



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 40

Date of Decision: 2021-03-03

IN THE MATTER OF AN OPPOSITION

Monster Energy Company

Opponent

and

Chun Hua Lo

Applicant

**1,604,973 for ICE MONSTER &
Design**

Application

INTRODUCTION

[1] Chun Hua Lo (the Applicant), founded the ICE MONSTER brand and business in Taiwan in 1996. The Applicant's restaurants, which only sell frozen confectioneries, prepare these confectioneries on site and have been featured on lists of the best desserts around the world. The Applicant has applied to register its ICE MONSTER & Design trademark in Canada based on proposed use in association with various frozen confectioneries and restaurant services.

[2] Monster Energy Company (the Opponent) is the lawful proprietor and owner at common law of the MONSTER trademark and many other marks containing MONSTER including but not limited to MONSTER ENERGY and MONSTER ENERGY and Claw Design (collectively the MONSTER marks), in association with energy beverages and for which it has been acknowledged as a leader in the industry for many years. Its energy drinks are sold through the

United States and in approximately 120 countries and its MONSTER energy drinks continue to be the fastest growing brand of energy drinks worldwide. The Opponent submits that Canadian consumers, upon seeing the Applicant's ICE MONSTER & Design trademark, would think that it is somehow related, associated or approved by the Opponent given the fame it has achieved with its line of MONSTER energy beverages.

[3] For the reasons that follow, this application is refused with respect to the applied for goods and the opposition is rejected with respect to the applied for services.

FILE RECORD

[4] The Applicant filed an application for the trademark ICE MONSTER & Design (the Mark), shown below, on December 4, 2012, based upon proposed use of the Mark in Canada in association with the following goods and services:

Goods

(1) Ice; ice cream; frozen confectionery, namely, sherbets and frozen yogurt; fruit flavoured edible ices, namely, lollipops; edible fruit ices; edible ice lollies containing milk; edible milk flavoured ice lollies; edible flavoured ices; ice cubes.

Services

(1) Bar services; café services; cafeteria services; restaurant services; self-service restaurant services; snack bar services.



[5] The application also claims a priority filing date of July 26, 2012, based on correspondence applications for the goods and services filed in Taiwan.

[6] The application was advertised for opposition purposes in the *Trademarks Journal* of July 20, 2016.

[7] The Opponent opposed the application on the basis of the grounds of opposition set out below on September 19, 2016, pursuant to section 38 of the *Trademarks Act*, RSC 1985, C T-13 (the Act). This Act was amended on June 17, 2019. All references are to the Act as amended, with the exception of references to the grounds of opposition which refer to the Act before it was amended (see section 70 of the Act which provides that section 38(2) of the Act as it read prior to June 17, 2019, applies to applications advertised before this date).

[8] The grounds of opposition may be summarized as follows: the Applicant's application does not conform to the requirements of section 30(e) or section 30(i) of the Act, the Mark is not registrable pursuant to section 12(1)(d) since it is confusing with the Opponent's registration Nos. TMA690,588 for MONSTER ENERGY, and TMA936,039, for MONSTER ASSAULT, the Applicant is not the person entitled to registration of the Mark pursuant to section 16(3)(a), section 16(3)(b) and section 16(3)(c) since the Mark was confusing with the Opponent's MONSTER ENERGY and MONSTER ASSAULT trademarks, its application No. 1,674,166 for the trademark MONSTER REHAB and/or its MONSTER ENERGY trade names, and the Mark is not distinctive.

[9] The Applicant filed and served a counter statement, in which it denied the Opponent's allegations.

[10] The Opponent's evidence consists of the affidavit of Rodney Cyril Sacks, as well as certified copies of the Opponent's registration Nos. TMA690,588 and TMA936,039. Mr. Sacks was not cross-examined on his affidavit.

[11] The Applicant filed the affidavits of Chun Hua Lo and Christie Carlson. Neither of these affiants were cross-examined.

