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

Proceeding	85744747
Applicant	Congregation Ale House (AZUSA Chapter) L
Applied for Mark	DARK OF THE COVENANT
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APPEAL TO TRADEMARK TRIAL AND APPEALS BOARD

Mark: Dark of the Covenant

Applicant: Congregation Ale House (AZUSA Chapter) LLC

Serial No. 85744747

March 14, 2014

The examining attorney has refused registration for Applicant Congregation Ale House's ("Applicant") mark "Dark of the Covenant" which Applicant has begun to use for a locally brewed beer in International Class 032: light beverages including beer. The examining attorney found a likelihood of confusion with the registered mark "Covenant," which is used for a kosher sacramental wine in International Class 033: wine and spirits.

Based on the following analysis, Applicant respectfully requests that the Board find that there is no likelihood of confusion and reverse the decision of the examining attorney in order to grant Applicant's request to register the mark "Dark of the Covenant" for beer.

SUMMARY

Applicant disputes the examining attorney's conclusion that the mark "Dark of the Covenant" cannot be registered because the word "dark" is merely descriptive. However understandable it is that the examining attorney might conclude that the word "dark" is "obviously descriptive of the goods and nothing else," an analysis of the Ninth Circuit's eight factors for determining likelihood of confusion demonstrate that there is no likelihood of confusion that could possibly have any commercial effect. The similarity of the two marks is limited to the incidental use of the word "covenant" and the fact that they are both alcohol does not alone amount to a sufficient basis for refusing registration. Moreover, the examining attorney's conclusion is based on a dissection of the mark that removes its satirical intent and renders the mark meaningless. When considered in its entirety, the phrase "Dark of the Covenant" is a strong mark for beer that will not dilute the registered mark "Covenant" for a limited distribution kosher sacramental wine and therefore warrants registration.

ANALYSIS

The central issue in a trademark action is whether consumers making a decision to purchase a product or service are likely to assume that a product or service is associated with a source other than its actual source because of similarities between the two sources' marks or marketing techniques. *Stark v. Diageo Chateau & Estate Wines Co.* (N.D. Cal. 2012) 907 F. Supp. 2d 1042, 1053 (internal cites and quotes omitted) citing *Official Airline Guides v. Goss*, 6 F.3d 1385, 1391 (9th Cir. 1993) (issue can be recast as whether "the similarity of the marks is likely to confuse customers about the source of the products"). Thus, however the possibility of consumer confusion is cast, the relevance of that confusion is that it might cause registrant's customers to buy applicant's products instead of registrant's products and thereby dilute the commercial significance of registrant's mark. In other words, the issue is not purely aesthetic. If the possibility of a

misguided purchase is so remote as to be incredulous, then any assertion that the marks could be confusing is insignificant and is not a basis for refusing registration. *Walking Mountain Productions*, 353 F.3d at 806 (“The *limited* purpose of trademark protections set forth in the Lanham Trade–Mark Act, 15 U.S.C. § 1051 *et. seq.*, is to avoid confusion *in the marketplace* by allowing a trademark owner to prevent others from duping consumers into buying a product they mistakenly believe is sponsored by the trademark owner”) (emphasis added).

Courts in the Ninth Circuit use eight factors to guide the likelihood of confusion analysis: (1) the similarity of the marks; (2) the relatedness of the companies' goods; (3) the marketing channels used; (4) the strength of mark(s) of the junior holder or senior holder or both; (5) the Applicant's intent in selecting its mark; (6) evidence of actual confusion; (7) the likelihood of expansion into other markets; and (8) the degree of care likely to be exercised by purchasers. *Stark*, 907 F. Supp. 2d at 1053 citing *E. & J. Gallo Winery v. Gallo Cattle Co.*, 967 F.2d 1280, 1290 (9th Cir. 1992). Courts do not mechanically apply these factors and then tally the results; some factors are considered to be more important than others and each factor is not necessarily relevant in every case. *Id.*

1. Similarity of the Marks

The examining attorney describes the marks as similar on account of the word “covenant,” which he describes as “omnipotent.” The use of similar words in a mark is not alone a bar to registration. *Stark*, 907 F. Supp. 2d at 1053-4 (holding that “Stark Wine,” “Stark Raving” and “Stark Thirst” are not confusingly similar names for wine). The court must consider the marks in their entirety and must look at the “sound, sight and meaning” of the mark to determine similarity. *Id.*

