

**PRIVILEGE FOR COMMUNICATIONS WITH  
TRADE-MARK AGENTS RESIDENT IN CANADA  
AND  
LISTED UNDER RULE 21 OF THE  
TRADE-MARKS REGULATIONS 1996**

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## 1. Introduction

This report seeks to show that there would be fairness and advantage if professional privilege were extended by statutory amendment to trade-mark agents.

Trade-mark agents have been authorized under federal law to prepare and prosecute trademark applications and to conduct various legal proceedings before the Trade-marks Office. This is a specialized field of law which is shared by lawyers, notaries in the Province of Quebec and non-lawyers who have qualified for standing before the Office.

In the course of this work, clients, whose privilege it is, disclose documents and information which they expect their agent to keep in confidence. They may also seek and obtain legal opinions from the trade-mark agent prior to filing an application and as the prosecution progresses. These opinions may also be regarded as confidential by the client. The agent, whether a lawyer or non-lawyer will of course preserve the confidentiality.

A qualified trade-mark agent who is also a lawyer, though acting entirely as a trade-mark agent, may be able to rely on his solicitor-client privilege to resist disclosure. The client of a fully qualified non-lawyer trade-mark agent will have no privilege. Yet the latter agent may have more experience and offer equal or better advice.

This is clearly an anomalous situation. Canadian law has followed the tradition of British common law on professional privilege, but statutory amendments have changed the law in the United Kingdom, Australia and New Zealand to extend privilege to the equivalent of our trade-mark agent.

If the law remains as it stands, at least a segment of the profession of trade-mark agents will continue to be at a disadvantage, as will their clients. The rest of the intellectual property world is moving on this issue, with major countries leading the way. It will not be in Canada's interest to be behind.

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The Canadian Institute of Patent Solicitors was organized in 1926. Its name was changed to the Patent Institute of Canada in 1935, then to the Patent and Trade Mark Institute in 1955 and most recently to the Intellectual Property Institute of Canada. Since it is the same entity under a variety of names, reference herein will be made to simply "the Institute", except where the full title is necessary.

2. Services performed by a trade-mark agent

The Trade-marks Act, federal legislation, gives trade-mark agents the right to assist parties seeking to acquire trade-mark rights through registration as well as standing to represent their clients in a number of proceedings before the Registrar which protect and maintain the benefits of registration. While there are common law rights in a trade mark which a trader has adopted and used in a particular area, a registration of the mark in the Trade-marks Office provides broader rights, including the exclusive right to use the trade-mark throughout Canada, irrespective of whether the mark is used in all areas of the country and the right to bring an action for infringement to protect the exclusive right.

The Canadian trade-mark agent has no right to commence or participate in court proceedings. That is the realm of the lawyer. However a trade-mark agent is able to advise and act in all matters that are conducted in the Trade-marks Office before the Registrar, as can a lawyer.

At the outset, the trade-mark agent may be asked to assess a proposed trade-mark and to provide an opinion as to whether the mark is likely to be unacceptable for registration for one of a number of reasons. For example, the mark may be primarily merely a name or surname of a living individual, or a word that is clearly descriptive or deceptively misdescriptive of the character or quality of the wares or services to which it is to be applied, or the name of the wares in another language or a mark prohibited by the statute, of which there are many. If none of these considerations immediately disqualify the chosen mark, it is highly desirable that a search be carried out for marks, previously registered or used by others, which would be identical or confusing with the proposed mark. The search may extend beyond trade-marks to include databases of corporate,

business and domain names. If the client contemplates sale of the product abroad, a search extending beyond Canadian records may be requested. The art of searching requires considerable skill. A search report in its raw state may be little more than a list of marks or names. When presented with such a list, the client will likely need and seek a professional opinion from the trade-mark agent as to whether the proposed mark is likely to encounter a confusing mark, which, at best, will involve additional cost and retard the grant of a registration.

Alternatively, a better course may be to select a different mark.

