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Managing Canada's Changing Trademark Landscape: New Applications and Applications Under Examination

In a previous bulletin "Preparing for Canada's New Trademark Regime Coming Into Force on June 17, 2019", we reported that significant changes to Canada's trademark laws will come into effect on June 17, 2019. Over the next two months, BLG will prepare and circulate a bulletin series to provide some tips and practical considerations on how trademark owners may tailor their trademark and brand protection strategies in light of these upcoming changes.

This third bulletin focuses on potential strategies with new and pending applications that will be examined under the new system on or after June 17, 2019.

1. New Filing Fee Structure and Classification Requirement

Under current Canadian trademark law, classifying goods and services in accordance with the international classification system is voluntary. Applicants may include an unlimited number of classes of goods and services in an application by paying a single government filing fee of C\$250 (if filed electronically). When the application is allowed, there is also a requirement to pay a C\$200 registration fee (again, if filed electronically) before the application proceeds to registration.

Starting June 17, 2019, goods and services listed in an application must be classified before the application can proceed to advertisement. This requirement would affect new and pending applications that have not been advertised prior to June 17, 2019.

In addition, new applications filed on or after June 17, 2019 will need to pay government fees based on a per-class structure, starting with a basic filing fee of C\$330 for the first class, and C\$100 for each additional class. The registration fee, however, will be removed.

Strategic Considerations

Owners interested in registering trademarks in Canada should consider if it would be beneficial to file applications under the current regime or the new regime. The current fee structure would likely be particularly attractive to owners interested in filing applications covering three or more classes of goods and services.

For pending applications currently under examination, if it is desirable not to classify some or all of the goods and services (due to cost considerations or descriptions that may span multiple classes), owners may wish to take steps to move the application forward as soon as possible so that the application can be advertised without classes before June 17, 2019.

2. Trademark Use No Longer Required to Obtain Registration

Currently, a trademark can only proceed to registration if an applicant claims that the mark was "used in Canada", "used and registered in a foreign jurisdiction" or files a Declaration of Use (for proposed use applications).

Under the new regime, it will not be necessary to provide a filing basis and trademark use will no longer be required to obtain a Canadian trademark registration. Use remains an important concept, however, as it is possible to expunge a registration via a non-use expungement proceeding three years after the registration date.

Strategic Considerations

As it will be possible to obtain a trademark registration without use under the new regime, this change may create new opportunities to secure registrations that would otherwise not be possible under current law. It may, however, also open up the prospect of competitors and third-parties registering marks for other purposes. In view of these uncertainties, we recommend owners to seek the assistance of a Canadian trademark professional to determine if any steps should be taken, such as monitoring the activities of others that may affect their trademark portfolio, and considering future branding initiatives and early application for proposed brands.

3. Expansion of Definition of Trademark — Non-Traditional Marks

In addition to the typical word marks and design marks, it is currently possible to register other forms of marks in Canada including distinguishing guises, colour as applied to a surface and sound marks.

Under the new trademark regime, the definition of "trademark" will be expanded and new types of marks will be registrable. Examples of these new "non-traditional marks" include motion marks, colour marks (without delineated contours), scent marks, taste marks, texture marks, position of a sign and holograms. Distinguishing guises will be replaced with a new type of mark called mode of packaging.

Similar to standard character marks and design marks, some non-traditional marks may be registered without use. However, certain forms of non-traditional marks, such as sound, scent, taste, texture and modes of packaging, can only be registered if the applicant can demonstrate that the mark has become distinctive in Canada, which requires significant evidentiary support. All marks will be examined on other issues, such as descriptiveness, functionality and inherent distinctiveness.

Strategic Considerations

Owners of non-traditional marks should consider filing new applications to protect these new forms of marks in anticipation of the upcoming changes.

As certain types of non-traditional marks are only registrable if the applicant can show that the mark has become distinctive in Canada, owners may wish to integrate non-traditional marks in their marketing plans, with the intention to build a reputation and secure registration in the future. Considering that each type of non-traditional mark has its own requirements, we recommend owners to seek guidance from a Canadian trademark professional who may assist with formulating a strategy to protect these creative forms of intellectual property.

BLG has trademark professionals in Vancouver, Calgary, Toronto, Ottawa and Montréal who are happy to help you with your trademark strategy and answer your questions on navigating the changes to Canadian trademark law. View the full list of our trademark team.

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