



# Canadian Intellectual Property Office

## **THE REGISTRAR OF TRADEMARKS**

**Citation:** 2022 TMOB 227

**Date of Decision:** 2022-11-22

## **IN THE MATTER OF AN OPPOSITION**

**Opponent:** Plasti Dip International, Inc.

**Applicant:** Distributions Protège D.I.P. (2012) Inc.

**Application:** 1,846,098 for PROTECT\_DIP

### **Introduction**

[1] Plasti Dip International, Inc. (the Opponent) opposes registration of the trademark PROTECT\_DIP (the Mark), which is the subject of application No. 1,846,098 filed by Distributions Protège D.I.P. (2012) Inc. (the Applicant). The application for the Mark includes a claim of use in Canada since August 1, 2012 and the following statement of goods, reproduced below together with the associated Nice class (CI):

[TRANSLATION]

CI 2 (1) Removable paint made from synthetic resin for use in the automotive market.

[2] The opposition is primarily based on an allegation that the Mark is confusing with the Opponent's PLASTI DIP trademark, previously registered and used in Canada in association with similar or related goods.

[3] For the reasons that follow, the application is refused.

### **File record**

[4] The application for the Mark was filed on July 6, 2017 and advertised for opposition purposes in the *Trademarks Journal* on November 7, 2018. On April 8, 2019, the Opponent filed a statement of opposition under section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act).

[5] Numerous amendments to the Act came into force on June 17, 2019. As the application here was advertised before that coming into force, per the transitional provisions in section 70 of the Act, the grounds of opposition will be dealt with in accordance with the Act as it read before amendment.

[6] The Opponent raises grounds of opposition based upon sections 30 (non-compliance); 12 (non-registrability); 16 (non-entitlement); and 2 (non-distinctiveness) of the Act, as summarized below:

a. Non-compliance with section 30(a)

- The application for the Mark does not comply with section 30(a) of the Act as it did not contain, as of the filing date of July 6, 2017, a statement in ordinary commercial terms of the specific goods in association with which the Mark had allegedly been used.

b. Non-compliance with section 30(b)

- The application for the Mark does not comply with the requirements of section 30(b) of the Act as it did not contain an accurate date of first use from which the Applicant had used the Mark in association with the applied-for goods. In particular, as of the filing date of the application and at all material times:
  - i. The date of first use claimed in the application is not the date from which the Applicant had first used the Applicant's Mark in Canada;

- ii. The date of first use claimed in the application is not the date from which the Applicant first used the Mark in association with the applied-for goods in Canada; and/or
  - iii. The Applicant had not used the Mark that is the subject of its application in association with the applied-for goods in Canada as of the date of first use claimed in the application or at all.
- c. Non-compliance with section 30(i)
  - The application for the Mark does not comply with the requirements of section 30(i) of the Act. The Applicant could not have been satisfied that it was entitled to use the Mark in association with the applied-for goods in view of its knowledge of the Opponent's mark PLASTI DIP (the Opponent's Trademark) and/or of the Opponent's registration for such trademark, registered under No. TMA524,787 (the Opponent's Registration) and in view of sections 7, 20 and 22 of the Act.
- d. Non-registrability pursuant to section 12(1)(d)
  - The Mark is not registrable by the Applicant as the Mark is and was, at all material times, confusing with the Opponent's Trademark, that is the subject of the Opponent's Registration, previously used in Canada by the Opponent.
- e. Non-entitlement pursuant to section 16(1)(a)
  - The Applicant is not the person entitled to register the Mark in Canada since as of the filing date of the application, namely, July 6, 2017, and as of the date of first use claimed, namely, August 1, 2012, the trademark that is the subject of the application was confusing with the Opponent's Trademark, previously used in Canada by the Opponent.
- f. Non-distinctiveness pursuant to section 2

- The Mark is not distinctive of the Applicant's goods as covered by the Applicant's application and was not adapted to distinguish such goods as covered by the application from those of the Opponent.

