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Trademarks in Québec: Draft Regulations Provide a Little More Certainty for Brand Owners

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On January 10, 2024, one and a half years after the Bill 96[1] amendments to the *Charter of the French Language* (Charter) received Royal Assent, the Québec government released draft regulations (Draft Regulations). The Draft Regulations have been highly anticipated. We have written previously about the potential impact of Bill 96 amendments on brand owners who conduct business in Québec. (See previous articles from April 19, 2022, May 27, 2022, and December 12, 2022.) But, until the Draft Regulations were published, many important questions for trademark owners remained unanswered, leaving brand owners uncertain how to practically comply with the amendments by the June 1, 2025 deadline.

Fortunately, *some* questions have been answered by the Draft Regulations, although some uncertainties remain, notably in connection with the requirement to translate to French generic terms/descriptions of products included in a non-French trademark. The most important takeaways in the Draft Regulations are:

- Non-French trademarks can be used on products if they are either registered *or there is a pending application to obtain registration*.
- Non-French generic terms and descriptions of a product that are included in a registered trademark *or a trademark that is the subject of a pending application* must be translated into French, and the French translation must be at least as prominent as the non-French text.
- Products that do not comply with these requirements can still be sold in Québec until **June 1, 2027**, provided they are made before **June 1, 2025**.

Non-French Trademarks on Products

Bill 96 introduced section 51.1 of the Charter. Section 51.1 states:

1. on a “product,” a trademark that is wholly or partially in a language other than French must be registered to avoid translation to French, provided no corresponding French version appears on the Register; and
2. even if a non-French trademark is registered, if it contains “a generic term or a description of the product” those terms/descriptions must appear in French “on the product or on a medium permanently attached to the product.”

The Draft Regulations:

- define a “registered trademark” to include a pending application. This is welcome, and means that trademark owners wishing to use only a non-French trademark will not be prejudiced by delays in examination before the Canadian Intellectual Property Office, as they will not need to wait for a trademark to register to comply with section 51.1;
- clarify that a “product” in section 51.1 includes container or wrapping and any document or object supplied with the product, consistent with the language in section 51;[2] and
- stipulate that generic terms or descriptions of products included in a non-French trademark (registered or the subject of a pending application) may not be given greater prominence or be available on more favourable terms than the French translations required by section 51.1.

The Draft Regulations do not provide any further details on the meaning of “a medium permanently attached to the product.” However, in meetings that stakeholders had with the Québec government, it was explained that “permanency” means the life of a product. Presumably then, for something like a jar of mayonnaise, a hang tag would have sufficient permanency.

Brand owners will also be pleased to see that the Draft Regulations provide a grace period for products that do not comply with section 51.1. Specifically, non-compliant products that are manufactured before June 1, 2025, and where a French version of the trademark is not registered at the date of coming into force of the Draft Regulations, may be distributed, retailed, leased, offered for sale or lease, or otherwise offered on the market in Québec until June 1, 2027.

Regrettably, however, the Draft Regulations give very little guidance on what constitutes a “generic term or description of a product.” The only guidance is that a description refers to one or more words describing the characteristics of a product, and a generic term refers to one or more words describing the nature of a product.

The requirement to translate these terms/descriptions to French has caused brand owners much consternation as the debate about what is generic *versus* distinctive is one that trademark lawyers have frequently, and can be a largely subjective exercise. Nevertheless, brand owners should consider whether their non-French trademarks contain words that would never be capable of registration on their own and translate them to French and should ensure the non-French is not given greater prominence than the French.

Signage

Section 58 of the Charter requires public signs and posters and commercial advertising to be in French. Other languages are permitted to be displayed provided the French is “markedly predominant” to any other

language. The term “markedly predominant” is currently defined in *Regulation defining the scope of the expression “markedly predominant” for the purposes of the Charter of the French language* (Size Regulations): the text in French has a much greater visual impact than the text in the other language.

