

The Board's-Eye View: Six Potential Pitfalls in Trademark Prosecution

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The successful preparation and prosecution of trademark applications requires much more than the mere extraction of needed information from applicants and the insertion of that information into the appropriate forms. In order to advise their clients and guide them through the application process, trademark practitioners must be well versed in the provisions of the *Trademark Act* and the *Trademark Rules of Practice*, as construed by the Trademark Trial and Appeal Board and the courts.

Much of the decisional law interpreting and applying the *Lanham Act* and the *Trademark Rules* springs from the TTAB. Since the turn of this century, the Board has rendered more than 2,000 decisions in *ex parte* appeals from PTO refusals to register and in *inter partes* opposition and cancellation proceedings. Those decisions, about 1 in 25 of which is citable as precedent, necessarily address a broad range of issues affecting trademark practice. This paper will highlight a half-dozen of the more interesting or important issues that have recently come under the Board's scrutiny, with the goal of providing some pragmatic guidance to the trademark practitioner regarding same.

1. Avoiding The "F" Word

The issue of fraud on the PTO has caught the attention of the Trademark Trial and Appeal Board on at least six occasions in the past eighteen months or so — frequent enough to raise the eyebrow of the everyday practitioner. Of course, trademark practitioners do not intentionally set out to commit fraud on the PTO, but these six cases show that it can and does happen, even if the applicant and its counsel had the best of intentions. In particular, these cases show that the Board is determined to hold an applicant to its word when it makes a verified statement to the PTO about use of its mark on the identified goods — with little or no room for excuses or for correction. And the consequences of making a false statement are severe.

By way of background, the TTAB has often stated that a charge of fraud must be "proven to the hilt" by clear and convincing evidence. Generally, fraud will not lie if the allegedly fraudulent statement was made with a reasonable and honest belief that it was true, or if the statement was not material. See, e.g., *Woodstock's Enterprises Inc. (California) v. Woodstock's Enterprises Inc. (Oregon)*, 43 USPQ2d 1440, 1443 (TTAB 1997). Nonetheless, in these six cases the Board found the applicants' statements less than "reasonable and honest,"

and it therefore cancelled the challenged registrations in four cases — three involving fraudulent Statements of Use and the fourth a false Section 8 declaration — and sustained the opposition in two cases featuring overly-broad listings of goods in use-based applications.

The most significant of the rulings, because it is citable, is *Medinol Ltd. v. Neuro Vasx, Inc.*, 67 USPQ2d 1205 (TTAB 2003). The Board entered summary judgment in favor of Petitioner Medinol on the ground that Respondent Neuro Vasx submitted a fraudulent Statement of Use in order to obtain its registration for the mark NEUROVASX for "medical devices, namely, neurological stents and catheters." After Medinol filed its petition for cancellation alleging that the SOU was fraudulent, Neuro Vasx admitted in its answer that it had not used the mark for stents. It requested amendment of the registration to delete "stents," claiming that the word had been "overlooked" when the SOU form was completed. The Board denied the motion to amend, holding that Neuro Vasx committed fraud in the procurement of the registration because it "knew or should have known" that its statement was false, and the Board consequently declared the entire resulting registration to be void. Although Neuro Vasx (not surprisingly) denied any fraudulent intent, the Board ruled that "the appropriate inquiry . . . is not into the registrant's subjective intent, but rather into the objective manifestations of that intent." *Id.* at 1209.

The next day, in *Nougat London Ltd. v. Garber*, Cancellation. No. 40,460 (May 14, 2003) [not citable], the Board granted Nougat's motion for summary judgment cancelling the subject registration for the mark NOUGAT for various clothing items, on the ground that Respondent Carole Garber had committed fraud in the filing of her Statement of Use. Discovery revealed that at the time the SOU was filed, Garber's use of the mark was limited to a single sale of women's skirts. Nonetheless, Garber did not limit her SOU to just those goods. Instead, she stated in her SOU that she was "using the mark in commerce between the United States and Canada in connection with goods identified in the Notice of Allowance." Garber contended that her statement was not false because she did not say that she was using the mark on *all the goods* listed in the Notice of Allowance, but just on *goods* listed in the Notice of Allowance. The Board, however, saw this as a deliberate attempt to mislead the PTO into believing that she had used the mark on all the goods, and it pointed out that "the Trademark Act and the Trademark Rules do not permit semantic games." Although noting that fraud typically is "ex-

tremely difficult to prove," the Board found it "hard to imagine more clear and convincing evidence of fraud."

Things remained quiet on the fraud front until February 2004, when the TTAB issued its first of four fraud decisions this year, in *Tequila Cazadores, S.A. De C.V. v. Tequila Centinela, S.A. De C.V.*, Opposition No. 91125436 (Feb. 24, 2004) [not citable]. The opposed application for the mark CABRITO & Des. was filed under Section 1(a), identifying the goods as various alcoholic beverages, including gin, wine, whiskey, vodka, and rum. However, at the time of filing, Applicant Centinela had never used the mark in connection with gin, wine, whiskey, vodka and rum. The Board granted summary judgment in favor of Opposer Tequila Cazadores on the ground of fraud. Applicant explained that it "did not receive legal advice when the [application] was prepared" and it did not understand that the application should have listed only those goods on which the mark was already being used. The Board, however, ruled that Centinela's lack of legal counsel and/or its misunderstanding of the "clear and unambiguous requirement" for a use-based application did not "negate the intent element of fraud." Centinela sought to distinguish the *Medinol v. Neuro VASX* decision by arguing that, unlike Neuro Vasx, it sought to amend its application before the claim of fraud was made, but the Board found that distinction immaterial.



