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Important Amendments to Canadian Trade-mark Law

By Paul W. Donovan

On March 28, 2014, the Canadian Government introduced Bill C-31, the *Economic Action Plan 2014, Part 1*. The stated purpose of the bill is “to implement certain provisions of the budget tabled in Parliament on February 11, 2014 and other measures”. The “other measures” aspect to the bill cannot be understated. The bill is effectively an omnibus bill and is over 360 pages, amending over sixty other acts including significant amendments to the *Trade-marks Act*.

In terms of trade-mark law, the most significant aspect of the new legislation is that Canada will amend the *Trade-marks Act* to add the authority to make regulations for carrying into effect the Madrid Protocol. Over ninety countries are members of the Madrid Protocol, a process to obtain the international registration of marks through the filing of a single centralized trade-mark application (rather than filing individual applications on a country by country basis). Canada is certainly very late to the game and these amendments alone will have a significant impact on day-to-day trade-mark practice in Canada. It is anticipated that there will be more filings in Canada, and that opposition work will be significantly increased as well.

Other proposed amendments include the elimination of the requirement to declare use of a trade-mark before registration, the reduction of the term of registration of a trade-mark from 15 to 10 years, and the adoption of the classification established by the Nice Agreement Concerning the International Classification of Goods and Services.

The elimination of the requirement to declare use of a trade-mark prior to registration is a very significant change. Trade-mark owners may actually have decreased prosecution costs, since they will not have to make a Declaration of Use, nor will they have to obtain extensions of time to make such a Declaration. However, it is important to note that an opponent can still oppose an application on the basis of prior use, and that trade-mark registrations are still vulnerable to summary cancellation proceedings if they are not used in Canada in the preceding three years. Any potential savings on the prosecution side may therefore be offset by increased oppositions and cancellation proceedings.

Reducing the term of registration of a trade-mark from 15 years to 10 years is again a move towards international harmonization, although the obvious impact will be to increase costs for trade-mark owners, who will now have to renew their marks with greater frequency.

The adoption of the Nice classification will help to harmonize Canadian practice with international practice. At this time, it is unknown as to whether or not Canada will move to a fee-per-class system, as under the current system an applicant can list an unlimited number of goods and services for a government filing fee of \$250CDN.



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On April 8, 2014, an opposition motion to defeat the bill failed, and a government motion was passed that the bill be read a second time and referred to the Standing Committee. Since we have a majority government in Canada, the bill will certainly get passed, although it is possible that there will be substantive amendments as the bill progresses through various readings in the House of Commons and the Senate.

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