

## Major changes to Canada's *Trademarks Act* are coming into force on June 17, 2019 - are you and your business prepared?

By John Sanche

A large number of significant changes to trademark law and practice are set to take effect on June 17, 2019 (the **Implementation Date**). There are many changes being introduced, but only certain ones are likely to be of interest to most potential applicants—particularly in the lead up to the June 17. The Canadian Intellectual Property Office (**CIPO**) has announced its filing services will be unavailable starting June 13, 2019 (the **Filing Deadline**) while it makes the necessary changes to its systems. Any applications or renewals that are intended to have a filing date before the Implementation Date must be made before the Filing Deadline.

The key areas that are likely to be relevant to most trademark owners or potential applications are: changes in filing fees, changes to the term of registration and renewals, international applications, the availability of divisional applications, and expansion of the types of marks available for registration.

### Changes to filing fees

There are two aspects to this change—the adoption by the CIPO of a classification system called the Nice Classification (named after the French city of Nice, not because it is a particularly pleasant system), and the increase to the CIPO's trademark application filing fees.

Trademarks are applied for and registered in association with goods and services. Most jurisdictions have implemented the Nice Classification which consists of 45 Nice Classes (**Classes**)—34 Classes of goods and 11 Classes of services. The CIPO has implemented the Nice Classification on a voluntary basis for the last few years, however as of June 17, it will be mandatory to adhere to this classification system.

In almost every jurisdiction, the government-imposed filing fees for trademark applications increase with the number of Classes of goods and services included in the application. Currently, Canada is a rare exception—the CIPO filing fee is \$250, regardless of whether an application covers one Class or all 45. Starting on June 17, Canada will be more aligned with other jurisdictions and the trademark application filing fee will be \$330 for the first Class and \$100 for each additional Class.

Potential trademark applicants should consider filing before the Filing Deadline to avoid the higher CIPO filing fees, particularly if the application will cover a large number of Classes.

Fee	Current	After June 17, 2019
Basic filing fee	\$250 (unlimited Classes)	\$330 (first Class)
Per-Class filing fee	None	\$100 per additional Class

### Changes to the term of registration and renewals

Currently, trademark registrations last for a term of 15 years in Canada (most other jurisdictions have 10-year terms). To align itself with the international standard, and to comply with the requirements for international applications, the term for trademark registrations will be reduced to 10 years after the Implementation Date. Early renewals are available for registrations with renewal dates that occur after June 17; however, those renewals will still have only a 10-year term. The advantage to renewing

registrations that have renewal dates relatively soon after the Implementation Date is that the renewal fee for renewals processed before the Filing Deadline will be the current, flat \$350 renewal fee; whereas renewals processed after that date will have a fee of \$400 for the first class and \$125 for each additional class. Owners will also be required to classify the goods and services descriptions in unclassified registrations upon renewal.

Registered trademark owners should review the renewal dates for all of their registrations and consider renewing appropriate registrations before the Filing Deadline to avoid the higher CIPO renewal fees, particularly if the application will cover a large number of Classes.

### **International applications**

Canada will join the Madrid Protocol, which is a system that allows an applicant to file a trademark application in multiple jurisdictions through a centralized process. After the Implementation Date, Canadian applicants will be able to file an international application through the CIPO. That international application will then be filed with the International Bureau of the World Intellectual Property Association (**WIPO**) and the applicant may then designate one or more member countries in which the applicant wishes to apply as well. The Madrid Protocol should simplify the process, and reduce the costs, of applying for trademark protection in multiple jurisdictions.

### **Availability of divisional applications**

Divisional applications will add some much-needed flexibility to the Canadian trademark regime, in certain circumstances. After the *Trademarks Act* amendments take effect, an application will be capable of being divided into two (or more) applications, with each preserving some of the goods and services from the original application. This process is already available in a number of jurisdictions. It can be very useful when an office action or opposition becomes a barrier to an application during the prosecution process. Currently, the entire application becomes stalled and either the applicant overcomes the objections in the office action or the opposition or must abandon the whole application. In situations where only certain of the goods and services are contentious, an applicant will be able to create a divisional application with the remaining goods and services, and maintain the contentious goods and services in the other divisional application. Then, the non-contentious divisional application can continue to work through the system and the applicant can focus on whether the contentious goods and services are worth fighting for, knowing that the application as a whole won't be abandoned regardless of what happens in that fight.

### **Expansion of the types of marks available for registration**

The new trademark regime will allow for a broad range of non-traditional "signs" (as opposed to the current "marks" terminology), including a sound, hologram, moving image (motion), scent, taste, colour per se, a three-dimensional shape, a mode of packaging goods, a texture, or a positioning of a sign. Applications for these non-traditional signs will require additional information in their applications—usually, a representation of the sign that is appropriate for the type of sign (for example, an application for a hologram must include one or more still images to demonstrate the holographic effect). CIPO examiners may also require proof of distinctiveness for these types of non-traditional signs.

This bulletin is intended as general information only and is not to be taken as legal advice. For more information about the changes to the *Trademarks Act* please contact our [IP and technology team](#).