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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Kar Auction Services, Inc.

Serial No. 77852072

Louis T. Perry of Baker & Daniels LLP for Kar Auction
Services Inc.

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Office 115 (John Lincoski, Managing Attorney).

Before Kuhlke, Wellington and Lykos, Administrative
Trademark Judges.

Opinion by Kuhlke, Administrative Trademark Judge:

Kar Auction Services, Inc. (applicant) has filed an
application to register on the Principal Register the mark
shown below for "automobile auction services" in
International Class 35.¹



¹ Application Serial No. 77852072, filed October 19, 2009, under
Section 1(b) of the Trademark Act, 15 U.S.C. §1051(b), alleging a
bona fide intention to use the mark in commerce.

The application includes a disclaimer for the words "AUCTION SERVICES" and describes the mark as consisting "of the letters 'KAR' over the words 'AUCTION SERVICES.'" Color is not claimed as a feature of the mark.

The examining attorney has refused registration under Section 2(e)(1) of the Trademark Act, 15 U.S.C. § 1052(e)(1), on the ground that applicant's mark is merely descriptive of its services. After the examining attorney made the descriptiveness refusal final, applicant appealed and filed a request for reconsideration. Upon the examining attorney's denial of the request for reconsideration, the Board resumed the appeal. Both applicant and the examining attorney have filed briefs.

"A mark is merely descriptive if it 'consist[s] merely of words descriptive of the qualities, ingredients or characteristics of' the goods or services related to the mark." In re Oppedahl & Larson LLP, 373 F.3d 1171, 71 USPQ2d 1370, 1371 (Fed. Cir. 2004), quoting, Estate of P.D. Beckwith, Inc. v. Commissioner, 252 U.S. 538, 543 (1920). See also In re MBNA America Bank N.A., 340 F.3d 1328, 67 USPQ2d 1778, 1780 (Fed. Cir. 2003). The test for determining whether a mark is merely descriptive is whether it immediately conveys information concerning a significant quality, characteristic, function, ingredient, attribute or

feature of the product or service in connection with which it is used, or intended to be used. In re Engineering Systems Corp., 2 USPQ2d 1075 (TTAB 1986); In re Bright-Crest, Ltd., 204 USPQ 591 (TTAB 1979). It is not necessary, in order to find a mark merely descriptive, that the mark describe each feature of the goods or services, only that it describe a single, significant ingredient, quality, characteristic, function, feature, purpose or use of the goods or services. In re Gyulay, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987). Further, it is well-established that the determination of mere descriptiveness must be made not in the abstract or on the basis of guesswork, but in relation to the goods or services for which registration is sought, the context in which the mark is used, and the impact that it is likely to make on the average purchaser of such goods or services. In re Abcor Development Corp., 588 F.2d 811, 200 USPQ 215, 218 (CCPA 1978).

During examination the examining attorney submitted several use-based third-party registrations to show how commonly the word "car" is misspelled as "kar" and adopted as part of a trademark, as well as several third-party web page advertisements showing "car" spelled as "kar" to support her position that "consumers will readily recognize

'kar' as the phonetic equivalent of 'car' when used in connection with car-related services." Br. p. 4. In response, applicant argued that because of the distinctive font and design consumers would be "Just as likely to view the 'KAR' element of the mark as the fanciful initials for an individual's monogram or an acronym of a company." July 21, 2010 Response p. 2. Applicant acknowledges that we must consider the mark within the context of the car auction services, but maintains, at a minimum, the "stylization of the mark creates a commercial impression separate and apart from the disclaimed words." Id.

We find that, in the context of these services, consumers would perceive KAR as a misspelling of the word CAR regardless of the stylization. As such, even if the stylization on its own were sufficient to allow registration, the word CAR would need to be included in the disclaimer.

