2012 Trademark Trial & Appeal Board Precedential Opinions Digest
Including Appeals to the U.S. Court of Appeals for the Federal Circuit

April 2012

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Table of Contents

Precedential Decisions Chart ........................................................................................................ iv

I. The Trademark Trial and Appeal Board

A. Likelihood of Confusion – Section 2(d) ................................................................................ 1
   
   Edom Laboratories, Inc. v. Lichter, 102 USPQ2d 1546 (TTAB 2012) ........................................ 1
   In re Accelerate S.A.L., 101 USPQ2d 2047 (TTAB 2012) ....................................................... 2
   In re Anderson, 101 USPQ2d 1912 (TTAB 2012) ................................................................. 3
   In re Cook Medical Technologies LLC, 105 U.S.P.Q.2d 1377 (TTAB 2012) .................. 5
   In re Hartz Hotel Services, Inc., 102 USPQ2d 1150 (TTAB 2012) .......................................... 7
   In re RiseSmart, Inc., 104 USPQ2d 1931 (TTAB 2012) ....................................................... 9
   In re Strategic Partners, Inc., 102 USPQ2d 1397 (TTAB 2012) ............................................. 11
   Lebanon Seaboard Corp. v. R & R Turf Supply, Inc., 101 USPQ2d 1826 (TTAB 2012) ....... 12
   L’Oreal S.A. v. Marcon, 102 USPQ2d 1434 (TTAB 2012) .................................................... 13
   Research in Motion Limited v. Defining Presence Marketing Group, Inc.,
   102 USPQ2d 1187 (TTAB 2012) ............................................................................................. 15

B. Dilution – Section 43(c) ........................................................................................................... 19
   
   Academy of Motion Picture Arts and Sciences v.
   Alliance of Professionals & Consultants, Inc., 104 USPQ2d 1234 (TTAB 2012) ............ 19
   Research in Motion Limited v. Defining Presence Marketing Group, Inc.,
   102 USPQ2d 1187 (TTAB 2012) ............................................................................................. 20

C. Deceptive – Section 2(a) ......................................................................................................... 20
   
   In re E5 LLC, 103 USPQ2d 1578 (TTAB 2012) .................................................................... 20
   In re Jackson International Trading Co., 103 USPQ2d 1417 (TTAB 2012) ....................... 21

D. Flag, Coat of Arms or Other Insignia – Section 2(b) ............................................................. 22
   
   In re City of Houston, 101 USPQ2d 1534 (TTAB 2012) .................................................... 22

E. Merely Descriptive – Section 2(e)(1) ..................................................................................... 24
   
   Baroness Small Estates, Inc. v. American Wine Trade, Inc.,
   104 USPQ2d 1224 (TTAB 2012) ............................................................................................ 24
   ChaCha Search, Inc. v. Grape Technology Group, Inc., 105 U.S.P.Q.2d 1298 (TTAB 2012) ... 26
   In re Accelerate S.A.L., 101 USPQ2d 2047 (TTAB 2012) .................................................... 28
   In re Franklin County Historical Society, 104 USPQ2d 1085 (TTAB 2012) ...................... 28
   In re Future Ads LLC, 103 USPQ2d 1571 (TTAB 2012) ..................................................... 29
2012 TTAB Precedential Opinions Digest

In re Phaseon Technology, Inc., 103 USPQ2d 1822 (TTAB 2012) ........................................... 31
In re RiseSmart, Inc., Serial Nos. 104 USPQ2d 1931 (TTAB 2012) ........................................... 32
In re Sadoru Group, Ltd., 105 USPQ2d 1484 (TTAB 2012) ...................................................... 32
In re Tennis Industry Assn., 102 USPQ2d 1671 (TTAB 2012) .................................................. 33

F. Primarily Geographically Deceptively Misdescriptive – Section 2(e)(3) ........................................... 35

Corporacion Habanos, S.A. v. Guantanamera Cigars, 102 USPQ2d 1085 (TTAB 2012) ........ 35
In re Compania de Licores Internacionales S.A., 102 USPQ2d 1841 (TTAB 2012) ............... 39
In re Premiere Distillery, LLC, 103 USPQ2d 1483 (TTAB 2012) .............................................. 41

G. Functionality – Section 2(e)(5) .................................................................................................. 42

Doyle v. Al Johnson’s Swedish Restaurant & Butik, Inc.,
101 USPQ2d 1780 (TTAB 2012) ................................................................................................ 42
In re The Procter & Gamble Company, 105 USPQ2d 1119 (TTAB 2012) .................................. 44

H. Sections 1 and 45 ................................................................................................................... 46

In re HSB Solomon Associates, LLC, 102 USPQ2d 1269 (TTAB 2012) .................................. 46
In re Rogowski, 104 USPQ2d 2012 (TTAB 2012) ......................................................................... 47
In re Supreme Steel Framing System Association, 105 US.P.Q.2d 1385 (TTAB 2012) ....... 47

I. Material Alteration ................................................................................................................ 48

In re Guitar Straps Online, LLC, 103 USPQ2d 1745 (TTAB 2012) ........................................... 48

J. Validity of Registrations ......................................................................................................... 50

Fouad Kallamni v. Asad A. Khan, 101 USPQ2d 1864 (TTAB 2012) ........................................ 50
SaddleSprings, Inc. v. Mad Croc Brands, Inc., 104 USPQ2d 1948 (TTAB 2012) ............... 52
ShutEmDown Sports, Inc. v. Lacy, 102 USPQ2d 1036 (TTAB 2012) ...................................... 54

K. Procedural Issues .................................................................................................................. 56

In re Johnson & Johnson v. Obschestvo s Ogranichennoy,
104 USPQ2d 2037 (TTAB 2012) ................................................................................................ 56
Jacques Moret, Inc. v. Speedo Holdings B.V., 102 USPQ2d 1212 (TTAB 2012) ............... 57
Luster Products, Inc. v. Van Zandt d/b/a Vanza USA, 104 USPQ2d 1877 (TTAB 2012) .... 59
Musical Directions v. McHugh, 104 USPQ2d 1157 (TTAB 2012) ........................................ 60
Otter Products, LLC v. Base One Labs, LLC, 105 USPQ2d 1252 (TTAB 2012) ....................... 61
Spier Wines (PTY) Ltd. v. Ofer Z. Shepher, 105 USPQ2d 1239 (TTAB 2012) ....................... 63

L. Certification Marks ................................................................................................................. 64

Swiss Watch International Inc. v. Federation of the Swiss Watch Industry,
101 USPQ2d 1731 (TTAB 2012) ................................................................................................ 64
II. Appeals to the Federal Circuit

A. Likelihood of Confusion – Section 2(d) .............................................................................................................. 66

   673 F.3d 1330, 102 U.S.P.Q.2d 1061 (Fed. Cir. 2012) .................................................................................... 66
   Coach Services, Inc. v. Triumph Learning LLC, 668 F.3d 1356,
   101 USPQ2d 1713 (Fed. Cir. 2012) ................................................................................................................... 66
   Midwestern Pet Foods, Inc. v. Societe des Produits Nestle S.A.,
   103 USPQ2d 1435 (Fed. Cir. 2012) .................................................................................................................... 70
   In re Viterra Inc., 101 U.S.P.Q.2d 1905 (Fed. Cir. 2012) ............................................................................... 72

B. Merely Descriptive – Section 2(e)(1) ................................................................................................................ 73

   DuoProSS Meditech Corporation v. Inviro Medical Devices Ltd.,
   103 U.S.P.Q.2d 1753 (Fed. Cir. 2012) ................................................................................................................ 73
   In re The Chamber of Commerce of the United States,
   675 F.3d 1297, 102 USPQ2d 1217 (Fed. Cir. 2012) ......................................................................................... 74

C. Immoral or Scandalous – Section 2(a) ................................................................................................................ 75

   In re Fox, 105 USPQ2d 1247 (Fed. Cir. 2012) ................................................................................................ 75

D. Primarily Geographically Deceptively Misdescriptive – Section 2(e)(3) ........................................................... 76

   In re Miracle Tuesday, LLC, 104 USPQ2d 1330 (Fed. Cir. 2012) .................................................................. 77

E. Functionality – Section 2(e)(5) ........................................................................................................................... 79

   In re Becton, Dickinson & Co., 675 F.3d 1368 (Fed. Cir. 2012) ...................................................................... 79

F. Collateral Estoppel; Assignment ....................................................................................................................... 81

<table>
<thead>
<tr>
<th>Case</th>
<th>Description</th>
<th>Statute or Rule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academy of Motion Picture Arts and Sciences v. Alliance of Professionals &amp; Consultants, Inc., 104 USPQ2d 1234 (TTAB 2012)</td>
<td>The Board granted a motion to dismiss a federal dilution claim based on amendments to the Trademark Dilution Revision Act (TDRA) which sought to expand the federal registration defense to state law dilution claims but, due to a clerical error, also inadvertently amended the statute such that ownership of a federal registration acts as a complete bar to a federal dilution claim.</td>
<td>15 USC 1125(c)</td>
</tr>
<tr>
<td>Baroness Small Estates. Inc. v. American Wine Trade, Inc., 104 USPQ2d 1224 (TTAB 2012)</td>
<td>“CMS” for wine made from equal parts Cabernet Sauvignon, Merlot and Syrah held inherently distinctive. Petitioner’s challenge to the mark as merely descriptive or generic under Section 2(e)(1) rejected.</td>
<td>15 USC 1052(e)(1)</td>
</tr>
<tr>
<td>ChaCha Search, Inc. v. Grape Technology Group, Inc., 105 USPQ2d 1298 (TTAB 2012)</td>
<td>Granted summary judgment to ChaCha on the ground that its 242242 mark, used as an SMS number, was not merely descriptive under Section 2(e)(1) and denied Grape Technology’s motion to file an amended counterclaim because of undue delay in seeking to amend</td>
<td>15 USC 1052(e)(1)</td>
</tr>
<tr>
<td>Corporacion Habanos, S.A. v. Guantanamera Cigars Co., 102 USPQ2d 1085 (TTAB 2012)</td>
<td>Held GUANTANAMERA for “tobacco, namely, cigars” unregistrable as primarily geographically deceptively misdescriptive under Section 2(e)(3)</td>
<td>15 USC 1052(e)(3)</td>
</tr>
<tr>
<td>Doyle v. Al Johnson’s Swedish Restaurant &amp; Butik, Inc., 101 USPQ2d 1780 (TTAB 2012)</td>
<td>Dismissed petition for cancellation of two marks consisting of goats on a roof of grass for various restaurant and gift shop services on the grounds that the petitioner photographer failed adequately to plead standing and the functionality challenge to the two registrations failed because there was no allegation that goats standing on sod roofs are essential to the use or purpose of restaurant or gift shop services</td>
<td>15 USC 1052(e)(5)</td>
</tr>
<tr>
<td>Case Title</td>
<td>Decision</td>
<td>Legal Basis</td>
</tr>
<tr>
<td>------------</td>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td><em>Edom Laboratories, Inc. v. Lichter</em>, 102 USPQ2d 1546 (TTAB 2012)</td>
<td>Sustaining opposition on likelihood of confusion grounds holding that application for SUPER CHIRO TEA for “herbal teas for medicinal purposes” is likely to cause confusion with opposer’s CHIRO-KLENZ mark for “herbal teas and nutritional supplements”</td>
<td>15 USC 1052(d)</td>
</tr>
<tr>
<td><em>Fouad Kallamni v. Asad A. Khan</em>, 101 USPQ2d 1864 (TTAB 2012)</td>
<td>Cancelled registration for OZO ENERGY DRINK &amp; Design for various beverages in Class 32 pursuant to Section 44(e) because the registrant could not establish the European Union as his country of origin at the time of the European registration on which the U.S. registration was based</td>
<td>15 USC 1126(e)</td>
</tr>
<tr>
<td><em>In re Accelerate S.A.L.</em>, 101 USPQ2d 2047 (TTAB 2012)</td>
<td>Affirmed final refusal on likelihood of confusion (Section 2(d)) and mere descriptiveness (Section 2(e)(1)) grounds of the mark COLOMBIANO COFFEE HOUSE for providing food and drink in Class 43 in light of prior registered certification mark for COLOMBIAN for coffee in Class A</td>
<td>15 USC 1052(d) 15 USC 1052(e)(1)</td>
</tr>
<tr>
<td><em>In re City of Houston</em>, 101 USPQ2d 1534 (TTAB 2012)</td>
<td>Affirmed final refusal to register the City of Houston’s official seal on the grounds that Section 2(b), which prohibits the registration of any designation consisting of the flag, coat or arms or other insignia of the U.S., any foreign nation, any State or any municipality bars the registration of official insignia even by the relevant governmental entity</td>
<td>15 USC 1052(b)</td>
</tr>
<tr>
<td><em>In re Compania de Licores International S.A.</em>, 102 USPQ2d 1841 (TTAB 2012)</td>
<td>Affirmed final refusal to register OLD HAVANA for rum on the grounds that the mark is primarily geographically deceptively misdescriptive under Section 2(e)(3)</td>
<td>15 USC 1052(e)(3)</td>
</tr>
<tr>
<td><em>In re Cook Medical Technologies, LLC</em>, 105 USPQ2d 1377 (TTAB 2012)</td>
<td>Refused registration on likelihood of confusion grounds under Section 2(d) of mark consisting of the iridescent teal color of a rib-reinforced medical guiding sheath in light of prior registered color marks used with similar and related medical devices, namely, catheters</td>
<td>15 USC 1052(d)</td>
</tr>
<tr>
<td>Case</td>
<td>Decision</td>
<td>Court</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>----------</td>
<td>-----------------------------------------------------------------------</td>
</tr>
<tr>
<td>In re E5 LLC, 105 USPQ2d 1578 (TTAB 2012)</td>
<td>Affirmed</td>
<td>final refusal on grounds of deceptiveness under Section 2(a) a mark consisting of the alpha symbol followed by the letters “CU” for various dietary supplements in class 5 because inclusion of CU misrepresents that the goods contain copper when they do not, consumer are likely to believe the misrepresentation, and the misrepresentation is material to consumers’ decisions to purchase the dietary supplements</td>
</tr>
<tr>
<td>In re Franklin County Historical Society, 104 USPQ2d 1085 (2012)</td>
<td>Affirmed</td>
<td>refusal to register CENTER OF SCIENCE AND INDUSTRY for museum related services in Class 41 as merely descriptive under Section 2(e)(1) and lacking acquired distinctiveness notwithstanding 35 years of use because museum was best known by acronym COSI and any goodwill associated with acronym was not attributable to the word mark</td>
</tr>
<tr>
<td>In re Future Ads LLC, 103 USPQ2d 1571 (TTAB 2012)</td>
<td>Reversed</td>
<td>refusal to register as merely descriptive under Section 2(e)(1) the mark ARCADEWEB &amp; Design for various internet-related advertising and promotion services based on dictionary definitions of “web” and “arcade” and there was no evidence that applicant’s services included providing “an amusement center having coin-operated games”</td>
</tr>
<tr>
<td>In re Guitar Straps Online, LLC, 103 USPQ2d 1745 (TTAB 2012)</td>
<td>Affirmed</td>
<td>refusal of mark GOT STRAPS because addition of question mark resulting in GOT STRAPS? was a prohibited material alteration in violation of Rule 2.72(b)(2) and the drawing of the mark in the application (GOT STRAPS) was not a substantially exact representation of the mark as used in the specimens (GOT STRAPS?) as required by Rule 2.51(b)</td>
</tr>
<tr>
<td><strong>In re Hartz Hotel Services, Inc., 102 USPQ2d 1150 (TTAB 2012)</strong></td>
<td>Reversed refusal to register GRAND HOTELS NYC (with HOTELS NYC disclaimed) for hotel services in light of prior registered mark GRAND HOTEL for hotel and restaurant services based on numerous registered third party GRAND HOTEL (or GRANDE HOTEL) marks for hotel services and numerous third party GRAND HOTEL or GRANDE HOTEL marks in use for hotel services</td>
<td>15 USC 1052(d)</td>
</tr>
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<tr>
<td><strong>In re HSB Solomon Associates, LLC, 102 USPQ2d 1269 (TTAB 2012)</strong></td>
<td>Affirmed refusal to register the mark CEI pursuant to Sections 1 and 45 because the specimens of use revealed that CEI was the name of a process, metric, index or other measure but did not show CEI as a mark indicating the source of applicant’s services</td>
<td>15 USC 1051 15 USC 1127</td>
</tr>
<tr>
<td><strong>In re Jackson International Trading Co., 103 USPQ2d 1417 (TTAB 2012)</strong></td>
<td>Affirmed refusal to register BENNY GOODMAN COLLECTION THE FINEST QUALITY for fragrances and cosmetics (Class 3), leather goods (Class 18) and clothing (Class 25), on the grounds that the mark falsely suggests a connection with the famous musician, band leader and clarinetist, Benny Goodman in violation of Section 2(a)</td>
<td>15 USC 1052(a)</td>
</tr>
<tr>
<td><strong>In re Kent G. Anderson, 101 USPQ2d 1912 (TTAB 2012)</strong></td>
<td>Affirmed refusal to register on likelihood of confusion and collateral estoppel grounds of applications to register FUTURE (Stylized) for goods in classes 3, 12 and 35 and FUTURE MOTORS (Stylized) for goods in classes 3, 9, 12, 28, 35, 40, 43 and 44 in light of two prior registrations for FUTURA covering “tires” in class 12 and automotive accessories, namely, vehicle wheel caps and hub caps in class 12</td>
<td>15 USC 1052(d) Collateral Estoppel</td>
</tr>
<tr>
<td><strong>In re Phoseon Technology, Inc., 103 USPQ2d 1822 (TTAB 2012)</strong></td>
<td>Affirmed refusals to register SEMICONDUCTOR LIGHT MATRIX as merely descriptive of “light curing systems composed primarily of light emitting diodes for industrial applications, etc.” under Section 2(e)(1), and mark as used on specimens fails to function as a mark under Sections 1, 2 and 45</td>
<td>15 USC 1052(e)(1) 15 USC 1051 15 USC 1052 15 USC 1057</td>
</tr>
<tr>
<td>Case</td>
<td>Decision</td>
<td>Statute</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>---------------------------------------------------</td>
<td>----------------------------------------------</td>
</tr>
<tr>
<td><strong>In re Premier Distillery, LLC, 103 USPQ2d 1483 (TTAB 2012)</strong></td>
<td>Affirmed final refusal to register REAL RUSSIAN for vodka on the grounds that the mark is primarily geographically deceptively misdescriptive under Section 2(e)(3)</td>
<td>15 USC 1052(e)(3)</td>
</tr>
<tr>
<td><strong>In re RiseSmart, Inc., 104 USPQ2d 1931 (TTAB 2012)</strong></td>
<td>Affirmed refusal to register marks TALENT ASSURANCE and JOB ASSURANCE for various employment and recruitment services on likelihood of confusion grounds in light of prior registered ASSURANCE mark covering “temporary personnel services;” Affirmed refusal to register based on a disclaimer of TALENT and JOB in the two applications because those terms are merely descriptive under Section 2(e)(1)</td>
<td>15 USC 1052(d) 15 USC 1052(e)(1)</td>
</tr>
<tr>
<td><strong>In re Rogowski, 104 USPQ2d 2012 (TTAB 2012)</strong></td>
<td>Affirming refusal to register mark ACTIVE REASONER under Sections 1 and 45 because by not including a download link or equivalent in the web site (YouTube) specimen, the applicant failed to show use of the mark in commerce for the identified goods</td>
<td>15 USC 1051 15 USC 1127</td>
</tr>
<tr>
<td><strong>In re Sadoru Group, Ltd., 105 USPQ2d 1484 (TTAB 2012)</strong></td>
<td>Affirmed final refusal as merely descriptive under Section 2(e)(1) of SADORO (Stylized), which translates from Japanese into English as “saddle,” for motorcycle parts and accessories, because stylization of SADORU not inherently distinctive</td>
<td>15 USC 1052(e)(1)</td>
</tr>
<tr>
<td><strong>In re Strategic Partners, Inc., 102 USPQ2d 1150 (TTAB 2012)</strong></td>
<td>Reversing likelihood of confusion refusal to register ANYWEAR (Stylized) for footwear in class 25 in light of prior registered ANYWEAR BY JOSIE NATORI mark for various non-footwear clothing items in class 25 because of applicant’s registered ANYWEARS (Stylized) mark also covering footwear which had coexisted with cited registration for more than five years</td>
<td>15 USC 1052(d)</td>
</tr>
<tr>
<td><strong>In re Supreme Steel Framing System Association, Inc., 105 USPQ2d 1385 (TTAB 2012)</strong></td>
<td>Affirmed refusal to register the mark SSFSA CERTIFIED CODE COMPLIANT under Sections 1 and 45 because the applicant sought registration of more than one mark in a single application and because the mark in the drawing differed from the mark shown in the specimens</td>
<td>15 USC 1051 15 USC 1127</td>
</tr>
<tr>
<td>Case Title</td>
<td>Ruling</td>
<td>Citations</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td><em>In re Tennis Industry Assn.,</em> 102 USPQ2d 1671 (TTAB 2012)</td>
<td>Reversed refusal to register on grounds of genericness under Section 2(e)(1) but affirmed refusal to register on grounds that mark TENNIS INDUSTRY ASSOCIATION is merely descriptive under Section 2(e)(1)</td>
<td>15 USC 1052(e)(1)</td>
</tr>
<tr>
<td><em>In re The Government of the District of Columbia,</em> 101 USPQ2d 1588 (TTAB 2012)</td>
<td>Section 2(b), which prohibits registration of any designation which “Consists of or comprises the flag or coat of arms or other insignia of the United States, or of any State or municipality, or of any foreign nation, or any simulation thereof,” bars the District of Columbia’s registration of its own official seal (a coat of arms or other insignia)</td>
<td>15 USC 1052(b)</td>
</tr>
<tr>
<td><em>In re The Proctor &amp; Gamble Company,</em> 105 USPQ2d 1119 (TTAB 2012)</td>
<td>Reversed refusals to register the overall contoured shape of a container for mouthwash and the design of the cap for the container under Sections 1, 2 and 45 holding that the designs were inherently distinctive and were not merely ornamental or decorative</td>
<td>15 USC 1051</td>
</tr>
<tr>
<td><em>Jacques Moret, Inc. v. Speedo Holdings B.V.,</em> 102 USPQ2d 1212 (TTAB 2012)</td>
<td>Granting motion to dismiss proceeding for failing to comply with service requirements of Rules 2.111(a) and (b), but amending the date of institution of the proceeding, resuming proceedings and resetting the answer, discovery and trial dates</td>
<td>37 CFR 2.111(a)</td>
</tr>
<tr>
<td><em>Johnson &amp; Johnson v. Obschestvo s Ogranitchennoy,</em> 104 USPQ2d 2037 (TTAB 2012)</td>
<td>Denied motion to dismiss counterclaim under Section 18 for failing to plead avoidance of a likelihood of confusion because counterclaim sufficient as claim of partial abandonment under Section 14 which does not require pleading avoidance of likelihood of confusion</td>
<td>15 USC 1064</td>
</tr>
<tr>
<td><em>Lebanon Seaboard Corp. v. R &amp; R Turf Supply, Inc.,</em> 101 USPQ2d 1826 (TTAB 2012)</td>
<td>Sustaining opposition on likelihood of confusion grounds to the mark TURFECTA for grass seed based on opposer’s prior registered mark TRIFECTA for grass seed</td>
<td>15 USC 1052(d)</td>
</tr>
<tr>
<td><em>L’Oreal S.A. v. Marcon,</em> 102 USPQ2d 1434 (TTAB 2012)</td>
<td>Sustaining L’Oreal’s opposition to applicant’s L’OREAL PARIS (Stylized) mark for “aloe vera drinks” in class 32 in light of L’Oreal’s prior registered L’OREAL mark for various cosmetics, skin care and hair care products and its unregistered L’OREAL PARIS mark for the same goods</td>
<td>15 USC 1052(d)</td>
</tr>
<tr>
<td><strong>Luster Products, Inc. v. John Van Zandt d/b/a Vanza USA, 104 USPQ2d 1877 (TTAB 2012)</strong></td>
<td>Applicant’s motion to reopen discovery denied because applicant failed to establish excusable neglect under Pioneer because applicant could have filed a motion to compel initial disclosures and then moved for dismissal of the opposition; applicant apparently made strategic decision not to take discovery and applicant refused to consent to opposer’s request to extend discovery.</td>
<td></td>
</tr>
<tr>
<td><strong>Musical Directions v. McHugh, 104 USPQ2d 1157 (TTAB 2012)</strong></td>
<td>Misrepresentation of the mode of service in certificate of service does not negate otherwise proper service under Rule 2.101(b)</td>
<td></td>
</tr>
<tr>
<td><strong>Otter Products LLC v. BaseOneLabs LLC, 105 USPQ2d 1252 (TTAB 2012)</strong></td>
<td>Granted applicant’s motion for involuntary dismissal of opposition pursuant to Rule 2.132(b) because opposer’s Supplemental Register registration without more is not evidence of ownership, validity or the exclusive right to use pleaded mark in commerce.</td>
<td></td>
</tr>
<tr>
<td><strong>Research in Motion Limited v. Defining Presence Marketing Group, Inc., 102 USPQ2d 1187 (TTAB 2012)</strong></td>
<td>Held that applicant’s applications to register CRACKBERRY likely to cause confusion with RIM’s famous BLACKBERRY marks under Section 2(d) and likely to dilute the famous BLACKBERRY marks under Section 43(c) and sustaining the opposition in RIM’s favor</td>
<td></td>
</tr>
<tr>
<td><strong>SaddleSprings, Inc. v. Mad Croc Brands, Inc., 104 USPQ2d 1948 (TTAB 2012)</strong></td>
<td>Held that the owner of a Section 66(a) registration is subject to the same treatment and conditions which apply to any other registrant including that a Section 66(a) registration can be cancelled on any available ground under Section 14, including abandonment for failing to use the mark in commerce</td>
<td></td>
</tr>
<tr>
<td><strong>ShutEmDown Sports, Inc. v. Lacy, 102 USPQ2d 1036 (TTAB 2012)</strong></td>
<td>Cancelling registration for mark SHUTEMDOWN because (1) application resulting in registration was void ab initio due to nonuse of the mark at the time of filing the application; and (2) holding mark abandoned under Section 14 for nonuse</td>
<td></td>
</tr>
<tr>
<td><strong>Spier Wines (PTY) Ltd. v. Shepher, 105 USPQ2d 1239 (TTAB 2012)</strong></td>
<td>Granting applicant’s combined motion to strike opposer’s pretrial disclosure identifying testimonial witness and to quash opposer’s notice of testimonial deposition because of opposer’s failure to disclose witness in initial disclosures, failing to supplement initial disclosures to identify witness and otherwise failing to identify witness at any time prior to pretrial disclosures</td>
<td>Initial Disclosures FRCP 37(1) 37 CFR 2.116(a)</td>
</tr>
<tr>
<td>---</td>
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<tr>
<td><strong>Swiss Watch International Inc. v. Federation of the Swiss Watch Industry, 101 USPQ2d 1731 (TTAB 2012)</strong></td>
<td>Dismissed Swiss Watch International’s petition to cancel two certification marks – SWISS and SWISS MADE – owned by Federation of the Swiss Watch Industry finding (1) the Federation does not permit its certification marks to be used for purposes other than to certify; (2) the Federation exercised adequate control over use of its certification marks; (3) the Federation does not discriminate in the use of its certification marks and permits their use for watches meeting its certification standards; (4) the marks, SWISS and SWISS MADE, are not generic under Section 2(e)(1); (5) Petitioner failed to prove that the certification mark SWISS MADE was procured by fraud.</td>
<td>15 USC 1064 15 USC 1052(e)(1)</td>
</tr>
</tbody>
</table>

**Appeals to United States District Courts**

No Published Decisions Citable as Precedent

**Appeals to the U.S. Court of Appeals for the Federal Circuit Decisions**

<table>
<thead>
<tr>
<th><strong>Bridgestone Americas Tire Operations, LLC v. Fed. Corp., 673 F.3d 1330, 102 U.S.P.Q.2d 1061 (Fed. Cir. 2012)</strong></th>
<th>Reversed finding of no likelihood of confusion under Section 2(d) between applicant’s MILANZA mark for tires and Bridgestone’s POTENZA and TURANZA marks for tires</th>
<th>15 USC 1052(d)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Coach Services, Inc. v. Triumph Learning LLC, 668 F.3d 1356, 101 USPQ2d 1713 (Fed. Cir. 2012)</strong></td>
<td>Affirmed Board’s judgment dismissing CSI’s opposition to Triumph’s COACH applications on grounds of likelihood of confusion under Section 2(d) and dilution under Section 43(c); Reversed Board’s judgment that Triumph’s COACH mark had acquired distinctiveness and remanded</td>
<td>15 USC 1052(d) 15 USC 1125(c) 15 USC 1052(f)</td>
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<td><em>DuoProSS Meditech Corporation v. Inviro Medical Devices Ltd.</em>, 103 U.S.P.Q.2d 1753 (Fed. Cir. 2012)</td>
<td>Reversed Board’s holding that DuoProSS failed to prove that Inviro Medical’s SNAP! &amp; Design and SNAP SIMPLY SAFER marks for medical devices were not merely descriptive under Section 2(e)(1)</td>
<td>15 USC 1052(e)(1)</td>
</tr>
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<td><em>In re Becton, Dickinson &amp; Co.,</em> 675 F.3d 1368/ 102 USPQ2d 1372 (Fed. Cir. 2012)</td>
<td>Affirmed TTAB’s holding that Becton Dickinson’s mark consisting of the design of a closure cap for blood collection tubes was functional under Section 2(e)(5)</td>
<td>15 USC 1052(e)(5)</td>
</tr>
<tr>
<td><em>In re Fox, 702 F. 2d 633</em> (Fed. Cir. Dec. 19, 2012)</td>
<td>Affirmed refusal of Cock Sucker &amp; Design for chocolate suckers as immoral or scandalous under Section 2(a)</td>
<td>15 USC 1052(a)</td>
</tr>
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<td><em>In re Miracle Tuesday, LLC, 104 USPQ2d 1330</em> (Fed. Cir. 2012)</td>
<td>Affirmed refusal to register the mark JPK PARIS 75 &amp; Design for as primarily geographically deceptively misdescriptive under Section 2(e)(3)</td>
<td>15 USC 1052(e)(3)</td>
</tr>
<tr>
<td><em>In re The Chamber of Commerce of the United States, 675 F.3d 1297, 102 USPQ2d 1217</em> (Fed. Cir. 2012)</td>
<td>Affirmed refusal of NATIONAL CHAMBER for various advertising and business-related services as merely descriptive under Section 2(e)(1)</td>
<td>15 USC 1052(e)(1)</td>
</tr>
<tr>
<td><em>Midwestern Pet Foods, Inc. v. Societe des Produits Nestle S.A.</em>, 103 USPQ2d 1435 (Fed. Cir. 2012)</td>
<td>Affirmed refusal to register on likelihood of confusion grounds WAGGIN’ STRIPS for pet food and edible pet treats in light of Nestle’s prior registered BEGGIN’ STRIPS mark for the same goods</td>
<td>15 USC 1052(d)</td>
</tr>
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</table>
Introduction

This annual report includes digests of all precedential Trademark Trial and Appeal Board decisions in ex parte and inter partes cases and all decisions of the U.S. Court of Appeals for the Federal Circuit rendered in appeals from the TTAB which resulted in published precedential decisions during calendar year 2012.

