



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2024 TMOB 100

Date of Decision: 2024-05-28

IN THE MATTER OF AN OPPOSITION

Opponent: Zoe International Distributing Inc.

Applicant: Em Jay's Inc.

Application: 1929202 for EM JAY'S

OVERVIEW

[1] Em Jay's Inc. (the Applicant) has applied to register the trademark EM JAY'S (the Mark), for use in association with the following goods and services (the Applied-for Goods and Services):

Cannabis for smoking, dried marijuana, cannabinoid oil for oral vaporizers for smoking, hemp; cannabis smoking articles, namely, pipes, electronic smoking pipes, vaporizer pens, vaporizers, rolling papers, and smoking glass pipes

Retail store services and distributorship services featuring marijuana, cannabis and cannabis and marijuana accessories namely, pipes, electronic smoking pipes, vaporizer pens, vaporizers, rolling papers, and smoking glass pipes

[2] Zoe International Distributing Inc. (the Opponent) opposes the registration of the Mark on several grounds. Many of the grounds of opposition are based on the allegation that the Mark is confusing with the

Opponent's registered trademark JAYS, and its unregistered trademarks JAY'S and JUICY JAY'S. The Opponent alleges to have used its trademarks in association with a wide variety of goods, most of which relate to tobacco and cannabis smoking.

[3] For the following reasons, the application is refused with respect to the goods "cannabis smoking articles, namely, ... vaporizer pens, ... rolling papers, ...", and the services "retail store services and distributorship services featuring ... cannabis and marijuana accessories namely, ... vaporizer pens, ... rolling papers, ...". The opposition is rejected with respect to the remaining goods and services.

THE RECORD

[4] The application to register the Mark was filed on November 7, 2018, and was advertised pursuant to section 37 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) on December 22, 2021.

[5] The Opponent filed a statement of opposition on February 18, 2022, pursuant to section 38(1) of the Act. The Applicant filed and served a counter statement on April 21, 2022.

[6] In support of the opposition, the Opponent submitted the affidavit of Demetra Georganas, sworn on August 22, 2022 (the Georganas Affidavit). In support of the application, the Applicant submitted the affidavit of Paul Scida, sworn February 21, 2023 (the Scida Affidavit). In reply to the Scida Affidavit, the Opponent submitted the affidavits of Christine Phillips, sworn March 22, 2023 (the Phillips Affidavit), and David Farahmand, sworn March 22, 2023 (the Farahmand Affidavit). None of the affiants were cross-examined on their affidavits.

[7] Both parties submitted written representations, and the Opponent made representations at a hearing.

Opponent's Evidence

[8] Ms. Georganas is the Chief Executive Officer of the Opponent [Georganas Affidavit, para 1]. She describes the Opponent's business as the manufacture and wholesale distribution of accessory products for the "roll your own" or "make your own" smoking markets, such as rolling papers, rolling trays, lighters, ash trays, etc. [para 4].

[9] Ms. Georganas states that the Opponent has registered the trademark JAYS under registration No. TMA664,612 (the Opponent's Registered Mark) [para 9, and Exhibit A]. Ms. Georganas states that the Opponent has used the Opponent's Registered Mark and several other "JAYS-formative" trademarks, including JUICY JAY'S, COOL JAYS and JAVA JAYS, in association with accessory products for the cannabis and tobacco industry [para 10]. Ms. Georganas provides numerous examples of the branding, labels and packaging used by the Opponent in association with rolling papers, incense sticks, pre-rolled cones, vapour pens, and rolling trays, at various points in time from 2002 to 2022 [paras 18-21, Exhibits B-D].

[10] Ms. Georganas explains that the Opponent's products are marketed toward all retailers dealing in smoking accessories, with an emphasis on "head shops" that specialize in equipment and accessories used for smoking [para 7]. Since the legalization of cannabis in 2017, the Opponent also markets and sells its products to grocers and gas stations, such as Costco, Loblaws, and Shell [para 8]. Ms. Georganas states that the Opponent's brands are sold in 95% of head shops and cannabis dispensaries in Canada [para 8], and that the Opponent's rolling papers are sold in 50% of convenience and gas stores in Canada [para 8]. Ms. Georganas states that the Opponent has sold over 900,000 wholesale units of products in

association with either the Opponent's Registered Mark or one of the other JAYS-formative trademarks, worth roughly \$18 million [para 24]. Ms. Georganas also notes that this amounts to over 20 million retail packs distributed to retailers for resale [para 24].

[11] Ms. Georganas also describes the Opponent's marketing and promotional activities, including the distribution of product catalogs to retailers, attendance at industry trade shows, and the operation of a website featuring the Opponent's products [paras 13-15, and Exhibit B]. According to Ms. Georganas, annual distribution of the Opponent's catalogs has ranged from 850 copies to 2,350 copies over a period of about 20 years [para 13]. As well, in 2020 the Opponent's marketing and promotional expenses were approximately \$330,000 [para 16].

