



CANADIAN INTELLECTUAL PROPERTY LAW:

Business' Name, Trade-Mark, and Domain Name: An Essential Symbiosis

Image, or corporate identity, is one of the main assets that a business owns and must be protected. That image may be related to the business itself, or yet to the products and services it offers.

Any business (whether a corporation, a public corporation, a foundation, partnership, etc.) possesses a unique identity (its image), and uses a trade-mark (registered or not) in marketing its products and services. Indeed, a client usually links a given product or service to the name of the business, to its logo, or to its trade-mark; i.e. the distinctive characteristics that constitute its image. In this fashion, the business' image becomes an asset of great value. As a consequence, it is highly desirable for that business to take care in protecting its image in order to, among other things, prevent a third party or competitor from appropriating indirectly its notoriety. As an example, the third party or competitor could conduct its operations under a trade-mark similar to the name of the business, thereby creating confusion in the mind of clients.

Protection of Identity

On the legal side, a business' image (or that of its products) may be carried across by three (3) main vehicles:

1. its business name;
2. its trade-mark; and
3. its domain name (or URL address).

Each of these three (3) means of communication, serving to broadcast the identity of the business, must be studied, planned for, and developed with a view to create synergy among them. Moreover, the identity or image of a business is considered an intangible asset; hence, it has value and may be sold.

Nowadays, in a conjuncture of markets globalization, the image of a business can easily become known the world over, especially *via* the Internet. Indeed, it can serve as a simple, fast, and efficient manner of obtaining a plethora of information concerning a given business, as well as its products and services. Yet, a caution remains: considering the growing reduction of trade barriers, it is more and more crucial that the business put further efforts in protecting its products/service identity and/or corporate identity.

A Business' Image and the Internet

In this era of evolving technologies, a business' presence on the World Wide Web is now a necessity. As a fact, clients (and the public in general) expect to find a business on the 'Net, whether to obtain information on a product (technical specifications, user's manuals, price, etc.), general information on the business itself, or even to make online purchases.

Furthermore, Internet users often expect to find a business' website simply by entering the name of that business or that of its trade-mark. As a point in case, take the *Toshiba* company and the related trade-mark. An Internet surfer can easily find the various web pages of that company and obtain any required information simply by entering the word *Toshiba* either in the address bar or in web-search engine. As that company has acquired its reputation in relation with the *Toshiba* name and trade-mark, it was imperative that the company possess a domain name similar or, even better, identical to the

name and trade-mark that gave it its reputation. Thus, *Toshiba* is able to broadcast its image throughout the world and thereby allow anyone to virtually browse its products and corporate information in a manner both simple and efficient.

In light of the foregoing, not only is it important, for a business, to recognize and make recognizable the distinctive characteristics of its business (i.e. its trade-mark, etc.). However, nowadays, it is also crucial that the development of these distinctive characteristics be paralleled by securing a domain name that reflects said characteristics.

Domain Name and Protection of Intellectual Property

Could a business, having used a trade-mark over many years, validly oppose the use by a third party of a domain name identical to its trade-mark? That business would indeed have a great advantage in requiring that this third party cease and desist from using the domain name in question, lest its use lead to confusion with the trade-mark of the business or that of the products and services it offers.

The issue with the use of a domain name resides in the process of its registration. That process may be summed up as: *first come, first served*. Likewise, while many domain names-managing organizations have created certain rules for the resolution of conflicts, such rules are only faintly binding and are limited to obvious cases of bad faith. Furthermore, these rules do not take into account the conventional protection mechanisms of intellectual property laws, such as the protection afforded by trade-marks. Yet, under national and international law regulating trade-marks protection, is it possible for a trade-mark's holder to obtain a court order forcing a third party to relinquish its use of a domain name creating confusion with the holder's trade-mark?

In Canada, the **Trade-Marks Act** forbids any person from gathering the public's attentions to her goods, services, or business in a manner creating confusion with those of another person. Considering this interdiction, many consider a tribunal could effectively force the user of a domain name to cease its use of that domain name if it creates confusion with a pre-existing trade-mark. Nonetheless, since there is yet no clear jurisprudential reference on the question, it remains ultimately unresolved as of this day. In consequence, a business should choose a domain name in keeping with its trade-mark and/or its business name, in order not to be beaten to the punch by a third party or even a competitor!

Conclusion

Better safe than sorry... A business' image remains, without dispute, an asset of great value. As such, it is vital that the business uses all the means at its disposal in order to protect this image and ensure its durability, in order to prevent a competitor from unduly profiting from its notoriety (as an example, by exploiting a domain name identical or similar from an existing trade-mark)

Traditionally, the image of a business was broadcast by means of the business' name and trade-mark. It was often limited to the territory within which the business had implemented its marketing process. In this fashion, it was easier for a business to protect its own identity or that of its products.

Nowadays, the image of a business can be known throughout the world *via* the Internet, whether in order to conduct electronic commerce or simply to communicate general information on the products and services it offers. The business' image thus goes on being broadcasted through the chosen domain name. The choice of that domain name is vital, since, as seen above, an Internet surfer expects to find a business' website simply by keying in its business name.

Without clear rules as to potential conflicts between the use and registration of a domain name and those of a trade-mark, the shrewd businessperson should plan out a marketing and legal strategy allowing for a synergy between business name, trade-mark, and domain name. When conceiving such a strategy, a business can greatly profit from the counsels of a professional specialized in matters of intellectual property before fully investing its time and efforts in the development of a given identity for its products and services.

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Mr. Alain P. Lecours

LECOURS, HÉBERT LAWYERS INC.

354, rue Notre-Dame Ouest

Bureau 100

Montréal, QC, Canada H2Y 1T9

Téléphone : (514) 344-8784

Télécopieur: (514) 344-9790

Lecours@LecoursHebert.com

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