

THIS OPINION IS NOT A
PRECEDENT OF THE TTAB

Mailed:
September 30, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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The Saul Zaentz Company
v.
*Al Moudabber Food Concepts SAL*¹

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Cancellation No. 92056828

Michael A. Grow, Elizabeth H. Cohen and Chiara Giuliani of Arent Fox LLP for The Saul Zaentz Company.

Fadi G. Boumitri of Boumitri Law LLC for Al Moudabber Food Concepts SAL.

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Before Kuhlke, Taylor and Gorowitz, Administrative Trademark Judges.

Opinion by Taylor, Administrative Trademark Judge:

Al Moudabber Food Concepts SAL (“Respondent”) owns a registration for the mark LORD OF THE WINGS and design, displayed below,

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¹ Upon reviewing the record, it appears that all rights and title to the mark in involved Registration No. 3638083 have been assigned to a company by the name of Concepts M, Inc. Respondent may wish to file assignment documents with the Assignment Branch of the United States Patent and Trademark Office (“USPTO”), if appropriate.



for “Providing of food and drink; Restaurant services; Snack bars,” in International Class 43.² The registration includes the following description of the mark: “The mark consists of the words ‘LORD OF THE WINGS’ with representations of wings on each side.” Color is not claimed as a feature of the mark.

The Saul Zaentz Company (“Petitioner”) seeks to cancel the registration on the grounds of (1) likelihood of confusion under Section 2(d) of the Trademark Act of 1946, 15 U.S.C. § 1052(d); (2) dilution by blurring³ under Trademark Act Section 43(c), 15 U.S.C. § 1125(c); (3) false suggestion of a connection under Trademark Act Section 2(a), 15 U.S.C. § 1052(a),⁴ and (4) abandonment. Petitioner alleges that it owns the worldwide film, stage and merchandising rights to the famous books THE HOBBIT and the LORD OF THE RINGS trilogy (the “LOTR Books”); that pursuant to Petitioner’s film rights in the LOTR Books, Petitioner or its related companies have released the following pictures (“the LOTR Movies”): *The Lord of the Rings: The Fellowship of the Ring*; *The Lord of the Rings: The Two Towers*; and *The Lord of the*

² Registration No. 3638083 issued June 16, 2009; Section 8 affidavit accepted. The registration issued from application Serial 77536318, filed July 31, 2008, under Trademark Act Section 44(e), 15 U.S.C. 1126(e), based on Foreign Registration No. 109020 issued by Lebanon on December 6, 2006.

³ Although Petitioner specifically referenced dilution by tarnishment in its pleadings, both Petitioner and Respondent, in their briefs, restricted their arguments to dilution by blurring. Accordingly, we deem Petitioner’s pleading amended to specifically include the claim of dilution by blurring pursuant to Section 43(c). *See* Fed. R. Civ. P. 15(b).

⁴ Petitioner also appears to have pleaded the ground of deception pursuant to Section 2(a) of the Trademark Act. However, to the extent this ground was pleaded, it was not pursued at trial or in the briefs. Accordingly, it will not be further considered.

Rings: The Return of the King. Petitioner further alleges that since long prior to the filing date of Registrant's application, or any priority date it may claim, Petitioner used its family of LORD OF THE RING Marks⁵ and other marks derived from the LORD OF THE RING movies in connection with a worldwide licensing program on a wide variety of goods and services, with some of the marks having been used in the sale of food and beverage products and restaurant services. Petitioner also alleges that it owns the title and interest in and to the famous mark LORD OF THE RINGS and a family of marks containing those words; and that because of the fame and popularity of the LOTR Books and LOTR Movies and the collateral products sold by Petitioner and its related companies, its LORD OF THE RING Marks have become indelibly linked with Petitioner in the minds of consumers throughout the United States. Petitioner claimed ownership of thirty-five registrations⁶ for marks including the wording LORD OF THE RINGS, alone or in combination with other matter, for a variety of goods and services, including, for example, games, figurines, computer software, costumes, lunch boxes, novelty buttons, sound recordings, hats and t-shirts, buttons, games, puzzles, playing cards and entertainment services in the nature of news and information in the field of entertainment relating to motion picture films. We set forth with particularity a sampling of the pleaded registrations for the marks

⁵ Although Petitioner pleaded ownership and use of a family of LORD OF THE RINGS Marks, Petitioner did not reference the familial relationship in its briefs. Rather, Petitioner focused on the myriad of goods and services for sale under the LORD OF THE RING Marks, and we will do the same.



⁶ Registration Nos. 2925667 and 2952839 were listed twice in the petition for cancellation.

LORD OF THE RINGS or THE LORD OF THE RINGS, in typed⁷ or standard character form, except as noted below:⁸

1. Registration No. 1553027 (THE LORD OF THE RINGS) for “parlor game” in International Class 28;⁹

2. Registration No. 2757847 (LORD OF THE RINGS) for “toy action figures and accessories therefore [sic]; toy figures; card games; equipment sold as a unit for playing card games; jigsaw puzzles; chess sets; role-playing games and accessories; board games; equipment sold as a unit for playing board games;

⁷ Prior to November 2, 2003, “standard character” marks were known as “typed” marks. A typed mark is the legal equivalent of a standard character mark. *In re Vitterra Inc.*, 671 F.3d 1358, 101 USPQ2d 1905, 1909 n.2 (Fed. Cir. 2012); TMEP § 807.03(i) (April 2016).

⁸ Also pleaded are Registration Nos. 2897947 and 2995661 (); Registration Nos. 2888197, 2821081, 2952841 and 3507864 (THE LORD OF THE RINGS THE TWO TOWERS); Registration Nos. 2949378, 2952839, 3660931, 3660932, 3660933, 3717910 and 3717911 (THE LORD OF THE RINGS THE RETURN OF THE KING); Registration Nos. 3432499 and 3854116 (THE LORD OF THE RINGS ONLINE); Registration No. 3793765, 3848270 and 3890542 (THE LORD OF THE RINGS CONQUEST); Registration No. 3911799 (THE LORD OF THE RINGS WAR IN THE NORTH); Registration No. 3911798 (THE LORD OF THE RINGS: ARAGORN'S QUEST); Registration No. 3987009 (THE LORD OF THE RINGS: MIDDLE EARTH QUEST); and Registration Nos. 3447105 and 3447106 (.

Pleaded Registration No. 3556587 was cancelled for failure to file an acceptable Section 8 affidavit and, as such, will be given no further consideration. An expired or cancelled registration is evidence of nothing but the fact that it once issued. *Sunnen Prods. Co. v. Sunex Int'l Inc.*, 1 USPQ2d 1744, 1747 (TTAB 1987).

⁹ Registration No. 1553027 issued on August 22, 1989 from application Serial No. 73775763, filed January 23, 1989; renewed. The registration claims November 18, 1988 as the date of first use of the mark anywhere and in commerce.

collectible toy figures; dolls and accessories therefor; fantasy character toys; positionable toy figures” in International Class 28;¹⁰

3. Registration No. 2925667 (THE LORD OF THE RINGS) for “Entertainment services, namely, providing news and information in the field of entertainment relating to motion picture films, computer games, and video games via global and local area networks” in International Class 41;¹¹

4. Registration No. 2944695 (LORD OF THE RINGS) for “Nonelectronic plush toys, costume masks, role playing game equipment in the nature of game book manuals, soft sculpture toys, and talking toys” in International Class 28;¹²

5. Registration No. 2970997 (LORD OF THE RINGS) for “Action skill games, electronic toys, namely electronic action toys, electronic, arcade games, equipment sold as a unit for playing a memory game, and Christmas tree ornaments, bows and arrows” in International Class 28;¹³

¹⁰ Registration No. 2757847 issued on September 2, 2003 from application Serial No. 75982127, filed July 25, 2000; renewed. The registration claims December 1988 as the date of first use of the mark anywhere and in commerce.

