

LawyeredEp83

[00:03] HUSEIN: This is Episode 83 of Lawyered. I'm Husein Panju. On this week's episode, we're speaking about Brand Protection Law with leading IP lawyer May Cheng. First step, we'll discuss the controversial Quebec legislation known as Bill 96. This new bill further extends the obligations for companies to use the French language when doing business in Quebec, and it's triggering serious questions of policy, and implementation.

[00:32] Next, we speak about a new line of cases involving bad faith registration of trademarks. And our Federal Court has provided some new guidance about how to deal with sneaky users who try to register trademarks solely to interfere with a third party. Next, we'll speak about the intersection of artificial intelligence, technology in the arts with a focus on the legal avenues available when artistic designs are used to create derivative works. And finally, in our Ask-Me-Anything segment, we will cover a bunch of questions submitted by our listeners about a range of topics, including cease and desist letters, trademark protections, and how to monitor counterfeit goods. All that and a whole lot more is coming up in just a bit. This is Lawyered.

[Music]

[01:25] Hey, everybody, welcome to Lawyered thanks for joining us for another episode. Hope you all keeping well, they're having a great summer so far. I want to start by just making a direct and explicit callout for feedback that you might have for the show. And I'm doing this for several years now I'm very happy with how the show is going so far. And that said, I'm always looking for ways to make the show better, more accessible, more engaging for you the people who are listening to the show on a regular basis.

[01:53] If you don't believe that, I take this feedback very seriously. And a lot of the improvements that I've made over the years, are directly because of the feedback that I've heard from you, the listeners, I won't run through them all right now. But in terms of adjusting the length of the episodes, adding the Ask-Me-Anything segment, in particular, have gotten direct suggestions of guests who might be a good fit for the show. These are the things that I implemented based on the feedback.

[02:24] So, I view the show, although my name is kind of on the show, I view this project as a co-creation between the producer, which is me, the guests and all the listeners as well. So, if you have any suggestions on how to make the show better, please let me know. You'll be doing me a big favour and other guests as well. You can reach me via our email address, that's info@lawyeredpodcast.com, or message on LinkedIn or Facebook or Twitter. It's pretty easy to get a hold. I'd love to hear what you think. Whether your feedback is the show is doing great, or whether your feedback is there's room for improvement, I'd love to hear it. So, please let me know. If it's something you have constructive for the show.

[03:02] In case you missed it, our previous episode was about the area of Indigenous Law. And we had our guest Jeff Nicholls who spoke excellently about this particular area and how it's

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evolving in real time. In fact, I think every case we spoke about either had a very recent development and/or developments that were in the process of being developed. So, we spoke about an upcoming Supreme Court case called Dixon, that's going to be a fundamental game-changer in terms of articulating the role of the Charter of Rights and Freedoms and how that applies or does not apply to Indigenous governments.

[03:41] We also spoke about a First Nation's legal challenge against a mineral policy by the British Columbia government, which will be one of the first cases that engages the UN Declaration on the Rights of Indigenous Peoples within Canada. And we also spoke about this a new positive trend of contemporary reconciliation agreements. I say this about a lot of episodes, this is one that really made me think both about the law practically and about this area of Indigenous Law and what that really means. There's a lot of important commentary there about reconciliation, which is a term that's often thrown about, but really articulate a wellness epicenter of what that means. And what we as lawyers can do to implement that in our day-to-day practices. So, I recommend you check that out, that's Episode 82 in our archives.

[04:38] Today's episode is one that I've been looking forward to for a while. It is about the era of Brand Protection. And as we talked about in the episode, we deal with brands all the time, like hundreds of times a day, sometimes without even appreciating it. And there's a lot of interesting IP issues that are triggered within this particular area. I get the benefit of having a guest who is very well known this space, a true force in the IP area. And I was really excited to hear what she have to say. I think you'll get a lot of value from it as well. And so without further ado, here is our opinion about brand protection featuring our guests, May Cheng.

