

This Opinion is not a
Precedent of the TTAB

Hearing: June 28, 2016

Mailed: July 1, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board
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*North Atlantic Operating Company, Inc.,
North Atlantic Trading Company, Inc., and
National Tobacco Company*

v.

DRL Enterprises, Inc.

—
Opposition No. 91158276 (parent)
Opposition No. 91158552
Opposition No. 91158568
Opposition No. 91158696
Opposition No. 91158816
Opposition No. 91158978
Opposition No. 91158980
Opposition No. 91158981
Opposition No. 91159360
Cancellation No. 92042927
Cancellation No. 92042928
Cancellation No. 92043031

—
Richard S. Mandel of Cowan, Liebowitz & Latman, P.C.
for North Atlantic Operating Company, Inc., North Atlantic Trading Company,
Inc., and National Tobacco Company.

Anthony J. McShane of Neal, Gerber & Eisenberg LLP
for DRL Enterprises, Inc.

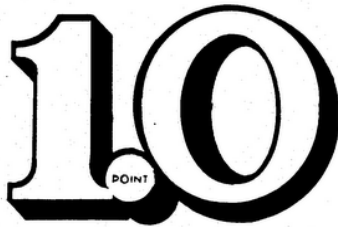
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Before Quinn, Bergsman and Lykos,
Administrative Trademark Judges.

Opinion by Bergsman, Administrative Trademark Judge:

DRL Enterprises, Inc. (hereinafter Defendant) has registered the marks listed below for cigarette rolling papers, in Class 34:¹

1. Registration No. 1481006 for the mark 1.0 (stylized) shown below:²



2. Registration No. 1331207 for the mark 1.5 (stylized) shown below:³



¹ DRL Enterprises, Inc. is the owner of the decimal designation registrations and applications at issue in these proceedings. Republic Tobacco distributes the products on behalf of DRL Enterprises, Inc. Gold Discovery Dep., pp. 18-19 (140 TTABVUE 65-66); Gold Testimony Decl. ¶1 (179 TTABVUE 4). We refer to DRL Enterprises and Republic Tobacco collectively as “Defendant.”

² Registered March 15, 1988; renewed. While maintaining that “1.0” was not merely descriptive, Defendant disclaimed the exclusive right to use “1.0.” December 22, 1986 Response to an Office Action. We find this to be a disclaimer offered in the alternative and, therefore, it does not constitute a concession that “1.0” is not inherently distinctive. *See In re RiseSmart Inc.*, 104 USPQ2d 1931, 1932 (TTAB 2012). *See also* TMEP § 1213.01(d) (2016).

³ Registered April 16, 1985 under the provisions of Section 2(f) of the Trademark Act, 15 U.S.C. § 1052(f); second renewal. In the application, Defendant claimed that “its mark is inherently distinctive and/or that even if its mark is not inherently distinctive, it is now distinctive by virtue of its acquisition of secondary meaning.” We find that Defendant claimed acquired distinctiveness in the alternative and, therefore, it does not constitute a concession that “1.5” is not inherently distinctive. *See In re Thomas Nelson, Inc.*, 97 USPQ2d 1712, 1713 (TTAB 2011). *See also* TMEP § 1202.02(c).

3. Registration No. 1328866 for the mark 1.25 (stylized) shown below:⁴



Defendant has applied to register the marks listed below for cigarette rolling papers:

1. Serial No. 76369872 for the mark 1.25 (typed drawing form);⁵ and
2. Serial No. 78157851 for the mark 1.5 (typed drawing form).⁶

On August 7, 2001, Defendant applied to register the marks listed below for cigarettes, in Class 34, based upon Defendant's allegation of a *bona fide* intention to use the marks in commerce under Section 1(b) of the Trademark Act:

1. Serial No. 76296943 for the mark 1.25 (stylized) shown below;



2. Serial No. 76296931 for the mark 1.25 (typed drawing form);

⁴ Registered April 2, 1985 under the provisions of Section 2(f) of the Trademark Act, 15 U.S.C. § 1052(f); second renewal. In the application, Defendant claimed that "its mark is inherently distinctive and/or that even if its mark is not inherently distinctive, it now distinctive by virtue of its acquisition of secondary meaning." We find that Defendant claimed acquired distinctiveness in the alternative and that it does not constitute a concession that "1.25" is not inherently distinctive. *In re Thomas Nelson, Inc.*, 97 USPQ2d at 1713.

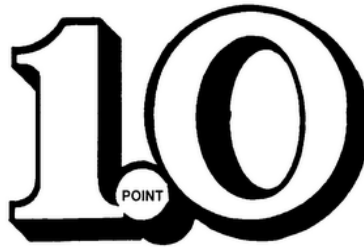
⁵ Filed February 12, 2002 based on use in commerce under the provisions of Section 2(f) of the Trademark Act, 15 U.S.C. § 1052(f).

⁶ Filed August 26, 2002 based on use in in commerce under the provisions of Section 2(f) of the Trademark Act, 15 U.S.C. § 1052(f).

3. Serial No. 76296926 for the mark 2.0 (typed drawing form);
4. Serial No. 76158978 for the mark 1.5 (stylized) shown below;



5. Serial No. 76296945 for the mark 1.5 (typed drawing form);
6. Serial No. 76296942 for the mark 1.0 (typed drawing form);
7. Serial No. 76296941 for the mark 1.0 (stylized form) shown below:



North Atlantic Operating Company, Inc., North Atlantic Trading Company, Inc., and National Tobacco Company (hereinafter “Plaintiffs”) petitioned to cancel the registered marks for cigarette rolling papers, and opposed the registration of the marks 1.25 and 1.5, in typed drawing form and stylized form, for cigarette rolling papers on the grounds that they are generic terms for cigarette rolling papers and, in the alternative, that they are merely descriptive of the size of the cigarette rolling papers.⁷

⁷ Plaintiffs have elected not to pursue their pleaded claims based on fraud, deceptive misdescriptiveness or the improper use of the federal registration symbol. Plaintiffs’ Brief, p. 5 (229 TTABVUE 14).

Plaintiffs opposed the registration of the marks for cigarettes on the grounds that the respective marks 1.0, 1.25, 1.5, and 2.0, in typed drawing and stylized form, are generic terms for cigarettes, that they are merely descriptive of the size of the paper in which the cigarette is rolled, and that Defendant lacked a *bona fide* intent to use the marks to identify cigarettes at the time the applications were filed.⁸

Defendant, in its Answer, denied the salient allegations in the complaints. In six separate affirmative defenses, Defendant alleged, in essence, that Plaintiff's claims are barred by acquiescence on the ground that Plaintiffs previously acknowledged Defendant's ownership of its numeric marks for smoking products.⁹

I. Preliminary Issues

A. Defendant's objections to evidence.

In the August 6, 2014 Order, the Board requested that the parties limit their evidentiary issues to objections that may be outcome-determinative.

The parties are discouraged from filing objections that are not outcome-determinative or that do not have an effect on either their position or their adversary's position. The Board will consider all the testimony and evidence keeping in mind the nature of the evidence (*e.g.*, whether it is hearsay, whether it is relevant, etc.) and according the

⁸ Plaintiffs have elected not to pursue their pleaded claims based on fraud, deceptive misdescriptiveness or the improper use of the federal registration symbol. Plaintiffs' Brief, p. 5 (229 TTABVUE 14).

⁹ In the April 29, 2014 Order denying Defendant's motion for summary judgment, the Board noted that the equitable defense of acquiescence is not available against claims that a term is generic or merely descriptive because it is in the public interest to have registered terms that are generic or merely descriptive stricken from the register and that this interest cannot be waived. 125 TTABVUE 13. In the August 6, 2014 Order, the Board noted the holding in the April 29, 2014 Order and that Defendant's right to argue that the affirmative defense of acquiescence is applicable to all the claims asserted by Plaintiffs is preserved for appeal. 128 TTABVUE 5.

testimony and evidence whatever probative value the testimony and evidence merits.¹⁰

Nevertheless, Defendant lodged numerous objections. None of the evidence sought to be excluded is outcome-determinative. Moreover, the Board is capable of weighing the relevance and strength or weakness of the objected-to testimony and evidence, including any inherent limitations, and this precludes the need to strike the testimony and evidence. Given these facts, coupled with the number of objections, we see no compelling reason to discuss the specific objections. As necessary and appropriate, we will point out any limitations applied to the evidence or otherwise note that the evidence cannot be relied upon in the manner sought. We have considered all of the testimony and evidence introduced into the record. In doing so, we have kept in mind the various objections raised by the parties and we have accorded whatever probative value the subject testimony and evidence merit.

B. The testimony of Defendant’s witnesses Donald Levin and Seth Gold.

As discussed more fully below, the record establishes, and Defendant does not contest, that there are primarily four sizes of cigarette rolling papers: single width, 1¼, 1½, and double wide.¹¹ Thus, we have concerns about the testimony of Donald Levin, Defendant’s Chairman, and Seth Gold, Defendant’s Vice President and General Counsel, regarding Defendant’s use of the 1.0, 1.25 and 1.5 designations and

¹⁰ 112 TTABVUE 8.

¹¹ Defendant admitted that “[Defendant’s] mark, ‘1.25’ relates to size.” Defendant’s response to Plaintiffs’ request for admission No. 4 (141 TTABVUE 32). *See also* the September 1979 issue of the *National Lampoon* magazine where Defendant placed an advertisement touting that “JOB has your size” with an offer to sell double-width, 1.5, 1.25 and single width papers. 142 TTABVUE 116.

their relationship to the size of cigarette rolling papers. We are particularly struck by their evasiveness and failure to respond directly to straightforward questions asked by Plaintiffs' counsel. For example, during his discovery deposition, Mr. Levin was unable to recall if his company was currently selling cigarette rolling papers designated as 1¼ and 1½ size,¹² and during his cross-examination deposition, he was unable to identify most of the advertisements that his company had published.¹³

Further, Mr. Levin refused to acknowledge that 1.5 was a number.

Q. Now, when you picked that designation obviously you were aware that you were picking a number, right?

A. No.

Q. Really? You didn't know that 1.5 was a number when you picked it?

A. It was a fanciful term to me. We have to go back in time to this is the Vietnam War, this is the Haight Ashbury era of our lives. I don't know how old you are. I'm not sure if you were living during those days.

Q. I was.

A. There were no cell phones, there was no cable television, there was no Internet, there was no digital world. There was talk at that time they were trying to get to the metric system in the United States. I believe we were still on the English system, is it? We used quarters and eighths. So at that time everything was a half. There was no points. So 1.5 to me wasn't a number. It was 1.5. I guess it was -- in terms of today it's a number. I guess then it would

¹² Levin Discovery Dep, p. 34-35 (140 (TTABVUE 26-27).

¹³ 204 TTABVUE 22, 24, 44, 46-47, 77-78, 82, and 85.

have been a number, but I didn't think of it as a number. It was a fanciful trademark.¹⁴

Mr. Levin dodged answering simple “yes or no” questions such as whether Defendant uses JOB 1.0 in connection with single width paper. We note Defendant’s advertisement introducing its JOB 1.0 cigarette rolling paper stating the “New 1.0™ Cigarette Paper in new Single-Width Size, the original size cigarette paper for the more experienced rollers.”¹⁵

Q. Were you the person who made the decision to use the designation 1.0?

A. Correct.

Q. And did you actually come up with that designation?

A. I believe so, yes.

Q. And when you chose it were you intending to use it on a single width product?

A. I intended to use it on a product.

Q. A single width product?

A. A product. It wasn’t -- again, for sake of clarity, a single width paper has various sizes. There’s not such a thing as a size of a single width paper. I don’t mean to be difficult with you, but the single width paper made by one manufacturer is different in size perhaps than the size of a different manufacturer. So within the range I wanted to make a single width paper, but it wasn't like this size paper. It was a single width paper, but not necessarily the same single width paper as another single width paper.

Is that clear as mud?

¹⁴ 204 TTABVUE 11-12.

¹⁵ 143 TTABVUE 53.

Q. Yes.

A. Okay.

Q. You did intend to use it on what was going to be the smallest of the papers in the line when you selected that designation, correct?

A. At that point in time, yes.¹⁶

Mr. Gold's testimony was equally evasive. For example, Mr. Gold refused to acknowledge that "Top 1½ size" is an example of "1½" used in connection with the word "size."¹⁷

Q. Let's jump ahead to page 170, two pages ahead, the Top products. That says "Top 1 1/2 size." Have you ever seen that product before?

18



A. Yes, I have.

Q. And that's also a product distributed by [Defendant], correct?

¹⁶ 204 TTABVUE 78-80. *See also* Levin Discovery Dep. p. 35 and Exhibit 5 (140 TTABVUE 27 and 40-41) (when asked to explain the meaning of "available in both 1 ¼ and 1 ½ widths" appearing on a package of papers sold by Defendant, Mr. Levin testified "1 ¼ or 1 ½ of what?").

¹⁷ As discussed *infra*, cigarette rolling papers are sold in different sizes to satisfy consumer preferences.

¹⁸ 201 TTABVUE 277.

A. Correct.

Q. And that would be an example of [Defendant] using the designation 1 1/2 in reference to the word "size," correct?

A. No.

Q. That would not be an example of that?

A. You say "with reference to the word size" and the answer is with the word "size," but my point from the earlier testimony, which we have already gone over twice, is that this presentation is used over a variety of dimensions, a variety of surface areas so that it itself is fanciful. It's just a convention in the industry, but, in fact, as we've seen, the variation 16 percent in 1 1/2, 30 percent in 1 1/4, it doesn't refer to a particular size, but the word "size" does appear.

So when you say "with reference to size," that's not correct. With the word "size," there's a kind of presentation, I would say that's what it is.

Q. The presentation on the product is 1 1/2 size, correct?

A. Yes, but it's not with reference to size.

Q. It says "1 1/2 size" with reference to something other than size is your testimony, right?

A. Correct.

Q. "Size" is meant there -- what does "size" mean there? Why is the word "size" there at all?

A. That's the point. We've gone through this. There's such a variation that it doesn't translate to size as we know all the other products in the world. It's a tradition of presentation in the cigarette paper industry, but it doesn't reference any particular size.

* * *

Q. So your testimony is that the "1 1/2 size" on the Top product doesn't communicate anything to the consumer about the size of the product?

A. It doesn't convey a meaningful size. There is no such thing as a 1 1/2 size in the paper industry. Someone without picking up the booklet and using it won't know what he or she is getting.

Q. Then why put it there at all?

A. That's how things have been done.

Q. And it's your testimony that consumers would pay no attention to that; they wouldn't understand it as meaning anything?

A. Well, after X amount of time ordering it, they would look to it as something they've seen before.

Q. You don't think they'd understand that 1 1/2 size paper to be larger than another Top offering that's 1 1/4?

A. I think they pick the paper they want and that's the one they get. I don't think they think that there's any relation. They don't think in those terms.

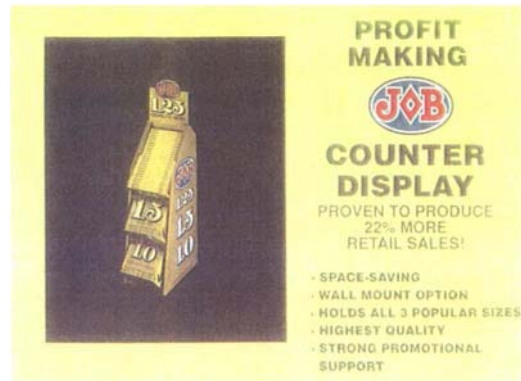
Q. You don't think the average consumer seeing a Top 1 1/4 and a Top 1 1/2 wouldn't draw the conclusion that the Top 1 1/2 size is a larger version of that product?

A. That's like saying wouldn't the person who sees a Zig-Zag 1 1/2 and a Zig-Zag 1 1/4 think the 1 1/2 is bigger and it turns out they're the same size.¹⁹

On subsequent cross-examination, Mr. Gold testified that size does not mean size.

Q. Have you seen Exhibit 17 before?

¹⁹ 201 TTABVUE 61-64. *See also* Gold Discovery Dep., pp. 30-31 (140 TTABVUE 70-71) ("It's not 1-1/2 of anything.").



A. Something like it.

Q. And that promotional piece says “Holds all three popular sizes,” correct?

A. Correct.

Q. And those sizes that are being referenced there would be the 1.0, 1.25, and 1.5 products, right?

A. Once again, we’ve never argued that within our line these papers come in different sizes. It’s very clear.

Q. You’ve never argued that they don’t come in different sizes, right?

A. We’ve never said that they don’t come in different sizes. We say yes, they come in different sizes, but none of these is a size that conveys particular information to a consumer other than one who’s used it before and liked it.²¹

This testimony illustrates a pattern of conduct on the part of Messrs. Levin and Gold that is harassing, frivolous, and not reasonably based on the knowledge of the witnesses. In short, we find their testimony is not credible. Accordingly, any

²⁰ 201 TTABVUE 452. The text in the lower-right side includes “Holds all 3 popular sizes.”

²¹ 201 TTABVUE 128. See also 201 TTABVUE 20 (“Well, within 1.5 there are different sizes. I mean, the information is the information, but they’re of different size, but they’re not different sizes.”).

testimony provided by Messrs. Levin and Gold based on their knowledge and experience in the cigarette and cigarette rolling paper industries has little, if any, probative value.²²

II. The Record

The record includes the pleadings and, by operation of Trademark Rule 2.122(b), 37 C.F.R. § 2.122(b), Defendant's registration and application files. Pursuant to the August 6, 2014 Order, direct testimony may be introduced through declarations or affidavits and documents produced by a party in response to a request for production of documents may be introduced into evidence through a notice of reliance by the propounding party.²³

A. Plaintiff's Testimony and Evidence

1. Testimony declaration of Keith Burdick, co-owner of NxGP, LLC, with attached exhibit;²⁴

²² This is not the first time the credibility of Defendant's witnesses has been questioned by a court. In *Top Tobacco, L.P. and Republic Tobacco L.P. v. North Atlantic Operating Company, Inc. and National Tobacco Company, Inc.*, 2007 U.S. Dist. LEXIS 28543 (N.D. Ill. April 17, 2007), the court noted Defendant's "apparent willingness to say whatever it believes suits it at the time," that Mr. Levin "refused to concede the obvious," that the court "could hardly believe that Levin gave ... testimony with a completely straight face," that Mr. Levin's testimony was "absurd," and that he was "not playing it straight." *Id.* at 14-16.

²³ 128 TTABVUE.

²⁴ 137 TTABVUE.

2. Testimony declaration of Joshua D. Kesselman, founder of HBI International with experience in the distribution and sale of cigarette rolling papers, with attached exhibits;²⁵
3. Plaintiffs' first notice of reliance [Part 1] on excerpts from the January 6, 2011 discovery deposition of Donald R. Levin, Defendant's Chairman, with attached exhibits;²⁶
4. Plaintiffs' first notice of reliance [Part 2] on excerpts from the January 5, 2011 discovery deposition of Seth I. Gold, Defendant's Vice President and General Counsel, with attached exhibits;²⁷
5. Plaintiffs' second notice of reliance on the following items:
 - a. Defendant's responses to Plaintiffs' Interrogatory No. 10;²⁸
 - b. Defendant's responses to Plaintiffs' Interrogatory No. 29 in the cancellation proceedings;
 - c. Defendant's responses to Plaintiffs' requests for admission Nos. 4, 5, and 6; and
 - d. Defendant's responses to Plaintiffs' requests for admission Nos. 13, 14, 19, 20, 22-24, 26-33, 36, 37, 42, 43, 45-47, 49 and 50;

²⁵ 138 TTABVUE. The Kesselman declaration was submitted a second time at 146 TTABVUE.

²⁶ 140 TTABVUE.

²⁷ 140 TTABVUE. The confidential portion of the Gold discovery deposition is filed at 139 TTABVUE.

²⁸ 141 TTABVUE.

6. Plaintiffs' third notice of reliance on the following items:²⁹
 - a. Defendant's advertisements for cigarette rolling papers in printed publications, from 1976 through 1981, purporting to set forth the numeric designations 1.25, 1.5 and 1½ as size designations;³⁰
 - b. Third-party advertisements for cigarette rolling papers in printed publications, from 1976 through 1985, purporting to show numbers used as size designations;³¹ and
 - c. Dictionary definitions and encyclopedia entries purportedly to show that "roll your own cigarettes" are cigarettes made from loose tobacco and papers;³²

7. Plaintiffs' fourth notice of reliance on the following items:³³
 - a. Copies of printouts of third-party websites purportedly "showing the interchangeable use of whole, fractional and/or decimal designations by manufacturers, wholesalers, retailers and secondary market sellers to designate or refer to the size of cigarette rolling papers";³⁴

²⁹ 142 TTABVUE.