[12] On January 13, 2021, the Applicant requested leave to amend its statement of services to read as follows:

(1) Bar services; café services; cafeteria services; restaurant services; self-service restaurant services; snack bar services, all the foregoing services relating to the provision of frozen desserts and excluding the provision of energy drinks.

[13] This amendment was accepted by the Registrar on January 14, 2021.

[14] Both the Applicant and the Opponent filed a written argument. A hearing was held at which both parties were represented.

ONUS

[15] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is however an initial burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298; *Dion Neckwear Ltd v Christian Dior, S.A.* (2002), 20 CPR (4th) 155 (FCA)].

PRELIMINARY ISSUE – USE DOES NOT ENURE TO THE OPPONENT

[16] The evidence of the Opponent’s affiant Rodney Cyril Sacks, on the issue of whether the use shown enures to the benefit of the Opponent, is limited to the following statement in his affidavit:

1. I am the Chairman and the Chief Executive Officer of **Monster Beverage Corporation** and its subsidiaries including **Monster Energy Company** (“Monster”¹) which has also done business as **Monster Beverage Company**, the Opponent in this matter.

....

¹Reference to “Monster” in this Declaration may also include **Monster Energy Canada, Ltd.**, a wholly owned subsidiary and licensee of **Monster Energy Company**.

[17] The Applicant submits that Mr. Sacks does not provide sufficient facts to conclude that the trademark use described in the affidavit accrues to the Opponent. On the other hand, relying on the decision in *Petro-Canada v 2946661 Canada Inc*, 1998 CanLII 9107 (FC), the Opponent submits that the fact that Mr. Sacks states that he is Chairman and CEO of both Monster Beverage Corporation and its subsidiaries including Monster Energy Company (the Opponent) and was not cross-examined on his affidavit, should be sufficient to enable the Opponent to benefit from section 50 of the Act.

[18] I agree with the Applicant that Mr. Sack's evidence is insufficient for me to find that the use of either the MONSTER ENERGY or the MONSTER ASSAULT marks enures to the benefit of the Opponent pursuant to section 50 of the Act for the following reasons. First, Mr. Sack's statement that he is Chairman and CEO of Monster Beverage Corporation and its subsidiaries, including the Opponent and its subsidiary and licensee Monster Energy Canada Ltd., is insufficient for me to infer that the Opponent controlled the character or quality of the goods provided by either Monster Beverage Corporation or Monster Energy Canada Ltd. This situation is not a situation where the president or the director of a corporate owner is also the president or director of the user of the trademark as in *Petro-Canada v 2946661 Canada Inc.*, *supra*.

[19] Second, there is no evidence demonstrating the requisite control. Mr. Sacks does not state that the Opponent had control over the character or quality of the goods as required by section 50(1), provide any facts demonstrating that such control exists or provide a copy of a license agreement that explicitly provides for the requisite control [see *Empresa Cubana Del Tabaco Trading v Shapiro Cohen*, 2011 FC 102, 91 CPR (4th) 248 at paragraph 84].

[20] Third, neither the corporate relationship between Monster Beverage Corporation and Monster Energy Company, a subsidiary which also does business as Monster Beverage Company, nor the relationship between Monster Energy Canada Ltd. and Monster Energy Company, are sufficient to infer control. In this regard, the mere fact that a registered owner and a licensee are related companies is insufficient that control under license pursuant to section 50 exists [see *MCI Communications Corp v MCI Multinet Communications Inc* (1995), 61 CPR (3d) 245 (TMOB) and *3082833 Nova Scotia Co v Lang Michener LLP*, 2009 FC 928 (FC)].

[21] Therefore, while I have no doubt that Monster Beverage Corporation runs a highly sophisticated operation based on its worldwide sales and global reputation, in the absence of evidence regarding how it ensures proper licensing over its subsidiaries and licensees, I do not find that that Mr. Sack's evidence is sufficient for me to find that the use of either the MONSTER ENERGY or the MONSTER ASSAULT marks enures to the benefit of the Opponent pursuant to section 50 of the Act.

