

Excusez mon français (Pardon My French): Trademarks in Commercial Advertising in Québec in Light of the Recent Amendments to the Regulations under the Charter of the French Language

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The Canadian province of Québec is famous for its *joie de vivre* and culture—being the birth place of singer Céline Dion, movie director Denis Villeneuve, the Cirque du Soleil, and delicacies such as poutine. It is also known for its significant French-speaking population. Maintaining French as the language of the land is not an easy task when its population is surrounded by over 300 million English-speaking neighbors, and thus, according to many, requires strict laws.¹

This is why Québec adopted, 40 years ago, on August 26, 1977, the Charter of the French Language (Charter),² a unique provincial law that declares French as the official language of Québec. The Charter's objective, set out in its preamble, is “to make French the language of Government and the Law, as well as the normal and everyday language of work, instruction, communication, commerce and business.” It requires entities including schools, government agencies, and businesses to use French in their communications with the public.

Over its existence, the Charter has been criticized and even challenged before the courts, but it has also shown to be economically profitable³ and to have contributed significantly to the protection of the French language in Québec. In 2015, the Québec Court of Appeal reaffirmed the importance of protecting French language in Québec, notably through public signage:

For reasons that are known and are no longer disputable, promoting and protecting the French language is, in Québec, an established priority responding to a real and persistent need. The use of French in public is one of the pivotal points of this policy: “Public signs and posters and commercial advertising shall be solely in the French language” or in a manner which ensures the marked predominance of the French, states section 58 of the Charter, which sets out a principle that ensures that the reality of Québec society is reflected in its “*visage linguistique*.”⁴

The Charter applies to all provincially regulated businesses in Québec, but might also be applicable to federally regulated businesses in Québec, such as banks, telecommunication companies, airlines, and maritime transport.⁵

Chapter VII of the Charter deals with the language of commerce and business. It applies to inscriptions on products and packaging; on commercial publications, software, toys, and games; on predetermined contracts, forms, invoices, and receipts; commercial public signage; and business names.⁶ The Charter does not prohibit the use of other languages—in fact, it even permits the exclusive use of languages other than French, including trademarks, as will be discussed below.

This article will focus mainly on the requirements of using French when a trademark in a language other than French appears in commercial signage. These provisions have been the subject of controversy in the past few years, and changes were made last year that affect all businesses with non-French brands and an address in Québec. But, let's first start with an overview of the general rule.

Use of French: General Rule

The general rule is simple: all commercial text must be in French. Where the Charter authorizes texts or documents both in French and in one or more other languages, the French version must be displayed at least as prominently as the other language.⁷

For example, text on goods or their packaging can be in French and in another language, as long as the text in the other language is not given greater prominence than the French text.⁸ There are no specific rules as to the font, color, or location of the text in each language—they can be one on top of the other, or side by side, or even on opposite sides of the good or package.

Text in commercial publications, such as “[c]atalogues, brochures, folders, commercial directories and any similar publications,” must be in French.⁹ “Similar publications” include websites¹⁰ and probably social media.¹¹ These publications can be bilingual or in two separate unilingual versions, as long as the French version is “available under no less favourable conditions of accessibility and quality than the version in the other language.”¹²

Commercial Public Signage (Section 58) and the “Recognized” Trademark Exceptions

On November 24, 2016, almost 30 years after being held unconstitutional by the Supreme Court of Canada as they were then drafted,¹³ the revised provisions of the Charter imposing French on commercial signage got a facelift, tightening up the exception that allows trademarks recognized under the federal Trade-marks Act¹⁴ to be exclusively in a language other than French.¹⁵ While such trademarks may remain exclusively in a language other than French, a “sufficient presence” of French must now be added, accompanying or surrounding the mark. These new requirements will be presented below. The amendments’ purpose is to increase the French landscape in the province of Québec, particularly in the city of Montréal where many consider that French is historically losing ground to other languages, especially English.

