



**IPIC**

**Proposed Practice Notice:  
Use and Registration Abroad  
(s.16(2) of the *Trade-marks Act*)**

Submission to the

Canadian Intellectual Property Office

by the

Intellectual Property Institute of Canada

November 12, 2009

The Intellectual Property Institute of Canada (IPIC) is grateful for the opportunity to review CIPO's proposed practice notice regarding use and registration abroad (s.16(2) of the *Trade-marks Act*). Please find below our comments on these proposals. These comments were prepared by the IPIC members of the Joint Liaison Committee (JLC) – Trade-marks and by the Trade-mark Legislation Committee and were reviewed and approved by IPIC Council.

Keeping in mind CIPO's mandate and commitment to expedite examination, we have carefully reviewed the Trade-marks Office draft practice notice in which CIPO has proposed three changes to its current practice relating to claims based on s.16(2). Each proposed change will be addressed separately below. We would like to express at the outset reservations about a proposal which appears to have the effect of giving CIPO the discretion to remove or limit the availability of a basis for registration which, pursuant to existing legislation and regulation, can be claimed by an applicant. To do so will affect an applicant's right to registration. If the legislation or regulations require amendment for clarification, then we urge that action.

## **1. PARTICULARS AND USE AS OF DATE OF FILING IN CANADA**

This section of the proposed practice notice reads:

The Trade-marks Office considers that claims made under subsection 16(2) of the *Trade-marks Act* (the "Act") are complete when they indicate:

- particulars of the application or registration of the trade-mark in or for the country of origin of the applicant; and
- the name of a country in which the trade-mark has been used as of the date of filing in Canada.

a) Interpretation of "complete"

Clarification is required as to what is meant by "complete".

The wording of subsection 16(2) specifically reads that completion of this basis necessitates that the mark be registered in the foreign country identified in the Canadian application. Specifically, the section reads as follows [emphasis added]:

Any applicant who has filed an application in accordance with section 30 for registration of a trade-mark that is registrable and that the applicant or the applicant's predecessor in title *has duly registered* in or for the country of origin of the applicant and has used in association with wares or services is entitled, subject to section 38, to secure its registration in respect of the wares or services in association with which it is registered in that country and has been used, unless at the date of filing of the application in accordance with section 30 it was confusing .....

The wording of subsection 30(d), which governs compliance of the contents of an application reads as follows [emphasis added]:

In the case of a trade-mark that is the subject in or for another country of the Union of a registration or an application for registration by the applicant or the applicant's named predecessor-in-title on which the applicant bases the applicant's right to registration, *particulars of the application or registration* and, *if the trade-mark has neither been used in Canada or made known in Canada*, the name of a country in which the trade-mark has been used by the applicant or the applicant's named predecessor-in-title, if any, in association with each of the general classes of wares or services described in the application;

It is unclear in the proposed practice notice what conditions are being placed on the word "complete". A suggested alternative to the wording of this portion of the practice notice is:

The Trade-marks Office will only consider claims ~~considers that claims~~ made under subsection 16(2) of the *Trade-marks Act* (the "Act") ~~are complete~~ when they indicate: ....

We also refer to Rule 25(a)(iii)(B) which reads as follows [emphasis added]:

**25.** Subject to section 34 of the Act, the date of filing of an application for the registration of a trade-mark is the date on which the following are delivered to the Registrar:

(a) an application setting out the following information, namely,

(i) the name and address of the applicant,

(ii) the wares or services in association with which the trade-mark is proposed to be used, or has been used or made known, and

(iii) in the case of a trade-mark other than a proposed trade-mark,

**(A) the date of first use or making known of the trade-mark in Canada, or**

**(B) the name of a country in which the trade-mark has been used and information respecting the registration or application for registration in or for a country of the Union on which the right to registration is based;**

(b) the application fee set out in item 1 of the schedule; and

(c) a drawing of the trade-mark, unless the trade-mark consists solely of a word or words not depicted in a special form.

b) Use as of Date of Filing in Canada

The decision in *Allergan Inc. v. Lancôme Parfums and Beauté & Cie* has not clarified the issue of whether a mark must have been used abroad “as of the date of filing in Canada” in order to rely on a basis of s.16(2) for the purpose of securing registration. No evidence of use of the trade-mark MYOTOX in France, or elsewhere, was filed by the applicant and, thus, no legal arguments were filed, or ruled upon, in support of, or against, the requirement that there be use prior to “the date of filing *in Canada*” to support a claim to s.16(2). The matter has not been fully analyzed and decided upon by either the Trade-marks Opposition Board or the Federal Court.

That being said, an indication of use in another country would not be required as of the date of filing of the Canadian application because so long as the application contains either a use or making known or proposed use ground, the “or” following Rule 25(a)(iii)(A), as well as the emphasized wording of s.30(d) of the Act, would seem to make such an indication unnecessary. Further, s.30(d) seems to be fairly clear that an allegation of use of the mark somewhere as of the date of filing in Canada in respect of a later added s.16(2) ground also is unnecessary. Without a decision of the courts or an amendment to the *Act* to support this view, IPIC believes that CIPO’s position is not tenable.

Notwithstanding the above, clarification is required as to what is meant by the "date of filing". Specifically, the filing date is governed by Rule 25 of the *Trade-marks Regulations*, which is in turn is subject to Section 34 of the Act. If it is CIPO's view that the use must occur prior to the priority filing date (if applicable in the given application) in order to support a claim to s.16(2), this must be stated explicitly.