Applicant's Evidence

[12] Mr. Scida is the sole shareholder, officer and director of the Applicant [Scida Affidavit, para 1]. He states that the Applicant has operated a cannabis dispensary business in association with the Mark since April 2020 [para 5]. He states that the Mark is an invented name with a creative double meaning; it is meant to resemble "Mary Jane", which is both a person's name and a common term for marijuana [para 6].

[13] Mr. Scida states that the Applicant has used the Mark in association with several of the Applied-for Goods (namely, pipes, electronic smoking pipes, vaporizer pens, vaporizers, rolling papers and smoking glass pipes), and all of the Applied-for Services, since April 2020 [para 10]. He states that these goods and services are available at the Applicant's physical location in Etobicoke, Ontario, and through the Applicant's website and online store located at <http://emjays.ca> [paras 12, 15, 16]. He also provides representative pictures showing how the Mark appears on the Applied-for Goods, and how it is displayed in the Applicant's physical location and on the

website [paras 12-14, 16-18, and Exhibits 3-7]. Mr. Scida states that the Applicant has earned approximately \$2.4 million through sales of the Applied-for Goods stated above, and the performance of the Applied-for Services [para 23].

[14] As for the remaining Applied-for Goods (namely, cannabis for smoking, dried marijuana, cannabinoid oil for oral vaporizers for smoking, and hemp), Mr. Scida states that the Applicant intends to begin using the Mark in association with these goods [para 11].

[15] Mr. Scida also explains how the Applicant's business, goods and services are advertised in association with the Mark, via several social media accounts [para 22, and Exhibit 10]. He claims that the Marks have become well known in Canada as denoting the Applicant's high quality goods and services, as evidenced by several five-star ratings on Google reviews online [Exhibit 9].

Opponent's Reply Evidence

[16] Ms. Phillips is a private investigator [Phillips Affidavit, para 1]. She states that on March 20, 2023, she used a software tool to record the entirety of the Applicant's website located at emjays.ca. The complete website in PDF format is included in her affidavit [para 4, Exhibit A]. The website includes numerous pages for products that are available for sale via the Applicant's website, most of which appear to be the products of others (including the Opponent) [see generally, Exhibit A].

[17] Mr. Farahmand is a private investigator [Farahmand Affidavit, para 1]. He states that on March 20, 2023, he called a phone number for the Applicant's business premises and spoke to someone he says "appeared to be" a store employee. Mr. Farahmand testifies to what this person told him

regarding the products available in the Applicant's premises, as compared to those available on the Applicant's website [paras 3, 4].

GROUNDS OF OPPOSITION

[18] The Opponent relies on the following grounds of opposition:

- the Mark is not registrable because it is confusing with the Opponent's registered trademark JAYS (the Non-registrability Ground);
- the Applicant is not entitled to register the Mark for several reasons, pursuant to section 16 of the Act (the Non-entitlement Grounds)
- the Mark is not distinctive (the Non-distinctiveness Ground);
- the application to register the Mark was filed in bad faith (the Bad Faith Ground);
- the Applicant was not using and did not propose to use the Mark in Canada (the No Use or Proposed Use Ground); and
- the Applicant was not entitled to use the Mark in Canada (the No Entitlement to Use Ground).

[19] The Opponent is required to state each of these grounds in sufficient detail to enable the Applicant to respond [section 38(3)(a) of the Act]. The Opponent must also allege the material facts on which each of these grounds is based [see *Pepsico Inc v Canada (Registrar of Trade Marks)* (1975), 22 CPR (2d) 62 (FCTD)].

[20] As well, for each ground of opposition there is an initial evidential burden on the Opponent to adduce evidence from which it could reasonably be concluded that the facts alleged to support that ground of opposition are true. If this initial burden is met, then the Applicant bears the legal onus of satisfying the Registrar that, on a balance of probabilities, the ground of

opposition should not prevent registration of the Mark [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD)].

REASONS FOR DECISION

Non-registrability Ground

[21] In respect of this ground, the Opponent asserts that the Mark is not registrable under sections 12(1)(d) and 38(2)(b) of the Act, because it is confusing with the Opponent's Registered Mark [statement of opposition, para 4(b)]. Having exercised my discretion to check the status of the Opponent's trademark registration [see *Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)], I have confirmed that the Opponent's Registered Mark is registered for use in association with tobacco and tobacco accessories, namely rolling papers (the Opponent's Registered Goods). Accordingly, the Applicant bears the legal onus of showing that the Mark is not confusing with the Opponent's Registered Mark, as of the date of this decision [*Simmons Ltd v A to Z Comfort Beddings Ltd* (1991), 37 CPR (3d) 413 (FCA)].