Applicant has not applied for the component parts of the applied for the phrase “Dark of the Covenant” which is intended to be a satirical play on the biblical phrase “Ark of the Covenant.” As such, it is a humorous reference to antireligious sentiments that Applicant elects to apply to a specific beer or, alternatively, is a tongue in cheek reference to suggest a rejection of the negative view some segments of society have toward social drinking. The mark “Dark of the Covenant” therefore is intended to enhance the experience of drinking the beer in a similar manner to drinking a beer called “Arrogant Bastard” or a vodka called “Skinny Girl.” Applicant is not marketing a beer called Covenant of which this is the dark version. That the word “dark” describes the beer is incidental to the name and is part of the satire or humor. Applicant also is not using the word “dark” to describe the word “covenant” as if it were a “dark” form of a particular covenant or the description of a class of covenants described as “dark.” “Dark” in this context might mean “unbelievers” or possibly (and satirically) “opponents.” Thus, as a mark, “Dark of the Covenant” is not comparable to the unregistrable mark Miller Lite, which is a light form of beer produced and sold by Miller Brewing Company. Compare *Miller Brewing Co. v. G. Heileman Brewing Co., Inc.* (7th Cir. 1977) 561 F.2d 75, 81 (refusal to register the term “Lite” in reference to light beer upheld as merely descriptive). In addition, the examining attorney's acknowledgement that the problem with the word “dark” as opposed to the word “ark” word is that the former

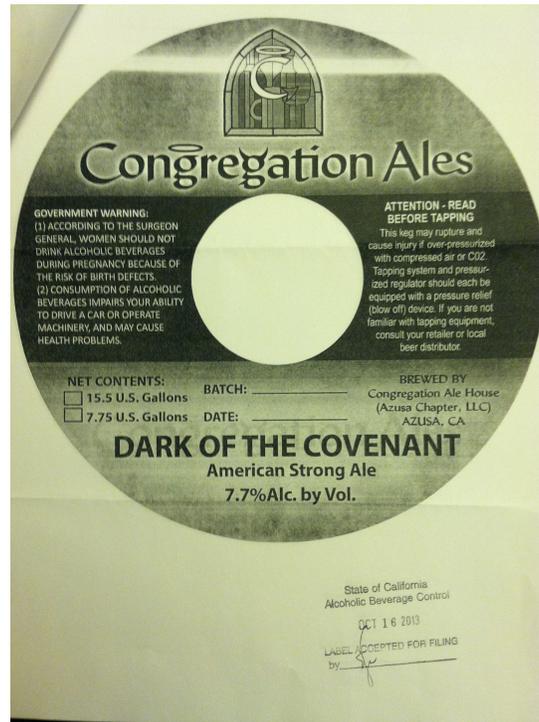
“describes...the identified beers” at least implies that the mark “Ark of the Covenant” as applied to beer would be registrable. But to isolate the word “dark” as if it is not elemental to the phrase misses the satirical point of the mark.

With regard to sight, the distinctions between the products are substantial. The labels for the products look nothing alike. Covenant Wines uses the same label for three of its products:





Applicant Congregation Ale House uses the following ABC approved label for its Dark of the Covenant beer:



Contrary to the Applicant’s labels, the word “Covenant” is a dominant word in the Covenant Wines labeling. The dominant phrase in Applicant’s label is the phrase “Congregation Ales” and the word “covenant” is subsumed in the phrase “Dark of the Covenant.”

As to meaning, the analysis is actually humorous because there is significant irony in the examining attorney’s finding that the mark “Dark of the Covenant” might be confused with a kosher sacramental wine called “Covenant.” The irony is highlighted in the word “Congregation” as it appears on the beer’s label, in which one “g” has a halo and the other “g” has devil horns. Covenant Wines are used expressly for religious purposes and are made using a religiously sanctioned process to ensure that religious legal requirements for the wine are followed. “Dark of the Covenant” is an expression of its maker’s rejection of religious sentiment and is intentionally satirical.

