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**AVOIDING WASTING ASSETS II –
TRADE-MARK AND DOMAIN NAME
PROTECTION FOR CHARITIES**

(Power Point Presentation)

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A. Introduction

- **Trade-mark issues have taken on a greater significance for charities**
- **Lawyers who advise charitable clients should be familiar with trade-mark issues**
- **All references to “charity” in this presentation refers to non-profit organizations as well as charities**

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B. The Role of the Lawyer in Trade-Mark Matters

- **A trade-mark can be one of the most valuable assets of a charity**
- **Charities must ensure that all assets of the charity are properly identified, protected and applied in fulfilment of the charity’s purpose**

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C. What is a Trade-Mark?

- **The basic nature of a trade-mark**
- **What do trade-marks consist of?**
- **Types of trade-marks involving charities**
 - **The corporate name of a charity**
 - **The operating name of a charity**
 - **The logo of a charity**
 - **The emblem or crest of a charity**
 - **The slogan of a charity**

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D. Why Are Trade-Marks Important to Charities?

- **Trade-marks represent the goodwill of a charity by providing a focal point for donations and reputation**
- **Trade-marks distinguish one charity from another**
- **Trade-marks have both present and future marketing value in relation to the sale of promotional materials**
- **Trade-marks have licensing value in other countries and/or with local chapters**

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- **As a result, a trade-mark is one of the most valuable assets of a charity**
- **Trade-Marks are fragile assets that can be lost or seriously eroded through errors of commission and/or omission**
- **It is essential that trade-marks be used in a proper manner, to enhance and protect their value instead of diminish their value**

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E. The Differences Between Trade-Marks and Trade Names

- **Trade name is the name under which a business is carried on**
- **The *Trade-marks Act* does not provide for registration of a trade name unless it is a trade-mark**
- **Registration of a trade name as either a corporate name or a business name is for public information purposes**
- **An owner of a trade name still has common law rights to the trade name based upon entitlement to restrain others from “passing off” on the goodwill of a trade name**

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F. The Distinction Between Trade-Marks and Other Intellectual Property

- **Copyrights**
- **Patents**
- **Industrial designs**
- **Trade secrets**
- **Registered topography (micro-chips)**

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G. How Trade-Marks Become Wasting Assets for Charities

- **Confusion with pre-existing trade-marks or trade names**
- **Failure to restrain unauthorized use of trade-marks resulting in loss of distinctiveness**
- **Confusion in names involving estate gifts**

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- **Failure to properly control licensing of a trade-mark**
- **Abandonment through lack of use**
- **Limitation on trade-mark rights as a result of not objecting to trade-mark registration by others**
- **Dilution of trade-mark through inconsistent use**
- **Trade-marks are used with wares and services different from those listed in the trade-mark registration**

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H. Trade-Mark Protection and the Common Law

- **Common law provides protection to restrain a competitor from passing off its goods or services under the trade-mark of another**
- **The cause of action at common law is called a “passing off” action**
- **Common law protection of a trade-mark does not require that the trade-mark be registered**
- **However, trade-mark rights at common law are more difficult to establish and enforce**

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I. The Advantages of Trade-Mark Registration

- **Trade-mark registration provides a presumption of a valid trade-mark**
- **Trade-mark registration is effective throughout Canada**
- **Trade-mark registration permits enforcement across Canada**
- **Trade-mark registration provides the exclusive right to use the trade-mark with respect to its goods or services**
- **Trade-mark registration gives public notice of the trade-mark**

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- **A trade-mark registration can become incontestable in some situations**
- **Failure to obtain trade-mark registration may result in a limitation of trade-mark rights**
- **Trade-mark registration can assist in protecting a domain name on the internet**
- **Trade-mark application in Canada permits convention filing in other convention countries**
- **Trade-mark registration facilitates obtaining trade-mark registration in other convention countries**

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J. The Acquisition of Trade-Mark Rights

- **A trade-mark registration confirms and enhances existing trade-mark rights**
- **Registration not essential**
 - **A trade-mark registration is not essential to acquire rights in a trade-mark**
 - **An owner of a trade-mark has the right to prevent the subsequent use of a confusing trade-mark by another but only in the geographic area of usage**
- **First use of a trade-mark generally establishes priority**

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K. Barriers to Trade-Mark Registrability

- **“Primarily merely” the name of an individual who is living or has died within the proceeding thirty years**
- **Clearly descriptive or deceptively misdescriptive**
- **Confusing with other trade-marks**
- **An official mark under Section 9 or 10 of the *Trade-marks Act***
- **Must relate to services and/or wares provided by the charity**

