World IP Day: A primer on Canadian intellectual property rights

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The theme of World Intellectual Property Day this year is "IP and Youth: Innovating for a Better Future." In the spirit of contributing to intellectual property (IP) literacy, we have prepared this guide on the fundamental aspects of different types of Canadian intellectual property rights and protections: patents, trademarks, copyright, industrial design and trade secrets.

This is an introduction to IP for individuals not immersed in the field to familiarize themselves with these different types of IP protection.

The summary table below compares aspects of these different types of IP.

	Patent	Copyright	Trademark (TM)	Industrial Design	Trade Secret
What does each type of IP protect?	Inventions	Artistic works	Brands and slogans	The aesthetic appearance of a product	Confidential commercially valuable information
Does it have to be registered with the government to receive protection?	Yes	No, but option to register is available, and doing so provides some benefit.	No, but option to register is available, and doing so provides substantial benefit	Yes	No. There is no mechanism for registration.
What sort of protection does each type of IP offer?	The exclusive right to make, use, and sell the invention in Canada.	The sole right to produce or reproduce the copyrighted work, or any substantial part thereof in Canada, or to authorize any such acts.	If registered, the exclusive right to use the TM throughout Canada in association with the registered goods and/or services. If unregistered, the exclusive right to use the TM, in which goodwill or a reputation has developed, in association with the goods and services in which it is used, in the geographical area of Canada in which it is used.	The exclusive right in Canada to make, import for the purpose of business, sell, or offer for sale any article covered by the industrial design.	The exclusive right to the secret information. This does not prevent a third party from independently developing, and then using the information comprising the trade secret.
How long does it last?	Twenty years from the Canadian filing date of the patent application.	Generally, for life of the author, plus 50 years thereafter. Many exceptions apply.	If registered: 10 years, and renewable every 10 years thereafter indefinitely if the TM is used. If unregistered: indefinitely in the geographical area in which it is used, if goodwill or reputation is attached to it, and so long as the TM continues to be used.	Ten years from the date of registration; or 15 years from the filing date of the application, whichever is later.	Indefinitely, so long as the information is kept confidential.
What is the cost to obtain and maintain a registration?	High	Low	Medium	Medium	N/A

Patents: Protection for inventions

When a person or business discovers or creates something, if it is considered an “invention”, they can protect it by obtaining a patent.

What is an invention?

The *Patent Act*, which governs Canadian patent law, defines an invention as follows:

Any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter.

It is worth noting that “art” in this context does not mean a work of art such as a painting, but instead includes things such as methods, processes or uses of articles for accomplishing a useful task or goal.

What are some examples of things that can be patented?

Inventors create inventions in a wide variety of fields. The fields of science, technology, and engineering are particularly ripe with inventions, as new ideas are being applied to solve problems and improve existing technologies.

For example, pharmaceutical drugs that treat diseases are often patented, as are the chemical processes used to create those drugs. Other examples of inventions include the creation or improvement of green technology, such as solar panels or wind turbines; transportation, such as the components to make bullet trains and drones; appliances, such as smart fridges; agricultural technology, such as improved harvesting machines; and so called “high-tech” machinery, such as quantum computers.

Patents can be obtained for inventions related to everyday products as well, such as illuminated dog collars and zippers.

The key is that the creation must be new, useful, not obvious, and properly disclosed. The *Patent Act* and court decisions on patents define these terms.

What are the requirements for getting a patent?

In order to be granted a patent, the applicant must meet specific criteria regarding both the invention itself and the application. The invention claimed in a patent must be:

- New: The invention cannot have already been invented. If someone else had your idea and disclosed it to the public before you did, it will not be new. They do not need to have commercialized the product, just disclosed it. For example, a standard kitchen chair is not an invention and likely cannot be patented, because it is not new;
- Not obvious: Your idea cannot be obvious based on what is already known to the public. For example, changing the colour of the lights of the illuminated pet collar described above may be a new invention in that that colour of light has never been used before. However, changing the colour is likely an obvious modification, and therefore not patentable;
- Useful: A patent must be useful, even if only in a small way; and
- Properly disclosed: The inventor must properly disclose their invention to the public in exchange for receiving exclusive patent rights. This means the inventor must fully describe the invention and its operation or use. Additional disclosures are needed for certain specific types of inventions.

