

LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 261

Date of Decision: 2021-11-29

IN THE MATTER OF AN OPPOSITION

Weeds Glass & Gifts Ltd.

Opponent

And

Kenneth Kinnear

Applicant

1,845,028 for WEEDS WORLD

Application

THE RECORD

- [1] On June 29, 2017, Kenneth Kinnear (the Applicant) filed an application under No. 1,845,028 (the Application) to register the trademark WEEDS WORLD (the Mark), based on proposed use in Canada in association with dried marijuana.
- The Application was advertised for opposition purposes in the *Trademarks Journal* issue dated August 22, 2018, and on October 22, 2018, Weeds Glass & Gifts Ltd. (the Opponent) filed a statement of opposition under section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). 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. The grounds of opposition are based on non-compliance with section 30 of the Act, as well as non-entitlement under section 16(3)(a) & (c), non-registrability under section 12(1)(d) and non-distinctiveness under section 2.

- [3] On November 14, 2018, the Applicant filed and served a counter statement denying the grounds of opposition. In support of its opposition, the Opponent filed the affidavit of Donald Joseph Briere, President of the Opponent. In support of the Application, the Applicant filed the affidavit of Kenneth Kinnear, the Applicant in this proceeding. Neither affiant was cross-examined.
- [4] Only the Applicant filed a written argument and only the Opponent attended a hearing.
- [5] The Opponent withdrew its section 30(e) ground of opposition at the hearing.

THE PARTIES' RESPECTIVE BURDEN OR ONUS

[6] The Opponent has the initial evidential burden to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist. Once that burden is met, the Applicant bears the legal onus of establishing, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [*John Labatt Limited* v *The Molson Companies Limited*, 1990 CanLII 11059 (FC), 30 CPR (3d) 293 at 298].

PRELIMINARY ISSUES

Applicant's Reliance on Evidence Not of Record

[7] In its written argument, the Applicant provided information about the type of cannabis it is interested in, what it is and how it is grown, and why its effects permit it to be considered a premium product. These facts were not filed as part of an affidavit or statutory declaration and therefore are not considered to be of record. As a result, I will not have regard to them.

Allegation that the Opponent's use of WEEDS and WEEDS & Design is unlawful

[8] Mr. Briere, the President of the Opponent, made the following statements in his affidavit about the Opponent's use of the marks WEEDS and WEEDS & Design (the WEEDS trademarks) in association with the Opponent's cannabis related goods and services:

- the Opponent has used the WEEDS trademarks and WEEDS trade name in the operation of its business continuously since about 2012;
- since its incorporation in 2012, the Opponent reached a peak expansion of 23 stores in Canada;
- the Opponent's WEEDS trademarks appear in its storefronts and store signs; attached as Exhibit C are photographs of store fronts prominently displaying the WEEDS & Design mark which have been displayed since in or about 2013;
- since about 2017, the Opponent has operated a website to promote its goods and services and its WEEDS trademarks appear on each page of its website; Exhibit D are screenshots of web pages from the Opponent's website downloaded on or about April 30, 2019;
- the Opponent's WEEDS trademarks have appeared extensively on postcards, pamphlets, posters, product labels, product packaging, business cards and advertising for the goods and services during the 7 year period prior to the signing of the affidavit (Exhibits E-J);
- the Opponent's approximate expenditure for "marketing and the preparation of advertising, marketing and promotional material in association with the Opponent's marks" have ranged between \$4,000 in 2012-2013 to \$524,000 in 2017-2018; and
- the Opponent has received gross revenues "from the sales of its various products in retail stores" ranging between \$100,000 in 2012-2013 to more than \$18,000,000 in 2017-2018.
- [9] The Applicant takes the position that to the extent that the Opponent's evidence shows prior use of its trademarks and trade names, the Opponent should not be permitted to rely on such "unlawful use". In this regard, I note the following submissions made by the Applicant either through the affidavit of either Mr. Kinnear or in the Applicant's written argument:
 - The Federal Canadian government legalized the possession and sale of cannabis in 2018.
 Prior to that, the possession and sale of cannabis was illegal, and subject to strict penalties.

