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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	86905628		
Applicant	Vitamin Shoppe Procurement Services, Inc		
Applied for Mark	V THE VITAMIN SHOPPE		
Correspondence Address	JAMES E ROSINI KENYON & KENYON LLP ONE BROADWAY NEW YORK, NY 10004 UNITED STATES tmdocketny@kenyon.com 212-425-7200		
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Filer's Name	James E. Rosini		
Filer's email	tmdocketny@kenyon.com		
Signature	/JER/		
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In the Matter of Trademark and Service Mark Applications

Serial Nos.: 86905555 :

86905614 : Int. Cls. 5, 35

86905620 : 86905628 : :

: Ex. Atty: Mark S. Tratos

Applicant: Vitamin Shoppe Procurement : Law Office 113

Services, LLC :

:

Trademark Trial and Appeal Board United States Patent and Trademark Office P.O. Box 1451 Alexandria, VA 22313-1451

APPLICANT'S CONSOLIDATED APPEAL BRIEF

Applicant, Vitamin Shoppe Procurement Services, LLC (f/k/a Vitamin Shoppe Procurement Services, Inc.), appeals from the Examining Attorney's final rejection and denial of reconsideration in four related applications: Serial Nos. 86905555, 86905614, 86905620, and 86905628. Through those applications, Applicant seeks to register several different logo designs that incorporate its already registered THE VITAMIN SHOPPE brand name for an assortment of goods and services in Classes 5 and 35:

Serial No. 86905555 (Filed 2/11/16)



Classes 5, 35

Serial No. 86905614 (Filed 2/11/16)



Class 35

Serial No. 86905620 (Filed 2/11/16)



Serial No. 86905628 (Filed 2/11/16)



Classes 5, 35

("the Subject Applications"). Recognizing the relatedness of the Subject Applications, the Board has already consolidated the four pending appeals for briefing, argument, and decision.

BACKGROUND

A. Applicant's Use of THE VITAMIN SHOPPE

Applicant¹ operates more than 770 health and wellness stores across the United States under the brand name THE VITAMIN SHOPPE. *Response to Office Action* (7/17/17) (Serial No. 86905555), Exhibit A ("*Jaffe Decl.*,"), ¶ 7.² At Applicant's THE VITAMIN SHOPPE stores (and at its online retail store, <u>www.thevitaminshoppe.com</u>), consumers can purchase an array of health and wellness products, including laundry soaps, cleaning solutions, veterinary preparations, dietetic foods and drink, nutritional and dietary supplements, meal replacement

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¹ Applicant, Vitamin Shoppe Procurement Services, Inc., is a wholly-owned subsidiary of Vitamin Shoppe Industries, Inc., which is a wholly-owned subsidiary of Vitamin Shoppe, Inc. *See Response to Office Action* (7/17/17) (Serial No. 86905555), Exhibit A, \P 4. For ease of reference, Applicant will refer to "Applicant" as the source of activities conducted for the benefit of its parent entity, irrespective of through which subsidiary those activities are conducted.

² For simplicity (and to avoid unnecessary parallel cites), unless indicated otherwise, Applicant throughout this brief cites to the prosecution history of Serial No. 86905555 (the first of the four listed applications). The four file wrappers, however, are substantively the same. *Compare, e.g., Response to Office Action* (7/17/17) (Serial No. 86905555), Exhibit A *with Response to Office Action* (6/16/17) (Serial No. 86905614), Exhibit A; *Response to Office Action* (7/17/17) (Serial No. 86905620), Exhibit A; and *Response to Office Action* (7/17/17) (Serial No. 86905628), Exhibit A. Specific record page citations in this brief correlate to the pages of the PDF files accessible through the TSDR system.

bars, weight loss preparations, toiletries, housewares, aromatherapy products, and health and beauty aids, to name just a few. *See id.*, ¶ 3; *see also id.* at Ex. 6. Roughly 25 million consumers visit Applicant's THE VITAMIN SHOPPE stores every year, generating more than \$1.1 B in annual sales and securing Applicant's position as one of the largest retailers of health and wellness products in the United States. *See id.*, ¶¶ 9, 10, 12, 15.

Applicant has used its THE VITAMIN SHOPPE name to identify its goods and retail store services since 1977, a period that spans more than forty years. *Jaffe Decl.*, ¶ 3. During that time—and continuing today—Applicant has actively promoted its brand, advertising THE VITAMIN SHOPPE through traditional consumer outlets, in trade publications, and at public sports, health, and wellness events. *See id.*, ¶ 13. Applicant spends about \$15 M a year on advertising featuring THE VITAMIN SHOPPE mark. *See id.*, ¶ ¶ 8, 13-14, 19, Exs. 6, 9.

As a result of Applicant's extensive use and promotion of THE VITAMIN SHOPPE, both consumers and the trade associate the mark exclusively with Applicant. *Jaffe Decl.*, ¶ 25. To Applicant's knowledge, no media outlets refer to anyone other than Applicant as "THE VITAMIN SHOPPE," nor is any other health and wellness store (and certainly no entity of any significance) regularly using that phrase. *See id.*, ¶ 22. To the contrary, both the media and those in the trade exclusively use "THE VITAMIN SHOPPE" to refer to Applicant, using different names to refer to other health and wellness stores, both specifically and in general. *See id.*, ¶¶ 16-18, 20-21, Exs. 7-8, 10-12. Likewise, if you search the Internet for "THE VITAMIN SHOPPE" (or "THE VITAMIN SHOP") using the Google search engine, your search will return page after page of "hits" that refer solely to Applicant. *See id.*, ¶¶ 23-24, Exs. 13-15.

To protect its rights in its brand, Applicant registered THE VITAMIN SHOPPE with the Trademark Office back in August 2001, securing two block-letter registrations for the mark that cover an assortment of health and wellness goods and services in Classes 3, 5, and 35:

Class 3

Reg. No. 2481640 (Filed 12/2/99) (Registered 8/28/01)

THE VITAMIN SHOPPE

Non-medicated skin treatment creams, hair shampoos and bath and shower gels; and aromatherapy oils

Class 5

Vitamins, vitamin and mineral supplements, and nutritional supplements

Class 35

Reg. No. 2481906

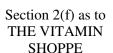
(Filed 12/2/99) (Registered 8/28/01) THE VITAMIN SHOPPE

Retail store services, mail order catalog services and online retail store services provided via a global computer network featuring vitamins, nutritional supplements, books, herbal products, aromatherapy products, bath and shower products, skin treatment creams, and related items

Response to Office Action (7/17/17), pp. 602-607. In both applications, Applicant disclaimed the exclusive right to use "Vitamin" (apart from the mark as shown) and submitted evidence (which the Office accepted) under Section 2(f) that the mark as a whole had acquired distinctiveness. See id. Both of these registration have since been acknowledged incontestable. See id.

In the years following, Applicant also successfully registered the logo it was using for its business (THE VITAMIN SHOPPE SINCE 1977 & Design). When required, Applicant again supported registration by showing that THE VITAMIN SHOPPE had acquired distinctiveness:

Reg. No. 2737734 (Filed 12/4/2000) (Registered 7/15/03)





Class 3

Non-medicated skin treatment creams, hair shampoos and bath and shower gels; complementary and alternative medicine products, namely, aromatherapy oils and lotions, aromatherapy bath oils, joint creams, facial and body soaps, scrubs, cleansers, creams and gels, foot scrubs, creams, lotions, sprays and gels and massage oils, gels, lotions and creams

Class 5

Vitamins and vitamin, mineral and nutritional supplements

Class 16

Catalogs featuring vitamins, nutritional supplements,

complementary and alternative medicine products, books, herbal products, aromatherapy products, bath and shower products, skin treatment creams, and related items

Reg. No. 2737735 (Filed 12/4/2000) (Registered 7/15/03)

Section 2(f) as to THE VITAMIN SHOPPE



Class 35

Retail store services, mail order catalog services and online retail store services provided via a global computer network featuring vitamins, nutritional supplements, complementary and alternative medicine products, books, herbal products, aromatherapy products, bath and shower products, skin treatment creams, and related items

Reg. No. 3183591

(Filed 1/26/06) (Registered 12/12/06)

Section 2(f) as to the entire mark



Class 35

Retail store services, mail order catalog services and online retail store services provided via a global computer network featuring vitamins, nutritional supplements, complementary and alternative medicine products, books, herbal products, aromatherapy products, bath and shower products, health and beauty products, skin treatment creams, and related items

