

# The Top Ten TTAB Decisions in 2010-2011

**John L. Welch**  
Lando & Anastasi, LLP

---

The Federal Circuit’s August 2009 decision in *In re Bose Corporation* brought a sudden end to the “golden era” of fraud at the Trademark Trial and Appeal Board (TTAB), when fraud was a favorite avenue of attack in inter partes proceedings. Since *Bose*, the TTAB has yet to find fraud in a single case. In the 2009-2010 time period, the Board issued several precedential decisions clarifying the strict pleading requirements for a fraud allegation. But pleading fraud is not a major hurdle; the difficult task is proving it. Not only must the party charging fraud establish the other party’s intent to deceive the United States Patent and Trademark Office (USPTO) by clear and convincing evidence, but under the Board’s recent ruling in *MCI v. Bunte*, an “advice of counsel” defense will be a major roadblock to proof of fraud. But even as the curtain closes on the fraud follies, the claim of lack of bona fide intent may be moving to center stage. This line of attack is relatively easier to prove than fraud, because bad-faith intent is not an element. In fact, a party

may establish a prima facie case by showing that the challenged party lacks documentation to support its claim of a bona fide intent to use its mark.

Another area under development concerns a foreign owner's right to enforce its mark in the United States despite minimal or no use here. Although this country's trademark law does not recognize the "well-known mark" doctrine as a means of preventing registration of another's mark, a foreign owner may, according to the Board's *Petróleos Mexicanos* ruling, pursue a section 2(a) false association claim without any use or registration of its mark in this country; moreover, even minimal use falling short of technical trademark use may provide a basis for a likelihood of confusion claim.

Among other noteworthy TTAB decisions, the issue of genericness continues to provide food for thought, as exemplified by the Board's ruling that "THUMBDRIVE" is not generic for those ubiquitous portable electronic storage devices. A product package comprising a beer glass and stand yielded an interesting discussion concerning distinctiveness, inherent and acquired. And a well-known slogan regarding the U.S. Marines triggered the Board's observation that not every designation that appears on a product is registrable as a trademark.

In another Cuban cigar crisis, the Board re-examined the standard for proving a mark to be primarily geographically deceptively misdescriptive under section 2(e)(3). And in affirming a section 2(d) refusal involving the relatedness of beer and wine, third-party registration evidence continued to sway the Board in its *du Pont* analysis despite one party's determined statistical attack on the probative value of that evidence.

Finally, this subjective list of favorite decisions is rounded out by two cases involving uncommon topics: whether use of a mark in laboratory testing for unapproved medical products constitutes a bona fide and lawful use for trademark registration purposes; and when a mark runs afoul of section 2(c), which bars registration of a word or term that identifies a particular living individual absent written consent.

### **I. *M.C.I. FOODS, INC. V. BRADY BUNTE*, 96 U.S.P.Q.2D 1544 (T.T.A.B. 2010) (PRECEDENTIAL)**

As stated above, since the Federal Circuit's ruling in *In re Bose Corporation*, 91 U.S.P.Q.2d 1938 (Fed. Cir. 2009) raised the bar for proving fraud on the USPTO, the TTAB has yet to uphold a single fraud claim. The requirement that intent to deceive be proven "to the hilt" by clear and convincing evidence makes it likely that fraud will be established in only the rarest case. The Board's rulings in this precedential decision and in a subsequent non-precedential decision also discussed here illustrate some of the serious obstacles that a fraud claimant may have to surmount.

In this consolidated opposition and cancellation proceeding, Bunte petitioned for cancellation of MCI's registration for the mark CABO PRIMO & Design for various Mexican style food products, including burritos, tacos, tortillas, tamales, and the like. Bunte alleged that MCI never used that mark for nearly all the goods identified in its registration. Indeed, MCI's president testified that it had used the mark only on burritos and that MCI included the additional goods "in anticipation of future use." 96 U.S.P.Q.2d at 1548.

The Board found that MCI "made a false representation when it filed its application to register the CABO PRIMO & design mark and claimed use on products other than burritos," and that it did so "to obtain as broad a scope of protection as possible." *Id.* at 1549. Nonetheless, the Board found that MCI did not intend to deceive the USPTO when it filed its application: "Because MCI filed its application to register the CABO PRIMO and design mark with the advice of counsel, the overly expansive description of goods, while a false statement, falls short of constituting a fraudulent statement which carries with it an actual or implied intent to deceive the USPTO." *Id.*

The Board refused to find an intent to deceive without a proper factual basis, pointing out that "there is no evidence or testimony indicating that MCI was advised that it could not or should not apply for Mexican food products not identified by its CABO PRIMO and design mark." *Id.*

[I]t was incumbent upon Bunte to establish such a factual basis by, for example, eliciting further testimony as to the actual advice MCI received when it "discussed with counsel" the list of goods it intended to include in the application and whether or to what extent MCI relied on such advice.

\*\*\*

Bunte failed to show, by direct evidence, that MCI intended to deceive the USPTO or, by indirect evidence, that the Board could draw no reasonable conclusion other than that MCI intended to deceive the USPTO.

*Id.*

The Board hastened to add that its finding does not mean that the mere assertion that one acted with advice of counsel will automatically comprise a good defense to a fraud claim. Instead, the ruling means that the party claiming fraud must show that the advice of counsel defense, once raised, is "inapplicable or inappropriate under the particular circumstances of the case at hand." *Id.* at 1550.