What rights does a patent give the patent holder?

In Canada, a patent grants the owner the exclusive right to make, use, and sell the invention for others to use. These exclusive rights last for twenty years from when the patent application is filed.

Patent rights are similar in most countries. However, individuals must file patents in every country where they wish to enforce their rights. The Canadian patent will only provide rights in Canada. In addition, a patent is a private right, meaning the patent owner must take any necessary steps to enforce their rights. The Canadian government does not enforce patent rights.

What happens if someone who is not authorized to do so makes or sells the patented invention?

This is known as patent infringement. The patent owner may decide to enforce their rights in court against the person they believe is infringing their patent. This requires starting a patent infringement lawsuit. Once such a lawsuit is started, the alleged infringer can respond by alleging the patent is invalid and/or that they do not infringe it. If the court agrees that the patent is valid and infringed, the patent owner is typically entitled to an injunction. An injunction is an order given by a judge that the infringer must stop their infringing activities. The patent owner is also typically entitled to monetary damages to compensate them for losses suffered as a result of the infringement.

Who grants a patent?

A branch of the Canadian government known as the Canadian Intellectual Property Office (CIPO) employs patent examiners that review patent applications. These patent examiners determine whether patent applications meet the requirements for obtaining a patent. If the requirements have been met, CIPO will grant the patent. Typically, the person applying for the patent and the examiner at CIPO will negotiate to find a point where they both agree on the subject matter of the invention that is new, useful, non-obvious, and properly disclosed.

Copyright: Protection for artistic works

What does copyright protect?

Copyright exists in Canada in every original literary, dramatic, musical and artistic work authored by a Canadian citizen, or by a person that ordinarily resides in a country that has signed certain treaties with Canada.

What is required for a work to attract copyright protection?

In order to receive protection as a copyrighted work, the work must be an original (i.e., new and not copied) expression of an author's skill and judgement. Facts and mathematical concepts, for example, are not copyrightable.

An author of a copyrighted work is not required to apply for a copyright registration from CIPO in order to have a valid copyright. An author owns the copyright to a work as soon as a work that attracts copyright protection is created. However, an author can apply for a copyright registration, and doing so is a simple process with a relatively small fee. Registering the copyright with CIPO provides certain advantages, including the presumption that the work belongs to that registered owner.

What rights does the copyright holder have over the copyrighted work?

A holder of copyright has the sole right to produce or reproduce the copyrighted work, or any substantial part thereof, unless a defence to infringement applies. For example, unless the author of a book provides authorization to someone else, or a defence to copyright infringement applies, only the author of a book can make copies of the book, including for the purpose of selling those copies. Furthermore, only the

author has the right to convert one work into another (for example, making a book into a movie), although there are certain exceptions to this principle.

How long does copyright last?

In general, an author's copyright lasts for the life of the author, plus 50 years after the author's death. However, a lengthening of this term to 70 years after the author's death may be forthcoming, as this has been agreed to in the Canada-United States-Mexico Agreement (Article 20.62), and proposed in the 2022 Federal budget.

Furthermore, there are different laws regarding the length of copyright protection that apply to certain situations and different types of copyrightable works. For example, in a case where there are two or more authors of a work, the copyright exists during the life of the author who dies last, until the end of the calendar year that that author dies, and 50 years thereafter. Outlined below are some exceptions concerning specific types of copyrightable works.

