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LE REGISTRAIRE DES MARQUES DE COMMERCE  
THE REGISTRAR OF TRADEMARKS

**Citation: 2022 TMOB 041**

**Date of Decision: 2022-03-10**

**IN THE MATTER OF AN OPPOSITION**

**Monster Energy Company**

**Opponent**

**and**

**Global Gourmet Foods Inc.**

**Applicant**

**1,827,065 for MONSTER**

**Application**

**CHOWDER**

INTRODUCTION

[1] Global Gourmet Foods Inc. (the Applicant) has applied-to register the trademark MONSTER CHOWDER for use in association with soups on the basis of its proposed use in Canada.

[2] Monster Energy Company (the Opponent) owns a series of MONSTER trademarks including MONSTER ENERGY, MONSTER REHAB, MONSTER ASSAULT and MONSTER PUNCH (collectively the MONSTER Marks), in association with sports and energy drinks.

[3] Millions of cans of MONSTER energy drinks bearing the MONSTER Marks are sold each month in Canada and over 400 million cans have been sold since their launch in 2003. The Opponent submits that Canadian consumers, upon seeing the Applicant's MONSTER

CHOWDER 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 energy drinks.

[4] After considering all of the surrounding circumstances, I conclude that the Applicant has not met its legal onus of proving that there is no likelihood of confusion for the reasons that follow.

#### FILE RECORD

[5] The Applicant filed the application for MONSTER CHOWDER on March 13, 2017.

[6] The Opponent opposed the application on May 3, 2018, 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). The statement of opposition was subsequently amended.

[7] The grounds of opposition may be summarized as: the Applicant's application does not conform to the requirements of sections 30(e) or 30(i) of the Act, the Mark is not registrable pursuant to section 12(1)(d) of the Act since it is confusing with the Opponent's registrations for the MONSTER Marks, the Applicant is not the person entitled to registration of the Mark pursuant to sections 16(3)(a), 16(3)(b) and 16(3)(c) since the Mark is confusing with the MONSTER Marks and the Opponent's trade name, and the Mark is not distinctive.

[8] The Opponent's evidence consists of the affidavit of Rodney C. Sacks, as well as certified copies of the Opponent's registrations for MONSTER ENERGY & Design (TMA971,649); MONSTER ASSAULT (TMA936,039); MONSTER REHAB (TMA983,200) and MONSTER ENERGY (TMA690,588). The Applicant's evidence consists of the affidavit of Dulce Campos. Neither of these affiants were cross-examined.

[9] Both the Applicant and the Opponent filed a written argument. The Opponent attended a hearing.

## ONUS

[10] 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)].

## GROUND OF OPPOSITION

### **Non-Registrability – Section 12(1)(d)**

[11] The Opponent pleads that the Mark is not registrable because it is confusing with the following trademarks owned by the Opponent: MONSTER ENERGY (TMA690,588); MONSTER ENERGY & Design (TMA971,649); MONSTER REHAB (TMA983,200), MONSTER HYDRO (TMA1,025,653), MONSTER PUNCH (TMA1,057,289), and MONSTER THRILLER (TMA1,043,895). I consider that the Opponent's best case is its registration for the trademark MONSTER ENERGY which covers the following goods. I will therefore concentrate my analysis on this trademark.

(1) Beverages, namely non-alcoholic, non-carbonated fruit juice drinks having a juice content of 50 percent or less by volume that are shelf-stable; carbonated soft drinks; carbonated drinks enhanced with vitamins, minerals, nutrients, amino acids and/or herbs; carbonated and non-carbonated sports drinks; non-carbonated teas; and water; all of the foregoing wares excluding perishable beverages containing fruit juice or soy, whether such products are pasteurized or not.

[12] The material date for this ground of opposition 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)].

[13] 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 any of the Opponent's registrations.

#### Test for confusion

[14] 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.

[15] 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)]. 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 trademarks.

#### Inherent distinctiveness of the trademarks and the extent known

[16] The parties' trademarks have a similar amount of inherent distinctiveness. The Opponent's trademark MONSTER ENERGY suggests beverages that will give the user a lot of energy [*Hansen Beverage Company v Rainbow S.P.A.*, 2010 TMOB 19 at para. 15]. Similarly, the Mark suggests that the Applicant's chowder is large in size or has large components.

[17] With respect to the extent known of the parties' marks, the Mark is based on proposed use and the Applicant has not evidenced use to date.

[18] In contrast, the Opponent's evidence of Mr. Sacks, its Chairman and Chief Executive Officer, shows that its MONSTER ENERGY trademark has been used extensively in Canada. In another recent case concerning the same Opponent, *Monster Energy Company v Chun Hua Lo*, 2021 TMOB 40 at paras 16-22, Mr. Sack's evidence was found insufficient to support a finding that use of the MONSTER ENERGY trademarks in Canada enured to the Opponent. In this case, the Applicant did not raise the issue of whether use of the MONSTER Marks enured to the Opponent. In any event, while it could have been clearer, I find that the Opponent's evidence sufficient to find that use of the MONSTER trademarks in Canada enure to the Opponent. The first paragraph of Mr. Sacks' affidavit (which appears to be different than the one excerpted in *Chun Hua Lo*) supports the finding that when Mr. Sacks uses "my company" in his evidence, he is referring to the Opponent (see, for example, the discussion of sales of the MONSTER ENERGY drink at paras 12-15 of his affidavit). Finally, it was open to the Applicant to cross-examine Mr. Sacks which it chose not to do.