[Note: In context, I understand that the Opponent here refers to the goods offered in association with its PLASTI DIP trademark.]

[7] The Applicant filed a counter statement essentially denying all of the grounds of opposition.

[8] The Opponent's evidence in chief consists of the following affidavits:

- Affidavit of William Malchow, Chief Financial Officer of the Opponent, dated February 6, 2020, with its Exhibits A to O6 (the Malchow affidavit). The Malchow affidavit provides information regarding the Opponent's business, including the use and promotion of its relied-upon trademark in Canada.
- Affidavit of Jennifer Allen, a law clerk employed by the agents representing the Opponent, dated February 7, 2020, with its Exhibits A to C (the first Allen affidavit). The first Allen affidavit introduces state of the register evidence in the form of a search Ms. Allen performed of the Canadian Trademarks Database for marks consisting of or including the element \*DIP covering goods in International Class 2. Also included are the results of Internet searches, more specifically of archived versions of the website located at *protectdip.com* and of Ms. Allen's review of the Applicant's Facebook page.

[9] In support of its application, the Applicant filed the affidavit of Christine Plante, an assistant employed by the agents representing the Applicant, dated September 3, 2020, with Exhibits CP-1 to CP-4 (the Plante affidavit). The Plante affidavit introduces US-related content, more specifically, the results of searches Ms. Plante performed of the United States Patent and Trademark Office (USPTO) trademarks database (i) for trademarks consisting of the term Plasti Dip and (ii) for the trademark FlexiDip. Included are particulars for two PLASTI DIP trademarks of the Opponent produced by the first search and copies of documents saved to the USPTO trademarks database and related to the Opponent's abandoned US application for PLASTI DIP (US application

No. 88/151,435). Also included are particulars and copies of various documents saved to the USPTO trademarks database related to the abandoned US application for FlexiDip (US application No. 86/085,498) in the name of Rust-Oleum Brands Company. The Plante affidavit finally introduces a copy of a 2014 decision rendered by the United States District Court District of Minnesota, in a motion for preliminary injunction initiated by the Opponent against Rust-Oleum Brands Company.

[10] The Opponent then filed the following affidavits as its evidence in reply:

- Affidavit of Laura Conley, an IP paralegal employed by a US law firm, dated October 2, 2020, with its Exhibits A1 to A3-6. Ms. Conley assisted in litigation involving the Opponent and Rust-Oleum Brands Company in the US. She essentially comments on the Plante affidavit.
- Affidavit of Jennifer Allen, also dated October 2, 2020, with its Exhibit A (the second Allen affidavit). The second Allen affidavit introduces US state of the register evidence in the form of a search Ms. Allen performed of the USPTO trademarks database for marks consisting of or including the element \*DIP covering goods in International Class 2.

[11] Neither party's affiants was cross-examined.

[12] Only the Opponent filed written representations and attended the hearing.

### **Parties' respective burden or onus**

[13] There is an initial evidential burden on the Opponent to adduce sufficient evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [*John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD)]. If this burden is met, the Applicant then bears the legal onus of establishing, on a balance of probabilities, that no grounds of opposition prevent registration of the Mark.

## **Analysis of the grounds of opposition**

### ***Sections 30(a) and (b)–Non-compliance (statement in ordinary commercial terms and date of first use)–Summarily rejected***

[14] With respect to the section 30(a) ground of opposition, both in its written representations and at the hearing, the Opponent has indicated that while this ground is not being withdrawn, it will not be pursued before the Board.

[15] With respect to the section 30(b) ground of opposition, the Opponent has not filed evidence that effectively puts into question the Applicant's use of the Mark or the correctness of its claimed date of first use. In this regard, it should be recalled that the Applicant is under no obligation to substantiate the use claim contained in its application unless such claim is first put into question by the Opponent meeting its initial evidential burden [*Kingsley v Ironclad Games Corp*, 2016 TMOB 19]. I would add that, in the circumstances of this case, the absence of evidence of the Applicant's use of the Mark does not suffice to discharge the Opponent's burden.

[16] These grounds are rejected accordingly.