Commercial Signage Rule: Size Does Matter

The rule for public commercial signage is different from the general rule. It is dealt with in section 58 of the Charter:

Public signs and posters and commercial advertising must be in French.

They may also be both in French and in another language *provided that French is markedly predominant*.

However, the Government may determine, by regulation, the places, cases, conditions or circumstances where public signs and posters and commercial advertising must be in French only, where French need not be predominant or where such signs, posters and advertising may be in another language only.

As per the general rule, French is required on public signage. Where the Charter does not require the use of French exclusively, other languages can also be used together with French.¹⁶ However, French must be “markedly predominant.”¹⁷ “Markedly predominant” has been specified by the Regulation Defining the Scope of the Expression “Markedly Predominant” for the Purposes of the Charter of the French Language¹⁸ adopted under the Charter. It provides that French is markedly predominant where the text in French has a much greater visual impact than the text in the other language. It also gives guidance for signs where French and another language appear, in that French will be deemed to have a much greater visual impact if:

- On the same sign or poster, the space allotted for and the characters of the French text are at least twice as large as the space/text for the other language;
- On separate signs or posters of the same size, the signs and posters in French are at least twice as numerous as those bearing the text in the other language and the French characters are at least as large as those in the other language; and
- On separate signs or posters of a different size, the signs and posters in French are at least as numerous as those bearing the text in the other language and at least twice as large as those in the other language and the French characters are at least twice as large as those in the other language.¹⁹

In addition, the other characteristics of the sign or poster must not have the effect of reducing the visual impact of the text in French.

For example (same sign, space allotted for and characters of French at least twice as large):

VENTE DE FEU—TOUT DOIT PARTIR!

FIRE SALE—EVERYTHING MUST GO!

Simply posting the French version before a version in another language on commercial signage does not meet the markedly predominant criteria. In fact, “[w]hen it comes to the language of signs and the marked predominance of the French language, size does matter.”²⁰

Exceptions: The “Recognized” Trademark, and the Office’s First Change in Interpretation

As indicated above, there are exceptions pursuant to which the text on public commercial signage can be exclusively in a language other than French. These are provided at sections 22 to 25 of the Regulation Respecting the Language of Commerce and Business (Regulations)²¹ and include advertising for cultural events, a media outlet that broadcasts in that other language, advertising of an event—and during that event—such as an exhibition for a specialized or limited public, foreign firm names (not doing business in Québec), a place name, a family name, and a recognized trademark.

The commonly accepted interpretation of this “recognized” trademark exception was that translation was not required if it could be shown that any “mark” was recognized as a trademark, whether registered or unregistered, as both are recognized by the Trade-marks Act. While it would surely be easier to show that a mark was “recognized” if the mark was registered, or an application was pending, it was open for anyone to argue that the presentation or use of the mark was such that consumers would recognize it as a trademark.

From time to time, the *Office québécois de la langue française* (Office), the governmental body in charge of protecting the French language, issues an annotated version of the Charter. This annotated Charter includes commentaries from the Office, where it provides its interpretation of the Charter. In an unexpected move, in its 2008 publication of the annotated Charter, the Office changed its interpretation of the trademark exception. The Office’s new interpretation was that a “recognized” mark meant only a *registered* mark, to the exclusion of all unregistered marks, and even if an application was pending. This new position was surprising given that the Regulations specifically refer to both a “recognized” trademark and a “registered” trademark. Jurisprudence, notably the *Centre sportif St-Eustache* decision,²² has since confirmed that a “recognized” trademark did not need to be registered.

To this day, the Office has maintained its narrow interpretation of “recognized” trademarks. Of course, the Office’s commentaries do not amend the Regulations or the Charter. But, businesses seeking to rely on the recognized trademark exception now bear the burden of demonstrating trademark status by either registering their marks or by contesting a complaint by the Office before the courts. Considering that it takes a minimum of 12 months to obtain a trademark registration in Canada, businesses that wish to rely on this exception should either file trademark applications at least a year before using the mark in Québec or face the uncertainty of receiving a complaint during that time.

