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PUBLIC CONSULTATION RELATED TO PROPOSED AMENDMENTS TO THE TRADEMARKS REGULATIONS IN CANADA

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Between November 21, 2022 and February 3, 2023, the Canadian Intellectual Property Office ("**CIPO**") is conducting public consultations on proposed amendments (the "**Proposed Amendments**") to the Canadian *Trademarks Regulations* (the "**Regulations**").[1] Under the Proposed Amendments, three new authorities would be granted to the Registrar of Trademarks (the "**Regulatrar**"):

- 1. the power to award costs;
- 2. the power to grant confidentiality orders; and
- 3. the expressed ability to practice case management.

According to CIPO, the aim of the Proposed Amendments is to provide the Canadian Trademarks Opposition Board with "the tools needed to discourage undesirable behaviours in proceedings, protect confidential evidence and manage complex cases."[2]

Costs Awards

Under the Proposed Amendments, the Registrar would have the authority to make a cost award in an opposition, section 45, or objection proceeding (each an "**Applicable Proceeding**"). Specifically, the Registrar may order costs in an Applicable Proceeding as follows:

Action in Question	Applicable Proceeding	Awarded Cost
A party who filed a request for a hearing withdraws their request less than two weeks prior to the scheduled hearing date	Any Applicable Proceeding	Two (2) times the prescribed fee to commence the proceeding
A party engages in unreasonable conduct which causes undue delay, complexity or expense in a proceeding	Any Applicable Proceeding	Five (5) times the prescribed fee to commence the proceeding
An application for the registration of a trademark was filed in bad faith	Opposition Proceedings only	Ten (10) times the prescribed fee for a statement of opposition
A divisional application was filed on or after the day on which the original application is advertised under subsection 37(1) of the Trademarks Act	Opposition Proceedings only	Two (2) times the prescribed fee for a statement of opposition

Under the Proposed Amendments, costs would only be awarded in exceptional cases and only at the request of a party.[4] It is contemplated that cost awards would only be available to Applicable Proceedings that are pending as of, or that are initiated after, the coming-into-force date of the amendments to the Regulations.[5]

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Confidentiality Awards

As a general rule, all documents related to an Applicable Proceeding are publicly accessible.^[6] That being said, there may be circumstances under which it may be appropriate to keep some aspects of an Applicable Proceeding (such as parts of the evidence) confidential. The Proposed Amendments and the supporting draft practice notice provide a mechanism by which a party may request a confidentiality order; it is contemplated that such request would:

- include a description of the information in the evidence that a party intends to submit to the Registrar and wishes to keep confidential (the "**Proposed Evidence**");
- include a statement that the information in the Proposed Evidence has not been made public;
- include an explanation as to why the information in the Proposed Evidence should be treated as confidential;
- indicate whether the party has obtained the consent of the other party in making the request; and
- provide all the information required to complete the model confidentiality order provided by the Registrar.

Confidentiality orders would not be issued unilaterally by the Registrar. Under the Proposed Amendments and supporting practice notice, a confidentiality request made by a party would only be granted in exceptional cases[7] and must be made prior to submitting the evidence at issue.[8] Therefore, confidentiality orders would be available only in circumstances where evidence is filed after the coming-into-force date of the amendments to the Regulations.

Case Management

Case management refers to a process where the Registrar has discretion to make an order to deal with matters in a procedurally and cost efficient way that is fair to the involved parties.

The Proposed Amendments provide for two different ways that the Registrar may practise case management. First, in situations where matters need to be dealt with efficiently, the Proposed Amendments would allow the Registrar to give a direction or make an order that would supplement the Regulations.^[9] Proposed examples of directions or orders under this first situation include the following:^[10]

- extending deadlines to align multiple related proceedings;
- hearing related files together or consecutively;
- convening a conference call with the parties to address issues that could potentially delay a proceeding; and
- convening a conference call with the parties to address the scheduling and conduct of hearings.



Second, in cases where a proceeding requires "heightened and ongoing direction", the Proposed Amendments would allow for the Registrar to order that the proceeding continue as a "case-managed proceeding".[]]] Under this second situation, it is proposed that the Registrar have regard to all of the surrounding circumstances including, but not limited to, procedural efficiency, volume of evidence, and complexity of the proceedings.

Conclusion

The ongoing public consultations provide an opportunity for the public and stakeholders to voice their views or concerns related to the Proposed Amendments. For further information on how to put forth your submissions during these public consultations or how the Proposed Amendments may affect your organization, please contact a member of our Intellectual Property team.

[1] Trademarks Regulations, SOR/2018-227.

[2] The Canadian Intellectual Property Office, *Consultation Document, Proposed Amendments to the Trademarks Regulations and Draft Practice Notices Pertaining to Proceedings Before the Trademarks Opposition Board*, available <u>here</u> (accessed December 4, 2022).

[3] *Ibid*.

[4] The Canadian Intellectual Property Office, *Draft – Cost awards in proceedings under section 11.13, 38, and 45 of the Trademarks Act*, available <u>here</u> (accessed December 4, 2022).

[5] Ibid., Section VI.

[6] Trademarks Act, RSC, 1985, c T-13 s. 29(1)(f).

[7] *Supra* note [4].

[8] The Canadian Intellectual Property Office, *Draft – Practice notice on confidentiality orders*, available <u>here</u> (accessed December 4, 2022).

[9] *Supra* note [4].

[10] The Canadian Intellectual Property Office, Draft – Case management in proceedings under section 11.13, 38 and 45 of the Trademarks Act, available <u>here</u> (accessed December 4, 2022).
[11] Ibid.

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A Cautionary Note

The foregoing provides only an overview and does not constitute legal advice. Readers are cautioned against making any decisions based on this material alone. Rather, specific legal advice should be obtained.

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