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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re HOB Entertainment, Inc.

Serial No. 85002891

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Entertainment, Inc.

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Before Holtzman, Wellington, and Lykos Administrative
Trademark Judges.

Opinion by Wellington, Administrative Trademark Judge:

HOB Entertainment, Inc., applicant, filed an
application to register the mark KARMA KASH (in standard
character form) on the Principal Register for "coupons" in
International Class 16.¹ The term CASH was initially
disclaimed by applicant in response to an Office action,
but this disclaimer was later retracted.

¹ Application Serial No. 85002891 is based on an alleged date of
first use anywhere and in commerce on August 31, 2007, under
Section 1(a) of the Trademark Act.

The examining attorney has refused registration of applicant's mark pursuant to Section 2(d) of the Trademark Act, 15 U.S.C. 1052(d), on the ground that applicant's mark so resembles the previously registered mark KARMA COUPON (in standard character form) for "Coupon books; Coupons" in International Class 16², that, as used on applicant's identified goods, applicant's mark is likely to cause confusion or mistake or to deceive. The cited registration contains a disclaimer of the term COUPON.

Registration has also been refused pursuant to Section 6(a) of the Trademark Act, 15 U.S.C. § 1056(a), based on applicant's failure to comply with the requirement to disclaim the word CASH. The examining attorney contends that term KASH in applicant's mark is an obvious misspelling of "cash," a term that is merely descriptive of applicant's goods within the meaning of Section 2(e)(1) of the Trademark Act, 15 U.S.C. § 1052(e)(1).

Applicant appealed the final refusals and briefs were filed. For the following reasons, we affirm the refusal to register on both the disclaimer requirement and the likelihood of confusion ground.

Disclaimer Requirement

² Registration No. 3722779 issued December 8, 2009.

An examining attorney may require an applicant to disclaim an unregistrable component of a mark otherwise registrable. Trademark Act Section 6(a). Merely descriptive terms are unregistrable, under Trademark Act Section 2(e)(1) and, therefore, are subject to disclaimer if the mark is otherwise registrable. Failure to comply with a disclaimer requirement is grounds for refusal of registration. See *In re Omaha Nat'l Corp.*, 819 F.2d 1117, 2 USPQ2d 1859 (Fed. Cir. 1987); *In re Richardson Ink Co.*, 511 F.2d 559, 185 USPQ 46 (CCPA 1975); *In re National Presto Industries, Inc.*, 197 USPQ 188 (TTAB 1977); and *In re Pendleton Tool Industries, Inc.*, 157 USPQ 114 (TTAB 1968).

A term is deemed to be merely descriptive of goods or services, within the meaning of Section 2(e)(1), if it forthwith conveys an immediate idea of an ingredient, quality, characteristic, feature, function, purpose or use of the goods or services. See, e.g., *In re Bayer Aktiengesellschaft*, 488 F.3d 960, 82 USPQ2d 1828 (Fed. Cir. 2007); *In re Gyulay*, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987), and *In re Abcor Development Corp.*, 588 F.2d 811, 200 USPQ 215 (CCPA 1978). A term need not immediately convey an idea of each and every specific feature of the applicant's goods or services in order to be considered

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merely descriptive; it is enough that the term describes one significant attribute, function or property of the goods or services. See *In re H.U.D.D.L.E.*, 216 USPQ 358 (TTAB 1982); *In re MBAssociates*, 180 USPQ 338 (TTAB 1973).

Whether a term is merely descriptive is determined not in the abstract, but in relation to the goods or services for which registration is sought, the context in which it is being used on or in connection with those goods or services, and the possible significance that the term would have to the average purchaser of the goods or services because of the manner of its use. That a term may have other meanings in different contexts is not controlling. *In re Bright-Crest, Ltd.*, 204 USPQ 591, 593 (TTAB 1979).

Finally, if a mark comprises a word or words that are misspelled but nonetheless must be disclaimed, the examining attorney should require disclaimer of the word or words in the correct spelling. See, *In re Omaha Nat'l Corp.*, 819 F.2d at 1119; *In re Carlson*, 91 USPQ2d 1198, 1203 (TTAB 2009); *In re Newport Fastener Co.*, 5 USPQ2d 1064, 1067 n.4 (TTAB 1987). See also, TMEP § 1213.08(c)

Initially, we find that the term KASH, as used in applicant's mark and in connection with the identified goods, will be perceived as mere misspelling of the word "cash." Applicant does not dispute this and actually

acknowledges that KASH will be understood as "cash" -- arguing that its mark will be perceived in this manner and, thus, may be distinguished from the registered mark. See Brief, p. 5. Accordingly, the examining attorney's decision to require the correct spelling of the term is appropriate.