Reg. No. 3186751

(Filed 1/26/06) (Registered 12/19/06) (Cancelled 7/21/17)

Section 2(f) as to the entire mark



Class 16

Catalogs, newsletters and magazines featuring vitamins, nutritional supplements, complementary and alternative medicine products, books, herbal products, aromatherapy products, bath and shower products, skin treatment creams and related items

Reg. No. 3241641

(Filed 1/30/06) (Registered 5/15/07)

Section 2(f) as to the entire mark



Class 3

Non-medicated skin treatment creams, hair shampoos and bath and shower gels; aromatherapy oils and lotions; aromatherapy bath oils; facial and body soaps, scrubs, cleansers, creams and gels; foot scrubs, creams, lotions, sprays and gels; and massage oils, gels, lotions and creams

Class 5

Vitamins and vitamin, mineral, dietary and nutritional supplements; Complementary and alternative medicine products, namely, aromatherapy oils and lotions, aromatherapy bath oils, joint creams, scrubs, cleansers, creams and gels, foot scrubs, creams, lotions, sprays and gels and massage oils, gels, lotions and creams

Id/ at 608-19; *Response to Office Action (11/18/16)*, p. 13. Each of these registrations is also incontestable (except, as noted above, Reg. No. 3186751, which was recently cancelled). *See id.*

B. The Subject Applications

A few years ago, Applicant updated its logo, moving from a classic oval to a more modern look. Use of the core THE VITAMIN SHOPPE element, however, remained the same:



Jaffe Decl., ¶¶ 2, 8, Ex. 6. To protect its updated logo, Applicant filed the Subject Applications (Serial Nos. 86905555, 86905614, 86905620, and 86905628), which present the mark in a range of configurations (e.g., sometimes horizontal, sometimes with a tagline) and cover a range of goods and services. By and large, however, the goods and services at issue in the Subject Applications match those for which Applicant has already obtained protection through its incontestable THE VITAMIN SHOPPE block-letter marks, as highlighted below:

THE VITAMIN SHOPPE

(U.S. Reg. Nos. 2481640, 2481906)

the**Vitamin** Shoppe (Serial No. 86905555)

Class 5 Vitamins, vitamin and mineral supplements, and nutritional supplements

Veterinary preparations, namely, vitamins, supplements, preparations for aiding digestion and preventing and treating gas, preparations for treatment of hip and joint pain, and calming and anxiety nutritional supplements; dietetic food and nutritional substances, namely, vitamins, minerals, dietary and nutritional supplements for weight loss, diet, sports nutrition, body building, muscle gain and training; dietary supplement drinks, namely, nutritional supplements for bodybuilding; dietary supplements in the nature of weight loss powders; nutritional supplements in the form of non-fruit meal replacement bars and powders and nutritional supplements in the form of non-chocolate meal replacement bars and powders; chocolate-based meal replacement powders for weight loss purposes; nutritional supplement meal replacement powders for boosting energy; food for babies; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides

Class 35 Retail store services, mail order catalog services and online retail store services

Retail store services, mail order catalog services and online retail store services provided via a global computer

featuring vitamins, nutritional supplements, books, herbal products, aromatherapy products, bath and shower products, skin treatment creams, and related items

provided via a global computer network network featuring vitamins, vitamin, mineral, dietary and nutritional supplements, weight loss supplements, foods, beverages and sports performance drinks; promoting public awareness of health and nutrition.

As before, Applicant has disclaimed the exclusive right to use "Vitamin" (apart from the mark as shown) and submitted evidence under Section 2(f) that the phrase THE VITAMIN SHOPPE has acquired distinctiveness. See Response to Office Action (7/17/17), pp. 50-625 (proof of acquired distinctiveness); Response to Office Action (2/18/18), p. 5 (disclaimer).

Nonetheless, the Examining Attorney has refused registration. Notwithstanding Applicant's long use and previous registration of the phrase, the Examining Attorney believes THE VITAMIN SHOPPE is generic for the services in Class 35. Specifically, the Examining Attorney claims the relevant consuming public would supposedly understand "THE VITAMIN SHOPPE" primarily to "refer[] to an establishment that sells a variety of natural substances or preparations that are essential or necessary to ensure health or healthy growth." Office Action (3/25/18), p. 4. The Examining Attorney further postulates that if purchasers do, in fact, understand "THE VITAMIN SHOPPE" primarily to refer to this particular type of retail establishment, the phrase would consequently also be generic for any "vitamins [or] nutritional supplements" that were included within the identification of goods for Class 5. See id.

The Examining Attorney's assertion of genericness is based primarily on a textual analysis of the mark (notably, the separate definitions of "Vitamin" and "Shop"), see Office Action (8/16/17), pp. 5-7—an argument that essentially boils down to a claim that all of the registrations previously issued by the Office to Applicant were simply wrong. The Examining Attorney also relies in part on a smattering of documents pulled from the depths of the Internet and the Nexis database (some from almost thirty years ago), including blogs, question forums, crime blotters, and a few web pages that appear to have been auto-created in response to the

Examining Attorney's Internet search. *See, e.g., id.* at pp. 26, 40, 43, 52, 55, 61, 80, 87, 118. Notably, though, the Examining Attorney did **not** cite any examples of significant (or really, any) businesses holding themselves out to be a "vitamin shop"; major media outlets or publications regularly using "vitamin shop" to refer to health and wellness stores in general; third-party applications or registrations that include "Vitamin Shop" as a generic term (either in the mark or in the description of services); or direct evidence of how most consumers use the phrase. That is, the Examining Attorney did not offer any proof that the relevant consuming public today understands the designation "Vitamin Shoppe" (or "Vitamin Shop") <u>primarily</u> to refer to the genus of services at issue, which is the operative test. *Cf.* TMEP, § 1209.01(c)(i).

C. The Robertson Genericness Study

In response to the Examining Attorney's contention that Applicant's THE VITAMIN SHOPPE mark is suddenly generic for the same retail store services and goods already protected by Applicant's incontestable block-letter registrations, Applicant has argued (and continues to maintain here) that although "THE VITAMIN SHOPPE" may be *descriptive* for certain of those services, consumers **primarily** understand the phrase to function as an indicator of source and not as the generic designator for a particular "type" of retail establishment. The evidence Applicant submitted during prosecution in support of this position (and on which Applicant continues to rely) included Applicant's ownership of its incontestable block-letter registrations for essentially the same goods and services; Applicant's exclusive, widespread, and long use and promotion of the mark; the lack of regular third-party or media use of the phrase as a generic descriptor (in contrast with their pervasive use of "Vitamin Shoppe" to refer solely to Applicant); and a competing textual analysis of the applied-for mark. *See generally Response to Office Action* (7/17/17), pp. 34-625; *Response to Office Action* (2/16/18), pp. 9-89.

In addition, though, Applicant submitted **direct evidence** that consumers do <u>not</u> understand "THE VITAMIN SHOPPE" primarily to refer to a type of establishment that sells dietary or nutritional supplements, such as vitamins, minerals, or weight management products. This further, direct proof of non-genericness came from a consumer survey ("the Robertson Study") that was conducted during prosecution by an independent survey expert whose sole task was to evaluate scientifically whether the phrase at issue could truly be considered generic.

1. The Design of the Robertson Study

Historically, two surveys designs have been used to assess genericness—the "Teflon" and "Thermos" models. *See, e.g.*, Jay, E. Deborah, "Genericness Surveys in Trademark Disputes: Evolution of Species," *The Trademark Reporter*, Vol. 99 (2009), 1122; *Lifeguard Licensing Corp. v. Kozak*, 2017 WL 908199, *1 (S.D.N.Y. 2017); *see also, e.g., In re Booking.com B.V.*, 2016 WL 1045672, *12 (TTAB 2016) (explaining that a "Teflon" or "Thermos" survey is the "typical genericness survey") (non-precedential), ** *reversed sub nom, Booking.com B.V. v. Matal*, 278 F.Supp.3d 891 (E. D. Va. 2017) (considering new evidence). The Board recently suggested, however, that "Teflon surveys are only appropriate ... in a case where the question is whether a coined or arbitrary mark has become generic." *Frito-Lay North America, Inc. v. Princeton Vanguard, LLC*, 124 USPQ2d 1184, 1196 (TTAB 2017). Thus, where (as here) the phrasing is descriptive, a "Thermos" survey is the appropriate design to assess genericness directly.

