



Trade-Marks

“Tips & Pointers”

April 14, 2011

8:00am – 9:30am

AGENDA



1. Trade-mark Identification
2. Meeting with the Client
3. Maintaining Competence
4. Conflicts of Interest
5. Common Errors and Omissions
6. Insurance Issues
7. Questions



1. Trade-mark Identification

Trade-mark

- To distinguish the goods and/or services of one person, company or organization from others
- Gives consumers an indication of the source and the quality of the goods and/or services
- Protects the “goodwill” which accrues with each use of the trade-mark (asset of the owner)

Types of Trade-marks

- Word mark
COCA-COLA®
- registered in 1932
- Design mark (logo)
Nike Swoosh
- registered in 1994 (TMA434591)
- Combination word & design mark



Types of Trade-marks

- Slogan:
THE MILK CHOCOLATE MELTS IN YOUR MOUTH-NOT IN YOUR HAND[®]
(M&M Candies; registered by Mars Canada Inc.; TMA220117)
- Number:
1111
(Pizza Pizza; TMA263374)

Types of Trade-marks

- Colour :
 - i) **Brown** for UPS Trucks (TMA528998)



- ii) **Pink** for Fibreglass Insulation (OWENS-CORNING CANADA INC.; TMA519025)

Types of Trade-marks

- **Distinguishing Guise:**

A distinguishing guise is a shaping of wares or their containers or a mode of wrapping or packaging the wares or their containers. The appearance of the wares, containers or wrapping must serve to **distinguish** the wares or services of the applicant from the wares or services of others. (*CIPO TM Examination Manual*)

Distinguishing Guise

Coca Cola bottle

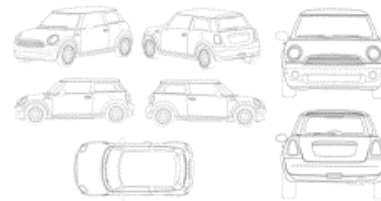
(Registered 1952;
UCA44193)



BMW Mini

Distinguishing Guise

(Registered 2011;
TMA789872)



Types of Trade-marks

Certification Marks

“**certification mark**” means a mark that is used for the purpose of distinguishing or so as to distinguish wares or services that are of a defined standard with respect to

(a) the character or quality of the wares or services,

(b) the working conditions under which the wares have been produced or the services performed,

(c) the class of persons by whom the wares have been produced or the services performed, or

(d) the area within which the wares have been produced or the services performed,

from wares or services that are not of that defined standard.

(Section 2, *Trade-marks Act*)

Types of Trade-marks

Examples of Certification Marks



WOOLMARK

pure
merino
wool



Non-Traditional Trade-marks

- CIPO has a proposed practice notice to allow **motion marks** and **holograms**



U.S. Trademark Registration No. 197599

The mark consists of a moving image of a flash of light from which rays of light are emitted against a background of sky and clouds. The scene then pans downward to a torch being held by a lady on a pedestal. The word "COLUMBIA" appears across the top running through the torch and then a circular rainbow appears in the sky encircling the lady.

Non-Traditional Trade-marks

- **Motion trade-marks** may also be known as animated marks, moving marks, moving image marks or movement marks. For example, according to Wikipedia, “many web browsers feature a moving image mark in the top right hand corner of the browser screen which is visible when the browser is in the process of resolving a website.”

Non-Traditional Trade-marks



(Lion's Roar; United States Trademark Registration No. 1395550; 1986)

- Currently no sound marks registered in Canada but MGM's application for its lion's roar is still pending a final decision by the Registrar after almost 20 years (currently on appeal)

Non-Traditional Trade-marks

Scent Mark Registered in Australia

“To be trade marked the scent must be something unusual added to the goods to assist in identifying them via olfactory means from the similar products of other traders.”

- **Aroma Tees** – eucalyptus scent applied to golf tees (<http://www.aromatee.com.au>)



Non-Traditional Trade-marks

- **Flavour Marks – difficult to register**

Eli Lilly applied for a European Community Design mark for “the taste of artificial strawberry flavour” in association with pharmaceutical preparations and the application was refused.

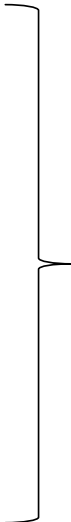
Trade-mark Rights

- Common law rights to a trade-mark arise from use of the trade-mark
- Tort of “**Passing Off**”
- In *Reckitt & Colman Products Limited v. Borden Inc. & Ors*, a 1990 decision of the House of Lords (at 1990 [RPC](#) 341):
The law of passing off can be summarised in one short general proposition - no man may pass off his goods as those of another.