Assuming the instruction is to proceed, the trade-mark agent will need information from the client to allow the preparation of an application. Has the mark been used in the past and if so in what country, and from what date? Is the client the proper applicant or are there predecessors in title? If so, have the appropriate assignments been obtained? Are the wares or services fully and properly described and has the mark already been used on some but not others? Are there licensees to be protected? If priority is to be claimed on the basis of a foreign filing, what are the details of the foreign application? Are there any skeletons in the closet? Much of this information will be reflected in the application which will be open to inspection as soon as it is filed. However the exchange of information even at this early stage may reveal other information which the client may wish to keep in confidence. Often, when a new product is being launched, the client does not wish to have any prior disclosure which might reach a competitor.

Once the application is filed, the trade-mark agent will enter into correspondence with an examiner of the Trade-marks Office, who initially may raise objections on the issues noted above. The objections may be something

that the agent and client have anticipated or something unexpected. Negotiation leads either to rejection or passage to the advertisement stage.

When the application is advertised, it may be the subject of an opposition proceeding. A trade mark agent may prosecute or defend such a proceeding, in the course of which the agent will prepare affidavit evidence. The agent may conduct cross-examinations on the affidavits filed by the opposite party. The agent will also present oral or written argument to the hearing officer who will then decide whether a registration will be granted or refused. An appeal lies to the Federal Court but this will require representation by a lawyer.

Once granted, the registration can be amended to extend the wares and/or services. The trade-mark agent would normally file and prosecute an application to extend, which follows the same path as the original application through the examination and opposition stages.

After the registration has remained on the register for three years, any third party, acting under section 45 of the Act, may request a proceeding to expunge or limit the registration. Because this proceeding is conducted in the Trade-mark Office, the agent who obtained the registration may again represent the owner of the registered mark. The trade-mark agent would renew consultation with the client and assist in the drafting of an affidavit or statutory declaration furnishing evidence of use or an explanation of the absence of use. Both parties agent may also present representations to the Registrar.

Unlike a patent which is granted for a finite term, a registered trade-mark is subject to renewal within a period of fifteen years from the day of the registration or last renewal. Most trade-mark agents maintain extensive records

of registrations which clients have obtained in the past so that they may alert the client of the need to renew and facilitate the payment of the fee.

All papers filed in the Trade-Marks Office are public and open to inspection. However, at any stage of the prosecution of an application, or the maintenance of a registration in the Trade-marks Office, the client may seek an opinion from the trade-mark agents, which will not be public.

### 3. Historical roots of the profession of trade-mark agents

Trade mark legislation in Canada dates prior to Confederation. In 1860 an Act of the Province of Canada made it a misdemeanor to use a known trade mark with intent to deceive. A year later, legislation enabling the registration of a trade mark was passed. The first Federal trade-mark legislation after Confederation, the Trade-Mark and Design Act of 1868 authorized the Minister of Agriculture to keep a trade-mark register in which existing trade-marks could be entered. Regulations under this Act were approved in 1869 and Rule II provided that correspondence would be carried on with the applicant, or with the agent who had remitted or transmitted the papers to the Office, but with one person only.

It would appear that trade-mark agency in Canada grew as an adjunct to the practice of the early patent solicitors who were often engaged in a surveying, civil engineering or architectural practice. One of the earliest of the pioneers was Charles Legge, a well known civil engineer who had supervised the building of the Victoria Bridge in Montreal, completed in 1859. From that date Legge advertised himself as a patent solicitor and in his early advertisements made reference to the fact that his services extended to the registration of trademarks and designs.

Application for registration under the 1869 regulations required the applicant to sign a form confirmed with the signature of two witnesses. Nothing was said about the trademark owner having any right to appoint an agent for the purpose of executing the application. However when in October 1907 a revised set of Rules and Regulations was introduced to accompany the Consolidated Trade-mark and Design Act of 1906, Rule V provided that an application for

registration should be signed by the applicant or by an agent duly authorized. Rule III confirmed that correspondence was to be carried on with the applicant or his agent, but with one person only. These provisions of the 1906 regulations remained in force until the introduction of the Unfair Competition Act in 1932 required a new set of regulations to carry into effect the objects of the new Act.

Rule VIII of the 1932 Regulations contained a remarkable warning which is good advice today, as follows:

*“The owner of a Trade Mark may prosecute his own application for registration of such mark, but unless he is familiar with the practice and the law, he should employ a competent attorney.”*

When this Rule was introduced, the term “Attorney” included a trade-mark agent. In 1949 the rules were amended to oblige non-lawyer patent and trade-mark practitioners to avoid the terms “attorney”, “counsel”, and “solicitor” in describing their profession.