Test for Confusion

[22] The Mark will be considered confusing with the Opponent's Registered Mark if the use of both trademarks in the same area would be likely to lead to the inference that the goods and services associated with the trademarks are manufactured, sold, leased, hired or performed (as the case may be) by the same person [section 6(2) of the Act]. The question of confusion is to be considered as a matter of first impression in the mind of a casual consumer somewhat in a hurry, who sees the applied-for trademark at a time when they have no more than an imperfect recollection of the opponent's trademark. This casual, hurried consumer does not pause to give the matter any detailed consideration or scrutiny, nor to examine closely the similarities

and differences between the trademarks [*Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23 at para 20].

[23] Applying the test for confusion is an exercise in finding facts and drawing inferences [*Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 at para 102 (*Masterpiece*)]. All surrounding circumstances of the case must be considered, including those listed at 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 the trademarks 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.

Inherent Distinctiveness

[24] The inherent distinctiveness of a trademark refers to its originality. Trademarks are inherently distinctive when nothing about them refers the consumer to a multitude of sources. Where a trademark may refer to many things, or is only descriptive of the goods or services at issue, less protection will be afforded the mark [*United Artists Pictures Inc v Pink Panther Beauty Corp*, 1998 CanLII 9052 (FCA) at para 23 (*Pink Panther*)]. A greater degree of discrimination may fairly be expected from the public in respect of such trademarks, such that even relatively small differences may suffice to avert confusion [*General Motors Corp v Bellows*, 1949 CanLII 47 (SCC) (*General Motors*)].

[25] Both the Mark and the Opponent's Registered Mark have a low degree of inherent distinctiveness. The evidence establishes that the Mark is a play on words that refers to "Mary Jane", a common phrase for marijuana [Scida

Affidavit, para 6]. The Mark is therefore at least suggestive of the nature of the Applied-for Goods and Services, which include marijuana, various cannabis products, articles for smoking cannabis, and retail and distribution services featuring such goods. The Mark is therefore of low inherent distinctiveness.

[26] With regard to the Opponent's Registered Mark the Applicant argues that, in another opposition proceeding involving the Opponent, the Opponent's Registered Mark was found to be "not inherently strong", because "the most prominent meaning for "JAY" would be slang for 'a marijuana cigarette'" [Applicant's written representations, para 42, citing *Zoe International Distributing Inc v Zeal Design Limited*, 2023 TMOB 91 at para 34 (*Zeal Design*)]. This finding was based upon definitions of the word "JAY" found in two separate dictionaries, of which the Registrar took judicial notice [*Zeal Design* at para 33]. I find it appropriate to take judicial notice of these definitions in this case as well, and reach the same conclusion that was reached in *Zeal Design* regarding the strength of the Opponent's Registered Mark. The Opponent's Registered Mark is at least suggestive of the character of the Opponent's Registered Goods, which are sold in cannabis dispensaries [Georganas Affidavit, para 8] for use in rolling marijuana cigarettes. The Opponent's Registered Mark is therefore of low inherent distinctiveness.

[27] In view of the foregoing, since both parties' trademarks are of low inherent distinctiveness, I find that this factor does not substantially favour either party.

Extent Known

[28] A trademark that is not inherently distinctive can acquire distinctiveness when it becomes known to the consuming public as

originating from one source in particular, for example, through continual use in the marketplace [*Pink Panther* at para 24].

[29] The evidence shows that the Mark has been used since April 2020 [Scida Affidavit, para 10], and that the Applicant has earned approximately \$2.4 million since that time through the sale of the Applied-for Goods and Services [para 23]. The Opponent notes, and I agree, that the Applicant also sells third-party branded goods, and it is not clear whether the stated amount of revenue was earned through sales of goods branded with the Mark alone. However, even if such revenue was not earned exclusively through sales of goods branded with the Mark, the Applicant was nonetheless providing the Applied-for Services in association with the Mark, and the Mark would have become known to some extent through such use.

[30] The Applicant also points to marketing and promotional activity in the form of five five-star ratings it has received on Google reviews [Scida Affidavit, para 21] and excerpts from several social media accounts [para 22]. In view of the relatively low number of five-star ratings in evidence, and the absence of evidence of the extent to which the Applicant's social media has been viewed by Canadians, this evidence is not of assistance in determining the extent to which the Mark has become known.

[31] As for the Opponent's Registered Mark, Ms. Georganas's evidence is that the Opponent has generated roughly \$18 million in sales of what it calls "JAYS Brand products" since 1999, and that this amounts to over 20 million retail packs of "JAYS Brand products" [Georganas Affidavit, para 24]. Ms. Georganas's evidence also states that the Opponent's product catalogs have been distributed to retailers annually since 2002, with about 850 copies distributed in 2002, and about 2,350 copies distributed in 2021 [para 13]. She also states that in 2020, the Opponent spent about \$330,000 on its

marketing and promotional activities for all of the Opponent's brands, including the "JAYS Brand" [para 16].