In its appeal, applicant narrowed the issue of registrability to whether "the degree of the Mark's stylization is sufficiently striking, unique or distinctive so as to create a commercial impression separate and apart from the unregistrable components of the Mark." Br. p. 2. Specifically, applicant argues:

[T]he first element of the design (the stylized "KAR" element) contains a creative combination of brush strokes - in one case overlapping and in the other cases separated - to form a unique overall impression. In fact, not one letter stands alone. But for the creative interplay of brush strokes, the actual design could be deemed to start with the capital letter "I" or a lowercase "l." In addition, the incomplete "R" at the end of the first design element would not be recognizable as an "R" at all without mental gymnastics - one has to proactively associate that design element with the slanted element of the "A" appearing before it in order to even comprehend that this could be the letter "R." Further, the "A" is not a standalone design. It is joined with the partial "K", and together they form a symbol that can be viewed and interpreted in a number of ways: a sideways "S" with a vertical line attached to the bottom or a leftward facing arrow joined with an upward facing arrow. ... In short, the design of this element, by itself, is clever and clearly strikes a commercial impression that is different than a simple word. Because the unregistrable word "KAR" is presented in this distinctive manner, the Mark as a whole is rendered registrable.

Br. p. 3.

In a footnote, applicant offers to disclaim the word "KAR," if the stylization is distinctive enough to "render the Mark registrable." Id. n. 2.

There is no dispute that the disclaimed phrase "auction services" is, at least, merely descriptive of the services. Further, as noted above, applicant agreed to disclaim the word "kar" apart from the mark as shown; moreover, the record establishes that the word "kar" is merely descriptive in the context of these services. What

remains to be determined is whether "the degree of stylization is sufficiently striking, unique or distinctive so as to create a commercial impression separate and apart from the unregistrable components of the mark." Reply Br. p. 1.

"It is settled that a display of descriptive or otherwise unregistrable matter is not registrable on the Principal Register unless the design features of the asserted mark create an impression on the purchasers separate and apart from the impression made by the words themselves, or if it can be shown by evidence that the particular display which applicant has adopted has acquired distinctiveness." In re Guilford Mills Inc., 33 USPQ2d 1042, 1043 (TTAB 1994) (stylization of ~~microdenier~~ not sufficient to allow registration). See also In re Bonni Keller Collections Ltd., 6 USPQ2d 1224, 1227 (TTAB 1987) (stylization in **La Lingerie** did "not possess the degree of stylization necessary to warrant allowance on the Supplemental Register"). Here, applicant is not claiming acquired distinctiveness, rather applicant contends that its display is sufficiently inherently distinctive to permit registration on the Principal Register.

Upon careful consideration of the case law and the arguments, we find that applicant's mark is sufficiently

stylized to create an inherently distinctive display that is registrable without more, on the Principal Register.

Applicant and the examining attorney rely on various cases to support their respective positions. We first observe that the nature of this question is very specific to each set of facts and while prior cases provide some guidance, each case must be determined on its own facts. See *Bonni Keller*, 6 USPQ2d 1227. Cf. *In re Nett Designs Inc.*, 236 F.3d 1339, 57 USPQ2d 1564 (Fed. Cir. 2001) (third-party registrations are not conclusive as to the question of distinctiveness and each case must be analyzed based on the facts pertinent to that case). In view of the minimal probative value of third-party registrations (and the third-party applications refused registration) carry in these circumstances, we do not accord them significant weight.

Applicant relies on *In re Jackson Hole Ski Corp.*, 190 USPQ 175 (TTAB 1976) and *In re Clutter Control Inc.*, 231 USPQ 588 (TTAB 1986). In *Jackson Hole*, the Board found the stylization in an otherwise geographically descriptive mark, shown below, to be sufficiently distinctive to allow registration. Specifically, the presentation of the letters J and H as initials tipped the findings to allow registration.



In Clutter Control, the Board stated that "[w]hen words which are merely descriptive, and hence unregistrable, are presented in a distinctive design, the design may render the mark as a whole registrable, provided that the words are disclaimed, under Section 6 of the Trademark Act." 231 USPQ at 589. There, the Board found that "the tube-like rendition of the letter 'C' in the words 'construct' and 'closet' make a striking commercial impression, separate and apart from the word portion of applicant's mark [shown below]." Id.



