

Canadian trademark law 2024: a year in review.

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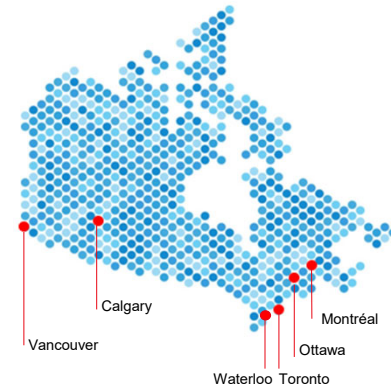
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- 130+ years serving clients
- 180+ lawyers, agents and technical consultants
- 10,000+ patents & trademarks filed annually
- Litigation bench strength and record of success



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Overview

1. *Promotion in Motion, Inc v Hershey Chocolate and Confectionery LLC*, 2024 FC 556
2. *Novartis AG v Biogen Inc*, 2024 FC 52
3. *Little Brown Box Pizza, LLC v DJB*, 2024 FC 1592
4. *51.ca Inc v Chun Huang*, 2024 FC 1202
5. *Amer Sports Canada Inc v Adidas Canada Limited*, 2024 BCSC 3
6. Key developments in Canadian trademark practice

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1. *Promotion in Motion, Inc v Hershey Chocolate and Confectionery LLC, 2024 FC 556*

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Background

- Promotion In Motion (PIM) applied to register:

SWISSKISS



in association with “chocolates of Swiss origin”.

- Hershey successfully opposed - likelihood of confusion with Hershey’s KISSES and KISS trademarks registered in association with chocolate candy.
- Application was refused

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Appeal

- PIM appealed – argued that the Board erred in its confusion analysis
- Both parties filed new evidence – including surveys measuring confusion between PIM's and Hershey's marks

PIM	Hershey
Corbin's Internet-based online survey Bourque's Internet-based online survey	Brigley's Internet-based online survey Mulvey Affidavit – identified design flaws in PIM's surveys.

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The survey evidence

PIM

- Corbin and Bourque Surveys
 - Internet-based questionnaires
 - Screened participants as being Swiss chocolate purchasers
 - Test and Control groups were asked same questions, including what company provides Swiss chocolate using the mark shown.

Corbin

Test Group	Control Group
	

Bourque

Test Group	Control Group
SWISSKISS	SWISSWISH

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The survey evidence



Hershey

- Brigley survey
 - Same Internet-based questionnaire as Corbin/Bourque, but without design flaws.
 - Test and Control groups were asked same questions, including what company sells the brand of chocolate they were shown and what company sells chocolate under the KISS/KISSES brands.

Image Source: http://commons.wikimedia.org/wiki/File:Chocolate_-_stonesoup.jpg

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Admissibility of the Corbin and Bourque surveys

- To be admissible, survey evidence must satisfy four criteria:
 - Relevant
 - Surveys must be both “valid” and “reliable”
 - Necessary in assisting the trier of fact (judge)
 - Absence of any exclusionary rule
 - Properly qualified expert

- The Corbin and Bourque surveys satisfied the “necessity” and “properly qualified expert” criteria but failed at “relevance” and “absence of any exclusionary rule”.

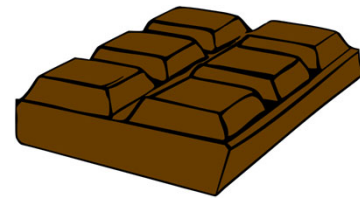


Image Source: <https://openclipart.org/detail/176948/chocolate>

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Relevance – validity

1. The questions were flawed because referring to “Swiss Chocolate” created a priming bias.
2. The Internet-based online survey did not provide necessary assurances that the participant screened is in fact who is filling out the survey, without external influence (i.e., mobile phones).
3. Participants could use the “back button”. Dr. Corbin was unsure whether participants could use this to further review the trademark.



Image Source: <https://openclipart.org/detail/128923/survey-icon>

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Relevance – reliability

- The previously-noted design flaws call into question whether the same results would be reproduced in a subsequent survey.
- Dr. Corbin indicated that online panel surveys cannot be statistically generalized to the broad population of Swiss chocolate purchaser because they consist of those who volunteer.

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Absence of an exclusionary rule

- Surveys are an aggregate of hearsay opinions - acceptable where they are relevant and properly designed and conducted.
- Survey must provide assurances that the participants:
 - Personally provided the responses attributed to them
 - Provided the responses in a controlled environment, free external influences.
- PIM's surveys could not provide these assurances.

