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Mailed: May 12, 2020

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

J.C. Newman Cigar Company

v.

Fairmont Holdings, Inc.

Opposition No. 91239345

Jordan S. Weinstein, and Sarah P. Harrell of Barnes & Thornburg LLP, for J.C. Newman Cigar Company.

Kimberly Kolback of Law Offices of Kimberly Kolback, for Fairmont Holdings, Inc.

Before Mermelstein, Wolfson, and Coggins, Administrative Trademark Judges.

Opinion by Wolfson, Administrative Trademark Judge:

Applicant, Fairmont Holdings, Inc., seeks registration on the Principal Register of the mark GOLD CROWN (in standard characters) for "Cigar boxes; Cigar cutters; Cigar tubes; Cigars; Tobacco" in International Class 34.1

¹ Application Serial No. 87544265, filed July 26, 2017, based on Applicant's allegation of a bona fide intent to use the mark in commerce, under Section 1(b) of the Trademark Act, 15 U.S.C. § 1051(b).

J.C. Newman Cigar Company ("Opposer") opposes registration of Applicant's mark under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), on the ground that the mark so resembles Opposer's previously used and registered mark DIAMOND CROWN (typed²) for the following International Class 34 goods:

- cigars;³
- smokers' articles, namely, cigar humidors not of precious metal;⁴
- smokers' articles, namely, ashtrays not of precious metal, cigar pouches;⁵ and
- humidor humidification system, namely, water reservoir, wick and vented housing unit;6

as to be likely to cause confusion, mistake, or deception among relevant consumers.

Applicant denied the salient allegations in the Notice of Opposition.⁷

I. THE RECORD

The record includes the pleadings, and, by operation of Trademark Rule 2.122(b), 37 C.F.R. § 2.122(b), the file of the subject application. The record also includes evidence submitted by both parties. Opposer objects to portions of Alan Rubin's testimony as well as third-party declaration testimony provided by Applicant and several exhibits accompanying the testimony. None of the testimony or exhibits

 $^{^2}$ A mark depicted in a "typed drawing" is the equivalent of a standard character mark. See Trademark Rule 2.52(a).

³ Reg. No. 1850011, issued August 16, 1994; renewed.

⁴ Reg. No. 2086129, issued August 5, 1997; renewed.

⁵ Reg. No. 2111173, issued November 4, 1997; renewed.

⁶ Reg. No. 2346372, issued May 2, 2000; renewed.

⁷ Applicant's affirmative defenses were not pursued at trial and are considered waived. See Harry Winston, Inc. v. Bruce Winston Gem Corp., 111 USPQ2d 1419, 1422-23 n.7 (TTAB 2014) (finding affirmative defense not pursued at trial waived).

sought to be excluded is outcome determinative. Given this fact, we have not discussed the objections in detail here. We address below Opposer's objections to the cited evidence on which we rely. See Kohler Co. v. Baldwin Hardware Corp., 82 USPQ2d 1100, 1104 (TTAB 2007) ("[W]e see no compelling reason to painstakingly go through all of the objections one by one except insofar as they relate to the outcome determinative testimony and evidence.").

A. Opposer's Evidence

- 1. Testimony Declaration of Andrew Newman, Vice President and General Counsel of Opposer ("Newman Decl."), with Opposer's Exhibits 1-10;
- 2. First Notice of Reliance on third-party publications, websites, and online dictionary definitions; Applicant's responses to discovery requests (Opposer's Exhibits 11A-23);
- 3. Rebuttal Testimony Declaration of Andrew Newman, ("Newman Rebuttal Decl."), with Opposer's Exhibits 24-43; and
- 4. Second Notice of Reliance, with Opposer's Exhibits 25-43 (also attached to the Newman Rebuttal Decl.).

B. Applicant's Evidence

- 1. Testimony Declaration of Alan Rubin, President of Applicant ("Rubin Decl.");
- 2. First Notice of Reliance, with Applicant's Exhibits 1-48; and
- 3. Second Notice of Reliance, with Applicant's Amended Exhibits A-C and Exhibits D-F.

II. STANDING AND PRIORITY

Opposer made its four pleaded registrations of record by attaching to its Notice of Opposition printouts obtained from the USPTO's TSDR database showing the registrations' current status and title in Opposer. Trademark Rule 2.122(d)(1). The registrations establish Opposer's standing. *Cunningham v. Laser Golf Corp.*, 222 F.3d

943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); Lipton Indus., Inc. v. Ralston Purina Co., 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). Because Applicant has not counterclaimed to cancel the registrations, priority is not at issue as to the mark and goods covered in Opposer's pleaded registrations. King Candy Co. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108, 110 (CCPA 1974).

