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A Precedent
Of The TTAB

Mailed: October 19, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

El Taco Grande Mexican Food, LLC

v.

I-20 Hospitality, LP

Concurrent Use No. 94002497

Angus C. Fox, III, Esq. for El Taco Grande Mexican Food, LLC.

John K. Vaughan of Vaughan Ramsey & Walvoord for I-20 Hospitality, LP.

Before Zervas, Adlin and Lynch,
Administrative Trademark Judges.

Opinion by Lynch, Administrative Trademark Judge:

On September 27, 2006, Concurrent Use Applicant El Taco Grande Mexican Food, LLC (“El Taco Grande”) filed an application to register the mark BETO’S MEXICAN FOOD and design



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for “fast-food restaurants and take-out restaurant services” in International Class 43.¹ As amended, El Taco Grande’s concurrent use application names as an excepted user I-20 Hospitality, LP (I-20), owner of Registration Number 2603880 for BETO’S MEXICAN RESTAURANT (stylized)



with MEXICAN RESTAURANT disclaimed, for “restaurant services.” El Taco Grande seeks a concurrent use registration geographically restricted to the state of Utah.²

In its Amended Answer, I-20 claims that it does business as “Beto’s Mexican Restaurant” in Grand Prairie, Texas, and denies that El Taco Grande is entitled to a concurrent use registration.³

I. Evidentiary Issue

Both parties submitted declarations during their testimony periods, though they failed to expressly stipulate to the introduction of testimony by declaration, as required by Trademark Rule 2.123(b), 37 C.F.R. § 2.123(b). However, neither party objected to the other’s declarations, and I-20 relied on El Taco Grande’s declaration

¹ Application Serial No. 77008608, originally filed without geographic restriction under Trademark Act § 1(a), 15 U.S.C § 1051(a), asserting a first use date of January 1, 1998. El Taco Grande later disclaimed MEXICAN FOOD. February 28, 2007 Response to Office Action.

² *Id.*

³ 14 TTABVUE and 16 TTABVUE.

evidence for factual propositions.⁴ Thus, we find that the parties waived any objection to this evidence and stipulated to the presentation of testimony in the form of declarations, as permitted by Trademark Rule 2.123(b), 37 C.F.R. § 2.123(b). *Hilson Research Inc. v. Society for Human Resource Management*, 27 USPQ2d 1423, 1425 n.8 (TTAB 1993). Accordingly, we admit the declarations and exhibits thereto as matters in evidence.

II. The Record

The record consists of the pleadings, the files of the involved application and registration, and three declarations: El Taco Grande submitted a declaration and supplemental declaration by one of its owners, Jorge Aleman;⁵ I-20 submitted a declaration by its owner, Albert Sanchez.⁶

III. Facts

Mr. Aleman, through both a family partnership and corporate entities such as El Taco Grande, has continuously owned and operated multiple Mexican restaurants as family businesses in Utah since December 1997; each restaurant uses the involved mark.⁷ A Utah DBA filing⁸ for BETOS MEXICAN FOOD reflects a DBA registration date of December 5, 1997.⁹ Mr. Aleman testified, and I-20 has not disputed, that at that time, Mr. Aleman knew of no other entity using the mark BETOS

⁴ 23 TTABVUE at 18-20 (affidavit), 2-3 (“evidence presented by El Taco Grande”; “shown through the testimony of Jorge Aleman and associated exhibits”).

⁵ 21 TTABVUE; 24 TTABVUE.

⁶ 23 TTABVUE at 12-16.

⁷ 21 TTABVUE at 3.

⁸ A DBA filing identifies an operating name under which a person or company is “doing business as.”

⁹ 21 TTABVUE at 9.

for restaurant services.¹⁰ Mr. Aleman and his wife later established the El Taco Grande LLC in 2002,¹¹ and Mr. Aleman and his wife remained the sole owners.¹² Since 1997, they have continuously maintained control of the business assets, including the mark.¹³

El Taco Grande (or its successor)¹⁴ currently operates restaurants under the involved mark in the following Utah locations: American Fork, Bountiful, Heber City, Kaysville, Ogden, Orem, Price, Salt Lake City, Saratoga Springs, and Springville.¹⁵ I-20 concedes that at least one of these locations falls well outside a 50-mile radius of Salt Lake City, Utah.¹⁶ El Taco Grande indicates it does not intend to expand outside of Utah, and does not claim or seek registration for territory outside the state.¹⁷

¹⁰ *Id.* at 3.

¹¹ *Id.*

¹² *Id.* at 8.

¹³ 24 TTABVUE at 8.