In a "Thermos" study, the survey researcher first identifies the group of respondents—the "relevant public"; *cf.* TMEP, §1209.01(c)(i)—whose views are relevant to the inquiry. Then, the researcher describes the good(s) or service(s) that are of interest and asks individual respondents how they refer to them. If a significant percentage of respondents answer the key question by

9

³ In accordance with Section 101.03 of the Trademark Trial and Appeal Board Manual of Procedure, Applicant has appended copies of any cited non-precedential opinions to this brief.

referencing the designation under consideration, that lends support to the conclusion that the relevant public likely understands the designation primarily to refer to the genus of the goods or services. *See McCarthy on Trademarks and Unfair Competition*, § 12:15 (5th ed. 2018); *see also* Jay at 1123-25. Conversely, if most respondents volunteer other terms, while at the same time admitting to being aware of use of the designation in question as a *brand*, that suggests the designation is primarily non-generic and functions as a source-identifier. *See id*.

The principal drawback of a "Thermos" study is that consumers familiar with a brand name for a good or service "may answer [the question] with the trademark and drop what they consider to be a generic name, because it's so obvious to them." *McCarthy*, § 12:15. This is the well-known "COKE" duality problem. If you ask survey respondents what they call "a sweetened, brown, carbonated beverage," many will say "a COKE" rather than "a cola," even though most of them likely do not consider "COKE" a generic term. For that reason, one risk of a "Thermos" survey is that genericness "may be overestimated." *See Nightlight Systems, Inc. v. Nitelites Franchise Systems, Inc.*, 2007 WL 4563873, *5 (N.D. Ga. 2007) (*citing* Simonson, Itamar, "An Empirical Investigation of the Meaning and Measurement of 'Genericness,'" *The Trademark Reporter*, Vol. 84 (1994) at 202). To combat that effect, it is recommended that follow-up questions be asked to "ferret out" misplaced brand responses. *McCarthy*, § 12:15.

With the above in mind, Applicant retained Dr. Brian Robertson, the lead survey researcher at Market Decisions Research, and asked him to design and conduct a "Thermos" study to assess whether the relevant public understands "THE VITAMIN SHOPPE" primarily to refer to the genus of the subject services (indicating genericness) or to function as an indicator of source (proving non-genericness and trademark significance). *See Request for Reconsideration* (9/21/18), Ex. A ("Robertson Decl."), ¶¶ 1, 9-11. Dr. Robertson is an independent researcher

with more than thirty years of experience in the survey field and he has been qualified in federal court as an expert in survey research methodology and design. *See id.*, ¶¶ 2-8.

For his study, Dr. Robertson surveyed 407 adults across the county who indicated they were "familiar with, or have shopped at, a store that primarily sells dietary or nutritional supplements, such as vitamins, minerals, or weight management products." See Robertson Decl., Ex. A ("Robertson Rep."), p. 2.4 This qualifying description generally matches the scope of the "retail store" services that are at issue in the Subject Applications (i.e., "[r]etail store services ... featuring vitamins, vitamin, mineral, dietary and nutritional supplements, weight loss supplements"), making this group the "relevant public" for assessing genericness. Cf. Jay, pp. 1123-24, 1151 (the original "Thermos" survey, which tested whether "thermos" was generic for a vacuum-insulated container used to keep beverages and food hot or cold, "was conducted with adults in the United States who were 'familiar with containers that keep the contents hot or cold'"); In re Country Music Assoc., Inc., 100 USPQ2d 1824, 1832 (TTAB 2011) (broadly defining the relevant public as "listeners of country western music"); see also Lifeguard Licensing, 2017 WL 908199 at *5 (whether a mark that is used with a mass-marketed product is considered generic should be assessed among those in the general public who are familiar with the product, not just among past or prospective purchasers) (citing authority).⁵

Respondents who qualified as members of the "relevant public" were then asked what they "generally call the TYPE of store that primarily sells dietary or nutritional supplements"—a

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⁴ A total of 494 respondents were interviewed. Those who answered that they were <u>not</u> "familiar with, or have shopped at, a store that primarily sells dietary or nutritional supplements" were screened out, leaving 407 members of the relevant public. *See Robertson Rep.*, pp. 3, 5, 7.

⁵ Although Applicant believes the relevant public comprises those who are "familiar with, or have shopped at, a store that primarily sells dietary or nutritional supplements," the data suggest that even if a more limited universe is examined—*i.e.*, only those who have *shopped* at this type of store—the results are essentially the same. *See, e.g., Robertson Rep.*, Ex. B, p. 3 (compare cross-tab results for "Have ... shopped at any store" (n=342) with "Overall" line (n=407)).

classic "Thermos" genericness question. *See Robertson Rep.*, p. 18 (Q2); *cf. McCarthy*, § 12:15. Those same respondents were then asked a series of follow-up questions, including whether they were familiar with THE VITAMIN SHOPPE, to enable Dr. Robertson to analyze better their earlier responses. *See Robertson Rep.*, pp. 19-21 (Q3-Q10); *accord McCarthy*, § 12:15.

2. The Results of the Robertson Study

The results of the Robertson Study were conclusive and prove without question that consumers do <u>not</u> understand "THE VITAMIN SHOPPE" primarily to refer to the type of retail store that sells dietary or nutritional supplements, such as vitamins, minerals, or weight management products. In other words, the phrase "THE VITAMIN SHOPPE" is <u>not</u> generic. Among the relevant public (n=407), only 21 respondents (5.2%) said they call that type of store a "vitamin shoppe" or a "vitamin shop." *See Robertson Rep.*, Ex. B ("*Data Comp.*"), p. 3. And notably, all but *one* of the respondents in that group was already familiar with Applicant's THE VITAMIN SHOPPE retail stores, *see id.*, which suggests that most of the respondents who answered the "type of store" question (Q2) generically were very likely giving Applicant's <u>brand name</u> in response (like "COKE"). *Cf. McCarthy*, § 12:15; *see also Robertson Rep.*, pp. 3, 8.

In contrast, the largest group of consumers (n=100) (24.6%) said they call a store that sells dietary or nutritional supplements **a type of "health" store**. *See Robertson Rep.*, pp. 3, 8; *Data Comp.*, p. 3. And unlike the case with those who said "Vitamin Shoppe" in response to the genericness question (Q2), the percentage of respondents who gave a "health" store response was roughly the same *regardless* of whether they knew of Applicant's THE VITAMIN SHOPPE stores, lending strong support to the conclusion that most (if not all) of the "Vitamin Shoppe" answers given to the genericness question (Q2) were references to Applicant's brand:

Answer to Q2	Relevant Public (n=407)	Familiar with THE VITAMIN SHOPPE (n=278)	Unfamiliar with THE VITAMIN SHOPPE (n=129)
"Vitamin Shoppe" or "Vitamin Shop"	5.2% (n=21)	7.2% (n=20)	0.8% (n=1)
A "Health" Store	24.6% (n=100)	24.5% (n=68)	24.8% (n=32)

See Data Comp., p. 3

Instructively, a similar pattern can be seen with respect to "GNC," a brand used with the largest chain of stores that primarily sell dietary or nutritional supplements. *See Jaffe Decl.*, ¶ 21, Ex. 11 (at page 17). Seventeen percent (n=69) of the relevant public (n=407) said they call this type of store a "GNC," even though GNC unquestionably is a brand. *See Data Comp.*, p. 3. However, if you focus solely on respondents who said they were *unfamiliar* with GNC stores (n=69), that percentage drops considerably—down to just 2.9% (n=2), which, as with VITAMIN SHOPPE, shows that the first number undoubtedly was inflated due to the "COKE" effect:

Answer to Q2	Relevant Public (n=407)	Familiar with GNC (n=338)	Unfamiliar with GNC (n=69)
"GNC"	17.0% (n=69)	19.8% (n=67)	2.9% (n=2)
A "Health" Store	24.6% (n=100)	26.6% (n=90)	14.5% (n=10)

See Data Comp., p. 3

Thus, the Robertson Study shows that *almost no one* in the relevant public (<1%) who is unfamiliar with THE VITAMIN SHOPPE calls "a store that primarily sells dietary or nutritional supplements, such as vitamins, minerals, or weight management products" a "vitamin shoppe" (or a "vitamin shop"). *See Data Comp.*, p. 3. If the phrase "VITAMIN SHOPPE" were truly the generic name of this type of store, **that number should have been <u>significantly</u> larger**. And even among <u>all</u> respondent who said "vitamin shoppe" in responses to Q2 (n=21) (so, regardless of their familiarity with THE VITAMIN SHOPPE), the level of "generic" responses is still

extremely low, both in absolute terms (5.2%) and in comparison to answers for "GNC" (17.0%) (which obviously is not generic) and for "health" store (24.6%), which clearly *is* generic.

