

Trade-mark Opposition Proceedings:
An Overview

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Introduction

A trade-mark application moves through various stages before either being allowed to proceed to registration or, alternatively, rejected. Provided the trade-mark has survived the examiner's scrutiny and does not, to his/her satisfaction, contravene the provisions of *Trade-marks Act*,¹ it is then advertised to the public so that they may be given an opportunity to oppose the registration of the trade-mark. If the trade-mark is not opposed, it will proceed to registration by the Trade-marks Office. However, if a member of the public opposes the mark, what commences is a proceeding termed an "opposition", which is the subject of this overview paper.

I. Stages of the opposition

If a person would like to prevent an application for the registration of a trade-mark one can initiate an opposition proceeding at the time the application is advertised in the Trade-marks Journal.² If no opposition is filed within the required time period for doing so the Registrar will allow the application for registration.³ The various stages in an opposition proceeding are discussed below.

1) Statement of Opposition

The statement of opposition can be thought of as the equivalent of a statement of claim in general litigation proceedings. It is with this document that the opponent commences opposition

¹ *Trade-marks Act*, R.S.C. 1985, c. T-13, as amended [*Trade-marks Act*]. The regulations promulgated under the authority of this statute are known as the *Trade-marks Regulations (1996)* and can be found at SOR/96-195, as amended [*TM Regs*]. Because this paper deals exclusively with the *Trade-marks Act* and regulations, references herein to section numbers can be taken to be to the *Trade-marks Act* unless otherwise stated.

² The Registrar will examine a trade-mark application in order to determine whether it satisfies the requirements set out in the *Trade-marks Act*. If the Registrar is satisfied that the application meets the prescribed requirements the application will be advertised in the Trade-marks Journal pursuant to section 37(1).

³ S. 39(1).

proceedings, and the statement itself serves as the foundation for the opposition process by containing the grounds (legal and sufficient factual bases) upon which the opponent opposes the grant of the applicant's trade-mark. Given its place in opposition proceedings, it should naturally bear the hallmarks of good pleadings generally: be clear and concise, logically presented, and should in all events contain every argument upon which the opponent will rely to oppose the grant of the trade-mark.⁴

a) Who and when may a statement of opposition be filed

Once a trade-mark application is advertised in the Trade-marks Journal, anyone may oppose the application by filing a statement of opposition within two months from the date of advertisement. It is not necessary that the person opposing the registration of the trade-mark show that their business would be adversely affected by the registration.⁵

The statement of opposition must be filed with the prescribed fee set out in the *Trade-marks Regulations*.⁶ At present the fee prescribed for filing a statement of opposition is \$750. The statement of opposition is filed in duplicate with the Registrar.⁷

b) If additional time is required to file a statement of opposition

If more time is required in order to file a statement of opposition, one may request an extension of time by writing a letter to the Registrar. The letter should state that the person wishes to oppose the application but requires additional time to file a statement of opposition and should

⁴ This is especially salient given that, as shall be detailed below, amendments to statements of opposition are not granted as of right.

⁵ *Parlam Corp. v. Ciba Co. Ltd.* (1961), 36 C.P.R. 78 (Ex. Ct.); *Centennial Grocery Brokers Ltd. v. Canada (Registrar of Trade-marks)* [1972] F.C. 257, 5 C.P.R. (2d) 235 (F.C.T.D.).

⁶ The tariff of fees is set out in a Schedule to the *Trade-mark Regulations*.

⁷ *TM Regs* s. 38.

provide an explanation as to why additional time is needed.⁸ In addition, the letter should specify the date that the trade-mark was advertised in the Trade-marks Journal.⁹ The request for an extension of time must be accompanied by the payment of the prescribed fee set out in the *Trade-marks Regulations*. Provided the explanation is reasonable and the correct fee is enclosed, a three month extension will be granted to file a statement of opposition.

An extension of time to file the statement of opposition may also be requested after expiration of the time limit to file a statement of opposition.¹⁰ However, no extension will be provided once the application has been allowed,¹¹ except for in the exceptional circumstances set out in section 39(3) of the *Trade-marks Act*.¹² As such, one must make sure to request the extension in a timely manner.

c) Need for verification of extension

While requests for initial extensions of time are generally granted, one should not assume this will always be the case. In *Sadhu Singh Hamdard Trust v. Registrar of Trade-marks*,¹³ the opponent wrote to the Registrar (within two months of advertisement) requesting an extension of time to file a statement of opposition. The Registrar received the request but did not acknowledge that the extension had been granted. When the opponent tried to file a statement of

⁸ Practice Notice [PN] published online at <http://cipo.gc.ca> on August 19, 1996 (also published in the June 19, 1996 issue of the Trade-marks Journal) entitled "Procedure Before the Trade-marks Opposition Board" says "No request for an extension of time pursuant to s. 47(1) will be granted unless a reason is given to explain why additional time is needed."

⁹ PN August 19, 1996.

¹⁰ PN August 19, 1996 states that no retroactive extension of time pursuant to s. 47(2) of the *Trade-marks Act* will be granted unless facts are provided to justify the conclusion that the failure to do the act or apply for an extension within the time limit was not reasonably avoidable.

¹¹ S. 39(2).

¹² S. 39(3) provides an exception that the Registrar may withdraw an allowance of an application and extend the time to oppose if the application was allowed without considering a previously filed request to extend the time to oppose. This exception will not be available if a certificate of registration has issued.