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[05:15] May is a lawyer with Dipchand LLP, and is a certified specialist in Intellectual Property Law in the areas of trademark and copyright. She has 25 years of experience in advising clients on all aspects of IP protection and enforcement with a focus on brand protection and enforcement, which includes everything from clearance, prosecution, and licensing to litigation. She's regularly involved in a wide variety of IP infringement cases and complex licensing deals. And she's developed a specialty practicing anti-counterfeiting for luxury brands, in addition to international portfolio management, licensing and commercial IP work.

[05:53] May is also a contributing author to numerous texts relating to IP cases and legislative changes. And in addition to ranking as one of the top 250 Women in IP. May has received numerous impressive awards, including the OBA Award of Excellence in the promotion of women's equality, as well as Lifetime Achievement Award by the Ontario chapter of the Federation of Asian Canadian Lawyers. So, May, thanks for joining us on the show today.

[06:18] MAY: Thanks a lot for having me.

[06:20] HUSEIN: Of course. So, we haven't really met before today's recording. But I think the way I was introduced to you was, I was actually in the audience when you received the award I

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just mentioned from FACL, the Lifetime Achievement Award, and I was really taken by your speech, obviously, a lot of your accomplishments were read out. But a lot of things spoken afterwards, I think, almost universally was, you gave this very impassioned speech, describing your career path, and more particularly your career move. I know you worked at a major law firm for a few decades before that. And then at the gala, you had announced that you're moving to a smaller boutique shop. I'm wondering if you can just give us a short summary on your rationale about making that move.

[07:05] MAY: Absolutely. So, there's a couple of things that really struck me. And I think some of it has to do with the experience of having to work from home during COVID. And I think that a lot of people are having a similar sort of 'what's next moment' or a rethink about what it is that they want from their workplace. So, I'd always been on Bay Street, I'd always been in the big shops, and I really kind of thought it was the be-all-end-all. And I had the glamorous office on the 66th floor and whatever.

[07:45] But when suddenly you have COVID, and you're working from your kitchen table, and you start to question, well, why am I paying all this overhead? And when my clients are questioning, why am I paying all this overhead when you're working in your kitchen? And so as much as I very much wanted to continue to work on Bay Street in an office, it did beg the question, well, what are you really getting out of this? And what do you want from your life?

[08:23] And I think the biggest quality, the most success that you can derive is from actually having agency in your life, which is the ability to make choices for yourself, to choose who you work for, to choose your hours of work, to choose the kind of work that you do, to live your values. And so for me, I realized that a lot of that was hemmed in, by being at a large firm. So, I decided that I really wanted to work with like-minded people, I wanted to be able to not work for clients that I don't agree with their course or their operations. And I just wanted to be able to live my values a little more. And also, I wanted to be more in control of my schedule. And so the move to Dipchand LLP has given me all those things.

[09:32] HUSEIN: Glad to hear that.

[09:34] MAY: Yeah. And I think young people are actually seeing that, seeing the quality and the value of the agency much sooner than someone like me. I'd already been around for 25 years before I made the leap. So, I think it's less risky than when you're a little more junior. But at the same time, I think that it's my It's less risky today than it used to be, because the big firms do not have a lock on the work the way that they used to. And once you've demonstrated that you can do the work, a lot of clients can have confidence in you, you don't need the named brand behind the big firm necessarily, to keep your clients happy.

[10:23] HUSEIN: Yeah, that makes a lot of sense. Great. So, we have a bunch of subjects for you to speak about in this subset area of Brand Protection Law. And the first one we are going to speak about is this new bill from Quebec called Bill 96. So, one of the most recent controversial bills to come out of Quebec recently, is the same Bill 96. And this bill will amend the Charter of

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the French language, and will impose new widespread obligations relating to the use of a French language for those doing business in Quebec.

[10:53] And while this is not the first time that the province has introduced a change of this type, the bill does limit one of the few exceptions that existed for non-French trademarks. And as implementation deadline is quickly approaching, many lawyers are considering how to bring their own client's brands into compliance. So, May, I know this is not the first time that Quebec has introduced rules to limit the use of non-French language. I was wondering if you could give us a sense of what the intent is behind these rules.

[11:23] MAY: Well, I think that the French language is under threat, for sure. And I think that they actually fear language extinction and for good reason, because the Language of Business has been English for quite a long time now. And all of the sort of separatist machinations that have transpired in the past, all they've done is driven businesses out of Quebec, unfortunately. And so now you have a lot of national businesses that might still have a Quebec office, but the predominant language of business has become English, more and more. And so it's just becoming harder and harder for Quebec to maintain its residents speaking French, and to make sure that the French language thrives.

