



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

Citation: 2013 TMOB 43
Date of Decision: 2013-03-05

**IN THE MATTER OF AN
OPPOSITION by Gwynne 5 Beverage,
LLC and David M. Windmiller to
application No. 1,366,104 for the trade-
mark WATERMILL in the name of
Freedom Water Company Ltd.**

FILE RECORD

[1] On October 3, 2007, Freedom Water Company Ltd. filed an application to register the trade-mark WATERMILL, based on proposed use in Canada, in association with the following wares and services:

wares

water condensation and purification systems, namely water condensers and purifiers for producing potable water for domestic, agricultural, military, commercial and remote use and elements therefor;
drinking water tanks; water containers; water dispensers;
air conditioners;
temperature control systems, namely refrigerant metering controls, temperature sensor controls and airflow controls for use in water condensation and purification systems and air conditioning and air purification systems;
air water generators.

services

design, installation and maintenance services in respect of condensation apparatus, condenser elements and air water generators;

leasing and capital financing services in respect of condensation apparatus, condenser elements and air water generators.

[2] It appears that on July 15, 2008, the Examination Section of the Canadian Intellectual Property Office (“CIPO,” under whose aegis this Board operates) notified the applicant of its objection to the subject application on the basis that it was confusing with application No. 1,303,247 for the mark WATERMILLER covering the following wares:

temperature controlled beverage dispensing systems comprised of filtering, processing and storing units for drinking water, spring water, flavored water, table water, aerated water, mineral water, soda water, carbonated water, non-carbonated water, and soft drinks.

[3] The Examination Section notice of July 15 was missing from the file wrapper, however, the applicant’s reply of November 5, 2008, made reference to the objection and to the date of the objection. I contacted CIPO administrative staff who were able to obtain a replacement copy of the July 15 notice for the file wrapper.

[4] The applicant responded to the Examination Section notice by arguing that there was no real danger of confusion between the applied-for mark WATERMILL and the cited mark WATERMILLER because (i) the applicant’s wares and service are intended to provide water by condensing it from moist air, (ii) the applicant’s wares are different from the wares associated with the cited mark which are essentially refillable containers for beverages, (iii) there was little chance of overlap in the trades of the applicant and the owner of the cited mark, and (iv) the cited mark does not resemble the applied-for mark.

[5] It appears that the Examination Section accepted the applicant’s submissions as the subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated February 11, 2009. The mark was opposed by Gwynne 5 Beverage, LLC and David M. Windmiller (the owner and former owner of the cited mark WATERMILLER) on July 13, 2009.

[6] The Registrar forwarded a copy of the statement of opposition to the applicant on September 10, 2009, as required by s.38(5) of the *Trade-marks Act*, R.S.C. 1985, c. T-13. The applicant responded by filing and serving a counter statement generally denying the allegations in the statement of opposition.

[7] On June 4, 2010, the opponents, with the consent of the applicant, requested a nine month “cooling-off” period to permit the parties to pursue settlement. Apparently negotiations were not successful and opposition proceedings recommenced after the nine month stay interval.

[8] The opponents’ evidence consists of the affidavits of Grace Rock and David Windmiller. The applicant’s evidence consists of the affidavits of Jonathan Ritchey and Janine MacNeil. None of the parties filed a written argument and none requested an oral hearing.

STATEMENT OF OPPOSITION

[9] The grounds of opposition, shown in full below, are set out in paragraphs 9 to 13 of the statement of opposition:

9. Contrary to Sections 30(e), 30(i) and 38(2)(a) of the *Trade-marks Act*, the Applicant could not have been satisfied on the date it applied for the Trade-mark that it was entitled to use the Trade-mark in association with the wares and services set out in the Application, in that it did not intend as of the date the application was filed, or thereafter, to use the Trade-mark with each and every one of the applied-for wares.

10. In the alternative, and contrary to Sections 30(a) and 38(2)(a), if the Applicant did intend to use the Trade-mark with each and every one of the applied-for wares, which is not admitted, but denied, then the wares are not stated in ordinary commercial terms.

11. Contrary to Sections 30(i) and 38(2)(a), the Applicant could not have been satisfied on the date it applied for the Trade-mark that it was entitled to use the Trade-mark in association with the wares and services set out in the Application, in light of the Opponent's earlier filed application, Application No. 1,303,247, for the trade-mark WATERMILLER in association with the same and related wares.

12. The Trade-mark applied-for is not registrable in view of Sections 12(1)(d) and 38(2)(b) of the Act, in that the Trade-mark is confusing with, or is likely to be confusing with, the trade-mark WATERMILLER, which trade-mark will be the subject of the registration to issue, before determination of this opposition proceeding, from Application No. 1,303,247.

13. The Trade-mark applied-for is not registrable in view of Sections 16(3)(b) and 38(2)(c) of the Act, in that the Applicant is not the person entitled to registration of the Trade-mark. In particular, as of the date of filing of the Application, and at all material times, the Trade-mark was confusing with, or likely to be confusing with, the trade-mark

WATERMILLER, which trade-mark is and was the subject of the earlier filed application, Application No. 1,303,247.

SUMMARY OF OPPONENTS' EVIDENCE

David Windmiller

[10] Mr. Windmiller identifies himself as the founder and managing member of Gwynn 5 Beverage, LLC (“Gwynne”), which company specializes in water purification and portable hydration systems. On July 7, 2009, Mr. Windmiller assigned application No. 1,303,247, together with the goodwill in the mark WINDMILLER, to Gwynne. As of April 8, 2011 (the date of Mr. Windmiller’s affidavit), Gwynne had commenced use of the mark WINDMILLER in the United States but not in Canada.