The 1932 regulations also provided for the establishment of a Register of Attorneys permitted to practice before the Trade-marks Office. Inclusion on this register was by request and open to any barrister, solicitor or advocate on the roll of any Canadian province, any notary entitled to practice in Quebec or any member of the Canadian Institute of Patent Solicitors, a predecessor of the present Institute. Further any barrister, solicitor or attorney resident in the British Commonwealth who could prove that he was registered and in good standing before the Trade Mark Office of his country of residence, might apply for entry on the Canadian register. Only persons so registered were permitted to act as attorney or agent to prosecute an application. It was not until an amendment of these regulations in 1948 that a registered attorney or agent residing out of Canada was required to appoint a qualified associate agent resident in Canada

to conduct the prosecution of any application filed by him. When a new Act came into force in 1954, the accompanying regulations gave United States residents a right to register on the same basis as the residents of the Commonwealth. In 1996, the regulations were amended to extend the right to be included in the Registrar's List of Trade-mark Agents to a resident of any country other than Canada who was entitled to practice before the trade-marks office of his home country. The requirement for an associate agent remains to this day.

4. The client's claim for privilege

(a) The cases

In Canada, professional legal privilege has historically been confined to legal advisors. There are very few reported Canadian decisions in trade-mark matters involving a claim for privilege.

In 1983, in a trade-mark infringement action, *Visa International Service Association v. Visa Travel International Ltd.*, 74 C.P.R. (2d) 243, the plaintiff requested production of the agent's file in respect of the application excluding copies of documents that were public in the Registrar's file. Cattanach J. held that it was implicit from the Regulations that, apart from the applicant himself, only a trade-mark agent could prosecute a trade-mark application. He noted that privilege did not extend to trade-mark agents. The judge assumed that the defendant's solicitor must have been a registered trade-mark agent otherwise the Registrar would not have accepted the application. The defendant's evidence did not clearly indicate in what capacity the solicitor acted when creating the content of the file. The Court ordered production of his file.

Shortly after, in a summary expungement case, *Rentokill Group Ltd. v. Barrigar & Oyen* 75 C.P.R. (2d) 10, where the issue was whether the law firm could make the request for a then s.44 notice, Cattanach J. observed:

"In my view, different standards apply dependent upon which capacity in which the firm acts. For example, solicitor-and-client privilege exists when acting as solicitors but not when acting as trade mark agents."

The decision in *Visa Travel* is difficult to rationalize with the earlier decision of the Federal Court of Appeal in *Lumonics Research Ltd. v. Gould et al*, 70 C.P.R. (2d) 11, a patent infringement action which might be thought to

have eliminated the two hat approach to communications between a solicitor/patent agent and his client.

Mr. Justice Pratte, stated:

“... all confidential communications made to or from a member of the legal profession for the purpose of obtaining legal advice or assistance are privileged, whether or not those communications relate to the kind of legal advice or assistance that are normally given by patent agents. Legal advice does not cease to be legal advice merely because it relates to proceedings in the Patent Office.”

The two hat system is not necessarily dead. If it is applied in Canada in trade-mark litigation, the lawyer/trade-mark agent may not be able to claim complete privilege. Where the lawyer is both a solicitor and a trade-mark agent, communications between lawyer and client may be privileged only when he is wearing his lawyer's hat and seeking or giving legal advice and not privileged where he wears his agent's hat and it is shown that the communications relate more to the mechanics of securing a registration than clearly providing legal advice. Lumonics has been followed in patent cases and would no doubt be favoured by lawyer/trade-mark agents.

(b) The need for privilege

Professional communications between solicitor and client of a confidential character which take place for the obtaining of legal advice are privileged, as are documents exchanged for the same purpose. This exception to full disclosure is approved on the basis that the client must be able to disclose information which he might otherwise hold back. The adviser needs all the facts to be able to give sound advice. The advice that a trade-mark agent gives in the course of advising a client in securing a trade-mark registration and protecting a registration is akin to the legal advice that lawyers give. In fact, the advice a lawyer/ trade-mark agent would give a client, might well be the same advice. The lawyer/agent's communications are privileged, yet the client of the non-lawyer/agent has no privilege.