In *Orion Electric Co. v. Orion Electric Co.*, Opposition No. 91121807 (March 19, 2004) [not citable], the Board sustained an opposition to registration of the mark ORION for "display monitors, moniputers and related accessories" on the grounds of likelihood of confusion and fraud. At the time of filing of its Section 1(a) application, Applicant, a Korean company, had not used the mark on all the identified goods, but it argued that its filing error "was inadvertent, due to language difficulties and miscommunication." The Board found the *Medinol v. Neuro Vasx* decision to be "analogous to this case": Applicant knew or should have known that "its sworn statement in the application was materially incorrect." The Board concluded that these misrepresentations were fraudulent, and it deemed the application, in its entirety, void *ab initio*.

In *Hawaiian Moon, Inc. v. Doo*, Cancellation No. 92042101 (April 29, 2004) [not citable], the Board entered summary judgment in favor of Petitioner Hawaiian Moon on the ground of fraud in the filing of an SOU. Respondent Rodney Doo filed an I-T-U application for "clothing" and later amended the identification of goods to "clothing and sportswear, namely, shirts, shorts, skirts, dresses, caps, swimwear and sweatshirts." At the time he filed his SOU, Doo had used the subject mark HAWAI-

IAN MOON only on shirts, but he claimed use on all the listed goods. Guided by *Medinol v. Neuro Vasx*, the Board observed that knowledge of or reckless disregard for the truth establishes a fraudulent intent; the Board need not inquire into subjective intent, but only into the objective manifestations of that intent. Despite the warning in the SOU that willful false statements may jeopardize the validity of the document, "respondent evidently was not prodded into making an inquiry to see if the statement of use was accurate." Doo's attorney asserted that Doo did not have a copy of the application "before him" when he reviewed the SOU, and that Doo "assumed that the [document] was in order and signed and returned [it]." The Board found that, even if the attorney's statement constituted proper evidence,

[b]y failing to consult the application or Notice of Allowance to determine the goods listed in the application, yet being warned that the penalty for false statements in the statement of use is a fine or imprisonment or both, respondent had reckless disregard for the truth of the statements regarding those goods on which he had used the mark. (slip op, pp. 9-10).

Four months after the petition for cancellation was filed and the fraud claim asserted, Doo had requested correction of his registration to eliminate the additional goods, but the Board deferred consideration of that request. In its decision granting the summary judgment motion, the Board noted that Doo sought correction only after the petition to cancel was filed, a fact that "reinforced" the Board's fraud conclusion. That observation might suggest that had Doo sought correction earlier, this panel of the Board may have reached a different conclusion as to fraud, but the *Tequila Cazadores* decision discussed above indicates otherwise. There, amendment was sought before the fraud claim was made, but that fact was deemed immaterial to the fraud issue.

The most recent decision, *Jimlar Corp. v. Montrexpport S.P.A.*, Cancellation No. 92032471 (June 4, 2004), involved an Italian company that filed a false declaration under Section 8 in connection with its Section 44(e) registration for the mark MONTREX and Des. for "shoes, athletic footwear, sandals, boots, and slippers." The Board granted Petitioner Jimlar's summary judgment motion, ruling that Montrexpport committed fraud when it filed its declaration claiming use of the mark on all the goods. After discovery responses revealed that it had never used the mark on athletic footwear and slippers, Montrexpport filed a motion to amend its registration to delete those goods. It also submitted the declaration of its president, stating that when he signed the Section 8 declaration,



he was unaware that the mark had not been used in the United States for those goods because at the time he did not “administer operations of the Registration Owner concerning the sale of its goods in the United States.” He further stated that he did not fully understand the declaration, that his statements were made “on information and belief,” and that he did not intend to deceive the PTO. The Board noted that Montrexpport’s asserted lack of intent to deceive was not relevant (citing *Medinol v. Neuro Vasx*) and found that Registrant knew or should have known that it had not used the mark in connection with all the goods listed in the declaration. The Board denied the motion to amend because Montrexpport “cannot cure an act of fraud by later amendment,” and it cancelled the registration in its entirety.

In summary, these six TTAB decisions underscore a fundamental principle: when an applicant makes a verified or sworn statement regarding use of its mark, that statement had better be completely true. False statements will not be readily excused. Lack of legal advice, misunderstanding of the statutory requirements, language difficulties, and/or clever wordplay will not provide a defense to a charge of fraud. Nor will the (wholly expected) assertion of lack of fraudulent intent.

