# THIS OPINION IS NOT A PRECEDENT OF THE TTAB

Mailed: February 9, 2024

### UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Oregon Grain Growers Brand Distillery Inc.

v.

Michael Pitsokos

\_\_\_\_\_

Cancellation No. 92076817

Kevin Haynie of YourTrademarkAttorney.com for Oregon Grain Growers Brand Distillery Inc.

Michael Pitsokos, Pro Se.

Before Goodman, Pologeorgis, and Lebow, Administrative Trademark Judges.

Opinion by Goodman, Administrative Trademark Judge:

#### On Request for Reconsideration

On October 16, 2023, the Board issued a decision dismissing the petition to cancel. It dismissed the likelihood of confusion claim because Petitioner failed to prove priority of its common law rights to TORPEDO JUICE by a preponderance of the evidence; and it dismissed the nonuse claim because Petitioner failed to prove by a preponderance of the evidence nonuse in commerce by Respondent of its TORPEDO JUICE mark. 38 TTABVUE 16 and 19 (the "Decision").

Petitioner now seeks reconsideration of the Decision under Trademark Rule 2.129(c), 37 C.F.R. § 2.129(c), 38 TTABVUE. Although Respondent was not required to respond to Petitioner's request for reconsideration, Respondent has chosen to do so. 39 TTABVUE. See Volkswagenwerk AG v. Ridewell Corp., 201 USPQ 410, 411 (TTAB 1979) ("there is no requirement in Rule 2.129(c) that the prevailing party must file a response to a request for reconsideration in order to preserve a victory").

## I. Applicable Law - Reconsideration

The Trademark Trial and Appeal Board Manual of Procedure (TBMP) states the standard for reconsidering final decisions under Trademark Rule 2.129(c):

Generally, the premise underlying a request for rehearing, reconsideration, or modification under 37 C.F.R. § 2.129(c) is that, based on the evidence of record and the prevailing authorities, the Board erred in reaching the decision it issued. ... [T]he request normally should be limited to a demonstration that, based on the evidence properly of record and the applicable law, the Board's ruling is in error and requires appropriate change. TBMP § 543 (2023).

Here, Petitioner takes issue with two aspects of the Board's Decision:

- 1) The Board erred in finding that the issue of distinctiveness of its common law mark was tried implicitly by the parties;
- 2) The Board erred in finding that Petitioner's common law mark is merely descriptive based on the evidence of record.

Petitioner states alternatively in its request for reconsideration that if the Board did not err in its finding that Petitioner's common law mark was not inherently distinctive but descriptive, then the issue of descriptiveness was implicitly tried by the parties as to Respondent's identical mark. We construe this portion of the request for reconsideration as seeking an amendment to the pleadings to conform to the

evidence under Fed. R. Civ. P. 15(b). Cf. Levi Strauss & Co. v. R. Josephs Sportswear Inc., 36 USPQ2d 1328, 1330 (TTAB 1994) (considering opposer's request to amend the pleadings to assert likelihood of confusion, filed in conjunction with a request for reconsideration).

#### II. Analysis

We consider the first two issues raised by Petitioner together because they involve Petitioner's burden in a cancellation proceeding as to priority and result in our conclusion that our finding of implied consent in the Decision was superfluous. In this case, Petitioner sought to cancel Respondent's mark based on its prior common law use of TORPEDO JUICE.

#### A. Petitioner's burden as to distinctiveness and priority

First, we note that Petitioner was on notice that its adoption of a common law mark and priority was an issue based on Respondent's denials in the answer of Petitioner's prior use of TORPEDO JUICE (paragraphs 5, 6, 7, 8 and 9) and his alleged affirmative defense stating that Petitioner did not have priority. *H.D. Lee Co., Inc. v. Maidenform, Inc.*, 87 USPQ2d 1715, 1720 (TTAB 2008) (denials in answer made priority an issue).

Additionally, regardless of whether Petitioner was on notice, in a cancellation proceeding, priority must be established by the petitioner. *See Brewski Beer Co. v. Brewski Bros. Inc.*, 47 USPQ2d 1281, 1284 (TTAB 1998). We observe that plaintiffs relying on common law rights, in general, often overlook the element of proof of distinctiveness as part of the burden of establishing priority.

