



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2025 TMOB 179

Date of Decision: 2025-09-05

IN THE MATTER OF AN OPPOSITION

Opponent: Norkol Packaging LLC

Applicant: 1178320 B.C. Ltd.

Application: 2,030,965 for KONEHEDZ

[1] 1178320 B.C. Ltd. (BC Ltd) seeks to register the trademark KONEHEDZ (the Mark), for use in association with “cannabis cones for smoking”. BC Ltd’s application is opposed by Norkol Packaging LLC (Norkol) which asserts, among other things, that the Mark is confusing with its previously used trademark CONEHEAD.

[2] For the reasons that follow, BC Ltd’s application is refused.

BACKGROUND

[3] The application was filed on May 27, 2020 by an entity identified as “AJR Law”.

[4] On September 11, 2023, Norkol filed a statement of opposition pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). Norkol alleged that AJR Law is not the person entitled to registration of the

Mark, that AJR Law was not using and did not propose to use the Mark, and that AJR Law was not entitled to use the Mark.

[5] On October 11, 2023, AJR Law advised that its full legal name is AJR Law Corporation, and requested that the application be amended accordingly. On the same date, an assignment of the application from AJR Law to BC Ltd was filed.

[6] In support of the opposition, Norkol filed the affidavit of Travis Lantz, sworn on February 29, 2024 (the Lantz Affidavit). Mr. Lantz is a co-owner of Norkol [para 1]. He describes Norkol as a manufacturer and seller of a variety of packaging and paper products, including smoking products and packaging for smoking products [para 6]. He states that some of Norkol's products are pre-rolled cones for filling with smokable hemp and tobacco products, and are sold in association with the trademark CONEHEAD [para 7].

[7] Mr. Lantz states that Norkol filed an application to register the trademark CONEHEAD in Canada, and that the present application was cited against Norkol's, on the basis of confusion between the trademarks [Lantz Affidavit at paras 8-10]. However, Mr. Lantz asserts that Norkol has used its trademark CONEHEAD in Canada since at least February 2019, prior to the filing of the present application [para 11]. In support of his assertion, Mr. Lantz provides representative photos of Norkol's products marked with the trademark CONEHEAD [para 12 and Exhibit F], a description of Norkol's primary Canadian customers [para 14], representative invoices dated as early as February 28, 2019 [Exhibits G-K], and an estimate of Norkol's quarterly sales volumes since 2019 [para 16].

[8] Norkol also filed the affidavit of Misato Kawasaki, affirmed on March 4, 2024 (the Kawasaki Affidavit). Ms. Kawasaki is a legal administrative

assistant with Norkol's trademark agents [para 1]. She provides BC Company Summaries for both AJR Law and BC Ltd [Exhibits A and B]. She also provides a printout from the website of the Law Society of British Columbia, containing a profile for the lawyer Ashley J. Ridyard [Exhibit C]. Further, she provides the results of searches she performed of a database of licensed cultivators, processors and sellers of cannabis, for AJR Law, BC Ltd, or "Ridyard", which showed no results [Exhibit D].

[9] In support of the application, BC Ltd filed the affidavit of Jennifer Li, sworn on July 7, 2024 (the Li Affidavit). Ms. Li is a director, co-founder, and Chief Executive Officer of BC Ltd [para 1]. She states that BC Ltd specializes in supplying pre-rolled paper cones that act as a vessel for cannabis [para 4]. She states that BC Ltd initially did business under the trade name CONEHEADS, but changed to the trade name KONEHEDZ in early 2019 [paras 5-6]. Ms. Li provides a copy of an email she sent on behalf of BC Ltd on February 13, 2019, in which the trade name KONEHEDZ was used, as well as copies of emails from February 2019 wherein BC Ltd updated its Amazon and Instagram accounts to reflect the new KONEHEDZ trade name [paras 6-7 and Exhibits C and E].

[10] With regard to use of the Mark, Ms. Li provides example invoices demonstrating sales of BC Ltd's cannabis cones in association with the Mark [para 10 and Exhibit F]. The earliest of these invoices is dated April 11, 2019. She also provides representative images of BC Ltd's homepage and Instagram account, which include images of BC Ltd's cannabis cones and their packaging bearing the Mark [paras 11-12, and Exhibits G-H].

[11] As for the application to register the Mark, Ms. Li states her understanding that "[BC Ltd], through AJR Law as an agent" applied to register the Mark on May 27, 2020 [para 8].

