Client**ALERT**



INTELLECTUAL PROPERTY

TRADE-MARKS IN CANADA: SELECTING A STRONG MARK

by Paul Bain July 2012

Given the potential value of trade-marks in almost every business and the costs of building brand awareness in the marketplace, the selection of an <u>enforceable</u> trade-mark is crucial. Clients ought to consider the matters set out below before investing time and money in potential marks for their businesses.

1. Definition of Trade-Mark

'Trade-mark' is the legal term for a brand name. A trade-mark is almost anything that is used to identify a product or service and to *distinguish* it from the products or services of others; it can be a word or words, an Internet domain name, a shape, a logo, a slogan or 'tag-line', a colour applied to a product, a representation of a label, a series of musical notes, or a combination of any of these.

2. Selection of an Enforceable Trade-Mark

Enforceability is the ability of the owner of a mark to stop others from using similar trade-marks in association with similar products and services.

A trade-mark is stronger and more easily enforceable if it is 'distinctive', i.e. if it actually serves to distinguish the goods or services of the owner of that mark from those of others. There are four categories of trademarks (from strongest to weakest):

- <u>Invented/Coined</u> trade-marks are words or phrases that have no meaning on their own and that do not suggest the products or services that they are used in association with; e.g. the trademarks ESSO and GOOGLE have no intrinsic meaning. Inventive marks are the most enforceable as they are the most distinctive and are therefore accorded the widest protection. (Though over time they may become generic)
- <u>Arbitrary</u> trade-marks are words that have a meaning, but not a meaning that describes the relevant goods or services; e.g. the marks AMAZON and STARBUCKS, which do not describe or suggest books or coffee, respectively.
- <u>Suggestive</u> trade-marks suggest a quality or characteristic but do not describe the products or services that they are used in association with; e.g. MICROSOFT for computer software.
- <u>Descriptive</u> or generic trade-marks are the most difficult marks to enforce. Such marks describe a quality or characteristic of the products or services that they are used in association with; e.g. McDonald's cannot register "hamburger" as a mark and prevent others from using it.

3. Searches/ Pre-Clearance

There are a number of potential pitfalls which should be avoided when selecting a trade-mark. For example, a trade-mark will not be enforceable, and may be infringing, if it is confusing with a trademark or business name that is already in use or registered with similar products or services. *The best way to identify such problems is to first conduct appropriate searches*.

4. Other Issues in Selection of Trade-Marks

Trade-marks that are the surname of an individual are usually a poor choice, as are trademarks that are well-known geographic place names or that are translations of descriptive words in languages other than French or English. Other than descriptive marks, words or symbols that are commonly used in an industry by others, are also weak trademarks, as are marks comprised only of letters, numbers or acronyms.

FOR MORE INFORMATION CONTACT:



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