Practitioners would be wise to make sure that a declarant or affiant fully comprehends not only the contents of the statement that he or she is about to verify, but also the ramifications of a false statement made to the Patent and Trademark Office. Errors regarding the goods or services with which a mark is being used cannot be cured by later amendment — apparently even if the amendment is sought *before* an adversary makes a claim of fraud. The result may be not only the loss of the involved application or registration in its entirety (and in applications and registration not based on actual use, loss of the important constructive first use date), but possibly other unsavory ramifications should the mark become involved in litigation. Moreover, an applicant or registrant against whom a fraud charge is sustained might point a finger of blame, however unjustly, at the trademark practitioner who helped prepare the application or other document in question. That is a situation we all should do our best to avoid.

2. Dodging Drawing Disasters

Gone are the days when an applicant could readily amend the drawing in a trademark application to correct an apparent error, or to revise the applied-for mark to comport with the specimens of use. Under today’s rules, the mark being applied for is the mark *depicted on the drawing page* submitted with the application. The mark depicted cannot be amended in any material respect, even if the error in the drawing is readily apparent.

The TTAB’s citable decision in *In re Who? Vision Systems, Inc.*, 57 USPQ2d 1211 (TTAB 2000), brought that point home. Applicant failed in its attempt to register the mark TACTILESENSE for fingerprint imaging systems because it erroneously spelled the mark as TACILESENSE on the application drawing page, even though the mark was correctly set forth on the first page of the application. The Board concluded that, in accordance with then-recent amendments to the *Trademark Rules*, the “mark sought to be registered” is defined as the mark depicted on the drawing page. [See *Rule 2.52(a)*: “A drawing depicts the mark sought to be registered.”] Applicant’s proposed amendment of the drawing page from TACILESENSE to TACTILESENSE was unacceptable because it would effect a material alteration of the mark in violation of *Rule 2.72*: the former term has no recognizable meaning while the latter term is comprised of two actual words having suggestive significance as to Applicant’s goods.

The Board reached a similar result last year in *In re Kupa, Inc.*, S.N. 76/411,536 (September 9, 2003) [not citable]. The drawing page submitted with this application presented Applicant’s mark at the center of the page as follows: “The Color PURPLE.” Its specimen of use comprised an advertisement that included a color photograph of an electric nail-filing machine having a purple housing; a circled, handwritten notation “THE COLOR PURPLE” appeared on the advertisement, with an arrow pointing to the purple housing. The Examining Attorney refused registration because the specimen did not show use of the word mark “The Color PURPLE” for the goods. Applicant Kupa argued that the Examining Attorney clearly understood that it intended to register the color purple as applied to the machines, but the Board cited *Rule 2.52(a)* in pointing out that the drawing depicts the mark to be registered. Moreover, under *Rule 2.72*, a drawing may not be amended if the amendment would effect a material alteration of the mark shown on the drawing page. Here, amending the drawing “would not be appropriate because a proper drawing showing applicant’s nail filing machine in dotted lines with lining for the color purple would constitute a material alteration of the original drawing depicting the mark as words.”

The lesson to be gleaned from these two cases is again a simple one: if you don’t want to be seeing purple, make sure the application drawing correctly depicts the mark that you seek to register – it’s the drawing that you will have to live with.

3. Passing The Genericness Test

The current CAFC genericness analysis dictates that a different test be applied to compound word marks than that applied to phrases. The Board’s uncitable decision

in *In re Robert's American Gourmet*, S.N. 75/600,461 (July 2, 2002) [not citable] exposed the fault lines in this inconsistent approach.

Can there be any doubt that ST. JOHNS WORT TORTILLA CHIPS is generic for "herbal and natural snacks, namely tortilla chips, tortillas shells, containing St. Johns Wort"? The TTAB panel in *Robert's* (Judges Cissel, Hairston, and Chapman) had no doubts. But in light of applicable CAFC precedent, and based on the record evidence, one may question whether the panel reached the legally correct decision.

Applicant Robert's did not dispute that "tortilla chips" is generic for the identified goods. The Board, relying on Internet printouts and an entry in the *Physicians Desk Reference*, found that "St. John's Wort" is "the generic name of an herb touted as an anti-anxiety or anti-depressant product." Because Applicant's specimen labels promoted the effects of the herb, the Board concluded that St. Johns Wort is a "key" and "critical" ingredient in Applicant's product. On that basis the Board affirmed the refusal to register:

The Examining Attorney has met the burden necessary to establish a prima facie case that the designation "St. Johns Wort" is generic for an herb which is a critical ingredient of the identified goods, and "tortilla chips" is generic for these snacks. The designation as a whole is the generic name of a key ingredient coupled with the generic term for the food product (e.g., "orange juice"), and consumers would so view this designation.

The PTO did not offer any evidence that the phrase ST. JOHNS WORT TORTILLA CHIPS *as a whole* had been used in a generic sense, or any evidence as to the public's understanding of the phrase. The Board expressed its belief that "competitors would have a competitive need to use this designation," and observed that: "Even if applicant is the first entity to use the designation 'ST. JOHNS WORT TORTILLA CHIPS' in relation to herbal and natural snack foods containing St. John's Wort, such is not dispositive where, as here, the designation clearly is the generic name of such goods."

