

**This Opinion is Not a  
Precedent of the TTAB**

Mailed: January 29, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board  
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*John G. Marino*

*v.*

*Laguna Lakes Community Association, Inc.*

—  
Opposition No. 91204897

Opposition No. 91204941  
—

Scott Behren of Behren Law Firm for John G. Marino.

Donna M. Flammang, W. Scott Harders and Chad R. Rothschild of Brennan, Manna & Diamond, LLC for Laguna Lakes Community Association, Inc.

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Before Kuhlke, Wellington and Heasley,  
Administrative Trademark Judges.

Opinion by Kuhlke, Administrative Trademark Judge:

Applicant, Laguna Lakes Community Association, Inc., seeks registration of the

standard character mark LAGUNA LAKES<sup>1</sup> and the mark



<sup>2</sup> for

<sup>1</sup> Application Serial No. 85411955, filed on August 31, 2011, under Section 1051(a) of the Trademark Act, 15 U.S.C. § 1051(a), based on allegations of first use and first use in commerce on October 6, 2003.

<sup>2</sup> Application Serial No. 85414343, filed on September 2, 2011, under Section 1051(a) of the Trademark Act, 15 U.S.C. § 1051(a), based on allegations of first use and first use in

“Association services, namely, promoting the interests of condominium association and homeowner associations; managing the business affairs of common community associations of HOAs and condominium associations, and promoting the use of and managing the maintenance of real estate,” in International Class 35.

Opposer, John G. Marino, has opposed registration of Applicant’s marks on the ground that as used in connection with Applicant’s services, the marks so resemble Opposer’s previously used trade name MR. LAGUNA LAKES which is used in connection with “selling real estate in Laguna Lakes,” as to be likely to cause confusion under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d). Amended Not. of Opp. ¶¶ 1, 8, 12 TTABVUE 2, 5. Opposer also opposes registration on the ground that the marks are primarily geographically descriptive under Section 2(e)(2) of the Trademark Act, 15 U.S.C. § 1052, and that Applicant “made material misrepresentations with the intent to deceive the USPTO.” Amended Not. of Opp. ¶¶ 7, 9, 12 TTABVUE 4-5.

By its answers, Applicant admits that it is a Florida non-profit homeowners’ association Ans. ¶ 2, 13 TTABVUE 2, that it registered the domain name

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commerce on October 6, 2003. The application includes the following description of the mark:

The mark consists of a setting sun over water with variegated long and short rays over the sun, imposed within two curved designs forming the letter "L" with 3 uneven squares above the design, and with the name "Laguna Lakes" starting on the outer right side border of the sunset design with a large script capital L and the remaining letters "aguna" in lower case script and the word "LAKES" beneath it all in capital letters with bullet points between each letter to appear as "L·A·K·E·S".

lagunalakesassociation.com for its website on August 24, 2006, Ans. ¶ 3, 13 TTABVUE 2, and denied the remaining salient allegations.<sup>3</sup>

As a preliminary matter, concurrently with his reply brief, Opposer moved to amend his pleading to conform to the evidence under Fed. R. Civ. P. 15(b)(2). Specifically, Opposer requests that the Board “allow him to conform his Opposition Complaint to include arguments that [Applicant’s] use of the proposed marks are merely ornamental in nature.” Opposer’s Mot. to Amend, 74 TTABVUE 3.<sup>4</sup> Opposer asserts that these arguments “are part and parcel of the priority arguments made by [Opposer] since the inception of the case.” *Id.* at 2. Applicant responds that “[o]rnamementality is a ground for opposition that is separate from ... those actually pled and tried by Opposer.” App. Resp. to Amend, 75 TTABVUE 2. Further, Applicant asserts that “Opposer points to no discovery that was undertaken, and no trial testimony elicited, on the unpled ground for opposition of ornamentality... [and] there is no evidence to conform Opposer’s request to. As such, Applicant would be severely prejudiced in maintaining its defense on the merits on this point, as this is simply not an issue in the case.” *Id.* at 3.

Implied consent to the trial of an unpled issue can be found only where the nonoffering party (1) raised no objection to the introduction of the evidence on the issue, and (2) was fairly apprised that the evidence was being offered in support of the issue. *Morgan Creek Productions Inc. v. Foria International Inc.*, 91 USPQ2d

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<sup>3</sup> 13 TTABVUE. Applicant also asserted various “affirmative defenses” which simply serve to amplify its denials.

<sup>4</sup> All references to the record and briefs are to the electronic file in Opp. No. 92014897 the parent proceeding.

1134, 1138 (TTAB 2009). The question of whether an issue was tried by consent is basically one of fairness. The non-moving party must be aware that the issue is being tried, and therefore there should be no doubt on this matter. *Id.* at 1139.

It is clear from the record that the claim that the mark is ornamental and has not become distinctive has not been tried by implied consent. *See Productos Lacteos Tocumbo S.A. de C.V. v. Paletería La Michoacana Inc.*, 98 USPQ2d 1921, 1927 (TTAB 2011) (petitioner's "family of marks" claim, raised for the first time in its brief not considered because it was neither pleaded nor tried by the parties). *See also Standard Knitting Ltd. v. Toyota Jidosha Kabushiki Kaisha*, 77 USPQ2d 1917, 1929 (TTAB 2006). Moreover, Opposer's argument -- that Applicant's manner of use, *i.e.*, that it is ornamental, is simply part of establishing priority -- is not persuasive. In his brief, Opposer argues "even if this Board determines that [Applicant] has priority over [Opposer] and that the marks are not confusingly similar, [Applicant] would still not be entitled to registration in that it has never used the LAGUNA LAKES marks in interstate commerce. ... Moreover, [Applicant's] use of the Laguna Lakes logo is not as a service mark at all. ... [Applicant's] use of the terms Laguna Lakes is ornamental and must be refused. Indeed, matter that is merely ornamental in nature does not function as a service mark." Opposer's Br., 71 TTABVUE 16-17. In short, it is not part of the priority issue in this case and was presented as a separate ground in Opposer's brief. We further note that the specimen of use and many other examples of use of both marks in the record

associate the mark with services, and are not merely ornamental. *See infra*.  
Opposer's motion to amend the complaint to conform to the evidence is denied.

