



CANADIAN ARTISTS REPRESENTATION /
LE FRONT DES ARTISTES CANADIENS

ADVISORY NOTE

Trademarks and Trade Names

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(ALAS), for Canadian Artists Representation Ontario (CARO) ©, March 1992

Unregistered names which are used in the marketplace can acquire common law rights as a trade name or trademark on the basis that they are recognized by the public in any given geographic territory. In order to acquire rights, a trade name or trademark must be distinctive, must not be confusing with another trademark or trade name and must be used to distinguish particular services or wares in the marketplace. Because of lack of knowledge or because of the costs involved, many choose not to register their valuable trademarks or trade names. However, there are distinct advantages to registering and these are outlined below.

Advantages of Registration

While registered trademarks acquire exclusive rights nationally upon registration, those that are not registered can acquire national protection only if they were used nationally. Once registered, the trademark is presumed to be valid and, in an infringement action, the registrant is presumed to be the owner of the trademark. Unregistered marks cannot take advantage of the legal procedures which registered marks acquire with respect to trademark infringement actions. They are subject to the vagaries of common law actions such as "passing off".

Once registered and upon use, the name is granted the exclusive right to be used in association with the registered wares and services in Canada for fifteen (15) years. The registration can be renewed perpetually by paying renewal fees but, like a business, a trademark should be regularly reviewed and updated.



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Criteria for Registration

The name or logo must meet the criteria of being registrable under the Trademarks Act (the "Act"). Generally, an application for registration can be made on the following grounds or any combination of these grounds:

- (1) It is used in the ordinary course of trade and associated with a particular ware or service;
- (2) On the basis of proposed use, although use must be commenced before registration is granted;
- (3) It has been registered and used in a foreign country;
- (4) On the basis of being well known in Canada, even if the foreign trademark is not used in Canada.

Registration Procedure

A. Canada

The registration procedure in Canada consists of the following:

- (1) A search of the Trademark Registrar, to ascertain whether or not there are potentially confusing trademarks or trade names. In addition to this computer search, an extended search, for example through telephone directories, is often advisable. To avoid possible legal entanglements, a thorough name search should be undertaken before using any name or logo.
- (2) Prepare an application based on use, proposed use or a combination of the two. File it with the Registrar in order to get a priority date; you will be sent a letter with respect to receipt of the application. The Registrar will then review your application with respect to any technical deficiencies, in order to ensure that it complies with the regulations of the Trademarks Act.
- (3) Assuming there are no problems with the application and no trade mark is cited in an office action by the Registrar against the trademark application, then the Registrar will advertise the trademark in the Trademarks Journal. If there has been no objection within thirty (30) days of the date of advertisement in the Trademarks Journal, a Notice of Allowance will be sent to the applicant or the Trademark Agent for the applicant.
- (4) In order to be registered, trademarks have to be used prior to gaining an actual

registration. If the application was based in whole or in part on proposed use, a Declaration of Use is required. This Declaration must be filed within six (6) months of the date of the Notice of Allowance.

- (5) The timing of a trademark application can be crucial in certain circumstances, for example, if there are potentially confusing and conflicting trademarks. It is a priority registration system and the filing date can be absolutely critical. In some cases your trademark rights can be lost if your application is preceded by a potentially conflicting and confusing trademark application.

B. United States of America and Other Territories

The procedure in the United States is similar to the Canadian system but it would be misleading to say that the US system is identical. There are a number of distinct differences. In order to fully protect a trademark or trade name throughout the world one must register the trademark or trade name on a territory-by-territory basis. Each territory has different laws, regulations and costs.

Costs of Application and Registration

A. Canada

- (1) The approximate cost for the trade mark search is \$125 with a legal opinion from a trademark agent as to its registrability and \$75 without an opinion. The government fees payable are currently \$150 on filing the application and \$200 on registration.
- (2) Legal fees for drafting the application and corresponding with the Trademarks Office are in addition to the disbursements referred to in paragraph (1) above.
- (3) The total of fees and disbursements referred to in paragraphs (1) and (2) above is likely to be \$750 - \$1,000. It takes between 12 to 18 months generally to have a trademark registered if there are no problems encountered.

B. United States

- (1) US applications are normally done with the assistance of an US Trademark Agent, who can be hired by a Canadian law office. The fees payable are as follows: \$250 US for the pre-filing registrability search; \$550 US for preparation, filing and prosecution of a one-class application; \$150 US per each additional administration class; a filing fee of \$200 per class per administration fee, plus any additional legal fees.

- (2) The approximate cost of a typical US application and registration for a trademark inclusive of fees and disbursements is about \$1,500 US.
- (3) The entire search, application and registration procedure takes 12 months or longer.

The above is summary advice only and in specific fact situations skilled legal advice should be obtained.

ALAS is a summary advice service for artists of all disciplines. Appointments with a lawyer may be made by calling the Toronto or Ottawa office:

ALAS c/o CARO, 183 Bathurst Street, Toronto M5T 2R7, Phone (416) 360-0772

ALAS (Ottawa), 189 Laurier Ave. E., Ottawa K1N 6P1, Phone (613) 567-2690

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