

The Status of Canadian Trademark Applications: A few steps forward and a few back

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We continue to be asked about what is happening to Canadian trademark applications. This article updates an article we first published in the summer of 2020. There is some progress to report, but it is a story of a few steps forward and a few steps back.

While the effects of the pandemic are still being felt, since the end of the suspension by the Canadian Intellectual Property Office (CIPO) of all prosecution deadlines between March 16 and August 28, 2020, the examination of Canadian trademark applications has largely returned to pre-pandemic levels since then. However, the significant backlog and delays in examination of Canadian trademark applications continue.

As of February 2021, CIPO appears to be issuing first examination of applications filed in the Fall of 2018, although we have seen a few examination reports issued for applications filed in 2019. While CIPO has stated that its current average wait time for first examination is approximately 24 months from filing, our experience is that this wait time is closer to 26-28 months or more.

The holding of hearing and issuing of decisions in trademark oppositions and summary cancellation proceedings have largely resumed, albeit with a backlog to get through.

Some factors suggest that progress will slowly be made in clearing the backlog of applications to be examined. Other factors suggest further delays.

A few steps forward

First, the lengthy delay in first examination suggests that a greater number of applications which were examined will be abandoned, because the applicant's business needs have changed since then. By way of example, the large number of applications filed in the Fall of 2018 in anticipation of the legalization of cannabis in Canada have likely been examined or will be examined very shortly. The Canadian cannabis industry has changed and significantly consolidated since then, which suggests that many of the applications filed at the time by new or aspiring entrants into that marketplace will allow their applications to lapse, which will free up examiners to examine newer applications. Sadly, some applications will be abandoned because since the filing of the application before the pandemic, the business has ceased to exist.

Second, the introduction of the fee-per-class system for trademark applications filed after June 17, 2019, appears to have cut down on the number of applications filed after that date by apparent trademark trolls. A cursory review of all-class applications filed before that date suggest that many such applications are being abandoned after first examination and that the same applicants are not filing many fresh applications. As the number of these all-class applications diminish, resources devoted to them can also be focused on newer applications.

Third, both examiners and applicants are getting more adept at classifying goods and services in the applicable Nice classes. Applications filed after June 17, 2019 must be classified. As a result, we expect that time spent by Examiners on classification objections will decrease as the remaining applications (filed between Fall 2018 and June 17, 2019) which have not been classified, will decrease, again freeing up Examiners to examine newer applications.

Fourth, the recently enhanced ability to make minor amendments by telephone should expedite the examination of applications where the issues are very minor.



A few steps back

However, for all of the reasons for optimism, there are also reasons for concern that the rate of examination is not going to increase promptly.

First, last Summer, we estimated that the last of the applications filed prior to the change in law in June 2019 would be examined by this Summer or sooner. Given the current backlogs of 26-28 months, it is more likely that it will be the Fall of this year before all such applications are examined. Only thereafter might the time spent by examiners on classification objections significantly decrease.

Second, CIPO has recently begun examination of International Registrations designating Canada ("Protocol Applications") with a view to providing first examination within 18 months of the notification date of designation. As a result, CIPO has begun examining certain Protocol Applications in priority to non-Protocol Applications. Thus, we are seeing first examination of Protocol Applications filed between June 17 and into August 2019. This is good news for filers of Protocol Applications but will further divert resources from the examination of other Canadian applications.

Third, CIPO announced in December 2020 that certain trademark applications, directed to COVID-19 goods and services, such as PPE, can receive expedited examination (see our E-TIPS article on this topic for more details). While this is good news for applicants who qualify, resources devoted to such applications will be taken away from examining other, even earlier-filed applications.

Fourth, CIPO has indicated an intention to address piece-meal examination and reverting to holistic examination of applications. However, the practice is not universal and delays caused by multiple examination reports raising different issues remains.

We hope that this summary updates your understanding of "what is happening to my Canadian trademark application?"

