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Hearing: April 24, 2013 Mailed: July 23, 2013

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Adams & Brooks, Inc. v. Morris National, Inc.

Cancellation No. 92052158

Bassam N. Ibrahim and Bryce Maynard of Buchanan Ingersoll & Rooney PC for Adams & Brooks, Inc.

Elliot B. Gipson of Fayer Gipson LLP for Morris National, Inc.

Before Grendel, Zervas, and Shaw, Administrative Trademark Judges.

Opinion by Shaw, Administrative Trademark Judge:

Petitioner, Adams & Brooks, Inc. filed a petition to cancel a registration owned by Morris National, Inc. (respondent) for the standard character mark NUTFFLES for "chocolate and candy" in International Class 30.1

Petitioner alleges that respondent's mark when applied to respondent's goods so resembles petitioner's previously used and registered marks, P-NUTTLES² in

¹ Registration No. 3719863, issued December 1, 2009.

² Registration No. 2794401 issued December 16, 2003; Section 8 and 15 affidavits accepted and received, respectively.

typed form and in the form shown below for "nut candies" as to be likely to cause confusion.³



Respondent filed an answer denying all of the salient allegations in the petition for cancellation and asserting the affirmative defense of laches. Respondent also moved to amend its identification of goods to more narrowly define its goods as "chocolate, namely premium Belgian chocolate truffles." Both petitioner and respondent objected to certain deposition testimony and exhibits on a variety of grounds. The case is fully briefed. An oral hearing was held on April 24, 2013.

The Record

The record consists of the pleadings and the file of the involved registration.

In addition, the parties have introduced the following evidence into the record:

- The testimony deposition of John Brooks, Sr., President of petitioner;
- The testimony deposition of Cindy Brooks, Vice President of Sales and Marketing for petitioner;
- The testimony deposition of Robert Anthony, a graphic designer for respondent;
- The testimony deposition of Gerald Morris, President of respondent;
- Respondent's responses to selected Interrogatories, Requests for Admission, and Document Requests from petitioner;
- A copy of petitioner's U.S. Registration Nos. 799624 and 2794401 obtained from the Office's electronic records ("TESS");
- Petitioner's responses to selected Interrogatories, Requests for Admission, and Document Requests from respondent; and
- Fourteen third-party registrations.

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³ Registration No. 799624 issued November 30, 1965; Section 8 and 15 affidavits accepted and received, respectively; renewed.

Evidentiary Objections

As noted above, petitioner and respondent have raised numerous objections to certain testimony and evidence. As will be seen *infra*, none of the testimony and/or exhibits sought to be excluded is outcome determinative. Given this fact, coupled with the number of objections, we see no compelling reason to discuss the objections in a detailed fashion. Suffice it to say, we have considered all of the testimony and exhibits submitted by the parties. In doing so, we have kept in mind the various objections raised by the parties, and we have accorded whatever probative value the subject testimony and exhibits merit.

Laches

Prior to our consideration of petitioner's pleaded claim of priority and likelihood of confusion, we must first address respondent's affirmative defense of laches to determine whether petitioner's claim is barred thereby.

In order to prevail on the affirmative defense of laches, respondent must establish that there was undue or unreasonable delay by petitioner in asserting its rights, and that prejudice to respondent resulted from that delay. See Bridgestone/Firestone Research Inc. v. Automobile Club de l'Quest de la France, 245 F.3d 1359, 58 USPQ2d 1460, 1462 (Fed. Cir. 2001).

In the context of this proceeding, laches begins to run from the time action could be taken against the registration of the involved mark, regardless of when use of the mark began. *National Cable Television Ass'n, Inc. v. American Cinema Editors, Inc.*, 937 F.2d 1572, 19 USPQ2d 1424, 1431-32 (Fed. Cir. 1991). *See*

Teledyne Technologies, Inc. v. Western Skyways, Inc., 78 USPQ2d 1203, 1210 (TTAB 2006), aff'd unpublished opinion, Appeal Nos. 2006-1366 and 1367 (Fed. Cir. Dec. 6, 2006). Thus, laches begins to run no earlier than the date the involved mark was published for opposition, and no later than the issue date of the registration.

