

Do you make your mark as an entrepreneur by inventing objects, rethinking their design or playing with words? Do you want to protect an idea you have in mind but you don't know anything about trade-marks, patents, copyright or industrial design? If you own an invention, this booklet was conceived and developed for you.

In the following pages, the Quebec Bar Foundation sets out the main forms of intellectual property as well as the importance and ways of protecting your creative work, as you do for your physical property. Using examples, you will be introduced to the different forms of intellectual property as well as their respective features and limitations. This booklet will inform you of not only your rights, but also your obligations on this topic. ■

your RIGHTS your Business

Your Intellectual Property

Tony has just come up with an idea for a product that will revolutionize the next century: a time travel machine. He doesn't want anyone to steal his idea and wants at all cost to protect it before anyone else has a similar idea. Tony is in too much of a hurry. It is still too early at this stage of his project for him to have any rights over his idea. There is more to owning an idea than just thinking of it. Your intellectual property rights only exist when the idea is materialized. The rule is simple: if you do not have tangible proof that your work exists, you have no right you can exercise.

Tony will therefore have to pursue his idea further by creating his product, the first time travel machine, which he has decided to call *Historia*. He also plans to design clothing, similar to an astronaut's suit, which will protect its user during his adventures in the past or future.

In our example, *Historia* could eventually be recognized as a trade-mark, the time travel machine could be patented and the astronaut's suit could be registered as an industrial design. There is no limit to the amount of intellectual property you can have.

But don't forget, you can only have rights over your invention once it is in physical form. As intellectual property is a complex area, don't hesitate to consult a lawyer specialized in intellectual property law who will be able to give you any information you may need.



PROTECT *the fruits* of your work

1. Trade-marks

Trade-marks allow the public to recognize your product or service among all the others on the market. The forms trade-marks can come in are diverse. They can be identified by a word, a symbol, an image or distinctive packaging. There are also more unusual forms of trade-marks such as colours, telephone numbers, web site addresses, sounds, etc.

Certain trade-marks are known worldwide such as *Kodak*, the expression *Don't leave home without it* and the package for *Toblerone* chocolate. This form of intellectual property can therefore become a very important asset for your business. *Nescafé*, *Barbie* and *Coke* are estimated to be worth several billion dollars!

Before you can earn a small fortune with your trade-mark, you must hold the rights to it. To hold those rights, you must be the first user of the trade-mark in question. The law requires that you register a trade-mark in order to have a right over it.

Registering your trade-mark: a smart thing to do

However, as a precaution, it is preferable to protect your trade-mark by registering it at the Trade-marks Office. This registration will help you prove your right in the case of an opposition before the courts. For example, the registration date is a good indication of the

date of use of your trade-mark. By registering your trade-mark, you strengthen your claim that you own it.

However, if you choose not to register your trade-mark, it is important to ensure, before using it, that it does not resemble another existing trade-mark or a similar trade name already being used in Canada. Taking a small amount of time to check this can prevent a lot of legal headaches.

For example, two years after beginning to use a trade-mark, a competitor claims that Joanne is using a trade-mark similar to his. The court says that the competitor is right. Although Joanne has never heard of or even seen the competitor's trade-mark, she will have to pay him compensation, because the use of the

trade-mark by the competitor is prior to her own. What a pain! In addition to the cost of the opposition, the court orders her to change her trade-mark, which her customers identify with her. At the same time, she will have to redo an outdoor sign and renew certain office supplies.

To check whether a trade-mark has been registered, there is a computerized database that stores all trade-marks, as well as trade names if they are also used as trade-marks. You can access it through the Canadian Intellectual Property Office (CIPO).

2. Patents

Do you have a feeling your invention will become as popular as Joseph Armand Bombardier's

snowmobile, the birth control pill or the zipper?

If so, to ensure that you are the only person who will be able to manufacture, use and sell your product, you have two options: keep your invention secret or have it patented.

Coca-Cola opted for the secret by not revealing the famous recipe for its drink and not patenting it. If you do not patent your invention, you risk having your idea stolen by someone who could, theoretically, have the invention patented before you and thus pull the rug out from under you.

The importance of the initial application

Submitting an application to register a patent is no small matter. You have to ask a patent agent to do the work for you. This professional will keep in mind the two principles on which the patent system is based: the protection of inventions and the transmission of information to the public.