[22] I will discuss the impact of this finding in more detail in my confusion analysis below.

GROUNDS OF OPPOSITION SUMMARILY DISMISSED

Non-compliance – Section 30(i)

[23] The Opponent pleads that the Applicant could not have been satisfied that it was entitled to use the Mark in Canada because the Applicant was aware of the trademarks or tradenames of the Opponent.

[24] Section 30(i) of the Act merely requires that an applicant declare in its application that it is satisfied that it is entitled to registration of its trademark. Where an applicant has provided the requisite statement, a section 30(i) ground should only succeed in exceptional cases, such as where there is evidence of bad faith on the part of the applicant [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. Mere knowledge of the existence of an opponent's trademark does not in and of itself support an allegation that an applicant could not have been satisfied of its entitlement to use the mark [see *Woot, Inc v WootRestaurants Inc Les Restaurants Woot Inc* 2012 TMOB 197 (CanLII)].

[25] In the present case, the Applicant has provided the necessary statement and this is not an exceptional case. This ground is accordingly dismissed.

Non-compliance – Section 30(e)

[26] The Opponent also pleads that the application does not conform to the requirements of section 30(e) of the Act because the Applicant had no intention to use the Mark because it was either already using the Mark in Canada or never intended to use the Mark in association with each of the applied for goods and services.

[27] The Opponent did not file any supporting evidence or make any submissions with respect to this ground of opposition. The section 30(e) ground of opposition can therefore be summarily dismissed on the basis that the Opponent has not met its initial evidentiary burden in respect thereof.

Non-entitlement – Section 16(3)(b)

[28] The Opponent pleads that the Mark was confusing with the Opponent's previously filed application No. 1,674,166 for the trademark MONSTER REHAB.

[29] Section 16(3)(b) of the Act, however, requires the Opponent to have filed its trademark application in Canada prior to the Applicant's priority filing date [*Bayerische Motoren Werke Aktiengesellschaft v MONCLER S.P.A., an incorporated business forming a joint stock company of Italian nationality*, 2020 TMOB 83 at para 47]. As the Opponent's application was filed April 25, 2014, and therefore not prior to the Applicant's priority filing date of July 26, 2012, the Opponent has not met its burden under this ground. This ground is therefore also summarily dismissed.

REMAINING GROUNDS OF OPPOSITION

Non-Registrability – Section 12(1)(d)

[30] The Opponent pleads that the Mark is not registrable because it is confusing with the following trademarks owned by the Opponent, registration Nos. TMA690,588 for the trademark MONSTER ENERGY and TMA936,039 for the trademark MONSTER ASSAULT. The material date for this ground is the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trademarks* (1991), 37 CPR (3d) 413 (FCA)].

[31] I have exercised my discretion and have checked the Register to confirm that the Opponent's registrations are extant [*Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. I now have to determine, on a balance of probabilities, if the Mark is likely to cause confusion with either of these registrations.

Test for confusion

[32] The test to determine the issue of confusion is set out in section 6(2) of the Act where it is stipulated that the use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would likely lead to the inference that the goods and services

associated with those trademarks are manufactured, sold or leased by the same person, whether or not the goods or services are of the same general class or appear in the same Nice Class [see also *Obsidian Group Inc v Attorney General of Canada*, 2020 FC 586].

[33] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: a) the inherent distinctiveness of the trademarks or trade names and the extent to which they have become known; b) the length of time each has been in use; c) the nature of the goods, services or business; d) the nature of the trade; and e) the degree of resemblance between the trademarks or trade names in appearance or sound or in the ideas suggested by them. This list of enumerated factors is not exhaustive and it is not necessary to give each one of them equal weight [see, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée* (2006), 49 CPR (4th) 401 (SCC)].

[34] In *Masterpiece Inc v Alavida Lifestyles Inc et al* (2011), 92 CPR (4th) 361 (SCC) , the Supreme Court of Canada indicated that the most important factor amongst those listed under section 6(5) of the Act is often the degree of resemblance between the marks.

