2013 Edition

CANADIAN INTELLECTUAL PROPERTY LAW AND STRATEGY

John S. McKeown

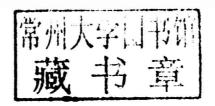
LexisNexis IP Law & Strategy Series



Canadian Intellectual Property Law and Strategy

Trademarks, Copyright, and Industrial Designs

John S. McKeown





OUESTIONS ABOUT THIS PUBLICATION?

For questions about the Editorial Content appearing in these volumes or reprint permission, please call:
Matt Gallaway at
Customer'Services Department at
Your account manager or

ISBN 978-0-7698-8824-8 (print)

ISBN 978-0-7698-8825-5 (eBook)

ISSN 2329-5473 (print)

ISSN 2329-5481 (online)

Cite this publication as:

Canadian Intellectual Property Law and Strategy § [sec. no.] (Matthew Bender, Rev. Ed.) Example:

1 Canadian Intellectual Property Law and Strategy § 1.01

Because the section you are citing may be revised in a later release, you may wish to photocopy or print out the section for convenient future reference.

This publication is designed to provide authoritative information in regard to the subject matter covered. It is sold with the understanding that the publisher is not engaged in rendering legal, accounting, or other professional services. If legal advice or other expert assistance is required, the services of a competent professional should be sought.

LexisNexis and the Knowledge Burst logo are registered trademarks of Reed Elsevier Properties Inc., used under license. Matthew Bender and the Matthew Bender Flame Design are registered trademarks of Matthew Bender Properties Inc.

Copyright © 2013 Matthew Bender & Company, Inc., a member of LexisNexis. All Rights Reserved.

No copyright is claimed by LexisNexis or Matthew Bender & Company, Inc., in the text of statutes, regulations, and excerpts from court opinions quoted within this work. Permission to copy material may be licensed for a fee from the Copyright Clearance Center, 222 Rosewood Drive, Danvers, Mass. 01923, telephone (978) 750-8400.

Editorial Offices 121 Chanlon Rd., New Providence, NJ 07974 (908) 464-6800 201 Mission St., San Francisco, CA 94105-1831 (415) 908-3200 www.lexisnexis.com

MATTHEW & BENDER

About the Author

John S. McKeown is a practising lawyer in Toronto, Ontario, Canada. He focuses on providing advocacy and advice concerning intellectual property and related matters, including protecting trademarks, domain names, copyrights, patents, confidential information and misleading advertising and claims under the *Competition Act*. Some of Canada's largest marketers rely on his advice. He is certified by the Law Society of Upper Canada as a specialist in Intellectual Property Law (Trade Marks/Copyright).

Author's Note

This book has been written to explain to practitioners outside Canada how the Canadian legal system works for trademarks, copyright and industrial designs. A practical approach has been adopted and emphasis has been given to how these laws may be used strategically.

Chapters have also been included relating to actions for infringement since this is the type of information that is vital to enforcing rights.

As a practising lawyer and advocate, I have attempted to present the law in a clear and understandable fashion. The law is stated as of February, 2013.

I thank my wife and our sons for their patience while I worked on the text.

Contents

ABOUT THE AUTHOR AUTHOR'S NOTE

CHAPTER 1:	Introduction
§ 1.01	Introduction
§ 1.02	International Obligations
[1]	Conventions, Agreements, and Treaties
[2]	Implementation
§ 1.03	Trademarks
[1]	Trade-marks Act
[2]	Common Law Rights
§ 1.04	Domain Names
§ 1.05	Copyright
§ 1.06	Industrial Designs
CHAPTER 2:	Protection of Trademarks in Canada
§ 2.01	Trademark Legislation in Canada
[1]	Federal Legislation
[2]	Provincial Legislation
§ 2.02	Basic Definitions
[1]	Trademark
[2]	Certification Mark
[3]	Distinctiveness
[4]	Distinguishing Guise
[5]	Prohibited Marks
[6]	Prohibited Designations
[a]	General
[b]	Under the Plant Breeders' Rights Act
[7]	Protected Geographical Indications for Wines and Spirits
[8]	Official Marks
[9]	Olympic and Paralympic Marks Act
CHAPTER 3:	Registrable Trademarks
§ 3.01	Characteristics Which May Preclude Registration
§ 3.02	Primarily Merely a Name or a Surname