Further, our primary reviewing court has stated that under the rule of *Otto Roth*, a petitioner cannot prevail unless it shows that its unregistered common law mark is distinctive of its goods or services, whether inherently, through the acquisition of secondary meaning, or through "whatever other type of use may have developed a trade identity." Towers v. Advent Software Inc., 913 F.2d 942, 16 USPQ2d 1039, 1041 (Fed. Cir. 1990); see Otto Roth & Co. v. Universal Foods Corp., 640 F.2d 1317, 209 USPQ 40, 43 (CCPA 1981) (opposer must establish proprietary rights in its pleaded common-law mark); DeVivo v. Ortiz, 2020 USPQ2d 10153, at \*3 (TTAB 2020) ("To establish priority, the mark must be distinctive, inherently or otherwise, and Opposer must show proprietary rights in a mark as to which Applicant's mark gives rise to a likelihood of confusion."); RXD Media v. IP Application Dev. LLC, 125 USPQ2d 1801, 1808 & 1810 (TTAB 2018) (opposer must establish proprietary rights in its pleaded common-law mark; "Opposer has the burden of proving the distinctiveness of its pleaded unregistered mark"), aff'd, 377 F. Supp. 3d 588 (E.D. Va. 2019), aff'd, 986 F.3d 361, 2021 USPQ2d 81 (4th Cir. 2021); see also Herbko Int'l Inc. v. Kappa Books Inc., 308 F.3d 1156, 64 USPQ2d 1375, 1378 (Fed. Cir. 2002) (to establish priority, plaintiff must show proprietary rights in a mark that produces a likelihood of confusion); Hoover Co. v. Royal Appliance Mfg. Co., 238 F.3d 1357, 57 USPQ2d 1720, 1721 (Fed. Cir. 2001) (because trade identity rights arise when a term is distinctive, opposer must prove that its mark is distinctive either inherently or through acquired distinctiveness); Shalom Children's Wear Inc. v. In-Wear A/S, 26 USPQ2d 1516, 1520

(TTAB 1993) (a party must demonstrate by an evidentiary showing that the mark is distinctive).

As the Federal Circuit clearly stated in *Hoover Co. v. Royal Appliance Mfg. Co.*, 57 USPQ2d at 1721-22, the burden to show distinctiveness of its own unregistered term is the plaintiff's:

Hoover, as the party opposing registration on the basis of likelihood of confusion with its own mark, must establish that 'Number One in Floorcare' is distinctive of its goods either inherently or through the acquisition of secondary meaning. See Towers v. Advent Software, Inc., 913 F.2d 942, 945, 16 USPQ2d 1039, 1041 (Fed.Cir.1990). Hoover's attempt on appeal to characterize its slogan as a trade identity does not relieve it of the burden of establishing distinctiveness. See id. at 946, 16 USPQ2d at 1041.

Petitioner's burden as to priority in a likelihood of confusion claim, which includes a showing of distinctiveness of the unregistered term, whether inherently, or through the acquisition of secondary meaning, is a preponderance of the evidence. *Hunter Indus., Inc. v. The Toro Co.*, 110 USPQ2d 1651, 1658 (TTAB 2014); *Threshold.TV, Inc. v. Metronome Enters, Inc.*, 96 USPQ2d 1031, 1037 & n.13 & 1038 (TTAB 2010).

In our evaluation of Petitioner's proprietary rights, the distinctiveness of its common law mark is our first consideration. In *Hunter Indus.*, 110 USPQ2d at 1658, the Board addressed priority of a common law mark, indicating that a proper analysis begins with a consideration of distinctiveness: "Our evaluation of opposer's proprietary rights begins with the distinctiveness of opposer's mark."

Thus, in order to prevail on the likelihood of confusion claim in this case, Petitioner had the burden of showing that the unregistered term TORPEDO JUICE, upon which it claimed its prior rights, was distinctive, either inherently or through acquired distinctiveness, and that its use and acquisition of distinctiveness predates Respondent's acquisition of proprietary rights. *Towers v. Advent Software, Inc.*, 16 USPQ2d at 1041; *Hoover Co. v. Royal Appliance Mfg. Co.*, 57 USPQ2d at 1721; *RXD Media*, 125 USPQ2d at 1808 & 1810; *Threshold.TV*, 96 USPQ2d at 1037 (where the common law mark is not inherently distinctive for opposer's services, the burden was on opposer to demonstrate that its designation had acquired distinctiveness prior to applicant's actual use or constructive use date). In other words, the question of distinctiveness is raised by pleading a common law mark.

In this case, Petitioner provided testimony and evidence as to the origins of its common law mark TORPEDO JUICE and the relationship of its goods to historical "torpedo juice" that shows TORPEDO JUICE is not inherently distinctive in relation to Petitioner's goods. Respondent responded to this evidence by addressing the descriptiveness of TORPEDO JUICE in its brief. Respondent's brief 35 TTABVUE at 4. Petitioner chose not to address Respondent's descriptiveness argument in its reply brief.