### RECORD

The record includes the pleadings and, by operation of the Trademark Rules, the files of the subject applications. Trademark Rule 2.122, 37 C.F.R. § 2.122.

In addition, Opposer submitted his testimony, with accompanying exhibits (Marino Test. 62 TTABVUE 3) and, under Notice of Reliance, the discovery depositions of Patrick Tardiff, Board member of Applicant since 2011, produced as Applicant's 30(b)(6) witness (Tardiff Disc. Dep., 63 TTABVUE 3), and Robert Allen Hajicek, Board member of Applicant since 2011, also produced as Applicant's 30(b)(6) witness (Hajicek Disc. Dep. (August 23, 2013), 63 TTABVUE 192, Hajicek Disc. Dep. (March 3, 2014), 63 TTABVUE 247).

Applicant submitted, under Notice of Reliance, the discovery deposition of Opposer, (Marino Disc. Dep., 70 TTABVUE 5), Opposer's responses to certain interrogatories and requests for admission (69 TTABVUE 4, 208); Exhibit B to Mr. Tardiff's discovery deposition not submitted by Opposer (Trademark Rule 2.120(j)(4)) (69 TTABVUE 11); and the Debtor's Schedules of Assets and Liabilities filed in the bankruptcy case *In re Tousa, Inc.*, Case No. 08-10928 (S.D. Fla. 2008) (69 TTABVUE 124).<sup>5</sup>

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<sup>5</sup> We consider this report as properly submitted under Notice of Reliance as an official record under Trademark Rule 2.122(e). In any event, to the extent it is not an official record as contemplated by the rule, because Opposer did not object to it we also consider it as stipulated into the record. In view thereof, Applicant's request that we take judicial notice of this exhibit, is moot.

## THE PARTIES

Applicant is the community association for the Laguna Lakes residential community located in Ft. Myers, Florida. This residential community was developed by an entity called Transeastern.<sup>6</sup> Prior to the development of the residential community, which began in 2003, the area was simply a field. Marino Disc. Dep., 70 TTABVUE 30.

Opposer has been a resident of Laguna Lakes since 2004 and has been a real estate agent since 2001. Marino Test., 62 TTABVUE 6. Opposer has been selling real estate in the Laguna Lakes community since 2003. Marino Test., 62 TTABVUE 7.

## STANDING

To demonstrate his standing to pursue this opposition, Opposer must show that he has a reasonable belief that he would be damaged by registration of Applicant's mark. *See Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 187-88 (CCPA 1982); *Hunter Industries, Inc. v. The Toro Company*, 11 USPQ2d 1651, 1658 (TTAB 2014). Opposer's testimony establishes that Opposer uses the term MR. LAGUNA LAKES in connection with the sale of real estate. This testimony is sufficient to support Opposer's allegations of a reasonable belief that he

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<sup>6</sup> Transeastern Laguna Lakes, LLC was the original developer and property owner of the Laguna Lakes residential community and Transeastern Properties Inc. was the managing member of Transeastern Laguna Lakes, LLC. *See* Master Declaration for Laguna Lakes, 69 TTABVUE 60-89. The signage and advertising discussed *infra* references "Transeastern Homes" which appears to be a reference to the Transeastern entities. Inasmuch as Transeastern Laguna Lakes, LLC was the developer and owner of the property, references in the decision to "Transeastern" refer to that entity.

would be damaged by registration of Applicant's mark. *Syngenta Crop Protection Inc. v. Bio-Chek LLC*, 90 USPQ2d 1112, 1118 (TTAB 2009).

### GROUND

Opposer asserts that (1) Applicant "cannot obtain priority of use over Marino by 'common sense' or 'osmosis'" and "[t]he LAGUNA LAKES applications are confusingly similar to Marino's MR. LAGUNA LAKES mark"; (2) "[t]he LAGUNA LAKES applications are merely geographically descriptive and refer to a geographic area in Southern California"; and (3) Applicant "intentionally misstated its prior use of the marks LAGUNA LAKES in order to deceive the USPTO." Opp. Br., 71 TTABVUE 6.

We begin by disposing of the second and third claims.

#### Primarily Geographically Descriptive

The test for determining whether a term is primarily geographically descriptive is whether (1) the primary significance of the term in the mark sought to be registered is the name of a place generally known to the public, (2) the public would make an association between the goods or services and the place named in the mark, that is, believe that the goods or services for which the mark is sought to be registered originate in that place, and (3) the source of the goods or services is the geographic region named in the mark. *In re Newbridge Cutlery Co.*, 776 F.3d 854, 113 USPQ2d 1445, 1448-9 (Fed. Cir. 2015). *See also In re Societe Generale des Eaux Minerals de Vittel S.A.*, 824 F.2d 957, 3 USPQ2d 1450 (Fed. Cir. 1987); *In re JT Tobacconists*, 59 USPQ2d 1080 (TTAB 2001); *University Book Store v. University of*

*Wisconsin Board of Regents*, 33 USPQ2d 1385, 1402 (TTAB 1994); *In re California Pizza Kitchen, Inc.*, 10 USPQ2d 1704 (TTAB 1988). When the geographic significance of a term is its primary significance and the geographic place is neither obscure nor remote, for purposes of Section 2(e)(2), the goods/place or services/place association may ordinarily be presumed from the fact that the goods or services originate in or near the place named in the mark. *In re Spirits of New Merced, LLC*, 85 USPQ2d 1614, 1621 (TTAB 2007) (“[S]ince the goods originate at or near [Yosemite National Park], we can presume an association of applicant’s beer with the park.”). See also *In re Carolina Apparel*, 48 USPQ2d 1542 (TTAB 1998).