And so the Board denied Bunte's fraud claim, but it did order that MCI's registration be restricted to burritos.

As a practical matter, *MCI v. Bunte* underscores the difficulty a party will have in proving a fraud claim. As soon as the challenged party claims that it acted with advice of counsel, it is incumbent on the other party to find out just what advice was given and whether it was followed. Of course, one may question the challenged party, but it is likely that one also will want or need to question the attorney too. This obviously will make the pursuit of a claim of fraud considerably more expensive, particularly when one considers the likely battle over the attorney-client privilege and the need for attorney testimony. Moreover, if all one determines is that the party did receive and follow advice of counsel, albeit possibly bad advice, then the costly pursuit of the fraud issue will have been for naught. The result of all this may well be that fewer fraud claims are pursued to the bitter end.

One might have thought that one particular factual scenario – the fabricated specimen of use – would surely constitute fraud, but a recent non-precedential Board ruling makes even that doubtful. In *Information Builders, Inc. v. Bristol Technologies, Inc.*, Opposition No. 91179897 (T.T.A.B. Jan. 10, 2011) (not precedential), the Board refused to find that Bristol Technologies committed fraud when, in response to an examining attorney’s requirement for submission of a proper specimen of use, it fabricated a computer screenshot displaying its mark BRISTOL FOCUS and then verified that the fabricated specimen had been in use in commerce as of its application filing date. In fact, Bristol Technologies had not even completed its software product, let alone made a sale thereof.

The Board, however, was “reluctant to hold” that the opposer had proven fraud “to the hilt” by clear and convincing evidence that Bristol intended to deceive the USPTO. Instead, based on the evidence of record, it found that the applicant’s president, “as a layperson, had an honest misunderstanding that the above activities represented a legitimate way to document his purported usage of the adopted term and that applicant had legitimately used the mark BRISTOL FOCUS as shown on the substitute specimen.” *Information Builders*, Opposition No. 91179897, slip op. at 19-20.

The Board “would not characterize his actions as trying to fabricate a fraudulent specimen,” and it ruled that the opposer had failed to meet its heavy burden of proof to show fraud. *Id.* at 20.

It seems that, in most cases, a party accused of fraud will be able to avail itself of either the “innocent layperson” defense or the “advice of counsel” defense. One must wonder whether the only persons capable of committing a fraud on the USPTO are trademark attorneys.



## PRACTICE TIP

When pleading a fraud claim, be sure to check the governing TTAB precedent, which spells out what needs to be alleged; then give some serious thought to how an intent to deceive by clear and convincing evidence can be proven.

## II. *PETRÓLEOS MEXICANOS V. INTERMIX S.A.*, 97 U.S.P.Q.2D 1403 (T.T.A.B. 2010) (PRECEDENTIAL)

The Board denied respondent Intermix’s Rule 12(b)(6) motion for dismissal of this cancellation proceeding involving its registration for the mark PEMEX for petroleum products and services, finding that petitioner *Petróleos Mexicanos* had standing and had properly pleaded three claims for relief: false association under section 2(a), likelihood of confusion under section 2(d), and fraud.

In its motion, Intermix asserted that *Petróleos Mexicanos* lacked standing because it neither pleaded use nor registration of its mark in the United States, nor did it otherwise claim any trademark rights in the PEMEX mark that are protectable in the United States. Intermix also argued that *Petróleos Mexicanos* could not rely on the alleged fame of its mark in Mexico under a “famous mark” theory, because the TTAB does not recognize the “well-known mark” or “famous foreign mark” doctrine as a basis for preventing registration by another. *See, e.g., Bayer Consumer Care AG v. Belmora LLC*, 90 U.S.P.Q.2d 1587 (T.T.A.B. 2009). (For prior discussion regarding the “famous foreign mark” doctrine, *see* 2009 IP Book at 46-47; 2008 IP Book at 111-113; 2007 IP Book at 95-99; 2005 IP Book at 90-99.)

The Board began by pointing out that if the petitioner establishes standing as to any of its pleaded grounds, then it has the right to assert any other grounds that have a reasonable basis in fact that negate the applicant’s right to registration. *See Lipton Indus., Inc. v. Ralston Purina Co.*, 213 U.S.P.Q. 184, 188 (C.C.P.A. 1982).

It then turned to the pleaded section 2(a) claim of false association, observing that the petitioner need not allege proprietary rights in its name for purposes of this claim. “[A] petitioner may have standing by virtue of who petitioner is, that is, its identity.” *Petróleos Mexicanos*, 97 U.S.P.Q.2d at 1405 (citing *Estate of Biro v. Bic Corp.*, 18 U.S.P.Q.2d 1382, 1385 (T.T.A.B. 1991)). Here, *Petróleos Mexicanos* pleaded a section 2(a) claim: “that it is the actual institution with which consumers will presume a false suggestion of a connection when confronted with respondent’s identical PEMEX mark, and which is allegedly implicated by that false suggestion.” *Id.* at 1406.