[12:23] HUSEIN: Now, I know that a big part of this specific bill listed something called a Trademark Exception that had previously existed in the Quebec Charter. So, before we get to the change that the bill introduces, I want you to give the audience a sense of what this Trademark Exception was.

[12:41] MAY: Yeah, so what happened, this is a decision that involved Best Buy, it was a Quebec Court of Appeal decision. Basically, had this language police going around ticketing companies for having English-only signage under the earlier version of the French Language Charter. And so what happened is Best Buy and Gap and a few other brands said, "We actually really want a ruling from the courts to tell us whether or not our signage is okay, English-only signage, because it corresponds to a trademark."

[13:20] And the Quebec Court of Appeal said, "Yes, it is okay." And so that went against what the Charter legislators wanted, if you will. And so they've tried to narrow that exception with this particular amendment. So, the Bill 96, what it does now is the only exception will be if it's a registered trademark. So, Best Buy and Gap are probably not great examples in the sense that they are registered trademarks, so they will be able to continue to use that English-only signage, so long as they don't have a registered trademark in French that corresponds to that name or brand.

[14:14] But for instance, Kia Motors, so Kia Motors was not a registered trademark. And there's a descriptive part. Kia is the brand but 'motors' is English. So, they were forced to change his signage to Kia Moteur for instance. And even if you had Kia Motors now, under the new signage laws, you would have to have the Kia Moteur sign, a French version twice as large as the English

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version. And imagine Chinese restaurants, which is another great example. I mean, typically, if you go to Chinatown anywhere in the world, and there is Chinese-only signage.

[15:05] So, now all of those Chinese restaurants are caught by this. And they're not going to have... even if they have a trademark registration, I mean, potentially they could have that Chinese-only signage if they get the trademark registration, but most of those names would not be registered. So, they will all be caught under this new legislation unless they rush out and get a registration. So, part of the delayed implementation of this act, so it's going to come into effect in June of 2025, that has specifically been laid out, the delay, so that companies that very much want to just maintain their uni-lingual signage have to go and get a trademark registration in order to qualify for an exemption.

[16:00] There's going to be pretty big fines associated with non-compliance, and the compliance because the signage has to be twice the size in French than in English, for instance, it's going to mean expensive signage changes and potentially expensive changes to how much translation of your materials there is for advertising purposes. Having frontline workers who are fully bilingual, there's going to be a lot that businesses need to do to make sure that they're able to comply, because of this threat that your everyday consumer can file a complaint, not just the so-called language police.

[16:56] HUSEIN: With that said, what are some things that lawyers should be thinking about during this grace period? If you're a lawyer who's advising one of these companies, what are some best practices that you ought to be considering?

[17:08] MAY: So, the best practice for sure—and I'm already doing this with a bunch of clients—is doing a bit of an audit of their trademarks that are in use, making sure that they have registrations, checking out their signage, making sure that the signage is going to be compliant. And just reviewing even their publications and making sure that they're filing trademarks now, for anything that they're going to leave up on signage, for instance, or even on magazines or whatever publications that they have, to the extent that they can have registered marks for the correspond to those brands, it's going to be very important that they have the actual registration in hand when June 2025 rolls around.

[18:04] HUSEIN: Got it. I know there's some commentators who are predicting that there may be some constitutional challenges to this bill on the basis of maybe the trademark issues may encroach on the federal jurisdiction over trademarks. Do you have any thoughts on that?

[18:22] MAY: So, I do think that there will be legal challenges. But I do think that it's questionable whether or not they'll be successful, because there may be some arguments under the notwithstanding clause to be made around the fact that the French language is under threat, and that this is necessary for the preservation of the language in Quebec and its unique status and all that. If there was a successful challenge, let's say to the legislation and it gets struck down, then you may end up in a situation where Quebec legislators decide to opt-out of having the Charter apply with respect to the next field, so to speak.

