

Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2023 TMOB 095

Date of Decision: 2023-06-01

IN THE MATTER OF OPPOSITIONS

Opponent: Japan Tobacco Inc.

Applicant: Drip More, LLC

Applications: 1,849,969 for DRIP MORE,

1,849,975 for DRIPMORE, and

1,849,980 for Drip More logo

INTRODUCTION

[1] Drip More, LLC (the Applicant) has applied to register the trademarks DRIP MORE, DRIPMORE and Drip More Logo (depicted below).



[2] I will refer to these three trademarks collectively as "the Marks", unless they are being discussed individually. Each of the three applications is in association with the following goods: Electronic cigarette liquid comprised of propylene glycol; electronic cigarette liquid comprised of vegetable glycerin; bottles filled with chemical flavorings in liquid form for electronic cigarettes; chemical flavorings in liquid form used to refill electronic cigarette cartridges (the Goods).

[3] Japan Tobacco Inc. (the Opponent) has opposed the three applications based primarily on an allegation of confusion with its registered trademark MORE in association with cigarettes. As the pleadings, evidence, and submissions of the parties are essentially identical in each proceeding, I will address them in a single decision.

[4] For the reasons that follow, each of the oppositions is rejected.

THE RECORD

[5] Application Nos. 1,849,969 (the 969 Application), 1,849,975 (the 975 Application), and 1,849,980 (the 980 Application) were each filed on July 28, 2017. The 969 Application and the 975 Application were advertised for opposition purposes on July 24, 2019. The 980 Application was advertised on July 31, 2019. Pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act), the Opponent filed statements of opposition against the 969 and 975 Applications on January 24, 2020 and against the 980 Application on January 30, 2020. Nothing in this opposition turns on the differences in the dates of advertisement or opposition.

[6] Leave was subsequently granted to the Opponent to file amended statements of opposition dated July 16, 2021 in each proceeding, to account for a change in ownership of the applications from the predecessor-in-title, Brian Bereber, to the current Applicant. That change in ownership has no impact on the assessment of the grounds of opposition, and so for ease of reference in this decision I will simply refer to the Applicant.

[7] The Act was amended on June 17, 2019. As each of the applications was advertised after June 17, 2019, the Act as amended applies (see section 69.1 of the Act).

[8] The grounds of opposition are the same in each case. The Opponent contests registrability under section 12(1)(d), entitlement under section 16(1)(a), distinctiveness under section 2, and alleges non-compliance with section 38(2)(e) of the Act. The Applicant filed a counter statement (and later an amended counter statement) denying the grounds of opposition.

[9] The Opponent filed as its evidence a certified copy of its registration No. TMA215,779 for the trademark MORE in association with cigarettes. TMA215,779 was registered in 1976 based on use and registration of the trademark in the United States.

[10] The Applicant filed the affidavit of Brian Bereber sworn on June 5, 2021 (the Bereber Affidavit). Mr. Bereber is the CEO of the Applicant. He describes the Applicant as a manufacturer of vaping goods, which it sells to distributors, e-commerce online stores and physical retail stores, from which the end consumer can purchase the vaping goods for personal use. Mr. Bereber describes "vaping" as the inhaling of vapour created by an electronic cigarette (e-cigarette) or other vaping device. A vaping device uses a cartridge filled with a liquid which is heated into a vapour. The Bereber Affidavit includes evidence of the Applicant's use of the Marks in Canada in association with the Goods since at least 2017. Mr. Bereber was not cross-examined. His affidavit will be discussed further in the analysis of the grounds of opposition, below.

[11] Both parties filed written representations and were represented at a hearing.

<u>Onus</u>

[12] The legal onus is on the Applicant to show that each application complies with the provisions of the Act. However, there is an initial evidential 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. Once this initial burden is met, the Applicant must satisfy the Registrar, on a balance of probabilities, that the

grounds of opposition pleaded should not prevent the registration of the trademark [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298; *Dion Neckwear Ltd v Christian Dior, SA* (2002), 20 CPR (4th) 155 (FCA)].