The registration of a patent is granted in priority to the first inventor to file his patent application. The first thing the patent agent does is a search at the Patent Office to check whether the invention has already been patented in Canada or elsewhere. Provided the search does not reveal any patented invention which corresponds to yours, the agent continues his work and prepares an initial application and then, if applicable, a request for an examination.

Once the initial application is filed with the Patent Office, you have five years to request an examination. The Patent Office agents evaluate it and the results of their evaluation may or may not lead to the issuance of the patent.

Note: the date the initial application is filed will prevail in determining who has a right to a patent.

If the filing of the initial application is accepted, 18 months after the filing date, the information found in your initial application can no longer be changed and becomes public. It is therefore up to your patent agent to properly draft your initial application—firstly, so that you have the most complete protection possible and also, so that details not required for your application, which could be of interest to your competitors, are not disclosed.

You should count on up to three years before obtaining your patent, provided you meet the requirements listed in the table on the opposite page. In the meantime, you are protected if you are the first one to file the initial application and, of course, if it is eventually accepted.

Information about existing and patented inventions is public. Anyone may consult these databases through the CIPO website. This explains why close to 90% of the patents issued are improvements made to inventions already patented.

If, after registering a patent, you have the misfortune to learn that an impostor is manufacturing, using or selling your invention, you can take him to court and claim monetary compensation. For your part, be sure you are not that impostor—the consequences can be very costly!

3. Copyright

Marilyn Monroe's photo in the 1961 *Times* magazine, the song *New York, New York* by Frank Sinatra, your sister-in-law's web site: all these works are protected by copyright. Copyright protec-



Register your intellectual property!

| | Registration Requirements | Registration Procedure | Length of Protection | Territory Covered by the Protection | Identification of Protected Creations |
|--|--|--|--|---|--|
| Trade-marks Trade-marks | <ul style="list-style-type: none"> ❖ Your trade-mark must: <ol style="list-style-type: none"> 1. be used or its use must be protected 2. not be confusing with an existing trade name 3. not be prohibited, not mislead the public due to a mis-designation of the products offered and not use scandalous, obscene or immoral words 4. not consist of or so nearly resemble as to be likely to be mistaken for the signature or portrait of an individual who is living or has died within the preceding thirty years, without his consent 5. not describe a feature, trait or characteristic of the merchandise offered, not indicate the place of origin of the product and not be made up only of the name of the product, even in another language | <ul style="list-style-type: none"> ❖ File your application at the Trade-mark Office of the <i>Canadian Intellectual Property Office (CIPO)</i> ❖ Time: at least 6 months ❖ Registration fee: \$300 (on-line: \$250) ❖ Renewal fee: \$400 (on-line: \$350) | <ul style="list-style-type: none"> ❖ 15 years ❖ Renewal possible every 15 years, indefinitely | <ul style="list-style-type: none"> ❖ Canada ❖ File an application in all countries where you wish to protect your rights | <ul style="list-style-type: none"> ❖ Registered and unregistered mark: <ul style="list-style-type: none"> TM (trade-mark), or MC (<i>marque de commerce</i>) ❖ Mark that is registered only: <ul style="list-style-type: none"> ® (registered) or MD (<i>marque déposée</i>) |
| Patents Patents | <ul style="list-style-type: none"> ❖ Your invention must: <ol style="list-style-type: none"> 1. be new 2. be functional and useful 3. constitute an improvement | <ul style="list-style-type: none"> ❖ File your application with the CIPO's Patent Office ❖ Obtain a certificate that the application has been filed: 8 weeks ❖ Patent obtained: less than 24 months ❖ Registration fee: \$200 to \$1,200 | <ul style="list-style-type: none"> ❖ 20 years (as of the date the application is filed) ❖ Not renewable ❖ Payment of an annual maintenance fee to keep the patent in effect | <ul style="list-style-type: none"> ❖ Canada ❖ File an application in all countries in which you wish to protect your rights | <ul style="list-style-type: none"> ❖ "Pending application" ❖ "Regularly filed application" |
| Copyright Copyright | <ul style="list-style-type: none"> ❖ Your work must: <ol style="list-style-type: none"> 1. be original 2. be fixed in material form ❖ The Office does not examine or evaluate your work | <ul style="list-style-type: none"> ❖ File your application with the CIPO's Copyright Office ❖ Time: 2 weeks or more ❖ Cost: \$65 ❖ On-line: \$50 | <ul style="list-style-type: none"> ❖ 50 years after the author's death | <ul style="list-style-type: none"> ❖ All countries which have signed applicable international agreements | <ul style="list-style-type: none"> ❖ © followed by the name of the copyright holder and the year of first publication of the work |
| Industrial designs Industrial designs | <ul style="list-style-type: none"> ❖ Your design must: <ol style="list-style-type: none"> 1. be original and new 2. represent clearly visible elements with a fixed appearance | <ul style="list-style-type: none"> ❖ File your application with the CIPO's Industrial Design Office ❖ Time: 12 months ❖ Registration fee: \$400 or more ❖ Renewal fee: \$350 or more | <ul style="list-style-type: none"> ❖ 10 years (two 5-year periods) | <ul style="list-style-type: none"> ❖ Canada ❖ All countries which have signed applicable international agreements | <ul style="list-style-type: none"> ❖ © accompanied by the name or abbreviation of the name of the owner of the design |