¹³ *Sadhu Singh Hamdard Trust v. Canada (Registrar of Trade-Marks)* 2006 FC 171.

opposition three months later, it was not accepted by the Registrar because the application had been allowed and the trade-mark registered. The opponent brought an application under s. 56 of the *Trade-marks Act* to the Federal Court appealing the decision of the Registrar to register the trade-mark. In dismissing the application Justice von Finckenstein found that the Registrar was under no duty to grant the extension or even acknowledge the request, and that opponent should have confirmed that the extension had been granted. He further held the Registrar's failure to act on the request for extension of time was not a "decision" that can be overturned. This decision highlights the importance of exercising caution and confirming, either by telephone or in writing, that the extension was granted prior to the expiry of the two month period to file a statement of opposition.¹⁴

d) Requirements for the statement of opposition

Notwithstanding its importance in the opposition process, there are no formal requirements as to the contents of a statement of opposition except that it must:

- i) contain the address of the opponent's principal office or place of business in Canada (or address for service in Canada and address of principle office or place of business abroad);¹⁵ and
- ii) set out the grounds of opposition in sufficient detail to allow the applicant to respond to it.¹⁶

e) Registrar's initial review of the statement of opposition

The Registrar is required to examine the statement of opposition in order to determine if there is at least one substantial issue raised. If the Registrar is of the opinion that the opposition "does

¹⁴ The decision of Justice von Finckenstein has been appealed to the Federal Court of Appeal (A-93-06).

¹⁵ S. 38(3)(b).

¹⁶ S. 38(3)(a).

not raise a substantial issue for decision”, i.e. is frivolous, the Registrar must reject the opposition and notify the opponent of its rejection.¹⁷ If the Registrar is satisfied that the opposition raises a substantial issue for decision it must forward one copy of the statement of opposition to the applicant.¹⁸ A substantial issue has been held by the Court to mean “an issue to be tried or, in other words, one where the adverse party might possibly succeed if the allegations raised were established”.¹⁹ The fact that the Registrar forwards a copy of the statement of opposition to the applicant is not an endorsement by the Trade-marks Opposition Board that all or any particular ground of opposition is valid or that it is properly pleaded.²⁰

f) Amending a statement of opposition

Once a statement of opposition is filed it may be amended only with leave of the Registrar.²¹

The Trade-marks Opposition Board will only grant leave to amend the statement of opposition if it is satisfied that allowing the amendment is in the interest of justice having regard to all of the surrounding circumstances including the following:

- a) the stage of the opposition proceeding;
- b) why the amendment was not made earlier;
- c) the importance of the amendment; and
- d) prejudice that will be suffered by the other party if the amendment is granted.²²

The request for leave to amend should include a covering letter indicating what amendments are being sought and a copy of the proposed amended statement of opposition. The other party should also be served with a copy of the request and proposed amendments. If the other party

¹⁷ S. 38(4).

¹⁸ S. 38(5).

¹⁹ *Koffler Stores Ltd. v. Canada (Registrar of Trade-Marks)* (1976), 28 C.P.R. (2d) 113 (F.C.T.D.) at para. 3.

²⁰ PN November 8 2006 entitled “Review of Statements of Opposition under Subsections 38(4) and (5) of the *Trade-Marks Act*”.

²¹ *TM Regs* s. 40

²² PN August 19, 1996.

does not raise objections the request will generally be granted. In general, the granting of leave to amend a statement of opposition has no effect on any outstanding deadlines.²³

2) Counter statement

Once the Registrar forwards a copy of the statement of opposition to the applicant, the applicant has one month to file a counter statement.²⁴ If additional time is required to file a counter statement the applicant can, within the one month, file a request for an extension of time and pay the prescribed fee. If granted an extension, the applicant will then have an additional three months to file its counter statement.²⁵

Before filing a counter statement the applicant can also request an interlocutory ruling striking out all or any ground of opposition.²⁶ These interlocutory motions to strike are dealt in greater detail below under the heading “Interlocutory motions”.

The counter statement should respond to the allegations raised in the statement of opposition and not raise any new matters. The applicant files one copy of the counter statement with the Registrar and serves one copy on the opponent.²⁷ If no counter statement is filed the trade-mark application will be deemed to have been abandoned.²⁸

²³ *PN* August 19, 1996.

²⁴ S. 38(6) and *TM Regs* s. 39. Under proposed amendments to the *Trade-marks Regulations* published in the Canada Gazette on December 23, 2006, the time for filing a counter statement would be increased to two months.

²⁵ *PN* August 19, 1996.

²⁶ *Novopharm Ltd. v. AstraZeneca AB et al.* (2002), 21 C.P.R. (4th) 289 (F.C.A.); See also *PN* November 8, 2006.

²⁷ S. 38(6) and *TM Regs* s. 39.

²⁸ S. 38(7.2).

Amending a counter statement

Once a counter statement is filed, amendments are allowed only with leave of the Registrar.²⁹

The criteria and procedure for obtaining leave to amend a counter statement are identical to that of obtaining leave to amend a statement of opposition.

3) Evidentiary stage

As outlined below, the opponent and the applicant are both given an opportunity to file evidence in support of its position. The rules of evidence which are applicable in the Federal Court are in general applicable in trade-mark opposition proceedings.³⁰

a) Opponent's evidence

Upon receiving the applicant's counter statement the opponent has one month to file evidence, in the form of an affidavit or statutory declaration, that it will rely on to support its opposition.³¹

The evidence filed with the Registrar must also be served on the applicant.³²

In the event that the opponent requires additional time, an extension of time may be requested of the Trade-marks Opposition Board and must be accompanied by the prescribed fee. If granted, the opponent will have an additional six months to file evidence.³³ If the opponent does not wish to file evidence it must file a statement within one month stating that it does not wish to submit evidence, otherwise the opposition will be deemed withdrawn.³⁴

²⁹ *TM Regs* s. 40.

³⁰ *PN* August 19, 1996.

³¹ S. 38(7), *TM Regs* s. 41(1)(a). Under proposed amendments to the *Trade-marks Regulations* published in the *Canada Gazette* on December 23, 2006, the time for filing evidence would be increased to four months.

³² *TM Regs* s. 41(1)(b).

³³ *PN* August 19, 1996.

³⁴ S. 38(7.1), *TM Regs* s. 41(2).