III. LIKELIHOOD OF CONFUSION

Our determination of the issue of likelihood of confusion is based on an analysis of all the probative facts in evidence that are relevant to the factors set forth in *In* re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973) ("DuPont"); see also In re Majestic Distilling Co., 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003). We make that determination on a case-by-case basis, On-Line Careline Inc. v. Am. Online Inc., 229 F.3d 1080, 56 USPQ2d 1471, 1474 (Fed. Cir. 2000), aided by the application of the factors set out in *DuPont*, and we consider each DuPont factor for which there is evidence and argument. See In re Guild Mortg. Co., 912 F.3d 1376, 129 USPQ2d 1160, 1162 (Fed. Cir. 2019); In re Country Oven, Inc., 2019 USPQ2d 443903, 2 (TTAB 2019). "In any likelihood of confusion analysis, two key considerations are the similarities between the marks and the similarities between the goods and services." In re Chatam Int'l Inc., 380 F.3d 1340, 71 USPQ2d 1944, 1945 (Fed. Cir. 2004), cited in Ricardo Media Inc. v. Inventive Software, LLC, 2019 USPQ2d 311355, 5 (TTAB 2019); see also In re i.am.symbolic, llc, 866 F.3d 1315, 123 USPQ2d 1744, 1747 (Fed. Cir. 2017). We have also considered the strength of Opposer's mark, the trade channels for the goods, the classes of consumers, the

conditions under which sales are made, and the nature and extent of any actual confusion.

A. Relatedness of the goods

We first address the relatedness of the parties' goods, considering the goods as identified in Applicant's application and Opposer's registrations. *Stone Lion Capital Partners, LP v. Lion Capital LLP*, 746 F.3d 1317, 110 USPQ2d 1157, 1161-62 (Fed. Cir. 2014) ("the question of registrability of an applicant's mark must be decided on the basis of the identification of goods set forth in the application"); *see also Hewlett-Packard Co.*, 281 F.3d 1261, 62 USPQ2d 1001, 1004 (Fed. Cir. 2002). The goods are in-part identical and otherwise highly related.

First, both parties' identifications include the identical goods "cigars." That alone is sufficient for a finding that the second *DuPont* factor favors likelihood of confusion. See Double Coin Holdings Ltd. v. Tru Dev., 2019 USPQ2d 377409, 6 (TTAB 2019) (citing Tuxedo Monopoly, Inc. v. Gen. Mills Fun Grp., 648 F.2d 1335, 209 USPQ 986, 988 (CCPA (1981)). The remaining goods are all highly related as articles for cigar storage (i.e., cigar boxes and humidors), or substances (i.e., tobacco) or articles (i.e., cigar cutters and tubes, ashtrays), which may be used by smokers while smoking a cigar or in preparation for smoking. In particular, cigars are made from tobacco, and smokers seeing the same mark on cigars and tobacco are likely to believe that they originate from a common source. See, e.g., Consolidated Cigar Corp. v. Liggett & Myers Tobacco Co., 137 USPQ 483, 484 (TTAB 1963) ("There is no doubt that if cigars and chewing tobacco or smoking tobacco were sold under the same or similar marks,

the purchasing public would readily assume that the products originate with a single producer or seller.").

Accordingly, the second DuPont factor strongly favors a finding of likelihood of confusion.

B. Strength of Opposer's mark

We next examine the strength of Opposer's mark to determine the scope of protection to which it is accorded. A mark's strength is measured both by its conceptual, or inherent, strength and its commercial, or marketplace, strength. In re Chippendales USA, Inc., 622 F.3d 1346, 96 USPQ2d 1681, 1686 (Fed. Cir. 2010); see also Bell's Brewery, Inc. v. Innovation Brewing, 125 USPQ2d 1340, 1345 (TTAB 2017) ("In determining strength of a mark, we consider both inherent strength, based on the nature of the mark itself, and commercial strength or recognition."); 2 J. THOMAS MCCARTHY, McCarthy on Trademarks and Unfair Competition § 11:80 (5th ed. March 2020 update) ("The first enquiry is for conceptual strength and focuses on the inherent potential of the term at the time of its first use. The second evaluates the actual customer recognition value of the mark at the time registration is sought or at the time the mark is asserted in litigation to prevent another's use.").

Opposer argues that the DIAMOND CROWN mark is "renowned in the cigar market and among consumers of cigars" by virtue of its extensive use in connection with the goods for over 20 years, the significant sales and advertising expenses spent on promoting the mark, and the recognition given the DIAMOND CROWN cigars by

third-party media.⁸ Applicant argues to the contrary that the mark is inherently weak and that the scope of its protection has been reduced by "third party use of the term 'CROWN' in the cigar industry."⁹

1. Inherent Strength of Opposer's Mark

"In order to determine the conceptual strength of the cited mark, we evaluate its intrinsic nature, that is, where it lies along the generic-descriptive-suggestivearbitrary (or fanciful) continuum of words." In re Davia, 110 USPQ2d 1810, 1815 (TTAB 2014). Opposer's mark DIAMOND CROWN is inherently distinctive as evidenced by its registration on the Principal Register without a claim of acquired distinctiveness under Section 2(f) of the Trademark Act. Tea Bd. of India v. Republic of Tea, Inc., 80 USPQ2d 1881, 1889 (TTAB 2006). Notwithstanding, "evidence of third-party registrations is relevant to 'show the sense in which a mark is used in ordinary parlance,' ... that is, some segment that is common to both parties' marks may have 'a normally understood and well-recognized descriptive or suggestive meaning, leading to the conclusion that that segment is relatively weak." Jack Wolfskin Austrang Fur Draussen GmbH & Co. KGAA v. New Millenium Sports. S.L.U., 797 F.3d 1363, 116 USPQ2d 1129, 1136 (Fed. Cir. 2015) (quoting Juice Generation, Inc. v. GS Enters. LLC, 794 F.3d 1334, 115 USPQ2d 1671, 1675 (Fed. Cir. 2015)); see also In re I-Coat Co., LLC, 126 USPQ2d 1730, 1735 (TTAB 2018) (third-party registrations can be used to demonstrate that a term may have a commonly accepted meaning); Top Tobacco LP v. N. Atl. Operating Co., 101 USPQ2d

⁸ 25 TTABVUE 14.