ANALYSIS OF THE GROUNDS OF OPPOSITION

Grounds of Opposition Summarily Rejected

[13] With respect to the grounds of opposition under sections 38(2)(e), 16(1)(a) and 2 of the Act, the Opponent made no submissions in support of these grounds, but nevertheless indicated that they were maintained and not withdrawn. I will address these grounds briefly.

Section 38(2)(e) Ground

[14] The Opponent alleges that as of the filing date of the applications, the Applicant was not using and did not intend to use the Marks in Canada in association with the Goods, in contravention of section 38(2)(e) of the Act. The Opponent filed no evidence to support this ground, nor does the Applicant's evidence support this ground. Thus, for at least the reason that the Opponent has not met its initial evidential burden, the section 38(2)(e) ground is rejected.

Section 16(1)(a) and Section 2 Grounds

[15] As the Opponent did not file any evidence of use of its registered trademark MORE, it does not meet its initial evidential burden for either the section 16(1)(a) ground of opposition, or the section 2 ground as it relates to confusion with the Opponent's trademark. While the Opponent filed a certified copy of its registration No. TMA215,779, it is well-established that such a certified copy, alone, is not sufficient evidence of use of a trademark to satisfy an opponent's initial evidential burden for non-entitlement and non-distinctiveness grounds of opposition [see *Entre Computer Centers Inc v Global Upholstery Co* (1991), 40 CPR (3d) 427 (TMOB) and *1772887 Ontario Ltd v Bell Canada*, 2012 TMOB 41 at paras 36-38 and 44-45].

[16] I note that the Opponent's registration No. TMA215,779 was recently the subject of a decision of the Registrar under section 45 of the Act [see *Robert Anton Nissen v*

Japan Tobacco Inc, 2023 TMOB 12] in which the registration was maintained in view of evidence filed by the Opponent. However, as the Opponent elected not to file any evidence of use of its trademark in the present opposition proceeding, I can only have reference to the certified copy of the registration.

[17] The Opponent's section 2 ground of opposition also includes allegations of lack of distinctiveness based on use of the Marks outside the scope of licensed use under section 50 of the Act, and as a consequence of the transfer of the Marks. There is no evidence of record to support those allegations.

[18] In view of the above, the Opponent's grounds of opposition under sections 16(1)(a) and 2 are rejected as the opponent has not met its initial evidential burden for either ground.

Remaining Ground of Opposition - Section 12(1)(d)

[19] The material date for the section 12(1)(d) ground of opposition is the date of my decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)].

[20] The Opponent pleads that each of the Marks is not registrable because it is confusing with its registered trademark MORE, and has filed a certified copy of that registration which remains extant. The Opponent has therefore met its initial evidential burden with respect to this ground of opposition. As a result, the Applicant bears the legal burden of demonstrating on a balance of probabilities that there is no likelihood of confusion between each of the Marks and the Opponent's registered trademark.

[21] In conducting the confusion analysis, for ease of reference I will do so by focussing on the Applicant's trademark DRIP MORE (the Mark). However, the confusion analysis is the same when considering the Applicant's trademarks DRIPMORE and Drip More Logo.

Test for confusion

[22] The test for confusion is set out in section 6(2) of the Act which provides 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, leased, hired or performed by the same person, whether or not the goods and services are of the same general class or appear in the same class of the Nice Classification. In making such an assessment, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5) of the Act: (a) the inherent distinctiveness of the trademarks and the extent to which they have become known; (b) the length of time the trademarks have been in use; (c) the nature of the goods and services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trademarks, including in appearance or sound or in the ideas suggested by them.

[23] These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [see *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23, 49 CPR (4th) 401; *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22, [2006] 1 SCR 772 at para 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27, 92 CPR (4th) 361 at para 49, where the Supreme Court of Canada states that section 6(5)(e), the resemblance between the marks, will often have the greatest effect on the confusion analysis.

[24] The test for confusion is assessed as a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees the applicant's mark, at a time when they have no more than an imperfect recollection of the opponent's trademark, and do not pause to give the matter any detailed consideration or scrutiny, nor to examine closely the similarities and differences between the marks [*Veuve Clicquot, supra*, at para 20].

