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REVUE DE DROIT D'OTTAWA
OTTAWA LAW REVIEW

To Use, or Not to Use: Re-Evaluating the Definition of Trademark "Use" in Depreciation of Goodwill Through the Lens of Parody Marks

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PUBLIÉ EN LIGNE | PUBLISHED ONLINE	VOLUME	NO	PAGES
Mai 2026 | May 2026	57	1	47–80

CITATION RECOMMANDÉE · RECOMMENDED CITATION

FRANÇAIS

Emily Chu, « To Use, or Not to Use: Re-Evaluating the Definition of Trademark 'Use' in Depreciation of Goodwill Through the Lens of Parody Marks » (2026) 57:1 RD Ottawa 47.

ENGLISH

Emily Chu, "To Use, or Not to Use: Re-Evaluating the Definition of Trademark 'Use' in Depreciation of Goodwill Through the Lens of Parody Marks" (2026) 57:1 Ottawa L Rev 47.

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ÉTABLIE EN · EST. 1966

UNIVERSITÉ D'OTTAWA
FACULTÉ DE DROIT
SECTION DE COMMON LAW

UNIVERSITY OF OTTAWA
FACULTY OF LAW
COMMON LAW SECTION

ARTICLE

To Use, or Not to Use: Re-Evaluating the Definition of Trademark “Use” in Depreciation of Goodwill Through the Lens of Parody Marks

Emily Chu

SECTION 22 OF the *Trademarks Act* protects against the depreciation of goodwill caused by third-party use of a registered trademark. This “registered” requirement limited the actionability of depreciation until 2006, when Justice Binnie loosened “use” to include “sufficiently similar” marks. The ramifications of this decision are most evident in parody case law, where defendants copy key features of but inherently do not use plaintiffs’ marks as registered. The broadened definition, though beneficial in certain instances, has also captured fair, non-commercial parodies that promote freedom of expression. More recently, Justice Fuhrer extended “use” beyond trademarks to mere descriptions that “evoke” a mark, raising the question of how far courts can extend “use” before section 22 intrudes on competing policy considerations. Parliament should modify the language of sections 4 and 22 of the *Trademarks Act* to clarify the commercial uses that depreciate the goodwill of a mark. Courts should revert to a modified “recognition” test, assessing recognition, use, and fair use in discrete steps. Either recommendation would capture truly depreciating uses while allowing room for fair uses under the *Trademarks Act*.

L’ARTICLE 22 DE la *Loi sur les marques de commerce* protège contre la dépréciation de l’achalandage causée par l’usage, par un tiers, d’une marque de commerce déposée. Cette exigence d’«enregistrement» a limité la portée du recours, jusqu’à ce que le juge Binnie assouplisse la notion d’«usage» afin d’y inclure les marques «suffisamment similaires». Les effets se manifestent surtout dans la jurisprudence relative à la parodie, où les défendeurs reprennent des éléments distinctifs d’une marque sans toutefois l’utiliser telle qu’elle est déposée. Si cette définition élargie s’avère bénéfique dans certains cas, elle a également englobé des parodies équitables et non commerciales qui favorisent la liberté d’expression. Plus récemment, la juge Fuhrer a étendu la notion d’«usage» à de simples descriptions qui «évoquent» une marque, soulevant ainsi la question de savoir jusqu’où les tribunaux peuvent étendre cette notion avant que l’article 22 n’empiète sur des considérations de politique concurrentes. Le Parlement devrait donc modifier les articles 4 et 22 afin de préciser les usages commerciaux qui déprécient l’achalandage d’une marque. Les tribunaux devraient aussi revenir à un critère de «reconnaissance» modifié, examinant distinctement la reconnaissance, l’usage, et l’usage équitable. Chaque recommandation permettrait de cibler les cas de véritable dépréciation et laisserait une marge de tolérance pour les utilisations loyales au titre de la loi sur les marques.

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To Use, or Not to Use: Re-Evaluating the Definition of Trademark "Use" in Depreciation of Goodwill Through the Lens of Parody Marks

Emily Chu[*]

I. INTRODUCTION

Over the past 70 years, Canadian courts have broadened the scope of depreciation of goodwill to capture fair uses that lie beyond the purpose of the *Trademarks Act*.[1] This development is partly due to the broader definition of "use" that courts have applied in assessing section 22.[2] Prior to the Supreme Court of Canada's decision in *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*,[3] courts limited depreciation to the use of another's mark as registered, congruent with the written words of section 22.[4] While this "registered" use requirement appropriately circumscribed the ambit of section 22—trademark owners cannot have a monopoly over everything related to their mark—it also prevented trademark owners from recovering under the *Trademarks Act* when they had no recourse otherwise. For this reason, and to better interpret section 22 in light of its "remedial purpose", Justice Binnie reinterpreted the meaning of "use" in *Veuve Clicquot*

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1 RSC 1985, c T-13.

2 *Ibid*, s 22(1).

3 2006 SCC 23 [*Veuve Clicquot*].

4 See e.g. *Clairol International Corp et al v Thomas Supply and Equipment Co et al*, 1968 CanLII 1280 at 570 (Ex Can) [*Clairol*].

to include uses of a mark that a casual observer would "recognize" as the registered owner's mark.[5]

However, this broader definition of use has prompted a threefold increase in litigation under section 22, as plaintiffs increasingly argue depreciation of goodwill as a ground for their trademark claims.[6] Few of these post-*Veuve Clicquot* cases deal with the use of another's registered mark; in fact, in a recent section 22 decision, the Federal Court of Canada expanded use to include descriptions that "evoke" a registered mark.[7] Some of these cases capture fair uses—nominative or descriptive uses that promote consumer protection and fair competition—and uses beyond a trademark owner's registration.[8] The Trade Mark Law Revision Committee had only intended for section 22 to promote the "honest and healthy use of trademarks".[9] Without limits, though, section 22 becomes the "super weapon" Justice Binnie warned against in *Veuve Clicquot*, allowing plaintiffs to recover for any use related to their marks.[10] What, then, is the reasonable limit of use that allows trademark owners to recover for actual depreciating uses, while still respecting the *Trademarks Act*'s purpose as consumer protection and fair trade legislation?

This paper argues that the limit is most evident through the lens of parody marks—marks that inherently do not use another's trademark "as registered". Such marks would not contravene the words of section 22, but trademark owners should have recourse under the *Trademarks Act* when a parody mark crosses into commercial use. This paper begins in Part II by summarizing the three tests for "use" that courts have developed under section 22, before turning to the definition of parody marks in Part III. In Part IV, it examines how courts have addressed parody marks pre- and post-*Veuve Clicquot*, before providing two recommendations in Part V that would reconcile section 22 with the purpose of the *Trademarks Act* and

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5 *Veuve Clicquot*, *supra* note 3 at para 48.

6 There were only ten pre-*Veuve Clicquot* cases over the span of 53 years, compared to the 34 post-*Veuve Clicquot* over 19 years.

7 *Energizer Brands, LLC v Gillette Company*, 2023 FC 804 at para 148 [*Energizer*].

8 *Lanham Act*, 15 USC § 1125(c)(3)(A)(i) (1946). See e.g. *United Airlines, Inc v Cooperstock*, 2017 FC 616 [*United*].

9 Trade Mark Law Revision Committee, *Report of Trade Mark Law Revision Committee to the Secretary of State of Canada* (Ottawa: Queen's Printer, 1953), reprinted in Harold G Fox, *The Canadian Law of Trade Marks and Unfair Competition*, 2nd ed (Toronto: The Carswell Company Limited Law Book Publishers, 1956) at 1167. See also Daniel R Bereskin, "*Clairol* Revisited: Trademark Rights v Freedom of Expression and Competition in Canada" (2020) 110:5 Trademark Reporter 809 at 816.

10 *Veuve Clicquot*, *supra* note 3 at para 45.

the broader policy considerations of fair use and freedom of expression. First, Parliament should amend sections 4 and 22 of the *Trademarks Act* to delineate the scope of use, in line with other jurisdictions and Canada's *Copyright Act*.[11] Second, courts should revert to a modified *Veuve Clicquot* test, with a three-step use analysis. This paper concludes by showing that, under either recommendation and for both parody and non-parody marks, section 22 would capture only truly depreciating uses and not fair uses, a necessary step forward for section 22 case law.

II. THE THREE DEFINITIONS OF "USE" IN DEPRECIATION OF GOODWILL

As written, section 22 confers a narrow ambit of protection to trademark owners: "[n]o person shall use a trademark *registered by another person* in a manner that is likely to have the effect of depreciating the value of the goodwill attaching thereto."[12] Though the Trade Mark Law Revision Committee intended for this section to "[widen] the net of infringement" and capture wrongs outside of infringement and passing off, the words of section 22 still require the use of a registered trademark, as with infringement under sections 19 and 21 of the *Trademarks Act*.[13] The Committee likely chose such a restrictive definition because it was alive to the competing policy consideration of fair competition, introducing depreciation of goodwill to promote the "honest and healthy use of trademarks".[14] A trademark should not provide a monopoly to a trademark owner, and a broader definition of use could protect trademark owners beyond the scope of the *Trademarks Act*.

The correct definition of "use" is thus a conundrum for courts. Courts initially only considered whether an alleged infringer used a mark identical to the trademark owner's registered mark because section 22 contemplates only the use of a "trademark registered by another".[15] However, this

11 *Copyright Act*, RSC 1985, c C-42, s 29; *Lanham Act*, *supra* note 8, § 1125(c); EU, *Directive 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the member states relating to trademarks*, [2015] OJ, L 336/1, art 10(2)(c) [*Trade Marks Directive*].

12 *Trademarks Act*, *supra* note 1, s 22(1) [emphasis added].