The copyright term for particular types of works		
Type of work	Term of protection if the work is unpublished	Term of protection if the work is published
Cinematographic work (such as a movie or TV show)	70 years from the end of the year it was made	The earlier of: 1) 75 years from the end of the publication year; and 2) 100 years from the end of the year it was made
Performance (such as a music, magic or talent show performed on stage)	N/A	50 years from the end of the year of the performance
Sound recording of a performance (such as a recording of a concert)	70 years from the end of the year of the first recording	The earlier of: 1) 75 years from the end of the year of publication; and 2) 100 years from the end of the year of the first recording
Sound recording (such as a recorded song)	70 years from the end of the year it was first recorded	The earlier of: 1) 75 years from the end of the publication year; and 2) 100 years from the end of the year of the first recording
Communication signal (such as radio show)	N/A	50 years from the end of the year of broadcast

What are some examples of copyrightable works?

Examples of types of works that may attract copyright include: songs, books, magazines, newspapers, paintings, sculptures, photographs, tv shows, movies, Tiktok® or Instagram® videos, theatrical plays, the appearance of websites, and computer code.

Are there exceptions when copyright does not apply?

There are some times when copyright does not apply. For example, copyright is intended to protect artistic works, while "industrial designs" are intended to protect the appearance of useful articles produced in large numbers. Assuming that copyright exists in a useful article (such as an artistically shaped office desk), copyright may be asserted against a person that copies the design of the useful article, as long as the copyright owner has made only 50 or fewer of the item.

Once the owner creates more than 50 of that article, it is no longer considered a copyright infringement if someone other than the owner reproduces that article. This "rule of only creating 50" does not apply to certain uses of the work, which include:

1. Graphic representations applied to the face of an article (for example, a photograph or drawing applied to a t-shirt);
2. Use of the work as a trademark;
3. Materials that have a woven or knitted pattern, or that is suitable for surface covering (for example, carpets);
4. An architectural work that is a building;
5. A representation of a real or made-up being, event, or place that is applied to an article as a feature of shape, configuration, pattern or ornament; and
6. Articles sold as a set, unless more than 50 sets are made.

Some other examples of exceptions and defences to infringement are described below.

What are the defences that allow an unauthorized person to copy a copyrighted work without repercussions?

The *Copyright Act*, which governs Canadian copyright law, contains what are known as "fair dealing" provisions.

Copying a work for, among other things, the purpose of research, private study, education, parody or satire does not infringe copyright. However, copying for these purposes must still be fair. There are several factors that should be considered when making this determination, including the purpose of the copying, the amount taken, the alternatives to copying that were available, and the effect of the copying on the work.

What happens if someone who is not authorized to do so reproduces a copyrighted work?

This is known as copyright infringement. The copyright owner may pursue their exclusive rights against the alleged infringer in court in a copyright infringement lawsuit. If successful, the copyright owner is typically entitled to an injunction preventing further infringement of the copyrighted work by the infringer, and monetary damages that compensate the copyright owner for losses suffered because of the infringement.

Since it may be difficult to quantify the monetary loss an author has suffered from copyright infringement, the *Copyright Act* allows the copyright owner to elect to receive "statutory damages" instead. Statutory damages allow the copyright owner to receive between $500 and $20,000 per infringed work, if the infringement is for commercial purposes. If the copyright infringement is for non-commercial purposes, statutory damages permit the copyright owner to receive between $100 and $5,000 per infringed work.

Trademarks: protection for brands and slogans

What is a trademark?

A trademark is a sign or combination of signs used to distinguish goods or services from those of others. A "sign" can be, among other things, a word or words, a drawing or design, a three dimensional shape, a hologram, a sound, a smell, or a taste. A trademark is a quick way to alert customers about the source of goods and services of the vendor. Trademarks can be registered or unregistered.

What are some examples of trademarks?

Some examples of famous trademarks are APPLE®, GOOGLE®, and AMAZON®. The word NIKE® and its swoosh logo are also examples of trademarks, as are the slogans "I'M LOVIN' IT®" by MCDONALDS®, and "SUBWAY EAT FRESH®" by SUBWAY®. These are all examples of "signs" that those companies use to distinguish their goods and/or services from those of their competitors.

What rights does a trademark registration give the trademark holder?

A trademark registration gives its owner the exclusive right to use the trademark in Canada in association with the registered goods and/or services. This trademark registration lasts for ten years before it needs renewing. So long as the owner continues to use the trademark and renews it every ten years, the trademark rights last indefinitely.

