

Registering Trademarks: Overcoming Section 2(d) Likelihood of Confusion Refusals

THURSDAY, DECEMBER 6, 2018

1pm Eastern | 12pm Central | 11am Mountain | 10am Pacific

Today's faculty features:

Patrick J. Gallagher, Member, **Cozen O'Connor**, Minneapolis

Draeke H. Weseman, Attorney, **Winthrop & Weinstine**, Minneapolis

The audio portion of the conference may be accessed via the telephone or by using your computer's speakers. Please refer to the instructions emailed to registrants for additional information. If you have any questions, please contact **Customer Service at 1-800-926-7926 ext. 1.**

Tips for Optimal Quality

FOR LIVE EVENT ONLY

Sound Quality

If you are listening via your computer speakers, please note that the quality of your sound will vary depending on the speed and quality of your internet connection.

If the sound quality is not satisfactory, you may listen via the phone: dial **1-866-258-2056** and enter your PIN when prompted. Otherwise, please **send us a chat** or e-mail sound@straffordpub.com immediately so we can address the problem.

If you dialed in and have any difficulties during the call, press *0 for assistance.

Viewing Quality

To maximize your screen, press the F11 key on your keyboard. To exit full screen, press the F11 key again.

Continuing Education Credits

FOR LIVE EVENT ONLY

In order for us to process your continuing education credit, you must confirm your participation in this webinar by completing and submitting the Attendance Affirmation/Evaluation after the webinar.

A link to the Attendance Affirmation/Evaluation will be in the thank you email that you will receive immediately following the program.

For additional information about continuing education, call us at 1-800-926-7926 ext. 2.

If you have not printed the conference materials for this program, please complete the following steps:

- Click on the ^ symbol next to “Conference Materials” in the middle of the left-hand column on your screen.
- Click on the tab labeled “Handouts” that appears, and there you will see a PDF of the slides for today's program.
- Double click on the PDF and a separate page will open.
- Print the slides by clicking on the printer icon.

REGISTERING TRADEMARKS

Overcoming Likelihood of Confusion Refusals



PRESENTED BY:
PATRICK GALLAGHER
MEMBER
Cozen O'Connor
P/ 612-260-9075
E/ pgallagher@cozen.com



PRESENTED BY:
DRAEKE WEEMAN
TRADEMARK ATTORNEY
Winthrop & Weinstine
P/ 612.604.6746
E/ dweeman@winthrop.com

YOUR PANEL – PATRICK GALLAGHER

COZEN O'CONNOR

Member, Trademark & Copyright Practice Group

- > Adjunct Prof., Univ. of St. Thomas School of Law (Minneapolis), Sports & IP Law
- > The Best Lawyers in America, Best Lawyers, Litigation - Intellectual Property, 2016-2019
- > WTR 1000 - Minnesota: prosecution and strategy, *World Trademark Review*, 2014-2019
- > Youth sports coach (hockey & lacrosse)



Member

PATRICK GALLAGHER

P/

E/

YOUR PANEL – DRAEKE WESEMAN

WINTHROP & WEINSTINE

Trademark Attorney, Trademark & Brand Protection Group

- > 2018 Rising Star® recipient
- > Duetsblog.com author
- > U.S. News – Best Lawyers®
Nationally Ranked Practice Group
(Trademark Law)
- > Avid rock climber and outdoor recreation enthusiast



TRADEMARK ATTORNEY

DRAEKE WESEMAN

P/ 612.604.6746

E/ dweeman@winthrop.com

AGENDA

- > History and Fundamentals of Likelihood of Confusion**
- > Overview of du Pont Factors and TMEP**
- > In-depth Discussion of du Pont Factors and Select Cases**
- > Test Cases and Q&A**

HISTORY AND FUNDAMENTALS OF LIKELIHOOD OF CONFUSION

HISTORY



“[T]he plaintiff has the right not to lose his customers through false representations that those are his wares which in fact are not The defendant, on the other hand, may copy plaintiff's goods slavishly down to the minutest detail: but he may not represent himself as the plaintiff in their sale.”

