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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	77525441
Applicant	LS&S RETAIL, INC.
Applied for Mark	LAGUNA SURF SPORT
Correspondence Address	Farah P. Bhatti, Esq. Buchalter Nemer 18400 Von Karman Avenue, Suite 800 Irvine, CA 92612 UNITED STATES trademark@buchalter.com
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Filer's Name	Farah P. Bhatti
Filer's e-mail	trademark@buchalter.com, fbhatti@buchalter.com
Signature	/farah p. bhatti/
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In re Application of:	
LS&S RETAIL, INC.	Law Office: **105**
Serial No.: **77/525441**	Examining Attorney: **Marlene D. Bell**
Filed: **July 17, 2008**	
Mark: LAGUNA SURF & SPORT	
International Classes: **25 and 35**	

BRIEF FOR APPLICANT

Introduction

Applicant LS&S Retail, Inc. ("Applicant") hereby appeals from the Examiner's final refusal to register the above-identified mark dated May 11, 2009, and respectfully requests the Trademark Trial and Appeal Board to reverse the Examiner's decision on the grounds that Applicant's Mark does not create a likelihood of confusion with the marks cited by the Examining Attorney. Applicant had simultaneously filed a Request for Reconsideration with its Notice of Appeal, and said Request has been refused by the Examiner.

Statement of Facts

Applicant seeks registration on the Principal Register of its mark, LAGUNA SURF & SPORT, for Mens, womens and childrens clothing, namely, tee shirts, tank tops, hats, tops, bottoms and headwear, in International Class 25 and Online and retail store services featuring

clothing, headwear, swimwear and related accessories, bags, backpacks, and sunglasses, in International Class 35. The mark consists of a highly stylized mark featuring the terms LAGUNA, SURF, SPORT. Registration is sought for the entire mark, inclusive of the design.

The Examining Attorney refused registration of Applicant's Mark under Trademark Act Section 2(d), 15 U.S.C. §1052(d) contending that the mark, when used on or in connection with the identified goods and services, is likely to be confused with the marks in U.S. Registration Nos. 606,116, 1,050,106, 1,214,052, 1,278,096 and 1,541,125 (the "Cited Registrations"), submitted as attachments to the Examiner's first office action dated October 27, 2008, and in the following actions. In the Final Office Action dated May 11, 2009, the Examining Attorney stated the reasons for refusal as follows:

> In this case, the applicant's mark and the registrant's mark share the same term, LAGUNA, to identify various clothing items and related accessories. Neither the application nor the registration(s) contain any limitations regarding trade channels for the goods and therefore it is assumed that registrant's and applicant's goods are sold everywhere that is normal for such items, i.e. clothing and department stores.

In response to the initial refusal to register, or first Office Action mailed on October 27, 2008, Applicant responded to the Examining Attorney's informalities and also submitted arguments indicating that Applicant's mark and the Cited Registrations are not likely to cause consumer confusion or confusion as to the source of the goods because Applicant's mark is so highly stylized, and contains additional elements and wording that the overall appearance and general commercial impression is completely different than the Cited Registrations, four of which also contain highly stylized marks

and design elements. Applicant also presented arguments regarding the differences between the respective goods and services.

The Examining Attorney was not persuaded by Applicant's arguments and issued a Final Office Action on May 11, 2009, maintaining that Applicant's and Registrant's marks are highly similar because they comprise the literal element "LAGUNA" and the goods are "closely related."

Applicant's mark was filed on July 17, 2008 based on use of the mark in commerce. Applicant's mark was first used anywhere on April 1, 1983 and has been used in interstate commerce since May 1, 2003. Despite Applicant's mark being in use since 2003, Applicant is unaware of any consumer confusion between its mark and the Cited Registrations. Applicant respectfully requests reconsideration of the Examiner's rejection based on the arguments below and based on the previous arguments set forth in Applicant's responses to the first Office Action and the Request for Reconsideration.

