

This Decision is not a
Precedent of the TTAB

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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GCP

Mailed: May 29, 2015

Opposition No. 91204917

(Parent Case)

Opposition No. 91207335

Opposition No. 91207365

El Encanto, Inc. d/b/a Bueno Foods

v.

Hatch Chile Company, Inc.

Cancellation No. 92056871

*El Encanto, Inc. d/b/a Bueno Foods, and
Hatch Chile Association*

v.

Hatch Chile Company, Inc.

Before Bucher, Cataldo, and Greenbaum,
Administrative Trademark Judges.

By the Board:

Hatch Chile Company, Inc. (“Applicant/Respondent”) seeks to register the following marks for the following goods:

1. HATCH, in standard characters, for “Processed tomatoes and chile; processed tomatoes and jalapenos; processed jalapenos; processed tomatillos; green chile stew” in International Class 29 and “Taco sauce, salsa featuring green

chile, and salsa featuring diced tomatoes” in International Class 30 (subject to Opposition No. 91204917);¹

2. **HATCH** for “Processed jalapenos, processed green chile, green chile stew, processed tomatoes and green chile, processed tomatoes and jalapenos, snack mix consisting primarily of processed peanuts, processed almonds, sesame sticks and seasonings” in International Class 29 and “Sauces, namely, salsa and taco sauce; enchilada sauce” in International Class 30 (subject to Opposition No. 91207335);²

3. **HATCH** for “Processed jalapenos, processed green chile, green chile stew, processed tomatoes and green chile, processed tomatoes and jalapenos, snack mix consisting primarily of processed peanuts, processed almonds, sesame sticks and seasonings” in International Class 29 and “Sauces, namely, salsa and taco sauce; enchilada sauce” in International Class 30 (subject to Opposition No. 91207365).³

¹ Application Serial No. 85359610, filed on June 29, 2011, based upon a *bona fide* intention to use the mark in commerce under Section 1(b) of the Trademark Act, 15 U.S.C. § 1051(b).

² Application Serial No. 85556157, filed on February 29, 2012, claiming July 30, 1988 as both the date of first use and the date of first use in commerce for the Class 29 goods, and December 31, 1992 as both the date of first use and the date of first use in commerce for the Class 30 goods.

³ Application Serial No. 85556144, filed on February 29, 2012, claiming July 30, 1988 as both the date of first use and the date of first use in commerce for the Class 29 goods, and December 31, 1992 as both the date of first use and the date of first use in commerce for the Class 30 goods.

Applicant/Respondent is also the owner of the registered mark HATCH, in standard characters, for “Enchilada sauce and sauce for rice” in International Class 30 (subject to Cancellation No. 92056871).⁴

El Encanto, Inc. d/b/a Bueno Foods (“Opposer”) opposes the registration of the above-identified HATCH marks on the following grounds: (1) the mark HATCH is primarily geographically deceptively misdescriptive under Section 2(e)(3) of the Trademark Act, 15 U.S.C. § 1052(e)(3); (2) the mark HATCH is primarily geographically descriptive under Section 2(e)(2) of the Trademark Act, 15 U.S.C. § 1052(e)(2); and (3) Applicant/Respondent is in violation of an agreement between a predecessor company of Applicant/Respondent and Opposer which prohibits Applicant/Respondent from using the term HATCH alone as a trademark for Chile.

El Encanto, Inc. d/b/a Bueno Foods and Hatch Chile Association (“Petitioners”) seek to cancel Applicant/Respondent’s registered HATCH mark on the same grounds asserted in the oppositions consolidated herein.

Applicant/Respondent has filed answers to the notices of opposition and petition to cancel denying the salient allegations asserted therein. Additionally, Applicant/Respondent has asserted various affirmative defenses in its answers.

These consolidated proceedings now come before the Board for consideration of Applicant/Respondent’s motion (filed January 14, 2015) for partial summary

⁴ Registration No. 3391024, registered on March 4, 2008, claiming November 15, 1988 as both the date of first use and the date of first use in commerce. Section 8 affidavit accepted and Section 15 affidavit acknowledged on March 27, 2013.

judgment on Opposer's/Petitioners' claim that Applicant/Respondent's involved HATCH marks are primarily geographically descriptive. The motion is fully briefed.