tion applies to literary, artistic, dramatic and musical works, as well as sound recordings, a performer's performance and communication signals.

Here are a few examples: a photograph, a musical score, a web site, choreography, a play, a magazine article, a television program, etc. Copyright allows the holder of it to be the only one with the right to produce or reproduce his work, present it to the public, publish it or grant such a right to anyone else.

As a result, to use the photo of Marilyn Monroe, you must first obtain the consent of the holder of copyright over the photo. One often applies for such authorizations from a copyright licensing company in charge of managing protected rights, or sometimes directly from the holder of the copyright himself.

You don't have to register your copyright to have it recognized as yours. You just have to meet the essential requirements of originality and materiality. For example, Jan is automatically the holder of the copyright to the poem she scribbled on a napkin in the cafeteria because the essential conditions are met. If her poem is stolen and used, she could sue the wrongdoer, force him to stop using the poem and sue him for damages. However, in such a case, proving copyright is not easy to do! Proper registration of your rights can make all the difference.

Never underestimate the value of your work. Who's to say that some day you won't receive a price similar to what Microsoft paid to use *Start Me Up* by the Rolling Stones—\$12 million!

Also, as an author, you have the moral right to be recognized as the author of your work and prevent someone from damaging your honour and reputation

by attacking the integrity of your work.

For most works, copyright only lasts for fifty years after the author's death. After that time, the works fall into the public domain—the worldwide community!

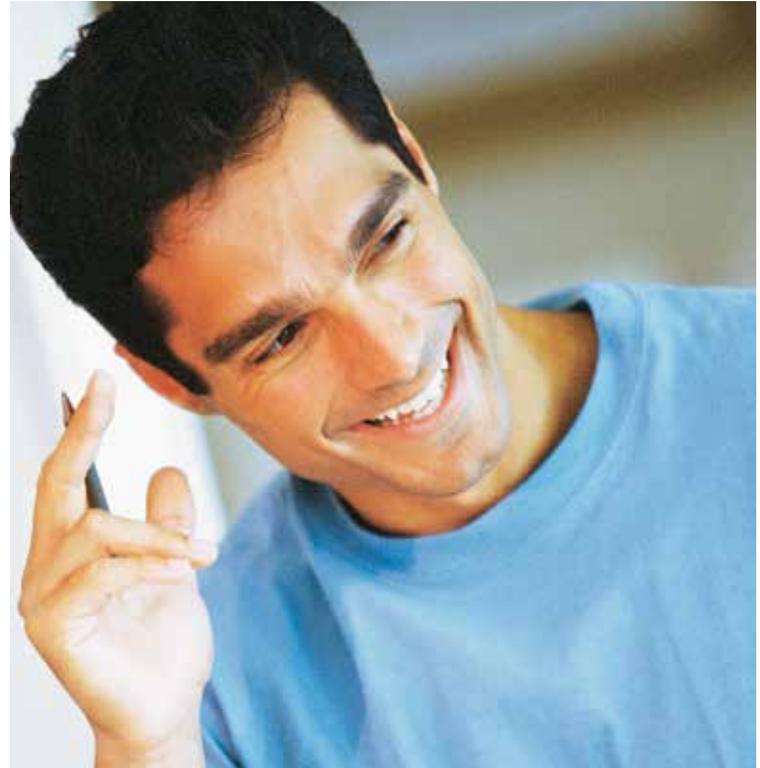
For example, Nathan wants to produce *Hamlet* for his school play. He doesn't have to ask for permission or pay any royalties. Shakespeare died in 1616 and his estate's rights expired in 1666.

