

**OUTSIDE PERSPECTIVES – CANADIAN TRADEMARKS**

# Keep Your Head Up On The Ice!

HOCKEY COACHES IN CANADA TEACH KIDS a fundamental lesson at an early age: you have to keep



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your head up when you have the puck. If you don't, you'll end up on your back in a world of hurt. Improper trademark usage in Canada can lead to a similar result. Here are some of the biggest mistakes companies make with their Canadian trademarks:

## 1. Not registering them.

If you don't register your mark in Canada, it won't be fully protected. You might be able to claim common law trademark rights if you can show your mark is well known in a particular city; but this won't stop competitors from using the mark in cities where your mark is not well known. Plus, the cost of drafting affidavits to prove your mark's reputation will far exceed the cost of registering the mark in Canada. Registration will protect your mark all across Canada, regardless of where the mark has been used. It will also give you the right to use the mark in Canada, which can be a complete defence if you get sued for trademark infringement

## 2. Delaying registration.

If you file your Canadian trademark application within 6 months of your US trademark application, then your Canadian filing date will be backdated to the date of your US application. If you don't file quickly enough, a competitor could beat you to it, which could prevent you from using your mark in Canada. Another good reason to register your marks in Canada soon is that Canada currently doesn't use the Nice International Classification System, so there are no additional government fees for filing an application that covers products and services in multiple classes. However, Canada appears to be moving towards the Nice system. This might result in additional government fees for future applications.

## 3. Not doing searches.

You should always conduct clearance searches before using or applying to register a mark in Canada. These searches can help you identify potential issues in advance, and could save you money in legal fees, rebranding fees and damages.

## 4. Improper licensing.

In Canada, trademark rights can be destroyed if a third party uses your mark without a proper licence agreement that gives you control over the "character and quality" of the products and services offered in connection with your mark. This doesn't only apply to arm's-length third parties; it also applies to affiliates. In Canada, trademarks have been expunged because they were owned by a company and used by an affiliate without a proper licence agreement.

## 5. Non-Use.

Currently a US company can register its marks in Canada without using the marks in Canada if the company has a US registration for the marks. However, if a mark can be expunged if it is not used in Canada for three years. It can also be expunged if there are differences between registered mark and the actual mark being used.

## 6. Forgetting copyright and moral rights.

Logos can be registered as trademarks in Canada, but they can also be protected by copyright. To take advantage of this protection, you should ensure you own the copyright in your logo. Paying a designer to create a logo doesn't mean you own the copyright in it; your contract with the designer must cover this. Canada also has "moral rights" which include the right to prevent a copyrighted work from being altered. These rights can't be transferred, but they can be waived.

For assistance with stick handling through the Canadian trademark system, please contact Chris.

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