Opposer first argues that Applicant’s mark is geographically descriptive based on the existence of lakes in California called Laguna Lakes.<sup>7</sup>

Under this theory, Opposer cannot prove the threshold element, namely that the source of the goods or services is the geographic region named in the mark, as Applicant is located in Florida and the Laguna Lakes are in California. Therefore, Opposer has not met its burden with regard to the geographic descriptiveness claim under Section 2(e)(2) of the Trademark Act.<sup>8</sup>

Opposer also argues that “Google maps even identifies “Laguna Lakes” with defined boundaries and being a residential location in Fort Myers, Florida.” Opp.

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<sup>7</sup> Laguna Lakes is the name of fresh water lakes in Orange County, California. Marino Test., 62 TTABVUE 28. See also Marino Test., Exh. 5, 62 TTABVUE 143-144 (printout from California Department of Recreation listing Laguna Lakes and printout from City of Laguna Beach website showing an article from the Los Angeles Times discussing Laguna Lakes.).

<sup>8</sup> Opposer did not plead that Applicant’s mark is geographically deceptively misdescriptive under Section 2(e)(3), nor would the record support such a claim.

Br., 71 TTABVUE 19. As discussed in *In re Pebble Beach Co.*, 19 USPQ2d 1687, 1688 (TTAB 1991), two basic reasons for the prohibition against the registration of primarily geographically descriptive terms are “that such a term would be perceived by the public not as an indication of source, i.e., a trademark, but as an indication of the geographic place from which the product comes [and] all manufacturers in a particular geographic place have the right to use the geographic name to indicate where their products are made.” These purposes do not apply when a name is created for a residential development and the community association for that development provides its services under that name. Moreover, “[t]he mere fact that a term may be the name of a place that has a physical location does not necessarily make that term primarily geographically descriptive under Section 2(e)(2). If that were so, the name of literally every retail store or restaurant would be primarily geographically descriptive, since the public would associate the name with the physical place where the services were rendered or the goods sold.” *Id.* See also *Pebble Beach Co. v. Tour 18 I, Ltd.*, 942 F. Supp. 1513, 1538 (S.D. Texas 1996) (“Where a developer chooses an arbitrary mark to designate a development, the mark is protectable despite the geographical aspects of the development.”) *aff’d as modified* 155 F.3d 526, 48 USPQ2d 1065 (5th Cir. 1998). The name LAGUNA LAKES was created by Transeastern, the developer of the residential community. Prior to the development of the residential community it was an empty field in Florida. See, e.g., *Marino Disc. Dep.*, 70 TTABVUE 29-30. Applicant also argues that the name is not arbitrary, but rather is “intended to describe a particular

community,” one that is “themed around the California life-style” with “subdivisions and streets [named after] well-known areas in California.” Applicant’s argument essentially is based on a legal theory of mere descriptiveness under Section 2(e)(1) of the Trademark Act, as the term LAGUNA LAKES is allegedly used to describe a particular lifestyle, and the location is not actually in California. This claim was not pleaded, and in any event, the record does not establish that the term LAGUNA LAKES describes a known specific lifestyle that is present in the development.

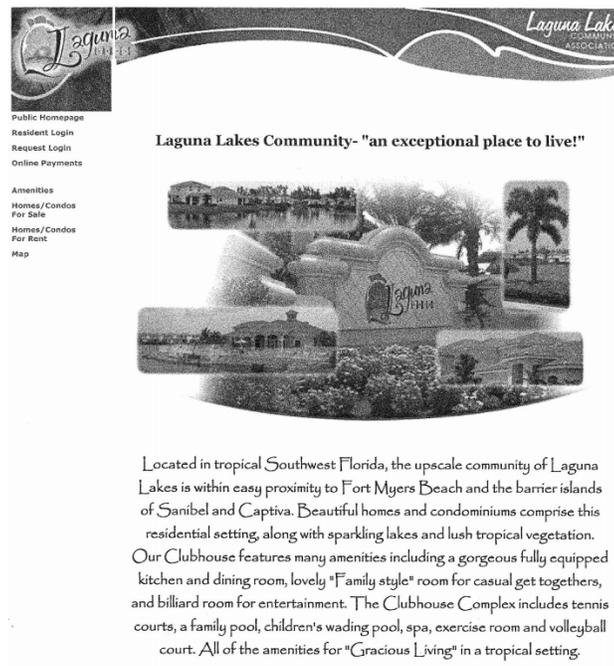
Opposer also seeks to distinguish *Pebble Beach Co. v. Tour 18 I, Ltd.* by arguing that “the Court held in favor of the trademark holder because the term ‘Pinehurst’ only obtained geographic connotation based upon the success of the resort and that the term had obtained secondary meaning.” Opposer’s Reply Br., 73 TTABVUE 11, (citing *Pebble Beach Co. v. Tour 18 I, Ltd.*, 942 F. Supp. at 1538). In fact, the Court explicitly found that “PINEHURST is an arbitrary name selected by the developer of the Pinehurst resort. Thus, the mark is inherently distinctive and not geographically descriptive. Furthermore, if there is any geographic connotation to PINEHURST, such meaning has developed over time since the creation of the Pinehurst resort and is directly attributable to the growth and success of the resort.” *Pebble Beach Co. v. Tour 18 I, Ltd.*, 942 F. Supp. at 1538. In short, the record does not support a finding that LAGUNA LAKES, as the name of a residential community in Florida and used in connection with community association services, is primarily geographically descriptive.