13 Trade Mark Law Revision Committee, *supra* note 9 at 1166–67; *ibid*, ss 19–21.

14 Trade Mark Law Revision Committee, *supra* note 9 at 1167. Notably, no other jurisdiction requires registered use (see e.g. *Lanham Act*, *supra* note 8, § 1125(c)(2)(B)(i); *Trade Marks Directive*, *supra* note 11, art 10(2)(c)).

15 *Trademarks Act*, *supra* note 1, s 22(1); *Clairol*, *supra* note 4 at 570.

"registered" use means an infringer could theoretically escape section 22 by modifying a registered mark. As such, courts have since expanded use to include the use of a mark that consumers would "recognize" as a registered mark and, most recently, to use that "evokes" a registered mark.[16] While the latter two definitions allow section 22 to fulfil its remedial purpose better, both can capture fair trademark uses beyond the scope of the *Trademarks Act*.

A. *Clairol* and Justice Thurlow's "Registered" Definition

In the first case to consider "use" under section 22, *Clairol International v Thomas Supply and Equipment*, Justice Thurlow limited section 22 "use" to a use identical to a registered mark.[17] Clairol, as plaintiff, had argued that Revlon's use of the "Clairol" mark on colour comparison charts weakened the strength of the "Clairol" mark.[18] This chart appeared in brochures distributed across Canada and on the hair dye packaging itself, although Revlon clearly indicated it was not the plaintiff's product.[19]

Looking at the *Trademarks Act* as a whole, Justice Thurlow found that the verb "use" under section 22 must carry the same meaning as the noun "use" under section 2, and thus must mean "deemed use" in association with goods or services under section 4.[20] Justice Thurlow provided an example of a modified section 22 in the context of the defendant's use of the "Clairol" mark on its packages:

> No person shall use in association with wares within the meaning of section 4 a mark that is used by another person for the purpose of distinguishing or so as to distinguish wares manufactured etc. by him from those manufactured etc. by others and which mark has been *registered by him as his trademark*, in a manner likely to depreciate the value of the goodwill attaching thereto.[21]

Justice Thurlow also considered whether use should include "deception", but concluded that it should not because deception goes beyond the scope of section 22's express words; depreciation can "result without deception

16 *Veuve Clicquot*, *supra* note 3 at para 48; *Energizer*, *supra* note 7 at para 148.

17 *Supra* note 4 at 570.

18 *Ibid* at 554–56.

19 *Ibid* ("the marks Revlon and COLORSILK appeared prominently on the top and bottom and on all four sides but on one" at 555).

20 *Ibid* at 570.

21 *Ibid* [emphasis added].

being present."[22] The test for use is thus an objective finding of fact based on the defendant's actions.

By reading section 4 into section 22, Justice Thurlow further narrowed the scope of section 22 beyond the "registered" mark requirement. Not only does an infringer have to use another's registered mark, but they must also use the mark on their goods or packages in their performance or advertising of services.[23] This limitation to a subset of commercial uses aligns with the purpose of the *Trademarks Act*, allowing trademark owners to ensure the quality of their goods or services by enabling consumers to identify the origin of the goods or services.[24] Extending section 22 beyond this purpose by disregarding section 4 would be inconsistent with the *Trademarks Act*.

However, and as Justice Thurlow himself noted, section 4 distinguishes use in association with goods from use in association with services, introducing a seemingly arbitrary qualifier to the kind of use that is capable of depreciating a mark's goodwill based on a defendant's activities.[25] In *Clairol*, this distinction meant the defendant's use of the "Clairol" mark on its packaging fell within the scope of section 22, but not its use on its brochures—even though both uses essentially amounted to the same kind of comparative advertising.[26] Though subsequent courts have expressed discomfort with this "bizarre" idea that the same trademark use can result in a different conclusion based on section 4 particularities, no court has overruled or omitted it from the section 22 analysis.[27]

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22 *Ibid* at 569.

23 *Trademarks Act*, *supra* note 1, ss 4(1)–(2).

24 *Ibid*, s 2. See also Trade Mark Law Revision Committee, *supra* note 9 at 1155; Teresa Scassa, *Canadian Trademark Law*, 2nd ed (Toronto: LexisNexis Canada, 2015) at §§ 6.66, 6.79 [Scassa, *Canadian Trademark Law*]; *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22 at para 2 [*Mattel*]; *Compagnie Générale des Établissements Michelin—Michelin & CIE v National Automobile, Aerospace, Transport and General Workers Union of Canada (CAW-Canada)*, 1996 CarswellNat 2297 at para 22, 1996 CanLII 11755 (FC) [*Michelin*].

25 *Clairol*, *supra* note 4 at 564–65.

26 *Ibid* at 570. Arguably, Justice Thurlow erred in holding that the defendant's use on its packaging fell within the scope of section 22, given that the defendant did not use the "Clairol" mark as a source indicator of its goods. Scholars have noted that such comparative advertising is not trademark "use" (see e.g. *Scassa*, *Canadian Trademark Law*, *supra* note 24, § 6.66). However, as written, section 4 does not distinguish between use as a source indicator and mere use on packaging (see *Trademarks Act*, *supra* note 1, s 4(1)). Though this paper suggests modifications to section 4 that remedy this issue, the question of whether comparative advertising is trademark use is outside the scope of this paper.

27 *Eye Masters Ltd v Ross King Holdings Ltd*, 1992 CanLII 14770 at 630 (FC) [*Eye Masters*]. See also *Future Shop Ltd v A & B Sound Ltd*, 1994 CanLII 1068 at 9–10 (BCSC) [*Future Shop*]. While Justice Binnie included section 4 in his recognition test, he did not cite Justice Thurlow's analysis (see *Veuve Clicquot*, *supra* note 3 at para 47).

B. *Veuve Clicquot* and Justice Binnie's "Recognition" Definition

In the seminal section 22 case, *Veuve Clicquot*, Justice Binnie broadened the definition of use beyond the statutory text and the analysis of Justice Thurlow *Clairol* by extending it from the use of a registered mark to the use of a mark that consumers would "recognize" as the registered mark.[28] The plaintiff, Veuve Clicquot, had brought a section 22 action against the defendant Boutique Cliquot, claiming the misspelled "Cliquot" still conveyed the idea of "Veuve Clicquot" and thus depreciated the goodwill of the Veuve Clicquot mark.[29] While Justice Binnie ultimately held that the infringer had not used the Veuve Clicquot mark, he agreed that a misspelling could satisfy use so long as a casual observer could "recognize" the infringer's mark as the trademark owner's.[30] His example of "Kleenex" and "Klenex" illustrates the required level of similarity—Kleenex is a household name, and the purchasing public would recognize Klenex as Kleenex because it copies the mark's distinguishing feature.[31]

By expanding the definition of use, Justice Binnie recognized that the restrictive "registered" requirement prevented section 22 from fulfilling its remedial purpose, as the Trade Marks Law Revision Committee intended.[32] Given the rise of advertising, trademarks function today as a form of communication between a company and its customers, where trademarks allow companies to convey a complex "brand" more easily.[33] Depreciation of goodwill, which protects trademarks from "contempt or disrepute in the public mind," should thus be read to encompass the modern functions that trademarks serve.[34]

Justice Binnie was likely also influenced by the fact that other jurisdictions do not require the use of another's mark as registered. The International Trademark Association, an intervener in *Veuve Clicquot*, had raised American and European Union dilution concepts in its factum—both

28 *Veuve Clicquot*, *supra* note 3 at para 48.

29 *Ibid*.

30 *Ibid* at paras 48–49.

31 *Ibid* at para 49.

32 *Ibid* at para 48; Trade Mark Law Revision Committee, *supra* note 9 at 1166–67.

33 Teresa Scassa, "Trademarks Worth a Thousand Words: Freedom of Expression and the Use of the Trademarks of Others" (2012) 53:4 C de D 877 at 880–86 [Scassa, "Thousand Words"]. See also Daniel R Bereskin, "Balancing Freedom of Expression, Copyright, and Trademark Rights: Art or Science?" (2023) 35:2 IPJ 141 at 143 [Bereskin, "Balancing Freedom"].

34 Trade Mark Law Revision Committee, *supra* note 9 at 1166–67.

jurisdictions require only the use of a similar mark.[35] Justice Binnie imported some of these concepts directly into the decision, including the idea that recognition is satisfied when a defendant's use conjures up a "link" in the consumer's mind to the registered mark.[36] Justice Binnie quoted this proposition from Professor McCarthy's textbook on the American dilution remedy, which "presumes *some kind of mental association* in the reasonable buyer's mind between the two party's uses of the mark."[37]

However, in importing mental association, Justice Binnie overlooked that the American statute contains protections for trademark users beyond the requirement of a "famous" mark, such as carveouts for comparative advertising, parody, and *any* non-commercial use.[38] Though fair use was not at issue in *Veuve Clicquot*, Justice Binnie should have exercised caution in applying the broadest wording from the dilution statute without considering any of its express limits. He added further confusion to the section 22 analysis by requiring courts to reconsider mental association in a separate step—the "linkage" made by consumers between the mark's goodwill and the defendant's use.[39] In what way is this different from the "link" required to make out recognition? No court has thus far addressed these issues.

C. *Energizer* and Justice Fuhrer's "Evocation" Definition

Justice Fuhrer took the "recognition" test several steps further in *Energizer Brands, LLC v Gillette Company*, holding that use can include descriptions that "evoke" a registered mark.[40] Energizer, as plaintiff, had argued that Duracell's use of the phrase "the bunny brand" on its packaging

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35 *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23 (Factum, The International Trademark Association at paras 46–54) [*Veuve Clicquot*, INTA Factum]. The *Lanham Act* only requires a "degree of similarity" between the infringer's mark and the trademark owner's mark, and the *Trade Marks Directive* similarly protects against any similar signs to the trademark owner's mark (see *Lanham Act*, *supra* note 8, § 1125(c)(2)(B)(i); *Trade Marks Directive*, *supra* note 11, art 10(2)(c)).

