Dear Ms. Carreau,

We are responding to your request for comments in respect of the "Pre-Consultation Notice - Proposed Amendments to the Trade-marks Regulations Pertaining to Opposition Proceedings."

We will follow the same order as in the proposal.

1. Electronic filing of all documents.

The TMOB proposes amending the Regulations to allow for all documents in an opposition or s. 45 proceeding to be filed electronically.

We have no objection.

2. Service by fax or email.

The TMOB proposes amending the Regulations to allow for service by fax (without consent) or email (with consent).

We have no objection in theory. However, we recommend that the Regulations clarify the following issues.

When a document is served electronically, what time must it be received to be considered to have been served on that day? Does it have to be received by 5pm or midnight or some other time?

If a document (and particularly exhibits to an affidavit) served by fax or email is not clear, we recommend that the regulations specify that the recipient may request the best available copy or an original. At the very least, the recipient should have an assurance that what it received is at least as clear as what was filed with the TMOB. This is particularly an issue with fax transmissions.

3. Reply evidence.

The proposal suggests eliminating the right to file reply evidence. Under the proposal, in order to file reply evidence, leave of the TMOB would be required.

We are opposed to this proposal. Although reply evidence is only filed in a minority of oppositions, this does not mean that the right to file reply evidence should be abolished.

It seems that the two main goals of the proposed amendments are to shorten the timeframes and increase certainty. We do not believe that the abolition of the right to file reply evidence will serve either goal.

First, the issue of fairness should be considered. The opponent files evidence first. The applicant then has an opportunity to respond. Since the applicant has an opportunity **as of right** to file evidence in response to the opponent's evidence, it is only fair that the opponent should have an opportunity **as of right** to file evidence in response to the applicant's evidence. In that regard, the applicant may (and applicants often do) raise matters through their evidence that are not a response to the opponent's evidence but raise entirely new issues (such as third party use of similar marks).

The proposal eliminates the opponent's right to file reply evidence. This will result in a lack of fairness. The opponent should not have to rely on the discretion of the Opposition Board to determine whether or not it will be permitted to file evidence responding to issues raised for the first time in the applicant's evidence.

The elimination of the right to file reply evidence creates a number of particular logistical problems as well.

If leave is requested, how does this affect the deadline for completing cross-examinations and filing written arguments? Presumably, the three month deadline to file written arguments should not begin until parties know whether or not leave will be granted to file reply evidence and whether or not there will be any cross-examination of the reply evidence.

This may considerably increase the administrative burden on the Opposition Board (to rule on these issues on an interlocutory basis, figure out the new deadlines, etc) and increase the uncertainty and frustration of the parties.

To maintain fairness to the opponent and to avoid this uncertainty and increased administrative burden, we recommend that a short, defined period be provided for filing reply evidence as of right.

4 and 5 Cross-examination, transcripts and undertakings.

Proposed Sections 44 and 46 should be amended to clarify what is meant by "cross-examinations must be completed" (proposed s. 44(1)) and "completion of the parties' cross-examinations" (proposed s. 46(1)).

It is not clear if "completion" of cross-examination means that all transcripts and answers to undertakings have been filed. Presumably it does, since the time

should not start running to prepare written arguments before all evidence has been filed. However, clarification is required.

As another point, is it the intention of proposed section 44(1) to prohibit cross-examination on the Rule 41 evidence prior to the filing of the Rule 42 evidence? If so, the wording should be clarified. Under the current wording, it seems that the parties can choose to conduct cross-examination on the Rule 41 evidence prior to the filing of the Rule 42 evidence.

6. Written arguments.

Under the proposal, written arguments will be filed in sequence.

It seems that the opponent may also seek leave to file a reply written argument.

We are in favour of written arguments being filed in sequence. However, since the applicant has an opportunity to respond to the opponent's written argument **as of right,** in fairness, the opponent should have an opportunity to file a written argument in response to the applicant's arguments **as of right.** Although the proposed amendments allow the parties to seek leave to file additional written arguments, this is problematic. For example, proposed Rule 46(2) requires parties to file a request for a hearing within one month of the filing of the applicant's written arguments. We suspect that if the opponent requests leave to file a further written argument after that one month period, the request for leave will be denied (since, under current practice, the TMOB will generally refuse leave if the opposition has moved to the next stage). One month is a very short time to review the applicant's written argument, report to the client, obtain instructions, and then seek leave - especially where there is uncertainty as to whether or not leave will be granted.

Accordingly, the current proposal is arguably unfair to the opponent who, unlike the applicant, is not able to respond as of right. The proposal will also increase the administrative burden on the Opposition Board which will have to provide additional interlocutory rulings.

We therefore recommend providing a short period, perhaps two months, for the opponent to file written submissions, confined solely to issues in response to the applicant's written submissions.

Our proposal has an added and very important benefit. Our proposal is likely to reduce the number of requests for oral hearings, since both parties will have had an opportunity to respond to the arguments of the other. In contrast, under the TMOB proposal, many opponents will request an oral hearing since this will be their only guaranteed option for responding the applicant's arguments.

7. Transitional provisions

We have no objection to the proposed transitional provisions in theory. However, the wording will have to be clear so that there is certainty for the various different scenarios. As well, the transitional provisions will have to be applied fairly so that both parties are subject to extensions of the same duration.

If you would like to discuss any of these issues with us, please feel free to contact us.

Best regards,

Philip Lapin on behalf of Smart & Biggar/Fetherstonhaugh

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