### ***Section 12(1)(d)-Non-registrability (confusion with a registered trademark)***

[17] Having exercised the Registrar's discretion to check the register, I confirm that the Opponent's Registration is in good standing as of the date of this decision.

[18] As the Opponent has met its initial burden with respect to this ground of opposition, the Applicant must now establish, on a balance of probabilities, that there is not a reasonable likelihood of confusion between the Mark and the Opponent's Trademark.

#### **Test for confusion**

[19] The test to determine the issue of confusion is set out in section 6(2) of the Act which stipulates that the use of a trademark causes confusion with another if the use of both trademarks in the same area would likely lead to the inference that the goods or services associated with those trademarks are manufactured, sold, leased, hired or

performed by the same person, whether or not the goods or services are of the same general class or appear in the same class of the Nice Classification.

[20] Therefore, section 6(2) of the Act does not concern confusion of the trademarks themselves, but of the goods from one source as being from another. The question here is essentially whether a consumer, with an imperfect recollection of the Opponent's PLASTI DIP trademark, who sees the Applicant's goods in association with the Mark, would think that they emanate from, are sponsored by, or approved by the Opponent.

[21] In applying the test for confusion, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5) of the Act, namely: the inherent distinctiveness of the trademarks and the extent to which they have become known; the length of time they have been in use; the nature of the goods, services or business; the nature of the trade; and the degree of resemblance between the trademarks including in appearance or sound or in the ideas suggested by them. These are not exhaustive and different weight can be assigned to each factor in a context-specific assessment [*Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23; *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22].

[22] I also refer to *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27, where the Supreme Court of Canada states at para 49 that the resemblance between the marks will often have the greatest effect on the confusion analysis.

#### *Degree of resemblance*

[23] This factor favours the Opponent as there is a fair degree of resemblance between the trademarks at issue. In fact, to the extent that they are both comprised of two words, have three syllables, a first element that begins with the letter P, and end with the word DIP, there are structural, visual and phonetic similarities between the parties' trademarks. To the extent that they share the word DIP, both trademarks also suggest similar ideas, namely a type of covering/coating or something being covered/coated. Further, as the first portions of the trademarks—namely PLASTI and PROTECT—could in my view respectively be perceived as suggestive or descriptive of

the composition, function or purpose of the parties' goods, their importance for purposes of distinction diminishes.

*Inherent distinctiveness*

[24] This factor does not meaningfully favour either party, given that the trademarks at hand possess a similar degree of inherent distinctiveness. As mentioned above, in my view, the Opponent's Trademark suggests plastic covering/coating or something being covered/coated in plastic. Similarly, the Mark suggests a protective covering/coating or something being covered/coated to prevent it from being damaged.

*Extent known and length of time in use*

[25] These factors favour the Opponent. The Applicant has not presented evidence that its Mark has been used or become known to any extent in Canada, while the Opponent's evidence outlined below shows that the Opponent's Trademark was used since at least as early as 2010 and has become known to a considerable extent across Canada. In this regard, the Malchow affidavit details the use of the Opponent's Trademark in Canada in association with the Opponent's peelable removable rubberized coating product that is primarily applied as an aerosol spray and notably includes the following information:

- The Opponent is the owner in Canada of the PLASTI DIP trademark as well as of three other registrations for trademarks incorporating the suffix DIP, namely RUBBER DIP (TMA979,689), DOUBLE DIP (TMA1,050,951) and RUBBER DIP SPRAY & DESIGN (TMA896,774) [para 11].
- All PLASTI DIP-branded products sold in Canada prominently feature the Opponent's Trademark on the containers for the product—primarily cans (including aerosol spray and liquid) and larger containers, in a manner relatively consistent over the years, as per the example below [paras 20-21, Exhibit C].





