

O P I C



C I P O

LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 128

Date of Decision: 2021-06-26

IN THE MATTER OF AN OPPOSITION

SWEETGRASS INC.

Opponent

and

Vintage Trade

Applicant

1,816,655 for SWEETGRASS

Application

INTRODUCTION

[1] SWEETGRASS INC. (the Opponent) opposes registration of the trademark SWEETGRASS filed by Vintage Trade (the Applicant).

[2] Filed on January 4, 2017, the application is based on proposed use of the Mark in Canada with the following Goods:

| | |
|----------|--|
| Class 5 | Medicinal marijuana for temporary relief of seizures; medical marijuana for the relief of nausea caused by chemotherapy; medical marijuana for the relief of nerve pain; medicinal marijuana for the treatment of muscle spasms caused by multiple sclerosis |
| Class 34 | Dried marijuana |

[3] The Opponent alleges that (i) the application does not conform to section 30(i) of the *Trademarks Act*, RSC 1985, c T-13 (the Act); (ii) the Applicant is not the person entitled to registration of the Mark under section 16 of the Act, and (iii) the Mark is not distinctive. The grounds of opposition are all based on the Opponent's allegation that the Mark is confusing with the Opponent's trademark SWEETGRASS and trade name Sweetgrass Inc. used on the Opponent's website *www.sweetgrass.ca*.

[4] For the reasons that follow, I reject the opposition.

THE RECORD

[5] The application was advertised on December 20, 2017. The Opponent filed its statement of opposition on May 18, 2018. In accordance with section 70 of the Act, all references to sections of the Act pertaining to the grounds of opposition are to the Act as it read before June 17, 2019.

[6] In support of its opposition, the Opponent filed the affidavit of Dennis Rattai, its owner. In support of its application, the Applicant filed the affidavit of David Thompson, its general manager. No written submissions were filed and a hearing was not held.

EVIDENTIAL BURDEN AND LEGAL ONUS

[7] While there is an initial evidential burden on an opponent, the legal burden or onus remains on an applicant, on a balance of probabilities [*John Labatt Ltd v Molson Cos* (1993), 30 CPR (3d) 293 (FCTD)].

ANALYSIS

[8] I will consider the grounds of opposition beginning with the sections 16 and 2 grounds of opposition.

Sections 16(3) and 2 Grounds of Opposition

[9] The Opponent pleads that the Applicant is not the person entitled to registration of the Mark pursuant to sections 16(3)(a) and 16(3)(c) of the Act because it is confusing with its trademark SWEETGRASS and its trade name Sweetgrass Inc. and alleges:

In the current instance, the Applicant's trademark was submitted on January 4, 2017 which is later than the Opponent's in-use date of December 6, 2016 and the Opponent's use of Sweetgrass as a trade name beginning on September 12, 2016.

Both the existing trade name used by the Opponent "Sweetgrass Inc." and the existing use by the Opponent of "Sweetgrass" through its *www.sweetgrass.ca* website and through its printed marketing materials, predates the application date. [...]

[10] The Opponent also pleads that the Mark is not distinctive for the same reasons.

[11] With respect to the grounds of opposition based on sections 16(3)(a) and 16(3)(c) of the Act, the material date is January 4, 2017. In order to meet its initial burden with respect to these section 16 grounds of opposition, the Opponent must show that it had used its trademark (for the section 16(3)(a) ground of opposition) and the trade name Sweetgrass Inc. (for the section 16(3)(c) ground of opposition) prior to this material date. The Opponent must also show that as of December 20, 2017 that it had not abandoned its trademark or trade name [section 16(5) of the Act].

[12] In order to meet its initial burden in support of the non-distinctiveness ground of opposition, the Opponent must show that as of May 18, 2018 its trademark or trade name was known to some extent at least and its reputation in Canada was substantial, significant or sufficient [*Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD); *Bojangles' International LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FCTD)].

[13] Mr. Rattai's affidavit includes the following:

- A statement that "the Opponent has used and made the domain name *www.sweetgrass.ca* available to the public in Canada since December 6, 2016. This domain name will appear in any internet search for [sweetgrass]" (paras 4-7; Exhibits A-B).

