

# THE COMMON LAWYER

## Hitting the Mark -- Trademark, That Is!



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**YOUR DEALERSHIP IS SPECIAL.** It is unique. It is a reflection of the hard work of you and your team.

These attributes need protection. Why? Imagine a situation where someone mistakes your dealership for another. Maybe your dealership is mistaken for a dealership that has lower standards, poorer customer service, and inferior vehicles. The risk is that your dealership's reputation may be tarnished by association.

When you are mistaken for a competitor, your dealership's "something special" becomes someone else's. In Quebec, two dealerships faced this problem when their trade names were similar enough to possibly cause consumer confusion.

Buckingham Chrysler Jeep Dodge Ram moved for a court injunction against Buckingham Chevrolet Buick GMC, seeking to prevent it from using Buckingham in its name, and using Buckingham Chevrolet Buick GMC as a trade name, trademark or for any other purpose.

In determining the issue, the court considered a number of factors, including how similar the trade names and trademarks were, how long the marks were used, the kinds of products, services, and business the dealerships took on, and evidence of consumer confusion.

The plaintiff was ultimately unsuccessful, as the word Buckingham referred to the small town in Western Quebec in which both dealerships operated.

Although the court decided that the plaintiff could not appropriate the exclusive use of the town's name, the case serves as a good reminder as to the importance of a name and your brand.

### **Why is a trademark important to my dealership?**

Your dealership's "something special" has been defined by the courts as its "goodwill". Goodwill can be related to such things as the commercial success

of your business, its marketing and advertising strategy, reputation and community involvement - anything that is related to how your business is seen by the world. That is what you are trying to protect when you create and register a trademark.

When you create and register a trademark, you are creating and registering your dealership's brand. Once registered, your dealership will have the exclusive right to use its trademark across Canada. In turn, your dealership's brand will be entitled to protection regardless of where you operate, including online—through websites and through social media.

When a trademark is registered, no one else can use that trademark or a similar trademark. Any trademark that comes along that creates confusion when compared to your registered trademark will not be allowed.

For example, if your dealership has a certain registered trademark and "Bob's Dealership Ltd." has a strikingly similar trademark to yours, you can bring a complaint under the Trademarks Act on the basis that an ordinary consumer may think that your dealership and Bob's Dealership Ltd. perform the same services, or sell the same goods.

This is an important protection, especially if Bob's Dealership Ltd. is a competitor, is a fraudulent dealer, or is not well-liked in the community.



**What can I use as a trademark?**

Trademarks can be any kind of mark that can be used to distinguish goods or services provided by one individual or company from the goods or services provided by another. Through the use of words, sounds and designs, trademarks go beyond representing goods or services alone, and end up acting as a symbol for the reputation of the individual, organization or company.

For example, each car has its own trademark to help consumers distinguish between Toyota, Honda, Audi, and Mercedes-Benz, and each trademark represents the company behind the car.

A trade name, on the other hand, is the name of your business. A trade name, such as "Bob's Dealership Ltd." can be used as a trademark if consumers identify your dealership and your cars as "Bob's Dealership Ltd."

If you have a certain symbol or trade name you wish to use as a trademark, the next step you should do is to ensure that your trademark is different from other existing trademarks. After all, the whole point of the trademark is to eliminate confusion between yourself and other providers. You can do this by searching the Canadian Trademarks Database, located at <https://www.ic.gc.ca/app/opic-cipo/trdmrks/srch/home>.

**I've picked a trademark for my business, what do I do next?**

The next step after you have selected your trademark is to register it. While you

don't have to register your trademark, it can save time, energy, and money if you end up in a dispute with someone over who has the right to use the trademark.

Registration acts as direct evidence that you own the trademark. When you register your trademark, you have the sole right to use the mark across Canada for fifteen years, and you can renew that right every fifteen years after that.

In order to be registered, Trademarks cannot violate the Trademarks Act. The Trademarks Act is federal legislation that governs how trademarks are to be registered and regulated and what trademarks can and cannot include. For example, trademarks cannot include first names and surnames, words in other languages, or something that resembles a prohibited mark as outlined in the Trademarks Act.

For example, you would not be allowed to create a trademark for your dealership with a logo resembling the Red Cross, or a logo resembling that which is used by the military.

Under the Trademarks Act, there are a number of things which must be included to ensure your application for a new trademark is complete. The following are some of the things you will need:

**1. A statement explaining what goods and services the mark is to be associated with;**

**2. A statement that you intend to use the trademark in Canada;**

**3. The address of your principal office or place of business in Canada;**

**4. If your application is not simply for the registration of a word or a word not in a special form, then a drawing of the trademark and a number of representations of the trademark will be necessary; and**

**5. A statement that you are satisfied that you are entitled to use the trademark in Canada in association with the goods or services described in the application.**

Your dealership is "something special" and in order to hit the mark on a successful business, you should consider protecting your brand and your business through a trademark. Building a brand through the use of trademarks is important, for it can set your dealership apart.

Using names, slogans, logos, taglines, and even catchy jingles, help create a distinctive brand that your customers can associate with good service and quality products. It helps you maintain a good reputation, become familiar to consumers, and allows you to stand out and leave your "mark" on the industry.

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