Fraud

Turning to the fraud claim, fraud in procuring a trademark registration occurs when an applicant knowingly makes false, material representations of fact in connection with its application with intent to deceive the USPTO. *See In re Bose Corp.*, 580 F.3d 1240, 1245, 91 USPQ2d 1938, 1941 (Fed. Cir. 2009); *see also Swiss Watch Int'l Inc. v. Fed'n of the Swiss Watch Indus.*, 101 USPQ2d 1731, 1745 (TTAB 2012). A party alleging fraud in the procurement of a registration bears the heavy burden of proving fraud with clear and convincing evidence. *Bose*, 91 USPQ2d at 1243 (quoting *Smith Int'l, Inc. v. Olin Corp.*, 209 USPQ 1033, 1044 (TTAB 1981)). For example, the Board will not find fraud if the evidence shows that a false statement was made with a reasonable and honest belief that it was true, rather than intent to mislead the USPTO into issuing a registration to which the applicant was not otherwise entitled. *See id.*; *see also Woodstock's Enters. Inc. (Cal.) v. Woodstock's Enters. Inc. (Or.)*, 43 USPQ2d 1440, 1443 (TTAB 1997), *aff'd* (unpub'd), Appeal No. 97-1580 (Fed. Cir. Mar. 5, 1998).

As to Opposer's first fraud theory, namely a false first use date, it is well established that an erroneous date of first use does not constitute fraud so long as there was some valid use of the mark prior to the filing date. *Western Worldwide Enterprises Group v. Qinqdao Brewery*, 17 USPQ2d 1137, 1141 (TTAB 1990). *See also Nationstar Mortgage LLC v. Ahmad*, 112 USPQ2d 1361, 1165 n. 7 (TTAB 2014). Opposer concedes Applicant has used the logo and word mark since at least 2006, several years prior to the 2011 filing date. Opp. Br., 71 TTABVUE 21.

Moreover, contrary to Opposer's contention that Applicant's specimen of use "shows no connection between the LAGUNA LAKES marks and any service," Opp. Br., 71 TTABVUE 17, the specimen of use clearly associates Applicant's marks with its "Association services, namely, promoting the interests of condominium association and homeowner associations; managing the business affairs of common community associations of HOAs and condominium associations, and promoting the use of and managing the maintenance of real estate" by specifically stating the community association services directly under the mark and providing links to various association services, including online payments, amenities and an online bulletin board for real estate listings.



In view thereof, Opposer has not met its burden to prove fraud based on an incorrect or false first use date.

Opposer bases another fraud theory on the incorrect domain address in one of Applicant's applications. Specifically, in Application Serial No. 85411955, in the Applicant information section requesting address information including email and website addresses, Applicant listed "www.lagunalakes.com" as its website address, when its actual website address is "www.lagunalakesassociation.com" which is clearly visible on its specimen of use. The description of the specimen as Applicant's website located at www.lagunalakesassociation.com is on the second page of the Application. This appears simply to be a typographical error and there is nothing in the record to indicate otherwise. More significantly, this is not a "material misrepresentation" as the false information provided has no effect on whether or not a registration would be granted. In view thereof, this theory of fraud also fails.

Opposer's allegation of fraud based on representations as to the type of business in which Applicant intends to use its marks, hardly merits acknowledgment. Applicant is clearly engaged in association services; and even if Applicant also engaged in real estate sales, Applicant is not required to set out every service in which it is engaged in a trademark application. In any event, it appears from the record that as part of "promoting the use ... of real estate," Applicant simply provides a place online where homeowners may list their properties. *See, e.g., Tardiff Disc. Dep., 63 TTABVUE 36, 133.*

In his amended Notice of Opposition, Opposer also alleges that Applicant never disclosed other users of the name LAGUNA LAKES. This particular species of fraud is difficult to prove because a plaintiff must establish that: (1) there was in fact

another use of the same or a confusingly similar mark at the time the oath was signed; (2) the other user had legal rights superior to applicant's (3) applicant knew that the other user had rights in the mark superior to applicant's, and either believed that a likelihood of confusion would result from applicant's use of its mark or had no reasonable basis for believing otherwise; and that (4) applicant, in failing to disclose these facts to the U.S. Patent and Trademark Office, intended to procure a registration to which it was not entitled. *Qualcomm Inc. v. FLO Corp.*, 93 USPQ2d 1768, 1770 (TTAB 2010). Opposer has not met its burden to establish this theory of fraud. At minimum, Opposer has not established that Applicant knew other users had rights in the mark *superior* to Applicant's use or that Applicant's belief that Applicant had superior rights was unreasonable. *Intellimedia Sports Inc. v. Intellimedia Corp.*, 43 USPQ2d 1203, 1207-8 (TTAB 1997) ("It is respondent's belief, not petitioner's, that is at issue here. ... If, as alleged here by petitioner, petitioner's communication to respondent consisted solely of this merely conclusory claim of "superior rights" in the mark, then petitioner's allegation, even if proven, would not establish that respondent knew and believed that petitioner had superior rights in the mark and that a likelihood of confusion would result from respondent's use of the mark, nor would it establish that respondent had no reasonable basis for holding a contrary belief.")