Section 6(5)(a) - inherent distinctiveness of the trademarks and the extent to which each trademark has become known

[35] The Opponent's MONSTER ENERGY mark is not inherently strong because both components suggest beverages that will give the user a lot of energy [*Hansen Beverage Company v Rainbow S.P.A.*, 2010 TMOB 19 at para. 15]. I consider the word "monster" in the Opponent's MONSTER ASSAULT mark to also mean "huge" but in association with the word ASSAULT, it is inherently stronger than MONSTER ENERGY in that it is not suggestive of the character or quality of the Opponent's beverages.

[36] The Applicant's Mark is not inherently strong either as the word ICE and the design of the "ice cube monster" are suggestive of the character of the Applicant's applied for goods and services, *i.e.* products made of ice and restaurants that sell such products. The word MONSTER in the Applicant's Mark simply describes the design element of the Mark.

[37] With respect to the extent known of the parties' marks, the Applicant's Mark is based on proposed use and the Applicant has not adduced any evidence of use to date.

[38] On the other hand, the Opponent submits that its MONSTER marks have acquired a significant amount of distinctiveness in Canada to the point where they may now be regarded as well-known or famous. In this regard, the Opponent relies on the evidence of Mr. Sacks which provides as follows:

- Monster's brands, including its famous claw icon and its MONSTER and MONSTER ENERGY brands are well known throughout the United States and Canada [Sacks, para. 5];
- Monster is the lawful owner of the MONSTER trademark and many other trademarks containing MONSTER including but not limited to MONSTER ENERGY, and two MONSTER ENERGY and claw designs, collectively referred to as the MONSTER marks [Sacks, para 6];
- Monster sells or has sold an extensive line of its MONSTER ENERGY drinks in Canada including MONSTER ASSAULT [Sacks, para. 12];
- Monster sells and/or is aware of third party sales of its MONSTER energy drinks to consumers throughout the United States and approximately 120 nations and territories throughout the world;
- since the launch of MONSTER ENERGY in 2002, Monster has sold more than 23.75 billion cans of MONSTER drinks worldwide [Sacks, para 13];
- over time the Monster has expanded the range of products sold under the MONSTER marks to include over two dozen MONSTER marks, referred to collectively as the MONSTER energy drinks [Sacks, para. 11];
- the MONSTER ENERGY beverage line was launched in Canada in 2003 [Sacks, para. 9];
- approximate wholesale sales of MONSTER energy drinks sold in Canada have been \$613 million for the period since the launch in 2003 until September 30, 2016 [Sacks, para. 14];
- MONSTER drinks are sold in over 33,000 total outlets in the channels of retail stores, gas stations, and other outlets such as grocery stores, drug stores and "on-premise" [Sacks, para. 16];

- Monster's marketing strategy is not conventional; it allocates the majority of its marketing, advertising and promotional budget on athlete endorsements and sponsoring athletic competitions and other events [Sacks, para. 20-21];
- through its marketing strategy, Monster receives extensive exposure on television, on the Internet, in magazines and at live events [Sacks, para. 20];
- since 2002, Monster has spent \$4.3 billion U.S. in advertising, marketing and promoting its MONSTER energy drinks throughout the world [Sacks, para. 25];
- for the period of 2011 up to and including September 2016, Monster has spent more than \$147 Million U.S. in advertising, marketing and promoting its MONSTER energy drinks in Canada [Sacks, para. 25];
- Monster allocates a large proportion of its marketing, advertising and promotional budget on athlete endorsements and sponsoring athletic competitions, and other events including Formula 1 Racing, Moto GP, and Supercross [Sacks, para. 31 – 115];
- as title sponsor for various MONSTER ENERGY Supercross Series Events in Canada since 2008, the Opponent's MONSTER ENERGY marks have received tremendous exposure, including live attendance at one event in 2013 in Toronto, Ontario of almost 50,000 people [Sacks, para. 78];
- the Opponent has also sponsored various Canadian events including the Canadian Energy Motorcross Nationals, The Shred Show at the World Ski and Snowboard Festival, as well as other music, film and sports events since 2007 [Sacks, para. 116 – 123; 128-130]; and
- the Opponent also uses the Internet and social media as another form of advertising, with 1.3 million visits from Canadians for the period from September 1, 2010 to December 31, 2016, to its website at *www.monsterenergy.com* [Sacks, para. 132].

