

## Trademark Filing Grounds are Important – HUNKY HAULERS applications refused

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A February decision of the Canadian Opposition Board demonstrates the importance of carefully selecting and drafting trademark application filing grounds. In *Friedman and Soliman Enterprises, LLC v. Hunky Haulers Inc.* (2017 TMOB 11), the Board refused applications based on technical non-compliance, relying on evidence that the corporate applicant was not in existence on the date of use claimed in the application.

The corporate applicant filed applications for word and design versions of HUNKY HAULERS for transportation services and related franchising activities, relying upon use in Canada since November, 2010. The statement of opposition included both technical and confusion grounds, although only the technical ground was examined by the Opposition Board Member. Specifically, the opponent alleged that the application did not comply with s. 30(b) of the Trade-marks Act, “ *since the applied-for trade-mark has not been used with the Services* “.

The opponent filed evidence that included corporate searches showing that the applicant was incorporated about five months after the claimed date of first use. No predecessor in title was relied upon, nor did the applicant seek to amend its application after this issue arose to add a reference to any predecessor.

The Opposition Board Member noted that the statement of opposition did not actually state that the non-use ground applied because the applicant did not exist, but was prepared to read in that claim by saying that the statement of opposition should be read in conjunction with the evidence. No evidence was filed by the applicant (who also did not file a written argument). The Opposition Board Member held that the s. 30(b) opposition ground succeeded, and did not consider any of the other grounds of opposition, noting that the applicant had an “apparent lack of interest”.

The decision illustrates a few points about Canadian opposition proceedings:

- 1. Technical grounds can often be successful.** The *Trade-marks Act* requirements in s. 30 provide many opportunities to challenge an application. Getting the filing grounds right at the start can save time, uncertainty and possible loss of rights.
- 2. When claiming “use”, it is key to ensure that it has been the applicant’s use.** If the actual applicant was not yet formally incorporated when use commenced, which is not uncommon, the entity that started to use should be named as a predecessor in title.
- 3. All predecessors-in-title should be named.** Oppositions have succeeded for that reason.
- 4. If an issue regarding the proper chain of title arises, consider if it is possible to amend the application to address the issue.** Rules 31 and 32 of the Regulations list the circumstances under which an application can be amended, and while the “applicant” cannot be changed, there are no restrictions on adding details of a chain of title.
- 5. The specific wording of opposition grounds can impact success.** In this case, the Opposition Board Member noted that the statement of opposition did not “specifically” allege that the s. 30(b) grounds applied because the applicant did not exist, but was prepared to read the grounds in conjunction with the evidence. It is not uncommon to locate evidence, after the statement of opposition has been filed, that impacts the way the opposition grounds are argued. To avoid any doubt, consider if the opposition grounds can or should be amended to clarify the precise grounds.

The specific grounds alleged in this case will probably be irrelevant once the amendments to the *Trade-marks Act* are implemented (now likely to be early in 2019). The amendments set a prerequisite for filing of a proposal to use, or actual use of a trademark in Canada, but do not require the applicant to include that information in its application. While an opponent could allege no actual use or proposal to use, it will have the onus of introducing evidence to support this ground, which we expect will be very difficult to meet. With the elimination of filing grounds, many of the possible technical grounds that can be raised in oppositions will disappear.

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