Although there were several TTAB decisions appealed to various United States District Courts pursuant to 15 USC § 1071, none of the resulting decisions is a published decision citable as precedent. As result, no district court decisions in appeals from the Board are included in this compilation of case digests.

This compilation of digests is published on a quarterly and annual basis.

Brian Darville
Brocadiant Legal PLLC
I. The Trademark Trial and Appeal Board

A. Likelihood of Confusion – Section 2(d)

1. Edom Laboratories, Inc. v. Lichter, 102 USPQ2d 1546 (TTAB 2012)

In Edom Laboratories, Inc. v. Lichter, the Board sustained an opposition under Section 2(d) to applicant’s mark SUPER CHIRO TEA for “herbal teas for medicinal purposes” on that grounds that it was likely to cause confusion with opposer’s prior registered mark CHIRO-KLENZ for herbal teas and nutritional supplements.

In a prior order, the Board held that opposer, Edom Laboratories, had established its common law ownership of the mark CHIRO-KLENZ through use, thereby providing Edom with standing and priority in this proceeding. In addition, because opposer’s registration was of record, Section 2(d) priority is not an issue in the proceeding as to the mark and the goods covered by the registration.

Turning to the du Pont factors, the Board observed that two key considerations in any likelihood of confusion analysis are the similarity of the marks and the similarity of the goods.

The Board found that opposer’s mark as a whole was suggestive and that applicant failed to show any relevant third party uses of marks that include either “chiro” or “klenz” (or “cleanse”) for similar or related products. It concluded that applicant failed to show that the CHIRO-KLENZ mark was weak and entitled only to a narrow scope of protection.

The Board found the parties goods identical in part because opposer’s registration covers “herbal teas for medicinal purposes; nutritional supplement for eliminating toxins from the body,” while applicant’s application covered “herbal teas for medicinal purposes.” Because the goods were identical in part the Board presumed that the goods travel in similar trade channels and are purchased by the same classes of consumers. Accordingly, these du Pont factors favored a finding of likelihood of confusion.

Turning to the similarity of the marks, the Board recognized that when marks appear on identical goods the degree of similarity necessary to support a finding of likelihood of confusion declines. The Board found CHIRO to be the dominant portion of applicant’s mark over the laudatory term SUPER and the generic term, TEA. It likewise found CHIRO to be the dominant portion of opposer’s CHIRO-KLENZ mark. Despite the obvious differences in appearance and sound of the marks, the Board found the marks similar in meaning and overall commercial impression, and found that this du Pont factor favored a finding of likelihood of confusion.

The Board rejected applicant’s argument that opposer’s health care professional customers were sophisticated and found that the low price of the products suggested that ordinary consumers purchase the goods exercising no more than ordinary care. It found this factor neutral.

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1 102 USPQ2d 1546 (TTAB 2012).
In light of evidence of misdirected telephone calls to opposer inquiring about applicant’s SUPER CHIRO TEA, and evidence by declaration from a few of opposer’s customers that they thought SUPER CHIRO TEA was a new product from opposer, the Board found this limited evidence of actual confusion supported a finding of likelihood of confusion.

Finally, the Board found that applicant’s intent favored a finding of likelihood of confusion because applicant took affirmative steps to cause confusion and to associate its SUPER CHIRO TEA product with opposer’s CHIRO-KLENZ tea. For example, Applicant’s packaging for its SUPER CHIRO TEA included the tag line: “FROM THE ORIGINAL MAKERS OF CHIRO-KLENZ™.” Applicant also owns the domain name www.chiroklenzforless.com which applicant configured to redirect visitors to applicant’s website at www.superchirotea.com. This evidence coupled with other evidence of applicant’s bad faith intent established applicant’s bad faith intent to cause, and profit from, consumer confusion, so this factor also favored opposer.

The Board found that applicant’s SUPER CHIRO TEA for herbal teas was likely to cause confusion with opposer’s CHIRO-KLENZ mark covering herbal teas and nutritional supplements and sustained the opposition under Section 2(d).


In re Accelerate S.A.L., 2 involved an ex parte appeal from the examiner’s final refusal, on likelihood of confusion (Section 2(d)) and mere descriptiveness (Section 2(e)(1)) grounds of the mark COLOMBIANO COFFEE HOUSE for services of “providing food and drink” in International Class 43. COFFEE HOUSE was disclaimed in the application. The Section 2(d) refusal was based on the prior registered certification mark COLOMBIAN, U.S. Reg. 1,160,492 for “coffee” in Class A.

On the issue of likelihood of confusion, the Board first observed that the test for determining a likelihood of confusion with respect to certification marks is the same as that applied to trademarks, namely, the du Pont analysis. However, because a certification mark is used by those whose goods and services are certified, the factor considering the similarity of the goods and services considers the goods and services of those whose goods or services are certified. Similarly, the factors assessing the channels of trade and purchasers also are assessed from the standpoint of the certified users as well.3

The Board found the marks to be similar because applicant’s mark COLOMBIANO COFFEE HOUSE included the dominant term COLOMBIAN followed by the generic and disclaimed terms COFFEE HOUSE. In terms of appearance and sound the dominant term COLOMBIANO is very similar to COLOMBIAN. Similarly, the commercial impression or connotation of the marks are very similar because the marks sound similar and COLOMBIANO translated into English means Colombian and thus the terms will be perceived as having the same connotation. Even for other consumers who are unfamiliar with this direct translation are likely to conclude that the marks have the similar meanings in light of the aural and visual similarity of the marks. Furthermore, both marks will be understood in the context of

2 Id. at 2049 (citing Motion Picture Ass’n of America, Inc. v. Respect Sportswear, Inc., 83 USPQ2d 1555, 1559 (TTAB 2007).
coffee. The Board found that the commercial impression of the marks is that COLOMBIANO COFFEE HOUSE connotes that Colombian coffee will be served and the mark COLOMBIAN connotes that coffee bearing that certification mark derives from Colombia.

Turning to the issue of the relatedness of the goods and services, the Board acknowledged the “something more” precedent that is applied when determining the relatedness of one party’s food provision services, such as restaurant services, and the goods of another party that may be served and sold in restaurants. In such cases, in order to establish a likelihood of confusion a party must show “something more” than that similar or even identical marks are used for food products and for restaurant services. Based on the identification of goods in the application and cited registration and five third-party registrations covering both restaurant or café services and coffee, the Board found that the requisite “something more” showing was made and applicant’s services are sufficiently related to coffee. Noting that the emphasis of a coffee house is on coffee beverages, the Board found that the factor assessing the relatedness of the goods and services weighed in favor of finding a likelihood of confusion.

Because the identification in the application and cited registration were not limited in any way, the Board presumed that applicant’s services and the coffee will be offered in all appropriate trade channels to all the usual purchasers for such goods and services, namely, the general public. This meant that coffee certified by registrant could be served and sold directly in applicant’s coffee house. Upon consideration of all of the du Pont factors on which there was evidence and argument, the Board found that applicant’s use of the mark COLOMBIANO COFFEE HOUSE for “providing food and drink” is likely to cause confusion with the registered certification mark covering coffee. Indeed, the Board found that purchasers of the certified coffee, upon encountering applicant’s coffee house services, are likely to believe that the registrant authorized applicant’s use of the mark and assume that applicant’s services are licensed by or somehow associated with registrant.

Turning to the refusal that COLOMBIANO COFFEE HOUSE is merely descriptive under Section 2(e)(1), the Board identified the question as whether someone who knows what the goods or services are will understand the mark to convey information about them. The Board agreed with the examining attorney that the mark COLOMBIANO COFFEE HOUSE immediately describes the nature and a key feature of applicant’s services, specifically, that applicant will offer coffee house services and that Colombian coffee will be served there. In view of the evidence of record, the Board found that the examining attorney met his burden that COLOMBIANO COFFEE HOUSE is merely descriptive of applicant’s services of “providing of food and drink.” Based on dictionary definitions of COFFEE HOUSE, the Board found that applicant’s services clearly covered a coffee house. The Board ruled that consumers encountering applicant’s mark in connection with the services would immediately understand the term COLOMBIANO as describing a particular type of coffee that would be served in the coffee house, specifically, coffee having certain qualities and characteristics that are associated with authentic Colombian coffee. It concluded that the entire mark describes the nature and key features of applicant’s services. The Board

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4 Id. at 2050 (quoting Jacobs v. International Multifoods Corp., 668 F.2d 1234, 212 USPQ 641, 642 (CCPA 1982).
affirmed the refusal on mere descriptiveness grounds.


In re Anderson,5 involved the rejection on likelihood of confusion and collateral estoppel grounds of applications to register the marks FUTURE (Stylized) for hundreds of goods in International Classes 3, 12 and 35 and FUTURE MOTORS (Stylized) for goods in International Classes 3, 9, 12, 28, 35, 40, 43 and 44 in light of two prior registrations for the mark FURTURA covering “tires” in Class 12 and “automotive accessories, namely, vehicle wheel caps and hub caps” in Class 12. The examiner refused the FUTURE application for all of the goods in Class 12 and some of the services in Class 35, and refused the FUTURE MOTORS application for some of the goods in Class 12 and certain of the services in classes 35 and 40, on likelihood of confusion and collateral estoppel grounds.

The Board affirmed the finding that collateral estoppel, based on prior oppositions between the applicant and the owner of the cited FUTURA registrations, barred Application Serial Number 76511652 for the mark FUTURE, but found that the prior oppositions did not bar on collateral estoppels grounds Application Serial Number 76514799 for the mark FUTURE MOTORS.

The Board observed that the doctrine of collateral estoppel or “issue preclusion” applies when a matter has been litigated and decided.

The requirements for application of collateral estoppel are: (i) the issue is identical to one in a prior proceeding; (ii) the identical issue was actually litigated; (iii) determination of the issue was necessary to the judgment in the prior proceeding; and (iv) the party defending against preclusion had a full and fair opportunity to litigate the issue in the prior proceeding.6

After discussing the appropriate use of offensive collateral estoppel by a non-party (i.e., the examiner) to the prior opposition proceedings, the Board concluded that it was within its discretion to apply collateral estoppel offensively if so warranted by the factors supporting application of the doctrine. Assessing those factors, the Board found with respect to the FUTURE application (Serial No. 76511652) that the issue in this ex parte appeal was identical to the issue litigated in the prior opposition proceedings between the applicant and registrant because the marks in those proceedings were the same as were various of the goods and services in Classes 12 and 35. Second, the identical issue – a likelihood of confusion with registrant’s FUTURA mark – was actually litigated in the prior opposition proceeding. Third, the determination of the issue, a likelihood of confusion, was necessary to the judgment in the prior opposition proceeding and was essential to resolution of the proceeding in the registrant’s favor. Fourth, the Board found that applicant – the party defending against preclusion – had a full and fair opportunity to litigate the issue of a likelihood of confusion in the prior proceeding.

5 101 USPQ2d 1912 (TTAB 2012).

6 Id. at 1916 (citing Mayer/Berkshire Corp. v. Berkshire Fashions, Inc., 424 F.3d 1229, 1232, 76 USPQ2d 1310, 1313 (Fed. Cir. 2005)).
Accordingly, the Board found that the doctrine of collateral estoppel applied and precluded applicant’s registration of FUTURE for the refused goods and services in Application Serial No. 76511652.

As for applicant’s application to register FUTURE MOTORS, the Board found that collateral estoppel did not apply because the marks at issue in the prior oppositions – FUTURE and FUTURE/TOMORROW and Design – are different from and not substantially identical to the mark FUTURE MOTORS.

The Board next analyzed the issue of likelihood of confusion. Analyzing the FUTURE MOTORS application first, the Board found that registrant’s FUTURA mark, which means FUTURE, was legally identical to the dominant term FUTURE in the application. The Board found that the similarities in the marks greatly outweighed their differences and, considering the marks in their entireties, found them similar in sight, sound, connotation and commercial impression.

Turning to the similarity of the goods, the Board relied on third party registrations covering both the goods in the cited registrations and the refused goods and services in the FUTURE MOTORS application, which served to suggest that the goods are of a type which may emanate from a single source. It also found persuasive Internet evidence showing third-party car dealerships offering “tires” for sale on their websites, which also served to show that consumers expect to find these goods and services emanating from a common source. In addition, because there were no specific limitations on the channels of trade in the registrations and in the applications, the Board presumed that the goods and services travel in all normal and usual channels of trade and methods of distribution. Accordingly, the Board found that all factors favored a finding of a likelihood of confusion.

Accordingly, the Board held that collateral estoppel applied to bar registration of Application Serial No. 76511652 (FUTURE) on likelihood of confusion grounds, and that a likelihood of confusion barred registration of the FUTURE application. The Board also found that a likelihood of confusion barred registration of the FUTURE MOTORS application for the refused goods and services in International Classes 12, 35 and 40 based on the similarity of the marks, the similarity of the goods and services, and the overlapping channels of trade, which were the only duPont factors on which evidence was submitted.


In In re Cook Medical Technologies LLC, the Board affirmed a refusal to register on likelihood of confusion grounds under Section 2(d) the following mark consisting of the iridescent teal color of a rib-reinforced medical guiding sheath in light of other prior registered color marks used with similar medical devices:

Applicant Cook Medical Technologies LLC filed an application to register a mark for “medical

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7 105 USPQ2d 1377 (TTAB 2012).
devices, namely, guiding sheaths for use in conjunction with access needles, wire guides, and dilators for providing access for diagnostic and interventional devices in vascular and non-vascular procedures. The applicant sought a registration on the Supplemental Register of the mark consisting of a translucent, iridescent teal color shown along the shaft length of a rib-reinforced medical guiding sheath. The examiner denied registration under Section 2(d) because of a likelihood of confusion with three registered marks for catheters for the color blue. Applicant appealed.

On appeal, the Board analyzed the du Pont factors, focusing on the mark that presented the strongest case for confusion and that contained the color blue on the tip and indwelling length of the product. The Board found that the similarity of the goods weighed in favor of a finding of confusion. The Board looked to the Applicant’s website and other third-party websites to determine that the guiding sheaths and catheters are used in conjunction with each other, and thus are closely related goods.

Similarly, the Board found the overlap in trade channels and purchasers to weigh in favor of finding a likelihood of confusion. Because there were no limitations on the channels of trade or classes of purchasers of the devices, the Board presumed that the devices would travel through normal channels of trade for those types of goods. Both the sheaths and catheters were classified as medical devices traveling normal channels of trade consisting of medical supply distributors. Moreover, the purchasers of both medical devices were medical professionals.

The Board also found that the visual similarity between the marks weighed in favor of finding a likelihood of confusion. The Board assessed “whether the marks are sufficiently similar in terms of their appearance and overall commercial impression so that confusion as to the source of the goods offered under the respective marks is likely to result.” The Board considered the lessened degree of similarity necessary to find likelihood of confusion where there is a recognizable disparity between the goods, and the heightened significance of a likelihood of confusion when the goods are pharmaceuticals or medical instruments. In finding similarity between the marks, the Board found that the registrant’s “blue” mark covered all shades of blue since it was not limited to any specific shade. The Board also found significant that both the blue and teal colors ran down the length of the goods which were narrow in shape. The teal mark, under these circumstances, was similar to the blue mark, and its translucent or iridescent qualities did not distinguish it for purposes of likelihood of confusion. Indeed, the applicant identified the color as “blue/teal” in its original description of the mark.

The Board found that the du Pont factor regarding the sophistication of purchasers weighed slightly, at best, in favor of the applicant. Applicant did not argue or submit evidence that the medical professional purchasers would be “knowledgeable and discriminating in making purchasing decisions about medical supplies such as those sold under the involved marks.” Despite assuming that the relevant purchasers would most likely exercise some degree of care when purchasing the goods in question, the Board found that the purchasers were still prone to mistake or

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8 105 U.S.P.Q.2d at 1378 (TTAB 2012)
9 Id.
10 105 U.S.P.Q.2d at 1378
11 Id. at 1381
12 Id.
13 Id.
14 Id. at 1382
15 Id.
16 Id.
17 Id. at 1384
18 Id. at 1382
confusion. Thus, the Board found that the similarities between the marks and the goods outweighed any sophisticated purchasing decision, “especially in the absence of evidence relating to the degree of care in making the decision.”

The du Pont factor related to actual confusion was neutral. No evidence was offered that would indicate the use or registration of a color mark in the medical devices field, and the Board found no evidence that would indicate that “medical professionals who are likely to purchase the involved goods are accustomed to distinguishing between marks based on color, and particularly subtle differences in color.”

Likewise, the Board did not find any significant record of the extent of the use of applicant’s and registrant’s marks. The Board discounted evidence offered by the applicant of the 18 years that the marks were used without actual confusion and instead found “no meaningful opportunities for instances of actual confusion to have occurred in the marketplace.”

On balance, the Board found that the du Pont factors weighed in favor of finding a likelihood of confusion. Nevertheless, the Board clarified that a registration for a single color might not block other parties, and indicated that it did not “mean to suggest by [its] decision . . . that merely because a party obtains a registration for a single color that such registration will block others from ‘registering marks for other colors, even similar colors.’” The Board also remarked that the applicant had other remedies available under Section 18 of the Trademark Act and that it had the power to “otherwise restrict or rectify . . . the registration of a registered mark.”

5. In re Hartz Hotel Services, Inc., 102 USPQ2d 1150 (TTAB 2012)

In In re Hartz Hotel Services, Inc., the Board reversed a refusal to register the mark GRAND HOTELS NYC (with “HOTELS NYC” disclaimed) for “hotel services” in light of the prior registered mark GRAND HOTEL for “hotel and restaurant services” in Class 42. The case demonstrates just how weak a trademark can be in light of numerous registered similar third party marks for the same or related services and widespread third party use of closely similar marks.

Applicant sought to register GRAND HOTELS NYC with HOTELS NYC disclaimed for hotel services and also claimed ownership of the following registered marks:

- GRAND HOSPITALITY (HOSPITALITY disclaimed) for “hotel services;”
- GRAND BAR & LOUNGE (BAR & LOUNGE disclaimed) for “restaurant and bar services; and
- ChelseaGrandHotel.com for “reservation services, namely, making reservations for lodging.”

The examiner refused registration on likelihood of confusion grounds based on the following registered marks owned by the same party:

- GRAND HOTEL (HOTEL disclaimed) for “hotel and restaurant services”
- GRAND HOTEL (HOTEL disclaimed) for a variety of goods and services, such as soap and shampoos, note pads, tote bags, towels, luggage service, and golfing and recreational swim services

The Board restricted its analysis on the likelihood of confusion with the registered

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19 Id.
20 Id.
21 Id. at 1383
22 Id.
23 Id. at 1384
24 Id.
25 102 USPQ2d 1150 (TTAB 2012).
GRAND HOTEL mark because that registration covers the same services as those identified in applicant’s application.

The Board found that the services in the application and in the registered GRAND HOTEL mark are in part identical, so it presumed that the channels of trade and classes of purchasers are the same.

Based on dictionary definitions of the term GRAND, the Board found that the mark GRAND HOTEL indicates “an impressive, stately, magnificent or first-rate hotel.” Noting that the mark is entitled to the presumption of validity, it considered the mark at worst highly suggestive because third party registrations, evidence of third party use and dictionary definitions established that it was a laudatory term.

Applicant submitted the following evidence:

- Five registrations for marks owned by different entities that incorporated the term “GRAND HOTEL” or “GRANDE HOTEL” for “hotel services.”
- Two other marks that incorporated “GRAND HOTEL” for “hotel services” registered under Section 2(f) with a disclaimer of “HOTEL,” that were owned by two different companies related to applicant.
- The declaration of an investigator establishing third party use of seven different hotels whose names include either GRAND HOTEL or GRANDE HOTEL.
- Copies of websites for ten different hotels whose names included the words GRAND HOTEL.

Because of the highly suggestive nature of the term GRAND HOTEL, the third-party registrations, and the evidence of third party use of marks incorporating the term GRAND HOTEL, the Board applied the same inferences that it had made in *Plus Products v. Natural Organics, Inc.*\(^{26}\) regarding marks incorporating the term PLUS, namely, that:

1. Opposer was satisfied to register GRAND HOTEL side-by-side with numerous existing registrations;
2. The PTO has historically registered GRAND HOTEL marks for hotel services to different parties so long as there has been some difference, not necessarily created by a distinctive word, between the marks as a whole; and
3. Several different trademark owners have believed, over a long interval of time, that various GRAND HOTEL marks can be used and registered side by side without causing confusion provided there are minimal differences between the marks.

The Board observed that the third party registrations and the extensive third party use of GRAND HOTEL make clear that the addition of a geographic location to the word GRAND HOTEL has been sufficient for the PTO to view these marks as being sufficiently different from the cited mark and from each other so as to not cause confusion. “Therefore, unlike the situation involving an arbitrary or fanciful mark, the addition of other matter to a laudatory or suggestive word may be enough to distinguish it from another mark.”\(^{27}\) Because marks comprising the term GRAND HOTEL in connection with hotel services are inherently weak they should be accorded a narrow scope.

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\(^{26}\) 204 USPQ 773 (TTAB 1979).

\(^{27}\) *In re Hartz Hotel Services, Inc.,* 102 USPQ2d at 1154.
of protection. The Board found that the marks are sufficiently different to avoid a likelihood of confusion. Specifically, the addition of NYC to applicant’s mark is sufficient to distinguish applicant’s mark from the cited registration. It found that in this case “the strength or weakness of the mark in the cited registration is the most important factor.” The Board reversed the refusal to register.


In re RiseSmart, Inc., addressed the registrability on the Principal Register of the marks TALENT ASSURANCE for “personnel placement and recruitment services” and JOB ASSURANCE for “employment counseling and recruiting services” and “employment outplacement services” in International Class 35 in light of the prior registered mark ASSURANCE covering “temporary personnel services” in Class 35. The Board affirmed the refusal to register based on the requirement for a disclaimer of TALENT and JOB in each application, respectively, pursuant to Section 6(a) on the grounds that these terms are merely descriptive of applicant’s services. It also affirmed the refusal to register on likelihood of confusion grounds under Section 2(d) based on the prior registered ASSURANCE mark covering “temporary personnel services.”

Addressing the disclaimer requirement first, the Board observed that applicant clearly had offered the disclaimer of the terms in the alternative but maintained that these terms are not merely descriptive. Because applicant maintained that the terms were not merely descriptive, the requirement of a disclaimer based on mere descriptiveness was not moot.

To show that TALENT is merely descriptive of applicant’s services the examining attorney relied on dictionary definitions of the term, third-party registrations for similar services that include the word TALENT in the mark and it is disclaimed, and an excerpt from applicant’s website where applicant used the term TALENT in a descriptive manner.

The examining attorney argued that the word JOB is merely descriptive. She submitted third party registrations for similar services that include the word job and it is disclaimed, and excerpts from third-party web pages discussing similar services where the word JOB or JOBS is used descriptively in relation to applicant. The Board found that the record supported the disclaimer requirement in each instance. “The word TALENT in the context of applicant’s personnel placement and recruitment services immediately informs the consumer about a significant feature of the services, i.e., that applicant provided talent, namely, personnel with the required skill set.”

The Board found that alternative meanings of TALENT, when used in connection with applicant’s services, were also merely descriptive. In addition, the Board ruled that the fact that a term may have different meanings in other contexts is not controlling on the question of descriptiveness. It also found that third party registrations proffered by applicant wherein TALENT was not disclaimed either involved slogans, where a disclaimer of an individual word would not be required, or were on the Supplemental Register, which supported the mere descriptiveness of the

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28 Id. at 1155 (citing Kellogg Co. v. Pack-Em Enterprises, Inc., 951 F.2d 330, 21 USPQ2d 1142, 1145 (Fed. Cir. 1991)).
29 104 USPQ2d 1931 (TTAB 2012).
30 Id. at 1932.
31 Id. at 1933.
32 Id. (citing In re Chopper Indus., 222 USPQ 258, 259 (TTAB 1984).
term. The Board also did not find TALENT ASSURANCE to present a double entendre that obviated the merely descriptive significance of the term TALENT in the mark as a whole.\textsuperscript{33} In the alternative, it found that to the extent the mark presents two meanings they are both merely descriptive of the services covered by the mark.

Likewise, the Board found the term JOB to be merely descriptive of applicant’s ‘employment counseling and recruiting services” and “employment outplacement services.” The term, without further thought, “directly describes the significant feature of applicant’s employment placement services, namely that applicant places people in jobs as described in the press and on its website.”\textsuperscript{34}

The Board also affirmed the refusal based on a likelihood of confusion with the prior registered ASSURANCE mark covering “temporary personnel services” in International Class 35. It observed that two key considerations in the likelihood of confusion analysis are the similarities between the marks and the similarities between the goods and services.

Focusing on the relatedness of the services, the Board found the identification of services in the two applications and the cited registration to be “legally identical,” and the record supported a finding that the services are closely related. That evidence included third party registrations that included applicant’s and registrant’s services as well as third party website evidence showing the provision of both “personnel placement and recruitment services” and “temporary personnel services” under the same mark.

Because the services are legally identical and there are no limitations in the identifications, the Board presumed that they are offered in the same channels of trade to the same classes of customers.\textsuperscript{35} Accordingly, the Board found that the services are legally identical and are offered in the same channels of trade to the same potential consumers.

Turning to the similarity of the marks, the Board observed that the marks should be analyzed in their entireties as to appearance, sound, connotation and commercial impression. Moreover, because the services were found to be legally identical, “the degree of similarity between the marks necessary to support a determination that confusion is likely declines.”\textsuperscript{36}

Noting that the marks TALENT ASSURANCE and JOB ASSURANCE each incorporates the entirety of the cited mark ASSURANCE, and that the dominant element of each of applicant’s marks is ASSURANCE, the Board found that the marks convey the same connotation with regard to the word ASSURANCE and the additional words in applicant’s mark simply provide more information as to the nature of the services. It found that the overall commercial impression conveyed by the marks is similar, and that applicant’s marks, TALENT ASSURANCE and JOB ASSURANCE, are likely to be perceived as variations of registrant’s ASSURANCE mark. It found the similarities between the marks to outweigh any dissimilarities in appearance and sound.

The Board found that confusion was likely because the services are legally identical, the trade channels and consumers are presumed to overlap, and the marks are similar. It affirmed the refusal to register on likelihood of confusion grounds under Section 2(d).

\textsuperscript{33} Id. at 1935 (\textit{citing In re Viterra, Inc.}, 671 F.3d 1358, 101 USPQ2d 1905, 1908 (Fed. Cir. 2012)).

\textsuperscript{34} Id.

\textsuperscript{35} Id. (\textit{citing in re Viterra, Inc.}, 101 USPQ2d at 1908).
7. In re Strategic Partners, Inc., 102 USPQ2d 1397 (TTAB 2012)

In In re Strategic Partners, Inc., the Board reversed a refusal to register the mark ANYWEAR (Stylized) for footwear in light of a prior registered mark ANYWEAR BY JOSIE NATORI & Design covering clothing because the applicant owned a prior registered mark in standard character format for the mark ANYWEARS, which also covered footwear. That prior registration had coexisted with the cited registration for a period of more than five years.

Strategic Partners filed an application to register the mark ANYWEAR (Stylized) for “footwear,” claiming dates of first use of August 2008.

Applicant’s Mark & Goods

ANYWEAR
Footwear

Opponent’s Mark & Goods

ANYWEAR
Jackets, shirts, pants, stretch T-tops and stoles

The examiner refused registration on likelihood of confusion grounds based on the prior registered mark, ANYWEAR BY JOSIE NATORI & Design shown above.

The Board stated that in a traditional likelihood of confusion analysis, it would affirm the refusal to register in light of the similarity of the marks and the closely related goods.

However, applicant owned a prior registration No. 2802588, issued January 6, 2004, for the block letter word mark ANYWEARS covering “footwear; socks; stockings; insoles, but not including other clothing items.” The ANYWEARS registered mark was nearly identical to applicant’s ANYWEAR pending application and covered identical goods in part, namely, footwear. The Board considered this evidence under the thirteenth du Pont factor which considers “any other established fact probative of the effect of use.” Applicant’s nearly identical prior registration had coexisted with the cited registration for over five years, and applicant’s ANYWEARS block letter word mark could legally be depicted with the exact stylization of the cited ANYWEAR BY JOSIE NATORI registration. Moreover, because applicant’s registered ANYWEARS mark was more than five years old, the owner of the cited registration is legally barred from challenging that mark on priority and likelihood of confusion grounds. The Board found that these facts tipped the balance in favor of a finding of no likelihood of confusion and reversed the refusal to register.