If the opponent requests an extension of time to file evidence, but its request is not granted by the Registrar, and the opponent has yet to file any evidence, then the opponent will be advised that it has three weeks to file and serve a statement that it does not wish to submit evidence.³⁵ In the event that the opponent fails to file and serve such a statement within the three weeks, the opposition will be deemed to be abandoned.³⁶

b) Cross-examination on Opponent's evidence

The applicant may cross-examine the opponent's affiant(s) or declarant(s) before filing its evidence by requesting the Registrar to order cross-examinations.³⁷ While not strictly required, if requesting cross-examinations one should also file a request for an extension of time to file evidence. The Registrar only has jurisdiction to order cross-examinations at any time before he or she issues notice to the parties that they may file written arguments.³⁸ However if the request for an order seeking cross-examinations is received by the Registrar within two months from the date the applicant received the opponent's evidence, the practice adopted by the Registrar is to specify in the order for cross-examinations that the applicant will have four months from the completion of cross-examinations to file its evidence.³⁹

If the parties cannot agree on a time, date, or place to hold cross-examinations, the Registrar will designate a time, date or place.⁴⁰ A transcript of the cross-examination and any exhibits or documents produced by an undertaking must be filed with the Registrar within the time

³⁵ *PN* August 19, 1996.

³⁶ The opponent filing a statement within the three weeks that it does not wish to submit evidence will not preclude it from later requesting to file evidence pursuant to Rule 44(1) of the *Trade-marks Regulations*.

³⁷ *TM Regs* s. 44(2).

³⁸ *TM Regs* s. 44(2). Written arguments are discussed in more detail below, under identical heading.

³⁹ *PN* August 19, 1996.

⁴⁰ *TM Regs* s. 44(3).

designated by the Registrar.⁴¹ If an affiant fails to attend at cross-examination their affidavit will not be considered part of the evidence and will be returned to the party who filed it.⁴²

The procedure for determining where cross-examinations are to take place and at whose expense is set out in detail in a practice notice.⁴³

c) Applicant's evidence

The applicant's evidence must be served on the opponent and filed with the Registrar within one month of receiving the opponent's evidence unless an extension of time is sought, which will provide for an additional six months.⁴⁴ As noted above, in some cases the order for cross-examinations will provide for an additional four months after cross-examinations are complete to file evidence.⁴⁵ If the applicant does not wish to file evidence it must file a statement to that effect, otherwise the application will be deemed abandoned.⁴⁶

If the applicant's request for an extension of time is denied and the applicant has yet to file any evidence, the applicant will be advised by the Registrar that it has three weeks to file and serve a statement that it does not wish to submit evidence.⁴⁷ If the applicant fails to file and serve such a statement within three weeks, the application will be deemed to be abandoned.⁴⁸

⁴¹ *TM Regs* s. 44(4).

⁴² *TM Regs* s. 44(5).

⁴³ *PN* August 19, 1996.

⁴⁴ *TM Regs* s. 42(1), *PN* August 19, 1996. Under proposed amendments to the *Trade-marks Regulations* published in the Canada Gazette on December 23, 2006, the time for filing evidence would be increased to four months.

⁴⁵ That is, where the request for cross-examination is received by the Registrar within two months from the date that the applicant receives the opponent's evidence. *PN* August 19, 1996.

⁴⁶ S. 38(7.2), *TM Regs* s. 42(2).

⁴⁷ *PN* August 19, 1996.

⁴⁸ The applicant filing a statement within the three weeks that it does not wish to submit evidence will not preclude it from later requesting to file evidence pursuant to Rule 44(1) of the *Trade-marks Regulations*.

d) Cross-examination on Applicant's evidence

The opponent may cross-examine any affiant or declarant of the applicant by following the same procedure and timelines as outlined above in the section dealing with cross-examination of the opponent's evidence.⁴⁹

e) Reply evidence

The opponent must serve and file any reply evidence within one month of receiving the applicant's evidence unless an extension of time is sought, which will provide for an additional four months.⁵⁰ In some cases the order for cross-examination on the applicant's evidence may provide for additional time to file reply evidence.⁵¹

Reply evidence will only be admissible to the extent that it responds to the applicant's evidence. An additional affidavit that strengthens the opponent's case but should have been introduced as evidence-in-chief is improper reply evidence on the basis of "splitting one's case". If objected to by the applicant, improper reply evidence will be excluded by the Trade-marks Opposition Board at the time of the hearing.⁵²

f) Filing additional evidence in the opposition proceeding

The opponent and the applicant will not be permitted to file any further evidence without leave of the Registrar. The criteria and procedure for obtaining leave to file further evidence are

⁴⁹ *PN* August 19, 1996.

⁵⁰ *TM Regs* s. 43, *PN* August 19, 1996.

⁵¹ That is, where the request for cross-examination is received by the Registrar within two months from the date that the opponent receives the applicant's evidence. *PN* August 19, 1996.

⁵² *Jurak Holdings Ltd. v. Matol Biotech Laboratories Ltd.* (2006), 50 C.P.R. (4th) 337 (T.M.O.B). Note however that if the Board's decision allowing or rejecting the opposition is appealed to the Federal Court, evidence that was excluded by the Board as improper reply evidence may form the basis of the opponent's evidence-in-chief in the Federal Court. See *Minolta-QMS v. Tsai*, 2006 FC 1249.

largely the same as that of obtaining leave to amend a statement of opposition or counter statement. Of notable exception is the additional requirement that if the request for leave to file additional evidence is sought after the Registrar issues its notice requesting written arguments (see discussion on “Written argument” below), the request for leave must include a statement that the affiant will be made available for cross-examination at the other party’s request.⁵³

4) Written argument

Not less than 14 days after the close of evidence the Registrar will issue a notice to the parties stating that they may file written arguments within one month after the date of the notice.⁵⁴ If more time is required, an extension of time may be requested and if granted will provide for an additional four months to file written arguments.⁵⁵

No written argument may be filed after the time for doing so expires unless leave of the Registrar is obtained.⁵⁶ If a party decides to file a written argument it should ensure that two copies are filed with the Registrar. Once both parties have filed their written arguments, or the time period for doing so passes, the Registrar will forward one copy on every other party together with a notice stating that a hearing may be requested.⁵⁷

5) Hearing

Any party may request an oral hearing by writing to the Registrar within one month after having received the Registrar’s notice.⁵⁸ If more time is required, an extension of time may be requested

⁵³ *PN* August 19, 1996.