But significantly, this Board panel ignored the CAFC's decision in *In re American Fertility Society*, 51 USPQ2d 1832 (Fed. Cir. 1999), a case directly on point. Does *American Fertility* require a different result in *Robert's*? First, a brief review of the state of the law on genericness.

The basic test for genericness is found in *H. Marvin Ginn Corp. v. International Ass'n of Fire Chiefs, Inc.*, 228 USPQ 528, 530 (Fed. Cir. 1986):

Determining whether a mark is generic therefore involves a two-step inquiry: 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?

But the CAFC has developed different evidentiary requirements for proving genericness of a *compound word* (like SCREENWIPE) as opposed to a *phrase* (such as ST. JOHNS WORT TORTILLA CHIPS). That difference was explained in *American Fertility*, in an attempt to reconcile two prior, inconsistent decisions: *In re Gould Paper Corp.*, 5 USPQ2d 1110 (Fed. Cir. 1987), which found the term SCREENWIPE for antistatic wipes unregistrable as generic based only on evidence of the genericness of the constituent words; and *In re Merrill Lynch, Pierce, Fenner and Smith, Inc.*, 4 USPQ2d 1141 (Fed. Cir. 1987), which reversed a genericness refusal of the phrase CASH MANAGEMENT ACCOUNT for financial and money management services due to a lack of evidence that the financial community used the phrase *as a whole* as a generic term. As to phrases, the Court in *American Fertility* held that the correct test for genericness is that set forth in *Marvin Ginn*. To prove genericness, *Marvin Ginn* requires (1) "evidence of 'the genus of goods or services at issue'" and (2) evidence of "the understanding by the general public that the mark refers primarily to 'that genus of goods or services.'" *American Fertility*, 51 USPQ2d at 1836.

As to compound words, *American Fertility* blessed the approach taken in *Gould* but limited the applicability of *Gould* to compound words. Under *Gould*, according to *American Fertility*, "if the compound word would plainly have no different meaning from its constituent words, and dictionaries, or other evidentiary sources, establish the meaning of those words to be generic, then the compound word too has been proved generic. *No additional proof* of the meaning of the compound word is required." *American Fertility*, 51 USPQ2d at 1836. [emphasis supplied]. For phrases, however, the second element of the *Marvin Ginn* test still obtains: there must be proof that the general public understands the mark *as a whole* to refer to the genus.

Thus under current CAFC precedent the PTO arguably has a somewhat easier task in demonstrating the genericness of a compound word than of a phrase. Although the applicable test is supposedly still the two-part inquiry of *Marvin Ginn*, if the individual words in a compound word are generic, then *Gould* provides "additional assistance" in determining genericness. *American Fertility*, 51 USPQ2d at 1837. Unless compounding the individual words into a single word yields some different meaning, the compound word is generic. With regard to phrases – as *American Fertility* itself demonstrates – the PTO's task is more difficult: it cannot rely only on the genericness of the constituent words, but must demonstrate that the phrase as a whole meets the second prong of the *Marvin Ginn* test. In *American Fertility*, the PTO failed to provide any evidence of the

public's understanding of the phrase SOCIETY FOR REPRODUCTIVE MEDICINE as a whole, and therefore the TTAB's decision refusing registration on the Supplemental Register was reversed.

In *Robert's* the Board simply brushed aside the fact that there was no evidence of record that the phrase ST. JOHNS WORT TORTILLA CHIPS had been used by anyone. In *American Fertility* the Board made the same mistake: there the CAFC noted with approval Judge Hanak's dissent at the Board level, wherein he pointed out the lack of evidence of use of the phrase SOCIETY FOR REPRODUCTIVE MEDICINE in a generic sense, despite "sufficient time for some evidence of generic use to emerge if the term had been so used." In *Robert's*, the same argument could be made: Applicant claimed a first use date in 1995, and thus (arguably) sufficient time had elapsed for some evidence of generic use to have emerged. Yet there was none of record.

So did *Robert's* reach the wrong result? Surely not. Common sense says that ST. JOHNS WORT TORTILLA CHIPS is generic for tortilla chips containing St. John's Wort – the phrase tells one what the goods are, just as unequivocally as does "orange juice." Had Applicant Robert's sought to register the compound word STJOHNSWORTTORTILLACHIPS, that word presumably would have been refused registration under the *Gould* approach. Why should the fact that an Applicant seeks to register a phrase rather than a compound word affect the applicable requirements for proving a designation generic? It shouldn't. And that is why, as one chews over the ST. JOHNS WORT TORTILLA CHIPS decision in light of current CAFC case law, a bad taste is definitely left in one's mouth.

