

Trademark Year in Review 2007

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presented by
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Agenda

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- **Immoral or Scandalous Matter; Deceptive Matter; Matter which May Disparage, Falsely Suggest a Connection, or Bring into Contempt or Disrepute**
- **Likelihood of Confusion**
- **Merely Descriptive/Deceptively Misdescriptive**
- **Geographically Deceptively Misdescriptive Marks**
- **Generic Terms**
- **Refusal on Basis of Surname**
- **Acquired Distinctiveness or Secondary Meaning**
- **Ownership**
- **TTAB Rule Changes**

**Immoral or Scandalous Matter
Deceptive Matter
Matter which May Disparage, Falsely
Suggest a Connection, or Bring into
Contempt or Disrepute**

- 15 U.S.C. §1052(a)

Introduction

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- **Registration barred on either the Principal or the Supplemental Register of a designation that consists of or comprises matter which, with regard to persons, institutions, beliefs, or national symbols, does any of the following:**
 - **Disparages them**
 - **Falsely suggests a connection with them**
 - **Brings them into contempt**
 - **Brings them into disrepute.**

Immoral or Scandalous Matter

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- **Absolute bar to the registration of immoral or scandalous matter.**
 - **“Scandalous” = shocking to the sense of propriety, offensive to the conscience or moral feelings, vulgar. Determination from the standpoint of “substantial composite of the general public.”**
 - **Neither a disclaimer of the deceptive matter nor a claim that it has acquired distinctiveness under §2(f) can obviate a refusal.**
 - **Dictionary definitions alone may be sufficient to establish that a proposed mark comprises scandalous matter. If dictionaries indicates a word is vulgar, and the applicant's use of the word is limited to the vulgar meaning of the word.**

False Suggestion of a Connection

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- **To establish that a proposed mark falsely suggest a connection with a person or an institution, it must be shown:**
 - **The mark is the same as, or a close approximation of, the name or identity of a person or institution;**
 - **The mark would be recognized as such, in that it points uniquely and unmistakably to that person or institution;**
 - **The person or institution named by the mark is not connected with the activities performed by applicant under the mark; and**
 - **The fame or reputation of the person or institution is such that, when the mark is used with the applicant's goods or services, a connection with the person or institution would be presumed.**

Marc Chagall v. Bondarchuk

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- **Petition filed to cancel registration of the mark MARC CHAGALL for vodka.**
- **Procedural issues with evidence in the record.**
- **Turning to the requirements for a Section 2(a) claim**
 - Respondent conceded that his mark is "the same or a close approximation of the name of the painter Marc Chagall and that Respondent is not connected with the painter Marc Chagall or his heirs."
- **Board decided on two remaining questions**
 - "Whether the mark would be recognized as the name of the painter"
 - "Whether the name is of sufficient fame or reputation that when the respondent's mark is used on the goods a connection with the painter Marc Chagall would be presumed."

TTAB Cancels Registration of "MARC CHAGALL" for Vodka *(cont)*

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- **Board noted**
 - MARC CHAGALL mark has no significance other than as name of painter, evidence of fame is "substantial and unambiguous."
- **Respondent proposed an agreement with Petitioner to sell vodka in Russia. He desired to "commemorate the name of a great artist." Respondent's label includes "what appears to be a portrait of the painter Marc Chagall and artist's palette."**
- **CONCLUSION: Board found that mark creates a false suggestion of a connection with painter Marc Chagall, violating Section 2(a) and granted petition for cancellation**

Likelihood of Confusion (Mistake or Deception) - 15 U.S.C. §1052(D)

Likelihood of Confusion

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- **A test for infringement that is based on the probability that a lot of people will be misled or confused about the sources of a product**
- **Various tests to determining whether there is a likelihood of confusion**
 - **Most if not all cases would result the same regardless of the particular formulation of the likelihood of confusion test employed**

Most Relevant Factors

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- One of the more popular tests comes from *In re E. I. du Pont de Nemours & Co.*
 - The following factors are usually most relevant:
 - Similarity or dissimilarity of marks in their entireties as to appearance, sound, connotation and commercial impression
 - Relatedness of goods or services as described in an application or registration or in connection with which a prior mark is in use
 - Similarity or dissimilarity of established, likely-to-continue trade channels
 - Conditions under which and buyers to whom sales are made, i.e. "impulse" vs. careful, sophisticated purchasing