The Board explained that it was not applying the Morehouse defense, which is an equitable affirmative defense which can be asserted in appropriate circumstances in an inter partes proceeding, but does not apply in the ex parte context. The Morehouse defense is based on the principle that “[a]n opposer cannot be ‘damaged’ within the meaning of Lanham Act § 13 by registration of a mark for particular goods or services if applicant owns an existing registration for the same or substantially identical mark for the same or substantially

37 102 USPQ2d 1397 (TTAB 2012).

identical goods. The Board’s decision establishes that in the ex parte context, the principle underlying the Morehouse defense can be applied through the catch-all factor of the du Pont analysis.


In Lebanon Seaboard Corp. v. R & R Turf Supply, Inc., the Board sustained an opposition, on likelihood of confusion grounds, to the mark TURFECTA for “grass seed” based on Lebanon Seafood’s prior registered mark TRIFECTA for “grass seed.” The parties stipulated to opposer’s standing, ownership of the TRIFECTA registration and priority. They also stipulated that applicant’s TURFECTA application was based on an intent-to-use, that no statement of use had been filed, that lawn seed and grass seed are legally identical descriptions, that the identification of goods in the registration and application contains no limitation as to the channels of trade or purchasers, and that the word “trifecta” has no special meaning in the grass seed products field.

Because the parties stipulated that their respective goods were legally identical, the Board presumed that they travel in the same channels of trade. Accordingly, the factors assessing the similarity of the goods and the channels of trade favor a finding of likelihood of confusion. The Board found the factor assessing the degree of consumer care in purchasing the goods neutral because neither party submitted evidence on the factor.

On the strength of opposer’s TRIFECTA mark, based on the parties’ stipulation and dictionary definitions, the Board found the mark arbitrary. The Board also found that the mark had been advertised extensively (about $17,800 per year) and that opposer sold over $8 million worth of TRIFECTA product between 2006 and 2010, but that opposer failed to prove the mark was famous. There was no evidence of third party use of similar marks on similar goods. The Board ultimately found opposer’s TRIFECTA mark, which had been used for 25 years, a strong mark, and the registration was entitled to a broad scope of protection. Similarly, the factor assessing the number and nature of similar marks in use on similar goods also weighed in favor of finding a likelihood of confusion.

In assessing the similarity of the marks, the Board applied the maxim that where marks appear on virtually identical goods and services, the degree of similarity necessary to support a finding of a likelihood of confusion declines. The Board found the marks similar in appearance, in that they have a similar structure and length. Both marks begin with “T” and end with “FECTA,” and one of the remaining letters is an “R.” The Board rejected applicant’s argument that the FECTA element of both marks would be understood to connote “perfect” from the Spanish root “PERFECTA,” and concluded it was appropriate to consider each mark as a whole and not

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40 101 USPQ2d 1826 (TTAB 2012).
give less weight to the FECTA suffix. Opposer’s TRIFECTA mark had a clear meaning relating to horse race betting. The Board found that the difference in meaning of applicant’s TURFECTA mark based on the TURF prefix is not sufficient to distinguish the marks. Because of the similarity in structure of TURFECTA to “trifecta,” consumers are likely to see TURFECTA as a play on “trifecta,” with the descriptive or generic word “turf” replacing the element “tri,” a meaning subtly reinforced by the horse racing meaning of “turf.” It concluded that TRIFECTA and TURFECTA convey a similar commercial impression, and TURFECTA may be perceived as a variation of opposer’s TRIFECTA mark, thus indicating origin in opposer. It found that the similarities in appearance, pronunciation and commercial impression of the marks outweighed any differences in meaning, and thus the similarity of the marks favored a finding of likelihood of confusion.

Although there was no evidence of actual confusion, the Board found this factor did not favor applicant because the period of concurrent use was quite limited (only 18 months), applicant’s sales and advertising during this period were limited, and applicant did not engage in any television or radio advertising. Accordingly, the Board found the absence of actual confusion, and the period of concurrent use without actual confusion, to be neutral.

Applicant’s argument that it adopted its mark in good faith without attempting to copy opposer’s mark was to no avail, because good faith adoption of a mark does not prevent a finding of a likelihood of confusion.

The Board found that all factors on which there was evidence either favored a finding of a likelihood of confusion or were neutral. Accordingly, it held that opposer proved that applicant’s TURFECTA mark for grass seed is likely to cause confusion with opposer’s TRIFECTA mark for legally identical goods, and sustained the opposition.


In L’Oreal S.A. v. Marcon,41 the Board sustained L’Oreal’s opposition to applicant’s intent-to-use application to register L’OREAL PARIS (in typed form) for “aloe vera drinks” in Class 32 on the grounds of a likelihood of confusion under Section 2(d) with L’Oreal’s famous L’OREAL and L’OREAL PARIS (Stylized) marks for a full range of cosmetics, skin care and hair care products, and a lack of a bona fide intent to use the mark in commerce.

L’Oreal established its standing through evidence of the use and registration of its various L’OREAL marks. Similarly, in light of L’Oreal’s ownership of valid and subsisting registrations of its L’OREAL and L’OREAL-formative marks, its priority was not in issue with respect to the goods identified in those registrations. L’Oreal also established prior common law rights in its L’OREAL PARIS mark in connection with a variety of cosmetics and personal care products.

In its likelihood of confusion analysis under the du Pont factors, the Board reiterated the

41 102 USPQ2d 1434 (TTAB 2012).
dominant role that fame of the prior mark plays in the analysis and the burden on the party asserting fame to clearly prove it. In light of L’Oreal’s billions of dollars in sales under its L’OREAL and L’OREAL PARIS marks, its hundreds of millions of dollars in related advertising and numerous other indicia of profound brand awareness, the Board found the marks famous for cosmetics and personal care products such as makeup, skin care, hair care, hair color and other products.

[T]he effect of such fame is that customers are likely to presume an association with opposer whenever the same or similar mark is used on other products, even if they are not as closely related as might otherwise be required. In other words, a finding that a mark enjoys significant fame expands the scope of protection which might be accorded a lesser-known mark.42

The Board reiterated the Federal Circuit’s admonition that there is no excuse for approaching the well-known trademark of a competitor because “[a] strong mark . . . casts a long shadow which competitors must avoid.”43

It found the fame of L’Oreal’s marks weighs heavily in favor of finding a likelihood of confusion.

The Board found applicant’s L’OREAL PARIS mark to be identical to L’Oreal’s L’OREAL PARIS mark and substantially similar to the L’OREAL mark, and found the marks overall to be highly similar in sound, appearance, meaning and overall commercial impression. This factor weighed heavily in L’Oreal’s favor.

The Board found applicant’s evidence of third party use of “O’real” with a fried chicken mix, or as a given name, “Oreal” unpersuasive, and as a result, found this factor neutral.

In assessing the similarity of the goods, the Board noted that the greater the similarity of the marks the lesser degree of similarity that is required of the products or services in order to find a likelihood of confusion. Because the parties’ marks were identical and highly similar, “there need only be a viable relationship between the goods to find that there is a likelihood of confusion.”44 In light of evidence that companies have marketed cosmetics and beverages under the same mark, aloe vera is commonly used as an ingredient in cosmetic and personal care products, and the growing relationship between “inner health” products (beverages and nutritional supplements) and “outer beauty” such as cosmetics, the Board found the parties’ goods sufficiently related that this factor weighed in favor of a finding of likelihood of confusion.

Because there were no restrictions in applicant’s or L’Oreal’s identification of goods, the Board presumed that the identifications encompass all goods of the type described, that they move in all normal channels of trade and that they are available to all potential consumers for such goods. The normal trade channels for cosmetics and beverages include

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42 Id. at 1438 (emphasis in original).
43 Id. (quoting Kenner Parker Toys, Inc. v. Rose Art Industries, Inc., 22 USPQ2d 1453, 1456 (Fed. Cir. 1992)).
44 Id. at 1439.
supermarkets, drug stores and mass merchandisers, and L’Oreal’s L’OREAL PARIS branded goods are actually sold in these types of stores so the trade channels overlapped. The Board found that the parties’ goods would be sold to ordinary consumers and, because opposer’s registrations were not restricted as to price, the Board presumed that opposer’s cosmetics included inexpensive cosmetics. The Board found that products such as cosmetics and personal care products and nutritional drinks tend to be relatively inexpensive and may be the subject of impulse purchases. Accordingly, it found that the du Pont factors assessing the channels of trade, classes of purchasers, and conditions of sale all weighed in favor of finding a likelihood of confusion.

On the issue of applicant’s bad faith intent, the Board found that applicant’s demonstrated pattern of filing applications to register various well-known marks established that his adoption of the L’OREAL PARIS mark was in bad faith with intention to trade-off of L’Oreal’s famous marks. Such bad faith is strong evidence that confusion is likely, and an inference of likely confusion is drawn from the imitator’s expectation of confusion. Applicant’s bad faith likewise weighed in favor of finding a likelihood of confusion. The Board held that applicant’s L’OREAL PARIS mark was barred from registration under Section 2(d).

Regarding applicant’s intent to use its mark, the Board observed that determining whether an applicant has a bona fide intent to use its mark in commerce “is an objective determination based on all the circumstances,” and the opposer bears the burden of demonstrating by a preponderance of the evidence that applicant lacked a bona fide intent to use the mark on the identified goods. The Board found that L’Oreal established that applicant lacked a bona fide intent to use its L’OREAL PARIS mark in commerce because: 1) applicant had no documents evidencing a bona fide intent to use the mark for aloe vera drinks; 2) applicant had no relevant industry experience or any expertise in manufacturing or selling aloe vera drinks; and 3) applicant had not developed a business plan, contacted any potential partners or investors, developed any logos or packaging, or undertaken any other concrete activities in preparation for use of the mark in connection with aloe vera drinks. In addition, applicant’s demonstrated pattern of filing ITU applications for disparate goods under the well-known or famous marks of others, and subsequent abandonment of those applications, likewise demonstrated his lack of a bona fide intent to use the marks.

The Board sustained the opposition under Section 2(d) and in light of applicant’s lack of a bona fide intent to use the L’OREAL PARIS mark in commerce.


In Research in Motion Limited v. Defining Presence Marketing Group, Inc., the Board addressed Research in Motion’s (“RIM” or “Opposer”) oppositions to several applications filed by Defining Presence Marketing Group, Inc. (“DPMG” or “ Applicant”) to register CRACKBERRY for various online marketing services in Class 35, various online computer services in Class 42, various online-related

45 Id. at 1443.
46 102 USPQ2d 1187 (TTAB 2012).
communications services in Class 38 and various clothing items in Class 25. RIM alleged a likelihood of confusion under Section 2(d) and a likelihood of dilution under Section 43(c) based on RIM’s well known BLACKBERRY marks and several registrations for the BLACKBERRY marks for various hand-held devices covering smart phones and related goods, email and wireless data messaging services, newsletter services for various email and wireless related messaging services and various electronic handheld units and related accessories.

Initially, the Board held that RIM established its standing to oppose DPMG’s applications by proving its ownership of several registrations for its BLACKBERRY mark and that those registrations are valid and subsisting. Likewise, in light of RIM’s allegations of a likelihood of confusion due to its registered marks for goods and services in classes 9 and 16, and 38 and 41, respectively, RIM’s priority as to these goods and services is not in issue.47

The Board framed the issue of a likelihood of confusion as whether, by a preponderance of the evidence, there is a likelihood that the relevant purchasing public will be misled to believe that the goods and/or services offered under the involved marks originate from a common source.

Applying the du Pont factors, the Board found the BLACKBERRY mark is famous for handheld devices such as smart phones and closely related information technology services, such as paging services, email service, wireless data messaging services, voice transmission communication services and computer related consulting and educational services. The supporting evidence established that RIM sold billions of dollars worth of BLACKBERRY branded products and services in the U.S. since 1999, reaching an ever-increasing number of consumers each year through 2009, numbering in the millions; RIM spent tens of millions of dollars on advertising and promotion, including print advertising, television and radio advertisements, signage, billboards, banners, brochures and other printed materials and websites all targeted to the general public; the BLACKBERRY mark enjoyed unsolicited media coverage; and the mark has been ranked among the most famous and valuable trademarks in the world.

Assessing the similarity of the marks in their entireties as to appearance, sound, connotation and commercial impression, the Board found that the similarities in appearance of the marks BLACKBERRY and CRACKBERRY outweigh the differences; the marks sound similar; and the marks had developed a similar connotation before applicant adopted its CRACKBERRY mark because the record established that the term CRACKBERRY was a slang term that developed to refer to BLACKBERRY users who appeared addicted to their handheld devices. The Board concluded that a potential consumer who is aware of RIM’s famous BLACKBERRY mark is even more likely to be attuned to its similarity to DPMG’s CRACKBERRY mark upon encountering it.

The similarity of the goods or services factor assesses whether the goods and/or services are so related such that a consumer may believe the marks indicate that the goods and/or services emanate from a single source. The Board found DPMG’s services are closely related, if not, in some cases, legally identical, to RIM’s broadly stated goods and services, and thus this factor favors sustaining the oppositions. The Board applied the principle that likelihood of confusion “must be found if there is likely to be confusion with respect to any item that comes within the identification of

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47 Id. at 1191 (citing King Candy Co. v. Eunice King’s Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974)).
goods in the application." It found a close relationship between RIM’s registered goods and services and DPMG’s recited services such as online retail store services, telecommunications, and computer and educational services. Accordingly, it found that this factor strongly supported a finding of likelihood of confusion as to three of DPMG’s four applications. However, because RIM relied on its common law rights to its BLACKBERRY mark in connection with clothing items, but did not submit evidence of its first use date with respect to clothing, the Board found that this du Pont factor did not support RIM with respect to DPMG’s application covering clothing items.

With respect to the channels of trade, the Board assumed that the parties’ respective services will be rendered in all appropriate trade channels for such services and found ample evidence that all of the services are available through some of the same channels of trade. Indeed, DPMG admitted that it catered to and targeted BLACKBERRY customers, and the Board found that “applicant’s prospective customers are by design substantially all prior customers of opposer.”

The Board concluded in light of the strength and fame of RIM’s BLACKBERRY mark, the similarities between the marks, the related goods and services, and the overlapping channels of trade that there is a likelihood of confusion when DPMG’s CRACKBERRY mark as used in connection with the services recited in Applications Serial Nos. 77059205, 77059214 and 77059232 and sustained the oppositions against these three applications. As to opposition No. 91181076 to Application Serial No. 77179267 covering clothing items in Class 25, the Board dismissed the opposition in the absence of a showing of a relationship between applicant’s goods and RIM’s goods and services for which it has priority.

Turning to RIM’s dilution by blurring claim under Section 43(c), the Board recited the legal elements as:

(1) whether the opposer’s mark is famous; (2) whether the opposer’s mark became famous prior to the date of the application to register the applicant’s mark; and (3) whether the applicant’s mark is likely to blur the distinctiveness of the opposer’s famous mark.

Recognizing that the standard for proving that a mark is famous in a likelihood of dilution claim is higher than it is for a likelihood of confusion claim, the Board easily found RIM’s BLACKBERRY mark to be famous based on the ground breaking role of this device in shaping the culture and technology of the early twenty-first century, the incredible volume of sales, opposer’s extensive promotional and advertising expenditures within the United States, and evidence of widespread media attention.” The Board observed that the BLACKBERRY mark “should be ranked among the most famous and valuable trademarks in the world.”

Likewise, the Board found that RIM’s BLACKBERRY mark became famous before Applicant filed its CRACKBERRY applications between December 2006 and May 2007. RIM’s evidence demonstrated that between 1999 and 2005, RIM’s BLACKBERRY-branded goods had kicked-off a technology revolution in the United

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48 Id. at 1194 (citing Tuxedo Monopoly, Inc. v. General Mills Fun Group, 648 F.2d 1335, 209 USPQ 986, 988 (CCPA 1981)).
49 Id. at 1196.
50 Id. at 1197.
51 Id.
52 Id.
States, that the BLACKBERRY mark is indeed famous, and that this fame was established before the filing dates of the affected applications or any other date that Applicants might be able to claim.

The third factor assesses whether the CRACKBERRY mark is likely to blur the distinctiveness of RIM’s BLACKBERRY mark. “Dilution by blurring is an association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark.” Each of the nonexclusive statutory factors for determining the likelihood of dilution by blurring favored RIM. Regarding the similarity of the marks, the Board observed that the marks need not be substantially identical, but merely “highly similar.” First, the public at large initially adopted the nickname CRACKBERRY for BLACKBERRY wireless handheld devices and CRACKBERRY had achieved dictionary status as a slang term dating to year 2000. CRACKBERRY was selected as the “Word of the Year” in 2006. In addition, in its likelihood of confusion analysis, the Board already had found that BLACKBERRY was inherently distinctive and the parties’ marks were similar. It concluded that there is a high degree of similarity between CRACKBERRY and RIM’s famous BLACKBERRY mark.

Second, the Board found that RIM’s use of its BLACKBERRY mark was substantially exclusive in that there was no evidence of record of any third party use of BLACKBERRY for the same or any related goods or services as those provided by RIM.

Third, the Board found that the degree of recognition of the BLACKBERRY mark was substantial because between 1999 and 2004, the BLACKBERRY marks became one of the most prominent trademarks in our digital wireless culture. RIM spent huge sums of money advertising and promoting the BLACKBERRY mark in the U.S.; it sold billions of dollars of BLACKBERRY products and services in the U.S. to tens of millions of consumers over the past dozen years; and the Board found that the mark should be ranked among the most famous and valuable trademarks in the world.

Fourth, the Board found that Applicants intended to create an association between the CRACKBERRY mark and the famous BLACKBERRY mark. The Board emphasized that applicants adopted CRACKBERRY for closely related services; applicants knew CRACKBERRY had become slang for RIM’s BLACKBERRY branded devices; applicants targeted RIM’s customers; and applicants admitted that they chose the term CRACKBERRY because of its strong association with BLACKBERRY. Finally, applicants’ affirmative defense based on an attempted parody “stands as an admission that applicant’s intended to create an association with BLACKBERRY.”

Fifth, there is an actual and strong association between CRACKBERRY and the famous BLACKBERRY mark. Indeed the Board found that applicants intentionally chose CRACKBERRY because it was already strongly association with RIM’s famous BLACKBERRY mark well before applicants adopted CRACKBERRY.

Accordingly, the Board found that all six of the listed statutory factors supported the conclusion that RIM is likely to suffer impairment of the distinctiveness of its marks, and therefore, RIM has shown a likelihood of dilution by blurring under section 43(c)(2)(B) as to all four of the opposed applications.

The Board easily dismissed applicants’ parody defense. Although parody is explicitly included as a defense to a claim of dilution under the

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53 Id. (citing 15 U.S.C. § 1125(c)(2)(B) [TDRA]).
statutory “fair use” exclusion in Section 43(c) of the Lanham Act, by the very terms of the statute, applicants’ claimed use of CRACKBERRY as a mark seems to be precluded from the safe harbor provisions. Those provisions, in defining a fair use, refer to “[a]ny fair use . . . of a famous mark by another person other than as a designation of source for the person’s own goods or services . . .” 54 Applicants plainly sought to use CRACKBERRY as a designation of source for their services.

Declining to follow the Fourth Circuit’s Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC55 decision, the Board ruled that the TRDA’s “safe harbor provision does not extend the fair use defense to parodies used as a trademark.” Nevertheless, the Board went on to assess the alleged parody in considering whether RIM has established its claim of dilution by blurring. The Board found that the alleged parody does not insulate applicants from the claim of dilution because, first, the public itself adopted and popularized CRACKBERRY as a nickname for BLACKBERRY wireless handheld devices so CRACKBERRY does not reflect applicants’ asserted attempt to parody the BLACKBERRY mark. Second, applicants’ use of CRACKBERRY for closely related services significantly undercuts the effectiveness of the asserted parody in avoiding dilution by blurring. Accordingly, the Board rejected the parody fair use defense. It sustained RIM’s opposition to all four applications on the grounds of a likelihood of dilution by blurring.

B. Dilution — Section 43(c)

1. Academy of Motion Picture Arts and Sciences v. Alliance of Professionals & Consultants, Inc., 104 USPQ2d 1234 (TTAB 2012)

In Academy of Motion Picture Arts and Sciences v. Alliance of Professionals & Consultants, Inc.,56 the Board addressed a motion to dismiss a federal dilution claim based on the amendments to the Trademark Dilution Revision Act (TDRA), which sought to expand the “federal registration defense” to state law dilution claims. However, due to a clerical error, the TDRA also inadvertently amended the statute such that ownership of a federal registration acts as a complete bar to a federal dilution claim.

The Academy of Motion Picture Arts and Sciences (“petitioner” or “Academy”) petitioned to cancel the Alliance of Professionals & Consultants, Inc.’s (“respondent” or “APC”) registration for the mark OSCAR for “providing recognition and incentives by the way of awards and contests to demonstrate excellence in the field of business consultation and information technology” in International Class 41 on likelihood of confusion grounds under Section 2(d), on falsely suggesting a connection with the Academy under Section 2(a), and grounds of dilution under Section 43(c). APC moved to dismiss the dilution claim under Fed. R. Civ. P. 12(b)(6) on the ground that respondent’s ownership of the federally-registered mark acts as a complete defense to the Academy’s dilution claim.

As originally enacted, the Federal Trademark Dilution Act (“FTDA”) included a defense providing that “ownership by a person of a valid registration,” is a “complete bar” to any action brought under “common law or a statute of a State and that seeks to prevent dilution of the distinctiveness of a mark, label, or form of

54 Id. at 1199 (citing 15 U.S.C. § 1125(c)(3)(A)) (Emphasis in original).
55 507 F.3d 252, 84 USPQ2d 1969 (4th Cir. 2007).
56 104 USPQ2d 1234 (TTAB 2012).
advertisement.”57 In 2006, Congress enacted the TDRA58 which sought to expand the federal registration defense to include all types of dilution claims under state law by replacing the FTDA’s language barring only claims for “dilution of the distinctiveness of a mark” (i.e., dilution by blurring) with language barring claims for “dilution by blurring or dilution by tarnishment.”59 However, the parties agreed that a clerical error occurred during the passage of the TDRA, whereby Section 43(c)(6) was slightly reorganized, and, as a result, the statute inadvertently was amended to read that ownership of a federal registration acts as a “complete bar” to a federal dilution claim as well as a state law dilution claim.

Even though the parties agreed that a clerical error resulted in the inadvertent amendment of the statute to bar federal dilution claims, the Board applied the plain language of the statute as written. It observed: “If Congress has enacted into law something different from what was intended, then Congress must amend the statute to achieve its desired results.”60 Applying the plain language of the statute, the Board granted the motion to dismiss the Academy’s federal dilution claim and struck that claim from the petition for cancellation.


C. Deceptive – Section 2(a)

1. In re E5 LLC, 103 USPQ2d 1578 (TTAB 2012)

In In re E5 LLC,62 the Board affirmed the final refusal on grounds of deceptiveness under Section 2(a) of the following mark consisting of the alpha symbol followed by the letters “CU” for various dietary supplements in Class 5:

\[ \alpha \text{ CU} \]

Dietary supplements, namely, lipoic acid, vitamin C, ascorbic acid, zinc, zinc amino acid chelate, riboflavin, biotin, vanadium, vanadium sulfate

Under Section 2(a), registration must be refused if a mark is deceptive of a feature or ingredient of the goods. The examiner found the mark deceptively reasoning that the “CU” component of the mark would be understood by consumers to connote the chemical element of copper, but copper is not included within the dietary supplements covered by the mark.

The USPTO has the initial burden of establishing a prima facie case that a mark is deceptive under Section 2(a). The test for deceptiveness, set forth in In re Budge,63 considers:

(1) Whether the mark misdescribes the goods; (2) if so, whether consumers would be likely to believe the misrepresentation; and (3) whether the misrepresentation would materially affect potential purchasers’ decision to purchase the product.

On the first prong, the Board found that copper is a common ingredient in dietary supplements,

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57 15 U.S.C. § 1125(c) (emphasis added), repealed by the TDRA in 2006.
60 Academy of Motion Pictures 104 USPQ2d at 1237 (citing Lamie v. United States, 540 U.S., 526, 542 (2004)).
61 See supra, p. 13-17.
62 103 USPQ2d 1578 (TTAB 2012).
63 857 F.2d 773, 8 USPQ2d 1259, 1260 (Fed. Cir. 1988).
and consumers encountering the mark including “CU” will likely understand the term to refer to the chemical element copper. Accordingly, it found that the mark misdescribes applicant’s dietary supplements.

Likewise, in light of voluminous web site evidence that copper is a common ingredient of dietary supplements or a supplement itself, the Board found consumers are likely to believe the misrepresentation that applicant’s dietary supplements contain copper when they do not.

In light of other internet evidence showing that copper is an important nutrient having significant health benefits, the Board found that the misrepresentation would materially affect potential purchaser’s decision to purchase applicant’s dietary supplements, thereby satisfying the third prong of the deceptiveness test.

Because the applicant did not rebut the examiner’s prima facie case of deceptiveness, the Board affirmed the final refusal to register under Section 2(a).

2. In re Jackson International Trading Co., 103 USPQ2d 1417 (TTAB 2012)

In In re Jackson International Trading Co., 64 Trademark Trial and Appeal Board affirmed the refusal to register the mark BENNY GOODMAN COLLECTION THE FINEST QUALITY (Stylized) for fragrances and cosmetics (Class 3), leather goods (Class 18) and clothing (Class 25) on the grounds that the mark falsely suggests a connection with the famous musician, band leader and clarinetist, Benny Goodman.

The Application disclaimed the words “Collection” and “The Finest Quality,” asserted that “‘Benny Goodman’ does not identify a living individual,” and covered the following mark:

![Benny Goodman Collection](image)

In support of the refusal, the examiner submitted evidence of (1) “Benny Goodman: The Official Website of the King of Swing;” (2) Internet evidence from various encyclopedia and dictionary sites indicating the fame and renown of Benny Goodman; and (3) Excerpts from various websites, such as Last.fm, Amazon.com and Borders.com advertising sales of Benny Goodman recordings.

Section 2(a) prohibits registration on the Principal Register of a trademark that “(a) consists of or comprises . . . matter which may . . . falsely suggest a connection with persons living or dead.”

The Board applies a four-part test to determine whether a false suggestion of a connection has been established: (1) The mark is the same as, or a close approximation of, the name of or identity previously used by another person; (2) the mark would be recognized as such because it points uniquely and unmistakably to that person; (3) the person named by the mark is not connected with the activities performed by the applicant under the mark; and (4) the prior user’s name or identity is of sufficient fame or reputation that a connection with such person

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64 103 USPQ2d 1417 (TTAB 2012).
would be presumed when applicant’s mark is used on applicant’s goods.65

Applying these factors, the Board found that the commercial impression engendered by the mark “is that there is a ‘Benny Goodman’ collection of products which makes applicant’s mark a close approximation of the name Benny Goodman,” and Applicant did not argue otherwise. Second, recognizing that performers and owners of well-known marks often expand their product lines to incorporate a diverse set of goods, the Board found that consumers encountering applicant’s proposed mark used in connection with fragrances and cosmetics, leather goods and clothing will associate the “Benny Goodman” name with the well-known bandleader, composer and clarinetist.

The Board rejected applicant’s argument that Benny Goodman is a recognized performer only for persons over the age of 30 or 40 because applicant failed to submit evidence of alleged numerous facebook pages for countless people named Benny Goodman and also failed to make of record evidence suggesting that few people under the age of 30 or 40 can identify Benny Goodman, the musician.

Third, there was no evidence suggesting that Benny Goodman, the bandleader, composer and clarinetist, had any connection with applicant’s business.

Finally, the evidence of Benny Goodman’s fame and renown was sufficient to show that a connection with Benny Goodman would be presumed when applicant’s mark is used on the goods covered by the application. Although recognizing that the fame and renown of a celebrity can recede after the celebrity’s death, the Board found that “because of his great celebrity in the entertainment field, Benny Goodman remains a well-known figure among a sufficient segment of the population as to support finding a false suggestion of a connection.” Indeed, many of his recordings have been newly issued and are offered for sale on several prominent websites.

The Board flatly rejected the contention that a Section 2(a) false suggestion of a connection refusal might not apply on the ground that Benny Goodman had no heirs because CMG Worldwide acts as the exclusive business representative for the estate of Benny Goodman, and applicant had admitted that it had some contact with a representative of the heirs in the past. The Board held that applicant’s mark falsely suggests a connection with Benny Goodman and affirmed the refusal to register.

D. Flag, Coat of Arms or Other Insignia – Section 2(b)

1. In re City of Houston, 101 USPQ2d 1534 (TTAB 2012)

In re City of Houston, Texas66 addressed whether Section 2(b), which prohibits registration of any designation which “Consists of or comprises the flag or coat of arms or other insignia of the United States, or of any State or municipality, or of any foreign nation, or any simulation thereof,” bars the City of Houston, Texas registration of its own official seal. The board held that it did and affirmed the final refusal to register because the plain language of Section 2(b) prohibits registration of official insignia even by the relevant governmental entity.

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65 University of Notre Dame du Lac v. J.C. Gourmet Food Imports Co., Inc., 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983), aff’g 213 USPQ 594 (TTAB 1982).

66 101 USPQ2d 1534 (TTAB 2012).
The City of Houston, Texas filed Application Serial No. 77660948 to register its official seal – CITY OF HOUSTON TEXAS & Design – for various municipal services in classes 35 and 39. The examiner refused registration under Section 2(b) because the mark was the official seal of Houston, Texas, and thus, a coat of arms or other insignia of a municipality barred from registration by the statute.

The Board affirmed holding that the statutory language of Section 2(b) is clear, and “expresses congressional intent [which] is rebutted only in rare and exceptional circumstances.” The Board refused applicant’s registration stating that the statutory language clearly indicates that all marks which “consist of or comprise the flag or coat of arms or other insignia . . . are to be refused registration,” regardless of the identity of the applicant.

The Board also rejected applicant’s argument that registration should be allowed because “at least thirteen . . . other cities have been allowed to register their city seals.” The Board found that there was no evidence to prove that the thirteen listed registrations are the official seals of the cities mentioned in the marks. In any event, the Board concluded that it is not bound by prior examination errors, where “third-party registrations should have been refused registration.”

The Board found that City of Houston’s official seal consists of or comprises the coat of arms or other insignia of a municipality which is barred from registration by Section 2(b).