Further information relevant to this inquiry can also be gleaned from respondents' answers to Q6, which asked whether respondents were familiar with THE VITAMIN SHOPPE stores. *See Robertson Rep.*, p. 20 (Q6). Of those in the relevant public (n=407), 278 respondents (68.3%) said they knew of Applicant's THE VITAMIN SHOPPE stores. *See id.*, p. 10; *Data Comp.*, p. 8. That means that the percentage of respondents who understood "Vitamin Shoppe" to be the name of Applicant's stores outweighed those who considered the phrase a generic identifier by a factor of <u>at least</u> ten-to-one (68.3% to 5.2%), and likely closer to *ninety-to-one* given that most "Vitamin Shoppe" answers to Q2 were likely references to Applicant's brand.⁶

These results provide compelling proof that "VITAMIN SHOPPE" is **not generic** for a type of retail store that primarily sells dietary or nutritional supplements. Again, *the sole purpose* of the Robertson study was to test for genericness—it was not meant to be, nor was it, a secondary meaning study; *see Robertson Rep.*, p. 5 (survey was designed to test "genericness"); *see also McCarthy*, § 12:15; Jay at 1122-25 (a "Thermos" study tests whether a phrase is "being used generically by the general public"); *Booking.com*, 2016 WL 1045672 at *12—and the results were unequivocal. *Compare Data Comp.*, pp. 3, 8 (showing "genericness" levels of between 0.8% and 5.2% for "VITAMIN SHOPPE" and an "awareness" level of about 68%) *with Amermican Thermos Prods. Co. v. Aladdin Indus.*, *Inc.*, 207 F. Supp. 9, 21-22 (D. Conn. 1962)

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⁶ If we assume that the percentage of respondents unfamiliar with THE VITAMIN SHOPPE but who referred to the type of store in question as a "Vitamin Shop" (0.8%) reflects the "true" level of generic response to Q2 (that is, after accounting for the "COKE" effect), that would suggest that within the relevant public, about three people (out of more than four hundred) arguably consider the phrase generic. This is to be contrasted with the 278 people who said they were familiar with THE VITAMIN SHOPPE stores—leading to a ratio of more than 90-to-1.

(finding "THERMOS" generic where roughly <u>75%</u> of survey respondents identified the type of product as a "thermos" whereas *only* 12% of respondents identified THERMOS as a trademark).

3. The Examining Attorney Improperly Dismissed the Robertson Study

As discussed, Dr. Robertson designed his survey as "a thermos type study" to test whether consumers consider "THE VITAMIN SHOPPE" generic for a type of retail establishment that primarily sells dietary or nutritional supplements—the very issue the Examining Attorney raised. *See Robertson Rep.*, p. 5 ("Research Objectives"); *Robertson Decl.*, ¶¶ 1, 9-11; *cf.*, *e.g.*, *Office Action* (3/25/18), p. 4 . Dr. Robertson was not testing for "acquired distinctiveness," which requires a different test. *Cf.*, *e.g.*, TMEP, § 1212.06(d) (a survey testing for acquired distinctiveness must reveal whether "the consuming public associates the proposed mark with a *single source*") (emphasis in original). Furthermore, there can be no dispute that the Robertson Study was properly submitted to the Office and discussed in depth in Applicant's Request for Reconsideration. *See Request for Reconsideration* (9/21/18), pp. 6-57.

Nonetheless, the Examining Attorney **refused to consider** the Robertson Study. The Examining Attorney simply claimed that the Robertson Study was supposedly "intended to show that 'THE VITAMIN SHOPPE' has acquired distinctiveness," and then, based on that erroneous assertion, disregarded the survey as "moot." *See Reconsideration Letter* (11/5/18), p. 3. The Examining Attorney, however, cited **no evidence or authority** in support of his claim that Dr. Robertson's "Thermos" study was irrelevant to genericness. Rather, the Examining Attorney—in a single sentence at the end of the Reconsideration Letter; *see id.*— simply proclaimed the survey to be such, allowing him to ignore the import of the survey results. *See id.*

ARGUMENT

"The critical issue in genericness cases is whether members of the relevant public primarily use or understand the term sought to be protected to refer to the genus of goods or services in question." *H. Marvin Ginn Corp. v. Int'l Ass'n of Fire Chiefs, Inc.*, 228 USPQ 528, 530 (Fed. Cir. 1986). The Office bears the burden to show that a mark is generic (and thus unregistrable) "by clear evidence." *See Country Music Assoc.*, 100 USPQ2d at 1832 (citing authority). "[A]ny doubts must be resolved in [an] applicant's favor." *Id.*

A. The Appropriate Genus

The appropriate genus for consideration here as to Class 35 is "[r]etail store services" that feature "vitamin[s], mineral[s], [and] dietary and nutritional supplements" (including "weight loss supplements"). *Cf.*, *e.g.*, Serial No. 86905555 (Class 35); *accord Office Action* (8/16/17), p. 5.7 With regard to Class 5, it is not necessary to dwell on the genus for those goods because the Examining Attorney did not find THE VITAMIN SHOPPE generic *for* those goods. Rather, the Examining Attorney took that position that when consumers encounter "THE VITAMIN SHOPPE" as used on dietary and nutritional supplements, they supposedly will understand the mark to be "the generic name of the *provider* of the goods," which is to say, the *retail store* that is offering those products. *See Reconsideration Letter* (11/5/18), p. 3 (emphasis added). Thus, the Examining Attorney's analysis of Class 5 depends on and from the Class 35 refusal.

⁷ The Examining Attorney proposes a broader definition—namely, "[r]etail store services, mail order catalog services and online retail store services provided via a global computer network featuring vitamins, vitamin, mineral, dietary and nutritional supplements, weight loss supplements, foods, beverages and sports performance drinks; promoting public awareness of health and nutrition"—that closes tracks the language used in Class 35. *See Office Action* (8/16/17), p. 5. Applicant does not object to this definition, but considers it unwieldy. Further, Applicant presumes the Examining Attorney's primary concern was the sale of "vitamins, minerals, [and] dietary and nutritional supplements" at THE VITAMIN SHOPPE retail stores, rather than the sale of other goods (such as "foods" and "beverages").

B. The Relevance of the Robertson Study

The results of consumer surveys are highly persuasive on the issue of genericness because surveys test directly that which otherwise can only be argued or inferred—namely, whether the relevant public understand a designation primarily to refer to a *genus* of services or a source of services. See, e.g., Country Music Assoc., 100 USPQ2d at 1831-32 (relying on survey results to reverse refusal to register COUNTRY MUSIC ASSOCIATION as supposedly generic for "association services ... promoting country music"); see also Booking.com, 2016 WL 1045672 at *12 (a "Thermos" survey "test[s] whether subjects perceive a term as a brand or a generic term"); In re DaimlerChrysler AG, 2001 WL 862242, *6 (TTAB 2001) ("Consumer surveys are commonly used in aiding tribunals determine ... genericness issues.") (citing, among other authority, American Thermos) (non-precedential). Because of their persuasive evidentiary force, consumer surveys "have become almost de rigueur in litigation over genericness." McCarthy, § 12:14 ("Judges are now used to survey evidence and often expect to receive evidentiary assistance by surveys in resolving generic disputes."); see also Berner Int'l Corp. v. Mars Sales Co., 26 USPQ2D 1044, 1050 (3d Cir. 1993) ("direct consumer evidence, e.g., consumer surveys and testimony is preferable to indirect forms of evidence") (cited with approval in Princeton Vanguard, LLC v. Frito-Lay North America, Inc., 114 USPQ2d 1827, 1833 (Fed. Cir. 2015)). Surveys are used less often in *ex parte* proceedings, but that is because of their cost, not utility. Cf. In re Northland Aluminum Prods., Inc., 227 USPQ 961, 963 (Fed. Cir. 1985) (evidence of the public's understanding of a mark may come from "any competent source, such as consumer surveys, dictionaries, newspapers and other publications").