³⁰ 142 TTABVUE 10-140.

³¹ 142 TTABVUE 141-259

³² 142 TTABVUE 261-295.

³³ 143 TTABVUE.

³⁴ 143 TTABVUE 8-45.

- b. Copies of Defendant’s advertising and packaging purportedly “using whole, fractional and decimal numeric designations to refer to the size of its cigarette rolling papers”;³⁵ and
 - c. Copies of advertising of third-party cigarette rolling paper manufacturers purportedly “using whole, fractional and decimal designations to refer to the size of their cigarette rolling papers”;³⁶
8. Plaintiffs’ fifth notice of reliance on the following items:³⁷
- a. Copies of four third-party registrations for cigarette papers consisting in part of the decimal designation 1.0 or 2.0 where the exclusive right to use 1.0 and 2.0 were disclaimed;³⁸
 - b. A copy of the relevant portion of the file history for Registration No. 1399770 for the mark JOKER 1.0;³⁹
 - c. A copy of the relevant portion of the file history for Registration No. 1399769 for the mark JOKER 2.0;⁴⁰

³⁵ 143 TTABVUE 47-59.

³⁶ 143 TTABVUE 61-80.

³⁷ 144 and 145 TTABVUE.

³⁸ 144 TTABVUE 12-39.

³⁹ 144 TTABVUE 41-48. Registered July 1, 1986; renewed. Registrant disclaimed the exclusive right to use 1.0 in response to a requirement holding that 1.0 is merely descriptive. 144 TTABVUE 42.

⁴⁰ 144 TTABVUE 50-56. Registered July 1, 1986; renewed. Registrant disclaimed the exclusive right to use 2.0 in response to a requirement holding that 2.0 is merely descriptive. 144 TTABVUE 51.

- d. A copy of the relevant portion of the file history for Registration No. 1399771 for the mark E-Z WIDER 1.0;⁴¹
 - e. A copy of the relevant portion of the file history for Registration No. 1399771 for the mark E-Z WIDER 2.0;⁴²
 - f. Copies of 69 third-party registrations for, *inter alia*, both cigarettes and cigarette rolling papers;⁴³
 - g. A copy of the prosecution history for application Serial No. 76296929 for the numeric fraction $1\frac{1}{4}$ filed by Defendant and now abandoned;⁴⁴ and
 - h. A copy of the prosecution history for application Serial No. 76296930 for the numeric fraction $1\frac{1}{2}$ filed by Defendant and now abandoned;⁴⁵
9. Plaintiffs' sixth notice of reliance on materials printed from the Internet.⁴⁶ *See Safer Inc. v. OMS Investments Inc.*, 94 USPQ2d 1031, 1039 (TTAB 2010).
- a. Excerpts from third-party websites purportedly "showing the use of whole, fractional and/or decimal numeric designations in connection

⁴¹ 144 TTABVUE 58-64. Registered July 1, 1986; renewed. Registrant disclaimed the exclusive right to use 1.0 in response to a requirement holding that 1.0 is merely descriptive. 144 TTABVUE 59.

⁴² 144 TTABVUE 65-72. Registered July 1, 1986; renewed. Registrant disclaimed the exclusive right to use 2.0 in response to a requirement holding that 2.0 is merely descriptive. 144 TTABVUE 67.

⁴³ 144 TTABVUE 74-489.

⁴⁴ 145 TTABVUE 3-88.

⁴⁵ 145 TTABVUE 90-174.

⁴⁶ 148 TTABVUE.

with [Defendant's] cigarette rolling papers to designate and refer to the size of its cigarette rolling papers";⁴⁷

- b. Excerpts from third-party websites purportedly "showing the interchangeable use of whole, fractional and/or decimal numeric designations by manufacturers, wholesalers, retailers, secondary market sellers, and consumers to designate or refer to the size of cigarette rolling papers";⁴⁸
- c. Excerpts from third-party websites purportedly "showing how consumers and retailers use fractions and their corresponding decimals interchangeably when referring to shoe sizes, hat sizes and clothing sizes";⁴⁹
- d. Excerpts from third-party websites showing examples of different fonts;⁵⁰
- e. Excerpts from third-party websites purportedly "demonstrating industry practices regarding the size of cigarette rolling papers";⁵¹
and

⁴⁷ 148 TTABVUE 18-67.

⁴⁸ 148 TTABVUE 69-345.

⁴⁹ 148 TTABVUE 347-406

⁵⁰ 148 TTABVUE 408-412.

⁵¹ 148 TTABVUE 414-443.

- f. An excerpt from the Nebraska Department of Revenue website purportedly “to show that ‘roll your own cigarettes’ are properly defined as a type of cigarette”;⁵²
10. Trial testimony deposition of Joseph Tabshe, President of Good Times USA, LLC, a cigar company that also sells cigarette rolling papers, with attached exhibits;⁵³
11. Trial testimony deposition of James Murray, Senior Vice President of Business Planning for National Tobacco Company, a plaintiff, with attached exhibits;⁵⁴

⁵² 148TTABVUE 444-450.

⁵³ 150 TTABVUE.

⁵⁴ 152 TTABVUE. The portions of the Murray deposition designated as confidential are filed at 151 TTABVUE.

Defendant objected to the admissibility of the price lists, order sheets and catalogs identified as Murray Exhibit Nos. 25-45. Also, Defendant objected to the introduction of these exhibits in other depositions. 232 TTABVUE 3-5. As grounds for the objection, Defendant asserts that (i) the witnesses could not properly authenticate the exhibits because they had not seen them before and, therefore, had no personal knowledge about the exhibits, including whether, when, and where they were distributed, (ii) that the information in the exhibits is hearsay, and (iii) that the documents were not produced during discovery. We overrule the objections for the following reasons:

1. With respect to authentication, the witnesses testified that although they were not familiar with the specific documents, based on their experience in the tobacco and cigarette rolling paper industry, the exhibits were the types of price lists, orders sheets and catalogs used in connection with cigarette rolling papers. In this regard, Steven Sandman, President of Republic Tobacco, “the sole and exclusive distributor” of Defendant’s cigarette papers, testified that “there are more than 2,000 wholesalers of cigarette papers in the United States, all of whom regularly generate price lists, information sheets, buying guides and other sales materials.” Sandman Decl. ¶12 (164 TTABVUE 7). Moreover, Defendant did not argue that the documents were manufactured or fabricated by Plaintiffs. Any technical defect in the manner in which Plaintiffs’ introduced and authenticated these documents is not dispositive, inasmuch as there simply exists no basis in the record for concluding that these documents are other than what they appear to be. *See* Fed. R. Evid. 901(a) and 901(b)(4);

12. Plaintiffs' seventh notice of reliance (rebuttal) on excerpts from the discovery deposition of Seth Gold with exhibits;⁵⁵
13. Plaintiffs' eighth notice of reliance (rebuttal) on the following items:⁵⁶
 - a. Excerpts from third-party websites purportedly "showing the interchangeable use of whole, fractional and/or decimal numeric

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2. The hearsay objection to the price lists, order sheets and catalogs is overruled. Those documents are admissible for whatever they show on their face, but not for the truth of the matter asserted therein. *See Safer, Inc. v. OMS Investments*, 94 USPQ2d at 1037 n.14 ("Documents submitted under notice of reliance pursuant to Trademark Rule 2.122(e) are generally admissible and probative only for what they show on their face, and not as proof of the matters asserted therein."). Thus, the documents may be used to show, for example, that third parties listed cigarette papers using decimal numbers (*e.g.*, 1.25) in lieu of fractions (*e.g.*, 1¼). *See Stuart Spector Designs Ltd. v. Fender Musical Instruments Corp.*, 94 USPQ2d 1549, 1553 (TTAB 2009); and
 3. With respect to the objection that Plaintiffs' did not produce the price lists, order sheets and catalogs during discovery, because Defendant failed to provide copies of the specific discovery requests to which Plaintiffs purportedly failed to respond, we cannot judge whether those discovery requests sought the documents that were later introduced as Plaintiffs' evidence. *See H.D. Lee Co. v. Maidenform Inc.*, 87 USPQ2d 1715, 1719 (TTAB 2008); *Kohler Co. v. Baldwin Hardware Corp.*, 82 USPQ2d 1100, 1105 (TTAB 2007).

Nevertheless, the Board is aware of the limitations to the probative value of these documents such as the lack of testimony regarding the circulation of the documents, the number of times such documents printed decimals in lieu of fractions, and their impact on the perception of the purchasing public.

⁵⁵ 213 TTABVUE. The portions of the Gold discovery deposition designated confidential are filed at 211 TTABVUE.

⁵⁶ 215 TTABVUE.

Defendant objected to the documents in this notice of reliance on the ground that they constitute improper rebuttal. 222 TTABVUE 10-14. Plaintiffs proffered the eighth notice of reliance to rebut Defendant's testimony and evidence that it has the exclusive right to use decimal designations in connection with cigarette rolling papers and that the stylized decimal designations are "fanciful" or distinctive. Defendant's objection is sustained to the extent that the documents introduced into evidence in Plaintiffs' eighth notice of reliance will not be used to assess Plaintiffs' case-in-chief but will be limited to rebutting Defendant's testimony and evidence.

designations” “to designate or refer to a category and size of cigarette rolling papers”;⁵⁷

b. Webpages from the Harold Levinson catalog purportedly “showing the interchangeable use of whole, fractional and/or decimal numeric designations” “to designate or refer to a category and size of cigarette rolling papers”;⁵⁸

c. Excerpts from third-party websites purportedly showing how clothing sizes and shoe sizes vary widely across different brands;⁵⁹ and

d. Excerpts from Defendant’s website demonstrating how Defendant uses decimal designations as size categories;⁶⁰

14. Plaintiff’s ninth notice of reliance (rebuttal) on the file histories of third-party registrations consisting in part of the decimal designations 1.0 and 2.0 and eight registrations to show that marks constituting relative size designations are generic or descriptive;⁶¹

⁵⁷ 215 TTABVUE.

⁵⁸ 215 TTABVUE.

⁵⁹ 215 TTABVUE.

⁶⁰ 215 TTABVUE.

⁶¹ 216 TTABVUE.

Defendant objected to the documents in this notice of reliance on the ground that they constitute improper rebuttal. 222 TTABVUE 14-15. Plaintiffs’ assert that the file histories of third-party registrations consisting in part of the decimal designations 1.0 and 2.0 are proffered to rebut Defendant’s testimony regarding its exclusive right to use decimal designations. 216 TTABVUE 2-3. These documents are substantially similar to the documents proffered in the fifth notice of reliance (144 and 145 TTABVUE) and needlessly present cumulative evidence. Defendant’s objection is sustained.

15. Rebuttal declaration of James Murray with exhibits;⁶²
16. Rebuttal declaration of Stephen M. Nowlis, an expert in marketing, consumer behavior, and survey methods, with exhibits for the purpose of reviewing the Scott consumer survey;⁶³
 - a. Cross-examination deposition of Stephen Nowlis with exhibits;⁶⁴

B. Defendant's Testimony and Evidence.⁶⁵

Plaintiffs proffered the eight registrations constituting relative size designations to rebut Defendant's evidence that these terms are not generic. Defendant's objection is sustained to the extent that the eight third-party registrations constituting relative size designations introduced into evidence in Plaintiffs' ninth notice of reliance will not be used to assess Plaintiffs' case-in-chief, but rather will be limited to rebutting Defendant's testimony and evidence.

⁶² 218 TTABVUE. The portions of the Murray declaration designated confidential are filed at 217 TTABVUE.

Defendant objected to the documents in this notice of reliance on the ground that they constitute improper rebuttal. 222 TTABVUE 15-17. Because the testimony authenticating the Management Science Associates, Inc. sales tracking data is properly part of Plaintiffs' case-in-chief, Defendant's objection is sustained and we do not consider the testimony of the witness on this subject. However, with respect to the remainder of Mr. Murray's rebuttal testimony regarding the role of size designations, Defendant's objection is overruled and we give that testimony whatever probative value to which it is entitled.

⁶³ 219 TTABVUE.

⁶⁴ 227 TTABVUE.

The cross-examination deposition was introduced by Defendant. Because cross-examination is part of the testimony of the witness, we listed the cross-examination transcript with Plaintiffs' testimony declarations to associate the direct testimony with the cross-examination. We have identified and listed all of the cross-examination testimony depositions in this manner.

⁶⁵ Defendant's fourth notice of reliance (162 TTABVUE (Confidential)) consists of excerpts from discovery depositions taken in a civil action between the parties (*Republic Tobacco, L.P. v. North Atlantic Trading Company, Inc., North Atlantic Operating Company, Inc. and National Trading Company, L.P.*, Case No. 98-C-4011, in the United States District Court for the Northern District of Illinois). In the August 6, 2014 order, the Board noted that although trial testimony taken in a civil action between the parties may be used in these proceedings, the term "testimony," as used in Trademark Rule 2.122(f) has been construed to mean only trial testimony, or a discovery deposition which was used, by agreement of the parties, as trial testimony in the other proceeding. 128 TTABVUE 11 (citing *See Threshold TV Inc. v. Metronome Enterprises Inc.*, 96 USPQ2d 1031, 1035 n.8 (TTAB 2010)).

1. Trial testimony deposition of James Dobbins, Senior Vice President, Secretary, and General Counsel of North Atlantic Operating Company, Inc., one of the Plaintiffs, with attached exhibits;⁶⁶
2. Trial testimony declaration of Donald Levin, Defendant's Chairman, with attached exhibits;⁶⁷
 - a. Cross-examination deposition of Donald Levin with attached exhibits;⁶⁸
3. Defendant's first notice of reliance on excerpts from the following discovery depositions:⁶⁹
 - a. Discovery deposition of James Dobbins with attached exhibits;⁷⁰
 - b. Discovery deposition of James Murray with attached exhibits;⁷¹ and
 - c. Discovery deposition of Thomas Helms, Director of Trade Marketing for Plaintiffs, with attached exhibits;⁷²
4. Defendant's second notice of reliance on the following items:⁷³

Subsequently, the Board denied Defendant's motion to admit the discovery depositions. 131 TTABVUE. In view thereof, we have not considered the depositions proffered in Defendant's fourth notice of reliance.

⁶⁶ 155 TTABVUE. The portions of the testimony designated confidential are filed at 154 TTABVUE.

⁶⁷ 156 TTABVUE.

⁶⁸ 204 TTABVUE. The portions of the cross-examination deposition designated confidential are filed at 203 TTABVUE.

⁶⁹ 158 TTABVUE (Confidential).

⁷⁰ 158 TTABVUE (Confidential) 6-358.

⁷¹ 158 TTABVUE (Confidential) 360-543.

⁷² 158 TTABVUE (Confidential) 545-584.

⁷³ 159 TTABVUE.

- a. Plaintiffs' responses to Defendant's interrogatory Nos. 2, 3 and 7;⁷⁴
- b. Plaintiffs' responses to Defendant's interrogatory Nos. 11, 14, and 17-21;⁷⁵
- c. Plaintiffs' responses to Defendant's interrogatory Nos. 26-28;⁷⁶
- d. Plaintiffs' supplemental responses to Defendant's interrogatory Nos. 27 and 28;⁷⁷
- e. Plaintiffs' responses to Defendant's request for production of documents Nos. 1-8;⁷⁸
- f. Plaintiffs' responses to Defendant's request for production of documents Nos. 12-15 and 17-19;⁷⁹
- g. Plaintiffs' responses to Defendant's request for production of documents Nos. 18, 21 and 30-34;⁸⁰
- h. Plaintiffs' responses to Defendant's requests for admissions Nos. 65, 66, 71, 74, 77, 89, 90, 92, 95, 96, 98, 155 and 157-188;⁸¹

⁷⁴ 159 TTABVUE 7-14.

⁷⁵ 159 TTABVUE 16-23.

⁷⁶ 159 TTABVUE 25-31.

⁷⁷ 159 TTABVUE 33-36.

⁷⁸ 159 TTABVUE 38-45.

⁷⁹ 159 TTABVUE 47-52.

⁸⁰ 159 TTABVUE 54-61.

⁸¹ 159 TTABVUE 63-82.

- i. Plaintiffs' supplemental responses to Defendant's requests for admissions Nos. 4, 9, 56-64 and 155-156;⁸² and
 - j. Plaintiffs' supplemental responses to Defendant's requests for admissions Nos. 15-17, 24-26, 33-35, 51-53, 189-191 and 195-197;⁸³
5. Defendant's third notice of reliance on copies of 13 third-party registrations purportedly "to show that marks constituting relative size designations can function as and be registered as trademarks";⁸⁴
6. Testimony declaration of Carol Scott, an expert in consumer surveys and founding partner of Crossfield Associates, LLC, a litigation consulting firm, with exhibits;⁸⁵
 - a. Cross-examination deposition of Carol Scott with exhibits;⁸⁶
7. Testimony declaration of Steven Sandman, President of Republic Tobacco, L.P., the distribution arm of Defendant;⁸⁷
 - a. Cross-examination deposition of Steven Sandman with attached exhibits;⁸⁸

⁸² 159 TTABVUE 84-87.

⁸³ 159 TTABVUE 89-100.

⁸⁴ 160 TTABVUE.

⁸⁵ 178 TTABVUE.

⁸⁶ 207 TTABVUE.

⁸⁷ 164 TTABVUE.

⁸⁸ 210 TTABVUE. The portions of the Sandman cross-examination deposition designated confidential are filed at 209 TTABVUE.

8. Testimony declaration of Jose Sierra, Defendant's Zone 1 Manager (Eastern United States);⁸⁹
 - a. Cross-Examination deposition of Jose Sierra with attached exhibits;⁹⁰
9. Testimony declaration of Jack Serio, Defendant's Regional Sales Manager for Alabama, Georgia, and Florida;⁹¹
 - a. Cross-examination deposition of Jack Serio with attached exhibits;⁹²
10. Testimony declaration of Mary Abbott, a Key Account Manager for Defendant in Zone 1;⁹³
 - a. Cross-examination deposition of Mary Abbott with attached exhibits;⁹⁴
11. Testimony declaration of Don Grout, a Key Account Manager for Defendant in Zone 1;⁹⁵
 - a. Cross-examination deposition of Don Grout with attached exhibits;⁹⁶

⁸⁹ 165 TTABVUE.

⁹⁰ 196 TTABVUE.

⁹¹ 166 TTABVUE.

⁹² 195 TTABVUE.

⁹³ 167 TTABVUE.

⁹⁴ 189 TTABVUE.

⁹⁵ 168 TTABVUE.

⁹⁶ 193 TTABVUE.

12. Testimony declaration of Michael Clark, Defendant's Zone 2 Manager (Central United States);⁹⁷
 - a. Cross-examination deposition of Michael Clark with attached exhibits;⁹⁸
13. Testimony declaration of William Slaughter, a Key Account Manager for Defendant in Zone 1;⁹⁹
 - a. Cross-examination deposition of William Slaughter with attached exhibits;¹⁰⁰
14. Testimony declaration of Robert Evans, a Key Account Manager for Defendant in Zone 3 (Western United States);¹⁰¹
 - a. Cross-examination deposition of Robert Evans;¹⁰²
15. Testimony declaration of Jim Wendelken, owner of GW Distributing LLC, a distributor of tobacco products, including cigarette rolling papers in Arizona;¹⁰³
 - a. Cross-examination deposition of Jim Wendelken with attached exhibits;¹⁰⁴

⁹⁷ 169 TTABVUE.

⁹⁸ 191 TTABVUE.

⁹⁹ 170 TTABVUE.

¹⁰⁰ 197 TTABVUE.

¹⁰¹ 171 TTABVUE.

¹⁰² 192 TTABVUE.

¹⁰³ 172 TTABVUE.

¹⁰⁴ 206 TTABVUE.

16. Testimony declaration of Richard Little, Operations Manager of Tiger Mart, a chain of convenience stores in South Carolina;¹⁰⁵
 - a. Cross-examination of Richard Little with exhibits;¹⁰⁶
17. Testimony declaration of Glen Lowe, Vice President of Jim Dandy Food Stores, a chain of 12 convenience stores in North Carolina;¹⁰⁷
 - a. Cross-examination deposition of Glen Low with exhibits;¹⁰⁸
18. Testimony declaration of Robert Gregory Kenrick, President and owner of Gregory's Gas, a chain of 10 service stations and convenience stores in South Carolina;¹⁰⁹
 - a. Cross-examination deposition of Robert Gregory Kenrick with exhibits;¹¹⁰
19. Testimony declaration of Andrea Myers, President of Kocolene Development Corp., a chain of 36 convenience stores in Indiana and Kentucky;¹¹¹
 - a. Cross-examination deposition of Andrea Myers with exhibits;¹¹²

¹⁰⁵ 173 TTABVUE.

