

THIS OPINION IS NOT A
PRECEDENT OF THE TTAB

Mailed:
March 26, 2013

UNITED STATES PATENT AND TRADEMARK OFFICE

—
Trademark Trial and Appeal Board

—
In re Kapalua Land Company, Ltd.

—
Serial No. 76670962

Martin E. Hsia of Cades Schutte LLP for Kapalua Land Company, Ltd.

Simon Teng, Trademark Examining Attorney, Law Office 105 (Thomas G. Howell,
Managing Attorney).

—
Before Kuhlke, Wolfson, and Hightower, Administrative Trademark Judges.

Opinion by Hightower, Administrative Trademark Judge:

Kapalua Land Company, Ltd. has applied to register the mark KAPALUA for
the following services in International Class 35:¹

On-line retail store services featuring clothing, headwear, jewelry, wallets, bags, backpacks, furniture and other household goods, personal care products, stationery, gifts, souvenirs, and golf related items; and retail store services featuring clothing, headwear, footwear, jewelry, handbags, purses, wallets, bags, backpacks, umbrellas, furniture and other household goods, personal care products, stationery, gifts, souvenirs, toys and golf related items

¹ Serial No. 76670962, filed January 3, 2007 pursuant to Section 1(b) of the Trademark Act.

The examining attorney has refused registration on the ground that the mark is primarily geographically descriptive under Trademark Act Section 2(e)(2), 15 U.S.C. § 1052(e)(2).

Analysis

For a mark to be found primarily geographically descriptive and refused registration under Section 2(e)(2), it must be shown that (1) the mark's primary significance is the name of a place generally known to the public, and (2) the relevant public would be likely to make a goods (or, as here, services)/place association, that is, would be likely to believe that the services originate in the place named in the mark. *In re Brouwerij Nacional Balashi NV*, 80 USPQ2d 1820, 1821 (TTAB 2006); *see also In re Spirits of New Merced LLC*, 85 USPQ2d 1614, 1616 (TTAB 2007). In deciding issues of geographical descriptiveness, it is important to rely on the specific facts in each case. *See In re Chalk's Int'l Airlines Inc.*, 21 USPQ2d 1637, 1639 (TTAB 1991). The examining attorney has the burden of establishing a prima facie case that a mark is primarily geographically descriptive. *See In re Roy J. Mankovitz*, 90 USPQ2d 1246, 1251 (TTAB 2009).

We first consider whether the record before us establishes that the primary significance of the term KAPALUA, which is translated in the application as meaning "two borders" in the Hawaiian language,² is the name of a generally known geographic location.

² Other English translations of "kapalua" in the record include "butterfly" (Reg. No. 2115124, final Office action, January 31, 2012) and "arms embracing the sea" (Response to Reconsideration Request, May 31, 2012 ("Recon. Response"), at 2).

Applicant owns the Kapalua Resort on the northwestern coast of the Hawaiian island of Maui. Applicant submitted Internet printouts and other evidence tracing its historical roots to the arrival of a family of missionaries in Lahaina, Maui in the mid-1830s, including a declaration from vice president Caroline Belsom stating in part:

3. Based on my review of Applicant's records and my personal knowledge, the area that now comprises the Kapalua Resort includes approximately 1650 acres, spanning the two ancient "ahupua'a" (generally, large swaths of land running from the mountains to the sea) known as "Honokahua" and "Napili."

4. In the 1950s, however, these same lands were mostly unpopulated, used mainly for pineapple growing which was then replacing cattle grazing. At that time, these lands comprising Honolua Plantation were accessible only by a road running along the shoreline.

5. The land area that is now the Kapalua Resort was not called or named "Kapalua" in the 1950s or the 1960s.

6. "Kapalua" was adopted by Applicant's parent, MLP [Maui Land & Pineapple Company, Inc.], and its predecessor-in-interest as the name of the resort it owned and developed in the 1970s.

7. Since the resort's commercial development in the early 1970s, and up through the present day, Applicant has advertised extensively its upscale real estate properties, hotel and related services under the "Kapalua" name and logo.³

Thus, applicant's evidence shows that its parent company adopted the term "KAPALUA" as the name for its resort and was the first to apply that name to the resort's location; it was not previously used in connection with the area. Although

³ Response to Office Action, January 10, 2012.

the record includes a screenshot from one website to the contrary, we do not find that particular evidence entitled to greater weight than applicant's sworn declaration.⁴

Applicant also submitted a declaration from Tim T. Esaki, its chief financial officer, which states in part:

3. Since the resort's commercial development in the early 1970s, and up through the present day, Applicant has advertised extensively its upscale real estate properties, hotel services, and golf services under the "KAPALUA" mark.