¹¹ Registration No. 2925667 issued on February 8, 2005 from application Serial No. 76977149, filed July 9, 2002; renewed. The registration claims September 22, 2004 as the date of first use of the mark anywhere and in commerce.

¹² Registration No. 2944695 issued on April 26, 2005 from application Serial No. 76977096, filed April 26, 2005; renewed. The registration claims August 26, 2004 as the date of first use of the mark anywhere and in commerce.

¹³ Registration No. 2970997 issued on July 19, 2005 from application Serial No. 76096364, filed July 19, 2005; renewed. The registration claims February 8, 2005 as the date of first use of the mark anywhere and in commerce.

6. Registration No. 3375772 (LORD OF THE RINGS) for “Bookends” in International Class 16;¹⁴

7. Registration No. 3539773 (LORD OF THE RINGS) for “Lithograph prints” in International Class 16; “Porcelain collectible plates, pewter mugs and goblets” in International Class 21; “Halloween and masquerade costumes, cloak Halloween and masquerade costumes, children’s Halloween and masquerade costumes, caps, hats” in International Class 25; and “Wigs” in International Class 26;¹⁵


8. Registration No. 2995662 (THE LORD OF THE RINGS) for “Computer game software and instruction manuals sold as a unit; video game software and instruction manuals sold as a unit; interactive multimedia computer game software; interactive multimedia video game software; downloadable computer game software; pre-recorded video tapes featuring fantasy films and music; pre-recorded CD-ROMs featuring fantasy films and music” In International Class 9;¹⁶

¹⁴ Registration No. 3375772 issued on January 29, 2008 from application Serial No. 77199026, filed June 6, 2007; Section 8 affidavit accepted. The registration claims May 18, 2007 as the date of first use of the mark anywhere and in commerce. Ownership is claimed of U.S. Registration Nos. 2765513, 2897946, 3095936 and others.

¹⁵ Registration No. 3539773 issued on December 2, 2008 from application Serial No. 77402089, filed February 20, 2008; Section 8 affidavit accepted. The registration claims January 28, 2008 as the date of first use of the mark anywhere and in commerce of the goods identified in International Classes 16 and 26; December 11, 2001 as the date of first use anywhere and February 13, 2008 as the date of first use in commerce of the goods identified in International Class 21; and September 20, 2007 as the date of first use anywhere and in commerce of the goods identified in International Class 25. Ownership is claimed of U.S. Registration Nos. 1553027 and 2757847 and others.

¹⁶ Registration No. 2995662 issued on September 13, 2005 from application Serial No. 76977642, filed July 9, 2002; Section 8 affidavit accepted. The registration claims June 13, 2005 as the date of first use of the mark anywhere and in commerce. Ownership is claimed of U.S. Registration No. 1553027.

9. Registration No. 3114570 (THE LORD OF THE RINGS) for “entertainment services, namely, providing an on-line computer game; providing a computer game that may be accessed network-wide by network users” in International Class 41;¹⁷

10. Registration No. 3375773 for the mark  for “Jewelry; Brooches” in International Class 14;¹⁸

11. Registration No. 3451497 (THE LORD OF THE RINGS) for “Compact discs featuring music and musical performances; pre-recorded CDs featuring music; sound recordings featuring music and musicals” in International Class 9; and “Entertainment services, namely, providing pre-recorded music, all on-line via a global computer network; entertainment services, namely, providing a web site featuring musical performances, musical videos, music, fantasy film clips, photographs, and other multi-media materials” in International Class 41;¹⁹ and

¹⁷ Registration No. 3114570 issued on July 11, 2006 from application Serial No. 76429763, filed July 9, 2002; renewed. The registration claims May 10, 2004 as the date of first use of the mark anywhere and in commerce. Ownership is claimed of U.S. Registration No. 1553027.

¹⁸ Registration No. 3375773 issued on January 29, 2008 from application Serial No. 77199068, filed June 6, 2007; Section 8 affidavit accepted. The registration claims May 18, 2007 as the date of first use of the mark anywhere and in commerce. Ownership is claimed of U.S. Registration Nos. 1553027, 2757847, 2765513 and others.

¹⁹ Registration No. 3451497 issued on June 17, 2008 from application Serial No. 78980213, filed March 18, 2005; Section 8 affidavit accepted. The registration claims February 4, 2008 as the date of first use anywhere and April 15, 2008 as the date of first use in commerce of the goods identified in Class 9; and December 2005 as the date of first use anywhere and in commerce of the services identified in International Class 41. Ownership is claimed of U.S. Registration Nos. 1553027, 2765513, 2897942 and others.

12. Registration No. 3507966 (THE LORD OF THE RINGS) for “Song books” in International Class 16; “Caps, hats, pullovers, t-shirts” in International Class 25; “Collectible buttons” in International Class 26; and “Checker sets” in International Class 28.²⁰

Respondent, in its amended Answer, has admitted that Petitioner owns the worldwide film, stage and merchandising rights to the famous books THE HOBBIT and the LORD OF THE RINGS trilogy (the “LOTR books”) and that it knew of the of the LOTR Books and LOTR Movies, and of Petitioner’s rights in the LOTR Marks, before applying to register LORD OF THE WINGS and design, but otherwise has denied the salient allegations of the petition for cancellation. (Pet. to Can., Answer, respective ¶¶ 1 and 19).²¹

²⁰ Registration No. 3507966 issued on September 30, 2008 from application Serial No. 77401869, filed February 20, 2008; Section 8 affidavit accepted. The registration claims January 13, 2008 as the date of first use anywhere and in commerce of the goods in International Class 16; September 20, 2007 as the date of first use anywhere and in commerce of the goods identified in International Class 25; June 18, 2007 as the date of first use anywhere and January 26, 2008 as the date of first use in commerce of the goods in International Class 26; and December 11, 2001 as the date of first use anywhere and February 13, 2008 as the date of first use in commerce of the goods in International Class 28. Ownership is claimed of U.S. Registration Nos. 3375774, 3378135, 3408340 and others.

²¹ 1 TTABVUE 2 and 5; 11 TTABVUE 8 and 12. Citations to the record in this opinion are to the TTABVUE docket entry number and the electronic page number where the document or testimony appears. Because the Board primarily uses TTABVUE in reviewing evidence, the Board prefers that citations to material or testimony in the record that has not been designated confidential include the TTABVUE docket entry number and the TTABVUE page number. For material or testimony that has been designated confidential and which does not appear on TTABVUE, the TTABVUE docket entry number where such material or testimony is located should be included in any citation. See *Turdin v. Trilobite, Ltd.*, 109 USPQ2d 1473, 1476 n.6 (TTAB 2014).