To the contrary, Covenant Wines’ opening statement on its web site states: “The word *covenant* connotes a strong connection between those who share common history, experience and values. It is an age-old concept that serves as a foundation for all civilization, and its significance is evident in the Bible stories of Abraham and Moses.” <http://www.covenantwines.com>. Furthermore, the purchasers of registrant’s wine are a specialized class who in the ordinary course of their religious practice identify and

acquire “kosher” wines for specialized uses. The label “kosher” is not a simple marketing tool that is without deep cultural significance. Rather, being “kosher” is an essential characteristic of the “alcohol” that is used in these religious practices. Furthermore, at least as applied to Passover, a specific Jewish holiday, confusion between a grain product like beer and registrant’s wine would violate the religious laws of the holiday. Accidentally grabbing a beer that happens to use the word “covenant” in its name as a replacement for a “kosher for Passover” wine called Covenant would require a degree of carelessness that is inconceivable.

The varied meanings behind the term “covenant” in Covenant Wines and “the phrase “dark of the covenant” in Congregation Ales are not similar in a manner that would cause consumer confusion.

2. The Relatedness of the Goods

The relatedness of beer and sacramental wine is not a forgone conclusion simply because they are both a form of alcohol. “Related goods are those which would be reasonably thought by the buying public to come from the same source if sold under the same mark.” *Stark*, 907 F. Supp. 2d at 1057. The reputation of Covenant Wines is directly and closely tied to the company’s religious sentiment as indicated in press clippings from the company’s web site (see attached).

Moreover the cases cited by the examining attorney demonstrating that differing alcoholic goods are related are not on point. The likelihood of similarity in those cases did not turn simply on the fact that the substances were both alcohol but depended on numerous other factors including the substantial similarity of unique names like Gaspar, Gordon, and Christopher Columbus. *See, e.g., In re Majestic Distilling Co.*, 315 F. 3d 1311 (Fed. Cir. 2003) (RED BULL for tequila confused with RED BULL for malt liquor).

3. The Marketing Channels Used

The examining attorney found these products are presumed to travel in the same channels absent restrictions in the applications. The Ninth Circuit states: “...[i]n contrast, significant differences in the price of the products, or the type of stores (*i.e.*, discount or specialty) at which the respective products are sold may decrease the likelihood of confusion. *Stark*, 907 F. Supp. 2d at 1058 citing *L.A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d 1117, 1134 (Fed.Cir.1993). “Dark of the Covenant” is presently sold at beer bars. Covenant Wines are sold at the winery, on-line on the company’s web site and wine web sites, at wine stores and through Whole Foods markets.

In addition, as indicated previously, the purchasers of registrant’s wine are a specialized class who in the ordinary course of their religious practice identify and acquire “kosher” wines for specialized uses:

Today, wine is still an elemental and essential component in Jewish sacramental services, both in the synagogue and at home. The saying of "kiddush," or the

blessings over wine are critical for the observance of the Sabbath and holidays as well as for the wedding ceremony, circumcisions and other life cycle events. The kosher laws regarding wine have been refined and codified over the millennia by the rabbis so as to ensure maximal sanctity for this beverage. The purity and holiness of wine is an imperative due to wine's surrogate status for the sacrifices of old.

<http://kosher-wine.com/history.shtml>. The label “kosher” is not a simple marketing tool that is without deep cultural significance. Rather, being “kosher” is an essential characteristic of the “alcohol” that is used in these religious practices. Furthermore, at least as applied to a specific Jewish holiday, confusion between a grain product like beer and registrant’s wine would violate the religious laws of the holiday, a fact that would be known by the class of purchasers who buy registrant’s wine:

First off, Kosher for Passover wine is a subset of kosher wine as long as the kosher wine was not made with and does not consist of and has never come into contact with products and/or by-products derived from any of the five grains that are forbidden for use during Passover / Pesach (barley, oats, rye, spelt, and wheat) and is unopened, based on the previous explanation of non-Mevushal kosher wine always being kosher as long as it is unopened; we already know that Mevushal wine is always kosher whether it is opened or not opened. Kosher for Passover wine includes all the requirements necessary to make kosher wine plus some additional restrictions. For instance, the yeast used to make Kosher for Passover wine may be from any type of yeast with the exception of yeast produced from one of the five forbidden grains during Passover/Pesach - those grains are: barley [*sic*], oats, rye, spelt, and wheat. Therefore, yeast and fermentation are not banned for Passover/Pesach, just the five aforementioned grains and anything derived from them.