As discussed (*see* pp. 9-12, *supra*), the Robertson Study was designed from the ground up to be a genericness study—that is, "to study the genericness of the term Vitamin Shoppe."

See Robertson Rep., p. 5. Furthermore, the "Thermos" methodology Dr. Robertson used has been accepted by courts (and by the Board) as providing relevant evidence on genericness. See, e.g., Nightlight Systems, 2007 WL 4563873 at *5; E.T. Browne Drug Co. v. Cococare Prods., Inc., 538 F.3d 185, 197 (3d Cir. 2008); In re Network Assoc. Tech., Inc., 2005 WL 363395, *4-*7 (TTAB 2005) (non-precedential); see also Jay at 1123-25, 1128-29; McCarthy, § 12:15.

The Examining Attorney therefore should have considered the results of Robertson Study when assessing genericness, rather than dismissing the results as "moot." *See Reconsideration Letter (11/5/18)*, p. 3. Dr. Robertson found that few people regard the designation "Vitamin Shoppe" (or "Vitamin Shop") to refer to the "type of store that primarily sells dietary or nutritional supplements" (which had been defined in the study to include "vitamins, minerals, or weight management products"), even before adjusting for the "COKE" effect. *See Robertson Rep.*, pp. 3, 8, 18 (Q1, Q2); *Data Compl.*, p. 3; *see also* pp. 12-14, *supra*. In contrast, an overwhelming percentage of respondents (68.3%) understood THE VITAMIN SHOPPE to refer to *Applicant's* retail stores, confirming that the phrase is primarily source-significant.

C. SHOPPE is not an "alternative spelling" of "shop"

The Examining Attorney's genericness refusal was based on a false premise, namely, that SHOPPE is an "alternative spelling" of the generic "shop". See, e.g., Office Action (6/17/17), p. 5. But SHOPPE is not a synonym for "shop", rather SHOPPE has its own unique definition as a deliberately archaic spelling of shop used by businesses for quaint effect, i.e., as a proper noun or trademark/trade name. Applicant provided multiple dictionary definitions demonstrating this difference. Response to Office Action (2/16/18), p. 1-7, Exhibit A. Applicant also pointed out that the synonyms for the word "shop" listed in the cited definitions do not include the word "shoppe". See id. Furthermore, several of the definitions specifically stated that, unlike the

generic verb/noun "shop", "Shoppe" is <u>only</u> used in proper names, like The Vitamin Shoppe. *See id.* Indeed, even the definitions provided by the examining attorney showed the differences between the two. *Id.* at p. 4-5.

Given this important distinction, it is not surprising that the Examining Attorney failed to provide any evidence of generic use of "shoppe" as an "alternative spelling of shop", such as "Let's meet at the camera shoppe and look at cameras." Indeed, there is no evidence in the record that anyone in this day and age is using "shoppe" as a replacement for "store" in conversation or writing. And while the Applicant provided numerous lists of words with "alternative spellings" (see *Response to Office Action* (2/16/18), p. 4-7), shop/shoppe was never among them. Thus, as a threshold matter, the examining attorney did not meet his burden of proof in demonstrating that SHOPPE is an "alternative spelling of shop". Instead, SHOPPE is an "archaic" and "fanciful" word used in business names as shown by the evidence submitted by both the examining attorney and the applicant.

D. No evidence provided regarding the applied-for mark

The Examining Attorney then uses the false premise that SHOPPE is equivalent to "shop" to avoid providing <u>any</u> evidence that THE VITAMIN SHOPPE is generic, instead providing evidence that "vitamin shop" is generic. Despite providing reams of evidence of third party use of "vitamin shop", <u>the examining attorney did not provide any evidence whatsoever of third party use of "vitamin shoppe". *C.f.*, *Office Actions* (5/18/16), (1/16/17), (8/16/17),</u>

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⁸ The examining attorney believes it is the applicant's burden to prove a negative on this issue: "Moreover, the applicant's attorney has not provided any evidence clearly showing that consumers do not use the wording 'SHOPPE' in conversation or writing." (*Office Action* (2/24/18) (Ser. No. 86905614), p. 4. The "clear showing", however, is the responsibility of the examining attorney, not the applicant. *In re Country Music Assoc.*, *Inc.*, 100 USPQ2d 1824, 1832 (TTAB 2011).

(11/5/18) .9 This tactic is unfair - the Examining Attorney had the burden to prove that the applied-for mark is generic, not its alleged "alternative". And if VITAMIN SHOPPE truly were generic, then the examining attorney would not need to provide evidence regarding a different phrase. By definition, a generic phrase's common use would be easily demonstrable. The Examining Attorney's resort to evidence regarding a different phrase is proof in-and-of-itself that his burden could not be met.

E. The late evidence of alleged third party use is strictly trademark/trade name use

In a Hail Mary pass in the Denial of Request for Reconsideration, the Examining Attorney finally attempts to provide alleged evidence of third party usage of SHOPPE (without VITAMIN). (See Reconsideration Letter (11/5/18), p. 4.) Putting aside the unfairness of such late evidence and its lack of relevance to the composite mark VITAMIN SHOPPE, the evidence fails and actually supports the Applicant because every reference is to a trademark/trade name use of "Shoppe" as a business name. This third party usage is not the required common, generic, lowercase usage of a term. Instead, this uppercase, proper name usage comports with the definitions submitted by the Applicant (and the Examining Attorney) stating that SHOPPE is an "archaic" and "fanciful" word used only in business names.

F. The USPTO does not treat SHOPPE as a generic term

The Examining Attorney's position in this case is in direct contravention of the USPTO's consistent treatment of SHOPPE as a registrable mark. For example, Applicant provided evidence of 70 live registrations of SHOPPE marks where SHOPPE was not even disclaimed. Applicant also showed that where disclaimers were required of SHOPPE, the basis for the

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⁹ In his third office action, the Examining Attorney finally attempted to provide evidence of use of "vitamin shoppe"; however, neither of the two references provided constitute such evidence - one was a reference to "All's Well Herb Shop LLC" and the other was actually a reference to the applicant. *Response to Office Action* (8/24/18) (Serial No. 86905614), p. 1.

disclaimer was alleged descriptiveness, not genericness. The USPTO has allowed the applicant itself to register THE VITAMIN SHOPPE many times. Two registrations had no disclaimer of SHOPPE, and the subsequent ones have a Section 2(f) claim as to SHOPPE. In none of those cases did the USPTO refuse registration on grounds that SHOPPE was generic.

Certainly, the archaic word SHOPPE has not suddenly become generic in the 21st Century. If anything, it has travelled farther away from its Middle English roots and has become more unusual and more distinctive.

The USPTO should not treat this application any differently than it treated applicant's prior applications for the same mark. In the applications at issue, the Applicant is merely updating its logo style. There is no basis, and the Examining Attorney has cited none, to suddenly cast SHOPPE as generic when the PTO previously recognized SHOPPE as registrable.

Nor should be the applicant be treated differently than the hundreds of other applicants who have been permitted to register SHOPPE marks in the Principal Register. The applicant should not be singled out for refusal, especially where many other companies have been permitted to register SHOPPE marks without the Section 2(f) showing the applicant has made.

G. Implications Relevant to the Burden of Proof

The burden to establish genericness is not an easy one. As noted, an examining attorney must establish that a phrase is generic by clear evidence, and any doubt must be resolved in the applicant's favor. See p. 16, supra; see also In re Merrill Lynch, Pierce, Fenner and Smith, Inc., 4 USPQ2d 1141,1143 (Fed. Cir. 1987). Furthermore, the evidence upon which an examining attorney relies cannot be obscure—it must be sufficient by itself to lead one to infer that the primary significance of the phrase among the relevant public is generic, not that it is descriptive and on occasion may happen to have been misused as such. See H. Marvin Ginn, 228 USPQ at

530; *Country Music Assoc.*, 100 USPQ2d at 1830 ("the comparative obscurity of the third-party uses raises doubt about whether the relevant public will perceive the phrase as generic").

