

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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Baxley

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Concurrent Use No. 94002596

Masayoshi Takayama

v.

D'Amico Holding Company

Before Kuhlke, Cataldo, and Masiello,
Administrative Trademark Judges.

By the Board:

In the above-captioned proceeding, Masayoshi Takayama (“Applicant”) seeks a concurrent use registration for the mark MASA in standard character form for “Japanese and sushi restaurant and bar services” in International Class 43.¹ In the concurrent use statement of his involved application, Applicant names geographically unrestricted Registration Nos. 3855043² and 3380250,³ both owned by D'Amico Holding Company (“Registrant”), as

¹ Application Serial No. 76685731, filed January 14, 2008 and alleging January 2004 as the date of first use anywhere and date of first use in commerce.

² Such registration is for the mark MASA in standard character form for “restaurant and bar services” in International Class 43 and was issued on September 28, 2010, based on an application that was filed on June 20, 2005. That registration states November 22, 2005 as the date of first use anywhere and the date of first use in commerce.

³ Such registration is for the mark MASA and design in the following form,  , for “[r]estaurant and bar services” in International Class 43 and was issued on

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exceptions to his exclusive right to use such mark in commerce and “claims the exclusive right to use the mark in the area comprising the United States with the exceptions of the state of Minnesota, the area within fifty miles of Minneapolis, Minnesota, and the state of Florida.” In response to Applicant’s concurrent use application, Registrant denies that Applicant “is entitled to a Concurrent Use Registration claiming the entire United States with the exceptions of the state of Minnesota, the area within fifty miles of Minneapolis, Minnesota, and the state of Florida.”

The above-captioned proceeding is the third Board *inter partes* proceeding between the parties involving their MASA marks. The following is a summary of the previous opposition proceedings between the parties.

Opposition No. 91175440

In Opposition No. 91175440, styled *Takayama v. D’Amico Holding Co.*, Applicant opposed registration of Registrant’s mark MASA in standard character form for “[r]estaurant and bar services” in International Class 43 on the ground of likelihood of confusion with his involved MASA mark. The parties, on May 4, 2009, entered into a confidential coexistence and settlement agreement.⁴ Pursuant to that agreement, the parties will not use

February 12, 2008 based on an application that was filed on November 30, 2006. That registration states November 22, 2005 as the date of first use anywhere and the date of first use in commerce.

⁴ Although the parties have treated the entire settlement agreement as “confidential” in briefing the cross-motions for summary judgment, a copy of that agreement has been in the public record by way of its appearance in the USPTO file for applicant’s application Serial No. 76685731 since Applicant filed a copy of it as

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their respective marks in specific geographic territories. The agreement, however, did not call for any geographic restriction of Registrant's then-pending application. In view of that agreement, the Board, in an April 20, 2010 order, dismissed Opposition No. 91175440 with prejudice. Registrant's application matured into involved Registration No. 3855043 on September 28, 2010. Notwithstanding the geographic restrictions on the parties's use of their marks that were included in the parties' agreement, that registration was issued without any geographic restriction.

Registration No. 3380250

During the pendency of Opposition No. 91175440, Registrant filed an application to register the mark MASA and design for "[r]estaurant and bar services" in International Class 43. That application was not opposed and matured into involved Registration No. 3380250, which was issued on February 12, 2008 without any geographic restriction. That registration became incontestable on December 13, 2013, when Registrant filed its Section 15 affidavit.

Opposition No. 91201540

During the pendency of Opposition No. 91175440, Applicant filed his involved application as a geographically unrestricted application based on use in commerce under Trademark Act Section 1(a), 15 U.S.C. § 1051(a).

an exhibit to his June 29, 2011 response to an Office Action during *ex parte* examination of that application. A review of that agreement indicates that it includes minimal, if any, information which is genuinely confidential. Because the settlement agreement is crucial to deciding the pending motions, we have cited to portions of that agreement where necessary.

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Therein, Applicant alleges January 2004 as the date of first use anywhere and the date of first use in commerce. Applicant's involved application was initially refused registration under Trademark Act Section 2(d), 15 U.S.C § 1052(d), based in part on Registrant's involved registration No. 3380250, but that refusal of registration was withdrawn after Applicant submitted a copy of the settlement agreement in Opposition No. 91175440. The settlement agreement, however, does not address Applicant's right to register his involved mark.