The panel's approach in the *Robert's* case contrasts sharply with the decision in another genericness case involving a snack food item, decided a few months later. In *re Good Health Natural Foods, Inc.*, S.N. 75/486,815 (September 30, 2002) [not citable]. A different Board panel reversed a Section 23 genericness refusal of the mark VEGGIE RINGS for "vegetable based snack foods." The Examining Attorney contended that "veggie" is a common descriptive term for a vegetable-based food; that "ring" is a common descriptive term for snack foods shaped in a ring; and that "even without a lot of direct evidence of the generic use of the term VEGGIE RINGS, the proposed mark amounts to a genus of snack rings, or an apt descriptive name for 'vegetable-based snack food.'" This panel (Judges Simms, Quinn, and Walters), however, applied the *American Fertility* test in Applicants' favor because the Examining Attorney failed to provide any evidence of generic use of the phrase. Arguably, *Good Health* reached the correct decision under applicable precedent, but as a practical matter is there any doubt what one would call a vegetable-based snack in the shape of a ring?

The importance of the distinction between compound words and phrases when considering the issue of genericness was underscored in the citable decision in *In re Martin Container, Inc.*, 65 USPQ2d 1058 (TTAB 2002). The Board affirmed a Section 23 refusal to register CONTAINER.COM on the Supplemental Register for sale and rental of metal shipping containers. Applicant conceded that the word CONTAINER is generic for its services but contended that the instant case was governed by *In re Dial-A-Mattress Operating Corp.*, 57 USPQ2d 1807 (Fed. Cir 2001), in which the mark 1-888-M-A-T-R-E-S-S was held to be registrable for telephone sales of mattresses. Distinguishing that precedent, the Board pointed out that, rather than a mnemonic phrase comprising a toll-free number featuring a misspelled word, CONTAINER.COM is a compound word comprising a correctly-spelled generic term followed by the top level domain indicator ".com," which has no source-identifying significance.

Another very recent snack-related decision suggests that the some judges on the Board are not completely comfortable with the *American Fertility* test for phrases. In *In re American Food Co.*, S.N. 76101362 (September 29, 2004) [not citable], the Board panel (Judges Quinn, Walters, and Drost) reversed a genericness refusal of the mark THE BEEF JERKY OUTLET for "retail services featuring meat products," even though "beef jerky" and "outlet" were recognized as generic for, respectively, a type of beef snack and a commercial market. In light of *American Fertility*, the panel was "constrained" to find that "[w]hile THE BEEF JERKY OUTLET is certainly an apt name for a retail establishment that sells strips of dried beef, the evidence does not show that it is used as a generic name for such services. Aptness is insufficient to prove genericness." However, the panel expressed some uneasiness with the result:

Although we have concerns here about the genericness of applicant's designation, it is the record evidence bearing on purchasers' perceptions that controls the determination, not general legal rules or our own subjective opinions. Any doubts raised by the lack of evidence must be resolved in applicant's favor. * * * On a different and more complete record, such as might be adduced by a competitor in an opposition proceeding, we might arrive at a different result on the issue of genericness.

Meanwhile, Judge Hanak, whose dissent at the TTAB level was embraced by the CAFC in *American Fertility*, shows no hesitation in applying the *American Fertility* standard. In *In re SRO Management, LLC*, S.N. 76236222 (May 27, 2004) [not citable], the Board panel

(Judges Hanak, Hohein, and Bottorff) not only reversed a refusal to register on the ground of genericness, the mark THE CONTINENTAL RESTAURANT & MARTINI BAR for restaurant and bar services (RESTAURANT & MARTINI BAR disclaimed), but went on to rule that Applicant had established secondary meaning for the mark.

In finding the phrase generic, the Examining Attorney relied on numerous magazine and newspaper articles to demonstrate that “continental restaurant” and “martini bar” are generic terms, but, much to Judge Hanak’s chagrin, she never applied the *American Fertility* test:

If the Examining Attorney had simply followed this clear, well established legal test set forth by the United States Court of Appeals for the Federal Circuit, she should never have refused registration, simply with the evidence she made of record, on the basis that applicant’s mark, taken in its entirety, was generic. Throughout the entire examination process and indeed in her brief, the Examining Attorney never even mentioned the *American Fertility* case.

Not a single article proffered by the Examining Attorney contained Applicant’s mark in its entirety, nor did any article even include both the terms “continental restaurant” and “martini bar.” Therefore, the Board concluded that the Examining Attorney had failed to meet the PTO’s burden to prove.

As to acquired distinctiveness, the Board acknowledged that, because Applicant’s mark is “very descriptive,” a greater evidentiary showing is required under Section 2(f). However, the Board noted that Applicant’s “single location restaurant has received awards from two major publications (*Playboy* and *Food and Wine*) and has been featured in a nationally broadcast television show (“Sex in the 90’s”).” When coupled with more than five years of continuous use of the mark, this evidence was deemed sufficient to establish that the mark has acquired distinctiveness.

Based on *American Fertility*, one must conclude that the first and only user of a phrase comprised of generic terms may avoid or overcome a genericness refusal by pointing out the lack of evidence that others use the phrase as a whole in a generic manner. This state of affairs contrasts with not only the law applicable to compound words, but also the law applicable to merely descriptive marks: a mark may be found unregistrable as merely descriptive even though the applicant is the first and only user of the descriptive term. See, e.g., *In re Zanova, Inc.*, 59 USPQ2d 1300 (TTAB 2001); see also TRADEMARK MANUAL OF EXAMINING PROCEDURE, §1209.03(c) (3rd ed. May 2003).