Who Can Register a Trade-mark



- Individuals
- Companies
- Partnerships
- Trade unions
- Associations



If they or former owner(s) of the trade-mark have used or plan to use the mark in association with their goods or services

Trade-mark: Why Register?

- Identifying the goods or services
- Registered trade-mark gives the owner the exclusive right to use the mark across the country
- Evidence of ownership which may make it easier to enforce the rights associated with the mark
- Business Asset which may increase in value over time
- Directs businesses towards planning how to structure ownership of the marks of a company
- Can be licensed – directs need to have licensing language



2. Meeting with the Client

Meeting with the Client

Client Verification and Identification Requirements for Lawyers

See the following link:

<http://rc.lsuc.on.ca/pdf/kt/clientIDLawyers.pdf>

Meeting with the Client

What information must I obtain to identify an individual?

- the individual's name,
- home address and telephone number,
- occupation, and
- business address and telephone number, if applicable

Meeting with the Client

What information must I obtain to identify a client or third party that isn't an individual, such as a company or a public body?

- full name,
- business address and telephone number,
- the organization's incorporation or business ID number and where it was issued if applicable, and
- the general nature of the business.

Meeting with the Client

Client Verification

- Triggered when receive, pay or transfer funds on behalf of a client
- Must take reasonable steps to verify the identity of the client
- Refer to “reliable, independent source documents, data or information”
- For an **individual**: driver’s license, birth certificate, or passport
- For **organization**: articles of incorporation, partnership agreement

Meeting with the Client

According to the LSUC:

If you are required to verify the identity of an organization, you must also:

1) verify the identity of the **individual giving instructions** on behalf of the organization and

2) you must use reasonable efforts to obtain certain identifying information about the **directors** of the organization and **certain shareholders**.

Meeting with the Client

Exemptions to Identification and Verification

- Check LSUC by-laws
- Funds received from a financial institution, public body, public company, or from the trust account of another LSUC licensee

Information Records

- Must keep record of information and documents obtained to identify and verify clients

Meeting with the Client

What if prospective client declines to provide required identification and verification information?

- Advise client that you are required to have this information or will not be able to act for them
- If client still does not provide information, then you cannot be retained to act for them and if currently acting for them, must withdraw services

Meeting with the Client

METHODS OF PAYMENT

Cash

- Under LSUC rules, lawyers can accept up to \$7500 cash per matter (By-law 9, Section 4 (1))
- Must keep a receipt book

Methods of Payment

Record keeping requirements if cash received:

By-law 9: 19 (1) Every licensee who receives cash shall maintain financial records in addition to those required under section 18 and, as a minimum additional requirement, shall maintain, in accordance with sections 21, 22 and 23, **a book of duplicate receipts**

Methods of Payment

For each receipt in the receipt book:

- identify the date on which cash is received
- the person from whom cash is received
- the amount of cash received
- the client for whom cash is received
- any file number in respect of which cash is received and
- signature of the licensee or the person authorized by the licensee to receive cash and
- signature of the person from whom cash is received

Methods of Payment

Credit Card

- Cannot charge service fees back to client
- Keep financial information in a safe, secure place that is not readily accessible
- Watch for payment to go through
- Best for credit card payment to go to trust account and then be moved to general

Cheque

- Must allow 10 business days for cheque to clear

Methods of Payment

No money can be moved from trust unless invoice has been issued and put in the mail.

Invoices – stamped paid in full if applicable – issued for initial consultations in addition to receipts.



3. Maintaining Competence

Maintaining Competence



Q. Who is qualified to file a Trade-mark application?

Maintaining Competence

Q. Who is qualified to file a Trade-mark application?

1. The Applicant
2. The Applicant's Trade-mark Agent

Using A Trade-mark Agent

- Foreign Agents cannot act alone on an Applicant's behalf in Canada
- Must appoint Canadian Trade-mark Agent or other entity as **Representative for Service** (s.30(g) *Trade-marks Act* – Applicant must identify an address for service in Canada)
- Applicant will receive a s. 30(g) Notice if the trade-mark application did not include an address in Canada to which CIPO could send correspondence

Using a Trade-mark Agent

- CIPO will enter the name of a resident of any other country who is entitled to practise before the trade-marks office of that country
- Once entered, the foreign agent or applicant may file correspondence directly with CIPO but cannot receive correspondence from CIPO (must use services of a Canadian representative for service)