4. From 1995 through 2011 alone, Applicant has spent over \$21,000,000 dollars in advertising and marketing expenses.⁵

The declaration also states that applicant "actively monitors and polices its trademark rights in the mark 'KAPALUA,'" spending more than \$650,000 policing and enforcing those rights from 2005 through 2011.⁶ In addition, Mr. Esaki states in his declaration that all third-party commercial entities operating at the resort are members of the Kapalua Resort Association, and that they – along with residential owners who reside there – are subject to covenants and land use

⁴ The website, www.hawaii.stateinfo.com, states in part: "The first native Hawaiians came into Kapalua by sea. Seeing the curve formed by [sic] long coast as if by a half closed embrace, they called the land Kapalua." Recon. Response at 17. This source of this statement is not identified, and ownership of the Hawaii State Info site is unclear; the page states that it is "A Real Estate Webmasters Design," *id.* at 19, suggesting that this is a promotional site of some sort. As applicant notes: "Even if this unattributed assertion were true, the time frame is vague and evidently occurred long before Hawaii ever became part of the United States, as the Kingdom of Hawaii did not become a U.S. Territory until 1898, and Hawaii did not become the 50th State until 1959." Reply Brief at 6.

⁵ Esaki Declaration, Request for Reconsideration, April 30, 2012 ("Recon. Request.").

⁶ *Id.* at ¶ 5.

restrictions enforceable by applicant.⁷ Applicant submitted screenshots from its website relating to services provided at the Kapalua Resort, including golf, hotel, restaurant, and real estate services for condominiums, homes, and homesites.⁸

In sum, applicant argues, and supports with probative evidence, that the term KAPALUA had no geographical significance before applicant chose it for the name of its resort; that it has extensively promoted its upscale real estate properties, hotel services, and golf services under the KAPALUA mark; and that it has maintained quality control over use of that mark by others.

In his appeal brief, the examining attorney asserts that “Kapalua is a large undefined area in west Maui not 100% fully owned, maintained and controlled by the applicant.”⁹ He further asserts that the record evidence “does not show that applicant has complete exclusive control over the *entire area* of Kapalua,” and that Kapalua today “encompasses an area not exclusively owned by the applicant.”¹⁰ In support, the examining attorney cites to two maps: a page from www.mauimapp.com printed on August 25, 2001 – more than eleven years earlier – and an undated page with a Travel Channel logo titled “Kapalua, Hawaii” referencing some services and attractions the record establishes to be associated with applicant (including The Ritz Carlton, Kapalua; The Plantation House

⁷ *Id.* at ¶¶ 10-17. Applicant submitted with the declaration a copy of a “Declaration of Covenants, Conditions, and Restrictions” applicable to the Plantation Course golf course at the Kapalua resort and all related properties, including a club house and the Plantation House restaurant.

⁸ Recon. Request at 66-69 (www.kapalua.com).

⁹ Examiner’s Brief at unnumbered p. 9.

¹⁰ *Id.*

restaurant; and The Plantation [Golf] Course) and others that are not or may not be associated with applicant (e.g., Haleakala National Park).¹¹ Applicant correctly states that the examining attorney “did not argue during the prior prosecution of the Application that Applicant lacked exclusive ownership and/or control of an allegedly larger land area referred to by others as ‘Kapalua,’” and vigorously disputes that the record supports this contention.¹²

We fully recognize and appreciate the observation of our primary reviewing court that “the PTO is an agency of limited resources.” *In re Pacer Tech.*, 338 F.3d 1348, 67 USPQ2d 1629, 1632 (Fed. Cir. 2003); *see also In re Loew’s Theatres, Inc.*, 769 F.2d 764, 226 USPQ 865, 868 (Fed. Cir. 1985) (“The practicalities of the limited resources available to the PTO are routinely taken into account in reviewing its administrative action.”). Nonetheless, we cannot agree with the examining attorney that the evidence of record in this case establishes the existence of a geographic area outside of applicant’s ownership or control called “Kapalua,” either in the past or at the present time. We find that the evidence before us, considered as a whole, supports applicant’s contention that “Kapalua” does not name an area other than that comprised by its resort. Rather, from its inception the term KAPALUA identified a large land development, the resort, in a particular location.