- Upon cannabis becoming legal, each province and territory set up its own regulatory framework in order to control the sale of cannabis in that province or territory.
- The Applicant believes the Opponent would readily admit to having sold much illegal cannabis in Canada. The Applicant doesn't think it is an exaggeration to say that the Opponent is proud of its history as it has made such a position clear in many public ways readily accessible on the internet.
- At no time since the sale of cannabis became legal on October 17, 2018 has the Opponent been in possession of a valid license from any province or territory allowing it to legally sell cannabis in that province or territory.
- The Opponent has never legally sold cannabis anywhere in Canada, ever.
- If the Opponent does indeed pursue any or all of these activities, it is not doing so legally but illegally. None of these activities are currently legal according to Canadian laws.
- Any use by the Opponent of its trademarks to sell cannabis prior to the legalization of cannabis on October 17, 2018, would not qualify as use of a trademark in the normal course of trade.
- Prior to legalization, the only legal supplies of cannabis were producers licensed to do so by the federal government.
- The Opponent was not, is not, and never has been a Licensed Producer legally allowed to sell cannabis.
- [10] As noted by the Opponent, the Applicant has not explained the source of any of its claims about the Opponent's activities, or explained how the Applicant was in a position to have direct knowledge of the alleged inaccuracy of the Opponent's claims. Further, although the Applicant was under no obligation to do so, the Applicant could have chosen to cross-examine Mr. Briere on his affidavit to test the truth of any of the statements he made or to clarify any ambiguities in his evidence.

[11] In this case, I consider "unlawful use" to mean use that is not in accordance with either criminal law or the relevant provincial/federal legislation. In determining whether or not the Opponent can rely upon the use of its trademarks to support its opposition, I find the following passage from the Federal Court in *Sunbeam Products, Inc* v *Mister Coffee Services Inc* (2001), 2001 FCT 1218 (CanLII), 16 CPR (4th) 53 (FC) [*Sunbeam*] to be instructive in its approach to this issue:

In *McCabe*, the Federal Court had evidence of a finding by a U.S. Court that the respondent's use of the trade-mark was an infringement of the appellant's rights. In the *Lunettes Cartier* case, the Opposition Board had evidence that the respondent was subject to an injunction from the Federal Court enjoining the respondent's use of the trade-marks, the same trade-marks which the respondent was relying upon in support of its opposition.

In the case at bar, there is not clear evidence that the use of the trade-mark MISTER COFFEE by the respondent is unlawful. This question requires a proper hearing. ... The Registrar; in the course of opposition proceedings under s. 38 of the *Trade-marks Act*, does not have the jurisdiction to conduct a full hearing with viva voce evidence to determine the lawfulness of the respondent's use of the trade-mark. If the lawfulness issue was clear, then the Registrar has the jurisdiction to state that the respondent cannot rely upon its use of the trade-mark because its use is not lawful. In the case at bar, the Registrar cannot come to that clear conclusion in this opposition proceeding.

- Opponent in this case is not sufficiently clear. Unlike in the *McCabe* and *Lunettes Cartier* cases cited by *Sunbeam*, in the instant case there is no evidence of a finding by any court of a crime having been committed. While I may be prepared to take judicial notice that the legalization in Canada of medical marijuana occurred in 2001, and that the legalization of cannabis as a recreational drug occurred on October 17, 2018, in the absence of a finding by a court that the Opponent's use of its WEEDS trademarks in association with its cannabis related goods and services was illegal, I would be reluctant to make any finding concerning whether or not the Opponent's use of its WEEDSD trademarks in association with its goods and services, either prior to or after that date, effectively constitutes illegal activity [*The Blue Note Restaurant Inc* v *Bensusan Restaurant Corporation*, 2000 CanLII 28646 (CA TMOB)].
- [13] I would also like to add, as submitted by the Opponent at the hearing, the Opponent's trademark registrations are still current and therefore must be considered since the validity of an

opponent's registration is not in issue in opposition proceedings [Sunshine Biscuits, Inc v Corporate Foods Ltd (1982), 61 CPR (2d) 53 at 62 (FCTD)].

[14] Accordingly, I am satisfied that the Opponent can rely on the use and registrations of its WEEDS trademarks in support of its opposition.