Moreover, *Petróleos Mexicanos* sufficiently pleaded its section 2(d) claim. It alleged that it has “extensive business activities” in this country, but respondent Intermix argued that these activities fall far short of a bona fide use of a trademark in commerce, “as required by 15 U.S.C. § 1127.” *Id.* The Board, however, pointed out that section 2(d), by its terms, requires merely that a prior mark has been “used in the United States by another.” *Id.* In 2007 the Federal Circuit held that “a foreign opposer can present its opposition on the merits by showing only *use* of its mark in the United States.” *First Niagara Ins. Brokers Inc. v. First Niagara Fin. Group Inc.*, 81 U.S.P.Q.2d 1375, 1378 (Fed. Cir 2007) (emphasis in original). In other words, the foreign owner’s use need not meet the level of use required for obtaining a registration in this country:

Specifically, the *First Niagara* court found that a Canadian insurance company, operating out of Canada and having no physical presence in the United States, had connections to the United States by way of, inter alia, selling policies issued by United States-based underwriters, and selling policies to United States citizens having Canadian property, and that such connections were sufficient to establish priority.

*Petróleos Mexicanos*, 97 U.S.P.Q.2d at 1406.

The Board concluded that *Petróleos Mexicanos*’ section 2(d) allegations were adequate; whether its activities “constitute use, or use analogous to trademark use ... sufficient to prove priority, is a matter for trial.” *Id.*

Finally, the Board reviewed *Petróleos Mexicanos*’ fraud allegations and found them to be sufficient:

[P]etitioner alleges with particularity that respondent knowingly, with the intent to deceive the USPTO, made a material misrepresentation that it was using its mark in commerce in the United States on the identified goods and services as of the time it filed its statement of use, when no such use had been made.

*Id.* at 1408.

Foreign trademark owners seeking to protect their marks in this country would be wise to keep this case in mind, along with last year’s decision in *Fiat Group Autos S.p.A. v. ISM, Inc.*, 94 U.S.P.Q.2d 1111 (T.T.A.B. 2010), wherein the Board ruled that a foreign owner without use of its mark in the United States may bring a claim for dilution based on the fame of its mark here, provided that it has filed an application to register the mark in this country.

### III. **SMITHKLINE BEECHAM CORP. V. OMNISOURCE DDS, LLC, 97 U.S.P.Q.2D 1300 (T.T.A.B. 2010) (PRECEDENTIAL)**

Although the fraud bomb has been defused in TTAB inter partes proceedings, attacks on a party's bona fide intent seem to be on the rise. The "lack of bona fide intent" claim is not as potent a weapon as fraud: a finding of fraud as to even one item in the identification of goods would destroy the entire application or registration, whereas a finding of lack of bona fide intent knocks out only the particular item or items for which intent was lacking. On the other hand, fraud is harder to establish because of the associated heavy burden of proof.

In this case, the applicant filed an intent-to-use application to register the mark AQUAJETT for only one product: "dental instruments, namely, oral irrigators." Therefore, a finding of lack of bona fide intent would indeed wipe out the entire application – and that's just what happened here.

The Board regularly relies on *Commodore Electronics Ltd. v. CBM Kabushiki Kaisha*, 26 U.S.P.Q.2d 1503, 1507 (T.T.A.B. 1993) for the proposition that the lack of documentary evidence on the part of an applicant regarding its intent to use a particular mark is sufficient to establish a prima facie case of lack of bona fide intent. It is then incumbent upon the applicant to rebut that prima facie case with objective evidence.

The Board probed the evidentiary record, finding a major cavity: applicant Omnisource had "no plans relating to manufacture, licensing, marketing or use of the mark." *SmithKline Beecham*, 97 U.S.P.Q.2d at 1304. The record was "devoid of any evidence such as manufacturing efforts, licensing efforts, test marketing, correspondence with prospective licenses [sic], preparation of marketing plans or business plans, creation of labels, marketing or promotional materials, and the like." *Id.* And so opposer SmithKline established its prima facie case.

Omnisource tried in vain to fill the hole in its proofs. It pointed to two patents for dental irrigators owned by its principal, Dr. William Weissman, but the patents did not mention the AQUAJETT mark. The fact that Dr. Weissman, a practicing dentist, attends trade shows where oral irrigators are marketed by others was not probative of his intent to use the mark, nor were his statements that he contemplated how and to whom the goods would be marketed. Vague references to business plans and research and development, contained in the minutes of Omnisource's annual meeting, were not enough. And the mere fact that Omnisource had filed an application to register a trademark cannot establish a bona fide intent, because if that were the case, lack of bona fide intent would never be a ground for opposition or cancellation.

Lastly, and rather desperately, Omnisource contended that SmithKline must show that the applicant acted in bad faith, and that SmithKline's claim is in the nature of an accusation of fraud

“that has neither been sufficiently pled nor proven by clear and convincing evidence.” *Id.* at 1305. The Board, however, observed that Omnisource cited no authority in support of its argument, and indeed had incorrectly conflated the requirements for pleading and proving lack of bona fide intent with those for fraud. The Board pointed out that a showing of bad faith is not required to prove a lack of bona fide intent.



#### **PRACTICE TIP**

In order to fend off a claim of lack of bona fide intent, one will in all likelihood need some corroborating documentation; make sure that when filing an application (whether under section 1(b), section 44, or section 66), supporting documentation is available.

#### **IV. *IN RE TREK 2000 INTERNATIONAL LTD.*, 97 U.S.P.Q.2D 1106 (T.T.A.B. 2010) (PRECEDENTIAL)**

In a decision whose outcome was surprising to more than a few, the Board reversed a refusal to register the mark THUMBDRIVE for portable electronic storage devices, ruling that the USPTO had failed to meet its burden to provide the required clear evidence to support its genericness refusal. The record included “both trademark and generic uses [and] evidence of lack of competitor use,” which at a minimum created “doubt sufficient to tip the balance in favor of registration.” 97 U.S.P.Q.2d at 1114.

