

SMART & BIGGAR

Marketing and Advertising Law in Canada.

IP-related issues, and other tips and traps

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Our Speakers



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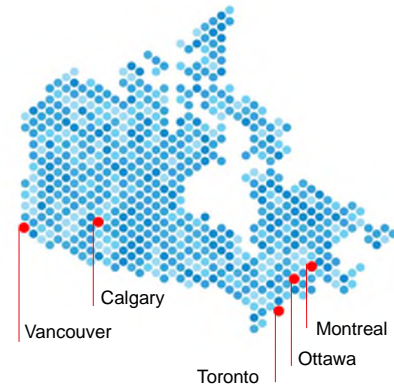
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Who we are

Canada's **leading IP law firm**
with expertise at the interface of
technology and **business law**

- Expertise in all areas of IP
- 130+ years serving clients
- 100+ lawyers, agents and technical consultants
- 8,000+ patents & trademarks filed annually
- Litigation bench strength and record of success



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Marketing & Advertising

1. Comparative advertising
2. Contests
3. Ad agencies
4. Tips & traps

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Comparative Advertising

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Example

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THE 4 GREAT
AMERICAN DESIGNERS
FOR MEN ARE:

R _____ L _____
P _____ E _____
C _____ K _____
T _____ H _____

THIS IS THE
LOGO OF THE
LEAST KNOWN OF
THE FOUR



In 1965 Tommie Hilfiger, the first brand name
and trademarked word, called me
to get another idea for the Tommy Hilfiger
The second name I had was Tommy
Hilfiger. It was the first time I had
in America and I know that is the only
American name in the world. Tommy Hilfiger

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Overview

- Encompasses claims even if competitor not explicitly identified
- Regular advertising laws still apply
- Ad Standards' *Guidelines for the Use of Comparative Advertising and Guidelines for the Use of Research and Survey Data to Support Comparative Advertising Claims*
- Higher risk advertising
- Puffery is not a defence
- Consider whether "top parity" claim can be used instead

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Example (con't)

Doesn't your skin deserve
better care?



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Advantages and Disadvantages

Advantages

- Can quickly highlight a benefit relative to competition
- Especially advantageous for new businesses or those with low market share
- Often memorable

Disadvantages

- Higher risk legally
- Robust substantiation required
- Can inadvertently promote / increase awareness of competitor
- Can be confusing

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Example (con't)



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Trademark Considerations

Use of a competitor's registered trademark

- >> depreciation of goodwill

What is "use"? >> legal definition (s. 4 of TMA)

- Different for goods and services
- Tips:
 - Look at competitor's registration
 - If registered for **goods** >> do not place competitor's mark on your packaging
 - If registered for **services** >> do not reference competitor's mark
 - Beware evoking registered trademark

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Example

Energizer Brands LLC v The Gillette Company, 2020 FCA 49

- Duracell used stickers on packaging with claims:
 - "Up to 15% longer lasting vs. the next leading competitive brand"
 - "Up to 20% LONGER LASTING vs. the bunny brand."



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Contests

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Key Laws

- Federal *Criminal Code*, federal *Competition Act* and Quebec's *Act respecting lotteries, publicity contests and amusement machines*
 - No purchase entry
 - Math skill-testing question
 - Disclosure
 - Registration (Quebec)
- "International contests" no longer require Quebec registration under Quebec law (see [Regie's June 2, 2021 Notice](#))

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Other Important Considerations

Social media platform rules

Restrictions on prizes

Endorsement disclosure rules (# sweepstakes)

Province of Quebec's French language requirements

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User Generated Content (UGC)

IP considerations for UGC contests

- No third-party trademarks (e.g. logos on t-shirts)
- No third-party content (e.g. background music)
- Obtain rights to use UGC in advertising
 - Statement of ownership
 - Waiver of moral rights
 - Full assignment or perpetual license, in any forms of media
 - Publicity release

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Ad Agencies

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Ad Agencies

- Ad agency = independent service provider
 - Creating, planning and handling advertising, promotion and marketing
- Creation of content
 - Ad copy, photos, slogans, videos
- Beware default copyright rules in Canada
- Ensure agreements:
 - Assign copyright
 - Waive moral rights

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Tips & Traps

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Eco Claims

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Sustainability



B Corp Logo

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“Made in Canada” or “Product of Canada”

CANADA

Moose Knuckles accused of deceptive ‘Made in Canada’ claims



"Product of Canada" and "Made in Canada" Claims



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Claims involving regulated products

Canadian Food Inspection Agency's [*Use of Trademarks in Food Labelling or Advertising*](#)

Health product advertising incidents related to COVID-19

COVID-19 advertising incidents FROM: 10/1/2020, TO: 10/31/2021

Summary table of advertising incidents addressed by Health Canada related to COVID-19 as of September 9, 2021

Ongoing Resolved

Filter items Showing 1 to 10 of 349 articles | Show: 10 entries

Product Name / Description	Product Type	Manufacturer/Distributor involved with non-compliance	Company / Advertising Media	Claim
100% Mulberry Soft Silk Face Mask	Medical Device	Yes	SAHECanada	#COVID19



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Questions?

Thank you!

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