Finally, Opposer also argues that Applicant does not use its marks in interstate commerce. Specifically, Opposer asserts that "[t]he only use of the mark by [Applicant] has been in the local Ft. Myers area. The testimony of [Applicant] is

that all it has ever done is collect assessments and maintain purely local common areas. [Applicant] does not today nor has it ever marketed or provided any services in interstate commerce. After all, the very purpose of a homeowners association is to provide services to its local residents, not out of state or international ones.” Opposer’s Br., 71 TTABVUE 16. Applicant’s activities clear the low bar of what constitutes “interstate commerce.” At minimum, Applicant’s website promotes the residential community to, *inter alia*, attract homeowners from out of state.<sup>9</sup> Tardiff Disc. Dep. 63 TTABVUE 92. *See also* TMEP § 901.03; *Planned Parenthood Federation of America Inc. v. Bucci*, 42 USPQ2d 1430 (S.D.N.Y. 1997), *aff’d*, 152 F.3d 920 (2d Cir. 1998).

Likelihood of Confusion/Priority

A required element for a claim of likelihood of confusion is priority. Because Opposer does not own a registration he must establish prior common-law proprietary rights. Opposer’s position is that he is the prior user because he began using MR. LAGUNA LAKES in connection with his real estate services in 2004, prior to Applicant’s first use on its website, registered in 2006, and Applicant may not rely on Transeastern’s prior use of the LAGUNA LAKES marks. We turn then to review the history of use of the LAGUNA LAKES marks.

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<sup>9</sup> We further note the Office’s Trademark ID Manual specifically contemplates both local and nationwide activity by homeowner associations in the following identification:

Homeowner association services, namely, promoting the interests of homeowners in a specific community and marketing the community nationwide to prospective new residents and property owners. Applicant’s identification and activity clear meet the requirements to indicate and engage in interstate commerce.



Transeastern created the name LAGUNA LAKES and the logo in approximately February of 2003. Marino Test., 62 TTABVUE 16-19. Beginning in spring 2003, Transeastern advertised Laguna Lakes to attract buyers. Marino Test., 62 TTABVUE 22. The advertisements referred to it as a “community” and included references to community amenities. The April 4, 2003 excerpt from the website [www.lagunalakes.com](http://www.lagunalakes.com), at that time owned by Transeastern, includes the following:

Laguna Lakes offers amenities and lifestyle choices for families and individuals alike

Marino Test., Exh. 3A, 62 TTABVUE 18, 131.

A marketing package distributed by Transeastern includes the following:

Everyone in your family will enjoy a home and a community with amenities that have been specially-designed for today’s lifestyles. The spectacular Mediterranean-style clubhouse offers activities to accommodate everyone: Resort-style pool Kiddie pool Spa Har-Tru tennis courts Indoor racquetball court Fishing pier 33 acres of lakes Private entry gatehouse with controlled access Volleyball court Well-equipped fitness center A park with tot lot Spacious meeting room Social room, complete with kitchen, and much more

Marino Test., Exh. 3B, 62 TTABVUE 20, 133.

A “sales slick” handed out by Transeastern includes the following:

Featuring Club Laguna – A Complete Super Recreation & Social Complex

Marino Test. Exh. 3B, 62 TTABVUE 22, 137.

An advertisement in the Fort Myers NewsPress dated Sunday February 2, 2003 includes the following:

At Transeastern Homes' Laguna Lakes you'll encounter colorful foliage and a painted sky ... along with a spectacular Mediterranean-style clubhouse and magnificent recreational complex within a gated community.

Marino Test. Exh. 3A 62 TTABVUE 14, 129.

In reference to Applicant's applied-for services, at minimum, these examples of use show use in connection with "promoting the use ... of real estate."

On September 26, 2003, Transeastern incorporated Applicant as "Laguna Lakes Community Association, Inc., a Florida corporation... ." Marino Test., 62 TTABVUE 33, Exh. 6, 62 TTABVUE 162-67 (Articles of Incorporation). *See also* App. Not. of Reliance, 69 TTABVUE 90-96 (same). The Articles of Incorporation include the following pertinent parts:

#### PREAMBLE

TRANSEASTERN LAGUNA LAKES, LLC, a Florida limited liability company ("DECLARANT"), owns certain property ... and intends to execute and record a Master Declaration for Laguna Lakes (the "DECLARATION") which will affect the SUBJECT PROPERTY. This association is being formed as the association to administer the DECLARATION, and to perform the duties and exercise the powers pursuant to the DECLARATION, as and when the DECLARATION is recorded ..."

PURPOSE ... 2.2 To enforce and exercise the duties of the COMMUNITY ASSOCIATION as provided in the DECLARATION. 2.2.1 To promote the health, safety, welfare, comfort, and social and economic welfare of the members, and the OWNERS and residents of the SUBJECT PROPERTY, as authorized by the DECLARATION, by these ARTICLES, and by the BYLAWS.

POWERS AND DUTIES 3.2 To administer, enforce, carry out and perform all of the acts, functions, rights and duties provided in, or contemplated by, the DECLARATION, ...

MEMBERS ... DECLARANT shall be a MEMBER of the COMMUNITY ASSOCIATION so long as DECLARANT owns any PROPERTY, or holds a mortgage encumbering any PROPERTY other than a UNIT.