<http://www.angelfire.com/pa2/passover/kosher-wine/>. Applicant’s beer is made from barley, one of the prohibited grains for Passover wines. Accidentally grabbing a beer that happens to use the word “covenant” in its name as a replacement for a “kosher for Passover” wine called Covenant would require a degree of carelessness that is inconceivable.

4. The Strength of the Marks

The “strength’ ” of a trademark is evaluated both in terms of its conceptual strength and its commercial strength. *Stark*, 907 F. Supp. 2d at 1058. Marks can be conceptually classified along a spectrum of increasing inherent distinctiveness, the weakest being generic and the strongest being fanciful: generic → descriptive → suggestive → arbitrary → fanciful. *Id.* at 1058-9. The term “Covenant” has been trademarked, which at least means the Trademark Office was not concerned that the term “covenant” was being used in a merely descriptive sense. To the contrary, the examining attorney has found that attaching the word “dark” to Applicant’s use of the word “covenant” adds nothing more than an unregistrable descriptive to the existing registered mark “covenant”

for wine. As described previously, the word “dark” is not being used only in a descriptive sense and rather, when viewed in its entirety, the mark “Dark of the Covenant” requires an imaginative leap to catch the humor of its connection to “Ark of the Covenant” and its connection to beer. The mark is therefore not descriptive and can be viewed as more arbitrary than suggestive. Therefore, marketing a beer called “Dark of the Covenant” is at least as strong as marketing a wine called “Covenant” and possibly stronger given that wine is used for religious purposes and “covenant” is often identified as a religious term.

Neither Covenant Wines nor Dark of the Covenant are considered commercially strong products. Covenant wines distribution appears to be focused on areas in which it is more likely to be bought. For example, the wine is not available in Orange County California, but it is available in and around downtown Los Angeles where there are thriving orthodox Jewish communities.

Dark of the Covenant beer has had a very limited distribution to date. To date we have been sold in 15 bars throughout LA. The Dark of the Covenant is now in its 4th batch with the first sales beginning in August 2011. The sales at each location of this beer are as follows:

Pasadena Chapter: \$6,107.50
Azusa Chapter: \$9,317.90
Long Beach Chapter: \$3,600.00

Applicant has begun self-distribution and has sold only \$322 of this product to local beer bars near the brewery.

5. Intent of the Holder of the Mark

If the intent to capitalize on an existing mark can be shown, courts can more easily find a likelihood of confusion. “If the latecomer adopts the name or mark deliberately to capitalize on the prior user's tradename and thus cause and benefit from confusion, that is an important factor in favor of finding the likelihood of confusion.” *Alpha Industries, Inc. v. Alpha Steel Tube & Shapes, Inc.* 616 F.2d 440, 446 (9th Cir. 1980) citing *Fleischmann Distilling Corp. v. Maier Brewing Co.*, 314 F.2d 149, 158 (9th Cir.), cert. denied, 374 U.S. 830, 83 S.Ct. 1870, 10 L.Ed.2d 1053 (1963).

Applicant did not have any intent to capitalize on the existing mark. The examining attorney does not raise any question regarding Applicant’s intent and there is no evidence that Applicant was aware of the registered mark. Moreover, Applicant, even if she were aware of registrant’s mark, would know that it was highly unlikely that the registrant’s customers would be inclined to purchase Applicant’s beer if they felt it might be mocking a significant religious story or a part of their religious heritage. To that end, even if it were the case, and it is not, Applicant’s motivation to use a comparable mark in order to capitalize on the registered mark would be misdirected and flawed. In sum, there was no malicious or deceitful intent.

6. Evidence of Actual Confusion

There is no evidence of actual confusion.

7. Likelihood of Expansion into Other Markets

Applicant is trying to increase the popularity of Dark of the Covenant beer. Applicant has three brewpubs in Southern California and has plans for expansion of the Congregation Ale House brand with the development of additional brewpubs. The likelihood of expansion of Dark of the Covenant beer into other markets will depend on the success of both the Congregation Ale House brand as well as the success of the beer.

Covenant Wines is a relatively young winery in Napa Valley and its reputation for making quality kosher wine appears to be very strong. Nothing is known however at this point about its intention to expand into other markets.