Argument

I. Applicant's Mark Does Not Meet the Threshold of Likelihood of Confusion When Compared with Registrant's Marks

A likelihood of confusion determination involves a two part test: 1) the marks must be similar in appearance, sound, connotation and commercial impression; and 2) the goods or activities surrounding their marketing must be such that consumer confusion regarding the source of the same is likely. *See In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973) and *In re National Novice Hockey League Inc.*, 222 USPQ 638 (TTAB 1978). Applicant's mark, when compared with the Cited

Registrations, is sufficiently different in appearance, sound, connotation and commercial impression such that consumer confusion and confusion as to source is not likely. Moreover, although Applicant's goods and services, and the goods marketed under the Cited Registrations include clothing, the goods and services of Applicant are targeted to a different consumer base. Essentially, the goods and services associated with each mark do not move in the identical channels of trade, and therefore confusion as to source is not likely.

A. Applicant's Mark Differs in Appearance, Sound, Connotation and Commercial Impression Such That the Marks are Not Confusingly Similar

1. Applicant's Mark is comprised of the term LAGUNA in a funky font rendition which also incorporates the terms SURF and SPORT, as well as a graphic lightning bolt image, unlike any image or graphic in the Cited Registrations, and therefore Applicant's mark does not meet the threshold of likelihood of confusion.

For likelihood of confusion to be found, trademarks must be compared in their entireties, including all design and word elements. *King of the Mountain Sports, Inc. v. Chrysler Corp.*, 185 F.3d 1084, 51 USPQ2d 1349 (10th Cir. 1999). *Columbia Steel Tank Co. v. Union Tank & Supply Co.*, 277 F.2d 192, 125 USPQ 406 (CCPA 1960).

Applicant's mark is

. Here, the design elements are so unique and distinctive that they can be considered more dominant than any other portion of the mark. In fact, in this case, the design element can be considered more dominant since it is more conspicuous than the accompanying words. *In re Computer Communications, Inc.*, 484 F.2d 1392, 179 USPQ 51 (CCPA 1973); *Association of Co-operative Members, Inc. v.*

Farmland Industries, Inc., 684 F.2d 1134, 26 USPQ 361 (5th Cir. 1982), cert. denied, 460 US 1038, 75 L.Ed.2d 788, 103 S.Ct. 1428 (1983).

In addition, the wording SURF & SPORT is so unique and distinctive that it cannot be discounted in comparing the marks. In fact, the marks must be properly viewed in their entireties. TMEP 1207.01. In addition, even though SURF & SPORT has been disclaimed, the disclaimed portion of the mark should be considered in evaluating whether the marks are similar. TMEP 1213.10. Therefore, the terms SURF & SPORT should also be considered as such wording readily distinguishes the marks.

The Examiner likely incorrectly concluded that "LAGUNA" is the dominant portion of Applicant's mark because "[i]t has sometimes been stated that in a word-design composite mark, the words are always presumed to be the 'dominant' portion." J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION §23:47 (4TH ED. 2009). However, as indicated above, under other case law, it has been established that where the design element is more conspicuous than the accompanying words, the design element is considered dominant. In addition, dominant features of a mark must be given greater weight when assessing the overall commercial impression of a mark. *Giant Foods, Inc. v. Nation's Food-Services, Inc.*, 710 F.2d 1565, 218 USPQ 390 (Fed. Cir. 1983). Moreover, where the marks at issue both incorporate a stylization or design element, the courts have found that the design element can be used to differentiate the marks, even where they incorporate a common term. *Private Eyes Sunglass Corp. v. Private Eye Vision Center*, 25 USPQ2d 1709.

The appearance of Applicant's design mark is unique and is not equivalent to or likely to be confused with the Cited Registrations. LAGUNA is not the dominant portion

of Applicant's mark, rather the design and stylization is the dominant portion - the LAGUNA portion of the design is minor in comparison to the other elements of the mark. Therefore, the design element should not be ignored but rather should be given greater weight in determining that Applicant's mark is dissimilar to the Cited Registrations.