The Office's New Change in Interpretation: When a Trademark Is Not a Trademark, and the Best Buy Decision

Trademarks on Storefront Signage

The Office did not completely disregard the teaching of the above-mentioned *Centre sportif St-Eustache* decision. This decision also confirmed that trade names are different from trademarks and do not benefit from the trademark exception—a trade name on a storefront window must thus comply with the markedly predominant rule.

The Office sided with the last part of that decision, and again changed a long-standing interpretation of the Charter, this one on the use of trademarks on storefront signage: suddenly, a trademark on storefront signage was no longer considered by the Office as a mere trademark, but rather as a business name that does not benefit from the trademark exception. A trade name's distinctive element may be in a language other than French, on the condition that there are additional French descriptive elements.²³

One can find it unfortunate to see a government institution cherry-picking the teachings of a court decision and negating another clearly stated teaching of the same decision—without even challenging that decision in the Québec Court of Appeal—especially because that change in interpretation would cause prejudice to businesses that have peacefully applied the same rule over the years. Businesses that had correctly applied the trademark exception rule were unexpectedly found by the Office to be noncompliant with the Charter and were facing penal proceedings or administrative measures such as revocation of their francization certificate.²⁴

This interpretation was challenged before the Superior Court of Québec by several retailers, namely Best Buy, Costco, Gap, Old Navy, Guess, Wal-Mart, Toys “R” Us, and Curves, seeking a declaratory judgment that the display of non-French trademarks on signage, without a French descriptor, was in compliance with the Charter and its Regulations.

The Best Buy Decision

The Superior Court of Québec sided with the retailers, rejecting the Office's interpretation.²⁵ Interestingly, the court noted that the provisions of the Charter on public signage, in its current version, as well as the sections in the Regulations that deal with the trademark exception and the requirements of a French descriptor for trade names, have been in force for over 20 years, and that the plaintiffs' signage has essentially remained unchanged since then. However, the Office never bothered to raise this issue when delivering their francization certificates, which it now threatened to revoke.

The court also reiterated that trademarks and trade names are two separate legal notions. It noted that the plaintiffs' marks on their signage are different from their business names and not related to the plaintiffs' legal personalities. Moreover, they are not, for most, used by the plaintiffs themselves but by licensees. For example, the plaintiff Curves licenses the use of CURVES to its three franchisees, all of which are distinct Québec numbered companies. Under law,²⁶ a person cannot use a name that is confusingly similar to another entity's name. Clearly, the Curves franchisees are not using a name but something different (hint: a trademark). As the court put it (translated): “[It is] [d]ifficult to find a better example of the fact that a company name and a trademark are two distinct concepts and that the dis-

play of the second does not mean at the same time the display of a name.”²⁷ Moreover, section 25 of the Regulations lists the trademark exception and makes a clear distinction between firm names and trademarks, as it lists an exception for the name of a firm established exclusively outside of Québec.²⁸

Ironically, the Office was right in its conclusion following the *Centre sportif St-Eustache* decision that trade names are different from trademarks—except that trademarks do not lose the benefit of the trademark exception simply because they appear on storefront signage.

The Québec government appealed the decision, and from the bench, the Québec Court of Appeal dismissed the appeal.²⁹ The government did not attempt to appeal the decision before the Supreme Court of Canada, surely acknowledging that the law was not on its side. Instead, it decided to change the law.

Québec’s Response: New Regulations

Sufficient Presence of French

On November 24, 2016, the Québec government’s response came into force: the Regulations were amended to force businesses with storefront signage bearing only non-French trademarks to add other text, such that there is a “sufficient presence of French.” Five new sections were added to the Regulations.

New section 25.1 states the new general rule:

Where a trade mark is displayed outside an immovable only in a language other than French under paragraph 4 of section 25, a sufficient presence of French must also be ensured on the site, in accordance with this Regulation.

For the purposes of the first paragraph, the presence of French refers to a sign or poster with:

- (1) a generic term or a description of the products or services concerned;
- (2) a slogan;
- (3) any other term or indication, favouring the display of information pertaining to the products or services to the benefit of consumers or persons frequenting the site.