§ 3.03	Descriptive or Deceptively Misdescriptive Trademarks
[1]	Introduction
[2]	The First Impression
[3]	Clearly
[4]	Deceptively Misdescriptive
[5]	English or French Language
[6]	Character or Quality
[7]	Conditions of or the Persons Employed in Production of
	Wares
[8]	Place of Origin
[9]	Suggestive Words
[10]	Coined Words
[11]	Disclaimer
§ 3.04	Acquired Distinctiveness—Secondary Meaning
[1]	Applicability
[2]	Evidence Required
[3]	The Determination
§ 3.05	Names of Wares or Services
§ 3.06	Confusing With a Registered Trademark
[1]	The Statutory Framework
[2]	Associated Marks
§ 3.07	Prohibited Marks and Designations
CHAPTER 4:	Acquisition of Rights
§ 4.01	Adoption
§ 4.02	Making Known
§ 4.03	Registration and Use in the Applicant's Country of Origin
[1]	Applications
[2]	Registrability of Marks Registered and Used in a Country
	of Origin
[a]	Availability
[b]	Substantive Requirements
§ 4.04	Use or Proposed Use in Canada
CHAPTER 5:	Trademark Use
§ 5.01	The Importance of Trademark "Use"
§ 5.02	Wares

[1]	Introduction
[2]	At the Time of the Transfer of Property or Possession
[3]	In the Normal Course of Trade
[4]	Notice of Association
§ 5.03	Services
§ 5.04	Wares Exported from Canada
§ 5.05	Deviating Use
CHAPTER 6:	Entitlement
§ 6.01	Entitlement to Registration
§ 6.02	Marks That Have Been Used or Made Known in Canada
§ 6.03	Marks Registered and Used Abroad
§ 6.04	Proposed Use Marks
CHAPTER 7:	Applications
§ 7.01	Content
§ 7.02	Amendment
§ 7.03	Examination
§ 7.04	Disclaimer
§ 7.05	Advertisement
CHAPTER 8:	Registration
§ 8.01	Allowance
§ 8.02	Registration
§ 8.03	Marking
§ 8.04	Invalidity
§ 8.05	Registration of Concurrent Rights
§ 8.06	Term of Protection and Renewal
CHAPTER 9:	Assignments and Licenses
§ 9.01	Scope
§ 9.02	Assignments
[1]	Scope
[2]	Effectiveness
[3]	Distinctiveness
§ 9.03	License
	v

[1]	Availability
[2]	Control
[3]	Proceedings for Infringement
CHAPTER 10:	Expungement
§ 10.01	Section 45 Proceedings
[1]	Summary Procedure
[2]	Evidence
[3]	Effect of Non-Use
[4]	The Hearing
[5]	Appeal
§ 10.02	Expungement by the Federal Court
[1]	Jurisdiction
[2]	Procedure
[3]	Person Interested
[4]	Limitations
[5]	Grounds for Expungement
[a]	Not Registrable
[b]	Not Distinctive
[c]	Abandonment

CHAPTER 11: Confusing Trademarks

Entitlement

[d]

§ 11.01	Introduction	
§ 11.02	Confusing Trademarks	
[1]	The Statutory Framework	
[2]	Inherent Distinctiveness	
[3]	Duration of Use	
[4]	The Nature of the Wares, Service, or Business	
[5]	Famous Trademarks	
[6]	Nature of the Trade	
[7]	Degree of Resemblance	
[a]	Fifth Factor	
[b]	Appearance	
[c]	Sound	
[d]	Idea	
[e]	Other Circumstances	