The District filed Application Serial No. 77643857 to register its official seal – DISTRICT OF COLUMBIA 1871 CONSTITUTION JUSTITIA OMNIBUS & Design – for various promotional items in classes 14, 16, 21 and 25. The examiner refused registration under Section 2(b) because the mark was the official seal of DC and thus, a coat of arms or other insignia of a municipality barred from registration by the statute.

The Board affirmed holding that the plain language of Section 2(b) unambiguously prohibits registration of the flag, coat of arms or other insignia of the United States, any State or municipality or any foreign nation, without any
exception for the involved governmental entity. The Board rejected applicant’s arguments that Congress did not intend such a result, reasoning that the statute does not include any exception, and there was no evidence of any Congressional intent that there be an exception to Section 2(b) for the involved governmental entity to register its own governmental or official insignia.

The Board likewise rejected applicant’s argument that the legislative history of Article 6ter of the Paris Convention supported an exception to Section 2(b), which originally was adopted to implement Article 6ter. The Board found the clear meaning of Section 2(b) not inconsistent with the requirements of the Paris Convention and compliant with U.S. treaty obligations.

The Board also found that Section 2(b) is unambiguous and, as a result, the Board must presume that Congressional intent was expressed in the plain language of the statute. It further found that to interpret Section 2(b) to include an exception for governmental entities would be incompatible with the remainder of the Act where exceptions or exclusions are specifically and expressly delineated.

That the City of Atlanta, Georgia, the City of Scottsdale, Arizona, and the Town of Miami Lakes, Florida had successfully registered their official seals neither renders Section 2(b) ambiguous nor provides the District of Columbia any rights based on them.

The Board rejected several constitutional challenges to Section 2(b) – equal protection and discriminatory impact – observing that the section applied equally to all parties and inconsistent application by examining attorneys did not override the plain language of the statute. Most importantly, the Board, which is an administrative tribunal and not an Article III court, has no authority to declare provisions of the Trademark Act unconstitutional. It affirmed the refusal to register.

E. Merely Descriptive – Section 2(e)(1)


In Baroness Small Estates, Inc. v. American Wine Trade, Inc., the Board rejected a genericness and mere descriptiveness challenge to the mark CMS for a wine composed of equal parts cabernet sauvignon, merlot and syrah finding the mark inherently distinctive. Petitioner argued that the CMS mark (1) is a generic acronym for the ingredients contained in the wine, namely, cabernet, merlot and syrah; (2) is a merely descriptive acronym for the ingredients in the wine, and was merely descriptive at the time of registration; and (3) did not have secondary meaning at the time the mark was registered and does not have secondary meaning at the time the cancellation was adjudicated.

Petitioner, Baroness Small Estates, established its standing by making of record several registrations it owns for wine thereby establishing that it is in the wine business and is a competitor of respondent.

Respondent, American Wine Trade, adopted its CMS trademark in 2001, first using it for a red wine that was described as a blend of cabernets, merlot and syrah. In 2004, respondent began using CMS as a mark for white wine which is a blend of chardonnay, marsanne and sauvignon blanc. In 2005 and 2006, respondent also used CMS for a dry rosé wine consisting of cabernet sauvignon, marsanne and syrah.

67 104 USPQ2d 1224 (TTAB 2012).
The Board applied the two-step inquiry for determining genericness articulated in *H. Marvin Ginn Corp. v. Int’l Ass’n of Fire Chiefs, Inc.*: 68 “First, what is the genus of goods or services at issue? Second, is the term sought to be registered or retained on the register understood by the relevant public primarily to refer to that genus of goods or services?”

Because it was undisputed that the genus of the goods is “wine,” the Board considered whether CMS is understood by the relevant consuming public to refer to the genus of the goods. It framed the question as “whether the initials for generic or merely descriptive terms, or a combination thereof, are also generally recognized and used as an accepted abbreviation for the term itself.” 69 Petitioner, BSE, bore the burden of showing that the purchasing public understands CMS primarily to refer to wine by “clear evidence.”

Initially, the Board observed that there is no evidence that the individual letters “C,” “M” and “S,” when used in connection with wine, have the meaning of “cabernet,” “merlot” or “syrah” and certain of petitioner’s evidence demonstrated that there are various grape varietals that begin with these letters.

The evidence of record of third party use of CMS in connection with wine was mixed. One third party winery listed among its wines, “2008 CMS (Cabernet, Merlot, Syrah).” The Board found that if this use were a generic use of CMS, it did not appear that this listing was available to be accessed for a very long period of time in terms of having significant public exposure because the particular usage referencing the wine varietals had been taken down. Other evidence where CMS was combined with another term for a wine comprised of cabernet, merlot and syrah, the Board viewed as ambiguous because CMS might be viewed as part of a composite mark or as a generic term derived from the varietals comprising the blend. The Board observed: “Certainly the inclusion of the names of the varietals indicates that consumers would not readily understand CMS per se to be the generic term for such a blend.”

Respondent, AMT, submitted evidence of its successful enforcement of its CMS mark against third parties who used CMS for a blend consisting of cabernet, merlot and syrah. In several instances third party wineries ceased using CMS for such a blend after receipt of AMT’s demand letter. Although these third party wineries had been using CMS to refer to the varietals, the Board found that the amount of time CMS had been used in that manner was “quite limited, thereby raising a question as to what exposure the public had to this usage of CMS.”

The Board observed that of the five different wines for which CMS had been used, in four instances the makers of those wines ceased use of CMS, and in every case, the extent of public exposure to the use of CMS was not clear. It found that “the usage of CMS in the various websites is mixed at best. A mixture of usages is not sufficient to show, by clear evidence, that the purchasers of wine view CMS as a generic term for wine.” 70

Petitioner and respondent submitted evidence from various online abbreviations, acronym and

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68 782 F.2d 987, 228 USPQ 528 (Fed. Cir. 1986).
69 104 USPQ2d at 1226 (quoting Modern Optics, Inc. v. Univis Lens Co., 234 F.2d 504, 110 USPQ 293, 295 (CCPA 1956)).
70 104 USPQ2d at 1228 (citing In re Merrill Lynch, Pierce, Fenner, and Smith Inc., 4 USPQ2d 1141, 1143 (Fed. Cir. 1987); In re America Online Inc., 77 USPQ2d 1618, 1623 (TTAB 2006)).
Board observed that “CMS can be considered merely descriptive of the wines only if consumers would immediately understand, upon seeing the mark CMS in connection with wine, that the wine contains the particular set of three varietals” argued by petitioner – cabernet, merlot and syrah. The Board stated that there is no evidence the first initial of each varietal – “C,” “M” or “S” – is a recognized abbreviation for that particular varietal because there are multiple varietals that begin with those letters. Several articles discussing “CMS” and pointing out its derivation from cabernet, merlot and syrah demonstrated that the mark CMS for wine does not directly and immediately convey the meaning of the three varietals because the authors believed that they needed to spell out the connection between CMS and the names of the varietals the wine contained because readers would not immediately understand that the mark CMS has the meaning of cabernet sauvignon, merlot and syrah. The Board found that the process of recognizing that CMS derived from the three varietals “requires some thought, and that is the very essence of a suggestive mark.”

Finally, the Board found an admission by respondent’s principal that local consumers understand that CMS is a brand that contains cabernet sauvignon, merlot and syrah does not mean that the general consuming public accepts CMS as substantially synonymous with those varietals. Instead, the Board viewed the testimony as meaning that “people regard CMS as a trademark for a wine that contains cabernet sauvignon, merlot and syrah, and not that CMS tells people directly that the wine contains these varietals.” The Board found that petitioner failed to prove that CMS is merely descriptive for wine, and dismissed the petition for cancellation.

In *ChaCha Search, Inc. v. Grape Technology Group, Inc.* [72] the Board granted ChaCha’s motion for summary judgment on the ground that its 242242 mark, used as an SMS number, is not merely descriptive because Grape did not demonstrate that the mark was an ingredient, quality, characteristic, function, feature, purpose, or use of the specified goods or services. The Board also denied Grape’s motion for leave to file an amended counterclaim because Grape unduly delayed seeking to add the claim that 242242 does not function as a mark.

In a combined opposition and cancellation proceeding against Grape Technology Group, Inc. (“Grape”), ChaCha Search, Inc. (“ChaCha”) alleged a likelihood of confusion with its 242242 mark under Section 2(d). The Board entered judgment against Grape in both the opposition and the cancellation. The only remaining claim in Grape’s counterclaim was that ChaCha’s pleaded Registration No. 3504586 for the mark 242242 in standard character form is merely descriptive under Section 2(e)(1), and had not become distinctive under Section 2(f).” [73] The Board denied Grape’s motion for leave to file an amended counterclaim and granted ChaCha’s motion for summary judgment in its favor on the counterclaim that its 242242 mark is merely descriptive.

The Board denied Grape’s motion for leave to file an amended counterclaim because Grape unduly delayed seeking to add the claim that 242242 does not function as a mark. Likewise, the Board denied Grape’s cross-motion for summary judgment since it could not “seek or obtain judgment on its unpleaded ground that the 242242 mark does not function as a mark.” [74] Under TMEP Section 507.02, “a long delay in filing a motion for leave to amend may render the amendment untimely.” [75] The Board found that Grape based its allegations on information that was available when it first filed the counterclaim, after it had served its pretrial disclosures, and after ChaCha had filed a motion for summary judgment. Thus, Grape unduly delayed seeking to add its failure to function as a mark claim. The Board rejected Grape’s arguments that its proposed allegations amplified those made in the original counterclaim and that it implicitly pleaded the new allegation in the original counterclaim. The Board drew a distinction between claims that a mark is merely descriptive and claims that matter does not function as a mark, stating that the former goes to the character of the mark while the latter goes to the use.

The Board further found that ChaCha would suffer prejudice if Grape was allowed to add the new claim because it would “increas[e] the time, effort, and money that respondent would be required to expend to defend against an additional basis for Grape’s challenge to its registration.” [76] Under TMEP Section 506.01, “the Board, in its discretion, may decline to strike even objectionable pleadings where their inclusion will not prejudice the adverse party” [77] in order to further the purpose of pleadings to give “fair notice of the claims or defenses asserted.” [78] The Board found that Grape was obligated to identify all claims in a timely fashion in order to provide ChaCha with proper notice, and since it failed to do so, ChaCha would suffer prejudice if Grape was allowed to add the new claim.

The Board granted ChaCha’s motion for summary judgment in its favor on Grape’s

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[74] Id. at 1302.
[75] Id. at 1300.
[76] Id. at 1302.
[77] TMEP § 506.01 (3d ed. rev. 2012).
[78] Id.
counterclaim that the 242242 mark is merely descriptive under Section 2(e)(1). Section 2(e)(1) provides in part that a trademark will be refused if it is merely descriptive or deceptively misdescriptive when used in connection with the goods of the applicant. The Board noted that “a mark consisting of a telephone number is merely descriptive only if that mark describes an ingredient, quality, characteristic, function, feature, purpose, or use of the specified goods or services.” 79 Grape’s argument that marks taking the form of telephone numbers “give rise to an inference that they are functional and descriptive” 80 was rejected. Instead, the Board found that Grape failed to explain how 242242 identifies an ingredient, quality, characteristic, function, feature, purpose, or use of “[p]roviding search engine services for obtaining specific user-requested information via text messaging, instant messaging, mobile internet, voice messaging, and wireless devices.” Because ChaCha “met its initial burden of establishing that there is no genuine dispute that the mark is not merely descriptive and that it is entitled to entry of judgment” 81 and because Grape “failed to demonstrate the existence of specific genuinely disputed facts that must be resolved at trial,” 82 the Board granted ChaCha’s motion for summary judgment on Grape’s counterclaim that the 242242 mark is merely descriptive under Section 2(e)(1).

3. *In re Accelerate S.A.L.*, 101 USPQ2d 2047 (TTAB 2012) 83

4. *In re Franklin County Historical Society*, 104 USPQ2d 1085 (TTAB 2012)

In *In re Franklin County Historical Society*, 84 the Board affirmed the refusal to register the mark CENTER OF SCIENCE AND INDUSTRY for “education and entertainment services, namely, operating a museum and conducting workshops, programs and demonstrations in the field of science” in Class 41 on the grounds that the mark was merely descriptive under Section 2(e)(1) and it had not acquired distinctiveness pursuant to Section 2(f).

The Board considered dictionary definitions of the terms “Center,” “Science” and “Industry” to be probative of the relevant public’s understanding of the phrase “CENTER OF SCIENCE AND INDUSTRY” as applied to the services identified in the application. It found that consumers considering the proposed mark for the identified services would conclude that “the proposed mark conveys information about a center where one can learn about science and industry” and thus describes the services. It also found third party use of variations of the phrase CENTER OF SCIENCE AND INDUSTRY” for museum services and other uses of the terms “center,” “science” and “industry in connection with museum services demonstrates that there is a competitive need for the terms “center,” “science,” and “industry” in connection with the services identified in the application. The Board emphasized that:

The primary purposes of refusing registration of a merely descriptive mark are “(1) to prevent the owner of a mark from inhibiting competition in the sale of particular goods; and (2) to maintain freedom of the public to use the language involved, thus avoiding the possibility of harassing infringement suits by the

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79 105 U.S.P.Q.2d at 1303
80 Id. at 1304
81 Id. at 1304
82 Id.
83 See *Supra*, p. 1-2.
84 104 USPQ2d 1085 (TTAB 2012).
registrant against others who use the mark when advertising their own products.\(^8^5\)

The Board affirmed the refusal to register on the grounds of mere descriptiveness under Section 2(e)(1).

Turning to the issue of acquired distinctiveness under Section 2(f), the Board observed that applicant bears the burden to prove acquired distinctiveness of a descriptive mark. Moreover, “[t]he higher the level of descriptiveness, the greater the proportionate showing of acquired distinctiveness need be.”\(^8^6\)

The Board then assessed whether there was sufficient evidence that “CENTER OF SCIENCE AND INDUSTRY” has acquired distinctiveness so that consumers associate it not primarily with the services for which applicant seeks registration, but rather with a single source for those services.\(^8^7\) Evidence necessary to establish acquired distinctiveness is an ad hoc determination but may include such factors as the length of use of the mark, advertising expenditures, sales, survey evidence, and affidavits asserting source-indicating recognition.

Applicant submitted a declaration from its senior director of marketing and communications which stated simply: “The mark has become distinctive of the services through Applicant’s substantially exclusive and continuous use in commerce for at least the 35 years immediately before the date of this statement.” Applicant also submitted undated web pages without URLs which appeared to be from Applicant’s web site. Applicant argued that its over thirty-five years of “substantially exclusive” use, the museum’s 20 million visitors from all 50 states, its regular and special exhibits of rare artifacts and its several national awards and recognition were sufficient to demonstrate acquired distinctiveness.

Notwithstanding this evidence, the Board found it insufficiently probative on whether “CENTER OF SCIENCE AND INDUSTRY” had acquired distinctiveness because the evidence demonstrated that applicant is not known by that mark, but rather by the shortened acronym COSI. In all of the submitted evidence, CENTER OF SCIENCE AND INDUSTRY always appeared with the acronym COSI. On Applicant’s website, the phrase CENTER OF SCIENCE AND INDUSTRY appears only once, in small print under the larger letters COSI. Other of applicant’s web pages referred to its museum services using only the term COSI. Third parties referred to applicant’s museum services as COSI. One blog submitted by applicant noted that applicant’s museum services are “better known as COSI.”

The Board noted that any goodwill associated with the term COSI is not attributable to CENTER OF SCIENCE AND INDUSTRY because marks with different commercial impressions do not share goodwill. As a result, “any renown garnered by the term COSI for applicant’s museum services is inapposite to this decision. Noting that the phrase CENTER OF SCIENCE AND INDUSTRY is highly descriptive and the record demonstrated that applicant’s use had not been substantially exclusive, the Board held that applicant failed to show that the phrase CENTER OF SCIENCE AND INDUSTRY had acquired distinctiveness under Section 2(f) and affirmed the refusal to register on that ground.

\(^8^5\) Id. at 1089 (quoting In re Abcor, 588 F.2d 811, 200 USPQ at 217; see also, In re Stereotaxis Inc., 429 F.3d 1039, 77 USPQ2d 1087, 1090 (Fed. Cir. 2005)).

\(^8^6\) Id. (citing In re Steelbuilding.com, 415 F.3d 1293, 75 USPQ2d 1420, 1424 (Fed. Cir. 2007)).

\(^8^7\) In re Steelbuilding.com, 415 F.3d 1293, 75 USPQ2d 1420, 1422 (Fed. Cir. 2007).

5. In re Future Ads LLC, 103 USPQ2d 1571 (TTAB 2012)
In In re Future Ads LLC, Future Ads applied to register the mark ARCADEWEB & Design for the following internet-related services:

![ARCADEWEB Image](image-url)

Dissemination of advertising for others via the internet and via downloadable computer games; promoting the goods and services of others by means of downloadable computer games and via electronic transmission of advertisements over the internet; promoting the goods and services of others by attracting, referring, and analyzing consumer traffic to the online promotions and incentive award programs of others; promoting the goods and services of others by providing gaming websites to generate consumer traffic for others; referral services in the field of online marketing.

The examiner made final a requirement that Future Ads disclaim “ARCADEWEB” apart from the mark as shown. The Board reversed.

The only evidence the examiner made of record during prosecution which bears on the disclaimer requirement was applicant’s prior Registration No. 3881836 for ARCADEWEB in standard characters, which was registered on the Supplemental Register and thus presumptively merely descriptive. The Supplemental Register registration was raised by the examiner in connection with claiming ownership of a prior registration. However, it was not until the examiner filed its brief in the appeal to the Board, which was after the close of examination and after the period when applicant could submit evidence in response, that the examining attorney first argued that applicant’s Supplemental Register registration constituted an implied admission that ARCADEWEB is merely descriptive. The Board “regard[ed] the use of this evidence for an argument that is totally different from the purpose for which the registration was submitted, and not even hinted at in the office actions, as unfair.” Although the Board acknowledged that the examiner could use evidence of the registration on the Supplemental Register to support the disclaimer requirement, it viewed the examiner’s actions “as poor examination practice and strongly urge[d] that such a practice not be followed in the future.”

Turning to the issue of whether ARCADEWEB is merely descriptive and much be disclaimed under Section 6(a), the Board observed that a term is deemed merely descriptive if it forthwith conveys an immediate idea of an ingredient, quality, characteristic, feature, function or purpose or use of the goods or services. Noting that the presumption arising from the Supplemental Register registration can be rebutted, the Board relied on the dictionary definitions of “web” and “arcade” and concluded that there is no evidence that applicant provides or intends to provide “an amusement center having coin-operated games” in connection with rendering its services, which shows that “arcade” is not merely descriptive of applicant’s services. Although this quantum of evidence is limited, the Board found applicant’s dictionary definition of “arcade” constituted evidence that the term is not merely descriptive of applicant’s

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88 103 USPQ2d 1571 (TTAB 2012).

89 103 USPQ2d at 1573.

90 Id.

91 15 USC § 1056(a).
services and rebutted the prima facie evidence of mere descriptiveness resulting from the Supplemental Register registration. The Board found that the Office failed to meet its burden of showing that ARCADEWEB is merely descriptive and must be disclaimed and reversed the refusal to register.

6. **In re Phoseon Technology, Inc., 103USPQ2d 1822 (TTAB 2012)**

In re Phoseon Technology, Inc., 92 affirmed the final refusals to register the mark SEMICONDUCTOR LIGHT MATRIX on the grounds that the mark was merely descriptive of the goods under Section 2(e)(1) and the mark as used on applicant’s specimen fails to function as a trademark under Sections 1, 2 and 45 of the Trademark Act, 15 USC §§ 1051, 1052 and 1057. The mark, in standard character form, covered the following goods:

- Light curing systems composed primarily of light emitting diodes for industrial applications; UV curing systems composed primarily of light emitting diodes, for commercial applications, namely, for curing inks, coatings, adhesives, and a variety of other materials, in Class 9.

The examiner reasoned that SEMICONDUCTOR LIGHT MATRIX merely describes applicant’s goods as “a source of electromagnetic radiation provided by an array of semiconductor devices,” in other words, a light emitting matrix utilizing semiconductors.

In reviewing the mark in its entirety, and relying upon dictionary definitions, the Board first found that each term comprising the mark retained its merely descriptive significance in relation to the goods and services so the composite mark itself was merely descriptive. Specifically, it found that SEMICONDUCTOR LIGHT MATRIX would be understood as meaning a light emitting matrix utilizing semiconductors.

The Board further found that the remaining evidence of record established that the words comprising the mark retain their dictionary meanings when used in the composite and thus the mark in its entirety is merely descriptive because the composite mark did not result in a meaning different from the individual elements. Specifically, Applicant’s pamphlet describing its Semiconductor Light Matrix Technology, its website, various magazine and periodical articles, two patent applications, an abstract of a published paper, and a third party website each used SEMICONDUCTOR LIGHT MATRIX descriptively to describe that particular technology.

The Board rejected the argument that the words comprising the mark gave rise to an incongruity resulting a meaning different from the individual components. It rejected the argument that the words “semiconductor light” modified the term “matrix” as unsupported by the evidence. It affirmed the refusal on grounds of mere descriptiveness.

Turning to applicant’s specimen of use, the Board affirmed the refusal that applicant’s mark as shown on the specimen failed to function as a trademark to identify applicant’s goods and distinguish them from the goods of others. Reviewing the specimen shown below, the Board observed that the critical question is the commercial impression the mark (as shown on the specimen) makes on the relevant public (e.g., whether the term sought to be registered would be perceived as a mark identifying the source of the goods or merely as an informational phrase).
The Board found that the commercial impression engendered by applicant’s display in the specimen “is that applicant, Phoseon Technology, is advertising/selling a UV curing system that uses semiconductor light matrix technology.” It found that the term SEMICONDUCTOR LIGHT MATRIX as shown on the specimen “identifies the technology of the UV curing system; it does not identify and distinguish the source of the goods, but instead describes how the goods work.”

The Board reached the same conclusion regarding use of the mark in web pages which the examiner had made of record, even though the Board held that applicant failed to submit the web pages as substitute specimens during prosecution of the application.

The Board affirmed the refusals to register the mark as merely descriptive under Section 2(e)(1) and as failing to function as a trademark under Sections 1, 2 and 45.


8. In re Sadoru Group, Ltd., 105 USPQ2d 1484 (TTAB 2012)

In re Sadoru Group, Ltd., 95 addressed the issue of whether the stylization of the mark “SADORU,” which is translated from Japanese to English as “saddle,” and was disclaimed from the application, was inherently distinctive. Sadoru Group sought to register the SADORU stylized for “motorcycle parts and accessories, namely motorcycle seats and ergonomic motorcycle pads for use with seats.” The word mark SADORU had been disclaimed from the application and the examiner refused registration on the grounds that the mark was merely descriptive of the goods (motorcycle seats and pads) under Section 2(e)(1).

After determining that the doctrine of foreign equivalents applied, the Board framed the issue as “whether the stylization of the lettering in which SADORU appears creates a separate and inherently distinctive commercial impression apart from the word itself, such that the mark as a whole is not merely descriptive.” The Board recognized that “where the literal components of a mark are combined in a distinctive design or display it is possible to disclaim those literal components and still have a mark which is registrable as a whole.”96 Because the applicant did not claim that the mark had acquired distinctiveness, the stylization of the mark must create a separate and inherently distinctive impression:

94 See supra, p. 17-19.
95 105 USPQ2d 1484 (TTAB 2012).
96 Id. at 1486 (quoting In re Jackson Hole Ski Corporation, 190 USPQ 175, 176 (TTAB 1976).
The Board recognized that this issue is “necessarily a subjective matter which must be determined based on a viewer’s first impression.” After reviewing several stylized word marks where the stylization was found not to be inherently distinctive as well as a few such marks where the stylization was found to be inherently distinctive, the Board concluded that the stylization of SADORU was not inherently distinctive and affirmed the final rejection on the grounds that the mark was merely descriptive under Section 2(e)(1).


In In re Tennis Industry Assn., the Board addressed the registrability of TENNIS INDUSTRY ASSOCIATION with ASSOCIATION disclaimed for “association services, namely, promoting the interests of tennis facilities, tennis manufacturers, tennis retailers and tennis court contractors; providing market research services to track the economic vitality of the tennis industry.” During the prosecution volley involving three office actions, the examiner initially refused registration on the grounds that the mark was merely descriptive under Section 2(e)(1), suggested amendment of the application to the Supplemental Register, refused registration on the ground that the applicant had failed to prove that the mark had acquired distinctiveness under Section 2(f), and ultimately refused registration on the grounds that the mark was generic for the identified services under Section 2(e)(1).

Addressing a procedural matter, the Board initially ruled that the Examining Attorney refused the application on the ground of genericness at the appropriate time, which was not until applicant raised the issue of acquired distinctiveness. TMEP § 1209.02(a)(ii) provides, in part, that “the examining attorney must not initially issue a refusal in an application for registration on the Principal Register on the ground that the mark is a generic name for the goods or services” except for a situation inapplicable to the application at issue, and that “even if it appears that the mark is generic, the proper basis for the initial refusal is Section 2(e)(1) descriptiveness.”

The Board observed that because applicant seeks registration of the mark TENNIS INDUSTRY ASSOCIATION on the Principal Register under Section 2(f), applicant effectively conceded that the mark is descriptive because reliance on Section 2(f) during prosecution of an application “presumes that the mark is descriptive.”

Turning to the genericness refusal, the Board observed that a mark is a generic name “if it refers to the class or category of goods and/or services on or in connection with which it is used.” “The test for determining whether a mark is generic is its primary significance to the relevant public.” “The USPTO has the burden of establishing by clear evidence that a mark is

97 Id. (quoting In re Grande Cheese Co., 2 USPQ2d 1447, 1449 (TTAB 1986).
98 102 USPQ2d 1671 (TTAB 2012).
generic and, thus, unregistrable.” 102 “Doubt on the issue of genericness is resolved in favor of the applicant.” 103

Turning to the genus of the services, the Board agreed that the genus is adequately defined by the applicant’s recitation of services, specifically: “association services, namely, promoting the interests of tennis facilities, tennis manufacturers, tennis retailers and tennis court contractors; providing market research services to track the economic vitality of the tennis industry.” It found the relevant purchasing public to consist of “those whose interests are promoted by applicant’s identified services.”

It framed the genericness inquiry as ascertaining whether the designation TENNIS INDUSTRY ASSOCIATION is understood by the relevant purchasing public as primarily referring to the services identified in the application. Because TENNIS INDUSRY ASSOCIATION is a phrase, the Board ruled that it must be analyzed under the following test:

[W]here the proposed mark is a phrase (such as “Society for Reproductive Medicine”), the board “cannot simply cite definitions and generic uses of the constituent terms of a mark”; it must conduct an inquiry into “the meaning of the disputed phrase as a whole.” 104

Competent evidentiary sources to show the relevant purchasing public’s understanding of a contested term include purchaser testimony, consumer surveys, dictionary definitions, trade journals, newspapers and other publications. The examining attorney introduced the following evidence:

- Five examples of “tennis industry association” displayed in lower case in a manner that did not appear to indicate source in any particular entity from the LEXIS/NEXIS database and commercial and internet websites;
- Evidence of non-trademark use of “tennis industry” from the LEXIS/NEXIS database;
- Evidence from applicant’s website which included general references to the “tennis industry”;
- Evidence from third party websites which included general references to the “tennis industry”;
- Third party registrations for various marks incorporating the terms INDUSTRY and ASSOCIATION and/or TENNIS in which such terms are disclaimed in marks registered for a variety of association and other services on the Supplemental Register and on the Principal Register under Section 2(f); and
- Standard dictionary definitions of the terms comprising TENNIS INDUSTRY ASSOCIATION from the online dictionary Merriam-Webster.com.

To establish that TENNIS INDUSTRY ASSOCIATION was not generic for the tennis industry-related services, but had acquired distinctiveness under Section 2(f), applicant submitted voluminous references from the Westlaw database all discussing applicant and displaying the mark with initial capital letters as Tennis Industry Association. Applicant also

102 Id. (citing In re Merrill Lynch, Pierce, Fenner and Smith, Inc., 828 F.2d 1567, 4 USPQ2d 1141 (Fed. Cir. 1987)).
103 Id. (quoting In re DNI Holdings, Ltd., 77 USPQ2d 1435, 1437 (TTAB 2005)).
104 Id. (quoting In re Dial-A-Mattress Operating Corp., 57 USPQ2d at 1810)).
submitted third-party “INDUSTRY ASSOCIATION” formative and ASSOCIATION formative marks registered on the Principal Register under section 2(f) for a variety of association services where only ASSOCIATION was disclaimed. Applicant also submitted one of its press releases and its annual report.

Noting that the PTO bears the burden of proof on genericness and that it must be shown by clear evidence, the Board found that the PTO failed to meet its burden of establishing that TENNIS INDUSTRY ASSOCIATION as a whole is generic for the recited services. It emphasized the paucity of evidence (five examples) showing the phrase TENNIS INDUSTRY ASSOCIATION displayed in a manner that does not appear to be trademark use. It noted further that as a phrase, TENNIS INDUSTRY ASSOCIATION must be assessed based on the meaning of the phrase as a whole and not based on the meanings of its constituent terms. “A mere three unambiguous examples of generic use of TENNIS INDUSTRY ASSOCIATION simply is insufficient to support the genericness refusal. Although TENNIS INDUSTRY ASSOCIATION is an apt name for an association of tennis industry members, it is not generic for the recited services. The Board concluded, based on the entirety of the record, that it had “substantial doubt” about whether TENNIS INDUSTRY ASSOCIATION is perceived by the relevant public as a generic name for the recited services.