In Opposition No. 91201540, styled *D'Amico Holding Co. v. Takayama*, Registrant opposed registration of the involved mark on grounds of breach of contract, based at least in part on Takayama's allegedly improper submission of the settlement agreement in Opposition No. 91175440 as an exhibit to a response to an Office action during *ex parte* examination, and fraud, based on Takayama's allegedly false characterization during *ex parte* examination of the settlement agreement as a "consent agreement."

In a November 8, 2011 order, the Board, among other things, struck the breach of contract claim as being unavailable in a Board proceeding. Opposition No. 91175440 was then suspended pending the Director's decisions on Registrant's petition to the Director in connection with the November 8, 2011 order and request for reconsideration following the denial of that petition. Following the resumption of proceedings, the Board, in a September 30, 2013 order, granted Registrant's motion for leave to add a

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claim under Trademark Act Section 2(d) based on likelihood of confusion with its involved registered marks.

On December 13, 2013, Applicant filed a motion to amend his involved application to one seeking a concurrent use registration. In his brief in support of that motion, Applicant agreed to accept entry of judgment against himself with regard to his asserted right to a geographically unrestricted registration. In a March 5, 2014 order, the Board granted Applicant's motion, entered judgment in the opposition proceeding with respect to Applicant's right to a geographically unrestricted application, and instituted the above-captioned concurrent use proceeding.

This case now comes up for consideration of: (1) Applicant's motion (filed March 26, 2014) for summary judgment on the ground that, in view of the excluded geographic regions set forth in the parties' settlement agreement in Opposition No. 91175440, his applied-for mark is entitled to a concurrent use registration for the area comprising the United States with the exceptions of the state of Minnesota, the area within fifty miles of Minneapolis, Minnesota, and the state of Florida; and (2) Registrant's cross-motion (filed April 22, 2014) for summary judgment on the ground that, because Registrant's involved Registration No. 3380250 is incontestable, Registrant possesses rights to registration extending to the entire United States except for the State of New York and fifty miles around New York, New York. The motions have been fully briefed.

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Summary judgment is an appropriate method of disposing of cases in which there are no genuine issues of material fact in dispute. *See* Fed. R. Civ. P. 56(c). The party moving for summary judgment has the initial burden of demonstrating both that there is no genuine issue of material fact remaining for trial and that it is entitled to entry of judgment as a matter of law. *See Celotex Corp. v. Catrett*, 477 U.S. 317 (1987); *Sweats Fashions Inc. v. Pannill Knitting Co. Inc.*, 833 F.2d 1560, 4 USPQ2d 1793 (Fed. Cir. 1987). The nonmoving party must be given the benefit of all reasonable doubt as to whether genuine issues of material fact exist, and the evidentiary record on summary judgment, and all inferences to be drawn from the undisputed facts must be viewed in the light most favorable to the nonmoving party. *See Opryland USA, Inc. v. Great American Music Show, Inc.*, 970 F. 2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992).

The Board turns first to Applicant's motion for summary judgment. Applicant essentially claims that, because his application has been amended to be consistent with the geographic restrictions set forth in the settlement agreement in Opposition No. 91175440, there are no triable issues of fact and he is entitled to entry of judgment as a matter of law.

Applicant, as the plaintiff herein, has the burden of proving his entitlement to the concurrent use registration he seeks. *See* Trademark Rule 2.99(e); *Over the Rainbow, Ltd. v. Over the Rainbow, Inc.*, 227 USPQ 879, 883 (TTAB 1985); TBMP § 1108. There are two conditions precedent to the

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issuance of concurrent registrations: (1) that the parties are at present entitled to concurrently use the mark in commerce; and (2) there is no likelihood of confusion, mistake or deception in the market place as to the source of the goods or services resulting from the continued concurrent use of the mark at issue. *See America's Best Franchising Inc. v. Abbott*, 106 USPQ2d 1540, 1547 (TTAB 2013).

