Navigating Ways Around Section 9 Official Marks*

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Abstract

Thousands upon thousands of marks, including common simple words, have been prohibited and monopolized by public authorities under section 9(1)(n)(iii) of the *Trademarks Act*. While the provision has contributed to Canada being a leader in the protection of official marks, the country is equally embarrassed and frustrated because the provision has been interpreted broadly and otherwise abused, especially through the blocking of the use or registration of numerous common words. But there are some ways of dealing with these prohibitions, especially in respect of such words, and in respect of marks monopolized under the provision by provincial or municipal (non-federal) public authorities.

Résumé

En vertu du sous-alinéa 9(1)n)(iii) de la *Loi sur les marques de commerce*, les autorités publiques ont interdit et mobilisé plusieurs milliers de marques, dont de simples mots courants. Bien que cette disposition ait contribué à faire du Canada un chef de file en matière de protection des marques officielles, l'embarras et la frustration du pays découlent du fait que la disposition a été interprétée au sens large et autrement abusée, plus particulièrement par le blocage de l'emploi ou de l'enregistrement de nombreux mots courants. Il existe toutefois des façons de composer avec ces interdictions, surtout à l'égard de ce genre de mots et des marques monopolisées en vertu de la disposition par les autorités publiques provinciales/territoriales ou municipales (non fédérales).

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1.0 Introduction

Section 9(1)(n)(iii) of the *Trademarks Act*¹ provides extraordinary prohibitions against the use or registration of "official marks." There are several ways of dealing with the prohibitions, especially in respect of simple everyday terms, and in respect of marks monopolized under the provision by provincial public authorities. There are several grounds for interpreting the provision more narrowly, including some novel ones. These other ways appear to be important because there are problems with some of the pre-existing ways.

This article looks first at the background of the provision (in section 2.0) and some of its harmful effects (in section 3.0). It then looks at some current and new ways of dealing with the provision (in sections 4.0 and 5.0).

2.0 Background

Generally, section 9 of the *Trademarks Act*—reinforced by sections 11 and 12(1)(e)—prohibits the adoption or use of a variety of special subject matter, including flags and government seals, "the Royal Arms, Crest or Standard," "R.C.M.P.," and the emblem of the Red Cross, as well as obscenities and personal portraits or signatures. In particular, section 9(1)(n)(iii) provides:

9(1) No person shall adopt in connection with a business, as a trademark or otherwise, any mark consisting of, or so nearly resembling as to be likely to be mistaken for, ...

(n) any badge, crest, emblem or mark

¹ Trademarks Act, RSC 1985, c T-13.

(i) adopted or used by any of Her Majesty's Forces as defined in the *National Defence Act*,

- (ii) of any university, or
- (iii) adopted and used by any public authority, in Canada as an official mark for goods or services,

in respect of which the Registrar has, at the request of Her Majesty or of the university or public authority, as the case may be, given public notice of its adoption and use.²

Such legislation is akin to provisions of the *Paris Convention*.³ After Canada joined the convention in 1923, it enacted legislation along the lines of the Paris provisions.⁴ In the process of protecting the official marks of foreign governments, Canada has also taken the opportunity to protect its own official marks, starting with the provisions in the *Unfair Competition Act* of 1932.

3.0 Negative Aspects of Section 9

In *Techniquip Limited v Canadian Olympic Association*, the Federal Court of Appeal approved the words of the trial judge, Joyal J, regarding the positive intent and effect of section 9, as follows:

It is to preclude any person from capitalizing on any well known, respected public symbol and adopting it for his or her own wares or services. These emblems, badges or crests are associated with public institutions, not involved in trade or business, but which nevertheless are deemed to be invested with respectability, credibility and other civic

The prohibition against "use" is confirmed and otherwise stated in section 11.

Paris Convention for the Protection of Industrial Property, art 6ter(1)(a) (20 March 1883; effective abroad 7 July 1884, as amended), online: http://www.wipo.int/treaties/en/ip/paris/> [Paris Convention].

Starting with sections 11(d), (f), and (g) of the *Trade Mark and Design Act*, RSC 1927, c 201, which prohibited the registration of certain marks, and section 14 of the *Unfair Competition Act*, RSC 1932, c 38, which prohibited use as well as registration and applied to a wider range of marks or signs.

virtues. Section 9, in a sense, ensures that these symbols do not become pawns of trade or proprietorship.⁵

Few if any countries have provisions providing such strong protection. In many countries, including Canada, official marks are protected to some extent by the laws of passing off, by means of trademark registrations, or by means of specialized legislation focusing on specific marks.⁶ But other countries hardly go as far as section 9. Thus, by means of section 9, Canada has become a leader in the protection of such marks.

However, there are certain negative aspects of section 9(1)(n)(iii). Deep concerns have been expressed regarding this provision for many years. Its effect, at least as it has been interpreted by some, is that any public authority in Canada has the ability to control the use of any conceivable mark; any such entity can direct the registrar to issue a notice in respect of any mark whatsoever, and then that entity can control the use of the mark by deciding who gets consent to use it or

⁵ Techniquip Limited v Canadian Olympic Association, 1998 CanLII 7573 (FC) at para 28, aff'd 1999 CanLII 8993 (FCA) [Techniquip].

For example, section 2(a) of the US federal trademark statute (*United States Trademark Act of 1946*, 15 USC § 1052(a), also known as the *Lanham Act*) prevents the registration of marks that may "falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols," and section 2(b) prevents the registration of flags, coats of arms, and other similar insignia. But this merely prevents the registration of such marks rather than their use overall. In addition, such legislation does not seem to cover as wide a variety of marks as is covered by section 9 of Canada's *Trademarks Act*. The United States and other countries thus rely on provisions within specialized statutes. For example, in the United States, see section 7 of the charter incorporating the Boy Scouts of America (online:

< https://filestore.scouting.org/filestore/pdf/Charter_and_Bylaws_June_2019.pdf>) and the legislative references in part V of the US Department of Defense *Trademark Licensing Guide* (online:

https://www.defense.gov/Resources/Branding-and-Trademarks/DOD-Trademark-Licensing-Guide/#five). In the United Kingdom, see the booklet regarding royal marks (online:

https://www.royal.uk/sites/default/files/media/royal arms blue booklet20152.pdf>).

subsequently register it, even where the mark is a common dictionary word. It seems inconceivable that this was the intention of Parliament or that it is constitutionally valid.

More than 30,000 notices have been given under section 9, many of them under section 9(1)(n)(iii), and many of them in recent years.

The number alone is not the only concern. Some of these notices have sought to monopolize common or descriptive terms, such as:

GRAND INSTANT

IMAGINE POST

SPECIAL DELIVERY BLUE RIBBON

RED HOT THE MARKET

FOUR SEASONS HAPPY HOLIDAYS

LUCK JACKPOT

INSTANT CASH THE WESTERN

KITE RELIEF

ROCKY DESIGN A MASK

ONE CARD

FOLLOW YOUR HEART INTEGRITY MATTERS

RECLAIMED TRIO

PRECIOUS METALS YEAR 2000

'92

CASE LAW JUSTICE

With these examples in mind, recall that section 9 provides that no person shall "adopt in connection with a business, as a trademark or otherwise," any such mark. The concept of "adopting" a trademark has been understood as prohibiting the use of the mark or the ability to

register it.⁷ Thus, without the consent of the applicable public authority,⁸ no one may use any of the above marks—not the word ONE, IMAGINE, SPECIAL DELIVERY, etc.—"in connection with a business, as a trademark or otherwise."

The penalties for such conduct include the possibility of being enjoined by the court and having to pay damages or profits, including punitive damages and the destruction of the inventory bearing the mark.⁹

It is thus understandable that concerns have been expressed regarding section 9(1)(n)(iii).

Injury has been recognized, for example, by the Federal Court of Appeal in *Ontario Assn of Architects v Assn of Architectural Technologists of Ontario*. ¹⁰ Evans J stated that section 9(1)(n)(iii) "confers very substantial benefits not available to the owners of trade-marks, and thus has the capacity to injure both existing trade-mark owners and the public. An official mark need not serve to distinguish wares or services, it may be merely descriptive, and it may be confusing with another's mark."¹¹

Again, this is confirmed by sections 11 and 12(1)(e).

⁸ As permitted by section 9(2).

See section 53.2 of the *Trademarks Act* regarding "any act ... done contrary to this Act." The offending party might even be subject to criminal prosecution, not under the relatively new section 51.01 of the *Trademarks Act*, but under section 376(2)(a) of the *Criminal Code*, RSC 1985, c C-46, insofar as the mark is considered to be a governmental mark as defined in section 376(3).

Ontario Assn of Architects v Assn of Architectural Technologists of Ontario, 2002 FCA 218, leave to appeal to SCC dismissed, [2002] SCCA No 316 [Ontario Assn of Architects].

¹¹ *Ibid* at para 63.

As Gibson J commented in *Big Sisters Association of Ontario v Big Brothers of Canada*, "Section 9 of the Act grants extraordinary protection." ¹²

Even Joyal J in *Techniquip* noted some negative aspects, as follows:

[S]ome of these institutions, for example the respondent in this appeal, have a relatively open field under section 9(1)(n)(iii) in simply providing public notice of the adoption and use of any number of marks. In turn, these marks can be licensed for commercial purposes, and the lucrative fees earned therefrom used to fund various activities.¹³

As Kelly Gill commented:

In recent years, s. 9 has been exploited by organizations that are predominantly involved in commercial activity. ... *It is unlikely that this was the intent of s. 9. ...* Public authorities should not be able to monopolize such common, descriptive words for use in a commercial context.¹⁴

For trademark practitioners, it has been difficult and embarrassing to explain to clients why they cannot use or register a particular mark because it contains a common word that has somehow been prohibited under the provision.