Evidentiary Matters

Petitioner, for the first time with its reply brief, objects to the admissibility of the “so called ‘receipts’ referenced at page 11 of Respondent’s Trial brief” on the following grounds: they lack foundation, were never authenticated by anyone with knowledge of their origin, and are clearly a fabrication because they contain inaccuracies as to date and address. These receipts were made of record during the cross examination portion of the deposition of Petitioner’s witness, Matthew Grotkowski. Not only is this objection untimely, having been raised in the reply brief and, consequently, allowing Respondent no opportunity to respond, but Petitioner did not object to their introduction into the record during the deposition. It would be manifestly unfair to fail to consider this evidence when the objection comes at this late date. Accordingly, Petitioner’s objection is overruled. We add, however, that the objections relate principally to the probative value to be accorded the evidence in question, and we will accord it the appropriate probative value.

We also address an evidentiary issue concerning Petitioner’s hyperlinks. It appears that Petitioner wanted the Board (and presumably Respondent) to play YouTube or other videos of excerpts from Lord of the Rings movies²² and video clips taken from television programing.²³ Similarly, Petitioner, in its reply brief, requests the Board take judicial notice of a magazine article by citing the URL and apparently

²² These videos apparently are available at https://www.youtube.com/watch?v=yG3_5QNpoBc&feature=youtu.be, and http://www.dailymotion.com/video/xu9f2i_denethor-eating_shortfilms.

²³ The clips are apparently available at <http://www.hulu.com/#!/watch/637791>, http://lotr.wikia.com/wiki/Stephen_Colbert and <http://time.com/3632847/snl-office-middle-earth/#3632847/snl-office-middle-earth>.

setting forth the pertinent quote. First, the Board does not take judicial notice of magazine articles. Moreover, we have made clear that providing hyperlinks to internet materials is insufficient to make such materials of record. *See In re HSB Solomon Assocs., LLC*, 102 USPQ2d 1269, 1274 (TTAB 2012) (stating that “a reference to a website’s internet address is not sufficient to make the content of that website or any pages from that website of record”); *Safer Inc. v. OMS Investments Inc.*, 94 USPQ2d 1031, 1039 (TTAB 2010) (noting that because of the transitory nature of internet postings, websites referenced only by links may later be modified or deleted). Accordingly, this evidence will not be considered in this decision.

The Record

By operation of Trademark Rule 2.122(b), 37 C.F.R. § 2.122(b), the record includes the pleadings and the file of the involved registration. In addition, the parties introduced the following evidence.

Petitioner’s testimony and evidence

1. Testimony deposition, with exhibits, of Amy Royle-Resnikov, a paralegal with Arent Fox LLP, Petitioner’s counsel. 23 TTABVUE.
2. Testimony deposition, with exhibits, of Jack A. Hitt, a litigation specialist with Arent Fox LLP, Petitioner’s counsel. 24 TTABVUE.
3. Testimony deposition, with exhibits, of Fredrica Drotos, Petitioner’s Franchise Development Director under Middle-earth Enterprises, which handles the Tolkien properties. 25 and 26 TTABVUE.

4. Rebuttal testimony deposition, with exhibits, of Matthew Grotkowski, a licensed private investigator. 32 TTABVUE.

5. Petitioner's Notice of Reliance introducing copies of Petitioner's pleaded registrations taken from the TESS database of the United States Patent and Trademark Office ("USPTO") showing the current status and title of the registrations pursuant to 37 C.F.R. § 2.122(d)(1). 20 TTABVUE.

6. Petitioner's Notice of Reliance on Respondent's responses to Petitioner's Interrogatory Nos. 12, 13, 16, 21, 23 and 24. 21 TTABVUE.

7. Petitioner's Notice of Reliance, introducing (22 TTABVUE):

- Magazine covers from periodicals publicizing the *Lord of the Ring* movies (Ex. 42);
- News articles discussing or publicizing *Lord of the Ring* Movies (Ex. 43);
- DVD covers for *Lord of the Ring* Movies and excerpts from websites from which the DVDs are sold (Ex. 44);
- Excerpts of websites where various editions of "Lord of the Ring" books are for sale (Ex. 45);
- The cover of an edition of the "Lord of the Rings" with excerpts referring to one of the principal characters in the books and movie (Ex. 46);
- an excerpt from the LOTR online game, and the cover of an edition of "The Hobbit" (Ex. 47);
- Copies of additional articles from periodicals referring to Petitioner's mark LORD OF THE RINGS (Ex. 48).

Respondent's testimony and evidence

1. Testimony deposition, with exhibits, of Marc Maudabber, Chairman and Managing Partner of Respondent ("Maudabber test."). 34 TTABVUE.

2. Testimony deposition, with exhibits, of Thomas Bayeh, a franchisee of Little Caesars and the owner of YTW Contracting Services. 35 TTABVUE.

Both Petitioner and Respondent filed briefs, and Petitioner filed a reply brief.

Background

Petitioner

Petitioner was founded by film producer Saul Zaentz who made three Academy Award Best Picture films, *One Flew Over the Cuckoo's Nest*, *Amadeus* and *The English Patient*. 25 TTABVUE 9; 166-182. In 1976, Petitioner obtained the motion picture, film, stage and merchandising rights to the fantasy novels comprising The Lord of the Rings trilogy ("the LOTR Books") and the Hobbit, all of which were written by J.R.R. Tolkien. *Id.* at 16-17 and 57; 166-188 and 191-196. Since their publication, the LOTR Books have been translated into approximately 60 languages, have enjoyed popularity worldwide, and ranks second in popularity in the United States. *Id.* at 18. In 1978, Petitioner produced its first LORD OF THE RING motion picture, an animated adaption from the LOTR Books, directed by Ralph Bakshi. *Id.* at 15-16. Partnering with New Line Cinema, Petitioner later produced a trilogy of movies derived from the Tolkien's Lord of the Rings novel, directed by Peter Jackson. *Id.* at 24-25; 201-213. The trilogy consisted of *The Lord of the Rings: The Fellowship of the Ring* (released in 2001), *The Lord of the Rings: The Two Towers* (released in 2002)

and *The Lord of the Rings: The Return of the King* (released in 2003) (collectively “the LOTR Movies”). *Id.* at 25-27; 201-213. The LOTR Movies were made pursuant to a license agreement between Petitioner and New Line Cinema (whose parent company is Warner Bros. Consumer Products), the direct film licensee for the trilogy, which license includes an option for merchandising rights. *Id.* at 52-53. The LOTR Movies were very successful, collectively grossing over \$3 billion worldwide, including television, merchandise and DVDs. *Id.* at 57-58 and 62; 26 TTABVUE 3-55. The LOTR Movies were also acclaimed by film critics, winning a record 18 Oscars, 30 Academy Award nominations, and over 250 film awards nationwide. *Id.* at 61 and 68; TTABVUE 3-55. Petitioner owns all right, title and interest in and to all marks derived from the LOTR Books and LOTR Movies (collectively “the LOTR marks”), including the LORD OF THE RING Marks. *Id.* at 21, 28. Petitioner has licensed the LOTR Marks for decades for use on a wide variety of products and services. *Id.* at 22; 191-196.

Respondent

According to Marc Moudabber, at the time of deposition, Respondent had LORD OF THE WING locations in Lebanon, Kuwait, Egypt, Africa, Ghana and Qatar, all being franchise locations, except the one in Lebanon. 34 TTABVUE 9.