The earliest dates for purposes of determining whether there has been undue delay are the April 21, 2009 publication date and the December 1, 2009 issue date of the subject registration. See National Cable Television Ass'n, 19 USPQ2d at 1432 (laches runs from the time from which action could be taken against the trademark rights inhering upon registration). Petitioner brought this cancellation proceeding on March 3, 2010, approximately eleven months after the publication date and a mere three months after the date of registration. Leaving aside any conflicting testimony as to when petitioner first learned of respondent's mark, such time periods cannot be viewed as unreasonable, inasmuch as the Trademark Act provides that a cancellation action may be brought on the ground of likelihood of confusion up until the point that a registration is five years old. See Charrette Corp. v. Bowater Communication Papers Inc., 13 USPQ2d 2040, 2043 (TTAB 1989) (14 month delay not sufficient to establish laches); Manpower, Inc. v. Manpower Information Inc., 190 USPQ 18, 23 (TTAB 1976) (3-4 year delay not sufficient to establish laches); and Plymouth Cordage Company v. Solar Nitrogen Chemicals, Inc., 152 USPQ 202, 204 (TTAB 1966) (slightly less than 3 year delay not sufficient to establish laches.). Petitioner's action in filing this case three months after registration does not constitute unreasonable delay, and accordingly, respondent

has failed to meet the first element of a laches defense. We therefore do not assess whether respondent has satisfied the prejudice requirement.

We turn then to petitioner's pleaded ground of priority and likelihood of confusion.

Standing

Petitioner has shown through the TESS printouts made of record that petitioner is the owner of its pleaded registrations (Nos. 799624 and 2794401) and that the registrations are valid and subsisting. Because petitioner's registrations are of record, petitioner has established its 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).

Priority

In a cancellation proceeding, where both parties own registrations, petitioner must prove priority of use. See Brewski Beer Co. v. Brewski Bros., Inc., 47 USPQ2d 1281 (TTAB 1998) and cases cited therein. Because petitioner's registrations are of record, petitioner may rely on the registrations as proof that the mark was in use as of the filing date of the underlying applications. See J. C. Hall Co. v. Hallmark Cards, Inc., 340 F.2d 960, 144 USPQ 435, 437 (CCPA 1965).

Petitioner's registrations issued in 1965 and 2003, respectively. This is long prior to the December 23, 2008 filing date of respondent's underlying application, which is the earliest date on which respondent is entitled to rely given the absence of any evidence of earlier use. Thus, petitioner has established its priority.

Likelihood of Confusion

Our determination under Section 2(d) is based on an analysis of all of the probative facts in evidence 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 considering the evidence of record on these factors, we keep in mind that "[t]he fundamental inquiry mandated by § 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks." Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24 (CCPA 1976). Moreover, petitioner has the burden to establish that there is a likelihood of confusion by a preponderance of the evidence.

1. The similarity or dissimilarity and nature of the goods in the registrations, likely-to-continue channels of trade, and classes of consumers.

We turn first to the similarity of the goods. It is well settled that we must consider the goods as they are identified in the registrations. See Octocom Systems Inc. v. Houston Computers Services, Inc., 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990) ("The authority is legion that the question of registrability of [a mark] mark must be decided on the basis of the identification of goods set forth in the application [or registration] regardless of what the record may reveal as to the particular nature of [the] goods, the particular channels of trade or the class of purchasers to which sales of the goods are directed.").

As an initial matter, respondent has moved to narrow the scope of its identification of goods from "chocolate and candy" to "chocolate, namely premium

Belgian chocolate truffles." This amendment is unavailing. Respondent does not argue that a truffle is not a type of candy and readily admits that its chocolate truffles contain nuts.⁴ Respondent's Br. at 28. Even if we were to accept the amendment, respondent's identification of goods would still describe goods encompassed within petitioner's "nut candies." Further, the addition of the term "premium" does nothing to affect the analysis because there is no evidence of record that "premium" chocolates are sold in different channels of trade from "nut candies," and we will not presume that there are differences in the trade channels. In short, respondent's amendment does not reduce the similarity of the goods or affect the channels of trade in which the goods are offered. The motion to amend the identification of goods is denied. Therefore, will address the similarity of the parties' goods based on the goods as they appear in the registrations.

Petitioner's goods are identified in its registrations as "nut candies" and respondent's goods are identified as "chocolate and candy." Respondent's "candy" must be read to include all types of candy including petitioner's more narrowly defined "nut candies." Thus, respondent's and petitioner's goods are, in part, legally identical.

In this case, neither petitioner's nor respondent's goods recite any restrictions as to type or price range; the trade channels in which they are offered; or the consumers to whom they are marketed. Thus, respondent's extensive argument and

⁴ Merriam-Webster.com defines a truffle as "a candy made of chocolate, butter, sugar, and sometimes liqueur shaped into balls and often coated with cocoa." The Board may take judicial notice of dictionary definitions, *Univ. of Notre Dame du Lac v. J.C. Gourmet Food Imp. Co.*, 213 USPQ 594, 596 (TTAB 1982), *aff'd*, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983).

evidence that the trade channels and conditions of sale are different is misplaced. As noted above, where the goods are identical, we must presume overlapping trade channels and classes of purchasers. Octocom, 16 USPQ2d at 1787; see American Lebanese Syrian Associated Charities Inc. v. Child Health Research Institute, 101 USPQ2d 1022, 1028 (TTAB 2011); In re Smith and Mehaffey, 31 USPQ2d 1531, 1532 (TTAB 1994) ("Because the goods are legally identical, they must be presumed to travel in the same channels of trade, and be sold to the same class of purchasers."). Thus, it is presumed that respondent's and petitioner's goods move in all channels of trade normal for those goods, and that they are available to all classes of purchasers for those goods. See Paula Payne Products Co. v. Johnson Publishing Co., 473 F.2d 901, 177 USPQ 76 (CCPA 1973) ("Trademark cases involving the issue of likelihood of confusion must be decided on the basis of the respective descriptions of goods.").