2. The sound, connotation and commercial impression of Applicant's mark is distinct from the marks in the Cited Registration and therefore the threshold of likelihood of confusion is not met.

a. Sound

Applicant's mark is a design mark, and is intended not only to be spoken but to be viewed as a whole. Even with the sound, it is dissimilar to the Cited Registrations. In *Georgia-Pacific* the court determined that trademarks consisting of highly stylized letters are "in the gray region between pure design marks which cannot be vocalized and word marks which are clearly intended to be." There, the court found that design marks are intended to be viewed, not spoken, and stylized letters cannot be treated in the same manner as word marks. *Georgia-Pacific Corp. v. Great Plains Bag Co.*, 614 F.2d 757, 760, 204 USPQ 697, 699 (CCPA 1980). Here, the LAGUNA SURF & SPORT mark is not only intended to be spoken but also viewed. Applicant's mark consists of a distinctive and funky font and graphical lightening element. Consumers viewing the mark would not consider the mark without viewing the distinctive design element.

Applicant's mark is intended to be visual in nature. Because the design element of the mark cannot be spoken, it is aurally different from the mark in the Cited Registrations. In addition, Applicant's mark is substantially different as it includes the

wording SURF and SPORT which are not featured in the Cited Registrations. These two terms further serve to distinguish the verbal characteristics of the marks. Because the marks do not have the same sound, this element of the test for likelihood of confusion is not met.

b. Connotation

Applicant's mark connotes different meanings not created by the marks in the Cited Registrations. Where marks are comprised of both stylization/visual elements and words, they "must be weighed in the context in which they occur." *In re Electrolyte Laboratories, Inc.*, 913 F.2d 930, 16 USPQ2d 1239 (Fed. Cir. 1990). Here, Applicant's stylized mark, and the addition of the terms SURF SPORT, creates a completely different connotation than the Cited Registrations.

Specifically, Applicant's LAGUNA SURF SPORT mark has a funky font featuring a hypnotic circle design within the G and a lightening bolt between SURF SPORT. The term LAGUNA not only refers to a lake or lagoon, it also can be used to refer to a geographic location. Here, Applicant's mark more clearly suggests or connotes the fact that surfing and sporting gear are available at its retail shops and that its goods are worn by individuals interested in these activities. Thus, Applicant's overall design element and use of the terms SURF SPORT connotes much more than the Cited Registrations and overall, creates a completely different connotation.

c. Commercial Impression

Applicant's Mark and the Cited Registrations do not create the same commercial impression. As outlined above, the marks are completely different in their spoken form. In fact, much of Applicant's Mark cannot be spoken. In addition, Applicant's mark contains the terms SURF and SPORT which provide a consumer with the impression that Applicant's goods and services are related to surfing and other related sports, such as skating. These terms provide a consumer with a completely different impression than is perceived when viewing the Cited Registrations.

Likewise, much of the Cited Registrations cannot be spoken. Applicant's Mark and the Cited Registrations do not connote similar meanings. As indicated in the previous responses, the Cited Registrations give a commercial impression that is far different than Applicant's mark. In sum, Applicant's mark gives a visual and commercial impression regarding the Applicant's relationship to SURF and SPORT which is wholly different than the commercial impression of the Cited Registrations.

II. The Goods/Services in Applicant's Mark and the Cited Registrations are Sufficiently Different Such That Consumer Confusion and Confusion as to Source Are Not Likely

Applicant contends that although the goods and services covered in its application are somewhat related to Registrant's goods, there is little chance that consumers will be confused by the co-existence of the marks, or as to the source of the goods bearing the marks in question. When goods are related, several factors must be considered in making a determination of the likelihood of confusion, including: 1) the strength of the mark, 2) marketing channels used, 3) proximity of the goods, 4) similarity of the marks, and 5)

evidence of actual confusion. *AMF Inc. v. Sleekcraft*, 599 F.2d 341 (9th Cir. 1979). Applicant addresses these factors below:

A. The Cited Registrations are Weak, and Therefore Likelihood of Confusion is Diminished

The common element, LAGUNA, present in the Cited Registrations and Applicant's Mark is weak because it is used by several other entities in the marketplace as outlined by Applicant in its response to the First Office Action and as detailed in the Request for Reconsideration (Applicant notes that printouts from the Trademark Office database for these other registrations which feature the term LAGUNA were attached to the Request for Reconsideration at Exhibit A). If a shared element of a cited mark is weak, the likelihood of confusion is diminished. *Nestle's Milk Products, Inc. v. Baker Importing Co*, 182 F.2d 193, 86 USPQ 80 (CCPA 1950). Marks are considered "weak" when "...a portion [of the mark] is descriptive, highly suggestive, or *is in common use by many other sellers in the* market." J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION §23:48 (4TH ED. 2009) (emphasis added).