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

[25] The Opponent's trademark MORE has a low degree of inherent distinctiveness, as it is comprised solely of a common English adjective (or adverb) meaning "greater in degree" [see *Canadian Oxford Dictionary*, 2nd Ed]. While perhaps not devoid of inherent distinctiveness in association with cigarettes, the Opponent's trademark is likely to be perceived as having a laudatory connotation and is on the low end of the spectrum of inherent distinctiveness. A trademark may acquire increased distinctiveness via use and advertising; however, in this case, the Opponent has filed no evidence to suggest that its trademark has been used or otherwise become known at all in Canada.

[26] With respect to the Applicant's Mark, it is also on the low end of the spectrum of inherent distinctiveness. However, I consider it to have a slightly higher degree of inherent distinctiveness than the Opponent's trademark, given that it is comprised of an unusual combination of words in a commercial context, which does not appear to convey a single specific meaning in association with the Goods. The Opponent argues that the Mark is descriptive because the Applicant's Goods are liquids and can thus "drip"; however there is no evidence of record in this proceeding to suggest that the expression "DRIP MORE" conveys a specific descriptive meaning in the context of vaping products.

[27] In any event, even if I were to consider the Applicant's Mark to be no more inherently distinctive than the Opponent's trademark, the Applicant has demonstrated at least some acquired distinctiveness via its use of the Mark in Canada. In particular, the Bereber Affidavit indicates that the Applicant has sold the Goods in association with the Mark continuously since at least 2017 (I note that in many instances Mr. Bereber states that the Mark has been used since 2016; however, out of an abundance of caution I will refer to 2017 since that is the date from which invoices and annual sales figures in Canada are provided). The affidavit includes examples of the depiction of the Mark in Canada on jugs of vaping fluid sold to a distributor (e.g. Exhibit 2), on retail packaging of the Goods (e.g. Exhibits 9, 10 and 11), on invoices (e.g. Exhibits 2 and 15) and in

advertising (e.g. Exhibit 12). The affidavit at paragraph 21 includes annual sales figures in Canada in association with the Mark from 2017 to 2020. While the Opponent argues that the Applicant's sales figures are only modest, they nevertheless total in the hundreds of thousands of dollars, and the Applicant has demonstrated a variety of retailers across Canada advertising and offering its Goods in association with the Mark.

[28] Taking into account both the inherent distinctiveness of the trademarks and the extent to which they have become known, this factor favours the Applicant.

Length of time the trademarks have been in use

[29] The Opponent has provided no evidence of use of its trademark. As discussed above, the Applicant has provided evidence of the use of its Mark in Canada since at least 2017. Therefore, this factor also favours the Applicant.

Nature of the goods, services or business; and nature of the trade

[30] The parties' goods do not overlap directly, in that cigarettes are not the same product as liquids for e-cigarettes. However, it is nevertheless apparent that the parties' goods are related in nature and are used in similar ways. For example, paragraph 5 of the Bereber Affidavit describes the Applicant's Goods as follows:

Vaping is the inhaling of a vapor created by an electronic cigarette (e-cigarette) or other vaping device. E-cigarettes are battery-powered smoking devices. A vaping device uses a cartridge filled with a liquid that usually contains nicotine, flavorings, and chemicals. The liquid is heated into a vapor, which the person inhales. The primary goods the Applicant sells are liquids (also referred to as e-juice, e-liquid, vape juice, and others) that the end consumer will purchase in bottles for use with the end consumer's own vaping device.

[31] With respect to the likely channels of the trade, I have no evidence from theOpponent regarding the types of stores in Canada, if any, in which its products are sold.The Applicant's evidence is that its Goods are sold online and in various vape shops.

[32] On balance, when considering the nature of the goods and their likely channels of trade, in my view these factors slightly favour the Opponent, given the relatedness of the parties' products.

Degree of resemblance

[33] In considering the degree of resemblance, it is preferable to determine whether there is an aspect of each trademark that is "particularly striking or unique" [*Masterpiece* at para 64]. The striking aspect of the Opponent's trademark (indeed its only aspect) is the word "MORE".

[34] With the Applicant's Mark, I consider the term "DRIP" to be the more striking aspect, given that it is the first word of the Mark and given that there is some ambiguity as to whether "DRIP" is intended as a noun or a verb. The term "MORE" is secondary and descriptive.