In view of the foregoing, our finding of implied consent to consider the matter was not required. It was always part of Petitioner's burden of proof to prove priority and distinctiveness of the common law term TORPEDO JUICE. Here, the record of non-distinctiveness of TORPEDO JUICE was directly raised by the testimony and evidence put into the record by Petitioner and directed to priority; as distinctiveness

was Petitioner's burden, it was not necessary to find implied consent to consider the matter.<sup>1</sup>

Accordingly, the Board did not err in considering, as an initial matter, the distinctiveness of Petitioner's designation TORPEDO JUICE in connection with priority since distinctiveness of an asserted common law mark must be proven and addressed in our consideration of Petitioner's prior rights in such mark.

B. No presumption of inherent distinctiveness for a common law mark

Petitioner also argues on reconsideration that its common law mark TORPEDO JUICE should have been presumed inherently distinctive. However, there is an important difference between registered trademarks and unregistered marks or trade dress.

Under the Trademark Act, registered marks are entitled to certain presumptions. 15 U.S.C. §§ 1057(b); Cold War Museum Inc. v. Cold War Air Museum Inc., 586 F.3d 1352, 92 USPQ2d 1626, 1629 (Fed. Cir. 2009) (presumption of validity of registration includes presumption of distinctiveness); St. Louis Janitor Supply Co. v. Abso-Clean Chem. Co., 196 USPQ 778, 782 (TTAB 1977) (respondent's territorially unrestricted registrations accord to respondent, for as long as the registrations exist, the

\_

¹ To the extent notice to Petitioner of trying distinctiveness of its common law mark could be considered an issue, the finding of implied consent closed that issue and based on this record was not erroneous. See Morgan Creek Prods, Inc. v. Foria Int'l, Inc., 91 USPQ2d 1134, 1137 (TTAB 2009) ("the Board has found that an issue was tried by implied consent where the non-offering party raised no objection to the introduction of evidence on the issue and in its brief treated the evidence as being of record, or discussed the issue in its brief as though it were part of the pleading"); Hovnanian Enters., Inc. v. Covered Bridge Estates, Inc. 195 USPQ 658, 664 (TTAB 1977) (where the record in the case raised the issue of validity of Registrant's mark and was addressed by the parties, the matter was considered tried under Fed. R. Civ. P. 15(b)).

presumption of Section 7(b) of the Trademark Act-validity of the registrations, respondent's ownership of the marks, and respondent's exclusive right to use the marks in connection with the goods specified in the certificates of registration—for the entire country).

However, a party relying on common law rights in a mark for likelihood of confusion "does so without the benefit of those presumptions ordinarily allowed a registration." Asplundh Tree Expert Co, v. Defibrator Fiberboard Aktiebolag, 208 USPQ 954, 959 (TTAB 1980); see also Autac Inc. v. Viking Indus., Inc., 199 USPQ 367, 373 (TTAB 1978) ("Since petitioner herein is relying upon its common law use of the 'AUTAC' mark to which, unlike in the case of a registration under Section 7(b), no presumptions flow, the nature of petitioner's product is necessarily dependent upon what the evidence discloses it to be and how the purchasing public seeking such goods would regard it."). Cf. Shenzhen IVPS Tech. Co. Ltd. v. Fancy Pants Prods., LLC, 2022 USPQ2d 1035, at \*16 (TTAB 2022) (the Section 7(b) presumptions that attach to a principal register registration do not factor into the family of marks analysis which considers the priority and the distinctiveness of the family feature under common law). Thus, while a Principal Register registration without a claim of acquired distinctiveness under Section 2(f) is considered inherently distinctive under the Trademark Act, Petitioner's common law mark does not enjoy the same presumption of inherent distinctiveness.

Therefore, although Petitioner argues otherwise, there is no automatic presumption that a common law mark is inherently distinctive.

#### C. Evaluation of distinctiveness at trial

In considering the distinctiveness of a common law mark at trial, we consider the mark and look to the record. In some cases, it may simply be obvious that the mark, on its face, is inherently distinctive and the record at trial does not contradict such a finding. On the other hand, it may not be so obvious, and the record may bring into question whether the mark is, in fact, inherently distinctive, or a party may raise the issue on brief, both of which occurred here. *RXD Media*, 125 USPQ2d at 1810-1814; *Hunter Indus.*, 110 USPQ2d at 1658; *Threshold.TV*, 96 USPQ2d at 1034.

We briefly discuss some of the Board cases that are illustrative.

In *DeVivo*, 2020 USPQ2d 10153, at \*3, the opposer testified that the mark ENGIRLNEER was coined, and the Board found the mark distinctive:

As Opposer states in her declaration, [ENGIRLNEER] is a coined term and has no meaning in Opposer's field of work. Through the word 'girl' and the similarity of the entire term to the word 'engineer,' it suggests a female engineer.