Section 9(1)(n)(iii) can also be used—some may say further abused—to prohibit marks that are already registered or being used by a business. While the case law permits such businesses to maintain their established rights in a mark despite such a notice under the provision, they would nevertheless be prevented from expanding the use of their mark into other fields (again, unless

Big Sisters Association of Ontario v Big Brothers of Canada, 1997 CanLII 16918 (FC) at 45, aff'd 1999 CanLII 8094 (FCA) [Big Sisters v Big Brothers].

Supra note 5 at para 29.

Kelly Gill, Fox on Canadian Law of Trade-marks and Unfair Competition, 4th ed (Toronto: Carswell, 2006) (loose-leaf release 1), section 5.4(b)(vi)(B)(VI) at 5-66 [Fox on Trade-marks] [emphasis added].

the public authority is willing to consent), and they cannot register their mark after publication of the notice—again, even though they adopted the mark prior to the notice.¹⁵

As further demonstration of such concerns, a parliamentary bill reached as far as first reading in 2014. ¹⁶ It would have made a variety of changes to section 9(1)(n)(iii), including restricting which entities would qualify as a "public authority," and restricting these marks to those that incorporate the name or logo of the public authority, or that were used in relation to their official programs or services. It would have also permitted the public to file a statement of objection with the registrar regarding public notices, including on the ground that the mark is a generic term. Still further, public notices under the revised provision would need to be renewed after 10 years. The Intellectual Property Institute of Canada (IPIC) has also submitted concerns to the government, including the following:

The experiences of IPIC members suggests that public authorities holding official marks are sometimes aggressively using the rights under section 9 to the detriment of trademark owners. More must be done to circumscribe those rights.¹⁷

See, for example, Allied Corporation v Canadian Olympic Association (1989), 28 CPR (3d) 161 (FCA).

Bill C-611, *An Act to amend the Trade-marks Act (public authority)*, 2nd Sess, 41st Parl, 2013-2014, online: https://www.parl.ca/DocumentViewer/en/41-2/bill/C-611/first-reading/page-24>.

[&]quot;Intellectual Property Institute of Canada (IPIC) Recommendations on Possible Amendments to Bill C-86, Subdivisions A, B, C, E & H," Submission to the Senate Standing Committee on Banking, Trade and Commerce, 27 November 2018, at 17, online:

https://sencanada.ca/content/sen/committee/421/BANC/Briefs/BANC_SM-C-86 Brief IPIC 2 e.pdf>.

Further concerns regarding the provision have been expressed; see, for example, Janice M Bereskin & Christina Capone Settimi, "Canada's Official Marks Regime: Officially Time for a Change!" (2016) 106

TMR 992 at 993 ("official marks have a long-standing history of abuse in Canada"); Donna L Davis, "Too Much Protection, Too Little Gain: How Official Marks Undermine the Legitimacy of Intellectual Property">https://sencanada.ca/content/sen/committee/421/BANC/Briefs/BANC_SM-C-86 Brief IPIC 2 e.pdf>.

4.0 Current Ways of Interpreting the Provision Narrowly, and Concerns Regarding These Ways

One legislative amendment that will likely materialize is the enactment of new sections 9(3) and (4). ¹⁸ The new provisions, which are somewhat analogous to section 45, would allow the registrar to issue a public notice that a public notice previously issued in respect of a section 9(1)(n)(iii) mark is not effective because the entity that requested the original notice "is not a public authority or no longer exists." On one hand, it is unfortunate that if someone wants the original notice retracted, it is up to that person to pay a fee and wait potentially many months for a response, even though it may have been the registrar's error in having issued the original notice because the entity that requested it was not a public authority. ¹⁹ It is also unfortunate that the amendments do not expressly permit the registrar to retract the original notice on other grounds (as discussed further below). On the other hand, it is at least a step forward in dealing with the problems of the official marks. In addition, just because Parliament is enacting the express ability to retract public notices on certain grounds, this does not necessarily foreclose the possibility that the registrar was intended to have some implied authority or discretion to retract them on other grounds, or to otherwise be able to circumvent them by deciding that an applied-

Law" (2009) 14 Appeal 1 at 15–16 and citations at n 12, online: https://www.canlii.org/en/commentary/doc/2009CanLIIDocs182.

Enacted (but not yet in force as of September 2022) by section 215 of the *Budget Implementation Act*, 2018, No 2, SC 2018, c 27. As a matter of interest, the trademark office proposes to issue a Practice Notice in connection with the coming into force of the provisions. (As of September 2022, a draft of the notice was available on the trademark office website under "Consultations and Discussions".)

It is hoped that the registrar will waive the fee in such circumstances, considering that the provision permits the registrar to retract the notice "on his or her own initiative," and considering that the projected government fee will exceed the government fee for filing an application in court to obtain the same result.

for mark does not actually resemble a seemingly invalid official mark. That is, by enacting this express ground for retracting public notices, it is not clear that Parliament mindfully intended to contradict any implied authority or discretion.

There has also been some relief provided through the courts. Rightly or wrongly, some decisions have restricted the scope of section 9(1)(n)(iii) in certain respects. For example, in *Ontario Assn of Architects*,²⁰ the Federal Court of Appeal stated that just because an entity is created by statute, this is insufficient, in itself, to satisfy the need for a sufficient degree of governmental control so as to qualify as a "public authority" under section 9(1)(n)(iii). The court was persuaded by the above-mentioned concerns about the provision and stated that it "should not be given an expansive meaning" along those lines.²¹

In *Canada Post Corp v United States Postal Service*,²² the court ruled that section 9(1)(n)(iii) applies only to public authorities that are "in Canada." Coincidentally, this decision is an example of the fact that, at least with respect to this troubling provision, prior court decisions are not always followed.²³ This aspect would prove helpful in not following certain other decisions, as discussed in section 5.0 below.

Another restriction—albeit a questionable one—is the interpretation of the opening wording of section 9(1) so as to focus the protection on the prohibited mark itself, rather than prohibiting a

Supra note 10.

Ibid at para 64.

Canada Post Corp v United States Postal Service, 2005 FC 1630, aff'd 2007 FCA 10, leave to appeal to SCC dismissed, 2007 CanLII 67871 [USPS].

USPS, supra note 22 at paras 58–59 (FC). In this case, the decision that was not followed on the particular issue was Canada Post Corp v Post Office, [2001] 2 FC 63, 2000 CanLII 16274.

mark that sufficiently involves other elements; this was indicated in *Canadian Council of Professional Engineers v APA*.²⁴ It will be recalled that the opening wording prohibits the use any mark "consisting of, or so nearly resembling as to be likely to be mistaken for," any of the marks or signs described thereafter in the provision's paragraphs. The court interpreted this as if the prohibition focuses on the prohibited mark itself by taking into account the above-mentioned concern that section 9(1) otherwise confers "an absurdly great ambit of protection for official marks." This restrictive interpretation of section 9(1) has also been supported by the fact that the provision prohibits marks "consisting of" rather than "including." ²⁶

While this restrictive interpretation has been helpful in certain cases, it may not be a proper remedy. This is because, by restricting the opening wording of section 9(1), the court restricted the protection of all other marks under section 9(1). That is, the decision effectively allows businesses to bypass the prohibition regarding the use of such official marks or other subject matter as "R.C.M.P.," state flags, obscenities, signatures and portraits of individuals, etc.—simply by adding sufficient elements to the mark. For example, in the *APA* case, ²⁷ the trademark application for "APA - THE ENGINEERED WOOD ASSOCIATION" was allowed even though that that term contains the prohibited mark ENGINEER. While the decision may have been sound in the particular circumstances, the wording of the decision may go too far in setting

²⁴ Canadian Council of Professional Engineers v APA - The Engineered Wood Assn, 2000 CanLII 15543 (FC) at paras 66–71 [APA].

²⁵ *Ibid* at para 70.

See, for example, *Co-operative Union of Canada v Tele-Direct (Publications) Inc*, 1991 CanLII 6775 (CA TMOB).

²⁷ *Supra* note 24.

forth an interpretation that ostensibly permits someone to register, say, "APA - The R.C.M.P. Wood Association," or to use a state flag with such added wording, or with other design elements.

As another example of this concern, in *Big Sisters v Big Brothers*, ²⁸ the mark BIG BROTHERS AND SISTERS OF CANADA was not considered as a mark "consisting of, or so nearly resembling as to be likely to be mistaken for" the prohibited marks BIG SISTERS and BIG SISTERS OF CANADA. The ruling of non-resemblance further paves the way for a disreputable start-up commercial entity to capitalize on the goodwill of official marks²⁹ (subject to other provisions or causes of action). Consider also that the applicable provision of the *Paris Convention* calls for the prohibition against the use or registration of flags, state emblems and hallmarks, etc., "either as trademarks *or as elements of trademarks*." These decisions may need to be restricted to the facts of their particular case, or simply not followed.³¹

There is another restrictive interpretation of section 9(1)(n)(iii) that might be unsound. The need for the public authority to have "adopted and used" the mark has occasionally been interpreted as requiring the mark to have been adopted and used in a trademark sense (that is, in accordance

²⁸ Big Sisters v Big Brothers, supra note 12.