Most Relevant Factors *(cont)*

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- Number and nature of similar marks in use on similar goods.
- Valid consent agreement between applicant and owner of previously registered mark
- **Other factors to considered are**
 - Fame of the mark
 - Any evidence of actual confusion
 - Concurrent use

Fort James Operating Co. v. Royal Paper Converting ,Inc.-

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- **Board sustained an opposition to registration of the design mark for paper towels and like paper products, finding it likely to cause confusion with the two registered marks**
- **Applicant**
 - **Conceded that the goods are identical in part and are sold in the same channels of trade**
- **Opposer (Brawny) claimed**
 - **Its marks are famous (Board stated that Opposers design marks have not achieved renown needed for fame because marks are sold under marks, BRAUNNY, MARDI GRAS, GREEN FOREST, and SO DRI, and are not focused on the design marks)**

Paper Towel Designs Confusingly Similar *(cont)*

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- Its sales revenues and advertising expenditures for paper towels were "extremely impressive"; and
- It widely advertised and promoted its goods.
- Because the goods are identical, the Board must presume that they are sold to the same classes of purchasers. And it observed that these purchasers would not exercise a great deal of care.
- Board stated when marks appear on virtually identical or closely related goods, the degree of similarity necessary is decreased. Board found the designs at issue
 - Highly similar with both parties' marks embossed on paper towel sheets, both consist of circular-shaped designs repeated in an evenly-spaced pattern, and the interlocking designs in the parties' marks are identical/similar in shape."

7-Eleven, Inc. v. Lawrence I. Wechsler

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- Individual filed an intent-to-use application for the mark GULPY for “portable animal water dishes and animal water containers sold empty.”
- 7-Eleven, Inc. opposed the registration on the grounds of priority of use, likelihood of confusion, and dilution.
- 7-Eleven owns a family of BIG GULP registrations including BIG GULP and SUPER BIG GULP to describe various drink and food products sold through their stores.
- TTAB applied the DuPont factors which weighed in favor of the Applicant.

7-Eleven, Inc. v. Lawrence I. Wechsler (cont)

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- **The TTAB held that 7-Eleven had established substantial fame in public eye for its “Big Gulp” marks, however, fame alone was not enough to overcome fact that products associated with the marks were**
 - Unrelated, created different commercial impressions, and were unlikely to expand into each other’s markets
- **Dilution also claimed**
 - **TTAB did not find a likelihood of dilution because marks were not very similar (the marks engender different commercial impressions), there was no intent to associate GULPY with BIG GULP, and there was no actual association between GUPLY and BIG GULP.**

Chicago Bears Football Club, Inc. v. 12th Man/Tennessee LLC

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- **12th Man/Tennessee LLC filed an intent-to-use application on the mark 12th Bear for jewelry (class 14), bumper stickers (class 16), insulated beverages (Class 21), towels (class 24) and clothing for informal wear (class 26).**
- **Chicago Bears Football Club, Inc. opposed the application on the grounds that there is likelihood of confusion by consumers under §2(d) of the Trademark Act.**
- **TTAB applied the DuPont factors and found that there would be likelihood of confusion between 12th Bear and the Chicago Bears.**

Chicago Bears Football Club, Inc. v. 12th Man/Tennessee LLC (cont)

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– TTAB held

- Marks are similar because term Bear is dominant feature of mark despite difference between terms 12th and Chicago
- Implicit in concept of a 12th Bear is that there are at least 11 others.
 - Therefore, marks Bears and 12th Bear have similar meanings and commercial impressions
- Goods listed in 12th Bear application were closely related to goods sold by Chicago Bears
- Similarity in goods allowed presumption that channels of trade and purchases are same (no restrictions on the channels of trade in the application), and applicant intended to market its goods to Chicago Bears fans
- Chicago Bears have developed substantial fame and therefore, confusion likely amongst football fans
- Board concluded that confusion is likely, and sustained opposition