⁹ 27 TTABVUE 9.

1163, 1173 (TTAB 2011) (third-party registrations indicate term CLASSIC has suggestive meaning as applied to tobacco products).

Applicant argues that "[i]f the common element of two marks is 'weak' in that it is generic, descriptive or highly suggestive of the named goods, it is unlikely that consumers will be confused." In support, Applicant introduced copies of thirteen third-party registrations for the term CROWN, and its Spanish counterpart CORONA, for "cigars" printed from the USPTO Trademark Electronic Search System (TESS). These registrations are for the marks BLACK CROWN, the UNDERCROWN, should be common that it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused. The support of the named goods, it is unlikely that consumers will be confused to the support of the named goods of the named goods. The support of the named goods of the named goods of the named goods of the named goods.

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¹⁰ 27 TTABVUE 7.

¹¹ Applicant submitted fourteen registrations, but one has been cancelled. Thus, it does not receive any evidentiary presumptions under Section 7(b) of the Trademark Act. See, e.g., Action Temp. Servs. Inc. v. Labor Force Inc., 870 F.2d 1563, 10 USPQ2d 1307, 1309 (Fed. Cir. 1989) ("[A] cancelled registration does not provide constructive notice of anything"); Kemi Organics, LLC v. Gupta, 126 USPQ2d 1601, 1606 (TTAB 2018).

 $^{^{12}}$ Applicant submitted a definition of "corona" from Merriam-Webster's "Spanish Central" dictionary, showing "corona = crown $feminine\ noun."$ 11 TTABVUE 217.

¹³ First Notice of Reliance, 11 TTABVUE 107-135, Exhibits 13-26. Applicant also submitted search results from its search of marks in the TESS database, listing applications and registrations by mark, Serial No. or Reg. No., and whether the application or registration is "live" or "dead." Applicant's Notice of Reliance, Exhibits 12, 32, 33, 42, and 43 at 11 TTABVUE 103-05; 156-66; 183-89. Pursuant to the Board's order dated August 29, 2019, 20 TTABVUE at 6-7, the underlying third-party registrations listed in these TESS records are not of record, and although the lists are of record as Internet printed publications, they have no probative value.

¹⁴ Reg. No. 4238849.

 $^{^{15}}$ Reg. No. 4191614.

¹⁶ Reg. No. 5051153.

¹⁷ Three registrations include the phrase "PLATINUM CROWN": Reg. No. 2821180 for the mark ZINO PLATINUM CROWN SERIES ("SERIES" disclaimed); Reg. No. 3076854 for the mark ZINO PLATINUM CROWN SERIES BARREL ("SERIES" disclaimed); and Reg. No. 4057037 for the mark Z ZINO PLATINUM CROWN SERIES and design ("SERIES" disclaimed). Each registration is owned by Davidoff & Cie SA.

CORONA,¹⁸ GRAN CORONA,¹⁹ ENGLISH CORONAS,²⁰ CORONA CLASSICO,²¹ and J.R. SPECIAL CORONA.²²

The inherent strength of Opposer's mark "DIAMOND CROWN" has not been weakened by the existence of these thirteen registrations. On the other hand, the existence of four iterations of the term CROWN that are presented in the thirteen registrations, i.e., BLACK CROWN, UNDERCROWN, SHROUDED CROWN, and ZINO PLATINUM CROWN, coupled with the fact that "crown" is defined as, inter alia, "a mark of honor," "the highest part," "the summit of a mountain," and "a royal or imperial headdress or cap of sovereignty," indicate that buyers of "CROWN" branded cigars likely perceive the term as suggesting the cigars are of a high or superior quality. Moreover, to consumers who perceive Opposer's DIAMOND CROWN and Applicant's GOLD CROWN marks as connoting royal lineage, the BLACK CROWN and ZINO PLATINUM CROWN marks similarly suggest nobility, wealth and high status. See In re Kysela Pere et Fils Ltd., 98 USPQ2d 1261, 1267 (TTAB 2011) ("consumers are likely to view the design [of a crown] merely as indicating that the goods are superior or 'fit for a king,' i.e., the crown has a laudatory

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¹⁸ Three registrations, each owned by Max Rohr, Inc, include the term "LA CORONA": Reg. No. 0092892 for the mark LA CORONA; Reg. No. 0862283 for the mark LA CORONA and design; and Reg. No. 1370472 for the mark LA CORONA WHIFFS and design ("WHIFFS" disclaimed).

¹⁹ Reg. No. 1043719.

²⁰ Reg. No. 1631056 ("CORONAS" disclaimed; acquired distinctiveness claim "in whole").

²¹ Reg. No. 2835738 ("CORONA" disclaimed; acquired distinctiveness claim "in whole").

²² Reg. No. 4141771 for the mark J.R. SPECIAL CORONA ("SPECIAL CORONA" disclaimed). The registrations for CORONA CLASSICO and J.R. SPECIAL CORONA are both owned by JR Cigar, Inc.