The same may apply to *Chartered Professional Accountants of Ontario v American Institute of Certified Public Accountants*, 2021 FC 35, and the cases cited therein at para 39.

Paris Convention, art 6ter(1)(a), supra note 3 [emphasis added]. Reliance on the Paris Convention for interpreting the provision was contemplated in the USPS, supra note 22 at paras 60–68 (FC).

For these and other reasons, public authorities may wish to supplement their section 9 protection by means of regular trademark registrations. These can help to deal with marks that might not "resemble" an official mark for the purposes of section 9 but might still be deemed to be confusing under section 6. Trademark registrations also help owners to complain under the uniform domain name dispute resolution policy (UDRP) regarding the registration of their mark as a .COM domain name.

with the technical definition and extensive case law under section 4). For example, in *Piscitelli v Liquor Control Board of Ontario*,³² Blais J ruled that the LCBO's display of the term MILLENNIUM in advertising was insufficient to qualify that term for protection under section 9(1)(n)(iii). Public notice of that term had been obtained in late 1998, just when the term "millennium" was becoming in high demand for the year 2000. It was obviously good to see the public notice of such a term declared ineffective.

But what if the mark had been a distinctive and important official mark? Would such advertisement by a public authority truly be insufficient to constitute "use" for the purposes of protection under section 9(1)(n)(iii)? Consider also that the definition of "use" in section 2 of the *Trademarks Act* (which incorporates section 4) applies only to "use, *in relation to a trademark*" (emphasis added), and section 9(1)(n)(iii) carefully avoids the term "trademark"; in other words, the technical requirements of "use" were not intended to restrict the scope of section 9(1)(n)(iii) marks. Similarly, provisions such as section 9(1)(e), (f), and (h) surely protect flags and the Red Cross, etc., even if they have not been used in the trademark sense. Consider also that Parliament would not have bothered to state in section 9(1)(n)(iii) that the mark must be used by the public authority as an official mark "for goods or services" if the definition of "use" in section 2 had been intended to apply, given that the definition already incorporates the concept of the mark being used for goods or services.

All such concerns amplify the call for safer means of restricting the interpretation of section 9(1)(n)(iii).

Piscitelli v Liquor Control Board of Ontario, 2001 FCT 868 (applying Big Sisters v Big Brothers, supra note 12).

5.0 Potentially New Ways of Interpreting Section 9(1)(n)(iii) Narrowly

5.1 Failure to Exercise Discretion or to Exercise It Properly

The harmful effects of section 9(1)(n)(iii) can be addressed by recognizing that the registrar has at least some discretion to refuse to give public notice upon receiving a request from a public authority under the provision, combined with the possibility that the registrar has failed to exercise that discretion, or to have exercised it properly. Consider first whether the registrar has some discretion.

5.1.1 Is It True That the Registrar Has No Discretion At All?

In simplified terms, administrative power can be one of two types: discretionary or mandatory. For example, section 37(1) of the *Trademarks Act* provides that, unless the registrar is satisfied that an application or mark fails to meet certain technicalities, the registrar "shall" advertise the application for opposition. Similarly, after an application clears the opposition stage, section 40 stipulates that the registrar "shall" register the trademark.

Section 9(1)(n)(iii) itself is not so clear. It is arguably ambiguous as to whether the registrar has any discretion to refuse to give public notices upon request. There are some decisions and rationales that are at least partially contradictory on this issue, or that should no longer be followed to their full extent.

The 1979 *ICBC* case³³ was an appeal from a decision of the registrar refusing to give the public notice requested by the appellant. The registrar's grounds were basically that the registrar has

Insurance Corporation of British Columbia v Registrar of Trade Marks (1979), [1980] 1 FC 669, 44 CPR (2d) 1 (TD) [ICBC cited to CPR].

"discretion" to refuse "in the public interest," and that the registrar can refuse in cases where the mark is descriptive or misdescriptive of the goods or services, etc., along the lines of section 12(1)(b) or (c). Cattanach J allowed the appeal, reversing all those grounds.

In particular, he reviewed section 9(1)(n)(iii) and stated that "it does not, in my view ... bestow upon the Registrar any supervisory functions.³⁴ This may be questioned on several grounds. First, Cattanach J had incorrectly relied on the fact that the registrar had previously given public notice of other descriptive marks. Those prior decisions were by the registrar, not Parliament, and thus they should not have dictated the interpretation of what Parliament had intended to be the registrar's authority. In addition, those prior decisions related to marks that were not nearly as descriptive as the mark in issue in the present case.

Second, Cattanach J also relied heavily on the royal (or Crown) prerogative. In simplified terms, the royal prerogative refers to the inherent or implied governmental powers to carry out executive functions, including certain privileges and immunities.³⁵ Cattanach J was of the view that any request under the provision from any public authority was thus effectively a mandatory direction from the Crown. He went on to say:

[I]t is inconceivable to me that the wish of Her Majesty, who is the fount of all honours, should be stultifying by a discretion in the Registrar of Trade Marks.³⁶

And:

³⁴ *Ibid* at 13–14.

The prerogative has been mentioned by the Supreme Court of Canada even in the context of some recent intellectual property decisions: *Keatley Surveying Ltd v Teranet Inc*, 2019 SCC 43; *AstraZeneca Canada Inc v Apotex Inc*, 2017 SCC 36 at para 34.

³⁶ *ICBC*, *supra* note 33 at 11.

I fully realize the consequences. ... [A] public authority can appropriate unto itself the mark so adopted and used by it without restriction or control other than its own conscience and the ultimate will of the electorate expressed by the method available to it.

That, in my opinion, is the intention of Parliament which follows from the language of s. 9 of the Act and that is the policy which Parliament, in its omnipotent wisdom, has seen fit to implement by legislation.

I do not understand what right a Court of justice has to entertain an opinion of a positive law upon any ground of political expediency.³⁷

But, with respect, Cattanach J could just as easily have taken the above absurdity into account so as to interpret Parliament as *not* having intended such consequences, namely, that Parliament had not intended that any "request" from any public authority under section 9(1)(n)(iii) should be treated as a mandatory direction pursuant to the royal prerogative.

Third, even if public authorities can exercise the right of royal prerogative, can they exercise it so as to monopolize terms that are common and fundamental to trade? Cattanach J's decision did not expressly go to that extent, because the mark in issue was the coined term AUTOPLAN in stylized lettering.³⁸ For example, Cattanach J did not expressly rule that a public authority could just as well monopolize such common terms as PLAN or AUTO (or LIFE or ONE, etc.). This provides some hope that the decision in *ICBC* can at least be interpreted as merely restricting the registrar's discretion such that the registrar cannot deny giving public notice in respect of coined terms.

³⁷ *Ibid* at 14.

See the mark designated in the trademark database as application number 901215.

Fourth, to the extent that the royal prerogative exists in the field of trademarks, it is constrained by power that has already been bestowed by constitutional or statutory laws. It is thus constrained by the fact that the legislative authority in respect of trademarks was constitutionally assigned to Parliament,³⁹ as well as the fact that the royal assent was given by the Crown to Parliament's *Trademarks Act*. It is thus hard to see how there can be anything left of any royal or Crown prerogative in respect of trademarks. For example, if Parliament had expressly stated within section 9(1)(n)(iii) that the registrar has some discretion under the provision, surely Cattanach J could not have overridden this by means of a public authority's alleged right under the royal prerogative; he could not have said that public authorities still had such power that could not be stultified by the registrar under the provision.

In view of the above, *ICBC* should not be relied upon as if the registrar does not have any discretion under the provision whatsoever.

Meanwhile, given that Parliament did not expressly state that the registrar has this discretion, the question is whether the registrar has this discretion implicitly, at least in respect of certain types of marks. In considering this, recall that, unlike regular trademark applications, the public cannot oppose requests under section 9(1)(n)(iii) prior to being granted. The public can only challenge them after they have been issued, at which point the prohibitions are already in effect. Before they take effect, the registrar is the only line of defence. This supports the view that the registrar does have some discretion. This view is also supported by some cases, as discussed next.

³⁹ *Kirkbi AG v Ritvik Holdings Inc*, 2005 SCC 65, [2005] 3 SCR 302; Tony Bortolin, "Constitutionality of Canadian Trademark Legislation Revisited" (2021) 36 CIPR 1.

5.1.2 Cases Supporting the Existence of Some Discretion

Section 9 was interpreted on this issue in 1987 by Moore CJ in *Canadian Olympic Association v Hipson*.⁴⁰ While Moore CJ did not cite and discuss Cattanach J's decision in *ICBC*, he clearly stated that section 9 was not intended to prohibit at least certain terms:

Seasons and years are the common property of all. They are fundamental to the construction of the language, whether English or French. ...

In my view a word as general as "winter" standing alone should not be protected as an official mark and no public authority should be able to gain the protection of an official mark of the name of a season of a year. I hold the same view with respect to a year (i.e. 1988) standing alone—that is to say a year not preceded or succeeded by the name of a city or a word or words descriptive of a particular event.⁴¹

This dictum could be interpreted as meaning either that the registrar does have some discretion (or "supervisory function") under section 9, or that section 9 should be interpreted more narrowly, such as if it was not intended to apply to provincial public authorities (as discussed below in section 5.2) or to common terms regardless of any discretion (as discussed below in section 5.3).

