

The Top Ten TTAB Decisions of 2014

by John L. Welch¹

Section 2(d) likelihood of confusion cases and Section 2(e)(1) mere descriptiveness appeals account for the vast majority of the TTAB's final decisions in *ex parte* cases. Most *inter partes* matters involve Section 2(d) and are very fact-specific, seldom venturing into uncharted territory regarding the applicable law. So the decisions that deal with other issues tend to stand out. This past year was no exception.

For the first time in five years, the Board sustained a claim of fraud, convinced by the applicant's evasive testimony that he intended to deceive the USPTO when he filed a use-based application for the mark NATIONSTAR for real estate brokerage services. The decision states no new principles of law, and so is perhaps more notable for its curiosity value than its substantive impact as legal precedent.

In a long anticipated and controversial ruling, a divided Board panel ordered cancellation of six registrations for marks comprising or containing the word REDSKINS, on the ground that the marks disparaged Native Americans. Judge Bergsman dissented, concluding that the petitioners had failed to prove disparagement in the context of registrant's entertainment services.

In an extremely rare ruling² under Section 14(3), the Board ordered cancellation of a registration for the mark FLANAX for neproxin sodium analgesics, finding that the registrant had used the mark to misrepresent the source of the goods. And in a case of first impression, a

¹ Of Counsel, Lando & Anastasi LLP, Cambridge, Massachusetts. Further discussion of each of these cases, and links to the opinions therein, may be found at The TTABlog at www.ttablog.com.

² Subsequently reversed, as noted below.

petitioner was allowed to invoke the often overlooked Section 18 of the Lanham Act in seeking to restrict the registration of a color mark to a particular shade of that color.

Dilution-by-blurring claims are seldom decided by the Board because they are usually coupled with likelihood of confusion claims, and the Board will typically decide the latter claim and choose not to consider the former. But the Board upheld a claim of dilution-by-blurring with regard to the famous mark CHANEL, concluding that Opposer Chanel would likely suffer an impairment of the distinctiveness of its mark even though Chanel has no involvement in applicant's field of real estate.

In the sole non-precedential decision on this list, the Board ruled that a title of a single book or DVD is registrable if acquired distinctiveness is established. Many other decisions had held that a title of a single work is incapable of serving as a trademark, but the Board held that Section 2(e)(1) mere descriptiveness was the appropriate basis for refusal, thus opening the door to registration via a Section 2(f) showing.

Two concurrent use proceedings were resolved in favor of the junior user but first filer. The Board observed that the concurrent use provision of Section 2(d) exhibits no bias for the first user, but instead encourage the prompt registration of marks. In the TRILOBITE case, plaintiff Turdin faced the difficult burden of proving that confusion with defendant's mark was not likely in his trading area. In the BOI NA BRAZA matter, the Board awarded the first filer nearly the entire country because the defendant/senior user had never expanded beyond its original New York/New Jersey trading areas.

In a bit of "inside baseball" for trademark prosecutors, the Board applied the "Ordinary-Meaning" test in interpreting a Section 66(a) applicant's recitation of services that parroted the Class 35 heading, refusing to allow amendment to particular services that fell within the class but

not within the ordinary meaning of the original recitation. And in the *inter partes* procedural realm, the Board confirmed that a party, in its notice of reliance, must indicate the relevance of each document by reference to the applicable *du Pont* factor.

***Nationstar Mortgage LLC v. Ahmad*, 112 USPQ2d 1361 (TTAB 2014) [precedential]**. In a case perhaps more significant as a curiosity than as a jurisprudential landmark, the Board sustained a fraud claim for the first time since the CAFC issued its 2009 decision in *In re Bose Corp.*, 91 USPQ2d 1938 (Fed. Cir. 2009), raising the bar for proof of fraud on the USPTO. The Board upheld an opposition to registration of the mark NATIONSTAR for, *inter alia*, real estate brokerage, residential and commercial property and insurance brokerage, and mortgage brokerage services. The Board found that Applicant Ahmad's averments as to his use of the NATIONSTAR mark for the identified services were fraudulent. Ahmad testified that he chose the name in 2004-2005 after checking corporate records and the USPTO databases. Opposer Nationstar Mortgage contacted Ahmad in early April 2006, and within days, Ahmad himself filed the application at issue under Section 1(a). However, he was not a real estate broker, insurance broker, or mortgage insurance broker, each of which requires a state license. Ahmad's testimony regarding use as of his filing date was of grave concern to the Board because it was "so lacking in conviction and credibility as to be virtually incapable of corroboration." The Board distinguished the case from *Bose* in that here the applicant made false statements about his own industry and his own activities, knowing that he did not have the appropriate licenses. Although Ahmad was allowed, after the opposition was filed, to amend his filing basis to Section 1(b) intent-to-use, the Board observed that fraud cannot be cured once an opposition is filed.