In determining whether "cash" is descriptive of coupons, we take note of its defined meaning as supplied by applicant:³

CASH: Money in the form of coins or banknotes, especially that issued by a government.

We further take notice of the following definition for "coupons":⁴

COUPONS: a detachable part of a ticket or advertisement entitling the holder to a discount, free gift, etc.

While "cash" and "coupons" are clearly not synonymous, the evidentiary materials submitted by the examining attorney shows that the term "cash" is merely descriptive of a feature or function of coupons, namely, that they have a "cash value" and that they may be used as a discount in the form of or very similar to cash being used. In

³ From Dictionary.com, taken from The Random House Dictionary (Random House, Inc. 2011).

⁴ Collins English Dictionary - Complete & Unabridged 10th Edition (William Collins Sons & Co, 2009). The Board may take judicial notice of dictionary evidence. *University of Notre Dame du Lac*

particular, we point to the evidentiary materials submitted with Office action June 17, 2011 that, taken together, show that coupons can be used in a similar manner as cash. For example, in one website entitled "Coupons Equal Cash," a "\$5/\$20 CVS coupon" is described as being redeemable for five dollars once the consumer spends twenty dollars, and that "you can also use manufacturer's coupons after they deduct the \$5 to bring your total down even more."⁵

Furthermore, coupons may be sold in coupon books and at least one state government treats these goods as being a "cash equivalent" for tax purposes:⁶

CASH EQUIVALENTS: "Cash equivalents" are items purchased that entitle a person to redeem them in future... Examples...include...coupon books."

Coupons are also regarded by consumers as having a "cash value," usually a minimal amount, but as one article points out it would not be uncommon to view coupons as having a "cash equivalent value" that equals the price reduction resulting from the coupon being used. According to one online article discussing new legislation, the author first notes that "As you may be aware, coupons have always had a cash value. Usually, it's something small,

v. J.C. Gourmet Food Imports Co., 213 USPQ 594 (TTAB 1982), *aff'd*, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983).

⁵ From www.couponsequalecash.com.

⁶ State of Connecticut Department of Revenue Services website, www.ct.gov/drs/cwp.

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like \$.01." The author goes on to note that consumers have found this misleading and then posits: "If something is \$2 less, that coupon should have a cash equivalent value of \$2, and not 1/100 of a dollar." Regardless of the subject matter, this article indicates that consumers view coupons as having a "cash value."

The examining attorney has also submitted printouts from several third-party websites referencing applicant's "Karma Kash." On the website "San Diego - The Official Travel Resource for the San Diego Region," a music event is described and then a mention to applicant's services, "You and your crew can make the rock 'n' roll life last a few days longer with \$200 Karma Kash for dinner at the legendary House of Blues San Diego and nights handing out at the trendy Siren Pool..."

Based on the record, we find that KASH, which will be understood as mere misspelling of "cash", is merely descriptive of applicant's identified goods because coupons are viewed as having a "cash value" or, in some cases, may be used in the same manner as cash. As shown in one advertisement, applicant's own coupons are touted as allowing the holders thereof to use "\$200 Karma Kash" in the same manner as one would use cash, e.g., by purchasing

dinner. Thus, while the coupons are not the same as cash, it is possible to redeem them in a manner similar to cash.

In response to the disclaimer requirement, applicant argues that KASH is only suggestive of its coupons and, noting the defined meaning of cash, asserts that

[b]ecause Applicant's coupons do not function as 'cash' in the form of 'coins or banknotes, especially that issued by a government' as Applicant's coupons are only redeemable for food, beverage and retail merchandise at certain locations, the term 'KASH' is not descriptive and need not be disclaimed in Applicant's Mark.

We do not agree with applicant's argument to the extent that it is premised on the assumption that its coupons must literally function as cash, as that term is literally defined. Rather, as noted, a term need only convey an immediate idea of an ingredient, quality, characteristic, feature, function, purpose or use of the goods. Thus, while applicant's coupons cannot be considered "coins or banknotes," they may be used, as shown by the evidence, in a similar fashion as one would use cash. In other words, and by way of example, a consumer would use applicant's \$ 200 Karma Kash coupon to pay for dinner in lieu of actually using government-issued currency.