The Board first addressed a procedural point concerning Trek’s argument that the case had been improperly restored to the examining attorney after publication because no showing of “clear error” was made with regard to the approval for publication. It pointed out that “questions involving the applicability of the ‘clear error’ standard are the subject matter of a petition to the Director, and are not proper for consideration by way of an appeal to the Board.” *Id.* at 1107. The Board’s jurisdiction is limited to the correctness of the substantive refusal, and does not encompass procedural issues arising out of prosecution practice.

Turning to the substantive issue, the Board stepped back to view the policy behind genericness refusals: to prevent harm resulting from monopolization of a term that should be available to competitors. A finding of genericness is a “fateful step” that tosses the term into the public domain, a step not to be taken “until the trademark has gone so far toward becoming the exclusive descriptor of the product that sellers of competing brands cannot compete effectively without using the name to designate the product they are selling.” *Id.* at 1108.



The examining attorney relied on excerpts from various Internet websites showing use by several retailers of the term “thumb drive” generically for portable data storage devices. Applicant Trek pointed to its ownership of a supplemental registration for THUMBDRIVE for various computer-related goods, including apparatus for storing data. It urged that the examining attorney had not met her evidentiary burden because the record raised doubt about whether the mark is generic.

Trek’s evidence showed that it coined the term THUMBDRIVE in 2000, that its sales exceeded \$4,000,000 from 2002-2007, that it advertises and promotes the mark and authorizes others to co-brand and sell USB storage devices bearing the mark, and that it polices the mark. It also submitted Internet pages showing media usage of THUMBDRIVE as a brand name, a Wikipedia entry referring to the term as a trademark, and negative dictionary evidence.

The Board particularly noted the absence of generic use of the terms THUMBDRIVE or THUMB DRIVE by competitors, during the 10 years of use of THUMBDRIVE by Trek. Instead, competitors use “flash drive” as the name of the goods. “In other words, the evidence does not ‘demonstrate a competitive need for others to use’ this term.” *Id.* at 1113 (quoting *In re Hotels.com LP*, 91 U.S.P.Q.2d 1532, 1536 (Fed. Cir. 2009)). “While evidence of competitor use is not required to satisfy this burden, where the record demonstrates both trademark and generic uses, evidence of the lack of competitor use, at a minimum, may create doubt sufficient to tip the balance in favor of registration.” *Id.* at 1114.

The Board found this case to be similar to *In re America Online Inc.*, 77 U.S.P.Q.2d 1618 (T.T.A.B. 2009) in its “mixed record on the question of genericness.” *Id.* at 1113. Such a mixed record creates a doubt that must be resolved in favor of the applicant.

Noting that its genericness determination is an “all or nothing” decision and that the USPTO’s evidentiary burden to prove genericness is “heavy indeed,” the Board refused to take the “fateful step” of full “eradication” of Trek’s rights. The Board distinguished this case, involving “a coined term used as a trademark [and] quickly taken up by the public but not by competitors,” from those in which a term was in the public domain at the time of adoption (e.g., “POCKET BOOK”) and those where the term is simply a combination of generic terms (e.g., “SCREENWIPE”). *Id.* at 1114.

The reader will note that the outcome of the genericness issue could be different in an inter partes context, where an adversary might offer survey evidence, or in an infringement context, where the genericness question may not be an “all or nothing” proposition because the court may craft injunctive relief that “protect[s] trademark significance while allowing other generic uses.” *Id.*; see, e.g., *King-Seeley Thermos Co. v. Aladdin Indus., Inc.*, 138 U.S.P.Q. 349, 352-353 (2d

Cir. 1963) (allowing competitors to use the term “thermos” with a lowercase “t,” but not with the words “original” or genuine”).

There is a lesson here for trademark owners trying to fend off a potential claim of genericness: actively police the mark, hound the media about using the mark correctly, and insist that dictionaries recognize the mark as a trademark. Also note that Wikipedia is available for posting a favorable entry regarding the mark. A trademark owner, particularly in the case of a very strong and unique mark, will never be able to stop all improper usage by the ordinary consumer (e.g., on eBay, Twitter, and the like). Nonetheless, a reasonable policing effort is the price of creating and maintaining a strong trademark. In that regard, the owner might take some solace in the Board’s observation regarding the modern media:

Today, with a 24-hour news cycle and 24/7 online global activity, undoubtedly many trademarks are misused repeatedly, perhaps, in part, because there is less time for editing and reflection before news reports or blog posts are released, and, in part, because what was the casual spoken word between people is now the written word posted to the world.

*Trek 2000*, 97 U.S.P.Q.2d at 1113.

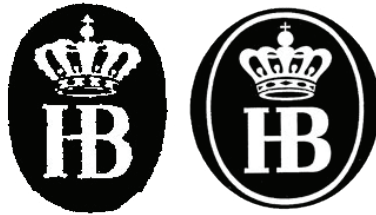


### **PRACTICE TIP**

The price of owning a strong mark and keeping it strong is a vigilant policing effort that will serve as important evidence to counter the occasional third-party misuse of the mark in today’s irrepressible flow of information.

