

What is Happening with my Canadian Trademark Application?

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We are asked this all the time. It is a good question. We explain in this article how recent developments have impacted the progress of trademark applications in Canada.

COVID-19 and Suspension of Deadlines

As a result of the pandemic, the Canadian Intellectual Property Office (CIPO) suspended all prosecution deadlines between March 16 and August 28 inclusive. This means that any deadline falling within that period is now due on August 31, 2020, subject to any further extension of the suspension.

The suspension effectively delayed the allowance (or "registration pending" status) of applications that had been advertised for opposition in the Canadian *Trademarks Journal*. Parties wishing to oppose an advertised application ordinarily have two months to do so. With the suspension, all applications advertised for opposition since mid-January 2020 were not able to proceed to allowance since the deadline to oppose those applications had been effectively extended to August 28. The good news is that, after August 28, the situation should return to normal.

During the pandemic, CIPO also delayed issuing decisions in trademark oppositions and summary cancellation proceedings. CIPO has recently resumed issuing decisions.

Delays in Examination of National Applications

Even prior to the pandemic, there were increasing delays in first examination of Canadian trademark applications. As of August 2020, CIPO appears to be issuing first examination of applications filed in August and September 2018. This means that the current average wait time for first examination is approximately 23-24 months or more from filing.

The delay in examination can be explained by the usual issues of staffing, budgets and the like. However, it also has its roots in recent legislative changes.

First, when Canada's government announced the legalization of cannabis with effect from October 2018, CIPO saw a surge in applications covering goods and services relating to cannabis. These applications added to the already backlogged system.

Second, in November 2018, the Canadian government announced that the long-anticipated changes to the *Trademarks Act* would take effect on June 17, 2019. One of the changes was the introduction of the Nice classification system for goods and services and a corresponding feeper-class structure for any Canadian trademark applications filed after June 17, 2019. This led to a rush to file applications before June 17. Some applications covered all classes of goods and services, filed by apparent trademark trolls to take advantage of not having to pay per-class fees. Given the extent of the goods and services, examining these applications takes significant resources.

Third, when the *Trademarks Act* was brought into force on June 17, 2019, all applications not yet advertised by that date were required to be re-examined for compliance with the *Act* as amended. A new basis for refusal is the examiner's preliminary view that a mark has no inherent



distinctiveness. A significant number of applications have received this objection as examiners and the profession continue to grapple with this concept.

As well, the goods and services in any application not advertised by June 17 had now to be classified in the applicable Nice classes. Few applications filed in Canada before that date were classified, and so a new examiner's report had to be issued, requiring classification.

Fourth, for a period of time, examiners tended to take a piece-meal approach to examination, first requiring the proper identification and classification of goods and services and only thereafter examining the trademark for registrability. Recently, CIPO has indicated that it will be reverting to holistic examination of applications.

The current time frame of 23-24 months or more for first examination is untenable. But there are glimmers of hope. CIPO is striving to issue first examination reports which cover all issues. The number of new trademark applications covering cannabis-related goods and services has levelled off. The pre-June 2019 rush to file is over. CIPO has hired record numbers of new examiners. At present rates, the last of the applications filed prior to the change in law in June 2019 will be examined by Summer 2021 or sooner.

Examination of Protocol Applications and Appointment of Canadian Agent

Unlike national applications where there is no time limit for first examination, International Registrations designating Canada (also known as "Protocol Applications") must receive their first examination from CIPO within 18 months of the notification date of designation. This means that, if Canada was designated as one of the countries in an existing International Registration or in a new International Application on June 17, 2019, the earliest possible date for designation, that Protocol Application could receive its first examination from CIPO on or before December 2020.

As CIPO begins its examination of Protocol Applications, we take this opportunity to remind our foreign attorneys and agents that under Canada's *Trademarks Regulations*, CIPO will only conduct business relating to Protocol Applications with the applicant directly or with an appointed Canadian trademark agent residing in Canada. This means that CIPO will not correspond with the foreign attorney or agent who filed the International Application about the prosecution of a Protocol Application. Therefore, the foreign attorney or agent should appoint a Canadian trademark agent to assist with the prosecution of the Protocol Application. Our firm does not charge any fees to record itself as Agent of Record for a Protocol Application.

We hope that this summary helps you understand "So, that's what is happening to my Canadian trademark application."

If you have further questions, please contact a member of our trademark group:



Marijo Coates



Gervas Wall



Victor Butsky



Gary Daniel



Hung Nguyen



Lauren Lodenquai