In *Threshold.TV*, 96 USPQ2d at 1037, the parties argued in their briefs about whether BLACKBELT TV on which opposer claimed prior rights was descriptive. The Board explained:

Because the parties in their briefs have discussed whether BLACKBELT TV is a merely descriptive designation, we consider whether the term BLACKBELT TV is merely descriptive of services on which opposer maintains it uses BLACKBELT TV, and, if it is merely descriptive, whether opposer has established that BLACKBELT TV has acquired distinctiveness, prior to the filing date of applicant's application.

The Board then considered the arguments of the parties, the record, and took judicial notice of a dictionary definition of BLACKBELT to come to the conclusion that BLACKBELT TV was merely descriptive and acquired distinctiveness of that designation prior to applicant's application filing date must be proven to establish priority. *Id*.

In RXD Media, 125 USPQ2d at 1810, the Board noted that Opposer had not "asserted or shown that its pleaded mark" was inherently distinctive. Id. The Board stated that "while Opposer has the burden of proving the distinctiveness of its pleaded unregistered mark, we will first consider whether the asserted mark is merely descriptive and lacks acquired distinctiveness," an issue was raised by the evidence in the record. Id. at 1810-1814. The Board went on to discuss the record, including the prefix letter "I", the definition of "pad," third-party registrations, third-party publications and websites, and opposer's own use to come to the conclusion that IPAD was merely descriptive of the opposer's services and that opposer's use fell short of establishing acquired distinctiveness prior to applicant's constructive use dates. Id. at 1811-1816.

In *Hunter Indus.*, 110 USPQ2d at 1658, the distinctiveness of the mark was raised in the applicant's brief on the case, where the applicant argued the descriptiveness of the opposer's claimed common law mark PRECISION DISTRIBUTION CONTROL. The Board considered the matter stating:

Applicant argues that its mark PRECISION is suggestive, but implies that opposer's mark is merely descriptive, and thus opposer must achieve proprietary rights in its mark by showing acquired distinctiveness. We do not believe that the record sufficiently supports a finding that opposer's mark, in its entirety, is merely descriptive of opposer's goods. Moreover, even if opposer's mark is merely descriptive, we find that opposer has presented ample documentary and testimonial evidence to establish that it acquired distinctiveness in PRECISION DISTRIBUTION CONTROL prior to June 21, 2010.

Id.

There, the Board considered both the argument and evidence in the record to determine whether the opposer's common law mark PRECISION DISTRIBUTION CONTROL was merely descriptive or suggestive.

As discussed, in this case, the issue of distinctiveness was inherently raised by Petitioner's reliance on a common law mark and Respondent's denials. Moreover, the record—i.e., Petitioner's own testimony and evidence—makes clear that the question of distinctiveness of the common law mark is not resolved on its face. Therefore, even though distinctiveness was not directly addressed by Petitioner in its brief, our evaluation properly considered the issue of the distinctiveness of Petitioner's mark and whether Petitioner met its burden in this regard.

Accordingly, we did not err in evaluating Petitioner's proprietary rights by considering the distinctiveness of Petitioner's TORPEDO JUICE designation in connection with priority based on Petitioner's testimony and evidence in the record, all without need to consider the question of implied consent.

#### D. Finding of descriptiveness supported by the record

Petitioner has also argued that the record does not support a descriptiveness finding for the designation TORPEDO JUICE.

The Decision found the evidence and testimony established that TORPEDO JUICE was a merely descriptive designation in connection with Petitioner's vodka combined with pineapple juice. Decision at 11-12. As discussed in the Decision, Petitioner's witness testified about the origins of the TORPEDO JUICE designation which originated from a reference to a drink created by sailors in WWII using distilled ethanol and pineapple juice. Id. at 8. Petitioner's witness also discussed Petitioner's "release menu" for its pineapple flavored vodka with the designation TORPEDO JUICE. Id. at 8-9. The release menu provided information as to the history of TORPEDO JUICE, stating over time the concoction of re-distilled, filtered 180 proof alcohol mixed with pineapples was dubbed "TORPEDO JUICE." Id. at 9. In addition, the record included many photographs of Petitioner's bottle labels for TORPEDO JUICE showing 100 proof pineapple flavored vodka with a drawing of a torpedo to reference the historical origins of TORPEDO JUICE. Id. at 10. A Facebook post excerpt from Petitioner's Facebook account, provided in connection with witness testimony, states: "100 Proof Pineapple Flavored Vodka just like the guys in the Navy made during WWII in the pacific." Id. at 10-11. We also took judicial notice of dictionary definitions for TORPEDO JUICE as "slang" for an "extremely strong home-distilled liquor" and "a drink based on the fuel alcohol of naval torpedoes." Id at 11.