²³ See definition of "crown" from Merriam-Webster.com at 9 TTABVUE 112.

suggestive connotation"); Wachovia Bank & Tr. Co. v. Crown Nation Bancorporation, Inc., 835 F. Supp. 882, 27 USPQ2d 1698, 1701 (W.D.N.C. 1993) (finding that "[t]he term 'Crown' is suggestive in that it implies some sort of prestige service, the image both parties are trying to project to their target audience").²⁴

The evidence shows that the term "CROWN" is conceptually weak for cigars. See In re Hartz Hotel Servs. 102 USPQ2d 1150, 1153 (TTAB 2012) (citing Jerrold Elecs. Corp. v. The Magnavox Co., 199 USPQ 751, 758 (TTAB 1978) (finding six third-party registrations "reflect a belief, at least by the registrants, who would be most concerned about avoiding confusion and mistake, that various 'STAR' marks can coexist provided that there is a difference.") (internal citation omitted)); Plus Prods. v. Natural Organics, Inc., 204 USPQ 773, 779-80 (TTAB 1979) (allowing registration of NATURE'S PLUS for vitamins despite opposer's prior registration of PLUS for vitamins given coexistence of fifteen third-party registrations containing PLUS for similar goods).

2. Commercial Strength of Opposer's Mark

Commercial strength is the extent to which the relevant public recognizes a mark as denoting a single source. *Tea Bd. of India*, 80 USPQ2d at 1899. We examine the extent to which a mark has acquired commercial strength in the marketplace under the fifth and sixth *DuPont* factors, "fame of the prior mark (sales, advertising, length of use)" and "the number and nature of similar marks in use on similar goods."

²⁴ As for the marks containing the term CORONA, Applicant explains that "this Spanish word for 'CROWN' is used heavily throughout the cigar industry to define the approximate length and width of a cigar, not the manufacturer or brand." Accordingly, these marks have little probative value in determining the perception of consumers.

DuPont, 177 USPQ at 567. The fifth factor (fame) examines the extent to which the public perceives the mark as indicating a single source of origin, while the sixth factor (use by others) mitigates against a mark's potential recognition by considering whether, because of widespread third-party use of similar marks in the marketplace, "customers have been educated to distinguish between different such marks on the bases of minute distinctions." Palm Bay Imps. Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772, 396 F.3d 1369, 73 USPQ2d 1689, 1694 (Fed. Cir. 2005). In the context of a likelihood of confusion analysis, the commercial strength of a mark is not a binary factor. Rather, it "varies along a spectrum from very strong to very weak." Joseph Phelps Vineyards, LLC v. Fairmont Holdings, LLC, 857 F.3d 1323, 122 USPQ2d 1733, 1734 (Fed. Cir. 2017) (quoting Palm Bay Imps., 73 USPQ2d at 1694)). Our focus is on "the class of customers and potential customers of a product or service, and not the general public." Joseph Phelps Vineyards, 122 USPQ2d at 1734.

Opposer argues that its mark "is renowned in the cigar market and among consumers of cigars." A mark's commercial strength may be measured "indirectly, among other things, by the volume of sales and advertising expenditures of the goods traveling under the mark, and by the length of time those indicia of commercial awareness have been evident." *Bose Corp. v. QSC Audio Prods. Inc.*, 293 F.3d 1367, 63 USPQ2d 1303, 1305-06 and 1309 (Fed. Cir. 2002). Opposer has been selling DIAMOND CROWN cigars since 1995. 26 According to Mr. Newman's declaration,

²⁵ 25 TTABVUE 14.

²⁶ 6 TTABVUE 4.

"Diamond Crown cigars continue to be among the best-selling Super Premium cigars on the market."²⁷ As "premium, high-end cigars," each DIAMOND CROWN cigar is inspected three times, aged twelve months, and enclosed in a wrapper that is five-years old and "conditioned, graded and selected for a second fermentation [that] evens and develops the color of the tobacco wrapper and eliminates any potential rawness, accounting for much of Diamond Crown's sweet, smooth, rich flavor."²⁸ Opposer started selling cigar accessories in "the mid-1990s."²⁹

Cigar sales under the DIAMOND CROWN mark have been in the several millions per year for the past four years, and advertising expenses were approximately one million dollars per year over the past two years. Opposer did not provide evidence as to the market share for its goods so as to enable us to place the impact of such figures in context. "Large market shares of product sales or large percentages of advertising expenditures in a product line would buttress claims to fame." Bose Corp., 63 USPQ2d at 1309. On the other hand, we find additional indicia of commercial success, as detailed below, sufficient to show that Opposer's mark has achieved recognition. First, the mark has been in use on cigars for over 20 years. Second, CIGAR AFICIONADO MAGAZINE, a magazine devoted to cigar enthusiasts, ranked the "DIAMOND CROWN Maximus Double Corona No. 1" fourth out of 25 "top cigars" in

²⁷ 6 TTABVUE 5.

²⁸ 6 TTABVUE 4-5.

²⁹ 6 TTABVUE 5.

³⁰ 6 TTABVUE 6; confidential copy of Newman Decl. at 7 TTABVUE. Because sales and advertising figures for cigars and cigar accessories have been filed under seal, we discuss them only in general terms.

2009; gave the "DIAMOND CROWN Julius Caeser³¹ Pyramid" cigar a rating of 93 out of 100 in 2011; ranked the "DIAMOND CROWN Julius Caeser Robusto" cigar 14th out of 25 in 2015; and gave the "DIAMOND CROWN Figurado No. 6" a score of 91 points out of 100 in 2016.³² CIGAR AND SPIRITS MAGAZINE named the "DIAMOND CROWN JULIUS CAESER PYRAMID" the "2017 Cigar of the Year." See Bose Corp., 63 USPQ2d at 1309 (finding "sales and advertising numbers, our historic indicia of fame," bolstered by overwhelming evidence of "the context of the continuous and extensive critical consideration the marked products have enjoyed").