## **V. *IN RE KYSELA PERE ET FILS, LTD.*, 98 U.S.P.Q.2D 1261 (T.T.A.B. 2011) (PRECEDENTIAL)**

In case after case, the Board finds various alcoholic beverages to be related for purposes of its section 2(d) *du Pont* analysis. Typically, third-party registrations and website evidence will convince the Board that consumers are accustomed to seeing different alcoholic beverages, say beer and wine, emanate from the same source under the same mark. That’s what happened in this case. Despite the applicant’s spirited argument, the Board deemed wine and beer to be related goods and so affirmed a section 2(d) refusal to register the mark HB for wine, finding it confusingly similar to two registered design marks (shown here) for beer:



The Board was, not surprisingly, unimpressed by the applicant's attempt to distinguish the marks based on the registrant's history as the royal brewhouse of Bavaria, Germany in the 16th century, and it brushed aside the argument that the registered marks could be read as "I-B" with the observation that many will view the letters as "HB." Furthermore, because the applicant's mark is in standard character form, a registration would provide protection for the applicant's use of HB with a shared vertical element. In sum, because the letters HB dominate the registered marks, the Board concluded that the involved marks are, overall, similar in appearance.

As to the relatedness of the goods, the examining attorney submitted a substantial number of third-party registrations (about 20 being probative) showing that various entities have registered a single mark for both beer and wine. The applicant sharpened its pencil and argued that there are thousands of applications and registrations that include beer or wine in their identification of goods, and so the 30 or so submitted by the USPTO constitute "a negligible percentage (.00025-.00053) and not nearly enough to establish a relationship between the goods sufficient to lead to a finding of likelihood of confusion." 98 U.S.P.Q.2d at 1264.

The Board was not persuaded. First, it criticized the applicant's methodology and its failure to provide complete information regarding the USPTO records. Second, "[m]ost importantly, the fact that the examining attorney submitted approximately twenty probative third-party registrations listing beer and wine does not mean that they are the only registrations that include these goods." *Id.* at 1265. There is no requirement that the examining attorney submit all such registrations.

The Board also noted that it has in the past rejected a similar argument regarding the probative value of third-party registrations:

There is no requirement for goods to be found related that all or even a majority of the sources of one product must also be the sources of the other product.

\*\*\*

Second, the mere fact that some goods are not included in a registration’s identification of goods does not establish that *the owner of the mark* has not registered the mark for those goods in another registration.... Third, the law recognizes that trademark owners have different marks that are used as a house mark, a mark for a line of products, and a mark for specific items.

*In re G.B.I. Tile and Stone Inc.*, 92 U.S.P.Q.2d 1366, 1370 (T.T.A.B. 2009) (emphasis in original).

The Board concluded that this third-party registration evidence sufficed to establish the relatedness of the goods.

The examining attorney also submitted website evidence showing that various companies make and sell both wine and beer, which provided “further support” to the Board’s “conclusion that the goods are related because the websites show that consumers have been exposed to the concept that wineries also make and sell beer.” *Kysela*, 98 U.S.P.Q.2d at 1266.

The Board noted the arguments of the PTO and the applicant regarding whether wine is within the natural zone of expansion of the registrant, but pointed out that this doctrine is:

more appropriate to inter partes cases, and that in the context of an ex parte proceeding the analysis should be whether consumers are likely to believe that the services emanate from a single source, rather than whether the owner of the cited registration has or is likely to expand its particular business to include the goods of applicant.

*Id.*

Observing that the goods will be sold in the same trade channels to the same classes of consumers, who are not particularly sophisticated, the Board affirmed the section 2(d) refusal to register.



### **PRACTICE TIP**

When choosing a mark for a beverage, remember to search for all types of beverages, because an examining attorney will likely show, through third-party registration evidence, that any beverage is related to any other beverage.

---

**VI. *IN RE JONATHAN DREW, INC. D/B/A DREW ESTATE*, 97 U.S.P.Q.2D 1640 (T.T.A.B. 2011) (PRECEDENTIAL)**

The Board attempted to clarify the law of section 2(e)(3) in this affirmation of a section 2(e)(3) refusal of KUBA KUBA for cigars, tobacco, and related products, on the ground that the mark is primarily geographically deceptively misdescriptive of the goods.

Applicant Drew did not dispute that the primary meaning of “Cuba” is geographic or that Cuba is famous for its tobacco products and cigars. Moreover, Drew conceded that its products will not originate in Cuba, nor will its products be made from Cuban seed tobacco.

Drew argued that the term KUBA, and the mark KUBA KUBA, “would convey meanings and associations that are different from the country of Cuba.” 97 U.S.P.Q.2d at 1643. It also maintained that the examining attorney did not meet the high burden to prove that a substantial portion of relevant consumers would be materially influenced by the mark to purchase the products, and further that because of the United States embargo on goods from Cuba, consumers would not likely believe that Drew’s goods originate in Cuba.

The Board found nothing unusual or fanciful about the spelling of Cuba as KUBA. Drew contended that KUBA would be “primarily viewed as a non-geographic term with a meaning ‘associated with the overall look and feel of the art and culture of the African Kuba Kingdom,’” and that KUBA has several other geographic meanings – including locations in Uzbekistan, Panama, Azerbaijan, and Japan – and non-geographic meanings: KUBA is a Polish given name and an acronym for the Korea University Buddy Assistance (KUBA) program. *Id.* However, there was no evidence that these “alternative” meanings were anything other than obscure to the ordinary consumer.