Respondent came up with the concept for The Lord of the Wings in 2006 because chicken wings were starting to be big in the U.S. and would be a novelty in the Middle East market. *Id.* at 10. Mr. Moudabber testified as follows with regard to Respondent’s adoption of the Lord of the Wings name:

Q How did you choose the name?

A We had created a short list of King of the Wings, House of the Wings and Lord of the Wings. Now, in terms of positioning the brand, we wanted to make sure of two things. Wings had to be in the name, because that would directly tell people what we are selling. And the word Lord positioned that single item specialty as a top spot in that segment.

So King of the Wings was a bit similar to Burger King and we didn't want to associate ourselves or our concept with the QSR or the fast food industry.

Q What is QSR?

A Quick service Restaurant.

Q And what does that mean exactly?

A It's an operation like McDonald's or Burger King where you have counter seats.

Q So who was involved in the choosing of the name itself?

A Myself.

Q And why did you choose Lord over King or Prince or any other name that would represent royalty of some sort?

A As I told you, king was associated with Burger King in my country. House of the Wings did not tell people that the wings are of an excellent quality or would not portray that our concept would be the pioneer and the first and the best in presenting Lord of the Wings.

[*Id.* at 10-11].

Mr. Moudabber further testified that although he was aware of the movies, but not the books, by the name of "Lord of the Rings," he was not aware of a trademark

already in use in the United States by the name of the “Lord of the Rings,” and further, that the movies did not come to mind in creating the Lord of the Wings concept because “we serve two different industries”; Respondent being a restaurant specializing in wings. *Id.* at 11-12. Before choosing the name Lord of the Wings, Respondent did an Internet search and registered the domain names Lordofthewings.com and Lordofthewings.net. *Id.* at 13. Respondent did not intend to create an association between its mark and the Lord of the Rings. *Id.* at 76.²⁴ On August 23, 2008, Mr. Moudabber took a trip to the United States to attend the National Chicken Wing Festival in Buffalo and to “get to know” the operation of a businessman/investor named Thomas Bayeh, whom Mr. Moudabber met in Lebanon in “2007, 2008.” Mr. Bayeh has a restaurant company in the United States and researched the possibility of developing the Lord of the Wings brand in the United States. *Id.* at 22. At the time this proceeding was filed in 2013, Respondent had not sold any chicken wings in the United States, had not entered into any lease agreements in the United States and had no telephone number one could call to reach Lord of the Wings in the United States. *Id.* at 136.

Respondent’s first United States location, according to Mr. Moudabber, is a “pilot location” which is located inside of the Docksider Bar located at 1015 State Road, in Erie, Pennsylvania and opened around January 2015. To evidence sales at the Erie, Pennsylvania location, Respondent made of record a picture of persons

²⁴ Mr. Moudabber also stated that Respondent did not intend an association with the novel Lord of the Flies, or with the musical Lord of the Dance or the novel Lord of the World or the enterprise Lord of the Fries. 34 TTABVue 76-79, 287-293.

eating at a table with a LORD OF THE WINGS sign in the background and testified that “sales are actually happening in the picture.” *Id.* at 56-59, 137, 240. However, no sales information is available because Respondent has no access to sales figures. The location in Erie, PA does not use the design features set forth in Respondent’s “franchise brochure,”²⁵ because it is a “pilot store.” *Id.* at 68, 108-110; ex 25. The pilot location is not listed on Respondent’s website and there is no signage outside of the building, but there is a Lord of the Wings sign at the back of the bar. *Id.* The only marketing of the pilot location is by word of mouth. *Id.* at 113. Respondent has not opened a stand-alone place of business or obtained a stand-alone business license in the United States. *Id.* at 115.

Standing and Priority

Petitioner has demonstrated through printouts from the electronic databases of the USPTO made of record with it Notice of Reliance that it is the owner of its pleaded registrations and that those registrations are valid and subsisting. Because Petitioner’s registrations are properly of record, Petitioner has established its standing. *See Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Lipton Industries v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). Because both parties own registrations, Petitioner must prove priority of use in order to prevail on its claim of priority and likelihood of confusion. *M.C.I. Foods, Inc. v. Bunte*, 96 USPQ2d 1544, 1550 (TTAB 2010) (in a cancellation proceeding where both parties own registrations, priority is always an issue because

²⁵ This brochure sets out the presentation concept of Lord of the Wings.

both parties are entitled to the presumptions accorded a registration under Section 7(c) of the Trademark Act, 15 U.S.C. §1057(c)). *See also, Brewski Beer Co. v. Brewski Brothers Inc.*, 47 USPQ2d 1281, 1284 (TTAB 1998) (“Of course, petitioner or respondent may rely on its registration for the limited purpose of proving that its mark was in use as of the application filing date.”). Because Respondent neither asserted nor proved a date of first use of its mark in the United States earlier than that of the filing date of the Section 44(e) application underlying the registration at issue, Respondent may rely on the July 31, 2008 filing date as its constructive first use date of. *See Hawaiian Host, Inc. v. Rowntree MacKintosh PLC*, 225 USPQ 628, 629 (TTAB 1985). (“applicant is entitled to seek registration of its mark under Section 44(e) of the Act, and that it is entitled to rely on the filing date of its application as its date of first use”). Petitioner, which properly introduced its pleaded registrations into the trial record, prevails as to priority as regards the marks and the goods and services recited therein on the basis of its earlier filing dates of the underlying applications for the registrations made of record in this proceeding, except as to the marks (and the goods and services) recited in Registration Nos. 3660931, 3660932, 3660933, 3717910, 3717911, 3911798, 3911799, and 3987009, as those filing dates are later than Respondent’s July 31, 2008 constructive first use date. Petitioner has used THE LORD OF THE RINGS to identify an animated movie in 1978, followed by its use of THE LORD OF THE RINGS, in combination with the wording THE FELLOWSHIP OF THE RING, THE TWO TOWERS and the RETURN OF THE

KING, respectively, as identifying a series of movies since 2001. Notably, Respondent did not challenge Petitioner's priority.

Likelihood of Confusion

Our determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the factors bearing on the issue of likelihood of confusion. *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973). *See also, In re Majestic Distilling Company, Inc.*, 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003).

Fame of Petitioner's Marks

This *du Pont* factor requires us to consider the fame of Petitioner's marks. Fame, if it exists, plays a dominant role in the likelihood of confusion analysis because famous marks enjoy a broad scope of protection or exclusivity of use. A famous mark has extensive public recognition and renown. *Bose Corp. v. QSC Audio Products Inc.*, 293 F.3d 1367, 63 USPQ2d 1303, 1305 (Fed. Cir. 2002); *Recot Inc. v. M.C. Becton*, 214 F.3d 1322, 54 USPQ2d 1894, 1897 (Fed. Cir. 2000); *Kenner Parker Toys, Inc. v. Rose Art Industries, Inc.*, 963 F.2d 350, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992).

Fame may be measured indirectly by the volume of sales and advertising expenditures of the goods and services identified by the marks at issue, "the length of time those indicia of commercial awareness have been evident," widespread critical assessments and through notice by independent sources of the products identified by the marks, as well as the general reputation of the products and services. *Bose Corp.*, 63 USPQ2d at 1305-1306 and 1309. However, raw numbers alone may be misleading.