Using a Trade-mark Agent

- **Foreign agent must be careful to appoint representative for service only if they want to file correspondence directly**
 - if in their application, or other correspondence with CIPO, they appoint a Canadian agent as both agent of record and representative for service, they cannot file any correspondence directly at CIPO
- **Important** to maintain a Canadian representative for service for foreign Applicants through all steps of prosecution and post-registration because otherwise CIPO will not be responsible for undelivered correspondence

Foreign TM Offices

- Note Canada and U.S. have a reciprocal relationship and Canadian trade-mark agents may file for Canadian applicants in the United States
- However, we do not have reciprocal agreements with all countries, especially Europe
- Canadian trade-mark agent can manage international trade-mark portfolio including instructing foreign agents and monitoring due dates

Lawyer as Trade-mark Agent



Becoming a Registered TM Agent

- 1. Pass the Qualifying Examination**

Or

- 2. For a Barrister or Solicitor:**

work in the area for 24 months, including the preparation and prosecution of applications,

and

submit an affidavit to that effect to the Registrar;

- 3. Pay Annual Fee**

Becoming A Registered TM Agent

- **For Law Firms**

any firm having the name of at least one of its members entered as a trade-mark agent at the Canadian Intellectual Property Office (CIPO) can itself be entered at CIPO.

Consulting another Lawyer/Agent?

Q. When should you consult another lawyer or agent?

A.

1. When not a trade-mark agent yourself
2. When not a litigator and client requires a cease & desist letter or Statement of Claim
3. If you are a registered agent and you encounter something for which you do not have the expertise

Correct Identification of Applicant

Who does the client want to own the trade-mark?

- will the trade-mark be owned personally or by a company or business entity?
- the client may consider getting the advice of an accountant
- if a person, is the person conducting business under another name?
- will another company or business own the trade-mark?

Correct Identification of Applicant

Discuss with the client the need to know the following information:

- **complete official name** of owner including “Inc.”, “Incorporated”, “Company”, “Limited”, “Ltd.”, etc.
- need to know the **complete chain of title** for ownership of the trade-mark (all predecessors in title must be named in the application)

Inform the client that if the required information is not readily available, corporate and/or business searches may be required.

Licensing

Fatal errors can occur when licensees use the trade-mark.

- Will the client be licensing the use of the trade-mark?
- Does the client have licensing agreements in place?

Licensing

To establish “use” of the trade-mark:

- Under the license, the owner must have direct or indirect **control of the character or quality of the wares or services**
- If **public notice** is given that shows
 - the use of a trade-mark is a licensed use and
 - the identity of the owner,then it shall be presumed, unless the contrary is proven, that the use is licensed by the owner of the trade-mark and the character or quality of the wares or services is under the control of the owner.

Licensing

Public Notice examples:

- “CATT is a registered trade-mark of Dogg Inc. Pets Everywhere Ltd. is a licensed user.”
- “CATT is a trade-mark of Dogg Inc. Made in Canada under license by Pets Everywhere, Ltd.”
- “*trade-marks of Dogg, Inc. Used with permission by Pets Everywhere, Ltd”.
- “*Trade-mark of Dogg, Inc., used under license by Pets Everywhere, Ltd./Marque de commerce de Dogg, Inc., utilisée par Pets Everywhere, Ltd.”
- “*Registered trade-marks of Dogg Inc. Used under license by Pets Everywhere, Ltd.”



4. Conflicts of Interest

Conflicts of Interest

LSUC Rules of Professional Conduct (2.04(1)):

A “**conflict of interest**” or a “**conflicting interest**” means an interest

- (a) that would be likely to affect adversely a lawyer's judgment on behalf of, or loyalty to, a client or prospective client, **or**
- (b) that a lawyer might be prompted to prefer the interests of a client or prospective client.

Trade-marks: Conflicts of Interest



In Trade-marks watch for:

- Similar field of interest
- Overlapping product areas
- Same channel of trade
- Competing products

Trade-marks: Conflicts of Interest

Two Types of Conflicts of Interest

1. **Subject Matter Conflicts** – same field
2. **Non-subject Matter Conflict** – e.g. lawyer has acted for a party before

Concern: Lawyer has confidential information

Steps to Avoid Conflicts of Interest

- **Set up conflict checking system:**
 - computerized and/or manual system for checking
 - places to search on computer system:
document folders; Outlook; PCLaw
 - check individual/company name(s), keywords;
 - do not run everything on one general file
- **Ask Potential Client:**
 - Who are your main competitors?
 - Who do you not want us to work for?

What to do if there is a conflict?



