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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

La Montre Hermes S.A.

v.

Michael Akkawi

Cancellation No. 92051860

Andrew Baum of Foley & Lardner LLP for La Montre Hermes S.A.

Milton Oliver of Oliver Intellectual Property for Michael Akkawi.

Before Holtzman, Bergsman and Shaw, Administrative Trademark Judges.

Opinion by Holtzman, Administrative Trademark Judge:

Petitioner, La Montre Hermes S.A. filed a petition to cancel a registration on the Supplemental Register owned by Michael Akkawi (respondent) for the standard character mark CAPE COD WATCH for "clocks and watches; jewellery and watches; jewellery, clocks and watches; jewelry watches; watch bracelets" in Class 14.¹ The word WATCH is disclaimed.

¹ Registration No. 3433601, issued May 20, 2008 from a use-based application filed on December 27, 2007. The *Acceptable Identification of Goods and Services Manual* (ID Manual) provides for an alternate spelling of "jewelry" as "jewellery" and both spellings are used in respondent's identification of goods. For purposes of consistency, we will refer only to "jewelry."

The grounds for the petition, as alleged in the amended pleading, are set forth below.

1. Likelihood of confusion: Petitioner alleges that respondent's mark when applied to respondent's goods so resembles petitioner's previously used and registered mark, CAPE COD 2 ZONES for watches, as to be likely to cause confusion.²

Petitioner has pleaded ownership of Registration No. 2753802 for the mark CAPE COD 2 ZONES for watches.

2. Nonuse of the mark in commerce as of the filing date of respondent's underlying use-based application: Petitioner essentially alleges that respondent's business has been solely intrastate, asserting that respondent manufactures its identified goods in Massachusetts and has sold them only to two retail stores in Massachusetts and that the goods have never been available for purchase through any website.

3. Fraud based on nonuse of the mark on certain goods at the time of filing the underlying application and, alternatively, nonuse of the mark on such goods: Petitioner asserts that at the respondent knowingly, and with an intent to deceive the U.S. Patent and Trademark Office, falsely alleged use of his mark on "'clocks,' 'jewelry' [and] 'jewelry clocks' under respondent's mark" when there had never been any use of the mark on such goods. Petitioner alleges that the application is void ab initio

² Petitioner also alleged use of the mark CAPE COD on watches. However, inasmuch as petitioner submitted no evidence or argument

based on fraud, or alternatively, that the registration should be partially cancelled as to such goods.

Respondent, in his answer, admits that prior to respondent's first use of its mark, petitioner "has sold watches under various marks" and that petitioner "has sold watches under the mark CAPE COD 2 ZONES." With respect to lack of use in commerce, in particular, while admitting that his goods are manufactured in Massachusetts, respondent asserts that he and his licensee, Hannoush Jewelers of Cape Cod, sell the goods in Falmouth and Hyannis, Massachusetts to residents of Massachusetts "and of other states." Respondent affirmatively or effectively denies the remaining salient allegations in the petition.

The record includes the pleadings and the file of respondent's involved registration. In addition, petitioner filed a notice of reliance on an electronic printout of its pleaded registration on the Principal Register for the mark CAPE COD 2 ZONES for "watches" showing that the registration is in effect and owned by petitioner;³ and respondent's responses to certain of petitioner's interrogatories and requests for admissions.

regarding this mark, its claim based on this mark is given no further consideration.

³ Registration No. 2753802 issued August 19, 2003; Sections 8 and 15 combined declaration accepted and acknowledged. The registration originally included additional goods which were subsequently deleted by petitioner's Section 8 declaration.

Respondent did not introduce any testimony or other evidence in his own behalf. Only petitioner filed a brief.

Standing

Because petitioner's pleaded registration is properly of record, petitioner has established its standing. *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, 189 (CCPA 1982).