Here, the Examining Attorney rejected Applicant's mark as it contains the term LAGUNA which also exists in the Cited Registrations. Applicant contends that the marks in the Cited Registrations are weak because they are comprised of a term that appears to be commonly used by several other entities in the marketplace, and because the mark has or had been registered by multiple parties concurrently.

A search of the USPTO trademark records indicate that there are at least nine (9) other trademarks containing the term LAGUNA which were published and/or registered for clothing items in Class 25 subsequent to and simultaneously with registration of the

Cited Registrations. (See Exhibit A attached to the Request for Reconsideration filed on November 12, 2009). Under the *Du Pont* factors, consideration should be given to the "number and nature of similar marks in use on similar goods." *Application of E.I. DuPont DeNemours & Co.,* 476 F.2d 1357, 1361, 177 USPQ 563, 567 (CCPA 1973). Where the evidence establishes that consumers are exposed to use of similar marks on similar goods, the evidence is "relevant to show that a mark is relatively weak and entitled to only a narrow scope of protection." *Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772,* 396 F.3d 1369, 1373, 73 USPQ2d 1689, 1693 (Fed.Cir. 2005).

Applicant notes that the Examiner has not considered the USPTO registration information provided by Applicant. Per the Examiner, the evidence was not "considered because the evidence does not pertain to live marks." However, Applicant notes that this evidence was submitted to show that other applications featuring the term LAGUNA were approved for registration or registered in spite of the Cited Registrations which shows that the Trademark Office has historically only provided limited protection to the Cited Registrations due to the common use of the LAGUNA mark. In addition, this evidence shows that the LAGUNA mark is commonly used in connection with similar goods such that the Cited Registrations are weak and should only be entitled to narrow protection. Moreover, existence of LAGUNA in several other marks in the marketplace (both registered and non-registered) indicates that LAGUNA is a weak term in which no one entity has exclusive rights.

Applicant also researched the presence of Registrant's marks in commerce via the Internet and included information regarding this research and Applicant's findings in response to the First Office Action (See Response to Office Action filed by Applicant on April 16, 2009 and Exhibits C and D attached thereto). Applicant notes that the Cited Registrations do not have a strong presence in the marketplace. In fact, it appears that Registrant's clothing products are available only through sales representatives located in the New York City or Battle Creek, Michigan areas.

B. Applicant's Mark is a Strong Mark, Not Likely to Be Confused with Registrant's Weaker Marks

In contrast to Registrant's weak marks, Applicant's LAGUNA SURF & SPORT mark is a strong, fanciful mark that is distinguishable from the other LAGUNA marks. Applicant's mark has been in constant use since 2003 to promote its goods and services. Applicant's mark is familiar and well-known to surf and sport consumers and is capable of identifying the source of the goods and services. In other words, Applicant's design mark is strong and distinct from the Cited Registrations and is not likely to cause confusion in the marketplace.

C. Applicant's Mark and the Cited Registrations Do Not Travel Through Identical Marketing Channels

Products bearing Applicant's mark are typically sold through Applicant's retail stores which are branded with the same mark. On the other hand, the Cited Registrations are used on goods sold to wholesalers through Registrant's sales representatives, and the

goods are not sold in surf shops such as those of Applicant. The Board in *In re Shipp*, 4 USPQ2d 1174 (TTAB 1987) allowed the coexistence of the mark PURITAN for use on commercial dry cleaning equipment and dry cleaning services because even though the industries were the same, the court found that the target markets were sufficiently dissimilar.