Thus, some context in which to place raw statistics may be necessary (e.g., the substantiality of the sales or advertising figures for comparable types of products or services). *Bose Corp.*, 63 USPQ2d at 1309.

In addition to the findings set forth in the background section of this decision showing the immense popularity of the LOTR Books and Movies and the financial and critical success thereof, resulting in an extensive, decades-long licensing program of the LOTR Marks in connection with a myriad of products and services, the record reflects Petitioner's extraordinary efforts and expenditures to publicize the LOTR Books and Movies and to advertise products offered under the LOTR Marks in the United States and worldwide. By way of example, as reported in the *New York Times*, and confirmed by Ms. Drotos in her deposition, \$65 million was spent for a marketing campaign for the release of the DVD for just one of the LOTR Movies. 25 TTABVUE 59-60; 26 TTABVUE 17-19. Other unsolicited stories featuring the popularity, the critical acclaim, and the marketing and merchandizing of the LOTR movies were reported in *Business Wire*, *The New York Times*, *The Chicago Reader*, the *Contra Costa Times*, *The Washington Times*, the *Daily News* (Los Angeles), and *The San Francisco Chronicle*. 26 TTABVUE 3-42. Ms. Drotos also highlighted an article from the December 24, *New York Times*, which stated: "On the Internet Movie Data Base, a Web site that allows visitors to rate films, The Lord of the Rings has shot up since Wednesday to become the highest rated movie of all times, one one-hundredth of a point ahead of the Godfather, and still climbing." 25 TTABVUE 61; 26 TTABVUE 14.

Petitioner's LOTR Movies and Marks have also been publicized through unsolicited media attention with articles discussing the movies and their success at the box office appearing in *The Salinas Californian*, *The New York Times*, *The Boston Globe*, *The San Jose Mercury News*, *The Detroit Free Press*, *The Grand Rapids Press*, and the *Sun Herald* (Biloxi MS).²⁶ Of particular note, in an article printed in the *Sun Herald* and titled "Studios pull out the stars" (December 2, 2004) Greg Hernandez writes: "For the past three Decembers, each chapter of 'The Lord of the Rings' trilogy opened with huge box office grosses;²⁷ while *UPI Newswraps* (December 29, 2005) noted that Peter Jackson's 'Lord of the Rings' trilogy was voted [by readers as the] best film franchise";²⁸ and the article, FIVE THINGS ABOUT RINGS, published in the *Detroit Free Press* (February 16, 2006) reported:

The movie versions of J.R.R. Tolkien's "Lord of the Rings" trilogy raked in a whole lot of box-office gold. "The Lord of the Rings: The Return of the King" (2003) tallied \$377 million domestic gross, "The Lord of the Rings: The Two Towers" (2002) hit almost \$341 Million, and "The Lord of the Rings: The Fellowship of the Ring" (2001) clocked in at about \$315 million.²⁹

The LORD OF THE RING Marks identifying movies have also graced the covers of several magazines with nationwide circulation, i.e., *Time* (December 2, 2002), *Entertainment Weekly* (November 12, 2001), *TV Guide* (December 21, 2001), and *The Hollywood Reporter* (January 2002).

²⁶ 22 TTABVUE 48-76.

²⁷ 22 TTABVUE 74.

²⁸ *Id.* at 69.

²⁹ *Id.* at 65.

In addition to the more traditional advertising media, including TV and radio, Petitioner tapped into the Internet fan base to create a substantial online presence for its LOTR Movies, 25 TTABVUE 51-53, and Petitioner's licensee, New Line Cinema, and the studio that made the movies, created a website used to advertise the LOTR Movies. *Id.* at 52-53. In addition, both the Steven Colbert Show and Saturday Night Live, television programs with nationwide audiences, have featured LORD OF THE RINGS characters multiple times. *Id.* at 52, 104.

The LOTR Marks have also been used in connection with on-line and traditional video gaming. As reported in *Business Wire*, July 5, 2006, "Electronic Arts [a worldwide video game company] announced" that "the award-winning The Lord of the Rings the Battle for Middle-earth for Xbox 360 shipped to stores nationwide today and will hit store shelves July, 7, 2006." *Id.* at 58'

Through the extensive sales, advertising and publicity as discussed above, we find that the LORD OF THE RING mark is a famous mark in connection with LORD OF THE RINGS Books and LORD OF THE RING Movies.³⁰ That fame extends the scope of protection to a vast array of collateral or merchandising goods and services that are purchased because they bear the LORD OF THE RINGS trademark; that is, consumers would associate Petitioner as the source of such the goods and services

³⁰ In making this finding of fact, we acknowledge that there is a hearsay element to some of the evidence. However, there is no bias in the news articles which were not published for purposes of this proceeding, but rather were published as part of the regular reporting of news. Moreover, the multiple sources of information all corroborate the testimony made of record affirming the renown and recognition of the LORD OF THE RINGS brand.


bearing the mark LORD OF THE RINGS. *See Harley-Davidson Motor Co. v. Pierce Foods Corp.*, 231 USPQ 857, 863 (TTAB 1986).³¹

Similarity/Dissimilarity of the Marks

Having found Petitioner's LORD OF THE RING Marks to be famous, and therefore entitled to a broad scope of protection, we now turn to the *du Pont* likelihood of confusion factor focusing on the similarity or dissimilarity of the marks and compare the marks, as we must, in their entireties as to appearance, sound, connotation and commercial impression. *See Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin*, 396 F.3d 1369, 73 USPQ2d 1689 (Fed. Cir. 2005). However, there is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature of the mark, provided the ultimate conclusion rests on a consideration of the marks in their entireties. *In re National Data Corp.*, 753 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985). That is, "[t]he proper test is not a side-by-side comparison of the marks, but instead 'whether the marks are sufficiently similar in terms of their commercial impression' such that persons who encounter the marks would be likely to assume a connection between the parties." *Coach Servs. Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1721 (Fed. Cir. 2012) (citation omitted). *See also San Fernando Electric Mfg. Co. v. JFD Electronics*

³¹ "That the mark HARLEY-HOG used on pork products is likely to be associated as to source with opposer is also corroborated by the fact that opposer's uses of HARLEY and HOG in relation to its collateral goods frequently have been whimsical in character (e.g., HOG piggy banks, T-shirts bearing the phrase, 'I LOVE MY HOG HARLEY,' 'the HOG Tales' publication, etc.). Because of these uses, a person having knowledge of them would not be surprised to see HARLEY-HOG used in connection with hot dogs or similar products, and the association with opposer of the mark so used would also be not at all surprising."

Components Corp., 565 F.2d 683, 196 USPQ 1, 3 (CCPA 1977); *Spoons Restaurants Inc. v. Morrison Inc.*, 23 USPQ2d 1735, 1741 (TTAB 1991), *aff'd mem.*, 972 F.2d 1353 (Fed. Cir. June 5, 1992). The proper focus is on the recollection of the average customer, who retains a general rather than specific impression of the marks. *L'Oreal S.A. v. Marcon*, 102 USPQ2d 1434, 1438 (TTAB 2012); *Winnebago Industries, Inc. v. Oliver & Winston, Inc.*, 207 USPQ 335, 344 (TTAB 1980); *Sealed Air Corp. v. Scott Paper Co.*, 190 USPQ 106, 108 (TTAB 1975). Here, the average customer includes members of the general public.

