



# IP CONNECTIONS

CANADIAN INTELLECTUAL PROPERTY & TECHNOLOGY LAW NEWSLETTER

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## Protecting the look and feel of consumer products

Patenting technological innovations is a familiar concept to most. However, there may be value in patenting other unique aspects of a consumer product as well.

Consumer products, such as toothbrushes, razors and bandages, generally include two types of innovations: technological innovations that improve the product's functionality and performance, and softer "look and feel" innovations that enhance a user's experience and/or interaction with the product. While the technological innovations may very well improve the performance of the product, they are not always easily detectable by a consumer. For example, a consumer may not be able to detect in any meaningful way whether one bandage has better anti-bacterial properties than another bandage, or whether a razor's blade will keep its edge 50% longer. However, the look and feel aspects of a product, such as its unique packaging or any visual cues or indicators that it may contain, can be easily identifiable by a consumer and in some cases may cause the consumer to purchase that product over that of a competitor.

Many companies that make consumer products have discovered that patent protection can be obtained not only for the technological improvements to their products, but also for the product's look and feel, which can often be

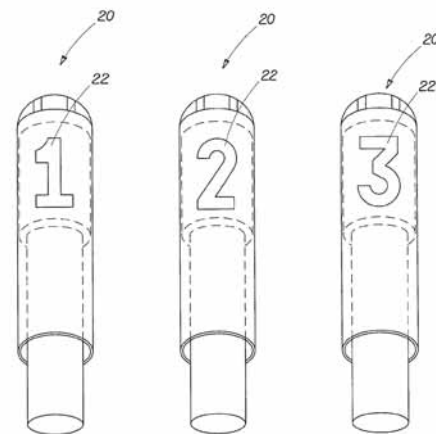
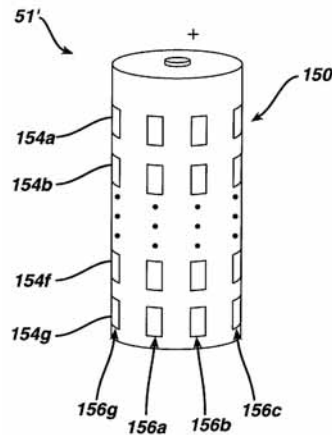
more important in influencing consumer selection than the product's underlying technology. Given that look and feel aspects of a product can significantly influence consumer selection, patents that seek protection for these softer features can provide valuable intellectual property assets for a company.

In general, the term look and feel is used to describe innovations that improve the overall user perception of or interaction with a product, but do not necessarily improve its overall functionality. For example, look and feel innovations may relate to improvements to packaging, shelf display, visual or tactile cues, user promotions or any other improvement or gimmick that may enhance a user's experience with the product or that may cause a consumer to gravitate towards one product over another.

The following are some examples of patents that cover look and feel inventions.

US patent 6,232,782 is directed towards a battery with a built-in battery tester. Here, the novelty lies in the fact that the battery tester is disposed **all around** the circumference of the

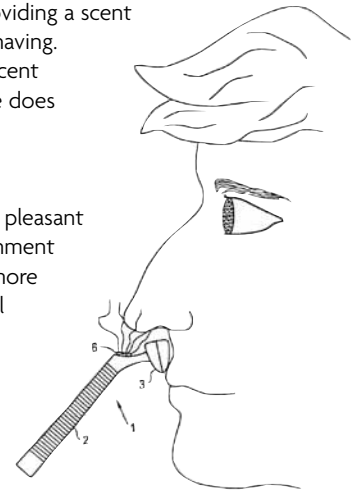
battery, thus making the tester visible to a user regardless of the orientation of the battery. Rather than obtaining protection for the functionality of the tester, the patentee has instead opted to protect the positioning of the tester around the battery. It was no doubt believed that the placement of the tester would add sufficient convenience for the consumer to warrant patent protection directed solely to this feature.