¹⁴ We note that in the supplemental declaration, 24 TTABVUE at 8, Mr. Aleman states that El Taco Grande has transferred all business assets including trademark rights to Tacos Bero, a Utah LLC in which he remains a principal. No assignment to this effect has been recorded with the USPTO, and USPTO records still show the owner of this application as El Taco Grande Mexican Food, LLC. To ensure that any registration resulting from this application will issue in the proper owner's name, the assignee must file a written request by the time the application is being prepared for issuance of the certificate of registration that the registration be issued in its name. In addition, an appropriate document must be of record in the Assignment Recordation Branch of the USPTO, or the written request must state that the document has been filed for recordation. Finally, the address of the assignee must be made of record in the application file. *See Trademark Trial and Appeal Board Manual of Procedure* ("TBMP") §512.03 (June 2015); *Trademark Manual of Examining Procedure* ("TMEP") §505 (July 2015).

¹⁵ 21 TTABVUE at 4-5.

¹⁶ 23 TTABVUE at 3 (I-20's Trial Brief at 2).

¹⁷ 22 TTABVUE at 5 (El Taco Grande's Trial Brief at 4).

I-20 acquired its involved registration by assignment. I-20's business under the BETO'S MEXICAN RESTAURANT mark is currently located only in the state of Texas.¹⁸

IV. Analysis

Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), provides:

That if the Director determines that confusion, mistake, or deception is not likely to result from the continued use by more than one person of the same or similar marks under conditions and limitations as to the mode or place of use of the marks or the goods on or in connection with which such marks are used, concurrent registrations may be issued to such persons when they have become entitled to use such marks as a result of their concurrent lawful use in commerce prior to (1) the earliest of the filing dates of the applications pending or of any registration issued under this Act

El Taco Grande, as the concurrent use applicant and plaintiff, bears the burden of proof in this proceeding. *See Turdin v. Trilobite, Ltd.*, 109 USPQ2d 1473, 1478 (TTAB 2014); *see also*, Trademark Rule 2.99(e), 37 C.F.R. § 2.99(e). It must satisfy two conditions precedent to the issuance of a concurrent use registration. Specifically, it must: (i) demonstrate its lawful concurrent use of the mark in commerce prior to the filing date of the application resulting in I-20's registration; and (ii) establish that confusion, mistake or deception is not likely to result from its continued use of its mark in its claimed territory. *In re Beatrice Foods Co.*, 429 F.2d 466, 166 USPQ 431, 436 (CCPA 1970); *America's Best Franchising, Inc. v. Abbott*, 106 USPQ2d 1540, 1547 (TTAB 2013).

¹⁸ 21 TTABVUE at 6 (Aleman declaration); 14 TTABVUE 3 (Answer stating that Texas is where I-20 "does business as Beto's Mexican Restaurant" and therefore particularly objecting to El Taco Grande's concurrent use in or registration for Texas).

The First Condition: Lawful Concurrent Use

We first consider whether El Taco Grande's use meets the first condition to issuance of a concurrent use registration, which is "primarily jurisdictional in nature." See *America's Best*, 106 USPQ2d at 1548 (quoting *In re Beatrice Foods Co.*, 166 USPQ at 436). The only issue regarding El Taco Grande's satisfaction of the first condition stems from whether it can rely on the use by the predecessor family business from 1997 to the formation of the El Taco Grande LLC in 2002. I-20 contends that only El Taco Grande's use should be considered, and points out that El Taco Grande formed years after the 2000 filing date of the application resulting in I-20's registration.

El Taco Grande qualifies as the successor-in-interest to the family business that began using the mark in 1997.¹⁹ Since 1997, Mr. Aleman has co-owned and operated with his wife a Mexican food restaurant business under the BETO'S MEXICAN FOOD mark. They founded and co-own the El Taco Grande LLC identified as the Applicant in this proceeding.²⁰ They transferred the business assets, including rights in the involved mark, to El Taco Grande upon its formation.²¹ I-20 fails to offer any evidence contradicting El Taco Grande's right to claim its predecessor's use. A party may rely on use of the mark by its predecessor-in-interest to establish its first use date. See *Metro Traffic Control, Inc., v. Shadow Network Inc.*, 104 F.3d 336, 41 USPQ2d 1369, 1372 (Fed. Cir. 1997); *Airport Canteen Servs. v. Farmer's Daughter, Inc.*, 184 USPQ 622, 628 (TTAB 1974) ("An assertion of first use therefore, em-

¹⁹ 21 TTABVUE.