- The Opponent distributed in excess of 1.3 million cans of PLASTI DIP-branded products in Canada between 2010-2019—totaling approximately US\$3.9 million in revenue [para 19].
- Revenues generated by sales of PLASTI DIP branded products in Canada in 2012 were already in excess of US\$300,000 [paras 17-18].
- PLASTI DIP-branded products were made available through large Canadian retailers including Canadian Tire, The Home Depot, Ace Hardware and Lowes. In addition to traditional retail establishments, PLASTI DIP-branded products have also been available for purchase by Canadians through the online sites for those larger retailers, smaller retailers and automotive shops and, significantly, through *amazon.com* and *amazon.ca*. [paras 14-15]
- Based on the advertising efforts undertaken by the Opponent over the years, including most notably through the website located at *plastidip.com*, a significant amount of resources have been dedicated to the promotion of the Opponent's Trademark and the PLASTI DIP-branded products in Canada since at least 2012 [paras 4-5 and 22-41].
- The Opponent's efforts to promote the Opponent's Trademark in Canada include:
  - a. Websites—the development, maintenance and operation of the Opponent's *plastidip.com* website which features the Opponent's Trademark. This website provides information on the different ways the PLASTI DIP branded coatings can be used, including within the automotive customization market. Between January 1, 2016 and November 17, 2019, the Opponent's *plastidip.com* website received in excess of 180,000 total sessions from Canada, 150,000 of which were first time users from Canada. Mr. Malchow estimates similar figures were

received between 2012-2015 from Canadian browsers. The Opponent also has maintained the website *dipheadsunite.com*—intended for fans of the Opponent’s Trademark—since 2015 which has received in excess of 25,000 first time users and over 30,000 Canadian sessions between January 1, 2015 and November 17, 2019. [paras 22-24, 31-32, Exhibits D and K]

- b. Social media—the promotion of PLASTI DIP branded coatings and the Opponent’s efforts to build brand awareness for its PLASTI DIP trademark through social media platforms including Twitter (since 2011), Facebook (since 2014), YouTube (since 2012), Pinterest (since 2012) and Instagram (since 2015) [para 25, Exhibits E to H].
- c. Partnerships—the partnership with Dipyourcar.com, LLC which features several hundreds of videos featuring the application of PLASTI DIP-branded coatings to motor vehicles (primarily cars) and motor vehicle parts. Dipyourcar.com, LLC has operated the website *dipyourcarcanada.com* since at least 2014 with approximately 15,000 visits and 24,000 total sessions from Canadians in 2019 with similar figures estimated for the 5 preceding years. Mr. Malchow states that “[a]s a significant business partner [of the Opponent], DipYourCar has been instrumental in supporting the PLASTI DIP brand in Canada”. [paras 26-28, Exhibit I]
- d. Third party videos and photographs—the creation of video clips, video tutorials and photographs by fans, influencers and third-party retailers, such as Canadian Tire, featuring their use of PLASTI DIP-branded coatings on various products and reviews [paras 29-30, Exhibit J].
- e. Articles—reference to the Opponent’s Trademark and PLASTI DIP-branded goods in a number of third-party articles in various newspapers and publications with circulation in Canada, as well as articles, reviews and commentary posted online. According to Mr. Malchow, these include articles in the Vancouver Sun (1991), Toronto Star (2001), Windsor Star (2014), Star Tribune (2015), and The Province (2016) amongst others. [paras 33-35, Exhibits L and M]

- f. Retailers—promotion of PLASTI DIP coating products by Canadian retailers, including Canadian Tire and Parts Source, on websites and/or flyers circulated or made available (online) to Canadians [para 36, Exhibits N-1 to N-3].
- g. Trade shows—attendance at automotive trade shows. Mr. Malchow states that since 2012, the number of attendees at these shows has ranged from 132,000 attendees to in excess of 160,000 attendees; of those attendees, between at least 7,000 and close to 8,500 have been from Canada. Many exhibitors have also originated from Canada. [paras 37-41]