On the issue of acquired distinctiveness, the Board held that applicant failed to establish that the relevant consuming public has come to view the designation as applicant’s source identifying trademark. Applicant’s evidence of acquired distinctiveness consisted of a September 24, 2009 press release, a copy of its 2008 annual report, 499 articles from the Westlaw database discussing applicant and its programs, its use in commerce of the designation since 1974, and a verified statement that between 1995 and 2006, applicant spent over $465,000 in promotional expenses and nearly $16.5 million on grass roots tennis programs. The Board discounted the 499 articles on the grounds that there were many duplicates, several of the articles merely mentioned applicant in a manner that its mark would not likely be noted, and the articles spanned a 16-year period. Similarly, applicant’s promotional expenditures and the millions spent on grass roots tennis programs did not reveal the extent to which those expenditures featured applicant’s mark, the manner and extent of its promotions, and to whom they were directed. The Board observed: “Simply put, applicant has provided insufficient detail whereby we may ascertain the impact of its expenditures on the relevant public. Sheer numbers alone are not necessarily enough to prove secondary meaning.” The Board emphasized that the record contained little direct evidence that the relevant classes of consumers view TENNIS INDUSTRY ASSOCIATION as a distinctive source indicator for applicant’s services. In light of the highly descriptive nature of TENNIS INDUSTRY ASSOCIATION, a greater quantity of probative evidence would be needed to prove acquired distinctiveness. Although it reversed the genericness refusal, the Board affirmed the refusal under Section 2(e)(1) on the ground that the mark is merely descriptive.

F. Primarily Geographically Deceptively Misdescriptive – Section 2(e)(3)


In Corporacion Habanos, S.A. v. Guantanamera Cigars Co., the Board addressed on remand from the district court whether applicant,
Guantanamera Cigars Co.’s mark, GUANTANAMERA for “tobacco, namely, cigars,” was unregistrable as primarily geographically deceptively misdescriptive under Section 2(e)(3) of the Trademark Act. In 2008, after a trial on the merits, the Board had sustained an opposition to the mark on that ground. In applicant’s appeal to the district court for the District of Columbia, the district court remanded the case back to the Board.

In the initial Board proceeding, the Board applied the Federal Circuit’s In re California Innovations test for determining whether a mark is primarily geographically deceptively misdescriptive, namely, whether:

- a) the primary significance of the mark is a generally known geographic location;
- b) the consuming public is likely to believe the place identified by the mark indicates the origin of the goods bearing the mark (i.e., that a goods-place association exists), when in fact the goods do not come from that place; and
- c) the misrepresentation would be a material factor in the consumer’s decision to purchase the goods.

In the appeal, the district court also applied the California Innovations test and found as follows:

- “Guantanamera literally means ‘girl from Guantanamo;’”
- Applicant did not produce sufficient evidence to disturb the Board’s finding that the primary significance of GUANTANAMERA is a geographic location;
- The consuming public is likely to believe that applicant’s cigars originate from Cuba;
- The record “contains ample evidence that cigar tobacco is produced in the Guantanamo province;” and
- “Cuba is well-known for cigars.”

However, the district court did not agree with the Board’s conclusion on the third element of the California Innovations test – the materiality of the geographic misrepresentation inherent in the mark. Specifically, the district court concluded that the Board:

- did not address whether a significant portion of relevant consumers would be materially influenced in their purchasing decisions; and “[t]o establish a prima facie case, the TTAB or the opposition must show that ‘a significant portion of the relevant consumers would be materially influenced in the decision to purchase the product or service by the geographic meaning of the mark.’”

The district court applied the intervening decision, *In re Spirits Int’l*,108 and stated that in the Board proceeding “opposer ‘never introduced evidence that suggested material deception of a substantial proportion of the relevant consuming public;’ and ‘never established a *prima facie* case for the third part of the test before the TTAB.”109

On remand, the Board reopened proceedings and took testimony and briefing for the limited purpose of assessing the third factor of the *California Innovations* test, namely, whether a significant portion of the relevant consumers would be materially influenced in the decision to purchase the product or service by the geographic meaning of the mark.

After lamenting the size of the record on this limited issue – over 3000 pages – the Board ruled on myriad evidentiary issues regarding the admissibility of specific evidence. It then turned to the expert witness qualifications and reports.

Opposer objected to the expert report of applicant’s proffered expert, Mr. Armenteros, on the ground that it is not competent expert testimony under Fed. R. Evid. 702 and *Daubert v. Merrell Dow Pharm., Inc.*110 Based on Mr. Armenteros’ extensive knowledge and practical experience in the U.S. cigar industry, the Board found him qualified as an expert witness in the advertising and selling of Cuban cigar brands in the U.S. Nevertheless, the Board excluded Mr. Armenteros’ expert report because the Board did not discern any methodology applied by Mr. Armenteros in arriving at his conclusions and applicant did not identify one. The Board emphasized that Mr. Armenteros did not undertake any studies or focus groups in arriving at his conclusions that relevant consumers would not be materially influenced to purchase the cigars by the geographic meaning of the mark GUANTANAMERA. The Board found that there was no evidence to show that there are any standards which he applied to his technique or that the technique is generally accepted by the marketing or advertising community.

The Board next found that Mr. Armenteros was qualified to provide expert testimony on consumer perceptions of the GUANTANAMERA brand in connection with cigars as an extension of his qualification to provide expert testimony on the advertising and selling of Cuban cigar brands in the U.S. by the U.S. cigar industry, notwithstanding that Mr. Armenteros had no direct knowledge or contact with the brand. Again, however, the Board held Mr. Armenteros’ report inadmissible because of the lack of methodology reflected in his written report, and sustained opposer’s objection to that report. Opposer’s expert report was admitted without objection.

The Board then turned to the ultimate issue in the case – whether a significant portion of the relevant consumers would be materially influenced in the decision to purchase the cigars by the geographic meaning of the mark GUANTANAMERA.

Because the mark GUANTANAMERA is a Spanish term, the Board ruled that it must consider in connection with the question of materiality, whether Spanish speakers in the U.S. are a substantial portion of the intended audience (or purchasers) for applicant’s cigars, and, if so, whether they would be materially influenced in the decision to purchase the cigars by the geographic meaning of the mark.

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108 563 F.3d 1347, 90 USPQ2d 1489, 1495 (Fed. Cir. 2009).
Based on census data and other evidence the Board found that Opposer established that (i) persons who speak Spanish at home, and (ii) persons who do not speak Spanish at home but who know Spanish, are a substantial portion of the U.S. population. The record also demonstrated that all of applicant’s advertisements prior to 2008 were in Spanish, and as of December 2006, applicant’s website was almost exclusively in Spanish and many of its customers are from Cuba, and presumably speak Spanish. The Board inferred that Spanish speaking adults purchase cigars generally and applicant’s cigars in particular. It found that persons who speak or know Spanish are a substantial portion of the intended audience (or purchasers) of applicant’s cigars.

The Board then turned to the nature and type of evidence that is acceptable to establish materiality. It observed that both the Federal Circuit and the Board have permitted indirect evidence in the ex parte context allowing materiality to be proved by inference. Indeed, in *Jonathan Drew*[^111] , the Board expressly rejected the argument that materiality can only be proven by direct evidence and ruled that indirect evidence of materiality is permitted:

> It is well settled that evidence of what the relevant public understands a term to mean may be shown not only by direct evidence, such as consumer testimony and surveys, but it may also be inferred from indirect and circumstantial evidence, such as gazetteer entries and third party websites, as we have in this case.


Further, we do not read the Court’s decision in *Spirits* as departing from the Court’s longstanding precedent which has permitted inferences of materiality to be drawn from the evidence, and serving as proof that a substantial portion of the relevant public will be deceived.[^112]

The Board emphasized that, although surveys can be helpful, it does not require surveys to establish facts in any Board proceeding, particularly in light of the limited nature of the Board’s jurisdiction. The Board rejected applicant’s position that direct evidence is required to establish materiality. It held that indirect evidence such as gazetteer entries, website evidence and expert testimony may be submitted to establish materiality in an *inter partes* proceeding.

In light of the district court’s findings that (i) Cuba is well-known for cigars, and (ii) cigar tobacco is produced in Guantanamo, Cuba, the Board ruled that evidence was not required that Guantanamo itself is famous or otherwise known in the U.S. for cigars or cigar tobacco.

The Board then turned to the issue of whether the misrepresentation in the mark was a material factor in a purchaser’s decision to purchase applicant’s cigars. The Board observed that advertisements for cigars in the record were the best evidence of materiality because the advertisements reflect the features or elements of cigars that cigar merchants

[^112]: *Corporacion Habanos*, 102 USPQ2d at 1098 (citations omitted). See also, *Daesang Corp. v. Rhee Bros. Inc.*, 77 USPQ2d 1753 (D.Md. 2005) (accepting indirect evidence of materiality in a case involving a Section 2(e)(3) claim).
emphasize, or the associations they want consumers to make, in order to sell their cigars. Numerous advertisements suggested that Cuban cigar products are the standard against which merchants of non-Cuban cigars compare their products, and that the merchants seek to associate their products with Cuba in an effort to sell their products. Applicant’s expert agreed and, in addition, his blog entries referred to the quality of Cuban cigars and commented on the value of an association with Cuba has for cigars. Similarly, webpages from Cuban Crafters, the exclusive manufacturer and distributor of one of applicant’s GUANTANAMERA cigar products, repeatedly emphasized Cuba despite the fact that the cigars offered were not from Cuba. Likewise, articles from various magazines, cigar publications and cigar encyclopedias reflected that cigar consumers value Cuban tobacco and cigars. The Board ruled:

From the advertisements, webpages, testimony, magazines and cigar publications and encyclopedias, we find that oppose has established that sellers of cigars in the United States market non-Cuban cigars through branding and marketing associations with Cuba because they believe that consumers value associations with Cuba in making purchasing decisions. Because, as we have already found, a substantial portion of the relevant consumers speak or understand Spanish, we find that such consumers would be materially influenced in the decision to purchase applicant’s cigars due to the geographic meaning of the mark in the Spanish language.

The Board found that Opposer established that a significant portion of consumers of cigars would be materially influenced in the decision to purchase cigars by the geographic meaning of applicant’s GUANTANAMERA mark. Because the other elements already had been established, the Board sustained the opposition holding GUANTANAMERA primarily geographically deceptively misdescriptive under Section 2(e)(3).

2. In re Compania de Licores Internacionales S.A., 102 USPQ2d 1841 (TTAB 2012)

In In re Compania de Licores Internacional S.A.,113 the Board affirmed a final refusal to register the mark OLD HAVANA (in typed form) for “rum” in Class 33 on the grounds that the mark was primarily geographically deceptively misdescriptive under Section 2(e)(3) and the claim of acquired distinctiveness under Section 2(f) was insufficient.

The elements of a refusal on the grounds that a mark is geographically deceptively misdescriptive under Section 2(e)(3) are as follows:

1) The primary significance of the mark is a generally known geographic place; 2) The goods or services do not originate in the place identified in the mark; 3) Purchasers would be likely to believe that the goods or services originate in the geographic place identified in the mark; and 4) The misrepresentation would be a material factor in a substantial

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113 102 USPQ2d 1841 (TTAB 2012).
portion of the relevant consumers’ decision to buy the goods or use the services.\textsuperscript{114} Recognizing that Havana, Cuba is a generally known geographic location, is a city, capital, major port and commercial center of Cuba, and its industries include rum distilleries, the Board found that the primary significance of the term “HAVANA” is a well-known geographic place, and the addition of the term “OLD” did not diminish the primary geographic significance of the mark as a whole. The Board found the first element of the Section 2(e)(3) test was satisfied.

It was undisputed that applicant’s rum did not originate in Havana, Cuba, thereby satisfying the second element of the test.

The third element of the test considers “whether the mark is used in connection with goods that purchasers are likely to believe are connected with the location in question, when they are not.”\textsuperscript{115} The examiner’s burden is “to establish a reasonable predicate for [the] conclusion that the public would be likely to make the particular goods/place association.”\textsuperscript{116} Evidence germane to proving a goods/place association may include excerpts from telephone directories, gazetteers, encyclopedias, geographic dictionaries, the LexisNexis\textsuperscript{®} database, or Internet search results.\textsuperscript{117} Noting that the record was replete with evidence establishing a connection between rum and Havana Cuba, the Board found the goods/place association was proven and the third element of the test had been satisfied. The Board rejected the argument that the U.S.-Cuban embargo precluded or undercut the goods/place association, and found applicant’s labeling expressly stating that the rum was produced and bottled in Florida legally irrelevant to assessment of the mark, which standing alone, must pass legal muster.

The materiality element of the test reflects the deceptiveness requirement of section 2(e)(3). “The Office must establish a reasonable predicate that the misrepresentation of the geographic origin of the goods would be a material factor in a significant portion of the relevant consumers’ decision to purchase the goods.”\textsuperscript{118} In assessing materiality, the Board considers evidence regarding the probable reaction of purchasers to the geographic term when it is used on or in connection with the goods. If the evidence shows that the relevant goods or related goods are a principal product of the geographic area identified in the mark, the deception most likely will be found to be material. Moreover, “[e]vidence that a place is famous as a

\textsuperscript{114}Id. at 1843 (quoting In re Spirits International, N.V., 563 F.3d 1347, 90 USPQ2d 1489, 1490-95 (Fed. Cir. 2009)).

\textsuperscript{115}Id. at 1846-1847 (quoting In re Lowe’s Theaters, Inc., 769 F.2d 764, 226 USPQ 865, 868 (Fed. Cir. 1985)).

\textsuperscript{116}Id.

\textsuperscript{117}Id.

\textsuperscript{118}Id. at 1850.
source of the goods raises an inference in favor of materiality."119

The materiality element will typically be found to be satisfied if there is evidence showing that the place named in the mark is well known for the goods; the goods are a principal product of the place named in the mark; the goods are, or are related to, the traditional products of the place named in the mark; or the goods are an expansion of the traditional products of the place named in the mark.120

The Board found that Cuba, and Havana in particular, are famous for rum, and thus found that the misdescription about the rum’s origin conveyed by the mark OLD HAVANA would be material to a substantial portion of the relevant consumers making purchasing decisions to buy applicant’s rum. The Board ruled further that indirect or circumstantial evidence of materiality, such as gazetteer entries and third party websites, is permitted, and an inference of materiality may be made if the place named in the proposed mark is famous for the goods.121 The Board held that applicant’s OLD HAVANA mark is primarily geographically deceptively misdescriptive under Section 2(e)(3).

The Board also found that applicant’s claim of acquired distinctiveness under Section 2(f) was insufficient because the only evidence in support of the claim was made under applicant’s counsel’s signature, and no affidavit or declaration was submitted in support of the claim. Moreover, two years of use, without more, was insufficient to show that applicant’s mark had acquired distinctiveness as of December 8, 1993.122

3. **In re Premiere Distillery, LLC, 103 USPQ2d 1483 (TTAB 2012)**

In *In re Premiere Distillery, LLC,*123 the Board affirmed the final refusal to register REAL RUSSIAN for vodka in Class 33 on the grounds that the mark is primarily geographically deceptively misdescriptive under Section 2(e)(3).

To maintain a refusal under Section 2(e)(3), the Office must establish that (1) the primary significance of the mark is a generally known geographic location, (2) the relevant public would be likely to believe the place identified by the mark indicates the origin of the goods bearing the mark, when in fact the goods do not come from that place, and (3) the misrepresentation would be a material factor in the

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119 *Id.* (quoting *In re Les Halles de Paris J.V.*, 67 USPQ2d at 1542).
120 *Id.* at 1851.
121 *Id.*
122 *Id.* at 1852 ("Acquired distinctiveness may not be asserted to contravene a refusal under Section 2(e)(3) unless the mark became distinctive of an applicant’s goods in commerce before December 8, 1993, the date of enactment of the NAFTA Implementation Act").
123 103 USPQ2d 1483 (TTAB 2012).
The Board found that when the mark is considered in the context of the goods, relevant consumers would view REAL RUSSIAN used on vodka as meaning “of or pertaining to Russia,” and the adjectival form, REAL RUSSIAN, retains the primary geographic significance, particularly in light of the strong historical and cultural connection of vodka with Russia. Indeed, the word REAL “emphasizes the geographic significance by underscoring that the vodka is genuinely of Russian origin,” and thus the primary significance of REAL RUSSIAN used in connection with vodka is geographic.

Regarding the goods/place association, there was no dispute that the goods do not emanate from Russia. The Board observed that Russia is extremely well known for vodka, the word “vodka” is adopted from the Russian language, and various online sources demonstrated that vodka is linked with Russia. Applicant’s labels stating “Hand Made in the U.S.A.” were irrelevant because registrability is determined solely from the mark itself. The Board found that there is a strong goods/place association between vodka and Russia.

To prove a prima facie case of materiality, “there must be some indication that a substantial portion of the relevant consumers would be materially influenced in the decision to purchase the product or service by the geographic meaning of the mark.” The Board found the misrepresentation to be material:

The evidence submitted establishes that vodka is an important product of Russia and that both the public in general, and vodka drinkers in particular, would be aware that Russia is well-known for vodka. In view of this demonstrated fame and reputation of Russian vodka to the relevant public, we may infer that a substantial portion of consumers who encounter REAL RUSSIAN on applicant’s vodka are likely to incorrectly believe that the vodka comes from Russia and that such mistaken belief would materially influence their decision to purchase the vodka.

The Board affirmed the refusal to register under Section 2(e)(3).

G. Functionality – Section 2(e)(5)

1. **Doyle v. Al Johnson’s Swedish Restaurant & Butik, Inc.**, 101 USPQ2d 1780 (TTAB 2012)

**Doyle v. Al Johnson’s Swedish Restaurant & Butik, Inc.** involved a photographer’s petition to cancel two registrations for the mark shown below which involved goats on a roof of grass:

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124 *Id.* at 1483 (citing *In re California Innovations Inc.*, 329 F.3d 1334, 66 USPQ2d 1853, 1858 (Fed. Cir. 2003)).

125 *Id.* at 1487 (quoting *In re Spirits International N.V.*, 563 F.3d 1347, 90 USPQ2d 1489, 1495 (Fed. Cir. 2009)).

126 *Id.*

127 101 USPQ2d 1780 (TTAB 2012).
Registration No. 2007624 covered “restaurant services” and stated that the “mark consists of goats on a roof of grass.” Registration No. 3942832 covered “Retail store and online retail store services featuring gifts, food, clothing . . . .”

Petitioner, Robert Doyle, a photographer, petitioned to cancel the registrations on the grounds that many establishments in the classes covered by the registrations have refrained from placing goats on roofs because of the registrations, and, as a result, Petitioner has been and will continue to be damaged because he will be unable to satisfy his desire to take photographs of goats on grass roofs. Doyle also alleged that the marks were functional because they served as a form of entertainment and attraction in order to enhance the enjoyment of visiting the restaurant; the sod roof was functional because it helps keep temperatures lower thereby reducing energy costs and increasing comfort inside the restaurants; and the goats on the roof eat the grass which negates the need to cut the grass.

The Board held that Doyle failed to adequately plead standing because he failed to plead a “real interest” or a personal stake in the proceeding. The Board reasoned that notwithstanding Doyle’s interest in taking pictures of goats on roofs, he did not relate his alleged impaired interest in taking such photographs to the restaurant’s service marks. In other words, there was no allegation that the marks somehow prevented Doyle from photographing goats on grass roofs generally or on the restaurant’s grass roof. In addition, the Board found that Doyle’s alleged belief that he would be damaged by the registrations was not reasonable because the registered marks could not possibly prevent photography in general of, or even the placement of, goats on sod roofs. Doyle is entirely free to take the photographs he wants to take, despite the two registrations.

As for the functionality challenge to the two registrations, the Board found that Doyle failed to relate his claim of functionality to the restaurant and gift shop services. Specifically, there was no allegation that goats on sod roofs are essential to the use or purpose of restaurant or gift shop services. Moreover, the allegation that goats on sod roofs lower energy and mowing expenses is completely unrelated to the restaurant and gift shop services. Functionality must be assessed in connection with the goods or services at issue.128 In addition, the petition failed to allege that goats on sod roofs are superior to other methods of attracting customers. The Board held that as a matter of law, Doyle’s allegations, even accepted as true, failed to establish the functionality of the marks in connection with the restaurant and gift shop services. It dismissed the petition for cancellation without prejudice.

128 Id. at 1783 (citing Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 769-770 (1992)).
2. In re The Procter & Gamble Company, 105 USPQ2d 1119 (TTAB 2012)

In re The Procter & Gamble Company, involved The Procter & Gamble Company’s ("P&G" or "Applicant") efforts to register the overall contoured shape of a container for mouthwash and the design of the cap for the container as shown below.

The examiner refused registration under Sections 1, 2 and 45 of the Trademark Act on the ground that P&G’s marks are merely non-distinctive product packaging, are not unique or unusual in the field of oral care products, but are mere refinements of commonly adopted forms of ornamental trade dress for mouthwash, are merely ornamental, and there was no showing of acquired distinctiveness.

On appeal, the Board reversed the refusals to register.

The appeal presented the question of whether the overall product packaging – the design of the bottle and cap – are each inherently distinctive. Applying Wal-Mart Stores v. Samara Bros. Inc., the Board “presumed that retail customers of many different products are “predisposed” through conditioning to regard packaging, containers and other features of trade dress as signals of the source of a particular product.” Beyond this presumption of the inherent distinctiveness of product packaging, the record contained evidence that indicia of product packaging, and specifically bottle designs, function as source indicators in the retail market for mouthwash products.

Photographs of mouthwash products demonstrate that store brands often exhibit bottle designs, coloration and other visual indicia of trade dress that are quite similar to the designs of nationally-branded mouthwash products. This mimicry of the packaging of nationally-branded products reinforces that competitors perceive some source-indicating function in the design of the product packaging.

To determine whether product packaging is inherently distinctive, the Board applied the test formulated in Seabrook Foods, Inc. v. Bar-

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129 105 USPQ2d 1119 (TTAB 2012).
130 Application Serial No. 77685052 (the “052 application”) covering the container described the mark as “the overall contoured configuration of a container for mouthwash having a wide downward arc at the base, with a long, tapered neck that flows into the form of the cap, widening at the top to create an undulating wave pattern along the edge.” Application Serial No. 77685045 (the “045 application”) covering the cap described the mark as “the overall contoured configuration of a cap for a mouthwash bottle having a narrow base with sides that flare out towards the top and terminate in an undulating wave pattern around a recessed central core.”

132 In re Procter & Gamble Company, 105 USPQ2d at 1121.
*Well Foods, Ltd.*, 133 which considers three factors:

(1) Whether the packaging is a common basic shape or design,
(2) whether it is unique or unusual in the particular field,
(3) whether it is a mere refinement of a commonly-adopted and well-known form of ornamentation for a particular class of goods viewed by the public as a dress or ornamentation for the goods, and
(4) whether the packaging is capable of creating a commercial impression distinct from the accompanying words. 134

Because of the differences in the product packaging design at issue in *Seabrook Foods* from P&G’s container designs, the Board found that the fourth factor is not relevant to this case.

The Board observed that a finding that either the first or third factors is satisfied may render the marks not inherently distinctive; and a finding that the second factor is not satisfied also might contribute to a finding that the proposed marks are not inherently distinctive. “The focus of the inquiry is whether the trade dress is of such a design that a buyer will immediately rely on it to differentiate the product from those of competing manufacturers; if so, it is inherently distinctive.” 135

Turning to the inherent distinctiveness of the cap design, the Board found that the cap was not a common geometric shape or design such as a circle, oval, square or triangle. On the second *Seabrook Foods* factor, the Board noted that the cap design was prominently featured in Brand Packaging’s ‘Design Gallery Volume 7 in 2009 and was viewed as unique. The Board found the cap design to be a unique and distinctive shape and unusual in the field. On the third factor, the Board found the cap design was not a mere refinement or variation on existing mouthwash caps. The Board ruled that under the *Seabrook Foods* test, the cap was inherently distinctive and entitled to registration on the Principal Register.

The Board also ruled that the design of the mouthwash bottle was inherently distinctive under the *Seabrook Foods* test. The bottle itself was not a common geometric shape. It was not common for oral care products, had won awards because it was considered a unique design, and also was featured in Brand Packaging’s ‘Design Gallery Volume 7 in 2009. There was also evidence of articles from package design websites with positive reviews of the bottle design and suggesting it enhanced the appeal of the product. A comparison of the bottle design with alternative bottle designs in the field made clear that P&G’s bottle design is unique:

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133 568 F.2d 1342, 196 USPQ 289 (CCPA 1977).
134 *In re Procter & Gamble Company*, 105 USPQ2d at 1122.
135 *Id.* at 1122.
On the third Seabrook Foods factor, the Board observed that the examiner failed to make of record any mouthwash bottle design that includes the unique contours, shapes, and proportions encompassed within P&G’s mark. It found that the examiner failed to set forth a “reasonable predicate” for her position that the bottle design was not inherently distinctive, which is the standard required for the office to make out a prima facie case that applicant's bottle design is not entitled to registration. The Board found the overall bottle design was unique and unusual and not a mere refinement of existing trade dress. It reversed the refusals to register both the design of the cap and the bottle.

The Board rejected the examiner’s argument that the designs of the cap and the bottle are not inherently distinctive because P&G’s design patents explicitly say the designs are “ornamental.” The Board reasoned that the design patents do not give rise to a presumption that the marks at issue do not perform a source-identifying function merely because they are described in the design patents as ornamental. Likewise, that a mark is the subject of a design patent does not result in a presumption that it is inherently distinctive. The Board concluded that the mere existence of P&G's design patents neither supported nor disfavored registration of the cap and bottle designs.

Because the Board ruled that the cap and bottle designs were inherently distinctive, it also reversed the refusal to register based on mere ornamentation or decorativeness.

**H. Sections 1 and 45**

1. In re HSB Solomon Associates, LLC, 102 USPQ2d 1269 (TTAB 2012)

In In re HSB Solomon Associates, LLC, the Board affirmed a refusal to register the mark CEI pursuant to Sections 1 and 45 of the Trademark Act for various technical consulting services because the specimens filed in support of applicant’s statement of use failed to show use of the mark for the services identified in the application. Section 1 of the Act requires that the subject matter presented for registration be a trademark or service mark. Section 45 defines a service mark as “any word . . . used . . . to identify and distinguish the services of one person . . ..”

The application covered “technical consultation in the field of hydrocarbon and chemical processing, pipeline, and power industries” in International Class 42. In applicant’s specimen of use — a brochure —, the mark CEI, which is an initialism for a carbon emissions index, was only used to identify applicant’s process by which applicant derives a particular measurement. The Board stated:

In each instance CEI is identified as a metric, an index, an equivalency factor, a standard, a performance measure, but never as a technical consulting service. There is no direct association between applicant’s offer of the applied-for services and the term CEI.”

As a result, the Board found that in the specimens CEI served only to identify a process but not the services identified in the application, and thus the mark was not registrable. Even though the CEI process,

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136 102 USPQ2d 1269 (TTAB 2012).
137 15 USC § 1127.
measurement, metric or standard might be used by applicant in performing its technical consulting services, the term CEI was not displayed in the specimens in a manner constituting a technical consulting service, nor was the term CEI associated with the technical consulting services such that it served as an indicator of the source of the services rather than simply the name of a process. The Board affirmed the refusal to register under Sections 1 and 45 of the Trademark Act.

2. In re Rogowski, 104 USPQ2d 2012 (TTAB 2012)

In In re Rogowski, the Board affirmed a refusal to register the mark ACTIVE REASONER under Section 1(d)(1) of the Trademark Act because by not including a download link or equivalent in a web site specimen, the applicant failed to show use of his mark in commerce for the identified goods.

Gary J. Rogowski (“applicant”) filed an intent-to-use application to register the trademark ACTIVE REASONER in standard character format for “audio recordings featuring music.” He submitted a screenshot of the third party web site, YouTube, as a specimen of use following issuance of the notice of allowance. The mark was displayed on the applicant’s YouTube channel in several places, and applicant claimed that the audio recordings of his music could be accessed and downloaded from the site.

The application was refused under Sections 1 and 45, for “fail[ure] to show the applied-for mark used in direct connection with the identified goods.” Under Sections 1 and 45, “a statement of use must include a specimen showing the applied-for mark in use in commerce for each class of goods and/or services specified in the statement of use.” Section 1(d)(1) of the Trademark Act further requires the filing of “specimens or facsimiles of the mark as used in commerce” while Trademark Rule 2.56(a) requires the inclusion of “one specimen per class showing the mark as used on or in connection with the goods or services.” To be used in commerce means “it is placed in any manner on the goods or their containers or the displays ... associated with the goods or their sale, and... the goods are sold or transported in commerce.”

The Board found that the specimen did not show the “correspondence between the mark and the identified goods being offered for sale or transport in commerce.” Similar to a webpage specimen that does not show a means to purchase goods or services, the Board found that the applicant’s specimen did not include any indicator that would have put the audience on notice that the audio recordings were available for download. Thus, the Board found that the specimen failed to show the use of the applicant’s mark in commerce for the identified goods and affirmed the refusal to register the mark.


In In re Supreme Steel Framing System Association, Inc., the Board affirmed a refusal to register the mark SSFSA CERTIFIED CODE COMPLIANT under Sections 1(a)(1) and 45 of the Trademark Act because the applicant sought registration of more than one mark and because the mark in the drawing differed from the mark on the specimens.

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138 104 USPQ2d 1274 (TTAB 2012).
139 Id. at 2013
140 Id.
141 15 U.S.C.A. § 1051
142 37 C.F.R. § 2.56
143 15 U.S.C. § 1127
144 104 USPQ2d at 2014
145 Id. at 2014-15
Applicant Supreme Steel Framing System Association filed an application to register the mark SSFSA CERTIFIED CODE COMPLIANT, “in standard character form . . . for "Testing, analysis and evaluation of the goods and services of others for the purposes of certification in the field of the use of cold-formed steel tracks and steel framing studs.”\(^{147}\)

The applicant also submitted a label applied to certified steel products and brochure produced by a licensee as a specimen and substitute specimen, respectively. Registration was refused under Sections 1(a)(1) and 45 because the applicant sought registration of more than one mark and because the mark on the drawing page and specimens of use differed.