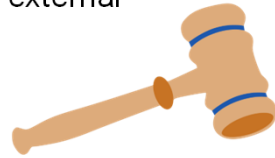


Image Source: <https://openclipart.org/detail/190949/gavel>

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The Brigley survey

- Used a similar Internet-based online survey, so suffers from the same validity, reliability, and exclusionary rule issues
 - Except the “back button” and “priming” issues.
- Thus, all surveys were deemed inadmissible.
- After reviewing the remaining issues, the Court dismissed the appeal.

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2. *Novartis AG v Biogen Inc*, 2024 FC 52

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BEOVU versus BYOOVIZ

- Anti-VEGF drug for treating wet AMD

✓
Infringement

✓
Passing off

✗
Depreciation of
goodwill

**This decision is under appeal*

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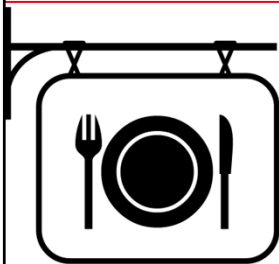
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3. *Little Brown Box Pizza, LLC v DJB, 2024 FC 1592*

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Background



- Section 45 notice for PIEOLOGY trademark registration = must show it “used” TM in Canada with registered services in last 3 years
 - (1) Pizza parlors; Restaurant services; Restaurant services featuring pizza, salads, side dishes and desserts; Restaurant services, including sit-down service of food and take-out restaurant services; Restaurant services, namely, providing of food and beverages for consumption on and off the premises.
 - (2) Restaurant services; restaurant services, namely, providing of food and beverages for consumption on and off the premises.
- Little Brown Box does not operate any restaurant locations in Canada.

Image Source: <https://openclipart.org/detail/226090/restaurant-sign-white>

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Use with restaurant services

- Little Brown Box appealed.
- Argued that it used the PIEOLOGY trademark with “restaurant services” in Canada in two ways:
 1. Advertising ancillary restaurant services to franchisees through a brochure and online website portal for receiving franchisee applications
 2. Providing ancillary restaurant services to consumers via the PIEOLOGY website and downloadable app.

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Use with restaurant services – owner’s evidence

- Little Brown Box operated a website and mobile app targeted to consumers.
- Several thousand unique Canadian users visited the website
- Website allowed consumers to:
 - Review the menu
 - Look up restaurant locations in the US
 - Pre-plan customized pizzas
 - Save favourite pizzas for future ordering
 - Receive news about latest product offerings

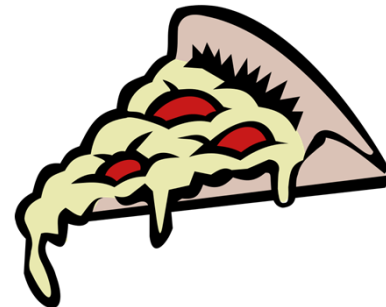


Image Source: <https://openclipart.org/detail/16286/pizza-slice-trozo-de-pizza>

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Use with services – jurisprudence

- Little Brown Box cited two cases: *TSA Stores, Inc v Registrar of Trade-Marks*, 2011 FC 273 + *Dollar General Corporation v 2900319 Canada Inc*, 2018 FC 778
- Where there is no physical location in Canada, use with “retail store services” can be shown via a website that:
 - Displays the trademark
 - Provides a degree of interactivity and benefit to Canadians that is akin to visiting a brick-and-mortar location



Image Source: <https://openclipart.org/detail/279010/simple-isometric-store>

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Use with restaurant services



- Court had accepted that “services” should be liberally construed and that “restaurant services” “do not necessarily require the operation of a restaurant in Canada.”
- Citing the earlier cases, the Federal Court found that the Owner demonstrated use of the PIEOLOGY trademark in Canada in association with restaurant services because:
 - The trademark PIEOLOGY was displayed on the Owner’s website and mobile app
 - The ability to customize pizzas provided a level of interaction and a service akin to visiting a bricks and mortar PIEOLOGY restaurant
 - The online advertising was intended to target Canadian consumers.