⁵⁴ *TM Regs* s. 46(1).

⁵⁵ *PN* August 19, 1996.

⁵⁶ *TM Regs* s. 46(2).

⁵⁷ *TM Regs* s. 46(3).

⁵⁸ *TM Regs* s. 46(4).

and if granted will provide for an additional three months to request an oral hearing.⁵⁹ After receiving a request for an oral hearing by a party, the Registrar will send the parties a written notice setting out the time, date, and location of the hearing.⁶⁰

After considering the evidence and representations of the parties, the Registrar must either reject the opposition or refuse the application, and must notify the parties of its decision with reasons.⁶¹ If the opposition is decided in favour of the applicant, the Registrar will allow the application for registration.⁶²

6) Appeal of decision

The Registrar's decision may be appealed to the Federal Court within two months of the date on which the Registrar's decision was released, or such other time as the court may allow.⁶³ Any party wishing to appeal the decision of the Registrar may do so by filing a notice of appeal with the Registrar and the Federal Court.⁶⁴

The appellant must send a copy of the notice of appeal by registered mail to anyone who was entitled to notice of the Registrar's decision and to any owner of a registered trade-mark that was referred to in the decision.⁶⁵ The notice of appeal must set out full particulars of the grounds for relief sought.⁶⁶ Any party served with a notice of appeal who intends to contest the appeal, must

⁵⁹ *PN* August 19, 1996.

⁶⁰ *TM Regs* s. 46(4).

⁶¹ S. 38(8).

⁶² S. 39(1).

⁶³ S. 56(1).

⁶⁴ S. 56(2).

⁶⁵ S. 56(3).

⁶⁶ S. 59(1).

serve and file a notice of appearance within ten days after being served with the notice of appeal.⁶⁷

On appeal to the Federal Court, further evidence may be adduced by any party to the appeal.⁶⁸

Any party may request the Registrar to forward all relevant documents on file with the Registrar to the Federal Court and pay the prescribed fee.⁶⁹

Appeals from decisions of the Trade-marks Opposition Board are to be heard summarily with affidavit evidence unless the court orders otherwise.⁷⁰ Any decision reached in the Federal Court, Federal Court of Appeal, or Supreme Court of Canada relating to any trade-mark on the register must be filed with the Registrar of Trade-marks.⁷¹

II. Interlocutory motions

An interlocutory motion may be brought in an opposition proceeding to strike all or part of the statement of opposition or counter statement. In dealing with the issue of the adequacy of a statement of opposition the Federal Court of Appeal in *Novopharm Ltd. v. Astra AB* stated that:

... it must also follow that the applicant or opponent may make an interlocutory motion to strike all or any portion of the other party's pleadings. As determined in *Novopharm, supra*, the appropriate time to challenge pleadings is at an interlocutory stage before evidence is filed. If the adequacy of the pleadings is challenged after the evidence is filed, then the Registrar should not consider the pleadings without regard to the evidence. At this stage, the Registrar should be considering whether the parties know the case they have to meet and whether they can respond to it on the basis of the evidence, as well as the pleadings. ...⁷²

⁶⁷ Rule 305 of the *Federal Court Rules*. Please note that section 59(2) stipulates that any person who intends to contest the appeal shall file a reply containing a statement of the full particulars of the grounds on which the party intends to rely.

⁶⁸ S. 56(5).

⁶⁹ S. 60(1).

⁷⁰ S. 59(3).

⁷¹ S. 61.

⁷² *Novopharm Ltd. v. Astra AB*, 21 C.P.R. (4th) 289 (F.C.A.), paragraphs 9 and 10.

This position was later adopted by the Trade-marks Opposition Board in a practice notice outlining the procedure to follow for requesting an interlocutory ruling to strike all or any portion of the opponent's statement of opposition.⁷³ The request should be made prior to the applicant filing and serving its counter statement. The practice notice also specifically states that once the opposition proceeding has reached the evidence stage, any issues relating to the sufficiency of the statement of opposition will be dealt with at the decision stage.

In the event that an interlocutory ruling is requested the applicant will need to request an extension of time to file its counter statement. The practice notice makes clear that a request for an interlocutory ruling will not affect the deadline for the applicant to file its counter statement:

A request for an interlocutory ruling has no effect on any outstanding deadlines. If required, the applicant will be granted extensions of time of three months to file its counter statement, upon request and payment of the corresponding fee, until the interlocutory ruling has issued. The consent of the other party will generally not be required.

Thus it appears to be the case that the applicant is required to repeatedly request extensions of time to file its counter statement while it waits for a ruling on the interlocutory motion.

In making an interlocutory ruling the Trade-marks Opposition Board will only be required under sections 38(4) and (5) of the *Trade-marks Act* to determine if the statement of opposition raises one substantial issue for decision.⁷⁴ Section 38(4) and (5) of the *Trade-marks Act* states that:

(4) If the Registrar considers that the opposition does not raise a substantial issue for decision, he shall reject it and shall give notice of his decision to the opponent.

(5) If the Registrar considers that the opposition raises a substantial issue for decision, he shall forward a copy of the statement of opposition to the applicant.

⁷³ PN November 8, 2006.

⁷⁴ PN November 8, 2006.

The opponent will generally be given an opportunity to reply to the objections raised by the applicant in the interlocutory ruling and/or request leave to amend the statement of opposition to respond to the objections.⁷⁵

Finally, though *Novopharm, supra* suggests an opponent may bring an interlocutory motion to strike a counter statement, there are no reported cases where this was done.