CHAPTER 12:	Opposition Proceedings
§ 12.01	Introduction
§ 12.02	Statement of Opposition
[1]	Time for Filing and Extensions
[2]	Grounds of Opposition
[3]	The Material Dates
[4]	Content
[5]	Counter Statement
[6]	Amendments
§ 12.03	Evidence
[1]	The Framework
[2]	The Onus of Proof
[3]	The Nature of the Evidence
§ 12.04	The Hearing
§ 12.05	Appeal
CHAPTER 13:	Infringement
§ 13.01	Infringement
§ 13.01 [1]	Infringement Statutory Framework
[1]	Statutory Framework
[1] [a]	Statutory Framework Section 19
[1] [a] [b]	Statutory Framework Section 19 Section 20
[1] [a] [b] [2]	Statutory Framework Section 19 Section 20 The Requirement to Show Use
[1] [a] [b] [2] [3]	Statutory Framework Section 19 Section 20 The Requirement to Show Use Invalidity
[1] [a] [b] [2] [3] [4]	Statutory Framework Section 19 Section 20 The Requirement to Show Use Invalidity Comparison with a Claim for Passing Off
[1] [a] [b] [2] [3] [4] [5]	Statutory Framework Section 19 Section 20 The Requirement to Show Use Invalidity Comparison with a Claim for Passing Off Grey Market Goods
[1] [a] [b] [2] [3] [4] [5] § 13.02	Statutory Framework Section 19 Section 20 The Requirement to Show Use Invalidity Comparison with a Claim for Passing Off Grey Market Goods Defenses to an Action for Infringement
[1] [a] [b] [2] [3] [4] [5] § 13.02 [1]	Statutory Framework Section 19 Section 20 The Requirement to Show Use Invalidity Comparison with a Claim for Passing Off Grey Market Goods Defenses to an Action for Infringement Invalidity of the Plaintiff's Registered Trademark
[1] [a] [b] [2] [3] [4] [5] § 13.02 [1] [2]	Statutory Framework Section 19 Section 20 The Requirement to Show Use Invalidity Comparison with a Claim for Passing Off Grey Market Goods Defenses to an Action for Infringement Invalidity of the Plaintiff's Registered Trademark Ownership
[1] [a] [b] [2] [3] [4] [5] § 13.02 [1] [2] [3]	Statutory Framework Section 19 Section 20 The Requirement to Show Use Invalidity Comparison with a Claim for Passing Off Grey Market Goods Defenses to an Action for Infringement Invalidity of the Plaintiff's Registered Trademark Ownership Consent or License
[1] [a] [b] [2] [3] [4] [5] § 13.02 [1] [2] [3] [4]	Statutory Framework Section 19 Section 20 The Requirement to Show Use Invalidity Comparison with a Claim for Passing Off Grey Market Goods Defenses to an Action for Infringement Invalidity of the Plaintiff's Registered Trademark Ownership Consent or License Denial of Infringement
[1] [a] [b] [2] [3] [4] [5] § 13.02 [1] [2] [3] [4] [5]	Statutory Framework Section 19 Section 20 The Requirement to Show Use Invalidity Comparison with a Claim for Passing Off Grey Market Goods Defenses to an Action for Infringement Invalidity of the Plaintiff's Registered Trademark Ownership Consent or License Denial of Infringement Plaintiffs Own Goods Depreciating the Value of the Goodwill Attached to a
[1] [a] [b] [2] [3] [4] [5] § 13.02 [1] [2] [3] [4] [5] § 13.03	Statutory Framework Section 19 Section 20 The Requirement to Show Use Invalidity Comparison with a Claim for Passing Off Grey Market Goods Defenses to an Action for Infringement Invalidity of the Plaintiff's Registered Trademark Ownership Consent or License Denial of Infringement Plaintiffs Own Goods Depreciating the Value of the Goodwill Attached to a Trademark

CHAPTER 14:	Common Law Rights—Passing Off
§ 14.01	Passing Off
[1]	The Nature of the Tort
[2]	Reputation or Goodwill
[3]	Trade Dress or Get Up
[4]	Misrepresentation
[5]	Damage
[6]	The Relevant Date
§ 14.02	Subsection 7(b) and (c) of the Trade-marks Act
§ 14.03	Defenses
[1]	The Absence of Reputation or Goodwill
[a]	Lack of Distinctiveness
[b]	Concurrent Right
[c]	Descriptive Words or Marks
[d]	Geographical Words or Marks
[e]	Functionality
[2]	Other Defenses
[a]	Use of a Registered Trademark
[b]	Use of an Individual's Own Name
[c]	Plaintiff's Own Goods
CHAPTER 15:	Actions for Infringement and Passing Off
§ 15.01	Scope
§ 15.02	Jurisdiction
§ 15.03	Interim Proceedings
[1]	Proceedings for Interim Custody
[2]	Proceedings for Detention by Minister
§ 15.04	Parties
[1]	Plaintiff
[2]	Licensee
[3]	Defendants
[4]	Directors and Officers
§ 15.05	Pleadings
[1]	Basic Requirements
[2]	Particulars
§ 15.06	Interlocutory Injunctions
[1]	Purpose