Although Opposer's mark DIAMOND CROWN has achieved some marketplace recognition, Applicant argues that the term CROWN is "diluted" because of "[prevalent] third party use of the term 'CROWN' in the cigar industry." In support, Applicant introduced copies of website pages from five third-party, on-line cigar retailers, advertising cigars under marks containing the term "CROWN" to show the commercial weakness of Opposer's mark. These web pages illustrate four cigars marked "CORONA GOLD" that are advertised at the website coronacigar.com, and that one retailer sells "NOBLE CROWN" cigars at the website noble-crown-cigar.myshopify.com. Applicant also submitted pages from a sixth internet cigar

³¹ J.C. Newman Cigar Company was started by Mr. Newman's "great grandfather, Julius Caeser (J.C.) Newman." 6 TTABVUE 3.

³² 9 TTABVUE 26, 28, 35, and 43.

³³ 6 TTABVUE 7.

³⁴ 27 TTABVUE 9, 12.

³⁵ The marks are: CORONA GOLD SERIES DOS CAPA, CORONA GOLD SERIES MADURO, CORONA GOLD SERIES NATURAL, and CORONA GOLD SERIES SUN GROWN. 11 TTABVUE 136-153 (Exhibits 27-30).

³⁶ 11 TTABVUE 155 (Exhibit 31).

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retailer, Thompson & Co., which sells both Applicant's and Opposer's cigars as well as third-party cigars under the marks SHROUDED CROWN, CROWNED HEADS, BLACK CROWN,³⁷ TRIPLE CROWN COLLECTION,³⁸ CROWN ACHIEVEMENT,³⁹ DREW ESTATE UNDERCROWN SHADE,⁴⁰ ZINO PLATINUM CROWN SERIES⁴¹ and GOLD CORONA.⁴²

These goods are advertised on Thompson & Co.'s website. Applicant's search for "crown" branded cigars revealed these cigars sold on the website: 43

³⁷ 11 TTABVUE 45-64, Exhibit 6.

³⁸ 21 TTABVUE 10.

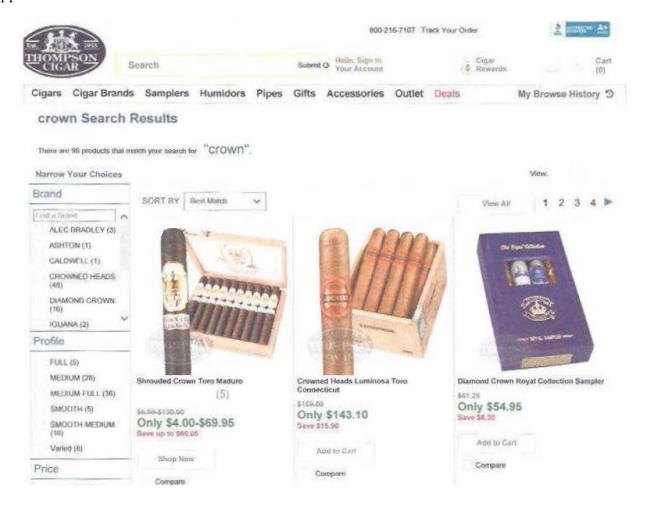
³⁹ 21 TTABVUE 11.

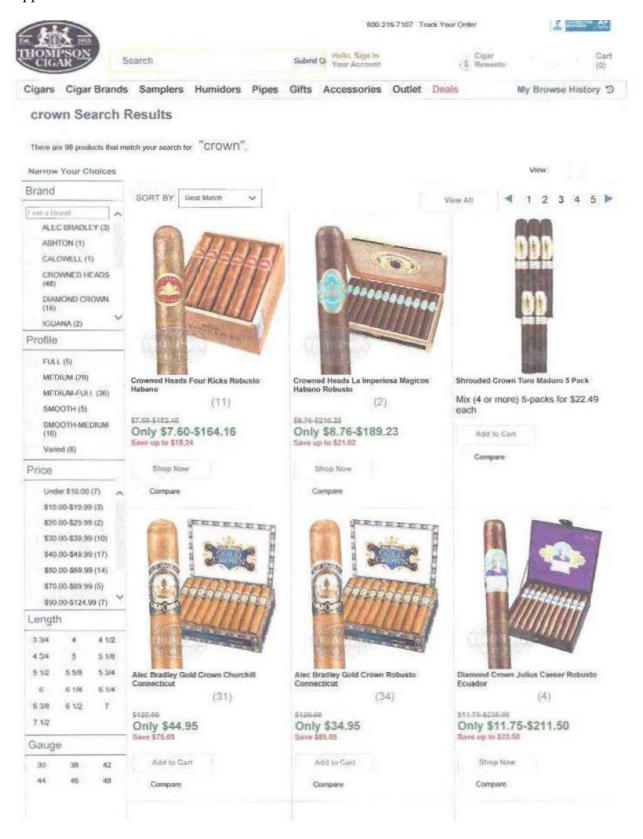
⁴⁰ 21 TTABVUE 13.

⁴¹ 21 TTABVUE 13.