Finally, although applicant has not necessarily argued the point, we find that any alliterative value found in

applicant's proposed mark does not obviate the disclaimer requirement. That is, the fact that the two terms KARMA KASH begin with the letter "k" does not create a single and distinct commercial impression separate and apart from the meaning of its constituent elements, *i.e.*, a unitary mark whereby disclaimer of one term would be inappropriate. See, *e.g.*, *In re EBS Data Processing, Inc.*, 212 USPQ 964, 966 (TTAB 1981) ("Pocket Profile" separable element from PHACTS POCKET PROFILE, disclaimer requirement for "Pocket Profile" upheld).

In sum, we find that consumers will perceive KASH as the equivalent of "cash" and merely describing a key feature or function of applicant's coupons and, accordingly, must be disclaimed.

We now turn to the likelihood of confusion ground for refusing registration of applicant's mark.

Likelihood of Confusion

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

Cir. 2003). In any likelihood of confusion analysis, however, two key, although not exclusive, considerations are the similarities between the marks and the similarities between the goods and/or services. See *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24 (CCPA 1976).

We first consider the *du Pont* factors regarding the goods, trade channels and classes of purchasers. In an *ex parte* appeal, likelihood of confusion is determined on the basis of the goods as they are identified in the application and the cited registration. *In re Shell Oil Co.*, 992 F.2d 1204, 26 USPQ2d 1687, 1690 n. 4 (Fed. Cir. 1993); *In re Elbaum*, 211 USPQ 639, 640 (TTAB 1981); *In re William Hodges & Co., Inc.*, 190 USPQ 47, 48 (TTAB 1976).

Here, the goods are identical inasmuch as applicant seeks registration of its mark for coupons, which are covered by the cited registration. This factor therefore weighs strongly in favor of finding a likelihood of confusion.

Because the goods in the application and the cited registration are identical, we must presume that the channels of trade and classes of purchasers at least in part are the same. *Genesco Inc. v. Martz*, 66 USPQ2d 1260, 1268 (TTAB 2003) ("Given the in-part identical and in-part

related nature of the parties' goods, and the lack of any restrictions in the identifications thereof as to trade channels and purchasers, these clothing items could be offered and sold to the same classes of purchasers through the same channels of trade"); *In re Smith and Mehaffey*, 31 USPQ2d 1531, 1532 (TTAB 1994) ("Because the goods are legally identical, they must be presumed to travel in the same channels of trade, and be sold to the same class of purchasers"). Thus, the *du Pont* factors involving trade channels and classes of purchasers also favor a finding of likelihood of confusion.

This brings us to the similarity of the marks. We keep in mind that when marks would appear on identical goods, as they partially do here, the degree of similarity necessary to support a conclusion of likely confusion declines with respect to that class of goods (in this case, International Class 30). *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992). Our focus is on whether the marks are similar in sound, appearance, meaning, and commercial impression. *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689 (Fed. Cir. 2005). In articulating reasons for reaching a conclusion on the issue of likelihood of

confusion, there is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature of a 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). For example, merely descriptive matter that is disclaimed may be accorded subordinate status relative to the more distinctive portions of a mark. *In re Dixie Restaurants Inc.*, 105 F.3d 1405, 41 USPQ2d 1531, 1533-34 (Fed. Cir. 1997).

In the present case and as explained above, applicant is required to disclaim the word CASH, the correct spelling for KASH, because it is merely descriptive of coupons. Likewise, registrant has disclaimed the word COUPON because it is the generic term for the goods, i.e., coupons.

It is thus clear that the identical term KARMA forms the dominant portion of both marks. As the first and only non-descriptive element both marks, KARMA is the term most likely to be impressed upon a prospective consumer. *Presto Products, Inc. v. Nice-Pak Products, Inc.*, 9 USPQ2d 1895, 1897 (TTAB 1988) ("it is often the first part of a mark which is likely to be impressed upon the mind of a purchaser and remembered"). *See also, Palm Bay*, 73 USPQ2d at 1692. Furthermore, we take notice that KARMA is defined

as "from Hinduism and Buddhism: action, seen as bringing upon oneself inevitable results, good or bad, either in this life or in reincarnation" or, more simply, as "fate; destiny."⁷ We find no specific connotation, suggestive or otherwise, created by the term KARMA when used in either mark or in connection with either coupons in general. The record does not show that KARMA is used frequently or generally in connection with coupons. Based on the record, applicant employs a coupon scheme that rewards persons for various acts and thus the term KARMA may be suggestive in that regard. However, it has not been shown that this is a common practice or that consumers, unfamiliar with applicant's goods would even be aware of this concept.