Applicant also references the marks shown below in support of its proposition that the presentation of its mark is at least as stylized or distinctive as those two examples.



With regard to the BALSAM mark, this was on the Supplemental Register and is now cancelled. With regard to the LITE mark, there was significant evidence in the record to support a finding that consumers found the mark to

indicate source. Here, applicant seeks registration on the Principal Register and there is no similar type of evidence of distinctiveness.

By contrast, the examining attorney contends that the level of stylization in applicant's mark is closer to the proposed mark ~~microdenier~~ in Guilford Mills, where the Board found the minimal stylization insufficient to permit registration. Guilford Mills, 33 USPQ 1042.

Both the examining attorney and applicant also submitted examples from cases that are not precedential. Examples of marks where refusal to registration was affirmed by the Board are shown below.


The logo consists of the words "Preferred LEASE" in a bold, sans-serif font, with "Preferred" in a smaller size above "LEASE". Below "LEASE" is the phrase "EQUIPMENT CARE" in a smaller, all-caps, sans-serif font.The logo features the words "Discount Decorating Outlet" in a stylized, cursive script font, all contained within a solid black rectangular background.The logo displays the word "BUSINESS" in a bold, all-caps, sans-serif font, followed by the word "lawfirm" in a lowercase, italicized script font.The logo features the word "global" in a small, italicized script font above the word "points" in a large, bold, sans-serif font. Below "points" is the word "exchange" in a smaller, italicized script font.

Applicant relies on a case where the Board allowed registration for the mark shown below with a disclaimer of "IT BAG." The TJX Companies, Inc. v. Denise Marie Barr, 2010 WL 1920475 (TTAB 2010).




As is clear from the examples above, what constitutes an "impression separate and apart from the words" is fact specific and somewhat subjective. As the design aspect decreases it becomes more difficult to discern where to draw the line.



In the stylized mark  before us, the word KAR is substantially larger than the words AUCTION SERVICES. In addition, the separation of the letters K and R creates a structural space that gives the word KAR a logo/design feel. Applicant describes it as being "composed of three symbols on a single line that, when viewed together, create the impression of letters." Reply Br. p. 4. This is different from, for example, La Lingerie, or some of the examples from nonprecedential cases provided by the examining attorney where the words are simply written in a different font. Overall, we find that the stylization and presentation of applicant's mark falls more closely within the boundaries of the examples where the presentation of the marks was found to create a separate commercial impression.



Viewing the mark  as a whole, we find the evidence of record sets forth a prima facie case that the wording KAR AUCTION SERVICES is merely descriptive. However, we also find that the stylization of the word KAR is sufficiently distinctive and creates a separate commercial impression. Because we consider the stylization to be a separate and non-descriptive element in the applied-for mark, we cannot find the mark as a whole to be merely descriptive of the services. Accordingly, the mark as a whole is registrable contingent on a disclaimer of the merely descriptive portion of the mark, i.e., CAR AUCTION SERVICES. Applicant indicated its desire to disclaim the word "KAR"; however, as the examining attorney noted, the appropriate disclaimer should be "CAR AUCTION SERVICES."

Decision: The refusal to register is affirmed under Section 2(e)(1) absent a disclaimer of "CAR AUCTION SERVICES." However, if applicant submits the required disclaimer of "CAR AUCTION SERVICES" to the Board within thirty days, this decision will be set aside.² See Trademark Rule 2.142(g), 37 C.F.R. § 2.142.

² The standardized printing format for the required disclaimer text is as follows: "No exclusive right to use CAR AUCTION SERVICES is claimed apart from the mark as shown." TMEP § 1213.08(b) (8th ed. 2011). Unregistrable matter must be disclaimed in its entirety. In re Medical Disposables Co., 25 USPQ2d 1801 (TTAB 1992).