How does this compare with an unregistered trademark owner's rights?

An unregistered trademark can also provide the exclusive right to use that unregistered trademark. However, this right is typically limited to the geographical area where the mark has been used and in which a reputation has been established. In contrast, a registered trademark provides protection Canada-wide.

Additionally, in order to assert a trademark against another person in court and attempt to prevent them from using the trademark, an unregistered trademark holder would have to prove that they own the unregistered trademark, which would require evidence of ownership. In contrast, the owner of a registered trademark can point to the trademark registration as evidence of its ownership.

Furthermore, to be successful in such a scenario where the owner of an unregistered trademark is attempting to assert it against another person, the owner would have to prove that the mark has developed goodwill or reputation with respect to the goods or services in association with which it is used. This evidence is often costly and difficult to obtain. A registered trademark owner only has to show that the trademark was used in association with the registered goods or services.

What is required to be granted a registered trademark?

In order to be granted a registered trademark, the mark applied for must meet specific criteria. Some of the requirements are that the mark must not be:

- Primarily the name or surname or a person who is living or has died within the past 30 years. For example, "John Smith" likely cannot be registered as a trademark;
- Clearly descriptive of the character or quality of the goods or services in association with which the mark is used. For example, "The Jeans Store" is clearly descriptive, and likely cannot be registered as a trademark for a store selling jeans;
- Deceptively misdescriptive of the character or quality of the goods or services in association with which the mark is used. For example, calling a bookstore "The Car Wash Garage" is deceptively misdescriptive, and therefore likely cannot be registered as a trademark for a bookstore;
- The name of the good or service in any language. For example, the word "Käse," which is German for the word "cheese," likely cannot be registered as a trademark if the good it's associated with is a cheese.

- Confusing with a mark that is already registered. A mark causes confusion with another trademark if the use of both marks in the same area would likely lead to the inference that the goods or services associated with those trademarks are manufactured, sold, or performed by the same person; and
- Present primarily for a utilitarian function. For example, the word “hazard” likely cannot be registered as a trademark if it is associated with the good primarily to warn consumers of a possible hazardous aspect of the product.

It is worth noting that a trademark may be registrable even if the requirements in the first three points above are not met. In order for those types of trademarks to be registrable, they must be considered “distinctive” as of the filing date of the application for registration.

A distinctive trademark distinguishes the goods or services in association with which it is used from the goods or services of others. This can occur when the trademark has come to be recognized by the Canadian public as a trademark that, in association with the goods or services listed in the application, serves to distinguish the goods or services of the applicant from those of others.

Who grants a registered trademark?

A branch of the Canadian government known as the Canadian Intellectual Property Office (CIPO) employs trademark examiners that review trademark applications. These trademark examiners determine whether the person applying for the trademark application has met the requirements for obtaining a trademark. If the requirements have been met, CIPO will grant the trademark registration.

What happens if someone who is not authorized to do so uses the registered trademark in association with the registered goods and services?

A registered trademark owner can start a lawsuit with different types of claims depending on the circumstances. These include lawsuits for trademark infringement, passing off the goods or services as and for those of another, and depreciation of the trademark owner’s goodwill. If successful, the registered trademark owner is typically entitled to an injunction preventing further infringement of the trademark by the infringer, and monetary damages to compensate the trademark owner for losses suffered as a result of the infringement.

Industrial designs: protection for the shape of articles

What is an industrial design?

An industrial design protects the aesthetic appearance of an object. In particular, it protects the shape, configuration, pattern or ornament in a finished article that is observable by looking at it. While patents protect the useful or functional aspect of something – for example, a shoe that makes you hover – an industrial design protects its appearance, for example, a particular appearance of that shoe.

What are some examples of industrial designs?

Industrial designs can be obtained for many types of articles. A particular design of a chair, shoe, coffee mug, desk or guitar may be registrable as an industrial design. As an example, the shape of Aero® chocolate bars is registered as an industrial design in Canada. Industrial designs can also be obtained for electronic icons on a computer or mobile device, or sequences of electronic icons, such as how messages might appear on a messaging app on a computer or mobile device.