With these principles in mind, we compare Respondent's mark  with Petitioner's pleaded typed or standard character LORD OF THE RINGS mark, and find the literal element in Respondent's mark and Petitioner's pleaded mark to be substantially similar in appearance and sound. Both are comprised of a four-word phrase beginning with the words "LORD OF THE" and ending with the five-letter words "WINGS" and "RINGS," respectively, terms that differ only as to the first letter. This visual and aural similarity is enhanced by the rhyming scheme of the marks such that, when spoken, they sound extremely similar. Given the overall visual and aural structure of the two marks, consumers may overlook the one letter difference between them. Moreover, and contrary of Respondent's contention, the wing design element of Respondent's mark fails to distinguish it from Petitioner's pleaded marks. Where both words and a design comprise the mark, then the words are normally accorded greater weight because the words are more likely to make an impression upon purchasers, would be remembered by them, and would be used by

them to request the goods and/or services. *In re Viterra Inc.*, 101 USPQ2d at 1908, citing *CBS, Inc. v. Morrow*, 708 F.2d 1579, 218 USPQ 198, 200 (Fed. Cir. 1983) (“in a composite mark comprising a design and words, the verbal portion of the mark is the one most likely to indicate the origin of the goods to which it is affixed”); *Joel Gott Wines LLC v. Rehoboth Von Gott Inc.*, 107 USPQ2d 1424, 1430-31 (TTAB 2013); *In re Appetito Provisions Co.*, 3 USPQ2d 1553, 1554 (TTAB 1987). See also *Giant Food, Inc. v. Nation’s Food Service, Inc.*, 710 F.2d 1565, 218 USPQ 390 (Fed. Cir. 1983). It is the literal element LORD OF THE WINGS that must be accorded greater weight over the design element because it is the part of Respondent’s mark that will be used to call for its services. Further, although quite visible, the wing design simply echoes the word WING in Respondent’s mark and does not create a commercial impression in and of itself. In addition, because Petitioner’s mark is in standard character format, it could be displayed in the same font style, size or color as Petitioner’s mark, see *Citigroup Inc. v. Capital City Bank Group, Inc.*, 637 F.3d 1344, 1353, 98 USPQ2d 1253, 1259 (Fed. Cir. 2011), and any differences in font or color are not distinguishing. As a result Respondent’s arguments in that regard are unpersuasive. Because neither Respondent’s nor Petitioner’s marks claim color as a feature thereof, the particular color scheme utilized by Respondent is not relevant to our findings.

We make the same findings when comparing Respondent’s mark to Petitioner’s pleaded THE LORD OF THE RINGS typed or standard character mark, as the addition of the definite article “THE” at the beginning of Petitioner’s mark has no trademark significance and fails to distinguish the marks. See *In re Thor Tech Inc.*,

90 USPQ2d 1634, 1635 (TTAB 2009) (“The addition of the word ‘The’ at the beginning of the registered mark does not have any trademark significance.”); *In re The Place Inc.*, 76 USPQ2d 1467, 1468 (TTAB 2005) (definite article THE is a non-distinctive term that adds no source-indicating significance to the mark as a whole); *In re Narwood Prods., Inc.*, 223 USPQ 1034, 1034 (TTAB 1984) (noting the insignificance of the word “the” in comparison of THE MUSIC MAKERS and MUSICMAKERS).

As to meaning, we find the marks arbitrary in relation to the parties’ respective goods and services, as there is nothing in the record to indicate that the wording has any meaning or significance that would result in distinctly different connotations being conveyed by the respective marks simply by virtue of different last words. To the extent the word WINGS is perceived by the consumer, it merely informs the consumer as to the type of goods offered at the restaurant, but it does not remove the connotation of the famous LORD OF THE RINGS mark.

In short, while we have not overlooked the differences between the marks when they are viewed on a side-by-side basis, we find that in their entirety, they are substantially similar in appearance, sound, connotation and commercial impression.

The *du Pont* factor of similarity of the marks thus favor a finding of likelihood of confusion.

The Number and Nature of Similar Marks in use on Similar Goods

Respondent has listed in its brief a number of hypothetical marks with the structure “Lord of the ...,” including, for example, “Lord of the Swings,” “Lord of the Stings” and Lord of the Zings,” essentially arguing that if cancellation is allowed on

the basis of the rhyming nature of the marks it would foreclose registration of any other “Lord of the ...” marks. We find this argument unavailing. There is no evidence that any of these marks have ever been used and such supposition is irrelevant to our decision in this case. We must decide this case based on the marks and evidence before us.

Respondent also has made of record evidence of third-party uses of the term “Lord of the ...,” i.e., “Lord of the Flies,” “Lord of the World,” “Lord of the Dance,” and “Lord of the Fries.”³² However, these third-party uses do not persuade us that the pleaded LORD OF THE RING Marks are commercially weak and diluted such that a likelihood of confusion between them and Petitioner’s marks would not occur. All four uses are for terms that are more dissimilar to the pleaded marks than is Respondent’s mark. Moreover, even if these terms were as similar to Petitioner’s marks as is Respondent’s, four uses do not evidence such a widespread and significant use of the construction “Lord of the” that we can conclude that the pleaded marks are so weak that the public would be able to distinguish the source of Respondent’s services from the source of the goods and services of Petitioner by the differences in their respective marks, particularly in view of the fame of Petitioner’s marks. *Cf., In re Broadway Chicken Inc.*, 38 USPQ2d 1559 (TTAB 1996) (“Broadway” is weak for restaurant services based on evidence that hundreds of restaurants and eating establishments use Broadway as a trademark or trade name).

³² This evidence was made of record primarily for the purpose of showing Respondent’s intent when it adopted its mark. *See* 34 TTABVUE 76-79, 287-293.


The Variety of Goods and Services on which a mark is or is not used

We find the *du Pont* factor concerning the variety of goods and services on which a mark is used weighs heavily in Petitioner's favor. The evidence establishes that Petitioner has licensed its LORD OF THE RING Marks for use on a large number of diverse products and services.

The Relatedness of the Goods and Services

We next consider the *du Pont* factor of the relatedness of the goods and services. Respondent points out that it uses its LORD OF THE WINGS and design mark only in “food and food service” in Class 43, and that Petitioner’s LOTR Marks “have never been registered in Class 43” and “ha[ve] not been shown to be used in any restaurant and ha[ve] no association with chicken or chicken wings.” Further, Respondent asserts that despite Petitioner’s having plenty of time to register the LOTR Marks in Class 43 or even other food-related classes, it chose not to do so; but instead, registered other marks owned by it in food-related classes.³³

³³ Respondent acknowledges Petitioner’s ownership of various registrations derived from the LOTR Movies and Books and the Hobbit for food related products and services, by making of record (as did Petitioner) copies of such third-party registrations. 34 TTABVUE 90-96, 331-346; 25 TTABVUE 28-32 and 214-229. A summary of these registration is set forth in the following chart:

Registration Number	Mark	Goods/Services
4125691	MIDDLE-EARTH	Vegetable salads
4128960	HOBBIT	Vegetable salads
4299250	MIDDLE-EARTH	Vegetable salads
3052146		Restaurant services
3052144	FRODO’S PIZZA	Restaurant services

Petitioner, on the other hand, points out that it owns several registrations that cover food and restaurant services, (*see fn. 33*), and has licensed many of the marks derived from the LOTR Books and Movies for use in connection with restaurant services and food products, such that consumers accustomed to seeing these marks used on or in connection with these food-related goods and services are likely to believe that Petitioner has licensed the use of the LORD OF THE WINGS and design mark to Respondent. Petitioner also notes Respondent’s acknowledgment, without contest, of these registrations. Petitioner further argues that because its extensive licensing program includes many food and restaurant services, though Petitioner has yet to specifically license anyone to use the LORD OF THE RINGS for such goods and services, particularly for chicken and chicken wings, such licensing is well within Petitioner’s zone of expansion.