The client may know nothing of privilege and even when a non-lawyer agent explains the difference, the client may not appreciate the significance of the difference, or he may not wish to take his business to a lawyer because of reasons of cost, or because he has great confidence in the agent. A client from another country where privilege is granted in trade-mark matters may assume that the law in Canada is the same as his home country. A demand for production may come years after the agent's part in securing the trade-mark registration in a dispute which the client never contemplated when securing registration. It is vitally important that the client's interests be protected against what may be an unnecessary trap.

5. Evolution of extension of privilege in other jurisdictions

Patent agents and trade-mark agents in the United Kingdom, Australia and New Zealand have been accorded professional privilege through legislation.

(a) United Kingdom

In the United Kingdom, the Chartered Institute of Patent Agents in 1967 successfully petitioned the Lord Chancellor seeking statutory privilege. Formerly, patent agents when performing their ordinary work were not considered as professional legal advisors and communications with them were not privileged. With the passage of the Civic Evidence Act 1968, section 15, a limited statutory privilege was extended to patent agents in respect of proceedings before the Comptroller or the Appeal Tribunal in proceedings under the Patent Act. The section was replaced by section 104 of the Patents Act 1977 substantially to the same effect. The decision in *Wilden Pump Engineering Co. v. Fusfield et al* [1985] F.S.R. 125 drew attention to the fact that the privilege accorded patent agents did not extend to matters of industrial copyright, although the examinations that the patent agent had to pass, and on occasion advise, included aspects of the law of designs, trade marks and copyright. The court referred to the fact that trade mark agents had the right of audience in the Trade Mark Registry but no statutory privilege. This point had been argued in the case of the *Dormeuil Trade Mark* [1983] R.P.C. 131, in which the defendant had been represented in proceedings before the Trade marks Registry, not by solicitors, but by trade mark agents who acted in the same way as solicitors would have acted had they been instructed. The court held that there was no statutory privilege to shield a party from a demand for production of

correspondence between the trade mark agent and the client. The Civil Evidence Act 1968 had expressly extended such privilege only to patent agents. The court in refusing privilege included in its reasons the following observation:

*“It does seem to me to be a little odd and possibly perverse, that if a trade mark agent is entitled to advise a client in relation to certain legal matters and to conduct certain legal proceedings on his behalf, the same privilege should not apply as would certainly apply in a case where the advice was being given and the proceedings were being conducted by a solicitor”*

When The Patents Act 1977 was replaced by the Copyright, Designs and Patents Act 1988, section 284 was added to give trade mark agents a provision comparable to that benefiting patent agents and their clients. The section introduced privilege in respect of communications between clients and their registered trade mark agents concerning the protection of designs or trade marks, service marks or any matter concerning passing off. The text of this provision, found in somewhat modified terms in the Trade marks Act 1994 as section 87, is annexed to this memorandum as Appendix 1.

(b) Australia

Sections 155 and 156 of the Trade Marks Act 1955 provide patent attorneys and legal practitioners with the right to register trade marks on behalf of others. The term “patent attorney” included non-lawyer patent agents as well as those in the profession who have a legal qualification as well as a scientific or technical degree. The use of the term trade mark agent was phased out over a period of forty years, none having been registered as such since the passage of the Trade Marks Act of 1955.

A subsection granting privilege in respect of a communication between a patent attorney and a client to the same extent as a communication between solicitor and client was added in 1960 to the Patent Act of 1952.

The present Australian provision, section 229, was added by amendment in 1998 to the current Trade Marks Act 1995. The text of this provision is annexed as Appendix 2.

(c) New Zealand

The text of section 34 of New Zealand's Evidence Amendment Act No. 2, 1980, is annexed as Appendix 3. This section may be flawed. It clearly prohibited a registered patent attorney, (which term again included those who practiced trade mark law) from disclosing a protected communication between the attorney and a client or a third person, except with the consent of the client. Nothing in its express terms covered disclosures by the client. In a recent case brought in the High Court, Rio Beverages Limited v. Frucor Beverages Ltd. et al. The Trial judge gave the section a strict and narrow construction and found it to be only a prohibition on disclosure by the patent attorney. He found that the section did not create a statutory privilege between patent attorneys and their clients. The defendant was required to produce for inspection a number of documents.