[39] Mr. Sacks has provided significant sales and advertising figures for the MONSTER brand of energy drinks both internationally and in Canada. I also note that many of the exhibits attached to his affidavit display one or more of the Opponent's MONSTER ENERGY trademarks. What Mr. Sacks has not provided, however, is a breakdown of the total sales in Canada of each of the Opponent's goods sold in association with each of its MONSTER marks on an annual basis since their claimed date of first use. Also, as indicated above, I am unable to conclude to what extent, if any, the use shown of the MONSTER ENERGY and MONSTER ASSAULT marks enure to the Opponent, and therefore to what extent the Opponent's marks have become known as the Opponent's marks [*Boehringer Ingelheim Pharma KG v Braintree Laboratories Inc*, 2004 CarswellNat 4704 (TMOB)].

[40] In view of the above, I do not find that this factor favours either party.

Section 6(5)(b) - the length of time each trademark has been in use

[41] The application for the Mark is based upon proposed use and the Applicant has not adduced any evidence of use. There is use of the MONSTER ENERGY and the MONSTER ASSAULT marks in Canada. However, as noted above, it is not clear that the use which occurred was in accordance with section 50 of the Act and consequently, it is unclear whether it would have enured to the benefit of the Opponent. This factor also does not favour either party.

Sections 6(5)(c) and (d) - the nature of the goods, services or business; the nature of the trade

[42] When considering the goods and services of the parties, it is the statement of goods and services in the parties' trademark application and registration that govern in respect of the issue of confusion arising under section 12(1)(d) [see *Mr. Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA); *Miss Universe, Inc v Dale Bohna* (1984), 1994 CanLII 3534 (FCA), 58 CPR (3d) 381 (FCA)]. However, those statements must be read with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. In this regard, evidence of the actual trades of the parties is useful, particularly where there is an ambiguity as to the goods or services covered in the application or registration at issue [*McDonald's Corp v Coffee Hut Stores Ltd* (1996), 1996 CanLII 3963 (FCA), 68 CPR (3d) 168 (FCA)].

[43] The Opponent's MONSTER marks are used in association with various types of beverages. While the Mark is associated with frozen confectioneries made with ice, the applied for bar services, café services, cafeteria services, restaurant services, self-service restaurant services, and snack bar services, have all been amended to include the following restriction "all the foregoing services relating to the provision of frozen desserts and excluding the provision of energy drinks".

[44] The Opponent's agent submits that the parties' goods are in the same general class as they are all staple foods. I agree that the parties' goods and services are related to the extent that both parties' goods comprise food or beverage items and related services.

[45] With respect to the parties' channels of trade, the Opponent's evidence shows that energy drinks bearing the MONSTER marks are sold in over 33,000 retail outlets in Canada including retail stores, gas stations, grocery stores and drug stores [Sacks, para. 11 and 12].

[46] The Applicant's evidence, on the other hand, includes the following information:

- The ICE MONSTER brand and business was founded in Taiwan in 1996;
- ICE MONSTER restaurants are currently open in three countries: Taiwan (2 locations), China (12 locations) and Japan (3 locations);
- The Applicant licenses the trademark and restaurant franchisees for use with the applied for goods and services;
- No locations are open in Canada but the affiant intends to do so and visited Vancouver, B.C. in the summer of 2017 to explore the possibility of opening a franchise location there in 2018;
- The future Canadian franchise is to offer the applied for goods, and the products, services and branding would be the same or similar to the location in Taiwan, China and Japan to maintain global consistency;
- All ICE MONSTER products are sold at ICE MONSTER branded restaurants offering eat-in and/or take-out services;
- The Applicant's products are prepared on location at the ICE MONSTER restaurants; and
- ICE MONSTER was featured in online articles from CNN and Travel & Leisure, as one of the best desserts in the world; and on *www.tripadvisor.ca* as one of the best dessert places in Taipei; ICE MONSTER also received a Certificate of Excellence for its location in Taiwan in 2014 which is awarded to businesses with consistently positive reviews.