*Nature of the goods or business and nature of the trade*

[26] These factors favour the Opponent. As indicated above, the statement of goods for the Mark covers removable paint made from synthetic resin for use in the automotive market and the Opponent's Registration covers air drying plastic coating for hand-held articles. As I may refer to dictionaries, I have consulted the *Oxford Canadian Dictionary of Current English* (2005) for the meaning of the words "paint", "resin" and "coating". I note that "paint" can refer to surface coverings, that "resin" (also "synthetic resin") is a compound notably used in plastics and that a "coating" is a thin layer or covering. Based on these definitions, the parties' goods here appear either very similar or related in nature. Also of note is that the Opponent's evidence presented in the Malchow and first Allen affidavits speaks to the parties showcasing similar if not identical products, namely a sprayable, peelable rubberized coating which can be applied to different articles, including automotive vehicles and parts. In the absence of evidence or submissions to the contrary, there is no reason to conclude that the parties' channels of trade could not also overlap.

*Prosecution history, trademark status, state of the register and decisions abroad*

[27] In the absence of representations from the Applicant, it is unclear what position it wished to take with respect to confusion or the arguments it may have wished to present in support. While I do not consider it appropriate to speculate in this regard, I would note that—whatever the intent behind the Plante affidavit—the prosecution history and status of the Opponent's PLASTI DIP trademark in the US and the US state

of the register evidence adduced are not surrounding circumstances favouring the Applicant.

[28] For one thing, the Registrar's decision must be based on Canadian standards, having regard to the situation in Canada [see *Quantum Instruments, Inc v Elinca SA* (1995), 60 CPR (3d) 264 (TMOB) and *Vivat Holdings Limited v Levi Strauss & Co* (2005), 41 CPR (4th) 8 (FC) both citing *Re Haw Par Brothers International Ltd v Canada (Registrar of Trade Marks)* (1979), 48 CPR (2d) 65 (FCTD) and *Sun-Maid Growers of California v Williams & Humbert Ltd* (1981), 54 CPR (2d) 41 (FCTD)]. More specifically, the state of the register or even eventual co-existence and lack of confusion abroad would be of little, if any, relevance in assessing the issue of likelihood of confusion in Canada especially without further evidence with respect to context, for example with respect to the state of the marketplace abroad or the extent of the co-existence abroad.

[29] In addition, although foreign decisions may in some cases be considered for their persuasive value, such is not the case for the decision adduced by the Applicant, notably because of the differences in the parties involved (*i.e.* different than the parties to this opposition), the nature of the proceeding, the factual and legal framework, and the evidentiary record.

#### Conclusion on likelihood of confusion

[30] Having considered all of the surrounding circumstances, I conclude that the Applicant has not satisfied its onus to show that there is no reasonable likelihood of confusion between the parties' trademarks. I reach this conclusion in view of the degree of resemblance between the parties' trademarks, the use of the Opponent's Trademark, the greater extent to which it has become known, and the overlap in the parties' goods and channels of trade. The section 12(1)(d) ground of opposition is therefore successful.

#### ***Section 16(1)(a)–Non-entitlement (prior trademark use)***

[31] While the relevant dates differ, the section 16(1)(a) ground of opposition also turns on the issue of confusion with the Opponent's trademark PLASTI DIP and the

Opponent's evidence of use discussed above is sufficient to meet the Opponent's corresponding burden. As my conclusions above under the section 12(1)(d) ground, for the most part, also apply to this ground of opposition, I reach the same result respecting it and the section 16 ground, too, is therefore successful.

***Remaining grounds of opposition***

[32] As I have already refused the application under two grounds, I will refrain from considering the remaining grounds of opposition under sections 30(i) and 2 of the Act.

**Disposition**

[33] 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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Iana Alexova  
Member  
Trademarks Opposition Board  
Canadian Intellectual Property Office

# Appearances and Agents of Record

**HEARING DATE:** 2022-09-02

## **APPEARANCES**

**For the Opponent:** Jeffrey K. Gordon

**For the Applicant:** No one appearing

## **AGENTS OF RECORD**

**For the Opponent:** BORDEN LADNER GERVAIS LLP

**For the Applicant:** FASKEN MARTINEAU DUMOULIN S.E.N.C.R.L., SRL