[2]	The Test for Granting an Interlocutory Injunction
[3]	A Serious Question to Be Tried
[4]	Irreparable Harm
[5]	The Balance of Convenience
§ 15.07	Anton Piller Orders
[1]	Purpose
[2]	Conditions for Granting an Order
[3]	Safeguards in the Order
[a]	Not Implicit
[b]	Basic Protection for the Rights of the Parties
[c]	The Conduct of the Search
[d]	Procedure Following the Search
[e]	Solicitor-Client Privilege
[f]	Setting Aside the Order
§ 15.08	Discovery
§ 15.09	Delay and Acquiescence
§ 15.10	Limitation Period
§ 15.11	Evidence at Trial
[1]	Plaintiff's Ownership in an Action for Infringement
[2]	Infringement
[3]	Passing Off
§ 15.12	Remedies
[1]	The Trade-marks Act
[2]	Permanent Injunction
[3]	Profits or Damages
[a]	Alternative Remedies
[b]	Assessment of Damages
[c]	Account of Profits
[4]	Destruction, Exportation or Other Disposition of Offending
	Wares
[5]	Costs
CHAPTER 16:	Domain Names
§ 16.01	The Internet
§ 16.02	Domain Names
[1]	First Come, First Served
[2]	gTLD Domain Names

[3]	.ca Domain Names
[4]	Trademark Protection
§ 16.03	Jurisdictional Issues
§ 16.04	The UDRP
[1]	History
[2]	Applicable Disputes
[3]	Confusingly Similar
[4]	No Rights or Legitimate Interest
[5]	Bad Faith
[6]	Procedure
§ 16.05	The CDRP
[1]	History
[2]	Applicable Disputes
[3]	Confusingly Similar
[4]	No Legitimate Interest
[5]	Bad Faith
[6]	Procedure
[7]	CDRP WHOIS Privacy Policy
§ 16.06	Actions in the Courts
CHAPTER 17:	Convright: Rasic Concents
CHAPTER 17:	Copyright: Basic Concepts
§ 17.01	Introduction
§ 17.01 [1]	Introduction Introduction
§ 17.01 [1] [2]	Introduction Introduction Acquisition
§ 17.01 [1] [2] [3]	Introduction Introduction Acquisition Originality
§ 17.01 [1] [2] [3] [4]	Introduction Introduction Acquisition Originality Fixation
§ 17.01 [1] [2] [3] [4] [5]	Introduction Introduction Acquisition Originality Fixation Compilations
§ 17.01 [1] [2] [3] [4]	Introduction Introduction Acquisition Originality Fixation
§ 17.01 [1] [2] [3] [4] [5]	Introduction Introduction Acquisition Originality Fixation Compilations
§ 17.01 [1] [2] [3] [4] [5] [6]	Introduction Introduction Acquisition Originality Fixation Compilations Derivative Works
§ 17.01 [1] [2] [3] [4] [5] [6] CHAPTER 18:	Introduction Introduction Acquisition Originality Fixation Compilations Derivative Works Literary, Dramatic, Musical, and Artistic Works
\$ 17.01 [1] [2] [3] [4] [5] [6] CHAPTER 18:	Introduction Introduction Acquisition Originality Fixation Compilations Derivative Works Literary, Dramatic, Musical, and Artistic Works Introduction
§ 17.01 [1] [2] [3] [4] [5] [6] CHAPTER 18: § 18.01 § 18.02	Introduction Introduction Acquisition Originality Fixation Compilations Derivative Works Literary, Dramatic, Musical, and Artistic Works Introduction Literary Works
§ 17.01 [1] [2] [3] [4] [5] [6] CHAPTER 18: § 18.01 § 18.02 [1]	Introduction Introduction Acquisition Originality Fixation Compilations Derivative Works Literary, Dramatic, Musical, and Artistic Works Introduction Literary Works What Is Protected
\$ 17.01 [1] [2] [3] [4] [5] [6] CHAPTER 18: \$ 18.01 \$ 18.02 [1] [2]	Introduction Introduction Acquisition Originality Fixation Compilations Derivative Works Literary, Dramatic, Musical, and Artistic Works Introduction Literary Works What Is Protected Computer Programs