On appeal, the Board affirmed the finding that the applicant attempted to register two separate marks in its application in violation of Section (1)(a)(1). After examining the specimens provided by the applicant, the Board held that the specimens did “not engender one distinct commercial impression,”\(^{148}\) Instead, the Board found that purchasers would most likely view the elements as two separate marks. For example, the specimen showed that “SSFSA SUPREME STEEL FRAMING SYSTEM ASSOCIATION” appeared in a small white box outlined in black with a blue and gray design element. CERTIFIED CODE COMPLIANT\(^{149}\) appeared in a large text located in a gold circle with a red and white ribbon through the center. The Board further noted that “SSF” and “CERTIFIED CODE COMPLIANT” were further separated by the blue and gray design element and the text “SSFSA SUPREME STEEL FRAMING SYSTEM ASSOCIATION.” Since the elements were spatially separated from each other and presented in distinctly different ways, the Board found that the applicant sought to register two marks in one application.

Likewise, the Board affirmed the refusal of the registration because the mark differed in the drawing and specimen. The Board found that the drawing presented a single composite mark. The Board stated that since it had previously found that the specimen, however, did not present a single composite mark, “it necessarily follows that the mark on the drawing differs from the multiple marks on the specimen.”\(^{150}\)

I. **Material Alteration**

1. **In re Guitar Straps Online, LLC, 103 USPQ2d 1745 (TTAB 2012)**

*In re Guitar Straps Online, LLC,\(^{150}\) the Trademark Trial and Appeal Board held that the addition of a question mark to the block letter word mark GOT STRAPS constitutes a prohibited material alteration of the mark in violation of Rule 2.72(b)(2) and that the drawing of the mark (GOT STRAPS) in the application was not a substantially exact representation of the mark as used in the specimens (GOT STRAPS?) as required by Rule 2.51(b). The Board affirmed the Examiner’s final refusal of the application on both grounds.

On the issue of material alteration, Rule 2.72(b) provides that the applicant may amend an intent-to-use application if (1) the specimens filed with the amendment to allege use or statement of use support the proposed amendment; and (2) The proposed amendment does not materially alter the mark.\(^{151}\) In determining whether a proposed amendment materially alters the mark, a comparison is made between the proposed amendment and the drawing or description of the mark filed with the original application.

The test for determining material alteration requires:

\(^{147}\) 105 U.S.P.Q.2d at 1385

\(^{148}\) *Id.* at 1388

\(^{149}\) *Id.* at 1389

\(^{150}\) 103 USPQ2d 1745 (TTAB 2012).

\(^{151}\) See 37 CFR § 2.72(b).
The modified mark must contain what is the essence of the original mark, and the new form must create the impression of being essentially the same mark. The general test of whether an alteration is material is whether the mark would have to be republished after the alteration in order to fairly present the mark for purposes of opposition. If one mark is sufficiently different from another mark as to require republication, it would be tantamount to a new mark appropriate for a new application.\textsuperscript{152}

The Board also recognized that the addition of any element that would require a further search generally will constitute a material alteration. The Board emphasized, however, that whether a new search would be required is only one factor in determining whether an amendment materially alters a mark, and is not the “controlling” factor. “T]he primary question is whether the proposed amendment contains ‘the essence of the original mark’ and whether it creates ‘the impression of being essentially the same mark.’”\textsuperscript{153} In other words, the mark in the application drawing and the amended mark “must create essentially the same commercial impression.”\textsuperscript{154}

The Board first recognized that adding punctuation to a word mark can constitute a material alteration of the mark. In Richards-Wilcox Mfg. Co.,\textsuperscript{155} the Assistant Commissioner affirmed a finding that the proposed alteration of a mark from FYE[R-W]ALL to FYER-WALL was a material alteration because deletion of the brackets would change the commercial impression of the mark by no longer emphasizing the initial letters of the applicant’s name, “R” and “W.” In addition, the TMEP addressed when the addition of punctuation to mark could change the commercial impression of the mark and included “the addition or deletion of a question mark, which changes a statement into a question or vice versa.”\textsuperscript{156} The Board found that the addition of a question mark to GOT STRAPS constitutes a material alteration because it changed the commercial impression of the original mark from a declaratory statement to an interrogative phrase (a question). The addition of the question mark changed not only the appearance and meaning of the mark, but also its pronunciation, and thus altered “the essence of the original mark.”\textsuperscript{157}

The Board emphasized that although a new search of the amended mark would not be required, due to the change in the commercial impression of the mark, republication would be necessary in order to give interested third parties adequate notice. The Board found that applicant’s proposed amendment to add a question mark at the end of the phrase GOT STRAPS is a prohibited material alteration under Rule 2.72.

The Board then turned to the issue of whether the mark GOT STRAPS in the drawing of the application is a substantially exact.

\textsuperscript{152} Id., 103 USPQ2d at 1746-1747 (quoting In re Hacot-Colombier, 105 F.3d 616, 620, 41 USPQ2d 1523, 1526 (Fed. Cir. 1997), quoting Visa Int’l Service Ass’n v. Life-Code Systems, Inc., 220 USPQ 740, 743-44 (TTAB 1983)).

\textsuperscript{153} Id. at 1747 (quoting In re Who? Vision Systems, Inc., 57 USPQ2d at 1218).

\textsuperscript{154} Id.

\textsuperscript{155} 181 USPQ 735, 736 (Comm’r Pats. 1974), overruled on other grounds, In re Umax Data Systems, Inc., 40 USPQ2d 1539 (Comm’r Pats. 1996).

\textsuperscript{156} See TMEP Section 807.14(c) (8th ed. Oct. 2011).

\textsuperscript{157} In re Guitar Straps Online, 103 USPQ2d at 1746.
representation of the mark GOT STRAPS? as used on the specimens submitted with the statement of use for International Classes 16 (bumper stickers) and 35 (online retail for musical straps). The Board again emphasized that the mark GOT STRAPS? used on the specimens included the question mark which altered the commercial impression of the mark by changing it to a question. Because the question mark at the end of GOT STRAPS? is entwined as an integral part of the mark as used in commerce, the Board found that applicant’s drawing of the mark is not a substantially exact representation of the mark as used in commerce in accordance with Rule 2.51(b). Accordingly, both refusals to register were affirmed.

J. Validity of Registrations

1. Fouad Kallamni v. Asad A. Khan, 101 USPQ2d 1864 (TTAB 2012)

Fouad Kallamni v. Asad A. Khan,158 involved Kallamni’s petition to cancel Khan’s U.S. Reg. 3447536 for the mark OZO ENERGY DRINK & Design for “soft drinks, namely, energy drinks, cola drinks, fruit flavored soft drinks, fruit juices, low calorie soft drinks” in International Class 32.

The registration issued on June 17, 2008, based on Section 44(e) of the Act. Priority was claimed under Section 44(d) based on an application filed in Pakistan; the registration issued based on a European Community Trade Mark registration.

Kallamni petitioned to cancel the registration based on priority and likelihood of confusion grounds and on grounds of fraud on the USPTO.

Ultimately Kallamni filed an amended petition for cancellation which alleged that respondent did not, at the time his registration issued, have a bona fide and effective industrial or commercial establishment in the European Union to support a registration under Section 44(e), or own a registration from any country which he could validly claim as a country of origin, and renewed his summary judgment motion on this ground.

The Board found that petitioner had standing to bring the cancellation action based on his direct commercial interest in light of petitioner’s application to register the mark OSO for an “energy drink” in class 32, which had been finally refused and was suspended pending disposition of the cancellation proceeding.

Turning to the cross motions for summary judgment on the Section 44(e) claim, the Board considered undisputed facts:

- Khan is a Pakistani national domiciled in Pakistan.
- Although he originally claimed priority based on Pakistan application No. 231092, that application had not matured to registration by the time Khan’s U.S. registration issued.
- Khan’s U.S. registration for OSO ENERGY DRINK & Design issued under Section 44(e) based on a European Community Trade Mark Registration No. 005662887 and Khan claimed that the registration was from his country of origin.

158 101 USPQ2d 1864 (TTAB 2012).
Khan paid a Romanian company called SC Trade Venture & Projects SA for product placement, customer identification, and as a concentrate supplier for the OZO ENERGY DRINK brand in Romania in the EU.

Khan also paid other Pakistani companies for various aspects of his business relating to the OZO ENERGY DRINK.

Khan shipped and sold OZO ENERGY DRINK brand product to third party distributors in Romania and Bulgaria, which are members of the EU.

All of the OZO ENERGY DRINK product supplied to the EU was shipped from Pakistan.

Pakistan is not a member of the EU.

Khan has not used the OZO ENERGY DRINK mark in commerce in the U.S.

Section 44(e) provides, in part, that “a mark duly registered in the country of origin of the foreign applicant may be registered on the principal register if eligible, otherwise on the supplemental register herein provided.”

Section 44(c) defines “country of origin” as:

the country in which he has a bona fide and effective industrial or commercial establishment, or if he has not such an establishment the country in which he is domiciled, or if he has not a domicile in any of the countries described in subsection (b) of this section, the country of which he is a national.

Section 44(e) must be read in conjunction with Section 44(c). The country of origin criteria under Section 44(c) involve a “hierarchical alternative analysis.”

“If the person does not have a bona fide and effective industrial or commercial establishment in any country with which the United States has a treaty (or equivalent) relationship then and only then does one of the other criteria, i.e., domicile or nationality, come into play.”

The Board observed that an establishment means the place where one is permanently fixed for business or an institution or place of business with fixtures and organized staff. It noted that a mere office or storehouse or postal address is insufficient.

The Board found that there was no genuine issue of material fact that respondent had neither a permanently fixed place of business with employees located in the European Union nor production facilities in the EU.

Respondent’s contractual arrangements with other entities which were active in the EU were insufficient. The Board found as a matter of law that “a bona fide and effective industrial or commercial establishment cannot be created by respondent’s reliance on the commercial facilities of an independent legal entity which respondent retained to source his European Union business.”

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161 In re International Barrier Corp., 231 USPQ 310, 311 (TTAB 1986).
162 Kallamni, 101 USPQ2d at 1867 (quoting Id, 231 USPQ at 311-312).
163 Id. at 1868.
matter of law that (i) respondent’s shipment of product from Pakistan to third-party distributors in Romania and Bulgaria, did not create a bona fide and effective commercial establishment in the EU; and (ii) respondent’s activities in Pakistan, including the creation of targeted marketing for EU countries, do not support a claim of a bona fide and effective commercial establishment in the EU. Finally, there was no genuine dispute that respondent was neither domiciled in nor a national of any EU country and does not meet the criteria for registration on the alternative Section 44(c) bases.

Accordingly, the Board found, as a matter of law, that respondent failed to establish the European Union as his country of origin, and his ownership of the Community Trade Mark registration could not serve as a basis for registration under Section 44(e). Accordingly, respondent had no issued foreign registration on which he could rely at the time of his U.S. registration issued under Section 44(e). The Board granted petitioner’s motion for summary judgment and ordered U.S. Reg. 3447536 cancelled in due course.


SaddleSprings, Inc. v. Mad Croc Brands, Inc., 164 presented the question whether abandonment is an available claim with respect to a registration based on Section 66(a) for which the underlying international registration is valid and subsisting. The Board held that the owner of a Section 66(a) registration is subject to the same treatment and conditions which apply to any other registrant and “this includes the possibility that the registration may be cancelled on any available ground under Section 14 of the Trademark Act” including abandonment for failing to use the mark in commerce.165

Saddle Springs, Inc. (“SaddleSprings” or “petitioner”) petitioned to cancel Mad Croc Brands, Inc.’s (“MCB” or “respondent”) registration, which covered beers and other beverages in International Class 32 and various alcoholic beverages in Class 33. SaddleSprings alleged that MCB’s registration had been cited, on likelihood of confusion grounds, against an application filed by SaddleSprings to register the mark CROCTAIL for wine and spirits in Class 33.

SaddleSprings alleged, among other things, that MCB abandoned its CROCTAIL registration and that MCB “either never used the Registered Mark in commerce or completely ceased using [the] Registered Mark, in connection with the goods identified in the Registration for a period of at least three consecutive years.”166

MCB moved to dismiss the petition for cancellation on the ground that because its registration is an extension of protection under Section 66(a), it is subject to Section 71,167 which provides that “an extension of protection remains in force for the term of the international registration, except that the Director may cancel the extension if the affidavit required by Section 1141k is not timely

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164 104 USPQ2d 1948 (TTAB 2012).
166 Id. at 1949.
filed.” MCB argued that the “Director has no authority to cancel the registration prior to the expiration of the time periods set out in Section 1141k, and in no event earlier than August 20, 2013,” which is the expiration of the grace period for filing an affidavit or declaration of use or excusable nonuse, pursuant to Section 1141k.

The Board observed that to survive the motion to dismiss for failure to state a claim under Fed. R. Civ. P. 12(b)(6), the petition for cancellation must allege facts which, if proved, would establish: (1) SaddleSprings’ standing to maintain the proceeding; and (2) there is a valid ground for cancelling the registration. To establish standing, petitioner must allege facts which, if proven, would establish that SaddleSprings has a “real interest” in the proceeding. The Board found that SaddleSprings had adequately alleged a real interest in the proceeding by its allegation that the PTO issued a refusal to register its pending application to register CROCTAIL for wine and spirits in light of MCB’s registration.

Turning to the ground for cancellation, the Board ruled that SaddleSprings alleged sufficient facts to set forth a prima facie claim of abandonment. However, the motion to dismiss raised the issue of whether abandonment is an available claim with respect to a registration based on Section 66(a) for which the underlying international registration is valid and subsisting.

The Board observed that from the date the certificate issues, a Section 66(a) registration “shall have the same effect and validity as a registration on the Principal Register,” and ‘the holder of the international registration has the same rights and remedies as the owner of a registration on the Principal Register.’ The Board recognized that there are distinctions among registrations with different bases in the Trademark Act, but it ruled that the availability of particular grounds for cancellation is not such a distinction. Although an applicant for a Section 66(a) registration is not required to show use in commerce of its mark prior to registration, “once a U.S. registration issues based on Section 66(a), the registration is subject to the same grounds for cancellation as those registrations issued under Section 1 or Section 44(e).” The Board reasoned that Section 71 of the Trademark Act, 15 U.S.C. § 1141k (“Duration, affidavits and fees”) is clearly not a limitation on cancellation of a Section 66(a) registration any more than Section 8 of the Trademark Act, 15 U.S.C. § 1058 (“Duration, affidavits and fees”) is with respect to registrations issued under Sections 1 or 44.

The Board ruled:

“Because the validity of a Section 66(a) registration must be determined on the basis of the Trademark Act, a Section 66(a) registrant must, in the same way as a registrant of a mark used “in commerce” or a registrant of a mark issued under Section 44(e), use the registered mark in commerce in the territorial jurisdiction of the United States in order to avoid abandonment.”

Accordingly, without justifiable non-use, “Section 66(a) registrations which have never been used, or for which use has been

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168 SaddleSprings, 104 USPQ2d at 1949.
169 Id. at 1950.
170 Id. at 1949 (quoting 15 U.S.C. § 1141(i)(b)).
171 Id. at 1951.
172 Id.
173 Id. at 1952 (citing Imperial Tobacco Ltd. V. Philip Morris Inc., 899 F.2d 1575, 14 USPQ2d 1390, 1393 (Fed. Cir. 1990)).
discontinued with no intent to resume use, may be subject to cancellation for abandonment even if the international registration remains valid and subsisting.\(^{174}\) The Board held that once a Section 66(a) registration has been obtained, its owner is subject to the same treatment and conditions applicable to any other registrant and this includes the possibility that the registration may be cancelled on any available ground under Section 14 of the Trademark Act.\(^{175}\) The Board denied MCB’s motion to dismiss.

3. **ShutEmDown Sports, Inc. v. Lacy, 102 USPQ2d 1036 (TTAB 2012)**

In *ShutEmDown Sports, Inc. v. Lacy*,\(^ {176}\) the Board cancelled a use-based registration on the grounds that the application resulting in the registration was void *ab initio* based on nonuse of the mark at the time of filing and on the ground of abandonment.

Respondent Carl Dean Lacy filed a used-based Application Serial No. 78837567 on March 15, 2006 for 113 items in Class 25 stating specific dates of first use. The application contained the typical sworn declaration under 18 U.S.C. § 1001 stating, among other things:

> that the undersigned, “being hereby warned that willful false statements and the like so made are punishable by fine or imprisonment, or both,” “and that such willful false statements, and the like, may jeopardize the validity of the application or any resulting registration,” declares “that all statements made of his/her own knowledge are true; and that all statements made on information and belief are believed to be true.”\(^ {177}\)

In a subsequent submission to the USPTO, Lacy declared that the mark was in use in commerce on or in connection with the goods identified in the application as of the application filing date and again acknowledged that “willful false statements” may jeopardize the validity of the application or any resulting registration.

In a later submission to the USPTO in September 2007, Lacy declared that a substitute specimen was in use in commerce with the goods identified in the application as of the application filing date and again acknowledged the effect of willful false statements on the application or any resulting registration.

During discovery, Lacy disclosed that he had only used the SHUT IT DOWN mark on seven items, only four of which were identified in the application, and later indicated that he had used or intends to use the mark on those seven items. The evidence also demonstrated that Lacy had spent very little money in advertising goods under the mark ($200+) and his sales were $100+ annually. In addition, 100% of his goods were sold to consumers within the state of Mississippi by word of mouth. The evidence also demonstrated that no one had purchased goods from Lacy in the last five years. Lacy also had no evidence relating to or corroborating his first use of the SHUT IT DOWN mark or sales of goods bearing that mark.

On the issue of standing, the Board ruled that Petitioner’s evidence that U.S. Registration 3372975 had been cited against Petitioner’s application to register SHUT EM DOWN on likelihood of confusion grounds was sufficient.

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\(^{174}\) *Id.*

\(^{175}\) *Id.* (citing 15 U.S.C. § 1064).

\(^{176}\) 102 USPQ2d 1036 (TTAB 2012).

\(^{177}\) *Id.* at 1039.
to prove Petitioner’s standing to bring the cancellation action.

Turning to the issue of abandonment, the Board observed that a plaintiff must prove two elements to an abandonment claim: (1) nonuse of the mark; and (2) intent not to resume use. Three consecutive years of nonuse of a mark establishes a *prima facie* showing of abandonment, which creates a rebuttable presumption that the registrant has abandoned the mark without intent to resume use. The burden or production then shifts to the registrant to produce evidence that it has either used the mark or intended to resume use. The burden of persuasion remains with the plaintiff to prove abandonment by a preponderance of the evidence.

Because Lacy admitted that he had not used and did not intend to use the mark on 109 of the 113 clothing items identified in the application abandonment was proven as to those 109 items. He utterly failed to rebut the presumption of abandonment that arose from his more than three consecutive years of nonuse.

Regarding the four items with which Lacy indicated he had used the mark, the evidence established that no one had purchased goods from Lacy in the five years preceding his service of responses to petitioner’s discovery requests. Lacy provided no evidence relating to sales of goods during this five-year period or relating to his claimed first use of the mark. This gave rise to a presumption of abandonment of the mark for the four goods and again, Lacy failed to submit any evidence rebutting the presumption of abandonment. The Board ruled that his uncorroborated interrogatory responses that he used the mark or that he intends to use the mark on these items was insufficient to rebut the presumption of abandonment. Accordingly, the Board held that pursuant to sections 14 and 45, Registration No. 3372975 shall be cancelled in its entirety on grounds of abandonment.

The Board then addressed petitioner’s fraud claim. It observed that to prove fraud on the USPTO, a plaintiff must prove four elements:

(1) applicant/registrant made a false representation to the USPTO; (2) the false representation is material to the registrability of the mark; (3) applicant/registrant had knowledge of the falsity of the representation; and (4) applicant/registrant made the representation with intent to deceive the USPTO.\(^{178}\)

However, the Board side-stepped the fraud claim by holding the application void *ab initio*:

Because we find that respondent’s allegation of use of his mark in commerce for the identified goods, at the time of filing of his application was false, we hold that the application was void *ab initio*, and we need not decide the fraud claim.

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The law is clear that an application can be held void if the plaintiff pleads and proves either fraud or nonuse of a mark for all identified goods or services prior to the application filing date.\(^{179}\)

\(^{178}\) *Id.* at 1044 (citing *In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938 (Fed. Cir. 2009)).

\(^{179}\) *Id.* at 1045 (citing *Grand Canyon West Ranch LLC v. Hualapi Tribe*, 78 USPQ2d 1696, 1697 (TTAB 2006)).
The Board recognized that the petition for cancellation did not include a separate claim alleging that the application was void ab initio due to nonuse of the mark. Nonetheless, paragraphs 11 and 13 of the petition clearly alleged nonuse of the mark on all goods identified in the application. Although acknowledging that separate pleading of a nonuse claim is preferable, the Board historically has found applications void ab initio where a separate nonuse claim had not been pled.

Because the record supported the conclusion that the mark was not in use at the time of filing the application resulting in the registration, the Board held that the application was void ab initio based on nonuse of the mark at the time of filing, and granted cancellation of Registration 3372975 on this alternative ground.

K. Procedural Issues

1. In re Johnson & Johnson v. Obschestvo s Ogranichennoy, 104 USPQ2d 2037 (TTAB 2012)

In re Johnson & Johnson v. Obschestvo s Ogranichennoy, the Board denied Johnson & Johnson’s motion to dismiss applicant/counterclaim petitioner’s (“OsO”) counterclaim for partial cancellation of J&J’s registration No. 1015041 under Fed. R. Civ. P. 12(b)(6). OsO’s counterclaim sought partial cancellation of the registration to delete three goods in Class 3, namely, skin powder, rouge and liquid foundation on the ground of abandonment due to nonuse without intent to resume use of the mark for those goods.

J&J moved to dismiss the counterclaim as legally insufficient because OsO’s counterclaim allegedly was premised solely on Trademark Act Section 18 and TBMP Sections 309.03(d) and 313.01 and failed to plead avoidance of likelihood of confusion.

Section 18 provides, in part:

§ 1068. Action of Director in interference, opposition, and proceedings for concurrent use registration or for cancellation

In such proceedings the Director may refuse to register the opposed mark, may cancel the registration, in whole or in part, may modify the application or registration by limiting the goods or services specified therein, may otherwise restrict or rectify with respect to the register the registration of a registered mark, may refuse to register any or all of several interfering marks, or may register the mark or marks for the person or persons entitled thereto, as the rights of the parties hereunder may be established in the proceedings . . .

The Board denied the motion reasoning that notwithstanding OsO’s invocation of Section 18 in its counterclaim, and its argument that Section 18 is the only source of the Board’s authority to effect the remedy of partial cancellation, OsO’s counterclaim of abandonment is sufficient without reference to section 18. Specifically, the Board found that the counterclaim is sufficient as a claim of partial abandonment, which does not require

\footnote{104 USPQ2d 2037 (TTAB 2012).}
any reference to avoidance of a likelihood of confusion. It held that Oso has sufficiently pleaded a ground for partial cancellation by alleging abandonment of the mark as to particular goods through nonuse with no intent to resume use.  

Section 18 provides, among other powers, the power to “cancel the registration in whole or in part,” to “modify the application or registration by limiting the goods or services specified therein” and to “otherwise restrict or rectify with respect to the register the registration of the registered mark.”  

**DAK Industries** explained that a party can seek partial cancellation of a registration on a theory of abandonment as to discrete goods or services, without the need to resort to Section 18. **DAK Industries** also clarified “that a party asserting a Section 18 claim, or counterclaim, must include an allegation that confusion would be avoided only when it seeks to “modify” or “restrict” the identification of goods or services, rather than where, as here, the party seeks to have discrete goods or services deleted on a theory of abandonment.” Furthermore, Section 18 must be read together with Section 14, which provides the Board the authority to cancel part of a registration when use of a mark has been abandoned for specific goods or services listed in the identification, or to cancel part of a registration when a mark becomes a generic term for some, but not all, goods or services in a registration.  

The Board ruled that Section 14 necessarily includes the authority to cancel a registration in part. And Section 18 does not change the statutory basis for cancellation where a valid ground for cancellation exists, such as partial abandonment under Section 14.  

2. **Jacques Moret, Inc. v. Speedo Holdings B.V., 102 USPQ2d 1212 (TTAB 2012)**  

*Jacques Moret, Inc. v. Speedo Holdings B.V.*, 183 involved Speedo Holdings B.V.’s (Speedo) motion to dismiss the petition for cancellation pursuant to Fed. R. Civ. P. 12(b)(5) for insufficient service of process. Petitioner, Jacques Moret, Inc. petitioned to cancel Speedo’s SPEEDRY mark covering various clothing goods in Class 25. On June 16, 2011, Jacques Moret filed its petition for cancellation using the Board’s ESTTA system and affixed his electronic signature to the certificate of service on the ESTTA cover sheet. That certificate of service reads: “The undersigned hereby certifies that a copy of this paper has been served upon all parties, at their address of record by First Class Mail on this date.”  

Petitioner admitted that contrary to the statement in the Certificate of Service, it did not serve Speedo at its address of record in the Netherlands, but instead served a lawyer, Brad Rose, at a law firm who was never Speedo’s counsel of record, but who had responded in writing to a cease and desist letter that Jacques Moret’s counsel had sent to counsel of record listed for Speedo during ex parte examination.  

Speedo moved to dismiss the proceeding asserting that it had not been properly instituted because Jacques Moret failed to comply with the service requirements of Trademark Rules 2.111(a) and (b). These rules, provide in part:  

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181 *id.* at 2039 (citing **DAK Industries Inc. v. Daiichi Kosho Co.**, 35 USPQ2d 1434, 1438 (TTAB 1995)).  

182 *Id.*.  

183 102 USPQ2d 1212 (TTAB 2012).
§ 2.111 Filing petition for cancellation.

(a) A cancellation proceeding is commenced by filing in the Office a timely petition for cancellation with the required fee. The petition must include proof of service on the owner of record for the registration, or the owner’s domestic representative of record, at the correspondence address of record in the Office, as detailed in §§ 2.111(b) and 2.119.

(b) Any person who believes that he, she or it is or will be damaged by a registration may file a petition, addressed to the Trademark Trial and Appeal Board, for cancellation of the registration in whole or in part. Petitioner must serve a copy of the petition, including any exhibits, on the owner of record for the registration, or on the owner’s domestic representative of record, if one has been appointed, at the correspondence address of record in the Office. The petitioner must include with the petition for cancellation proof of service, pursuant to § 2.119, on the owner of record, or on the owner’s domestic representative of record, if one has been appointed, at the correspondence address of record in the Office. If any service copy of the petition for cancellation is returned to the petitioner as undeliverable, the petitioner must notify the Board within ten days of receipt of the returned copy.

The Board observed that Rules 2.111(a) and (b) require a petitioner to serve a copy of the petition for cancellation either on the owner of record for the registration at the correspondence address of record in the Office for the owner, or, if the Office records for the registration indicate that a domestic representative has been appointed, on the domestic representative at the correspondence address of record in the Office for the domestic representative. The Board clarified that where the Office records for a registration identify the existence of an attorney of record, but that attorney is not also designated as domestic representative for the registration, service of a petition for cancellation on said attorney is insufficient. “Service of a petition for cancellation on an attorney who represented the registrant during ex parte prosecution, or who represented or represents the registrant with respect to other matters, is insufficient unless the attorney is also listed in the Office records for the registration as the domestic representative.”184 “Attesting to proof of service of an ESTTA filing without actually effecting service in accordance with the rules is insufficient to commence the proceeding.”185

Accordingly, under the rules, because Speedo did not have a domestic representative, Jacques Moret should have served Speedo at its correspondence address of record in the Netherlands. Although service on the attorney, Brad Rose, might be viewed as a courtesy copy, it was insufficient to commence the proceeding. “To be absolutely clear, Trademark Rules 2.111(a) and (b) require that the cancellation petitioner must serve the owner of record for the registration at its address of record, or the appointed domestic representative at its

184 102 USPQ2d at 1215.
185 Id.
Because Jacques Moret failed to effect service as required by Rules 2.111(a) and (b), the Board granted Speedo’s motion to dismiss.

Nevertheless, the Board recognized that Speedo’s law firm, Fross Zelnick, is now recognized as counsel of record for Speedo. Because Speedo was on notice of this proceeding, the Board amended the date of institution of the proceeding to July 28, 2011, resumed proceedings, and reset the answer, discovery and trial dates.

3. Luster Products, Inc. v. Van Zandt d/b/a Vanzan USA, 104 USPQ2d 1877 (TTAB 2012)

In Luster Products, Inc. v. Van Zandt d/b/a Vanzan USA, the Board addressed applicant’s motion to “extend discovery” filed after the close of discovery and deemed it a motion to reopen discovery subject to the excusable neglect standard. An applicant seeking to reopen discovery must prove that his failure to act in a timely manner was the result of excusable neglect. As the United States Supreme Court held in Pioneer Investment Services Co. v. Brunswick Associates L.P., the determination of whether a party’s neglect is excusable is:

at bottom an equitable one, taking account of all relevant circumstances surrounding the party’s omission. These include . . . [1] the danger of prejudice to the [nonmovant], [2] the length of the delay and its potential impact on judicial proceedings, [3] the reason for the delay, including whether it was within the reasonable control of the movant, and [4] whether the movant acted in good faith.

Courts applying this test have stated that the third Pioneer factor – the reason for the delay and whether it was within the reasonable control of the movant – “might be considered the most important factor in a particular case.”

The Board found that the third Pioneer factor weighed strongly against a finding of excusable neglect because if applicant was, as claimed, concerned about Opposer’s failure to serve initial disclosures, applicant could have filed a motion to compel the disclosures and subsequently could have moved for dismissal of the opposition as a sanction under Rule 2.120(g)(1). It also appears that applicant may have made a strategic decision not to take discovery in the hope that opposer had lost interest in the proceeding, but opposer served by mail its initial disclosures and discovery to applicant on the last day of the discovery period. In addition, applicant refused to consent to opposer’s request made late in the discovery period to extend the discovery period. “Thus, applicant’s failure to act appears to have been the result of a strategic decision, which was entirely within his control.”

On the second Pioneer factor, the length of the delay and its potential impact on the proceeding, the Board found the delay caused by applicant’s failure to act prior to the close of discovery period was significant and weighed against a finding of excusable neglect. That delay included the time between the close of

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186 Id. at 1216.
187 104 USPQ2d 1877 (TTAB 2012).
discovery and the filing of applicant’s motion to reopen and the unavoidable delay arising from the time required for briefing and deciding such motions. “Both the Board and parties before it have an interest in minimizing the amount of the Board’s time and resources that must be expended on matters, such as the motion decided herein, which come before the Board solely as a result of one party’s strategic decision to allow the discovery period to close and subsequent change of position.”