The proposed practice notice also stipulates that a s.16(2) claim will not be considered complete until both the foreign application/registration particulars and the country of use have been provided. Section 30(d) contemplates that where an application also claims “use in Canada”, there is no requirement to provide the name of a foreign country. We request that CIPO confirm that in asserting a claim under s.16(1), the s.16(2) claim will be considered complete. In any event, if the s.16(2) claim is incomplete, or in any way improperly worded, the applicant should receive an official notice advising it of any deficiency and be given the opportunity to rectify the alleged problem.

#### c) Particulars of the Foreign Application or Registration

Should CIPO take the position that the s.16(2) claim can only be supported by an application that was filed prior to the date of filing in Canada, the practice notice should make specific reference to the requirement that the foreign application has been filed as of the date of filing in Canada.

## **2. INCOMPLETE S.16(2) CLAIM**

This section of the proposed practice notice reads:

If the application contains an incomplete 16(2) claim and another complete claim forming the basis for registration under section 16 of the Act, and the application is otherwise ready for advertisement, the application will proceed to be advertised in the Trade-marks Journal without the 16(2) claim. No office action, other than the approval notice, will issue.

We repeat the strongly held view that we disagree with any proposal which will result in the loss of a basis for registration. Since the filing grounds used by an applicant can have an important impact on oppositions, timing of registration and validity of registrations, only the applicant should be able to select the filing grounds.

### **a) Interpretation of “incomplete”**

Clarification is sought regarding the meaning of “incomplete”. For example, if an applicant has filed an application containing the following 16(2) requirements:

- particulars of the application or registration of the trade-mark in or for the country of origin of the applicant; and
- the name of a country in which the trade-mark has been used as of the date of filing in Canada

but has not yet filed a certified copy of the foreign registration, would the s.16(2) be considered complete? Or would it be incomplete and therefore vulnerable to being removed if the application also contains an “intention to use basis”?

The proposed practice notice is silent on the issue of certified copies, which are required pursuant to s.31(1). Clarification is needed as to whether CIPO will issue an Office Action indicating a certified copy is required, which we believe CIPO should do.

There is great concern that in approving an application for advertisement prior to allowing the applicant to complete its s.16(2) claim, which will essentially remove this

basis, the applicant is denied its right to benefit from the broadest basis for registration. Specifically, it is prudent practice to have an application rely on as many bases as possible in order to place it in the best form, should an opposition occur. Even if the application is not opposed, denying the applicant the opportunity to complete its s.16(2) claim means that registration of the mark could be delayed until use has begun in Canada.

While amending Office practice in this respect may reduce the number of Examiner's Reports, applicants (and their agents) will have an onerous task to ensure that any intended s.16(2) claim is included in the proof sheet attached to the approval notice. If an incomplete s.16(2) claim has been removed from the application upon approval and it is still desired to maintain a reliance on s.16(2), the applicant or its agent will be forced to write to the Office and request that advertisement be delayed. The Office will have to process said request and issue a response notice. Eventually, once all matters related to the s.16(2) are complete, the Office will have to issue a second approval notice and an updated proof sheet.

It is the belief of IPIC that most applicants whose applications contain a reliance on s.16(2), complete or not, intend to complete this claim. Therefore, it is likely that an amendment to Office practice as suggested in the proposed practice notice will result in more work for CIPO staff and trade-mark practitioners alike, while leaving foreign applicants vulnerable to losing a basis for registration to which, in our view, they are entitled under the Paris Convention.

Finally, if this practice is adopted by CIPO, will the text in the approval notice that provides a due date whereby any errors or discrepancies are to be reported be amended to include reference to completion of any s.16(2) claims?

### 3. AMENDMENTS TO S.16(2) CLAIM

This section of the proposed practice notice reads:

Should the application not contain a 16(2) claim at the time of filing, or contain an incomplete 16(2) claim, the applicant may add or substitute a complete 16(2) claim prior to the decision of the Registrar of Trade-marks to advertise the application in the Trade-marks Journal

#### a) Interpretation of “incomplete” and “prior to the decision”

Clarification is again sought regarding the meaning of “incomplete”.

CIPO must also clarify the wording “*prior to the decision of the Registrar of Trade-marks to advertise the application*”. Is the date of “the decision of the Registrar” the date of the approval notice or the date the advertisement appears in the Journal? This wording is ambiguous and should be stated clearly. It could read, for example:

Should the application not contain a 16(2) claim at the time of filing, or contain an incomplete 16(2) claim, the applicant may add or substitute a complete 16(2) claim prior to the ~~decision of the Registrar of Trade-marks to advertise~~ date upon which the application is advertised ~~the application~~ in the Trade-marks Journal

According to Rule 32 of the *Trade-marks Regulations*, applications may be amended prior to advertisement in the Journal to add a claim based on use and registration abroad. This is the wording already in the *Regulations*. CIPO will create much ambiguity, inconsistency and uncertainty if it uses language other than this wording. To have any other time frame than the date of advertisement in this Notice would require an amendment to the *Regulations*.

IPIC is pleased to work with CIPO to encourage the efficient and thorough prosecution of applications. While superficially it may seem that files could be handled more quickly by interpreting “incomplete” as in the proposed Practice Notice, the result can be a serious loss of applicants’ rights. Changes leading to consequences of this kind should be dealt with through legislative reform.