***Blackhorse v. Pro-Football, Inc.*, 111 USPQ2d 1080 (TTAB 2014) [precedential].** A divided TTAB panel granted a petition for cancellation of six registrations for marks containing the word REDSKINS, finding that the marks, at their respective dates of registration, disparaged Native Americans. This is the second time the TTAB has considered a petition for cancellation of these registrations. In the first case, the United States Court of Appeals for the District of Columbia Circuit ultimately ruled that the claims of the Native American petitioners were barred by laches. Six new petitioners who had recently reached the age of majority brought this proceeding. The test for disparagement under Section 2(a) has two parts: (1) what is the meaning of the term as it appears in the mark and as the mark is used?; (2) does the meaning disparage Native Americans? As to the first, the Board concluded that the term REDSKINS, when used in connection with professional football, means Native Americans. As to the second, based on a general analysis of the word (dictionary definitions, reference books, and expert testimony), and the specific views of the referenced group (deposition testimony, newspaper articles, official records, personal letters, and a 1993 Resolution of the National Congress of American Indians), the majority concluded that “a substantial composite of Native Americans found the term REDSKINS to be disparaging in connection with respondent’s services during the relevant time frame of 1967-1990.” Judge Bergsman dissented, pointing to the lack of evidence that the term was disparaging when used in connection with sports teams. [Petitioner has filed a civil action in the U.S. District Court for the Eastern District of Virginia for review of this decision under 15 U.S.C. § 1071(b).]

***Bayer Consumer Care AG v. Belmora LLC*, 110 USPQ2d 1623 (TTAB 2014) [precedential].**

In what it called “a matter of first impression,” the Board granted Bayer’s petition to cancel Belmora’s registration for the mark FLANAX for “orally ingestible tablets of Naproxen Sodium

for use as an analgesic,” on the ground that the mark was being used by Belmora to misrepresent the source of its goods in violation of Section 14(3) of the Lanham Act. The Board found that the record evidence “readily establishes blatant misuse of the FLANAX mark in a manner calculated to trade in the United States on the reputation and goodwill of petitioner’s mark created by its use in Mexico.” Belmora challenged Bayer’s standing at every stage of the proceeding, pointing out that Bayer does not own a registration for the mark FLANAX in the United States and had not used and did not plan to use the mark here. In short, Belmora asserted, no use means no trademark rights. Bayer responded that Section 14 of the Lanham Act, in contrast to Section 2(d), imposes no use requirement. The Board pointed out that Belmora was focusing only on Bayer’s commercial activities within the United States, but was overlooking its own use of the FLANAX mark in this country. The Board found that Bayer met the CAFC’s liberal standard for standing because it established that “it has an interest in protecting its Mexican FLANAX mark.”

[Postscript: In a civil action under 15 U.S.C. § 1071(b), the U.S. District Court for the Eastern District of Virginia reversed the Board’s decision, ruling that, because Bayer had neither used nor registered the mark FLANAX in the United States, it lacked standing to bring a claim under Section 14(3). *Belmora LLC v. Bayer Consumer Care AG*, Civil Action No. 1:14-cv-000847 (E.D. Va. February 6, 2015).]

***In re King Productions, Inc.*, Serial No. 76703458 (November 19, 2014) [not precedential].**

The Board ruled, in a surprising decision, that the title of a single book or a single DVD is properly refused registration under Section 2(e)(1) on the ground of mere descriptiveness, but is registrable under Section 2(f). The Board observed that, although the registration of a title has often been refused registration under Sections 1, 2, and 45, the proper basis for refusal is Section

2(e)(1) because the title describes the work. The Board reasoned that since a title is capable of registration if it is used for a second work (*i.e.*, as the title of a series), and since courts have protected the title of a single work once secondary meaning has been established, a title is capable of functioning as a trademark. Of course, a Section 2(e)(1) refusal can be overcome by a showing of acquired distinctiveness under Section 2(f). Applicant had a “significant burden” under Section 2(f) because a title is highly descriptive of a book or DVD. Applicant sold only 884 sets of the book and DVD. Its website displayed the mark with apparel and workshops, but the evidence failed to show the extent of exposure of the website (*e.g.*, the number of hits or visitors). The Board found applicant's evidence insufficient to establish acquired distinctiveness, and so it affirmed the refusal under Section 2(e)(1).