[Music]

[19:18] HUSEIN: The Canadian Trademarks Act provides that a trademark registration can be expunged from the register of trademarks, if its application was made in bad faith. And the term ‘bad faith’ is not defined legislation and it’s very context specific. However, a recent series of cases provides some additional guidance on how courts will interpret this term. And this will likely be instructive for brand protection lawyers, as well. So, May, we’ve got a couple of cases we’re going to speak about, but before going into those, I’m hoping you can give us a sense of what this term means, just being a ‘bad faith’ registration, and how this appears in your day-to-day work.

[19:55] MAY: All right, so I think that the best analogy is if you consider the whole cybersquatting regime around domain names. So, the concept is basically, if I’m a legitimate company, I’m already open and operating in a jurisdiction somewhere. It’s bad faith for you to go and register my trademark and effectively trade on the goodwill associated with my trademark. So, the Bad Faith amendment to the trademarks act is intended to catch parties who are deliberately going out and registering a trademark, effectively to prevent the rightful owner of that mark from owning it themselves and potentially extorting that party for money.

[20:50] HUSEIN: So, I know this concept of bad registration was a large issue in a case that you specifically recently argued at the Federal Court, and for people listening, the case is called Travel Leaders Group, LLC, and the citation is 2023FC319. And of course, we’ll have the links available on the show notes on the website. So, May, can you give us a short description of the relevant facts that were at hand for this Travel Leaders case.

[21:15] MAY: All right. Travel Leaders Group, LLC is a large travel conglomerate basically. And they were already registered in operating south of the border, but they hadn’t come into Canada. And they applied for a trademark to come into Canada back in 2008. And at that time, it came out that a standalone travel agency in Canada had adopted that name, they claimed to have adopted it in 2005. And so, they blocked the ability of the US company to obtain the registration at the time by saying that they were going to oppose it. So, the US company, which hadn’t started using it in Canada, just abandon that application.

[22:05] Subsequently, that Canadian company then went and got the registration itself. So, that small standalone travel agency obtained registration. And they applied for the exact goods and services that had been in the application by the US company. But the US company couldn’t really do anything about it at the time, because they hadn’t started using the market in Canada. Fast forward to 2016 and it looks like the Canadian company is no longer in operation. We had sent some investigators that found mail piled up at the door, nobody answers the phone, the lights are off, and nobody is home. And so we file a cancellation proceeding to expunge this trademark on the basis of abandonment.

[23:00] HUSEIN: And what does it mean to expunge something?

[23:02] MAY: So, it means to basically have it struck from the register of trademarks, so that that would then pave the way for our client, US client, to file for the identical mark. So, we filed a cancellation proceeding initially on the basis of just abandonment, and we then amended our pleading to plead bad faith. And bad faith we were saying had taken place because when they applied to register it in 2011, they knew about us in the US, they knew that that company wanted to come into Canada, within a couple of years of when they got registered. They posted it on a US website for 80 million US dollars, saying that it was an incredible opportunity, because our client couldn't come into Canada unless they obtained that registration, or they obtained a license to use that name.

[24:02] HUSEIN: Okay. Can you tell us a bit more about how the court found on this question about bad faith registration?

[24:06] MAY: So, interestingly, the court did allow us a remedy and agreed to expunge the mark on the basis of abandonment, that there was an intention to abandon, as demonstrated by the fact that it wasn't open for business, that they were trying to sell the mark on this US trademark Exchange website. But they did not find for us on the bad faith question. And the reason for that the Court said is that the Canadian company had more than one reason to try to register the mark. So, the court had accepted that in order to constitute bad faith, it has to be the sole purpose for registering the mark. And so the court said, "You know, what? They were also trying to block you from coming into Canada, potentially could have turned that business around." So, the court wasn't convinced that that was the singular purpose for obtaining the registration and therefore did not find for us on that.

[25:23] HUSEIN: I know there's more that makes up this line of jurisprudence. What are some of the things for lawyers to consider if they're trying to establish the sole purpose of bad faith?