Crescent Tool C. v. Kilborn & Bishop Co.,
247 F. 299, 301 (2d Cir. 1917) (Hand, J.)

THE LANHAM ACT: PURPOSE

- > Protects trademark owners' investment in reputation
 - Time
 - Energy
 - Money
- > Prevents another from passing off its goods as the trademark owners'
 - Confuse consumers
 - Erode consumer goodwill

SECTION 2(d) – TRADEMARK ACT OF 1946

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it:

Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive purchasers

15 U.S.C. § 1052(d)

SECTION 2(d) – 1962 AMENDMENT

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it:

Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive purchasers

15 U.S.C. § 1052(d)

LAW AND ECONOMICS

Brands are informational marketplace signals that quickly assure consumers of a consistent, predictable quality of goods or services.



FUNDAMENTAL PRINCIPLES: LIKELIHOOD OF CONFUSION

- > **“Likely” = More than merely possible**
- > **“Confusion” = More than calling to mind**
- > **Confusion of “source” or relationship to source**
 - **Not merely “confusing similarity” of marks**
 - **Not merely confusing goods**
- > **Purchasers and Potential Purchasers**

FUNNEL OF SUCCESS

Pre-Filing Decisions

Examination

Appeal

PYRAMID OF EXPENSE

Pre-Filing Decisions

Examination

Appeal

PRE-FILING DECISIONS

- > Searching**
- > Identification Goods & Services**
- > Selection of Marks & Scope of Protection**

SEARCHING

- > **How many disclosed marks?**
- > **What are the dominant elements of the disclosed marks?**
- > **What are the identified goods and services of the disclosed marks?**
- > **Are the disclosed marks in use? Scope? Priority?**

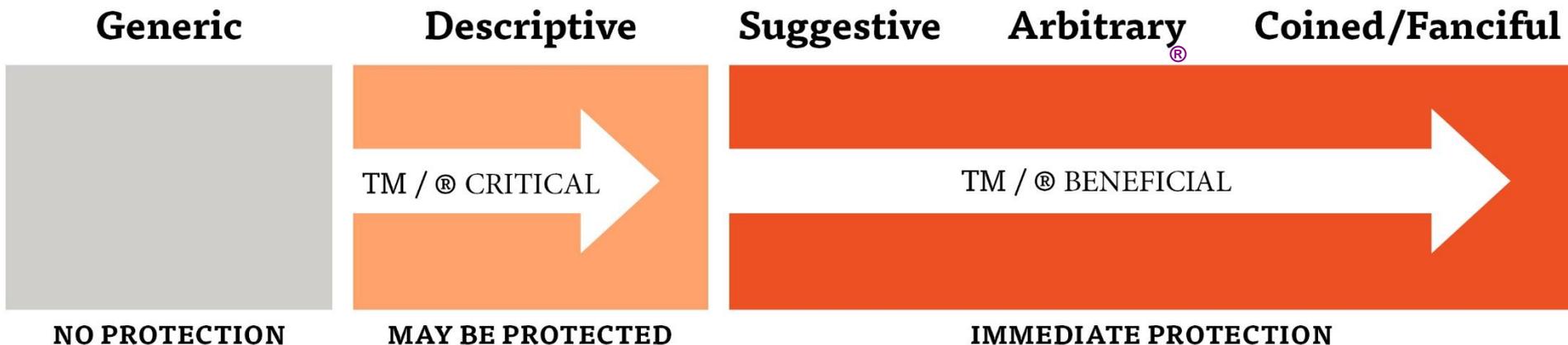
IDENTIFICATION OF GOODS & SERVICES

- > Consider whether a broad identification is necessary**
- > All-at-once or incremental approach with regards to goods and classes?**
- > Avoid overlapping key words if not essential to identification**

SELECTION OF MARKS & SCOPE OF PROTECTION

- > Standard characters? Or with generic or descriptive matter, stylized, or with a design? All-at-once or incremental?