¹⁰⁶ 199 TTABVUE.

¹⁰⁷ 174 TTABVUE.

¹⁰⁸ 200 TTABVUE.

¹⁰⁹ 175 TTABVUE.

¹¹⁰ 202 TTABVUE.

¹¹¹ 176 TTABVUE.

¹¹² 194 TTABVUE.

20. Testimony declaration of Jon Burklund, Chairman and CEO of Burklund Distributors, Inc., a distributor of tobacco products and convenience stores products;¹¹³

a. Cross-examination deposition of Jon Burklund with exhibits;¹¹⁴

21. Testimony declaration of Seth Gold, Defendant's Vice President and General Counsel, with attached exhibits;¹¹⁵ and

a. Cross-examination deposition of Seth Gold with attached exhibits.¹¹⁶

III. Standing¹¹⁷

Standing is a threshold issue that must be proven by a plaintiff in every *inter partes* case. To establish standing in an opposition or cancellation proceeding, a plaintiff must show "both a 'real interest' in the proceedings as well as a 'reasonable basis' for its belief of damage." *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014) (quoting *ShutEmDown Sports, Inc., v. Lacy*, 102 USPQ2d 1036, 1041 (TTAB 2012)); *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). The Court of Appeals

¹¹³ 177 TTABVUE.

¹¹⁴ 190 TTABVUE.

¹¹⁵ 179-181 TTABVUE. The portions of the Gold declaration designated confidential are filed at 182-184 TTABVUE.

¹¹⁶ 201 TTABVUE. The portions of the Gold deposition designated confidential are filed at 198 TTABVUE.

¹¹⁷ In deciding Defendant's motion for summary judgment, the Board found that there were genuine material facts in dispute regarding Plaintiff's standing. 125 TTABVUE 13.

for the Federal Circuit has enunciated a liberal threshold for determining standing in Board proceedings. *Ritchie v. Simpson*, 50 USPQ2d at 1030.

When challenging a term as descriptive or generic, a plaintiff may establish standing by showing that it is engaged in the manufacture or sale of goods the same as or related to those covered by the challenged mark. *See Eastman Kodak Co. v. Bell & Howell Document Management Products Co.*, 23 USPQ2d 1878, 1879 (TTAB 1992), *aff'd*, 994 F.2d 1569, 26 U.S.P.Q.2d 1912 (Fed. Cir. 1993); *Binney & Smith Inc. v. Magic Marker Industries, Inc.*, 222 USPQ 1003, 1010 (TTAB 1984). The record clearly establishes that both parties sell cigarette rolling papers and Defendant does not dispute that fact.¹¹⁸ Thus, there is no doubt that Plaintiffs and Defendant are competitors. Plaintiffs have a legitimate interest in preventing Defendant from gaining an unfair competitive advantage by maintaining the existing registrations for and registering purportedly additional generic and/or descriptive terms for cigarette rolling papers and cigarettes.

Defendant argues that Plaintiffs have contracted away their standing.

Here, [Plaintiffs] have admitted that they are contractually bound by distribution agreements with Bolloré to distribute only ZIG ZAG branded cigarette papers that they buy from Bolloré. Bolloré agreed long ago to not use [Defendant's] marks, and to not permit [Plaintiffs] to use [Defendant's] marks, on ZIG ZAG papers. Thus, by operation of these agreements, [Plaintiffs] have no "present or prospective right" to use the Point Marks "in [their] business." Accordingly, they have no stake or interest in

¹¹⁸ Plaintiffs own the distribution rights to ZIG-ZAG cigarette rolling papers in the United States. Murray Dep., p. (152 TTABVUE 16-18); Dobbins Dep., pp. 8-9 (155 TTABVUE 11-12); Dobbins Discovery Dep., 10 and 114 (158 TTABVUE (Confidential) 14 and 57); Murray Discovery Dep., p. 65 (158 TTABVUE (Confidential) 391).

these proceedings, other than to try to vex, harass or impede [Defendant's] business. They are officious intermeddlers. (Internal citations to the record omitted).¹¹⁹

The Board previously rejected a similar argument in another case. *See Duramax Marine LLC v. R.W. Fernstrum & Co.*, 80 USPQ2d 1780 (TTAB 2006).

As a competitor, opposer has an interest in seeing that any other competitor in the field of keel cooler manufacturing and sales does not register a depiction of a keel cooler that is, assertedly, descriptive. Even assuming that opposer is, by the settlement agreement, barred from manufacturing a keel cooler in the form represented by the depiction, the exclusive registration of assertedly descriptive matter by a competitor might provide that competitor with an advantage, for example, in marketing its products. Cf. *Eastman Kodak Co. v. Bell & Howell Document Management Products Co.*, 994 F.2d 1569, 26 USPQ2d 1912 (Fed. Cir. 1993) (Board found standing in opposer even though proposed marks sought to be registered by applicant, and challenged by opposer as descriptive, were not in use by either party, having been applied for under intent to use. Though the Board dismissed the claim of descriptiveness by opposer, a competitor, without prejudice to later filing of a cancellation case if the proposed marks should eventually be registered, and appeal was taken from such dismissal, the standing determination was not challenged or reviewed on appeal).

Id. at 1787-88.

In any event, Bolloré, not Plaintiffs, recognized Defendant's purported exclusive right to use the decimal designations to identify cigarette rolling papers. Plaintiffs could terminate their distribution agreement with Bolloré and find a new supplier of cigarette rolling papers. Plaintiffs' prospective interest in one day using the decimal

¹¹⁹ 230 TTABVUE 37-38.

designations to describe the size of their products is a sufficient interest to support standing.¹²⁰

Accordingly, we find the record to contain sufficient proof of the allegations related to standing.

IV. Applicable law for determining whether a term is generic.

It is Plaintiffs' burden to establish that Defendant's decimal designations are generic by a preponderance of the evidence. *Magic Wand Inc. v. RDB Inc.*, 940 F.2d 638, 19 USPQ2d 1551, 1554 (Fed. Cir. 1991) ("Magic Wand had the burden to show by a preponderance of the evidence that the primary significance of the TOUCHLESS mark to the relevant public is the automobile washing service itself, rather than a washing service provided by a particular entity.").¹²¹

There is a two-part test used to determine whether a designation is generic: "First, what is the genus of goods or services at issue? Second, is the term sought to be registered or retained on the register understood by the relevant public primarily to refer to that genus of goods or services?" *Princeton Vanguard, LLC v. Frito-Lay N.*

¹²⁰ Further, Plaintiffs explained that they, "like others in the industry, decided to refrain from adopting the designations 1.0, 1.5 and 1.25 due to concern about litigation from [Defendant]." Plaintiffs' response to Defendant's interrogatory No. 14 (159 TTABVUE 18) (Defendant's second notice of reliance). In this regard, Plaintiffs specifically explained to Defendant in a 1977 exchange of correspondence that "without making any admissions regarding the merits of [Defendant's] charge of infringement," Plaintiff's would use the designations 1, 1 ¼ and 1 ½ for its cigarette rolling papers and refrain from using 1.0, 1.25, and 1.5 "solely to avoid litigation." Gold Testimony Decl. ¶29 and Exhibit 12 (179 TTABVUE 17 and 119). Accordingly, we disagree with Defendant's characterization that "Opposers Themselves Have Acknowledged [Defendant's] Rights." Defendant's Brief, p. 20 (230 TTABVUE 26).

¹²¹ We also note that one seeking to cancel a registration must rebut the presumption that the registration is valid by a preponderance of the evidence. *Dan Robbins & Associates, Inc. v. Questor Corporation*, 599 F.2d 1009, 202 USPQ 100, 105 (CCPA 1979).

Am., Inc., 786 F.3d 960, 114 USPQ2d 1827, 1830 (Fed. Cir. 2015) (quoting *H. Marvin Ginn Corp. v. Int’l Assn. of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528, 530 (Fed. Cir. 1986)). The public’s perception is the primary consideration in determining whether a term is generic. *Loglan Inst. Inc. v. Logical Language Group Inc.*, 902 F.2d 1038, 22 USPQ2d 1531, 1533 (Fed. Cir. 1992). Evidence of the public’s understanding of a term may be obtained from any competent source, including testimony, surveys, dictionaries, trade journals, newspapers and other publications. *Loglan Inst.*, 22 USPQ2d at 1533; *Dan Robbins & Associates, Inc. v. Questor Corp.*, 202 USPQ at 105.

V. Whether Defendant’s decimal designations are generic for cigarette rolling papers?

A. The genus of goods.

The specific category of the goods is cigarette rolling papers. *Magic Wand Inc. v. RDB Inc.*, 19 USPQ2d at 1552 (“[A] proper genericness inquiry focuses on the description of services set forth in the certificate of registration.”). *See also In re Trek 2000 Int’l Ltd.*, 97 USPQ2d 1106, 1112 (TTAB 2010) (“the genus of goods at issue in this case is adequately defined by applicant’s identification of goods…”).

Based on the testimony of Seth Gold, Defendant’s Vice President and General Counsel, we find that the cigarette rolling paper category of goods may be subcategorized by the size of the cigarette rolling papers.

Q. Now, let’s talk a little bit about the variance within these sizes. If you start looking at the 1 1/4 size paper - -

A. You mean categories?

Q. I’m sorry.

A. Well, they're all different sizes. That's the point of the chart.

Q. You called them 1 1/4 size papers, didn't you?

A. That's how they are characterized in the market."¹²²

B. The relevant public.

The second part of the genericness test is whether the relevant public understands the designation primarily to refer to that class of goods. The relevant public for a genericness determination is the purchasing or consuming public for the identified products. *Magic Wand Inc. v. RDB Inc.*, 19 USPQ2d at 1553 (citing *In re Montrachet S.A.*, 878 F.2d 375, 11 USPQ2d 1393, 1394 (Fed. Cir. 1989)); *In re Merrill Lynch, Pierce, Fenner, & Smith, Inc.*, 828 F.2d 1567, 4 USPQ2d 1141, 1143 (Fed. Cir. 1987); *H. Marvin Ginn Corp. v. International Ass'n of Fire Chiefs, Inc.*, 228 USPQ at 530; *Dan Robbins & Assocs., Inc. v. Questor Corp.*, 202 USPQ at 105 (CCPA 1979).

According to James Murray, Senior Vice President of Business Planning for National Tobacco Company, one of the plaintiffs, "there are some 30, 40 brands [of cigarette rolling papers], about 200 SKUs that compete in this space."¹²³ Defendant sells its cigarette rolling papers to retail chains, tobacco outlets, tobacco outlet chains, gas station mini-marts, grocery wholesalers, general wholesalers, mass

¹²² Gold Cross-Examination Dep., p. 30-31 (201 TTABVUE 33-34).

¹²³ Murray Dep., p. 19 (152 TTABVUE 22). "SKU" is an abbreviation for "stock keeping unit, a code number, typically used as a machine readable bar code, assigned to a single item of inventory." SKU, *Encyclopaedia Britannica* (2015). The Board may take judicial notice of information in encyclopedias. *Productos Lacteos Tocumbo S.A. de C.V. v. Paeteria La Michoacana Inc.*, 98 USPQ2d 1921, 1934 n.61 (TTAB 2011).

merchandisers, convenience stores, dollar stores and drug grocery chains.¹²⁴ In addition, there is the ultimate consumer, the user of the cigarette rolling papers.

C. Public perception.

1. Introduction

Consumers prefer specific size cigarette rolling papers depending upon their ability to roll their own cigarettes and the amount of tobacco or other material they intend to roll into a cigarette.¹²⁵

In other words, the size of the paper enables you, is what constrains you in how much tobacco you can roll. A smaller piece of paper, less tobacco.

I've also been told that as you move down the spectrum, that you need to become more of an aficionado, a more professional roller. It is more difficult because there's less paper to work with to roll your cigarette.

¹²⁴ Gold Discovery Dep., p. 88 (140 TTABVUE 96); Gold Testimony Decl. ¶21 (179 TTABVUE 15); Sandman Decl. ¶10 (164 TTABVUE 6-7).

¹²⁵ 142 TTABVUE 12 (an advertisement for the JOB 1.5 cigarette paper promoting 1.5 as “the perfect size” for a smoker who has trouble rolling a cigarette with the single wide paper but does not need the double wide paper); 143 TTABVUE 12 (an advertisement for JOKER 1¼ size paper stating that it is “slightly narrower for more experienced rollers.”); 143 TTABVUE 53 (Defendant introduced its JOB 1.0 cigarette rolling paper as a single width paper, “the original size in cigarette paper for the more experienced roller”), 148 TTABVUE 159 and 176 (the Rolling Paper Warehouse website (rollingpaperwarehouse.com) explained that 1¼ rolling papers “are medium length rolling papers and are the most popular as they are easier to roll” and that the 1½ is easier to roll than the 1¼ “without giving you too much paper to smoke”), 148 TTABVUE 232, 148 TTABVUE 416; Sandman Cross-Examination Dep., p. 111 (210 TTABVUE 114); Sierra Cross-Examination Dep., p. 45, 55 (196 TTABVUE 48, 58); Serio Cross-Examination Dep., p. 27, 30 (195 TTABVUE 30, 33); Abbott Cross-Examination Dep., p. 43 (189 TTABVUE 46); Clark Cross-Examination Dep., p. 35 (169 TTABVUE 38); Evans Cross-Examination Dep., p. 31 (192 TTABVUE 34); Lowe Cross-Examination Dep., p. 66 (201 TTABVUE 69); Kenrick Cross-Examination Dep., p. 67 (202 TTABVUE 70) .

So people have size preferences, perhaps because it may be easier with a 1½ size product, or it may be how much tobacco that they want to roll.¹²⁶

There are four standard size cigarette rolling papers:

1. Single wide or width;
2. 1¼;
3. 1½; and
4. Double wide.¹²⁷

According to the Museum of Learning website (museumstuff.com),

While a 1 1/4 sized paper is not exactly 25% larger than a single wide paper, there is meaning to these size names. A better way to describe these accurately is that a 1 1/4 is designed to roll a cigarette that contains about 25% more tobacco than a single wide paper. Similarly a 1 1/2 size paper is designed to roll a cigarette that contains about 50% more than a single wide paper. A 1 1/4 size paper is larger than a 1 single wide paper and naturally a 1 1/2 size

¹²⁶ Murray Dep., p. 22 (152 TTABVUE 25). *See also* 152 TTABVUE 30 (“The size just makes it easier and/or more difficult to roll based upon your experience as a professional roller.”).

¹²⁷ Kesselman Decl. ¶¶8-11 (138 TTABVUE 6). *See also* Gold Discovery Dep., pp. 124-125 (140 TTABVUE 115-116) (within Defendant’s product line there is a progression from 1.0 to 1.25 to 1.5 to double width); TokeCity.com (148 TTABVUE 168), 148 TTABVUE 414, 420, 421, 425, 427, 432; Tabshe Dep., p. 14 (150 TTABVUE 17); Murray Dep., pp. 15-16 (151 TTABVUE 18-19); Helms Dep. pp. 70-71 (158 TTABVUE (Confidential) 577-578 (“those terms are relative to the width of the paper, single width, 1 ¼ or 1.25 or 1 ½ or 1.5 for double wide.”); Levin Decl. ¶16 (156 TTABVUE 11-12) (“cigarette papers in the industry have come to use the fractional designations 1¼ and 1½ as size designations”); Sierra Cross-Examination Dep., p. 38 (196 TTABVUE 41); Abbott Cross-Examination Dep., p. 36 (189 TTABVUE 39); Grout Cross-Examination Dep., p. 46 (193 TTABVUE 49); Clark Cross-Examination Dep., p. 34, 36 (169 TTABVUE 37, 39) (cigarette papers are categorized by the size of the paper); Lowe Cross-Examination Dep., p. 62 (200 TTABVUE 65); Kenrick Cross-Examination Dep., p. 65 (202 TTABVUE 68)..

paper is larger than a 1 1/4 size paper, and a double wide is larger than a 1 1/2 size paper.¹²⁸

Donald Levin, Defendant's Chairman, testified that in the mid-1970's, no cigarette paper had any sizing.¹²⁹ Based on what may be charitably characterized as Mr. Levin's hazy recollection, E-Z WIDER cigarette rolling papers were the first to designate sizes: either 1¼ or 1½.¹³⁰ Other companies followed suit.¹³¹ Nevertheless, Seth Gold, Defendant's Vice President and General Counsel, insists that there is no industry-wide standard for the size of the cigarette rolling papers.¹³² "The words 1-1/2 size in this industry are used to indicate a wide range of actual paper surface areas."¹³³ Also, "[i]t is common to see 1-1/4 printed on booklet covers."¹³⁴ In fact, the terms "1 ¼ size" and "1 ½ size are commonly used."¹³⁵ "[T]here's a long history in the

¹²⁸ 148 TTABVUE 414. *See also* Wikipedia at 148 TTABVUE 427; Tabshe Dep. p. (150 TTABVUE 18); Murray Dep., p. 22 (152 TTABVUE 25) (as you move from single width, 1¼ and 1½, the surface area of the paper increases).

¹²⁹ Levin Discovery Dep., p. 30 (140 TTABVUE 22).

¹³⁰ Levin Discovery Dep., pp. 30-31 (140 TTABVUE 22-23).

¹³¹ Levin Discovery Dep., p. 31 (140 TTABVUE 23).

¹³² Gold Discovery Dep., p. 32-35 (140 TTABVUE 72-74); Gold Testimony Decl. ¶12 (179 TTABVUE 10). *See also* Museum of Learning website at 148 TTABVUE 414 and 427 ("[w]ithin the industry, these designations have slightly different meanings"); RollingPaperDepot.com at 148 TTABVUE 416 ("Since the numbers do not directly correspond to a precise measurement, widths of papers can vary."); Murray Dep., p. 23 (152 TTABVUE 26 ("within a brand, typically those sizes are very consistent," but in comparing brands, "there might be minor differences there, but always you have this progression up. You're communicating relative size to the consumer with that nomenclature."); Levin Decl. ¶5 (156 TTABVUE 6) ("there were and are no standard sizes of cigarette papers").

¹³³ Gold Discovery Dep., p. 34 (140 TTABVUE 74). *See also*, Gold Cross-Examination Dep., p. 40 (201 TTABVUE 43) ("I say the sizes are all over the place. So they're not size designations. They're fanciful.").

¹³⁴ Gold Discovery Dep., p. 55 (140 TTABVUE 81).

¹³⁵ Gold Discovery Dep., pp. 55-56 (140 TTABVUE 81-82). *See also*, Gold Cross-Examination Dep., pp. 41-42 (201 TTABVUE 44-45).

rolling paper business of manufacturers using fractional designations on papers,”¹³⁶ but “as a style that’s historically been in the industry,”¹³⁷ not as a size. Although, “[i]t says size, [] that doesn’t mean it is a size.”¹³⁸

Q. Why would you put the word “size” on your paper if you didn’t mean to communicate something about size?”

A. Because in the industry people put “size” on all kinds of things and they aren’t communicating the size. That’s my point.¹³⁹

Nevertheless, Mr. Gold conceded that Defendant’s advertising has focused on the size of the papers.

Q. Now, what has been the focus in a lot of those advertisements, you’ll agree with me, is references to the size of the papers, correct?

A. Well, it’s usually a reference to having all the different sizes that a consumer might want.¹⁴⁰

2. Third-party use of size designations.

Donald Levin, Seth Gold, eight of Defendant’s employees, and two of Defendant’s customers testified that “other” cigarette paper manufacturers use the fractional designations $1\frac{1}{4}$ and $1\frac{1}{2}$ “as indications of size ranges.”¹⁴¹

¹³⁶ Gold Discovery Dep., p. 72 (140 TTABVUE 94).

¹³⁷ Gold Cross-Examination Dep., p. 43 (201 TTABVUE 46).

¹³⁸ Gold Cross-Examination Dep., p. 43 (201 TTABVUE 46).

¹³⁹ Gold Cross-Examination Dep., p. 43 (201 TTABVUE 46). *See also* Gold Cross-Examination Dep., pp. 58-59 (201 TTABVUE 61-62).

¹⁴⁰ Gold Cross-Examination Dep., p. 107 (201 TTABVUE 110).