The lesson to be learned from these genericness cases is a practical one: if your client is seeking to register a mark comprised of two or more possibly generic words, it would be better to keep the words as a phrase rather than combine them into a single compound word. Does this make any sense? No. But until the Board and the CAFC come to their senses on the genericness issue, that is the law.

4. Those Phantom Marks Just Keep On Coming!

It seemed as though the U.S. Court of Appeals for the Federal Circuit had sounded the death knell for the registrability of “phantom” marks in *In re International Flavors & Fragrances, Inc.*, 51 USPQ2d 1513 (Fed. Cir. 1999). Applicant International Flavors sought to register the marks LIVING XXXX FLAVORS, LIVING XXXX FLAVOR, and LIVING XXXX for essential oils and flavorings, the “XXXX” denoting “a specific herb, fruit, plant or vegetable” in the first two marks, and in the third “a botanical or extract thereof, to wit: ‘flower’, ‘fruit’, ‘yellow sunset orchid,’ ‘osmanthus’, ‘fragrance,’ ‘raspberry’ and the like.” The appellate court agreed with the TTAB that these applications ran afoul of the language of the *Lanham Act* and “the clear policy behind federal registration of trademarks” which holds that a trademark applicant may seek to register only a single mark in an application. An application that seeks to register a “phantom” mark — defined by the CAFC as one in which “an integral portion of the mark is generally represented by a blank or dashed line acting as a placeholder for a generic term or symbol that changes, depending on the use of the mark” (51 USPQ2d 1513 at n.1) — violates this one-mark-per-application limit.

“Phantom” marks with missing elements . . . encompass too many combinations and permutations to make a thorough and effective search possible. The registration of such marks does not provide proper notice to other trademark users, thus failing to bring order to the marketplace and defeating one of the vital purposes of federal trademark registration. *Id.* at 1517-18.

In light of the *International Flavors* decision, the PTO declared in its Examination Guide No. 1-99 (September 29, 1999) that: “The Office will not register ‘phantom’ marks.”

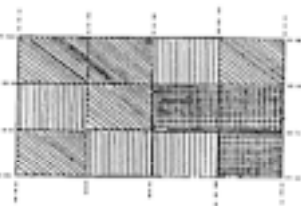
In *Cineplex Odeon Corp. v. Fred Wehrenberg Circuit of Theatres Inc.*, 56 USPQ2d 1538 (TTAB 2000), the TTAB applied *International Flavors* retroactively in granting a petition for cancellation of a registration for the mark “---SHOW” for entertainment information and

reservation services. The “broken lines indicate a telephone prefix that will vary,” and Registrant disclaimed any right to the telephone prefix. The Board ruled on summary judgment that “respondent’s mark is not entitled to continued registration because it is a single registration for multiple marks.”

Respondent’s registration for the mark --- SHOW issued erroneously because, pursuant to the *Trademark Act*, rules promulgated thereunder, and clear policy underlying federal registration of trademarks, a single trademark application may only seek to register a single mark. See *In re International Flavors & Fragrances, Inc.*, 51 USPQ2d 1513 (Fed. Cir. 1999); and *Trademark Act* Section 1. The first three dash elements of respondent’s mark represent “place holders” for telephone prefixes to be supplied by telephone companies. As respondent recognized when offering its description of the mark, varying or different prefixes may be placed in the --- position of the mark. Thus, respondent sought to register, and obtained a registration for, multiple marks in one application. 56 USPQ2d at 1541.

In 2001, the Board again followed *International Flavors* in affirming refusals to register two typical “phantom” marks: the mark D___ for “metal fasteners, namely nuts and pipe plugs,” the mark comprising the letter D and a single-digit numeral denoting a class of fasteners, *In re Decker Mfg. Corp.*, S.N. 75/500,807 (July 30, 2001) [not citable]; and the mark THE PUBS OF ——— for “t-shirts and sweatshirts,” *In re Ocean Enterprises, Inc.*, S.N. 75/469,984 (June 19, 2001) [not citable]. The Board also exorcised a quasi-“phantom” mark in *In re Upper Deck Co.*, 59 USPQ2d 1688 (TTAB 2001) [citable] when it affirmed a refusal to register a “hologram device” as a mark for “trading cards.” The application stated that Upper Deck did not claim as a feature of the mark, its size, shape, content, or positioning on the cards. The Board found that Applicant’s hologram, without further definition, constituted more than one “device” as contemplated by Section 45 of the *Trademark Act*.

And in 2002, the Board again relied on *International Flavors* to block another quasi-“phantom” mark. Messrs. Hayes and Clodfelter sought to register on the Supplemental Register a mark consisting of “the colors red, green, and amber used as a color scheme for respective color blocks on reporting charts to correspond with performance ratings within selected



categories of performance.” *In re Hayes*, 62 USPQ2d 1443 (TTAB 2002) [citable]. The application stated that the drawing “shows a representative pattern of the colors but no claim is made to a particular pattern of three colors.” The Board concluded that Applicants were seeking to register multiple marks in a single application and it therefore affirmed the Examining Attorney’s requirement for an acceptable description of the mark reflecting only the mark as shown on the drawing page.