Merely Descriptive/Deceptively Misdescriptive - 15 U.S.C.1052(E)(1)

Introduction

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- **Registration of a mark on Principal Register will be refused if mark is merely descriptive or deceptively misdescriptive of goods or services to which it relates.**
- **A mark is considered merely descriptive if**
 - **Describes an ingredient, quality, characteristic, function, feature, purpose or use of goods or services for which registration is sought**
- **Determination of descriptiveness is not made in abstract, but in relation to goods or services for which registration is sought and possible significance that mark would have to average purchaser of the goods or services in marketplace**

Introduction *(cont)*

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- **Not necessary that a term describe all purposes, functions, characteristics or features of a product to be considered merely descriptive**
 - **Enough if term describes one significant function, attribute or property describe all of purposes, functions, characteristics or features**
- **Each case must be decided on its own merits**

In re Litehouse, Inc.-

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- **Board affirmed the PTO's 2(e)(1) refusal to register CAESAR!CAESAR!**
 - Finding it merely descriptive of salad dressings
 - Board stated that "a mark's mere repetition of a merely descriptive word does not negate the mere descriptiveness of mark as a whole."
- **What about the PIZZA!PIZZA!**
 - Registrations for "restaurant services" and "pizza for consumption on or off the premises"? Isn't that mark just like CAESAR!CAESAR!?
- **Board stated that it must assess each mark "on the record of public perception submitted with the application."**
 - Prior third-party registrations have "little persuasive value."

In re Bayer Aktiengesellschaft

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- **Divided panel of US Court of Appeals for the Federal Circuit upheld the TTAB's affirming refusal of mark ASPIRINA for analgesics on grounds of mere descriptiveness**
- **Examiner relied on**
 - Numerous NEXIS excerpts and two dictionary definitions in which ASPIRINA was defined as aspirin
- **Bayer submitted**
 - Dictionary evidence referring to ASPIRINA as a trademark
 - Attacked the PTO evidence
 - Pointed to its numerous foreign trademark registrations for ASPIRINA, which the CAFC majority found irrelevant

In re Bayer Aktiengesellschaft (cont)

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- **Board concluded**
 - Consumers will view ASPIRINA as a mere variation or misspelling of the generic term “aspirin.”
- **CAFC found**
 - There was conflicting evidence as to mere descriptiveness of ASPIRINA as a variation or misspelling of aspirin
- **CAFC's standard of review is not *de novo*, but rather "the deferential substantial evidence standard."**
 - This means “where two different conclusions may be warranted based on evidence of record, Board's decision to favor one conclusion over other is type of decision that must be sustained by substantial evidence.”
- **The CAFC therefore affirmed Board's decision.**

Geographically Deceptively Misdescriptive Marks – 15 U.S.C.1052(E)(3)

Geographically Deceptively Misdescriptive - 15 U.S.C.1052(E)(3)

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- **To support a refusal to register as primarily geographically deceptively misdescriptive, Examiner must show that**
 - **Primary significance of mark is a generally known geographic location**
 - **Goods or services do not originate in place identified in mark**
 - **Purchasers would be likely to believe that goods or services originate in geographic place identified in mark; and**
 - **Misrepresentation is a material factor in consumer's decision to buy goods or use services**
- **A showing of public deception is required to establish that a mark is unregistrable under §2(e)(3).**

In re South Park Cigar, Inc.

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- **South Park Cigar filed for YBOR GOLD for “cigars, pipe tobacco and roll-your-own tobacco.”**
- **Examiner refused application on grounds that mark is geographically deceptively misdescriptive**
- **TTAB affirmed Attorney’s refusal to register**
 - **Had to be shown**
 - **Primary significance of mark is a generally known geographic location**
 - **Consuming public is likely to believe place identified by mark indicates origin of goods bearing the mark, when in fact goods do not come from that place; and**
 - **Misrepresentation would be a material factor in consumer’s decision to purchase goods**

In re South Park Cigar, Inc. (cont)

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– TTAB found:

- “Ybor City” is a generally known geographic place. Proven through various Internet sources, which often referred to “Ybor City” as “Yobr.” Further, word “Gold” does not preclude a finding of primary geographic significance of mark since it does not detract from geographic significance of Ybor
- Applicant’s goods cannot come from Ybor City because application does not show applicant’s presence in Ybor and consuming public is likely to believe goods originate from Ybor because Ybor City is well noted for its cigar industry in various travel guide references
- Mark’s misrepresentation would materially affect public’s decision to purchase goods because cigars are a principal product of Ybor City, there are significant number of cigar stores, retailers and manufacturers in city, and various travel guides promote the cigar industry in city

Generic Terms

Introduction

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- **Terms that relevant purchasing public understands primarily as common or class name for goods or services**
 - These terms are incapable of functioning as registrable trademarks denoting source, and are not registrable on the Principal Register under §2(f) or on Supplemental Register
 - Two-part test used to determine whether a designation is generic
 - What is class of goods or services at issue?; and
 - Does relevant public understand designation primarily to refer to that class of goods or services?
- **Test turns upon primary significance that term would have to relevant public**

In re Lens.com, Inc.

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- *In re Lens.com, Inc.* - "LENS" Generic for Internet Sale of Contact Lenses
 - Lens.com, Inc. filed for mark LENS for “retail store services featuring contact eyewear products rendered via a global computer network.”
 - Examiner refused registration on the ground that mark is merely descriptive and generic and refused to allow Lens.com to amend its application to seek registration under §2(f) of Trademark Act
 - TTAB upheld both refusals finding that mark LENS is generic for applicant’s services

In re Lens.com, Inc. (cont)

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- **Board held mark to be generic**
 - “Lens is a name for contact eyewear which comprises subject matter of applicant’s services, term is likewise a generic name for retail Internet store services themselves.”
 - LENS could not function as a service mark since it does not distinguish Lens.com’s services from other contact lens providers
- **Board rejected Lens.com’s argument that mark had acquired distinctiveness**
 - Lens.com failed to produce evidence showing that mark was a source-identifying service mark. Lens.com only produced evidence of business success, which alone was not enough to show a source-identifying mark

Refusal on Basis of Surname 15

U.S.C.1052 (E)(4)

Surname

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- Mark that is “primarily merely a surname” is not registrable on Principal Register absent a showing of acquired distinctiveness
- Mark that is primarily merely a surname may be registrable on Supplemental Register
- Exclusive rights in a surname *per se* cannot be established without evidence of long and exclusive use that changes its significance to public from that of a surname to that of a mark for particular goods or services

Surname *(cont)*

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- **Common law also recognizes that surnames are shared by more than one individual, each of whom may have an interest in using his surname in business**
 - **By requirement for evidence of distinctiveness, the law, in effect, delays appropriation of exclusive rights in name**
- **Each case must be decided on its own facts, based upon evidence in record**

Surname *(cont)*

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- **Whether a term is primarily merely a surname depends on primary significance to purchasing public**
 - **Five factors are considered in making this determination:**
 - Whether surname is rare
 - Whether term is surname of anyone connected with applicant
 - Whether term has any recognized meaning other than as a surname
 - Whether it has "look and feel" of surname
 - Whether stylization of lettering is distinctive enough to create separate commercial impression

In re Joint-Stock Company "Baik"

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- **Examiners evidence essentially comprised 456 hits from a Verizon database**
- **Board found that BAIK is an "extremely rare surname,"**
 - **No evidence that anyone with that surname has achieved any notoriety**
 - **Applicant confirmed that no one connected with it has surname BAIK**
- **Applicant argued that BAIK "is an arbitrary Russian sounding word mark" that sounds "similar to Baikal, a Russian lake in Siberia" and to "the Baikal mountain range in Siberia."**
 - **Mark is promoted along with words "VODKA Siberia."**

In re Joint-Stock Company "Baik"

(cont)

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- Board agreed with Applicant that public would see the mark as a "fanciful Russian term used in a trademark sense."
- PTO argued because mark "does not have any primary recognition other than as a surname," it has "look and feel" of surname
- Board rejected above argument noting the lack of evidence that BAIK resembles other "common" surnames
 - Surnames cited were almost as rare as BAIK
- Board rejected argument and reversed refusal
- In rare concurring opinion, Judge Seeherman stated that registration should not be refused just because a mark "is similar in sound or appearance to other surnames."