III. Grounds of opposition and relevant dates

The grounds of opposition upon which a trade-mark application may be defeated are laid out in section 38 of the *Trade-marks Act* in what appears at first glance to be a comprehensive, yet summary, list of such grounds:

- 38(2) A statement of opposition may be based on any of the following grounds:
- (a) that the application does not conform to the requirements of section 30;
 - (b) that the trade-mark is not registrable;
 - (c) that the applicant is not the person entitled to registration of the trade-mark; or
 - (d) that the trade-mark is not distinctive.
- [emphasis added]

While this section serves as a convenient check-list for lawyers and trade-mark agents who regularly draft statements of opposition, it does little to guide those unfamiliar with the intricacies of the *Trade-marks Act* in determining where to look for the meaning of each ground of opposition. Just what does “not registrable” mean, per 38(2)(b)? What does it mean for a trade-mark “not [to be] distinctive” per 38(2)(d)?

Only familiarity with the *Trade-marks Act* sheds light on exactly what substance the grounds are meant to refer to, and which further sections of the *Trade-marks Act* will illuminate the meaning

⁷⁵ *PN* November 8, 2006.

behind the bare list of grounds provided. That said, each of the grounds, along with the additional detail fleshing each out, will be dealt with in this paper under separate headings.

One last note before moving to a discussion of the grounds themselves: Oppositions have been made slightly trickier than *Trade-marks Act* section 38(2) might have them appear because each ground of opposition is, at law, assessed as of a different date. The Trade-marks Opposition Board,⁷⁶ will make a determination with respect to whether each ground of opposition is justified from the perspective of the situation as it existed (practically speaking, evidence showing what existed) on these different dates. Such dates are often termed the “material dates” of the different grounds of opposition.

Further confusing is the fact that the *Trade-marks Act* does not expressly stipulate these material dates. While judicial interpretation has, in its inevitable way, filled in these gaps, practitioners must know the relevant case law putting forth the correct date from which to assess each ground of objection. Therefore, a brief discussion of the relevant dates established by the case law is provided for each ground of opposition.

1) Section 38(2)(a): Non-compliance with requirements of section 30

This first ground of opposition is the only one which (helpfully) contains an explicit reference to the further section of the *Trade-marks Act* to which it is meant to substantively refer. Section 38(2)(a) refers directly to the application not conforming to section 30 of the *Trade-marks Act* which, in turn, lays out certain formalities that must be met by every trade-mark application.

⁷⁶ The body that makes the ultimate determination of whether the alleged opposition is true and will therefore bar a trade-mark application from proceeding to registration.

Given this explicit reference to section 30 it is helpful to lay this latter section out in full herein:

Contents of application

30. An applicant for the registration of a trade-mark shall file with the Registrar an application containing

- (a) a statement in ordinary commercial terms of the specific wares or services in association with which the mark has been or is proposed to be used;
- (b) in the case of a trade-mark that has been used in Canada, the date from which the applicant or his named predecessors in title, if any, have so used the trade-mark in association with each of the general classes of wares or services described in the application;
- (c) in the case of a trade-mark that has not been used in Canada but is made known in Canada, the name of a country of the Union in which it has been used by the applicant or his named predecessors in title, if any, and the date from and the manner in which the applicant or named predecessors in title have made it known in Canada in association with each of the general classes of wares or services described in the application;
- (d) in the case of a trade-mark that is the subject in or for another country of the Union of a registration or an application for registration by the applicant or the applicant's named predecessor in title on which the applicant bases the applicant's right to registration, particulars of the application or registration and, if the trade-mark has neither been used in Canada nor made known in Canada, the name of a country in which the trade-mark has been used by the applicant or the applicant's named predecessor in title, if any, in association with each of the general classes of wares or services described in the application;
- (e) in the case of a proposed trade-mark, a statement that the applicant, by itself or through a licensee, or by itself and through a licensee, intends to use the trade-mark in Canada;
- (f) in the case of a certification mark, particulars of the defined standard that the use of the mark is intended to indicate and a statement that the applicant is not engaged in the manufacture, sale, leasing or hiring of wares or the performance of services such as those in association with which the certification mark is used;
- (g) the address of the applicant's principal office or place of business in Canada, if any, and if the applicant has no office or place of business in Canada, the address of his principal office or place of business abroad and the name and address in Canada of a person or firm to whom any notice in respect of the application or registration may be sent, and on whom service of any proceedings in respect of the application or registration may be given or served with the same effect as if they had been given to or served on the applicant or registrant himself;
- (h) unless the application is for the registration only of a word or words not depicted in a special form, a drawing of the trade-mark and such number of accurate representations of the trade-mark as may be prescribed; and

(i) a statement that the applicant is satisfied that he is entitled to use the trade-mark in Canada in association with the wares or services described in the application.
[emphasis added]

The failure of a trade-mark application to adhere to one or more of the above formalities renders a trade-mark application invalid, even in the absence of an opposition to the application. For this reason, it is logical that section 38 would further expressly provide that an opponent who has noticed an applicant's failure to adhere to one or more of the above formalities may oppose the granting of the trade-mark application on that basis.

Certain of the section 30 requirements listed above, by their nature, are little more than formalities, procedural in nature, and therefore far less contentious than others. These tend to appear much less often in opposition proceedings as the grounds upon which the application is resisted. For example, it is unusual to find an application opposed on the basis of section 30(g) or (h); these being a failure to have provided the applicant's place of business or a drawing of the trademark, respectively. It is also uncommon to see an applicant fail to include in the application a statement that they intend to use the trade-mark per section 30(e).⁷⁷

On the other hand, much more common are oppositions on the following section 30 grounds:

- i) 30(a): that the applicant has not adequately described the wares or services with which they plan to use the trade-mark;⁷⁸

⁷⁷ Although not unheard of. See *Chrysalis Restaurant Enterprises Inc. v. Pappy's Good Eats Ltd.* (1984), 3 C.P.R. (3d) 562 (T.M.O.B.), in which the application for registration did not contain a statement that the applicant intended to use the mark.