Businesses often use the services of free-lancers: writers, graphic designers, illustrators, photographers, journalists, etc. Whether you are the person giving work or the person asked to provide services, make sure you clarify the copyright issue. As a general rule, free-lancers and self-employed workers keep their copyright. They can assign it to the person who gives them work under certain conditions which may be negotiated and paid for. In the case of an employee, the copyright belongs to the employer, unless the employment contract provides for the payment of such amounts.

Copyright is not always respected

Unfortunately, copyright is not always respected. Books are photocopied, sound tracks are copied and photographs are reproduced without the author's prior consent. This is infringement. It is illegal and can give rise to legal proceedings and the payment of compensation.

However, not every reproduction or reference to your work is an infringement. If a professor quotes you in class or a local newspaper transcribes a brief passage from your latest article, there is probably no infringement. When the work is used fairly and care is taken to



indicate your name, your rights are not necessarily usurped.

Also, in many situations, it is difficult to determine whether there is infringement or fair use of your work. Don't hesitate to consult a lawyer specialized in intellectual property—he will be able to give you all the information you need.

4. Industrial designs

Industrial designs correspond to the characteristics of the forms, motifs, decorations or configurations, or any combination of them, applied to an item manufactured in more than fifty copies. It can be a toothbrush with a distinctive shape, an automobile with special curves, or a type of screw. An industrial design must be registered for its author to have an exclusive right to it. The industrial design protects the object's appearance, not the way it works..

The types of protection available to you

It is important to understand the different types of protection available to you depending on the work you create. For example, Norm drew a new model of a foldable chair. Firstly, the design of the chair is automatically protected by copyright. It can be registered as an industrial design in order to protect the product's appearance. Also, the form of the chair might be so distinctive that it can be the subject of a trademark in and of itself. If the mechanism of the fold-up chair is new and creative, it could also be patented.

If you find out that someone is using your industrial design without your permission, you can sue them in court and claim monetary compensation. ■

ASSIGNING rights *and* GRANTING licences



You are the owner of a trade-mark, patent, copyright or industrial design. Are you wondering about the legal implications of assigning your rights or granting a licence to one or more people?

Assignment

Assignment involves the total transfer to someone else of your property rights to your creation, for payment. You lose all your rights to your creation.

For example, Vince is the inventor of a kitchen knife with several blades. He decides to assign his patent for \$600,000 to an American company. By assigning his right, Vince may make less profit than if he marketed his knife himself, but he avoids the risks associated with taking it to market.

Although assignment generally involves, for the creator, the loss of all his rights to the work, the assignment of a copyright is something of an exception. Specifically for this type of intellectual property, the author retains the right to have his work identified with his name, free of any changes which alter it. What's more, if the first holder of the copyright is an individual, the copyright reverts to his heirs 25 years after his death, notwithstanding the assignment. To be set up against third parties in good faith, the assignment of your intellectual property rights must be set out in writing, signed and registered in each Office depending on your type of intellectual property.

Licences

A licence consists of granting a person the right to use, sell or manufacture your creation for a specific purpose, in a defined territory and for a specified period of time in exchange for royalties. The licence may or may not be exclusive and is valid without registration, although registration is preferable. By granting a licence, you retain your rights, but they are limited.

For example, rather than sell his patent, Vince decides to grant a non-exclusive licence to a Vancouver company to give that company the power to manufacture and distribute his famous kitchen knife in Canada, for a five-year period. The Canadian company grants Vince royalties depending on sales. After five years, Vince recovers full ownership of his patent.

Consult a lawyer specialized in intellectual property law to draft such agreements. ■

REMINDER

| | DESCRIPTION | EXAMPLES |
|---------------------------|---|--|
| Trade-marks | A word, symbol or drawing to identify a product or service which distinguishes it from the competition. | <i>Ronald McDonald, BMW, Maison Sony, Black & Decker, Bic, Rolex, Calvin Klein</i> |
| Patents | A product, process, composition, device or improvement thereof. | Windshield wipers, disposable baby bottle, toaster, paper clip |
| Copyright | Literary, dramatic, musical or artistic works and compilations as well as sound recordings, a performer's performance and communication signals | The musical comedy <i>Cats</i> , the novel <i>Harry Potter</i> by J.K. Rowling, the video clip of the song <i>Let's Talk About Love</i> interpreted by Céline Dion |
| Industrial designs | Any shape, configuration, pattern or ornament and any combination of those features that apply to a manufactured article | Furniture, a shopping basket, a computer mouse |

IF YOU NEED HELP

Canadian Intellectual Property Office (CIPO)

5 Place Ville-Marie, 7th Floor
Montreal, QC H3B 2G2
Tel.: 514-496-1797
www.opic.gc.ca

NEED A LAWYER?

