

## WHAT IS NOT A TRADE MARK?

by  
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This is what the Federal Court of Canada, Trial Division, had to decide in the matter involving *The Life Underwriters Association of Canada -vs- The Provincial Association of Québec Life Underwriters* (Court No T-2-88, judgment dated June 14, 1988). In that case, the Court held, among other things, that: (a) an expression which is used in association with persons, (b) a professional title, and (c) a generic word, are not trade marks within the meaning of the *Trade Marks Act*.

The Life Underwriters' Association of Canada was seeking an order enjoining the Provincial Association of Québec Life Underwriters from using the expressions "CLU" (Chartered Life Underwriter) and its French equivalent "AVA" (Assureur-vie agréé) which it had registered as certification marks.

The Court found that the evidence had revealed that the expressions "CLU" and "AVA" had not been used as trade marks since they had not been used in association with wares or services but rather in association with persons. According to Section 2 of the Trade Marks Act, a trade mark means, *inter alia*, (a) a mark that is used by a person for the purpose of distinguishing or so as to distinguish wares or services manufactured, sold, leased, hired or performed by him from those manufactured, sold, leased, hired or performed by others or, (b) a certification mark; a certification mark means, *inter alia*, a mark that is used for the purpose of distinguishing or so as to distinguish wares or services that are of a defined standard with respect to the class of persons by whom the wares have been produced or the services performed.

The Court found that the evidence showed that the expressions "CLU" and "AVA" had been used in association with persons and not their services; they could therefore not be considered as valid certification marks.

Furthermore, the Court decided that inasmuch as these expressions could be said to be professional titles used by a certain class of persons, they were a matter of exclusive provincial concern. In Canada, professions are under

provincial jurisdiction. The Quebec legislature, in its *Insurance Act*, conferred on the Provincial Association of Quebec Life Underwriters the right to approve the use by insurance agents of the expressions "CLU" and "AVA" within the province. The Court held that Federal legislation (the *Trade Marks Act*) could not encroach on this domain.

The Court also considered the manner in which the expressions "CLU" and "AVA" had been used by the Life Underwriters' Association of Canada. The documentation of Plaintiff teemed with "genericidal" expressions such as "the chartered life underwriter is competent", "the "AVA" is a professional", and so on: in short use of the expressions as generic expressions: an unforgivable crime. The Court concluded that the use of the expressions was not use as trade marks but as a generic expressions. Inasmuch as the expressions could ever have been trade marks, the Court found that the Life Underwriters' Association of Canada had committed the fatal error of genericide by the manner in which it had used the said expressions.

The case is now before the Federal Court of Appeal. It will be interesting to learn whether or not the Federal Parliament can, through its legislative power to regulate trade and commerce in Canada, limit or even bar a province from adopting valid legislation to regulate professions within its territory. Many other issues will be argued before the Court of Appeal which are fundamental to the interpretation to be given to the *Trade Marks Act* in the context of the Federal Canadian legal system. Furthermore, we will know, for certain, what is not a trade mark. This is a case to be watched.

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