⁷⁸ See, for example:

Everything for a Dollar Store (Canada) Inc. v. Dollar Plus Bargain Centre Ltd. (1998), 86 C.P.R. (3d) 269 (T.M.O.B.), in which it was argued, per section 30(a), that the services provided in the application ("operating discount sales outlets for merchandise") were not described in ordinary commercial terms. The services provided

- ii) 30(b): that the applicant has not used the mark from the date he or she stated in the application. This ground is self-explanatory.
- iii) 30(i): note that that substantive opposition based on this subsection doesn't attempt to prove the applicant did not include such a statement, but focuses rather on the fact that the statement was not properly made. That is, that the applicant could not have been satisfied that he (or she) was entitled to use the trade-mark in Canada in association with the wares or services described in the application.

Relevant Date for Section 38(2)(a) Oppositions

Oppositions on the grounds of section 38(2)(a), being as they are oppositions based on section 30 - a section that deals with the formalities required of the application itself - have been held to be properly assessed as of the date of filing of the trade-mark application.⁷⁹

It should be noted in this regard that there are specific restrictions on what aspects of an application may be amended.⁸⁰ These restrictions are most strict in attempting to prevent an amendment that would provide the applicant with a wider scope of protection than would be afforded the original application, and in particular prevent changes in dates of first use after advertisement. For this reason, for example, an opposition on the ground of non-compliance with 30(b) cannot simply be overcome by amending the application to correct the date of first

were unduly broad and "... failed to limit the merchandise sold through the applicant's discount sales outlets to any extent."

Proctor & Gamble Inc. v. Morlee Corp. (1993), 48 C.P.R. (3d) 377 (T.M.O.B.) in which a trade-mark application describing the wares and services as "packaging to be used with dental products" was found to be ambiguous, and therefore successfully opposed on the basis of s. 30(a). It was found that the trade-mark applicant was not marketing packaging *per se*, but dental products.

⁷⁹ *John Labatt Ltd. v. Molson Companies Ltd.* (1990) 30 C.P.R. 293 (F.C.T.D.), discussing the relevant date of opposition within the context of a s. 38(2)(a) and 30(b) opposition; *Vergina Import & Export International. v. Vergina Foods./Aliments Vergina Inc.* (2001), 15 C.P.R. (4th) 559 (T.M.O.B.); *Proctor & Gamble, supra*; *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at p. 475.

⁸⁰ *TM Regs*, ss. 30-33.

use. If opposed on this basis, and the opposition found to be correct (that is, the date of first use was incorrectly stated in the application), the applicant would be required to file a completely fresh application in order to obtain a registration for that trade-mark.⁸¹

2) Section 38(2)(b): Non-registrability of the trade-mark

The registrability of a trade-mark is governed by sections 12 through 15 of the *Trade-marks Act*.⁸² Generally speaking, the most common of such provisions is section 12, which explicitly lists the types of trade-marks that are not registrable.

12. (1) Subject to section 13, a trade-mark is registrable if it is not
- (a) a word that is primarily merely the name or the surname of an individual who is living or has died within the preceding thirty years;
 - (b) whether depicted, written or sounded, either clearly descriptive or deceptively misdescriptive in the English or French language of the character or quality of the wares or services in association with which it is used or proposed to be used or of the conditions of or the persons employed in their production or of their place of origin;
 - (c) the name in any language of any of the wares or services in connection with which it is used or proposed to be used;
 - (d) confusing with a registered trade-mark;
 - (e) a mark of which the adoption is prohibited by section 9 or 10;
 - (f) a denomination the adoption of which is prohibited by section 10.1;
 - (g) in whole or in part a protected geographical indication, where the trade-mark is to be registered in association with a wine not originating in a territory indicated by the geographical indication; and
 - (h) in whole or in part a protected geographical indication, where the trade-mark is to be registered in association with a spirit not originating in a territory indicated by the geographical indication.

Idem

- (2) A trade-mark that is not registrable by reason of paragraph (1)(a) or (b) is registrable if it has been so used in Canada by the applicant or his predecessor in title as to have become distinctive at the date of filing an application for its registration.

⁸¹ Assuming, naturally, the trade-mark was otherwise acceptable and no other grounds of opposition existed which would bar it from registration.

⁸² Other more specific prohibitions are laid out in the remainder of sections 9 through 15, as well as 23 and 25 (the latter sections applicable to trade-marks known as “certification marks”). A detailed analysis of these prohibitions is beyond the scope of this introductory article.

It is worth noting the two exceptions to section 12:

- i) Section 14 lays out a different test of registrability for Canadian trade-mark applications that are based on a foreign registration.
- ii) Section 15 allows registrations to be granted from trade-mark applications that would otherwise be rejected for being confusing with one another (per s. 12(1)(d)) provided a single applicant owns them all.

Finally, section 13 lays out the requirements for a distinguishing guise to be registrable.⁸³

A detailed analysis of the above grounds is beyond the scope of this particular paper, focusing as it does on oppositions alone. That said, for clarity it is worth a reminder that a proper statement of opposition would be required to not only enumerate the particular subsection of section 12 that is being alleged as being contravened, but the factual particulars behind such a claim.

Relevant Date for Section 38(2)(b) Oppositions

Oppositions on the grounds of section 38(2)(b) have been held to be properly assessed as of the date of the Trade-marks Opposition Board's decision.⁸⁴ Note however there is conflicting jurisprudence on this issue.⁸⁵

⁸³ A type of trade-mark that covers shaping of wares or their containers, or the packaging in which they are wrapped. (s. 2, "distinguishing guise"). Note that this overview paper does not discuss in any detail this atypical type of trade-mark or differences between their oppositions and those of typical trade-marks.

⁸⁴ *Canadian Council of Professional Engineers v. Lubrication Engineers Inc.* (1992), 41 C.P.R. (3d) 243 (F.C.A.) [*Lubrication Engineers*] (generally, although particularly discussing ss. 38(2)(b) and 12(1)(b)); *Park Avenue Furniture Corp. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 (F.C.A.) (generally, although particularly discussing ss. 38(2)(b) and 12(1)(d)); *Shadex Textile Manufacturing Ltd. v. Muto* (2000), 2 C.P.R. (4th) 111 at 114 (T.M.O.B.).

