

**ANY NEW DESCRIPTION OF WARES IN RESPONDENT'S REGISTRATION MUST  
COMPLY WITH PROVISIONS PROTECTING THIRD PARTY RIGHTS UNDER CANADA'S  
TRADE-MARKS ACT, FEDERAL COURT RULES IN OMEGA CASE**

Barry Gamache\*  
**LEGER ROBIC RICHARD**, LLP  
Lawyers, Patent & Trademark Agents  
Centre CDP Capital  
1001 Victoria-Square – Bloc E – 8<sup>th</sup> Floor  
Montreal, Quebec, Canada H2Z 2B7  
Tel. (514) 987 6242 – Fax (514) 845 7874  
info@robic.com - www.robic.ca

In an important decision which describes the extent (but also the limits) of the authority exercised by the Federal Court of Canada during judicial expungement proceedings under section 57 of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (hereafter: the "Act"), Canada's Federal Court has ruled that a respondent's registration cannot be amended by replacing a general classification of goods for another considered allegedly more adequate by an applicant who petitioned the Court for such relief (*Omega Engineering, Inc. v. Omega SA (Omega AG) (Omega Ltd.)*, 2006 FC 1472 (F.C. Blais J., December 8, 2006)).

Section 57 of the Act grants Canada's Federal Court exclusive jurisdiction to order that any entry in the trade-mark register be struck out or amended. The application of this broad jurisdiction is not without limits as this case illustrates. Section 57 of the Act is hereafter reproduced in part:

57. (1) The Federal Court has exclusive original jurisdiction, on the application of the Registrar or of any person interested, to order that any entry in the register be struck out or amended on the ground that at the date of the application the entry as it appears on the register does not accurately express or define the existing rights of the person appearing to be the registered owner of the mark.

As noted by the Court, the purpose of this provision is to provide a procedure whereby the Registrar of trade-marks or any interested party may apply to the Court to clarify the validity of the registration of a trade-mark in the register.

Omega SA (Omega AG) (Omega Ltd.) (hereafter: "Omega SA"), the well-known manufacturer of watches and other timing instruments, is the owner in

---

© CIPS, 2006.

\* Lawyer with LEGER ROBIC RICHARD, LLP, a multidisciplinary firm of lawyers, and patent and trade-marks Agents. Publication 142.197.

Canada of registration TMDA05009, secured on July 24, 1894, for the Omega Design trade-mark which covers, among other things, watches. More than half a century ago, on October 24, 1952, Omega SA caused its registration to be amended in order to protect other wares, including chronographs for sporting events along with other wares described in the following fashion (and translated from the original French text in the registration): technical and scientific apparatus for electricity, optics, telegraphy, cinema, radio, telephony, namely electric photo cells, starting gates, photo time recorders and starting pistols.

In separate and earlier proceedings between Omega SA and Omega Engineering, Inc., the latter company, through its counsel, applied under the Act's "use it or lose it" provision, i.e. section 45, for the expungement of the general description of wares in registration TMDA05009 (i.e. the technical and scientific apparatus for electricity, optics, telegraphy, cinema, radio, telephony) for reasons of alleged non use. As proof of use was filed by Omega SA, the section 45 proceedings were eventually dismissed by the Federal Court of Appeal which ruled that such proceedings under section 45 did not allow any challenge to the validity of the wording of the TMDA05009 registration. (See "Monopoly Rights Can't Be Examined In Trademark Expungement Proceeding" *World Intellectual Property Report*, November 2005, vol. 19, no. 11, p. 3).

Thereafter, Omega Engineering, Inc. initiated an application under section 57 of the Act for an order that registration TMDA05009 be amended so that the general classification currently found therein (and quoted above) be removed and replaced by a new general clarification i.e. "appareils sportifs" or sporting apparatus. The Court therefore had to consider whether the current description of the general class of wares i.e. technical and scientific apparatus for electricity, optics, telegraphy, cinema, radio, telephony accurately expressed the existing rights of Omega SA under the TMDA050009 registration.