[11] Mr. Windmiller describes the WATERMILLER water purification and portable hydration system as comprised of three components namely, (i) a portable drinking bottle, (ii) a filtration unit, and (iii) a filling station. Exhibit B describes how the components are to be used together:

Use this bottle in conjunction with the WATERMILLER FILLING STATION for a healthy, unique, alternative to bottled or tap water. Simply plug the bottom of the bottle to the Filling Hole. A slight downward pressure opens the valve and pure, filtered water flows into the bottle. A quick burst is enough to fill-up.

Exhibit C describes the opponent’s filling station as follows:

The Watermillier Fill station features a temperature controlled dispensing system with a state-of-the-art filtration unit and a super simple filter changing process.

[12] From my review of the exhibit material attached to Mr. Watermillier’s affidavit, it appears to me that the opponents’ “hydration system” is an enhanced version of the standard water cooler ubiquitous in office settings.

[13] It is Mr. Windmiller’s opinion that the applicant’s wares and services as described in the subject application “are not significantly different from those wares to be offered in association with the WATERMILLER trade-mark.”

Grace Rock

[14] Ms. Rock identifies herself as a legal assistant with the firm representing the opponents. Her affidavit serves to introduce into evidence the following exhibits:

Exhibit A

[15] A copy of application No. 1,303,247, referred to in para. 13 of the statement of opposition, obtained from the Canadian Trade-marks Database on March 7, 2011.

[16] I have exercised my discretion to check the trade-marks register (see *Royal Appliance Mfg. Co. v. Iona Appliance Inc.* (1990), 32 CPR(3d) 525 at 529 (TMOB)) and I note that application No. 1,303,247 was abandoned, pursuant to s.40(3) of the *Trade-marks Act*, on December 21, 2011.

Exhibit B

[17] A copy of an assignment, dated July 7, 2009, of the mark WINDMILLER and of trade-mark application No. 1,303,247 from David M. Windmiller to Gwynne.

APPLICANT'S EVIDENCE

[18] Ordinarily a discussion of the applicant's evidence would follow a discussion of the opponent's evidence. However, in the instant case, the opposition may be resolved on "technical issues" and on an examination of whether the opponent has met its evidential burden in respect of the grounds of opposition pleaded.

EVIDENTIAL BURDEN ON OPPONENT

[19] In accordance with the usual rules of evidence, there is an evidential burden on the opponent to prove the facts inherent in its allegations pleaded in the statement of opposition: see *John Labatt Limited v. The Molson Companies Limited*, 30 CPR (3d) 293 at 298 (FCTD). The presence of an evidential burden on the opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist.

CONSIDERATION OF THE GROUNDS OF OPPOSITION

[20] With respect to the grounds of opposition, which rely on s. 30(a), 30(e), 30(i), s.12(1)(d) and 16(3)(b) of the *Trade-marks Act*, I would note as follows:

s.30(a)

[21] The opponents have not introduced any evidence to support their allegation that the wares specified in the subject application are not stated in ordinary commercial terms. Accordingly, the ground of opposition pursuant to s.30(a) is rejected because the opponents have failed to meet their evidential burden to put the allegation into issue.

s.30(e)

[22] The opponents have not introduced any evidence to support their allegation that the applicant did not intend to use the applied-mark with the wares specified in the subject application. Accordingly, the ground of opposition pursuant to s.30(e) is rejected because the opponents have failed to meet their evidential burden to put the allegation into issue.

s.30(i)

[23] A ground of opposition pursuant to s.30(i) requires an opponent to plead fraud on the part of the applicant or that specific federal statutory provisions prevent the registration of the applied-mark: see *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 CPR (2d) 152 (TMOB) at 155 and *Canada Post Corporation v. Registrar of Trade-marks* (1991), 40 CPR (3d) 221. In the instant case no such allegations have been made and therefore the pleadings do not support a ground of opposition pursuant to s.30(i). The ground of opposition pursuant to s.30(i) is therefore rejected.

s.12(1)(d)

[24] With respect to the ground of opposition pursuant to s.12(1)(d), no registration issued from application No. 1,303,247 which was abandoned in December 2011. The ground of opposition pursuant to s.12(1)(d) is therefore rejected because there is no extant registration to sustain the pleading.

16(3)(b)

[25] With respect to the ground of opposition pursuant to s.16(3)(b), it is my understanding that the opponents are not entitled to rely on an application which has

become defunct: in this regard, see the discussions by the Federal Court of Appeal in *W. R. Grace & Co. v. Union Carbide Corp.* (1987), 14 C.P.R. (3d) 337 at 345 and by the Federal Court, Trial Division in *Molson Breweries v. Labatt Brewing Co.* (1996), 68 C.P.R. (3d) 202 at 210-211. The ground of opposition pursuant to s.16(3)(b) is therefore rejected because the application which sustained the pleading has become defunct.

DISPOSITION

[26] As each of the grounds of opposition has been rejected, the opposition is rejected. This decision has been made pursuant to a delegation of authority under s.63(3) of the *Trade-marks Act*.

Myer Herzig, Member,
Trade-marks Opposition Board
Canadian Intellectual Property Office.