[32] Ms. Georganas defines the "JAYS Brand" as including the Opponent's Registered Mark, as well as several JAYS-formative trademarks such as JUICY JAYS, JAVA JAYS, GI JAYS, COOL JAYS, and JAYS ROLLS [Georganas Affidavit, para 10]. Examples of the designs used by the Opponent are shown in various excerpts from the Opponent's annual product catalogs and website [Exhibits B and C], and include the following:



[33] The evidence of use of the Opponent's Registered Mark is problematic, because it appears to relate to multiple trademarks. At a glance, it is not clear which of the designs shown above, if any, are intended to constitute use of the Opponent's Registered Mark. On this point the Opponent notes that, in a Section 45 proceeding commenced by the Applicant in respect of the Opponent's Registered Mark, the Registrar found that use of the first JUICY JAYS design shown above constituted use of the Opponent's Registered Mark [see *Wises Professional Corporation v Zoe International Distributing Inc*, 2023 TMOB 60 at paras 14-19, the "Section 45 Proceeding"]. In particular, the Registrar found that the trademark JAY'S stands out from the other material in the design due to its different lettering

and sizing, and that the Opponent's Registered Mark remains recognizable despite the addition of an apostrophe [Section 45 Proceeding, at para 18]. I agree with the reasoning of the Section 45 Proceeding, and find that use of the first JUICY JAY'S design above constitutes use of the Opponent's Registered Mark. I also find that use of the JAY'S ROLLS design shown above constitutes use of the Opponent's Registered Mark, for the same reasons.

[34] However, I do not consider use of the other designs included in the "JAY'S Brand", such as the COOL JAYS design and the second JUICY JAY'S design, to constitute use of the Opponent's Registered Mark. In these other designs, the word "JAY'S" does not stand out from the remainder of the design.

[35] Having considered the foregoing, I find that the Opponent's evidence of sales of "JAYS Brand products" does not assist in determining the extent to which the Opponent's Registered Mark has become known. While the sales figures are substantial, they cannot all be attributed to the Opponent's Registered Mark, since they include products marked with designs that would not constitute use of this trademark. The Opponent's evidence of spending on marketing initiatives is also unhelpful. Only one year's worth of expenditures has been provided, and these expenditures were not limited to the JAY'S Brand, let alone designs that would constitute use of the Opponent's Registered Mark.

[36] Despite the foregoing, I note that a substantial number of the Opponent's product catalogs have been distributed, and that the catalogs include products marked with designs that constitute use of the Opponent's Registered Mark. Accordingly, I am satisfied that the Opponent's Registered Mark has become known in the Canadian marketplace to some extent.

[37] Overall, I find that the extent to which the trademarks have become known does not favour either party. While I am satisfied that both parties' trademarks have become known to some appreciable extent, on the evidence of record I cannot determine which party's trademark is known to a greater extent, and whether this factor would favour that party.

Length of Time in Use

[38] From the examples of the "JAYS Brand" designs exhibited in the Opponent's product catalogs [Georganas Affidavit, Exhibit B], the first appearance of the first JUICY JAY'S design shown above, use of which would constitute use of the Opponent's Registered Mark, occurs in 2004. Therefore, I find that the Opponent's Registered Mark has been in use since at least 2004, whereas the Mark has been in use since April 2020 [Scida Affidavit, para 10]. Accordingly, this factor favours the Opponent.

Nature of the Goods and Services

[39] With regard to the nature of the goods and services, it is the goods and services as stated in the application that must be compared with goods as stated in the Opponent's registration [*Mr Submarine Ltd v Amandista Investments Ltd* (1987), 1987 CanLII 8953 (FCA)]. In particular, the Applied-for Goods and Services must be compared with the "tobacco and tobacco accessories, namely rolling papers" that is in the Opponent's Registration as of the material date for this ground of opposition.

[40] Despite the fact that the Opponent's "rolling papers" are stated to be a type of "tobacco accessories", and the Applicant's "rolling papers" are stated to be a type of "cannabis smoking articles", I consider these goods to directly overlap. Since the Opponent's rolling papers are available in the Ontario Cannabis Store [Georganas Affidavit, para 23], I accept that the opponent's rolling papers are equally useful for smoking cannabis as they

are for smoking tobacco. Accordingly, I find that this factor favours the Opponent in respect of “rolling papers”. I reach the same conclusion in respect of the Applied-for Service “Retail store services and distributorship services featuring ... cannabis and marijuana accessories namely, ... rolling papers, ...”, since the Opponent’s rolling papers are distributed by the Opponent, and resold by retailers [Georganas Affidavit, para 22].

