

Pre-consultation: Proposed Amendments to the *Trade-marks Regulations* Pertaining to Opposition Proceedings

Submission to the
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INTELLECTUAL PROPERTY INSTITUTE OF CANADA
INSTITUT DE LA PROPRIÉTÉ INTELLECTUELLE DU CANADA

Proposed Amendments to the *Trade-marks Regulations* Pertaining to Opposition Proceedings

The Intellectual Property Institute of Canada (IPIC) appreciates the opportunity to participate in the pre-consultation by the Canadian Intellectual Property Office (CIPO) on proposed amendments to the *Trade-marks Regulations* pertaining to opposition proceedings as published in June 2010.¹ These comments were prepared by the Trade-mark Legislation Committee and were reviewed, edited and approved by IPIC Council.

IPIC is the professional association of patent agents, trade-mark agents and lawyers practicing in all areas of intellectual property law (e.g. patents, trade-marks, copyrights and industrial designs). Our membership totals over 1,700 individuals, consisting of practitioners in law firms and agencies of all sizes, sole practitioners, in-house corporate intellectual property professionals, government personnel, and academics. Our members' clients include virtually all Canadian businesses, universities and other institutions that have an interest in intellectual property in Canada or elsewhere, and also foreign intellectual property firms and foreign companies that hold intellectual property rights in Canada.

The members of IPIC's Trade-mark Legislation Committee were asked to comment on the proposed amendments to the *Trade-marks Regulations* pertaining to opposition proceedings ("the pre-consultation"). IPIC's members collectively have decades of experience in opposition proceedings, acting both for and against applicants from Canada and abroad.

Committee members welcomed the opportunity to comment on the proposed changes and generally were in favour of many of the concepts expressed in the pre-consultation. In particular, steps to permit electronic filing of documents and speed up opposition proceedings were welcomed. At the same time, members would like more clarity on the implications for electronic filings, both in terms of certainty of receipt and confirmation that all attached documents have been received and are legible. Many members expressed concerns about changing the procedure to remove a clear right to file reply evidence, leaving it to the discretion of the Opposition Board to accept further information that may be very relevant to the proceedings. Furthermore, while sequential filing of written arguments was welcomed, many members asked about the right to file further submissions and wondered whether a clear right to file a "rebuttal" by opponents might reduce requests for written submissions. It was felt that several of the proposals to set deadlines could result in ambiguity and confusion. Finally, several members noted that currently, the longest "stage" in an opposition is the decision and encouraged the Opposition Board to find ways for parties to receive

¹Canada. Canadian Intellectual Property Office. *Pre-consultation Notice: Proposed Amendments to the Trade-marks Regulations*. Retrieved June 28, 2010, from: http://www.cipo.ic.gc.ca/eic/site/cipointernet-internetopic.nsf/eng/h_wr00347.html

their decisions much faster than is currently the case.

Dealing with each proposal individually:

1. Filing Evidence Electronically

Members generally welcomed this proposal. However, several key points were raised. First, many firms have limits on the size of attachments they can both send and receive. Sending affidavits and exhibits with many pages may mean that the email may not easily transmit, may not be received, must be sent in multiple emails with smaller attachments, or may be received only partially. It might be preferable if the communication proposed in the pre-consultation be sent as part of a separate correspondence, clearly identifying what is being sent electronically and the size of the various documents and attachments to provide separate confirmation. While electronic transmission technology generally improves communication, it can also be exasperating as all members have experience with documents allegedly sent by email that are never received. In addition, members question where the paper copy is to be available and whether the opposing party, as well as the Registrar, will be able to request a copy of the paper copy.

2. Service

The first question that has arisen is why the proposed language requires consent to the filing of electronic transmissions and if so, how does that overlap with the first proposal, above. Also, the proposal suggests that the party effecting service must notify the Registrar in writing as to the manner and date of service. This is ambiguous – e.g. is the notice in the letter filing the documents, or in a separate correspondence? Members also felt that the other party should be advised and, particularly if the documents were being served electronically, that this notice be in a separate communication from the email sending the documents, to ensure that there is no question as to when, what and how much is being sent electronically. The Office should also develop standards or a template for the separate confirmation, to avoid ambiguity in communicating the documents served electronically.