Note that registrations based on s. 12(2), because of their express statutory requirement to show acquired distinctiveness as of the filing date of the application, have a material date that is the filing date (and not the hearing

3) Section 38(2)(c): The applicant is not the person entitled to registration of the trade-mark

The term “person entitled to registration of the trade-mark” is a confusing reference to section 16 of the *Trade-marks Act*,⁸⁶ which section delineates the pre-conditions an applicant must meet before they can be granted the status of “person entitled” (as it is often abbreviated). The section is somewhat confusing - mostly because the drafting contains lengthy run-on sentences with multiple aspects, but also because each of the three first subsections deals with a different category of mark:

- i) section 16(1) deals with an application for the registration of a mark used or made known in Canada;
- ii) section 16(2) deals with application for registration of a mark that was registered abroad;
- iii) section 16(3) deals with application for registration of a mark not yet used (proposed trade-mark).

Because the preconditions stipulated in these three subsections are similar, it is sufficient for our purposes (being a discussion of grounds of opposition) to examine only s. 16(1) in more detail.

A similar analysis, with only minor modification, would suffice for situations invoking ss. 16(2) and (3).

date as do trade-marks generally when opposed on the s. 12(1) grounds). See *Molson Breweries v. John Labatt Ltd.*, [2000] F.C.J. No. 159 (F.C.A.), which discusses an opposition on the grounds of non-registrability due to s. 12(1)(b) descriptiveness and the consequent effects of reliance upon s. 12(2) to circumvent the former section.

⁸⁵ *General Housewares Corp. v. Fiesta Barbeques Ltd.*, 2003 FC 1021, 239 F.T.R. 99, 28 C.P.R. (4th) 60 (F.C.T.D.) found the material date for opposition based on s. 12(1)(b) descriptiveness to be the date of filing of the application, contrary to *Lubrication Engineers, supra*. *General Housewares* was followed in *A. Lassonde Inc. v. Citrus World, Inc.* (2004), 42 C.P.R. (4th) 348 (T.M.O.B.) [*A. Lassonde*]. Discussing section 14, *A. Lassonde* also cites *Zorti Investments Inc. v. Party City Corp.*, 2004 CarswellNat 270 (T.M.O.B.) which, because of the similarities between s. 12(2) and section 14, found that the material date for registrations based on the latter should mirror the former and therefore similarly be the date of filing of the application.

⁸⁶ The term may also be interpreted as referring to s. 13 (for distinguishing guises) and ss. 23 and 24 (for certification marks). Further discussion of these topics is again beyond the scope of this introductory paper.

In full, this section reads:

Registration of marks used or made known in Canada

16. (1) Any applicant who has filed an application in accordance with section 30 for registration of a trade-mark that is registrable and that he or his predecessor in title has used in Canada or made known in Canada in association with wares or services is entitled, subject to section 38, to secure its registration in respect of those wares or services, unless at the date on which he or his predecessor in title first so used it or made it known it was confusing with

- (a) a trade-mark that had been previously used in Canada or made known in Canada by any other person;
- (b) a trade-mark in respect of which an application for registration had been previously filed in Canada by any other person; or
- (c) a trade-name that had been previously used in Canada by any other person.

Broken down, section 16(1) requires that the “person entitled” has filed an application:

- i) in accordance with section 30;
- ii) for a trade-mark that is registrable;
- iii) for a trade-mark he or she has used or made known in Canada;
- iv) for a trade-mark that, upon this date of first use, was not confusing with:
 - (a) another trade-mark previously used in Canada;
 - (b) another trade-mark for which an application for registration has previously been filed in Canada; or
 - (c) a trade-name already in use in Canada.

Oppositions based on the above ground (ss. 38(2)(c) and 16(1)) revolve around the last criteria listed above: at the date of first use, was the trade-mark applied for confusing with another trade-mark previously used or applied for, or a previously used trade-name.⁸⁷

⁸⁷ Note the following:

- i) the section 30 requirements referred-to above are already explicitly made a ground of opposition under s. 38(2)(a).
- ii) the “registrable” mark requirement is already explicitly a ground of opposition under s. 38(2)(b).
- iii) whether or not the trade-mark has actually been used in Canada could, according to the wording of section 16(1), be made an opposition based on this provision. However this objection typically appears described as one pursuant to ss. 38(2)(a) and section 30 (an opposition against the cited date of first use).

Note that this differs from the ground of ss. 38(2)(b) and 12(1)(d) (confusion with a registered trade-mark) in that section 16(1) does not require that the opponent show confusion with a registered mark - in fact, section 16(1) explicitly allows for confusion with unregistered trade-marks (whether they are the subject of an application for registration or not).

The “confusion” referred to in section 16(1), similar to s. 12(1)(d) above, refers to the factors in section 6. A discussion of section 6 is again beyond the scope of this introductory paper.

Relevant Date for Section 38(2)(c) Oppositions

Oppositions on the grounds of section 38(2)(c) have been held to be properly assessed as of the following dates:

- i) the date the mark was first used or made known - if the mark was used in Canada;
- ii) as of the date of filing of the Canadian application - if the mark was registered and used abroad;
- iii) as of the date of filing of the Canadian application - if the mark which is the subject of the application is a proposed use mark.⁸⁸

4) Section 38(2)(d): The trade-mark is not distinctive

The term “distinctive” referred to in subparagraph (d) is defined in section 2 of the *Trade-marks Act*.

"distinctive", in relation to a trade-mark, means a trade-mark that actually distinguishes the wares or services in association with which it is used by its owner from the wares or services of others or is adapted so to distinguish them;

⁸⁸ *Vergina Import & Export International. v. Vergina Foods./Aliments Vergina Inc.* (2001), 15 C.P.R. (4th) 559 (T.M.O.B.).