¹⁴¹ Levin Cross-Examination Dep., p. 49 (204 TTABVUE 53); Gold Testimony Decl. ¶¶13 and 26 and Exhibits 6-8 (179 TTABVUE 11, 16, and 72-219); Sandman Cross-Examination Dep., pp. 32-33 (210 TTABVUE 35-36); Sierra Decl. ¶6 (165 TTABVUE 6); Serio Decl. ¶5 (166 TTABVUE 5); Abbott Decl. ¶5 (167 TTABVUE 6); Grout Decl. ¶5 (168 TTABVUE 5); Clark

In a letter dated September 8, 1987, from Donald Levin to Michel Yves Bolloré of Bolloré Technologies, Mr. Levin wrote that “the current ZIG ZAG 1 1/4 size box clearly shows the standard designation of the industry in the U.S. is fractional, not decimal.”¹⁴² Subsequently, Mr. Levin testified that “[f]ractions are used by many people.”¹⁴³ Mr. Gold corroborates Mr. Levin’s testimony by testifying that “1-1/2 as a fractional designation size is used by many different papers.”¹⁴⁴

Representative examples of cigarette rolling papers advertising size as a feature of the papers are set forth below:

1. Head Imports advertised its One & A Half 1½ cigarette rolling paper as “The Perfect Size Rolling Paper.”

Not a single wide.

Not a double wide.

ONE AND A HALF wide.

The perfect size rolling paper.¹⁴⁵

2. Manhattanite, Bogie & Marilyn cigarette rolling papers distributed by Joint Promotions were advertised as 1½ wide.¹⁴⁶

Decl. ¶7 (169 TTABVUE 6); Slaughter Decl. ¶5 (170 TTABVUE 5); Evans Decl. ¶5 (171 TTABVUE 5); Lowe Decl. ¶7 (174 TTABVUE 5); Decl. ¶6 (176 TTABVUE 5).

¹⁴² Levin Discovery Dep. p. 111, Exhibit 93 (140 TTABVUE 36 and 45-46). See also Levin Discovery Dep., p. 50 (140 TTABVUE 79) (“there is no consistency as to the dimension of the product.”), p. 54 (140 TTABVUE 80).

¹⁴³ Levin Discovery Dep., p. 118 (140 TTABVUE 37).

¹⁴⁴ Levin Discovery Dep., p. 50 (140 TTABVUE 79).

¹⁴⁵ 142 TTABVUE 143.

¹⁴⁶ 142 TTABVUE 146.

3. Rizla advertises its cigarette rolling papers as “the perfect size double wide,” even going so far as to compare it with JOB 1.5, JOKER and E-Z WIDER cigarette rolling papers.¹⁴⁷

4. E-Z WIDER advertised its 1¼ size and 1½ size cigarette rolling papers as follows:

e-z wider 1½ size is halfway between single and double width.

e-z wider 1¼ size is one of a kind. Just a bit wider than a single width.¹⁴⁸

E-Z WIDER also compares the relative sizes of its cigarette rolling papers in its advertisements as shown below:¹⁴⁹



¹⁴⁷ 142 TTABVUE 195 and 198.

¹⁴⁸ 142 TTABVUE 201, 204, 207, 213, 216, 219.

¹⁴⁹ 142 TTABVUE 225.

BAMBU cigarette rolling papers also advertises its relative sizes as shown below:¹⁵⁰



Examples of third parties having used fractional designations and decimal designations interchangeably are set forth below:

1. HBI International has used numeric size designations, including 1.0, 1.25, 1.5, 1 & 25, and 2.0 on its ZEN cigarette rolling paper packaging.¹⁵¹
2. Joseph Tabshe, President of Good Times USA, LLC, a cigar company that also sells cigarette rolling papers, testified that 1¼ and 1½ size cigarette rolling papers are identified decimal form as 1.25 and 1.5 respectively.¹⁵² Mr. Tabshe identified 1.25 and 1.5 as size designators.¹⁵³
3. Jose Sierra, Defendant's Zone 1 Manager, testified that when he worked for Brown & Williamson Tobacco, that company launched BUGLER 1.25 cigarette rolling

¹⁵⁰ 142 TTABVUE 229.

¹⁵¹ Kesselman Decl. ¶14 (138 TTABVUE 6).

¹⁵² Tabshe Dep., pp. 15-16 (150 TTABVUE 18-19).

¹⁵³ Tabshe Dep. pp. 17-19 (150 TTABVUE 20-22).

papers but “had to take everything back, remove it from the stores, and sell it as a 1 ¼.”¹⁵⁴

4. Internet distributors and online sellers of cigarette rolling papers use fractions (1¼ and 1½) and decimals (1.0, 1.25, 1.5 and 2.0) to refer to the size of cigarette rolling papers.¹⁵⁵ Some Internet distributors and online sellers of cigarette rolling papers use 1.25 and 1.5 in lieu of or with their fractional equivalents.¹⁵⁶ For example, the RollingPapers.com website advertised the sale of JOB GOLD 1.0 as “Rolling Papers Job Gold Singlewide.”¹⁵⁷

5. An AC Nielsen reporting system to which Plaintiffs subscribe reports the sales, market share, and pricing data for cigarette rolling papers.¹⁵⁸ The AC Nielsen report (2008) introduced into evidence shows uses of decimal designations to identify the

¹⁵⁴ Sierra Cross-examination Dep., p. 12 (196 TTABVUE 15).

¹⁵⁵ 148 TTABVUE 18-345.

¹⁵⁶ 148 TTABVUE 21 and 66 (TOP 1.5 and 1½ size), 24 (1 ½ and ONE & A HALF), 57 (JOB 1.5 described as “1½ (1.5)” and JOKER 1½ (1.5) and ZIG ZAG 1¼ (1.25)), 58-64 (OCB 1.5 and 1-1/2 size), 76 (RAW 1¼ and RAW 1.25), 79 and 133 (EZ WIDER 1.5 and EZ WIDER 1½), 128 (ELEMENTS 1½ and 1.5), 135 (ZIG-ZAG Orange 1.25 and 1¼), 142 and 144 (“PURE HEMP Unbleached Rolling Papers Size 1.25 (1-¼)), 145, 146 and 165 (ZIG-ZAG 1½ size and “Zig Zag 1.5 Rolling Papers”), 238, 242 and 247 (“JOKER 1¼ (1.25) Finest Quality Rolling Cigarette Paper!”), 255 (ZEN EFFEN 1 ¼ size and “ZEN Effen 1.25 Rolling Papers”), 263 (“RASTA WRAPS 1.5 Cigarette Rolling wrap Papers 1½ wrap gummed rap”), 267 (“Hempire 1½ Hemp Rolling Papers x3 cigarette tobacco 1.5 ryo”), 270 (“Hempire cigarette rolling papers 1 ½ or 1.5 with 33 leaves), 287 (“24 books of OCB premium rolling papers 1.25 size with tongues 79 mm papers 1¼), 291 (“Bob Marley 1 1/4” (78 mm) hemp rolling papers (2 packs) 1.25”) 295 (“Cool Jay’s 1.5 menthol flavored 1½ cigarette rolling papers 25 booklets”). *See also* Murray Dep. Exhibit Nos. 26-43 and 45 (152 TTABVUE 196-341 and 366-372) comprising examples of third-party price lists and order guides where the distributor interchanges its use of fractions and decimals.

¹⁵⁷ 148 TTABVUE 104.

¹⁵⁸ Murray Dep., pp. 51-55, Exhibit 25 (Confidential) (152 TTABVUE 54-58 and 151 TTABVUE (Confidential) 196-200).

different size cigarette rolling papers (*e.g.*, JOKER 1.25 Lemon, GLASS 1.25 Transparent, 1 BACK 1.25 Transparent, *etc.*).

6. Core-Mark is one of Defendant's distributors.¹⁵⁹ Core-Mark's 2010 order form includes a listing for "ZIG-ZAG 1.25 SZ Ultra Thin Paper."¹⁶⁰

7. A settlement agreement between Defendant and Robert Burton Associates, Ltd. (E-Z WIDER and JOKER cigarette rolling papers) provided, *inter alia*, that Robert Burton Associates, Ltd. would not make any use of the decimal designations 1.5 and 1.25.¹⁶¹ However, the agreement made no reference to 1.0 or 2.0. Accordingly, Robert Burton Associates, Ltd. is the owner of the following trademark registrations for cigarette papers:

- a. Registration No. 1399770 for the mark JOKER 1.0;
- b. Registration No. 1399760 for the mark JOKER 2.0;
- c. Registration No. 1399772 for the mark E-Z WIDER 1.0; and
- d. Registration No. 1399771 for the mark E-Z WIDER 2.0.¹⁶²

¹⁵⁹ Gold Discovery Dep., p. 88 (140 TTABVUE 96).

¹⁶⁰ Gold Discovery Dep. p. 89, Exhibit 16 (140 TTABVUE 97 and 157-158). Mr. Gold explained that using the decimal 1.25 in connection with ZIG-ZAG was a mistake and that Defendant called up the distributor and requested that the distributor correct the mistake. Gold Discovery Dep., pp. 89-90 (140 TTABVUE 97-98).

¹⁶¹ Levin Decl. ¶19 and Exhibit 7 (156 TTABVUE 13 and 60-65); Gold Cross-Examination Dep., pp. 170-175 (201 TTABVUE 173-178).

¹⁶² 144 TTABVUE 12-72. Robert Burton Associates disclaimed the exclusive right to use the numbers 1.0 and 2.0 because the USPTO found them to be merely descriptive. *See also* Gold Discovery Dep., pp. 167-168 (140 TTABVUE 117-118) and Gold Discovery Dep. p. 288-289, Exhibit 101 (139 TTABVUE (Confidential) 139-140 and 248-268) wherein Defendant agreed to not interfere with the use and registration of the marks JOKER 1.0, JOKER 2.0, E-Z WIDER 1.0 and E-Z WIDER 2.0.

Examples of JOKER 1.0 and JOKER 2.0 cigarette rolling papers advertised at RollingPaperWarehouse.com on March 31, 2008 are shown below:¹⁶³



8. The Kardel Blunt Wraps are advertised as “Natural Hemp Ultra Thin 1.25 Rolling Papers.”¹⁶⁴

9. The NetBong Smoke Shop website (netbong.com) advertises the JOB 1.0 cigarette rolling paper as a single width paper, the JOB 1.25 cigarette rolling paper as a 1¼ size paper and the JOB 1.5 cigarette rolling paper as a 1½ size paper.¹⁶⁵

10. The WholeSaleRollingPapers.com website uses the decimal 1.25 in lieu of the fraction 1¼ in advertising the ZIG ZAG ORANGE 1.25, ELEMENTS 1.25, EZ WIDER 1.25, *etc.*¹⁶⁶ See also the advertisement on the CB Distributors website (cbdistributorsinc.com) using 1½ and 1.5 interchangeably in the same advertisement for a ZIG ZAG cigarette rolling paper shown below:¹⁶⁷

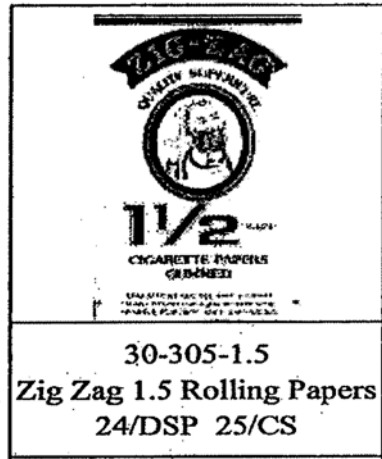
¹⁶³ 143 TTABVUE 30-31.

¹⁶⁴ 143 TTABVUE 16

¹⁶⁵ 143 TTABVUE 24-25.

¹⁶⁶ 143 TTABVUE 27-28. *See also* 143 TTABVUE 61 (ELEMENTS 1.0), 62-63 (HEMPIRE 1.0), 64 (Randy’s Wired Classic 1.25), 143 TTABVUE 66 (ZIG ZAG 1.25, RIZLA 1.25, TOP 1.25, RAW 1.25, ELEMENTS 1.25 and 1.5, ZEN 1.25, DLX 1.25, PAY PAY 1.25, LARAMIE 1.25 NINE DRAGONS 1.25), 67-69 (BLUNT WRAP 1.25), 70 (ZEN 1&25).

¹⁶⁷ 143 TTABVUE 29.



Even Seth Gold, Defendant’s Vice President and General Counsel, referred to the decimal designations 1.25 and 1.5 to refer to 1¼ and 1½ size papers in his declaration. In presenting the measurements of various 1¼ and 1½ size papers, Mr. Gold referred to the papers as 1.25 width and 1.25 length (*e.g.*, “Elements 1.25 width” and “Elements 1.25 length”) and 1.5 width and 1.5 length (*e.g.*, “Camouflage 1.5 width” and “Camouflage 1.5 length”).¹⁶⁸ Mr. Gold claimed that his use of the decimal designations was a mistake by “whoever” put together the exhibits.¹⁶⁹

Q. So you think that to a wholesaler or consumer or retailer, they’re going to pay more attention to the distinction between 1.5 and 1 1/2 than a legal team charged with putting in evidence to demonstrate that 1.5 is different than 1 1/2?

A. A consumer for sure.¹⁷⁰

¹⁶⁸ Gold Decl. ¶¶13-15 and Exhibits 6 - 8 (179 TTABVUE 11-13, 77, 78, 83, 84, 89, 90, 95, 96, 101, 102, 107, 108, 113, 114, 119, 120, 125, 126, 132, 133, 138, 139, 144, 145, 151, 152, 157, 158, 163, 164, 169, 170, 175, 176, 181, 182, 187, 188, 193, 194, 199, 200, 205, 206, 212, 213, 218, and 219).

¹⁶⁹ Gold Cross-Examination Dep., p. 72 (201 TTABVUE 75).

¹⁷⁰ Gold Cross-Examination Dep., p. 75 (201 TTABVUE 78).

In fact, Defendant asserts that wholesalers and distributors that interchange decimal designations for fractions do so mistakenly.

[Defendant] actively polices the use of its marks by distributors and retailers. Whenever [Defendant] has learned that a distributor or retailer of cigarette papers has mistakenly used the Point Marks in promotional material to identify cigarette papers made by others, or has incorrectly used the Point Marks to refer to cigarette papers that bear designations $1\frac{1}{2}$ or $1\frac{1}{4}$, it has been requested that they correct their material. These distributors and retailers have uniformly complied with [Defendant's] requests. (Citations omitted).¹⁷¹

Mr. Sandman testified that there are “thousands of wholesalers that produce thousands and thousands of documents and price lists” and that the evidence of third parties interchanging decimal designations for fractions “are just a few mistakes.”¹⁷² Nevertheless, Defendant faces an uphill struggle to police its purported marks as demonstrated by the excerpts from the AMAZON.com website featuring advertisements for cigarette rolling papers using decimal designations to identify the size of their cigarette rolling papers (*e.g.*, Rasta Royale 1.5”, Raw 1.25 size cigarette rolling papers, Jamaican Hemp Brand 1.25, *etc.*)¹⁷³ and the 2015 issue of the Harold Levinson Associates Premium Cigar Catalog advertising ZIG ZAG 1.5 Blue Ultra Thin, ZIG ZAG ORANGE 1.25 and ZIG ZAG ULTRA THIN 1.25 cigarette rolling papers.¹⁷⁴

¹⁷¹ Defendant’s Brief, p. 21 (230 TTABVUE 27) (citing Gold Decl. ¶27 (179 TTABVUE 26-27) and Sandman Decl. ¶13 (164 TTABVUE 8).

¹⁷² Sandman Cross-Examination Dep., p. 58 (209 TTABVUE 61).

¹⁷³ 213 TTABVUE 9-85.

¹⁷⁴ 213 TTABVUE 89.

3. Defendant's use of size designations.

Donald Levin, Defendant's Chairman, testified (i) that 1.5 is the numeric equivalent of 1½, (ii) that the number 1.5 is larger than one and smaller than two, (iii) that the 1.5 paper is larger than a single width paper and smaller than a double width paper, and (iv) that the 1.25 paper is larger than a single width paper and smaller than a 1.5 paper.¹⁷⁵

Within Defendant's product line, the 1.0, 1.25 and 1.5 papers are different sizes. The 1.0 papers are smaller than the 1.25 papers which are smaller than the 1.5 papers.¹⁷⁶ In fact, in 1978, Defendant's predecessor, Adams Apple Distributing Company, distributed REEFER ROLLERS 1.5 identified as "middle width" cigarette papers.¹⁷⁷ A copy of the package is shown below.¹⁷⁸



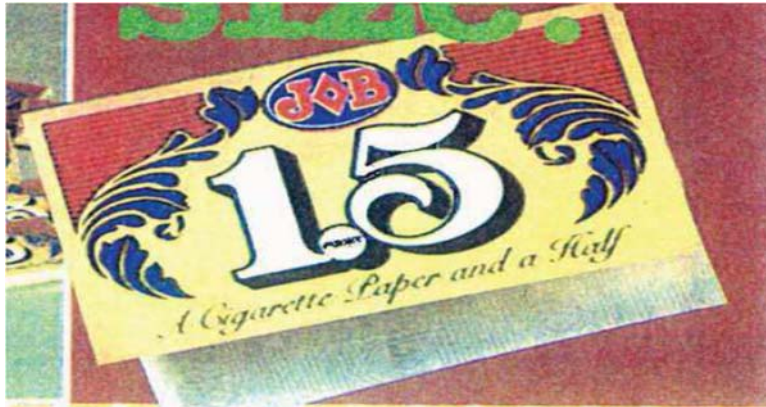
¹⁷⁵ Levin Cross-Examination Dep., p. 12-13 and 39 (204 TTABVUE 16-17 and 43). *See also* Little Cross-Examination Dep., p. 68 (199 TTABVUE 71) (1½ and 1.5 are mathematical equivalents); Myers Cross-Examination Dep., p. 38 (194 TTABVUE 41 (a ZIG-ZAG 1½ size cigarette rolling paper corresponds to a JOB 1.5 cigarette paper).

¹⁷⁶ Levin Discovery Dep., pp. 70-71 (140 TTABVUE 34-35); Levin Cross-Examination Dep., pp. 69-70 (204 TTABVUE 73-74); Sierra Cross-Examination Dep. p. 42 (196 TTABVUE 45); Serio Cross-Examination Dep., p. 28 (195 TTABVUE 31).

¹⁷⁷ Kesselman Decl. ¶16 (138 TTABVUE 7). Donald R. Levin, Defendant's Chairman, testified that Adams Apple Distributing Company was one of Defendant's prior names. Levin Discovery Dep., pp. 11, 17 (140 TTABVUE 15, 21).

¹⁷⁸ Kesselman Decl. Exhibit B (138 TTABVUE 12).

At one time, Defendant printed the legend “A Cigarette Paper and a Half” on its JOB 1.5 cigarette rolling papers.¹⁷⁹



Defendant sells JOB 1.0, JOB 1.25, JOB 1.5 and JOB 2.0 cigarette rolling papers.¹⁸⁰ The difference between the 1.0, 1.25, and 1.5 is the surface areas (i.e., the size).¹⁸¹

Q. And what is the difference between the 1.0, 1.25, and 1.5?

A. The 1.0 and the 1.25 and the 1.5 have different surface areas.

Q. Different what?

A. Surface areas.

Q. Meaning different sizes?

¹⁷⁹ Gold Testimony Decl. Exhibit 10 (180 TTABVUE 6, 7, 8). Nevertheless, Mr. Gold testified that “if you take a number 1 1/2, that’s 50 percent greater than the number 1, but there is nothing about 1.5 that’s 50% of 1.0. And similarly with 1.25.” Gold Cross-Examination Dep., 14 (201 TTABVUE 17).

¹⁸⁰ Gold Discovery Dep., pp. 57-58 (140 TTABVUE 83-84).

¹⁸¹ Gold Discovery Dep., p. 59 (140 TTABVUE 85). *See also* Little Dep., p. 45 (199 TTABVUE 48 (the difference between the JOB 1.0, 1.25, and 1.5 cigarette rolling papers is the width of the product). Mr. Gold explains that “[f]rom 1.0 to 1.5, they have ascending surface area, but it’s not relative proportion.” Gold Cross-Examination Dep., p. 14 (201 TTABVUE 17). *See also* Gold Cross-Examination Dep., p. 29-30 (201 TTABVUE 32-33).