²⁰ 21 TTABVUE at 2-4, 11-12.

braces a use by a predecessor.”); *see also* 15 U.S.C. §1127 (defining the terms “applicant” and “registrant” as embracing predecessors); 37 C.F.R. §2.38 (use by a predecessor in title that inures to the benefit of a trademark applicant may be relied upon to establish the first use date).²² Thus, El Taco Grande may claim first use dating to 1997, establishing its use prior to the filing date of the application resulting in I-20’s registration.

I-20 mounts no challenge to El Taco Grande’s contention, supported by Mr. Aleman’s declaration, that the 1997 adoption of the BETO’S MEXICAN FOOD mark occurred in good faith, without knowledge of use of the mark by others.²³ *See Woman’s World Shops Inc. v. Lane Bryant Inc.*, 5 USPQ2d 1985, 1987-88 (TTAB 1985) (“[C]oncurrent rights arise where a party, in good faith and without knowledge of a prior party’s use in another geographical area, adopts and uses the same or similar mark for the same or like goods or services within its own geographical area with a measure of commercial success and public recognition without any resulting confusion as to source”); *Olé Taco Inc. v. Tacos Ole, Inc.*, 221 USPQ 912, 915 (TTAB 1984) (where evidence established the concurrent use applicant’s use before the excepted registrant’s filing date, “[w]e have no reason to assume that this was other than an innocent use without notice of registrant’s use and activity under the [involved] mark.”). Therefore, El Taco Grande’s use appears to be lawful concurrent use of the

²¹ 24 TTABVUE at 8.

²² The fact that use was by a predecessor should be stated in the application. Trademark Rule 2.38(a), 37 C.F.R. § 2.38(a). El Taco Grande should add such a statement to the record in its application before it moves forward to registration.

²³ 21 TTABVUE at 3.

mark in commerce prior to the filing date of the application resulting in I-20's registration, and satisfies the first condition.

The Second Condition: No Likelihood of Confusion

We next turn to the second condition, the requirement that El Taco Grande establish that its continued use of its mark in the area in which it concurrently uses it will not create a likelihood of confusion, mistake or deception. The determination involves an analysis whether confusion will likely result from the continued concurrent use of the trademark and whether an appropriate geographic restriction would obviate it. *Beatrice Foods*, 429 F.2d at 472, 166 USPQ at 435-36. We consider all of the facts in evidence relevant to the factors identified in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973) bearing on the issue of likelihood of confusion.

In an apparent concession that confusion would be likely to occur without an appropriate geographic restriction, the parties offer no specific arguments relating to likelihood of confusion factors such as the similarity of the marks or relatedness of the services. I-20's "restaurant services" identification encompasses El Taco Grande's "fast-food restaurants; take-out restaurant services." Comparing the two marks in their entireties, we find them highly similar in sound, meaning, appearance and commercial impression. Moreover, where, as here, the services overlap, the degree of similarity between the marks necessary to support a determination that confusion is likely declines. *See Bridgestone Americas Tire Operations, LLC v. Fed. Corp.*, 673 F.3d 1330, 102 USPQ2d 1061, 1064 (Fed. Cir. 2012). El Taco

Grande's mark consists of the wording BETO'S MEXICAN FOOD, with MEXICAN FOOD disclaimed, along with a taco design that reinforces the reference to the generic term MEXICAN FOOD. I-20's mark consists of the stylized wording BETO'S MEXICAN RESTAURANT, with MEXICAN RESTAURANT disclaimed. We accord less weight to the disclaimed generic references in the respective marks to MEXICAN FOOD and MEXICAN RESTAURANT, and find that the identical term, BETO'S, emerges as the dominant portion of each mark. *See In re Chatam Int'l Inc.*, 380 F.3d 1340, 1343, 71 USPQ2d 1944, 1946 (Fed. Cir. 2004) ("Viewed in their entireties with non-dominant features appropriately discounted, the marks [GASPAR'S ALE for beer and ale and JOSE GASPAR GOLD for tequila] become nearly identical"). We therefore conclude that the marks are likely to be confused if used without an appropriate geographic restriction.