The settlement agreement states in relevant part that: (1) Applicant has used his involved MASA mark “in connection with exquisite Japanese sushi restaurant and bar services in [New York, New York] since at least 2004”; (2) Registrant has used the MASA word mark “in connection with contemporary Mexican restaurant services in Minneapolis, [Minnesota] since at least November 22, 2005”; (3) the parties are unaware of any actual confusion resulting from their respective uses of their marks; (4) Registrant “shall not provide restaurant or bar services under the MASA mark in the [S]tate of New York or within fifty (50) miles of [New York, New York]”; (5) Applicant “shall not provide restaurant or bar services under the MASA mark in the [S]tate[s] of Minnesota & Florida or within fifty (50) miles of Minneapolis, [Minnesota]”; and (6) the parties agree that their respective marks for their respective services are not likely to cause confusion or mistake because of the differences in geography and target customers, and their different uses. The agreement contains no provisions restricting use of the parties’ MASA marks in geographic territories other than those set forth above.

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Even if we assume that the parties' agreement disposes of any dispute as to whether Applicant is entitled to use his involved MASA mark, we must still determine whether there is any dispute as to whether confusion is likely to arise from the parties' concurrent use of their marks.

In determining whether there is a likelihood of confusion, the Board looks to the marks as they appear in the drawings of the applications and registrations at issue. *See In re Elbaum*, 211 USPQ 639, 640 (TTAB 1981). Applicant contends that, when considered in the context of the parties' respective services, MASA has different meanings and commercial impressions. In particular, Applicant contends that, in the context of his services, MASA is the short form of his given name, and, that, in the context of Registrant's services, MASA is a corn-based dough commonly used in Mexican cuisine. However, we are not persuaded by Applicant's contention because Registrant's involved registrations are for "[r]estaurant and bar services" and are not limited to the Mexican restaurants set forth in the parties' settlement agreement.

Rather, Applicant's involved MASA mark is identical to the MASA mark in Registrant's Registration No. 3855043 and identical to the word component of the MASA and design mark in Registrant's Registration No. 3380250, and, as a result, highly similar thereto as to appearance, sound and commercial impression. *See Recot, Inc.v. M.C. Becton*, 214 F.3d 1322, 1329, 54 USPQ2d 1894, 1899 (Fed. Cir. 2000) (When comparing the marks, "[a]ll relevant facts

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pertaining to appearance, sound, and connotation must be considered before similarity as to one or more of those factors may be sufficient to support a finding that the marks are similar or dissimilar.”); *In re Max Capital Grp. Ltd.*, 93 USPQ2d 1243, 1247 (TTAB 2010) (where a mark is composed of both wording and a design, greater weight is typically given to the wording).

In determining whether there is a likelihood of confusion, the Board also looks to the recitations of services of the applications and registrations at issue. *See In re Elbaum*, 211 USPQ 639, 640 (TTAB 1981). Where the services in a cited registration are broadly described and there are no limitations as to their nature, type, channels of trade or classes of purchasers, the Board must presume that the scope of the registration encompasses all services of the nature and type described, that the recited services move in all channels of trade that would be normal for such services, and that the services would be purchased by all potential customers. *See Levi Strauss & Co. v. Abercrombie & Fitch Trading Co.*, 719 F.3d 1367, 1373, 107 USPQ2d 1167, 1173 (Fed. Cir. 2013).

The recitation of services in Registrant’s involved registrations is “restaurant and bar services” and, unlike the provisions of the parties’ settlement agreement, is not restricted to Mexican restaurant services. Because the Board must presume that Registrant’s unrestricted restaurant and bar services include Applicant’s recited “Japanese and sushi restaurant and bar services,” the parties’ marks must be presumed to be used on services

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that are legally identical inasmuch as Registrant's services encompass those of Applicant's more narrowly recited services.