36 *Veuve Clicquot*, *supra* note 3 at para 49. Justice Binnie's "Kleenex" and "Klenex" example also likely originated from the INTA factum, as it mirrors the factum's "Cadilac" and "Cadillac" example exactly (see *Veuve Clicquot*, INTA Factum, *supra* note 35 at para 57).

37 *Veuve Clicquot*, *supra* note 3 at para 49, citing J Thomas McCarthy, *Trademarks and Unfair Competition*, 2nd ed, vol 2 (Rochester, NY: Lawyers Co-Operative Publishing Co, 1984) at 213–14 [emphasis in original].

38 *Veuve Clicquot*, *supra* note 3 at para 53; *Lanham Act*, *supra* note 8, § 1125(c)(3). For example, Victoria's Secret's dilution claim failed against the use of "Victor's Little Secret" in association with lingerie (see *Moseley v V Secret Catalogue, Inc*, 537 US 418 (2003)).

39 *Veuve Clicquot*, *supra* note 3 at para 56.

40 *Supra* note 7 at para 148.

contravened section 22.[41] Though the defendant pointed out that it had not used any mark at all and merely had described the plaintiff's mark, Justice Fuhrer found that requiring the use of a mark would construe section 22 "too narrowly."[42] Since the phrase "the bunny brand" evoked the image of the plaintiff's "iconic" spokes-character, it created a link in the consumer's mind—a "shortcut to get the consumer where [the defendant] wanted the consumer to go in terms of the comparative advertising"—and thus satisfied the use requirement under section 22.[43]

To add further confusion to this "evocation" definition of use, Justice Fuhrer ultimately failed the plaintiff's section 22 claim on linkage.[44] A consumer would have to take too many "extra mental step or steps" when faced with "the bunny brand," in contrast with a direct trademark—the consumer would first have to see the words written in fine print on the defendant's packaging, before thinking of the Energizer bunny, before remembering the word "Energizer" on the Energizer bunny's drum.[45] But how could the defendant's use of "the bunny brand" evoke the necessary link to the "Energizer" mark under use, yet fail to create a link to the "Energizer" mark's goodwill under linkage? Justice Fuhrer's analysis would suggest that evocation does not satisfy use under section 22. However, her evocation definition allows future courts to reach this conclusion.

This "evocation" definition is problematic, not just because it creates a vague standard for courts to assess use, but also because it expands the scope of section 22 beyond trademarks by allowing a non-mark to satisfy use. However, the use of a mark *must* ground section 22. While Justice Binnie disposed of the "registered" mark requirement, courts have still only considered section 22 with the use of a mark—the *Trademarks Act* only protects trademarks.[46] Further, even if the plaintiff had trademarked "the bunny brand," the defendant did not use "the bunny brand" to distinguish the *source* of its goods, and thus did not use it as a trademark within the

41 *Ibid*.

42 *Ibid*.

43 *Ibid* at paras 148–50.

44 *Ibid* at para 156.

45 *Ibid*.

46 See e.g. *Veuve Clicquot*, *supra* note 3 at para 48. Some cases have dealt with *trademarked* slogans—emphasis on trademarked (see *Sleep Country Canada Inc v Sears Canada Inc*, 2017 FC 148; *Quality Program Services Inc v Canada*, 2018 FC 971). One court assessed whether the use of the phrase "member perks include" could infringe on the "MEMBERPERKS" mark, but concluded that it could not because the defendant used "member perks" in its common English meaning (see *Venngo Inc v Concierge Connection Inc* (*Perkopolis*), 2017 FCA 96).

meaning of section 2 of the *Trademarks Act*.[47] Even if the defendant used "the bunny brand" in a commercial context, it did not use "the bunny brand" as a mark, and thus should not have infringed section 22.

The decision of Justice Fuhrer in *Energizer* highlights the flaw of section 4: it requires courts to read in the definition of a trademark under section 2. Courts have done so in the past, but inconsistently.[48] Decisions such as that of Justice Fuhrer, or even that of Justice Thurlow in *Clairol*, expose fair uses to section 22 liability by overlooking the commercial use of a mark as a source indicator. Phrases like "the bunny brand" should not fall within section 22, even if they depreciate a mark's goodwill, because such *expressions* are not *trademarks*. This distinction is critical because people should be free to use expressions without fear of a trademark action. For this reason, American dilution law is expressly limited by freedom of speech protections.[49] While Canada provides no broad right to freedom of speech, section 2(b) of the *Charter* applies to the *Trademarks Act*, and the *Trademarks Act* must therefore be interpreted and applied with freedom of expression in mind.[50]

III. THE INHERENT LACK OF "USE" ISSUE WITH PARODY MARKS

Parody marks best exemplify the conflict between adhering to the written words and providing a more remedial interpretation of section 22. A parody mark inherently does not "use" another mark as registered, as it only copies the key features from the registered mark.[51] Even if such a mark depreciated the registered mark's goodwill, it would evade infringement under the written words of section 22. A more expansive "recognition" definition of use is thus necessary to capture depreciating parody marks within the *Trademarks Act*.

However, there is a distinction to be drawn between a "true" parody mark that courts should protect as valuable expression and a depreciating "rip-off" mark that courts should capture under section 22. A true parodist does not use a parody mark as a trademark to indicate the source of any

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47 *Supra* note 1, s 2. See also *Michelin*, *supra* note 24 at para 69.

48 See e.g. *Michelin*, *supra* note 24 at para 25; *Energizer*, *supra* note 7 at para 148.

49 *Lanham Act*, supra note 8, § 1125(c)(3).

50 *Canadian Charter of Rights and Freedoms*, s 2(b), Part I of the *Constitution Act, 1982*, being Schedule B to the *Canada Act 1982* (UK), 1982, c 11 [*Charter*]. See also Scassa, "Thousand Words", *supra* note 33 at 884.

51 As an example where the defendant parodied the "United" mark to convey their frustrations with the plaintiff's business, see *United*, *supra* note 8. See also Subsections IV-A-1, IV-A-3, and IV-B-1, *below*.

goods or services; rather, they parody a registered mark to convey a satirical, humorous, or critical message about the registered trademark owner.[52] A true parody mark is thus more appropriately characterized as a non-commercial expression, as a shortcut to communicating with consumers in the marketplace—in essence, a fair trademark use and protected section 2(b) speech under the *Charter*.[53] On the other hand, a rip-off mark copies the key features of a registered mark to use as a designation of source for the copycat's *own* goods or services, commercially benefitting from the registered mark's goodwill and consumer recognition.[54] Since rip-off marks are not "honest and healthy" trademark uses, courts should capture such infringements under section 22.[55]

This definition mirrors the analysis undertaken by the United States Supreme Court in the recent *Jack Daniel's Properties, Inc v VIP Products LLC* case, where the Court held that commercial parodies cannot fall within the statutory fair use exception.[56] Since the statutory purpose of a trademark is to indicate the source of a good or service on the market, a parody mark cannot fall under any exclusion to the *Lanham Act* if it is used as a trademark to indicate the source of goods or services.[57] Regardless of a person's First Amendment right to freedom of speech, it would be a "cardinal sin under the law" to undermine the purpose of a trademark.[58]

Canadian courts should follow this same analysis in assessing parody marks under section 22 because the *Trademarks Act* similarly defines a trademark[59] as a source indicator—notwithstanding the fact that the *Trademarks Act* defines neither fair use nor parody, and that Canadian courts assessing parody under the *Copyright Act* have expressly declined to follow

52 Bryan A Garner, *Black's Law Dictionary*, 11th ed (St.Paul: Thomson Reuters, 2019) sub verbo "parody". See also *Jack Daniel's Properties, Inc v VIP Products LLC*, 599 US 140 (2023) [*Jack Daniel's*].

53 Scassa, "Thousand Words", *supra* note 33 at 885–87, citing *Michelin*, *supra* note 24 at para 75; *R v Guignard*, 2002 SCC 14 at para 23 [*Guignard*]

54 As an example where the defendant copied the plaintiff's "Jack Daniel's" mark to sell its own dog toys, see *Jack Daniel's*, *supra* note 52. See also Subsections IV-A-1 and IV-B-2, *below*.

55 Trade Mark Law Revision Committee, *supra* note 9 at 1166–67.

56 *Supra* note 52 at 145.

57 *Ibid* at 155–57.

58 *Ibid* at 157.

59 *Trademarks Act*, *supra* note 1, s 2; *Lanham Act*, *supra* note 8, § 1127.

the American fair use doctrine.[60] Yet, Canadian courts have not considered "true" parody as a defence, much less distinguished between a true parody mark and a rip-off.[61] If parodists inherently do not use a registered mark but merely use its recognizable features, then the "recognition" definition of use would capture all parody marks under section 22, even true parodies. Courts must rectify this flaw in section 22 case law, or section 22 would extend beyond the scope of the *Trademarks Act*; as evidenced by the state of Canadian parody case law, section 22 already captures fair uses.

IV. PARODY MARK CASE LAW PRE- AND POST-*VEUVE CLICQUOT*

Both pre- and post-*Veuve Clicquot* case law dealt with the two kinds of parodies, the true parody marks and the rip-offs. Even though "registered" use was a pre-*Veuve Clicquot* requirement, earlier courts sidestepped the registered use requirement by focusing on section 4. Post-*Veuve Clicquot*, courts performed only a cursory use analysis—any parody mark, viewed with the parodied mark, would pass Justice Binnie's "recognition" test.[62] In looking at the section 22 parody mark jurisprudence as a whole, two conclusions become evident: courts must apply the broader "recognition" definition of use to capture rip-offs under section 22, and the commercial use as a trademark is the dividing factor between a true parody and an infringing rip-off. However, courts have ultimately struggled with the latter, given the unclear wording of section 4 in the *Trademarks Act*, leading to contradictory jurisprudence.

