

SIGNIFICANT CHANGES TO TRADE-MARKS ACT PROPOSED

*By Colin J. Thurston**

A. INTRODUCTION

In the March 2013 *Charity Law Update*, potential legislative updates to Canada's *Trade-marks Act* were discussed, as Canada appeared to be moving toward greater conformity with international trade-mark laws and related international treaties. Though this previously reported legislation did not succeed in becoming law, the Government of Canada has taken numerous steps in 2014 to reintroduce similar and more extensive legislation which strongly suggest that many long-anticipated changes to Canada's trade-mark laws are finally coming. This *Charity Law Bulletin* reviews these recent actions by the Government and provides a summary of changes expected for Canada's *Trade-marks Act*.

On January 27, 2014, the Government of Canada tabled various international intellectual property treaties in the House of Commons, including the *Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks* ("Madrid Protocol")¹, the *Singapore Treaty on the Law of Trademarks* ("Singapore Treaty")² and the *Nice Agreement Concerning the International Classifications of Goods and Services for the Purposes of the Registration of Marks* ("Nice Agreement")³. Following this, on March 28,

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¹ World Intellectual Property Organization, Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (as amended on November 12, 2007), TRT/MADRIDP-GP/001, online: <http://www.wipo.int/wipolex/en/wipo_treaties/text.jsp?file_id=283484>.

² World Intellectual Property Organization, Singapore Treaty on the Law of Trademarks (adopted at Singapore on March 27, 2006), online: <http://www.wipo.int/treaties/en/text.jsp?file_id=290019>.

³ World Intellectual Property Organization, Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (as amended on September 28, 1979), online: <http://www.wipo.int/treaties/en/text.jsp?file_id=287532>.

2014, Bill C-31, *An Act to implement certain provisions of the budget tabled in Parliament on February 11, 2014 and other measures*⁴ was introduced in the House of Commons where it underwent first reading. Bill C-31 subsequently underwent second reading on April 8, 2014. If passed, Bill C-31 would implement portions of these international intellectual property treaties into Canadian law. Some of the key changes proposed in Bill C-31 are discussed below.

B. PROPOSED CHANGES TO THE TRADE-MARKS ACT

Bill C-31 has been labeled as an omnibus bill, and among its many propositions are sweeping amendments to the *Trade-Marks Act*,⁵ some of which would implement portions of the *Madrid Protocol*, *Singapore Treaty*, and *Nice Agreement* into Canadian law if passed. The *Madrid Protocol* creates an international system for registering trade-marks, the *Singapore Treaty* provides a common international standard for trade-mark registration procedures and the *Nice Agreement* provides an international standard for classifying goods and services for registering trade-marks and service marks. Collectively, these treaties would have the effect of bringing Canadian trade-mark law and practice more in line with international standards once legislation is passed to implement their terms.

The changes to the *Trade-marks Act* proposed in Bill C-31 build upon amendments to the *Trade-marks Act* proposed by Bill C-8, the *Combating Counterfeit Products Act*,⁶ (formerly Bill C-56 under the last parliamentary session) which would implement additional and complementary changes to the *Trade-marks Act*.⁷

These pending legislative amendments would introduce some key changes to Canadian trade-mark law and practice that will have an impact on charities and not-for-profits, including the following:

- The definition of a “trade-mark” would be expanded to include more types of non-traditional marks, including 3-dimensional shapes, holograms, moving images, sounds and textures.

⁴ Bill C-31 can be accessed and its status can be monitored online at:

<<http://www.parl.gc.ca/LEGISInfo/BillDetails.aspx?Language=E&Mode=1&billId=6483626>>.

⁵ RSC, 1985, c T-13.

⁶ Bill C-8 is available online at:

<<http://www.parl.gc.ca/HousePublications/Publication.aspx?Language=E&Mode=1&DocId=6370314>>.

⁷ For commentary on Bill C-56, see “Bill C-56 to Modernize Trade-marks Act and Strengthen Brand Protection” by Colin J. Thurston in the March 2013 *Charity Law Update*, online at: <<http://www.carters.ca/pub/update/charity/13/mar13.pdf>>.

- Canada would adopt the goods and services classification system under the *Nice Agreement*, which is currently in use in other jurisdictions, such as the USA and EU.
- Trade-mark registrations would need to be renewed every 10 years rather than the current 15 years.
- Simplified requirements for Canadian trade-mark applications, including no longer requiring applicants to identify “dates of first use” for a mark that has been used in Canada.

Notably, if this last provision is passed without changes, this amendment would mean that anybody could register a trade-mark simply by paying an application fee. Some are already concerned that this would open up the door for trade-mark squatters to register currently existing brand names and trade-marks and effectively extorting value for them from current unregistered owners. Commentators have also expressed concern for other changes which could result in additional filing and legal fees for brand-owners to maintain protection for their Canadian registered trade-marks.

Importantly, these changes will also bring Canada much closer to implementation of the *Madrid Protocol* for international applications, which allows applicants to file for registration of marks in multiple foreign jurisdictions through the intellectual property office of their home country. For organizations that operate outside of Canada, the ability to register marks under the *Madrid Protocol* may be of significant benefit and can result in substantial cost savings as compared to individually filing for protection of trade-marks on a country-by-country basis.

C. CONCLUSION

The amendments to the *Trade-marks Act* proposed under Bill C-31 will introduce vast changes to Canadian trade-mark law in Canada. It is currently uncertain if or when these amendments will be passed. As such, charities and not-for-profits should continue to monitor the progress of Bill C-31 and watch for further reports in future *Charity Law Updates*.