It is proposed that Cattanach J's view was further contradicted (and Moore CJ's view was implicitly supported) by Muldoon J in *Mihaljevic v British Columbia*, ⁴² and Cattanach J's decision was even cited on this occasion. At first, Muldoon J perhaps went too far in stating that the registrar has some discretionary power to verify that the entity requesting a notice qualifies as

Canadian Olympic Association v Hipson, 1987 CanLII 3569 (ABQB) at paras 22–26.

⁴¹ *Ibid* at paras 23, 26.

⁴² Mihaljevic v British Columbia (1988), 23 CPR (3d) 80 (FCTD), aff'd (1990), 34 CPR (3d) 54 (FCA).

a public authority, because this power is not truly a matter of discretion but of jurisdiction; such statutory criteria must be satisfied for the registrar to be able to issue a notice. However, Muldoon J then went on to discuss a hypothetical example of a public entity as high as a provincial government seeking public notice of a mark that implies something blatantly false and to the prejudice of another province, and he stated, "the registrar would be obliged to decline the request on the matter of public order." He said the registrar would be equally obliged if the "official mark were so composed as to express an obscenity." He supported this by stating that if the registrar refused a request as being against public order, "the public authority ... could apply to this court to resolve the dispute. Such is the independence of the Canadian judiciary that even The Queen (in an institutional role, at least) participates in litigation in her courts." The availability of this procedure emphasizes that public authorities do not have absolute power over the registrar pursuant to any royal prerogative, at least not in respect of common terms. Instead, the decision supports the possibility that the registrar has discretion to refuse public notice in respect of such terms.

It seems that Muldoon J used the particular term "public order" for the very purpose of supporting such discretionary power. The term was reportedly used at least as early as the *Code*

Ibid at 88–89 (FCTD) [emphasis added].

⁴⁴ *Ibid* at 89.

⁴⁵ *Ibid*.

*Napoleon*⁴⁶ and has continued in the *Civil Code* as applied in numerous decisions.⁴⁷ While the principle has traditionally been applied in the context of challenging contracts (as contravening the laws of public order and good morals), it is a form of discretion.⁴⁸ It may be narrow, but it is nonetheless a form of discretion. Thus, Muldoon J was saying that, in the same way the courts have some discretion to challenge extreme provisions in contracts or foreign decisions, etc., the registrar has some discretion, however narrow, to challenge extreme requests under section 9(1)(n)(iii).

The power to refuse on such grounds might also be supported by the principle of *ex officio*. Public officers can be deemed to have powers that have not been expressly delegated; that is, they have powers that implicitly flow *out* from the nature of *the office*.

As another example of the general nature of the term "public order," Muldoon J had previously used that term in an earlier section 9 decision. In *Canadian Council of Professional Engineers v*

WB Scott, "Private Agreements and Public Order" (1940) 18:3 Can Bar Rev 159, 1940 CanLIIDocs 57, online: https://canlii.ca/t/t7w0.

For a recent example, see 6362222 Canada inc v Prelco inc, 2021 SCC 39. The United Kingdom has even had legislation prohibiting certain types of conduct against "public order," such as the Public Order Act 1986 (UK), 1986, c 64, online: https://www.legislation.gov.uk/ukpga/1986/64/contents>, which prohibits rioting and using abusive words or signs etc. causing harassment or distress. The idea of the "government's right to maintain public order" was mentioned by the Supreme Court of Canada in the injunction case of Operation Dismantle v The Queen, [1985] 1 SCR 441, 1985 CanLII 74 at para 100, which was an appeal from a decision issued by Muldoon J, and all prior to his decision in Mihaljevic. See also Davis, supra note 17 at 14.

For example, as stated in Scott, *supra* note 46 at 159: "I am not aware of any judgment of our courts which has attempted any precise definition of the terms public order and good morals and it depends upon the facts in each particular case as to whether or not the court should exercise the *discretionary powers* conferred upon it by refusing to enforce contractual relationships which are *contrary to the public interest*" [emphasis added].

Lubrication Engineers,⁴⁹ he held that the mark LUBRICATION ENGINEERS was not registrable pursuant to section 9(1)(d)⁵⁰ of the *Trademarks Act* because the word "engineer" fell under the prohibition of "provincial and territorial laws of public order."⁵¹ Of course, in that case, he was enforcing rather than challenging a section 9 mark, but it shows the general nature of the term "public order" and Muldoon J's familiarity with the term.

It is true that, in the next passages of *Mihaljevic*, Muldoon J tempered his contradiction of *ICBC* by affirming Cattanach J's comments that section 9 could nevertheless be used to monopolize descriptive marks, but this was only in respect of certain descriptive marks.⁵² In addition, Muldoon J followed this by ruling that the public authority's trademark registration for "86" in plain numerals should be cancelled, and added that the number could not be validly protected as an official mark either; protection would go against public order because such marks belong to the public.⁵³

Swinging back in the other direction, *Mihaljevic* was mentioned in 2002 by the Federal Court of Appeal in the *Filenet* case; the court said that when a party requests public notice of a mark and establishes that it has satisfied the statutory criteria of section 9(1)(n)(iii), it is "well established that the Registrar has no discretion to refuse." That is, the court did not say "virtually" no

⁴⁹ Canadian Council of Professional Engineers v Lubrication Engineers (1984), 1 CPR (3d) 309 (FCTD).

Section 9(1)(d) is reproduced below in section 5.4.

⁵¹ Canadian Council of Professional Engineers, supra note 49 at 326.

Mihaljevic, supra note 42 at 89–90 (FCTD).

⁵³ *Ibid* at 91.

⁵⁴ Filenet Corp v Registrar of Trade Marks, 2002 FCA 418 at para 7.

discretion. However, the court had cited *Mihaljevic* and *Ontario Assn of Architects*⁵⁵ without mentioning that the latter case had carefully paraphrased *Mihaljevic* as having said that the registrar has "*virtually* no discretion" to refuse. ⁵⁶ The decision in *Filenet* also did not contain any discussion of the concerns expressed above. Thus, it is not clear that the court in *Filenet* intended to foreclose the issue as if the registrar has absolutely no discretion.

Consider also that the court in *Filenet* did not consider and discuss certain comments in a decision released just a few months earlier. In *Canadian Jewish Congress v Chosen People Ministries, Inc*, ⁵⁷ Blais J found that the registrar had erred in giving public notice of the adoption and use of a menorah design as an official mark, on the ground that the respondent was not a public authority. However, Blais J also took the time to strongly comment that "[i]t would be counterproductive to prohibit Jewish organizations and associations from using and adopting a mark such as the menorah, since it has always been historically associated with the Jewish culture."

Blais J's comment was interpreted in *Drolet v Stiftung Gralsbotschaft* as being obiter and that it "cannot be considered a basis of his decision."⁵⁹ However, the logic of the comment stands. Surely, Parliament did not intend that the registrar should have no grounds or discretionary

⁵⁵ Supra note 10.

Ibid at para 34 [emphasis added].

⁵⁷ Canadian Jewish Congress v Chosen People Ministries, Inc, 2002 FCT 613, aff'd 2003 FCA 272.

⁵⁸ *Ibid* at para 64 (FCT).

⁵⁹ Drolet v Stiftung Gralsbotschaft, 2009 FC 17 at para 165.

ability to refuse to give public notice under section 9(1)(n)(iii) in respect of such symbols or marks.

In addition, Blais J later specifically approved the ability to challenge a public notice on the ground that it is against public order. This was in a procedural decision as part of the *USPS* proceedings. The decision permitted the ability to challenge the public notices of such terms as EXPRESS MAIL, FIRST-CLASS MAIL, and even UNITED STATES POSTAL SERVICE as being "terminology in common use by other postal authorities to describe various postal products and services." (Interestingly, in view of such proceedings brought by Canada Post brought against such marks, Canada Post may have conceded that public notices for some of its own marks, such as POST and SPECIAL DELIVERY, are not enforceable as being equally contrary to public order.)

5.1.3 Consequential Failure to Exercise Discretion

If the registrar does have at least some discretion to refuse to give public notice of at least certain marks under section 9(1)(n)(iii), there are some consequences that appear to be favourable to the public interest. One is that, going forward, the registrar would finally start to exercise that discretion by disallowing requests that are patently unreasonable or against "public order."⁶²

⁶⁰ Canada Post Corp v United States Postal Service, 2004 FC 915.

⁶¹ Ibid at para 3. This ground was then entertained at the hearing of the court application, USPS, supra note 22 at para 4 (FC), albeit without any decision on that ground because the requested relief was granted on other grounds.

This is not to say that the registrar can apply the very same standards of registrability as under section 12, as ruled in *ICBC*, *supra* note 33. It may very well be in the interests of justice that certain descriptive words can be monopolized, but only depending on the circumstances.

Another favourable consequence of having discretion is that it may provide another way of challenging the enforceability of previously granted notices. In appropriate cases, such decisions can be challenged on the grounds that there was a failure to exercise that discretion, or because it was not exercised properly.

With regard to the failure to exercise discretion, it is a principle of administrative law that discretionary authority must be exercised on a case-by-case basis, rather than self-fettered by establishing and following a set of rules that are overly rigid. So, if the registrar granted every single request that complied with the stated criteria of the provision, it would be hard to say that the registrar actually exercised the discretion (or otherwise applied the applicable judicial restriction of section 9(1)(n)(iii) to refuse requests that are against public order). That is, there are apparently no cases where the registrar has refused a request on such grounds, at least not other than the 1979 case of *ICBC*, where the refusal was reversed by the court. On the contrary, recall that the registrar has given public notice of such simple terms as ONE, GRAND, INSTANT, and others. And as observed by Heneghan J in 2002, "Unlike commercial trademarks, official marks are not examined by the Registrar's Office."