[41] With regard to the other Applied-for Goods and Services, I find that this factor favours the Applicant. These goods and services are related to the Opponent’s Goods in that they are generally related to cannabis. However, there is little similarity between the goods and services beyond this. The Applied-for Goods include, and the Applied-for Services relate to, durable goods intended to be reused many times when consuming cannabis, such as glass pipes, electronic smoking pipes and vaporizer pens. Such goods are substantially different in nature from the Opponent’s consumable rolling papers. In view of the absence of any substantial similarity beyond a general relation to cannabis, I find that the nature of the Applied-for Goods and Services (aside from rolling papers, and services relating thereto) favours the Applicant.

Nature of the Trade

[42] The nature of the trade refers to the types of stores in which the goods or services are distributed, or the general category to which the goods belong. The risk of confusion is greater where the goods or services, though dissimilar, are distributed in the same types of stores, or are of the same general category of goods [*Pink Panther* at para 30].

[43] This factor favours the Opponent, in respect of all the Applied-for Goods and Services. Although many of the Applied-for Goods and Services are not very similar to the Opponent’s Registered Goods, all the goods and services at issue are available and sold in cannabis dispensaries [Georganas

Affidavit, para 8; Scida Affidavit, paras 12, 15]. Indeed, both parties' evidence confirms that at least some of the Opponent's rolling papers are sold in the Applicant's dispensary [Scida Affidavit, para 25; Georganas Affidavit, Exhibit F].

[44] The Applicant argues that Exhibit F of the Georganas Affidavit does not illustrate use of the trademark JAYS in the Applicant's online store because that trademark does not appear on the packaging shown in Ms. Georganas's affidavit. However, regardless of whether this specific example shows use of the trademark JAYS *per se*, the example nonetheless shows the Opponent's rolling papers being sold by the Applicant. This is sufficient to support the conclusion that the channels of trade in which the parties' rolling papers are generally sold at least partially overlap.

Degree of Resemblance

[45] The degree of resemblance between the trademarks, in appearance, sound and ideas suggested, is the factor with the greatest effect on the confusion analysis [*Masterpiece*, at para 49]. When considering the degree of resemblance, the trademarks must be considered in their totality. It is not correct to lay them side by side and compare and observe similarities or differences among the elements or components of the trademarks. Despite this, one must consider whether there is an aspect of the trademarks that is particularly striking or unique [*Masterpiece*, at para 64].

[46] With regard to resemblance, the Opponent argues that the Mark incorporates the entirety of the Opponent's Registered Mark, and that the term "JAYS" is the striking or unique element of both marks [Opponent's written representations, para 55]. The Opponent points to several past decisions where a later trademark incorporating the entirety of a prior trademark, along with some additions, was found to be confusing [Opponent's written representations, para 57]. The Opponent also argues

that the Mark is a “JAYS-formative” trademark, similar to those used extensively by the Opponent, and is therefore likely to be confused as one of the Opponent’s trademarks [para 56].

[47] The Applicant argues that the striking or unique aspect of the Mark is “EM”, or alternatively, “EM JAY” [Applicant’s written representations, para 34]. The Applicant also argues that, to find the Mark confusing with the Opponent’s Registered Mark would effectively grant a trademark monopoly over the word JAY or JAYS in relation to smoking products, which would be unreasonable [Applicant’s written representations para 36].

[48] In my view, there is no aspect of the Mark that is more striking or unique than any other aspect. Rather, both portions of the Mark are of equal prominence, and together suggest the unitary idea of the initials “MJ”, and by implication, the name “Mary Jane”, or marijuana [Scida Affidavit, para 6].

[49] Considering the Mark as a whole, and comparing it to the Opponent’s Registered Mark, I find that the degree of resemblance favours the Applicant. The Mark does have some degree of resemblance to the Opponent’s Registered Mark, on account of the fact that the Mark incorporates the Opponent’s Registered Mark (albeit with an apostrophe before the ‘S’, which I do not consider to meaningfully affect the confusion analysis). However, the incorporation of a prior trademark into a later trademark is not determinative of the issue of confusion, because the trademarks in question must be considered as a whole [*Marchand Deco Inc v Société Chimique Laurentide Inc*, 1985 CarswellNat 835 (FCTD) at para 24]. While it may have been concluded in some cases that a later trademark incorporating the whole of a prior trademark was confusing, it is well settled that each issue of confusion must be decided on its own facts.

[50] In this case, I find the resemblance between the parties' trademarks to be limited to the fact that both contain the word "JAYS", and that the ideas suggested by the trademarks (namely, "Mary Jane" or marijuana in general, on the one hand, and a marijuana cigarette on the other hand) both generally relate to cannabis. I find the trademarks to be different in all other respects, including overall appearance and sound, and the specific ideas suggested by the trademarks.