[12] In reply to the Li Affidavit, Norkol filed the affidavit of James Haggerty, sworn on August 8, 2024 (the Haggerty Affidavit). Mr. Haggerty is a trademark searcher with Norkol's trademark agents [para 1]. Mr. Haggerty provides the results of searches of the Canadian trademarks database for entries having one of several prominent intellectual property law firms as either the former or current owner of the application, each of which returned no results [Exhibits A-I]. He also provides the results of searches for entries having AJR Law as either the former or current owner, which returned three results, including the present application [Exhibit J]. Mr. Haggerty's searches purport to show that law firms do not file trademark applications in their own name, on behalf of clients.

[13] None of the affiants were cross-examined on their affidavits. Both parties submitted written representations, and no hearing was held.

GROUND OF OPPOSITION

[14] In its statement of opposition, Norkol raises the following grounds:

- BC Ltd is not entitled to register the Mark because, as of both the filing date of the application and the date of first use of the Mark, the Mark was confusing with Norkol's trademark CONEHEAD, which had been used previously in Canada (the Entitlement Ground);
- as of the filing date of the application, AJR Law had not used, and did not propose to use the Mark in Canada (the No Use or Proposed Use Ground); and
- as of the filing date of the application, AJR Law was not entitled to use the Mark in Canada, for multiple reasons (the Entitlement to Use Ground).

[15] In respect of each of its grounds of opposition, there is an initial evidential burden on Norkol to adduce evidence from which it could

reasonably be concluded that the facts alleged to support the grounds of opposition are true. If this initial burden is met, then BC Ltd bears the legal onus of satisfying the Registrar that, on a balance of probabilities, the grounds 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

The Entitlement Ground

[16] In respect of this ground, Norkol relies on section 16(1)(a) of the Act, which states as follows:

16(1) Any applicant who has filed an application ... for the registration of a registrable trademark is entitled ... to secure its registration ... unless at the filing date of the application or the date of first use of the trademark in Canada, whichever is earlier, it was confusing with

(a) a trademark that had been previously used ... in Canada by any other person ...

[17] Norkol asserts that the Mark is confusing with its trademark CONEHEAD, which had been used in Canada in association with the following goods, prior to either the filing of the application or the first use of the Mark [statement of opposition at paras 6-7]:

Filter tips; smoker's articles, namely, filters for hand-rolled smoking hemp and tobacco products; filters made of bamboo; smoker's mouthpieces for hand-rolled products; pre-formed filters for smokable hemp products.

[18] In accordance with section 16 of the Act, to meet its initial evidential burden in respect of this ground, Norkol must establish that it used its trademark CONEHEAD in Canada either before BC Ltd (or its predecessor) used its Mark, or before the filing date of the application, whichever date is earlier. If Norkol's initial burden is met, then BC Ltd must demonstrate on a

balance of probabilities that the Mark is not confusing with Norkol's trademark CONEHEAD.

First Use of the Mark

[19] Norkol asserts that the material date for assessing whether it has met its initial burden should be the filing date of the application, rather than the date of first use of the Mark, if any [Norkol's written representations at para 44]. In the alternative, Norkol asserts that the earliest possible date of first use of the Mark is April 11, 2019, the date of BC Ltd's earliest invoice showing the sale of its goods.

[20] BC Ltd asserts that its use of the Mark commenced in 2018, when it first used CONEHEADS in emails to prospective customers and on a product list [BC Ltd's written representations at paras 28(a) and (b), citing Li Affidavit at para 5 and Exhibits A and B]. BC Ltd asserts that its use of CONEHEADS constitutes use of the Mark, because CONEHEADS maintains the dominant features of the Mark, the pronunciation of CONEHEADS and the Mark are the same, and the appearance and spelling of CONEHEADS and the Mark are substantially the same [BC Ltd's written representations at para 31].