Such an attack can be supported by another legal principle of administrative law, namely, the duty to give reasons. While the duty of fairness does not require that reasons be given in every

For example, as stated by the Supreme Court of Canada in *Canada (Attorney General) v Mavi*, 2011 SCC 30, [2011] 2 SCR 504 at para 65: "Discretion is fettered or abused when a policy is adopted that does not allow the decision-maker to consider the relevant facts of the case, but instead compels an inflexible and arbitrary application of policy." (This is not to say that decision makers cannot develop some sort of consistency when dealing with similar cases; this is encouraged in the interest of fairness, stability, and predictability, but, again, so long as any discretionary decision also takes into account the particular circumstances.)

⁶⁴ Sullivan Entertainment Inc v Anne of Green Gables Licensing Authority Inc, 2002 FCT 1321 at para 71.

case, ⁶⁵ there is a duty to give them in controversial cases, especially where the decision has important significance for the individuals affected or where there is a statutory right of appeal. ⁶⁶ In that regard, the registrar has seemingly not issued any reasons for agreeing to give public notice of such simple terms as ONE, GRAND, and INSTANT.

5.2 Invalid Fettering or Delegation of the Authority

Another way of navigating around certain official marks might be to assert that the section 9(1)(n)(iii) notices are partially or totally invalid because Parliament's authority was improperly delegated.

As explained by the Supreme Court of Canada in, for example, the "Lord Nelson Hotel" case, Parliament cannot give jurisdiction to, or leave jurisdiction with, the provinces; similarly, the provinces cannot give jurisdiction to, or leave jurisdiction with, Parliament.⁶⁷ Jurisdiction set in the Constitution cannot be changed unilaterally or inadvertently, but only by formal amendment of the Constitution. As explained by Rinfret CJ:

Parliament can legislate only on the subject matters referred to it by section 91 [of the *Constitution Act, 1867*] and that each Province can legislate exclusively on the subject matters referred to it by section 92. ... In each case the Members elected to Parliament or to the Legislatures are the only ones entrusted with the power and the duty to legislate concerning the subjects exclusively distributed by the constitutional Act to each of them. ...

See, for example, *Baker v Canada (Minister of Citizenship and Immigration)*, [1999] 2 SCR 817, 1999 CanLII 699 at para 37.

⁶⁶ *Ibid* at paras 42–43.

⁶⁷ A-G of Nova Scotia v A-G of Canada (1950), [1951] SCR 31.

Neither legislative bodies, federal or provincial, possess any portion of the powers respectively vested in the other and they cannot receive it by delegation. In that connection the word "exclusively" used both in section 91 and in section 92 indicates a settled line of demarcation.⁶⁸

In the case of trademarks, legislative authority was assigned to the federal Parliament.⁶⁹ But section 9(1)(n)(iii) has been applied as if even *non-federal* entities have the ability to control the use of any conceivable mark. In constitutional parlance, Parliament may have improperly fettered or abdicated some of its legislative authority in the field, or the provision may have been improperly applied.

Consider also that a prohibition under section 9(1)(n)(iii) is at least somewhat comparable to the creation of a new law, akin to the specialized laws prohibiting use of Olympic marks⁷⁰ or terms like "engineer" or "doctor."⁷¹ The comparison is especially strong if, as indicated by certain jurisprudence,⁷² the registrar has no discretion to refuse section 9(1)(n)(iii) requests from non-federal entities; on that theory, the registrar is a mere amanuensis, effectively giving royal assent

Ibid at 34. This was, at the very least, pursuant to section 91(2) of the Constitution Act, 1867 (UK), 30 & 31 Vict, c 3, regarding Parliament's exclusive legislative authority in relation to the regulation of trade and commerce.

Text and citation *supra* at note 39. See also *Council of Natural Medicine College of Canada v College of Traditional Chinese Medicine Practitioners and Acupuncturists of British Columbia*, 2013 FC 287 [Council of Natural Medicine], in which Rennie J said that the *Trademarks Act* is, "in pith and substance, an exercise of the trade and commerce power" and is "directed to the regulation of trade" (at para 51), and that section 9(1)(n) prevents marks "from becoming articles of trade and commerce" (at para 88). In accordance with legislative authority, Parliament has focused the opening wording of section 9 (and the wording of section 11) as prohibiting the use of marks "in connection with a business."

Olympic and Paralympic Marks Act, SC 2007, c 25.

See, for example, *Regulated Health Professions Act*, 1991, SO 1991, c 18, s 33.

Discussed above in section 5.1.

Parliament. For example, where the registrar has given one or more public notices of the term ONE at the direction of provincial public authorities, laws have effectively been enacted as if they read, "No person shall adopt in connection with a business, as a trademark or otherwise, any mark consisting of ... the mark ONE." It is as if provincial authorities can just "fill in the blank" at the end of that phrase and create legislative prohibitions regarding any other term.

Consider also that there is no limit in the *Trademarks Act* on the number of marks or common terms that can be prohibited and monopolized by non-federal public authorities. The provincial lottery corporations alone have already obtained some 1,300 notices under section 9(1)(n)(iii). Surely this result was not the intention of Parliament, and Parliament has otherwise fettered its exclusive legislative authority in the field.

The fact that Parliament technically retains the authority to enact legislation to override a particular section 9(1)(n)(iii) notice does not itself appear to be sufficient to avoid the concern. In some cases, even the delegation of authority from Parliament to a *federal* entity (which can be retracted by Parliament) can violate the constitutional principle; that is, it can nevertheless be an abdication of jurisdiction.⁷³ Parliament is improperly sharing its legislative authority, rather than maintaining it exclusively.

Assuming that the delegation of authority is constitutionally improper, this is not to say that section 9(1)(n)(iii) is invalid in its entirety. It could be saved by the constitutional principle of

The principle was recently discussed, for example, in *References re Greenhouse Gas Pollution Pricing Act*, 2021 SCC 11 at para 125.

being able to "read down" legislation.⁷⁴ Thus, section 9(1)(n)(iii) could be read down as if the registrar was never intended to grant any requests for public notices from non-federal public entities. No such entities were intended to constitute a "public authority" under section 9(1)(n)(iii).⁷⁵

Consider also that certain other paragraphs of section 9(1) expressly apply to certain non-federal entities while section 9(1)(n)(iii) does not. It may be difficult to interpret section 9(1)(n)(iii) in comparison to the other paragraphs of section 9(1) because they have been amended individually over time, but section 9(1)(e) expressly applies to certain signs adopted and used "by Canada or by any province or municipal corporation in Canada," and section 9(1)(n)(ii) expressly authorizes universities.

Consider also that even if section 9(1)(n)(iii) is read down as not applying to non-federal entities, many of their marks could still protected under other provisions of section 9(1), such as sections 9(1)(a) to (d), (n.1), and (o). (Those other provisions need not be read down themselves because they focus on a narrower set of marks rather than pave the way for the monopolization of common terms.) In addition, a narrower reading of section 9(1)(n)(iii) would not mean it is

If a law is capable of two interpretations, one being constitutionally valid and one not, the court can assume that the legislative body had intended the valid one (so long as the court does not go to the extent of effectively redrafting the legislation); see, for example, *Council of Natural Medicine*, *supra* note 69 at para 53; PW Hogg, *Constitutional Law of Canada*, 5th ed, vol 2 (Toronto: Carswell, 2007) (loose-leaf), section 15.7.

While the constitutionality of section 9(1)(n)(iii) has been upheld in at least a couple of cases, it was challenged in those cases only on other grounds: *Council of Natural Medicine*, *supra* note 69; and *Canada Post Corp v Epost Innovations Inc*, 2001 FCT 305.

rendered redundant by those other provisions, because those other provisions have their own limitations.⁷⁶

Consider also that the prohibitions apply nationally.⁷⁷ That is, a prohibition given on behalf of a provincial or municipal entity applies across the country, even though that entity has no constitutional authority outside its jurisdiction. While there is certainly value in protecting provincial marks across the country, this protection should not be dictated by such a non-federal entity. Even the legislature of a province cannot dictate matters in other provinces; its legislative authority under section 92 of the *Constitution Act, 1867* is expressly focused on matters "in" its province.⁷⁸ Otherwise, a public authority in one province could control the use of common terms in other provinces, resulting in interjurisdictional conflicts that would be difficult to properly resolve.

Either section 9(1)(n)(iii) was not intended to apply to non-federal entities at all, or it was not intended to apply to non-federal entities in respect of professional designations and other common, everyday terms. For example, in view of the public notice of the term JUSTICE given on behalf of the province of Quebec,⁷⁹ supposedly no other provincial government or entity—not even the federal government—can use that term without Quebec's consent. The same concern

For example, section 9(1)(n)(iii) would still have value in cases where the government wants to ensure the protection of a badge or mark, etc., that would not necessarily qualify for the protection afforded by section 9(1)(d).

See, for example, *USPS*, *supra* note 22 at para 77 (FC).

Section 92 provides, "In each Province the Legislature may exclusively make Laws in relation to ..." [emphasis added].