The Board pointed out that the mark must be considered in the context of the involved goods, which include tobacco and cigars purchased by the general public. In that light, the Board concluded that the term KUBA KUBA denotes Cuba, a well-known geographic location, and further that the geographic meaning is its primary meaning. It observed that even if the Kuba Kingdom were commonly known, that “would not detract from the significance of KUBA KUBA as a reference to Cuba,” since Drew’s goods “are cigars not tribal artifacts.” *Id.*

The Board then turned to the issue of materiality, because a section 2(e)(3) refusal requires that the misrepresentation be a material factor in the consumer’s purchasing decision. *In re Spirits International N.V.*, 90 U.S.P.Q.2d 1489, 1495 (Fed. Cir. 2009) held that “in order 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 product or service by the geographic meaning of the mark.”

The examining attorney’s evidence established that “Cuba is known for high quality tobacco and that Cuba is known for and famous for its cigars.” *Drew*, 97 U.S.P.Q.2d at 1644. Therefore, the Board could “infer that at least a substantial portion of consumers who encounter KUBA KUBA on applicant’s cigars are likely to be deceived into believing that the cigars come from Cuba.” *Id.* at 1645.

Drew urged that, in view of the Federal Circuit’s decisions in *Spirits* and *In re California Innovations Inc.*, 66 U.S.P.Q.2d 1853 (Fed. Cir. 2003), “the USPTO’s burden of establishing deceptiveness now requires a higher showing of deceptiveness,” and that direct evidence of public deception is required. *Id.* The Board, however, disagreed with Drew’s reading of those two cases, and it ruled that a “strong or heightened goods/place association, which we have here, is sufficient to support a finding of materiality.” *Id.* Moreover, direct evidence of public deception is not required:

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 also may be inferred from indirect or circumstantial evidence, such as gazetteer entries and third-party websites, as we have in this case.

*Id.*

The Board concluded that “we may infer from the evidence showing that Cuba is famous for cigars, that a substantial portion of relevant consumers would be deceived.” *Id.* at 1646.

Finally, with respect to Drew’s embargo argument, the Board noted that it has previously considered and rejected that same argument, citing *In re Boyd Gaming Corp.*, 57 U.S.P.Q.2d 1944, 1946 (T.T.A.B. 2000), and it pointed out that Drew offered no evidence that the embargo would have any effect on the perception of KUBA KUBA as a geographically deceptive term.

## **VII. *IN RE EAGLE CREST, INC.*, 96 U.S.P.Q.2D 1227 (T.T.A.B. 2010) (PRECEDENTIAL)**

In affirming a refusal to register the slogan ONCE A MARINE, ALWAYS A MARINE for various clothing items, the Board pointed out:

[N]ot every designation that is placed or used on or in connection with a product necessarily functions ... as a trademark for said product; not every designation

adopted with the intention that it performs a trademark function and even labeled as a trademark necessarily accomplishes that purpose; and there are certain designations that are inherently incapable of functioning as trademarks to identify and distinguish the source of the products in connection with which they are used.

96 U.S.P.Q.2d at 1229 (quoting *American Velcro, Inc. v. Charles Mayer Studios, Inc.*, 177 U.S.P.Q. 149, 154 (T.T.A.B. 1973)).

Of course, the decision as to whether a particular designation functions as a trademark hinges on public perception of the mark based on the specimens and other evidence of record showing how the designation is used in the marketplace. See *In re Volvo Cars of North America Inc.*, 46 U.S.P.Q.2d 1455 (T.T.A.B. 1998). Informational matter and common laudatory phrases ordinarily used in a business or industry are not registrable. See *In re Boston Beer Co. L.P.*, 53 U.S.P.Q.2d 1056 (Fed. Cir. 1999) (holding THE BEST BEER IN AMERICA incapable of registration as a trademark for beer). Furthermore, the more common the phrase, the less likely it will be perceived as a mark. See *Reed v. Amoco Oil Co.*, 225 U.S.P.Q. 876, 877 (M.D. Tenn. 1984) (on preliminary injunction motion, plaintiff not likely to prove secondary meaning for the phrase GOIN' THE EXTRA MILE).

The examining attorney maintained that the subject slogan, as it appears on Eagle Crest's specimens of use (a t-shirt and a cap), would be perceived as merely informational and not as a trademark. Eagle Crest admitted that the phrase is a "motto associated with and used by and about Marines by them and their admirers," and website evidence showed that this slogan is commonly used on t-shirts and other products. *Eagle Crest*, 96 U.S.P.Q.2d at 1229. The Board found, moreover, that the applicant's manner of use of the slogan would likely reinforce the perception of ONCE A MARINE, ALWAYS A MARINE as merely informational: Eagle Crest offered the customer this and eight other military or patriotic messages for imprinting on a clothing item.

The Board said:

There is no dispute that the phrase ONCE A MARINE, ALWAYS A MARINE is an old and familiar Marine expression, and as such it is the type of expression that should remain free for all to use. In fact, the evidence shows that the slogan is commonly used in an informational and ornamental manner on t-shirts and various other retail items produced and/or sold by others.

\*\*\*

Applicant is not entitled to appropriate the slogan to itself and thereby attempt to prevent competitors from using it to promote the sale of their own clothing.

*Id.* at 1230.

Eagle Crest asserted that other common Marine expressions, such as “HOOAH!” and “GUNG-HO!” are “trademarked.” The Board perceptively remarked, “[i]t is not clear what applicant means by ‘trademarked,’” and then pointed out that the other registrations for mottos or slogans are irrelevant to the case at hand. *Id.* at 1232.

And so the Board ruled that ONCE A MARINE, ALWAYS A MARINE would not be perceived as a trademark to identify and distinguish applicant’s goods, and it affirmed the refusal to register under sections 1, 2 and 45 of the Trademark Act.