⁴² 21 TTABVUE 23, Exhibit 5. Opposer's witness confirmed at least 98 instances of these same "CROWN"-formative marks appear on the Thompson & Co. website. Newman Rebuttal Decl., 24 TTABVUE, Exhibit 28. We also note that the marks include those for which Applicant has submitted registrations, which we have considered in determining the alleged conceptual weakness of the term "CROWN." *In re Guild Mortg. Co.*, 2020 USPQ2d 10279, at n.7 (TTAB 2020) (finding third-party registrations do not invoke the sixth *DuPont* factor).

⁴³ 11 TTABVUE 46 and 54.





In addition, Mr. Rubin testified that a colleague in the cigar industry uses the mark RED CROWN for cigars. 44

Numerous cigars are sold under marks that use the term CROWN, including the marks NOBLE CROWN, SHROUDED CROWN, BLACK CROWN, and RED CROWN, which share the grammatical structure of Opposer's mark, as well as TRIPLE CROWN COLLECTION, CROWN ACHIEVEMENT, DREW ESTATE UNDERCROWN SHADE, CROWNED HEADS, and ZINO PLATINUM CROWN SERIES. Significantly, Thompson & Co., Applicant's exclusive distributor, sells both Opposer's and Applicant's cigars, as well as several third-party cigars under these "CROWN"-formative marks on its website. The prevalent use of "CROWN" as part of many third-party marks demonstrates that CROWN is a commercially weak component of cigar marks, thus weakening the overall commercial strength of Opposer's mark.

3. Summary – Strength of Opposer's Mark

In demonstrating that a mark is weak, "extensive evidence of third-party use and registrations is 'powerful on its face,' even where the specific extent and impact of the usage has not been established." *Jack Wolfskin*, 116 USPQ2d at 1136 (14 third-party registrations and uses of paw print marks) (citing *Juice Generation*, 115 USPQ2d at 1674 (26 third-party registrations and uses of marks containing the words "Peace"

⁴⁴ 10 TTABVUE 3. The remainder of Rubin's testimony regarding the RED CROWN mark, and Exhibit 2 of the declaration, is inadmissible hearsay and has not been considered. Additionally, Exhibit 9 of the Rubin Decl. is inadmissible as the statement of an undisclosed witness. Applicant failed to disclose the third-party witness either in its initial or pre-trial disclosures. For the same reasons, supplemental Exhibit 9, 12 TTABVUE (confidential) is inadmissible except to the extent it authenticates Exhibits A-C of the Rubin Decl. pursuant to the Board's August 29, 2019 order.

and "Love")). Opposer's DIAMOND CROWN mark is inherently distinctive, but because the term "CROWN" is weak, the mark is not strong. By encountering third-party cigar brands utilizing the term "CROWN" under identical marketing conditions, consumers have been educated to distinguish among these cigar marks based upon their other, source-identifying, features. Accordingly, the fifth *DuPont* factor is neutral, while the sixth factor favors a finding of no likelihood of confusion.

C. Similarity of the marks

We next consider whether the marks are more similar or dissimilar in their overall appearance, sound, connotation, and commercial impression, Palm Bay Imps., 73 USPQ2d at 1692, bearing in mind that when marks appear on identical goods, "the degree of similarity necessary to support a conclusion of likely confusion declines." Century 21 Real Estate Corp. v. Century Life of Am., 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992); see also Bridgestone Ams. Tire Operations LLC v. Fed. Corp., 673 F.3d 1330, 102 USPQ2d 1061, 1064 (Fed. Cir. 2012) ("When the goods are identical, the appearance of a mark of similar sound, appearance, or connotation is more likely to cause confusion than if the goods are significantly different."). "Similarity in any one of these elements may be sufficient to find the marks confusingly similar." In re Inn at St. John's, LLC, 126 USPQ2d 1742, 1746 (TTAB 2018) aff'd, 777 Fed. Appx. 516 (Fed. Cir. 2019) (citing In re Davia, 110 USPQ2d at 1812). "The proper test is not a side-by-side comparison of the marks, but instead whether the marks are sufficiently similar in terms of their commercial impression such that persons who encounter the marks would be likely to assume a connection between the parties." In re i.am.symbolic, 123 USPQ2d at 1748; see also Coach Servs.

v. Triumph Learning LLC, 668 F.3d 1356, 101 USPQ2d 1723, 1721 (Fed. Cir. 2012); Double Coin Holdings, 2019 USPQ2d 377409 at 6. When making this determination, it is the marks themselves, as set forth in Applicant's application and Opposer's registrations, which are determinative. 45

Applicant's mark is GOLD CROWN. Opposer's mark is DIAMOND CROWN. The marks are similar in appearance and pronunciation due to the shared term "CROWN," and somewhat similar in connotation due to the fact that both parties' marks are preceded by a term that identifies a precious substance. Nonetheless, we find that the parties' marks are different in their commercial impressions, based on the conceptual and commercial weakness of the term "CROWN," the fact that "gold" is also a color and could be perceived as such by consumers encountering Applicant's mark, and given that the distinguishable terms in the parties' marks are the first term in each mark, i.e., "GOLD" and "DIAMOND," further establishing that it is these terms that are the dominant elements of each respective mark. *Presto Prods. Inc. v. Nice-Pak Prods., Inc.*, 9 USPQ2d 1895, 1897 (TTAB 1988) ("it is often the first part of a mark which is most likely to be impressed upon the mind of a purchaser and remembered"); *see also Palm Bay Imps.*, 73 USPQ2d at 1692 ("Veuve" is the most prominent part of the mark VEUVE CLICQUOT because "veuve" is the first word in