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60 Contrary to what may be the logical inference, this paper does not recommend that courts look to the *Copyright Act* and Canadian copyright parody case law for the interpretation of parody in Canadian trademark case law, as it does not apply directly. For example, Canadian courts have only considered humorous or satirical parodies as protected under the fair dealing defence in copyright law, but have not extended that protection to critical parodies, because Canada adopted the British statutory definition of parody, which omits critical parodies (see *Michelin*, *supra* note 24 at paras 61–62; *United*, *supra* note 8 at para 113). This analysis may hold up for copyright law. However, it should not hold up in a section 22 analysis because a critical parody mark that does not indicate the source of goods or services is not a trademark and thus should not contravene the *Trademarks Act* (see also Part V, *below*).

61 See e.g. *United*, *supra* note 8 at paras 53–55.

62 *Toys "R" Us (Canada) Ltd v Herbs "R" Us Wellness Society*, 2020 FC 682 at paras 53–55 [*Toys "R" Us*]; *Subway IP LLC v Budway, Cannabis & Wellness Store*, 2021 FC 583 at paras 38–39 [*Subway*].

A. Pre-*Veuve Clicquot*

Every section 22 case prior to *Veuve Clicquot* dealt with the use of another's registered mark except for the three parody cases: *Source Perrier*,[63] *Michelin*,[64] and *BCAA*.[65] None of the three addressed "registered" use, perhaps an early sign of its restrictiveness. However, the Courts in *Michelin* and *BCAA* relied on section 4 to find that the defendants did not breach section 22—neither of the defendants commercially profited from nor used the parody as a trademark in association with goods and services.[66] Though the Court in *Source Perrier* omitted a section 4 or use analysis, it seems that the defendant's "profit" motive is why the Court had found in the trademark owner's favour.[67]

1. *Source Perrier*

In *Source Perrier v Fira-Less Marketing Co Ltd*, Justice Dubé allowed the plaintiff's interlocutory injunction against the defendant's rip-off mark.[68] The plaintiff owned the trademark for its "Perrier" name, green bottle, and "distinctive typeface" in relation to its $1 sparkling water.[69] The defendant sold tap water in a green bottle with a "substantially identical" label and typeface under the name "Pierre Eh!" for $4.95 as a humorous comment on the federal administration and Prime Minister at that time.[70] The defendant argued that the "Pierre Eh!" bottles did not depreciate Perrier's mark's goodwill, since "Pierre Eh!" was marketed as a "humorous political spoof or satire" rather than in competition with Perrier.[71] However, Justice Dubé held that this intention did not detract from the "deception created in the minds of the customers" and was a clear attempt to "cash in on the well-established reputation of Perrier," thereby injuring Perrier's goodwill.[72]

In reaching this conclusion, Justice Dubé followed a flawed analysis—not just because he conflated Perrier's goodwill with its mark's goodwill, but also because he ignored Justice Thurlow's discourse on both use

63 *Source Perrier v Fira-Less Marketing Co Ltd*, 1983 CanLII 4971 (FC) [*Source Perrier*].
64 *Supra* note 24.
65 *BCAA et al v Office and Professional Employees' Int Union et al*, 2001 BCSC 156 [*BCAA*].
66 *Michelin*, *supra* note 24; *BCCA*, *supra* note 65.
67 *Supra* note 63.
68 *Ibid* at 26.
69 *Ibid* at 20.
70 *Ibid* at 20–21.
71 *Ibid* at 21.
72 *Ibid* at 23.

and section 4 in *Clairol*.[73] Had Justice Dubé followed *Clairol*, he should have found that the defendant did not use the "Perrier" mark as registered and thus did not engage section 22; even though the defendant's use would have satisfied Justice Binnie's "recognition" test, it did not pass the then-current "registered" test. Rather than providing an alternative to Justice Thurlow's section 22 analysis, though, Justice Dubé considered whether parody was a defence to depreciation.

On parody as a defence, the defendant had argued that the Court must balance the plaintiff's trademark rights with the defendant's right to freedom of expression under section 2(b) of the *Charter*.[74] Justice Dubé relied on three American cases to reject this proposition, famously holding that even the "most liberal interpretation of 'freedom of expression' does not embrace the freedom to depreciate the goodwill of registered trade-marks".[75] However, Justice Dubé overlooked that all three American cases upheld parodies as a protected expression. Two of the courts found in favour of the trademark owners only because the parodies engaged in acts—pornography and drugs—that were fundamentally inconsistent with and thus disparaging to the trademark owners.[76] The third found in favour of the parodist, despite its harmful imagery, because the parody was so distinct from the trademark's goodwill that it would not cause any harm.[77] That the defendant created a spoof should not have been the end of the depreciation of goodwill assessment by Justice Dubé.[78]

Notably, the ultimate conclusion of Justice Dubé, though flawed, may not have been entirely incorrect. The defendant's parody and freedom of expression argument contradict the ultimate nature of his actions: the

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73 *Ibid* at 26; Justice Dubé only cited *Clairol* for the idea that depreciation "might result without deception" (*ibid* at 23, citing *Clairol*, *supra* note 4 at 569).

74 *Ibid* at 25.

75 *Ibid* at 26.

76 *Coca-Cola Co v Gemini Rising, Inc*, 346 F Supp 1183 (NY Dist Ct 1972) [*Coca-Cola*] ("[t]o associate such a noxious substance as cocaine with plaintiff's wholesome beverage as symbolized by its 'Coca-Cola' trademark and format would clearly have a tendency to impugn that product and injure plaintiff's business reputation" at 1189); *Dallas Cowboys Cheerleaders, Inc v Pussycat Cinema, Ltd*, 604 F (2d) 200 (2nd Cir 1979) [*Dallas Cowboys*] ("it is hard to believe that anyone who had seen defendants' sexually depraved film could ever thereafter disassociate it from plaintiff's cheerleaders" at 205).

77 *Girl Scouts of the United States of America v Personality Posters Mfg Co*, 304 F Supp 1228 (NY Dist Ct 1969) [*Girl Scouts*] ("the reputation of the plaintiff is so secure against the wry assault of the defendant that no such damage has been demonstrated" at 1235–36).

78 Bereskin states that Justice Dubé's reasoning may not be followed now, given the subsequent Supreme Court of Canada cases on freedom of expression (see Bereskin, "Balancing Freedom", *supra* note 33 at 161).

defendant sold a product at a profit by benefitting from the goodwill of the plaintiff's mark—the exact kind of unfair competition and free-riding that section 22 should capture. If the defendant intended for its "Pierre Eh!" mark to be only political commentary, why would it sell its bottles at a markup instead of handing them out for free with its leaflets?

2. *Michelin*

Justice Teitelbaum in *Michelin* found the opposite of Justice Dubé, that the defendant's true parody mark did not depreciate the goodwill of the plaintiff's mark.[79] However, Justice Teitelbaum arrived at this conclusion in a circular and somewhat confusing manner, aside from the fact that he simultaneously assessed "use" under confusion and depreciation of goodwill. In *Michelin*, the defendant union organized a campaign against the plaintiff by creating leaflets and posters with a parody of the plaintiff's "Bibendum" mark—the "drawing of a beaming marshmallow-like rotund figure composed of tires"—squashing workers.[80] The plaintiff argued that Justice Teitelbaum should overrule the "use" definition adopted by Justice Thurlow in *Clairol*, expanding use to include instances where a defendant does not use a mark within section 4 in association with goods and services.[81] In rejecting the plaintiff's use argument, Justice Teitelbaum applied a thorough section 4 analysis while also sidestepping the "registered" use constraint of Justice Thurlow.[82]

Notably, Justice Teitelbaum refused to overlook the section 4 requirement, even for the "most expansive" remedy offered by section 22: the use of a mark in association with goods or services is the "basic building block or linchpin" for trademark infringement.[83] By handing out leaflets to recruit union members, the defendant did not use its parody in the "ordinary course of trade", and thus did not engage in commercial activity, and thus fell outside the scope of protection under the *Trademarks Act*.[84] Though the union benefitted financially from new members, its dues were not commercial profits, and section 22 applies to only commercial activities.[85]

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79 *Michelin*, *supra* note 24 at para 47.
80 *Ibid* at paras 2, 8–9.
81 *Ibid* at para 32.
82 *Ibid* at paras 33, 38–40.
83 *Ibid* at paras 33, 38–39.
84 *Ibid* at para 40.
85 *Ibid*.