US patent 7,166,101 is directed towards providing a user with information about the absorbency of a tampon. The claims provide protection for an array of tampons that each display a written indicator of an absorbency level. The written indicators can be labels like 1, 2 and 3, for example, which correspond with the level of absorbency (light/regular/super) of each tampon. Clearly, this kind of invention does not provide a better performing product from an absorbency perspective, yet such an indicator on a tampon may be valued by consumers and could lead to improved customer satisfaction and higher brand loyalty.

US patent 6,854,368 is directed towards a razor and a manner of enhancing a user's experience

with the razor. The claims of this patent are directed towards a "scent delivery package" for providing a scent while a user is shaving. Obviously, the scent delivery package does not affect the quality of the shave at all, but it may provide a pleasant aromatic environment that leads to a more enjoyable overall shaving experience for the user.



Look and feel patents can also be obtained for features of a product that affect user perception. For example, a roll of toilet paper that includes an embossed or printed pattern that causes the toilet paper tissue to look softer or thicker than it actually is would be a good candidate for a look and feel patent. Such a patent could be obtained to protect the concept of using printing or embossing to provide a perception of softness and/or thickness.

Often, the innovations behind look and feel patents may not come from traditional research and development streams, but may come from management initiatives, marketing departments or sales teams. In essence, everyone that plays a role in shaping a new product has the potential to develop valuable intellectual property.

By shifting away from the underlying engineering of a product, look and feel patents differ markedly from traditional patents in that they focus on the user experience instead of the core technology. While protection of technologies remains essential in an environment of competing R&D, innovations that provide enhanced user experience can often have a strong impact on marketing success, and thus should also be considered for patent protection. A valuable patent portfolio directed towards consumer products will include a combination of both traditional and look and feel patents.

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## Going global with your brand, part 3: foreign filing strategies and options

The third article in this series looks at options for filing international trade-marks more efficiently and cost-effectively.

In part 2 of “Going global with your brand” from the *January/February 2008* issue of *IP Connections*, we discussed the importance of registering your brand or trade-mark in all countries of interest once the decision was made to expand into foreign markets. However, obtaining a trade-mark registration in all countries of interest can be costly. The purpose of this third installment is to discuss various filing strategies and options that serve to simplify the process by reducing the number of applications that need to be filed and delaying and/or reducing the overall cost.

### **The Paris Convention and claiming priority.**

Adopted in 1883, the Paris Convention is the oldest major international treaty concerning the protection of intellectual property rights, including trade-marks. One of the results of the Paris Convention was the creation of a priority system whereby any person who has filed a trade-mark application in one of the contracting countries has the right to claim that filing date for priority purposes for trade-mark applications filed within six months in other contracting countries. In other words, if you were to file an application today in Canada (a contracting country), any application you filed within six months in a foreign contracting country would be treated as if it had been filed on the earlier Canadian filing date.

The ability to claim priority can be extremely useful in circumstances where a third party has filed an application in that foreign country for the same or a similar trade-mark before you did but after your Canadian filing date. Without the ability to claim priority, the third party application could create significant problems for you in obtaining a trade-mark registration in that foreign country.

In addition, the priority system provides you with the option of delaying foreign filing costs for up to six months and still benefit from the earlier filing date of your Canadian application.

A total of 173 countries (out of 195 worldwide) have signed on to the Paris Convention, from Albania at the top of the alphabetical list down to Zimbabwe.

**The Community Trade-mark (CTM).** The CTM was established in 1996. It allows for the registration of a trade-mark in all countries of

the European Union (EU) with the filing of a single application. The current EU countries are Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom.

Prior to the CTM, a trade-mark owner had to, at great expense, file a separate application in each country to obtain registration of a trade-mark across the EU. As a result, the most attractive feature of the CTM is that it permits a trade-mark owner to obtain registration in all EU countries at a much lower cost than what would be incurred by filing a separate application in each country of the EU. In fact, generally speaking, if at least two or three countries of the EU are of interest, it is more cost effective to obtain a CTM than it is to file separate applications in each of these two or three countries.

