

## Legal update

### Final countdown: the date is set for implementing significant changes to Canadian trademark law

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**November 2018**

#### **Trade-marks and branding**

The Canadian government has set down **June 17, 2019**, as the date when the most significant changes to Canada's trademark law in over 50 years will finally be implemented.

The upcoming amendments will introduce substantial changes to the Canadian trademark landscape that will allow Canada to implement the Madrid Protocol and Nice Classification and are also intended to streamline the registration process. Key changes include:

- The definition of what is a registrable trademark will be expanded to include a list of non-traditional marks (colour, taste, odour, holograms), subject to evidence of acquired distinctiveness in Canada.
- The trademark application process will be simplified, as the identification of filing grounds (intent to use, use in Canada and registration abroad) will no longer be necessary.
- Goods and services will have to be grouped according to the Nice Classification, but will still have to be described in ordinary commercial terms. Fees per class will apply upon filing. Fees for an application filed online and covering a single class will be CAD \$330, with fees of CAD \$100 for each additional class.
- The filing of a declaration of use of the trademark in Canada as a registration requirement will be eliminated. No use will be required anywhere in the world prior to obtaining a Canadian registration. This change will apply to pending applications currently filed on an "intent to use" basis.
- It will be possible to divide trademark applications. This may facilitate and expedite the settlement of disputes as well as the registration process if parties can divide out non-contentious goods and services.
- The renewal term for any trademark issued after June 17, 2019, will go down from 15 years to 10. Renewal fees will also be charged on a per-class basis (CAD \$400 for the first class and CAD \$125 for each additional class if the renewal is done online).
- The possibility to obtain an international registration extending to any of the 102 member countries that are part of the Madrid Protocol based on a Canadian application or registration.

Since the provisions were first introduced in 2014, certain changes have been anticipated in the Canadian trademark landscape flowing from removal of the "use" requirement as a part of the application process, including:

- Trademark trolls – this has already started! Over 500 filings covering all 45 classes have been filed in Canada since 2014 (more in 40+ classes), and we can expect more prior to implementation of the fees per class.
- Increase in oppositions, litigation and non-use cancellations.

With the June 17, 2019, implementation deadline on the horizon, brand owners should take this opportunity to plan for new opportunities while they can still benefit from the current fee schedule. In order to be ready, we recommend:

- Consider filing multiclass applications before June 17, 2019, to avoid new class fees.
- Consider defensive filings to guard against trademark trolls.
- Owners of multiclass registrations should consider early renewal to avoid new class fees. While early renewal can be cost effective, it will, however, not impact the registration term, which will still shorten to 10 years if the renewal date was set after June 17, 2019.
- Ensure proper Canadian trademark monitoring is in place to catch trademark trolls early.
- Canadian brand owners doing or planning on doing business abroad should be ready to use the Madrid Protocol to expand their brand protection globally. You should assess your current trademark portfolio to ensure that your Canadian trademark applications/registrations cover the exact marks, goods and services for which you will want to seek protection abroad.
- For existing filings based on “intent to use,” consider the impact of the removal of the requirement to file a declaration of use. Available extensions may be more appropriate than filing a limiting declaration where only some of the applied-for goods and services are currently in use.

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