Designated by the Canadian trademark office as application number 904687.

applies to the public notice given on behalf of the Law Society of Ontario for the term LAWYER REFERRAL.⁸⁰

5.3 Subject Matter Failing to Be a "Mark" or Failing to Be Used as an "Official" Mark

The following are some other ways for challenging the enforceability of section 9(1)(n)(iii) notices.

5.3.1 Failing to Be a "Mark"

It will be recalled that section 9(1)(n) applies to "any badge, crest, emblem or mark." The term "mark" within that phrase was interpreted very broadly by Cattanach J in *ICBC*.⁸¹ He supported this by saying resort may be had to dictionaries and common parlance, and thus that "a mark is a … brand, inscription … written character or the like indicating ownership, quality and the like." He then implicitly held that the subject mark—the term AUTOPLAN as stylized by the appellant—satisfied the definition of being a "mark" for the purposes of the provision; this was inherent in his ruling that it qualified as an "official" mark.

But, as intimated above, Parliament may not have intended the term "mark" within this provision to cover such common terms as PLAN, AUTO, LIFE, and ONE. One can even question whether such common dictionary words are capable, in themselves, of meeting Cattanach J's own

Designated by the Canadian trademark office as application number 906690.

⁸¹ *ICBC*, *supra* note 33 at 7–9.

Ibid at 7. He effectively repeated this later when he said that a mark can be "an 'inscription' or 'written characters' indicative of ownership or quality which are attributes of a trade mark": *ibid* at 9.

definition of the term "mark" in the sense of subject matter that can be "indicative of ownership or quality."

To discuss the matter in greater detail, there are a number of factors pointing to a narrower interpretation of the term "mark" within the phrase "any badge, crest, emblem or mark."

First, recall that Cattanach J in *ICBC* had interpreted the overall provision on the assumption that, for the purposes of section 9(1)(n)(iii), any public authority across Canada effectively had authority over the registrar on the basis the royal prerogative. ⁸³ Having had that in mind, it is understandable that he interpreted the term "mark" in section 9(1)(n)(iii) quite broadly. It accords with his view that it would be inconceivable that the registrar could stultify the Crown and its entities from prohibiting whatever subject matter they desired to prohibit. But his reliance on the royal prerogative is highly questionable. ⁸⁴ And even if the provision is a codification of, or subject to, the royal prerogative (which is not conceded), surely even the royal prerogative does not include the right to prohibit anyone else from using such common terms as LIFE, ONE, and IMAGINE. It is proposed that Cattanach J's decision does not go to that extent. It is proposed that neither he nor Parliament intended that such common terms could be outright monopolized under the provision, let alone that a limitless number could be so monopolized.

Another factor is that Cattanach J's broad interpretation of the term "mark" renders the words "badge, crest, emblem" redundant. 85 Because of those words, Parliament may have very well

As discussed above in section 5.1.1.

As discussed above in section 5.1.1.

Theoretically, the words "badge, crest, emblem" would not be redundant if the term "mark," and only that term, was intended to refer to subject matter indicative of ownership or quality, as indicated in *ICBC*, but this would be interpreting the phrase as if Parliament had said "any badge, crest *or* emblem, or *any* mark."

intended the term "mark" to mean subject matter of the same type as a badges, crests, and emblems; this is consistent with the *noscitur a sociis* rule of interpretation that Cattanach J otherwise discounted.⁸⁶ This reading would restrict section 9(1)(n)(iii) to "mark[s]" having some sort of character along the lines of badges, crests, and emblems.

In that regard, Cattanach J understood the terms "badge," "crest," and "emblem" narrowly for the purposes of the provision, ⁸⁷ and he characterized them as having "attributes, overtones or dignity of officiality." So, Parliament could have easily intended the same for the term "mark" (within the phrase "any badge, crest, emblem or mark"). Note also that badges include police badges, and that crests and emblems are often patches worn on uniforms. Thus, the term "mark" within the phrase "badge, crest, emblem or mark" could have been intended to mean such items used as insignia of rank, office, or membership in an organization, as something having some sort of official endorsement.

This theme of some sort of officiality is also in keeping with the theme of the majority of the other marks mentioned in section 9, such as flags and military marks.

Another theme among "badge, crest, emblem" is that they connote subject matter having visual features, along the lines of design marks, rather than mere word marks. This theme is supported by the fact that, in section 9(1)(n)(iii), Parliament did not use the term "name" or "word(s)," as it did in sections 9(1)(d), (i.3), (j), (m), and (o). And most of the remaining provisions of

⁸⁶ *ICBC*, supra note 33 at 9.

⁸⁷ *Ibid* at 7.

⁸⁸ *Ibid* at 8.

section 9(1) focus on visual subject matter. Thus, again, Parliament did not intend the term "mark" within section 9(1)(n)(iii) to simply mean any subject matter.

The themes of officiality and being visual are both supported by the previous version of the provision as it appeared in the *Unfair Competition Act*. 89 It referred to the subject matter as "any symbol" adopted and used by a public authority, etc. The term "symbol" was used elsewhere in that statute in a very broad sense. 90 But when this provision in the *Unfair Competition Act* was replaced with section 9(1)(n) of the *Trademarks Act*, the term "any symbol" was not replaced with the phrase "any mark," but with the phrase "any badge, crest, emblem or mark." Parliament clearly included the words "badge, crest, emblem" within that phrase because such subject matter would otherwise not have been covered by what Parliament intended by the term "mark" within this provision. That is, Parliament must have had in mind that the term "mark" within this provision was not as broad as the term "symbol" as used in the *Unfair Competition Act* or the term "mark" as used on its own elsewhere in the *Trademarks Act*.

Consider also that, as part of the wide-ranging amendments that were brought into force in 2019, Parliament instituted the use of the term "sign" in place of the term "mark." This was done throughout the statute in about two dozen places—including in certain parts of section 9—but not in section 9(1)(n)(iii). This further supports the narrow interpretation of "mark" within this provision to mean something narrower than the term "sign."

⁸⁹ Section 14(1)(j) of the *Unfair Competition Act*.

The term "symbol," rather than the term "mark," was even used in the definition of the term "trade mark."

Sections 319, 324–326, 339, 353 of the *Economic Action Plan 2014 Act, No 1*, SC 2014, c 20 (generally brought into force effective 17 June 2019).

Also recall that one of the purposes of section 9 is to protect official marks that might otherwise be difficult to protect by way of regular trademark registrations. To qualify for a trademark registration when section 9 was enacted, the subject matter needed to be "used" as a trademark. But badges, crests, and emblems with attributes of officiality and/or designating rank or membership are not typically "used" in the trademark sense. Section 9 thus provided a means for protecting such specialized subject matter. ⁹² This further supports the interpretation of "mark" in section 9(1)(n)(iii) as having been intended to focus on such subject matter.

Another factor supporting a narrow interpretation of section 9(1)(n)(iii), in one form or another, is the comment of the Federal Court of Appeal in *Ontario Assn of Architects* that the provision "should not be given an expansive meaning" because of its severe impact on the public. 94

Also recall the factors as to why the registrar must have been intended to have some supervisory function under the provision, such as to be able to refuse to give public notice in cases where it would be against public order (as with the mere number "86"). If these factors fail to mean that the registrar has some supervisory function under the provision, then several of them support the interpretation of the term "any badge, crest, emblem or mark" as *automatically* excluding certain marks, such as those that are too common or simple, again because protecting them under the provision would be against public order. That is, the purported prohibitions of such simple terms under the provision might not be enforceable, either because the registrar has failed to properly exercise that supervisory function in giving notices in respect of simple words against public

Also recall the careful wording in section 2, as discussed above at the end of section 4.0.

Supra note 10 at para 64. See the text above accompanying note 21.

Negative aspects of section 9 are discussed above in section 3.0.

order, or because such words do not even fall within what Parliament intended by "any badge, crest, emblem or mark."

Consider also that there is a provision in the US trademark statute that prevents the registration of "the flag or coat of arms or *other insignia* of the United States, or of any State or municipality, or of any foreign nation, or any simulation thereof." The term "other insignia" has been interpreted as including only insignia of the same general class as "the flag or coats of arms." While it is true that this interpretation is supported by the term "other" modifying the term "insignia," the fact is that the US Congress appears to be content with that narrow scope, rather than having the provision apply to any insignia whatsoever. Parliament also, it is submitted, did not intend such a wide scope.

5.3.2 Failing to Be Used as an "Official" Mark

A related proposition regarding section 9(1)(n)(iii) is the need to give due regard to the restriction indicated by the words "adopted and used ... as an official mark for goods or services." Those italicized terms, individually and collectively, emphasize that the provision was not intended to prohibit simply any subject matter. That is, even if the term "mark" in this provision covers a wide variety of subject matter (which is not conceded), the balance of the provision requires that the mark be "adopted and used" as an "official" mark. In short, even if such simple marks as ONE, JUSTICE, and IMAGINE qualify as "marks" for the purposes of this

United States Trademark Act of 1946, s 2(b), supra note 6 [emphasis added].

US Trademark Manual of Examining Procedure, TMEP § 1204.02(a), citing *In re US Dep't of the Interior*,
 142 USPQ 506, 507 (TTAB 1964).

provision, it is nevertheless questionable whether they have been truly "used" as "official" marks owing to their simple nature; they do not tend to stand out as marks.