***Covidien LP v. Masimo Corp.*, 109 USPQ2d 1696 (TTAB 2014) [precedential]**. In another case of first impression, the Board denied Respondent Masimo’s FRCP 12(b)(6) motion to dismiss, ruling that a petition under Section 18 of the Lanham Act is a proper vehicle for restricting a registration of a color mark to a particular shade of that color. Covidien’s application to register the color pink (Pantone PMS 806) for medical connectors and lead wires, was refused under Section 2(d) in view of Masimo’s Supplemental Registration for the color “red” for patient monitoring sensors and cables. Covidien then filed a petition under Section 18 to restrict the cited registration to the particular shade of red (Pantone PMS185) actually used by Masimo. Covidien alleged that such a restriction would avoid a likelihood of confusion. Masimo moved to dismiss, urging that such a restriction is permitted only when the description of the mark is “ambiguous or overly broad,” citing *Wellcome Foundation Ltd. v. Merck & Co.*, 46 USPQ2d 1478 (TTAB 1998). The Board, however, “also reads § 18 as allowing for, and thus

encompassing, relief where a plaintiff alleges that a feature of the description of the mark renders the description not specific to the mark actually used by the defendant.” The Board refused to dismiss Covidien’s petition, but required that Covidien comply with Rule 2.52(b)(1) by setting forth a more definite statement as to respondent’s color, in ordinary language. [Covidien subsequently amended its petition to describe the color of Masimo’s mark as “fire engine red.”]

***Chanel, Inc. v. Makarczyk*, 110 USPQ2d 2013 (TTAB 2014) [precedential].** The Board sustained Chanel, Inc.’s opposition to registration of the mark CHANEL for “real estate development and construction of commercial, residential and hotel property,” finding the mark likely to cause dilution-by-blurring of opposer’s famous CHANEL mark. Applicant Makarczyk, appearing *pro se*, agreed to proceed under the Board’s Accelerated Case Resolution (“ACR”) regime, following the “summary judgment model.” (When Makarczyk did not submit evidence or a brief, Chanel requested a decision, and seven months later the Board issued this one.) Chanel established that it began using its mark in the United States in the 1930s, and the mark has consistently been ranked as one of the most recognized and famous brands in the United States. Survey evidence demonstrated that the mark is “extremely well known and enjoys an unusually high degree of unaided and aided recognition.” Considering the six non-exhaustive factors set forth in Section 43(c)(2)(B)(i)-(vi), the Board found that Chanel would likely suffer an impairment of the distinctiveness of its mark, even though it had no current involvement in real estate, since many luxury brands have licensed use of their marks in connection with hotels, and others have found opportunities in related areas, like interior design services and bathroom fixtures.

Boi Na Braza, LLC v. Terra Sul Corp. a/k/a Churrascaria Boi Na Brasa, 110 USPQ2d 1386

(TTAB 2014) [precedential]. This contested concurrent use proceeding involved an application to register the mark BOI NA BRAZA, in standard character form, for restaurant and bar services, with a geographic restriction claiming the entire United States except New Jersey. Defendant asserted that it had used its mark



CHURRASCARIA BOI NA BRAZA in New Jersey, New York, and elsewhere and that Plaintiff BNB's mark should be denied registration or the registration should be restricted to BNB's three areas of actual use: Dallas, Atlanta, and Cincinnati. This case presented the unusual circumstance in which the plaintiff/applicant owned an "incontestable registration" for a composite mark that incorporated the term BOI NA BRAZA. Pursuant to Sections 15 and 33(b)(5) of the Lanham Act, the registered mark cannot be challenged on the basis of prior rights and likelihood of confusion. A prior user normally may carve out of an "incontestable" registration only "the specific areas in which it has established its prior rights prior to actual or constructive notice of said registration." Defendant never expanded beyond its Newark, New Jersey neighborhood. BNB, the junior user but the first to file an application to register, offered restaurant services in three cities geographically remote from one another and from Defendant Terra Sul. The Board, noting that there is a policy of encouraging prompt registration of marks, and that the concurrent use provision of Section 2(d) exhibits no bias in favor of the prior user, concluded that BNB is entitled to a nationwide registration, excluding New Jersey and New York.