[25:34] MAY: So, it's very tricky, because you're trying to prove intent. And it's almost like a reverse onus, if you will. So, effectively, what you need to do from the perspective of presenting evidence is to demonstrate that there was prior knowledge of your client's mark, prior to the registration of the marks that you are trying to expunge. So, that can come out in discovery, it can come out through attempts to sell it and whatnot. One of the other earlier cases also involving Chinese character marks, had found that there had been an extraordinary amount of money sought, which in that case was over \$1,000,00 or \$1.5 million, or something like that, in order to buy the rights to the mark. So, that kind of evidence can be used to demonstrate that there was bad faith.

[26:52] HUSEIN: In the light of this case law, are there particular things that lawyers ought to be thinking about if you're a Brand Protection lawyer or a Corporate lawyer, and you're encountering issue in which there may be a bad faith registration issue? Or there are some factors you may want to consider or certain strategies you may want to advise your client to consider?

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[27:10] MAY: Well, so one of the things that I recommend, and this goes back to the domain name issue, is that if you're giving branding advice to a client, and they're conducting searches, before you actually file that trademark application, you want to do some Google searches and you want to make sure that that client files for domain names before they apply to register the trademark. Because as soon as you apply to register that trademark, that domain names can get snapped up, because it's a public register when you file for a trademark application.

[27:50] Other unscrupulous parties can have access to that information very easily online. And then they can go and register domain names that correspond before your client has any use of its mark. So, all social media handles, all domain names, they should lock it up before they file for their trademark application. And I think the other thing that it points to is the importance of not only applying for your mark early so that nobody gets ahead of you in the game. But also, conducting your due diligence searches to make sure that if you do adopt a name that nobody else is using it at the moment or not using the exact thing for the exact goods or services at least, that is going to get you in hot water down the road.

[Music]

[28:45] HUSEIN: As artificial intelligence becomes more refined, it always becomes more controversial from a legal standpoint. And this issue has been especially pronounced in the artistic world, as technologies become more and more adept at creating derivative works. And this raises numerous important questions about the balancing of rights of artists, as opposed to the rights of users, which strikes at the heart of intellectual property protection. So, May, I know a lot of people are familiar with AI, especially through the popularity of apps like ChatGPT. And before we get into the legal issues at hand here, I want you to provide us with some details about how AI currently operates within the artistic space.

[29:27] MAY: So, what's happening right now is, there is AI being used to create artworks through computer generated images, but the images are being created from a very large database or data set of existing artworks. And so the problem is that the source material is actually copyright protected artworks. The battle that's happening is you've got artists who are the original content creators and original authors of their own works. And then you have these computer-generated images, or, for instance, Stability AI releasing something called Stable Diffusion, which then AI enthusiasts are using to produce images in the style of specific artists.

[30:40] So, the tools are becoming available, just being launched onto the internet, with no protection against third parties, then creating content using copyright protected images that are up on the internet. And so what's happened, though, is that, in order to claim copyright infringement, you need to be able to assert that there is substantial copying. And substantial copying can be limited to, let's say, specific elements of the work. So, like, things that make your particular genre of art distinctive, like a particular style that you have, or particular colors that you might use, or whatever that might be distinctive of a particular artist.

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[31:38] But when you're drawing from such a large data set, the concern becomes well, at what point is it no longer a derivative work, but it's now a work of its own. But then also, if it's created by a computer, it can't own copyright in it. A human has to own copyright in the first place.

[32:07] HUSEIN: And I know there's a lot of current litigation going on in this space as well, both in Canada and abroad. And one of the more recent cases in Canada, involves a Montreal based artists named Adam Besanta. What's that litigation all about?

[32:24] MAY: This case is about, again, computer-generated artworks. But again, the data set that was used was existing, copyright-protected artwork by artists. And a gallery in Montreal, decided to showcase some of this art. And so this computer was effectively generating thousands of new images a day. And the individual who was generating the work using the computer was selecting certain pieces that he thought were gallery worthy, if you will, and then putting up a little sign or little plaque next to the work saying, "This work is reminiscent of this artist."

[33:22] And so not only was that computer generated artwork, using some of the art from these various artists, it was also trading on their reputation as artists, by signaling to consumers, that the work is actually perhaps reminiscent of a particular artist. And that same thing is happening as well in other contexts now, with the artwork that's circulating on the internet. But certainly, that's one of the first lawsuits in Canada to touch on this issue. It's just the tip of the iceberg in terms of lawsuits in the space.

