

Clearly descriptive trade-marks land owners in hot water**Published in *The Lawyers Weekly*, May 2, 2008****By Chris Bennett**

Descriptive trade-marks are not registrable in Canada: the Canadian *Trade-marks Act* prohibits applicants from registering marks that are “clearly” descriptive of the character or quality of the products or services that are associated with those marks. The policy behind the law is that it’s unfair for a registrant to monopolize a clearly descriptive term: competitors should be able to use the same term to describe *their* products and services.

Disclaimers

Sometimes only a portion of a trade-mark is descriptive. If so, and the mark as a whole is not descriptive (and if it complies with all other legal requirements), then the mark will be registrable. In those cases, Canadian trade-mark examiners can require an applicant to disclaim the descriptive and other non-registrable portions of their trade-marks.

However, the Canadian Intellectual Property Office (CIPO) has announced that it will no longer be exercising its authority to require disclaimers. The underlying rationale is unclear, but at least one reason for the new policy is that fewer disclaimer requests will mean faster processing times for trade-mark applications. That might be true, but fewer disclaimer requests could result in protracted disputes between registrants who have not disclaimed non-registrable portions of their trade-marks and third parties who use such portions in their trade-marks.

What is “clearly descriptive”?

The new disclaimer policy will likely result in descriptiveness issues in the future, so it’s important to understand what CIPO examiners will consider “clearly descriptive.” It might come as a surprise to learn that examiners appear to take a non-conventional view about the meaning of the word “clearly” when it comes to descriptiveness.

Examiners’ decisions

There have been several cases recently where the examiners have allowed applications for marks which appear to have crossed the “clearly descriptive” threshold.

For example, an applicant recently applied to register SIMPLY PURE WATER in association with water. The examiner allowed the application, concluding somehow that the mark was not clearly descriptive of water. A competitor opposed the application and was successful: the Canadian Trade-marks Opposition Board stepped in and refused the application.

Not to be outdone, a securities brokerage firm applied to register WEBBROKER for its online brokerage services. Once again the examiner approved the application. Another competitor opposed the mark, and the Opposition Board again refused the application.

Similarly, an applicant recently applied to register BETTER THAN BOUILLON in association with soup and soup mixes. This one made it past the examiner, too, so once again a competitor opposed the application, and won. The Opposition Board agreed that the mark was a laudatory phrase that described the quality of the applicant's products, and refused the application.

Perhaps the fourth time would be lucky? Along came another application, this one for POWER BREAKFAST in association with waffles, food bars and breakfast cereals. And again, the examiner approved the application and a competitor opposed it. However, this time the Opposition Board allowed the application. As a result, the applicant will soon be granted a monopoly over the term POWER BREAKFAST, despite the fact that "power breakfast" generates thousands of hits through Google and is defined in online dictionaries.

The Federal Court

Earlier this year the Federal Court of Appeal considered the issue of descriptiveness in a case between a travel agency called Cheaptickets and a domain registration company called Emall.

The travel agency managed to register CHEAP TICKETS as a trade-mark in 2002. In the meantime, Emall had registered "cheaptickets.ca" as part of its strategy to register generic domain names for advertising and resale purposes.

The travel agency objected to the domain name registrations and initiated domain name dispute resolution proceedings against Emall. The travel agency lost, so it then sued Emall for trade-mark infringement. Emall responded by starting an action to expunge (de-register) the travel agency's registrations on the basis that they were clearly descriptive. Emall won and the marks were expunged. Cheaptickets appealed and lost.

Recommendations for brand owners

Clearly descriptive trade-marks are clearly difficult to protect. The best strategy for brand owners is to avoid descriptive trade-marks altogether, opting instead for distinctive marks that are much stronger and easier to protect.

It's also a good idea for brand owners to set-up automated trade-marks watching services for terms that describe their products and services. If competitors apply to register any of those descriptive terms as trade-marks, the watching service will give the brand owners an opportunity to oppose the applications before the marks get registered.

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