Here, Applicant's mark is used on goods and in connection with retail stores. In fact, the application covers not only class 25 clothing goods, but also class 35 retail store services. Purchasers of Applicant's products know the source of the goods and are familiar with the surf and action sports industries which is why they seek out Applicant's goods and services.

Conversely, the marks in the Cited Registrations are used in connection with goods that are sold via wholesale showrooms and sales representatives. Little other information about the Cited Registrations is available as the marks do not appear to be widely used in the marketplace. Therefore, consumer confusion is unlikely.

D. <u>The Goods/Services Are Not Sufficiently Proximate to Cause Confusion</u>

Applicant's goods and services bearing this mark do not appeal to the same consumer base as those of Registrant. Applicant's goods are geared towards surf enthusiasts and its retail stores also focus on surf and sports products. On the other hand, Registrant's marks are licensed and the products are available only via the website or wholesale through a half dozen representatives.

Applicant's goods appeal to surf and sports industry consumers looking for quality goods relating to this industry and also looking for a quality retail store which provides goods related to the same. Registrant does **not** provide retail store services and as such, there is no overlap between Applicant's services and Registrant's goods. In addition, to Applicant's knowledge, Registrant only provides its goods via licensing through a single source and the products are only available via a website or wholesale through sales representatives.

Although Applicant's mark and the Cited Registrations cover clothing items in Class 25, because the marks are not sufficiently proximate and the marks can be readily distinguished by consumers (particularly due to Applicant's highly stylized design), consumer confusion is unlikely. In addition, because Registrant does not provide services such as those provided by Applicant, there is no overlap with regard to the Class 35 portion of Applicant's application and therefore, no confusion is likely.

E. Applicant's Mark is Not Similar to the Cited Registrations

The dominant portion of Applicant's mark is the design itself, and therefore, it is not likely to be confused with the Cited Registrations. In addition, Applicant's mark must be viewed in its entirety without ignoring the distinctive design elements and the wording SURF & SPORT. TMEP 1213.10. When viewed in its entirety, Applicant's mark is not likely to be confused with the Cited Registrations. The Supreme Court determined that in finding a likelihood of confusion, confusion should be more than just possible, but must be probable. *American Steel Foundries v. Robertson*, 269 US 372

(1926). As outlined *supra* in Section I, Applicant's mark and the Cited Registrations are sufficiently different in appearance, sound, connotation and commercial impression such that consumer confusion as to source is not probable. Thus, the threshold for likelihood of confusion cannot be met.

F. There is No Evidence of Actual Confusion Between Applicant's Mark and the Cited Registrations

Applicant is unaware of any consumer confusion or confusion as to source of the goods or services sold under Applicant's mark and the Cited Registrations. An instance of actual confusion is at least "illustrative of how and why confusion is likely." *Molenar Inc. v. Happy Toys Inc.*, 188 USPQ 469, 1975 WL 20853 (TTAB 1975). Applicant has used its mark in interstate commerce since 2003. Registrant claims first use as of 1946. Thus, the marks have coexisted in the apparel industry and in the marketplace in general for at least seven (7) years without incident. Therefore, there is no evidence to suggest likelihood of confusion. The absence of consumer confusion during the past seven years suggests confusion is not likely.

CONCLUSION

Applicant's Mark is different from the Cited Registrations in appearance, sound, connotation and commercial impression. Registrant's marks consist primarily of the weak term LAGUNA to which no one entity has exclusive rights. Applicant's mark is not directly related to the goods in the Cited Registrations, and Applicant submits that its trademark is not likely to cause confusion under Section 2(d) of the Trademark Act.

For all the reasons set forth hereinabove, Applicant respectfully requests reversal of the Examining Attorney's final refusal of the mark and requests that the application be allowed to proceed to publication.

Dated: February 8, 2010

Respectfully Submitted,

LS&S Retail, Inc.

Farah P. Bhatti
Attorney for Applicant
Buchalter Nemer
18400 Von Karman Ave., Suite 800
Irvine, CA 92612
Phone: 949.224.6291
Fax: 949.224.6408
Email: trademark@buchalter.com

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