[34:11] HUSEIN: For sure. I know that there's another more recent example of this in the US involving the pop artists Andy Warhol, and some of the derivative works. Can you tell us a bit about that?

[34:22] MAY: This is actually a good result for artists. Andy Warhol had commissioned a photograph or someone had commissioned a photograph of Prince, the musical artist. And that photograph it was intended to be used by Andy Warhol to create effectively a derivative work. So, what it means is, it's a new work derived from the original. So, it was a photograph that had been generated by a female photographer, and it had been given to Andy Warhol to manipulate and change into the Andy Warhol style art that he does. And he did this for this image of Prince.

[35:06] But it was only supposed to be for a limited use, for a specific magazine cover. And in fact, Andy Warhol created a lot more art with this image and made a lot of money. And the original photographer never saw any of that. And so there was a lawsuit brought against the estate of Andy Warhol at this point. But that lawsuit, on behalf of the original photographer, was successful. And said that, that artist was entitled to royalties with respect to this derivative work. So, the issue becomes, is it a derivative work? Because if it's created from, let's say, a dataset of a billion images, then again, the question goes back to substantial copying.

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[36:08] So, derivative work does still have to be a substantial copy of the original. And certainly, when you look at the... if you go online, and look at the images that were created from the original photograph, the photograph is 100% recognizable there. It's very much a photograph of Prince. And Andy Warhol just embellished it with color and a little bit of sketching, and whatever. The estate of Andy Warhol tried to say, hey, this became an Andy Warhol work. And so whatever the artists had contributed, they didn't have a claim, and that was not successful.

[36:50] HUSEIN: Okay. So, I know that this line of cases is very new, and I guess the case was still revolving both in Canada and the US. But how will this case impact IP lawyers in their daily work as they're dealing with issues like this about derivative works and AI.

[37:06] MAY: So, I think it's creating a lot of uncertainty right now, around what artists can and can't do, and what people who are using the AI tools can and can't do. The artists are the big losers here, if there is no enforcement with respect to their original works, because they're losing livelihoods. And that is really the tragedy here. You've got a lot of machine-made art being generated. And it's eating the lunch of the artists, but especially when you can create something in a matter of minutes, that's effectively derived from a dataset of an artist's existing works. That just manipulates and just steals little fractions of different art pieces. And it looks different enough that you wouldn't say, "Oh, that is a copy," which is what makes it so difficult.

[38:32] HUSEIN: So, if you are a lawyer advising artists like this, is there any comfort that you can provide in terms of what protections they still might be able to enjoy?

[38:43] MAY: Well, so I do think that the Andy Warhol ruling is a win for artists. And I think that they need to bring these class actions and I'm hoping that we will see success in some of these interesting lawsuits in the UK and in the US, including the Getty Images case. Because otherwise, the artists are really going to suffer. But I do think that potentially, we're going to have to find new ways to compensate these artists for some of this damage that's being done. But if there's a way to compensate them, then that's possibly going to be the next thing.

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[39:43] HUSEIN: And before we wrap up, we'll do our Ask-Me-Anything segment with May Cheng. As listeners of our show will know, one of the bonus awards we have available for members of our crowdfunding community, is the opportunity to submit questions that they want to hear answered on the show. This can be anything with the guest's area of expertise. We'd normally do a call out a week or so before every recording. So, May, we've got a bunch of very detailed and exciting questions about your area of Brand Protection law. And the first one relates to the concept of a cease-and-desist letter. And the question there is, what are some best practices for lawyers to consider when drafting a cease-and-desist letter to ensure compliance? And, May, before we get into answering the question, can you explain to our listeners, what does this letter even mean?

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[40:26] MAY: So, a cease-and-desist letter is typically something that is sent out, a letter, I would call it, a shot across the bow. It's, I think that you are infringing trademark or copyright, or a patent for that matter, and I'm sending a letter on behalf of a client saying, here's why we think what you're doing is infringing. And we would like you to stop. And we put you on a deadline for response. And we make a bunch of demands about what we would require to achieve compliance. So, for instance, if I'm sending that letter out, on behalf of Hugo Boss, for instance, it might say something along the lines of, "I know you think that it's okay to have this sweatshirt that says 'The Boss' on it. But you've effectively copied the lettering style of Hugo Boss, and we want you to stop and we want you to recall any merchandise, we want you to undertake, that you are not going to sell this again." And it goes on from there.