To expand on this point, it will be recalled that Cattanach J in *ICBC* reversed the registrar's decision that, among other things, the subject mark was not an official mark "as adopted and used" by the public authority. This language was perhaps not clearly understood by the learned justice as meaning that the mark had not been "used ... as an official mark" as called for in section 9(1)(n)(iii). This is because, in addressing that ground, Cattanach J did not focus on the nature of the usage but instead simply on the nature of the mark, namely, whether it qualified as a "mark" within the phrase "any badge, crest, emblem or mark," as discussed above. For example, perhaps through no fault of his own, he described the registrar's first ground for refusing to give public notice as being simply "that the mark so adopted is not an official 'mark' within the meaning of s. (1)(n)(iii)." He also discussed whether the mark was *inherently* "lacking in any connotation of artificiality," paraphrased later as whether "the dignified attributes of officiality are lacking." Similarly, he introduced a passage with the phrase, "What then is an 'official' mark within the meaning of s. (1)(n)(iii)." Again, Cattanach J made all these comments without asking whether the mark had been "used ... as an official mark."

Arguably, Cattanach J *did* take into account that the subject mark needed to be "adopted" as an official mark when he mentioned that an actual minister was on the board of the public authority

⁹⁷ *ICBC*, *supra* note 33 at 3, 8–10, 15.

⁹⁸ *Ibid* at 8.

⁹⁹ *Ibid*.

¹⁰⁰ *Ibid* at 9.

and was thus involved in officially authorizing the adoption of the mark. For example, he said: "Thus the mark was derived from and sanctioned by persons in office and hence was authorized and authoritative precisely within the meaning of the word 'official'." But, again, either he did not address the issue of whether the subject mark had been "used ... as an official mark," or he did not do so soundly. Even later in the decision, he reiterated that he was reversing the registrar's decision that "the mark" was not official, 102 instead of expressly reversing the registrar's decision that the mark had not been "used ... as an official mark."

Parliament obviously chose the words "adopted and used ... as an official mark" carefully to indicate that the mark must be used with some connotation of officiality, some official character to the usage. The mark cannot simply be adopted and used, but must be adopted and used "as an official mark." While this can mean different things, some guidance may again be afforded by the nature of the marks covered elsewhere in section 9(1): state flags, government seals, military emblems, and the actual names of public authorities. In contrast, it is hard to see how simple terms such as LIFE, ONE, IMAGINE, and EXPRESS DELIVERY (which have received public notices under the provision) were used as official marks. It is also hard to see how the provincial lottery corporations truly adopted and used all 1,300 of their section 9(1)(n)(iii) marks "as official marks." In effect, in having abused whatever authority these entities had under the provision, they may have lost it. 103

¹⁰¹ *Ibid* at 10.

¹⁰² *Ibid* at 15.

These failings are closely related to, but separate from, other requirements that have already been well recognized in cases under this provision, such as that the mark be used as a mark (rather than as a mere

5.3.3 Combining These Failings

In combining these failings (described in sections 5.3.1 and 5.3.2), consider that section 9(1)(n)(iii) does not read simply, "any sign ... in respect of which the Registrar has, at the request" Instead, it carefully reads, "any badge, crest, emblem or mark ... adopted and used by any public authority in Canada as an official mark for goods and services ... in respect of which the Registrar has, at the request" All the italicized words were intended to have meaning.

5.4 Onus to Establish the Elements of the Provision

When a party asserts a prohibition in respect of a section 9(1)(n)(iii) mark (as in a lawsuit, an opposition, or an examiner's official action), it is well accepted that that party has the onus or burden of proving that the public notice was given, and of establishing the elements of the opening words of section 9(1), including that the other party's mark sufficiently resembles the prohibited mark. But does that party also have the burden of establishing the other elements of section 9(1)(n)(iii)? It is proposed that it does, at least when such matters are before a court.

5.4.1 Official Marks Are Not Enforceable Like Trademark Registrations

While there is some back-and-forth in the jurisprudence regarding the burden of proof, as discussed below, consider the simple rationale: within the *Trademarks Act*, there is no parallel between the enforceability of section 9 notices and the enforceability of trademark registrations. That is, in the latter case, there is a set of provisions whereby registrations can be obtained, and a

dictionary term) and that it has been displayed in such a way as to be associated with a particular ware or service; see, for example, *Terrace (City) v Urban Distilleries Inc*, 2014 FC 833 at paras 11, 14, 16–17, aff'd *Kitasoo First Nation v Urban Distillers Inc*, 2015 FCA 233.

set of provisions whereby the registrations can, on their own, have force and effect, as under sections 12(1)(d), 19, 20, 22, and 51.03 (and can be challenged, as under sections 18 and 45). For official marks to follow to similarly have force and effect, there would have to be a provision (or set of provisions) stipulating the elements for obtaining a public notice and a provision (or set of provisions) stipulating the ability to enforce the notices on their own, something along the lines of: "No person shall adopt in connection with a business, as a trademark or otherwise, any mark consisting of, or so nearly resembling as to be likely to be mistaken for ... (n) any ... mark ... (iii) in respect of which the Registrar has, at the request of ... the ... public authority ... given public notice of its adoption and use." But this is not the case.

This rationale is supported by the legislative history of section 9(1)(n)(iii). The previous version, section 14(1)(j) of the *Unfair Competition Act*, read in its entirety (including the opening wording) as follows: "No person shall adopt for use in connection with a business, as a trade mark or otherwise, any symbol consisting of, or so nearly resembling as to be likely to be mistaken for ... (j) any symbol adopted and used by any public authority in Canada as an official mark on similar wares." This is very similar to current section 9(1)(n)(iii) but for the requirement that the registrar give public notice. Surely anyone seeking to enforce a mark under section 14(1)(j) would have had to establish all those stated elements of the provision, particularly that the subject matter was a "symbol adopted and used by [a] public authority in Canada as an official mark." This element was not changed when the provision was succeeded by section 9(1)(n)(iii) of the *Trademarks Act*; the issuing of a public notice simply became an additional element; the prohibition no longer applies to just any symbol adopted and used by a public authority etc., but to any such symbol in respect of which the registrar has given public notice. The adding of this element obviously provided a service to businesses in that they would

have a better chance of knowing which subject matter was prohibited by the provision. ¹⁰⁴ The requirement to give public notice was not inserted so that the public notices could be enforced on their own, akin to trademark registrations. It is proposed that adding the element did not remove the previous fact that the onus was on the party enforcing the provision to establish all its elements.

This conclusion is supported by other provisions that continue to stand as prohibitions without any public notice by the registrar. If someone wants to enforce a prohibition regarding a particular mark covered by sections 9(1)(a) to (c), such as a crest of a member of the royal family, that party cannot simply cite the provision; the onus would be on the party to establish also that the mark is in fact such a crest. Another example is section 9(1)(d). 105

5.4.2 Cases Supporting the Existence of an Onus to Establish the Elements of the Provision

There are some decisions strongly suggesting that a party seeking to enforce a section 9(1)(n)(iii) notice does not have the burden of establishing all the elements of the provision. But these decisions may be unsound or need to be read down. This is not just because of the rationale mentioned above but because of some conflicting case law.

As Cattanach J commented: "The purpose of the Registrar giving public notice of the adoption and use of an official mark is to alert the public to that adaption as an official mark by the public authority to prevent infringement of that official mark." *ICBC*, *supra* note 33 at 13.

The paragraph itself reads, "any word or symbol likely to lead to the belief that the goods or services in association with which it is used have received, or are produced, sold or performed under, royal, vice-regal or governmental patronage, approval or authority." It is proposed that a party trying to enforce the provision must surely need to establish all those elements (and, again, all the elements of the opening words of section 9(1)).

There are some decisions, even as high as the 1989 Federal Court of Appeal decision in Allied Corporation v Canadian Olympic Association, 106 where the court has flatly stated that, at least in the context of oppositions, the opponent (the public authority) does not have the burden of establishing use and adoption of the official mark it is relying on, at least not in the absence of evidence suggesting that the mark was not used. On occasion, the opposition board has taken this to mean that a published official mark is similar to a trademark "registration" in this respect. 107 But, with respect, the court in Allied Corporation did not seem to review the matter and consider various factors, such as the above-mentioned fact that, unlike trademark registrations, there are no provisions whereby section 9 notices can stand on their own like trademark registrations. In addition, the above line of cases was effectively reversed in Big Sisters v Big Brothers. In the trial decision of Gibson J, some of the comments read like obiter, ¹⁰⁸ but later in the decision, he made it part of his ruling where he ruled against the plaintiffs for having failed to discharge the onus of adopting and using the mark in accordance with the plain wording of the provision. 109 As part of this passage, Gibson J also took into account the decision in Canadian Olympic Association v Donkirk International, Inc, in which Teitelbaum J similarly indicated that the onus is on the public authority. 110 Gibson J's overall decision was affirmed by the Court of Appeal.

¹⁰⁶ Supra note 15 at 166.

Canadian Council of Professional Engineers v Krebs Engineers, 1996 CanLII 11401 (CA TMOB); Ontario Federation of Anglers and Hunters v FW Woolworth Co Limited, 1991 CanLII 6785 (CA TMOB).

Big Sisters v Big Brothers, supra note 12 at 45–47 (FC).

¹⁰⁹ *Ibid* at 55.

Canadian Olympic Association v Donkirk International, Inc (1987), 17 CPR (3d) 299 (FCTD) [Donkirk].