SPECTRUM OF DISTINCTIVENESS



OVERVIEW OF DU PONT FACTORS AND TRADEMARK MANUAL OF EXAMINING PROCEDURE

GENERAL PRINCIPLES

- > The 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 any likelihood of confusion analysis, two key considerations are the similarities between the marks and the similarities between the goods or services
- > These principles do not, however, trump the Boards duty to consider marks on a caseby-case basis

DU PONT FACTORS

- 1. The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression**
- 2. The similarity or dissimilarity and nature of the goods or services as described in an application or registration or in connection with which a prior mark is in use**
- 3. The similarity or dissimilarity of established, likely-to-continue trade channels**

DU PONT FACTORS (CONT.)

- 4.** The conditions under which and buyers to whom sales are made, i. e. “impulse” vs. careful, sophisticated purchasing
- 5.** The fame of the prior mark (sales, advertising, length of use)
- 6.** The number and nature of similar marks in use on similar goods
- 7.** The nature and extent of any actual confusion

DU PONT FACTORS (CONT.)

- 8.** The length of time during and conditions under which there has been concurrent use without evidence of actual confusion
- 9.** The variety of goods on which a mark is or is not used (house mark, “family” mark, product mark)
- 10.** The market interface between applicant and the owner of a prior mark: (a) a mere “consent” to register or use; (b) agreement provisions designed to preclude confusion, i. e. limitations on continued use of the marks by each party; (c) assignment of mark, application, registration and good will of the related business; (d) laches and estoppel attributable to owner of prior mark and indicative of lack of confusion

DU PONT FACTORS (CONT.)

- 11.** The extent to which applicant has a right to exclude others from use of its mark on its goods
- 12.** The extent of potential confusion, i. e., whether *de minimis* or substantial
- 13.** Any other established fact probative of the effect of use

TMEP § 1207.01(D) MISC. CONSIDERATIONS

- > 1207.01(d)(i) - Doubt Resolved in Favor of Registrant**
- > 1207.01(d)(iv) - Collateral Attack on Registration Improper in Ex Parte Proceeding**
- > 1207.01(d)(v) - Classification of Goods/Services**
- > 1207.01(d)(vi) - Prior Decisions of Examining Attorneys**
- > 1207.01(d)(xii) - Pharmaceuticals or Medicinal Products**

DISCUSSION OF DU PONT FACTORS AND SELECT CASES

1. SIMILARITY OF MARKS

- > The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.
- > Comparison of “Commercial Impression”
 - Sound
 - Meaning
 - Appearance
- > Not side-by-side (visual) comparison
- > Focus is on the recollection of the average customer, who retains a general rather than specific impression of the marks



SIMILARITY OF MARKS (CONT.)

- > Wording often is considered the dominant feature of a mark**
- > The literal elements of a mark are likely to make a greater impression upon purchasers . . . and would be remembered by them and used by them to request the services**
- > Registration in standard characters gives rights in all manners of forms**

SIMILARITY OF MARKS (CONT.)

In re Inn at St. John's, LLC

126 USPQ2d 1742 (TTAB 2018)

- Marks “highly similar” in appearance, sound, connotation, and commercial impression
- Both for “restaurant and bar services”

Although the terms STEAK, STEAKHOUSE, and RESTAURANT are generic, or at best descriptive terms, “such terms, in appropriate circumstances may – and here, do – contribute to the overall commercial impression created by a mark.”

Applicant's Mark



Registrant's Mark

5IVESTEAK

2. RELATEDNESS OF GOODS AND SERVICES

- > **The similarity or dissimilarity and nature of the goods or services as described in an application or registration or in connection with which a prior mark is in use.**
- > **Three categories:**
 - **Competitive**
 - **Non-competitive but related**
 - **Unrelated**
- > **Relatedness is a matter of degree**
- > **Reality is less important than perception**

RELATEDNESS OF GOODS (CONT.)

- > Nature of goods themselves
 - Type
 - Contents / Parts
 - Use, purpose, function and circumstances of same
- > Structure of the market in which they move
 - Channels of trade
 - Bridging the gap
 - Class of purchasers and target market

RELATEDNESS OF GOODS (CONT.)