A. Yes.¹⁸²

The 1.25 is larger than the 1.0 and the 1.5 is larger than the 1.25.¹⁸³

[T]he cigarette papers sold under the 1.25 mark are longer and wider than the cigarette papers bearing the mark 1.0, and the cigarette papers sold under the mark 1.5 are wider than the cigarette papers bearing the trademark 1.0 and 1.25.¹⁸⁴

The JOB ORANGE 1¼ is approximately the same size as the JOB GOLD 1.25 and the JOB GOLD 1.25 is approximately the same size as other manufacturer's 1¼ size papers.¹⁸⁵

Q. And like the fractions, the decimals identify the size of the paper to consumers, correct?

A. Yes.

Q. So a consumer knows that a JOB 1.0 is smaller than a JOB 1.25, correct?

A. I would assume so, yes.

¹⁸² Gold Discovery Dep., p. 59 (140 TTABVUE 85). *See also*, Sandman Cross-Examination Dep., p. 34 (210 TTABVUE 37) (Defendant uses decimals to indicate a progression in size as you go from 1.0 to 1.25 to 1.5 the papers get larger); Serio Discovery Dep., p. 30 (195 TTABVUE 33) (the bigger the decimal, the bigger the paper); Abbott Discovery Dep., p. 36, 43-44 (189 TTABVUE 39, 46-47); Clark Cross-Examination Dep., p. 48 (191 TTABVUE 51) (1.0, 1.25 and 1.5 “communicate the size - - the successively increasing sizes of the rolling papers.”); Myers Cross-Examination Dep., p. 37 (194 TTABVUE 40).

¹⁸³ Gold Discovery Dep., p. 60 (140 TTABVUE 86). *See also* 143 TTABVUE 56, 57, Little Cross-Examination Dep., p. 45 (199 TTABVUE 48); Lowe Cross-Examination Dep., pp. 80-81 (200 TTABVUE 83-84) and p. 87 (200 TTABVUE 90) (“Logic tells me that a 1.5 is a larger product than a 1.25.”); Buckland Cross-Examination Dep., p. 40 (190 TTABVUE 43).

¹⁸⁴ Gold Testimony Decl. ¶12 (179 TTABVUE 10). *See also* Gold Cross-Examination Dep., p. 16 (201 TTABVUE 19) (although the papers get bigger as you go from 1.0 to 1.25 to 1.5, “there’s no proportionality.”).

¹⁸⁵ Serio Cross-Examination Dep., p. 29 (195 TTABVUE 32); Clark Cross-Examination Dep., p. 51 (191 TTABVUE 54); Slaughter Cross-Examination Dep. p. 30 197 TTABVUE 33); Myers Cross-Examination Dep., p. 341 (194 TTABVUE 44).

Q. And that a JOB Gold 1.25 is smaller than a JOB Gold 1.5, correct?

A. Yes.¹⁸⁶

* * *

Q. Would you agree that the 1.25 and the 1.5 communicate size to the consumers in a similar way that 1 1/4 and 1 1/2 do?

A. Yes, I guess I'd have to - - it's reasonable.¹⁸⁷

In his cross-examination testimony, William Slaughter, one of Defendant's Zone 1 Key Account Managers, testified that the decimal designations are size designations:

Q. Do you know what the difference is between the JOB 1.0, 1.25, and 1.5 product?

A. To me it's an identification for the consumer of different sizes.

Q. And is it fair to say the 1.0 is the smallest of those three sizes?

A. Yes.

Q. And the 1.25 is larger than the 1.0?

A. Yes.

Q. And the 1.5 in turn is larger than the 1.25?

A. Yes.

Q. And is it fair to say that consumers know that fact?

A. Most, yes.¹⁸⁸

¹⁸⁶ Clark Cross-Examination Dep., pp. 40-41 (191 TTABVUE 43-44).

¹⁸⁷ Clark Cross-Examination Dep., p. 42 (191 TTABVUE 45). *See also* Lowe Cross-Examination Dep., pp. 62-63 (200 TTABVUE 66-67) ("Some use single-wide, some use double-wide, and some use one and an half, some use 1.5," and 1.25).

¹⁸⁸ Slaughter Cross-Examination Dep., pp. 26-27 (197 TTABVUE 29-30). *See also* Evans Cross-Examination Dep., p. 32, 37 (192 TTABVUE 35, 40) (1¼, 1.25, 1 ½, and 1.5 are size

Thus, consumers understand that as the size of the decimal designation increases, the size of the cigarette rolling paper increases.¹⁸⁹ In this regard, Glenn Lowe, the Vice President of Jim Dandy Food Stores, Inc., a chain of 12 convenience stores in Coastal Carolina, testified that to indicate the size of the cigarette rolling paper, consumers “would request a 1.0, 1.25 or 1.5.”¹⁹⁰

That consumers perceive 1.0, 1.25 and 1.5 to be size designations is not surprising since Defendant advertises those decimal designations as size indicators. In the June 1976 issue of *High Times* magazine Defendant advertised its JOB 1.5 cigarette rolling paper as “A Paper and a Half.”¹⁹¹ The advertisement included the following text:

We all know an expert roller, who with a twist and a lick, and roll the perfect cigarette with one, single paper. On the other hand, almost anyone can roll a double-wide. But some of us are still sitting on the fence trying to avoid extremes. Well fellow middle of the roaders, here’s something for us: JOB’s new **one•point•five**, the perfect size rolling paper. Thin, white, rice paper, bigger than a single paper, smaller than a double-wide.

designations and the fractions and decimals are “synonymous”); Wendelken Cross-Examination Dep., p. 28 (206 TTABVUE 31); Little Cross-Examination Dep., p. 45 (199 TTABVUE 48); Little Cross-Examination Dep., p. 92, 95 (199 TTABVUE 95, 98); Kenrick Cross-Examination Dep., p. 36 (202 TTABVUE 39); Myers Cross-Examination Dep., p. 35 (194 TTABVUE 38).

¹⁸⁹ Evans Cross-Examination Dep., p. 37 (192 TTABVUE 40). *See also* Wendelken Cross-Examination Dep., p. 29, 40-41 (206 TTABVUE 32, 43-44); Kenrick Cross-Examination Dep., p. 36, (202 TTABVUE 39); Myers Cross-Examination Dep., p. 35.

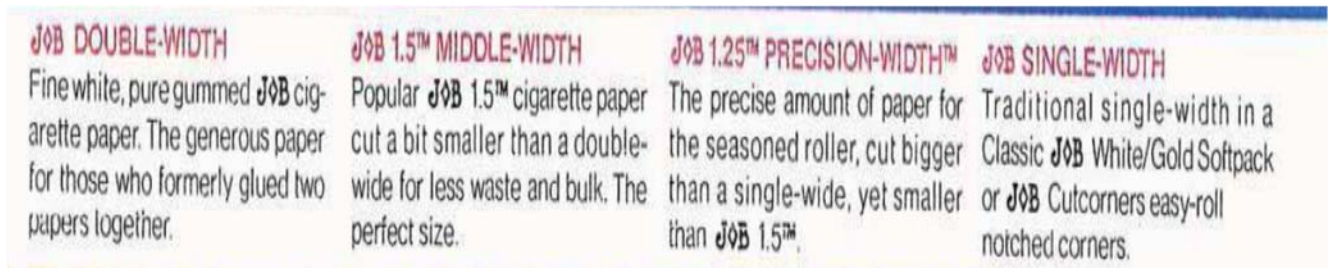
¹⁹⁰ Lowe Cross-Examination Dep., p. 80 (200 TTABVUE 83); Kenrick Cross-Examination Dep., p. 68 (202 TTABVUE 71); Myers Cross-Examination Dep., p. 35 (194 TTABVUE 38) (decimals indicate size in the JOB line); Myers Cross-Examination Dep., p. 341 (194 TTABVUE 44).

¹⁹¹ 142 TTABVUE 12.

JOB, the world's finest cigarette paper now in three sizes: double-wide, **one•point•five**, and single width.¹⁹²

The September 1976 issue of *High Times* magazine advertised the JOB 1.5 cigarette rolling paper as “a paper and a half ... Bigger by half than a single paper, smaller than a double-wide.”¹⁹³

After the introduction of the JOB 1.25 cigarette rolling paper, Defendant promoted the fact its papers were “available in all four sizes including our new **one•point•25**.”¹⁹⁴ In the December 1979 issue of *National Lampoon* magazine, Defendant's advertisement featured its product size selection in the manner set forth below:¹⁹⁵



Defendant advertised its JOB 1.0 as a “Single-Width” cigarette rolling paper.¹⁹⁶

¹⁹² 142 TTABVUE 12.

¹⁹³ 142 TTABVUE 18. This advertisement also touted that the JOB papers are available in three sizes: double-wide, **one•point•five**, and single width.

¹⁹⁴ 142 TTABVUE 61.

¹⁹⁵ 142 TTABVUE 119. See also Gold Decl. Exhibit 10 (180 TTABVUE 8).

¹⁹⁶ Gold Testimony Decl. Exhibit 10 (180 TTABVUE 9).



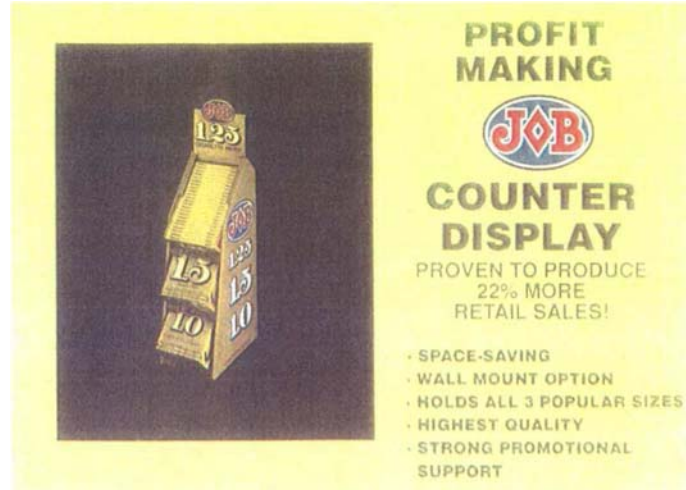
In the promotion shown below, Defendant highlights the relative sizes of Defendant's JOB cigarette rolling papers:¹⁹⁷



In Defendant's counter display shown below, Defendant points out that its display "holds all three popular sizes" (*i.e.*, 1.0, 1.25 and 1.5).¹⁹⁸

¹⁹⁷ 143 TTABVUE 54 and Gold Testimony Decl. Exhibit 10 (180 TTABVUE 14).

¹⁹⁸ Gold Cross-Examination Dep., Exhibit 17 (201 TTABVUE 452).



D. Findings of fact.

Based on the record described above, we make the findings of fact listed below:

1. Consumers prefer specific size cigarette rolling papers depending upon their ability to roll their own cigarettes and the amount of tobacco or other material they intend to roll into a cigarette;
2. There are four primary sizes of cigarette rolling papers:
 - a. Single wide or width;
 - b. 1¼;
 - c. 1½; and
 - d. Double wide.
3. Although there are no industry standards governing the size of cigarette rolling papers, the size of the cigarette rolling paper refers generally to the surface of the paper.
4. 1.25 is the equivalent of 1¼;
5. 1.5 is the equivalent of 1½;

6. Defendant uses 1.0, 1.25 and 1.5 to identify the size of its cigarette rolling papers.

7. Consumers perceive Defendant's 1.0 cigarette rolling paper as a single width paper;

8. Consumers perceive Defendant's 1.25 cigarette rolling paper as a 1¼ size cigarette rolling paper;

9. Consumers perceive Defendant's 1.50 cigarette rolling paper as a 1½ size cigarette rolling paper;

10. 1.0 is a generic term for a single width cigarette rolling paper;

11. 1.25 is a generic term for a 1¼ size cigarette rolling paper; and

12. 1.5 is a generic term for a 1½ size cigarette rolling paper.

In view of the foregoing, the oppositions to Serial No. 76369872 for the mark 1.25 (typed drawing form) and Serial No. 78157851 for the mark 1.5 (typed drawing form) are sustained and registration is refused.

Having found that the terms 1.0, 1.25 and 1.5 are generic terms and are incapable of functioning as trademarks, we now turn to Registration No. 1481006 for the mark 1.0 (stylized), Registration No. 1328866 for the mark 1.25 (stylized), and Registration No. 1331207 for the mark 1.5 (stylized), all shown below:

The mark '1.0' is rendered in a bold, black, serif font. The '1' is a simple vertical bar. The '0' is a thick, rounded shape with a small 'POINT' label and a dot at its base. The period is a small dot.The mark '1.25' is rendered in a bold, black, serif font. The '1' is a simple vertical bar. The '2' is a thick, rounded shape with a small 'POINT' label and a dot at its base. The '5' is a thick, rounded shape with a small 'POINT' label and a dot at its base. The period is a small dot.The mark '1.5' is rendered in a bold, black, serif font. The '1' is a simple vertical bar. The '5' is a thick, rounded shape with a small 'POINT' label and a dot at its base. The period is a small dot.

“In order for a term otherwise unregistrable to be capable of distinguishing an applicant's goods, the presentation of the term must be sufficiently distinctive so as

to create a commercial impression separate and apart from the unregistrable components whereby it is possible to disclaim those unregistrable components and still have a mark which is registrable as a whole.” *In re Bonni Keller Collections Ltd.*, 6 USPQ2d 1224, 1227 (TTAB 1987) (citing *In re Carolyn’s Candies, Inc.*, 206 USPQ 356 (TTAB 1980)). Recognizing that the determination of whether the stylization of an otherwise unregistrable designation is sufficiently distinctive in character to “rescue” the designation as a whole is a necessarily subjective one, we find that Defendant’s stylization of the decimal designations is not so unique or unusual as to create a distinctive commercial impression apart from the number that is represented. *See In re Sambado & Son Inc.*, 45 USPQ2d 1312, 1315 (TTAB 1997). The Board’s finding of fact in *Carolyn’s Candies*, set forth below, is applicable in these cases:

Where, as both here and in the “BALSAM” case, a “mark” is composed of a . . . generic notation, and its only claim to origin-indicating capability is that the letters of the notation are presented in a somewhat embellished style, we believe that whatever impact the styling may have is overridden by, or lost in, the strong significance which the “mark” has as a . . . generic notation, and that the mark, considered as a whole, creates only a single commercial impression, namely that of a . . . generic notation.

In re Carolyn’s Candies, Inc., 206 USPQ at 361.

As for the word “point,” it represents the standard pronunciation of the punctuation mark that creates a decimal number, and, as used in the registrations, it would be perceived as indicating that the subject matter is a decimal number. Thus, considering the terms in their entirety, we find that the components (*i.e.*, the numbers, the word “point,” and the stylization) do not present a commercial

impression that is itself not generic. *See In re Driven Innovations, Inc.*, 115 USPQ2d 1261, 1268 (TTAB 2015) (the word “Dot” in the mark DOTBLOG represents the standard pronunciation of the punctuation mark in an Internet address).

Defendant argues that Plaintiffs have not met their burden of proof because they have not introduced any evidence relating to the public use or understanding of the decimal designations¹⁹⁹ and that the decimal designations are arbitrary as applied to cigarette rolling papers.²⁰⁰ These arguments ignore the evidence discussed above (*i.e.*, 1.0, 1.25 and 1.5 are perceived to be size designations).

In view of the foregoing, the petitions to cancel Registration No. 1481006 for the mark 1.0 (stylized), Registration No. 1328866 for the mark 1.25 (stylized), and Registration No. 1331207 for the mark 1.5 (stylized) on ground that the registered subject matter is generic are granted.

VI. Whether Defendant’s decimal designations are merely descriptive for cigarette rolling papers?

We now consider whether Defendant’s decimal designations are merely descriptive for cigarette rolling papers. Where, as here, Defendant argued during the prosecution of its applications for registration that the decimal designations at issue are inherently distinctive and, in the alternative, disclaimed the decimal designation “1.0” and, in the alternative, sought the benefit of Section 2(f) of the Trademark Act for the designation 1.25 and design and the designation 1.5 and design, Defendant

¹⁹⁹ Defendant’s Brief, p. 33 (230 TTABVUE 39).

²⁰⁰ Defendant’s Brief, p. 34 (230 TTABVUE 40). As noted above, Donald Levin’s testimony that he adopted 1.5 as a trademark because it is a fanciful term is not credible. (204 TTABVUE 11-12).

has not conceded that those designations are not inherently distinctive. *See In re Thomas Nelson, Inc.*, 97 USPQ2d at 1713 (“An applicant can avoid the admission that its mark is not inherently distinctive if it makes the claim of acquired distinctiveness in the alternative and files an appeal of the refusal on the basis that the mark is not inherently distinctive.”); *In re RiseSmart Inc.*, 104 USPQ2d at 1932 (holding that the authorization to enter a disclaimer made in the alternative is not an admission that the mark is merely descriptive). Nevertheless, the registered marks may not be cancelled on the ground that they are merely descriptive because they were registered for more than five years when the petitions for cancellation were filed. Section 14 of the Trademark Act, 15 U.S.C. § 1064. *See also Park ‘N Fly v. Dollar Park and Fly, Inc.*, 469 US 189, 224 USPQ 327, 331 (1985) (“Without regard to its incontestable status, a mark that has been registered five years is protected from cancellation except on the grounds stated in §§ 14(c) and (e). Pursuant to Section 14, a mark may be cancelled on the grounds that it is merely descriptive only if the petition to cancel is filed within five years of the date of registration. Section 14(a), 15 U.S.C. § 1064(a).”). Thus, the petitions to cancel Registration No. 1481006 for the mark 1.0 (stylized), Registration No. 1331207 for the mark 1.5 (stylized), and Registration No. 1328866 for the mark 1.25 (stylized) on the ground that they are merely descriptive are dismissed.

Serial No. 76369872 for the mark 1.25 (typed drawing form) and Serial No. 78157851 for the mark 1.5 (typed drawing form) are legally identical to Registration No. 1328866 for the mark 1.25 (stylized) and Registration No. 1331207 for the mark

1.5 (stylized).²⁰¹ By applying to register 1.25 and 1.5 in typed drawing form, Defendant is not asserting rights in any particular display. “By presenting its marks merely in a typed drawing, a *difference* cannot legally be asserted by that party.” *Squirtco v. Tomy Corp.*, 697 F.2d 1038, 216 USPQ 937, 939 (Fed. Cir. 1983). Therefore, Defendant’s marks in typed drawing form can be displayed in the same stylization as its registered marks.

In the oppositions, the portions of Defendant’s marks which are alleged to be merely descriptive are legally identical to the subject matter in Defendant’s incontestable registrations. In addition, the goods recited in the applications and registrations are identical. We have a situation, therefore, where the marks 1.25 (stylized) and 1.5 (stylized) for cigarette rolling papers cannot be challenged on the ground that those marks are merely descriptive. Thus, it appears illogical to allow Plaintiff to oppose the applications to register the decimal designations 1.25 and 1.5, both in typed drawing form, for “cigarette rolling papers” on the ground that they are merely descriptive when there is conclusive evidence in the record showing that the legally identical marks 1.25 stylized and 1.5 stylized are “valid” and incontestable marks for identical goods. See *In re The American Sail Training Association*, 230 USPQ 879, 880 (TTAB 1986) (the USPTO may not require applicant to disclaim the exclusive right to use the term “Tall Ships” in the mark RETURN OF THE TALL SHIPS when TALL SHIPS is the subject of an incontestable registration for the same

²⁰¹ Prior to November 2, 2003, “standard character” drawings were known as “typed” drawings. A typed mark is the legal equivalent of a standard character mark. TMEP § 807.03(i) (January 2015).

services). *See also Couch/Braunsdorf Affinity, Inc. v. 12 Interactive, LLC*, 110 USPQ2d 1458, 1472 (TTAB 2014). *Cf. Morehouse Manufacturing Corp. v. J. Strickland and Co.*, 407 F.2d 881, 160 USPQ 715, 717 (CCPA 1969) (“the opposer cannot be damaged, within the meaning of section 13 of the statute, by the issuance to the applicant of a second registration where applicant already has an existing registration of the same mark for the same goods”).

However, because the prior registration defense set forth in *Morehouse* is an equitable defense, *see O-M Bread, Inc. v. U.S. Olympic Committee*, 65 F.3d 933, 36 USPQ2d 1041, 1045 (Fed. Cir. 1995) (“The prior registration or *Morehouse* defense is an equitable defense ...”), it is unavailable against a claim of mere descriptiveness. *See TBC Corp. v. Grand Prix Ltd.*, 12 USPQ2d 1311, 1313 (TTAB 1989). The reason for this policy was explained by the Board in *Southwire Co. v. Kaiser Aluminum & Chemical Corp.*, 196 USPQ 566, 573 (TTAB 1977) as follows:

The theory underlying this principle * * * is that it is within the public interest to preclude registration of merely descriptive designations, to cancel registrations which are void ab initio because of this disability of the registered mark as of the time the application was filed, and to cancel those registrations where the registered marks have, since the time of registration, become terms of art or common description; and that this interest or concern cannot be waived by the inaction of any single person or concern, no matter how long the delay persists.