[19] Mr. Sacks provides the evidence summarized below. At the outset, I note that while the registered goods are described as sports drinks, Mr. Sacks primarily refers to the Opponent's beverages as energy drinks. I find these terms to be synonymous.

- In April 2003, the Opponent launched its MONSTER ENGERY drink line in Canada (para 8).
- Since the launch of the MONSTER energy drinks in Canada, the MONSTER Marks have developed into an identifier of the Opponent's high quality MONSTER energy drinks (para 14).
- Millions of cans of MONSTER energy drinks bearing the MONSTER Marks (Exhibit RCS-2) are sold each month in Canada. Total sales and number of cans of MONSTER energy drinks sold in Canada from 2003 to March 2016 are over 479 million cans corresponding to over US\$613 million in sales (para 13).
- In Canada, the Opponent's MONSTER ENERGY energy drinks are sold in over 33,000 total outlets including in retail stores, gas stations, and drug stores (para 15).
- From 2011-2016, the Opponent spent more than \$147 million in advertising, marketing and promoting its MONSTER energy drinks in Canada (para 24). The Opponent's advertisements and promotions for its energy drinks feature the MONSTER ENERGY trademark (para 25; see, for example, RCS-3).

- In Canada, the Opponent has widely advertised, marketed and promoted its MONSTER ENERGY energy drinks through the sponsorship of athletes and athletic competitions including the Canadian Grand Prix, Grand Prix du Canada (paras 26, 38).
- The Opponent also uses the Internet and social media as another form of advertising, with 1.2 million visits from Canadians for the period from September 1, 2010 to December 31, 2016, to its website at *www.monsterenergy.com* (para 141) which prominently features the MONSTER ENERGY trademark (Exhibits RCS-32-33).

The length of time each trademark has been in use

[20] The application for the Mark is based upon proposed use and the Applicant has not adduced any evidence of use. In contrast, the Opponent's evidence is that the trademark MONSTER ENERGY has been used in Canada since 2003.

[21] In *Pink Panther Beauty Corp v United Artists Corp*, [1998] 3 FC 534 (FCA), the Federal Court of Appeal confirms that the length of time a trademark has been in use is a factor which must be given weight in assessing confusion:

The length of time that a mark has been used is obviously a factor which will contribute to confusion on behalf of the consumer in determining the origin of wares or services. A mark that has been in use a long time, versus one newly arrived on the scene, is presumed to have made a certain impression which must be given some weight.

The nature of the goods, services or business; the nature of the trade

[22] 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), 68 CPR (3d) 168 (FCA)].

[23] The Opponent's MONSTER Marks are used in association with energy drinks sold in cans (Exhibit RCS-2). 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 affidavit, para. 15).

[24] While soup is a liquid consumable, I agree with the Applicant that the degree of similarity with the Opponent's goods is limited, given the breadth of the food and beverage category [*Clorox Co v Sears Canada Inc* (1992), 41 CPR (3d) 483 (FC) at para 19; *The Buddha Brands Company v Buda Juice, LLC*, 2020 TMOB 43 at para 56]. In addition, even if the Applicant's soup was sold in the same type of store as the Opponent's goods (such as a grocery store or convenience store), they would likely be sold in different sections of that store.

#### The degree of resemblance between the trademarks

[25] The most striking aspect of both parties' trademarks is the word MONSTER as the words CHOWDER and ENERGY are descriptive of the associated goods – soups and energy drinks. Owing to this shared component, I find that the parties' trademarks resemble each other in appearance, as sounded and in ideas suggested, albeit the Mark suggests a large chowder or chowder with large components, whereas the Opponent's trademark suggests an energy drink that will give the consumer a large amount of energy.

#### State of the register and marketplace evidence

[26] 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 for

state of the Register evidence 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].

[27] Dulce Campos, a trademarks searcher, provides the results of a search she conducted for trademark applications and registrations containing MONSTER in Nice Classes 29-33 owned by parties other than the Opponent. Ms. Campos also provides printouts for websites corresponding to the trademarks identified. After reviewing the trademarks identified by Ms. Campos and excluding trademarks that aren't registered or are very different from the Mark and the Opponent's trademark, I find that relevant trademarks include the following:

MONSTER SIZE	TMA1,045,270	Beef jerky; dried meat; jerky; meat preserves; preserved meat; preserved meats and sausages; sausages; smoked meat; smoked sausages
PROTEIN MONSTER	TMA857,569	Perishable soy based food beverages; non-alcoholic beverages, namely, perishable fruit based drinks and juices.
MONSTER	TMA740,504	Food, namely Middle Eastern Sandwiches.
MONSTER VINEYARDS	TMA750,078	Operation of a vineyard and winery; restaurant services; retail services, namely operation of a gift shop selling wine.
MONSTER STICKS	TMA696,998	Confectionery, namely, chewing gum, bubble gum, candy and mints.
MONSTER SUCKER	TMA614,432	Non-alcoholic frozen carbonated beverages
MONSTER MILKSHAKES	TMA810,195	Dairy-based beverages.
MONSTER CEREALS	TMA405,258	Breakfast cereals.
MONSTERBURGER	TMA281,799	Hamburgers and Restaurant services



MONSTER MUNCH	TMA274,266	Corn meal and potato based snack foods.
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Ms. Campos also attaches printouts from websites identified after searching for trademarks located in her Register search, including the following relevant trademarks or trade names: DONUT MONSTER (Exhibit 3A); MONSTER MEAT STICKS (Exhibit 3B); ICE MONSTER (Exhibit 3E); MONSTER (Exhibit 3F); BLUEBERRY MONSTER (EXHIBIT 3G); MONSTER VINEYARDS (Exhibit 3H); MONSTERS (Exhibit 3J) and MEGA MONSTER MUNCH (Exhibit 3K). I consider this evidence to be of a limited significance since there is no evidence that Canadians have viewed the websites located [*Candrug Health Solutions Inc v Thorkelson* 2007 FC 411] or that any of these trademarks or trade names have acquired any reputation in the Canadian marketplace.

[28] In view of the above, this surrounding circumstance only favours the Applicant to a very limited extent. I am unable to infer that consumers would pay more attention to the other features in the parties' marks in order to distinguish them because there is not evidence of a large number of relevant registrations, nor is there evidence of common use in the marketplace of the relevant third party trademarks other than webpage printouts.

#### Foreign Registrations and Decisions

[29] Registrations for the Mark and the Opponent's trademark MONSTER ENERGY co-exist in China, Japan, Hong Kong and South Korea (Campos affidavit, Exhibits 5, 7; Sacks affidavit Exhibit 5). However, registrations in other jurisdictions are irrelevant since they have their basis in foreign law and procedure [*Sun-Maid Growers of California v. Williams & Humbert Ltd.* (1981), 54 CPR (2d) 41 (FCTD)]. The Applicant also filed two opposition decisions where it was decided in Japan and China that the parties marks were not confusing (Campos affidavit, Exhibits 5-6). First, these decisions have no precedential binding authority on the Registrar [*Origins Natural Resources v Warnaco U.S.* (2000), 9 CPR (4th) 540 (TMOB) at 548]. Second, there is no evidence that the Opponent's trademark is as well known in these other jurisdictions as in Canada.

## Conclusion

[30] 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 the high degree of resemblance between the trademarks, the reputation of the MONSTER ENERGY mark due to the significant sales, number of outlets the Opponent's energy drinks are sold in and the longstanding extensive use in Canada, I conclude that there is a reasonable likelihood of confusion. While the specific nature of the goods is different, they are both food and beverage products and this is not a case where there is a gaping divergence in the nature of the goods [*United Artists v Pink Panther Beauty Corp., supra*].

[31] The Applicant therefore has not met its legal onus of demonstrating, on a balance of probabilities, that a consumer who has an imperfect recollection of the Opponent's trademark MONSTER ENERGY associated with sports drinks would not, as a matter of first impression, assume that the Applicant's soup originates from the same source or is otherwise related or associated with the Opponent's goods. The section 12(1)(d) of opposition therefore succeeds.

## **Non-Distinctiveness – Section 2**

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

[33] The material date for assessing distinctiveness is the date of filing of the opposition, which is April 26, 2018 [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 2004 FC 1185 (FCTD)].

[34] To meet its initial burden with respect to the non-distinctiveness ground of opposition, the Opponent is required to show that at least one of its trademarks had become known sufficiently in Canada to negate the distinctiveness of the Mark [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* 2004 FC 1185; *Motel 6, Inc v No 6 Motel Ltd* (1981), 1981 CanLII 2834 (FCTD); *Bojangles' International LLC v Bojangles Café Ltd* 2006 FC 657]. Given the evidence summarized at paragraph 19, the Opponent has met its burden under this ground.

[35] This ground of opposition succeeds as the Applicant fails to meet its legal onus of proving on a balance of probabilities that there is no reasonable likelihood of confusion. The earlier material date does not favour the Applicant with respect to any of the factors set out in section 6(5) of the Act. Further, the state of the Register and evidence of third party websites with similar marks, cannot be considered under this ground as these searches were performed after the material date.

**Remaining grounds of opposition**

[36] As the Opponent has already succeeded under two grounds of opposition, there is no need to address the remaining grounds of opposition.

DISPOSITION

[37] Having regard to the foregoing, 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.

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Natalie de Paulsen  
Member  
Trademarks Opposition Board  
Canadian Intellectual Property Office

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

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**HEARING DATE** 2021-11-01

**APPEARANCES**

Catherine Bergeron	For the Opponent
No one appearing	For the Applicant

**AGENTS OF RECORD**

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