**Benelux.** In 1971, Belgium, the Netherlands and Luxembourg formed an economic union known as the Benelux. The three countries established the Benelux Office for Intellectual Property, which is situated in The Hague, where a single application can be filed to register a trade-mark that covers all three countries. In fact, since the creation of the union, registration in only one Benelux country is no longer possible.

**Other international agreements.** There are other international agreements that allow for the registration of a trade-mark in a number of countries by filing a single application. In 1976, a number of English-speaking African countries



entered into the Lusaka Agreement and formed the African Regional Industrial Property Organization (ARIPO). A number of French-speaking African countries entered into a similar agreement and formed the Organization Africaine de la propriété intellectuelle (OAPI). Each of these agreements permits filing of a single application that leads to registration extending to each member country of the ARIPO or OAPI.

**The Madrid Agreement and Madrid Protocol.**

Finally, there is the Madrid Agreement. This agreement, which was initially adopted and signed in 1891, provides for the international registration of trade-marks by filing a single application that designates the countries in which protection is desired. At the time, only nine countries signed on, namely Belgium, France, Guatemala, Italy, the Netherlands, Portugal, Spain, Switzerland and Tunisia.

Over the years, the agreement was amended and revised. However, as a result of some

problems and weaknesses with the agreement, there were never more than 30 countries signed on to the agreement prior to the 1990s. Further meetings were therefore held in the late 1980s to address these problems and weaknesses. These meetings culminated in the Madrid Protocol, which came into force in 1996.

Since then, the United States and the EU have joined the Madrid system (the U.S. in 2003 and the EU in 2004). As of October 15, 2008, 84 states or jurisdictions have become members. Canada is not yet a member.

**Final thought.** Going global with your brand can be a daunting project, and a costly one at that. However, with some strategic planning at the outset, you can potentially take advantage of some of the mechanisms discussed above to simplify the process, as well as delay and even reduce the overall costs.

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## Marking patented products: practical guidelines for Canadian companies

Patent marking can play a significant role in realizing the full benefits of patent protection.

Everyone has seen products that are marked with “Patent pending”, “Pat” or “Patent”, usually followed by a multi-digit number. Most people are aware that these types of markings indicate that the product is covered by a patent (or patent application). What most people may not realize is that in certain cases, these little markings can have significant legal implications when it comes to calculating monetary damages if a patent is ever infringed.

Some companies use patent markings for commercial reasons: to convey to the public an

image that their product is innovative, technically superior and different from competing products on the market. Patent markings are also used to warn competitors that products cannot be copied without risking legal consequences. However, beyond such commercial reasons, patent markings can also play an important role when it comes to realizing the full benefits of patent protection.

Companies in possession of patent rights should be aware of the dos and don'ts of patent markings, as well as the legal



implications associated with marking their products. Given that these implications are significantly different under Canadian and U.S. patent laws, it is important for Canadian businesses that sell products in the U.S. to understand the benefits of marking patented products under U.S. law.

**Legal marking requirements.** In Canada, the *Patent Act* does not include any provisions about marking patented products and the Supreme Court has confirmed that notifying the public of patent rights by marking patented products should not be used by a court to calculate monetary infringement damages.

In contrast, U.S. patent law includes specific provisions regulating patent markings. U.S. courts have also in several instances addressed what constitutes a proper marking and the effect of marking when calculating infringement damages.

Notably, in the U.S., recoverable damages resulting from infringement do not automatically start to accrue on the date the infringement begins. Instead, damages are calculated beginning on the date that the infringer received either “constructive” or “actual” notice of the alleged infringement.

An “actual” notice means directly notifying the infringer of the infringement, most commonly by way of either a letter or service of an infringement complaint. To be effective, this actual notice should (1) inform the recipient of the identity of the patent(s), (2) inform the recipient of the activity that is believed to infringe the patent(s), and (3) propose to abate the infringement by license or otherwise. Merely advising a third party of the existence of a patent has generally not been considered by the courts to be sufficient to satisfy the requirements for actual notice.