[47] The Opponent submits that the Applicant's proposed channels of trade are not relevant since the statement of goods in its application are not restricted as to how the Applicant proposes to sell the applied goods.

[48] I agree. While it appears from a review of the evidence that the Applicant's probable type of business would be preparing its frozen confectioneries on site and only selling its goods at its ICE MONSTER restaurants, the statement of goods in its application does not preclude it from selling its goods through the same channels of trade of the Opponent including convenience stores and grocery stores [see *Cartier Men's Shops Ltd v Cartier Inc* (1981), 58 CPR (2d) 68, (Fed TD), at 73; *Eminence SA v Canada (Registrar of Trade Marks)* (1977), 39 CPR (2d) 40, (Fed TD) at 43]. I therefore find that the parties' channels of trade could overlap with respect to the parties' goods.

[49] The same cannot be said however with respect to the Applicant's services. In view that the Applicant has restricted its services to bar services, café services, cafeteria services, restaurant services, self-service restaurant services, and snack bar services, *all of which relate to the provision of frozen desserts and excluding the provision of energy drinks* (emphasis added), I find that the channels of trade for the Applicant's services would not overlap with the channels of trade for the Opponent's goods.

Section 6(5)(e) - the degree of resemblance between the trademarks

[50] As previously indicated, in *Masterpiece*, the Supreme Court stated that the degree of resemblance between the marks is often likely to have the greatest effect on the confusion analysis [see also *Beverley Bedding & Upholstery Co v Regal Bedding & Upholstery Ltd* (1980), 47 CPR (2d) 145 (FCTD) at 149, affirmed 60 CPR (2d) 70] and it chose to begin its confusion analysis by considering that factor. While the Supreme Court has also observed that for the purpose of distinctiveness, the first word of a trademark may be the most important [see *Conde Nast Publications Inc v Union des éditions modernes* (1979), 46 CPR (2d) 183 (FCTD)], the importance of this factor diminishes if the first component is suggestive or descriptive [see *Reno-Dépôt v Homer TLC Inc* (2009), 84 CPR (4th) 58 (TMOB) at para. 58].

[51] As noted above, the first component of the Applicant's mark is the word ICE which is suggestive of a characteristic of the applied for goods. I consider the other two components of the Applicant's Mark, namely the word MONSTER and the design of a moustached character with short hands and feet which extend from its cube shaped body ('the ice cube monster') to be equally striking. I also consider the word MONSTER to be the most striking component of both of the Opponent's marks. There is therefore a high degree of resemblance between the marks in sound, as the Applicant's design element would not likely be sounded when the mark is pronounced.

[52] The resemblance between the marks in appearance is not as strong, however, as the Mark is a design mark which depicts the word ICE inside a black rectangle and the design of the ice cube man. The marks also suggest different ideas, as the Mark suggests a monster made out of ice and the design of the ice cube monster reinforces this idea. In both of the Opponent's marks, however, the word MONSTER is used as a synonym for enormous, large in scale or extreme.

The mark MONSTER ENERGY therefore suggests that drinking the Opponent's beverages will give the consumer enormous amounts of energy while MONSTER ASSAULT suggests an intense or violent attack.