#### **PRACTICE TIP**

Not every designation that appears on a product or is used with a service qualifies as a registrable mark, but it helps if the designation is distinctively displayed and carries the “TM” designation.

### **VIII. *IN RE BROUWERIJ BOSTEELS*, 96 U.S.P.Q.2D 1414 (T.T.A.B. 2010) (PRECEDENTIAL)**

In a case that raised several unique issues, the Board considered the USPTO’s refusal to register the applied-for mark shown in the drawing (a photograph) reproduced below, consisting of a flask, flask holder/stand, scrollwork, and wording, for beer, on the ground that the alleged mark “is merely a glass and does not serve as product packaging for the applicant’s beer.” 96 U.S.P.Q.2d at 1415. But the applicant contended that the mark comprises product packaging that is either inherently distinctive or has acquired distinctiveness in view of 25 years of use.





The Board noted that the applicant sought to register the configuration as a trademark for “beer,” not for a “beer glass and stand with wording and scrollwork.” *Id.* Thus the mark is not a product configuration that would be precluded from being inherently distinctive under *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*, 529 U.S. 205, 54 U.S.P.Q.2d 1065 (2000).

The examining attorney contended that the proposed mark would be perceived as a mere “serving suggestion” and does not function as a mark, and further that it is not product packaging because the beer “does not reside” in the mark. *Id.* at 1416. The Board, however, construed the goods to be “beer sold in restaurants, bars, pubs and the like,” and it deemed the purported mark to be “trade dress in the nature of product packaging.” *Id.* at 1420. Therefore, the issues to be decided were “whether the alleged mark, i.e., the beer glass and stand with wording and scrollwork, is inherently distinctive or has acquired distinctiveness for beer sold in restaurants, bars, pubs and the like.” *Id.*

To determine whether this packaging is inherently distinctive, the Board applied *Seabrook Foods, Inc. v. Bar-Well Foods, Inc.*, 196 U.S.P.Q. 289, 291 (C.C.P.A. 1977). The examining attorney urged that the configuration is a mere refinement of a “commonly-adopted style of beer glass” known as a “yard of ale glass,” relying on Internet web pages showing more than 10 examples of beer glass-and-stand products described as “Yard,” “Half Yard,” or “Foot of Ale Glass” with stand. *Id.* at 1416-18. The Board observed that these other glasses and stands were not being used as source indicators and were not associated with particular brands of beer. It therefore found it “reasonable to assume that the public’s perception of the alleged mark would be as a mere refinement of this type of beer glass and stand, rather than an inherently distinctive indicator of source for the beer served within it in a bar or restaurant.” *Id.* at 1421. The inclusion of the brand name PAUWEL KWAK and the other wording and scrollwork did not render the beer glass and stand inherently distinctive.

The applicant pointed to its sale of gift sets comprising bottled beer and its beer glass and stand, but the Board found that fact not to be probative of consumer perception regarding use of the glass and stand as a container in restaurants and bars. Third-party website evidence was likewise unpersuasive, and third-party registrations for bottle and container configurations were irrelevant to the consideration of the particular configuration here at issue.

The Board concluded that the applied-for mark “is a mere refinement of a common Yard, Half Yard, or Foot of Ale glass with stand” and therefore “falls short of being inherently distinctive” for the applicant’s goods. *Id.* at 1422.

As to the second issue, acquired distinctiveness, the Board agreed with the examining attorney that, because the alleged mark “is highly similar to a specific type of glass and stand for serving and holding beer,” the applicant’s claim of 25 years of use is “insufficient to prove acquired distinctiveness, especially without evidence of the extent of such use.” *Id.* at 1424. “[M]ore evidence would be necessary to show that it has become distinctive of applicant’s goods, e.g., affidavits or declarations from the ultimate purchasers and/or unsolicited publicity and references in the media.” *Id.*

In this case, there is simply no evidence that the alleged mark has ever been promoted by applicant as its trademark in the United States using “Look for ...” promotions, and the record is devoid of evidence that anyone other than applicant regards a beer glass and stand with wording and scrollwork as a trademark for beer sold at restaurants, bars, pubs and the like.

*Id.*

The applicant feebly argued that it could rely on the transfer of acquired distinctiveness from its registration of a two-dimensional mark consisting of a line drawing of a beer glass and stand. The Board observed that such a transfer of distinctiveness requires that the two marks be “the same mark;” i.e., they must be legal equivalents. *Id.* at 1423. That was not the case here.

And so the Board affirmed the refusal to register under sections 1, 2, and 45 of the Act on the ground that the applied-for mark fails to function as a trademark.

**PRACTICE TIP**

For a nonconventional mark that may not be or cannot be inherently distinctive, the chances for achieving registration are significantly improved if the applicant is able to point to “look for” advertising that calls the mark to the attention of the purchaser.

**IX. AUTOMEDX, INC. V. ARTIVENT CORP., 95 U.S.P.Q.2D 1976 (T.T.A.B. 2010) (PRECEDENTIAL)**

The sole contested issue in this section 2(d) opposition was priority of use, and the Board sided with opposer Automedx based on its earlier sale of ventilators to the Air Force for purposes of testing and refinement. One might say that Automedx breathed more easily after the Board ruled in its favor, sustaining its section 2(d) opposition to registration of the mark SAVE for medical “ventilators,” finding that mark likely to cause confusion with Automedx’s mark SAVE for portable ventilators.