The first and fourth Pioneer factors were neutral as there was no evidence of significant prejudice to opposer and there was no evidence of bad faith on the part of applicant, respectively. Ultimately, the Board found that applicant’s failure to timely act before the close of the discovery period did not result from excusable neglect. The Board denied the motion to reopen the discovery period, and reset the pretrial disclosure deadlines and trial dates.

4. **Musical Directions v. McHugh, 104 USPQ2d 1157 (TTAB 2012)**

In *Musical Directions v. McHugh,* the Trademark Trial and Appeal Board denied an applicant’s motion to dismiss an opposition proceeding on the grounds that the opposer allegedly failed to effectuate proper service of the notice of opposition upon the applicant, pursuant to rule 2.101(b).

The opposer, Musical Directions, had obtained an extension of time to oppose applicant’s SUNDAY SERMON application until June 30, 2012. On May 25, 2012, opposer filed the notice of opposition through ESTTA indicating that opposer served a copy of the filing on May 25, 2012 via facsimile or email, which requires the applicant’s agreement in advance. In fact, opposer had not secured the applicant’s agreement to electronic service and did not in fact serve the notice of opposition electronically on applicant that day.

On May 29, 2012, Opposer sent applicant a copy of the notice of opposition by email. Opposer submitted evidence that six days later Opposer was contacted by an attorney who claimed she represented applicant and who wanted to arrange a telephone conference to discuss the opposition.

On May 30, 2012, opposer served the notice of opposition upon applicant by certified first-class mail, which was well before the June 30, 2012 deadline for filing the notice of opposition. This service copy was returned to opposer as undeliverable by the U.S. Postal Service on June 4, 2012, notwithstanding that the service copy had been addressed to applicant at his correspondence address of record.

Even though this service copy was returned to opposer, opposer did not take additional steps to effectuate service by notifying the Board of the returned mail service copy of the notice of opposition as required by Rule 2.101(b). The rule provides in part:

> Any person who believes that he, she or it would be damaged by the registration of a mark on the Principal Register may file an opposition addressed to the Trademark Trial and Appeal Board and must serve a copy of the opposition, including any exhibits, on the attorney of record for the applicant or, if there is no attorney, on the applicant or on the applicant’s domestic representative, if one has been appointed, at the

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193 *id.*
194 104 USPQ2d 1157 (TTAB 2012).
195 37 CFR § 2.101(b).
correspondence address of record in the Office. The opposer must include with the opposition proof of service pursuant to § 2.119 at the correspondence address of record in the Office.\footnote{37 CFR § 2.101(b).}

The Board observed that Rule 2.101(b) only requires an opposer to provide proof of service of the notice of opposition not proof of receipt. It found that the copy of the certified mailing receipt submitted by opposer constituted proof of service, and, as a result, opposer complied with the Board’s service requirements as of May 30, 2012. “The fact that opposer’s service copy of its notice of opposition served by first-class mail was returned as undeliverable by the U.S. Postal Service does not negate opposer’s compliance with the service requirements of the applicable rule.” Because the applicant clearly knew about the notice of opposition and its contents as shown by the contact from its former counsel seeking to arrange a telephone conference, the Board found no harm to applicant under the circumstances. The Board further found that the incorrect wording of the certificate of service stating that the notice of opposition had been served electronically, did not nullify opposer’s compliance with the Board’s service requirements inasmuch as opposer had submitted a copy of the certified mailing receipt of the service copy of its notice of opposition, showing that the copy was timely served by first-class mail on May 30, 2012, within the opposition period. However, the Board amended the effective institution date to May 30, 2012 to correspond to the date of proper service of the notice of opposition.

In a footnote, the Board mildly chastised opposer for failing to inform the Board that its service copy of its notice of opposition had been returned as undeliverable within ten days of receiving the returned copy as required by Rule 2.101(b). In light of the circumstances of the case, however, opposer’s failure to do so did not alter the Board’s opinion. It denied applicant’s motion to dismiss for failure to effectuate proper service.

5. \textit{Otter Products, LLC. v. Base One Labs, LLC., 105 USPQ2d 1252 (TTAB 2012)}

In \textit{Otter Products LLC v. BaseOneLabs LLC},\footnote{105 USPQ2d 1252 (TTAB 2012)} the Board, pursuant to Rule 2.132(b), involuntarily dismissed an opposition filed by the owner of a Supplemental Register registration because a registration on the Supplemental Register does not establish proprietary rights in a mark and is not evidence of ownership, validity or the exclusive right to use.

Applicant, BaseOneLabs LLC, filed a use-based application to register IMPACT BAND, in standard characters, for “Cell phone and handheld computing device covers.” Otter Products opposed the application on likelihood of confusion grounds based on prior use of its IMPACT SERIES mark, and registration of that mark on the Supplemental Register, for “Protective cases for interactive, handheld electronic devices, namely, portable music players, portable video players, phones and computers.”

The Board granted applicant’s motion for involuntary dismissal pursuant to Trademark Rule 2.132. First, the Board ruled that the motion for involuntary dismissal was not appropriate under Trademark Rule 2.132(a) because that rule applies only where a “party has not taken testimony or offered any other evidence,” and opposer submitted a notice of reliance identifying opposer’s supplemental registration which is one form of evidence.
Rather, the Board ruled that applicant’s motion for involuntary dismissal should be assessed under Trademark Rule 2.132(b), which applies where “no evidence other than a copy or copies of Patent and Trademark Office records is offered,” and opposer’s Supplemental Register registration is a PTO record.

Rule 2.132(b), provides in part that where an opposer relies only on PTO records, an applicant “may, without waiving its right to offer evidence in the event the motion is denied, move for dismissal on the ground that upon the law and the facts the plaintiff has shown no right to relief.” Based on the rule, the Board framed the issue as whether opposer’s supplemental registration is sufficient to make out a prima facie case.

On the issue of standing, the Board ruled that opposer’s Supplemental Register registration was sufficient to establish opposer’s real interest in the proceeding to oppose applicant’s mark under Section 2(d).

As for priority, the Board ruled that because of opposer’s ownership of an existing Supplemental Register registration, priority was not an issue in the proceeding.

Nevertheless, the Board found that opposer could not prevail based solely on its Supplemental Register registration. To successfully oppose a registration under Section 2(d), “the opposer must prove he has proprietary rights in the term he relies upon to demonstrate likelihood of confusion as to source ....” 198 Opposer failed to prove proprietary rights in its mark because opposer’s only evidence was its Supplemental Register registration, which “is not evidence of ownership, validity or the exclusive right to use.” 199 “Because the mark in Opposer’s Supplemental Register registration is presumed to be merely descriptive, and opposer has introduced no evidence of use of its mark sufficient to prove that its alleged mark has acquired distinctiveness, it cannot prevail based solely on its ownership of this registration.” 200

The Board’s holding in the case distinguishes between inter partes and ex parte cases, where a mark on the Supplemental Register can be cited as a basis for refusing registration of another mark on likelihood of confusion grounds under Section 2(d). It observed:

We believe that this distinction is consistent with the Act and the differences between ex parte examination and inter partes proceedings. In the ex parte context, the Office does not and cannot question the validity of a mark in a registration cited against another under Section 2(d). By contrast, in the inter partes context, under Otto Roth, a petitioner or opposer must establish the validity of a mark it asserts against a pending application or existing registration in order to prevail on a claim of likelihood of confusion. 201

In sum, although opposer’s Supplemental Register registration was sufficient to establish its standing, and to obviate the need to establish priority, that registration does not establish that opposer owns a proprietary interest in a mark. The Board granted

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199 Id. (quoting In re Bush Bros & Co., 884 F.2d 569, 12 USPQ2d 1058, 1059 n. 2 (Fed. Cir. 1989)).
200 Id at 1253.
201 Id at 1256.
applicant’s motion for involuntary dismissal, entered judgment against opposer, and dismissed the opposition with prejudice under Rule 2.132(b).


*Spier Wines (PTY) Ltd. v. Ofer Z. Shepher*, involved a preclusion order resulting from the opposer’s failure to identify its only trial witness during the discovery period resulting in the Board granting applicant’s motion to preclude opposer from taking the testimonial deposition on written questions of its only noticed witness.

As a preliminary matter, although applicant did not contend that opposer’s pretrial disclosures or its notice of testimonial deposition upon written questions were untimely or otherwise technically deficient applicant moved to preclude opposer from taking trial testimony from its noticed witness, Eve Jell, opposer’s International Sales Director and resident of South Africa. Opposer previously had disclosed its Northeast U.S. Sales Manager, Ms. Burrows, but she left the company, which resulted in Ms. Jell being identified as the trial witness after the close of discovery. The Board construed applicant’s motion as a combined motion to strike opposer’s pretrial disclosures and to quash opposer’s notice of taking testimony deposition based on opposer’s failure to timely supplement its initial disclosures.

Opposer failed to identify Ms. Jell in its initial disclosures. Opposer’s first disclosure regarding her was in its pretrial disclosures which were served on the eve of trial and more than a year after the discovery period had closed. Moreover, applicant’s counsel proposed to take the oral testimonial deposition of Ms. Jell either in South Africa or at a location on the East Coast of the United States, but opposer rejected this offer.

The Board began its analysis by focusing on the obligation of a party in its initial disclosures to identify persons having discoverable information that the party may use to support its claims or defenses, and the obligation of a party to supplement its initial disclosures in a timely manner when it learns that the initial disclosures are incorrect or incomplete in some manner. Although trial witnesses are not required to be disclosed in initial disclosures the Board has stated, “unless seasonably remedied, a party’s failure to identify a witness in its initial disclosures deprives the adverse party of the opportunity to seek discovery of the identified witness, and this fact ‘must [be] considered . . . as one of the relevant circumstances . . . in determining whether to strike [the witness’s] testimony deposition.”

Further, a party’s failure to disclose relevant information via disclosure or in response to a discovery request may, upon motion, be precluded from using that information or witness at trial, unless the failure was substantially justified or harmless under Fed. R. Civ. P. 37(c)(1) or Trademark Rule 2.116(a).

The Board applied the *Great Seats* test to determine whether opposer’s failure to disclose Ms. Jell in its initial disclosures, in supplemental initial disclosures, or in a supplemental response to applicant’s interrogatories is substantially justified or harmless. That test considers:

1) the surprise to the party against whom the evidence would be offered; 2) the ability

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202 105 USPQ2d 1239 (TTAB 2012).
of that party to cure the surprise; 3) the extent to which allowing the testimony would disrupt the trial; 4) importance of the evidence; and 5) the non-disclosing party’s explanation for its failure to disclose the evidence.\textsuperscript{205}

The Board found that opposer’s failure to identify Ms. Jell as a person having discoverable information at any time prior to serving its pretrial disclosures resulted in surprise to applicant. The Board found this surprise was prejudicial, not harmless, because applicant was deprived of the opportunity to seek discovery of opposer’s only testimonial witness.

As for the ability of applicant to cure the surprise, the Board found that ability is significantly diminished by the fact that the discovery period closed one year before and by the inherent limitations of the noticed testimonial deposition on written questions. The Board emphasized opposer’s refusal to permit the oral deposition of Ms. Jell in South Africa, and found that the second factor also favored applicant.

The Board also found that reopening the discovery period to allow applicant to conduct a discovery deposition upon written questions of Ms. Jell would significantly disrupt the opposition proceeding.

The Board found the importance of Ms. Jell’s evidence less critical to opposer’s case because opposer had submitted status and title evidence of its oldest pleaded registration and submitted notices of reliance, and the importance of her testimony on other topics was deemed of lesser significance.

Finally, opposer provided no explanation for its failure to identify Ms. Jell as a person having discoverable information until it served its pretrial disclosures.

Weighing the Great Seats factors, the Board found the estoppel sanction appropriate and precluded the testimony of opposer’s only trial witness. It granted applicant’s combined motion to strike opposer’s pretrial disclosure of Ms. Jell as its testimonial witness and to quash opposer’s notice of testimony deposition of Ms. Jell upon written questions.

\section*{L. Certification Marks}
\subsection*{1. Swiss Watch International Inc. v. Federation of the Swiss Watch Industry, 101 USPQ2d 1731 (TTAB 2012)}

In \textit{Swiss Watch International Inc. v. Federation of the Swiss Watch Industry},\textsuperscript{206} the Board held that petitioner, Swiss Watch International (“SWI” or “petitioner”) failed to prove any of its five asserted grounds for seeking to cancel the certification marks, SWISS and SWISS MADE, owned by the Federation of the Swiss Watch Industry (“Federation” or “registrant”). The certification marks, SWISS and SWISS MADE, covered watches, clocks and their component parts and fittings and certified the geographical origin of the goods in Switzerland.

SWI adequately pled its standing because it owns a registration for SWISS WATCH INTERNATIONAL and has applied to register SWISS LEGEND for watches, it sells, distributes

\textsuperscript{205} \textit{Id.} at 1327.

\textsuperscript{206} 101 USPQ2d 1731 (TTAB 2012).
and arranges the manufacture of watches, including under the marks SWISS WATCH INTERNATIONAL and SWISS LEGEND, and the latter application was initially refused in light of the Federation’s prior registered certification marks.

SWI petitioned to cancel the Federation’s certification marks on the following grounds: (1) the Federation does not control, or is not able legitimately to exercise control over, the use of the certification marks, Section 14(5)(A); (2) the Federation permits the use of the certification marks for purposes other than to certify, Section 14(5)(C); (3) the Federation discriminately refuses to certify or to continue to certify the goods or services of any person who maintains the standards or conditions which the marks certify, Section 14(5)(D); (4) the marks are generic, Section 14(3); and (5) the marks were procured by fraud, Section 14(3). The standard of proof for canceling a certification mark is a preponderance of the evidence.

The Board rejected the argument that the Federation allowed its marks to be used for purposes other than to certify because it allows its members and licensees to use trademarks that include the word SWISS. It emphasized that the members and licensees use of composite marks including the term SWISS did not violate the prohibition that a certification mark cannot also be used as a trademark because for that prohibition to apply the marks must be “identical or substantially or virtually identical.”207 Because the third party uses were not identical or substantially or virtually identical, SWI failed to prove that Federation failed to control use of its certification marks.

The Board also found that Federation adequately controlled use of its certification marks as required by Section 14(5)(A) notwithstanding SWI’s allegation of widespread third party use of the term SWISS by third parties who are not members or licensees of the Federation. The Board found that Federation engaged in significant efforts to ensure that only companies adhering to its standards use the terms SWISS and SWISS MADE in connection with watches, including: (1) monitoring all trademark applications in Class 14 worldwide and filing opposition proceedings when appropriate; (2) filing letters of protest with the USPTO; (3) monitoring the use of SWISS, SWITZERLAND and SWISS MOVEMENT on watches displayed in watch-specialized magazines; (4) buying and requesting watch samples and inspecting them; (5) Inspecting watches which have been seized by Police or customs authorities worldwide; (6) filing 25 opposition proceedings against marks incorporating the terms SWISS or SWITZERLAND with some settled with the applicant agreeing to have its products certified and others resulting in abandonment or withdrawal of the applications; and (7) working with customs officials in the United States to prevent the importation of watches bearing the term SWISS which did not meet the standards of the Swiss Ordinance. In light of the Federation’s extensive worldwide monitoring and enforcement system, the Board found that the Federation’s control was adequate, notwithstanding some unauthorized third party misuse of SWISS that had not come to the Federation’s attention. The level of misuse did not rise to a level that would permit an inference that the mark is generic.

SWI’s claim that the Federation discriminated in the application of its standards was based on the allegation that the Federation’s requirements that the watch movement be

207 101 USPQ2d at 1738 (quoting In re 88Open Consortium Ltd., 28 USPQ2d 1314 (TTAB 1993)).
cased up in Switzerland and that the final inspection of the watch take place in Switzerland are unnecessary or wrong. Because the statute only requires that the owner of the certification mark allow any entity that meets the standards to use the mark, SWI’s allegation was rejected. There was no proof that Federation “refused to permit the use of its certification marks for watches meeting its standards, namely, the watch movement is made in Switzerland, the watch is “cased up” in Switzerland, and the final inspection of the watch takes place in Switzerland.”

The Board also rejected SWI’s claim that the certification marks were generic. It found the evidence of common press usage of the words “Swiss watch” and “Swiss precision” unpersuasive in showing that the term “Swiss watch,” when used for watches, has the meaning of a precise watch, regardless of geographic origin. Rather such usage demonstrated the renown of Swiss watches. The Board rejected the argument that SWISS and SWISS MADE have become generic because of evidence of third party use of SWISS by non-members and non-licensees because the evidence was either vague or lacking. The Board found that SWISS and SWISS MADE had not lost their significance as indicators of geographic source. Indeed, the evidence demonstrated the strong geographic connection between watches and Switzerland, and that when SWISS and SWISS MADE are used in connection with watches, consumers will understand their significance as the geographic origin of the goods, and will not perceive the terms as generic.

Likewise, the Board rejected SWI’s claim that the Federation had procured its SWISS MADE registration fraudulently from the USPTO. SWI argued that in response to an office action, the Federation submitted both its standards, which do not mention “SWISS MADE,” and an abstract of the Swiss Ordinance, which does discuss use of “SWISS MADE,” to confuse the examiner into believing that the Federation’s standards covered the mark SWISS MADE when they allegedly did not. The Board found that the term SWISS MADE does not appear in the standards was not a sufficient basis to support a finding of fraud, which must be proven “to the hilt” with clear and convincing evidence. The Federation made no false statements when submitting the standards and the ordinance, and a false statement is a critical element in proving fraud, and there was no evidence of an intent to deceive the PTO. The Board held that SWI failed to prove its fraud claim. Because SWI failed to prove any of its alleged grounds for seeking cancellation of the SWISS and SWISS MADE certification marks, the petition for cancellation was dismissed with prejudice.

II. Appeals to the Federal Circuit

A. Likelihood of Confusion – Section 2(d)


In Bridgestone Americas Tire Operations, LLC v. Fed. Corp.,209 Bridgestone Americas Tire Operations, LLC appealed from the Board’s judgment dismissing Bridgestone’s opposition to Federal Corporation’s application to register MILANZA for use with tires notwithstanding Bridgestone’s prior POTENZA and TURANZA marks, which also covered tires.

208 101 USPQ2d at 1741.

The Federal Circuit reversed finding that the Board erred in denying Bridgestone’s opposition to the registration of MILANZA mark. The Court found the identity of the goods, lengthy prior use of POTENZA and TURANZA, the market strength of the marks, and the similarities of words, sounds, and connotation of Bridgestone’s marks with MILANZA in holding that these du Pont factors weighed in favor of a finding of likelihood of consumer confusion.

Regarding the commercial strength or fame of the POTENZA and TURANZA marks, the Court rejected the Board’s argument that these marks were not strong or famous because they were “usually accompanied in advertising by the mark BRIDGESTONE or Bridgestone’s ‘B’ logo.” Instead, the Court focused on “the prolonged exclusive use of these marks, the extensive promotion and marketing, the billions of dollars of sales, of tires bearing these marks” in finding that the POTENZA and TURANZA marks established commercial strength or fame independent of the BRIDGESTONE mark. The Court further emphasized that identification of a manufacturer does not weaken a unique arbitrary word mark.

The Federal Circuit also concluded that the MILANZA mark shared similarities in words, sounds, and connotation with the POTENZA and TURANZA marks. The Court reasoned that similarities in words, sounds, and connotations are more likely to cause confusion when the goods are identical regardless of whether the marks are identical. The court further cautioned newcomers that they assume a heavy burden of avoiding consumer confusion when using confusingly similar marks for the same goods since prior users are entitled to trademark protections against them.

2. *Coach Services, Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713 (Fed. Cir. 2012)

In *Coach Services, Inc. v. Triumph Learning LLC* the Federal Circuit affirmed the TTAB’s judgment dismissing Coach Services Inc.’s (“CSI”) opposition on likelihood of confusion and dilution grounds to Triumph Learning’s applications to register several COACH marks for education-related goods in classes 9 and 16, but reversed the Board’s judgment that Triumph’s COACH marks had acquired distinctiveness.

CSI, the “accessible luxury” products manufacturer of handbags, luggage, clothing, watches, eye glasses and wallets, opposed Triumph Learning’s applications to register several COACH marks for education-related software and printed materials in classes 9 and 16.

On appeal from the Board’s dismissal of CSI’s opposition, the Federal Circuit affirmed the Board’s decision of no likelihood of confusion. The Federal Circuit ruled that substantial evidence supported the Board’s conclusion that the COACH mark was famous for purposes of likelihood of confusion. However, the Board found that although the marks were similar in terms of sight and sound, they differed as to connotation and commercial impression, with CSI’s COACH mark being arbitrary or suggestive of carriage or travel accommodations, and Triumph’s COACH mark, calling to mind a tutor who prepares a student for an examination. Given the completely different meanings and commercial impressions engendered by the marks, the Board concluded that Triumph’s COACH marks are not similar to CSI’s COACH mark. The Federal Circuit agreed that the distinct commercial impressions outweighed

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210 *id.* at 1334
211 *id.* at 1336
212 668 F.3d 1356, 101 USPQ2d 1713 (Fed. Cir. 2012).
the similarities in sound and appearance, particularly given that the parties’ goods are unrelated, and concluded that this factor favored Triumph. Substantial evidence also supported the finding that the parties’ goods were unrelated. Similarly, substantial evidence supported the Board’s finding that the factor assessing the channels of trade and classes of customers favored Triumph because it is unlikely that consumers would associate CSI’s COACH brand products with educational materials used to prepare students to take standardized tests.

Balancing the du Pont factors and weighing the relevant factors de novo, the Federal Circuit agreed with the Board that customer confusion is not likely between the parties’ respective COACH marks. It observed:

Although CSI’s COACH mark is famous for likelihood of confusion purposes, the unrelated nature of the parties’ goods and their different channels of trade weigh heavily against CSI. Absent overlap as to either factor, it is difficult to establish likelihood of confusion. Because the du Pont factors favoring Triumph outweigh the factors favoring CSI, the Board was correct in finding no likelihood of confusion.213

Turning to CSI’s dilution claim, the Federal Circuit observed that:

to prevail on a dilution claim under the TDRA [Trademark Dilution Revision Act], a plaintiff must show that: (1) it owns a famous mark that is distinctive; (2) the defendant is using a mark in commerce that allegedly dilutes the plaintiff’s famous mark; (3) the defendant’s use of its mark began after the plaintiff’s mark became famous; and (4) the defendant’s use of its mark is likely to cause dilution by blurring or by tarnishment.214

The Board had found that CSI failed to prove that its mark was famous for purposes of dilution. The Federal Circuit ruled that substantial evidence supported that finding.

A mark is famous under the TDRA “if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark’s owner.”215 The statute lists four non-exclusive factors for assessing whether a mark is famous:

(i) The duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties. (ii) The amount, volume, and geographic extent of sales of goods or services offered under the mark. (iii) The extent of actual recognition of the mark. (iv) Whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the Principal Register.216

“Fame for likelihood of confusion and fame for dilution are distinct concepts, and dilution fame

213 Id., 668 F.3d at 1371.
214 Id., 668 F.3d at 1372.
215 Id. (quoting 15 U.S.C. § 1125(c)(2)(A)).
216 Id., 668 F.3d at 1372-73 (quoting 15 U.S.C. § 1125(c)(2)(A)).
requires a more stringent showing." requires a more stringent showing.\footnote{Id., 668 F.3d at 1373 (citing 4 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 24:104 at 24-290 (4th ed. 2011)).} \footnote{Id., 668 F.3d at 1373 (quoting Toro Co. v. ToroHead Inc., 61 USPQ2d 1164, 1180 (TTAB 2001)).} \footnote{Id., 668 F.3d at 1373 (quoting Toro, 61 USPQ2d at 1181)).} “To establish the requisite level of fame, ‘the mark’s owner must demonstrate that the common or proper noun uses of the term and third-party uses of the mark are now eclipsed by the owner’s use of the mark.’”\footnote{Id., 668 F.3d at 1373 (quoting Toro, Inc. v. ToroHead Inc., 61 USPQ2d 1164, 1180 (TTAB 2001)).} \footnote{Id., 668 F.3d at 1373 (quoting Toro, 61 USPQ2d at 1181)).} “An opposer must show that, when the general public encounters the mark ‘in almost any context, it associates the term, at least initially, with the mark’s owner.”\footnote{Id., 668 F.3d at 1373 (quoting Toro, Inc. v. ToroHead Inc., 61 USPQ2d 1164, 1180 (TTAB 2001)).} \footnote{Id., 668 F.3d at 1373 (quoting Toro, 61 USPQ2d at 1181)).}

The Federal Circuit found that substantial evidence supported the Board’s judgment that CSI failed to prove the requisite level of fame for its COACH mark for purposes of dilution. First, CSI’s sales and advertising figures for the year 2008, which was after Triumph filed its use-based applications in 2004, were insufficient to prove fame. Similarly, CSI’s registrations for its marks, although relevant, are not conclusive evidence of fame. Evidence of unsolicited media recognition of CSI’s COACH mark were too few to support a finding that the COACH brand had become a household name. Much of the media attention to the COACH mark occurred after Triumph filed its COACH applications in 2004 and thus does not show that the mark was famous prior to Triumph’s filing date. Conclusory evidence of joint marketing efforts with popular brands such as LEXIS and CANON, without explanation, was of little evidentiary value. CSI’s 2008 brand awareness study, which post-dated the filing of Triumph’s applications, appropriately were given little weight. Accordingly, the Federal Circuit agreed that CSI failed to provide sufficient evidence of the fame of its marks so its dilution claim was properly dismissed.

Turning to CSI’s claim that Triumph’s COACH mark was merely descriptive and thus, not registrable, the Federal Circuit first ruled that the Board properly found that CSI had standing to challenge Triumph’s COACH mark on the grounds that it was merely descriptive under Section 2(e)(1). Once CSI established its standing to challenge Triumph’s mark on grounds of likelihood of confusion and dilution, it could assert any ground of challenge stated in the Trademark Act.

On the issue of whether Triumph’s COACH mark was merely descriptive, the Federal Circuit noted that “[a] mark is merely descriptive ‘if it immediately conveys knowledge of a quality, feature, function, or characteristic of the goods or services with which it is used.’”\footnote{Id., 668 F.3d at 1378 (quoting In re Bayer Aktiengesellschaft, 488 F.3d 960, 963 (Fed. Cir. 2007)).} The Federal Circuit ruled that substantial evidence supported the Board’s decision that Triumph’s COACH mark is merely descriptive in light of dictionary definitions and evidence of third parties that use the term “coach” to describe services that are similar to those identified in Triumph’s application.

The Board had found that Triumph’s COACH mark had acquired distinctiveness. The Federal Circuit reversed because the Board failed to consider all pre-decision third-party use of the term “coach” for educational materials which undermined the Board’s secondary meaning analysis. Remand was required so that the Board could assess the extent to which third party use of “coach” might refute a claim by Triumph of its “substantially exclusive use” of COACH required to prove acquired distinctiveness.
The Federal Circuit further ruled that, on remand, the Board would need to determine the weight, if any, to be given to pre-July 2003 documents concerning Triumph’s marketing activities in the absence of any testimony authenticating those documents. The Board must then assess whether any apparent gaps in Triumph’s evidence impact the Board’s determination that the mark was in continuous use during any relevant period.

The Federal Circuit vacated the Board’s decision solely on its finding of acquired distinctiveness and remanded for further proceedings.


In Midwestern Pet Foods, Inc. v. Societe des Produits Nestle S.A., the Federal Circuit addressed Midwestern Pet Foods’ (“Midwestern”) appeal from the Trademark Trial and Appeal Board’s judgment sustaining an opposition denying registration of Midwestern’s WAGGIN’ STRIPS mark for pet food and edible pet treats in light of Nestle’s prior registered BEGGIN’ STRIPS mark for the same goods.

Midwestern appealed the Board’s ruling that Midwestern’s failure to test the sufficiency of Nestle’s objections to discovery requests—document requests and interrogatories—by filing a motion to compel production of the requested materials, Midwestern had waived its right to object to particular evidence on the ground that Nestle should have produced the evidence during discovery but did not.

Midwestern also appealed the Board’s finding of a likelihood of confusion between the parties’ marks based on the Board’s conclusion that “the goods are identical, the channels of trade and classes of purchasers are the same, and the marks are similar in appearance, sound, connotation and commercial impression.”

The Federal Circuit affirmed on both grounds. On the procedural issue involving the Board’s refusal to exclude from trial evidence Nestle had not produced during discovery, the Federal Circuit observed that Nestle had objected to Midwestern’s document requests and interrogatories on various grounds including that the requests were overbroad and unduly burdensome, that certain of the documents were irrelevant, that certain documents were protected by the attorney-client privilege and the work-product doctrine, and that certain documents were proprietary and could not be produced prior to entry of a protective order. For several requests, Nestle agreed to reconsider its responses if Midwestern would narrow its requests. After a protective order was entered, Midwestern did not take any further steps to arrange for production of the documents that Nestle had agreed to produce, nor did it narrow any of its requests or move to compel the production of any of the requested documents.