[41:49] And so some of the critical features would be you want to put a deadline in it, you don't want to send it without prejudice, because it's with prejudice, you're going to rely on that letter in court. I think that's a rookie mistake that a lot of lawyers make, is they put 'without prejudice' on a letter that actually is with prejudice,

[42:09] HUSEIN: Sounds like a reflux before litigation actually begins, right?

[42:12] MAY: Yeah. And so obviously, when you're responding to that letter, you want to write 'without prejudice' on the top. But the party who sends out the cease-and-desist letter wants it to be with prejudice, because they want to be able to show that letter to the court and say, look, we made these demands, this was reasonable. They just ignored us. And they kept doing it. So, they were willfully infringing after this point, so to speak.

[42:40] HUSEIN: Sure. Are there any other tactics that you find are helpful?

[42:44] MAY: So, it's incredibly important to do your homework first. So, one of the things that I think is another terrible mistake by some lawyers sending a cease-and-desist letter is to not find out when the other party, at least do the homework of, when did they start using that mark? And what are they using it with, before you send a letter on behalf of a client, that might be the second comer. And then wow, then it's your client. Well, if you think it's confusingly similar, then your client better stop using because we've been using it first. So, that is a terrible error.

[43:27] And so you need to do your investigative work, you need to gather your evidence ahead of time before you go and send that letter and start basically come in guns blazing, to say that they should stop using a mark when in fact, it's possible that you could both peacefully coexist if you're not selling the same products, or you're in completely different channels of trade or whatever. Or you're the second comer, you're representing the second comer. Because it's first to use that takes the predominant rights. It's not first to file.

[44:15] HUSEIN: Are these cease-and-desist letters helpful in getting a positive result?

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[44:20] MAY: A cease and desist letter is essential, if you're going to file a domain name complaint if you're going to bring a lawsuit, because you need to show that you asserted the rights to begin with and that you met with a refusal. Because if you were just to file a lawsuit without sending a cease-and-desist letter, then you could end up in a situation where the court awards costs to the other side because you didn't even politely ask for them to stop using the mark. And they could say, "Well, we didn't even know about you. So, if we had known, we wouldn't have done this." Well, now you file the lawsuit that has no merit or was completely unnecessary, that sort of thing. So, it is actually a necessary first step.

[45:12] HUSEIN: So, the next question we have is, what are some tactics that businesses can use to ensure that their proposed business names and/or trademarks are available for use and are protectable?

[45:23] MAY: So, the main thing that a business needs to do is to do some searches, to conduct its due diligence and search early and often, make sure that you search common law sources, not just trademarks databases. And search all the jurisdictions that you plan to use the mark in, or at least initially launch the mark in, so that you're not caught unawares. Because companies can invest millions in the branding, the initial launch branding, for instance, for a new beer product, or whatever. And so it's a real mistake to not have conducted those thorough searches from the outset, to know whether or not a mark is already in use with something very similar.

[46:18] HUSEIN: You need a lawyer to do the searches for you or are these things that somebody can do on their own?

[46:23] MAY: So, a lot of marketing companies do these kinds of searches. But honestly, you should use a lawyer, a Trademark Branding lawyer to conduct the searches and give you advice. Because the reality is that, a marketing company might just do what they call a Locate Search, which is just a basic search, not kicking the bushes to see if there are trade names, to see if there are business directories, to see what the uses are on social media or whatever. You need to really shake the bushes a little bit to get the right information.

[47:07] But even then, at the end of the day, there is some risk, because we're in an evolving global market for goods, everything is for sale on the internet without borders. So, there is a limit to what a branding lawyer can do in terms of searches, but you have to at least do that much due diligence. Because it's certainly now open for criticism, or potential liability, if you didn't conduct any searches and then you've launched and then it turned out that you're having a big problem with infringement with another party. That could be on your client.

[47:57] HUSEIN: Our next question is on the flip side of that. So, how can companies or brands meaningfully monitor if individuals are counterfeiting or imitating their trademarks and products, especially given the high volume of content on social media?