[21] I do not accept BC Ltd's assertions for two reasons. First, I do not accept that BC Ltd's use of CONEHEADS constitutes use of the Mark. Although both Mark and the word CONEHEADS sound the same when pronounced, the Mark is a unique, coined term, whereas CONEHEADS is a common dictionary word. In my view, the unique spelling of the Mark lends it a fairly substantial degree of inherent distinctiveness, relative to the common word CONEHEADS. Accordingly, I consider the Mark's unique spelling to be a dominant feature thereof (if not the only dominant feature thereof), and to comprise a substantial part (if not the entire part) of the Mark's identity. This dominant feature of the Mark is not maintained in the

term CONEHEADS. Accordingly, I do not consider the use of CONEHEADS to constitute use of the Mark [see *Canada (Registrar of Trade Marks) v Cie internationale pour l'informatique CII Honeywell Bull SA* (1985), 4 CPR (3d) 523 (FCA), and *Promafil Canada Ltée v Munsingwear, Inc*, 1992 CanLII 12831 (FCA)].

[22] Second, even if I were to consider the use of CONEHEADS to constitute use of the Mark, the evidence does not support BC Ltd's assertion that the trademark CONEHEADS was used in 2018. Use of a trademark in association with goods is defined in sections 4(1) and 4(3) of the Act. Both definitions require a transfer of the goods, and that the trademark in question be associated with the goods in one of the ways stated in the definitions. However, there is no evidence of any sales or other transfers of BC Ltd's cannabis cones occurring in 2018, in association with CONEHEADS or otherwise. Indeed, the only evidence from 2018 consists of BC Ltd's emails to prospective customers, in which it refers to itself as "Coneheads Canada" [Li Affidavit at Exhibit A], and a product list entitled "Coneheads Victoria BC 2018/2019 Product List" [Exhibit B]. This evidence does not show that BC Ltd sold or otherwise transferred any of its cannabis cones in 2018. Accordingly, this evidence cannot demonstrate use of the trademark CONEHEADS in 2018.

[23] In addition to the above, BC Ltd points to: (a) the February 13, 2019 email identifying BC Ltd as KONEHEDZ [Li Affidavit at para 6 and Exhibit E]; and (b) its website and Instagram account on which KONEHEDZ appeared as early as February 13, 2019 [paras 11-12, and Exhibits G-H]. While this evidence may constitute use of the trade name KONEHEDZ, it does not establish the sale or other transfer of any of BC Ltd's cannabis cones, in association with the Mark. This is consistent with Ms. Li's testimony, as she describes BC Ltd's use of the "KONEHEDZ tradename" at several points in

her affidavit [see, *e.g.*, paras 6 and 7]. However, in the absence of any transfer of goods, the evidence does not show use of a trademark, as defined in the Act.

[24] The earliest evidence of any transfer of BC Ltd's cannabis cones is an invoice dated April 11, 2019 [Li Affidavit, Exhibit F]. I consider this invoice, together with the images depicting BC Ltd's cannabis cones and the boxes they are shipped in, which both display the Mark [Exhibits G and H], sufficient to demonstrate that BC Ltd used the Mark at least as early as April 11, 2019, in accordance with section 4(1) of the Act. Accordingly, this will be the material date for assessing whether Norkol has met its initial evidential burden.

Norkol's Initial Burden

[25] Norkol asserts that its evidence demonstrates its use of the trademark CONEHEAD in Canada since February 2019, with its earliest invoice showing a sale of its goods dated February 28, 2019 [Norkol's written representations at para 40]. BC Ltd asserts that Norkol's evidence does not demonstrate use at any time prior to BC Ltd's use of the Mark [BC Ltd's written representations at paras 18-25].

[26] I accept Norkol's submissions on this point. Norkol's evidence includes pages from its website and photographs of its product, both of which show the packaging of Norkol's goods marked with its trademark CONEHEAD [Lantz Affidavit, Exhibits E and F]. This evidence is representative of how Norkol's goods appeared since at least February 2019 [paras 12 and 13]. Norkol's evidence also shows that it sold its goods marked with the CONEHEAD trademark in Canada, primarily to Canadian cannabis companies, and includes representative invoices demonstrating such sales [para 14 and Exhibits G-K]. The earliest such invoice is dated February 28, 2019 [Exhibit G]. Based on this evidence, I am satisfied that Norkol's goods

were first sold in Canada on or about February 28, 2019, and in any event, prior to April 11, 2019. I am also satisfied that Norkol's trademark CONEHEAD appeared on the packaging of such goods, in accordance with the definition of trademark use provided in section 4(1) of the Act. While BC Ltd's submissions highlight deficiencies in each component of Norkol's evidence, the evidence taken as a whole clearly demonstrates use prior to April 11, 2019, and is sufficient to meet Norkol's initial evidential burden.