Disregarding the written words of section 22, the analysis of Justice Teitelbaum makes sense from a policy perspective. The defendant did not financially benefit from its parody because it did not use the parody to sell goods or services. Rather, the defendant used the parody as a shortcut for expression to identify its target. Justice Teitelbaum recognized the core of section 22, to protect consumers in the marketplace; if a defendant's parody would not have negatively affected or depreciated the "drawing power" of the plaintiff's mark *in the marketplace*, it could not have depreciated the plaintiff's mark's goodwill.[86] Given that the *Trademarks Act* protects only the "commercial integrity of corporate emblems" and "public's interest and confidence in the origin of wares and services", the plaintiff's section 22 interpretation would overextend its remedy under section 22 and the *Trademarks Act*.[87]

On the other hand, Justice Teitelbaum overlooked that *Clairol* and section 22 require the use of a "registered" mark. Justice Teitelbaum stated that *Clairol* did not require the use of an identical mark—the exact opposite of the holding of Justice Thurlow.[88] Justice Teitelbaum further remarked that, unlike infringement under sections 19 and 20, the "emphasis in section 22 is on the infringer's own use in a manner likely to depreciate the goodwill associated with the mark" and is "not in explicit reference to the owner's right of exclusive use" of a registered mark.[89] This statement is difficult to reconcile with the explicit words of section 22, which requires the use of another's registered mark. To add further confusion, Justice Teitelbaum found that the defendant infringed the plaintiff's copyright because the *Copyright Act* does not consider parody a fair dealing, regardless of the plaintiff's section 2(b) freedom of expression rights: "[t]he *Charter* does not confer the right to use private property[—]the Plaintiff's copyright[—] in the service of freedom of expression."[90]

Given his emphasis on consumer perception, the analysis of Justice Teitelbaum seems like a precursor to the analysis of Justice Binnie in *Veuve Clicquot*.[91] However, considering his comments on the *Copyright Act* and the *Charter*, the conclusion of Justice Teitelbaum on section 22 also seems contradictory. The defendant's parody did not depreciate the goodwill of

86 *Ibid* at para 46.
87 *Ibid* at para 39.
88 *Ibid* at para 46; *Clairol*, *supra* note 4 at 570.
89 *Michelin*, *supra* note 24 at para 19.
90 *Ibid* at para 85.
91 *Ibid* at para 46.

the plaintiff's mark because the parody was a mere vehicle for expression, not commercial profit; however, the parody infringed the plaintiff's copyright because the *Charter* does not protect expressions that infringe on another's property (even though the *Copyright Act* explicitly carves out fair dealings, while the *Trademarks Act* does not).[92] Perhaps Justice Teitelbaum distinguished the two because a "long stream of Canadian cases held that parody is not an exception to acts of copyright infringement."[93] Still, it seems illogical that parody can be a fair use under the *Trademarks Act* but not the *Copyright Act*.

3. *BCAA*

The analysis of Justice Sigurdson in *BCAA* largely followed the analysis of Justice Teitelbaum in *Michelin*, a logical outcome given that the defendant was also a union parodying the plaintiff's mark to recruit union members.[94] In *BCAA*, the defendant parodied the plaintiff's "bcaa.com" website by using the "bcaaonstrike.com" and "bcaabacktowork.com" domain names and the plaintiff's website design.[95] The plaintiff argued that the parody sites wielded its trademark "as a weapon".[96] On the other hand, the defendant argued that its freedom of expression was important and that the *Trademarks Act* must leave room for its *Charter* rights.[97]

Justice Sigurdson held that the "apparent non-commercial status of the Union's website" took its parody outside the scope of section 4 and, thus, section 22 and the *Trademarks Act*.[98] Citing *Michelin*, *Clairol*, and Professor Vaver's *Intellectual Property Law* textbook, Justice Sigurdson found that section 22 should encompass only commercial uses, allowing "consumer magazines to criticize products, and unions to caricature the marks of firms they are striking, without fear of trade-mark consequences."[99] Notably, Justice Sigurdson extended his section 22 analysis beyond section 4 to the defendant's freedom of expression under the *Charter*, finding that

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92 *Ibid* at 64. Parliament has since modified the fair dealing defence, but it substantially remains the same (see *Copyright Act*, *supra* note 11, s 29, as amended by *Copyright Modernization Act*, SC 2012, c 20, s 21; *Copyright Act*, *supra* note 11, s 29 as it appeared on 6 November 2012).

93 *Michelin*, *supra* note 24 at para 65.

94 *BCAA*, *supra* note 65 at para 168; *Michelin*, *supra* note 24 at para 47.

95 *BCAA*, *supra* note 65 at paras 38–43.

96 *Ibid* at para 162.

97 *Ibid* at para 108.

98 *Ibid* at para 153.

99 *Ibid* at paras 150–53, citing David Vaver, *Intellectual Property Law* (Concord, ON: Irwin Law, 1997) at 218; *BCAA*, *supra* note 65 at paras 150–53; *Michelin*, *supra* note 24 at para 40.

the plaintiff's interpretation "would place an unwarranted restriction on free speech".[100] Despite parodying the plaintiff's trademark, the defendant was "entitled to express its position and speak freely".[101] Since the parties were not commercial competitors, a "reasonable balance…must be struck between the legitimate protection of a party's intellectual property and a citizen's or a Union's right of expression."[102]

While Justice Sigurdson overlooked the "registered" use requirement set out by Justice Thurlow, his use analysis best aligns with the purposes of the *Trademarks Act* and the *Charter* by recognizing the defendant's parody as a form of expression. Even though Justice Sigurdson ultimately found that the defendant infringed the plaintiff's copyright, as Justice Teitelbaum did in *Michelin*, his *Charter* analysis clarifies the line between a true parody mark and a rip-off that depreciates another mark's goodwill. The section 4 use requirement seems to save fair uses, such as the defendant's parody, because non-commercial uses outside section 4 are merely exercises of expression. The protection conferred under section 22 and the plaintiff's right to its "BCAA" trademark cannot overextend into the defendant's right to express itself with its parody of the plaintiff's mark.

B. Post-*Veuve Clicquot*

Unlike pre-*Veuve Clicquot* cases, later parody cases primarily centred on rip-off marks that intended to profit on registered marks' goodwill to sell goods or services. In *Toys "R" Us (Canada) Ltd v Herbs "R" Us Wellness Society*[103] and *Subway IP LLC v Budway, Cannabis & Wellness Store*,[104] both defendants ripped off the plaintiffs' marks to sell cannabis products. The only outlier was *United*, where the defendant created a true parody website to criticize the plaintiff's business.[105] Despite these contradictory purposes, though, all three decisions held that the defendants' parodies used the plaintiff's mark under section 22.

100 *BCAA*, *supra* note 65 at paras 150–53.
101 *Ibid* at para 167.
102 *Ibid* at para 130.
103 *Toys "R" Us*, *supra* note 62.
104 *Subway*, *supra* note 62.
105 *United*, *supra* note 8 at 120.

1. *United*

In the controversial *United* decision, Justice Phelan held that the defendant's true parody depreciated the plaintiff's goodwill.[106] The defendant had a poor experience with United Airlines and created a website to "highlight the disconnection and disorganization that he perceived in the company", displaying complaints submitted by other consumers.[107] The defendant's "UNTIED.com" website parodied the plaintiff's, including a logo that turned the plaintiff's "United" mark into "UNTIED :(" with a frown over the plaintiff's globe logo.[108] Justice Phelan applied a difficult-to-follow section 22 analysis, finding that the defendant "intentionally attempted to attract the Plaintiff's online consumers to his own website for notoriety" and thus depreciated the plaintiff's mark's goodwill.[109]

The flawed analysis of Justice Phelan started from his mischaracterization of the defendant's website as a service under section 4. Relying on two trademark opposition cases, Justice Phelan found that a service did not require a "monetary element" but rather only needed to offer some "benefit to the public."[110] Therefore, since the defendant operated as a "consumer helpline" to the plaintiff's consumers, he provided a service.[111] However, the services in the trademark opposition cases are distinct from the *United* defendant's: one posted coupons for consumers to use, the other allowed consumers to identify the best running shoes, and both were *commercial* benefits that relied on the respective marks to indicate the *source* of their services.[112] In contrast, the defendant's "UNTIED.com" website was non-commercial—he merely posted consumer criticisms, operating more as a Reddit thread or bulletin board for the plaintiff's customers and much like the consumer magazine that Justice Sigurdson noted in *BCAA*.[113] That the defendant's purpose was to highlight negative experiences for the public does not mean it provided a public service under section 4.[114]

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106 *Ibid* at 102. See e.g. Carys J Craig, "Gripe Sites & Trademark User Rights: Lessons from Canada's *Cooperstock* Case" in Haochen Sun & Barton Beebe, eds, *Charting Limitations on Trademark Rights* (Oxford: Oxford University Press, 2023) 79; Daniel R Bereskin, "United Airlines, Inc. v. Jeremy Cooperstock: A Critical Review" (2020) 33:1 IPJ 91.

107 *United*, *supra* note 8 at para 7.

108 *Ibid* at para 8.

109 *Ibid* at para 102.

110 *Ibid* at para 33.

111 *Ibid* at para 34.

112 *Kraft Limited v Registrar of Trade Marks*, 1984 CanLII 5398 at 875 (FC); *TSA Stores, Inc v Registrar of Trade-Marks*, 2011 FC 273 at para 20.

113 *BCAA*, *supra* note 65 at para 150, citing Vaver, *supra* note 99 at 218.

114 *BCAA*, *supra* note 65 at para 158.

Justice Phelan then failed to conduct a use analysis under section 22, holding that his section 20 use analysis was sufficient.[115] However, it is well settled that the two are "conceptually quite different", hence the discrete tests—a mark can be confusing without depreciating, and vice versa.[116] That the parody mark was confusingly similar based on its website placement and visual likeness to the plaintiff's should not have been the end of the analysis of Justice Phelan under section 22.[117] The linkage assessment of Justice Phelan, though, provides further insight into his use analysis.

Justice Phelan relied on the defendant's intent to "stress the similarities" with the plaintiff's mark—despite earlier stating that "intention is not determinative with respect to a finding of trademark use"—to find linkage.[118] He noted that the defendant appropriated the plaintiff's mark by using its parody to "identify the target" of its criticism, meaning a somewhat hurried consumer would likely associate the two marks.[119] However, Justice Phelan overlooked that a parody mark necessarily must create some association with the senior mark to be successful and further ignored both *Michelin* and *BCAA*, where the courts held that merely identifying the target of criticism or expression is not trademark use.[120] Justice Phelan ultimately relied on the "crudeness" and "unprofessional nature" of the "UNTIED :(" mark and website to find depreciation.[121]

Ignoring the rationality of the analysis of Justice Phelan, *United* highlights some downfalls of the section 22 test as articulated by Justice Binnie. First, the linkage assessment under step three is really an extension of use under step one. While Justice Binnie may have intended to address the linkage between the goodwill of the plaintiff's mark and the defendant's mark, both analyses are substantially the same and only add to the confusion in assessing section 22. Second, the "recognition" test will likely always capture parody marks. As Justice Phelan noted in the copyright infringement portion of his analysis, a parody inherently "depends on the recipient or viewer recognizing that the work in question is a spoof".[122] The definition of use by Justice Binnie ignores the fact that a parodist may use a parody mark to express its commentary on the trademark owner and,

115 *United*, *supra* note 8 at para 91.
116 *Veuve Clicquot*, *supra* note 3 at para 46.
117 *United*, *supra* note 8 at paras 39–41.
118 *Ibid* at paras 96, 38.
119 *Ibid* at paras 96–97.
120 *Michelin*, *supra* note 24 at para 40; *BCAA*, *supra* note 65 at para 129.
121 *United*, *supra* note 8 at para 100.
122 *Ibid* at para 123.

though this may negatively impact the trademark owner, is an extension of its right to freedom of expression. There must be some balance between trademark protection and a consumer's right to criticize.

