

Hearing:
March 30, 2010

**THIS OPINION IS NOT A
PRECEDENT OF THE TTAB**

Mailed:
June 16, 2010
Bucher

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Foster's Wine Estates Americas Company

Serial No. 77018496

Gary D. Krugman of Sughrue Mion, PLLC for Foster's Wine Estates Americas Company.

Karen K. Bush, Trademark Examining Attorney, Law Office 105 (Thomas G. Howell, Managing Attorney).

Before Bucher, Grendel and Cataldo, Administrative Trademark Judges.

Opinion by Bucher, Administrative Trademark Judge:

Foster's Wine Estates Americas Company seeks registration on the Principal Register of the mark **CELLAR 360** (*in standard character format*) for goods

identified as "wine" in International Class 33.¹

The Trademark Examining Attorney refused registration under Sections 1, 2 and 45 of the Trademark Act on the ground the specimen does not show the applied-for mark in

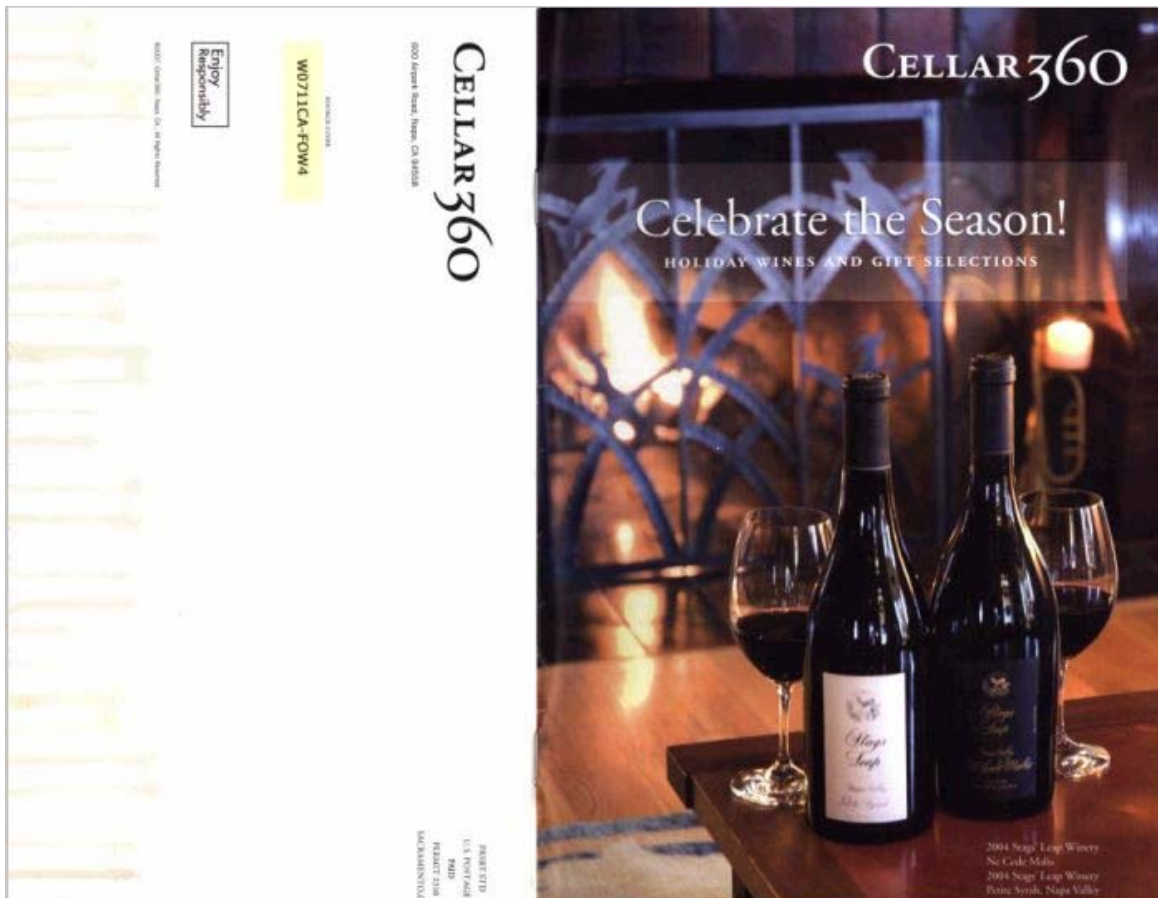
¹ Application Serial No. 77018496 was filed on October 11, 2006 based upon applicant's allegation of a *bona fide* intention to use the mark in commerce.

use in commerce as a trademark for the identified goods.

