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Changes to Canada's Trademarks Act

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June 17, 2019 is the implementation date for new trademark rules

It has been a long time coming, but effective June 17, 2019, Canada's new *Trademarks Act* takes force. Trademark applications filed after June 17 will be evaluated using Canada's new rules. A quick summary of the new provisions are set out below.

Highlights

1. Canadian trademark law moves to Madrid

Overall, Canada now falls in line with international conventions surrounding cross-border trademarks. Canadian brand owners can secure international registration with a single application via the Madrid System. This may offer cost savings for Canadian brand owners filing international applications.

2. Trademark applications no longer have a use basis

The new *Trademarks Act* eliminates the use requirement once needed at the time of application. Prior use will still be considered when establishing entitlement, but will not appear as a prerequisite to registration.

3. New forms of trademarks

Atypical renderings and creations, including sounds, holograms, textures, 3D models and moving objects, can all be registered under the new Act. All new marks are still required to be distinctive and applicants will be required to submit further evidence of a mark's distinctiveness.

4. Revamped renewals and lowered term of protection

Government fees for renewal will now be calculated based on the number of classes - the first class will be C\$400 and each additional class will be C\$125. As of June 17, renewal terms will shorten to 10 years and renewal fees may be paid only six months in advance of the renewal deadline.

5. Divisionals permitted

Applicants will be able to divide portions of their applications. Unproblematic portions of applications now have the ability to move through, regardless of peripheral issues surrounding the goods and services of the application.

6. Nice Classification system

Goods and services will be classified according to the Nice Classification system. Canadian practices and systems will, in effect, become more similar to those practices employed within the United States. Canada will still retain its idiosyncratic method of describing goods and services within the Nice classes.

Where do we go from here?

With these new changes, expect an increase in the overall number of trademark applications. A more refined application system means that brand owners and their legal counsel should set up robust monitoring systems that can identify problematic trademarks as a result of the broader categories and

abandonment of the use-based system. Additional changes may be on the horizon. It is important to keep an eye on this evolving industry.

Litigation may become more common, and instituting a watching brief to make sure that the trolls do not acquire your mark is something to seriously consider under the new regime.

Please feel free to contact a member of the Aird & Berlis Trademarks & Branding Group if you have any questions.

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