3. Reply Evidence

A majority of committee members expressed concern with this proposal. While many parties may choose not to file reply evidence, if parties wish to do so, their rights should not be compromised. Since the intent is to reduce the duration of opposition proceedings, members felt that requesting to file additional evidence, waiting for a decision and then filing the evidence would mean that more time elapses than is currently the case. Furthermore, if leave is required, the grounds

and circumstances on which leave would be granted must be clear and unambiguous. The exercise of discretion will leave parties in doubt and uncertainty about the ability to file evidence and since new evidence is accepted as of right on appeal, this could lead to more appeals. As an alternative, opponents could be required to indicate within a specified short period of time if they intend to file reply evidence, and then be given sufficient time to do so.

4. Cross-examinations would take place after both parties file evidence and within 3 months of the applicant's evidence. CIPO is considering asking parties to confirm in writing if they intend to cross-examine and if not, written argument deadlines would commence.

The first issue is how any request for leave to file additional evidence would impact the deadline. That suggests that a system such as that proposed above, requiring the parties to specifically indicate if they intend to file reply evidence, would work better to clarify the deadlines. The suggestion in the pre-consultation that "the Registrar's order granting leave would include appropriate requirements concerning cross-examinations" will still result in much uncertainty and ambiguity about deadlines, since until leave is granted, it will not be clear what the actual cross-examination deadline is. Will the filing of the applicant's evidence set the deadline (as seems to be contemplated by the draft revised section 44(1)), or will the granting of leave change that deadline?

Second, members expressed concern about the proposed 3 month term. Currently, where parties conduct cross-examinations, it is often difficult to schedule and complete them within 3 months. A longer initial term, with clear guidelines on when that term would be extended, is preferred. Rushing the process will add costs (for extension requests) and may mean that longer terms are set as a result of multiple extensions than would be the case if the original term was more reasonable. Where parties are clear that they do not intend to cross-examine, they should advise the Registrar, but they should first have enough time to fully review the evidence and get instructions from their clients.

5. Transcripts and Undertakings

Members agreed in principle, but generally thought that the timing proposed was too short. It can take some time to get a transcript and even more time to confirm the undertakings or questions taken under advisement before even seeking the additional information. We suggest instead up to 2 months to file the transcript and at least 3 months to file undertakings. Also, members asked what the penalty would be for not meeting the deadline.

6. Written Arguments and Hearings

First, the calculation of the deadline needs to be clear. While members appreciate that the Opposition Board no longer wants to issue letters setting a deadline, there needs to be certainty about the event that starts the time for the next stage. Members expressed concern that missing a deadline would deny them the opportunity to request a hearing. The pre-consultation suggests the completion of cross-examinations. By that, we assume CIPO means not only cross-examinations but also the follow-up required to file transcripts and answers to undertakings. The wording in the proposed s.46(1) is ambiguous.

Members appreciate the sequential filing of written arguments. Some clarity is sought on the situations that might lead to a successful request for leave to file additional written submissions.

One month is probably too short to fully examine and comment upon the written argument, and get client instructions to request a hearing. Either parties will request an extension of time to advise, which is expensive for clients, or more time should be permitted. At least 2 months is preferable. Also, it is unclear what impact a request to file additional submissions would have on this deadline.

One month is probably too short a period of time to fully examine and comment upon the written argument and then obtain client instructions to request a hearing. The result will be requests for an extension of time to advise, which is expensive for clients. To minimize this result, more time should be permitted. At least 2 months is preferable. Also, it is unclear what impact a request to file additional submissions would have on this deadline.

One month is also probably too short a period in which to definitely advise whether the submissions will be in person or by phone, in English or French, or if simultaneous translation is required. Often those issues are matters of discussion between the parties and will only be determined after full review and instructions from clients. Also, since the Opposition Board currently holds hearings at least 8 months after being requested, this deadline seems unnecessarily short.

7. Transitional Provision

All members agreed with this recommendation.

8. Miscellaneous

Members did not have any comments on the proposed miscellaneous changes.

9. Other Matters

While the pre-consultation did not invite other comments, members expressed a desire for the pre-consultation to address other issues, including providing a broader range of opportunities for interlocutory rulings, and more chances, at every stage of an opposition, to use the cooling off period to pursue settlement. Also, it would be useful to confirm that digital or other forms of evidence (e.g. DVDs and CDs) are acceptable.

IPIC looks forward to further discussion on these points and would be pleased to be involved in such discussions.

Once more, IPIC thanks the Canadian Intellectual Property Office for the opportunity to participate in this pre-consultation. If we may be of further assistance, please do not hesitate to contact our executive director, Michel Gérin, at 613-234-0516, or mgerin@ipic.ca.