, a mode of packaging goods, textures, and the positioning of a sign on an object. A trademark may also be a certification mark.

### **Unregistered trademarks**

#### **6. Can trademark rights be established without registration?**

Trademark rights can be established without registration. The rights associated with unregistered trademarks are geographically limited to the geographical area in which the mark is used or has a reputation.

## **Famous foreign trademarks**

### **7. Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

Trademarks that are not used domestically may be entitled to protection provided it can be proved that the trademarks enjoy a reputation in Canada in the geographical area in which protection is sought, and the conditions applicable to a passing off action apply.

## **The benefits of registration**

### **8. What are the benefits of registration?**

With some exceptions, a valid registration of a trademark in respect of any goods or services gives the owner the exclusive right to use the trademark throughout Canada in respect of those goods or services. Such right can be exercised in the Federal Court as well as any provincial court of competent jurisdiction. In contrast to an action for passing off (unfair competition in Quebec), a trademark infringement action does not require proof of notoriety in the area where an accused trademark or trade name is being used. In addition, an action may lie for the depreciation of goodwill of a registered trademark that is well known in Canada irrespective of proof of likelihood of confusion.

The owner of a registered trademark that is infringed by the importation and sale of counterfeit goods may be entitled to assistance under the Combating Counterfeit Products Act, whereby goods may be detained by customs officials.

From 1 June 2025, a non-French trademark may only appear on public signs, posters and commercial advertising if it is a registered mark under the Trademarks Act and no French version is found on the Trademarks Register (the Register).

## **Filing procedure and documentation**

**9. What documentation is needed to file a trademark application? What rules govern the representation of the mark in the application? Is electronic filing available? Are trademark searches available or required before filing? If so, what procedures and fees apply?**

Trademark applications may be filed in English or French. Applications may be filed electronically, but paper filing is also accepted. Trademarks searches are available, but not required, before filing.

Each application requires the following:

- the applicant's name and postal address;
- a representation or description of the trademark;
- a statement in ordinary commercial terms of the goods or services in association with which the trademark is used or proposed to be used, grouped according to the Nice Classification system; and
- in the case of a certification mark, particulars of the defined standard that the use of the certification mark is intended to indicate and a statement that the applicant is not engaged in the manufacture, sale, leasing or hiring of goods or the performance of services such as those in association with which the certification mark is used or proposed to be used.

### **Registration time frame and cost**

**10. How long does it typically take, and how much does it typically cost, to obtain a trademark registration? When does registration formally come into effect? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration?**

The Canadian Intellectual Property Office (CIPO) is notoriously slow in examining trademark applications. For non-Madrid applicants, the delay between filing and first examination currently is about 52 months. The delay

can be reduced if the goods or services comply with pre-approved descriptions prior to filing, or if the application is pursuant to the Madrid Protocol.

Objections can be made on numerous grounds including non-distinctiveness, confusion with prior marks, descriptions of goods or services that are deemed to be unclear, etc. CIPO examines on relative grounds as well as absolute grounds. Registration comes into effect once the registration issues.

The government fee for filing a trademark application covering one class of goods or services is C\$336 if filed electronically. There is an additional government fee of C\$106 for each additional class of goods or services. The total cost varies widely, depending on the nature of the objections.

At present, there is no additional fee for issuance of the registration.

### **Classification system**

**11. What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

Canada follows the International Classification System. Multi-class applications are available, subject to payment of additional fees per class.

### **Examination procedure**

**12. What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

CIPO examines trademark applications for completeness and compliance with registrability requirements, as well as for potential conflicts with other marks covered by registrations or pending applications, namely, relative grounds. If

objections are raised, the Examiner may issue an office action with a six-month response deadline. Extensions of time are available where exceptional circumstances exist. If the objection is minor, the Examiner may contact the applicant by telephone. In limited circumstances, CIPO will consider (but not be bound by) a consent agreement between the parties, but the agreement must disclose surrounding circumstances in support of the argument there is no likelihood of confusion.

### **Use of a trademark and registration**

**13. Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

Use of a trademark in Canada or elsewhere is not a precondition to registration. However, a trademark that is not in use is vulnerable to cancellation for non-use once it has been on the Register for three years.

Foreign applications are granted priority provided that the Canadian application is filed within six months of filing of the foreign application.

### **Markings**

**14. What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Marking is not mandatory but is recommended to provide notice of rights. Unregistered or common law marks may use the TM (English) and (or) MC (French) symbol. Once a mark is registered, the ® symbol may be used.

### **Appealing a denied application**

**15. Is there an appeal process if the application is denied?**

Decisions of the Registrar of Trademarks may be appealed to the Federal Court of Canada. The appeal must be made within two months of the date of the Registrar's decision.