- A statement that “both the Applicant and the Opponent are involved in the business of providing goods and services for cannabis and marijuana” (para 12).
- The Sweetgrass Inc. name has been registered in the Alberta Corporate Registry since September 13, 2016 (para 11, Exhibit D).
- The first page of a GOOGLE search for “sweetgrass” which includes the result www.sweetgrass.ca (Exhibit B).
- The screenshot of the www.sweetgrass.ca website set out below which shows the SWEETGRASS trademark, the words QUALITY HIGH in a large font followed by “Exciting Announcements Coming Soon” (Exhibit C).



[14] The Opponent fails to meet its evidential burden for the sections 16(3)(a), 16(3)(c) and 2 grounds of opposition for the following reasons:

- a) Section 16(3)(a) Ground of Opposition – The Opponent fails to meet its evidential burden as it has not evidenced use of the trademark SWEETGRASS as of the date of filing the application. There is no evidence that the Opponent used the SWEETGRASS trademark in association with any goods as of this date in accordance with section 4(1) of the Act. In particular, there is no evidence that any of the Opponent’s SWEETGRASS branded goods have been transferred to customers. Second, there is no evidence that the Opponent used the trademark SWEETGRASS in association with any services. For the display of a trademark in advertising, such as on a website, to constitute use pursuant to section 4(2) of the Act, the services must be available to be performed in Canada [*Wenward (Canada) Ltd v Dynaturf Co* (1976), 28 CPR (2d) 20 (TMOB)]. In this case, the Opponent’s website simply states “Exciting Announcements Coming Soon”. As such, I do not infer that any services of the Opponent, such as providing marijuana or cannabis, were available to be performed in Canada.
- b) Section 16(3)(c) Ground of Opposition – The Opponent fails to meet its evidential burden as the Opponent has not evidenced use of its trade name at the date of filing the application. An opponent relying on prior use of a trade name must demonstrate its use in the normal course of a functioning business and in relation to the class or classes of persons with whom such business is to be conducted [*Mr Goodwrench Inc v General Motors Corp* (1994), 55 CPR (3d) 508 (FCTD)]. I do not consider registration of the domain name www.sweetgrass.ca to constitute such use, as the content of the website in evidence including “Exciting Announcements Coming Soon” puts into doubt whether the Opponent’s business was a functioning business at the material date.
- c) Section 2 Ground of Opposition – As the Opponent has only provided a screenshot of its website and its domain name appearing in GOOGLE search results for Sweetgrass, the Opponent fails to meet its evidential burden. This evidence does not establish that the Opponent’s trademark SWEETGRASS or

trade name Sweetgrass Inc. is known to a sufficient extent in Canada or is well known in a specific area of Canada. In particular, there is no evidence that any Canadians are familiar with the Opponent's SWEETGRASS trademark or trade name.

[15] As the Opponent fails to meet its evidential burden, these grounds of opposition are rejected. Given this finding it is unnecessary for me to discuss the Applicant's evidence.

Section 30(i) Ground of Opposition

[16] With respect to the section 30(i) ground of opposition, the Opponent alleges that the Applicant could not have been satisfied that it was entitled to use the Mark in Canada. Where an applicant has provided the statement required by section 30(i) in its application, a ground of opposition based upon this section should only succeed in exceptional cases such as where there is evidence of bad faith on the part of an applicant [*Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. The Applicant has provided the necessary statement and the Opponent has not filed any evidence to demonstrate that this is an exceptional case. The mere knowledge of the existence of an opponent's trademark or trade name does not in and of itself support an allegation that an applicant could not have been satisfied of its entitlement to use a mark at the time that it filed its application [*Woot, Inc v Woot Restaurants Inc Les Restaurants Woot Inc*, 2012 TMOB 197 at para 10].

[17] Accordingly, this ground of opposition is rejected. Further, given this finding it is unnecessary for me to discuss the Applicant's evidence.

DISPOSITION

[18] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(12) of the Act.

Natalie de Paulsen
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

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

No hearing held.

AGENTS OF RECORD

Duncan Craig LLP

FOR THE OPPONENT

No Agent Appointed

FOR THE APPLICANT