Because the prior registration defense is related to the equitable defenses of laches or acquiescence, it is unavailable in an *inter partes* proceeding predicated on mere descriptiveness of a mark. *Couch/Braunsdorf Affinity, Inc. v. 12 Interactive, LLC*, 110 USPQ2d at 1472. If we find that Defendant’s decimal designations 1.25 and 1.5,

both in typed drawing form, are merely descriptive, that decision will not affect Defendant's rights under its incontestable registrations. *Couch/Braunsdorf Affinity, Inc. v. 12 Interactive, LLC*, 110 USPQ2d at 1472. We therefore proceed to determine whether the decimal designations 1.25 and 1.5, both in typed drawing form, are merely descriptive.

The evidence discussed above regarding whether the terms 1.25 and 1.5 are generic prove that those terms are merely descriptive of the size of a cigarette rolling paper because they directly impart to the consumer the relative size of the cigarette rolling paper. In view of the foregoing, the oppositions to Serial No. 76369872 for the mark 1.25 (typed drawing form) and Serial No. 78157851 for the mark 1.5 (typed drawing form) on the ground that the subject matter sought to be registered is merely descriptive are sustained.

VII. Whether Defendant's decimal designations have acquired distinctiveness for cigarette rolling papers?

Pursuant to Section 2(f), matter which is merely descriptive under Section 2(e)(1) may nonetheless be registered on the Principal Register if it "has become distinctive of the applicant's goods [or services] in commerce." Thus, the mark may be registered on the Principal Register if the applicant proves that the merely descriptive matter has acquired distinctiveness (also known as "secondary meaning") as used on the applicant's goods and/or services in commerce. *See In re Chopper Indus.*, 222 USPQ 258 (TTAB 1984).

The applicant seeking registration of a mark under Section 2(f) bears the ultimate burden of establishing acquired distinctiveness. *See In re Hollywood Brands, Inc.*,

214 F.2d 139, 102 USPQ 294, 295 (CCPA 1954) (“There is no doubt that Congress intended that the burden of proof under [Section 2(f)] should rest upon the applicant for registration....”). *See also Yamaha Int’l Corp. v. Hoshino Gakki Co.*, 840 F.2d 1572, 6 USPQ2d 1001, 1005 (Fed. Cir. 1988). Applicant’s burden is to prove acquired distinctiveness by a preponderance of the evidence. *See In re Noon Hour Food Products Inc.*, 88 USPQ2d 1172, 1181 (TTAB 2008). “Finally, the applicant’s burden of showing acquired distinctiveness increases with the level of descriptiveness; a more descriptive term requires more evidence of secondary meaning.” *In re Steelbuilding.com*, 415 F.3d 1293, 75 USPQ2d 1420, 1424 (Fed. Cir. 2005). As the Board has explained:

That is to say, the greater the degree of descriptiveness, the greater the evidentiary burden on the user to establish acquired distinctiveness. The sufficiency of the evidence offered to prove acquired distinctiveness should be evaluated in light of the nature of the designation. Highly descriptive terms, for example, are less likely to be perceived as trademarks and more likely to be useful to competing sellers than are less descriptive terms. More substantial evidence of acquired distinctiveness thus will ordinarily be required to establish that such terms truly function as source-indicators.

In re Greenliant Systems Ltd., 97 USPQ2d 1078, 1085 (TTAB 2010) (internal citations omitted).

Registration No. 1481006 for the mark 1.0 (stylized), Registration No. 1328866 for the mark 1.25 (stylized), and Registration No. 1331207 for the mark 1.5 (stylized) are all more than five years old. Accordingly, they may not be cancelled on the ground that they have not acquired distinctiveness. Section 14 of the Trademark Act, 15 U.S.C. § 1064. *See also Park ‘N Fly v. Dollar Park and Fly, Inc.*, 224 USPQ at 331. In

view of the foregoing, the petitions to cancel Registration No. 1481006 for the mark 1.0 (stylized), Registration No. 1328866 for the mark 1.25 (stylized), and Registration No. 1331207 for the mark 1.5 (stylized) on the ground that the registered subject matter have not acquired distinctiveness is denied.

As noted in the previous section of this decision, Serial No. 76369872 for the mark 1.25 (typed drawing form) and Serial No. 78157851 for the mark 1.5 (typed drawing form) are legally identical to Registration No. 1328866 for the mark 1.25 (stylized) and Registration No. 1331207 for the mark 1.5 (stylized). For the same reasons the equitable prior registration defense does not apply to the issue of whether a mark is merely descriptive, it does not apply to the issue of whether a mark has acquired distinctiveness. We therefore proceed to determine whether the decimal designations 1.25 and 1.5, both in typed drawing form, have acquired distinctiveness. We start by examining the evidence that the decimal designations have acquired distinctiveness.

A. Defendant's survey.

In 2007, Carol A. Scott, Ph.D., conducted a “nationwide survey to determine the extent to which the registered marks 1.0 (stylized), 1.25 (stylized) and 1.5 (stylized) ... are recognized as indicating a single source within the meaning of 15 U.S.C. § 1052(f), that is, the extent to which consumers associates the Marks with a single brand or company.”²⁰² “The survey consisted of in-person interviews of 361 consumers of cigarette papers in five states: Florida, North Carolina, Georgia, Tennessee and

²⁰² Scott Decl. ¶4 (178 TTABVUE 7).

Alabama.”²⁰³ These five states represented the greatest sales volume for the JOB brand of cigarette papers in 2007.²⁰⁴

The survey respondents were divided into three groups. Each group was shown (1) images of either 1.0, 1.25, or 1.5, (2) the word “Papers,” (3) the BAMBU cigarette rolling paper logo, and (4) the stylized mark SMOKING.²⁰⁵ Dr. Scott used the word “Papers” as a control. “The percentage of respondents who indicated that they associated ‘PAPERS’ with a single company provides a rough measure of ‘noise,’ that is, respondents who may believe any mark is associated with a single source or who may be merely guessing in their responses.”²⁰⁶ “A total of 152 participants viewed the 1.25 (stylized) trademark, while 155 participants viewed the 1.5 (stylized) trademark and 54 participants viewed the 1.0 (stylized) trademark.”²⁰⁷

16. ... Of the 155 participants who viewed an image of the 1.5 mark, 144 (92.9%) indicated that they had seen it before. Of those 144 respondents, 108 (75%) associated the 1.5 mark with only one brand or company. Overall, 69.7% (108/155) of all respondents perceived the 1.5 mark as unique to one brand.

Findings for the 1.25 mark were similar. Of the 152 participants who viewed an image of the 1.25 mark, 137 (90.1%) indicated that they had seen it before. Of those 137 respondents, 99 (72.3%) associated the 1.25 mark with only one brand or company. A total of 65.1% (99/152) of all respondents perceived the 1.25 mark as unique to one brand.

²⁰³ Scott Decl. ¶6 (178 TTABVUE 8).

²⁰⁴ Scott Decl. ¶6 n.3 (178 TTABVUE 8).

²⁰⁵ Scott Decl. ¶10 (178 TTABVUE 10).

²⁰⁶ Scott Decl. ¶11 (178 TTABVUE 10).

²⁰⁷ Scott Decl. ¶13 (178 TTABVUE 11).

Finally, of the 54 participants who viewed an image of the 1.0 mark, 27 (50%) indicated that they had seen it before. Of those 27 respondents, 19 (70.4%) associated the 1.0 mark with only one brand or company. Despite the relatively low percentage of consumers who had seen this mark before, a total of 35.2% (19/54) of all respondents perceived the 1.0 mark as unique to one brand.²⁰⁸

With respect to the control image, 12.9% of the respondents identified the generic word “Papers” as a brand and, therefore, that percentage constitutes noise which should be subtracted from the totals.²⁰⁹ Accordingly, 56.8% of the respondents identified 1.5 as being associated with one brand, 52.2% of the respondents identified 1.25 as being associated with one brand, and 22.3% of the respondents associated 1.0 as being associated with one brand.

There are design and execution defects in the survey which cast doubt over the reliability of the survey. First, Dr. Scott did not properly construct a control to measure noise. A properly constructed survey should have two groups of respondents: one group (the test cell) is shown the mark at issue and a second group (the control group) is shown the control stimuli. 6 *McCarthy on Trademarks and Unfair Competition* § 32:187 (4th ed. 2016). Also, the control stimuli should be similar to the mark at issue. *Id.* (“a control that contains more elements of the accused mark or trade dress is ‘stronger’ than one that has fewer.”). *See also Saint-Gobain Corp. v. 3M Co.*, 90 USPQ2d 1425, 1438 (TTAB 2007):

Mr. Johnson conducted a survey that involved telephonically contacting users of abrasives. The survey also involved a control. A control is “a twin product

²⁰⁸ Scott Decl. ¶16 (178 TTABVUE 12).

²⁰⁹ Scott Decl. ¶7 (178 TTABVUE 12).

attribute[,] service or stimuli that has the same characteristics generally as the test stimuli, but does not have the characteristic that is at issue... it would have all of the characteristics of purple sandpaper but not be purple.” Johnson dep. dated April 7, 2005 at 22. For the control in the survey, Mr. Johnson chose orange sandpaper.

As a result of the survey, Mr. Johnson concluded that “when one measures how many people would identify 3M or one company, even if an unknown company, as a single source of purple sandpaper, and you then subtract the similar proportion among people who are asked about orange sandpaper in the control, you end up with six percent, which is about the same level you'd expect just based on noise or error.” Johnson dep. dated April 7, 2005 at 34.

It would have been preferable for Dr. Scott to have used as the control another decimal designation or a fraction rather than a generic word such as “Papers.”

Second, Dr. Scott did not conduct a “nationwide” survey, but restricted the geographic scope of the survey to the Southeastern United States where Defendant has the bulk of its sales.

I took five markets out of [Defendant’s] top ten. This is where this would represent the bulk of [Defendant’s] sales. And if you were to look at their distribution of sales across these top ten markets, you would see that after the top ten, there’s very little volume.²¹⁰

However, the geographical area selected must be based upon scientific or sampling grounds. *See Ralston Purina Co. v. Quaker Oats Co.*, 169 USPQ 508 (TTAB 1971) (survey was excluded, *inter alia*, because “the choice of cities to be surveyed apparently was based on convenience rather than any scientific and methodological reasons.”). *See also Bank of Texas v. Commerce Southwest, Inc.*, 741 F.2d 785, 223

²¹⁰ Scott Cross-examination Dep., p. 65 (207 TTABVUE 69).

USPQ 1174, 1177-78 (5th Cir. 1984) (survey to prove secondary meaning was taken in too small a geographic area to be probative of secondary meaning in larger area plaintiff claimed as its own); 6 McCarthy on Trademarks and Unfair Competition § 32:161.

Also the geographical area surveyed must represent a nationwide market. *See In re Spirits International N.V.*, 86 USPQ2d 1078, 1089 n.19 (TTAB 2008) (indicating that respondent interviews at one location could impact the results), *rev'd and remanded on other grounds*, 563 F.3d 1347, 90 USPQ2d 1489 (Fed. Cir. 2009); *Dynamark Corp. v. Weed Eaters, Inc.*, 207 USPQ 1026, 1033 (TTAB 1980) (the survey was defective, *inter alia*, because it was conducted in two cities without any effort to determine whether they were representative of a nationwide basis). *See also Exxon Corp. v. Xoil Energy Resources, Inc.*, 552 F.Supp. 1008, 216 USPQ 634, 645 (S.D.N.Y. 1981) (194 persons informally interviewed at New York City train stations is not projectable over national market)); *General Motors Corp. v. Cadillac Marine & Boat Co.*, 226 F.Supp. 716, 140 USPQ 447, 463 (W.D. Mich. 1964) (150 people in a single area not adequate to sample entire U.S. market); 6 McCarthy on Trademarks and Unfair Competition § 32:161. By deliberately limiting the survey to a distinct geographic area where Defendant has its highest market share, Dr. Scott inflated the results.²¹¹

²¹¹ Dr. Scott testified that higher sales increases the prospects for establishing secondary meaning.

- Q. So then you believe that the higher [Defendant's] sales volume, the more likely it is you're going to get higher secondary meaning results?

Third, Dr. Scott should not have used the stylized versions of the decimal designation as displayed in the registered marks in the survey because, as a matter of law, the acquired distinctiveness of the registered marks is not at issue inasmuch as they have been registered for more than five years at the time the petitions for cancellation were filed. Dr. Scott should have used another display of the decimal designations (*e.g.*, block form) to test whether the survey respondents identified the decimal designations as indicating a single brand rather than the trade dress to which consumers have been exposed for many years. In other words, the respondents may have recognized the font as being associated with a single source rather than the decimal designations themselves.

Fourth, the survey is stale. Dr. Scott testified that because she conducted the survey in 2007, she was not opining that the decimal designations have acquired distinctiveness in 2015.²¹²

Q. But have you ever offered an opinion that a given mark has secondary meaning today based on a survey that you had run seven or eight years ago?

A. No. And I don't today.

A. Well, the more chance that people have seen it. And the more chance you have to see it, then obviously, the greater chance there is to have secondary meaning. If you haven't seen it, it's very hard to have secondary meaning.

Scott Cross-examination Dep., p. 64 (207 TTABVUE 68).

²¹² Scott Cross-examination Dep., p. 43 (207 TTABVUE 47). Whether a mark has acquired distinctiveness is determined in view of the facts at the time the issue is under consideration. *Coach Services Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1730 (Fed. Cir. 2012); *McCormick & Co. v. Summers*, 354 F.2d 668, 148 USPQ 272, 276 (CCPA 1966); *Gen. Foods Corp. v. MGD Partners*, 224 USPQ 479, 486 (TTAB 1984).

Q. So then let's establish that. Your opinion is - - the opinion you're offering in this case is not that these marks that you study have secondary meaning today in 2015?

A. That's correct.

* * *

Q. Because you can't be reasonably confident that in 2015 that the results you obtained in 2007 would be applicable or generalizable to today, could you?

* * *

A. I have no evidence about the status of 2015.²¹³

Fifth, the survey sample sizes are insufficient to provide reliable results. Dr. Scott essentially conducted three different surveys involving 155 respondents for 1.5, 152 respondents for 1.25, and 54 respondents for 1.0. We agree with Plaintiff's survey expert Dr. Stephen Nowlis that Defendant's sample sizes are insufficient especially because Dr. Scott combined both test results and control results in a single test.²¹⁴

Finally, to establish acquired distinctiveness, Defendant's survey must prove that buyers associate the decimal designations with it, not with another company. *Nextel Communications, Inc. v. Motorola, Inc.*, 91 USPQ2d 1393, 1403 (TTAB 2009) (In an Opposition by Nextel against Motorola's registration of a chirping sound as a mark for its cell phones, Motorola's survey tended to show that as between the parties, if the chirping sound was associated with any source, it was more likely with the opposer Nextel, a provider of cell phone services, not with applicant Motorola, a

²¹³ Scott Cross-examination Dep., pp. 43-44 (207 TTABVUE 47-48)

²¹⁴ Nowlis Decl. ¶43 (219 TTABVUE 21). Dr. Nowlis testified that a survey should have at least 200 validated responses. *Id.*

maker of cell phones.). Dr. Scott's calculations failed to subtract responses identifying a source other than Defendant.

For the reasons stated the survey is inconclusive and is of insufficient probative value to support finding that Defendant's decimal designations have acquired distinctiveness.

B. Defendant's sales, advertising, and long use of the decimal designations.

Seth Gold testified that since 1976, Defendant, through its predecessor-in-interest, has used the decimal designation 1.5 to identify Defendant's cigarette rolling papers, since 1977, Defendant has used the decimal designation 1.25 to identify Defendant's cigarette rolling papers, and since 1985, Defendant has used the decimal designation 1.0 to identify Defendant's cigarette rolling papers.²¹⁵ Defendant's sales of its 1.0, 1.25, and 1.5 cigarette rolling papers have been in the millions of dollars.²¹⁶ Defendant's cigarette rolling papers displaying the decimal designations are sold in over 125,000 retail outlets including convenience stores, tobacco stores, drug stores, gas stations, mini-marts, dollar stores and mass merchandisers.²¹⁷ Since 1997, Defendant has spent in excess of \$3 million annually promoting the decimal designations.²¹⁸

[Defendant] also advertises its 1.0, 1.25 and 1.5 brand cigarette papers to consumers by providing retailers of 1.0,

²¹⁵ Gold Decl. ¶¶7-9 (179 TTABVUE 6-8).

²¹⁶ Gold Decl. ¶¶23-25 (179 TTABVUE 15). Because Defendant's sales figures have been designated as confidential, we will refer to them in general terms.

²¹⁷ Gold Decl. ¶21 (179 TTABVUE 15).

²¹⁸ Gold Decl. ¶20 (179 TTABVUE 14).

1.25 and 1.5 brand cigarette papers with promotional material. For retailers generally open to people of all ages, such as convenience stores or drug stores, [Defendant] is restricted to “point-of-sale” promotional materials, which include shelf talkers (which stick to a shelf and point toward a particular location on the shelf), bowl collars (which hang from the mouth of a bowl that holds individual books of cigarette papers) and product displays (which act as shelving or stands that bear the JOB mark and direct the consumer’s eye to 1.0, 1.25 and 1.5 brand cigarette papers). In adults-only locations, such as specialty tobacco shops, [Defendant] additionally provides retailers with posters, banners, counter pads, stickers and cards for windows, cases, and aisles that prominently display the 1.0, 1.25 and 1.5 marks.²¹⁹

Also, Defendant promotes its decimal designations to wholesalers and retailers at national and regional trade shows,²²⁰ in industry and consumer publications,²²¹ and through incentive and rebate programs to wholesalers and retailers.²²² However, there is no evidence that Defendant has ever promoted the decimal designations without the JOB trademark. There is no evidence that the decimal designations have been used as stand-alone marks. Evidence that only shows a mark used in conjunction with other wording may be insufficient to show that the mark has acquired distinctiveness. *See In re Mogen David Wine Corp.*, 372 F.2d 539, 542, 152 USPQ 593, 595-96 (C.C.P.A. 1967) (finding evidence of a bottle design failed to prove acquired distinctiveness where advertising depicting the bottle design always featured applicant’s word mark); *In re Franklin Cnty. Historical Soc’y*, 104 USPQ2d

²¹⁹ Gold Decl. ¶19 (179 TTABVUE 14).

²²⁰ Gold Decl. ¶16 (179 TTABVUE 13).

²²¹ Gold Decl. ¶17 (179 TTABVUE 13-14).

²²² Gold Decl. ¶18 (179 TTABVUE 14).

1085, 1093 (TTAB 2012) (noting none of applicant's evidence showed use of the proposed mark "CENTER OF SCIENCE AND INDUSTRY" without the acronym "COSI," while other evidence only used the acronym to refer to applicant's services).

While the above-noted evidence establishes that Defendant's cigarette rolling papers are a successful product line, we cannot find that the success of the products establishes acquired distinctiveness for the decimal designations. Because the decimal designations are always used with the JOB trademark, we cannot ascertain whether Defendant's sales success and advertising expenditures evidence that consumers recognize the decimal designations as source indicators. *See In re Boston Beer Co. L.P.*, 198 F.3d 1370, 53 USPQ2d 1056, 1058 (Fed. Cir. 1999) (claim based on annual sales under the mark of approximately eighty-five million dollars, and annual advertising expenditures in excess of ten million dollars, not sufficient to establish acquired distinctiveness in view of highly descriptive nature of mark); *In re Bongrain International (American) Corp.*, 894 F.2d 1316, 13 USPQ2d 1727, 1729 (Fed. Cir. 1990) (growth in sales of applicant's "Baby Brie" cheese is insufficient to show term's distinctiveness or secondary meaning, since increased sales may indicate product's popularity, or acceptance of applicant's other mark "Alouette" used on applicant's packages, rather than recognition of "Baby Brie" as indicative of origin); *ProMark Brands Inc. v. GFA Brands, Inc.*, 114 USPQ2d 1232, 1245 (TTAB 2015) ("It is well-settled that, where, as here, a party's advertising and sales data is based on materials and packaging in which the mark at issue is almost always displayed with another

mark, such data does not prove that the mark at issue possesses the requisite degree of consumer recognition.”).

C. Customer recognition.²²³

Defendant introduced the testimony declarations of the six customers listed below who all testified, in essence, that when customers ask for a 1.0, 1.25 or 1.5 cigarette rolling paper, they are requesting a JOB brand papers:²²⁴

1. Jim Wendelken, owner of GW Distributing LLC, a distributor of tobacco products, including cigarette rolling papers in Arizona;
2. Richard Little, Operations Manager of Tiger Mart, a chain of convenience stores in South Carolina;

²²³ The declarations by Defendant’s employees have little probative value as to consumer perception regarding whether the decimal designations have acquired distinctiveness because we expect Defendant’s employees to testify that consumers perceive the decimal designations to be associated with Defendant. In other words, they have a vested interest in testifying that consumers perceive the decimal designations as trademarks.