Confusion

[27] Since Norkol's initial burden has been met, BC Ltd bears the legal onus of demonstrating, on a balance of probabilities, that the Mark was not confusing with Norkol's trademark CONEHEAD as of the date of first use of the Mark. Norkol submits that BC Ltd has not met its legal onus, because there is a likelihood of confusion between the parties' trademarks [Norkol's written representations at paras 46-75]. BC Ltd has not made submissions on the issue of confusion, in view of its position that Norkol has not met its initial evidential burden [BC Ltd's written representations at para 17].

[28] For the following reasons, I am not satisfied that BC Ltd has met its legal onus of demonstrating that the Mark is not confusing.

[29] A trademark is confusing with another trademark if the use of both trademarks in the same area would be likely to lead to the inference that the goods or services associated with the trademarks are manufactured, sold, leased, hired or performed (as the case may be) by the same person [sections 6(1) and (2) of the Act]. The issue 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 Clicquot Ltée*, 2006 SCC 23 at para 20].

[30] 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.

[31] Considering all of the above circumstances, as a matter of first impression in the mind of the causal consumer, I am not satisfied that such a consumer would not likely infer that the parties' goods emanate from the same source. The degree of resemblance between the trademarks, which often has the greatest effect on the confusion analysis [*Masterpiece* at para 49], is high. The parties' trademarks are fairly similar in appearance, sharing many of the same letters. Furthermore, the parties' trademarks are identical in both sound and ideas suggested. This overall high degree of similarity strongly suggests that the parties' trademarks are confusing.

[32] The trademarks are also used in association with essentially identical goods, namely pre-rolled paper cones for filling with smokable hemp or tobacco, or for use as a vessel for cannabis [Lantz Affidavit at para 7; Li Affidavit at para 4]. And both parties' goods are sold to other cannabis businesses in Canada to be filled with cannabis [Lantz Affidavit at para 14; Li

Affidavit at para 4]. Accordingly, both the nature of the goods and the nature of the trade strongly suggest that the parties' trademarks are confusing.

[33] None of the remaining surrounding circumstances substantially favour BC Ltd, such that confusion becomes less likely. While I find the Mark to be more inherently distinctive, in view of the Mark's unique spelling of the common word "Coneheads", the evidence suggests that Norkol's trademark CONEHEAD has become known in Canada to a greater extent. Specifically, Norkol has sold over 30 million cones per quarter since 2019 [Lantz Affidavit at para 16]; by contrast, BC Ltd has sold only 90 million cones in total since 2018 [Li Affidavit at para 10]. Overall, I find that the inherent and acquired distinctiveness of the parties' trademarks do not favour either party to a substantial extent. As for the length of time in use, since Norkol began using its trademark less than two months before BC Ltd, this factor does not substantially favour either party.

[34] In view of all the foregoing, there appears to be at least an even chance that the parties' trademarks are confusing within the meaning of section 6 of the Act. In the absence of submissions on this issue from BC Ltd, I am not satisfied that the Mark is not confusing with Norkol's previously used trademark CONEHEAD. Accordingly, BC Ltd has failed to meet its legal onus, and the Entitlement Ground is successful.

The No Use or Proposed Use Ground

[35] In respect of this ground, Norkol relies on section 38(2)(e) of the Act, and asserts that, as of the filing date of the application, AJR Law (the applicant at that time) was not using and did not propose to use the Mark in association with cannabis cones for smoking [see statement of opposition at para 10]. Norkol pleads two alternative fact scenarios in support of this assertion:

- “AJR Law” (the applicant as originally named in the application) is not the name of any legal entity, and therefore could not have used or proposed to use the Mark [statement of opposition at para 11]; or in the alternative
- AJR Law is an entity that offers legal services, and “is not legally entitled to sell, does not offer, advertise, or sell, and has never had any *bona fide* intention to offer, advertise, or sell,” cannabis cones in Canada [statement of opposition at para 12].

[36] The amendment of the applicant’s name to “AJR Law Corporation” is a complete answer to the first fact scenario. The evidence establishes that the full name of AJR Law is “AJR Law Corporation”, and that this was a valid and existing legal entity as of the filing date of the application [see Kawasaki Affidavit, Exhibit A].