A “constructive” notice means complying with the marking requirements set out in subsection 35 U.S.C. 287(a) of U.S. patent law.

General guidelines, examples and comments for marking patented products to satisfy U.S. marking requirements are provided below. For specific situations, seeking the advice of qualified U.S. counsel is recommended to ensure that U.S. marking requirements are met.

**What is considered sufficient marking?** As commercial products in different industries differ in format, packaging and content, several options are available for properly marking patented products.

### Summary – Marking Guide

Do	Do Not
<p><b>Mark with:</b>            “Pat. X,XXX,XXX” or            “Patent No. X,XXX,XXX”            for <b>single</b> patent</p> <p>“Covered by one or more of the following:            Pat. [or Patent No.] X,XXX,XXX;            Pat. [or Patent No.] X,XXX,XXX            ...”            for <b>multiple</b> patents</p> <p>“For use under Pat.            [or Patent No.] X,XXX,XXX”            when component is part of a  <b>patented combination</b></p>	<p>Fail to provide patent <b>number</b> on marking</p> <p><b>Intentionally/falsely</b> mark products as patented when the product is not covered by any patent(s)</p>
<p><b>Visible/legible</b> marking</p>	<p>Use marking that is not visible/legible due to either its <b>size</b> or <b>location</b></p>
<p>Fix notice <b>directly</b> on the article, or</p> <p>Include notice on label fixed to article or to packaging, or</p> <p>Include notice in literature related to article <b>and</b> distribute same with the article</p>	<p>Only print patent information on documentation that is <b>distributed/conveyed separately</b> from the patented article</p>
<p>Use <b>consistent</b> and <b>continuous</b> marking</p>	<p><b>Sporadically</b> mark articles</p>
<p><b>Monitor licensee(s)</b> to ensure marking of products is done</p>	<p>Assume that failure of marking by a licensee will not impact your ability to collect damages</p>

To be considered sufficient under U.S. law for the purposes of constructive notice, the word “Patent” or the abbreviation “Pat.” together with the number of the patent must be indicated. The marking requirement is not satisfied by simply marking the product with the words “Patent Pending” or words of similar effect. The marking should also be large enough to be legible.

When a product is covered by multiple patents, the multiple patent numbers may be listed along with a statement that the product is covered by “one or more” of the patents.

As to the location of the marking, U.S. law requires that the notice be “fixed” on the patented article itself. However, when the character of the article does not allow this to be done, for instance, as in the case of a

protein solution, a carbon nanotube, or a microchip, the marking may be included on a label affixed to the article or to the packaging containing one or more units of the article. Also, in circumstances in which the character of the article does not allow the notice to be “fixed” on the patented article itself, it may be possible to include the marking on product literature associated with the patented article. In such cases, care should be taken that the product literature is provided together with the patented article, rather than being solely distributed independently from it.

Finally, once marking has begun, it should be substantially consistent and continuous. Omission from any substantial number of articles may constitute non-compliance and may result in a shorter eligibility period for the assessment of monetary damages resulting from infringement.

**Who is responsible for marking?** The responsibility for marking patented products rests on the patent owner. In cases where the patented product is manufactured by a licensee, the patent owner remains responsible for taking reasonable steps for ensuring that the licensee properly marks the patented product. Failure by a licensee to properly mark a patented product under license may limit a patent owner’s recoverable monetary damages.

**What types of claims require marking?** Current U.S. case law suggests that marking should only be required when a commercial product is covered by a product (apparatus/system) claim. In cases where there are only method and/or process claims in a patent, the courts have generally indicated that there is no marking requirement.

When a product is made by a combination of elements and is covered by patent claims defining the combination – but where the individual elements themselves are not patented (*e.g.*, a patent including claims directed to a tire repair kit having a combination of elements where the individual elements are not covered by the claims) – at least one visible element should be marked as being “for use under” the patent directed to the combination.