[2]	Cinematographic Works
[3]	The Rights Associated with a Dramatic Work
§ 18.04	Musical Works
[1]	What Is Protected
[2]	The Rights Associated with a Musical Work
§ 18.05	Artistic Works
[1]	What Is Protected
[2]	The Rights Associated with an Artistic Work
[3]	Designs Applied to Useful Articles
[a]	By the Eye
[b]	Definitions
[c]	Non-Infringement Designs of Eye Appealing Features
	Applied to Useful Articles
[d]	Non-Infringement—Useful Article Features
CHAPTER 19:	Neighboring Rights
§ 19.01	Introduction
§ 19.02	Performers' Rights
[1]	What Is Protected
[2]	Performer's Rights—Canada and Rome Convention
	Countries
[a]	Overview
[b]	Rights Associated with a Performers' Performance
[c]	Contracting Out
[d]	Points of Attachment
[3]	Performer's Rights—Canada or WPPT Country
[a]	WPPT Country
[b]	Rights Associated with a Performer's Performance
[c]	Points of Attachment
[d]	Performer's Moral Rights
[4]	Performers' Rights—WTO Countries
[5]	The Right to Equitable Remuneration
[a]	Entitlement
[b]	The Points of Attachment
[c]	After November 7, 2012

§ 19.03	Sound Recordings
[1]	What Is Protected
[2]	The Rights Associated with a Sound Recording after
t-1	September 1, 1997
[3]	Additional Rights and Other Changes after November 7,
[-]	2012
[4]	The Right to Equitable Remuneration
§ 19.04	Broadcaster's Communication Signal
[1]	What Is Protected
[2]	The Rights Associated with a Broadcaster's
	Communication Signal
CITA PERED AG.	Manual Walter
CHAPTER 20:	Moral Rights
§ 20.01	What Is Protected
§ 20.02	The Right to the Integrity of the Work
§ 20.03	The Right to Be Associated with the Work or Performance or
0.00.04	to Remain Anonymous
§ 20.04	Waiver
§ 20.05	Term of Protection and Succession
CHAPTER 21:	Term of Protection
CHAPTER 21: § 21.01	Term of Protection The General Term of Protection
§ 21.01	The General Term of Protection
§ 21.01 § 21.02	The General Term of Protection Anonymous and Pseudonymous Works
§ 21.01 § 21.02 § 21.03	The General Term of Protection Anonymous and Pseudonymous Works Posthumous Works
§ 21.01 § 21.02 § 21.03 § 21.04	The General Term of Protection Anonymous and Pseudonymous Works Posthumous Works Works of Joint Authorship
§ 21.01 § 21.02 § 21.03 § 21.04 § 21.05	The General Term of Protection Anonymous and Pseudonymous Works Posthumous Works Works of Joint Authorship Photographs
§ 21.01 § 21.02 § 21.03 § 21.04 § 21.05 § 21.06	The General Term of Protection Anonymous and Pseudonymous Works Posthumous Works Works of Joint Authorship Photographs Cinematographic Works Crown Copyright Performer's Performances, Sound Recordings and
§ 21.01 § 21.02 § 21.03 § 21.04 § 21.05 § 21.06 § 21.07 § 21.08	The General Term of Protection Anonymous and Pseudonymous Works Posthumous Works Works of Joint Authorship Photographs Cinematographic Works Crown Copyright Performer's Performances, Sound Recordings and Communication Signals
§ 21.01 § 21.02 § 21.03 § 21.04 § 21.05 § 21.06 § 21.07	The General Term of Protection Anonymous and Pseudonymous Works Posthumous Works Works of Joint Authorship Photographs Cinematographic Works Crown Copyright Performer's Performances, Sound Recordings and
§ 21.01 § 21.02 § 21.03 § 21.04 § 21.05 § 21.06 § 21.07 § 21.08	The General Term of Protection Anonymous and Pseudonymous Works Posthumous Works Works of Joint Authorship Photographs Cinematographic Works Crown Copyright Performer's Performances, Sound Recordings and Communication Signals
§ 21.01 § 21.02 § 21.03 § 21.04 § 21.05 § 21.06 § 21.07 § 21.08	The General Term of Protection Anonymous and Pseudonymous Works Posthumous Works Works of Joint Authorship Photographs Cinematographic Works Crown Copyright Performer's Performances, Sound Recordings and Communication Signals Abandonment
§ 21.01 § 21.02 § 21.03 § 21.04 § 21.05 § 21.06 § 21.07 § 21.08 § 21.09 CHAPTER 22:	The General Term of Protection Anonymous and Pseudonymous Works Posthumous Works Works of Joint Authorship Photographs Cinematographic Works Crown Copyright Performer's Performances, Sound Recordings and Communication Signals Abandonment Ownership of Copyright
§ 21.01 § 21.02 § 21.03 § 21.04 § 21.05 § 21.06 § 21.07 § 21.08 § 21.09 CHAPTER 22: § 22.01	The General Term of Protection Anonymous and Pseudonymous Works Posthumous Works Works of Joint Authorship Photographs Cinematographic Works Crown Copyright Performer's Performances, Sound Recordings and Communication Signals Abandonment Ownership of Copyright Authorship
§ 21.01 § 21.02 § 21.03 § 21.04 § 21.05 § 21.06 § 21.07 § 21.08 § 21.09 CHAPTER 22: § 22.01 [1]	The General Term of Protection Anonymous and Pseudonymous Works Posthumous Works Works of Joint Authorship Photographs Cinematographic Works Crown Copyright Performer's Performances, Sound Recordings and Communication Signals Abandonment Ownership of Copyright Authorship The Author Is the Owner