In summary, petitioner's "nut candies" and respondent's "candy" must be presumed to include all types and prices; to be marketed through all channels of trade customary therefor; and to be made available to all classes of consumers who may purchase them. This *du Pont* factor favors a finding of likelihood of confusion.

2. The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.

We now turn to the *du Pont* factor which focuses on the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression. *DuPont*, 177 USPQ at 567. In comparing the marks, we are mindful that where, as here, the goods are identical, the degree of similarity

necessary to find likelihood of confusion need not be as great as where there is a recognizable disparity between the goods. *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992).

Further, the test is not whether the marks can be distinguished when subjected to a side-by-side comparison, but rather whether the marks are sufficiently similar in terms of their overall commercial impression so that confusion as to the source of the goods offered under the respective marks is likely to result. San Fernando Electric Mfg. Co. v. JFD Electronics Components Corp., 565 F.2d 683, 196 USPQ 1, 3 (CCPA 1977); Spoons Restaurants Inc. v. Morrison Inc., 23 USPQ 1735, 1741 (TTAB 1991), aff'd unpublished, No. 92-1086 (Fed. Cir. June 5, 1992).

Petitioner's marks are P-NUTTLES, in typed form, and in the stylized form with a peanut design, as shown above. Respondent's mark is NUTFFLES, in standard character form. Both parties' marks include the descriptive term "NUT" and end with the letters "LES", which suggest a plurality. Significantly, the "NUTTLES" portion of petitioner's mark and respondent's "NUTFFLES" mark are similar in sound, differing in only the substation of an "F" sound in the middle of respondent's mark for the second "T" in petitioner's mark. The most significant difference between the marks is that petitioner's mark begins with the letter "P", which, when combined with the term, "NUT" suggests peanuts to the prospective consumer. The addition of the peanut design in Registration No. 799624 further reinforces this meaning. Obviously, however, a peanut is a type of nut so the

addition of the letter "P" is of limited significance in terms of connotation. All of the marks suggest nuts.

The commercial impression created by petitioner's mark suggests a product containing a plurality of peanuts. The commercial impression created by respondent's mark suggests a plurality of nut truffles or a truffle containing a plurality of nuts. When we view the marks in their entireties, we find that the marks have a similar appearance, similar elements of sound, and similar connotation and commercial impression in that they suggest the goods contain a plurality of nuts. This du Pont factor favors petitioner.

3. Fame of Petitioner's Marks

This du Pont factor requires us to consider the fame of petitioner's mark. Fame, if it exists, plays a dominant role in the likelihood of confusion analysis because famous marks enjoy a broad scope of protection or exclusivity of use. A famous mark has extensive public recognition and renown. Bose Corp. v. QSC Audio Products Inc., 293 F.3d 1367, 63 USPQ2d 1303, 1305 (Fed. Cir. 2002); Recot Inc. v. M.C. Becton, 214 F.3d 1322, 54 USPQ2d 1894, 1897 (Fed. Cir. 2000); Kenner Parker Toys, Inc. v. Rose Art Industries, Inc., 963 F.2d 350, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992).

Fame may be measured indirectly by the volume of sales and advertising expenditures of the goods and services identified by the marks at issue, "by the length of time those indicia of commercial awareness have been evident," widespread critical assessments and through notice by independent sources of the

products identified by the marks, as well as the general reputation of the products and services. Bose Corp., 63 USPQ2d at 1305-1306 and 1309. Although raw numbers of product sales and advertising expenses may have sufficed in the past to prove fame of a mark, raw numbers alone may be misleading. Some context in which to place raw statistics may be necessary (e.g., the substantiality of the sales or advertising figures for comparable types of products or services). Bose Corp., 63 USPQ2d at 1309. Finally, because of the extreme deference that we accord a famous mark in terms of the wide latitude of legal protection it receives, and the dominant role fame plays in the likelihood of confusion analysis, it is the duty of the party asserting that its mark is famous to clearly prove it. Leading Jewelers Guild Inc. v. LJOW Holdings LLC, 82 USPQ2d 1901, 1904 (TTAB 2007).