“[R]egistration . . . shall be prima facie evidence of . . . the owner’s exclusive right to use the registered mark in commerce on or in connection with the goods or services specified in the certificate, subject to any conditions or limitations stated in the certificate.”

15 U.S.C. § 1057(b)

RELATEDNESS OF GOODS (CONT.)

- > Goods and services defined by application and registration, not use**
- > Applicant's and registrant's descriptions will be construed in the manner most favorable to registrant**

RELATEDNESS OF GOODS (CONT.)

> All normal and usual types of:

- purchasers
- uses
- prices
- sizes
- channels of trade
- advertising
- methods of distribution

RELATEDNESS OF GOODS (CONT.)

In re Solid State Design, Inc.

125 USPQ2d 1409 (TTAB 2018)

- Applicant's software for "visualizing the popularity of places" is "sold as 'business to consumer' (B2C)"
- Registrant's software is "primarily software for travel and destination marketing organizations and travel marketing professionals"

Applicant's Mark:

populace

Registrant's Mark:



SECTION 18 PARTIAL CANCELLATION

“We are obligated to decide this appeal on the basis of the registration that was issued.”

“[T]he present ex parte proceeding is not the proper forum for such a challenge”

Instead, under Section 18:

“[T]he Director may . . . modify the application or registration by limiting the goods or services specified therein.” 15 U.S.C. § 1068

SECTION 18 (CONT.) – TBMP 309.03(d)

- > Equitable remedy to avoid likelihood of confusion, independent from any other grounds for relief**
- > Restriction may be to delete specific goods or services or limit types, uses, customers, trade channels**
- > Restriction may narrow the description of the mark or disclaim a generic part of a the mark**

SECTION 18 (CONT.) – TBMP 309.03(d)

- > Marks older than five years old may be restricted**
- > The mark must not be in use by registrant on the goods or services effectively excluded if a restriction is entered**
- > The Board inquiry into nature of use of a mark is as of the time the restriction is sought, not as of the time registration was sought**

3. TRADE CHANNELS

- > The similarity or dissimilarity of established, likely-to-continue trade channels.
- > The analysis of of trade channels “is premised upon the identifications of goods in the application and in the cited registration.”
- > *In re Solid State Design*: “Because we must deem the goods to be legally identical in part, we are obligated to assume that their channels of trade are legally identical as well, even in the absence of record evidence.”

TRADE CHANNELS (CONT.)

In re HerbalScience Group, LLC
96 USPQ2d 1321 (TTAB 2010)

- Applicant's botanical extracts are for use in manufacturing nutraceuticals
- Registrant's goods are dietary and nutritional supplements
- "A significant number of third-party registrations show[ed] that many entities have adopted a single mark for use on goods of the type listed in both applications."
- Refusal reversed.

Applicant's Mark:

MINDPOWER

Registrant's Mark:

MIND POWER RX



6. THIRD-PARTY MARKS

- > The number and nature of similar marks in use on similar goods.
- > Extensive evidence of third-party use and registrations is “powerful on its face,” even where the specific extent and impact of the usage has not been established. *Juice Generation, Inc. v. GS Enterprises LLC*, 115 USPQ2d 1671 (Fed. Cir. 2015)



- > Evidence of dozens of third-party registrations for the same or very similar marks, owned by different entities (for vehicles and recreational vehicle trailers) suggested that "businesses in these two industries believe that their respective goods are distinct enough that confusion between even identical marks is unlikely." *In re Thor Tech, Inc.*, 113 USPQ2d 1546 (TTAB 2015)



THIRD-PARTY MARKS (CONT.)

“[E]vidence of third-party use bears on the strength or weakness of an opposer’s mark.”

“The weaker an opposer’s mark, the closer an applicant’s mark can come without causing a likelihood of confusion and thereby invading what amounts to its comparatively narrower range of protection.”