Although the marks have the same dominant portion, we must compare the marks as a whole. *M2 Software Inc. v. M2 Communications Inc.*, 450 F.3d 1378, 78 USPQ2d 1944, 1948-49 (Fed. Cir. 2006) ["When comparing the similarity of marks, a disclaimed term...may be given little weight, but it may not be ignored"]. We do not ignore that KASH is not to be found in the registered mark and COUPON is not to be found in the proposed mark. Nevertheless, because the terms are

⁷ Collins English Dictionary - Complete & Unabridged 10th Edition (William Collins Sons & Co, 2009). The Board may take judicial notice of dictionary evidence. *University of Notre Dame du Lac*, 213 USPQ 594.

secondary, both in position and because they have less source-identifying value due to their descriptive nature, they do not suffice for purposes of distinguishing the two marks. Moreover, all words in both marks begin with either the letter "K" or a hard "C", the pronunciation is not so different. That is, there is a similar alliteration created by the marks.

We have also considered applicant's argument that the two marks may be distinguished because the term KARMA is generally weak and should be accorded a limited scope of protection. Specifically, applicant argues that "based upon the evidence submitted, it is proper to infer here that purchasers have been conditioned to expect different sources for goods and services offered under 'karma' marks and that they will not be confused as to the source of origin of the marks KARMA KASH and KARMA COUPON based on the obvious differences in the sight, sound, meaning and commercial impression of these marks as a whole." Reply brief, p. 9. In support, applicant submitted the following with its request for reconsideration: a list showing numerous third-party applications and registrations for marks containing, in part or entirely, of the term KARMA; a second list indicating that nine registrations, from the first list, are for goods in International Class 16; and

printout copies of three applications identified in the lists. Neither of the two lists identifies the goods and/or services covered by the applications and registrations.

In response to applicant's submission of the lists of third-party applications and registrations, the examining attorney did not advise applicant that the mere listing does not suffice for purposes of making the applications and registrations of record. In her appeal brief, the examining attorney actually discusses the relevance of several of the listed registrations.

The Trademark Trial and Appeal Board Manual of Procedure (TBMP) provides:

Mere listings of registrations, or copies of private company search reports, are not sufficient to make the registrations of record. However, there are limited circumstances in which the Board will consider such listings. In particular, if an applicant includes a listing of registrations in a response to an Office action, and the examining attorney does not advise the applicant that the listing is insufficient to make the registrations of record at a point when the applicant can correct the error, the examining attorney will be deemed to have waived any objection to consideration of the list itself, for whatever probative value it may have. Similarly, if the examining attorney discusses the registrations in an Office action or brief, without objecting to them, the registrations will be treated as stipulated into the record. However, the Board will not consider more than the information provided by the applicant. Thus, if the applicant has provided only a list of registration numbers and/or marks, the list will have very limited probative value.

TBMP § 1208.02 (3rd Edition 2012) (internal citations omitted; emphasis added).

As to applicant's submission of copies of three applications, the TBMP further provides that "[t]hird-party applications, as opposed to registrations, have no probative value other than as evidence that the applications were filed." *Id.*

Accordingly, applicant's submission of lists of third-party applications and registrations do very little to show that KARMA is a weak term in connection with coupons or in general. At most, the lists show that the term KARMA has often been adopted by others seeking to register marks in connection with unknown goods and services. Even considering the third-party registrations and information discussed by the examining attorney in connection therewith, we find said registrations do not involve coupons or similar goods and likewise do not show any weakness in the term KARMA in connection with the identified goods.

Even had applicant properly submitted copies of registrations, and it did not, we point out that they are not evidence of use of the marks and therefore do not show that consumers are even familiar with the marks so as to be accustomed to the existence of similar marks in the

marketplace and are thus able to distinguish between the similar marks based on slight differences. *Smith Bros. Mfg. Co. v. Stone Mfg. Co.*, 476 F.2d 1004, 177 USPQ 462 (CCPA 1973); and *Richardson-Vicks, Inc. v. Franklin Mint Corp.*, 216 USPQ 989 (TTAB 1982).

Accordingly, we are unconvinced to the extent that applicant seeks to persuade us to resolve the *du Pont* factor regarding the weakness or strength of the registrant's mark in applicant's favor; instead, we find this factor to be neutral.

When we consider the record and the relevant likelihood of confusion factors, we conclude that, should potential purchasers encounter the marks KARMA KASH and KARMA COUPON being used on identical goods, i.e., coupons, they are likely to believe that the sources of these goods are in some way related or associated. As a result, there is a likelihood of confusion.

DECISION: The refusal to register the mark under Section 2(d) of the Trademark Act is affirmed. We further affirm the refusal to register based on applicant's failure to comply with the requirement to disclaim the word CASH.