In the present case, the evidence on which the Examining Attorney relied was insufficient to carry the initial burden to establish genericness. Although the Examining Attorney cited dictionary definitions of "vitamin" and "shop," Office Action (8/16/17), p. 5, he did not offer proof that the relevant public today regards the compound phrase THE VITAMIN SHOPPE (or even "Vitamin Shop") to refer primarily to a type of retail store in general. Cf. In re American Fertility Soc., 51 USPQ2d 1832, 1837 (Fed. Cir. 2001). Instead, the Examining Attorney, after evidently searching through thirty years of archives, only found a handful of documents that happened to show that an occasional copywriter or Internet user wrote "vitamin shop" as a descriptive shorthand, or that a local storeowner (who likely was aware of the success of Applicant's THE VITAMIN SHOPPE stores) somewhere once used "Vitamin" and "Shop" as part of the descriptive name for a store that presumably no longer exists. See Office Action (8/16/17), pp. 18-118. This anecdotal evidence is insufficient to prove that the relevant public today has been so repeatedly exposed to generic uses of "vitamin shop" that it believes the phrase primarily to refer to a specific type of store, notwithstanding Applicant's long, exclusive, and very public use. Cf. In re Trek 2000 Int'l Ltd., 97 USPQ2d 1106, 1113 (TTAB 2010) ("Today, with a 24-hour news cycle and 24/7 online global activity, undoubtedly many trademarks are misused repeatedly, perhaps, in part, because there is less time for editing and reflection before news reports or blog posts are released, and, in part, because what was the casual spoken word between people is now the written word posted to the world"); cf. also Jaffe Decl., ¶¶ 7, 9-15 (discussing Applicant's use the mark). After all, if the public does understand "vitamin shop" primarily to identify a "type" of store, the Examining Attorney should have

found hundreds of recent articles in major publications evidencing that understanding, along with scores of people calling their businesses a "vitamin shop." But that evidence does not exist.

More fundamental, though, even if the Examining Attorney made out a *prima facie* case of genericness, that showing has been rebutted. The ultimate question is whether, based on **the entirety of the record**, Applicant has raised a reasonable doubt as to the Examining Attorney's contention that the relevant public perceives the phrase "THE VITAMIN SHOPPE" primarily to be the generic name for a type of store. *See, e.g., Country Music Assoc.*, 100 USPQ2d at 1832. And Applicant submits that a more-than-sufficient rebuttal showing has been made here.

Applicant has offered circumstantial evidence of consumer awareness of THE VITAMIN SHOPPE as an identifier of source resulting from Applicant's extensive use, promotion, and registration of the phrase (Jaffe Decl., ¶¶ 3, 7-10, 12-15, Exs. 6-9; Response to Office Action (7/17/17); indirect evidence of consumer recognition in the form of numerous media, industry, and online references acknowledging Applicant as the sole source of THE VITAMIN SHOPPE branded goods and services, coupled with no competitive use (Jaffe Decl., ¶¶ 16-18, 20-25, Exs. 7-8, 10-15); and direct evidence of consumer understanding in the form of the Robertson Study, which establishes that consumers (by a factor of between ten- and ninety-to-one) regard "THE VITAMIN SHOPPE" primarily to refer to the source of the subject retail store services rather than the type (Robertson Rep., pp. 3, 5, 8, 10; Data Comp., pp. 3, 8). Such evidence is compelling proof that THE VITAMIN SHOPPE cannot considered be a generic phrase. Cf., e.g., In re Merrill Lynch, Pierce, Fenner and Smith, Inc., 4 USPQ2d 1141, 1143 (Fed. Cir. 1987) (reversing decision that CASH MANAGEMENT ACCOUNT was generic because "[t]he evidence before the Board showed recognition in a substantial number of publications that the source of the CASH MANAGEMENT ACCOUNT was the appellant"); Trek 2000 Int'l, 97 USPQ2d at 1114 (reversing refusal to register THUMBDRIVE where the record showed "extensive use of the term as a trademark" and "no examples of competitors using this term") ("At a minimum, the record creates doubt and we are constrained to resolve that doubt in favor of applicant."); Booking.com, 278 F. Supp.3d at 903-18 (reversing Board decision affirming refusal to register BOOKING.COM based in part on survey evidence and even though the court agreed that the individual elements of the mark [BOOKING and .COM] were generic); Country Music Assoc., 100 USPQ2d at 1832 (genericness survey and written evidence showing numerous uses of COUNTRY MUSIC ASSOCIATION to refer to applicant was "sufficient to raise doubts regarding the genericness of applicant's mark"); Network Associates, 2005 WL 363395 at *12 (evidence showing "extensive marketing of applicant's [] products" under the mark VIRUSSCAN, along with "evidence in the form of a survey," sufficient to rebut the "significant evidence" offered by the examining attorney showing generic use, even though the Board "question[ed] the persuasiveness of the survey" based on the form of the questions asked) ("we must give it some weight"). Based on the entire record, the Examining Attorney therefore has not established by "clear evidence" that THE VITAMIN SHOPPE is generic for the subject goods and services. The refusal to register should thus be reversed, and the Subject Applications be allowed to pass to publication. Accord Country Music Assoc., 100 USPQ2d at 1832 n.6.

CONCLUSION

Applicant respectfully submits that it has not just raised a doubt about the validity of the Examining Attorney's assertion that the relevant public supposedly regards the phrase "THE VITAMIN SHOPPE" as generic for a type of retail store; it has directly shown that the claim is not true. Applicant thus requests that the Board reverse the refusal to register, withdraw the disclaimer requirement, and allow the Subject Applications to be published for opposition.

Respectfully submitted,

HUNTON ANDREWS KURTH LLP

Dated: March 29, 2019 By: /James E. Rosini/

James E. Rosini Jeremy S. Boczko

HUNTON ANDREWS KURTH LLP

200 Park Avenue New York, NY 10166 Tel.: (212) 309-1000 Fax: (212) 309-1100

Susan A. Smith William M. Merone HUNTON ANDREWS KURTH LLP 2200 Pennsylvania Avenue, N.W. Washington, D.C. 20037

Tel.: (202) 955-1500 Fax: (202) 778-2201

Counsel for Applicant,

Vitamin Shoppe Procurement Services, LLC

APPENDIX

Appendix of Non-USPQ Authorities

Cases

Lifeguard Licensing Corp. v. Kozak, 2017 WL 908199, *1 (S.D.N.Y. 2017)
In re Booking.com B.V., 2016 WL 1045672, *12 (TTAB 2016)
Booking.com B.V. v. Matal, 278 F.Supp.3d 891 (E. D. Va. 2017)
Nightlight Systems, Inc. v. Nitelites Franchise Systems, Inc., 2007 WL 4563873, *5 (N.D. Ga. 2007)
Amermican Thermos Prods. Co. v. Aladdin Indus., Inc., 207 F. Supp. 9, 21-22 (D. Conn. 1962)
In re DaimlerChrysler AG, 2001 WL 862242, *6 (TTAB 2001)
E.T. Browne Drug Co. v. Cococare Prods., Inc., 538 F.3d 185, 197 (3d Cir. 2008)
In re Network Assoc. Tech., Inc., 2005 WL 363395, *4-*7 (TTAB 2005)
Treatise
<i>McCarthy on Trademarks and Unfair Competition</i> , § 12:15 (5 th ed. 2018), §§ 12:14, 15

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2017 WL 908199

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LIFEGUARD LICENSING CORP. and Popularity Products, LLC, Plaintiffs,

v.

Jerry KOZAK, Ann Arbor T-shirt Company, LLC, and Richard Winowiecki, Defendants.

15 Civ. 8459 (LGS)(JCF) | | | Signed 03/07/2017

Attorneys and Law Firms

Cameron Sean Reuber, Martin Bernard Schwimmer, Peter Samuel Sloane, Leason Ellis LLP, White Plains, NY, Gerald Grunsfeld, Lazar Grunsfeld Elnadav, Brooklyn, NY, for Plaintiffs.

Norris David Wolff, Joshua Kallman Bromberg, Kleinberg, Kaplan, Wolff & Cohen, P.C., New York, NY, Thomas Paul Heed, Heed Law Group PLLC, Novi, MI, for Defendants.