Jack Wolfskin Ausrüstung für Draussen GmbH & Co. KGaA v. New Millennium Sports, S.L.U., 116 USPQ2d 1129 (Fed. Cir. 2015)



KELME 

THIRD-PARTY MARKS (CONT.)

In re Inn at St. John's, LLC
126 USPQ2d 1742 (TTAB 2018)

- Only evidence of “just a few” third party registrations deemed a “far cry from the large quantum of evidence of third-party use and third-party registrations that was held to be significant in both *Jack Wolfskin* and *Juice Generation*”

Applicant's Mark



Registrant's Mark

5IVESTEAK

7. THE NATURE AND EXTENT OF ACTUAL CONFUSION

> TMEP § 1207.01(d)(ii))

- It is well settled that the relevant test is likelihood of confusion, not actual confusion**
- Unnecessary for Examiner to show actual confusion to establish likelihood of confusion**

8. EVIDENCE OF CONCURRENT USE WITHOUT EVIDENCE OF ACTUAL CONFUSION

- > Evidence of no actual confusion, even with evidence of significant coexistence in marketplace, not relevant in § 2(d) Refusal
- > May be relevant – but not dispositive – in Opposition/Cancellation context
 - 20 years of marketplace coexistence relevant but not dispositive

See, e.g., *Mr. Hero Sandwich Systems, Inc. v. Roman Meal. Co.*, 781 F.2d 884, 889, 228 U.S.P.Q.2d 364, 367 (Fed. Cir. 1986) (coexistence of mark for nearly 20 years without evidence of actual confusion is “not dispositive where the issue is likelihood of confusion, mistake or deception, but it does suggest that the marks are not so easily confused.”)

CONCURRENT USE PROCEEDINGS - TBMP § 1100

- > 15 U.S.C. § 1052(d) provides that an eligible applicant may request issuance of a registration based on rights acquired by concurrent use of its mark, either with the owner of a registration or application for a conflicting mark or with a common-law user of a conflicting mark.**
- > Typically, includes a geographically restricted registration.**

10. MARKET INTERFACE

- > **The market interface between applicant and the owner of a prior mark: (a) a mere “consent” to register or use; (b) agreement provisions designed to preclude confusion, i. e. limitations on continued use of the marks by each party; (c) assignment of mark, application, registration and good will of the related business; (d) laches and estoppel attributable to owner of prior mark and indicative of lack of confusion.**

MARKET INTERFACE - CONSENT AGREEMENTS

In re Bay State Brewing Company, Inc.
117 USPQ2d 1958 (TTAB 2016)

- Likelihood of confusion compelling because of virtual identical nature of the marks, the identity of the goods, trade channels, and purchasers, and the "impulse nature" of purchases of beer
- Consent agreement included typical language but also geographic overlap and restrictions on use not consistent with scope of application and registration
- Board: "Patrons in New York and New England are likely to be confused . . . even when these marks are used within the constraints set forth in the consent agreement."

Applicant's Mark:

**TIME TRAVELER
BLONDE**

Registrant's Mark:

TIME TRAVELER

ACCEPTABLE CONSENT AGREEMENTS

- > Show an agreement between both parties;**
- > Clearly indicate that the goods and/or services travel in separate trade channels**
- > Restrict the parties' fields of use;**
- > Agree to make efforts to prevent confusion, and cooperate and take steps to avoid any confusion that may arise in the future**
- > Acknowledge period of time without evidence of actual confusion**

13. OTHER PROBATIVE FACT(S)

- > Any other established fact probative of the effect of use.**
- > Accommodates the need for flexibility in assessing each unique set of facts**
- > May outweigh other facts and lead to a conclusion that confusion is unlikely**
- > Example: Applicant's Prior Registrations, Consistency**

OTHER (CONT.) - APPLICANT'S PRIOR REG.

In re Inn at St. John's, LLC
126 USPQ2d 1742 (TTAB 2018)

- Applicant owned prior registration for the mark below:



- Applicant's applied-for mark . . .
"moves closer"



TEST CASES

TEST CASE NO. 1

CAPITAL CITY BANK

(Banking and financial services)

CITIBANK

(Banking and financial services)

TEST CASE NO. 1 (CONT.)