An appeal was allowed in March of this year by a majority of 2 to 1. The majority relied on the application of purposive construction, the findings of a report of a law reform committee, the explanatory notes on the bill when presented to Parliament, and comments in Hansard, to avoid attributing to the section what they viewed as an absurd intention. Further consideration has been

given to a draft new evidence code and it seems unlikely that the provision in issue the Rio case will be retained.

(d) United States of America

The position in the United States is quite different. There are no statutory provisions at the Federal level dealing with patent attorney/client privilege. The term patent attorney defines a lawyer qualified to practice before the United States Patent and Trademark Office. A non-lawyer so qualified to practice is called a patent agent. Because of opportunities which allow a person in the United States to qualify as a lawyer by part-time or evening attendance at a law school, while employed at the Patent Office or a law firm or elsewhere, patent attorneys far outnumber patent agents.

At one time patent agents were able to represent others in trademark matters before the U.S. Patent Office. No application for recognition was required, nor was any examination on trademarks law or practice conducted. The Office did not keep a register of those persons entitled to practice.

On November 16, 1956, the Commissioner of Patents amended Trademark Rule 212(b), which defined who might practice before the Patent Office in trademark matters, as follows:

*“(b) Non-lawyers: Persons who are not attorneys at law as specified in paragraph (a) of this section are not recognized to practice before the Patent Office in trademark cases, except that persons not attorneys at law who were recognized to practice before the Patent Office under this Chapter prior to January 1, 1957, will be recognized as agents to continue practice in trademark cases in the Patent Office.”*

This subsection remains in the current rules as 37 C.F.R., s.10.14 (b) with only insignificant changes in wording.

Some forty-five years later, it is unlikely that any of the grandfathered non-lawyers are still in practice. If so, the term “trademark agent” is not today in use by any resident of the United States.

Under U.S. practice only individual persons applying in their own names are entitled to be recognized to represent others. Firm names are not accepted. It follows that if every U.S. application is filed by a lawyer, the lawyer’s client will be entitled to legal solicitor-client privilege and it would never be necessary to consider privilege for trademark agents.

Subsection 10.14(c) still holds out the possibility that a foreign attorney or agent not resident in the U.S., but able to prove good standing in the patent or trademark office where he or she resides and practices, may file directly in the U.S. Office. However this is possible only if the foreigner’s trademark office allows substantially reciprocal rights. The Canadian trade mark statutes have not permitted direct filing and prosecution since 1954 when the appointment of an associate agent was required.

## 6. Qualification - Education - Examination

### (a) Qualification

to write any examination. Now under Rule 21(b), to be qualified for entry in the Registrar's list, a barrister or solicitor resident in Canada and a notary entitled to practice as such in the Province of Quebec has the option of writing and passing the qualifying examination relating to trade-mark law and practice, or in the alternative, demonstrating to the Registrar's satisfaction by affidavit or statutory declaration, that he or she has worked in the area of trade-mark law and practice, including the preparation and prosecution of applications for registration, for a period of not less than 24 months.

Under Rule 21(a), any other resident in Canada, must have worked in Canada as stated above, for the same period of not less than 24 months, to be eligible to write the examination and pass, in order to be listed.

Under Rule 21(c), a resident of any country other than Canada who is entitled to practice before the trade-marks office of that country needs only to request to be added to the list but if filing an application, must appoint an associate agent resident in Canada.

### The examination process

Following the establishment of a formal examination process for qualification as a patent agent, a broadly similar examination for the qualification of non-lawyers as trade-mark agents was established and functional by the year 1956. Originally, a candidate could write the examination after having served eighteen months of employment under the direction and supervision of a trade-mark agent. The latter had to submit an affidavit or statutory declaration setting out fully the nature of the work done by the candidate during his employment,

including the preparation and prosecution of applications for trade-mark registration and the study of trade-mark law. The examining board comprised the Registrar of Trade-marks, a second member nominated from among trade-mark agents by the Council of the Institute and approved by the Registrar and a third member chosen by agreement or by the Under Secretary of State. An affirmative vote of two members was required to pass a candidate.

In following years, the examination was held annually, with the exception of the year 1957. The formal procedure was similar to that of the patent agents examination. Valuable cooperation and assistance has been provided by the staff of the government department particularly with respect to logistics. Candidates write under a blind number system. Each paper is marked by two separate members of the board.