Although Applicant, in the concurrent use statement of its involved application, claims "exclusive right to use the [MASA] mark in the area comprising the United States with the exceptions of the state of Minnesota, the area within fifty miles of Minneapolis, Minnesota, and the state of Florida," the agreement confers no such right. The agreement imposes restrictions on the parties' use in certain geographic areas, but is silent as to either party's right to use its mark in any other place. Moreover, giving Applicant the concurrent registration that he seeks would be in derogation of Registrant's incontestable right to use its MASA and design mark. *See* Trademark Act Sections 15 and 33(b), 15 U.S.C. §§ 1065 and 1115(b)(5). Further, although, as Applicant notes, the Board, in *Holmes Oil Co. v. Myers Cruizers of Mena Inc.*, 101 USPQ2d 1148 (TTAB 2011), granted a concurrent use registration in territory that overlapped with that of a named owner of a geographically unrestricted registrant, Applicant should not infer therefrom that the Board will routinely grant concurrent use registrations for overlapping territories, particularly when, as here, the marks at issue include identical word components and are used in connection with legally identical services.⁵

⁵ In *Holmes Oil Co.*, the concurrent use applicant's services were "retail store services featuring convenience store items and gasoline," while the named registrant's services were "restaurant services." Therein, the Board allowed the geographic restriction in the involved application because such restriction was part

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Rather, in view of the parties' use of marks with identical word components on legally identical services in overlapping geographic territory in light of the issuance of Registrant's involved registrations without any recited geographic limitations, we find that Applicant has failed to meet his initial burden of establishing the absence of a genuine dispute as to whether there is no likelihood of confusion if and when both parties' marks are to be used in the geographic areas that are not addressed in the agreement. *See Gray v. Daffy Dan's Bargaintown*, 823 F.2d 522, 3 USPQ2d 1306 (Fed. Cir. 1987). In view thereof, Applicant's motion for summary judgment is denied.

Regarding Registrant's cross-motion for summary judgment, Registrant correctly notes that, notwithstanding that the parties acknowledged in the agreement that Registrant is the junior user of its MASA marks, Registrant has an incontestable right to use its MASA and design mark because Registration No. 3380250 for that mark has become incontestable under Trademark Act Section 15, 15 U.S.C. § 1065. The right of the owner of an incontestable registration to use its mark cannot be challenged on the basis of prior rights in a mark substantially similar to the registered mark, except as expressly set forth in the Trademark Act. *See, e.g.*, Trademark Act Sections 15 and 33(b)(5), 15 U.S.C. §§ 1065 and 1115(b)(5). Under such circumstances, a prior user normally may carve out of an incontestable registration only "the specific area in which it has established its prior rights prior to actual or

of a consent agreement between the parties and "not because a geographic restriction is necessary." *Holmes Oil Co.*, 101 USPQ2d at 1149.

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constructive notice of said registration.” *Boi Na Braza, LLC v. Terra Sul Corp.*, 110 USPQ2d 1386, 1394 (TTAB 2014); *Thriftmart, Inc. v. Scot Lad Foods, Inc.*, 207 USPQ 330, 334 (TTAB 1980).

Applicant was put on constructive notice of Registrant’s MASA and design mark on February 12, 2008, when Registration No. 3380250 was issued. *See Jansen Enterprises Inc. v. Rind*, 85 USPQ2d 1104, 1114 (TTAB 2007). In response to the cross-motion for summary judgment, Applicant does not dispute that, as of February 12, 2008, he had used the MASA mark only in connection with a single location in New York, New York.⁶ Further, in the settlement agreement in Opposition No. 91175440, which Applicant signed on June 19, 2008, the parties stipulated that Applicant had used his involved MASA mark “in connection with exquisite Japanese sushi restaurant and bar services in [New York, New York] since at least 2004.” Although Applicant contends that he has expanded his use of the MASA mark by opening a restaurant under the mark BAR MASA in Las Vegas, Nevada,⁷ the uncontroverted evidence of record indicates that Applicant did not apply to

⁶ Applicant concedes, at pp. 5-6 of its brief in opposition to Registrant’s cross-motion, that “For purposes of opposing D’Amico’s Cross-Motion, Takayama does not dispute the first eleven bullet points,” referring to the cross-motion’s list of twelve “Undisputed Facts.” The eleventh bullet point states, “As of the registration date of D’Amico’s MASA & Design mark on February 12, 2008, Plaintiff had only used his MASA mark in connection with one restaurant in New York City, NY.” Registrant’s cross-motion at 2.

