

From:
To:
Subject: RE: Thank you!
Date: July-19-17 6:10:27 PM
Attachments: [image001.gif](#)

Hello Pik-Ki.

Regarding s. 45 of the proposed Regs, my comment is based on my observation that if a foreign applicant fails to take advantage of this permissive provision (i.e. to set out the name and address in Canada of a person or firm on whom service of any document in the opposition may be sent), then that foreign applicant will be subject to the vagaries of service by way of s.46(1)(d). (I say “vagaries” only because, without a draft practice notice or other guidance, we don’t yet know the parameters concerning how service can fairly be effected in this manner.)

Thinking about service led me to consider the rules concerning identification of persons acting as agents. My understanding is that an applicant can represent itself before the Opposition Board, unless it has appointed an agent (new s. 25). If it has appointed an agent, shouldn’t there be a *requirement* that the agent be identified in the counterstatement?

Here are some other thoughts:

Leave

Further to our conversation regarding the leave provisions, when we spoke I noted that the current wording in proposed s.48(2) does seem aligned with current *Ontario* civil practice. Rule 26.01 of *Ontario’s Rules of Civil Procedure* provides: “On motion at any stage of an action the court shall grant leave to amend a pleading on such terms as are just, unless prejudice would result that could not be compensated for by costs or an adjournment.” The rule has been in this form since the *Rules of Civil Procedure* came into effect on January 1, 1985.

However, as far as Federal Court practice is concerned, it seems closely aligned with *current* Opposition leave practice (at least as far as Opposition pleadings amendments are concerned) rather than the proposed s.48(2). Rules 75 and 76 of the *Federal Courts Rules* provide:

Amendments with leave

- **75 (1)** Subject to subsection (2) and rule 76, the Court may, on motion, at any time, allow a party to amend a document, on such terms as will protect the rights of all parties.
- **Limitation**
 - (2)** No amendment shall be allowed under subsection (1) during or after a hearing unless
 - (a)** the purpose is to make the document accord with the issues at the hearing;
 - (b)** a new hearing is ordered; or
 - (c)** the other parties are given an opportunity for any preparation

necessary to meet any new or amended allegations.

Leave to amend

76 With leave of the Court, an amendment may be made

(a) to correct the name of a party, if the Court is satisfied that the mistake sought to be corrected was not such as to cause a reasonable doubt as to the identity of the party, or

(b) to alter the capacity in which a party is bringing a proceeding, if the party could have commenced the proceeding in its altered capacity at the date of commencement of the proceeding,

unless to do so would result in prejudice to a party that would not be compensable by costs or an adjournment.

In my view it is important that the test be aligned with Federal Court practice.

The test for amendment under *Federal Courts Rules* Rule 75 is set out in *Janssen v. Abbvie* 2014 FCA 242 at ¶13, applying *Continental Bank*:

“I prefer to put the matter on a broader basis: whether it is more consonant with the interests of justice that the withdrawal or amendment be permitted or that it be denied. The tests mentioned in cases in other courts are of course helpful but other factors should also be emphasized, including the timeliness of the motion to amend or withdraw, the extent to which the proposed amendments would delay the expeditious trial of the matter, the extent to which a position taken originally by one party has led another party to follow a course of action in the litigation which it would be difficult or impossible to alter and whether the amendments sought will facilitate the court’s consideration of the true substance of the dispute on its merits. No single factor predominates nor is its presence or absence necessarily determinative. All must be assigned their proper weight in the context of the particular case. Ultimately, it boils down to a consideration of simple fairness, common sense and the interest that the courts have that justice be done.”

One formulation of proposed new s. 48(2) which might address all concerns (i.e. those of DOJ, Opposition Board and practitioners) is as follows:

48(2): The Registrar must grant leave under subsection (1) where the person requesting leave satisfies the Registrar that it is in the interests of justice to do so, and must not otherwise grant leave under subsection (1) unless it is in the interests of justice to do so. In determining whether it is in the interests of justice to grant leave, the Registrar must have regard to all of the surrounding circumstances including [list: set out the four circumstances in the opposition Practice Notice, plus the Dairy Processors’ “prejudice to requestor” circumstance, plus list the *Abbie* circumstances to the extent not already covered by the foregoing circumstances]

New Ground of Opposition

Proposed new s.103 of the Regs is presented as a new ground of opposition targeted to Protocol applications. However, I am concerned that the Federal Court, on review of an opposition decision in which s.103 is a ground, will hold that a mark that satisfies s. 12 TMA is registrable, full stop. Neither s. 12 TMA nor s. 38 TMA speak to the Regulations (directly or in language such as “or as may

be prescribed”). I am not convinced that you can jump from s. 38(2)(b) TMA directly into s.103 of the regs and ignore s. 12 TMA. For that reason I believe that the TMA should be amended to account for registrability as prescribed by the Regs.

Registrar-initiated s. 45

Personally, I would like to see CIPO initiate s. 45 proceedings against all registrations at a specified point in the registration lifecycle (maybe every 5 years, or every 10 years starting from the fifth anniversary of the initial registration) unless a voluntary statement of use is filed, or unless that statement proves to be a misrepresentation. The period would have to not be so frequent as to overwhelm CIPO or stakeholders, but sufficiently frequent to clear deadwood and address perceived abuses. I know that statements of use are a sensitive issue, but Canada is going to face a glut of deadwood marks (which makes searching and clearance very difficult and expensive for Canadian SMEs). Having a system of knocking out deadwood and clearing abusive registrations efficiently will be critical in a successful Canadian system moving forward, and I believe that a voluntary use statement as part of the post-registration lifecycle is a fair, practical and effective means of doing so.

In the event that CIPO is not prepared to institute Registrar-initiated s.45 proceedings at regular intervals against *all* registrations for which no statement of use has been voluntarily filed, a set of criteria that could be used to assess when Registrar-initiated s.45 proceedings would be appropriate might include:

- (1) registration contains more than a threshold number of classes;
- (2) registration has been on register for more than a threshold number of years;
- (3) company owns multiple registrations for similar marks that issued more than a threshold number of years ago
- (4) inconsistency on the record (e.g. addresses, etc. changed for all marks in a portfolio but a few);
- (5) has a voluntary statement of use been filed;
- (6) is there a Canadian presence ascertainable from the registration record;
- (7) is there credible information of non-use (e.g. registrations owned by a company who is known to have ceased operations entirely, or ceased operations in Canada);
- (8) prior evidence of over-claiming (e.g. s.45 and opposition proceedings in which registrant/applicant was not able to evidence use).

Some of the foregoing will have been raised in prior consultations with CIPO, and some of them may yet appear in official submissions made by INTA, IPIC or others (because of the condensed period for comments I will not have the benefit of seeing the final drafts of the comments that will be submitted by the organizations of which I am a member before they are submitted). In any event, I wanted to share my personal thoughts on these issues.

Happy to discuss any aspect.

Best,

Peter