This new rule applies strictly to trademarks, strictly posted on outside signage, strictly on a building (or next to it).³⁰ It does not alter the rule for packaging or commercial publications or signage not on a building or close to it, and does not alter any rule if a trademark is not involved. Moreover, none of the other exceptions are altered, which means that, for example, if the inscription on storefront signage is the name of a business established exclusively outside Québec or a family name, there is no requirement to add a sufficient presence of French.

What may be added is quite broad: it can be a generic or descriptive word or expression that describes the goods or services. It can also be a slogan or any suggestive phrase that relates to the goods, services, or business. It can also be anything else relevant to the goods and services, especially if it contains information beneficial for customers, such as details on the manner in which the goods were manufactured.

For example, if the trademark is MAD COW for a restaurant, it can be:

(1) Generic or descriptive:

MAD COW *Restaurant*

(2) A slogan (“We Love Our Beef to Death”):

MAD COW *Nous aimons notre bœuf à mort*

(3) Other relevant information (“Killed with Kindness”):

MAD COW *Abattus avec compassion*

Some information, however, will not be taken into account when assessing the sufficient presence of French: business hours, telephone numbers, and addresses; numbers and percentages; and definite, indefinite, and partitive articles (e.g., *le, la, un, une, les, or des*).

Markedly Predominant

These new rules do not change one fundamental rule: the markedly predominant rule of French text on commercial signage. This means that if the other text added to the signage also appears in a language other than French, French has to be, for example, twice the size of the text in the other language. For example:

MAD COW *Nous aimons notre bœuf à mort* We Love our Beef to Death

The rules regarding the scope of “markedly predominant” were also amended to clarify that when assessing the much greater visual impact of French text, the exceptions, such as those listed at section 25 of the Regulations, are not to be taken into account. This means that in assessing the visual impact, the Office will look at all elements except those for which an exception is provided in the Charter or its Regulations and determine if the remaining text complies with the markedly predominant rule. For example, a family name that is also a trademark will not be subject to the new rules. ³¹

While all new outdoor signage must be in compliance with these new rules, the transitional provisions give existing signs or new signs for businesses that are part of a franchise system a three-year period (i.e., before November 24, 2019) to comply.

While these new measures will certainly mean additional formalities for the added French text on storefront signage, multinational companies doing business in Québec can breathe a sigh of relief because the new rules do not force them to alter their trademarks by requiring a translation. Such a stringent change would surely have elicited another round of constitutional contestation because the Trademarks Act is of federal jurisdiction.

From a marketing perspective, however, these new changes can represent an opportunity for anyone with commercial activities in Québec. Businesses should appeal to their targeted customers and convey messages in their language to better reach them. They can thus improve their image and increase visibility.

Some businesses have even gone all out and translated their main trademark, and done it with quite success, such as Staples (*Bureau en Gros*), KFC (*PFK*), and Running Room (*Coin des coureurs*). Their contribution to Québec's *visage linguistique* surely does not go unnoticed. In any event, the addition of sufficient French can add a certain *je ne sais quoi* to businesses' well-known brands. n

Endnotes

1. For a summary of Québec's historical legislative efforts to protect French language, see *Magasins Best Buy ltée c. Québec (Procureur général)*, 2014 QCCS 1427, paras. 1–7.
2. C.Q.L.R., c C-11.
3. According to the following study, knowledge of several languages (such as French and English) multiplies the number of potential business partners and thus stimulates commerce and prosperity: ALAN ARCAND, CONFERENCE BD. DU CAN., LE CANADA, LE BILINGUISME ET LE COMMERCE, at iii, 38 (2013) (“*La connaissance généralisée du français au Nouveau-Brunswick et au Québec stimule le commerce entre ces provinces et les pays francophones [Generalized knowledge of French in New Brunswick and Québec stimulates trade between these provinces and French-speaking countries].*”).
4. Québec (Procureure générale) c. Magasins Best Buy ltée, 2015 QCCA 747, para. 7.
5. David Robitaille & Pierre Rogué, *La Charte de la langue française : une entrave aux activités essentielles des entreprises privées de compétence fédérale au Québec?*, 43 R.D.U.S. 645, 654 (2013).
6. C.Q.L.R., c C-11, ss 51, 52, 52.1, 54, 55, 57, 58, 63–71.
7. *Id.* at s 91.
8. *Id.* at s 51.
9. *Id.* at s 52.