⁷ The parties dispute whether Applicant can rely upon Applicant’s use of the BAR MASA mark in support of its involved concurrent use application. Because we need not reach Applicant’s asserted rights in the BAR MASA mark in deciding Registrant’s cross-motion for summary judgment, we take no position on this issue.

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register the BAR MASA mark until April 2, 2008 and did not commence use of that mark outside of New York, New York until December 2009 when it commenced use of that mark in Las Vegas, Nevada. See “Masa Takayama brings Bar Masa and Shaboo to Las Vegas,” *Los Angeles Times*, December 7, 2009 (Exhibit 12 of Declaration of Bradley J. Walz, Registrant’s Brief in Opposition to Applicant’s motion for summary judgment, which was incorporated by reference into Registrant’s reply brief in support of its motion). Because the record indicates that any use of the BAR MASA mark outside of New York, New York did not take place until after the February 12, 2008 constructive notice date of Registrant’s involved Registration No. 3380250, any such use cannot form a basis for challenging or limiting Registrant’s right to use its mark. Rather, because Applicant, as of February 12, 2008, had used the MASA mark in connection only with a single location in New York, New York, Applicant can assert a right to a concurrent use registration only for that specific area. Indeed, Registrant has conceded that “Masayoshi Takayama (‘Plaintiff’) is ‘entitled to a concurrent use registration for the territory in which he actually used the MASA mark prior to D’Amico’s constructive notice date of February 12, 2008, which is New York City, NY.’” Brief in support of cross-motion at 1.

A party that possesses an incontestable right to use a mark in commerce can choose to divest itself of such a right for a particular area in which there has been no market penetration of its services and in which, by agreement or

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otherwise, it has precluded itself from ever doing business under said mark. *Thriftimart, Inc.*, 207 USPQ at 334. Where parties agree to a larger geographic area for the senior user than what the senior user would otherwise be entitled to because of the junior user's incontestable registration, the Board may order the issuance of concurrent use registrations based on the territories set forth in the parties' agreement. *See id.* Registrant concedes as much: “However, because the parties agreed to a specific geographic territory for Plaintiff’s use of the MASA mark, the Board may broaden Plaintiff’s registrable rights to [the State of] New York and 50 miles around New York City, NY.” Brief in support of cross-motion at 1.

In this case, there are no allegations of market penetration by Registrant of its services in the State of New York and within fifty miles of New York, New York. Indeed, the parties, in their agreement, have effectively precluded any such market penetration by stipulating that Registrant “shall not provide restaurant or bar services under the MASA mark in the [S]tate of New York or within fifty (50) miles of [New York, New York].” Accordingly, there is no genuine dispute that Registrant’s registrable rights extend to the entire United States except for the State of New York and fifty miles around New York, New York. Further, in view of Registrant’s affirmative acknowledgement that Applicant is entitled to a concurrent use registration for territory as broad as the State of “New York and 50 miles around New York City, NY,” and assertion throughout its briefs that its registrable rights

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extend to the entire United States except for the State of New York and fifty miles around New York, New York, there is no genuine dispute that Applicant is entitled to a concurrent use registration for that acknowledged territory and that Registrant's involved registrations shall be geographically restricted in accordance with the parties' earlier agreement. *Cf. Gray v. Daffy Dan's Bargaintown, supra* (the Board will not grant concurrent use registrations for substantially identical marks used on identical and closely related services for overlapping territories).

Based on the foregoing, Registrant's cross-motion for summary judgment is hereby granted.

DECISION: Applicant Masayoshi Takayama is entitled to a concurrent use registration for the mark MASA in standard character form for "Japanese and sushi restaurant and bar services" in International Class 43. The registration will include the following geographic restriction:

Applicant claims exclusive right to use the mark in the territory comprising the State of New York and within fifty miles of New York, New York.

Registrant D'Amico Holding Company's involved Registration No. 3380250

for the mark MASA and design in the following form , and Registration No. 3855043 for the mark MASA in standard character form, both for "[r]estaurant and bar services" in International Class 43 shall be amended to add the following geographic restriction:

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Registrant claims exclusive right to use the mark in the territory comprising the entire United States with the exception of the State of New York and within fifty miles of New York, New York.