ANALYSIS OF THE GROUNDS OF OPPOSITION

Grounds of opposition based on confusion

- [15] The statement of opposition includes three grounds of opposition based on confusion with the Opponent's WEEDS trademarks: section 12(1)(d), section 16(3)(a) and section 2. I am satisfied that the Opponent has met its initial burden with respect to each of these grounds on the basis of the relied upon registrations and evidence of Mr. Briere:
 - (a) With respect to the section 12(1)(d) ground of opposition, the Opponent's burden is met as I have checked the Register to confirm that registration Nos. TMA952,676 for the trademark WEEDS and TMA952,668 for the trademark WEEDS & Design are extant [Quaker Oats Co of Canada v Menu Foods Ltd (1986), 11 CPR (3d) 410 (TMOB)].
 - (b) With respect to the section 16(3)(a) ground of opposition, the Opponent's burden is met by the evidence of (i) use of the WEEDS trademarks by the Opponent on product labels and product packaging, on its store front and on its web site and ii) significant sales of the Opponent's goods and services prior to the filing date of the application [Briere Affidavit, Exhibits H-I; para. 19-20].
 - (c) With respect to the distinctiveness ground of opposition, the evidence of Mr. Briere including the use of the Opponent's WEEDS trademarks on its store front, on its website, on product labels and product packaging, and the Opponent's marketing expenses and sales information discussed below, shows that the Opponent's WEEDS trademarks have become known sufficiently to negate the distinctiveness of the Mark at the filing date of the statement of opposition [*Bojangles, Motel 6, Inc v No 6 Motel Ltd* (1981), 1981 CanLII 2834 (FC), 56 CPR (2d) 44 (FCTD) at 58].

Meaning of confusion between trademarks

[16] As mentioned earlier, the determinative issue for decision is whether the applied-for mark WEEDS WORLD, for dried marijuana, is confusing with the Opponent's WEEDS trademarks for ncannabis related goods and services, set out in the attached Schedule A. Trademarks are confusing when there is a reasonable likelihood of confusion within the meaning of section 6(2) of the Act, shown below:

The use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would be likely to lead to the inference that the goods or services . . . associated with those trademarks are manufactured . . . or performed by the same person, whether or not the goods or services . . . are of the same general class. Thus, section 6(2) does not concern mistaking one mark for the other, but confusion of goods or services from one source as being from another source.

[17] In the instant case, the question posed by section 6(2) is whether purchasers of the Applicant's dried marijuana, sold under the mark WEEDS WORLD, would believe that the dried marijuana was produced or authorized or licensed by the Opponent who sells cannabis related goods and services under the WEEDS trademarks. The legal onus is on the applicant to show, on a balance of probabilities standard, that there would be no reasonable likelihood of confusion.

Test of Confusion

[18] The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are "all the surrounding circumstances including" those specifically mentioned in sections 6(5)(a) to 6(5)(e) of the Act: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the goods, services or business; the nature of the trade; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. Further, all factors do not necessarily have equal weight as the weight to be given to each depends on the circumstances: see *Gainers Inc* v *Tammy L. Marchildon and The Registrar of Trademarks* (1996), 66 CPR (3d) 308 (FCTD). However, as noted by Mr. Justice Rothstein in

Masterpiece Inc v Alavida Lifestyles Inc, 2011 SCC 27 (CanLII), 92 CPR(4th) 361, although the degree of resemblance is the last factor cited in section 6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion.

Consideration of Factors for Assessing Confusion

Inherent distinctiveness of the trademarks and the extent to which they have become known

- [19] The Opponent's WEEDS trademarks are inherently weak as the main component of the design mark and the only component of the word mark is the common dictionary words WEEDS which has a descriptive meaning in relation to the character of the Opponent's goods and services. In this regard, I am prepared to take judicial notice that the Canadian Oxford Dictionary includes a slang definition for weed to be marijuana:
 - 1. a wild plant growing where it is not wanted.
 - 2. *informal* a thin weak-looking or contemptibly feeble person.
 - 3. *slang* marijuana.
- [20] The Mark is also inherently weak because the component WEEDS is highly suggestive, if not descriptive, of the character of the Applicant's dried marijuana. The Opponent submitted at the hearing that the word WORLD does not add to the distinctiveness of the Mark because it is a word that is frequently used in business. While this may be the case, in the absence of evidence demonstrating this, it is not a fact I am prepared to take judicial notice of.
- [21] In my view, the Mark is inherently stronger than the Opponent's WEEDS marks because the component WORLD in the Mark does not suggest anything in particular in association with the character or quality of the Applicant's goods. While the Applicant submits in its written argument that WEEDS WORLD suggests "a golden opportunity for Canada to lead the world in the innovative new business of premium cannabis importing", the Applicant did not produce any evidence that it sells a premium cannabis product. Even if it did, however, this would not have removed from the fact that the word WEEDS in the Mark is also descriptive of the Applicant's goods.