10. Québec (Procureur général) c. Aroyan, 2006 QCCQ 6922; Québec (Procureur général) c. Produits métalliques C.M.P. Ltée, 2004 CanLII 48901 (C.Q.); Québec (Procureur général) c. Waldie-Reid, 2002 CanLII 63270 (C.Q.); Québec (Procureur général) c. Hyperinfo Can. Inc., 2001 CanLII 16493 (C.Q.).
11. Section 52 applies to all commercial publications provided it is aimed at making commerce on the territory of Québec. *Waldie-Reid*, 2002 CanLII 63270.
12. Regulation Respecting the Language of Commerce and Business, C.Q.L.R., c C-11, r 9, s 10.
13. *Ford v. Québec (Attorney Gen.)*, [1988] 2 S.C.R. 712 (holding the initial provisions on public commercial signage providing that such commercial advertising had to be solely in French to be unconstitutional and an infringement of the freedom of expression). It was actually section 58's third version, but, as with the two previous versions, the general rule was that public signage and commercial advertising had to be exclusively in French.
14. R.S.C. 1985, c T-13.
15. More specifically, section 58 of the Charter was not amended, but new sections 25.1 to 25.5 of the Regulation Respecting the Language of Commerce and Business, C.Q.L.R., c C-11, r 9, adopted under the Charter, came into force, and provide for new requirements of French on storefront signage.
16. C.Q.L.R., c C-11, s 89.
17. It is interesting to note that the markedly predominant idea was in fact suggested by the Supreme Court of Canada in the *Ford* decision, [1988] 2 S.C.R. 712, para. 73: "Thus, whereas requiring the predominant display of the French language, even its marked predominance, would be proportional to the goal of promoting and maintaining a French 'visage linguistique' in Québec and therefore justified under the Québec Charter and the Canadian Charter, requiring the exclusive use of French has not been so justified."
18. C.Q.L.R., c C-11, r 11.
19. *Id.* at ss 2–4.
20. Québec (Attorney Gen.) v. 156158 Can. Inc. (Boulangerie Maxie's), 2015 QCCQ 354, para. 103.
21. C.Q.L.R., c C-11, r 9.
22. Centre sportif St-Eustache c. Québec (Procureur général), 2009 QCCS 3307.
23. C.Q.L.R., c C-11, s 67; C.Q.L.R., c C-11, r 9, s 27 .

24. Among the consequences, absent the francization certificate, such a business would no longer be able to be hired on government contracts.
25. *Magasins Best Buy ltée c. Québec (Procureur général)*, 2014 QCCS 1427.
26. An Act Respecting the Legal Publicity of Sole Proprietorships, Partnerships and Legal Persons, C.Q.L.R., c P-45, s 17.
27. *Best Buy*, 2014 QCCS 1427, para. 107.
28. C.Q.L.R., c C-11, r 9, s 25(1).
29. *Magasins Best Buy ltée v. Québec (Procureur général)*, 2015 QCCA 747.
30. “Outside an immovable” includes signs inside the premises that are intended to be seen from outside, and on an independent structure, such as a totem-type structure, if there is no other outside sign or poster on which the trademark appears and if no other trademark appears on the totem. It also includes a permanent stand or counter, or premises in a mall, if the sign is made to be seen by customers walking by. C.Q.L.R., c C-11, r 9, s 25.2.
31. In addition, nowhere is it provided that the trademark rules supersede the other exceptions, such as a family name. *See Best Buy*, 2014 QCCS 1427, para. 131.