Likelihood of confusion

We turn first to the issue of priority. In a cancellation proceeding, where both parties own registrations, a petitioner asserting a claim under Section 2(d) must prove priority of use. See *Brewski Beer Co. v. Brewski Brothers, Inc.*, 47 USPQ2d 1281 (TTAB 1998). Petitioner argues that respondent admitted priority, but in fact respondent admitted only that petitioner "has sold watches under various marks" prior to respondent's first use. Respondent affirmatively or effectively denied petitioner's allegations of priority with respect to its pleaded mark.

Nevertheless, petitioner may rely on its registration as proof that the mark was in use as of the April 4, 2001 filing date of the underlying application. See *J. C. Hall Company v. Hallmark Cards, Incorporated*, 340 F.2d 960, 144 USPQ 435, 437 (CCPA 1965) ("The presumption of use emanating from the fact of registration [under Section 7(b) of the Trademark Act] relates

back to the filing date of the application on which the registration is predicated.").

On the other hand, respondent's registration on the Supplemental Register is entitled to no statutory presumptions under Section 7(b) of the Act and therefore it is incompetent as evidence of use. See Section 26 of the Trademark Act ("registrations on the supplemental register shall not be subject to or receive the advantages of [Section 7(b) of the Act]"; In re Federated Department Stores Inc., 3 USPQ2d 1541, 1543 (TTAB 1987) (a Supplemental Register registration is evidence of nothing more than the fact that the registration issued on the date printed thereon). Inasmuch as respondent submitted no evidence of use of his mark, petitioner is entitled to its priority.

We turn then to the merits of petitioner's likelihood of confusion claim. Our determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. In re E.I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). In any likelihood of confusion analysis, however, two key considerations are the similarities or dissimilarities between the marks and the similarities or dissimilarities between the goods. See Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976).

As to the goods, petitioner's "watches" are identical or legally identical to the "watches" and "jewelry watches" identified in respondent's registration. It is sufficient if likelihood of confusion is established for any item encompassed by the identification of goods in the registration. See *Tuxedo Monopoly, Inc. v. General Mills Fun Group*, 648 F.2d 1335, 209 USPQ 986, 987 (CCPA 1981).

Because the parties' goods are identical in part, and there are no restrictions in either registration, we must assume that the channels of trade and classes of purchasers for the goods are identical as well. See *Hewlett-Packard Co. v. Packard Press, Inc.*, 281 F.3d 1261, 62 USPQ2d 1001 (Fed. Cir. 2002) ("[A]bsent restrictions in the [registrations], goods and services are presumed to travel in the same channels of trade to the same class of purchasers."); *In re Smith & Mehaffey*, 31 USPQ2d 1531 (TTAB 1994).

We turn next to a comparison of respondent's mark CAPE COD WATCH with petitioner's mark CAPE COD 2 ZONES, keeping in mind that when marks appear on identical goods, as they do here, the degree of similarity between the marks necessary to support a finding of likelihood of confusion declines. *Century 21 Real Estate v. Century Life*, 970 F.2d 874, 23 USPQ2d 1698 (Fed. Cir. 1992).

In determining the similarity or dissimilarity of marks, we consider the marks in their entireties in terms of sound,

appearance, meaning and commercial impression. See *Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689 (Fed. Cir. 2005). While marks must be compared in their entireties, one feature of a mark may have more significance than another, and in such a case there is nothing improper in giving greater weight to the more dominant feature. In *re National Data Corp.*, 753 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985).

The term CAPE COD is the dominant portion of both marks. The disclaimed word WATCH in respondent's mark is generic for the goods, and the term 2 ZONES in petitioner's mark, as petitioner notes, merely describes a feature of its watches, i.e., watches that display time in two time zones. Thus, these portions of the marks are less significant than CAPE COD in creating the marks' commercial impressions. See *In re National Data Corp.*, 224 USPQ at 751 ("That a particular feature is descriptive or generic with respect to the involved goods or services is one commonly accepted rationale for giving less weight to a portion of a mark").

Further, the more significant term CAPE COD is the first part of both marks, and as such it is more likely to have a greater impact on purchasers and be remembered by them when encountering the marks at separate times. See *Palm Bay*, 73 USPQ2d at 1692 (consumers are generally more inclined to focus on the first word, prefix or syllable in a mark); *Presto Products*

Inc. v. Nice-Pak Products 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").