- When there is a conflict, decline to act for new client
- Request consent from both parties to act on specific matter or scope

Conflict Check System

- **Initiate checks before meeting new client**
- **On cold calls**
 - Avoid providing any legal advice by phone or by email
 - Avoid receiving any confidential information
 - Request general information about product or services and identification of competitors
 - Advise caller that not retained until after initial consultation and sign retainer agreement



6. Common Errors and Omissions

Common E & O

Basis for Filing

- Legal Grounds that entitle the Applicant to secure the registration of its trade-mark.
- In Canada, an incorrect filing basis is grounds for opposition of application or later invalidation or expungment of the trade-mark registration
- In Canada, the filing basis cannot be changed after the application has been filed

Common E & O

Filing Bases:

- Actual “Use” in Canada
- Proposed “Use”
- Registration and Use Abroad – registration of the trade-mark in a foreign country and “use” of that trade-mark in that country
- Made Known in Canada

Common E & O

Multiple Bases in One Application

- Can have more than one basis for the same wares and/or services
- Can have different bases for different wares and/or services within the same application
- Can have different dates of use for different wares and/or services
- Can have different foreign registrations as bases for different wares and/or services in one application

Common E & O

Note “use” in trade-mark law has a legal meaning.

Section 4 of the Canadian Trade-marks Act defines “**use**” as follows:

*A trade-mark is deemed to be used in association with **wares** if, at the time of transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves; or on the packaging in which they are distributed; or in some other manner which must be so associated with the wares that notice of the association is then given to whom property or possession is transferred.*

Common E & O

*A trade-mark is deemed to be used in association with **services** if it is used or displayed in the performance or advertising of those services.*

*A trade-mark that is marked in Canada on wares or on the packages in which they are contained is, when the **wares** are **exported from Canada**, deemed to be used in Canada in association with those wares.*

Common E & O

For applications based on actual “use” it is essential to not state an incorrect date of first use in Canada.

Options from the drop-down menu:

- since
- since before
- since at least
- since as early as
- since at least as early as

Common E & O

Tips to Remember:

- Request a copy of an invoice from the client as evidence of date of first use
- May need multiple invoices as not all wares may appear on one invoice
- Make a notarized copy of webpage and prepare an affidavit regarding accessing the webpage and preparing the copy as evidence of date of first use for services

Common E & O

- Ask the client to keep good records including samples of brochures/labels along with invoices and records of dates as evidence of use
- Do not select a holiday as a date of first use in application
- If select only year of first use, then CIPO will interpret this as December 31, XXXX
- Prudent approach is to use “at least as early as” language
- Use month and year (e.g. May XXXX) if known
- Make best effort to get the earliest accurate date

Common E & O

Proposed Use

- Actual “use” is not required to file an application but it is required to register a trade-mark
- Must submit statement that “the applicant, by itself or through a licensee, or by itself and through a licensee, intends to use the trade-mark in Canada”
- Must commence “use” of the trade-mark in association with the listed wares and/or services within 3 years of filing date unless there sufficient reasons for not commencing use

Common E & O

Proposed Use

- If intend to file based on proposed use in Canada, there must be no actual use of the trade-mark as of the date of filing (this is a fatal error for the application and the application will either fail during prosecution or the resulting registration can be expunged or invalidated). *(In the U.S., the application can be amended and this is not fatal.)*
- If find out there was use as of the filing date for a proposed use application, must refile.

Common E & O

Declarations of Use

- Must be filed before a trade-mark application filed on the basis of proposed use will be issued a registration certificate
- Confirm with client use of all wares and/or services identified in application
- Can amend application to remove wares and/or services for which there is no use
- Common error: use of one ware and/or service does not mean use of all wares and/or services identified in application (unlike class system in U.S.)
- Consider requesting copies of invoices from client

Common E & O

Declarations of Use (continued)

- Prepare declaration for client's review and signature (agent should avoid signing on client's behalf)

Common E & O

Online Filing



- CIPO's online forms have drop-down items and it is easy to select an incorrect option
- If the Applicant does not have a Canadian address, they must identify a representative for service in Canada

Common E & O

Word Marks – use block letters for a word mark if no particular font, script, or capitalized letters are being claimed

for example:

GLUCOWATCH vs. GlucoWatch

Common E & O

- Be careful about .com and other extensions in word marks
- Also watch for “Inc.” and dates of incorporation (logos can be modified to maintain use of principal trade-mark)
- **Example:**
Use of Braymark in more prominent letters along with SERVICES INC.
in smaller letters is evidence of use of Braymark as a trade-mark



Common E & O

Design Marks

- Is the representation what is being used or will be used?
- If colour is not a distinguishing part of the mark, then file in Black & White so that any colour combination may be used
- Ask client for samples of what they are actually selling or how they are advertising their services

Common E & O

Design Marks (continued)

- Variations from what is filed may be grounds for invalidation or expungement of a trade-mark registration
- The trade-mark (word and/or design) cannot be changed once filed
- If need to change the trade-mark after filing the application then a new application must be filed

Common E & O

Variations in Design Marks

Leading Case: *Promafil Canada Ltee v. Munsingwear Inc.*, (1992), 44 C.P.R. (3d) 59(FCA):



- Corpulent penguin (registered mark)
- Did use of slimmer penguin design constitute use of registered mark?