[51] Significantly, the only points of similarity between the trademarks are also descriptive of key characteristics of the parties' goods and services, for the reasons discussed above in respect of the inherent distinctiveness of the trademarks. Descriptive words and ideas such as this are not likely to mislead consumers with regard to the origin of goods or services [*Marchand Deco* at para 26]. In addition, since the parties' trademarks as a whole are of low inherent distinctiveness, small differences will suffice to avert confusion [*General Motors, supra*]. Overall, I find that the trademarks are more different than they are similar, and that the differences between the trademarks are sufficient to avert confusion.

[52] I also do not find the Mark to be analogous to the "JAYS-formative" trademarks used by the Opponent. Each of the Opponent's "JAYS-formative" trademarks incorporate an adjective of some kind that describes the word "JAY'S", such as "COOL" or "JUICY". The word "EM" in the Mark is not an adjective that describes "JAY'S". Rather, it is read in conjunction with "JAY'S" to suggest a substantially different name and idea. And in any event, given the problematic nature of the Opponent's evidence of use, I am unable to conclude that the Opponent's "JAY'S-formative" trademarks have been used to a sufficient extent such that another "JAY'S-formative" trademark would likely be confusing with the trademarks of the Opponent.

[53] In view of all of the foregoing, I find that the degree of resemblance between the parties trademarks favours the Applicant.

Conclusion regarding confusion

[54] Having considered all of the foregoing, from the perspective of the average consumer somewhat in a hurry, I find the likelihood of confusion between the parties' trademarks to be evenly balanced in respect of the goods "rolling papers", and the services that relate to "rolling papers". While the trademarks are inherently weak, and the degree of resemblance favours the Applicant, the fact that the goods are identical and are sold in the same types of stores substantially raises the likelihood of confusion. Ultimately, in respect of "rolling papers" and the related services, I find that the factors favouring a finding of confusion are evenly balanced by those that do not.

[55] I reach a different conclusion in respect of the remaining Applied-for Goods and Services. Since the nature of these goods and services is more different from the Opponent's rolling papers, I find that this factor tips the balance of the likelihood of confusion in favour of the Applicant.

[56] Accordingly, I find that the Applicant has not met its onus in respect of the goods "rolling papers" and the services "retail store services and distributorship services featuring ... cannabis and marijuana accessories namely, ... rolling papers, ...". The Non-registrability Ground is successful in respect of these goods and services, and is rejected in respect of the remaining Applied-for Goods and Services.

Non-entitlement Grounds

[57] In respect of these grounds, the Opponent asserts as follows:

- the Applicant is not entitled to register the Mark under section 16(1) of the Act, because the trademark is not registrable [statement of opposition, para 4(c)];
- the Applicant is not entitled to register the Mark under section 16(1)(a) of the Act, because the trademark is confusing with the Opponent's Registered Mark and the Opponent's trademarks JAY'S and JUICY JAY'S, all of which had been previously used in Canada by the Opponent, in association with a variety of goods [statement of opposition, paras 4(d) and (f)]; and
- the Applicant is not entitled to register the Mark under section 16(1)(b) of the Act, because the trademark is confusing with the Opponent's Registered Mark, the application for registration of which had been previously filed by the Opponent [statement of opposition, para 4(e)].

[58] The Non-entitlement Grounds based on sections 16(1) and 16(1)(b) of the Act cannot succeed, for the following reasons:

- the introductory wording found in section 16(1) of the Act is not a complete sentence. It must be read in conjunction with subsections (a) through (c) in order to form a complete sentence. Accordingly, the introductory wording of section 16(1) does not by itself form a ground of opposition upon which the Opponent can rely;
- an applicant's entitlement to register a trademark is not affected by the prior filing of an application to register a confusing trademark, unless the prior application was pending when the applicant's application was advertised for opposition purposes [section 16(2) of the Act]. Since the Opponent's Registered Mark was already registered as of the advertisement date of the present application,

the Opponent's application was not still pending at that date, and cannot affect the Applicant's entitlement to registration.

[59] The Non-entitlement Grounds based on section 16(1) and 16(1)(b) are therefore rejected.

[60] As for the Non-entitlement Ground based on section 16(1)(a) of the Act, the Opponent bears an initial evidential burden of showing that its trademarks were used in Canada prior to the material date for this ground of opposition [section 16(1)(a) of the Act]. If the Opponent's initial burden is met, the Applicant bears the legal onus of showing, on a balance of probabilities, that the parties' trademarks are not confusing. The material date for this ground is the date of first use of the Mark, namely, April 2020 [section 16(1)(a) of the Act].

[61] My analysis in respect of this ground will focus on the Opponent's trademarks JAYS and JAY'S. I consider these trademarks to represent the Opponent's best case, since they are more similar to the Mark than the Opponent's trademark JUICY JAY'S. I find that the word "JUICY" is entirely dissimilar to any element of the Mark, and therefore serves to differentiate the trademark JUICY JAY'S to a greater degree. If the Mark was not confusing with JAYS or JAY'S as of the material date, it would not have been confusing with JUICY JAY'S.