2. *The "Weed" Parodies*

For the sake of brevity, this paper addresses *Toys "R" Us* and *Subway* together, given that the facts and analyses of the two cases are substantially the same.[123] In *Toys "R" Us*, the defendant Herbs "R" Us ripped off the "Toys "R" Us" mark, down to the styling, except it subbed out "Toys" for "Herbs" and the star in the "R" for a cannabis leaf.[124] In *Subway*, the defendant Budway ripped off the plaintiff's "Subway" mark, using the same colour scheme and font, with the same distinct arrows on certain letters.[125] In both cases, Justice McHaffie found in favour of the trademark owners, that the cannabis stores' parodies depreciated the respective marks' goodwill.[126]

Unlike other prior parody cases—save for *Source Perrier*—Justice McHaffie conducted only a cursory analysis of use and section 22.[127] Given the "strong" resemblance between the defendants' rip-off marks and the plaintiffs', Justice McHaffie was satisfied that the parodies created the necessary mental association described by Justice Binnie in *Veuve Clicquot*.[128] Justice McHaffie also referenced section 4 only in passing—the "evidence shows…[the trademark] is being used…within the meaning of section 4"—a perhaps forgone conclusion since both defendants used the respective parodies to sell cannabis products.[129] Under linkage, both plaintiffs provided evidence that consumers drew immediate connections between the parodies and the original marks, which Justice McHaffie found sufficient to satisfy mental association.[130]

Notably, Justice McHaffie did not mention "parody" or cite *Source Perrier* once in either case. Arguably, too, the defendants did not harm the plaintiffs' marks in an identifiable way by blurring or tarnishing the marks' goodwill.[131] However, the conclusions of Justice McHaffie align with the

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123 *Toys "R" Us*, *supra* note 62; *Subway*, *supra* note 62.

124 *Toys "R" Us*, *supra* note 62 at para 1.

125 *Subway*, *supra* note 62 at para 1.

126 *Toys "R" Us*, *supra* note 62 at para 63; *Subway*, *supra* note 62 at para 45.

127 *Toys "R" Us*, *supra* note 62 at paras 53–55; *Subway*, *supra* note 62 at paras 38–39.

128 *Toys "R" Us*, *supra* note 62 at para 55; *Subway*, *supra* note 62 at para 39.

129 *Toys "R" Us*, *supra* note 62 at para 55; *Subway*, *supra* note 62 at para 39.

130 *Toys "R" Us*, *supra* note 62 at para 59; *Subway*, *supra* note 62 at para 42.

131 *Veuve Clicquot*, *supra* note 3 at paras 64, 66 (where Justice Binnie outlined the two forms of depreciation).

purpose of section 22, to capture infringements not covered by other sections of the *Trademarks Act*.[132] The facts in neither *Toys "R" Us* nor *Subway* should have supported confusion or passing off—consumers would not think either plaintiff started selling cannabis products.[133] Justice McHaffie noted in both cases that the damage to the plaintiffs arose simply from the fact that cannabis is "utterly inconsistent" with the trademark owners' brands, but the real damage is simpler: as in *Source Perrier*, the defendants ripped off the plaintiffs' marks to ride on the plaintiffs' coattails and sell goods in the marketplace.[134] That the defendants used a parody and not the plaintiffs' marks as registered should not be an excuse for intentionally profiting off the plaintiffs' marks' goodwill.

C. Analysis

From both pre- and post-*Veuve Clicquot* cases, two conclusions become clear: courts must apply the "recognition" test to capture rip-offs under section 22, and section 4 adds a crucial commercial use limitation. As noted, all three of the pre-*Veuve Clicquot* decisions proceeded with section 22 without considering that the defendants did not use the plaintiffs' marks as registered, even though Justice Thurlow emphasized in *Clairol* that section 22 requires this kind of use.[135] This shift in focus makes sense, given that none of the parody mark cases would have fallen under section 22 if courts had stuck to the strict, registered use requirement from *Clairol*.

The fact that almost all the courts emphasized section 4 use, though, suggests that section 4 can correctly distinguish "true" parody from "rip-off" marks under section 22. For example, the defendants in *Source Perrier*, *Toys "R" Us*, and *Subway* used their rip-offs to identify the source of their own goods, profiting from the goodwill of the plaintiffs' marks in their marketing.[136] This unfair use of another's mark is exactly the kind of unfair competition section 22 recognizes, where an infringer reaps what it has not sowed. On the other hand, the defendants in *Michelin*, *BCAA*, and *United*

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132 Trade Mark Law Revision Committee, *supra* note 9 at 1166.

133 Interestingly, Justice McHaffie found neither confusion nor passing off in *Toys "R" Us* but found both in *Subway* (see *Toys "R" Us*, *supra* note 62 at para 48; *Subway*, *supra* note 62 at para 3). Given the lack of factual differences between the two cases, these contradictory conclusions are difficult to reconcile but irrelevant to this paper.

134 *Toys "R" Us*, *supra* note 62 at para 61; *Subway*, *supra* note 62 at para 44.

135 *Clairol*, *supra* note 4 at 570. See also Section II-A, *above*.

136 *Source Perrier*, *supra* note 63 at 21; *Toys "R" Us*, *supra* note 62 at para 1; *Subway*, *supra* note 62 at para 1.

used their parodies to identify the source of their union campaigns and criticisms.[137] These parodies acted as vehicles for the defendants' expressions, as shortcuts for consumers. None used the parodies *as a trademark*, and thus all acted outside the *Trademarks Act*.

One could argue that the *Michelin*, *BCAA*, and *United* defendants could have circumvented section 22 by not parodying the plaintiffs' marks by instead referencing the plaintiffs directly or describing their marks—for instance, by calling the Michelin mascot the "unfriendly, rotund marshmallow fellow". Would the substance of their actions have changed, though? The answer is squarely no. The defendants had to identify the plaintiffs and, by using parodies of the plaintiffs' marks, did so efficiently. This example further demonstrates why the definition of "evocation" given by Justice Fuhrer in *Energizer* is so concerning for section 22, as it would capture the "unfriendly, rotund marshmallow fellow" under use—even though this phrase is not a mark, much less a commercial use.[138] Evocation extends section 22 beyond the protection of trademarks and into the prohibition of expressions. Yet, Parliament never intended for section 22 to protect against "legitimate comparisons or criticisms", much less impinge freedom of expression under section 2(b) of the *Charter*.[139]

There should not be space within the *Trademarks Act* for courts to capture non-commercial expressions. The real difference between the true parodies in *Michelin*, *BCAA*, and *United* and the rip-offs in *Source Perrier*, *Toys "R" Us*, and *Subway* is that the true parodies promoted the purposes for which Parliament created section 2(b) of the *Charter*.[140] The union pamphlets in *Michelin* and *BCAA* promote "participation in social and political decision-making", and the consumer criticism in *United* maintains the "orderly operation" of the marketplace by providing "businesses and consumers…access to abundant and diverse information."[141] Depreciation of goodwill should not extend to capture parodies that promote section 2(b) values, whether through consumer criticism or union work or otherwise.

Returning to *Source Perrier*, the decision seems to contradict the idea that parodies promoting participation in political decision-making are excusable, given that the defendant intended for its spoof to be a humorous

137 *Michelin*, *supra* note 24 at para 8; *BCAA*, *supra* note 65 at para 39; *United*, *supra* note 8 at para 7.

138 *Energizer*, *supra* note 7 at paras 148–50. See also Section II-C, *above*.

139 *Clairol*, *supra* note 4 at 570.

140 *Irwin Toy Ltd v Quebec (Attorney General)*, 1989 CanLII 87 at 976 (SCC), citing *Ford v Quebec (Attorney General)*, 1988 CanLII 19 at 765–67 (SCC).

141 *Guignard*, *supra* note 53 at paras 16, 21.

comment on the Prime Minister.[142] However, stepping back to look at the broader picture, Justice Dubé correctly held that the defendant's parody contravened section 22 because the defendant crossed the line of political expression and entered into commercial trade. If the defendant truly intended for its spoof to be a political expression, the defendant would not have sold its product at a profit—the defendant's "Pierre-Eh!" waters retailed for $4.95, while the plaintiff's sparkling waters only retailed for $1, or $14.46 and $2.92 respectively in Canadian dollars today.[143] The defendant's parody cannot be said to have been a pure expression protectable under section 2(b) of the *Charter* and from depreciation of goodwill.

V. RECOMMENDATIONS

How, then, can section 22 strike a balance between a true parody mark that promotes freedom of expression and a rip-off that depreciates another's goodwill? Evidently, section 4 use must remain in the equation. However, as courts have noted, section 4 confusingly separates goods and services and requires courts to read in the definition of a trademark under section 2.[144] Parliament should thus clarify the scope of section 4 by expressly defining commercial use and carving out certain non-uses, similar to fair dealing in the *Copyright Act* and fair use in the *Lanham Act*. Under section 22, Parliament should further codify "recognition". Courts should likewise limit confusion by reverting to a modified "recognition" test, with an objective three-step use analysis that addresses section 4 and fair use. With these changes, section 22 would still capture the truly depreciating rip-offs—and depreciating uses broadly—while leaving space for non-commercial trademark uses.