- > Similar marks, similar services, but third party use and registration of common terms**
- > Additions or deletions to marks may be sufficient to avoid a likelihood of confusion, if:
 - (1) the marks in their entireties convey significantly different commercial impressions; or**
 - (2) the matter common to the marks is not likely to be perceived by purchasers as distinguishing source because it is merely descriptive or diluted.****

TEST CASE NO. 1 (CONT.)

- > Citibank: Lack of actual confusion was not significant, since CCB “has not used all the potential variations of the standard character mark.”**
- > CAFC: “Although the most potentially confusing form of CCB's marks, that is, a version deemphasizing ‘Capital’ and emphasizing “City Bank,” has not yet been used, the critical words are all in use and there is no evidence of actual confusion.” However, the “actual confusion” factor has “limited probative value in this case.”**

TEST CASE NO. 1 (CONT.)

Citigroup Inc. v. Capital City Bank Group, Inc.,
637 F.3d 1344, (Fed. Cir. 2011)

- > The phrase “City Bank” is frequently used in the banking industry
- > “CAPITAL” is the dominant element of applicant’s marks, which gives the marks a geographic connotation as well as a look and sound distinct from opposer’s marks.
- > Board’s Denial of Opposition Affirmed.



TEST CASE NO. 2

CALYPSO CAPITAL MANAGEMENT CALYPSO QUALIFIED PARTNERS CALYPSO MASTER FUND

(Investment management
and fund services)

CALYPSO

(Computer software
for use by financial institutions
for core processing and control)

TEST CASE NO. 2 (CONT.)

Calypso Technology, Inc. v. Calypso Capital Management, LP,
100 USPQ2d 1213 (TTAB 2011)

- > Board: [T]here is no evidence that the same people at the financial institutions make the decision to purchase investor services also choose to purchase computer software for core processing and control.
- > It is obvious that financial institutions using these services will be investing large sums of money, and will be extremely careful and sophisticated purchasers.
- > Because of the cost and the purpose of the software, the financial institutions purchasing software for core processing and control will be careful and sophisticated as well.

TEST CASE NO. 3

AMERICAN CONSTELLATION

(Cruise ship services)

CONSTELLATION CELEBRITY CONSTELLATION

(Cruise ship services)

TEST CASE NO. 3 (CONT.)

- > American Constellation obtains consent agreements from owner of CONSTELLATION and CELEBRITY CONSTELLATION
- > In the consent agreements, parties state that there is no likelihood of confusion between marks
- > However, the consent agreements do not describe:
 - The arrangements that have been undertaken by applicant and registrant to avoid confusion
 - The parties' agreement to make efforts to prevent confusion, or
 - The steps to be taken to avoid confusion in the marketplace in the future

TEST CASE NO. 3 (CONT.)

In Re Am. Cruise Lines, Inc.,
128 USPQ2d 1157 (TTAB 2018)



- > Examiner: Consent agreements are “naked” consent agreements (due to inadequate provisions) and refused registration
- > Board: “While the inclusion of provisions to avoid any potential confusion are preferred and probative in consent agreements, they are not mandatory.”
- > Refusal reversed.

TEST CASE NO. 4

JAWS DEVOUR YOUR HUNGER

(Streaming audiovisual material
via an Internet channel
providing programming related to cooking)

JAWS

(Video recordings in all formats
all featuring motion pictures)

TEST CASE NO. 4 (CONT.)

In re Mr. Recipe, LLC, 118 USPQ2d 1084 (TTAB 2016)

- > Board: “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.”
- > “[T]here is ... no excuse for even approaching the well-known mark of a competitor.”
- > Refusal affirmed.



QUESTIONS?

THANK YOU!

PATRICK GALLAGHER

Cozen O'Connor

P/ 612-260-9075

E/ pgallagher@cozen.com

DRAEKE WESEMAN

Winthrop & Weinstine

P/ 612.604.6746

E/ dweseman@winthrop.com