In support of its motion for partial summary judgment, Applicant/Respondent contends that its HATCH marks are not primarily geographically descriptive of its identified goods, but even assuming *arguendo* that they are, the marks have nonetheless acquired distinctiveness in light of Applicant/Respondent's alleged promotion and continuous use of its HATCH marks since the late 1980s. In support of its motion, Applicant/Respondent relies heavily on a national scientific telephonic survey conducted by Brian Sanderoff (the "Sanderoff Expert Report"). Applicant/Respondent maintains that the Sanderoff Expert Report reveals that (1) 93% of relevant American consumers did not know of a geographical location within the United States called "HATCH"; (2) 97% of relevant American consumers did not know that "HATCH" is located in the State of New Mexico; (3) 96% of the relevant American consumers did not associate the word HATCH with chile; and (4) more than 99% of American consumers did not associate HATCH with any of Applicant/Respondent's identified goods. Based upon these survey results, Applicant/Respondent argues that the public's perception of the word "hatch" as a geographic location anywhere in the United States is virtually non-existent.

Applicant/Respondent also maintains that because consumers do not associate the word "hatch" with a geographic location, consumers would necessarily find it difficult to identify any goods that come from a "Hatch" location somewhere in the United States.

Applicant/Respondent further contends that even if the Sanderoff Expert Report was not conclusive proof that the term “hatch” is not geographically well known by a significant amount of relevant American consumers, review of various geographical dictionaries demonstrate that the terms “Hatch,” “Hatch Valley,” “Hatch Valley Region,” or even the “village of Hatch” are not geographically known or recognized at all.

Finally, Applicant/Respondent concedes, and only for the purposes of its motion for partial summary judgment, that there is limited evidence that consumers from New Mexico may conclude that the term “hatch” is associated with green chile, but that most of these references are self-promotional hype or were created long after Applicant/Respondent obtained its federal trademark rights in its HATCH marks. Moreover, Applicant/Respondent contends that this evidence only refers to green chile and therefore such limited evidence does not prove that the term “hatch” is immediately perceived by U.S. consumers as a geographical place.

In support of its motion for partial summary judgment, Applicant/Respondent has submitted the following evidence: (1) Trademark Electronic Search System (“TESS”) copies of its pending applications for the mark HATCH, as well as a TESS copy of its registered HATCH mark;⁵ (2) copy of the Sanderoff Expert Report; (3) excerpts from various geographic dictionaries which do not have entries for the term “Hatch”; and (4) search results for the term “hatch” conducted on encyclopedia.com which allegedly do not reveal any geographic significance of the term “hatch”; and

⁵ It was unnecessary for Applicant/Respondent to submit copies of its subject applications and subject registration since they are automatically of record. See Trademark Rule 2.122(b).

(5) a copy of an article downloaded from the Internet from the food section of the San Antonio Express-News dated September 15, 1999 which states, among things, that “Hatch is the self-proclaimed ‘Chile Capital of the World.’”

In response, Opposer’s/Petitioners contest the methodology employed by Mr. Sanderoff in conducting his survey and formulating his expert report. In particular, Opposer/Petitioners contend, among other things, that Mr. Sanderoff (1) did not use the term “Hatch Valley” in performing his survey; (2) did not consider surveying any companies that buy green chile from Hatch Valley or any food companies that process chile; (3) did not consider defining the relevant survey population in any other manner, other than creating a survey population including the entirety of the adult population in the continental United States. In view of these alleged deficiencies, Opposer/Petitioners maintain that (1) the report cannot be viewed to be uncontroverted, (2) the survey methodology is unsound, and (3) the report is not probative.

Notwithstanding the foregoing, Opposer/Petitioners argue that the existence of documentary evidence in the nature of cookbooks outlining recipes to bring out the unique flavor of Hatch chiles, travel guides, newspaper and magazine articles, blog entries, websites, etc., demonstrate that the term HATCH denotes a geographic location known for chiles, which raises a genuine dispute of material fact with regard to the geographic significance of the term “hatch.” Additionally, Opposer/Petitioners contend that Mr. Stephen H. Dawson, president and owner of Applicant/Respondent, both as a managerial-level executive and Rule 30(b)(6)

corporate witness, testified, *inter alia*, that (1) he was aware that “Hatch” is a known geographic area in connection with chiles; (2) he was aware of a village called Hatch in the State of New Mexico, (3) Applicant/Respondent has participated in and is a supporter of the Hatch Valley Chile Festival, held in Hatch, New Mexico over Labor Day weekend; and (4) the Hatch region in New Mexico is the best area to grow green chiles.