[35] The degree of resemblance arises from the common presence of the term "MORE" in each party's trademark. However, when a shared portion of two trademarks is descriptive, this minimizes the impact of the similarity [see *Venngo Inc v Concierge Connection Inc*, 2015 FC 1338, aff'd 2017 FCA 96, 146 CPR (4th) 182 (Venngo); see also *Prince Edward Island Mutual Insurance Co v Insurance Co of Prince Edward Island* (1999), 86 CPR (3d) 342 (FC)].

[36] The Opponent argues that the degree of resemblance between the parties' trademarks is heightened by the fact that the Applicant also uses the registered trademark DRIP WITH US in association with its vaping products, and that in some instances on its packaging the Applicant depicts the terms "DRIP" and "MORE" separated from each other (though I note that in such instances the two words are separated by the expression "#DRIPMORE"). The Opponent argues that as a consequence consumers will think that the Mark is a reference to a liquid variant of the Opponent's MORE brand products. However, I find this argument unpersuasive for multiple reasons. First, as discussed above, the Opponent's trademark MORE is inherently weak and the Opponent has not filed any evidence to suggest that it has acquired any significant reputation. In this context, I expect consumers would interpret the "MORE" component of the Applicant's Mark simply as a descriptive adjective or adverb describing the word "DRIP". Second, to the extent that the Applicant's use of the

additional trademark DRIP WITH US is relevant, in my view, it reinforces the proposition that "DRIP" is the striking aspect of the Mark, which favours the Applicant.

[37] In view of the above, I consider the degree of resemblance factor to favour the Applicant.

Surrounding circumstance – no instances of confusion

[38] Concurrent use of two trademarks without instances of actual confusion is a surrounding circumstance which can suggest an absence of a likelihood of confusion, depending on the specific nature and duration of that concurrent use [see *Christian Dior SA v Dion Neckwear Ltd*, 2002 FCA 29, 20 CPR (4th) 155 (FCA) at para 19; see also *Maple Leaf Consumer Foods Inc v Kelbro Enterprises Inc*, 2012 TMOB 28, 99 CPR (4th) 424].

[39] Mr. Bereber notes at paragraph 26 of his affidavit that he is not aware of any instances of actual confusion between the two parties' products, despite the Applicant's years of sales in association with the Mark in Canada.

[40] I do not attribute much weight to this factor given that there is no evidence of record of any use of the Opponent's trademark, and thus no evidence of actual coexistence of the two parties' trademarks in the marketplace. In any event, it is unnecessary to weigh this factor in the Applicant's favour in order for the Applicant to succeed on the issue of confusion, given the other factors which weigh in its favour in this case.

Surrounding circumstance – state of the Register

[41] Exhibit 18 to the Bereber Affidavit includes a collection of printouts from the Canadian Intellectual Property Office website relating to third-party trademark applications and registrations. The Applicant argues that this evidence suggests that trademarks with the component "MOR" or forms of the word "MORE" are common to the tobacco industry, and that this weighs in its favour. I disagree with the Applicant on this point. First, most of these third-party trademarks incorporate "MOR" or "MORE" in a manner that is different from the trademarks in issue in this case (e.g. LA MORENA and

PHILIP MORRIS) such that the references are essentially irrelevant. Of the remaining third-party references, I do not consider them sufficient in number to draw any conclusions regarding the state of the marketplace in Canada, and the Applicant has provided no evidence of use of such trademarks. In short, I do not consider the state of the Register evidence to meaningfully assist either party.

Conclusion regarding the section 12(1)(d) ground

[42] Taking all of the above into account, and in particular given the weakness of the Opponent's trademark, and the fact that any resemblance between the trademarks is due to the descriptive term "MORE", I am satisfied that the Applicant has met its burden of demonstrating on a balance of probabilities that there is no likelihood of confusion. The section 12(1)(d) ground of opposition is therefore rejected in respect of all three of the Marks.

DISPOSITION

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

Timothy Stevenson Member Trademarks Opposition Board Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2023-02-14

APPEARANCES

For the Opponent: Barry Gamache

For the Applicant: Robert Anton Nissen

AGENTS OF RECORD

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