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⁴⁵ For this reason, Applicant's argument that "the ALEC BRADLEY® family mark is always used with and in close proximity to the GOLD CROWN mark" is immaterial. *In re Shell Oil Co.*, 992 F.2d 1204, 26 USPQ2d 1687, 1690 n.4 (Fed. Cir. 1993) ("Although Shell argues that its use of RIGHT-A-WAY would be in association with other Shell trademarks, the proposed registration is not so limited."); *see also Specialty Brands, Inc. v. Coffee Bean Distribs., Inc.*, 748 F.2d 669, 674 (Fed. Cir. 1984) ("Ordinarily, for a word mark we do not look to the trade dress, which can be changed at any time.") (citations omitted); *Tuxedo Monopoly*, 209 USPQ at 1337 (explaining that design features not inherent or specifically stated in the application are irrelevant).

the mark and the first word to appear on the label); *In re Nat'l Data Corp.*, 753 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985) ("There is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature of a mark, provided the ultimate conclusion rests on consideration of the marks in their entireties. Indeed, this type of analysis appears to be unavoidable.").

We conclude that the marks in their entireties are more dissimilar than similar. This factor favors a finding of no likelihood of confusion. Consumers will be able to distinguish between the marks based on these differences. See, e.g., Couch/Braunsdorf, 110 USPQ2d 1458, 1477-78 (TTAB 2014) (finding that "the mark PERKSPOT is sufficiently different from the marks PERKS and PERKSCARD to avoid a likelihood of confusion" even though the marks were used for legally identical services); In re Lar Mor Int'l, Inc., 221 USPQ 180 (TTAB 1983) (translating the marks BIEN JOLIE and TRES JOLIE to compare their meanings, but concluding that confusion was not likely, despite the marks' substantially similar meanings, because of, inter alia, the highly laudatory nature of the wording "JOLIE," and the "obvious visual and phonetic differences" between the first term in each mark).

D. Trade channels and classes of consumers

There is no dispute that the trade channels overlap. Thompson & Co. is Applicant's exclusive licensee, being the only distributor of GOLD CROWN cigars.⁴⁶ Opposer's cigars and related goods are also offered by Thompson & Co., over its website.⁴⁷ Moreover, the goods in both Applicant's application and Opposer's

⁴⁶ Rubin Decl., 10 TTABVUE 3.

⁴⁷ 9 TTABVUE 87.

registration are unrestricted as to channels of distribution, price, style, or in any other manner. "It is well established that the Board may not read limitations into an unrestricted registration or application." *Country Oven*, 2019 USPQ2d 443903 at 5 (citing *i.am.symbolic*, 123 USPQ2d at 1748). In addition, because both parties sell the identical goods, cigars, which are sold through the same trade channels, we must presume that consumers of the parties' cigars are the same. *Bd. of Regents v. S. Ill. Miners, LLC*, 110 USPQ2d 1182, 1192 (TTAB 2014); *Am. Lebanese Syrian Ass'd Charities Inc. v. Child Health Research Inst.*, 101 USPQ2d 1022, 1028 (TTAB 2011). And because Opposer's related goods are sold through the same trade channels as Applicant's cigars, there is an overlap of consumers for these goods as well.

Accordingly, the third *DuPont* factor favors a finding of likelihood of confusion.

E. Purchaser Sophistication

Applicant argues that cigar smokers are sophisticated and "generally enthusiasts of the activity of smoking cigars." However, the suggested retail prices for Applicant's "value priced cigar" at no more than \$2.25 per cigar, 49 suggest the typical cigar consumer includes ordinary cigar smokers who have no particular sophistication. While some smokers may be discriminating purchasers, others undoubtedly are not. In such case, the Board must base its analysis on the least

⁴⁸ 27 TTABVUE 16.

⁴⁹ 27 TTABVUE 17.

⁵⁰ Given the low cost of Applicant's cigars, these goods are likely to be impulse products and subject to a lower threshold of care. "When products are relatively low-priced and subject to impulse buying, the risk of likelihood of confusion is increased because purchasers of such products are held to a lesser standard of purchasing care." *Recot Inc. v. M.C. Becton*, 214 F.3d 1322, 54 USPQ2d 1894, 1899 (Fed. Cir. 2000) (citations omitted).

sophisticated potential consumer. See, e.g., Stone Lion, 110 USPQ2d at 1163. Even if we were to assume that cigar buyers are careful purchasers, it is settled that even careful purchasers can be confused as to source where similar marks are used on identical goods. See In re Research Trading Corp., 793 F.2d 1276, 230 USPQ 49, 50 (Fed. Cir. 1986) (citing Carlisle Chem. Works, Inc. v. Hardman & Holden Ltd., 434 F.2d 1403, 168 USPQ 110, 112 (CCPA 1970)) ("Human memories even of discriminating purchasers ... are not infallible."). Accordingly, this DuPont factor is neutral or may slightly favor a finding of likelihood of confusion.