DIRECTORS 7.1 The property, business and affairs of the COMMUNITY ASSOCIATION shall be managed by a BOARD which shall consist of not less than three (3) directors ... 7.3 The DECLARANT shall have the right to appoint all of the directors so long as DECLARANT owns any portion of the SUBJECT PROPERTY ... When the DECLARANT no longer owns any portion of the SUBJECT PROPERTY or any property that may be added to the SUBJECT PROPERTY, all of the directors shall be elected by the members in the manner provided in the BYLAWS. ... 7.4 ... any director appointed by the DECLARANT may only be removed by the DECLARANT, and any vacancy on the BOARD shall be appointed by the DECLARANT if, at the time such vacancy is to be filled, the DECLARANT is entitled to appoint the directors.

App. Not. of Reliance, 69 TTABVUE 90-96.

Applicant's first Board of Directors was composed of all Transeastern employees and Transeastern controlled the Board. Marino Test., 62 TTABVUE 34, 98, 101; Hajicek Disc. Dep. (March 3, 2014), 63 TTABVUE 264, 266. *See also* Tardiff Disc. Dep. 63 TTABVUE 88.

The Declaration referred to in Applicant's Articles of Incorporation was filed by Transeastern on October 6, 2003 and includes the following pertinent parts:

DECLARANT owns the property described herein, and intends to develop the property as a residential community. The purpose of this DECLARATION is to provide various use and maintenance requirements and restrictions in the best interest of the future owners of

dwellings within the property, to protect and preserve the values of the property. This DECLARATION will also establish an association which may own, operate and/or maintain various portions of the property and improvements constructed within the property, will have the right to enforce the provisions of this DECLARATION, and will be given various other rights and responsibilities.

NOW, THEREFORE, DECLARANT hereby declares that the SUBJECT PROPERTY, as herein defined, shall be held, sold, conveyed, leased, mortgaged, and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens, and charges set forth herein, all of which are created in the best interest of the owners and residents of the SUBJECT PROPERTY, and which shall run with the SUBJECT PROPERTY and shall be binding upon all persons having and/or acquiring any right, title or interest in the SUBJECT PROPERTY or any portion thereof, and shall inure to the benefit of each and every person, from time to time, owning or holding an interest in the SUBJECT PROPERTY, or any portion thereof. ...

2. COMMUNITY ASSOCIATION. In order to provide for the administration of the SUBJECT PROPERTY and this DECLARATION, the COMMUNITY ASSOCIATION has been organized under the Laws of the State of Florida. ...

2.3 Powers of the COMMUNITY ASSOCIATION. The COMMUNITY ASSOCIATION shall have all of the powers indicated or incidental to those contained in its ARTICLES and BYLAWS. In addition, the COMMUNITY ASSOCIATION shall have the power to enforce this DECLARATION and shall have all of the powers granted to it by this DECLARATION. By this DECLARATION, the SUBJECT PROPERTY is hereby submitted to the jurisdiction of the COMMUNITY ASSOCIATION.

Master Declaration, App. Not. of Reliance, 69 TTABVUE 60-89.

On December 2, 2003, Transeastern, as the grantor, signed a Quit Claim Deed conveying to Applicant the common areas in the Laguna Lakes residential community “together with all of the tenements, hereditaments and appurtenances

thereto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of the said Grantor, either in law or equity, to the only proper use, benefit and behoof of the said Grantee forever.” Hajicek Disc. Dep. (March 3, 2014), Exh. 2, 63 TTABVUE 244. The transfer of the property included ownership of signs bearing the LAGUNA LAKES and LAGUNA LAKES and design marks. Tardiff Disc. Dep., 63 TTABVUE 83-85 (“It is our contention that at the turnover, when we took over ownership, everything was quit-deeded over to us and whatnot, that the sign clearly with the logo and the name were on there. All the signage around Laguna Lakes has the name and the logo present.”) Further, it is Applicant’s position that the transfer of assets included intangible assets, which would include the subject marks. Hajicek Disc. Dep. (March 3, 2014), 63 TTABVUE 264, 282-83 (“Intangible assets go along with assets of a corporation. And also because of the fact that the name – the name of Laguna Lakes has always been with Laguna Lakes, and there is no documentation that withheld the name of Laguna Lakes from going to Laguna Lakes Community Association at that time, it is just common sense that it would have gone over.”)

Applicant asserts that it began using the marks in connection with the association services as of 2003. Hajicek Disc. Dep., 63 TTABVUE 257, 260 (“the date of first use of the Laguna Lakes logo and name mark by [Applicant] ... was probably as early as when the incorporation took place ... as of September of 2003 ... [Applicant was] using [the marks] from the standpoint of enticing people to purchase property in the community.”) Applicant argues that its “use of the Laguna

Lakes name and special form logo continued into and through 2006. ... During this time, as it does now, [Applicant] ‘managed’ the properties in Laguna Lakes and took ‘care of all of the amenities’ in the real estate development... [and] on or about August 24, 2006, there is no dispute that [Applicant] created its website located at LagunaLakesAssociation.com ... on which [Applicant] uses the Laguna Lakes name and special form logo, [and it] remains active today.” App. Br., 72 TTABVUE 16-17. *See also* Hajicek Disc. Dep. (August 23, 2013), 63 TTABVUE 198-99; and Tardiff Disc. Dep., 63 TTABVUE 31-32. Applicant acknowledges that the marks were used by Transeastern as well in connection with selling property in Laguna Lakes but points to the overlap in control between Transeastern and Applicant in the years 2003-2005 and the turnover of power to Applicant from Transeastern when Transeastern no longer controlled Applicant’s board in 2006. Applicant argues that Section 2.3 of the Master Declaration authorizes Applicant’s use of the LAGUNA LAKES and LAGUNA LAKES and design marks, and “erred on the side of caution” to rely on the filing date of the Master Declaration, October 6, 2003, as its date of first use rather than its date of incorporation September 26, 2003. 72 TTABVUE 17.