²²⁴ Plaintiff argues that “the canned declarations from [Defendant’s] sales representatives and customers – all containing identical wording – have no probative value,” (citing *Mag Instrument, Inc. v. Brinkmann Corp.*, 96 USPQ2d 1701, 1723 (TTAB 2010). Plaintiff’s Brief, p. 40 (229 TTABVUE 49). However, we have no problem with the fact that the declarations were drafted by counsel. See *In re Flex-O-Glass, Inc.*, 194 USPQ 203, 206 (TTAB 1977) (“[T]he fact that the affidavits may be similar in format and expression is of no particular significance ... since the affiants have sworn to the statements contained therein.”). Under the circumstances in which these declarations were introduced into evidence, we assume that counsel, after speaking with the declarants, drafted the declarations for accuracy and expediency, that each declarant reviewed his or her particular declaration to ensure that it accurately reflected his or her testimony, and that any necessary edits were incorporated in the final version of the declarations. Also, we expect that the declarants would exercise caution because they were signing the declarations under oath. As noted by Plaintiff, the declarations in the *Brinkmann Corp.* case had other problems besides the use of identical wording. On the other hand, we find the testimony by the declarants that Defendant’s counsel acted merely as a scribe lacks credulity.

3. Glen Lowe, Vice President of Jim Dandy Food Stores, a chain of 12 convenience stores in North Carolina;
4. Robert Gregory Kenrick, President and owner of Gregory's Gas, a chain of 10 service stations and convenience stores in South Carolina;
5. Andrea Myers, President of Kocolene Development Corp., a chain of 36 convenience stores in Indiana and Kentucky; and
6. Jon Burklund, Chairman and CEO of Burklund Distributors, Inc., a distributor of tobacco products and convenience stores products.

However, the companies operated by Richard Little, Robert Gregory Kenrick, Glenn Lowe, and Andrea Myers, convenience store/gas station chains, sell Defendant's cigarette rolling papers on an exclusive basis.²²⁵ Accordingly, the testimony of these witnesses is not as persuasive as it could have been if the witnesses had sold a variety of cigarette papers which would have provided a basis for comparison. *See In re The Paint Prods. Co.*, 8 USPQ2d 1863, 1866 (TTAB 1988) ("Because these affidavits were sought and collected by applicant from ten customers who have dealt with applicant for many years, the evidence is not altogether persuasive on the issue of how the average customer for paints perceives the words 'PAINT PRODUCTS CO.' in conjunction with paints and coatings.").

²²⁵ Little Cross-examination Dep., pp. 31-32, 64 (199 TTABVUE 34-35, 67); Kenrick Cross-examination Dep., p. 22 (202 TTABVUE 25); Lowe Cross-examination Dep., p. 27 (200 TTABVUE 30); and Myers Cross-examination Dep. pp. 27-28 (194 TTABVUE 30-31).

Moreover, the declarants, with the exception of Jon Burklund, testified on cross examination that the decimal designations indicated size.²²⁶

Mr. Wendelken, a wholesale distributor of tobacco products, testified that his company sold TOP and JOB brand cigarette rolling papers, not 1.0, 1.25 or 1.5 brand papers.

Q. Now within [Defendant's] group of products, do you sell one brand or more than one brand?

A. More than one brand.

Q. And what are the different brands you sell?

A. We sell Top and JOB.²²⁷

Mr. Wendelken did not identify 1.0, 1.25 and 1.5 as brands is because he understood them to be size designations, not trademarks.

Q. Now, you made reference to 1.0, 1.25 and 1.5. Is it your understanding that those are different size designations with the JOB line?

A. When I first saw it I didn't realize that, but I guess taking it, yeah, it would be.

Q. Well, at some point in time you did come to that understanding, correct?

A. Yes.

Q. And do you recall when you came to that understanding?

²²⁶ Myers Cross-examination Dep., p. 35 (194 TTABVUE 38); Kenrick Cross-examination Dep., p. 65 (202 TTABVUE 68); Lowe Cross-examination Dep. pp. 62, 80, 92, 118 (200 TTABVUE 65, 83, 95, 121); Little Cross-examination Dep., pp. 45, 83, 92, 95, 97 (199 TTABVUE 48, 86, 95, 98, 100); Wendelken Cross-examination Dep., p. 28 (206 TTABVUE 31).

²²⁷ Wendelken Cross-examination Dep. p. 18 (206 TTABVUE 21).

A. A few years later. Probably when I started buying and that was probably '90s.

Q. So in the 1990s, you were actually doing purchasing for Best Candy and Tobacco?

A. Yes.

Q. And at that point in time, did you form the understanding that 1.0, 1.25, and 1.5 were different ways of designating sizes within the JOB family?

* * *

A. I never measured them, but I always looked at the packaging and I figured it was a different size, yeah.²²⁸

The registration files for the 1.25 and design and 1.5 and design marks include affidavits from retailers attesting that that the primary significance of the decimal designations is that they represent cigarette papers sold by Defendant. These declarations have little probative value because they were bare bone conclusions without factual foundation and no evidence to suggest that the declarants were randomly selected. *See Mag Instrument, Inc. v. Brinkmann Corp.*, 96 USPQ2d at 1723. Also, as noted above, we have found that when subjected to cross examination, the declarants actually perceive that the decimal designations to be size designations rather than trademarks.

D. Defendant's substantially exclusive use of the decimal designations.

Defendant contends that its efforts to police the use of the decimal designations as trademarks for cigarette rolling papers is evidence that competitors recognize

²²⁸ Wendelken Cross-examination Dep., pp. 28-29 (206 TTABVUE 31-32).

Defendant's exclusive right to use the decimal designations as trademarks.²²⁹ To the contrary, we find that competitors acquiesced to Defendant's assertion of its exclusive right to use the decimal designations to avoid litigation. For example,

1. Joshua Kesselman testified that his company agreed "not to use '1 & 25' to avoid further legal proceedings";²³⁰
2. To settle a litigation with Defendant, Robert Burton Associates, Ltd. agreed not use the decimal designations and not to oppose any applications or seek to cancel any registrations for the decimal designations. Robert Burton Associates, Ltd. did not expressly acknowledge Defendant's exclusive right to use the decimal designations;²³¹ and
3. Plaintiff agreed not use decimal designations in connection with cigarette rolling papers "solely to avoid litigation."²³²

Moreover, in a settlement agreement between Defendant and Commonwealth Brands, Inc. (successor-in-interest to Robert Burton Associates, Ltd.), Defendant acknowledged the right of Commonwealth Brands, Inc. to use the decimal designations 1.0 and 2.0 in connection with JOKER 1.0, JOKER 2.0, E-Z WIDER 1.0 and E-Z WIDER 2.0 cigarette rolling papers.²³³

²²⁹ Defendant's Brief, pp. 15-18 (230 TTABVUE 21-18).

²³⁰ Kesselman Decl. ¶23 (138 TTABVUE 8).

²³¹ Levin Decl. ¶¶18-19 and Exhibit 7 (156 TTABVUE 12-13 and 60-65).

²³² Gold Decl. ¶29 and Exhibit 12 (179 TTABVUE 17 and 180 TTABVUE 119).

²³³ Gold Exhibit 17 (183 TTABVUE 156 at 160).

The acknowledgement by Michael Bolloré of Defendant's exclusive right to use the decimal designations is not persuasive because Michael Bolloré was the principal of the Societe Job, the company that manufactured cigarette rolling papers for Defendant.²³⁴ Also, the consent to register by Imperial Tobacco, successor to Robert Burton Associates, Ltd., is problematical because it states that the decimal designations "are marks distinctive" of at least two sources: Defendant and "one of the Top Tobacco Companies."²³⁵

Defendant has used its registrations for the decimal designations 1.0, 1.25 and 1.5 for cigarette rolling papers, as well as its position as one of the market leaders in the industry, to assert its exclusive right to use the decimal designations to identify cigarette rolling papers to force competitors from using decimal designations on their packaging to identify relative size. As we noted above, competitors have acquiesced to Defendant's demands to avoid litigation. This kind of evidence does not support a finding of acquired distinctiveness. *See In re Wella Corp.*, 565 F.2d 143, 196 USPQ 7, n.2 (CCPA 1977); *In re Consolidated Cigar Corp.*, 13 USPQ2d 1481 (TTAB 1989). *Cf. In re Cree, Inc.*, 818 F.3d 694, 118 USPQ2d 1253, 1259 (Fed. Cir. 2016) (because it is

²³⁴ Levin Discovery Dep., Exhibit 93 (140 TTABVUE 45-51). *See* 140 TTABVUE 51 ("The only thing we are going to do is to apply for the registration of the design of the covers of both booklets JOB 1.5 and 1.25 without any mention of the 1.5 and 1.25 neither in number nor in letters."). In his May 4, 2011 correspondence with Defendant, Cédric Bolloré, Industrial Manager of Bolloré S.A. wrote that "[o]ur company (and its predecessors, Societe Job and Bolloré Technologies, S.A.) have made papers for the cigarette paper industry, including your companies, for many decades, and we are not aware of others who have used those marks [the decimal designations 1.0, 1.25 and 1.5]." Gold Decl. Exhibit 13 (180 TTABVUE 123).

²³⁵ 180 TTABVUE 157-59. Although Defendant owns both the JOB brand and the TOP brand, there is no evidence in the record that consumers know that the JOB and TOP are commonly owned.

cheaper to take a license than defend a patent infringement action, licenses are often entered into to avoid litigation).

While Defendant has been able to coerce its competitors to forgo the use of decimal designations, its policing efforts with distributors and retailers has not been as successful because, as noted in the discussion of whether the decimal designations are generic, the distributors and retailers interchange fractions and decimals to designate cigarette rolling paper sizes.

E. The totality of the evidence.

In the preceding sections, the panel has analyzed the various evidence of acquired distinctiveness as individual pieces. So as not to miss the forest for the trees, we now look at the totality of the evidence to determine whether the evidence taken as a whole proves that the decimal designations have acquired distinctiveness. It does not. There is nothing in the record that persuades us that consumers perceive the decimal designations as anything other than as size designations. Defendant's best evidence regarding consumer perception comprises the declarations of its customers. On cross examination, the Defendant's customer declarants, with the exception of Jon Burklund, testified that the decimal designations were size designators. Moreover, Defendant's advertising identifies the decimal designations as size designators and there is no unsolicited third-party recognition of the decimal designations pointing exclusively to Defendant as the source of cigarette rolling papers.²³⁶

²³⁶ Unsolicited third-party recognition associating the decimal designations as identifying Defendant as the source of the cigarette rolling papers is not essential to proving acquired distinctiveness, but it is relevant. In view of the size of the record in this case, the fact that Defendant would not include unsolicited third-party recognition associating the decimal

In view of the foregoing, we find that Defendant has failed to prove that the decimal designations have acquired distinctiveness.

The oppositions to the registration of Serial No. 76369872 for the mark 1.25 (typed drawing form) and Serial No. 78157851 for the mark 1.5 (typed drawing form) on the ground that the subject matter sought to be registered have not acquired distinctiveness is sustained.

VIII. Whether Defendant's decimal designations are generic for cigarettes?

A. The genus of goods.

The specific category of the goods is cigarettes. The category of goods comprising cigarettes includes roll-your-own cigarettes.

B. The relevant public.

The retail chains, tobacco outlets, tobacco outlet chains, gas station mini-marts, grocery wholesalers, general wholesalers, mass merchandisers, convenience stores, dollar stores and drug grocery chains to which Defendant sells its cigarette rolling papers also distribute cigarettes.²³⁷ In addition, there is the ultimate consumer (*i.e.*, smokers).

designations as identifying Defendant as the source of the cigarette rolling papers (*e.g.*, news stories in newspapers and magazine in general circulation and in the particular trade) is indicative that no such evidence exists.

²³⁷ Wendelken Decl. ¶1 (172 TTABVUE 4); Little Decl. ¶¶1-2 (173 TTABVUE 4); Lowe Decl. ¶¶1-2 (174 TTABVUE 4); Kenrick Decl. ¶ ¶ 1 and 6 (175 TTABVUE 4-5); Myers Decl. ¶¶1-2 (176 TTABVUE 4-5); Burklund Decl. ¶¶ 1 and 3 (177 TTABVUE 4-5); Sandman Decl. ¶16 (164 TTABVUE 9); Sierra Decl. ¶8 (165 TTABVUE 6); Serio Decl. ¶7 (166 TTABVUE 6); Abbott Decl. ¶7 (167 TTABVUE 6); Grout Decl. ¶7 (168 TTABVUE 6); Clark Decl. ¶9 (169 TTABVUE 7); Slaughter Decl. ¶7 (170 TTABVUE 6); Evans Decl. ¶7 (171 TTABVUE 6). *See*

C. Public Perception.

There is no evidence that cigarettes are categorized by size, that anyone refers to cigarettes by size, or that cigarette size is a factor in the purchasing decision.

D. Analysis.

Plaintiffs argue that because the decimal designations sought to be registered are generic for cigarette rolling papers, and because cigarette papers are a component of cigarettes, the decimal designations are generic for cigarettes,²³⁸ citing *In re Hask Toiletries, Inc.*, 223 USPQ 1254 (TTAB 1984) (HENNA N'PLACENTA generic for hair conditioner where generic for components of goods).

Thus, while these two ingredient names may not, of themselves, constitute an apt name for the hair conditioner product itself, they are so patently and centrally descriptive of the product's most distinctive characteristic as to be equally incapable of serving a trademark function. *See* T. J. McCarthy, *Trademarks and Unfair Competition*, §12.2 E (2d ed., 1984) (to be “incapable” a term need not comprise or relate solely to the name of a product or service but may be so regarded if it serves as a common or apt name or descriptor of some distinctive characteristic of the product or service).

Id. at 1254.

However, as indicated above, the record fails to demonstrate that consumers perceive the decimal designations as the size of a cigarette and it fails to demonstrate that the size of a cigarette is a significant factor in the purchasing decision. In other

also Murray Testimony Dep. Exhibits 27, 30, 31 and 38 (152 TTABVUE 198-222, 231-262, 263-284, and 306-318).

²³⁸ Plaintiffs' Brief, p. 42 (229 TTABVUE 51).

words, unlike in *Hask Toiletries*, the record fails to support a finding that size is a distinctive characteristic of a cigarette.²³⁹

Plaintiffs also argue that Defendant's employees testified that consumers seeing cigarettes labelled as 1.0, 1.25 or 1.5 would think that the cigarettes were made using JOB 1.0, 1.25 or 1.5 paper.²⁴⁰ The testimony referred to by Plaintiffs does not relate to whether 1.0, 1.25 or 1.5 is a category of cigarette; rather, it is probative of whether consumers associate those designations with Defendant.

In view of the foregoing, we find that the decimal designations sought to be registered for cigarettes, 1.0, 1.25 and 1.5, are not generic. Therefore, the oppositions to Serial No. 76296943 for the mark 1.25 (stylized), Serial No. 76296931 for the mark 1.25 (typed drawing form), Serial No. 76296926 for the mark 2.0 (typed drawing form), Serial No. 76158978 for the mark 1.5 (stylized), Serial No. 76296945 for the mark 1.5 (typed drawing form), Serial No. 76296942 for the mark 1.0 (typed drawing form), and Serial No. 76296941 for the mark 1.0 (stylized form) on the ground that the subject matter sought to be registered is generic are dismissed.

²³⁹ In the non-precedential case cited by Plaintiffs regarding the mark RECYCLED PAPER GREETINGS for greeting cards, *In re PRGCO, LLC*, Serial No. 77252690 (TTAB May 4, 2012), the Board found that the term "recycled paper" was a "particular type of greeting card, categorized according to this ingredient or component, namely, greeting cards that are printed on recycled paper," analogous to birthday, anniversary, or get-well cards. There is no evidence to the effect that 1.0, 1.25 or 1.5 are used or recognized as a particular type of cigarette.

²⁴⁰ Plaintiffs' Brief, p. 42 (229 TTABVUE 51) (citing *Serio Cross-Examination Dep.* p. 44 (195 TTABVUE 47); *Clark Cross-Examination Dep.*, p. 101 (191 TTABVUE 104); *Evans Cross-Examination Dep.*, p. 48 (192 TTABVUE 51); *Slaughter Cross-Examination Dep.* pp. 54-55 (197 TTABVUE 57-58); *Grout Cross-Examination Dep.*, p. 71 (193 TTABVUE 74); *Little Cross-Examination Dep.*, p. 118 (199 TTABVUE 121).

IX. Whether Defendant's decimal designations are merely descriptive for cigarettes?

A term is merely descriptive of goods or services within the meaning of Section 2(e)(1) of the Trademark Act, 15 U.S.C. § 1052(e)(1), if it forthwith conveys an immediate idea of an ingredient, quality, characteristic, feature, function, purpose or use of the goods or services. *In re Chamber of Commerce of the U.S.*, 675 F.3d 1297, 102 USPQ2d 1217, 1219 (Fed. Cir. 2012). *See also, In re Gyulay*, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987). Whether a mark or a component of a mark is merely descriptive is determined in relation to the goods or services for which registration is sought and the context in which the term is used, not in the abstract or on the basis of guesswork. *In re Abcor Development Corp.*, 588 F.2d 811, 200 USPQ 215, 218 (CCPA 1978); *In re Remacle*, 66 USPQ2d 1222, 1224 (TTAB 2002). A term need not immediately convey an idea of each and every specific feature of the goods or services in order to be considered merely descriptive; it is enough if it describes one significant attribute, function or property of them. *See In re Gyulay*, 3 USPQ2d at 1010; *In re H.U.D.D.L.E.*, 216 USPQ 358 (TTAB 1982); *In re MBAssociates*, 180 USPQ 338 (TTAB 1973). This requires consideration of the context in which the mark is used or intended to be used in connection with those goods or services, and the possible significance that the mark would have to the average purchaser of the goods or services in the marketplace. *See In re Chamber of Commerce of the U.S.*, 102 USPQ2d at 1219; *In re Bayer Aktiengesellschaft*, 488 F.3d 960, 82 USPQ2d 1828, 1831 (Fed. Cir. 2007); *In re Abcor Dev. Corp.*, 200 USPQ at 218; *In re Venture Lending Assocs.*, 226 USPQ 285 (TTAB 1985). The question is not whether someone presented only

with the mark could guess the products or activities listed in the description of goods or services. Rather, the question is whether someone who knows what the products or services are will understand the mark to convey information about them. *DuoProSS Meditech Corp. v. Inviro Med. Devices, Ltd.*, 695 F.3d 1247, 103 USPQ2d 1753, 1757 (Fed. Cir. 2012) (quoting *In re Tower Tech, Inc.*, 64 USPQ2d 1314, 1316-1317 (TTAB 2002). *See also In re Patent & Trademark Services Inc.*, 49 USPQ2d 1537, 1539 (TTAB 1998); *In re Home Builders Association of Greenville*, 18 USPQ2d 1313, 1317 (TTAB 1990); *In re American Greetings Corp.*, 226 USPQ 365, 366 (TTAB 1985).

“[I]f one must exercise mature thought or follow a multi-stage reasoning process in order to determine what product or service characteristics the term indicates, the term is suggestive rather than merely descriptive.” *In re Tennis in the Round, Inc.*, 199 USPQ 496, 498 (TTAB 1978). *See also, In re Shutts*, 217 USPQ 363, 364-65 (TTAB 1983); *In re Universal Water Systems, Inc.*, 209 USPQ 165, 166 (TTAB 1980). In this regard, “incongruity is one of the accepted guideposts in the evolved set of legal principles for discriminating the suggestive from the descriptive mark.” *In re Shutts*, 217 USPQ at 365. *See also In re Tennis in the Round, Inc.*, 199 USPQ at 498 (the association of applicant’s mark TENNIS IN THE ROUND with the phrase “theater-in-the-round” creates an incongruity because applicant’s services do not involve a tennis court in the middle of an auditorium).

Plaintiffs again argue that “[b]ecause decimals at most describe the size of cigarette papers, a component of cigarettes, they are likewise merely descriptive for

cigarettes.”²⁴¹ As indicated in the previous section, there is nothing in the record that demonstrates that consumers understand that size is a feature of cigarettes. While cigarette paper is a component of a cigarette, there is no immediate connection between a cigarette and its paper size. Consumers would have to employ reasoning to connect the decimal designations sought to be registered as the size of a cigarette (*e.g.*, the cigarettes they are purchasing or smoking is composed of paper which may be single wide (1.0), 1.25 or 1.5 sized cigarette papers).