- [22] With respect to the extent to which the marks have become known in Canada, what I need to determine is the extent to which the Opponent's WEEDS trademarks had become made known in Canada as of the material dates for this ground of opposition. Mr. Briere's evidence with respect to the extent known of the Opponent's WEEDS trademarks was described above at para 9.
- [23] The Opponent has provided evidence of how its WEEDS trademarks appeared on store fronts, as well as on product labels and product packaging. The Opponent also provided evidence of increasing sales of its products between 2012-2013 and 2017-2018, and has shown that it has expanded into 23 stores in Canada. Although the Opponent did not provide a breakdown of the percentage of its sales attributable to its individual goods and services, I agree with the Opponent's agent that this is not determinative since all of the Opponent's goods and services are cannabis related and therefore similar to the Applicant's goods.
- [24] I am therefore satisfied from the evidence that the Opponent's WEEDS trademarks have become known to a considerable extent in Canada and that such extensive use increases the ambit of protection to be afforded to these trademarks [Sarah Coventry Inc v Abrahamian (1984), 1 CPR (3d) 238 at para 6 (FCTD)].
- [25] The applied-for mark WEEDS WORLD, on the other hand, is a proposed use mark and there is no evidence that it has acquired distinctiveness or been used at any material time. The first factor in section 6(5), which is a combination of inherent and acquired distinctiveness, therefore favours the Opponent owing to the acquired distinctiveness of the Opponent's WEEDS trademarks.

Length of time the marks have been in use

[26] Based on my discussion above, the length of time that each mark has been in use favours the Opponent.

Nature of goods, business and trade

[27] In its written argument, the Applicant submits, *inter alia*, that the Applicant has no interest in being involved with Canadian grown cannabis. The Applicant also provides details

about the only type of cannabis it is interested in, known as "landrace", which cannot be grown in Canada.

- [28] However, as noted above, I cannot have regard to any alleged facts about the Applicant's product that are not in the evidence of record.
- [29] I therefore find that the Applicant's dried marijuana is basically identical to the Opponent's cannabis, and is related to all of the Opponent's cannabis related goods and services.
- [30] With respect to the parties' channels of trade, the Opponent's evidence shows that its cannabis related goods and services have been sold both in retail stores and online. The Applicant has not provided any evidence regarding its proposed channels of trade. In the absence of evidence to the contrary, I find that the parties' channels of trade could overlap.

Degree of resemblance

- [31] 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 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)], it opined that the preferable approach when comparing marks is to begin by determining whether there is an aspect of the trademark that is particularly striking or unique. It has also been held that while it is generally accepted that the first component of a mark is the most important for the purposes of distinguishing between the marks, 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].
- [32] The Mark incorporates the Opponent's WEEDS word mark in its entirety as its first component. However, in view that this component is descriptive, I find that the second component in the Mark helps to distinguish it to some extent.

[33] I therefore consider there only to be a fair degree of resemblance between the marks in appearance and sound. The ideas suggested between the marks are also similar in that both suggest either marijuana itself or something related to marijuana.

Surrounding circumstance: Jurisprudence concerning weak trademarks

- [34] As noted above, the Opponent's WEEDS trademarks are inherently weak marks because they are descriptive of the character of the Opponent's goods and services. The Mark is not inherently strong for similar reasons.
- [35] It is well settled that comparatively small differences will suffice to distinguish between weak marks [Boston Pizza International Inc v Boston Chicken Inc (2001), 2001 FCT 1024 (CanLII), 15 CPR (4th) 345 (FCTD) at para 66]. In Provigo Distribution Inc v Max Mara Fashion Group SRL (2005), 2005 FC 1550 (CanLII), 46 CPR (4th) 112 at para 31 (FCTD), de Montigny J. explained:

The two marks being inherently weak, it is fair to say that even small differences will be sufficient to distinguish among them. Were it otherwise, first user of words in common use would be unfairly allowed to monopolize these words. A further justification given by courts in coming to this conclusion is that the public is expected to be more on its guard when such weak trade names are used ...