Applicant Artivent was entitled to claim the filing date of its I-T-U application, October 10, 2006, as its date of first use. Automedx relied on sales before that date, which sales were “made for purposes of testing and were completed prior to FDA approval of opposer’s ventilators for human use.” 95 U.S.P.Q.2d at 1978. Artivent contended that those sales constituted neither bona fide use, nor lawful use.

**A. Bona Fide Use**

As to the sales themselves, the issue was “whether Opposer’s April 2005 and August 2006 sales were test sales for legitimate commercial purposes in the ordinary course of trade or token sales to reserve the mark for registration.” *Id.* at 1982. The Board found the former and not the latter. It disagreed with Artivent’s assertion that FDA approval is required before a sale may be bona fide. The sales were “mutually beneficial in that they allowed the military to test the initial units before committing to a larger purpose, and they permitted opposer to refine the product to make it commercially attractive.” *Id.* These were arm’s length transactions in which properly labeled goods were sold and transported in commerce. The fact that they were sold for testing purposes did not make the sale and transportation of the goods less legitimate.

## B. Lawful Use

The issue of lawful use involves two questions: (1) whether there is a previous determination that a party has not complied with a relevant statute; or (2) whether there is a per se violation of a statute. Here, there was no prior determination of illegality, and so Artivent relied on the per se prong of the test. According to Artivent, if the portable ventilators are goods in trade, which they must be in order for the opposer to claim priority, then the sale of the portable ventilators must be approved for human use by the FDA to constitute lawful use in commerce.

The Board, however, quickly dismissed that argument: “While they were not sold for human use [the devices were tested on the laboratory bench and in swine studies], they were *bona fide* sales and there is no perceptible violation of any laws or regulations.” *Id.* at 1985. There is no requirement of FDA approval for goods sold to the military for testing purposes.

And so the Board sustained the opposition.



### PRACTICE TIP

It is rare that the TTAB will find the use of a mark to be unlawful because it requires either a prior judicial ruling regarding illegality or the per se violation of a statute.

## X. *IN RE RICHARD M. HOEFFLIN*, 97 U.S.P.Q.2D 1174 (T.T.A.B. 2010) (PRECEDENTIAL)

In one of those cases that makes one want to ask a colleague, “Would you have appealed?,” the Board affirmed a rare section 2(c) refusal to register the marks OBAMA BAHAMA PAJAMAS, OBAMA PAJAMA, and BARACK’S JOCKS DRESS TO THE LEFT for pajamas and briefs, because the record did not include the written consent of President Barack Obama, the living individual identified in the marks.

Section 2(c) of the Trademark Act “absolutely bars the registration of a designation that identifies a particular living individual absent written consent.” 97 U.S.P.Q.2d at 1175. In determining whether a particular living individual with that “name” would be associated with the mark, the Board must consider: “(1) if the person is so well known that the public would reasonably assume the connection, *or* (2) if the individual is publicly connected with the business in which the mark is being used.” *Id.* at 1176 (emphasis added). In short, this provision of the Act “is intended to protect the intellectual property right of privacy and publicity that a living person has in his/her identity.” *Id.*

The examining attorney cited a January 2009 news story regarding the “Obamification” that the nation had experienced over the year prior to Barack Obama’s election as President (i.e., the manufacture of words from Obama’s name). One “early online favorite” was “Obama pajama.” *Id.* The Board commended the examining attorney (another rarity) for an “excellent job” in marshalling various media excerpts to demonstrate “the obvious” – “namely, that President Barack Obama is extremely well known.” *Id.* at 1177. Each of the names “Barack” and “Obama” is “so closely associated with this particular historic individual that the usages of these names in applicant’s three claimed trademarks will instantly create an association with the President.” *Id.*

Applicant Hoefflin, himself an attorney, lamely claimed that the terms “Barack” and “Obama” do not refer to any particular individual, and certainly not “the United States President Barack Hussein Obama II.” *Id.* at 1176. The Board had no doubt, however, that the three marks refer to the 44th President of the United States. Section 2(c) is not limited in scope to full names, but encompasses “surnames, shortened names, nicknames, etc., so long as the name in question does, in fact, ‘identify’ a particular living individual.” *Id.* at 1177.

Moreover, when an individual is so well known, he or she is entitled to the protection of section 2(c) without having to show a connection with the involved goods or services (e.g., EISENHOWER refused registration for greeting cards; PRINCE CHARLES for meat).

Hoefflin pointed to various third-party registrations for marks including given names like “George,” “Ronald,” and “Jimmy,” but those names (unlike “Barack”) are in common usage. And Hoefflin had the same problem with his surname evidence: the examining attorney showed that, while there are tens (if not hundreds) of thousands of persons having the surnames of the six immediate past presidents, the surname Obama appears in the same directory only 82 times.

Vetoing Hoefflin’s assertion that the terms “Barack” and “Obama” are arbitrary and distinctive, the Board panel voted to affirm.

## **XI. CONCLUSION**

Perhaps the next year will bring the TTAB’s first finding of fraud post-*Bose*, and the Board may answer the principal substantive question remaining with regard to fraud: is reckless disregard for the truth enough to satisfy the intent element? Meanwhile, we also may see further development of the Board’s bona fide intent jurisprudence, particularly concerning the type of evidence that will overcome a prima facie case based on lack of documentation. As to what other issues will appear on the Board’s radar screen, this author is afraid his crystal ball is at the repair shop.