Transeastern stopped selling properties in Laguna Lakes between 2005-2006. *See* Hajicek Disc. Dep. (March 3, 2015), 63 TTABVUE 266; Tardiff Disc. Dep., 63 TTABVUE 63, 86, 88. This would indicate that at least by sometime in 2006, Transeastern no longer owned property in Laguna Lakes and Applicant was no longer under the control of Transeastern, based on the terms of the Master Declaration, which submits the “subject property” to the jurisdiction of the

“community association” and the Articles of Incorporation, which provide that once Transeastern “no longer owns any portion of the SUBJECT PROPERTY or any property that may be added to the SUBJECT PROPERTY, all of the directors shall be elected by the members.” *See* Master Declaration, 69 TTABVUE 60-89; Articles of Incorporation, 69 TTABVUE 90-96. Based on the record, Applicant had been providing association services since 2003 and the turnover of governance of the community from Transeastern to Applicant occurred in January 2006. Tardiff Disc. Dep., 63 TTABVUE 86. *See also* App. Not. of Reliance, 69 TTABVUE 109-113 (Applicant’s Annual Reports from 2004-2005 showing only Transeastern Board members, 2006 showing additional owner Board members, and 2007 showing the Transeastern Board members are no longer listed).

At some point, whatever assets remained with Transeastern (which could include assets unrelated to Laguna Lakes, the record is not clear on this point) were acquired by an entity called TOUSA. The only evidence about this transaction is an article from what appears to be an online magazine titled Builder dated July 2, 2007 which includes the following:

... TOUSA, Inc. is on the verge of acquiring outright the assets of its Transeastern Joint Venture, which in 2005 bought the assets of Transeastern Properties, Inc. ...

The information in the article is hearsay and Mr. Marino has no personal knowledge as to the date of the acquisition or as to what was left to be acquired. We do not know what Laguna Lakes property remained in Transeastern’s ownership at that point. It is quite possible that Transeastern no longer owned any property in Laguna Lakes at the time the supposed transaction took place. Certainly the

LAGUNA LAKES trademarks were not listed in TOUSA's bankruptcy schedule of assets and liabilities. App. Not. of Reliance, 69 TTABVUE 143-146. The only thing related to Laguna Lakes in TOUSA's possession apparently was the domain name www.lagunalakes.com, which may have remained dormant from the time of the acquisition. Marino Test., Exh. R, 62 TTABVUE 186 (printout from Wayback Machine dated September 22, 2008 indicating TOUSA as the owner of the domain). In 2006, when Transeastern would not have been involved in running the community, Applicant registered the domain www.lagunalakesassociation.com and began using it in connection with their association services. Tardiff Disc. Dep., 63 TTABVUE 117-118, Exh. H, 63 TTABVUE 183. Applicant uses the LAGUNA LAKES and LAGUNA LAKES and design marks in connection with the association services on this website. See specimen of use displayed *supra*. Sometime later, the lagunalakes.com domain was posted for sale on the Buydomains.com website and Opposer purchased it in 2012. Marino Test., 62 TTABVUE 52-3, Exh. R 62 TTABVUE 188.

Based on the Articles of Incorporation, Master Declaration, Quit Claim Deed, and the testimony of the two Board members, Mr. Tardiff and Mr. Hajicek, it is Applicant's position that Applicant "was formed in 2003, commenced use of the Laguna Lakes name and special form logo in 2003, and received ownership in 2003" and its "use of the Laguna Lakes name and special form logo continued into and through 2006" and the use continues through the present. 72 TTABVUE 16-17.

In his brief, Opposer asserts he “first used the MR. LAGUNA LAKES trademark as early as February 2003 during the grand opening of the development when he sold 11 properties during the first day of sales.” 71 TTABVUE 13. To support this statement he cites to his testimony on pages 21-22. However, there is absolutely no mention in his testimony of his use of the term MR. LAGUNA LAKES at this time.

Opposer asserts he first used MR. LAGUNA LAKES on business cards on August 3, 2004, based on a receipt for printing services that does not describe the items for which payment was made or what was printed on them. We are left to rely on the veracity of Mr. Marino’s testimony for this date. On February 17, 2005, Opposer registered the domain name MRLAGUNALAKES.COM. Opposer points to June 8, 2005, as the first time he used MR. LAGUNA LAKES on postcards, again based on a printing receipt. Marino Test., 62 TTABVUE 36-7. The business card is shown below:



Marino Test., Exh. 7, 62 TTABVUE 201.

The front of one postcard is shown below:



## Selling/Buying Laguna Lakes?

**Put My Experience To Work For You...**

- 12 Laguna Lakes Properties Sold
- Laguna Lakes Resident
- Beverly Hills HOA President

**Gerard Marino**  
"Mr. Laguna Lakes"  
**(239) 851-8883**

**Gerard Marino**  
RE/MAX Realty Group  
(239) 851-8883  
gmarino@remax.net

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**COLLECTOR CARD #1**  
July 10, 2003  
Digging Pebble Beach Lake  
(Next To Guard House)



Marino Test., Exh. I, 62 TTABVUE 204.

Here is the back of one postcard:



## #1 in Laguna Lakes Sales

Over \$8,000,000 in Laguna Lakes sales to date.  
If buying or selling in Laguna Lakes, call Gerard Marino  
for an absolutely free, no obligation consultation.

