

Tony Wilson



Trademarks

Because it's best to write about something you know, let's take this opportunity to introduce you to Trademarks, something near and dear to my practice.

Trademarks are indispensable to Franchising. In fact, they're indispensable to most businesses because they involve one of the client's most valuable assets: Its brand.

Branding is very important. Manufacturers, retailers, and service providers spend billions and billions of dollars into the world economy each year on advertising their product or service to those who might buy it.

The ad in the London Drugs flyer advertising the Sony Big Screen TV is touting the well-known Sony brand but it's also trying to get your attention so you'll buy it at London Drugs and not, say, The Brick. The TV commercial for Corona, featuring "the bottle and the beach," wants you to want to be on that beach with that bottle, doesn't it?

And if you're thinking about going for dinner after the hockey game on TV, you might think of going to The Keg because you saw one of their commercials.

When I speak to groups about trademarks, I always draw an imaginary *checkmark* in the air next to me and ask the audience what I'm

drawing. Most people say, "It's the Nike Swoosh!" Nike wants you to recognize the *swoosh* as its brand—and it seems to work.

Advertising and marketing exist to persuade you to go out and buy a product or service. They do that by promoting *brands*. And as you can appreciate, the company's brand or the brand of its product or service may be the most important asset it owns, far outstripping the value of manufacturing facilities, machinery, or equipment.

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Brands aren't just for big companies like Sony, Corona, and The Keg. They're for small companies, too. In fact, any business that advertises services or products under a distinctive name that is (or could one day be) recognized by customers as a brand should be considering protecting that brand with trademark registration.

If registered, a trademark will normally give a business the legal right to stop others from using an identical or confusingly similar brand.

I would be very wealthy if I got a dollar every time someone said, "I have a name I want to copyright" or "My company's brand is being copied so I have to patent it."

Even the news media get it wrong 50 percent of the time, such as when a reporter spoke last year about the copyright infringement case between Apple Computers and The Beatles. Wrong! It was a **trademark** dispute over the Apple brand.

Copyright means, quite simply, the right to copy. Copyright provides protection for literary, artistic, dramatic, or musical works including computer programs, as well as performance, sound recording, and communication signals. Only the owner of the copyright has the right to produce or reproduce a work or allow someone else to do that. Copyright is the right granted to the owner of a work to print, copy, or distribute a work or make a "derivative version" of the work, for example, a film based on a comic book, a TV show based on a novel, and so on. More important, copyright gives its owner the right to stop others from copying that work or a portion of it.

But copyright protection is not the same as trademark protection, so the little copyright symbol © does not refer to a trademark.

A patent, on the other hand, is neither copyright nor trademark. A patent is a monopoly the government gives to an inventor whereby the inventor has the right to prevent others from manufacturing or selling that invention for 20 years after the filing of the patent. Patents cover new inventions or any new and useful improvement to an existing invention.

And a patent isn't a trademark.

There are other intellectual property rights such as industrial designs, integrated circuit topographies, trade secrets, confidentiality, and trade-dress, which I'll talk about in a future article.

So if a trademark isn't a copyright or a patent, what is it?

A trademark is a word, symbol, design, or any combination that is used to distinguish the wares and/or services of one trader in the marketplace from those of another.

When we talk about registered trademarks, we're talking about recognized brands like Windows® and Apple®. Coca-Cola® and McDonalds®. CIBC® and HSBC®. IBM® and DELL®. Blackberry® and iPhone®.

But we're also talking about numbers like 649®, slogans such as We Do It All For You®, even designs incorporated as part of the brand—with or without words. The Nike swoosh is but one example.

The ® I placed next to those trademarks above is the symbol used to designate that the mark has been registered. Registration could take a couple of years to complete. The practice in Canada is to use the symbol ™ to designate words or designs (brands!) for which application has been made but the registration process is still ongoing.

You might also use ™ with respect to words or designs you are using as a brand, even if you haven't applied for registration. This symbol, although not a good substitute for registration, at least tells the world you are using the words or design as a trademark, which may assist if and when you want to register and have to assert a date of first use for the mark.

Rights are available to unregistered trademark users, although they are inferior to the rights granted to registered marks under the *Trade-marks Act*. If the mark used by the client represents a valuable brand, it's worth registering. A test of whether it's valuable is this: Is the client spending money advertising it?

I would also be rich if I got a dollar every time someone said, "I have a trademark! I filed it in Victoria." Although Victoria reserves and awards corporate and business names in British Columbia, Victoria has nothing to do with the registration of trademarks, which is done through the Canadian Intellectual Property Office in Ottawa. Hull, actually.

Trademarks are usually filed by Registered Trademark Agents who are often lawyers but can be specialized nonlawyers. The process could take between 8 months and 3 years to complete, depending on the nature of the application; whether the Registrar of Trademarks objects to the registration based on the reasons specified in the *Trade-marks Act*; and whether the application is opposed by a third party who didn't like the Registrar's decision to allow the mark.

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One reason the Registrar might not allow a trademark is if the specific mark might be confused with a previously registered mark. Another ground may be that the mark is clearly descriptive or deceptively misdescriptive of the wares or services for which the mark is being sought. For example, if the mark being sought is simply the actual name of the product or service—"Hamburger Restaurant" for a restaurant that serves hamburgers.

So it's important to pick a brand that is distinctive, because distinctive—and original—brands stand a better chance of getting registered than generic ones . . . and they are easier to protect once registered.

If you've used your trademark by selling products where the mark is on the product or packaging, you normally can apply for registration of the trademark with the Canadian Intellectual Property Office on the basis of actual use.

With services, you can apply for registration of the trademark on the

basis of actual use when you advertise those services. The date of "first use" may be important if there are competing applications for the same mark—one reason why the date the mark was first used is important.

But you can also make application on the basis of proposed use, meaning you intend to use the trademark soon but haven't done it yet and want to reserve it until you do use it. At that time, you will have to execute a Declaration of Use that the mark has been used, pursuant to the *Trade-Marks Act*.

"Use" is always tricky, but for wares—goods, the date the wares were actually sold in association with the mark, say, on packaging, will normally amount to use, but other use may qualify as well, such as a big sign above the checkout counter. Use for services is different; it includes the date the services were performed or the date they were advertised.

In summary, a good resource is the Canadian Intellectual Property Office (CIPO) site. http://www.cipo.ic.gc.ca/eic/site/cipointernet-internetopic.nsf/eng/h_wr00002.html

You can do a basic search of existing Canadian applications and registrations at <http://www.ic.gc.ca/app/opic-cipo/trdmrks/srch/tmSrch.do?lang=eng>.

But be warned: This search engine is not always accurate, and won't necessarily find apostrophes, plurals, or phonetic equivalents. Lawyers and trademark agents tend to do more comprehensive searches before applications are made, to avoid applying for a mark someone else already has. ▲

Tony Wilson practises franchising and Intellectual Property Law at Boughton Law Corporation in Vancouver and teaches Contract law in the BC Notaries' Master of Arts of Applied Legal Studies (MAALS) program at Simon Fraser University.

twilson@boughton.ca

http://www.boughton.ca/people/lawyers/tony_wilson