In support of its position, the applicant argued that the electric photo cells, the starting gates, the photo time recorders and the starting pistols were not, in fact, technical and scientific apparatus but rather sporting apparatus. The Court rejected this argument and ruled that there was no question that the respondent's equipments were "appareils techniques et scientifiques" pursuant to the usual definition that is provided for such words. There was also evidence that they were "pour l'électricité" and also "pour l'optique", pursuant to documents filed in the previous section 45 proceedings and that were introduced before the Court in the current section 57 proceedings.

However, the applicant's application also raised the issue of the Court's authority to amend what would otherwise be a valid registration. In the case before it, the Court declined to amend registration TMDA05009 for the following reason: Although the Court clearly has the power to strike out an invalid registration, the power to "amend", as opposed to "strike out", any registration should only be exercised where a trade-mark is otherwise open to expungement; the ability to amend the register in this way allows the Court to save an otherwise invalid mark but *not* to restrict the existing rights of the registered owner of a *valid* trade-mark (*Patou (Jean) Inc. v. Luxo Laboratories Ltd.*, (1998) F.C.J. No. 1910 (F.C.T.D.)).

Moreover, amending registration TMDA05009 as requested by the applicant could negatively impact the rights of third parties since the proposed amendment would not have gone through the usual examination and publication process set out under the *Trade-marks Act*. The Court referred to *Royal Doulton Tableware Ltd. v. Cassidy's Ltd.*, (1984) F.C.J. No. 270 (F.C.T.D.), a case where an applicant wanted to be substituted as rightful owner of a registered trade-mark:

It was suggested by counsel for the plaintiff, and resisted by counsel for the defendant, that it would be open to me simply to substitute as registered owner Paragon China Limited for Cassidy's Ltd. with respect to registration number 162,829. Counsel for the plaintiff contended that this could be regarded as an amendment of the register which by subsection 57(1) of the *Trade Marks Act* the Court is entitled to order. In *Friendly Ice Cream Corp. v. Friendly Ice Cream Shops Ltd.*, (1972) F.C. 712; 7 C.P.R. (2d) 35 (T.D.), Heald J. held at page 717 F.C.; at page 40 C.P.R. that the Court has no jurisdiction to make an amendment of this sort and I respectfully concur. If one examines the scheme of the *Trade Marks Act*, particularly the procedure by which registration of trade marks is obtained, it is clear that parliament contemplated a process of examination to be carried out with respect to any registrant which process has not taken place here with respect to Paragon China Limited. In particular section (30) of the Act requires a considerable amount of information to be provided by an applicant to the Registrar which has not happened in this case with respect to Paragon China Limited. There is of course also the process of advertising under section (37) and the process of considering opposition to registration under section (38), none of which has happened here. In my view any specific proposed registration should go through these processes and it matters not that another applicant, Cassidy's Ltd. has undergone this process with respect to the same trade mark. I can find nothing

in the Act nor in the jurisprudence which would support an interpretation of the Court's power of amendment of the register so as to include ordering the involuntary substitution – as compared to a transfer consented to by the registrant – of one registrant for another.

In *Royal Doulton Tableware*, the Court ruled that it could expunge a registration which was obtained without right but that it could not substitute one owner for another. Blais J. concluded that the latter principle was similarly applicable in a case where an applicant, such as here, wanted to substitute, in a respondent's registration, a statement of wares for another; he noted that under the procedure by which the registration of trade-marks is obtained in Canada, Parliament contemplated a process of examination, publication and possible opposition, steps that would not take place should the description of "sporting apparatus" be introduced by the Court in registration TMDA05009 as the applicant requested. The Court also dismissed the applicant's argument that Omega SA's registration, inasmuch as the technical and scientific apparatus was concerned, had been abandoned. This decision highlights the importance and the extent of the authority exercised by the Federal Court in its role in overseeing the trade-mark register; however, in this case, because of the nature of the remedy that was requested, the Court was mindful of Parliament's clear intent regarding the means for securing registration of a trade-mark or any other information associated therewith (such as any statement of wares).

*(Omega SA was represented by LEGER ROBIC RICHARD, LLP in this case).*