Further surrounding circumstance – state of the register evidence

[53] State of the register evidence favours an applicant when it can be shown that the presence of a common element in marks would cause consumers to pay more attention to the other features of the marks, and to distinguish between them by those other features [*McDowell v Laverana GmbH & Co. KG*, 2017 FC 327 at para 42]. Inferences regarding the state of the marketplace may be drawn from such evidence in two situations: a large number of relevant registrations are located; and/or there is evidence of common use in the marketplace of relevant third party marks [*Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 CPR (3d) 349 (FCA); *McDowell v Laverana GmbH & Co KG*, 2017 FC 327 at paras 41-46; and *Cie Gervais Danone v Astro Dairy Products Ltd*, 1999 CanLii 7656 (FC)]. Relevant trademarks include those that (i) are registered; (ii) are for similar goods and services as the marks at issue, and (iii) include the component at issue in a material way [*Sobeys West Inc v Schwan's IP, LLC*, 2015 TMOB 197; *Allergan Inc v Lancôme Parfums & Beauté & Cie, société en nom collectif* (2007), 64 CPR (4th) 147 (TMOB) at 169].

[54] Christie Carlson, paralegal with the trademark agents for the Applicant, provides the results of a search she conducted in 2017 for all active trademark applications and registrations containing the word MONSTER in Canada for use with energy supplements, liquid supplements, drinks, foods or food beverage services. The results she presents at Exhibit C of her affidavit do not include the parties' marks, section 9 marks and marks that were not associated with supplements, beverages, drinks, food or food and beverage services.

[55] The Opponent raised several objections to the relevance of Ms. Carlson's evidence. However, some of these objections would require me to exercise my discretion to check the register at today's date in order to confirm such assertions. While there are various situations when the Registrar will exercise his discretion, I am not aware of any case law where the Registrar exercised his discretion to check the register to determine if an argument based on state of the register evidence is well founded [see *La Cornue v Rogers Media Inc*, 2017 TMOB 148].

As noted by my former colleague Member Carriere in *Hunter Douglas Inc v Blinds To Go Inc*, 2007 CanLII 80854 (CA TMOB), if there are inaccuracies in the state of the register evidence, it is up to the party who wants to raise such issue to file evidence to support its contention.

Further, there is no public interest in the Registrar seeking to assist a party by checking the state of the register in order to overcome any deficiencies in one party's evidence [see *John Labatt Limited v WCW Western Canada Water Enterprises Inc* (1991), 39 CPR (3d) 442 (TMOB)].

[56] In my view, the following marks located by Ms. Carlson are the most relevant to the present case in that they are registered marks that incorporate the word MONSTER as a prefix in the general field that the parties operate within:

MONSTER (TMA740504); MONSTER CEREALS (TMA405258); MONSTER MUNCH (TMA274266); MONSTER STICKS (TMA696998); MONSTERBURGER (TMA281799); MONSTER AMINO (TMA817111); MONSTER CREATINE (TMA853893); MONSTER MAIZE (TMA817,114); MONSTER MASS (TMA817,115); MONSTER MILK (TMA918006); MONSTER MILKSHAKES (TMA810195); MONSTER PUMP (TMA817113); MONSTER STACK (TMA817112); MONSTER SUCKER (TMA614432); MONSTER SUCKER & Design (TMA614,539), MONSTER VINEYARDS (TMA750078); MONSTER GYM (TMA582,583);

[57] Following the decision in *McDowell, supra*, however, I am not sure that 17 relevant registrations without any evidence of use of these marks in the marketplace is sufficient to draw a meaningful inference about the state of the marketplace. I also refer to the decision in *McDowell v The Body Shop International PLC*, 2017 FC 581, where the Court found that the lack of evidence that the mark was used in relation to goods that were similar to those of the parties was enough to conclude that the Board had erred in drawing a negative inference merely from the state of the register.

[58] In view of the above, I find that this factor only favours the Applicant to a limited extent.

Further surrounding circumstance – no proof of fame for a broad range of goods and services

[59] The Applicant's agent has also made submissions regarding the issue of the fame of the Opponent's trademarks and whether or not this fame is of the sort to establish confusion across a broad spectrum of goods and services.