This conclusion defines the scope of our task, but does not complete it. As the Board wrote in *In re Pebble Beach Co.*, 19 USPQ2d 1687, 1688 (TTAB 1991):

¹¹ Final Office action, January 31, 2012, at 35, 44.

¹² Reply Brief at 8.

The mere fact that a term may be the name of a place that has a physical location does not necessarily make that term primarily geographically descriptive under Section 2(e)(2). If that were so, the name of literally every retail store or restaurant would be primarily geographically descriptive, since the public would associate the name with the physical place where the services were rendered or the goods sold. The Patent and Trademark Office and the courts have implicitly and explicitly recognized that terms which denote areas which have a physical location can also be registered and function as trademarks.

We therefore must determine whether the *primary significance* of the mark KAPALUA is to designate applicant's services or the geographic location where its resort development is sited.

Applicant argues that KAPALUA functions primarily as an indicator of the source of its services. The examining attorney contends that KAPALUA "is perceived as a genuine geographic name and not exclusively as a badge of origin" for applicant.¹³

We do not view the record as establishing a primary geographic significance for the term KAPALUA; rather, we find geographic significance subsidiary to the function of that word as a service mark. Although the examining attorney has submitted numerous third-party Internet references to "Kapalua,"¹⁴ the applicant has rebutted that evidence by demonstrating that most such references either clearly pertain to the resort and other services rendered under its mark (by applicant or authorized third parties) or are consistent with that interpretation.

¹³ Examiner's Brief at 8.

¹⁴ See generally Office action, November 14, 2011; final Office action, January 30, 2012; Recon. Response.

For example, the “Hyundai Tournament of Champions in Kapalua, Hawaii” takes place at one of the golf courses at applicant’s resort,¹⁵ while “Kapalua, Maui – Celebration of the Arts” apparently denominates an event offered by the resort,¹⁶ and the Kapalua West Maui Airport in Lahaina, Hawaii may be so named in part to identify a travel resource for consumers of applicant’s services.¹⁷ While the record includes tourism-related sites indicating that Kapalua Bay, also called Kapalua Beach, is open to the public (as are all Hawaiian beaches) the beach was also named and is owned by applicant as part of the greater resort.¹⁸

One piece of evidence submitted by the examining attorney merits particular discussion. An article on “Kapalua, Hawaii” from Wikipedia.com states, and Census records confirm,¹⁹ that “Kapalua is a census-designated place (CDP) in Maui County, Hawai’i, United States.” The fact that a location is a CDP may weigh in support of a finding that a term is primarily geographically descriptive. However, we find its probative value diminished in this record. First, Hawaii is unique in that it is the only state with no incorporated places recognized by the U.S. Census

¹⁵ Final Office action, January 31, 2012, at 59, 95-97.

¹⁶ *Id.* at 55, 76.

¹⁷ Final Office action, January 31, 2012, at 99. The record does not disclose when the airport opened or why it received this designation. However, the airport’s address is Lahaina, HI, and its website states that “Kapalua Airport is located on the west side of the Island of Maui a short distance from the resort destinations of Kaanapali and Lahaina.” *Id.*

¹⁸ *E.g., id.* at 36, 44, 47, 64; Office action, November 14, 2011, at 3; Recon. Response at 5.

¹⁹ The Board may take judicial notice of census data. *In re Tokutake Industry Co.*, 87 USPQ2d 1697, 1700 n.1 (TTAB 2008).

Bureau; therefore, “[a]ll places shown in the data products for Hawaii are CDPs.”²⁰ Second, after referencing its CDP status, the Wikipedia entry discusses the Kapalua Resort in several places; for example, the second sentence of the article states that: “A resort development by the Maui Land & Pineapple Company extends inland from Kapalua Bay and Honolua Bay,” while another sentence reads as follows: “The Hawaiian name for this area was Honokahua.”²¹ We do not find the census designation dispositive on these facts.²²

In rare cases, the Board has found that a designation coined and promoted as a mark but incidentally designating a particular location may not be primarily a geographic descriptor. The leading such case is *Pebble Beach*, in which the Board held that the term 17 MILE DRIVE – which applicant coined to designate a location it owned and to which it controlled access – functioned primarily as a mark.²³ As the Board explained:

Commentators have ascribed two basic reasons for the prohibition against the registration of primarily geographically descriptive terms. One is that such a term would be perceived by the public not as an indication of

²⁰ U.S. Census Bureau website, www.census.gov/geo/www/cob/pl_metadata.html, retrieved March 15, 2013. The 2010 population was 353 (www.census.gov/popfinder/?fl=1529725, retrieved March 15, 2013).