There was an exception to translation into French on public signs and posters and commercial advertising for “recognized trademarks within the meaning of the Trademarks Act,” unless a French version of the trademark was registered. In other words, trademarks were excluded from the assessment of whether French was markedly predominant on public signs and posters and commercial advertising.

Bill 96 introduced section 58.1 of the Charter. Section 58.1 states that if public signs and posters and commercial advertising are visible from outside premises (Street Visible Signs), a non-French trademark must be registered to avoid translation to French and French must be markedly predominant, making non-French trademarks part of the assessment of whether French was markedly predominant.

The Draft Regulations:

- Specify that Street Visible Signs include those that can be seen from outside a space, closed or not, including on an immovable, a group of immovables or inside a shopping centre, and those on a bollard or other independent structure, including a pylon sign except, in the latter case, where more than two trademarks or enterprise names appear on the public signs and posters.
- Revoke the standalone Size Regulations and recast them into the existing *Regulation respecting the language of commerce and business* (Language Regulation). In short, “markedly predominant” means French text has a much greater visual impact than the text in the other language. To be markedly predominant, the French text in the same visual field as the non-French must be at least twice as large and must be of at least equivalent permanency and legibility.
- Require that a registered non-French trademark on Street Visible Signs must be “accompanied by” terms in French, such as a generic term, a description of the products or services concerned, or a slogan, to ensure that French is still markedly predominant. In other words, a non-French trademark on Street View Signs is now considered in the assessment of whether French is markedly predominant. However, from the language in the Draft Regulations, it is still not clear whether “accompanied by” means the non-French trademark itself must be combined with French text, or whether it is sufficient that it exist among French text.
- The Draft Regulations specify that the markedly predominant analysis does not factor in certain elements, including:
    - the text in French for the business hours, telephone numbers, addresses, numbers, and percentages;
    - a family name or a place name, where permitted to be in a language other than French; and
    - a non-French trademark on public signs and posters and commercial advertising that are not Street View Signs (as discussed above).
- Unfortunately, for section 58.1, the Draft Regulations do not define “registered trademark” as

including pending applications as they do for section 51.1. We hope this is an oversight in the drafting that will be clarified during and following the consultation on the Draft Regulations.

Websites and Social Media

Section 52 of the Charter requires catalogues, brochures, folders, commercial directories, order forms and any other documents of the same nature that are available to the public to be in French and on terms that are at least as favourable as the version in any other language. The Draft Regulations confirm what the Office québécois de la langue française has long held namely, that information published on websites or posted on social media subject to these obligations.

Coming Into Force and Next Steps

The Draft Regulations are open for a 45-day consultation period. Subject to any changes arising from the consultations, the Draft Regulations are scheduled to come into force on June 1, 2025. This is the same date that sections 51.1 and 58.1 of the Charter come into force.

The Draft Regulations will make compliance with the amended Charter somewhat easier for trademark owners and provide some clarity on the application of the terms of Bill 96. Among other things, brand owners should continue to identify and apply to register any non-French trademarks they intend to use in Québec.

Cassels brand management team remains available to help brand owners navigate their obligations under the new amendments to the Charter, and are happy to assist brands in making submissions on the Draft Regulations during the consultation period.

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[1] *An Act respecting French, the official and common language of Québec.*

[2] Some commentators had suggested that the reference to "products" in section 51.1 was intentional and that packaging and wrapping were to be excluded. This was a curious interpretation for two reasons. One, the *Regulations respecting the language of commerce and business* to the Charter state: *"…unless the context indicates otherwise, any provision applicable to an inscription on a product also applies, with the necessary modifications, to an inscription on its container or wrapping…."*. Two, section 3 of these same regulations has broad exceptions to translation of inscriptions on products where "the product is from outside Québec and the inscription is engraved, baked or inlaid in the product itself, riveted or welded to it or embossed on it, in a permanent manner."

This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.