[60] I agree with the Applicant that the Opponent has not established that its trademarks should be considered famous marks such that the ambit of protection granted to them may be extended to goods and services beyond those which are listed in its registration. I do not find this to negatively impact the Opponent, however, as I do not find the parties' goods and services in the present case (*i.e.* ice, ice based confectioneries and restaurant services *v.* energy drinks) to be nearly as different as those in *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22 (*i.e.* dolls *v.* restaurant services), one of the cases relied upon by the Applicant. Further, as noted above, section 6(2) indicates that confusion between two trademarks could be likely whether or not the goods are of the same general class. In this case, the parties' goods are of the same general class.

Conclusion

[61] The legal onus is on the Applicant to show that, on a balance of probabilities, there is no reasonable likelihood of confusion between the marks. Having considered all of the surrounding circumstances, including in particular the high degree of resemblance between the marks in sound, the reputation of the MONSTER ENERGY mark, and the fact that the parties' goods are related and their channels of trade could overlap, I conclude that the probabilities as to a likelihood of confusion between the Applicant's Mark and the Opponent's mark for the parties' goods are equal. When the probabilities are equal, the Applicant has not met its burden. In other words, the Applicant has not satisfied me that, on a balance of probabilities, a Canadian who has an imperfect recollection of the Opponent's MONSTER ENERGY and MONSTER ASSAULT marks associated with beverages would not, as a matter of first impression, assume that the Applicant's frozen confectioneries originate from the same source or are otherwise related or associated with the Opponent's goods. The section 12(1)(d) of opposition therefore succeeds with respect to the applied for goods.

[62] I am dismissing the ground of opposition based on section 12(1)(d), however, with respect to the applied for services. I find that the channels of trade between the Opponent's goods and the Applicant's services sufficient to tip the balance of probabilities in the Applicant's favour. The section 12(1)(d) ground of opposition is therefore unsuccessful with respect to the applied for services.

Non-distinctiveness – section 2

[63] The Opponent also pleads that the Mark is not distinctive and is not capable of distinguishing the Applicant's goods and services from the goods and services of the Opponent.

[64] In order to meet its evidential burden with respect to this ground, the Opponent must show that as of the filing of the opposition, it, or someone whose use accrued to its benefit, had acquired a sufficient reputation in the MONSTER ENERGY mark [see *Boehringer Ingelheim, supra*, and *Bojangles' International LLC v Bojangles Café Ltd* (2006)] to negate the distinctiveness of the Mark [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 412 at 424 (FCA)].

[65] To the extent that the Opponent has met its burden under this ground, in my view, the differences in material dates between this ground and the section 12(1)(d) ground would not have had any significant impact on the determination of the issue of confusion between the trademarks of the parties. Thus, my finding above would have applied to this ground of opposition which would also have succeeded in part.

Remaining grounds of opposition

[66] The remaining grounds of opposition also turn on a determination of the issue of the likelihood of confusion between the Mark and the Opponent's MONSTER ENERGY and MONSTER ASSAULT marks and MONSTER ENERGY or MONSTER ENERGY COMPANY trade name. The material date for assessing the likelihood of confusion in respect of the non-entitlement grounds is the Applicant's priority filing date.

[67] From the evidence furnished, I am not satisfied that the Opponent has met its evidential burden under either of the non-entitlement grounds as it has not shown that any use of its trademarks or trade names has enured to its benefit.

[68] I will add that even if the Opponent had met its burden under either or both of these grounds, the differences in material dates between these grounds and the section 12(1)(d) ground would not have had any significant impact on the determination of the issue of confusion

between the trademarks of the parties. Thus, my finding above would also have applied to these grounds of opposition which would have succeeded in part.

DISPOSITION

[69] In view of the above, and pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application with respect to the applied for goods and I reject the opposition with respect to the applied for services pursuant to section 38(12) of the Act.

Cindy R. Folz
Member,
Trademarks Opposition Board
Canadian Intellectual Property Office

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

HEARING DATE 2021-01-18

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