What rights does an industrial design registration give its holder?

The holder of the industrial design registration gives that person the exclusive right in relation to that design. Others are prohibited from making, importing for the purpose of business, selling, renting, or

offering for sale any article covered by an industrial design that does not differ substantially from the registered industrial design.

How long does the protection for an industrial design registration last?

The exclusive rights last for either 10 years from the date of registration of the industrial design, or 15 years from the filing date of the application, whichever is later.

What are the requirements for receiving an industrial design registration?

In order to be registrable, among other things, the design must be new, it must have been created by the person applying for the industrial design, the design cannot be contrary to public morality, and the design cannot be solely for a utilitarian function. In addition, the applicant cannot have disclosed the design to the public more than 12 months before filing the application.

Who grants an industrial design?

A branch of the Canadian government known as the Canadian Intellectual Property Office (CIPO) employs examiners that review industrial design applications. These examiners determine whether the industrial design application meets the requirements under the *Industrial Design Act*. If the requirements have been met, CIPO will grant the industrial design.

What happens if someone who is not authorized to do so makes or sells an article for which an industrial design is registered?

The holder of the industrial design registration may commence a lawsuit for infringement of any of the exclusive rights to which it is entitled. If successful, the patent owner is typically entitled to an injunction preventing further infringement of the industrial design by the infringer, and monetary damages to compensate the owner for losses suffered.

Trade secrets: Protection of confidential commercially valuable information

What is a trade secret?

A trade secret is any sort of business information that has commercial value or maintains a competitive advantage because of the fact that it remains secret. A trade secret is another type of intellectual property. There is no requirement to register the trade secret with the government or other entity – its secrecy is what helps maintain its value.

What are examples of trade secrets?

A trade secret can be research and analysis data, a recipe, an instrument, a design, a process, a technique, a method, or a formula that is maintained as confidential. The most famous trade secret is the COCA COLA® recipe.

What is required for something to be a trade secret?

At minimum, the information must: 1) be secret; 2) have commercial value; and 3) be protected by reasonable procedures so that the information's secrecy is maintained.

How long does a trade secret last?

A trade secret can last forever, as long as it is kept secret and maintained as confidential within the company.

What are reasonable measures a business can use to protect their trade secrets?

There are many steps that businesses can take to protect their trade secrets. For example:

- implementing levels of security clearance for different employees;
- marking confidential information as such;
- encrypting and using password protection for sensitive electronic files;
- locking physical confidential information, such as plans, materials, designs, etc., in a location where only certain designated individuals have access;
- ensuring employees sign contracts containing confidentiality clauses;
- reminding former employees, upon their exit, of their confidentiality obligations;
- requiring third parties to sign a non-disclosure agreement before viewing the trade secret; and
- implementing systems to monitor disclosures of confidential information, and putting in place processes in the event that confidential information is made public without authorization.

What happens if someone discloses a trade secret to a member of the public without authorization?

The options available will depend on the particular situation. If a limited number of individuals heard or misappropriated the trade secret, it may be possible to enter into retroactive non-disclosure agreements with those individuals, and maintain the secrecy of the information.

If this is not feasible or practical, a lawsuit can be started against the individuals responsible for the disclosure or appropriation of information through an action for misappropriation of confidential information, breach of confidence, breach of fiduciary duties, unjust enrichment, and/or breach of contract, depending on the situation. It may be possible to obtain a court order preventing the information from being used or disclosed further. It also maybe be possible to obtain monetary damages for the losses suffered as a result of the unauthorized disclosure. Further, criminal charges may be appropriate if elements of fraud are involved.

BLG can help

BLG's Intellectual Property, Intellectual Property Litigation and Beyond IP Strategy groups are experts in providing advice on, obtaining, protecting, enforcing and defending against enforcement of different forms of IP. Please get in touch with our team of experts if you would like to learn more.

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Services: Intellectual Property, Patents, Copyright, Industrial Design, Trademarks

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