Common E & O

Findings from Promafil case:

- Deviation must not be substantial
- Deviation must not touch on one of the dominant features of the mark
- Mark in its deviant form would not have deceived any person who came across it (.ca, .com, inc.)
- Mark will be considered in use when only insignificant features added to it

When in doubt, it is advisable to file for the variation as soon as possible.

Common E & O





7. Insurance Issues

Insurance Issues

Insurance Coverage for trade-mark practice for Canadian clients filing in countries outside of Canada

Acting Directly before the USPTO

- These require insurance coverage beyond what LSUC provides

International Filings

- Priority Period: **6 MONTHS**
- Within 6 months of filing in Canada, you must file a foreign application if you intend to claim priority.
- Same for applications first filed outside of Canada, an application claiming priority must be filed within Canada within 6 months IF priority is wanted/needed
- These provisions are for Paris Convention countries – not all countries are signatories of the Paris Convention for trade-marks.

(E & O issue)

International Filings

Management of International Portfolio

- **Madrid Protocol** – Canada is not signatory
- **Regional Applications**
 - e.g. European Community Trade-mark (CTM)
- Check provisions to confirm that client qualifies for priority claim(s)

International Filings

Discussions with Client

- Ask client which countries are important to them?
- Where do they conduct business?
- Where do they hope to expand business?
- Do they manufacture their products outside of Canada?
- Inform client that we cannot guess their intentions nor are we experts for all countries; we require sufficient time to make inquiries on their behalf and attend to international deadlines.

International Filings

- Inform client that they have an obligation to keep you informed of countries of interest
- It is not possible for us to guess the nature of the client's current or intended business
- Except for USA must use foreign agents in other countries – Liability Risk

Tickler (Docketing) System

- Essential component of an I.P. practice
- Computerized docketing system with back-ups
- Hard-copy back-up
- Bring forward dates
- Reminder letters
- Textbox reminders on correspondence
- Email and fax only reminders

Reminders for Due Dates

- Ask client how often they would like to receive reminders
- Important to maintain up to date contact information for client as due dates may be far in the future (e.g. renewal of Canadian trade-mark registration due every 15 years)

Maintaining correct ownership and address at CIPO for trade-mark registrations is essential to maintain trade-mark rights.

Reminders (continued)

- Reminders in advance are important when evidence is required (e.g. specimen of use for U.S. trade-mark renewal)
- Consider a **reminder policy**
- Inform client that we will charge if send more than [one] reminder
- Issue reminders well in advance
- Textbox reminders

Reminders (continued)

EXAMPLE OF TEXTBOX INSTRUCTIONS FOR CLIENT TO COMPLETE AND RETURN

1. Please indicate how frequently you would like to be reminded of the Renewal Due Date
One Year before Due Date_____ Six Months before Due Date_____
One Month before Due Date_____ Never_____

2. Receipt is acknowledged of the original Canadian Trade-mark Registration No. XXXX
(Our Ref. ; Your Ref.)

this _____ day of _____, 200____ .

(Signature)

Please complete form and return completed form to us by fax (XXX) or by email (XXX).

Insurance Issues

“Dies Non” (Statutory Holidays and other days as set by Intellectual Property Offices)

- Some due dates which fall on a holiday may be filed on the next business day
- However, this can differ from country to country and varies for different types of intellectual property protection
- In terms of disruption in the Intellectual Property Offices including CIPO – legislation varies for due dates missed due to unforeseen circumstances disrupting the Office

Insurance Issues



Service Disruptions

- In Canada, there are no provisions for service disruptions such as the power outage which occurred in 2003.
- Must have back-up systems in place including manual docketing system to look up due dates.

International Applications

- Important to docket due dates
- Important to have BF dates to instruct foreign associates
- Be aware of time differences, international holidays, and office closures in order to not miss deadlines
- Note some countries are open for business on Saturdays and/or Sundays so must meet deadlines falling on these days
- Note applicable treaty provisions
- Note language requirements

International Applications

- Canadian Agents are authorized to file in the USPTO for Canadian Applicants

THANK YOU!



Questions?

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