A. Parliament and Modifications to Sections 4 and 22 of the *Trademarks Act*

By modifying sections 4 and 22 of the *Trademarks Act*, Parliament would clarify the scope of trademark use generally and, in particular, regarding

142 *Source Perrier*, *supra* note 63 at 20–21.

143 *Ibid* at 21. For the price in Canadian dollars today, see Bank of Canada, "Inflation Calculator" (last visited 12 March 2026), online (calculator): <bankofcanada.ca/rates/related/inflation-calculator/>.

144 See e.g. *Clairol*, *supra* note 4 at 564, 566, 570; *Eye Masters*, *supra* note 27 at 630; *Future Shop*, *supra* note 27 at 9–10.

section 22. The current distinction in section 4 between goods and services is nonsensical—how can a mark used in a colour comparison chart on a product's packaging depreciate the goodwill of the mark, but a mark used in the same chart on an advertisement for the product not?[145] Further, courts have inconsistently read in the definition of a trademark under section 2—"use" as a source indicator—into section 4, capturing descriptive and nominative uses beyond the purpose of the *Trademarks Act*.[146]

In modifying section 4, Parliament could draw inspiration from the European *Trade Marks Directive*, which contains a much simpler definition of use.[147] The *Directive*'s preamble states that infringement can "only be established if there is a finding that the infringing mark or sign is *used in the course of trade for the purposes of distinguishing goods or services*."[148] Notably, and unlike section 4 of the *Trademarks Act*, this definition neither differentiates between use in association with goods or services nor requires reading in the definition of a trademark—use in the course of trade.[149] By broadening section 4 and explicitly including section 2, the *Trademarks Act* would more clearly apply to commercial uses, regardless of whether it is for a good or service, and eliminate certain quirks that courts currently struggle with in defining use under section 22.[150]

The next issue, though, is that there could feasibly be non-commercial uses that go beyond expression or even criticism and enter actual disparagement. For example, Justice Fuhrer recently awarded an injunction against the "!ndigo Kills Kids" mark in *Indigo Books & Music Inc v John Doe 1*.[151] The defendant had parodied the plaintiff's "!ndigo Kids" mark, using the same font and design, to create a website for promoting a boycott of Indigo over its owner's support of Israeli veterans.[152] Though the defendant did not use this "!ndigo Kills Kids" mark in the ordinary course

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145 *Clairol*, *supra* note 4 at 564–65.

146 For cases in this paper that address descriptive and nominative uses that merely describe, identify, or refer to another's goods or services, rather than true trademark uses see e.g. *Clairol*, *supra* note 4; *Energizer*, *supra* note 7; *Michelin*, *supra* note 24; *BCAA*, *supra* note 65; *United*, *supra* note 8.

147 *Supra* note 11.

148 *Ibid*, Preamble, para 18 [emphasis added].

149 *Supra* note 1, s 2 (where a "trademark" is defined as a sign that is "used or proposed to be used by a person for the purpose of distinguishing or so as to distinguish their goods or services from those of others").

150 See e.g. *Clairol*, *supra* note 4 at 564–65.

151 2024 FC 1465 [*Indigo Kills Kids*].

152 *Ibid* at para 18. This mischaracterization is untruthful because, politics aside, owning a charitable organization that funds ex-Israeli soldiers is far from killing kids. See Boycott

of trade to sell goods or services, its parody seems to go beyond the defendant's tongue-in-cheek use of "UNTIED :(" in *United*.[153] How should courts distinguish between such "unfair" parodies and "true" parody marks that promote section 2(b) expression?

Other jurisdictions do not address this issue in their statutes directly, leaving it up to courts to decide what is and is not a "fair" use.[154] The American *Lanham Act*, for example, defines fair use as only anything "other than as a designation of source".[155] This broad definition has led to significant discourse, with courts initially approaching fairness by assessing whether a defendant's parody contradicts the values promoted by the plaintiff.[156] However, such an analysis opens the floor to the subjective morals of the viewer or the judge assessing the particular case. Further, a parody could promote values so contrary to the plaintiff's that there no longer exists a mental association between the plaintiff's mark and the parody.[157] A better analysis would be whether the parody mark and its associated commentary are truthful. If they are truthful, then the mark is purely expressive and thus "fair". For example, the defendant in *United* could prove that the plaintiff had poor customer service.[158] The defendant was not lying—though possibly exaggerating—about the plaintiff. It would be different if the defendant hypothetically had used a "United Kills Kids" mark on its website, in which case the defendant would have depreciated the plaintiff's mark.

Therefore, the best and most comprehensive section 4 would define both commercial and fair use, and section 22 would explicitly reference section 4 and codify the "recognition" definition of Justice Binnie as a deemed trademark use. This structure would simplify the analysis of

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Indigo Books!, "Boycott Indigo Books!" (last visited 6 October 2025), online: <boycottindigobooks.com>.

153 *Supra* note 8 at para 8.

154 The European *Trade Marks Directive* only states that descriptive or non-distinctive trademark uses must only be "used fairly and thus in accordance with honest practices in industrial and commercial matters", without defining what is "fair" (see *Trade Marks Directive*, *supra* note 11, Preamble, paras 27, 31).

155 *Supra* note 8, § 1125(c)(3)(A).

156 See e.g. *Coca-Cola*, *supra* note 76 at 1189; *Dallas Cowboys*, *supra* note 76 at 205. Canadian courts have taken a similar approach in justifying why certain parody marks depreciate another mark's goodwill (see *Source Perrier*, *supra* note 63 at 26; *Toys "R" Us*, *supra* note 62 at para 61; *Subway*, *supra* note 62 at para 44).

157 See e.g. *Girl Scouts*, *supra* note 77 at 1235–36.

158 *Supra* note 8 at para 7.

section 22 in line with other jurisdictions.[159] These modifications to sections 4 and 22 could read:

> 4(1) A trademark is used in association with goods or services if it is used in the normal course of commercial trade for the purpose of distinguishing the source of those goods or services.
>
> 4(2) For the purposes of section 4(1), a trademark is deemed not to be used in association with goods or services if it is used
> (a) other than for the purpose of distinguishing the source of those goods or services, and
> (b) in a truthful manner for the purpose of describing, identifying, or referring to those goods or services, including fair uses in connection with
> (i) advertising or promotion that permits consumers to compare goods or services;
> (ii) parodying, criticizing, or commenting upon the trademark owner or the goods or services of the trademark owner;
> (iii) all forms of news reporting and news commentary; or
> (iv) any non-commercial use of a trademark.
>
> 22(1) No person shall use, within the meaning of section 4 or section 22(3), a trademark registered by another person in a manner that is likely to have the effect of depreciating the value of the goodwill attaching thereto.
>
> 22(3) For the purposes of section 22(1), a trademark is deemed to be used if it is not an excluded use under section 4(2)(b), or it is used within the meaning of section 4 and is found to have a sufficient degree of similarity with a trademark registered by another person, which a court shall assess with regard to
> (a) the degree of similarity between the trademark and the registered mark;
> (b) the degree of inherent or acquired distinctiveness of the registered mark;
> (c) the extent to which the owner of the registered mark is engaging in substantially exclusive use of the registered mark;
> (d) the degree of recognition of the registered mark;
> (e) whether the user of the trademark intended to create an association with the registered mark; or
> (f) any actual association between the trademark and the registered mark.[160]

159 See e.g. *Lanham Act*, *supra* note 8, § 1125(c)(3); *Trade Marks Directive*, *supra* note 11, art 10(2)(c).

160 These modifications are based on certain sections of the *Lanham Act* and do not suggest changes to the existing subsections 4(3) or 22(2) of the *Trademarks Act* (see *Lanham Act*,

With these modifications to sections 4 and 22, courts would conduct a much more streamlined analysis of section 22. The analysis would first look at whether the alleged infringer used the mark under subsections 4(1), 4(2), or 22(3)—commercial use as a source indicator, fair use, or deemed use—before turning to whether the use depreciated the registered mark's goodwill.

For example, a court assessing *United* under this modified section 22 would find that the defendant did not depreciate the plaintiff's mark's goodwill.[161] Even if the defendant used a parody similar to the plaintiff's under subsection 22(3), its use would fall under subparagraph 4(2)(b)(ii) because it did not use its parody to distinguish the source of any service untruthfully. On the other hand, a court assessing *Indigo Kills Kids* would find that the defendant depreciated the plaintiff's mark's goodwill.[162] Even though the defendant did not use the mark as a source indicator under subsection 4(1), it did not use it in a truthful manner under paragraph 4(2)(b) and thus is deemed to have used the plaintiff's mark under subsection 22(3). It would have been different if the defendant had instead used an "!ndigo's Owner Supports Israel" mark as the symbol of its boycott—a truthful parody.

Notably, these modifications would apply to other kinds of section 22 claims, not just parody marks. A court assessing *Energizer*, for example, would find that the defendant's use of the "Energizer" mark and "the bunny brand" did not depreciate the plaintiff's mark's goodwill—even though the defendant used the plaintiff's mark in the ordinary course of commercial trade, it did not use the mark as a source indicator under subsection 4(1).[163] A court could also look to subparagraph 4(2)(b)(i) to exclude the defendant's comparative advertising. This conclusion aligns with what scholars have said about comparative advertising, fair uses, and trademarks' purpose.[164]

Courts would also still capture truly depreciating uses of another's mark under the modified section 22. For example, a court would still find the defendant's use of the plaintiff's mark in *Vachon Bakery Inc v Racioppo*[165] depreciating. The defendant, Natural Stuff, had started selling bread

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supra note 8, § 1125(c)(3), 1125(c)(2)(B); *Trademarks Act*, *supra* note 1, ss 4, 22).