MEMORANDUM AND ORDER

JAMES C. FRANCIS IV, UNITED STATES MAGISTRATE JUDGE

*1 This is a copyright infringement action in which the relevant marks—the words "LIFEGUARD" and "LIFEGUARD" used on t-shirts, swim trunks, and men's underwear—are owned by plaintiff Lifeguard Licensing Corp. and licensed to Popularity Products, LLC. A key issue is whether the marks are generic and therefore not entitled to protection under the Lanham Act, 15 U.S.C. §§ 1051-1129. The defendants, Jerry Kozak, Ann Arbor T-Shirt Company, LLC, and Richard Winowiecki (collectively, "Ann Arbor"), retained two experts to provide reports regarding genericness. The plaintiffs hired one expert to rebut those reports. Each side seeks to preclude the others' expert evidence. For the reasons that follow, the motions are denied.

Background

The parties plan to rely on their experts in connection with motions for summary judgment (and presumably at trial). The defendants' two experts have submitted three reports based on consumer surveys. James T. Berger's report relies on two consumer surveys—a "Teflon" survey (that is, a survey "in which participants are given a series of names and asked whether those names are brand names or common names, in an effort to discern how the public perceives each name," Horizon Mills Corp. v. QVC, Inc., 161 F. Supp. 2d 208, 220 (S.D.N.Y. 2001) (citing E.I. DuPont de Nemours and Co. v. Yoshida International, Inc., 393 F. Supp. 502 (E.D.N.Y. 1975))), and a "Thermos" survey (that is, a survey that "asks participants how they would identify a particular product given that it performs certain functions, in an effort to identify if the name of the product is generic," id. (citing American Thermos Products Co. v. Aladdin Industries, Inc., 207 F. Supp. 9 (D. Conn. 1962))). (Declaration of Thomas P. Heed dated Dec. 12, 2016 ("Heed Preclusion Decl."), ¶4). Dr. Thomas Maronick authored two reports. The first (the "Maronick I Report") was completed in connection with a prior litigation regarding the same marks at issue here entitled Lifeguard Licensing Corp. v. GoGo Sports, Inc., No. 10 Civ. 9075 (S.D.N.Y) ("GoGo"); the second (the "Maronick II Report") is based on two surveys performed in connection with this litigation. (Heed Preclusion Decl., ¶¶ 6-7). The plaintiffs offer two rebuttal reports—one for each of the defendants' experts—authored by Brian M. Sowers. (Heed Preclusion Decl., ¶¶ 8-9).

Each side argues that the reports propounded by the other side are inadmissible pursuant to Daubert v. Merrell Dow Pharmaceuticals, Inc., 509 U.S. 579 (1993), and Kumho Tire Co. v. Carmichael, 526 U.S. 137 (1999). Specifically, the defendants claim that Mr. Sowers is not sufficiently qualified to testify as an expert (Defendants' Memorandum of Law in Support of Motion to Exclude Plaintiffs' Expert Witness Brian Sowers ("Def. Memo.") at 16-21), and that his methods are unreliable (Def. Memo. at 22-23). The plaintiffs contend that the reports of Mr. Berger and Dr. Maronick are unreliable because the surveys underlying them were fundamentally flawed (Plaintiffs' Memorandum of Law ("Pl. Memo.") at 12-25), and because both experts admitted during deposition testimony that the marks are not generic (Pl. Memo. at 26-30).

Discussion

A. Legal Standard

- *2 According to Rule 702 of the Federal Rules of Evidence, expert testimony is admissible if:
 - (a) the expert's scientific, technical, or other specialized knowledge will help the trier of fact to understand the evidence or to determine a fact in issue;
 - (b) the testimony is based on sufficient facts or data;
 - (c) the testimony is the product of reliable principles and methods; and
 - (d) the expert has reliably applied the principles and methods to the facts of the case.

The proponent of expert opinion testimony must demonstrate admissibility by a preponderance of proof, see Daubert, 509 U.S. at 592 n.10, and the district court serves as a gatekeeper to ensure that an expert is properly qualified and that his opinion testimony is relevant and reliable, see id. at 597; Kumho, 526 U.S. at 147-48; Fed. R. Evid. 702 advisory committee's note to 2000 amendments. An expert may be qualified based on his "knowledge, skill, experience, training, or education." Fed. R. Evid. 702. Expert opinion testimony must be both relevant -that is, it must tend to make the existence of any fact that is of consequence to the determination of the action more or less probable—and reliable. Amorgianos v. National Railroad Passenger Corp., 303 F.3d 256, 265 (2d Cir. 2002). Expert testimony is considered reliable if: (1) the testimony is based on sufficient facts or data; (2) the expert's technique or methodology in reaching the conclusion is reliable; and (3) the expert has applied the methodology reliably to the facts of the case. Fed. R. Evid. 702; Daubert, 509 U.S. at 589; Kumho, 526 U.S. at 149. However, no one factor is determinative, and district courts have broad discretion in deciding the admissibility of expert testimony. See United States v. Farhane, 634 F.3d 127, 158 (2d Cir. 2011); Fed. R. Evid. 702 advisory committee's note to 2000 amendments.

B. Plaintiffs' Motion

1. Experts' Admissions

The plaintiffs assert that each of the defendants' experts admitted during his deposition that the "Lifeguard Marks ... are not generic with respect to apparel or clothing." (Pl. Memo. at 27). This, they contend, requires preclusion of the expert reports because "[i]t is well settled case-law [sic] in the Second Circuit that an Affidavit provided in support of a summary judgment motion (and by extension, trial testimony as well)[] that contradicts prior deposition testimony must be disregarded." (Pl. Memo. at 26); see, e.g., Mack v. United States, 814 F.2d 120, 124 (2d Cir. 1987) ("It is well settled in this circuit that a party's affidavit which contradicts his own prior deposition testimony should be disregarded on a motion for summary judgment.").

The rule to which the defendants allude is known as the "sham affidavit" doctrine, see, e.g., RBFC One, LLC v. Zeeks, Inc., 367 F. Supp. 2d 604, 616 (S.D.N. Y 2005), or the "sham issue of fact" doctrine, see, e.g., In re Fosamax Products Liability Litigation, 707 F.3d 189, 193 (2d Cir. 2013). It holds that "a party may not create an issue of fact by submitting an affidavit in opposition to a summary judgment motion that, by omission or addition, contradicts the affiant's previous deposition testimony." Kennedy v. City of New York, 570 Fed.Appx. 83, 84 (2d Cir. 2014) (quoting Hayes v. N.Y.C. Department of Corrections, 84 F.3d 614, 619 (2d Cir. 1996)). The doctrine is designed to vindicate "the utility of summary judgment as a procedure for screening out sham issues of fact," Perma Research & Development Co. v. Singer Co., 410 F.2d 572, 578 (2d Cir. 1969), and champions testimony subject to cross-examination (such as deposition testimony) over other statements because of its heightened reliability, see Jimenez v. All American Rathskeller, 503 F.3d 247, 253 (3d Cir. 2007) (citing Perma Research, 410 F.2d at 578).

*3 It is far from clear that the doctrine is applicable in these circumstances. First, the purported "sham affidavits" here are expert reports that were submitted prior to each authors' deposition and about which each was cross-examined. (Heed Preclusion Decl., ¶¶ 4, 6-7; Deposition of James T. Berger dated Oct. 6, 2016 ("Berger Dep."), attached as Exh. A to Declaration of Gerald Grunsfeld dated Jan. 3, 2017 ("Grunsfeld Decl."); Deposition of Thomas Maronick dated Sept. 27, 2016 ("Maronick Dep."), attached as Exh. B to Grunsfeld Decl.); see Zikianda v. County of Albany, No. 12 CV 1194, 2015 WL 5510956, at *57 n.24 (N.D.N.Y. Sept.