4022968	THE HOBBIT	Services for providing food and drink; bar services; cafes; restaurants
4632690	THE HOBBIT	Beer; pilsner; stout
3925838	THE HOBBIT	Tea
4202767	FRODO	Food, namely, cookies
4210302	BILBO	Cookies
3778498	GANDALF	Tea
3779632	HOBBIT	Tea
3908163	HOBBITON	Tea

Respondent (and Petitioner) also made of record webpages from the websites of Frodo’s Pizza and 900 Grayson Restaurant showing apparent licensed uses of Petitioner’s FRODO, HOBBIT and MIDDLE-EARTH trademarks in connection with food products and restaurant services. 34 TTABVUE 97-99 and 347-350; 25 TTABVUE 33-34 and 230-234.

It is well established that Respondent's services and Petitioner's goods and services need not be similar or competitive, or even move in the same channels of trade, to support a finding of likelihood of confusion. It is sufficient that the respective goods and services are related in some manner, and/or that the conditions and activities surrounding the marketing of the goods and services are such that they would or could be encountered by the same persons under circumstances that could, because of the similarity of the marks, give rise to the mistaken belief that they originate from the same producer. *See Black & Decker Corp. v. Emerson Electric Co.*, 84 USPQ2d 1482, 1492 (TTAB 2007); *In re International Telephone & Telegraph Corp.*, 197 USPQ 910, 911 (TTAB 1978).

In this case, we note that Petitioner's LORD OF THE RING Marks identify iconic books and movies, that the LORD OF THE RING Marks are famous, and that Petitioner exploits the fame of the LORD OF THE RING books, movies and trademarks through an extensive licensing program. The Board, in another case, stated the following, which is equally appropriate in this case:

The licensing of commercial trademarks for use on "collateral" products (such as clothing, glassware, linens, etc.), which are unrelated in nature to those goods or services on which the marks are normally used, has become a common practice in recent years. *See: General Mills Fun Group, Inc. v. Tuxedo Monopoly, Inc.*, 204 USPQ 396, 400 [where we stated that such use is a matter of common knowledge and "has become a part of everyday life which we cannot ignore"], *affirmed* 648 F.2d 1335, 209 USPQ 986, 988 (CCPA 1981) [where the Court of Customs and Patent Appeals noted that "'collateral product' use is a matter of textbook discussion (see J. Gilson, Trademark Protection and Practice §5.05[10] (1980) and frequent commentary (see Grimes and Battersby, The Protection of

Merchandising Properties, 69 T.M. Rep. 431 (1979) and references cited therein”].

In re Phillips-Van Heusen Corporation, 228 USPQ 949, 951 (TTAB 1986). *See also L.C. Licensing Inc. v. Berman*, 86 USPQ2d 1883, 1889 (TTAB 2008) (“It is common knowledge, and a fact of which we can take judicial notice, that the licensing of commercial trademarks on ‘collateral products’ has become a part of everyday life.”); *Turner Entertainment Co. v. Nelson*, 38 USPQ2d 1942, 1945 (TTAB 1996) (“It is common knowledge, and in the present case, undisputed that video games, t-shirts, beach towels, caps and other logo-imprinted products are used as promotional items for a diverse range of goods and services.”). As shown by the record evidence, there are few in America who are not familiar with the LORD OF THE RINGS Books, Movies and trademarks and are aware that the trademark is licensed for use in connection with a vast array of goods and services.

It is possible that consumers would not expect that the provision of food and drink or restaurant services would emanate from the same source of entertainment services in the nature of movies and books. However, such speculation and generalizations should be avoided. In this case, Ms. Drotos testified that Petitioner, through Middle-earth Enterprises, a division of Petitioner, has licensed the LOTR Marks, including the LORD OF THE RING Marks, for decades for use on a wide variety of products and services. In 1982, for example, Petitioner entered into a worldwide license agreement with Iron Crown Enterprises which, at that time, was the biggest license in the history of the role-playing game industry. 25 TTABVUE 22; 191-196. Petitioner has granted numerous other licenses permitting its related

companies to use the LOTR Marks on restaurant services, food products, tea, music CDs, DVDs, trading cards, various types of toys and games, jewelry, miniatures, chess sets, books, posters, calendars, playing cards, collectibles, clothing, board games, video games and online games, lithographs, pewter items including goblets, shot glasses, plates and wine stops, costumes and stage productions. 25 TTABVUE 21-22, 29-50; 243-302 and 26 TTABVUE 2. Petitioner's licensing program is extremely successful and has generated royalties amounting to 25% of the gross revenues from ticket sales. The LOTR Movies have grossed approximately \$1 billion dollars in the United States resulting in about \$250-\$300 Million in merchandising sales of goods and services under the LOTR Marks. 25 TTABVUE 60; and 26 TTABVUE 3-55. There are currently between 450 and 500 licensees with active license agreements for use of the LOTR Marks, including the LORD OF THE RINGS Marks. 25 TTABVUE 22-23, 46. Petitioner's licensees include high profile companies, such as Denny's restaurants (offering menu item inspired by the LOTR Movies), New Line Cinema, Gateway and Kia Motors of America. 25 TTAB 35, 50-51; 26 TTABVUE 3-55.

Consequent to this extensive licensing program, we find Respondent's services recited as "providing food and drink; restaurant services; and snack bars" are related to Petitioner's LOTR Movies as well as the goods and services identified in Petitioner's pleaded LOTR registrations, i.e., "motion picture, video, and television films; prerecorded audio-video tapes, cassettes and/or discs featuring animation and/or music," because the record demonstrates that food items and restaurant

services are within Petitioner's natural area of expansion. *See e.g., Time Warner Entertainment v. Jones*, 65 USPQ2d 1650, (TTAB 2002) (evidence of licensing ROADRUNNER mark on wide variety of goods and use of another mark BUGS BUNNY on maps supported finding that road maps were within the natural area of expansion of products for plaintiff). The LORD OF THE RING movies and the goods and services identified in Petitioner's pleaded registrations obviously feature Petitioner's famous LORD OF THE RING Marks. The evidence shows that Petitioner has licensed that mark for use on a wide variety of goods and services which would be purchased by the same ordinary consumers who would purchase food items in Respondent's restaurants and snack bars. We again note that Petitioner has already licensed other marks from the LORD OF THE RINGS Movies and universe, i.e., FRODO, HOBBIT, GANDALF and MIDDLE-EARTH, to Frodo's Pizza and 900 Grayson Restaurant, which features the Hobbit midday meal, a Gandalf Burger, a Hobbit Fruit Tart and the Middle-Earth seasonal salad, for use in connection with food items and restaurant services. *See* 25 TTABVUE 33-34 and 230-234.