[36] However, it is possible for the degree of distinctiveness attributable to a weak mark to be enhanced through extensive use [Sarah Coventry Inc v Abrahamian (1984), 1 CPR (3d) 238 at para 6 (FCTD)]. In view that the Opponent's mark has acquired distinctiveness through use, the jurisprudence on weak marks is not a factor that would assist the Applicant in this case.

Conclusion regarding the likelihood of confusion

[37] The test to be applied is a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees the WEEDS WORLD trademark on the Applicant's dried marijuana products at a time when he or she has no more than an imperfect recollection of the Opponent's WEEDS trademarks in association with cannabis related goods and services, and does not pause to give the matter any detailed consideration or scrutiny [*Veuve Clicquot Ponsardin* v *Boutiques Cliquot Ltée*, 2006 SCC 23 at para 20].

- [38] Having considered all of the surrounding circumstances and applying the test of confusion as a matter of first impression and imperfect recollection, I arrive at the conclusion that the probabilities of confusion between the Mark and the Opponent's WEEDS trademarks are evenly balanced between a finding of confusion and of no confusion. The Applicant has therefore not met the legal onus on it to show, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the WEEDS trademarks. While I have had regard to the fact that the Opponent's WEEDS trademarks are weak marks, their ambit of protection has been increased by virtue of the Opponent's use. Further, there is fair degree of resemblance between the parties' marks and the goods of the parties are identical. All of these factors favour a likelihood of confusion.
- [39] My conclusion is the same at each of the different material dates for the grounds of opposition: the date of filing the application (section 16(3)(a)), the date of filing the statement of opposition (distinctiveness) and the date of my decision (section 12(1)(d)). Accordingly, the section 12(1)(d) ground of opposition succeeds, as do the section 16(3)(a) and section 2 grounds.
- [40] I will add that had the Applicant provided sufficient state of the register and state of the marketplace evidence concerning the use of similar marks as the parties in this case for similar goods and services, my conclusion may have been different.

REMAINING GROUND OF OPPOSITION

[41] As I have already decided in favour of the Opponent under three grounds of opposition, I do not find it necessary to consider the remaining ground of opposition.

DISPOSITION

[42] In view of the above, and pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(12) of the Act.

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

SCHEDULE A

Opponent's Registered Trademarks

TMA952,676 - WEEDS

Goods

- (1) Cannabis, its derivatives and preparations, namely marijuana, marijuana cigarettes, cannabis resin, oil, shatter, budder, wax, cannabis seeds, cannabidiol, cannabinol, tetrahydrocannabinol, and cannabinoids.
- (2) Food products containing cannabinoids, namely edible oils, protein powders, snack bars, energy bars, meal-replacement bars, chocolates, candies, lozenges, gummies, chewing gums, and bakery goods, namely cupcakes, cakes, muffins, pastries, cookies, biscuits, scones, loafs, bread and buns, brownies and pies.
- (3) Drink products containing cannabinoids, namely soft drinks, milk, teas, and waters.
- (4) Body care products containing cannabinoids, namely body, hand and facial creams, bath and skin lotions, skin moisturizers and moisturizing lotions, topical creams, gels, salves, sprays, lip balms, and ointments.

Services

- (1) Retail services, namely, retail and online sales of cannabis and its derivatives, oils, tinctures, creams, salves, lozenges, and food and drink products containing cannabinoids, hand pipes, water pipes, bowls, nails, and papers for the smoking and vaporization of cannabis and its derivatives.
- (2) Educational services regarding medical marijuana and its benefits, medical marijuana laws and advocacy, and medical marijuana research.



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- (2) Food products containing cannabinoids, namely edible oils, protein powders, snack bars, energy bars, meal-replacement bars, chocolates, candies, lozenges, gummies, chewing gums, and bakery goods, namely cupcakes, cakes, muffins, pastries, cookies, biscuits, scones, loafs, bread and buns, brownies and pies.
- (3) Drink products containing cannabinoids, namely soft drinks, milk, teas, and waters.
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- (2) Educational services regarding medical marijuana and its benefits, medical marijuana laws and advocacy, and medical marijuana research.

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

HEARING DATE 2021- 11- 03

APPEARANCES

Andrew Lew For the Opponent

No one appearing For the Applicant

AGENTS OF RECORD

Palmer IP Inc. For the Opponent

No Agent Appointed For the Applicant