In re Thermo LabSystems Inc.

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- **TTAB affirmed surname refusal to register mark WATSON for “computer software for use in laboratory information management ...”**
- **Applicant argued WATSON would primarily connote James Dewey Watson, one of discoverers of structure of DNA molecule**
- **Board did not agree that relevant purchasing public would consider Watson to be such “an historical figure” they would “view the primary connotation of WATSON as James Dewey Watson.”**

In re Thermo LabSystems Inc. (cont)

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- **Examiner established primary significance of WATSON to purchasers is merely a surname**
 - PTO's evidence showed more than 81,000 residential listings for, and more than 250,000 individuals with, surname WATSON
 - Found that it is 72nd most common surname in US
- **WATSON has “look and feel” of surname**
 - Numerous individuals, including many notable and accomplished individuals have that surname
- **Applicant argued WATSON has many meanings**
 - Name of one or more historical figures
 - Given name
 - Geographic location
- **This evidence was not enough to overcome rejection**

In re Thermo LabSystems Inc. (cont)

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- Applicant argued that James Dewey Watson, among other “famous” Watson’s were historical figures
 - Thomas Augustus Watson, assistant to Alexander Graham Bell, and professional golfer Tom Watson
- Board, however, said that the evidence did not show these individuals to be "historical figures" to prospective purchasers of Applicant's goods
- As to geographic argument, Applicant submitted
 - Evidence that geographic locations in 24 states bear name Watson
- Board indicated that even if WATSON has minor geographical significance, that does not dissipate its primary significance as a surname; indeed many places are named after people

Acquired Distinctiveness or Secondary Meaning 15 U.S.C.1052 (F)

Acquired Distinctiveness or Secondary Meaning

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- If a proposed mark is not inherently distinctive, it may be registered on the Principal Register only upon proof of acquired distinctiveness, or "secondary meaning, "proof that it has become distinctive as applied to applicant's goods or services in commerce"
- Crux of secondary meaning doctrine is that mark comes to identify not only goods but source of goods
- Unlike prior sections which define grounds upon which registration is to be refused, Section 2(f) is exception to a rejection under provisions of one of other sections. It permits registration of marks that have nevertheless "become distinctive of the applicant's goods in commerce."

Acquired Distinctiveness or Secondary Meaning *(cont)*

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- **To establish secondary meaning, it must be shown that**
 - **Primary significance of term in minds of consuming public is not product but producer**
 - Can be an anonymous producer, since consumers often buy goods without knowing actual name of manufacturer
- **Three types of evidence used to establish acquired distinctiveness (1 or combination)**
 - **Claim of ownership of one or more prior registrations on Principal Register of same mark for goods or services similar to those named in pending application**
 - **Actual evidence of acquired distinctiveness**
 - **Statement by applicant that mark has become distinctive of the applicant's goods or services by reason of substantially exclusive and continuous use in commerce by applicant for five years before date when claim of distinctiveness is made.**

Kellogg Co. v. General Mills, Inc.

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- **Board dismissed Kellogg's opposition to registration of CINNAMON TOAST CRUNCH for a “cereal derived ready-to-eat food bar.”**
 - Kellogg failed to rebut General Mills' *prima facie* case of acquired distinctiveness based on transfer of acquired distinctiveness of identical mark for breakfast cereal
- **Intent-to-use application included a claim of acquired distinctiveness as to phrase CINNAMON TOAST.**
 - Claim was based on General Mills' ownership of two registrations for CINNAMON TOAST CRUNCH for breakfast cereal, on 16 years of use of mark with cereal, and on advertising and sales figures for its cereal

Kellogg Co. v. General Mills, Inc. (cont)

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- **Kellogg argued**
 - **Mark is merely descriptive in light of its and industry's "long established prior use of the words 'cinnamon,' 'toast,' 'cinnamon toast,' 'crunch,' or 'crunchy'"**
 - **General Mills did not present evidence that cereal and food bars are related; and**
 - **General Mills existing registrations disclaim term CINNAMON TOAST**

Kellogg Co. v. General Mills, Inc.

