



Trademarks and Geographic Place Names — CIPO Updates its Practice

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By Susan Keri and Jonathan Burkinshaw

On November 9, 2016, the Canadian Intellectual Property Office (CIPO) issued a Practice Notice to clarify its position with respect to trademarks that are geographic names. Section 12(1)(b) of the *Trademarks Act* (the "Act") precludes the registration of trademarks that are either "clearly descriptive" or "deceptively misdescriptive" of, among other things, the place of origin of the goods or services with which they are associated.

The Notice is intended to bring CIPO's practice in line with the recent decision of the Federal Court of Appeal in *MC Imports Inc. v. AFOD Ltd.* 2016 FCA 60, issued February 23, 2016. [For a discussion of this decision, click here.]

The Notice states that a trademark will be deemed clearly descriptive of the place of origin of the associated goods or services, and thus not registrable under Section 12(1)(b) of the Act, if the trademark, whether depicted, written or sounded, is a geographic name and the associated goods or services originate from the location of the geographic name. For example, the mark FLORIDA would not be registrable for oranges that originate from Florida. Notably, this test does not include a consideration of the perception of consumers.

The Notice also states that a trademark will be deemed misdescriptive if it is a geographic name and the associated goods or services do not originate from the location of the geographic name. To assess whether the trademark is <u>deceptively</u> misdescriptive, and thus not registrable under Section12(1)(b) of the Act, the perception of the ordinary consumer – namely, whether they would be misled into the belief that the associated goods or services originated from the location of the geographic name in the mark – will, in this case, be relevant. Under this test, the mark FLORIDA would not likely be registrable for oranges that come from California because consumers would likely believe that the oranges came from Florida. On the other hand, the mark ALASKA might be registrable for oranges from California or Florida because consumers would not likely believe that the oranges came from Alaska.

The Notice also states that the Trademarks Office will determine a trademark to be a geographic name if the trademark has no meaning other than as a geographic name or, if it has multiple meanings, then the primary or predominant meaning is as a geographic name. This determination will be assessed from the perspective of the ordinary Canadian consumer of the associated goods or services. The Office will then ascertain the actual place of origin of the associated goods or services by seeking confirmation of same from the applicant.

Notably, the tests for clear descriptiveness and deceptive misdescriptiveness both depend on a finding that a trademark "<u>is</u> a geographic name". Though not indicated in the Practice Notice, CIPO's <u>Trademarks Examination Manual</u>, citing prior jurisprudence, confirms that a "geographic name" can be interpreted to mean a street name, a neighbourhood, a city, region, state, province, country or continent. Also not clear from the Practice Notice but clarified in the Examination Manual is that Examiners will consider goods or services to originate from a geographic place if they are manufactured, produced, grown, assembled, designed, provided or sold there, or if the main component or ingredient is made in that geographic location

The decision of the Federal Court of Appeal in <u>MC Imports</u>, combined with the recent Practice Notice, indicates that CIPO Examiners and the Courts in Canada are very likely to refuse applications, or invalidate registrations, for trademarks that are geographic place names from where the associated goods or services originated, barring evidence showing acquired distinctiveness. The Notice does not affect the statutory exception to the Section12(1)(b) bar to registrability if the applicant can show that the mark has been so used in Canada as to have acquired distinctiveness as of the filing date of the application.





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