

Trade Name/Trade-Mark: Does it amount to the same thing?

Me Johanne Muzzo, Lawyer and Trade-marks Agent

The corporate name is selected; the company is formed and ready to delve into a business that manufactures, sells, leases wares or services.

For customers to readily identify the wares/services of a company to the company itself, often these wares/services carry the same name, in whole or in part, as the company. For example, Beaudoin Tables Inc. manufactures tables under the trade-mark BEAUDOIN.

So is a trade name the same as a trade-mark? Should Beaudoin Tables Inc. also register the trade-mark BEAUDOIN even though the company name is recorded in the business register?

Different Functions

A trade name is a name under which a business carries on its activities. In Quebec, a small difference between two trade names is sufficient for government authorities to distinguish them and to allow their coexistence on the CIDREQ register. The federal authorities may reject a trade name based on confusion with another trade name or a registered trade-mark.

A trade-mark is specifically connected to a ware and/or a service. It is used for the purpose of distinguishing wares or services of a person, natural or legal, from the wares or services of another. Two trade-marks that are confusing shall not be registered on the Register of Trade-marks.

Different Protection

The right of ownership of a trade-mark in Canada exists even though the mark is not registered on the Trade-marks Register. However, registering the mark confers undeniable advantages to the owner, namely:



IPC Team: Standing - Me Richard Gareau & Me Johanne Muzzo;
Sitting - Anne Grousset & Caroline Guy.

- The right to exclusive use of the mark across Canada in association with the wares/services it is used for even if the mark is used in one province only;
- The registration of the mark is incontestable (save exception) after 5 years against any third party claiming previous use of the mark;
- A presumption of ownership resulting in a claim of infringement against any third party, where the burden of proof is lower compared to other legal recourses available to the owner of an unregistered trade-mark;
- The publication of a mark on the register deters others from adopting a trade-mark or trade name that is confusing with your registered mark.

By contrast, a registered trade name, even under the federal jurisdiction, does not grant the owner the right to its exclusive use across Canada. A company from one province may register an identical or similar name to a registered trade name from another province, although the former

company would have legal recourses against the latter. But that is a topic for another day!

Registering your trade-mark on CIDREQ

To register your trade-mark is to gain publicity for that mark and make it known to the public. It is possible and certainly recommended to increase your mark's exposure by also declaring it on the Quebec CIDREQ register.

The value of a trade-mark

In 1886, Dr. Pemberton invented a soft drink called Coca-Cola. During the first year of the company's operations, sales of Coca-Cola products added up to \$50 US. The expenses tallied at \$70 US, thus showing a loss for that first year.² Who would have thought, back in 1886, that the Coca-Cola trade-marks would be worth today more than \$70 million US?³

In Canada, Coca-Cola Ltd. owns almost 100 registered marks with the words Coca-Cola. Despite its world-famous reputation and economic power, this company recognized the importance of protecting its group of trade-marks in Canada by registering them on the Register of Trade-marks.

Is your trade-mark registrable?

If you decide to use a trade name, or part of it, as a trade-mark, it is highly recommended that you are ensured of its registrability pursuant to the *Trade-marks Act* before you invest any money and time in such a trade-mark. A descriptive trade-mark or one that is primarily merely the name of an individual are generally not registrable.

Trade Name / Trade-Mark (cont'd)

In the example mentioned above, Beaudoin Tables Inc., can the name BEAUDOIN be registered as a trade-mark? Or, can Super Courier Services Inc. offer courier services under the trade-mark SUPER COURIER? Unless you can demonstrate the distinctive nature of these marks, we believe both are not registrable.

Our Intellectual Property Center (IPC) team (photo on p. 1) can advise and assist you with the whole registration process; from the registrability search of a trade-mark to the filing of an application for registration in Canada and elsewhere. We can also represent you in an opposition or summary expungement proceeding. Call us! It'll be our pleasure to assist you.

- 1 In the *Trade-Marks Act*, R.S.C. 1985, c. T-13, the expression "trade name" means the name under which any business is carried on, whether it is the name of the corporation or any other trade name.
- 2 Information obtained from the Coca-Cola Company site: www2.coca-cola.com/contactus/faq/history.html#2
- 3 Business Week, August 4, 2003; data from Interbrand Corp., J.P. Morgan Chase & Co., Citigroup, Morgan Stanley.

Turnaround Schedule for Corporate Services as of October 1st, 2004

SERVICES	PROVINCIAL	FEDERAL
TaxExpress™ (GST / QST / QDAS)	5 - 10 days	3 - 5 days
Name search with reservation	*24 hours	2 - 6 hours
Name search without reservation	3 hours	—
Certificate of incorporation (paper filing)	*2 - 3 days	2 days
Certificate of incorporation (IncoWeb™ electronic filing)	*2 - 3 days	24 hours 4 - 6 hrs if numeric
Certificate of amendment	*3 - 4 days	2 days
Certificate of continuation, of continuance or of amalgamation	*1 - 2 weeks	5 - 7 days
Certificate of dissolution	3 - 4 weeks	1 week
Notice of change (federal) or amending declaration (Quebec)	2 - 3 weeks	7 - 8 days
Letters patent for non-profit corporation	*1 - 2 weeks	25 days
Attestation / Certificate of good standing and certificate of compliance	*24 hours	48 hours
Revival	—	6 - 8 days
Initial declaration	1 - 2 weeks	—
Declaration of registration	*1 - 2 weeks	—
Annual declaration	*2 - 3 weeks	—
Revocation of striking-off (s. 54 L.P. Act)	*2 - 3 weeks	—

The turnaround times may vary slightly according to each file (*) = Priority service available.

FOOD FOR THOUGHT

"Our greatest glory is not
in never falling,
but in rising every time we fall."

Confucius

C.R.A.C. Corporate Research and Analysis Centre Ltd.

1080 Beaver Hall Hill, Suite 1717
Montreal, Quebec Canada H2Z 1S8
Tel: (514) 861-2722
Toll free: 1-800-361-5744
Fax: (514) 861-2751
E-mail: crac@crac.com

Notice: The information contained in INFO-CRAC® is of a general informative nature and in no way constitutes nor should it be construed as a legal opinion. INFO-CRAC® is published bi-monthly for the benefit of our clients. Please submit any comments in writing to the Editor, Richard S. Gareau (rs gareau@crac.com).

NUANS® Reports

As of October 1, 2004, information on businesses from Quebec will no longer appear on the NUANS® search reports. You will recall that in 1994 following the coming into force of the *Act Respecting the Legal Publicity of Sole Proprietorships, Partnerships and Legal Persons*, the Quebec government ceased to provide Industry Canada with business names newly registered in

Quebec for the NUANS® database. The database having not been updated in 10 years, it was decided that all business names originating from Quebec would be eliminated from the NUANS® system.

For any proposed name at the federal level, it is clear that a search conducted solely in the NUANS® system is incomplete and one must necessarily

make up for the deficiency by searching on the CIDREQ register for Quebec names. CRAC's search department has always provided, and will continue to provide, a thorough analysis of names submitted by our clients in CIDREQ. If you have any questions, please call Mr. Denis Livernoche of our search department at 514-861-2799, ext. 335.

Change in Taxation Year-End

A federal corporation that changes its taxation year-end must file the annual return (Form 22) by specifying the new year-end date, and attach the new Form 22-A - Change of Taxation Year-End.

By filing Form 22-A, the corporation must ensure that the change is specifically authorized by the Canada Customs and Revenue Agency (CCRA) or the *Income Tax Act*, as the case may be.

For example, a corporation having December 31 as its taxation year-end decides, in 2002, to change this date

to July 31. It must submit an annual return for each of the following periods:

Annual Return	End of taxation year-end	Period to send the annual return to the Director
For the period from January 1, 2001 to December 31, 2001	December 31	Between January 1, 2002 and June 30, 2002
In 2002, the corporation changes its taxation year-end to July 31		
For the period from January 1, 2002 to July 31, 2002 (interim return)	July 31	Between August 1, 2002 and January 1, 2003
For the period from August 1, 2002 to July 31, 2003	July 31	Between August 1, 2003 and January 1, 2004

For more information, please call Franca Sucapane at 514-861-2799, ext. 328.



Place your brand under our wing.

The IPC Intellectual Property Centre™, our trade-marks department, will perform all the steps leading to the registration. Contribute to your clients' success by proposing the best possible protection available: a registered trade-mark.

CORPORATE RESEARCH AND ANALYSIS CENTRE LTD.

Telephone: (514) 861-2722 Toll free: 1 800 361-5744
www.crac.com