**Third-party opposition**

**16. Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Once an application is approved, it is published in the Trademarks Journal. A third party may oppose, or request an extension of time to oppose, registration of the application during a two-month period following publication.

Grounds of opposition include:

- that the application does not conform to the content requirements as set out in the Trademarks Act;
- that the application was filed in bad faith;
- that the trademark is not registrable;
- that the applicant is not the person entitled to registration of the trademark;
- that the trademark is not distinctive;
- that, at the filing date of the application in Canada, determined without taking into account any claims for priority, the applicant was not using and did not propose to use the trademark in Canada in association with the

goods or services specified in the application; or

- that, at the filing date of the application in Canada, determined without taking into account any claims for priority, the applicant was not entitled to use the trademark in Canada in association with those goods or services.

A trademark registration may be canceled for non-use once it has been on the Register for three years. Any third party may request the expungement of a trademark registration based on non-use. A registrant has three months from the date of issuance of the Section 45 Notice to furnish the Registrar with an affidavit or a statutory declaration showing that the trademark has been used in Canada in association with all the goods and services covered by the trademark at any time during the three-year period immediately preceding the date of the notice. If sufficient evidence cannot be provided, the registration is canceled.

Opposition and cancellation proceedings are handled by the Trademarks Opposition Board (TMOB), which is a part of CIPO. Decisions of the TMOB may be appealed to the Federal Court of Canada.

A trademark registration may also be expunged for invalidity, under the following circumstances. A registration may be expunged by the Federal Court on the application of any interested party.

- the trademark was not registrable at the date of registration;
- the trademark is not distinctive at the time proceedings bringing the validity of the registration into question are commenced;
- the trademark has been abandoned;
- the applicant for registration was not the person entitled to secure the registration; or
- the application for registration was filed in bad faith.

### **Duration and maintenance of registration**



**17. How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

Registrations that issue after 17 June 2019 are valid for a period of 10 years; registrations issued prior to 17 June 2019 are valid for 15 years. Registrations may be renewed at 10-year intervals thereafter. There are no use requirements per se; however, a trademark may be vulnerable to cancellation for non-use once it has been on the Register for three years.

### **Surrender**

**18. What is the procedure for surrendering a trademark registration?**

An application may be withdrawn, or a registration may be abandoned upon written request by the applicant or registrant.

### **Related IP rights**

**19. Can trademarks be protected under other IP rights?**

Yes, under certain circumstances, the Copyright Act may protect original artistic works used as trademarks.

A trademark can also, under certain circumstances, be protected under the Industrial Design Act, where the mark consists of aesthetic features of the product design.

### **Trademarks online and domain names**

**20. What regime governs the protection of trademarks online and domain names?**

Canada does not have a separate regime governing the protection of trademarks online and domain names. Online trademark use is governed by the Trademarks Act. Domain names can also be protected as trademarks under the

Act. Domain names in the .ca domain are administered by the Canadian Internet Registration Authority.

## **LICENSING AND ASSIGNMENT**

### **Licences**

**21. May a licence be recorded against a mark in the jurisdiction? How? Are there any benefits to doing so or detriments to not doing so? What provisions are typically included in a licensing agreement?**

Trademark licences may be recorded with the Canadian Intellectual Property Office (CIPO) but there are no benefits or detriments in not doing so. A licence agreement should require the licensee to comply with conditions to ensure that the character and quality of the goods or services sold under the licence comply with the standards required by the trademark owner.

### **Assignment**

**22. What can be assigned?**

A trademark can be assigned with or without the goodwill of the business associated with the mark. A mark can be assigned with respect to all or some of the goods and services; it is unnecessary to assign other business assets. This said, care must be taken to avoid granting two or more entities the right to the use of confusingly similar trademarks.

### **Assignment documentation**

**23. What documents are required for assignment and what form must they take? What procedures apply?**

An assignment should be in writing and identify the assignor, the assignee and the marks to be assigned. It must be signed by the assignor unless the signing party has a power of attorney. Notarization is not required.

## Validity of assignment

### **24. Must the assignment be recorded for purposes of its validity?**

A trademark assignment is valid whether or not it is recorded with CIPO.

## Security interests

### **25. Are security interests recognized and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

A security interest may be recorded against a registered trademark or trademark application.

## ENFORCEMENT

### Trademark enforcement proceedings

### **26. What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialized courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

Trademark infringement actions can be brought before the Federal Court of Canada or any provincial court of competent jurisdiction. An owner of a registered trademark may sue for trademark infringement, depreciation of goodwill, and (or) unfair competition under section 7(b) of the Trademarks Act.

### Procedural format and timing

### **27. What is the format of the infringement proceeding?**

Trademark proceedings may be commenced by way of an action or application. An action allows for documentary and oral discovery and includes a trial with a

live witness including expert testimony. Typically, discovery is quicker and more limited than is the case in the United States. In the case of a crime, the police or Royal Canadian Mounted Police may prosecute the criminal, but this is rarely done.