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L. The Selection of Trade-Marks for Charities

- **Inherently strong marks**
- **Inherently weak marks**
- **Suggestive marks**
- **Compound work marks**
- **Marks that have acquired a secondary meaning**

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M. The Important of Conducting Trade-Mark Searches

- **When to do a trade-mark search**
- **Why conduct a trade-mark search?**
- **Types of trade-mark searches**
- **The trade-mark registrability opinion**
- **Expunging competing trade-marks**

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N. Types of Trade-Mark Applications

- **Ordinary trade-marks**
- **Distinguishing guise**
- **Certification mark**

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O. The Basis For Obtaining Ordinary Trade-Mark Registration

- **Use in Canada**
- **Proposed use**
- **Registration in foreign countries**
- **Making known in Canada**
- **Combination application**

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P. Filing and Prosecuting Trade-Mark Applications

- **What does a trade-mark application cover?**
- **When to file the trade-mark application**
- **The contents of a trade-mark application**
- **Amendments to a trade-mark application**
- **Examination by the trade-marks office**
- **Advertisement in the trade marks journal**
- **Allowance of a trade-mark**
- **After trade-mark registration**

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Q. The Importance of Foreign Trade-Mark Registration

- **Each country requires separate trade-mark registration**
- **In the United States, there is a class system requiring separate registration in each class**
- **In the European Union, a single registration can be filed for all member countries**
- **Member countries to international conventions can claim priority date as the filing date of a trade-mark in another convention country**

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R. Section 9 Official Marks

- **What is a Section 9 Official Mark?**
- **The advantages of a Section 9 Official Mark**
- **Recent court decisions concerning the definition of public authority**
 - **Must be for the benefit of the public**
 - **Must have a significant degree of government control**

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- **The future for Section 9 Official Marks**
 - **It is now more difficult for charities to qualify as public authorities**
 - **Charities with existing section 9 Official Marks should secure parallel trade-mark registrations**

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S. Trade-Marks and Internet Domain Names

- **What are internet domain names?**
- **Conflicts between domain names and trade-marks**
- **Securing and protecting domain names**
- **Contesting existing domain names that the charity has failed to secure**
- **Licensing of domain name may be appropriate in certain situations**

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T. Trade-Mark Licensing

- **When is trade-mark licensing relevant?**
- **Licensing requirements prior to June 9, 1993 – had to file a registered user agreement with CIPO**
- **Licensing requirements after June 9, 1993 – no longer necessary to have a registered user agreement**
- **Current licensing requirements for trade-marks**
- **Use and enforcement of the trade-mark license**
- **General licensing considerations**

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U. Proper Use of Trade-Marks

- **Ensure continued usage**
- **Ensure proper marking**
- **Ensure identification of license arrangement**
- **Trade-marks should be distinctive**
- **Trade-marks should be used as an adjective, not a noun**

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- **Trade-marks may need to be followed by generic name**
- **Trade-marks should avoid plural or possessive applications and maintain consistency**
- **Essential to file and show change of name of trade-mark owner**
- **Other wares/services may require extension of the trade-mark registration**
- **Importance of education concerning trade-mark use with the staff and board of a charity**

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V. Protecting the Trade-Mark

- **Ensure parallel registrations of the trade-marks, trade names and corporate names**
- **Monitor infringement by other competing trade-marks**
- **Be pro-active in stopping infringement of a trade-mark**

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- **Protect an unregistered trade-mark**
 - **Protection under corporate law**
 - **Expunging a competing registered trade-mark**
 - **“Passing off” action at common law**
- **Protection under the *Trade-marks Act* for registered trade-marks**
- **Ensure usage of the trade-mark**
- **Abandonment under common law**

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W. Conclusion

- **Trade-marks are an essential asset of a charity**
- **Trade-marks can be lost if they are not properly protected**
- **A charity needs to be pro-active in protecting its trade-marks or risk losing its trade-mark rights by default**
- **Registration of a corporate name or business name does not by itself give trade-mark protection**

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- **Trade-mark rights exist at common law but those rights should be protected by trade-mark registration under the *Trade-marks Act***
- **There is enhanced trade-mark protection available for those charities that qualify as public authorities under the *Trade-marks Act* for Official Marks**
- **Separate trade-mark registration must be done in each country in which the charity is operating**

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- **It is essential to properly use and license trade-marks**
- **An infringement of a trade-mark by others, even if done unintentionally, must be immediately challenged**
- **The board members and executive staff of a charity need to be informed of the importance of trade-mark rights**
- **In addition to obtaining a trade-mark registration, a charity should secure a domain name as soon as possible using its trade-mark as part of the domain name**

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