The evidence and testimony in the record fully support our finding that TORPEDO JUICE merely describes a feature of Petitioner's pineapple vodka by informing purchasers that Petitioner's goods are an alcoholic beverage that is high proof, and

that its pineapple flavored vodka is based on a beverage that purportedly originated from naval sailors during World War II.

Accordingly, we did not err in finding TORPEDO JUICE merely descriptive based on the testimony and evidence of record or that Petitioner failed to establish that its mark was distinctive, or had acquired distinctiveness, and that it had priority for the common law mark TORPEDO JUICE for pineapple flavored vodka.

E. Whether the pleadings should be amended to assert a descriptiveness claim We now turn to the third matter raised on reconsideration, that if Petitioner's designation TORPEDO JUICE is merely descriptive, "Petitioner believes these issues were also tried with regard to Registrant's Mark, which is identical." As indicated, we construe this portion of the reconsideration request as seeking an amendment to the pleadings to conform to the evidence under Fed. R. Civ. P. 15(b) based on implied consent.

Rule 15(b) of the Federal Rules of Civil Procedure provides that "when issues not raised by the pleadings are tried by express or implied consent of the parties, they shall be treated in all respects as if they had been raised in the pleadings." "It is clear that in order to have implied consent to the trial of an unpleaded issue, the parties must not only allow introduction of evidence without objection but must understand that the evidence was aimed at the unpleaded issue." ABC Moving Co., Inc. v. Brown, 218 USPQ 336, 338 (TTAB 1983). "The non-moving party must be aware that the issue is being tried, and therefore there should be no doubt on this matter." Morgan Creek Prods. Inc. v. Foria Int'l Inc., 91 USPQ2d at 1139.

After a thorough review of the record, we find that the issue of descriptiveness of Respondent's mark was not tried by the implied consent of the parties and, in particular, that Respondent was never fairly apprised that Petitioner's evidence was being offered in support of a descriptiveness claim. To the contrary, until its present request for reconsideration, Petitioner had not raised this issue.

In its brief on the case, Petitioner states unequivocally that there are two issues in this proceeding, namely, likelihood of confusion and nonuse. Petitioner does not in any way address the issue of descriptiveness of Respondent's mark in its brief. Petitioner's testimony and evidence were presented for purposes of its priority of the designation TORPEDO JUICE, not to establish the descriptiveness of Respondent's mark. Although we found in the course of our decision that Petitioner's designation TORPEDO JUICE was descriptive, Petitioner cannot extrapolate from such a finding that the issue of descriptiveness was tried as to Respondent's mark. See Levi Strauss & Co. v. R. Josephs Sportswear Inc., 36 USPQ2d at 1331 (although Board found that "opposer has used and advertised Action Slacks in the manner of a trademark since 1979, opposer cannot extrapolate from such a finding that the issue of priority was tried").

As for Respondent, it is true, as Petitioner pointed out, that he stated in his brief that TORPEDO JUICE was descriptive. However, this statement cannot be viewed as a concession that the issue of descriptiveness was tried as to Respondent's TORPEDO JUICE mark.<sup>2</sup> Levi Strauss & Co. v. R. Josephs Sportswear Inc., 36 USPQ2d at 1331 (applicant's statement in brief that "opposer's use of Action Slacks was and is as a trademark. ... cannot be viewed as a concession that the issue of priority and likelihood of confusion was also tried.").

Because we cannot say that Respondent was on notice that Petitioner was asserting a descriptiveness claim against Respondent's TORPEDO JUICE mark, we find that the descriptiveness claim was not tried with Respondent's implied consent. M/S R.M. Dhariwal (HUF) 100% EOU v. Zarda King Ltd. et al., 2019 USPQ2d 149090, at \*4 (TTAB 2019). (Board found Section 2(a) claim was not tried by implied consent where opposer did not specifically assert this ground as a separate claim in the notice of opposition and the declaration testimony submitted did not give any indication to Applicant that a Section 2(a) claim was being tried).

Accordingly, we deny Petitioner's request to consider the matter of descriptiveness tried as to Respondent's mark.

**Decision**: Petitioner's request for reconsideration and its request to amend the pleading to add a descriptiveness claim are denied.

15

<sup>&</sup>lt;sup>2</sup> In fact, Respondent, in his brief, distinguished his TORPEDO JUICE mark as being non-descriptive of his goods. 35 TTABVUE 4.