[1]	Introduction
[2]	Photographs
[a]	Photographs Made after November 7, 2012
[b]	The Author of a Photograph before November 7, 2012
[c]	Photographs Ordered for Valuable Consideration before
	November 7, 2012
[i]	Overview
[ii]	Order
[iii]	Valuable Consideration
[iv]	Agreement to the Contrary
[v]	Contracts of Service
[3]	Engravings
[4]	Portraits
§ 22.03	Other Commissioned Works
§ 22.04	Contracts of Service
[1]	Employment Under a Contract of Service or
	Apprenticeship
[a]	Overview
[b]	The Control Test
[c]	The Organization or Integration Test
[d]	The Economic Reality Test
[2]	In the Course of Employment
[3]	Absence of Agreement to the Contrary
[4]	Articles or Other Contributions to a Newspaper, Magazine,
	or Similar Periodical
§ 22.05	Collective Works
§ 22.06	Compilations
§ 22.07	Works of Joint Authorship
[1]	Statutory Definition
[2]	Collaboration of Two or More Authors
[3]	The Nature of the Contribution
[4]	The Nature of Joint Authors' Interest
§ 22.08	Cinematographic Works
§ 22.09	Performer's Performances, Sound Recordings, and
	Communication Signals
§ 22.10	Presumptions as to Ownership

CHAPTER 23:	Crown Copyright
§ 23.01	Crown Copyright
[1]	The Crown
[2]	Government Departments
[3]	The Rights Available to the Crown
[4]	Federal Policy Relating to Crown Copyright
[5]	Other Rights under the Act
§ 23.02	Crown Prerogative
§ 23.03	Crown Immunity
CHAPTER 24:	Assignment
§ 24.01	Assignments
[1]	The Extent of the Right
[2]	Partial Assignments
[3]	The Rights of the Assignor
[4]	Must Be In Writing
[5]	Construction
[6]	Transfer of Possession of Physical Things
[7]	Limitation where the Author Is the First Owner of
	Copyright
[8]	Registration of Assignments and Licenses
§ 24.02	Devolution
§ 24.03	Bankruptcy
[1]	The Property of the Bankrupt
[2]	Licenses
[3]	Proposals
[4]	Reversion of Copyright
CHAPTER 25:	Licenses
§ 25.01	Scope
§ 25.02	Proprietary Licenses
§ 25.03	Ordinary Licenses
§ 25.04	Implied Licenses
§ 25.05	Assignment
§ 25.06	Withdrawal of Consent
§ 25.07	Licenses by Operation of Law
	Viv