15 U.S.C. §§ 1051, 1052 and 1127.

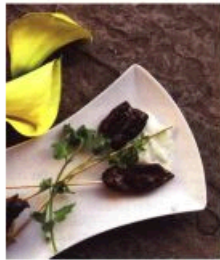
After the Trademark Examining Attorney made the refusal final, applicant appealed to this Board. We affirm the refusal to register.

The specimen of use submitted by applicant in support of the Statement of Use was a catalogue mailed to prospective customers, of which we evidently have in the record only the front and back covers and a cropped image showing most of the two, centerfold pages, as follows:



Visit Us in San Francisco

Cellar360 now has a 6,000 square-foot tasting bar on the Plaza level of the Woolen Mill Building in Ghirardelli Square! We hope to bring the fine country experience to the beloved and historic San Francisco icon. *Bring this catalog in for a free tasting!*



Wine Tasting | Wine Retail Sales | Charcuterie | Culinary Education | Events

CELLAR360
SAN FRANCISCO

Open 7 days a week. | Sunday - Thursday 10 a.m. - 6 p.m. | Friday - Saturday 10 a.m. - 9 p.m.
Northpoint | Suite F301 | San Francisco, CA 94109 | 415-440-0772 | www.cellar360.com

Guide to Ordering and Services

Customer Service

CALL: 1-877-774-WINE (9663)
E-MAIL: wineclub@cellar360.com
WRITE: Cellar360
Customer Contact Center
600 Airpark Road
Napa, CA 94558
WEB: To access our online store, or find information online, go to www.cellar360.com

How to Order

You must be over 21 years of age to purchase and receive wine. All deliveries require an adult signature.

To ensure holiday delivery, please follow the ordering deadlines below:

	NO DELIVERY REQUIRED (MONDAY-THURSDAY, 12/24/07)	TO DELIVER REQUIRED (FRIDAY-SATURDAY, 12/25/07)
OPEN ORDERS	12/12/07 by 5 pm PST	12/13/07 by 5 pm PST
ORDER 24-HR	12/13/07 by 5 pm PST	12/13/07 by 5 pm PST
HOLIDAY 24-HR	12/13/07 by 5 pm PST	12/14/07 by 5 pm PST

THREE WAYS TO ORDER: Whether you prefer the internet, fax, or speaking in person to our Wine Consultants, ordering is easy!
Online: *Reserving orders:* Place your order, then check out using your password-protected account information. We've stored your billing and shipping details in our secure files for your convenience.

Confirm your order and print the receipt. You will receive a confirmation e-mail sent to the account you have on file.

Free wine expert: Add products from our Wine Shop to your cart. As you check out, set up your Cellar360 account using our secure shipping and billing information files.

Confirm your order and print the receipt. You will receive a confirmation e-mail sent to the account you have on file.
1. PHONE: 1-877-774-WINE (9663). Our knowledgeable Wine Consultants are available Monday through Friday, 7 am to 6 pm PST. Extended holiday hours, effective 11/24/07, are Monday through Saturday, 7 am to 6 pm PST.

2. SECURE FACSIMILE: 1-707-251-3550, 24 hours, 7 days a week.
PAYMENT OPTIONS: We accept Visa®, MasterCard®, American Express®, and Discover®. Personal checks are not accepted.

Sales Tax: Orders shipped to certain states require corresponding sales tax. You will be informed of any required sales tax upon placing your order.

ORDER CONFIRMATIONS: Once you place your online order, we will send an e-mail order confirmation and a shipping confirmation to the e-mail address associated with your account. E-mails are sent to acknowledge new orders and shipments. E-mail confirmations are sent only to customers not wanting to receive other e-mail or special offers from us.

VINTAGE CHANGES: Wine stock is limited and offers are based on availability. We will notify you if a wine is unavailable or an alternate vintage must be substituted. Prices are subject to change without notice.

Quality Guarantee

All of our wines and wine products are stored, handled and packaged with the utmost care to maintain optimum quality. Of course, if for any reason you are dissatisfied with your order, please contact us within 30 days of receipt of your order. For fastest results, contact us by e-mailing wineclub@cellar360.com.

Shipping and Returns

Shipping Methods & Costs: Based on state availability, shipments will be handled by UPS, FedEx or DHL. Most orders are shipped via 2-day service. Standard overnight and Saturday delivery services are also available. Depending on weather conditions, ground service is available to some states. Due to changing fuel prices, please contact customer service for shipping and handling rates.