### **Burden of proof**

#### **28. What is the burden of proof to establish infringement or dilution?**

The burden of proof to establish infringement or dilution is the civil standard of proof (namely, proof based on a preponderance of evidence, not reasonable doubt as in the case of a criminal proceeding).

### **Standing**

#### **29. Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?**

A trademark owner may seek a remedy for a trademark violation. A licensee may also seek a remedy, subject to the terms of the licence agreement but the trademark owner usually is a party to the action.

### **Border enforcement and foreign activities**

#### **30. What border enforcement measures are available to halt the import and export of infringing goods? Can activities that take place outside the country of registration support a charge of infringement or dilution?**

The owner of a registered trademark that considers its rights to be infringed by the importation and sale of counterfeit goods is given access to an assistance procedure under the Combating Counterfeit Products Act, whereby goods may be detained by customs officials.

### **Discovery**

#### **31. What discovery or disclosure devices are permitted for obtaining**

**evidence from an adverse party, from third parties, or from parties outside the country?**

Discovery – both documentary discovery and oral discovery – is governed by the rules of the court – either provincial or federal – in which the action or application is brought. In most provinces as well as in the Federal Court, both forms of discovery are available (in Quebec, document disclosure is only on specific request of the party seeking to obtain the documents). Documents provided during discovery are subject to the implied undertaking rule.

Documentary discovery should be constrained by proportionality considerations. In oral discovery, only one person is ordinarily examined for discovery on behalf of a corporate defendant. The result is that while discovery in Canada is typically more expansive than in, for example, European jurisdictions, it is much less expansive than in the United States and thereby is less expensive.

Third-party discovery is unusual in trademark actions in Canada. A request to a Canadian Court of letters rogatory is also unusual in Canada.

### **Timing**

**32. What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?**

The time frame can vary greatly depending on the complexity of the case. Generally, an action for infringement can take several years to get to trial.

### **Limitation period**

**33. What is the limitation period for filing an infringement action?**

The limitation period depends on in which province the infringing act took place. For cases where the trademark cause of action arose in a single province,

the provincial limitation period of that province applies. Provincial limitation periods vary, but for most provinces is typically two or three years. For cases where the cause of action arises in more than one province, the federal limitation period of six years applies.

### **Litigation costs**

#### **34. What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?**

Litigation costs can vary widely depending on the length of the proceeding, its complexity and the number of witnesses, including possible expert witnesses, involved. Survey evidence is possible but appears to be falling out of favour.

Alternative approaches to obtaining a decision, such as proceeding by way of an application or the use of summary judgment and (or) summary trial often reduce costs, as they shorten the time to decision and thereby the expense.

Applications ordinarily require a day or two of hearing, as do summary judgment and summary trial. Trials often take two to three or more days of hearing.

The successful party typically receives an award of costs. Such costs awards usually fall in a range from 25 per cent to 40 per cent of the actual professional fees incurred, together with reasonable disbursements.

### **Appeals**

#### **35. What avenues of appeal are available?**

Decisions of the Federal Court may be appealed to the Federal Court of Appeal (FCA). Decisions of the FCA may be appealed to the Supreme Court of Canada, with leave.

### **Defenses**

#### **36. What defenses are available to a charge of infringement or dilution,**

## **or any related action?**

Various defenses are available to a defendant, including:

- the trademark registration is invalid;
- the trademark is not distinctive or has been abandoned by the plaintiff;
- prior concurrent use of the trademark by the defendant in good faith;
- good faith use of a personal name as a trade name;
- good faith use of the geographic name of a place of business or of any accurate description of the character or quality of the goods or services; and
- acquiescence and delay.

## **Remedies**

### **37. What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

Various remedies are available to the successful party, most commonly:

- a permanent injunction;
- monetary remedies, an accounting of profits or damages; and
- delivery up or destruction of the infringing goods.

## **ADR**

### **38. Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR is available through commercial service providers or through the court. Both mediation and arbitration are available, but mediation usually is favoured.

## **UPDATE AND TRENDS**

## Key developments of the past year

### **39. Are there any emerging trends, notable court rulings, or hot topics in the law of trademark infringement or dilution in your jurisdiction?**

Significant changes were introduced to Quebec's existing French language legislation that will impact the use of non-French marks in the province of Quebec. Notably, from 1 June 2025, a non-French trademark may only appear on public signs, posters and commercial advertising if it is a registered mark under the Trademarks Act and no French version is found on the Trademarks Register.

Use of summary judgment and summary trial in Federal Court infringement and passing off actions remains a continuing trend.

*\* The information in this chapter was accurate as at August 2023.*