Because Nestle’s opposition was filed prior to 2007, when Board procedures were amended to require mandatory initial disclosures, Nestle was not obligated to specify in advance of trial the evidence it intended to present in support of its case or to identify which witnesses it intended to call. “Having objected to Midwestern’s propounded discovery, Nestle was not obliged to produce the disputed documents absent a request by Midwestern to have the Board rule on Nestle’s objections. Board precedent and

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221 103 USPQ2d 1435 (Fed. Cir. 2012).
procedures applicable to pre-2007 cases such as this one required Midwestern to move to compel production in order to test the sufficiency of Nestle’s response.\textsuperscript{222}

The Federal Circuit rejected the dissent’s view that the procedure followed by the Board is inconsistent with the Federal Rules of Civil Procedure noting that the Board has not adopted the Federal Rules in toto, and “it has retained discretion to adopt discovery rulings suited to matters before it in order to balance the parties’ interests.”\textsuperscript{223} Because Midwestern was on notice of the Board’s procedure for dealing with discovery claims, “there was no unfair surprise in applying that procedure and admitting the disputed evidence when Midwestern failed to take the steps required by the Board to preserve a discovery claim.”\textsuperscript{224}

The Federal Circuit distinguished prior Board precedent where the Board barred parties from introducing evidence that was not produced during discovery, no motion to compel was filed, and the party represented that no documents existed in response to a particular request, but then later sought to introduce documents responsive to that request. Noting that the supervision of discovery and application of the preclusion sanction lies within the Board’s discretion, the Federal Circuit held that the Board did not abuse its discretion by refusing to strike Nestle’s evidence in view of Midwestern’s failure to follow-up on Nestle’s offer to produce certain materials and to respond to narrower document requests, and in view of Midwestern’s failure to test the sufficiency of Nestle’s objections to the discovery requests by moving to compel the production of the requested materials.

The Federal Circuit further held that the Board did not err in considering Nestle’s evidence of fame that post-dated the filing of the WAGGIN’ STRIPS application in assessing the likelihood of confusion issue. It ruled that evidence of post-application fame, although not relevant to the issue of dilution of the opposer’s mark, . . . is relevant to the issue of likelihood of confusion including the subsidiary issue of the strength of the opposer’s mark.

The Federal Circuit affirmed the Board’s finding of a likelihood of confusion between the parties’ respective marks, finding it supported by substantial evidence, in light of the identity of the goods, the similarity of the channels of trade and types of consumers, and the similarity of the parties’ marks themselves. Although Nestle’s BEGGIN’ STRIPS was not found to be famous under the dilution statute, it had been in use since at least 1988, products bearing the mark have been advertised, marketed and sold throughout the U.S., and Nestle spent considerable sums on advertising using a broad spectrum of advertising media. Accordingly, the mark was properly found to be distinctive and strong and given a broad level of protection. Although both parties’ marks disclaimed the term STRIPS, the marks have the same format, structure, and syntax. Both marks consist of two words, end in the same way, have the same suffix (IN’), have similar pronunciations, cadences and intonations. The verbs of each mark suggest dog behavior,

\begin{itemize}
  \item \textsuperscript{222} \textit{id.} at 1437-1438.
  \item \textsuperscript{223} \textit{id.} at 1438.
  \item \textsuperscript{224} \textit{id.} at 1438-1439.
\end{itemize}
including the excitement exhibited by dogs during feeding.

The Board also properly found that the marks are used in connection with identical products, and are sold in the same channels of trade and to the same consumers. The products are inexpensive products that likely would be purchased by ordinary consumers exercising ordinary care. Finally, the Federal Circuit did “not infer from Nestle’s failure to provide survey evidence that such evidence would be harmful, especially when there is ample evidence demonstrating likelihood of confusion.”

In short, the Board’s analysis and ultimate conclusion finding a likelihood of confusion is supported by substantial evidence.


In In re Viterra Inc., the Federal Circuit affirmed the Board’s judgment refusing registration of the trademark XCEED, in standard character form, for “agricultural seed” on likelihood of confusion grounds in light of the prior registered X–SEED & Design mark owned by X-Seed Inc. which covered identical goods.

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<tr>
<th>Applicant’s Mark</th>
<th>Cited Registration</th>
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<tr>
<td>XCEED</td>
<td>X–Seed</td>
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<tr>
<td>Agricultural seed</td>
<td>Agricultural seeds</td>
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Viterra argued that the Board misapplied Rule 2.52(a) and TMEP § 1207.01 when it rejected Viterra’s argument that its standard character XCEED mark is visually distinct from the X-SEED & Design mark that includes design and color elements. The Board had rejected this argument because the standard character XCEED mark could be depicted in a way resembling the X-SEED mark due to a lack of limitations upon depiction of standard character marks.

The Federal Circuit upheld the Board’s decision, finding it to be consistent with case law. The Court reasoned that Citigroup v. Capitol City Bank Group Inc., supported this conclusion because it broadened the variations of a standard character mark to be considered in a likelihood of confusion analysis. In Citigroup, the Court affirmed the Board’s denial of an opposition to the registration of a mark in standard character form for likelihood of confusion. The Court rejected the “reasonable manners” test used by the Board that only required the examination of the reasonable manners of depicting the mark before applying a du Pont factor analysis upon that subset of variations. Instead, the Court advocated a “standard that allows a broader range of marks to be considered in the du Pont analysis when a standard character mark is at issue.”

Viterra argued that Citigroup only applies to inter partes opposition proceedings, however the Court rejected this argument holding that the Citigroup standard applies in ex parte examination contexts and in cases when a standard character mark is compared with a design mark. The Court acknowledged, however, that a standard character mark does not encompass all possible design elements of a design mark.

Viterra also argued that Board erred in finding a likelihood of confusion because it mischaracterized the dominant portion of the X-SEED & Design mark. Viterra argued that the dominant portion of the X–SEED Mark is the

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226 37 CFR § 2.52 (a).
227 637 F.3d 1344 (Fed. Cir. 2011)
228 In re Viterra, 101 USPQ2d at 1910.
decision dismissing DuoPros’s counterclaims for cancellation of the registered marks, SNAP! & Design and SNAP SIMPLY SAFER owned by Inviro Medical Devices, Ltd. The Board found that DuoProSS failed to prove that the two marks are merely descriptive because “the broken exclamation point in the SNAP! mark and the words SIMPLY SAFER in the SNAP SIMPLY SAFER mark, rendered those marks more than descriptive.”

Snap!

The Federal Circuit reversed finding that the Board erred in holding that DuoProSS failed to prove that the SNAP! Design mark is merely descriptive because it did not consider the mark as a whole; the Board failed to make adequate findings to support its conclusion that DuoProSS failed to prove descriptiveness; and the Board erroneously concluded that puffery could render the marks more than descriptive.

Regarding the SNAP! & Design mark, the Court determined that the Board should have considered the mark in its entirety and provided evidence in support of its conclusion that the mark was not merely descriptive to a consumer. Instead, the Court found that the Board considered the exclamation point apart from the descriptive word SNAP and failed to explain why the mark was not descriptive when considered in its entirety. The Court held that the Board “ultimately must consider the mark as a whole and so in the context of the goods or services at issue.” Furthermore, the Court found that the Board’s findings did not provide substantial evidence in support of its conclusion and instead pointed to a finding of descriptiveness. The Court stated that “in the context of Inviro’s products, [the SNAP! design

B. Merely Descriptive – Section 2(e)(1)


In *DuoProSS Meditech Corporation v. Inviro Medical Devices Ltd.*, *232* DuoProSS Meditech Corporation appealed from the Board’s

229 Id. at 1911
230 Id.
231 Id. at 1912
mark] does nothing other than depict the snapping of a syringe plunger: the prominent functional feature of Inviro’s goods.”235 For these reasons, the Court found that the Board erred in its finding that DuoProSS failed to prove that the SNAP! Design mark is merely descriptive.

Likewise, the Court held that the Board erred in its finding that DuoProSS failed to prove that the SNAP SIMPLY SAFER mark is merely descriptive. The Court focused on the Board’s lack of evidence supporting its conclusion. It rejected the Board’s argument that the alliteration formed by SNAP, SIMPLY, and SAFER defeated mere descriptiveness by creating a distinctive impression and instead found that the words SIMPLY SAFER “describe the most important advantage of Inviro’s products: their safety.” The Court also rejected the Board’s argument that the laudatory nature of the phrase SIMPLY SAFER rendered the mark more than descriptive. The Court found instead that “adding SIMPLY SAFER to SNAP does nothing more than laud the safety of Inviro’s products, which ... is a merely descriptive use.”236

2. In re The Chamber of Commerce of the United States, 675 F.3d 1297, 102 USPQ2d 1217 (Fed. Cir. 2012)

In In re The Chamber of Commerce of the United States,237 the Federal Circuit affirmed the TTAB’s affirmance of the final refusal to register the Chamber of Commerce’s (“COC”) mark NATIONAL CHAMBER for various advertising and business related services in Class 35 as merely descriptive under Section 2(e)(1). The Federal Circuit found that substantial evidence supported the Board’s factual finding that the mark was merely descriptive.

The COC filed two applications to register the service mark, NATIONAL CHAMBER for advertising and business-related services in Class 35:

Application Serial No. 77/147, 075 (“the ’075 application”): (1) “[p]roviding online directory information services featuring information regarding local and state Chambers of Commerce”; (2) “providing information and news in the field of business, namely information and news on current events and on economic, legislative, and regulatory developments that can impact businesses”; and (3) “administration of a discount program enabling participants to obtain discounts on goods and services.”

Application Serial No. 77/975, 745 (“the ’745 application”): (1) “analysis of governmental policy relating to businesses and analysis of regulatory activity relating to businesses, all for the purpose of promoting the interests of businessmen and businesswomen”; and (2) “business data analysis.”

The examiner refused registration because the mark was merely descriptive under Section 2(e)(1).

The Board affirmed the refusal finding it clear that a consumer encountering the mark would ‘immediately understand NATIONAL CHAMBER, used in connection with applicant’s services as conveying information about those services. In affirming the final refusal, the Board relied on the following evidence:

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235 id. at 1758
236 id. at 1759
237 675 F.3d 1297, 102 USPQ2d 1217 (Fed. Cir. 2012).
(1) A dictionary definition showing that the word “national” means “of, relating to, or belonging to a nation as an organized whole”; (2) A dictionary definition showing that the word “chamber” can refer to “a chamber of commerce”; (3) Dictionary definitions showing that a “chamber of commerce” is an association of businesses and/or businesspersons for the promotion of commercial interests in a community; and (4) Printouts of COC’s website showing its “directory” and “search” services for individuals seeking information about local and state chambers of commerce across the United States.\(^{238}\)

It concluded that no mental leap was required to understand that the COC is using the mark for the services in both applications as a national chamber of commerce, “whether promoting the interests of business persons or industry on a national level, or connecting local chambers of commerce through a nationwide network.”\(^{239}\)

On appeal, the Federal Circuit first addressed descriptiveness: “A term is merely descriptive if it immediately conveys knowledge of a quality, feature, function, or characteristic of the goods or services with which it is used.”\(^{240}\) The court reviewed the TTAB’s factual determination that the mark was merely descriptive for substantial evidence. Evidence is deemed substantial “if a reasonable person could find that the evidence is adequate to support the agency’s finding.”\(^{241}\)

The Federal Circuit concluded that substantial evidence supported the TTAB’s finding of mere descriptiveness. It found that NATIONAL CHAMBER describes at least one designated service within each of the COC’s applications. Regarding the ‘075 application, and relying on the printouts of COC’s website showing its online service providing directory information for local and state chambers of commerce, the Federal Circuit found that NATIONAL CHAMBER is descriptive of such services as recited in the ‘075 application. Regarding the ‘745 application, the Federal Circuit found that NATIONAL CHAMBER described the “business data analysis” services in that application as well as the services covering “analysis of governmental policy relating to businesses and analysis of regulatory activity relating to businesses, all for the purpose of promoting the interests of businessmen and businesswomen.” Accordingly, the Federal Circuit found that the Board properly refused both applications for descriptiveness. It further found that the TTAB’s findings were expressed with sufficient particularity to enable appellate review and affirmed the Board’s judgment affirming the final refusal to register.

C. Immoral or Scandalous – Section 2(a)

1. In re Fox, 105 USPQ2d 1247 (Fed. Cir. 2012)

In In re Fox\(^ {242}\), Marsha Fox appealed from the Board’s decision affirming the examiner’s refusal to register her mark COCK SUCKER & Design for chocolate suckers molded in the shape of a rooster on the grounds that the mark consisted of immoral or scandalous matter

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\(^{238}\) Id. 675 F.3d at 1299

\(^{239}\) Id. at 1300

\(^{240}\) Id. (quoting In re Bayer Aktiengesellschaft, 488 F.3d 960, 963 (Fed.Cir.2007) (citing In re Gyulay, 820 F.2d 1216, 1217 (Fed. Cir. 1987)).

\(^{241}\) Id. (quoting In re Mighty Leaf Tea, 601 F.3d 1342, 1346 (Fed. Cir. 2010)).

\(^{242}\) 105 USPQ2d 1247 (Fed. Cir. 2012).
barred from registrability under Section 2(a). The Federal Circuit affirmed the Board’s decision since the proposed mark created a double entendre with one of its meanings considered clearly vulgar under Section 2(a). 243

The Court rejected Fox’s argument that the Board lacked substantial evidence supporting its conclusion that her mark is vulgar under Section 2(a). The Court found that Fox herself agreed that “cocksucker” has a common and vulgar meaning and refused to accept her argument that the space between the words distinguished the mark from its obviously vulgar meaning. In this determination, the Court considered the importance of the sound of the mark and the double entendre it created but found the mark as a whole immoral or scandalous.

The Court also rejected Fox’s argument that the PTO must demonstrate “that the public would ‘choose’ the non-vulgar meaning” 244 in the case that a mark is a double entendre consisting of a vulgar and non-vulgar meaning. The Court articulated a different test, that if a “substantial composite of the general public” perceives the mark, in context, to have a vulgar meaning, the mark as a whole “consists of or comprises . . . scandalous matter.” 245 Fox admitted that for the mark to have its humorous double entendre effect, the consumers would have to understand both meanings of the mark. Despite recognizing “‘whimsical’ and “humorous” elements in the mark, the Court noted that this did not make the mark any less vulgar.

The Court also rejected Fox’s argument that double entendres are exempt from section 2(a) and have a “presumption of registrability applied by the PTO to double entendres one of whose meanings is merely descriptive under § 1052(e)(1).” 246 The court explained that it would not be consistent with statutory objectives to treat double entendres differently from other material since double entendres require consumers to understand both vulgar and non-vulgar meanings. The Court also drew a distinction between section 2(e)(1)’s ban on descriptive marks and section 2(a)’s ban on vulgar marks in rejecting Fox’s argument, holding that section 2(e)(1) is not applicable “if any one of the meanings is not merely descriptive.” 247

The Court rejected Fox’s argument that her mark should be permitted to be published for registration since there was doubt as to how the general public would view her mark. Fox argued that opposition proceedings could be used to determine whether there was any opposition to her mark after its publication. The Court explained that as the congressionally empowered first screener for vulgar or scandalous marks, the USPTO has “no obligation to publish the mark for potential opposition proceedings . . . [and] this court has no authority to read such a power out of existence.” 248

D. Primarily Geographically Deceptively Misdescriptive – Section 2(e)(3)

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243 15 USC § 1052(a).
244 Id. at 1250.
245 Id. at 1248 (quoting In re Boulevard Entm't, Inc., 334 F.3d 1336, 1340 (Fed. Cir. 2003)).
246 Id. at 1251.
247 Id.
248 Id. at 1252.
1. **In re Miracle Tuesday, LLC, 104 USPQ2d 1330 (Fed. Cir. 2012)**

In *In re Miracle Tuesday*, the Federal Circuit affirmed, as based on substantial evidence, the Board’s refusal to register the mark JPK PARIS 75 & Design on the grounds that it is primarily geographically deceptively misdescriptive under Section 2(e)(3) of the Lanham Act.

Section 2(e)(3) provides that a mark may not be registered on the principal register if the mark, “when used on or in connection with the goods of the applicant is primarily geographically deceptively misdescriptive of them.”

A mark is primarily geographically deceptively misdescriptive, and thus barred from registration, if: (1) “the primary significance of the mark is a generally known geographic location”; (2) “the consuming public is likely to believe the place identified by the mark indicates the origin of the goods bearing the mark, when in fact the goods do not come from that place”; and (3) “the misrepresentation was a material factor in the consumer’s decision” to purchase the goods.

Whether a mark is primarily geographically deceptively misdescriptive is a question of fact that is reviewed on appeal for substantial evidence.

On appeal, Miracle Tuesday did not challenge the finding that the primary significance of the mark is Paris, France. Instead, it directed its arguments to the second and third elements of the Board’s Section 2(e)(3) refusal arguing that the Board erred when it:

(1) found that the goods identified do not originate in Paris even though the designer of the goods has significant ties to Paris; (2) applied the wrong standard in concluding that the use of the word Paris in the mark is deceptive; and (3) failed to consider certain material evidence in reaching its decision.

Considering the second element of the Section 2(e)(3) inquiry, the Federal Circuit observed that the second element considers two questions: “(1) whether there is an association between the goods and the place identified (‘a goods/place association’); and (2) whether the applicant’s goods in fact come from that place.”

“[T]he examiner has the initial burden of submitting evidence to establish the goods/place association and the burden then shifts to the applicant to rebut this showing with evidence ‘that the public would not

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249 *In re Miracle Tuesday*, 104 USPQ2d 1330 (Fed. Cir. 2012).
251 15 U.S.C. § 1052(e)(3); *In re Miracle Tuesday*, 104 USPQ2d at 1332 (quoting *id*).
252 *In re Miracle Tuesday*, 104 USPQ2d at 1334, 1341 (Fed. Cir. 2003).
253 *id*.
254 *id*.
255 *id*.
actually believe the goods derive from the geographic location identified by the mark.” 256 The PTO is not required to prove an “actual goods/place association.” Instead, it need only “establish a reasonable predicate for its conclusion that the public would be likely to make the particular goods/place association on which it relies.” 257 And when the case involves goods rather than services, the Federal Circuit has held that “the goods-place association often requires little more than a showing that the consumer identifies the place as a known source of the product.” 258 Thus, to prove a goods/place association, “the case law permits an inference that the consumer associates the product with the geographic location in the mark because that place is known for producing the product.” 259

The Federal Circuit ruled that there was sufficient evidence of a goods/place association between Paris and the goods identified in the application because Paris is famous for fashion and fashion accessories, including the goods in the application and relevant purchasers are likely to think of Paris as a known source for fashion accessories.

The second inquiry under this element considers whether the goods in fact originate from the named place. The Federal Circuit observed that the goods may be deemed to originate in a geographic location if they are manufactured or designed in that location, contain a main component or ingredient from that location, or where an applicant has its headquarters or research and development facilities, even if manufacture occurs elsewhere. It emphasized “that there must be some other direct connection between the goods and the place identified in the mark (e.g., the place identified is where the goods are designed or distributed, where the applicant is headquartered or has its research and development facility, or where a main component of the good originates. Because Miracle Tuesday conceded that the goods identified do not originate in Paris, are manufactured in Asia and designed in Miami, Florida, there is no evidence of a current connection between the goods and Paris. The Federal Circuit held that the Board properly found that there was insufficient evidence that the goods originate in Paris.

The Federal Circuit expressly rejected Miracle Tuesday’s argument that because the designer of the goods had a historical connection to Paris, having lived there for 22 years, the goods originated in Paris. “Given the statutory focus on the geographic origin of the goods, Miracle Tuesday’s attempts to shift the inquiry to the historical origin of the designer must fail.”

The final element of a Section 2(e)(3) refusal addresses materiality and considers “whether a substantial portion of the relevant consumers is likely to be deceived” by the mark’s misrepresentation of a goods/place association. 260

In Spirits International, we held that, ‘to establish a prima facie case of materiality there must be some indication that a substantial portion of the relevant consumers would be materially influenced in the decision to purchase the

256 Id. at 1332-1333 (quoting In re Save Venice N.Y., Inc., 259 F.3d 1346, 1354 (Fed. Cir. 2001)).
257 Id. (quoting In re Pacer Tech., 338 F.3d 1348, 1351 (Fed. Cir. 2003)(quoting In re Loew’s Theatres, Inc., 769 F.2d 764, 768 (Fed. Cir. 1985))).
258 Id. (quoting In re Les Halles de Paris J.V., 334 F.3d 1371, 1374 (Fed. Cir. 2003)).
259 Id. at 1333 (quoting Les Halles de Paris, 334 F.3d at 1374).
260 Id. at 1334 (quoting In re Spirits Int’l, N.V., (563 F.3d 1347, 1353 (Fed. Cir. 2009)).
product or service by the geographic meaning of the mark.\(^\text{261}\) We have also held that "the PTO may raise an inference in favor of materiality with evidence that the place is famous as a source of the goods at issue."\(^\text{262}\)

The Federal Circuit ruled that the Board properly found that the materiality prong of the Section 2(e)(3) inquiry had been satisfied through the Board inferring materiality based on the evidence that Paris is famous as a source of the goods in the application. It rejected Miracle Tuesday’s argument that the PTO was required to prove that the use of the word PARIS in the application actually deceived the public. Because the application involved goods rather than services, the Board properly inferred materiality based on evidence that a place is famous as a source of the goods, and Miracle Tuesday failed to identify evidence that would rebut this inference.

Les Halles de Paris drew a distinction between the evidence necessary to give rise to an inference of materiality for goods and that necessary to give rise to that same inference for services. In dealing with service marks, the Federal Circuit held in Les Halles de Paris that there must be a heightened association between the services and geographic location before materiality can be inferred from evidence that the place is famous as a source of the services. Absent a particularly strong services-place association, an inference would not arise and direct evidence of materiality would be needed. The Federal Circuit ruled that the requirement for proof of a heightened association was inapplicable to an application covering goods. The Federal Circuit found the Board's judgment that the geographic misrepresentation in the mark is material and would deceive a substantial portion of the relevant consumers regarding the source of the goods outlined in the application was supported by substantial evidence. It affirmed the refusal to register the mark under Section 2(e)(3).\(^\text{263}\)

E. Functionality – Section 2(e)(5)

1. In re Becton, Dickinson & Co., 675 F.3d 1368 (Fed. Cir. 2012)

In In re Becton, Dickinson & Co.,\(^\text{264}\) Becton, Dickinson and Company ("BD") appealed from the Board’s decision affirming the examiner’s rejection of BD’s mark for the design of a closure cap for blood collection tubes. The examining attorney refused registration of the mark because she found the cap design functional under 15 section 2(e)(5). The Board affirmed finding that that the In re Morton–Norwich Prods., Inc.\(^\text{265}\) factors weighed in favor of finding the closure cap design as a whole to be functional. The Morton-Norwich factors assess:

(1) the existence of a utility patent disclosing the utilitarian advantages of the design; (2) advertising materials in which the originator of the design touts the design's utilitarian advantages; (3) the availability to competitors of functionally

\(^\text{263}\) The Federal Circuit also rejected Miracle Tuesday’s argument that the Board failed to consider certain scholarly articles regarding consumer purchasing decisions and "country of origin" issues. It ruled that the relevant inquiry under the statute focuses on the origin of the goods – not the origin of the designer. It also presumed that "a fact finder reviews all evidence presented unless he explicitly expresses otherwise." In re Miracle Tuesday, slip op. at 14 (quoting Plant Genetic Sys., N.V. v. Dekalb Genetics Corp., 315 F.3d 1335, 1343 (Fed. Cir. 2003)).

\(^\text{264}\) 675 F.3d 1368, 1371 (Fed. Cir. 2012).

\(^\text{265}\) 671 F.2d 1332 (CCPA 1982).
equivalent designs; and (4) facts indicating that the design results in a comparatively simple or cheap method of manufacturing the product.

The Federal Circuit affirmed because it found that the Board committed no legal error when it weighed non-functional and functional elements of the mark against each other. The Court reasoned that such an inquiry involving functional and nonfunctional elements is important in understanding the nature of the mark as a whole and the degree of utility present. The Court further found that precedent called for such an analysis “as part of its determination of whether a mark in its entirety is overall de jure functional.”\textsuperscript{266}

The Court found that substantial evidence supported the Board’s findings of fact under the Morton-Norwich factors. As to the first factor, the Court rejected BD’s argument that its design patents prove the non-functionality of its mark. The Court noted that a design patent is not dispositive of a trademark’s validity. Furthermore, the Court found that since BD’s design patents did not cover the same features it was attempting to register and because BD had obtained a utility patent disclosing the functionality of the design, “‘similar’ design patents lack sufficient evidentiary value to overcome the strong conclusion in this case that BD’s utility patents underscore the functionality of significant elements of the proposed mark.”\textsuperscript{267}

The Court found that the second Morton-Norwich factor weighed in favor of the Board’s conclusion because BD advertised many functional elements of its mark. For example, BD advertised the “ridges” and “plastic shield” features of the cap that allowed for better grip and safety respectively. The Court rejected BD’s argument that the advertised elements were not the same as those in the design of its closure cap, stating that it didn’t make a difference in a functionality analysis since the features were sufficiently similar to show functionality. The Court also rejected BD’s argument that its advertisements were “look for” advertising meant to catch customers’ attention without the intention of advertising functional elements of the cap. The Court found instead that “the advertisements taken as a whole are more than substantial evidence that the proposed mark as a whole is functional.”\textsuperscript{268}

Under the third Morton-Norwich factor, the Court found that the Board’s conclusion was supported by substantial evidence when it rejected alternative designs proposed by BD. In its discussion, the Court noted that the Board did not have to consider these alternatives because functionality was already found under the first and second factors. Nevertheless, the Board considered BD’s alternative designs and rejected all 3 of them. Under the fourth Morton-Norwich factor, the Court found that the Board did not err when it refused to consider the nature of the caps’ method of manufacture, whether simple or inexpensive, because there was little evidence directing the Board’s analysis.

Judge Linn dissented arguing that the Board did not apply the correct legal standards in its functionality analysis and lacked substantial evidence for its conclusion. Judge Linn disagreed with the majority’s position that in determining the nature of a mark it is

\textsuperscript{266} \textit{id.} at 1374
\textsuperscript{267} \textit{id.} at 1376
\textsuperscript{268} \textit{id.}
appropriate to weigh functional and non-functional elements of a mark against each other. In Judge Linn’s view: “The proper inquiry is to examine the degree to which the mark as a whole is dictated by utilitarian concerns (functional or economic superiority) or is arbitrary (“without complete deference to utility”).” \textsuperscript{269}

Judge Linn also disagreed with the majority’s emphasis of BD’s utility patent. He opined that the utility patent claims did not cover any element in the proposed design mark. He also noted that advertisements supported a finding of non-functionality under the third Morton-Norwich factor since they offered alternative designs that were functionally identical.

Judge Linn argued that the existence of the design patents and evidence of alternative designs were more important to the analysis than the majority recognized. He pointed to the existence of three non-identical design patents to show that the design could have been formed in functionally identical, alternative ways. He furthermore argued that the Majority should have considered BD’s alternative designs because they could have been considered as sources of evidence in the Court’s functionality analysis. He also disagreed with the majority’s rejection of BD’s alternative designs, stating that “the disqualification of an alternative design because it shares the same utilitarian features is unsupported by law . . . this evidence strongly suggests that BD’s design is not functional because BD faces competition from products with similar functionality, yet differing designs.” \textsuperscript{270}

Finally, Judge Linn argued that the Board should have taken the fourth Morton-Norwich factor into consideration. He disagreed with the majority’s dismissal of BD’s evidence, claiming that evidence must be considered regardless of the amount of such evidence.

\section{F. Collateral Estoppel; Assignment}

1. \textit{Stephen Slesinger, Inc. v. Disney Enterprises, Inc.}, \textsuperscript{271} \textsuperscript{272} Slesinger appealed a Board decision granting summary judgment in favor of Disney when Slesinger attempted to cancel Disney’s applications to register marks related to Winnie the Pooh and other fictional characters. The Board granted Disney’s motion for summary judgment, holding that collateral estoppel barred Slesinger’s claims, and the Court affirmed.

The Court articulated four elements required to apply collateral estoppel: “(1) a prior action presents an identical issue; (2) the prior action actually litigated and adjudged that issue; (3) the judgment in that prior action necessarily required determination of the identical issue; and (4) the prior action featured full representation of the estopped party.” \textsuperscript{272}

Appellant conceded factors 1 and 4.

Regarding the second factor, Slesinger argued that it did not grant all of its acquired rights to Disney in a 1983 agreement and that the district court’s ruling did not conclude whether it had licensed or assigned its rights to Disney. The Court rejected these arguments, holding that the Board’s determination accurately tracked the district court’s holding that Slesinger assigned all of its rights to Disney without retaining any interest in the Pooh characters. Furthermore, the Court held that it didn’t matter if the district court did not use the word “assignment” in its ruling, instead using the words “transfer” and “grant,” because it placed

\textsuperscript{269} \textit{id.} at 1377
\textsuperscript{270} \textit{id.} at 1380
\textsuperscript{271} 105 U.S.P.Q.2d 1472 (Fed. Cir. 2012).
\textsuperscript{272} \textit{id.} at 1474 (\textit{citing Laguna Hermosa Corp. v. United States}, 671 F.3d 1284, 1288 (Fed. Cir. 2012)).
weight upon the judgment and not the language used.

On the third factor, the Court held that the evaluation of Slesinger’s ownership interest in the Pooh rights was an essential element of the district court’s judgment. The district court determined this issue before deciding whether Disney infringed upon the Pooh rights and before deciding whether the trademark registrations should be corrected to be in Slesinger’s name. Accordingly, the Federal Circuit held that the Board was correct in applying collateral estoppel to bar Slesinger’s claims.

In his dissent, Judge Reyna argued that the district court actually did not decide ownership of the Pooh trademarks, and resolution of the ownership issue was not essential or necessary for the district court’s decision on non-infringement. Judge Reyna said that the district court did not state in plain and clear language whether the transfer of rights to Disney was an assignment or license. He found that instead the district court’s discussion was more consistent with a license given the implied extension of authority and royalty payments for use of the trademarks. Judge Reyna found reasonable doubt about whether the district court decided the assignment or license issue, and because of this, believed collateral estoppel should not apply to bar Slesinger’s claims.

Judge Reyna rejected Disney’s argument that the court had to determine who owned the Pooh rights before determining whether Disney was infringing upon them. He argued that instead, Disney could be authorized to use the trademarks under a licensing agreement. Because there was more than one rational basis on which the fact finder could find non-infringement, he stated collateral estoppel could not apply. Since Judge Reyna did not find that the district court decided ownership of the Pooh trademarks and because the resolution of the ownership issue was not essential for the district court’s decision on non-infringement, he believed that the Board erred in precluding Slesinger from disputing the ownership of the Pooh trademarks.