F. Actual Confusion

The seventh *DuPont* factor considers the "nature and extent of any actual confusion" demonstrated by the record evidence, and the eighth factor weighs the "length of time during and conditions under which there has been concurrent use without evidence of actual confusion." *DuPont*, 177 USPQ 567. Applicant argues that the parties' marks have co-existed on cigars and related products that are sold at the Thompson & Co. website without evidence of actual confusion for over three years.⁵¹ In support, Applicant introduced the testimony declaration of Alan Rubin, who testified that both companies' cigars "have co-existed in the market place since early January 2017 with no known actual or apparent confusion among the parties'

⁵¹ 27 TTABVUE 20.

marks."⁵² Copies of webpages from Thompson & Co.⁵³ demonstrate that the website offers both parties' cigars for sale.⁵⁴

In its decision on remand from the Federal Circuit's decision in *Guild Mortg.*, 129 USPQ2d 1160, the Board recently held that the eighth *DuPont* factor "requires us to look at actual market conditions, to the extent there is evidence of such conditions." *In re Guild Mortg. Co.*, 2020 USPQ2d 10279, 15 (TTAB 2020). The Board contrasted the analysis under the eighth *DuPont* factor based on actual marketplace conditions with the "analysis as to the second, third, and fourth [*DuPont*] factors, discussing the similarity of the services, channels of trade, and relevant consumers," which "is based, as dictated by precedent from the Federal Circuit, on the identifications as set forth in the application and cited registration." *Id.* at 18. Accordingly, although we cannot consider the parties' actual uses of their marks in our analyses under the second, third, and fourth *DuPont* factors, we must consider their actual uses of the DIAMOND CROWN and GOLD CROWN marks under the

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^{52 10} TTABVUE 5. Although we accept Mr. Rubin's testimony as based on his personal experience, we have sustained Opposer's objection to a third-party witness statement (filed under seal) in support of, and as an exhibit to, Mr. Rubin's testimony, as noted supra, n.46. Applicant's argument that the third party was merely alluded to by Mr. Rubin and therefore not a witness that needed to be disclosed, is without merit because Applicant submitted the witness's statement. We have not considered the statement. See Fed. R. Civ. P. 26 and 37, made applicable to these proceedings by Trademark Rule 2.116(a); see also Trademark Rule 2.121(e), 37 C.F.R. § 2.121(e); TRADEMARK BOARD MANUAL OF PROCEDURE (TBMP) (June 2019) § 702.01 and authorities cited in that section. We note that neither the witness's statement nor the attached exhibits would have changed the result in this case.

⁵³ 10 TTABVUE 5.

⁵⁴ For example, Exhibits 18 and 19 of Opposer's Notice of Reliance show four GOLD CROWN products offered by Alec Bradly and 17 offered by Opposer (8 TTABVUE 84-89); *see also* Exhibits 4 (GOLD CROWN) and 6 (DIAMOND CROWN) of Applicant's Notice of Reliance 11 TTABVUE 21, 46, and 52. The webpages display a "Thompson Cigars" logo and are available at https://www.thompsoncigar.com.

seventh and eighth factors. Because Applicant's "ALEC BRADLEY® house mark is always used in close proximity and in conjunction with GOLD CROWN in all advertisements and labeling," 55 the apparent lack of actual confusion may be attributable to Applicant's current display of its mark in conjunction with its house mark and not due to differences in the marks themselves.

Moreover, the absence of any reported instances of confusion is meaningful only if the record indicates appreciable and continuous use by Applicant of its mark for a significant period of time in the same markets as those served by Opposer under its mark. Citigroup Inc. v. Capital City Bank Grp., Inc., 94 USPQ2d 1645, 1660 (TTAB 2010), aff'd, 637 F.3d 1344, 98 USPQ2d 1253 (Fed. Cir. 2011); Gillette Can. Inc. v. Ranir Corp., 23 USPQ2d 1768, 1774 (TTAB 1992). While the parties' cigars are both sold at Thompson & Co.'s website, the marks have been used concurrently for a relatively short period of time. See Barbara's Bakery Inc. v. Landesman, 82 USPQ2d 1283, 1287 (TTAB 2007) (the probative value of the absence of actual confusion depends upon there being a significant opportunity for actual confusion to have occurred). Accordingly, the seventh and eighth DuPont factors are neutral in our analysis of likelihood of confusion.

IV. Balancing the Factors

Opposer's DIAMOND CROWN mark, although inherently distinctive, has been diluted in the marketplace as a result of the number of marks containing "CROWN" that are used for cigars and related goods. Consumers have learned to look for

⁵⁵ 10 TTABVUE 4.

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differences between the marks and additional indicia of origin to distinguish the source of those goods. Comparing the marks in their entireties, we find the differences between DIAMOND CROWN and GOLD CROWN are sufficient, despite the identical goods and channels of trade, that consumer confusion is unlikely. See Odom's Tenn. Pride Sausage, Inc. v. FF Acquisition, LLC, 600 F.3d 1343, 93 USPQ2d 2030, 2032 (Fed. Cir. 2010) ("[E]ven if all other relevant DuPont factors were considered in [opposer's] favor, as the board stated, the dissimilarity of the marks was a sufficient basis to conclude that no confusion was likely."); Kellogg Co. v. Pack'em Enters. Inc., 951 F.2d 330, 21 USPQ2d 1142, 1145 (Fed. Cir. 1991) ("We know of no reason why, in a particular case, a single duPont factor may not be dispositive").

Decision: The opposition on the ground of likelihood of confusion is dismissed.