[62] The evidence establishes that: (a) the trademarks JAYS and JAY'S were marked on the packaging of rolling papers, incense sticks, pre-rolled cones, and vapour pens (the Opponent's Goods) [Georganas Affidavit, para 18 and Exhibit B]; and (b) the Opponent's Goods were sold in Canada starting in at least 2002 [para 18]. I am therefore satisfied that the Opponent has met its initial evidential burden in respect of the Opponent's Goods.

[63] As for the question of confusion, I find that the Mark was not confusing with the Opponent's trademarks JAYS and JAY'S as of the earlier material date for this ground. I reach this conclusion for much the same reasons as those stated in respect of the Non-registrability Ground. To those reasons, I add the following:

- as of the material date for this ground, the Applicant had not used the Mark, and there is no evidence that the Mark had become known by any other means. As for the Opponent's trademarks, the evidence shows that the trademarks were in use since at least 2004, and it is reasonable to infer that the trademarks had become known in the market to some extent. However, as stated above it is not possible to determine the specific extent to which the trademarks JAY'S and JAYS had become known. Accordingly, I find that this factor favours the Opponent, but only slightly; and
- as of the material date for this ground, the nature of the goods and services favours the Opponent in respect of the goods "vaporizer pens" and the services related thereto, in addition to the goods "rolling papers" and services related thereto. I find the goods "vaporizer pens" to overlap with the "vapour pens" included in the Opponent's Goods.

[64] Considering the foregoing, alongside my findings in respect of the Non-registrability Ground, I conclude that at the material date for this ground, the likelihood of confusion between the parties' trademarks was slightly greater than even in respect of the goods "vaporizer pens" and "rolling papers", and the services relating thereto. I make this finding for substantially the same reasons as were stated in respect of the Non-registrability Ground, and because the degree to which the trademarks had

become known slightly favours the Opponent as of the material date for this ground.

[65] As for the remainder of the Applied-for Goods, I find that the likelihood of confusion between the parties' trademarks, as of the material date for this ground of opposition, was somewhat less than even. The greater degree of difference in the nature of the goods and services favours the Applicant, and in my view, is sufficient to tip the balance of the likelihood of confusion in favour of the Applicant.

[66] Accordingly, the Non-entitlement Ground based on section 16(1)(a) is successful in respect of the goods "vaporizer pens" and "rolling papers", and the services "retail store services and distributorship services featuring ... cannabis and marijuana accessories namely, ... vaporizer pens, ... rolling papers, ...". In respect of the remaining Applied-for Goods and Services, the Non-entitlement Ground based on section 16(1)(a) of the Act is rejected.

Non-Distinctiveness Ground

[67] In respect of this ground, the Opponent pleads as follows [statement of opposition, para 4(g)]:

The [Mark] is not adapted to distinguish nor is it capable of distinguishing the [Applied-for Goods and Services] from the [Opponent's Goods]. On the contrary, the [Mark] and its use by the Applicant is calculated to give rise to confusion and to enable the Applicant to benefit from and trade-off the goodwill of the Opponent in [the trademarks JAY'S and JUICY JAYS], contrary to Section 38(2)(d).

[68] The material date for this ground of opposition is the date on which the application was opposed [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc*, 2004 FC 1185 at para 25].

[69] As with all other grounds of opposition, there is an initial evidential burden on the Opponent. However, in this case it is not necessary for me to

determine whether that burden has been met. In respect of the goods “vaporizer pens” and “rolling papers”, and the services related to those goods, the opposition has succeeded on other grounds, and I need not consider the Non-distinctiveness Ground.

[70] As for the remaining Applied-for Goods and Services, even if the Opponent’s initial burden were met, I find that the Mark is not confusing with the trademarks JAY’S or JUICY JAYS, as of the material date for this ground. I make this finding for substantially the same reasons as were stated in respect of the Non-entitlement Ground, as I do not find the differences in the evidence as of the material date for this ground to substantially affect those reasons. Accordingly, the Non-distinctiveness Ground is rejected in respect of the remaining Applied-for Goods and Services.

Bad Faith Ground

[71] In respect of this ground, the Opponent pleads as follows [statement of opposition, para 4(a)]:

Section 38(2)(a.1) – The Application was Filed in Bad Faith

- a. The application for the [Mark] was filed in bad faith.

[72] The Opponent made no submissions in respect of this ground, either in its written representations or at the hearing of this matter.