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- **General Mills argued**
 - Relationship between cereal and cereal-based food bars is "self evident"
 - Disclaimers made ten years ago are no longer relevant; and
 - Established acquired distinctiveness for CINNAMON TOAST based on its sales and advertising figures
- **Board stated that party opposing a 2(f) application bears “initial burden of challenging or rebutting the applicant's evidence of distinctiveness made of record during prosecution which led to publication of the proposed mark.”**

Kellogg Co. v. General Mills, Inc.

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- Board agreed that relationship between cereal and cereal bars is “self evident” and no evidence is required to prove same
- Board found that “substantial length of use and registration of the marks for breakfast cereal, and the substantial sales and advertising over the past five years alone ... are sufficient, in the absence of countervailing evidence, to establish that applicant's mark as a whole, including the disclaimed phrase CINNAMON TOAST, has acquired distinctiveness in connection with breakfast cereal.”
- Opposition was dismissed

Ownership

Ownership

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- **Application to register a mark must be filed by owner of mark or, in case of an intent-to-use application under by person who is entitled to use mark in commerce**
- **Owner of a mark is person who applies the mark to goods that he or she produces, or uses mark in sale or advertising of services performed**
- **If applicant is not owner of (or entitled to use) mark at time application is filed, application is void and cannot be amended to specify correct party as the applicant, because applicant did not have a right that could be assigned**

Ownership (cont)

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- **Claim of Ownership May Be Based on Use By Related Companies**
 - An applicant may base its claim of ownership of a trademark on:
 - Its own exclusive use of the mark
 - Use of the mark solely by a related company whose use inures to the applicant's benefit; or
 - Use of the mark both by the applicant and by a related company whose use inures to the applicant's benefit
- **Where mark is used by a related company, *owner is the party who controls the nature and quality of the goods sold or services rendered under mark***
 - Owner is only proper party to apply for registration

Great Seats, Ltd. v. Great Seats, Inc.

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- **Registration for mark GREAT SEATS INC. in for ticket agency services was cancelled because application that matured into registration was not filed by owner of mark**
- **Founder filed application in name of one company (formed in 1997), but a second company (formed in 1990) was actually using mark**
- **Despite same ownership, Respondent was unable to convince Board that two companies were same enterprise or were "related companies" under Section 5 of the Act**

Great Seats, Ltd. v. Great Seats, Inc.

(cont)

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- **Under Section 1(a), only owner of the mark may file an application to register**
 - Otherwise, application is void *ab initio*
 - Here, Board ruled, owner of mark was actual user of mark, 1990 corporation
- **Respondent argued**
 - Two corporations “were merely earlier and later manifestations of same single continuing commercial enterprise”; and
 - Signing of application was a curable defect
- **Board ruled**
 - Case did not involve misidentification of a single, ongoing enterprise, but two separate enterprises in existence at same time
 - Application was filed by the wrong entity.

Great Seats, Ltd. v. Great Seats, Inc.

(cont)

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- **Although respondent was the controlling shareholder of both companies and they shared common premises, there was no evidence that he exercised control over the 1990 corporation in his capacity as officer of the 1997 corporation**
- **Board found that two companies were not related for purposes of Section 5 and deemed application void *ab initio* and granted petition for cancellation**

TTAB Rule Changes

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- **Most of the rules become effective on November 1, 2007. Some of these are:**
 - Plaintiffs in Trademark Trial and Appeal Board (Board) inter partes proceedings to serve on defendants their complaints or claims
 - Numerous general provisions regarding the now required discovery conference
- **Two significant rules already took effect as of August 31, 2007.**
 - Board's Standard Protective order applicable in every case. They have even been made applicable in all pending cases
 - Except those with a different protective order already in place
 - A pleaded registration may now be placed in evidence by submitting copies of the USPTO electronic database records (TARR and assignment), without the need for furnishing a certified, "status-and-title" copy

Dilution & Fraud

- **FRAUD**
 - **Carrie Webb Olson**
- **DILUTION**
 - **Gregory Krakau**