[48:12] MAY: Yeah, and that is a challenge. There are watch services available for various brands to use to monitor their marks on the internet and whatnot. There are a bunch of

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different software companies actually that are now offering, watching and monitoring-type services. And then there's also just the good old fashioned detective work. We hire private investigators to go check out flea markets and look for counterfeit goods, even at retail, and we report that back to our client for action.

[49:04] HUSEIN: Are they given the parameters about which ones to look at?

[49:07] MAY: Yeah. We obviously have to be judicious about what markets we look at. The counterfeiting markets tend to be known pretty well. And I can tell you, I have seized counterfeit luxury brand products up at York University in some stalls where the hockey arena is, for instance. Actually, the Niagara Falls casino had a retailer selling hundreds of pairs of counterfeit jeans at one point. So, some of these products, infiltrate legitimate channels. And then like I said, there's the markets that we all know of, in Chinatown, all the various channels throughout the city, where those products tend to proliferate.

[50:19] HUSEIN: Interesting. The last question we have, is a question from me. I was hoping to learn a bit more about how you got into this area. You mentioned in your bio that you've been practicing for a couple of decades, with a very strong focus on this area of Brand Protection law, which is the very specific subset of IP law. So, can you tell us a bit about how you got into this area and what keeps you still engaged?

[50:43] MAY: Articling year. I ended up articling at a large firm, because I really hadn't narrow down where I wanted to work. And like what specific area I wanted to work in. And that led me to working on a bunch of different intellectual property files, just because I happen to work with a lawyer who was in that space and assigned me, as an articling student, some projects. And that lawyer said to me, at the end of my articles, "You actually have a real aptitude for this. You should really consider this area."

[51:25] And I kind of never looked back, because what I've discovered about this area that is just so fun, and interesting, is everything that I do touches on every day, it's always at the forefront of... like, if you think about it, you are looking at over 200 trademarks a day, from the moment you wake up in the morning and grab your Reach toothbrush and your Crest toothpaste, and then you lay your clothes out on the bed and it's your Gap jeans or your Aritzia top, I mean, it's all brands all day long. And so a lot of what I do, it's very topical, sometimes it's in the news.

[52:13] And it's something that ultimately, the fights are about commercial interests, which I find a lot easier to handle than the emotional investment that you have, when you're doing human rights cases, or labor disputes, for instance, and certainly Family Law. And I definitely believe in social justice and I'm a huge fan of cases involving social justice. And part of why I won that FACL award was because I was involved in the head tax. And actually, I was one of the people who was instrumental in launching the action for head tax redress. But the thing is that what I've found is practicing intellectual property law, I can still do that work on my spare time,

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or I can give to donate to causes that are near and dear to me. But I am able to leave work at work, and still be involved in the kind of causes that I like, on my spare time.

[53:33] HUSEIN: So, May, I want to thank you so much for taking time to chat with me and our listeners about these exciting topics. And as you mentioned in your previous response, that a lot of these issues are very topical, given how much we deal with brands sometimes, without even appreciating it. I needed to reach out to you to explain to us the importance of the issues and how they're changing. And we look forward to seeing how these develop and we look forward to staying in touch the future as well. So, thank you so much for your time.

[54:00] MAY: Thank you so much, Husein, for having me. It's been a pleasure.

[54:10] HUSEIN: And that's a wrap for this episode of Lawyered. Thanks for listening. On today's episode our guests was May Cheng. You can learn more about her and her excellent work at her firm's website which is www.dipchand.com. And for more about today's show, and for links to all the cases that we spoke about today, including the bills and legislation, you can find those on our website, which is www.lawyeredpodcast.com.

[54:39] And on our next episode, we'll be speaking about the area of Bail Law with our guest, Trevon David. Trevon is a prominent criminal lawyer in Toronto with a wealth of trial experience. And as you may have heard, there is been plenty of talk in the news lately about bail reform, including a live bill in our federal parliament. And there's also has been new high-profile cases about bail generally including the rights of accused and the right to have a speedy bail hearing. So, we'll go into those issues and other ones in the area of Bail Law. So, this episode is going to be especially timely, so please check that one out as well.

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