8. The Degree of Care Likely To Be Exercised by Purchasers

In assessing whether there is a likelihood of confusion, courts generally look to the reasonably prudent purchaser exercising ordinary caution. *Stark*, 907 F. Supp. 2d at 1065. It is not assumed that the reasonably prudent purchaser is a sophisticated consumer. *Id.* However, in this instance, there is reason to think that the degree of care exercised by a purchaser of Covenant wine would be more than the degree of care exercised by the ordinary wine customer. As discussed above, at least as applied to a specific Jewish holiday, confusion between a grain product like beer and registrant's wine would violate the religious laws of the holiday, a fact that would be known by the class of purchasers who buy registrant's wine:

First off, Kosher for Passover wine is a subset of kosher wine as long as the kosher wine was not made with and does not consist of and has never come into contact with products and/or by-products derived from any of the five grains that are forbidden for use during Passover / Pesach (barley, oats, rye, spelt, and wheat) and is unopened, based on the previous explanation of non-Mevushal kosher wine always being kosher as long as it is unopened; we already know that Mevushal wine is always kosher whether it is opened or not opened. Kosher for Passover wine includes all the requirements necessary to make kosher wine plus some additional restrictions. For instance, the yeast used to make Kosher for Passover wine may be from any type of yeast with the exception of yeast produced from one of the five forbidden grains during Passover/Pesach - those grains are: barely, oats, rye, spelt, and wheat. Therefore, yeast and fermentation are not banned for Passover/Pesach, just the five aforementioned grains and anything derived from them.

<http://www.angelfire.com/pa2/passover/kosher-wine/>. Applicant's beer is made from barley, one of the prohibited grains for Passover wines. Accidentally grabbing a beer that happens to use the word "covenant" in its name as a replacement for a "kosher for

Passover” wine called Covenant would require a degree of carelessness that is inconceivable.

FIRST AMENDMENT PROTECTIONS

Trademarks are a form of speech that is entitled to First Amendment protection. *Mattel, Inc. v. Walking Mountain Productions* (9th Cir. 2003) 353 F.3d 792, 807. In this context, Applicant is making a satirical statement regarding religious practices. Where the First Amendment is implicated, the standard for denying registration to a trademark applicant is heightened. *Id.*

CONCLUSION

Based on the foregoing analysis, Applicant respectfully requests that the Board find that there is no likelihood of confusion and reverse the decision of the examining attorney in order to grant Applicant’s request to register the mark “Dark of the Covenant” for beer.

Ha Aretz

America's best kosher wine is about to make Aliyah

By **Anshel Pfeffer**

Published: July 12, 2013

Jeff Morgan makes what is probably the best kosher wine in the world. You don't have to take my word for it, though I have tasted his wines and cannot remember an Israeli or other kosher wine that quite compares. The professional wine-press corps, including much-feared wine critic Robert Parker, consistently award vintages from Morgan's Covenant Wines scores in the 90-plus region. But proving that he could create fantastic Cabernet Sauvignon in Napa Valley, the heart of California's wine country, was one thing. Now he is planning to prove he can do the same in Israel.

(To read the entire article, [click here](#))

NY Times



Napa Maker of Prized Kosher Wine Says His Faith Came Through the Vine

By **SAMUEL G. FREEDMAN**

Published: October 5, 2012

NAPA, Calif. — When Jeff Morgan rose before dawn one morning this week, two different calendars told him harvest time had arrived. It was the third day of October, the heart of grape-picking season in the wine country of Northern California, and it was the third day of Sukkot, the Jewish holiday that since antiquity has celebrated the gathering of crops. (To read the entire article, [click here](#))

JancisRobinson.com

Napa kosher vertical

By **Jancis Robinson**

4 Mar 2013

I was recently treated to a vertical tasting of what may be the best kosher wine I have ever tasted (including the kosher cuvées of Valandraud). Jeff and Jodie Morgan's Covenant wines are delicious by any measure and showed impressive consistency of quality, if not necessarily vintage style, over the full run of vintages. (To read the entire article, [click here](#))

L.A. Times



Across the Table: Kosher wine worth passing around

By **S. Irene Virbila Los Angeles Times**

March 23, 2013

Covenant Wines makes kosher wines that have gotten strong reviews from **Robert Parker** and **Wine Spectator**. How did it come about? **Jeff Morgan and Leslie Rudd** of Rudd Vineyards put their know-how and hopes to the test. Jeff Morgan in the cellars at Covenant Wines, which makes highly regarded kosher wines in Napa Valley. (To read the entire article, [click here](#))

Associated Press

Kosher wine evolves from cheap to collectible