**False marking.** Marking a product to indicate that it is covered by a patent is often used to

convey a message of technological superiority and to put would-be competitors on notice that a patent covers the product. As a result, it may be tempting to use some form of patent marking on a product simply as a part of a marketing message without actually having the underlying patent rights associated with that product.

It is worth noting that intentional false markings can have legal and financial consequences. Specifically, U.S. law prohibits three types of false marking:

1. counterfeit marking (*i.e.*, the use of a patent mark without the patent owner’s permission);
2. false patent marking (*i.e.*, the use of a patent mark on an unpatented product with intent to deceive the public); and
3. false patent pending marking (*i.e.*, use of the terms “patent applied for” or “patent pending” when no patent application directed to the product was filed).

A finding of mismarking carries consequences including monetary penalties.

**Consider marking at an early stage.** While marking patented products in Canada is not necessary, there are no significant drawbacks to doing so from the perspective of the computation of eligible monetary damages. Conversely, in the U.S., properly marking patented products at an early stage can have a significant positive impact on the calculation of damages, since such calculation takes into account damages accrued after an infringer received either “constructive” or “actual” notice of the alleged infringement.

Canadian companies having one or more U.S. patents and that sell products covered by these patents in the U.S. should therefore consider marking their products in compliance with U.S. law as early as possible. Doing so will maximize the period of eligibility used in the calculation of recoverable infringement damages resulting from a third party’s infringement of the patent(s).

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## Recent developments in brief

**What goes on the web ...** In what was termed a “gift to his fans”, Michael Moore posted his new movie, *Slacker Uprising*, on the web in September with a message from Moore inviting them to download it, view it, “burn it” and share it in whatever method they chose. However, while he was free to make this offer in Canada and the U.S., the film was posted using a protocol which provided for no geographic restrictions. Following the release and numerous downloads in Europe and elsewhere, a legal crackdown ensued, with allegations of copyright infringement against servers making the film available outside of Canada and the U.S. It’s good to remember that while what happens in Vegas may stay in Vegas, unless you’re very careful, what goes on the web goes everywhere.

**Bloggers, take note.** Since the genesis of blogging, it has been part and parcel of the free-wheeling, free-thinking and free-speaking (or writing) world of the internet. However, civilized society has its place and, of course, nothing is completely free! Bloggers who are a bit too free in their expressions of opinion have faced threats or claims of libel, copyright infringement, invasion of privacy and infringement of other legal rights. For example, Alberta Premier Ed Stelmach threatened to sue a blogger who bought the rights to [edstelmach.ca](http://edstelmach.ca) and linked it to a blog that is often critical of the premier. Even more seriously, the president of Steelback Brewery filed a \$2 million libel lawsuit against an Ottawa sports blogger last year after an uncomplimentary posting about him. Not to miss an opportunity, a U.S. based group is now

offering liability insurance for bloggers! The insurance is being offered to Canadians and Americans and the premiums are dependant upon a list of risk factors. The company has pointed out that blogging is really no different than any other form of communication and bloggers should be aware that they face the same risks as others who chose to disseminate their writing in a public forum.

**The True North - strong, but free for use?** It is, of course, an expensive undertaking to host an Olympic event, and protection of the Olympic marks and symbols is key to ensuring that companies are willing to pay the price to sign on as sponsors. The various Canadian Olympic organizations are well known for working hard to protect their trade-marks, but two new applications by the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games are an interesting addition to their portfolio. Borrowing from the Canadian National Anthem, *O Canada*, applications have been filed to register WITH GLOWING HEARTS and DES PLUS BRILLIANTS EXPLOITS as trade-marks for use in association with long lists of goods and services, including such items as laundry detergent, televisions, crayons and financial management services. *O Canada* is over 100 years old and can be used without obtaining permission from the government. The Vancouver Organizing Committee has said that they do not intend to interfere with the use of the national anthem, but will only challenge commercial uses where the phrases are used by businesses to create an unauthorized association with the 2010 Winter Games.



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