161 *United*, *supra* note 8. See also Subsection IV-B-1, *above*.

162 *Indigo Kills Kids*, *supra* note 151.

163 *Energizer*, *supra* note 7. See also Section II-C, *above*.

164 See e.g. Scassa, *Canadian Trademark Law*, *supra* note 24 at § 6.66.

165 2021 FC 308 [*Vachon Bakery*].

products using the "Hostess" mark.[166] This "Hostess" mark used the same word as the plaintiff Vachon Bakery's "Hostess" mark, but with a different design.[167] While Justice McHaffie correctly found that the defendant depreciated the plaintiff's goodwill under the "recognition" test articulated by Justice Binnie, his analysis would have been simpler under the modified section 22.[168] The defendant used a mark similar to the plaintiffs under subsection 22(3) in the normal course of commercial trade to distinguish the source of its bread products under subsection 4(1), and thus depreciated the plaintiff's mark's goodwill under subsection 22(1).[169]

Further, and most importantly, the modifications to section 4 would not affect other sections of the *Trademarks Act*—sections 6, 7, 12, 16, 19, 20, 21, and 45, to name a few—that rely on section 4 use.[170] For example, infringement under sections 19 and 20 already considers use in the ordinary course of commercial trade under the modified subsection 4(1), similar to confusion under sections 20, 21, and 6.[171] The additional requirement of use as a source indicator would not affect expungement under section 45, since courts already look to section 2 use as a trademark.[172] Fair use under subsection 4(2) would arise in no other section. The modifications to section 4 thus serve to only benefit the *Trademarks Act* by streamlining section 22.

B. Courts and Modifications to Justice Binnie's "Recognition" Test

In the meantime, courts should revert to a modified "recognition" test instead of moving forward with "evocation". Under the recognition test, it is at least clear that courts must consider only the use of a trademark, rather than the use of non-trademark descriptions or phrases. However, courts should take the opportunity to clarify "use" under step one and "linkage" under step three.

As raised above, the additional requirement of a "mental association" under step one "use" means courts assess use subjectively, rather than

166 *Ibid* at paras 52–53.

167 *Ibid* at paras 18–21.

168 *Ibid* at paras 111–27.

169 A court would still have to assess goodwill and depreciation under the modified test. However, since this paper focuses on use, it ignores the analyses under goodwill and depreciation.

170 *Trademarks Act*, *supra* note 1, ss 6, 7, 12, 16, 19, 20, 21, 45.

171 See e.g. *Mattel*, *supra* note 24 at paras 2, 23; *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 at para 35.

172 See e.g. *Cosmetic Warriors Limited v Riches, McKenzie & Herbert LLP*, 2019 FCA 48 at paras 6–7.

objectively, based on the "link" it conjures up in the consumer's mind.[173] This link requirement confuses courts when assessing "linkage" under step three, and further imports the broadest part of the American dilution test without considering any of the express limits that the dilution statute carves out for fair uses.[174]

To avoid both of these issues and create space for fair uses under section 22, courts should split "use" into three discrete steps: (i) use of a mark similar to the registered mark, (ii) use within the meaning of sections 2 and 4, and (iii) fair use. By limiting the "recognition" part of the section 22 test to an assessment of similarity and omitting mental association, courts can first determine whether the allegedly infringing mark is similar enough to the registered mark at first glance to depreciate its goodwill. The goal of the existing recognition test is, in essence, this similarity analysis to begin with. Then, courts can evaluate whether this use falls within sections 2 and 4 before considering fair use, thereby eliminating any potential for courts to capture true parodies under section 22. This three-part use analysis would return the definition of use to an "objective" analysis, similar to the objective section 4 analysis by Justice Thurlow in *Clairol*.[175]

Rather than assessing linkage as its own discrete step, then, courts can combine linkage under depreciation. Conceptually, combining linkage with depreciation makes sense. The goal of linkage is to assess whether a "casual consumer" would associate the goodwill of the plaintiff's mark with the defendant, and the goal of depreciation is to assess whether this consumer would make the association in a negative light to affect the mark's "positive aura."[176] Both depreciation and linkage look to the "likely effect" of the defendant's use on the plaintiff's mark's goodwill from the perspective of the casual consumer.[177] Depreciation just takes the linkage analysis one step further by qualifying this effect as negative. There is no reason for courts to split linkage and depreciation into two discrete steps.

If courts implemented the above recommendations, the depreciation of goodwill test would become a five-step analysis. Firstly, that a defendant used a mark similar to the claimant's registered mark. Secondly, that the defendant used the similar mark as a trademark within the meaning

173 See e.g. *Veuve Clicquot*, *supra* note 3 at paras 28–29, 36. See also Section II-B, *above*.

174 *Lanham Act*, *supra* note 8, § 1125(c)(3). See also Sections II-B and II-C, *above*.

175 *Clairol*, supra note 4 at 569–70. See also Section II-A, *above*.

176 *Veuve Clicquot*, *supra* note 3 at paras 56, 68.

177 *Ibid* at para 46 ("[t]hirdly, the claimant's mark was used in a manner *likely* to have an effect on that goodwill (i.e. linkage) and fourthly that the *likely* effect would be to depreciate the value of its goodwill (i.e. damage)" [emphasis in original]).

of section 2 in connection with goods or services in the ordinary course of trade within the meaning of section 4. Thirdly, that the defendant's use was not a descriptive or nominative use of the claimant's registered mark. Fourthly, that the claimant's registered mark is sufficiently well known to have significant goodwill attached to it. Finally, the defendant's use of the similar mark had a likely effect of depreciating the value of the claimant's mark's goodwill from the perspective of a casual consumer.[178] By framing the test in these five steps, courts can conduct an objective analysis of use and goodwill under steps one to four before moving on to a subjective analysis of linkage and depreciation under step five.

In practice, this modified depreciation of goodwill test should allow courts to distinguish between true parody and rip-off marks. For example, a court assessing *United* under this test would find that the defendant did not depreciate the goodwill of the plaintiff's mark.[179] The defendant may have used a similar mark under step one, but it did not use the mark as a trademark to indicate the source of any commercial services under step two, using the mark instead in a nominative fashion under step three. On the other hand, a court assessing *Toys "R" Us* would find that the defendant depreciated the goodwill of the plaintiff's mark, since the defendant used a mark similar to the plaintiff's to indicate the source of its goods under step one and in association with the goods under step two.[180] Courts can also apply this test to other kinds of section 22 claims beyond parody marks. A court assessing *Vachon Bakery*, for example, would find in favour of the trademark owner because the defendant used a mark similar to the plaintiff's under step one, and used the mark on its packaging to indicate the source of its bread products in the ordinary course of trade under step two.[181]

However, this modified test is still an imperfect fix to "use" compared to the sections 4 and 22 modifications mentioned above. Issues could arise when assessing cases such as *Energizer* and *Indigo Kills Kids*.[182] This test would rely on courts to distinguish between nominative and true trademark uses and between "fair" uses that promote freedom of expression and unfair uses that bring harm to the plaintiff's mark, analyses that courts have yet to undertake in section 22 jurisprudence. Further, reframing the

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178 The language in this recommendation intentionally reflects Justice Binnie's in *Veuve Clicquot* (see *ibid*).

179 *Supra* note 8. See also Subsection IV-B-1, *above*.

180 *Supra* note 103. See also Subsection IV-B-2, *above*.

181 *Supra* note 165.

182 *Energizer*, *supra* note 7; *Indigo Kills Kids*, *supra* note 151.

section 22 test would not resolve the confusing division between use in association with goods and services under section 4, which courts have relied on inconsistently to hold that a good's advertisement cannot depreciate another mark's goodwill.[183]

Until Parliament modifies sections 4 and 22 of the *Trademarks Act*, though, courts should apply this modified "recognition" test to prevent section 22 from becoming a "super weapon" for trademark owners. If section 22 case law proceeds under either the current "recognition" or "evocation" definitions for use, then trademark owners will continue to receive far too broad protection over anything related to their marks, beyond the purpose of section 22 and the *Trademarks Act*. By clarifying the definition of use under section 22, courts can carve out fair uses and identify the truly depreciating uses of another's mark, a necessary change in section 22 case law.

VI. CONCLUSION

In assessing section 22 through the lens of parody marks, it becomes evident that either Parliament or the courts must reassess the correct definition of "use" for section 22. The defendants' uses in *Michelin*, *BCAA*, and *United* are clearly distinct from those of *Source Perrier*, *Toys "R" Us*, and *Subway*, yet the written words of section 22 and various tests developed in jurisprudence have drawn little distinction. Use should not capture any and all uses related to a trademark—it must be congruent and compatible with the purposes of the *Trademarks Act* and the *Charter*.

Beyond trademarks, Parliament and courts should also reconsider the definition of fair dealing under the *Copyright Act*. It does not logically follow that a court can excuse the use of a trademark for being a fair use under section 2(b) of the *Charter* while capturing the use under copyright infringement.[184] Though the discussion is more nuanced, both trademarks and copyrights ultimately confer the same right onto an owner—a right to property. One should not provide a narrower right than the other, particularly in relation to one's right to freedom of expression.

183 See e.g. *Clairol*, *supra* note 4 at 570; *Eye Masters*, *supra* note 27 at 630; *Future Shop*, *supra* note 27 at 9–10.

184 See e.g. *Michelin*, *supra* note 24; *BCAA*, *supra* note 65. See also Subsections IV-A-2 and -3, *above*; Graham J Reynolds, "Reconsidering Copyright's Constitutionality" (2016) 53:3 Osgoode Hall LJ 898.