The fact that this effectively reversed the applicable aspect of *Allied Corporation* is supported by *Techniquip*. ¹¹¹ Joyal J in the trial division commented: "I further interpret this provision as imposing on a public authority the burden of providing evidence of adoption and use whenever a case of conflict occurs." ¹¹² He had in hand both *Big Sisters v Big Brothers* and *Allied Corporation*, and his decision was affirmed on appeal. ¹¹³ In 2000, Joyal J's comment was applied by Muldoon J in *Sullivan Entertainment Inc v Anne of Green Gables Licensing Authority*. ¹¹⁴

Big Sisters v Big Brothers was expressly applied by Blais J in the 2001 trial decision in Filenet. Up to this point in the jurisprudence, the full onus had been on the party relying on the official mark. However, there are at least a couple of subsequent rulings which backtracked, as if there were an initial onus on a party questioning an official notice. Curiously, one of those decisions was by Blais J himself, just one day after his decision in Filenet; this was in Piscitelli, this where he relied on the decision of McKeown J in Ontario Assn of Architects. But McKeown J's decision did not refer to Big Sisters v Big Brothers. In addition, the issue in

¹¹¹ *Supra* note 5.

¹¹² *Ibid* at para 31 (FC), and see para 21.

Supra note 5 (FCA).

Sullivan Entertainment Inc v Anne of Green Gables Licensing Authority, 2000 CanLII 16445 (FC) at paras 16–17, 30.

FileNET Corp v Canada (Registrar of Trade-marks), 2001 FCT 865 at paras 47–48, aff'd supra note 54.

¹¹⁶ Supra note 32 at paras 23–26.

Ontario Assn of Architects v Assn of Architectural Technologists of Ontario, 2000 CanLII 16273 (FC) at paras 24–25, rev'd on other grounds, *supra* note 10.

McKeown J's case was not so important because there was evidence that the public authority had in fact adopted and used the official marks. 118

The other decision that modified the ruling in *Big Sisters v Big Brothers* and the ruling of Blais J in *Filenet* was the appeal decision in the latter case. ¹¹⁹ Perhaps such cases can be reconciled with the *Big Sisters v Big Brothers* line of cases in that the appeal of *Filenet* was a judicial review brought by the party challenging the official notice, whereas *Big Sisters v Big Brothers* involved a claim brought by the public authority seeking to enforce the official notice. The onus is generally on the party bringing a proceeding or asserting particular fact.

5.4.3 Can Public Notices Be Questioned Even at the Registrar's Level?

The assessment of the onus is even more challenging in proceedings that are not, or not yet, in court, namely, in oppositions (before the opposition board) or when dealing with official actions (issued by examiners purporting to refuse an application under section 9(1)(n)(iii)). This is because of the principle of *functus officio*. In simplified terms, the principle is analogous to *res judicata*, albeit focused on decisions by public officers or administrative bodies; in the interest of finality, once such officers or bodies have issued a decision, the function of their office has been performed. It is out of their hands. Generally, they cannot expressly or implicitly reverse their own decision regarding the same matter; this can only be done by a higher authority such as the courts.

¹¹⁸ *Ibid* at paras 24, 25 (FC).

¹¹⁹ Supra note 54 at paras 8–9.

So, applying this principle on its own, it seems understandable that an examiner or opposition board (each acting on behalf of the registrar) cannot question the previous decision (issued on behalf of the registrar) to approve a request for a public notice under section 9, such as by trying to contradict its enforceability when entertaining a trademark application for a similar mark.

But there are exceptions or limitations to the principle. The most obvious is the legislation's express approval of the possibility of reversing or otherwise contradicting previous decisions by a public officer or administrative board. For example, in the case of trademarks, the opposition board already has the authority to reverse the decision of an examiner regarding the registrability of a mark, even though both the examiner and the board are acting on behalf of the same office (the office of the registrar).

Returning to the issue of contradicting the issuance of a public notice, the *Trademarks Act* currently does not expressly provide the opposition board with this authority. Such authority would need to be found elsewhere.

Admittedly, finding an exception to *functus officio* "presents one of the most vexing puzzles of public law." But, for example, it is sometimes possible to contradict an earlier decision of the same office on the understanding that the earlier decision was invalid. Perhaps it is simple as that. In a sense, because the public cannot participate in the original decision to prohibit a mark under section 9, the elements of the prohibition have not fully been decided. The notices have

Minister for Immigration and Multicultural Affairs v Bhardwaj, [2002] HCA 11 at para 101. The decision cites decisions of the Supreme Court of Canada, including Chandler v Alberta Association of Architects,
 [1989] 2 SCR 848, 1989 CanLII 41. More recently, see also Doucet-Boudreau v Nova Scotia (Minister of Education), 2003 SCC 62, [2003] 3 SCR 3.

been issued but their validity is not fully *functus officio*. And recall how significantly the public is affected by these prohibitions.¹²¹

Sometimes there is also an implied power to contradict an earlier decision of the same office as a matter of statutory interpretation.¹²² This is supported by the limitations on the ability to appeal or obtain judicial review. It is procedurally much harder for a member of the public to challenge a public notice than to seek cancellation of a trademark registration.

Perhaps it could also be said that a decision is not *functus officio* where it can be characterized as a fresh decision. For example, where an examiner decides not to refuse an application for a mark that consists of or sufficiently resembles an official mark, this might not be a reversal of the original decision to issue the public notice of the official mark, but rather a fresh decision regarding the lack of enforceability of the public notice.

5.5 Implied Consent

Section 9(2)(a) provides that a mark prohibited under section 9(1)(n) can nevertheless be adopted (including being used or registered) with the consent of the applicable authority. It also happens that the register has, in over 1,000 instances, published notices of official marks being withdrawn by the owner. Technically, the withdrawal does not change the fact that the public notice was given, which means that if one follows the explicit wording of section 9(1)(n)(iii), the prohibition stands. But either the legislation implies that notices can be withdrawn, or it implies that withdrawal requests constitute consent under section 9(2)(a). After all, section 9(2)(a) does not

¹²¹ As discussed above in section 3.0.

Along the lines of the principle of *ex officio*.

expressly require that the consent be expressly given by the authority. This is another interpretational avenue for dealing with official marks that is supported by the fact that Parliament did not expressly provide a means for challenging such notices, as it has for challenging trademark registrations.

The consent should be even easier to infer in cases where the public authority no longer exists. In the same way that a withdrawal is a mindful decision of the public authority, the termination is also a mindful decision of that authority (or of a public authority above it).

Where consent is implicitly decided upon at the level of an examiner, this should not violate *functus officio*. The examiner is not contradicting the decision to have given the public notice, but is instead rendering a separate decision, namely, that consent has since been given.

Consent might also be inferred in cases where the public authority still exists but has long since abandoned the official mark, especially if the public authority is unresponsive to requests for consent—that is, if it fails to deny consent.

6.0 Closing

In closing, certain attempts to narrowly interpret section 9(1)(n)(iii) may have gone too far and inadvertently restricted the protection intended for such marks, and for other official marks and subject matter pursuant to the other paragraphs of section 9(1). But there appear to be other ways in which section 9(1)(n)(iii) should be interpreted more narrowly.

Certain jurisprudence and rationale call for the registrar to exercise some discretion or supervisory function, and the registrar may have failed to exercise that discretion or failed to do so properly, such as in issuing public notices in respect of common terms. Thus, such public notices might not be enforceable on such grounds.

Official notices granted at the request of provincial (non-federal) public authorities might also be unenforceable.

Certain official notices might also be unenforceable where the subject matter does not properly constitute a "mark" within the intended meaning of section 9(1)(n)(iii), or where it was not established that such marks were actually used as "official" marks, again especially in respect of simple dictionary words that are essential or common in trade.

When a section 9(1)(n)(iii) mark is asserted, Parliament intended that the entire onus should be on the asserting party to establish the elements of the provision; Parliament did not intend that public notices under the provision could be relied upon on their own as if they are the equivalent of trademark registrations.

If a public authority has been terminated, this will often be grounds for inferring consent under section 9(2). Such implied consent, in and of itself, may provide a simple means for dealing with certain official notices, again especially in respect of common terms.

Private parties may wish to make such submissions when facing a refusal to an application based on certain section 9 marks, or when seeking consent. Meanwhile, public authorities, especially provincial ones, may wish to supplement whatever protection they may have under section 9(1)(n)(iii) by the filing for trademark registrations or by relying on the other paragraphs of section 9(1) and the laws of passing off.

Public authorities are also in a better position to seek legislative changes or specialized legislation. After all, these are not private entities but public ones—in some cases, an actual legislative body. For example, Parliament may consider enacting a specialized statute as it did for Olympic marks, or adding a schedule to the *Trademarks Act*, confirming that especially

important names and marks of provincial public authorities are protected, and that certain simple marks are no longer protected.

Section 9(1)(n)(iii) should not be read as if it prohibits the use of any mark or sign, regardless of its simplicity or lack of inherent distinctiveness or official character, in respect of which the registrar has simply given public notice of its adoption and use by a public authority, together with an imaginary separate provision effectively providing that the registrar is compelled to give such public notice at the direction of any public authority in Canada, including any non-federal or semi-private entity, accompanied by yet another imaginary provision that such public notices can be enforced like trademark registrations, without the need to establish that the mark satisfies the elements of protection. Some restrictions on that reading must apply. One cannot ignore the actual wording of the provision, nor the unconstitutional or unsound nature of that reading.

Canada has been a world leader in protecting the marks of public authorities. It has an

Canada has been a world leader in protecting the marks of public authorities. It has an opportunity to extend that lead and set an even better model.