Because both marks consist in significant part of the identical term CAPE COD, the marks as a whole are similar in sound and appearance. In addition, the marks as a whole connote the same, or variations of the same, goods, and they convey substantially similar images and overall commercial impressions. As used on identical goods, CAPE COD WATCH and CAPE COD 2 ZONES may simply be perceived as different versions of the same mark or as identifying different lines of watches from the same source.

As to the strength of petitioner's mark, the fact that respondent's mark is registered on the Supplemental Register, presumably due to the geographic significance of CAPE COD, cannot affect the scope of protection to which petitioner's mark is entitled. Petitioner's mark is registered on the Principal Register without a claim of acquired distinctiveness under Section 2(f) of the Trademark Act, and as such, the mark is presumed to be inherently distinctive with an arbitrary or at worst a suggestive meaning in relation to petitioner's watches. We also note that there is no evidence that CAPE COD is commonly used by others in the relevant field or that the mark is otherwise weak and entitled to only a narrow scope of protection.

In any event, we find that the scope of protection accorded petitioner's mark encompasses respondent's highly similar mark for identical goods.

In view of the foregoing, the petition to cancel on the ground of likelihood of confusion is granted.

Although we have determined that the registration must be cancelled on ground of likelihood of confusion, for the sake of completeness, we will address petitioner's remaining claims.

Fraud and/or nonuse of the mark on certain goods as of filing of respondent's underlying application

Petitioner pleaded fraud based on nonuse, but concedes in its brief "that the record does not show an intent to deceive by 'clear and convincing evidence.'" Brief, p. 8. Accordingly, the petition to cancel on the ground of fraud is denied. We consider then whether petitioner has established its claim of nonuse of the mark on certain of the goods identified in the registration.

Respondent's goods are identified as "clocks and watches; jewelry and watches; jewelry, clocks and watches; jewelry watches; watch bracelets." Petitioner argues, based on respondent's responses to its admission requests, that respondent "has never used his mark for clocks, jewelry or jewelry clocks," and that therefore these goods must be deleted from the registration.

There is no question that respondent never used the mark on clocks. Respondent specifically admits that he "has never sold

any clocks" under his mark.⁴ Adm. No. 7. The evidence with respect to "jewelry" and "jewelry clocks," however, is not so clear. To begin with, there is no such item as "jewelry clocks" listed in respondent's identification of goods. Further, respondent specifically denied that he "has never sold any jewelry" under the mark. Adm. No. 8. Amplifying this denial, respondent stated that he "considers [his] watches to be a species of jewelry, since [his] watches comprise 14K gold and sterling silver." Petitioner disputes this contention, arguing that there is an identification of goods in the ID Manual for "jewelry and watches" and "if watches were just a species of jewelry, there would be no reason to have two separate specifications or to identify them separately in the 'jewelry and watches' specification." Br., p. 4.

Petitioner's argument is not persuasive. The ID Manual contains a number of entries for watches, listing "watches," of course, but also more specifically "jewelry watches" and "non-jewelry watches" as acceptable identifications of goods.⁵ Thus, the Office recognizes that watches can be characterized as jewelry and/or non-jewelry items. Inasmuch as watches are

⁴ Respondent's assertion in its answer that "watches are a species of clock, namely a clock worn on the wrist" (¶12), is not well taken. A "clock" is defined as "1. a device *other than a watch* for indicating or measuring time..." (Emphasis added.) Merriam-webster.com. The Board may take judicial notice of dictionary definitions. See *University of Notre Dame du Lac v. J.C. Gourmet Food Imports Co.*, 213 USPQ 594 (TTAB 1982), *aff'd*, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983).

⁵ The Board may take judicial notice of entries from the ID Manual.

considered a form of jewelry, petitioner's claim that respondent has not used his mark on jewelry must fail.

The petition to partially cancel the registration on the ground of nonuse is granted as to "clocks," and is otherwise denied.