Wine shipments require a signature at the time of delivery from someone 21 years or older. No wine will be delivered to a visibly intoxicated person, and any person unable to produce valid identification forfeits their right to receive the shipment until identification is produced. In such circumstances, the order may be held in storage at a local depot until appropriate identification is produced, or it may be shipped back to Cellar360.

All costs associated with a return due to unsuccessful delivery attempts will be charged to the customer. In the unlikely event of damages in transit, customers are responsible for filing claims directly with the respective third party transit carrier (UPS, FedEx, or DHL).

Shipping charges include costs for third party transit and all product-handling costs. Orders are shipped following credit card authorization.

In cases where orders include wine and merchandise, the wine will be shipped separately and shipping fees will be combined into one total amount.

States we can ship to: Due to legal restrictions on shipments of wine and other alcoholic beverages, we are only permitted to ship to the following states: California, Colorado, Florida, Hawaii, Idaho, Illinois, Iowa, Minnesota, Missouri, Nebraska, Nevada, New Hampshire (except dry towns), New Mexico, North Carolina, North Dakota, Oregon, South Carolina, Texas (except dry towns), Virginia, Washington, West Virginia, Wisconsin, Wyoming.

We are unable to ship to D.C. homes. For your convenience, we recommend shipping to an employment address where someone over 21 years of age can be present to sign for the package(s).

For more information regarding legislation surrounding the shipment of wine, go to wineintime.org.

CREDIT CARD REFUNDS: Upon receipt of your returned shipment, we will process a refund for the amount of purchase, less third party transit carrier imposed fees. Refunds will be applied to the credit card used at time of purchase. Please allow 1-2 billing cycles for the refund credit to appear on your statement.

Wine Consultant Services

Our trained Wine Consultants are available to assist you with your wine selections and answer questions related to

CALL TOLL FREE 1-877-774-WINE

ORDER ONLINE: CELLAR360.COM

² <http://www.cellar360.com/>

page, the "How to Order" section provides prospective customers with additional information about payment options, shipping terms, return information, etc.

Applicant based most of its briefing and time at oral argument on *Land's End Inc. v. Manbeck*, 797 F. Supp. 501, 24 USPQ2d 1314 (E.D.Va. 1992), as modified by *In re Sones*, 590 F.3d 1282, 93 USPQ2d 1118, 1124 (Fed. Cir. 2009). This Board and its reviewing courts have long recognized a clear "line of demarcation" between mere advertising materials, which have been found unacceptable as specimens showing use of a mark for goods, and point-of-purchase promotional materials, which have been found acceptable as a display associated with the goods [see also *In re Anpath Group, Inc.*, ___ USPQ2d ___ (TTAB, SN 77004809 issued May 13, 2010)]. In keeping with the *Land's End / Sones* line of cases, applicant argues that this "specimen is precisely the type of material that should be acceptable as ... a display associated with the goods." By contrast, the Trademark Examining Attorney argues that this designation, as seen on these specimens, functions only as a service mark associated with the consumers' *ordering and purchasing* of wine. On this crucial point, we agree with the Trademark Examining Attorney.

We actually view the basis for the refusal herein to be less analogous to the line of cases focused on displays associated with the goods, growing out of the nuanced case law surrounding Trademark Rule 2.56(b), and rather more like factual situations where an applicant has misapprehended the nature or correct categorization of the term. Here, the applied-for matter clearly functions as a service mark for retail store services, but not as a trademark for wine.

Applicant minimizes the difference between the nature of specimens for a trademark and for a service mark. As to how the involved specimens are characterized, applicant does not argue that these specimens are labels, tags, or product inserts, or point-of-sale material such as banners, trade show handouts, shelf-talkers, window displays, or similar devices. Rather, applicant agrees that they are catalogues mailed (or made available in other ways) to applicant's prospective customers. This advertising mailer would likely serve as an excellent specimen for applicant's retail store services featuring wines.³ The Trademark Examining Attorney concludes that prospective purchasers would clearly view the term as identifying the source of applicant's retail

³ Registration No. 3406872 issued on April 1, 2008.

service, but would not perceive **CELLAR 360** as a trademark for wine.

In its reply brief and at oral argument, applicant argues that it is outcome-determinative herein that applicant is not simply an aggregator of wines produced by third-parties, but that substantially all the wines sold in connection with the involved mark (e.g., through its catalogue, wine shop, wine clubs, tasting rooms and public events) are produced by and/or originate with applicant. As a result, applicant argues that consumers will recognize that this entire inventory comprises wines sourced from one and only one wine producer -- applicant. Ergo, applicant argues that this applied-for term " ... is the essence of the function of a trademark, that is, to engender an association in the minds of consumers between a product (i.e., wine) and a single source (i.e., applicant)." ."