We conclude from this evidence that the services of "providing food and drink; restaurant services; and snack bars" are within the natural area of expansion of products and services for which Petitioner might license use of its Tolkien universe marks, including its LORD OF THE RINGS Marks. There is no evidence in the record that suggests that Petitioner would not or could not license the LORD OF THE RINGS Marks for use in connection with food provision and restaurant and snack bar services. In view thereof, we find that purchasers encountering the services of

providing food and drink, restaurant services and snack bars, bearing Respondent's confusingly similar LORD OF THE WINGS and design mark are likely to assume that Petitioner has licensed or approved use of such mark.

For the reasons discussed above, we find that Respondent's services are sufficiently related to Petitioner's goods and services, under the second *du Pont* factor, that confusion is likely to result from concurrent use by the parties of very similar marks. This is especially so in view of the fame of Petitioner's mark. *See Recot, Inc., supra.*

Trade Channels/Classes of Purchasers

We find that Respondent's services and Petitioner's goods and services move in some of the same trade channels and are marketed to some of the same consumers. There are no limitations in either Respondent's or Petitioner's respective identifications, so we must presume that the goods and services travel in all trade channels usual for such goods and services, even if not in the specific trade channels in which the goods or services are presently offered, and are offered to the usual classes of purchasers for such goods and services. *See McDonald's Corp. v. McSweet, LLC*, 112 USPQ2d 1268, 1282 (TTAB 2014); *see also In re Cook Medical Technologies LLC*, 105 USPQ2d 1377, 1381 (TTAB 2012); *In re Elbaum*, 211 USPQ 639 (TTAB 1981). The record demonstrates that the respective trade channels include or would include the same advertising channels, i.e., Internet websites and social media sites such as Facebook, Twitter, YouTube and Instagram and would be offered over the

Internet to the usual consumers therefor, which would include ordinary consumers who are movie goers and who frequent eating establishments.

For these reasons, the *du Pont* factors concerning the channels of trade and classes of purchasers overlap.

Instances of Actual Confusion / Respondent's Use of its Mark Overseas

Respondent asserts that despite its use of the LORD OF THE WINGS and design mark continuously overseas in several countries since 2006, no confusion has ever arisen. “[T]he absence of actual confusion over a reasonable period of time might well suggest that the likelihood of confusion is only a remote possibility with little probability of occurring.” *Central Soya Co., Inc. v. North American Plant Breeders*, 212 USPQ 37, 48 (TTAB 1981). However, the probative value of the absence of actual confusion depends upon there being a significant opportunity for actual confusion to have occurred. *Barbara's Bakery Inc. v. Landesman*, 82 USPQ2d 1283, 1287 (TTAB 2007). *See also Citigroup Inc. v. Capital City Bank Group, Inc.*, 94 USPQ2d 1645, 1660 (TTAB 2010), *aff'd*, 637 F.3d 1344, 98 USPQ2d 1253 (Fed. Cir. 2011); *Gillette Canada Inc. v. Ranir Corp.*, 23 USPQ2d 1768, 1774 (TTAB 1992). Consequently, use by Respondent of its mark in Lebanon and other middle-eastern countries is irrelevant. *See generally Hard Rock Café Licensing Corp.*, 48 USPQ2d 1400 (TTAB 1998) (evidence of exposure of the foreign public to opposer's marks was irrelevant). Because Respondent arguably has yet to begin use of its mark in the United States, there has been no occasion for actual confusion in the marketplace. *See Schering-Plough Healthcare Products Inc. v. Ing-Jing Huang*, 84 USPQ2d 1323

(TTAB 2007) (“The absence of actual confusion is of no moment in this case, given that applicant’s application is based on an intention to use the mark, and there is no evidence to suggest that applicant has commenced use. Thus, to state the obvious, there has not been any opportunity for actual confusion in the marketplace.”). Moreover, even if we were to assume (and we do not and, further, do not reach this issue) that Respondent commenced use of its mark in January 2015 at a pilot location, any contemporaneous use by the parties would have been of very short duration.

We thus find that the lack of any reported instances of actual confusion is neutral.

Other Arguments - Bad Faith Adoption of the Mark

Last, we address Petitioner’s contention that Respondent intent’s in adopting its LORD OF THE WINGS and design mark was to create an association with Petitioner’s famous LORD OF THE RINGS Marks. Although this argument was made in the context of Petitioner’s dilution claim, we briefly address it within the context of the issue of likelihood of confusion. Petitioner essentially argues that Respondent adopted its mark with knowledge of Petitioner’s prior rights (at least with respect to the LORD OF THE RING Movies), and therefore, in bad faith. Mere prior knowledge of Petitioner’s LORD OF THE RING Movies, however, does not establish that Respondent adopted its mark in bad faith. *See Sweats Fashions Inc. v. Pannill Knitting Co. Inc.*, 833 F.2d 1560, 4 USPQ2d 1793, 1798 (Fed. Cir. 1987). Respondent has provided a plausible explanation as to why it adopted its mark, i.e., because the mark would convey its concept of being the best and alternatives marks,

such as King of Wings, were already associated with another entity. There is nothing of record which contradicts Respondent's explanation or which otherwise proves that Respondent adopted its mark in bad faith.

Accordingly, this factor does not support Petitioner.³⁴

Conclusion

Petitioner's LORD OF THE RING Marks are famous marks. Our primary reviewing court has cautioned that in such circumstances there is "no excuse for even approaching the well-known trademark of a competitor." *Kenner Parker Toys, Inc., Rose Art Indus., Inc.*, 963 F.2d 350, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992).

Thus, the Lanham Act's tolerance for similarity between competing marks varies inversely with the fame of the prior mark. As a mark's fame increases, the Act's tolerance for similarities in competing marks falls. For this reason, this court emphasizes:

When a Plaintiff's trademark is a strong, famous mark, it can never be "of little consequence". The fame of a trademark may affect the likelihood purchasers will be confused inasmuch as less care may be taken in purchasing a product under a famous name.

[*Specialty Brands*, 748 F.2d 669, 223 USPQ 1281, 1282 (Fed. Cir. 1984)]; *see also B.V.D. Licensing v. Body Action Design*, 846 F.2d 727, 730, 6 USPQ2d 1719, 1722 (Fed. Cir. 1988) (Nies, J. now C.J., dissenting) ("a purchaser is less likely to perceive differences from a famous mark.") (emphasis in original).

Id. at 1456.

³⁴ Lack of intent to trade on or copy another's mark will not, however, prevent a finding of likelihood of confusion if a likelihood of confusion otherwise exists. *See J & J Snack Foods Corp. v. McDonald's Corp.*, 932 F.2d 1460, 18 USPQ2d 1889, 1891 (Fed. Cir. 1991).

When we consider the record, the relevant likelihood of confusion factors, and all of the arguments and evidence relating thereto, including those arguments and evidence not specifically addressed in this decision, we conclude that because the parties' respective marks are very similar, the goods and services are related and must be presumed to move in overlapping channels of trade and be sold to the same classes of consumers, Respondent's mark LORD OF THE WINGS and design for providing food and drink, restaurant services, and snack bars is likely to cause confusion with Petitioner's LORD OF THE RINGS Marks.

In view of our finding that there is a likelihood of confusion, we need not decide Petitioner's dilution, false suggestion of a connection, and abandonment claims.

Decision: The petition for cancellation is granted and Registration No. 3638083 will be cancelled in due course.