However, the Board failed to note that in *In re Dial-A-Mattress Operating Corp.*, 57 USPQ2d 1807 (Fed. Cir. 2001), the CAFC had taken a step back from the rigid one-mark-per-application stance of *International Flavors*, and had cast a shadow on the *Cineplex* telephone number decision. In ruling that Applicant could establish secondary meaning in connection with its mark 1-888-M-A-T-R-E-S-S, based upon the acquired distinctiveness of its legally-equivalent, registered mark (212) M-A-T-T-R-E-S (shown here), the CAFC recognized that the latter is a “phantom” mark, but rejected the PTO’s argument that the mark was therefore unregistrable and entitled to little weight on the issue of secondary meaning:

(212) M-A-T-T-R-E-S

Although the registration of the “(212) M-A-T-T-R-E-S” mark is a “phantom” mark, the use of which we have questioned, see *In re Int’l Flavors & Fragrances, Inc.*, 51 USPQ2d 1513, 1516-17 (Fed. Cir. 1999), it is apparent in the present case that the missing information in the mark is an area code, the possibilities of which are limited by the offerings of the telephone companies. 57 USPQ2d at 1813.

Thus there are circumstances, in the CAFC’s view, when a “phantom” mark is registrable because the “possibilities” for the “missing information” are “limited.”

Consequently, the TTAB recently acknowledged that it may have to change its view of phantom marks. *In re Dial-A-Mattress Operating Corp.*, S.N. 76290744 (June 15, 2004), involved another “area code” mark owned by the same applicant as in the CAFC’s 2001 decision discussed above. In the newer case, the Board reversed a “phantom” mark refusal to register 1-800-MATTRESS for telephone sales and retail store services in the field of mattresses and bedding. [The numbers 800 appear in dotted lines to indicate that “the area code will change.”]

Applicant contended that the mark at issue was legally identical to its registered (212) M-A-T-T-R-E-S mark, and thus that the Board was presented with the same situation as in the CAFC case. The Board agreed, finding no reason to reach a conclusion different from the CAFC as to the registrability of the “phantom” mark in question. The Board refrained from making any

broader pronouncements regarding the registrability of “phantom” marks, and made no mention of its now-questionable *Cineplex* decision, but it did observe that “clearly, not all phantom marks are prohibited, *per se*, from registration.”

It seems only a matter of time before another “phantom” mark comes knocking on the TTAB’s door. Perhaps the Board will arrive at the position that a “phantom” mark in which the changeable element has little or no trademark significance (such as an area code, or perhaps a year date), does not violate the one-mark-per-application rule because the significant portion of the mark (i.e., MATTRESS) is not changeable. In other words, the changeable element is not an “integral portion” of the mark, as required by the *International Flavors* definition of a “phantom” mark. The “mattress” cases would fit nicely into that framework, as would the unregistrable marks in the *International Flavors* case, in which the changeable element comprised a significant portion of each of the marks.

The perceptive trademark practitioner will surely avoid seeking registration of an open-ended phantom mark, like that of *In re Hayes*, but a phantom mark that has limited missing information may still be registrable, like the marks in the *Dial-A-Mattress* cases.

5. When the Examining Attorney Says Jump ...

The TTAB becomes especially rankled when an applicant fails to cooperate with an Examining Attorney who has required the submission of information under *Rule* 2.61(b). Why an applicant would wholly fail to respond is difficult to fathom, but even partial compliance may not be enough, as one applicant recently learned.

The Board considers this issue so important that for each of the last three years it has deemed a pertinent decision as citable. Last year’s decision was *In re DTI Partnership, L.L.P.*, 67 USPQ2d 1699 (TTAB 2003). The Board affirmed a refusal to register the mark IBLOCK THERMAL MAPS for “computer software used to perform data analysis in the field of demographics,” because of Applicant’s failure to comply with the Examining Attorney’s final requirement for information under *Rule* 2.61(b). The Examining Attorney required the submission of advertising or promotional materials, a description of the nature and purpose of the goods, and an indication of the significance of the wording in the mark. The Board found the Examining Attorney’s requirement to be proper because it was “directly relevant to the issue of mere descriptiveness and thus ‘may be reasonably necessary to the proper examination of the application,’ as required by the *Rule*.” Noting that the *Trademark Rules of Practice* have the effect of law and that

failure to comply with a request for information is a ground for refusal (*see, e.g., In re SPX Corp.*, 63 USPQ2d 1592 (TTAB 2002)), the Board found inexplicable Applicant’s failure to heed the Examining Attorney’s express warnings and reminders.

Perhaps more interesting is the recent citable decision in *In re Planalytics, Inc.*, 70 USPQ2d 1453 (TTAB 2004), in which the Board affirmed a refusal to register the mark GASBUYER for on-line risk management services in the field of natural gas, based in part on Applicant’s failure to comply with a *Rule* 2.61(b) information request. The Examining Attorney required that Applicant “submit product information for the identified goods/services.” Applicant responded that “information regarding its services may be found on its website, located at www.planalytics.com.” The Board found that response insufficient because websites often contain voluminous information and are transitory and subject to change at the owner’s discretion. “Therefore, it is important that the party actually print out the relevant information and supply it to the Examining Attorney.”