**Nonuse of the mark in commerce as of the filing
of respondent's underlying application**

An applicant seeking registration of a mark under Section 1(a) of the Trademark Act must have used the mark in commerce on the identified goods as of the filing date of the application. For goods, the "use in commerce" requirement is met when a mark "is placed in any manner on the goods or their containers ... and the goods are sold or transported in commerce." Section 45 of the Trademark Act (emphasis added).

Respondent's admissions or qualified admissions in this regard include the following:

Registrant manufactures Registrant's goods in Massachusetts, and ... Registrant and Registrant's licensee Hannoush Jewelers of Cape Cod sell the goods in Falmouth and Hyannis, Massachusetts to residents of Massachusetts and of other states. Ans., ¶7

Hannoush Jewelers of Cape Cod has retail stores only in the Commonwealth of Massachusetts, in the towns of Falmouth and Barnstable on Cape Cod (Barnstable County). Adm. No. 3

Registrant has a website, www.capecodwatch.com, on which the availability of Registrant's watches is indicated, but the website states that sales are made only at the stores, located in Falmouth, MA or Hyannis MA (a village within the town of Barnstable MA); Registrant has never sold any goods under Registrant's mark by orders taken through a website. Adm. Nos. 6 and 20.

Registrant's licensee Hannoush Jewelers of Cape Cod has sold watches, which it considers a species of jewelry, under the mark CAPE COD WATCH, to multiple customers outside the Commonwealth of Massachusetts. Adm. No. 11.

[Response to petitioner's request to "specify the channels of trade" through which respondent's goods "are sold or distributed"]: "Two retail stores of Hannoush Jewelers of Cape Cod...." Interrog. Resp. No. 2.

Petitioner argues that respondent has admitted his business is wholly intrastate, considering his admissions that he manufactures the goods in Massachusetts and sells them only through the two retail stores in Massachusetts and not through any website. Relying on *In re Bagel Factory*, 183 USPQ 553, 554-555 (TTAB 1974), petitioner states that "'transportation' of goods by purchasers after intrastate retail sale is not 'transportation' for purposes of satisfying 'use in commerce' requirement," and contends that there is no evidence that either store "has ever made any sales under the mark except to customers who walk into the store and buy watches there." Br., p. 7. Petitioner claims that respondent's discovery responses set forth a prima facie case of lack of use in commerce, and that respondent has come forth with no evidence to rebut it.

Respondent does admit that his goods are manufactured in Massachusetts and sold only in Massachusetts. However, respondent has not admitted that his sales have been "purely intrastate" as petitioner contends. To the contrary, respondent has consistently maintained by his answer and his responses to

discovery requests that his goods are not sold only to residents of Massachusetts but that they are also sold to "out of state" customers as well.⁶ Thus, respondent's discovery responses must be construed as denying any contention by petitioner that his mark was not used in commerce.

It is possible that respondent's sales to "out of state" customers were in fact purely intrastate. However, it is also possible that those sales, although made exclusively through the retail stores, involved an interstate transaction. An obvious example of this would be the store's shipment of the items purchased by a customer to an out of state location. It is clear that the use in commerce requirement would be satisfied if the goods were transported in commerce by or on behalf of respondent and with respondent's knowledge and control. Cf., *Bagel Factory*, 183 USPQ at 554. The point is that we simply do not know the circumstances of respondent's sales to "out of state" customers, and we will not speculate as to how they may have occurred. It was petitioner's responsibility, when confronted with this assertion by respondent, to seek further information or clarification from respondent regarding his claimed use of the mark in commerce.

⁶ There is no evidence or argument by either party regarding the effect, if any, of respondent's advertising of the watches on his website.

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In view of the foregoing, we find that petitioner has not met its burden of showing prima facie, by preponderance of the evidence, that respondent did not use his mark in commerce.

Decision: The petition to cancel on the ground of fraud is denied; on the ground of nonuse of the mark on certain goods is granted in part and denied in part; on the ground of nonuse of the mark in commerce is denied; and on the ground of likelihood of confusion is granted. Registration No. 3433601 will be cancelled in due course.