Turning then to the real disputed issue under this condition, we next consider whether a geographic restriction would obviate otherwise likely confusion, and if so, the appropriate geographic boundaries of the restriction. El Taco Grande requests a geographic limitation to the state of Utah, in view of its at least nine restaurants in various Utah locations. I-20 seeks a more limited geographic limitation for El Taco Grande to "the Salt Lake City metropolitan area," though I-20 acknowledges that El Taco Grande already operates at least one restaurant outside that boundary.²⁴ For its part, El Taco Grande contends that *several* of its existing restaurants, specifical-

²⁴ 23 TTABVUE at 9 (Defendant's Trial Brief at 8, noting "all but one restaurant operated by El Taco Grande is within fifty (50) miles of the Salt Lake City metropolitan area").

ly those in Price, Heber City, Orem, and Ogden, fall outside the Salt Lake City metropolitan area.²⁵

Though the parties take different positions on the proper scope of a geographic restriction, neither party argues that confusion cannot be avoided through some appropriate geographic restriction. They concede that they operate their businesses in geographically distinct areas. El Taco Grande operates restaurants under its mark only in Utah, and I-20 operates restaurants under its mark only in Texas. A geographic restriction often suffices to avoid confusion between identical or highly similar marks used for the same or closely related goods or services, including in the restaurant context. *See e.g., Weiner King, Inc. v. The Wiener King Corporation*, 615 F.2d 512, 204 USPQ 820 (CCPA 1980) (allowing concurrent use registrations for WIENER KING for hot dog restaurants and geographically separate use of WEINER KING for hot dog restaurants); *CDS, Inc. v. I.C.E.D. Management, Inc.*, 80 USPQ2d 1572 (TTAB 2006) (concurrent use registration for THE COPY CLUB for copying and related services issued despite geographically separate use of COPY CLUB for identical services); *Georgia-Southern Oil Inc. v. Richardson*, 16 USPQ2d 1723 (TTAB 1990) (concurrent use registration for HUNGRY HARVEY for retail convenience store services issued despite geographically separate use of HUNGRY HARVEY'S for restaurant and convenient store services); *Pinocchio's Pizza Inc. v. Sandra Inc.*, 11 USPQ2d 1227 (TTAB 1989) (concurrent use registration for PINOCCHIOS for restaurant services featuring pizza issued despite geographically separate use of PINOCCHIO'S for restaurant services, and despite finding "that

²⁵ 24 TTABVUE at 4 (El Taco Grande's Reply Brief at 8.)

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confusion in the marketplace, if the marks are used in the same geographical area, is not only likely but certain”); *Thriftmart, Inc. v. Scot Lad Foods, Inc.*, 207 USPQ 330 (TTAB 1980) (concurrent use registration for THRIFTMART for retail supermarket services issued despite geographically separate use of THRIF-TI-MART for identical services).

Taking into account the evidence provided regarding actual use of the marks, we conclude that likely confusion can be avoided with an appropriate geographic restriction. *See Boi Na Braza, LLC v. Terra Sul Corp.*, 110 USPQ2d 1386 (TTAB 2014) (“Moreover, the Board and other tribunals have often found that confusion can be avoided when restaurant services in particular are offered under identical marks but in geographically restricted territories [citations omitted]... Restaurant services by definition are rendered in a particular geographic location”). El Taco Grande and I-20 offer their services in different, non-contiguous states. They do not overlap in the areas where they promote their respective marks and appear unlikely to draw the same customers. We therefore find consumer confusion unlikely if they continue to operate in their distinct territories.

The appropriate geographic restriction for El Taco Grande encompasses the entire state of Utah. Neither El Taco Grande nor I-20 asserted plans to expand beyond the respective states in which they currently operate. Neither party provided objective evidence regarding the boundaries of the Salt Lake City metropolitan area, which is the focal point of their dispute. However, El Taco Grande established use in numerous locations in Utah, and pointed to four locations in its Rebuttal Brief to

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demonstrate that it operates restaurants outside the Salt Lake City metropolitan area: Price, Heber City, Orem, and Ogden. We take judicial notice of the fact that these locations range from 119 to 38 miles from Salt Lake City.²⁶ See *Olé Taco*, 221 USPQ at 914 n.2 (“Here and elsewhere, the Board has taken judicial notice of the distances between the cities and communities named in this proceeding as revealed by maps of the states involved.”). As noted above, I-20 concedes that El Taco Grande already conducts business outside the Salt Lake City metropolitan area. We find that El Taco Grande, the senior user, already uses the mark in several locations outside the Salt Lake City metropolitan area and should continue to be able to use its mark throughout the entire state of Utah.

DECISION:

1. Applicant El Taco Grande is entitled to a concurrent use registration for the identified services in Application Serial No. 77008608, which shall proceed to registration with the following revised concurrent use statement:

Registration limited to the area comprising the entire state of Utah pursuant to Concurrent Use Proceeding No. 94002497. Concurrent registration with I-20 Hospitality, LP.

²⁶ Rand McNally Maps & Driving Directions, <http://maps.randmcnally.com/>. See Fed. R. Evid. 201.

2. Registrant I-20's Registration No. 2603880 will be limited to the entire United States except for the state of Utah.