Petitioner contends that its mark is a strong and famous mark and that such fame under the fifth du Pont factor must play a great and even dominant role in our likelihood of confusion analysis in this case, entitling petitioner's mark to a broad scope of protection which precludes registration of respondent's mark. Petitioner points to over 46 years of use and significant sales, as well as its promotional and advertising expenditures. Respondent, for its part, contends that the evidence of fame is lacking, petitioner's mark is weak and, when considered in the light of the numerous third-party uses of similar marks on similar goods under the sixth du Pont factor (see infra), therefore deserves only a limited scope of protection which does not preclude registration of respondent's mark.

We are constrained to not discuss the sales and advertising efforts in any detail, as the materials have been filed under seal. Suffice it to say, the cumulative evidence and testimony, while showing some degree of consumer recognition, does not show that either of the P-NUTTLES marks have become famous for purposes of likelihood of confusion. This *du Pont* factor is neutral.

4. Strength of the marks

Respondent has submitted twelve third-party registrations for marks containing "NUT" and/or "PEANUT" to show that these terms are "widespread in both the candy and snack industry to suggest an ingredient of the product." They are:

- PEANUT CHEWS for "candy" (Reg. No. 1580311);
- PEANUT BUTTER CUPS and design for "peanut butter cup[s]" (Reg. No. 906874):
- MR. PEANUT for "chocolate covered peanuts" (Reg. No. 2072330);
- P.NUTTY for "ice cream" (Reg. No. 2729075);
- PNUTTY, in stylized form, for "frozen confection on a stick" (Reg. No. 1246529);
- P-NUT BUTTER D-LITE for, inter alia, "candy" (Reg. No. 2353139);
- P-NUT POPS for, inter alia, "edible dog treats" (Reg. No. 2495975);
- NUTRAGEOUS for "candy" (Reg. No. 1857332);
- NUTTER-BUTTER for biscuits and crackers" (Reg. No. 916411:
- NANTUCKET NUTZ for, inter alia, "candy" Reg. No. 3069509; and
- NUTIBLES for "processed nuts, Jordan almonds, roasted nuts, sugar coated peanuts,, and prepared pistachios and chic peas" and "licorice mints" (Reg. Nos. 3320691 and 3314897).

⁵ Respondent's Br. at 34.

Respondent also has made of record two other registrations for marks purporting to share the "LES" suffix common to petitioner's marks, in addition to the NUTIBLES mark, above:

- SKITTLES for "candy" (Reg. No. 1221105); and
- TURTLES for "candy" (Reg. No. 420577).

Respondent argues that the use of these marks, and the NUTIBLES mark in particular, suggest that petitioner's "combination of NUT and LES is not unique and is, at a minimum, meant to convey an association with nut products" and peanuts in particular.⁶

As an initial matter, three of the marks are on used on unrelated goods such as ice cream and dog treats and, therefore, they are of little use in determining the strength of the marks at issue. Similarly, the SKITTLES and TURTLES marks have very different commercial impressions and have only minimal similarities when compared to respondent's mark for purposes of this *du Pont* factor.

Nevertheless, we recognize that the term "NUT" is descriptive or even generic of the parties' goods. But we do not find that the existence of these few marks compels the conclusion that petitioner's P-NUTTLES marks are so inherently weak as to deserve little or no protection. There is no evidence that the term P-NUTTLES, or even NUTTLES, has been used by anyone other than petitioner. We recognize that P-NUTTLES, as a suggestive mark, is not entitled to the broadest scope of protection, however, the mark is at least entitled to protection against the registration of a similar mark, if such mark is used on identical goods. See King

⁶ *Id*. at 35.

Candy Co. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108, 109 (CCPA 1974) (likelihood of confusion is to be avoided as much between weak marks as between strong marks). Thus, while the NUTIBLES mark may have some similarities when compared to petitioner's marks, we find that respondent's NUTTLES mark is even more similar to petitioner's marks.

Accordingly, the limited third-party evidence and the suggestive nature of petitioner's marks fall short in undermining the distinctiveness of petitioner's mark to any significant degree, that is, to show that petitioner's mark is weak. Accordingly, this factor is neutral.

Conclusion

After considering all of the evidence of record and argument pertaining to the du Pont likelihood of confusion factors, including ones not specifically discussed herein, we find that because the marks are similar, the goods are legally identical, and the channels of trade and consumers are presumed to overlap, there is a likelihood of confusion between respondent's mark and the registered marks when used in connection with the identified goods. Lastly, to the extent that any of the points argued by respondent may raise a doubt about our finding of a likelihood of confusion, we would resolve that doubt, as we must, in favor of petitioner as the prior user. See Giant Food, Inc. v. Nation's Foodservice, Inc., 218 USPQ at 395; and Century 21 Real Estate Corp. v. Century Life of America, 970 F.2d 874, 23 USPQ2d 1698, 1701 (Fed. Cir. 1992).

Cancellation No. 92052158

Decision: The petition for cancellation is granted. Registration No. 3719863 will be cancelled in due course.