In re Fiat Group Marketing & Corporate Communications S.p.A., 109 USPQ2d 1593 (TTAB 2014) [precedential]. Applying the "Ordinary-Meaning" test, the Board affirmed a refusal to

register the mark FIAT 500 for “retail store services and on-line retail store services featuring a wide variety of consumer goods of others,” in International Class 35, on the ground that the proposed wording exceeded the scope of the original recitation of services (“advertising services; business management; business administration; office functions”). Although the proposed language itself would fall within Class 35, it was not encompassed by the original recitation of services – even though the original recitation is identical to the class heading for Class 35. Finding no support in the record for Fiat’s assertion that the meaning of the term “business management” includes “operating a retail store,” the Board agreed with the Examining Attorney that the proposed amendment violated Trademark Rule 2.71(a) because it improperly broadened the recitation of services. The Board observed that, although some Madrid Protocol countries have adopted a “class heading covers all” policy, “no provision in U.S. law or any obligation by treaty obliges the USPTO to deviate from or make an exception to its longstanding practice governing the scope and interpretation of identifications and in deciding what amendments are permissible.”

***FUJIFILM SonoSite, Inc. v. Sonoscape Co.*, 111 USPQ2d 1234 (TTAB 2014) [precedential].**

In this Section 2(d) opposition, Applicant Sonoscape won a partial victory in its motion to strike certain evidence in Opposer’s notice of reliance. The Board ruled that FUJIFILM could not rely on a newly-issued registration because the underlying application had not been pleaded in the notice of opposition, but the Board deferred until trial a ruling on whether the registration had any probative value at all. It agreed that as to certain other documents (673 pages in all) purportedly relevant to the likelihood of confusion issue, opposer was required to indicate the relevance of each page by *du Pont* factor. Newly-issued registration: Opposer Fuji claimed

ownership of a family of “SONO-“ formative marks, and sought to add a newly-issued registration to its arsenal. Because FUJIFILM did not plead ownership of the application, the Board ruled that FUJIFILM “cannot use an unpleaded registration as a basis for the opposition,” but the Board refused to strike the exhibit, accepting it for “whatever probative value” it may lend to opposer’s showing under the *du Pont* factors in its case-in-chief. Other evidence: Although FUJIFILM stated that certain documents were relevant to three likelihood of confusion factors, that was not good enough: “The Board will not expend its resources guessing which pages the propounding party is relying upon.... Opposer should have indicated which web page or group of web pages within each exhibit support each specific *du Pont* factor.” Fuji was allowed 15 days to submit a revised notice of reliance.

***Turdin v. Trilobite, Ltd.*, 109 USPQ2d 1473 (TTAB 2014) [precedential].** In another concurrent use decision favorable to the first filer, the Board ruled that Defendant Trilobite, Ltd. was entitled to a geographically unrestricted federal registration for its mark TRILOBITE for audio and video recording and production services. The concurrent use application of Peter Turdin, Jr., seeking a registration of TRILOBITE PICTURES for “motion picture film production, and animation services,” restricted to New York City and Connecticut, was refused because Turdin was unable to establish that there was no likelihood of confusion if the involved marks were concurrently used in these two areas. Although Trilobite, Ltd. had never rendered its services in New York City, the Board relied on *First Niagara Insurance Brokers Inc. v. First Niagara Financial Group Inc.*, 81 USPQ2d 1375, 1378 (Fed. Cir. 2007), in awarding priority to Trilobite, Ltd. based on its business contacts in Gotham. As for Connecticut, the Board applied the *Weiner King* factors (*Weiner King, Inc. v. The Weiner King Corp.*, 204 USPQ 820, 830

(CCPA 1980)) in ruling in favor of Trilobite Ltd. Although there was no evidence that Trilobite, Ltd. had previous business activity in Connecticut, and no evidence of any significant business in states contiguous to Connecticut (other than in New York City), its president testified that there is “quite an overlap of people who live in the Connecticut area and work in New York...”

Consequently, Plaintiff Turdin failed to persuade the Board that confusion is not likely “if Turdin is granted Connecticut as part of his concurrent use territory.”

* * * * *