Currently, three members of the board are appointed by the Registrar Of the three, at least two members of the board are trade-mark agents nominated by the Institute. Two three hour papers are set. These are challenging papers requiring considerable detailed knowledge of both the law and the practice. By way of example, among other areas, the candidates are tested on registrable and non-registrable subject matter, points of law important in preparing an application, knowledge of past decisions of significance, issues encountered in opposition proceedings, practical problems arising on the acquisition of marks by merger, knowledge of the current techniques of searching for availability and registrability and the nature of the advice which should be given to the client when the search turns up problems, licensing of trade-marks, summary cancellation proceedings, the extension of protection post registration, official marks, the knowledge of elements of a passing off action and the assessment

of complex problems which, to serve the client, may require a knowledge of the protection of trade names, distinguishing guises, copyright and designs, as well as trade-marks. These are all areas where the client may be expected to seek a legal opinion from the trade-mark agent in the course of prosecution or protection of its trade mark.

In the period 1956 through 1996, 364 examinations were written by non-lawyers, including a number of persons who had already qualified as registered patent agents. Of this number, 169 were successful in qualifying to become trade-mark agents. In terms of an average percentage rate, this is about 46% success.

Commencing in 1997, lawyers or Quebec notaries, as well as non-lawyers have been able to qualify to be entered on the Registrar's "List of Trade-mark Agents" by examination. In the four years, 1997-2000, 133 candidates wrote the trade-mark examination and 60 passed. Of those passing, 26 were persons with legal status and 34 were non-lawyers. In terms of an average percentage rate, this is about 45%.

(c) Education

From its beginnings to the present day, the Institute has exhibited a strong desire to promote high standards of training among its members. Papers on patent and trade-mark law and procedure were written and delivered. Annual meetings included presentations by members, judges, visitors from other countries and senior Patent Office personnel. When the Canadian Patent Reporter was founded by the late Gordon Henderson, Q.C., papers were published in a front section of each volume, providing a way to make these permanently available to the profession generally, as well as the members of the

Institute. Subsequently, the Institute began to publish periodic newsletters and when the volume of decisions required the whole of the Canadian Patent Reporter, the Institute published papers under the title *Patent and Trademark Bulletin* which was followed in the 1980's by the *Canadian Intellectual Property Review*. Each issue of the Review carries on its title page the objective of the Institute -

“ To disseminate to the public useful knowledge relating to the protection of industrial and intellectual property and to facilitate the acquirement of professional knowledge and information affecting practice and promote the interchange thereof among its members.”

The Institute formed an Education Committee in 1957 which established informal group meetings in the cities of Ottawa, Toronto and Montreal, at which subjects of current interest were and are discussed in a round table atmosphere.

For more than 30 years, tutorials have been conducted annually by volunteer tutors, who are experienced trade-mark agents. The purpose is to assist persons intending to undertake the examinations.

Further, since 1994, a sub-committee of the Education Committee has since 1994 arranged for and prepared week long courses in trade mark law and practice, held in August at McGill University in trade mark law and practice. Commencing in 1997, basic and advanced courses in trade-mark law and practice have been offered and well attended. More recently, forums and seminars have been arranged in different parts of the country to acquaint businesses, general lawyers and interested members of the public on intellectual property law including trade-mark topics.

## 7. The Registrar's list of trade mark agents

Under the current Trade-Marks Regulations 1996, the Registrar is directed to maintain a list of persons who are qualified as trade-mark agents. This list as last modified on June 27, 2001, can be consulted on the Internet. The list identifies agents, addresses and in many cases provides telephone numbers. The list does not indicate whether the registrant is a lawyer or non-lawyer. An approximate estimate of the components of the list can be obtained by identifying the lawyers, law firms and notaries through listings in current directories of the legal profession.

Lawyer trade mark agents	1116
Non-lawyer trade mark agents	230
Foreign trade mark agents (US, UK, India, France)	56
Firms listed	329

### Maintenance of the Listing

The current Regulations (1996) require any person or firm qualifying to be entered on the Registrar's list to pay an initial fee to obtain entry on the list. After initial entry, only a listed resident of Canada is obliged to pay an annual fee due in the first three months of each year to maintain the listing. No further fee is required from a listed resident of any other country, nor is there an annual fee to maintain a firm name on the list. In each these cases the only requirement is the filing, within the prescribed time limits, of a statement affirming the continued qualification terms under which each was listed. Upon failure to timely pay the fee or supply the required statement, as the case may be, and after a warning and an extended grace period, the defaulting agent's name will be removed from

the list of trade-mark agents. Reinstatement is possible if sought within a year of removal.