We do not agree that our determination in this appeal turns upon whether the listed wines are produced by applicant. As an aside, based on this record, we cannot be sure what portion of applicant's population of prospective purchasers knows that all of the more than sixty different brands of wine that applicant *markets* are also *produced* by applicant and its related companies. In

any case, the factual question before us is basically whether consumers will recognize **CELLAR 360** as a source indicator for particular bottles of wine. In reflecting on how one measures the goodwill associated with a particular bottle of wine, it is the vineyard, the winery and/or the product mark that serve(s) as the consumer's promise of the consistent quality of a bottle of wine. Whether ordered through applicant's website, one of the many competing online websites, or even purchased at one's local brick-and-mortar purveyor of wines, it is the product mark on the label that will be relied upon by the

consumer. For example, **Stags' Leap** is the trademark of importance to consumers on the two bottles on the front of the specimen. The **Stags' Leap**



trademark retains the identical source indicating function, whether applicant markets it under its **CELLAR 360** service mark or some third-party aggregator sells an identical bottle of wine under its own service mark, e.g., **wine.com**. As noted by the Supreme Court almost a century ago, a trademark is generally " ... applicable to a vendible commodity to which it is affixed ... " *American Steel Foundries v. Robertson, Comm'r of Pats., et al.*, 269 U.S. 372 (1926).

Applicant concedes that the designation **CELLAR 360** does not appear on the labels of its bottles of wine. Of course, if indeed the term **CELLAR 360** appeared as the most prominent feature on a wine label submitted as a specimen herein, the Office unquestionably would never have made the current refusal. And while applicant is correct in arguing that a single product may contain multiple marks [*Safe-T Pacific Company v. Nabisco, Inc.*, 204 USPQ 307, 315 (TTAB 1979)], this is not the usual practice. See *In re Walker Process Equipment Inc.*, 233 F.2d 329, 332, 110 USPQ 41, 43 (CCPA 1956), *aff'g* 102 USPQ 443 (Comm'r Pats. 1954). Nonetheless, if a wine bottle having the **Stags' Leap** label shown above featured prominently the designation **CELLAR 360**, the greater prominence of the **Stags' Leap** mark would not necessarily prevent the applied-for mark, **CELLAR 360**, from retaining source-indicating ability. But of course, this is all hypothetical in the instant case inasmuch as the designation **CELLAR 360** appears nowhere on applicant's wine labels.

Furthermore, the fact that applicant already has a service mark registration for the **CELLAR 360** designation is not by itself fatal to applicant's position herein. On the other hand, the fact that the applied-for term may

serve as a service mark to identify retail or online store services does not necessarily show that the term is also a trademark for applicant's goods. *In re Supply Guys Inc.*, 86 USPQ2d 1488, 1493 (TTAB 2008). The Trademark Examining Attorney contrasts the facts of applicant's product marking of its wines as featured in the specimen of record, with a reported decision involving Giant Food's retail grocery market services. In this latter case, the grocer's service mark also appears individually on hundreds of product labels:

[I]f a retail store also uses the name of the store on the goods themselves, the same mark can serve both a trademark and service mark function. *Giant Food Inc. v. Rosso and Mastracco, Inc.*, 218 USPQ 521, 524 (TTAB 1982) ["The word **GIANT** appears on several hundred products marketed in opposer's stores"]. The mere fact that the name of a store appears on the sign outside or inside the store does not convert the service mark into a trademark for all the goods that are sold in those stores. In the same way, even if applicant offers over 300 different wines from over 40 wine growing regions [Applicant's brief at page 4] through [its] catalogue, this does not make applicant's service mark into a trademark for the various wines being offered.

Trademark Examining Attorney's appeal brief, at unnumbered 4.

Accordingly, what does preclude registration of this applied-for matter is simply that it is not used as a

trademark on the specimen of record. Unlike the thrust of applicant's argument, this is not merely a matter of measuring on the front cover of the catalogue the proximity of the applied-for term to the image of a **Stags' Leap** wine bottle. A critical element in determining whether this term functions as a trademark is the impression the term makes on members of the relevant public. In reaching our decision herein, we are focused on the totality of the perceptions of the prospective consumer upon receiving this mailer with its attendant offerings from **CELLAR 360**. We conclude that **CELLAR 360** will be seen as a service mark for retail store services featuring wines, but not as a trademark for wine.

Decision: The refusal to register under Section 1, 2 and 45 of the Act is hereby affirmed.