Although this definition is broad, and can overlap with other objections we have discussed, the usual substantive allegation being made pursuant to this provision is that the trade-mark is incapable of functioning as to distinguish the wares and services of the applicant from other traders. This arises most often because the trade-mark applied for is clearly descriptive of the wares or services with which it will be used (per s. 12(1)(b)), or confusing with registered (s. 12(1)(d), or unregistered (s. 16) trade-marks of other traders, as discussed above.

Relevant Date for Section 38(2)(d) Oppositions

Oppositions on the grounds of section 38(2)(d) have been held to be properly assessed as of the date of filing the statement of opposition.⁸⁹

Similar to s. 12(1)(b), there are two exceptions: registrations based on s. 12(2) and s. 14. The relevant date for such applications is the date of filing of the application.⁹⁰

A Final Note about Relevant Dates

Notwithstanding that the grounds of opposition are to be assessed by the Trade-marks Opposition Board on the evidence as existing on their material dates, it should be noted that evidence arising after the material dates is not likely to be rejected as inadmissible if it provides the Trade-marks Opposition Board with some information as to the situation on the material date.

⁸⁹ *American Assn. of Retired Persons v. Canadian Assn. of Retired Persons/Assoc. Canadienne des Individus Retraites* (1998), 84 C.P.R. (3d) 198 at 207 (F.C.T.D.); *Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 (F.C.A.); *Andres Wines Ltd. v. E. & J. Gallo Winery* (1975), 25 C.P.R. (2d) 126 (F.C.A.).

⁹⁰ See above under the discussion re: s. 38(2)(b).

Of course, much of the above information may very well depend on drawing inferences from the otherwise inadmissible evidence, and, naturally, the weight of such evidence can only be determined by the trier of fact in the particular circumstances as they present themselves.

IV. Advice regarding payment of fees

As illustrated in this paper, certain steps in an opposition proceeding, including requests for extensions of time, require a payment of a fee to the Trade-marks Office. When a party to an opposition submits a fee payment it is advisable to include in the cover letter to the Trade-marks Office a general authorization statement to charge any deficiency in fee payment to a specified deposit account or credit card.

Pursuant to a practice notice published July 12, 2006 relating to payment of fees, if the fee payment submitted is deficient and the payer has included a general authorized statement to charge a deposit account or credit card for any deficiency, the Trade-marks Office will charge the deposit account or credit card the appropriate fee.⁹¹ In this regard the Trade-mark Office recommends the use of a general authorization statement such as:

Should the fees submitted with this letter be insufficient to cover all of the fees for which payment is requested by this letter, the Office is authorized to charge the amount of the insufficiency to [deposit account No...] or [indicated firm] [indicated credit card type] account already on file.

It is important that the cover letter be clear with regard to which service the payment is being submitted. If it is not clear which fee payment the general authorized statement relates, the Trade-marks Office has indicated in the above noted practice notice that it will not speculate as to which service the fee payment was intended to be applied to. In addition, the payer should

⁹¹ PN July 12, 2006 "Payment of fees: general authorization to charge deficiencies to deposit accounts and credit cards."

ensure that sufficient funds are available in the specified deposit account or credit card to cover all fee payments.

V. Unique aspects of opposition proceedings as opposed to court proceedings

There are several unique aspects of trade-mark opposition proceedings in comparison to court proceedings. Some of the more fundamental differences are discussed below:

1) No costs awards in trade-mark opposition proceeding

Unlike court proceedings, there is no authority by which the Trade-marks Opposition Board can order costs in opposition proceedings to compensate the other party.⁹²

2) No statutory authority to hold uncooperative witnesses in contempt

Unlike proceedings in federal and provincial courts, the Registrar does not have any statutory authority to hold uncooperative witnesses in contempt for:

- i) refusal to answer proper questions on cross-examination;
- ii) failing to fulfill undertakings; or
- iii) not attending a cross-examination that was scheduled by the Trade-marks Opposition Board.

In opposition proceedings the failure to answer proper questions on cross-examination or to fulfill undertakings may result in a negative inference being drawn or in the affidavit or statutory

⁹² *Lancome Parfums & Beaute Cie v. House of Devonshire* (1991), 38 C.P.R. (3d) 432 (T.M.O.B.).

declaration being ignored by the Trade-marks Opposition Board at the decision stage.⁹³

Moreover, in the event that the affiant or declarant fails to attend at a scheduled cross-examination by the Trade-marks Opposition Board,⁹⁴ the affidavit or declaration may be deemed not to be part of the evidence.⁹⁵

3) Leave is required to conduct cross-examination

Unlike in the federal and Ontario courts where there is an automatic right to cross-examine on affidavits,⁹⁶ in trade-mark opposition proceedings a party must apply to the Registrar for an order granting it the right to conduct cross-examinations. Rule 44(2) of the *Trade-mark Regulations* provides that:

... Registrar may, on the application of any party and on such terms as the Registrar may direct, order the cross-examination under oath of any affiant or declarant on an affidavit or declaration that has been filed with the Registrar and is being relied on as evidence in the opposition.

4) On appeal the appellant can file new evidence

Unlike traditional court proceedings where, generally speaking, one may not file new evidence on appeal, the *Trade-marks Act* specifically provides that on appeal to the Federal Court from any decision of the Registrar the parties may file additional evidence that was not before the Registrar.⁹⁷

⁹³ *PN* August 19, 1996.

⁹⁴ The parties should first try to reach an agreement among themselves as to scheduling of cross-examinations. However, if the parties cannot mutually agree to the scheduling of cross-examinations, the Trade-mark Opposition Board will upon request set up the schedule for cross-examination. *PN* August 19, 1996.

⁹⁵ *TM Regs* s. 44(5) and *PN* August 19, 1996.

⁹⁶ See for example Rule 83 of the *Federal Court Rules* and Rule 39.02 of the *Ontario Rules of Civil Procedure*.

⁹⁷ S. 56(5).