

Major Changes Coming to Canadian Trademark Law

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Some significant changes coming in the [Canadian Trade-marks Act](#) will mean substantial changes for anyone who has a trademark or plans to file for a trademark with our neighbors to the north.

The new law will become effective June 17, 2019 and include important changes (all dollar figures are Canadian dollars):

Elimination of Use Requirement: This is the most significant change. Currently a Canadian trademark will not issue until the applicant can show that the trademark is actually being used in Canada. This is similar to the use requirement in the U.S. With the changes, use of a trademark in Canada will no longer be a requirement for registration. This makes Canada more a "first to file" country similar to China and some European countries. The elimination of the use requirement will apply to pending, allowed applications as well which, as of June 17, can proceed to registration simply by paying the registration fee. **It is highly recommended that clients file their applications promptly and broadly to protect their trademarks in Canada and to prevent prior registration by third party "trolls."**

Nice Classification: Canada will begin using the [Nice Classification](#) system and will require each good and/or service in an application to be classified into one of the 45 current Nice classes. At the moment, Canada is one of the few countries that does not follow the Nice Classification System for classifying goods and services. The changes mean not only will applicants need to provide the classification for the product, they will be charged an increased filing fee of \$330 for the first class and \$100 for each additional class.

Clients who are considering new Canadian trademark applications with multiple classes are encouraged to file these applications prior to the effective date to avoid this additional cost and paperwork.

Renewal of Registration: The new law will reduce the renewal term for a registration from 15 years to 10 years. Existing and pending applications that are registered or renewed prior to June 17 will still be in force for 15 years, but will only be able to be renewed for 10 years going forward. Renewing applications will also need to classify their goods and services according to Nice, if not previously classified, at the time of renewal. The fee for a renewal will be \$400 for the first class plus \$125 for each additional class. **Where possible and appropriate, consider renewing and voluntarily classifying registrations before June 17. Also, clients with pending applications who are able to file declarations of use prior to June 17 should consider doing so in order to obtain a 15-year initial term for their registrations.**

Stricter Distinctiveness Standard: The new law gives Canadian trademark examiners greater ability to reject an application on the basis that the applied-for trademark is inherently non-distinctive and to require applicants to make a greater showing that the mark has acquired distinctiveness before it can be registered.

This "distinctiveness" requirement has long been in force for U.S. applications, but was not nearly as significant a requirement for Canadian applications. Some categories of inherently "non-distinctive" marks, such as colors and sounds, required no showing of distinctiveness for registration. Other traditional, not inherently distinctive marks such as descriptive marks and surnames will be allowed to be more easily rejected under the new law. It is likely that there will be more rejections for non-distinctiveness.

Madrid Protocol: Canada will now be a Madrid Protocol member country, where a trademark owner may obtain trademark protection in other member countries by filing a single international application and selecting the member countries in which protection is sought..

Divisional Applications: Currently, a Canadian application that encounters registration issues with respect to only some of the listed goods or services could not proceed until all issues were resolved. Under the new law, these applications can be divided and the non-problematic goods and services can proceed to registration while the applicant continues to address issues with the remaining goods and services.

Enforcement: The new law provides enhanced remedies and procedures for trademark owners to enforce their trademarks and to prevent the importation of infringing products into Canada.

If you have questions regarding any of these upcoming changes, or any other aspect of intellectual property law, please [contact me](#) or any member of [Barley Snyder's Intellectual Property Practice Group](#).

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