Referral service

Montreal: www.barreau.qc.ca/montreal
Quebec City: www.barreau.qc.ca/quebec
Elsewhere in Quebec: www.barreau.qc.ca/aap

COPYRIGHT LICENSING BODIES

Society for Reproduction Rights of Authors, Composers and Publishers in Canada (SODRAC)

759 Victoria Square, Suite 420
Montreal, QC H2Y 2J7
Tel.: 514-845-3268
www.sodrac.com

Society of Composers, Authors and Music Publishers of Canada (SOCAN)

600, de Maisonneuve Blvd. W.
5th Floor, Suite 500
Montreal, QC H3A 3J2
Tel.: 514-844-8377 • 1-800-797-6226
www.socan.ca

Union des écrivains et écrivains québécois (UNEQ)

3492 Laval Ave.
Montreal, QC H2X 3C8
Tel.: 514-849-8540 • 1-888-849-8540
www.uneq.qc.ca

Société des auteurs et compositeurs dramatiques (SACD)

5186 Côte-des-Neiges, Suite 3
Montreal, QC H3T 1X8
Tel.: 514-738-8877
www.sacd.fr

INTELLECTUAL PROPERTY

and the new information technology

The use of a scanner and a digitizer makes copying works so easy and so perfect that it raises questions about the protection of intellectual property on the Internet. It is not uncommon for copyright and trade-marks to be used illegally in this increasingly popular medium. Here are a few examples.

1. DISTRIBUTION OF A WORK PROTECTED BY COPYRIGHT ON THE INTERNET

You're a brilliant caricaturist. To your great surprise, while surfing the Internet you see one of your caricatures on the home page of a site. There's no mention of your name. Worse yet, the way the image is placed could suggest that the person who designed the page actually created your masterpiece. Your copyright has been infringed just as much as if your caricature was in a newspaper without your consent.

2. THE DISTRIBUTION OF WORKS PROTECTED BY COPYRIGHT OVER THE INTERNET

You're a seasoned fan of the Beatles. You decide to distribute their best songs on your web page. Visitors to your page can download the musical works and listen to them as if they were on a CD bought in a store. Watch out! Your plans could set you up for a lawsuit.

3. DOMAIN NAMES AND TRADE-MARKS

A domain name is the part of the Internet address which allows a person or business to be found on the web. For example, in the Éducaloi address <http://www.educaloi.qc.ca>, "educaloi.qc.ca" is the domain name. Domain names are assigned on a first come, first served basis.

So far, this system has not taken the trade-mark registration system into account. This means that, for example, if your registered trade-mark is "audioform", another person could obtain "audioform.qc.ca" for his domain name. However, as



the owner of the trade-mark, you could take legal proceedings if you have used that trade-mark longer than the other person. Note that the rules for assigning domain names are still being developed and could therefore change sometime soon.

4. PROTECTING A TRADE-MARK USED ON THE INTERNET

To make your business known on the Internet, you set up a web page and add a coloured, moving logo. This new form of trade-mark can be registered. An example is Internet Explorer, which registered a moving "E". If you find your animated logo on another site, you could take legal action.

YOUR RIGHTS, YOUR BUSINESS IS A SERIES OF SIX BOOKLETS PUBLISHED BY THE **QUEBEC BAR FOUNDATION**

COORDINATION: M^{re} GENEVIÈVE FORTIN AND M^{re} JACYNTHÉ CHARPENTIER OF **ÉDUCALOI** **WRITTEN BY:** M^{re} CAROLINE J. SIMARD

TRANSLATION: M^{re} DIANE G. CAMERON **GRAPHICS:** MIKA COMMUNICATIONS **LEGAL VALIDATION:** M^{re} HÉLÈNE DESCHAMPS-

MARQUIS AND M^{re} LISE BERICHEL **FONDATION:** www.fondationdubarreau.qc.ca • **ÉDUCALOI:** www.educaloi.

**The information found in this booklet is general and does not constitute a legal opinion.
If you have specific questions or a legal problem, don't hesitate to consult a lawyer.**

In this text, the masculine form is used to refer to both men and women.

April 2015

A publication of the:



With the cooperation of:

