

Canada: Status of Use/Registration Abroad Filing Basis

Thymes, LLC v. Reitmans

Canada Limited,

2013 FC 127 (February 6, 2013) (Appeal discontinued.)

The three most common filing bases for trademark applications in Canada are (1) use of the mark in Canada, (2) proposed use of the mark in Canada, [More](#)

Thymes, LLC v. Reitmans Canada Limited, 2013 FC 127 (February 6, 2013) (Appeal discontinued.)

The three most common filing bases for trademark applications in Canada are (1) use of the mark in Canada, (2) proposed use of the mark in Canada, and (3) registration in the applicant's country of origin combined with use of the mark anywhere (an application can be claimed as a basis pending its registration; this basis is sometimes referred to herein as "registration/use abroad"). Including multiple filing bases allows for flexibility, because if one filing basis is deemed improper, the application may proceed provided that a proper filing basis remains. Under local practice, an application may be amended to add registration/use abroad as a filing basis any time prior to publication, which typically allows months or years following the filing date for such an amendment. Additionally, prior to *Thymes*, no clear decision existed concerning whether the use abroad must have taken place prior to the date of filing the application.

In *Thymes*, the applicant filed an application for THYMES & T Design covering a variety of goods in Class 3, claiming use and registration in the U.S. as a filing basis (along with proposed use in Canada). The application was opposed by the owner of THYMES MATERNITY, and the Registrar refused registration on two grounds (1) failure to show use of the applicant's mark in the U.S. as of the filing date of the application in Canada (required by s. 16(2) of the *Trade-marks Act*) and (2) likelihood of

confusion with the THYMES MATERNITY mark. The applicant appealed to the Canadian Federal Court, where the court considered the Registrar's refusal and the Opposition Board's decision against the applicant. Notably, the application apparently was flawed in pertinent part because at the time of filing the applicant claimed use and registration in the U.S. as a basis, while the evidence indicated there was no use of the mark in the U.S. at the time of filing. In upholding the Registrar's refusal, and ultimately the Opposition Board's decision against the applicant on the issue of likelihood of confusion with THYMES MATERNITY mark, the court made two sweeping statements concerning Section 16(2) of the Canadian *Trade-marks Act*, creating an apparent ambiguity for trademark applicants, going forward.

Before *Thymes*, practitioners generally understood that trademark applicants could add the registration/use abroad filing basis after the application date and before publication, so long as the mark was in use when such filing basis was added. Practitioners further understood that registration/use abroad required registration in the applicant's home country combined with use *anywhere*.

In *Thymes*, the court made the following two bulleted statements, discussed separately below:

- There is no doubt a proper reading of [Section 16(2)] requires that, at the time of filing the application, if an applicant relies on registration or application and use abroad pursuant to that section, *there must have been use of the trade-mark at the time of the application to rely on this section as a valid basis to obtain registration in Canada.* [Emphasis added.]

Abroad reading of this first statement would require that the registration/use abroad filing basis must now be supportable at the time of filing, even where the basis is added after filing and before publication. Such a requirement would reduce the flexibility that practitioners have previously relied upon in structuring trademark applications.

- It is clear that section 16(2) of the Act emphasizes that *use of the mark in the country of origin of the applicant is a requirement for registration in Canada.* [Emphasis added.]

As to the second statement, prior to *Thymes*, the common reading of Section 16(2) was that the registration must be in the applicant's country of origin, but use of the mark could take place anywhere (even outside the home country). The definitive nature of the court's interpretation of the statute could be seen as signaling a significant change in practice. Whether this interpretation is correct is a matter of discussion among practitioners. Without the benefit of further appeal, however, it remains to be seen

whether this interpretation will ultimately withstand scrutiny. That said, the decision does add a note of caution for applicants seeking to rely on the registration/use abroad basis.

Thymes clearly has no bearing on cases where the applicant can claim (and support) registration and use in the country of origin prior to filing. But the decision is significant for applicants who wish to claim registration/use abroad as a filing basis where the relevant supporting use (i) follows the filing date, (ii) takes place outside the applicant's country of origin, or (iii) both. Accordingly, especially following *Thymes* when alleging registration/use abroad it would be prudent to include at least one additional filing basis (e.g., use or proposed use in Canada).

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