In support of its response, Opposer/Petitioners submitted the following evidence, among other things: (1) excerpts from the individual and 30(b)(6) deposition of Applicant/Respondent’s president, Mr. Stephen H. Dawson, (2) a list of titles of articles and cookbooks that purportedly contain information demonstrating the geographic significance of the term “hatch” in relation to chiles, (3) copies of pages from the HATCH CHILE COOKBOOK which allegedly recognizes that Hatch Valley in New Mexico is known as a geographic area where dozens of varieties of chiles are grown, and (4) product descriptions of Applicant/Respondent’s goods downloaded from Applicant/Respondent’s website which state that Applicant/Respondent’s “Hatch chiles” are grown in the Hatch Valley of New Mexico.

In reply, Applicant/Respondent argues, *inter alia*, that Mr. Dawson’s statements that he knows where the village of Hatch exists in New Mexico has no bearing on whether a significant portion of relevant American consumers associate the term “hatch” with any particular product, including chile. With regard to Opposer’s/Petitioners’ arguments regarding the probative nature of the Sanderoff

Expert Report, Applicant/Respondent contends that Opposer/Petitioners failed to cite to any case law from either the Board or the Federal Circuit which demonstrates that Mr. Sanderoff's methodology was incorrect, or that as a result of his survey methodology, the results in the report are not absolutely true and correct.

Furthermore, Applicant/Respondent objects to the lists of newspaper articles and cookbooks submitted by Opposer/Petitioners in support of their responses because (1) Opposer/Petitioners failed to provide a complete copy of each of these articles or documents, (2) the documents are not authenticated, and (3) the documents have not been introduced by way of affidavit pursuant to Fed. R. Civ. P. 56(e).⁶

Decision

A party is entitled to summary judgment when it has demonstrated that there are no genuine disputes as to any material facts, and that it is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(a). The evidence must be viewed in a light favorable to the nonmoving party, and all justifiable inferences are to be drawn in the nonmovant's favor. *Opryland USA Inc. v. The Great American Music Show, Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992).

Upon careful consideration of the arguments and evidence presented by the parties, and drawing all inferences with respect to Applicant/Respondent's motion in favor of Opposer/Petitioners as the nonmoving parties, we find that there are

⁶ The Board notes with regard to the third objection that Applicant/Respondent did not submit any of its own evidence by way of an affidavit or declaration pursuant to Fed. R. Civ. P. 56(e).

genuine disputes of material fact with regard to Opposer's/Petitioners' claim of geographic descriptiveness which precludes disposition of this consolidated case by way of summary judgment.

At a minimum, we find that genuine disputes of material fact exist as to whether the primary significance of the term "hatch" is geographic. Also, we find that genuine disputes of material fact exist as to whether consumers would recognize the term "hatch" as a geographic location known for chiles.

In view thereof, Applicant/Respondent's motion for partial summary judgment on Opposer's/Petitioners' geographic descriptiveness claim is **DENIED**.⁷

As a final matter, the Board notes that on January 15, 2015, during the pendency of Applicant/Respondent's motion for partial summary judgment, Opposer/Petitioners filed a motion to reopen discovery. By order dated February 23, 2015, the Board, *inter alia*, deferred consideration of Opposer's/Petitioners' motion to reopen pending the disposition of Applicant/Respondent's motion for partial summary judgment. Because the Board has now denied Applicant/Respondent's motion for partial summary judgment, Applicant/Respondent is allowed until **twenty (20) days** from the mailing date of this order in which to file and serve a response to the motion to reopen.

⁷ The parties should note that the evidence submitted in connection with Applicant/Respondent's motion for summary judgment and response thereto is of record only for consideration of the motion. *See infra*. To be considered at final hearing, any such evidence must be properly introduced in evidence during the appropriate trial period. *See Levi Strauss & Co. v. R. Josephs Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993); *Pet Inc. v. Bassetti*, 219 USPQ 911 (TTAB (1983)). Furthermore, the fact that we have identified certain genuine disputes as to material facts sufficient to deny Applicant/Respondent's motion should not be construed as a finding that these are necessarily the only disputes which remain for trial.

These consolidated proceedings otherwise remain suspended pending the disposition of Opposer's/Petitioners' motion to reopen discovery.