[37] As for the second fact scenario, Norkol submits that, while the Li Affidavit suggests that AJR Law acted as an agent for BC Ltd when it filed the application, there is no direct evidence of an agency relationship between BC Ltd and AJR Law [Norkol’s written representations at para 83]. As well, neither AJR Law nor its principal Ashley J. Ridyard are trademark agents, as is required to represent another person in any business before the Office of the Registrar of Trademarks [para 87, citing section 25(1) of the *Trademarks Regulations*, SOR/2018-227]. Furthermore, there is currently no practice of Canadian law firms filing applications on behalf of clients and assigning resulting registrations to their clients, and to permit such a practice would represent a “sea change” in Canadian trademark law [para 88, citing the Haggerty Affidavit].

[38] BC Ltd submits that, since AJR Law filed the application on BC Ltd’s behalf, pursuant to an agency relationship, BC Ltd was always the “beneficial owner and rightful applicant” of the application [BC Ltd’s written

representations at para 37]. BC Ltd further submits that focusing solely on the fact that AJR Law was originally named as applicant is unjust in view of BC Ltd's prior use of the Mark, and will deprive trademark rights from the Mark's rightful owner based on a "minor technical issue" [paras 38-39]. In BC Ltd's submission, the analysis of this ground should only consider whether BC Ltd, the current applicant, was not using and did not propose to use the Mark as of the filing date of the application [para 40].

[39] BC Ltd cites no jurisprudence in support of its position. Indeed, its position runs contrary to established case law that trademark applications cannot be filed in the name of "straw man" entities acting on behalf of another, because such straw men did not use, and did not intend to use the trademark in Canada [see *Dollar General Merchandising, Inc v R Steinberg*, 2009 CanLI 90472 (TMOB); see also *Cellular One Group, a partnership v Bell Mobility Cellular Inc*, 1996 CanLII 11378 (TMOB)]. While these cases were decided under section 30(e) of the Act as it read prior to June 17, 2019, the principles arising from such cases can be instructive in respect of grounds of opposition arising under section 38(2)(e) of the Act [*Shopify v Ubeing Mobility Ltd*, 2024 TMOB 75].

[40] More specifically, the cases of *Dollar General* and *Cellular One Group*, cited above, were decided based on the Act's prior requirement that applicants state their intention to use a trademark, and the implicit requirement that that statement be true. While the Act no longer requires such statements, it does require that applicants either use or propose to use the trademark as a precondition for filing the application [see section 30(1) of the Act]. Accordingly, the question of whether an applicant truly used or proposed to use the trademark upon filing remains relevant, and the reasoning from *Dollar General* and *Cellular One Group* regarding "straw man" applicants is as applicable now as it was then.

[41] In the present case I am satisfied, on a balance of probabilities, that AJR Law has impermissibly acted as a “straw man” trademark applicant, just as the applicants in *Dollar General* and *Cellular One Group* did. At paragraph 8 of her affidavit, Ms. Li states that BC Ltd “started working with AJR Law in the spring of 2020 for the purposes of pursuing ... protection of the [Mark]” and that she understands that BC Ltd applied to register the Mark “through AJR as an agent”. In view of Ms. Li’s evidence, I find it more likely than not that BC Ltd retained AJR Law to file the application on its behalf, and that AJR Law filed the application on BC Ltd’s behalf, but in its own name. In such circumstances, I am not satisfied that AJR Law proposed to use the Mark when it filed the application. I find more likely that AJR Law filed the application instead for the benefit of its client BC Ltd, who was already using the Mark at this time.

[42] BC Ltd’s submissions, outlined above, are not persuasive. Despite the filing of the application by AJR Law, it remains open to BC Ltd to file another application for the Mark in its own name. If BC Ltd has used the Mark in Canada prior to the filing date, as it claims, then its entitlement to registration of the Mark would be governed by its date of first use, regardless of when the application is filed [see section 16(1) of the Act]. Accordingly, no loss of rights will result solely from requiring that BC Ltd file its trademark application in its own name.

[43] Accordingly, in the absence of any suggestion that AJR Law had used the Mark as of the filing date of the application, and in view of my finding that AJR Law did not propose to use the Mark as of that date, the No Use or Proposed Use Ground is successful.

The Entitlement to Use Ground

[44] Since Norkol has already succeeded on two separate grounds, it is not necessary to consider the Entitlement to Use Ground.

DISPOSITION

[45] 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.

Jaimie Bordman
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: No hearing held

AGENTS OF RECORD

For the Opponent: Gowling WLG (Canada) LLP

For the Applicant: Fasken Marineau DuMoulin LLP