²¹ Office action, November 14, 2011, at 2.

²² We further note that the Wikipedia article states that the Kapalua CDP has a total area of 2.3 square miles, while the 1650 acres of applicant’s resort converts to nearly 2.6 square miles, suggesting that the two are roughly coextensive. (A square mile is equal to 640 acres. WEBSTER’S THIRD NEW INTERNATIONAL DICTIONARY (1993) (table, definition of “measure”). The Board may take judicial notice of dictionary evidence. *In re Red Bull GmbH*, 78 USPQ2d 1375, 1378 (TTAB 2006).)

²³ See also *Horseshoe Bay Resort Sales Co. v. Lake Lyndon B. Johnson Imp. Corp.*, 53 S.W.3d 799, 808-09 (Tex. App. 2001) (finding HORSESHOE BAY not geographically descriptive).

source, i.e., a trademark, but as an indication of the geographic place from which the product comes. The second reason is that all manufacturers in a particular geographic place have the right to use the geographic name to indicate where their products are made.

In re Pebble Beach Co., 19 USPQ2d at 1688. Here, as in *Pebble Beach*, neither policy applies. First, the greater weight of the evidence shows that KAPALUA did not signify a geographic place before applicant adopted the term to designate the origin of its services and it continues to serve the function of designating source. Second, there is no record evidence of any manufacturer or other commercial enterprise in a place named “Kapalua” outside of applicant’s ownership or control.

We hasten to add that neither the fact that an applicant coins a name for a geographic area, nor that it owns and controls access to or use of that property, changes the nature of a term that is primarily geographically descriptive. *Cf. Grand Canyon West Ranch, LLC v. Hualapai Tribe*, 88 USPQ2d 1501, 1506 (TTAB 2008) (dismissing descriptiveness claim only on showing of secondary meaning of mark GRAND CANYON WEST and stating that “the fact that applicant uses GRAND CANYON WEST to identify a property which it owns and controls does not, by itself, remove it from the category of those terms which are ‘primarily geographically descriptive’ under Section 2(e)(2)”). Few applicants have succeeded in establishing a primary connotation of a place name alternative to its geographic significance. *But see In re Cotter & Co.*, 228 USPQ 202, 205 (TTAB 1985) (finding primary significance of “West Point” to be U.S. Military Academy rather than town in New York where academy is located). We simply emphasize once again that each Section 2(e)(2) refusal must be analyzed on its own specific facts.

Having found that the examining attorney has not satisfied the Office's burden to demonstrate that the primary significance of KAPULUA is a generally known geographic location, we need not reach the second prong of the geographic descriptiveness test by determining whether the relevant public would be likely to make a services/place association.

In closing, we note that applicant and the examining attorney have made arguments concerning the fact that applicant owns several other registrations consisting of or incorporating the term KAPALUA, on both the Supplemental Register and the Principal Register, for goods and services other than those identified in the application; some of these registrations issued on a showing of acquired distinctiveness pursuant to Trademark Act Section 2(f), 15 U.S.C. § 1052(f), and some did not. These registrations are not conclusive on the question of geographic descriptiveness. Each case must stand on its own merits and the Board must decide each case on its own facts and record, *In re Nett Designs Inc.*, 236 F.3d 1339, 57 USPQ2d 1564, 1566 (Fed. Cir. 2001), resolving any doubts about our conclusion in applicant's favor. *In re Int'l Taste Inc.*, 53 USPQ2d 1604, 1606 (TTAB 2000); *In re John Harvey & Sons Ltd.*, 32 USPQ 2d 1451, 1455 (TTAB 1993). When the mark is published, any person who has a legitimate interest in use of the name KAPALUA may file an opposition. *In re Merrill Lynch, Pierce, Fenner, & Smith, Inc.*, 828 F.2d 1567, 4 USPQ2d 1141, 1144 (Fed. Cir. 1987); *In re the Stroh Brewery Co.*, 34 USPQ2d 1796, 1797 (TTAB 1994) ("When doubts exist as to whether a term is descriptive as applied to the goods or services for which registration is sought, it

Serial No. 76670962

is the practice of this Board to resolve doubts in favor of the applicant and pass the mark to publication with the knowledge that a competitor of applicant can come forth and initiate an opposition proceeding in which a more complete record can be established.”) (*citing In re Gourmet Bakers, Inc.*, 173 USPQ 565 (TTAB 1972)).

Decision: The examining attorney’s refusal to register applicant’s mark under Section 2(e)(2) of the Trademark Act is reversed.