[73] The Bad Faith Ground has not been properly pleaded, in accordance with section 38(3)(a) of the Act. The pleading contains only the bare allegation that the application for the Mark was filed in bad faith. The pleading does not contain any material facts that would support the allegation. Furthermore, even if the Bad Faith Ground were properly pleaded, there appears to be no evidence with which the Opponent could

meet its initial burden for this ground. Accordingly, the Bad Faith Ground is rejected.

No Use or Proposed Use Ground

[74] In respect of this ground, the Opponent pleads as follows [statement of opposition, para 4(h)]:

The Applicant was not using and did not propose to use the [Mark] in Canada in association with the goods and services specified in the application at the filing date of the application.

[75] The Opponent made no submissions in respect of this ground, either in its written representations or at the hearing of this matter.

[76] The No Use or Proposed Use Ground has not been properly pleaded, in accordance with section 38(3)(a) of the Act. The Opponent's allegation that the Applicant did not propose to use the Mark in Canada must be supported by material facts, to enable the Applicant to reply. It is not for the Applicant to speculate as to why the Opponent considers there to have been no intention to use the Mark [*Pax Labs, Inc v Shenzhen Topgreen Technology Co, Ltd*, 2023 TMOB 17 at para 91]. In the absence of any alleged material facts that would support a conclusion of no intention to use the Mark, this ground is not properly pleaded. And in any event, there appears to be no evidence with which the Opponent could meet its initial burden in respect of this ground. Accordingly, the No Use or Proposed Use Ground is rejected.

No Entitlement to Use Ground

[77] In respect of this ground, the Opponent pleads as follows [statement of opposition, para 4(i)]:

The Applicant's use of the [Mark] in association with the goods and services as set out in the application suggests that such goods and services have been authorized, licensed or approved by the Opponent or that they are used in the business of the Opponent. Such use is without the Opponent's consent.

Accordingly, this application does not comply with Section 38(2)(f) and Section 30(1) [of the Act] because, at the date of filing of the application in Canada, the Applicant could not have been satisfied that it was entitled to use the [Mark] in relation to the applied for goods and services given that the Applicant had or ought to have had prior knowledge of prior use of the Opponent's Marks.

[78] The Opponent argues that the Applicant is not entitled to use the Mark in Canada because the Mark is confusing with the Opponent's JAYS trademark, and is not distinctive of the Applicant. The Opponent argues that the Applicant "cannot intend to "use" its mark as a "trademark", because the Applicant will not in fact be able to distinguish the Applicant's goods and services from those of the Opponent" [Opponent's written representations, paras 69-70].

[79] The No Entitlement to Use Ground, as pleaded, cannot succeed. Section 38(2)(f) of the Act addresses an applicant's objective entitlement to use an applied-for trademark in Canada. While section 30(i) of the Act as it was prior to June 17, 2019 required applicants to include in their application a statement that "he is satisfied that he is entitled to use the trademark in Canada in association with the goods or services", there is no longer any focus on an applicant's subjective belief of entitlement to use a trademark [*Advance Magazine Publishers Inc v Pawandeep Dhunna*, 2023 TMOB 39, at para 47]. Accordingly, the Opponent's allegation that the Applicant could not have been satisfied that it was entitled to use the Mark does not support its ground of opposition under section 38(2)(f) of the Act.

[80] Furthermore, the Opponent's allegations that the Mark is confusing and is not distinctive, by themselves, also do not support the conclusion that the Applicant is not entitled to use the trademark in Canada. Allegations of confusion, without more, may speak to the registrability of the trademark, but do not speak to a person's entitlement to use the trademark [*Methanex Corporation v Suez International, société par actions simplifiée*,

2022 TMOB 155]. Similarly, while a lack of distinctiveness may preclude the registration of a trademark, it does not necessarily preclude the Applicant from using the trademark nonetheless.

[81] In view of the foregoing, the No Entitlement to Use Ground is rejected.

DISPOSITION

[82] Pursuant to the authority delegated to me under sections 63(3) and 38(12) of the Act, I refuse the application with respect to the goods “cannabis smoking articles, namely, ... vaporizer pens, ... rolling papers, ...”, and the services “retail store services and distributorship services featuring ... cannabis and marijuana accessories namely, ... vaporizer pens, ... rolling papers, ...”. I reject the opposition with respect to the following goods and services:

Cannabis for smoking, dried marijuana, cannabinoid oil for oral vaporizers for smoking, hemp; cannabis smoking articles, namely, pipes, electronic smoking pipes, vaporizers, and smoking glass pipes

Retail store services and distributorship services featuring marijuana, cannabis and cannabis and marijuana accessories namely, pipes, electronic smoking pipes, vaporizers, and smoking glass pipes.

Jaimie Bordman
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2024-03-12

APPEARANCES

For the Opponent: Christina Mihalceanu, Kevin Wright

For the Applicant: No one appearing

AGENTS OF RECORD

For the Opponent: DLA Piper (Canada) LLP

For the Applicant: Wises Professional Corporation