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Canada Changes Practices Regarding Non-use of Trademarks

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The Trade-marks Opposition Board (the Board) has revised its practices regarding summary proceedings for non-use of trademarks, commonly referred to as “section 45 proceedings.” These proceedings are intended to act as an “expedient statutory mechanism to clear the Register of trade-marks not in use.”¹ Section 45 of the *Trade-marks Act* permits third parties to request that the Registrar institute proceedings to confirm that the owner used the trademark within the three years preceding the date of the request.² The owner of the registered mark has three months from the date of receipt of notice from the Registrar to submit evidence of use, which can be done in the form of an affidavit or a declaration. Failure to provide this notice will result in the mark being expunged.

The revised practices, which are scheduled to come into effect on September 14, 2009, should improve the efficiency and speed with which section 45 proceedings are handled. The revised notice, *Practice in Section 45 Proceedings*,³ will replace the existing practice notice.

The new practice notice will limit the number and length of extensions. Trademark owners will generally be granted a single extension of time to submit evidence of use, up to a maximum of four months (in addition to the three months from receipt of notice from the Registrar), forcing trademark owners to act quickly to respond to all section 45 requests. In addition, trademark owners will no longer be granted retroactive extensions of time to file additional evidence of use after a requesting party has filed written representations relating to non-use, thereby encouraging owners to respond to requests with their best available evidence.

The new practice notice will increase the time granted to both the requesting party and the trademark owner for filing written submissions. Each party will now have four months to file their written submissions, with no opportunity for time extensions. Parties must therefore carefully monitor these deadlines.

The revised notice clarifies the circumstances in which the Registrar may elect not to issue a section 45 notice. The Registrar will consider whether (i) the trademark is already the subject of a section 45 proceeding, either pending before the Board or on

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¹ [Practice in Expungement Proceedings under Section 45](#).

² Requests can be made only after three years from the date of registration of the mark.

³ Available at www.cipo.ic.gc.ca/eic/site/cipointernet-internetopic.nsf/eng/wr01944.html.

appeal before the Federal Court; (ii) the request is within three years of the date of issuance of a previous section 45 notice when a final decision was issued by the Registrar; and (iii) the request is frivolous or vexatious.

The revised notice also provides guidance concerning the exceptional circumstances under which non-use will be excused. The Registrar will consider (i) the length of time during which the trademark has not been used; (ii) whether the reasons for non-use were due to circumstances beyond the control of the owner; and (iii) whether the owner seriously intends to shortly resume using the mark. If owners lack evidence of use, they might consider whether they can submit evidence of exceptional circumstances to excuse the non-use in response to a section 45 request.

Finally, the revised notice sets out an important change related to the scheduling of hearings. Rescheduling will be permitted if the parties who had requested the hearing will not be available on the scheduled date and provide consent for rescheduling. The hearing will, however, generally be rescheduled only once, and subsequent postponement will not be permitted. 