Image Source: <https://openclipart.org/detail/203083/pequena-cidade-7>

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4. *51.ca Inc v Chun Huang*, 2024 FC 1202

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51.ca Inc v Chun Huang, 2024 FC 1202

- Original Application (filed 2006); Extension Application (filed 2017)

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- Seeking
 - to strike the registration
 - enjoin Respondent from using Trademark in future

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Defence: registration Incontestable (not)

- Subsection 17(2):

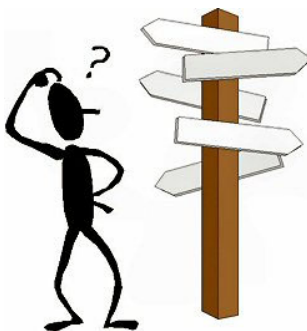
cannot assert **common law** rights against a registrant with a **registration older than 5 years unless** such common law rights were **known** to the registrant at material date



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Defence: argued confusion before TMO (that's ok)



- At examination stage of an application of the Applicant's, Applicant argued there was no confusion

12(1)(d) Objection

- Not an admission of confusion, not material to confusion analysis before the FC

[File:Confused man.jpg - Wikimedia Commons](#)

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Resulting remedies

- Applicant succeeded in getting the Registration **struck**

1328073	Chinese characters design	Design	EXPUNGED	41, 42, 45	加国无忧
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- Applicant did **not** meet the test to receive an **injunction** (besides, no evidence of use)



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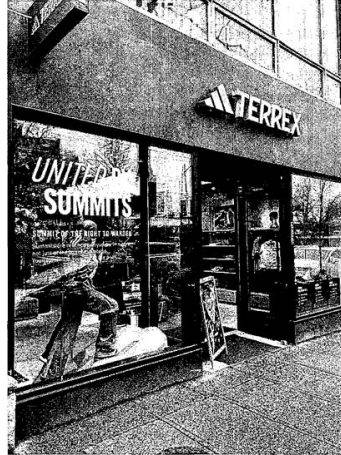
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5. *Amer Sports Canada Inc v Adidas Canada, 2024 BCSC 3*

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Background



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Resulting remedy

- Could lead to:
 - Loss of distinctiveness
 - Loss of emotional brand equity hard to quantify
- Interlocutory Injunction!



Chamonix, France, Oct 2024

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Key developments in Canadian trademark practice

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Substantial reduction in examination delays

Madrid
designations
= **15 months**

Pre-approved
goods/services
= **15 months**

Not pre-
approved
goods/services
= **39 months**

💡 Check the
forecast on
CIPO's [website](#)

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New Specificity Guidelines for goods and services

Specificity Guidelines for Goods and Services

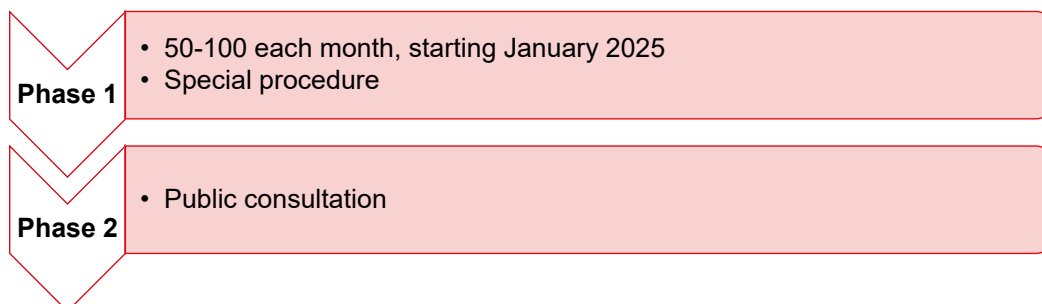
Class 9 - **batteries** [indicate the specific area of use, namely, batteries for automobiles, batteries for cameras, batteries for cellular phones, batteries for hearing aids, batteries for watches, etc. **OR** indicate the specific type, namely, 9V batteries, alkaline batteries, lithium-ion batteries, etc.]

robots [an appropriate Nice class cannot be assigned without further specification: indicate the specific type, namely, industrial robots for cleaning floors (class 7), industrial robots for welding (class 7), robots for milling (class 7), sewing robots (class 7), telepresence robots (class 9), laboratory robots (class 9), surgical robots (class 10), etc.]

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Pilot project on Registrar-initiated non-use cancellation proceedings

- CIPO is now unilaterally initiating non-use cancellation proceedings



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Pre-assessment letters regarding unclassified registrations

CIPO is now issuing pre-assessment letters that suggest acceptable Nice classifications for unclassified registrations if:

1. The goods and services have not been grouped according to the Nice classification system

2. There is approximately one year until the renewal date

3. CIPO considers the classification to be easy and non-challenging

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Q&A

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Thank you!

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