This surely is one prosecution pitfall that may be readily avoided: when the Examining Attorney tells you to jump, you jump over the pit.

6. Acronym This!

In seeking to establish the meaning of an acronym or an initialism, Examining Attorneys have been known to rely on an Internet website called the “Acronym Finder,” found at www.acronymfinder.com. The alert trademark practitioner will recognize, upon perusal of that website, that the Acronym Finder is not, to say the least, the most reliable of resources and therefore is not a proper foundation for a refusal to register.

The TTAB has indicated a reluctance to take judicial notice of definitions found in on-line dictionaries because it is “unsure whether this material is really readily available and, more significantly, the Board wonders about the reliability of it.” *In re Total Quality Group, Inc.*, 51 USPQ2d 1474 (TTAB 1999). As to evidence from the on-line Acronym Finder, however, the Board has relied in part on such evidence in several citable cases: *In re Styleclick.com Inc.*, 57 USPQ2d 1445 (TTAB 2000) [“e-” means “electronic”]; *In re Zanova Inc.*, 59 USPQ2d 1300 (TTAB 2001) [“i” means “Internet”]; and *In re Microsoft Corp.*, 68 USPQ2d 1195 (TTAB 2003) [“net” means “Internet” or “Network”].

Nonetheless, the reliability and usefulness of the on-line Acronym Finder is subject to serious question. In fact, in one uncitable decision in which the Board was fully apprised of the nature of the “Acronym Finder,” the Board refused to give it any credence.

The Board panel (Judges Hanak, Walters, and Drost) in *In re Nissan Jishoda Kabushiki Kaisha, T/A Nissan Motor Co. Ltd.*, S. Nos. 75/531,326; 75/531,325; and 75/531,337 (May 24 2001) [not citable], found the initialism SUT not merely descriptive of “motor vehicles, namely vehicles which combine a sport utility vehicle-like passenger compartment with a cargo bed, and structural parts therefor.” The Examining Attorney had relied in part on an excerpt from the Acronym Finder that included “sport utility truck” as one of nine definitions for SUT, and had requested that the Board take judicial notice of this “dictionary” evidence. Applicant Nissan, however, visited the Acronym Finder website and found that anyone may submit an acronym to be included in this so-called “dictionary.” In addition, the unidentified “authors” of the Acronym Finder stated that they took no responsibility for the accuracy of the information contained therein, and they warned, “Use information from this site at your own risk.” Consequently, the Board accorded no weight to this evidence: “[W]e find that this on-line Acronym Finder is not the type of material which is reliable enough for us to take judicial notice.” [*sic*].

However, two years later, in *In re INETCAM, Inc.*, S.N. 76078126 (November 11, 2003) [not citable], the very same three-judge panel of the Board relied in part on an entry from the Acronym Finder in affirming a Section 2(d) refusal to register the mark IVISTA for “computer software and hardware for use in delivering live streaming media over a computer network server for a global information network, or though other video transmission services.” According to the Acronym Finder, the letter “I” means, among other things, “Internet.”

Now, the Board seemingly reached the right decision in *INETCAM* — regardless of the meaning of “I” — in finding Applicant’s mark confusingly similar to the registered mark VISTA for “personal computer software . . . for computerized video display enlargement systems for the visually impaired.” But it is surprising that this particular Board panel would give any weight to an entry in the Acronym Finder.

Perhaps Judges Hanak (who authored both the *Nissan* and the *INETCAM* opinions), Walters, and Drost changed their view of the reliability of the Acronym Finder. If so, it is not because of any change at the www.acronymfinder.com website. The website continues to accept submissions from anyone, and the disclaimer continues to state:

Disclaimer. We’ve done our best to ensure the accuracy of the Acronym Finder database, however, we do not take responsibility for the accuracy of any of the information in the acronym database. Capitalization is NOT necessarily correct. **Use information from this site at your own risk.**

There is a more likely explanation for the differing treatment of the Acronym Finder in these two cases: Nissan’s counsel pointed out the dubious nature of the Acronym Finder database, leading the Board to reject the Acronym Finder as an unreliable reference. Two years later, *INETCAM*’s counsel apparently did not re-educate this Board panel regarding the website’s unworthiness.

In any event, there are plenty of other reliable sources for discerning the meaning of an acronym, some of which are listed in the *Nissan* opinion. Why the Board or an Examining Attorney would give any credence to the online Acronym Finder is something IDU (an acronym for “I don’t understand,” according to the Acronym Finder).

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The six prosecution pitfalls discussed in this paper comprise only a few of the many potential problems that face the trademark practitioner in his or her daily struggle to protect the valuable trademark rights of the client. By keeping a keen eye on the rulings of the TTAB, the vigilant practitioner will increase his or her chances of avoiding not just these six problems, but also the many other pitfalls of trademark prosecution practice.