The line between suggestive and merely descriptive terms is a fine one, and we must resolve any doubt on this question in favor of Defendant. *See In re Shutts*, 217 USPQ at 365. *See also In re Gyulay*, 3 USPQ2d at 1010; *In re Recovery, Inc.*, 196 USPQ 830, 831 (TTAB 1977). As the Board has noted previously, the concept of mere descriptiveness “should not penalize coinage of hitherto unused and somewhat incongruous word combinations whose import would not be grasped without some measure of imagination and ‘mental pause.’” *In re Shutts*, 217 USPQ at 364-65.

In view of the foregoing, we find that the decimal designations sought to be registered for cigarettes, 1.0, 1.25 and 1.5, are not merely descriptive. Therefore, the oppositions to Serial No. 76296943 for the mark 1.25 (stylized), Serial No. 76296931 for the mark 1.25 (typed drawing form), Serial No. 76296926 for the mark 2.0 (typed drawing form), Serial No. 76158978 for the mark 1.5 (stylized), Serial No. 76296945 for the mark 1.5 (typed drawing form), Serial No. 76296942 for the mark 1.0 (typed

²⁴¹ Plaintiffs’ Brief, p. 43 (229 TTABVUE 52).

drawing form), and Serial No. 76296941 for the mark 1.0 (stylized form) on the ground that the subject matter sought to be registered is merely descriptive are dismissed.

X. Whether Defendant’s decimal designations have acquired distinctiveness for cigarettes?

Even though we have found that the designations are not merely descriptive, in the event this decision is reversed on appeal, we will proceed for the sake of completeness to consider the claim that Defendant’s intent-to-use applications for cigarettes have acquired distinctiveness. In this regard, the Court of Appeals for the Federal Circuit has explained how an applicant can establish that a mark in an intent-to-use application has acquired distinctiveness in connection with the identified goods.

[A]n applicant can establish acquired distinctiveness in an intent-to-use application where it can show that [the] “same mark” acquired distinctiveness for related goods or services, and that this acquired distinctiveness will transfer to the goods or services specified in the application when the mark is used in connection with them. *See* TMEP §1219.09(a) (1997) (listing cases).

In re Dial-A-Mattress Operating Corp., 240 F.3d 1341, 57 USPQ2d 1807, 1812 (Fed. Cir. 2001). *See also* TMEP § 1212.09.

The marks 1.0, 1.25, and 1.5 in their stylized and standard character forms are legally identical to the registered marks for cigarette rolling papers. There is no existing registration for the decimal designation 2.0.

As to the second factor, the relatedness of the goods, Plaintiffs argue that because the filing basis for the cigarette applications is Section 1(b) of the Trademark Act, 15 U.S.C. § 1051(b) (intent to use), and because Defendant has not commenced use of

the decimal designations sought to be registered,²⁴² the subject applications have not acquired distinctiveness.²⁴³ On the other hand, Defendant argues that even if its decimal designations are merely descriptive for cigarettes, they “have acquired distinctiveness from [Defendant’s] decades of exclusive and successful use,” presumably for cigarette rolling papers.²⁴⁴

Defendant’s prior registrations for cigarette rolling papers do not support acquired distinctiveness for the decimal designations sought to be registered for cigarettes. First, there is no prior registration for the decimal designation 2.0 on which Defendant may rely to support its claim of acquired distinctiveness for Serial No. 76296926 for the mark 2.0 (typed drawing form).

Second, because Defendant disclaimed the exclusive right to use “1.0” in Registration No. 1481006 for the mark 1.0 (stylized), that registration may not be accepted as *prima facie* evidence of acquired distinctiveness for Serial No. 76296942 for the mark 1.0 (typed drawing form), and Serial No. 76296941 for the mark 1.0 (stylized form). *See Kellogg Co. v. Gen. Mills, Inc.*, 82 USPQ2d 1766, 1771 n.5 (TTAB 2007); *In re Candy Bouquet Int’l, Inc.*, 73 USPQ2d 1883, 1889-90 (TTAB 2004).²⁴⁵

²⁴² Levin Decl. ¶ 23 (156 TTABVUE 16)

²⁴³ Plaintiffs’ Brief, p. 43 (228 TTABVUE 52).

²⁴⁴ Defendant’s Brief, p. 48 (230 TTABVUE 54).

²⁴⁵ Defendant’s evidence of acquired distinctiveness for the mark 1.0 (stylized) is not sufficient to support the registration of the mark 1.0 in its various formats for cigarettes. For example, the secondary meaning survey has little probative value because (i) it was geographically limited to three of Defendant’s largest markets, rather than conducted on a nationwide basis; (ii) it was conducted in 2007 and the testimony is ambiguous as to its applicability in 2015-2016; and (iii) there were only 54 survey respondents. “In general, the sample size are [sic] around 50 means that there would be a greater potential for error, sampling error.” Scott Cross-Examination Dep., pp. 88-89 (207 TTABVUE 93-94). Also, Defendant proffered no

Finally, because we are cancelling Registration No. 1328866 for the mark 1.25 (stylized), and Registration No. 1331207 for the mark 1.5 (stylized) on the ground that the registered subject matter is generic, Defendant may not rely on those registrations to support the registration of Serial No. 76296943 for the mark 1.25 (stylized), Serial No. 76296931 for the mark 1.25 (typed drawing form), Serial No. 76158978 for the mark 1.5 (stylized), Serial No. 76296945 for the mark 1.5 (typed drawing form). However, if the cancellation of Registration No. 1328866 for the mark 1.25 (stylized), and Registration No. 1331207 for the mark 1.5 (stylized) on the ground that the registered subject matter is generic were overturned on appeal, then we would find that those registrations are sufficient to support the registration of Serial No. 76296943 for the mark 1.25 (stylized), Serial No. 76296931 for the mark 1.25 (typed drawing form), Serial No. 76158978 for the mark 1.5 (stylized), and Serial No. 76296945 for the mark 1.5 (typed drawing form) under Section 2(f) of the Trademark Act in accordance with 37 C.F.R. § 2.41(a)(1).

In appropriate cases, ownership of one or more active prior registrations may be accepted as prima facie evidence of distinctiveness if the goods or services are sufficiently similar to the goods or services in the application; however, further evidence may be required.

Id.

“Appropriateness in this kind of case generally means that the existing registration was acquired based on a finding that the term sought to be registered

evidence that Defendant ever advertised, promoted, or marketed the decimal designation 1.0 separate and apart from the JOB trademark and the packaging of the products displays the decimal designation 1.0 in close proximity to the JOB mark. Thus, it is not clear whether consumers recognize JOB or 1.0 as the source of the products.

had become distinctive of the goods and services, which finding could be carried over to the closely related goods or services in respect of which the new application for registration was filed.” *In re Loew’s Theatres, Inc.*, 223 USPQ 513 (TTAB 1984), *aff’d*, 769 F.2d 764, 226 USPQ 865 (Fed. Cir. 1985). In the cases before us, Defendant’s prior registrations for 1.25 and 1.5 are based on acquired distinctiveness. *See In re Best Prods. Co.*, 231 USPQ 988, 989 n.6 (TTAB 1986) (“[W]e infer in the instant case that the differences between the marks BEST & Des. and BEST JEWELRY & Des., and between the identifications of services in their respective registrations [‘mail order and catalog showroom services’ and ‘retail jewelry store services’], were deemed to be immaterial differences.”); *In re Owens-Illinois Glass Co.*, 143 USPQ 431, 432 (TTAB 1964) (applicant’s ownership of a prior registration of LIBBEY for cut-glass articles acceptable as *prima facie* evidence of distinctiveness of identical mark for plastic tableware); *In re Lytle Eng’g & Mfg. Co.*, 125 USPQ 308, 309 (TTAB 1960) (applicant’s ownership of prior registration of LYTLE for various services, including the planning, preparation, and production of technical publications, acceptable as *prima facie* evidence of distinctiveness of identical mark for brochures, catalogs, and bulletins).

Plaintiffs argue that cigarettes and cigarette rolling papers are not sufficiently similar citing *In re Lowe’s Theatres, Inc.*, 769 F.2d 764, 226 USPQ 865 (Fed. Cir. 1985) (prior registration for DURANGO for cigars was not sufficient to support claim of acquired distinctiveness for DURANGO for chewing tobacco). The court did not find that chewing tobacco was not similar to cigars; the Court held that Trademark

Examining Attorneys have discretion whether to accept a prior registration as *prima facie* evidence of acquired distinctiveness under Trademark Rule 2.41, especially where the mark or goods in the prior registration are not the same as the mark or goods in the application. *Id.* at 869 (“We cannot say that a requirement for some additional evidence was unduly burdensome or unreasonable or that the finding that distinctiveness was not established is clearly erroneous.”). In *Lowe’s*, the applicant claimed that its mark should be presumed to have acquired distinctiveness based on its filing a declaration of incontestability in accordance with Section 15 of the Trademark Act. However, the Board rejected that argument because declarations filed under Section 15 are not examined as to the substance of what is claimed. *In re Lowe’s Theatres, Inc.*, 223 USPQ 513, 514 (TTAB 1984). In the case before us, cigarette papers are a component of cigarettes and, therefore, the relationship between those goods is evident and additional evidence is not required. *See Kellogg Co. v. General Mills Inc.*, 82 USPQ2d 1766, 1771 (TTAB 2007) (with respect to a claim of acquired distinctiveness based on applicant’s ownership of two registrations, the Board held that “there is no absolute rule that applicant must submit extrinsic evidence to support its contention that the goods are related. The showing necessary to establish relatedness will vary from case to case and depend on the nature of the goods or services involved and the language used to identify them.”).

In view of the foregoing, we find that Defendant has failed to prove that the decimal designations 1.0, 1.25, 1.5, and 2.0 have acquired distinctiveness when used in connection with cigarettes. However, in the event that our finding that

Registration No. 1328866 for the mark 1.25 (stylized), and Registration No. 1331207 for the mark 1.5 (stylized) should be cancelled on the ground that the registered subject matter is generic is reversed on appeal, then we find that Defendant has proven that the marks 1.25 and 1.5 in typed drawing and stylized forms have acquired distinctiveness.

XI. Whether Defendant had a *bona fide* intent to use the decimal designations to identify cigarettes?

Plaintiffs argue that Defendant's lack of documentation supporting its *bona fide* intent to use the decimal designations for cigarettes as of the time it filed its applications proves that Defendant did not have a *bona fide* intent to use the decimal designations for cigarettes.²⁴⁶ *See Commodore Electronics Ltd. v. CBM Kabushiki Kaisha*, 26 USPQ2d 1503, 1507 (TTAB 1993) (opposer would be entitled to prevail on its claim that applicant lacked a *bona fide* intent to use its mark if opposer proved that applicant is unable to present any evidence, documentary or otherwise, supportive or bearing on applicant's claimed *bona fide* intention to use the mark in commerce). On the other hand, Defendant asserts that its capacity to manufacture and market cigarettes rebuts Plaintiffs' claim that Defendant lacked the requisite intent to use the decimal designations for cigarettes.²⁴⁷ *See Rolex Watch U.S.A. Inc. v. AFP Imaging Corp.*, 101 USPQ2d 1188, 1197 (TTAB 2011), *vacated on other grounds, Rolex Watch U.S.A. Inc. v. AFP Imaging Corp.*, 107 USPQ2d 1626 (TTAB

²⁴⁶ Plaintiffs' Brief, p. 45 (229 TTABVUE 54).

²⁴⁷ Defendant's Brief, pp. 48-49 (230 TTABVUE 54-55).

2013) (“If an opposer establishes a prima facie case, the burden shifts to applicant to rebut that prima facie case by producing evidence which would establish that it had the requisite bona fide intent to use the mark when it filed its application.”) (citing *Commodore Electronics Ltd. v. CBM Kabushiki Kaisha, supra*).

Because of Defendant’s success marketing JOB 1.0, 1.25 and 1.5 cigarette rolling papers, Defendant planned on expanding the decimal designation brands to prepackaged cigarettes.²⁴⁸ The idea was to build on the brand loyalty created by the cigarette rolling papers.²⁴⁹ Since late 2000 and early 2001, Defendant had wanted to expand the products it sells under the 1.5, 1.25 and 1.0 brands, and had worked to develop similarly branded cigarettes. In that regard, Defendant filed trademark registration applications for the marks 2.0, 1.5, 1.25, 1.5 and 1.0 and well as ONES and TWOS for cigarettes. Defendant identified Republic Tobacco as its exclusive distributor of such products, with the expectation that it would use the same channels of distribution for these cigarettes that it has used in the distribution and sale of 1.5, 1.25 and 1.0 brand cigarette papers. By 2004, Defendant identified a manufacturer for its cigarettes and developed prototypes and packaging. “By March 2005, [Defendant] had developed prototypes, packaging and commenced selling ONES and

²⁴⁸ Gold Testimony Decl. ¶39 (179 TTABVUE 27-28).

²⁴⁹ Gold Discovery Dep. p. 68, 191 (140 TTABVUE 91, 123).

TWOS branded cigarettes.”²⁵⁰ Prototypes and packaging were developed based on a proprietary blend of tobacco with which the cigarettes will be made.²⁵¹

[W]e can bring out products over a wide range very quickly.
All we need is some artwork.²⁵²

Defendant developed prototypes and packaging designs for ONES, TWOS, 1.5 and 1.25 branded cigarettes.²⁵³



The Trademark Act does not define the term “*bona fide*” as used in the phrase “*bona fide* intention,” in order to preserve flexibility which is vital to the proper operation of the trademark registration system.” S. Rep. No. 100-515, 100th Cong. 2d Sess. at 24 (1988) (hereinafter “S. Rep.”). However, the legislative history of the TLRA provides that “ [i]n connection with this bill, ‘*bona fide*’ should be read to mean a fair,

²⁵⁰ Gold Testimony Decl. ¶42 (179 TTABVUE 28).

²⁵¹ Levin Decl. ¶23 and Exhibit 10 (156 TTABVUE 16 and 78-86). *See also* Gold Testimony Decl. ¶¶40 and 42 (179 TTABVUE 28).

²⁵² Gold discovery dep. p. 242 (140 TTABVUE 130).

²⁵³ Gold Testimony Decl. ¶¶42 and 43 and Exhibit 28 (179 TTABVUE 28-29 and 181 TTABVUE 238).

objective determination of the applicant's intent based on all the circumstances,” and that “. . . applicant's bona fide intention must reflect the good faith circumstances surrounding the intended use.” *Id.* “[W]hat is real and legitimate will vary depending on the practices of the industry involved, and should be determined based on the standards of that particular industry.” H. Rep. No. 100-1028 at 8-9 100th Cong. 2d Sess. (1988) (hereinafter “H. Rep.”).

Thus, the determination of whether an applicant has a bona fide intention to use the mark in commerce is to be a fair, objective determination based on all the circumstances. That is, applicant’s mere statement of subjective intention, without more, would be insufficient to establish applicant’s bona fide intention to use the mark in commerce. . . .

However, while the determination of whether the applicant has the requisite bona fide intention is to be an objective determination, neither the statute nor the legislative history of the TLRA specifies the particular type or quantum of objective evidence that an applicant must produce to corroborate or defend its claimed bona fide intention to use the mark in commerce.

Lane Ltd. v. Jackson Int’l Trading Co., 33 USPQ 2d 1351, 1355-56 (TTAB 1994).

We find that Defendant had the requisite *bona fide* intention to use the decimal designations 1.0, 1.25, 1.5 and 2.0 in connection with cigarettes as of the application filing dates. Defendant’s testimony pertaining to the expansion of its product line built on brand loyalty and established channels of trade corroborates Defendant’s statements in the applications that it had a *bona fide* intention to use the decimal designations in commerce on cigarettes. Specifically, the testimony establishes that Defendant had the capacity to market, if not manufacture, cigarettes. In fact, cigarettes are within the normal zone of expansion for a company that sells cigarette

rolling papers.²⁵⁴ “Thus, the filing of the application for the [decimal designations] is consistent with an extension of its current product line.” *Rolex Watch U.S.A. Inc. v. AFP Imaging Corp.*, 101 USPQ2d at 1197-98.

Plaintiffs point out that at the same time Defendant filed the applications at issue, it also filed applications for cigarettes covering a full range of decimals (from 1.1 to 1.9) as well as fractions.²⁵⁵ Accordingly, Plaintiffs assert that “[t]he filing of so many marks for one product, coupled with an attempt to reserve descriptive terms, are hallmarks of a lack of bona fide intent to use.”²⁵⁶ We disagree. Under the circumstances of this case, the filing of so many applications by Defendant for cigarettes is consistent with its incorrect belief as to the extent of its trademark rights, rather than being indicative of Defendant’s lack of a bona fide intent to use the marks at issue in these proceedings. *Compare L’Oreal S.A. v. Marcon*, 102 USPQ2d 1434, 1443-44 (TTAB 2012) (the Board found that applicant lacked a *bona fide* intent to use the mark because he lacked any documentary evidence or any other objective evidence that he can/will use the mark, lack of capacity or experience needed to manufacture or otherwise offer his goods and he had a pattern of filing intent-to-use applications for disparate goods under well-known (even famous) marks of others, which almost always have been abandoned). In other words, under the facts in this

²⁵⁴ Plaintiffs’ Brief, p. 15 (229 TTABVUE 24) (“Moreover, [Plaintiffs] have previously sold cigarettes, and such products could again be produced in the normal expansion of [Plaintiffs]’ business.”); Murray Testimony Dep., p. 14-15 (152 TTABVUE 17-18) (between 2001 and 2005 or 2006, Plaintiffs sold ZIG-ZAG cigarettes).

²⁵⁵ Plaintiffs’ Brief, p. 45 (229 TTABVUE 54) (citing Gold Discovery Dep., pp. 239, 241-243 (140 TTABVUE 128-131) and 145 TTABVUE 3-4, 6-22, 88, 90-91, 93-109, 174).

²⁵⁶ Plaintiffs’ Brief, p. 45 (229 TTABVUE 54).

case, when Defendant decided to expand into cigarettes, it filed applications for decimal and fractional designations to protect its purported right to use those as marks for cigarettes, not in a bad faith attempt to gain rights to which it was not entitled.

In view of the foregoing, the oppositions to the registration of Serial No. 76296943 for the mark 1.25 (stylized), Serial No. 76296931 for the mark 1.25 (typed drawing form), Serial No. 76296926 for the mark 2.0 (typed drawing form), Serial No. 76158978 for the mark 1.5 (stylized), Serial No. 76296945 for the mark 1.5 (typed drawing form), Serial No. 76296942 for the mark 1.0 (typed drawing form), and Serial No. 76296941 for the mark 1.0 (stylized form) on the ground that Defendant did not have a bona fide intent to use the marks when the applications were filed are dismissed.

Decision: Opposition No. 91158276 to Serial No. 76369872 for the mark 1.25 (typed drawing) for cigarette rolling papers is sustained on the ground that subject matter sought to be registered is generic.

Opposition No. 91158552 to Serial No. 76296943 for the mark 1.25 (stylized) for cigarettes is dismissed.

Opposition No. 91158568 for Serial No. 78157851 for the mark 1.5 (typed drawing) for cigarette rolling papers is sustained on the ground that the subject matter sought to be registered is generic.

Opposition No. 91158696 for Serial No. 76296931 for the mark 1.25 (typed drawing) for cigarettes is dismissed.

Opposition No. 91158816 for Serial No. 76296926 for the mark 2.0 (typed drawing) for cigarettes is dismissed.

Opposition No. 91158978 for Serial No. 76158978 for the mark 1.5 (stylized) for cigarettes is dismissed.

Opposition No. 91158980 for Serial No. 76296942 for the mark 1.0 (typed drawing) for cigarettes is dismissed.

Opposition No. 91158981 for Serial No. 76296945 for the mark 1.5 (typed drawing) for cigarettes is dismissed.

Opposition No. 91159360 for Serial No. 76296941 for the mark 1.0 (stylized) for cigarettes is dismissed.

Cancellation No. 92042927 for Registration No. 1481006 for the mark 1.0 (stylized) for cigarette rolling papers is granted on the ground that the registered mark is generic.

Cancellation No. 92042928 for Registration No. 1331207 for the mark 1.5 (stylized) for cigarette rolling papers is granted on the ground that the registered mark is generic.

Cancellation No. 92043031 for Registration No. 1328866 for the mark 1.25 (stylized) for cigarette rolling papers is granted on the ground that the registered mark is generic.