**Gerard Marino**  
(239) 851-8883  
gmarino@remax.net

<b>Short Sale!</b> 9230 Bellera Way #203	<b>4 Bedrooms!</b> 8999 Spring Mountain Way	<b>LOW PRICE!</b> 9250 Bellera Way #205	<b>4 Bedrooms Lake Front!</b> 9016 Bellera Way #202	<b>Short Sale!</b> 8969 Spring Mountain Way
<b>NEW!</b> 9100 Spring Mountain Way	<b>End Unit &amp; Lake Front!</b> 9205 Bellera Way #201	<b>Never Lived In!</b> 8823 Spring Mountain Way	<b>Short Sale!</b> 9259 Paseo De Valencia	<b>3 Bedrooms Lake Front!</b> 8800 Spring Mountain Way

Gerard Marino is an original Laguna Lakes resident and has served on the LLCA, Pebble Beach & Beverly Hills Boards.  
Call now for an absolutely free, no obligation consultation. Direct Phone: (239) 851-8883

**RE/MAX** REMAX REALTY GROUP

*Id.* at 223.

Opposer does not claim the LAGUNA LAKES logo as his mark, but he has included the LAGUNA LAKES logo in his advertising. There is a dearth of documentation in the record to show when that began. One example is shown below:



Marino Test., Exh. 7J, 62 TTABVUE 227.

The examples of his advertising that include the domain [www.lagunalakes.com](http://www.lagunalakes.com) would have started after he purchased that domain in 2012.

Opposer argues that Transeastern developed and used the marks, then transferred them to TOUSA and apparently now they are up for grabs, despite the existence and work of the community association, Applicant, since September, 2003. There is nothing in the record to show that Transeastern assigned its marks to TOUSA at the time TOUSA acquired Transeastern's remaining assets. It would appear that at that time or sometime shortly after the takeover, Transeastern no longer owned any property in the community, at which point the community association, Applicant, has all power to control how the community operates. In TOUSA's schedule of assets and liabilities it shows it had no interest in real property at the time of the bankruptcy in 2008. App. Not. of Reliance, 69 TTABVUE 129. Moreover, the list of TOUSA's intellectual property in the bankruptcy

proceeding clearly does not include the LAGUNA LAKES marks. App. Not. of Reliance, 69 TTABVUE 143-146.

Taking the totality of the record, we conclude that Opposer has not established prior proprietary rights in the term MR. LAGUNA LAKES superior to Applicant's rights. While Opposer's testimony of his use of MR. LAGUNA LAKES is sufficient to demonstrate his standing, it is not sufficient to allow him to prevail on his likelihood of confusion claim. Shortly after Transeastern created the name of the community, and marketed the community under the marks LAGUNA LAKES and LAGUNA LAKES logo, it established the community association named Laguna Lakes Community Association, Inc. to run the community using that name, and Applicant has continued to promote the community under the LAGUNA LAKES marks since then. Applicant, at minimum, shared control over the marks from the fall of 2003, as used in connection with association services, as Applicant's Board was made up entirely of Transeastern employees and both parties, Transeastern and Applicant, worked in concert to promote, develop and maintain the residential community, with a clear plan to cede over complete power to Applicant once Transeastern no longer owned property in the community. Articles of Incorporation, 62 TTABVUE 162; Master Declaration, 69 TTABVUE 52. Moreover, the examples of use of these marks from 2003 on include the application's identified services of "promoting the use of ... the real estate."

By contrast, Opposer gave himself the nickname MR. LAGUNA LAKES, presumably sometime in 2004 after he sold a substantial number of properties

within the Laguna Lakes community. This moniker appears on his business cards and postcards, directly underneath his name, as his self-styled nickname, using the name of the residential community. It is not clear that potential consumers would view his nickname as a service mark. It appears more in the nature of fair use to describe what it is he is selling, similar to the other real estate agents' uses of Laguna Lakes as shown below.



Marino Test., Exh. 8, 62 TTABVUE 170, 171.

Opposer's nickname is no more a service mark in that context than his personal name. The service mark on these cards is ReMax.

Clearly, throughout this period since the fall of 2003 the marks LAGUNA LAKES and LAGUNA LAKES logo identified Transeastern and Applicant as the source of the real estate development services (Transeastern) and the various association services promoting and maintaining the community (Applicant), not Opposer. *Cf. Tortoise Island Homeowners Association, Inc. v. Tortoise Island Realty, Inc.*, 790 So.2d 525 (Fla. Dist. Ct. App. 5th District 2001) (Association had proprietary rights in name of development TORTOISE ISLAND used since the late 1970s and use by real estate agent contributed to loss of distinctiveness); *Horseshoe*

*Bay Resort Sales Co. v. Lake Lyndon B. Johnson Imp. Corp.*, 53 S.W.3d 799 (Tex. App. Austin 2001) (HORSESHOE BAY held to be a service mark for real estate development and use of name in local real estate broker's domain infringed service mark). *See also* 2 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 14:16 (4th ed. 2015). Opposer's use of the name MR. LAGUNA LAKES did not establish proprietary rights superior to Applicant's. Further, Opposer's acquisition of the domain name lagunalakes.com was in 2012, long after Transeastern's and Applicant's use of the marks and Applicant's registration of its domain lagunalakesassociation.com in 2006. In any event, a domain name is not a trademark.

After careful consideration of the evidence and the parties' briefs, we conclude that Opposer has failed to establish his priority, which is a necessary element of any claim under Trademark Act Section 2(d). We need not reach the issue of likelihood of confusion because without proof of priority, Opposer cannot prevail.

**Decision:** The oppositions are dismissed.