

INTELLECTUAL PROPERTY BULLETIN

May 2005

TRADE-MARK OWNERS BEWARE

There has been a change in the practice of the Canadian Intellectual Property Office as a result of the recent Federal Court of Appeal decision in *Procureur General du Canada v. Effigi Inc.*¹. The Trade-marks office can no longer examine for issues of entitlement during prosecution.

WHAT'S NEW?

The trade-marks examiner will now take into account only the following considerations in establishing who has priority between competing applicants:

- Filing date of application
- Deemed filing date of application (if application claims priority based on a foreign application filed within the last 6 months²)

The examiner will no longer take into account these considerations:

- Claimed date of first use in trade-mark application
- Claimed date of making known in the trade-mark application

REASONS FOR CHANGE

On May 19, 2005, the Canadian Trade-marks Office issued a new Practice Notice setting out this change in response to the decision of the Federal Court of Appeal in *Effigi* where the court had determined that it is not appropriate for the examiner, in reviewing a trade-mark application, to take into account dates of first use or making known claimed in the application in determining who should be entitled to register the mark. The court indicated that the *Trade-marks Act* is clear that the examiner should refuse the application if he is satisfied that the applicant is not the person entitled to registration of the trade-mark because it is confusing with another trade-mark **the application for which is pending**³. This section of the *Trade-marks Act* does not refer to any other considerations, such as dates of first use claimed in any pending application, therefore the examiner is going beyond the scope of his authority if he takes such matters into account.

The court supported its interpretation of the *Trade-marks Act* on the basis that it was not fair to an earlier applicant for the examiner to reject its application on the basis of a later filed application merely because the later filed application made an unsubstantiated claim to a date of first use that predated the filing date of the first filed application. The court determined that the appropriate forum for resolving issues of entitlement based on dates of first use was an opposition proceeding where the alleged date could be supported by evidence. In an opposition, a party with an earlier date of first use can rely on that prior use to claim that the applicant is not the person entitled to register the mark⁴.

¹ *Procureur General du Canada v. Effigi Inc.* (unreported, Neutral Citation: A-432-04) May 10, 2005

² Section 34 of the *Trade-marks Act*

³ Section 37(1)(c) of the *Trade-marks Act*

⁴ Section 38(2)(c) of the *Trade-marks Act*

WHAT DOES THIS MEAN TO YOU?

It has always been important to register your trade-marks in order to provide notice to others of your rights, obtain the right to the exclusive use of the mark across Canada for your wares and services, and to keep confusingly similar marks off the Trade-marks Register. But now it is also important to file your trade-mark application **without delay** to ensure that your application is first on the register. Otherwise, you may face costly opposition proceedings in order to assert your rights over those of a subsequent user.

By Sharon Groom

The foregoing provides only an overview. Readers are cautioned against making any decisions based on this material alone. Rather, a qualified lawyer should be consulted.

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