The Regulations under the Unfair Competition Act 1932 gave wide authority to the Registrar to refuse to recognize a trademark agent, as follows:

*“XIV For gross misconduct or any other cause which he may deem sufficient, the Registrar may refuse to recognize any person as Solicitor or Attorney to prosecute an application or other proceeding before the office administering this Act either generally or in any particular case.”*

When the Act and Regulations were rewritten in 1954, this rule was not retained. No provision specifically addressed the question of whether the Registrar could remove a person from the register on grounds of misconduct. Proof of good character was a requirement only for persons who sought registration through writing the examination or persons who were acting as agents before the Regulations were changed (Rules 21(a) and (c) of 1954. When the Rules were again revised in 1996, any reference to good character was dropped.

The Registrar considers that only applicants or those whose names are on the List of Trade-mark Agents may prosecute trade-mark applications in the Trade-marks Office. However, it appears that any person may participate in opposition or summary expungement proceedings.

In the past, the Institute has on occasion brought disciplinary proceedings against a member under its code of ethics. The code of ethics has been strengthened recently. The possible outcome of a finding of misconduct has

been the expulsion of the member from the Institute. However, membership in the Institute is no longer a basis to obtain listing in the Registrar's list.

The effective supervision of all trade-mark agents seems at present to fall between two stools, as a result of the amendment of the Trade-mark Rules over the course of time. Consideration needs to be given as to whether the Registrar should be provided with similar power to present section 16 of the Patent Act. Alternatively, the suggestions made by W. L. Hayhurst, Q.C. in the study on patent privilege for patent agents released concurrently should be considered carefully, not merely in the context of the patent system but also with respect to trade-marks.

8. A proposed statutory provision

The writer has had the benefit of reading Mr. Hayhurst's submissions in his report, "Privilege for Communications with Registered Patent Agents Resident in Canada". Having also considered the precedents from the United Kingdom, Australia and New Zealand, the brevity of the Hayhurst proposal has great merit. The UK and Australia have used substantially the same format and approach in both their Patent and Trade Marks Acts. If this approach were followed in Canada, an acceptable wording might be:

A communication relating to the procurement or preservation of rights in a trade-mark between a client and a person who is resident in Canada and is recognized by the Registrar of Trade-marks as a trade-mark agent, and any record made for the purpose of such a communication, is privileged to the same extent as a communication between a solicitor and client.

The term procurement would be intended to cover any preliminary stages before an application is filed and examined as well as the prosecution, including opposition. The word preservation would be intended to cover maintenance, and summary expungement proceedings in the Trade-marks Office.

## 9. Conclusion

A provision of this nature would bring Canada into line with leading intellectual property nations. It would also remove the anomaly which has existed for many years, which sees privilege denied to clients of non-lawyer trade-mark agents who have passed the examination, while granting privilege to clients of lawyers who have become trade-mark agents by mere request, many of whom may have little experience in the field. A client must be able to freely disclose information to an agent of his choice and obtain advice which the client wishes to be confidential. The non-lawyer trade-mark agent can preserve confidences and give sound advice, but he is obliged to warn his client that he cannot assure privilege.

Canadians and foreign applicants have been well served for decades by firms of non-lawyer trade mark agents, such as Robic, Swabey, Moffat, Macrae, and Fetherstonhaugh among many others. Many of these firms have formed an association with law firms but continue to operate as entities. Recently general law firms have employed qualified and experienced trade-mark agents to assist in building a practice. The non-lawyer agents are an asset to the country. They are specialists and have no use for a full course of study of law. The recent amendment of the regulations to assure better familiarity of the law and practice of trade-marks on the part of a lawyer or notary who wishes to qualify as a trade-mark agent is a good first step to improve the system. Resolution of the issue of privilege for clients of trade-mark agents in the manner suggested would encourage confidence in the trade-mark services performed in Canada and remove an irregularity in the treatment of trade-mark agents.