15, 2015) ("The experts' depositions occurred after they authored reports and it is unclear that the doctrine would apply under those circumstances."). Second, the expert reports pre-date the filing of any motion for summary judgment. (Heed Preclusion Decl., ¶¶ 4, 6-7). The Second Circuit has repeatedly reasoned that the doctrine prevents consideration of contradictory statements, not subject to cross-examination, submitted in response to a motion for summary judgment. See, e.g., In re Fosamax, 707 F.3d at 194 ("[The sham issue of fact] doctrine applies to stop [the non-moving party] from manufacturing a factual dispute by submitting testimony from an expert whom she tendered, where the relevant contradictions ... are unequivocal and inescapable, unexplained, arose after the motion for summary judgment was filed, and are central to the claim at issue." (emphasis added)); Margo v. Weiss, 213 F.3d 55, 60-61 (2d Cir. 2000) ("[T]he plaintiffs cannot defeat a motion for summary judgment by responding with affidavits recanting that earlier testimony." (emphasis added)). ³

Even assuming the doctrine is an appropriate vehicle to preclude the defendants' expert reports in support of their defense of genericness, it does not apply here because no statement made by either expert clearly contradicts his deposition testimony. "Generic marks, consisting of words that identify the type or species of goods or services to which they apply, are totally lacking in distinctive quality; they are not entitled to any protection against infringement...." TCPIP Holding Co. v. Haar Communications, Inc., 244 F.3d 88, 93 (2d Cir. 2001). Genericness is determined by discerning "[t]he primary significance of the registered mark to the relevant public[,] rather than purchaser motivation." 15 U.S.C. § 1064(3). The Second Circuit has recognized that "[i]t is wellestablished that '[a] word may be generic of some things and not of others," pointing to the "familiar example" of "'Ivory[,]' [which] would be generic when used to describe a product made from the tusks of elephants but arbitrary as applied to soap." Genessee Brewing Co. v. Stroh Brewing Co., 124 F.3d 137, 147 (2d Cir. 1997) (second alteration in original) (quoting Soweco, Inc. v. Shell Oil Co., 617 F.2d 1178, 1183 (5th Cir. 1980), and Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4, 9 n.6 (2d Cir. 1976)).

The plaintiffs interpret these principles to require the defendants to show that consumers define the word "lifeguard" as an article of apparel. They point to

deposition testimony from both Mr. Berger and Dr. Maronick that assertedly supports their contention that the experts "made it clear that the term lifeguard refers to the occupation of lifeguarding" and "not the genus [of] t-shirts/tank top/sweatshirts etc." (Pl. Memo. at 28-30; Maronick Dep. at 8-9, 11). This argument betrays a cramped view of the jurisprudence on genericness.

For example, Anvil Brand, Inc. v. Consolidated Foods Corp., 464 F. Supp. 474 (S.D.N.Y. 1978), addressed the mark RUGGER or RUGGERS as used on knit sports shirts. Id. at 476. The court found that "the game of rugby ha[d] become popular in the United States and consequently, the public ha[d] become familiar with the distinctive clothing worn by the players." Id. at 480. It held that the terms "Rugger" or "Ruggers" were generic as applied to "the clothing commonly associated with the game of rugby." Id.; see also Polo Fashions, Inc. v. Extra Special Products, Inc., 451 F. Supp. 555, 559 (S.D.N.Y. 1978) (use of word "Polo" generic as to clothing associated with sport). These cases indicate that a word denoting a sport or trade can be generic when applied to clothing commonly associated with that sport or trade. Therefore, an admission that the term "lifeguard refers to the occupation of lifeguarding" is not an admission that the term "lifeguard" cannot be generic as applied to certain types of apparel.

*4 For an additional reason, the testimony on which the plaintiffs challenge Mr. Berger's expert report does not "unequivocal[ly] and inescapable[ly]" contradict the expert reports. In re Fosamax, 707 F.3d at 194. Mr. Berger agreed with counsel's statement that "lifeguard can be generic when describing the occupation of lifeguards but can be a brand name when referring to apparel." (Berger Dep. at 145). Not only is the statement couched in terms of possibility—the term "can be generic" or "can be a brand name"—but, in context, the testimony can be interpreted to indicate that the "label lifeguard on a shirt" could be a generic use. (Berger Dep. at 144-45). The plaintiffs thus overstate their case when they assert that "Mr. Berger agreed that the word Lifeguard is a generic term for the lifeguard occupation but a brand name for apparel." (Pl. Memo. at 27).

2. Qualifications of Mr. Berger and Dr. Maronick

The plaintiffs do not directly contend that Mr. Berger and Dr. Maronick are not qualified to be experts; instead their papers are larded with derogatory comments about the authors' reputations and qualifications. (Pl. Memo. at 13 (noting that Mr. Berger's survey in another case was "fundamentally flawed" and precluded), 14-15 (same), 20 (labeling Mr. Berger's "Teflon" survey "absurd" and "laughable"), 21 (suggesting that Mr. Berger is "incompeten[t]" and that Dr. Maronick is "ill-informed" and "has no understanding [of] trademark genericness"), 25 (Dr. Maronick "flip-flop[s]" regarding the types of surveys he conducted); Plaintiffs' Reply Memorandum of Law in Support of Their Cross-Motion ("Pl. Reply") at 8 (courts have "precluded Mr. Berger's reports and surveys on numerous occasions"), 9 (stating that "Mr. Berger's thought process makes zero sense")). I will therefore (briefly) address the qualification issue.

Under Rule 702 of the Federal Rules of Evidence, before allowing a witness to testify as an expert, the court must determine whether the witness is qualified by assessing whether the "proffered expert has the educational background or training in a relevant field. Then the court 'should further compare the expert's area of expertise with the particular opinion the expert seeks to offer....' "Cedar Petrochemicals, Inc. v. Dongbu Hannong Chemical Co., 769 F. Supp. 2d 269, 282-83 (S.D.N.Y. 2011) (quoting TC Systems Inc. v. Town of Colonie, 213 F. Supp. 2d 171, 174 (N.D.N.Y. 2002)). The qualification requirement is to be liberally construed, and an

"expert should not be required to satisfy an overly narrow test of his own qualifications." "In considering a witness's practical experience and educational background as criteria for qualification, the only matter the court should be concerned with is whether the expert's knowledge of the subject is such that his opinion will likely assist the trier of fact in arriving at the truth."

Johnson & Johnson Vision Care, Inc. v. CIBA Vision Corp., No. 04 Civ. 7369, 2006 WL 2128785, at *5 (S.D.N.Y. July 28, 2006) (internal citations omitted) (quoting Valentin v. New York City, No. 94 CV 3911, 1997 WL 3323099, at *14 (E.D.N.Y. Sept. 9, 1997)).

Mr. Berger has an MBA from the University of Chicago Graduate School of Business, has worked extensively in the field of marketing, and has significant market research experience. (Berger Report, ¶¶ 3-5). He is co-author of the textbook <u>Trademark Surveys</u>: A <u>Litigator's Guide</u> and has taught, lectured, and published articles in the field. (Berger Report, ¶¶ 2, 5). In addition, he has testified as an expert in numerous lawsuits, including actions concerning trademark genericness. (Berger Report, ¶ 6).

Dr. Maronick has a Doctorate in Business Administration from the University of Kentucky and a Juris Doctor from the University of Baltimore School of Law. (Maronick II Report, attached as Exh. D to Heed Preclusion Decl., at 2). He has served as the "in-house expert on marketing and survey matters" for the Bureau of Consumer Protection at the Federal Trade Commission. (Curriculum Vitae of Thomas Joseph Maronick ("Maronick CV"), attached as Exh. 1 to Maronick II Report, at 2). 4 He has published articles on marketing, including on survey research; "undertaken over 150 survey research projects ... in litigation-related matters"; and testified as an expert witness in Lanham Act cases. (Maronick CV at 3-4). He is currently a professor of marketing at Towson University College of Business and Economics. (Maronick CV at 2; Maronick II Report at 2).

*5 Both of the defendants' experts are qualified to offer opinions on the relevant issue.

3. Methodological Issues with Surveys

The plaintiffs identify alleged methodological flaws in the surveys upon which the defendants' experts' reports are based. They contend that both Mr. Berger's and Dr. Maronick's "Teflon" surveys identify the wrong "relevant public" for polling (Pl. Memo. at 14-16, 23-24); that Mr. Berger's "Teflon" survey primed the respondents to think of lifeguards, "failed to give the survey respondents the necessary contextual background," and included respondents who answered at least one of the screening questions incorrectly (Pl. Memo. at 15-18); and that Dr. Maronick's "Teflon" survey failed to provide necessary context for the respondents (Pl. Memo. at 24).

"The majority rule is that while technical deficiencies can reduce a survey's weight, they will not prevent the survey from being admitted into evidence." 6 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 32:170 (4th ed. rev. 2017); see also GoGo, 2013 WL 4400520, at *6 & n.4 (denying motion

to preclude made on multiple grounds, including that survey misidentified relevant public, primed respondents, contained leading questions, and failed to include control group); Victoria's Secret Stores Brand Management, Inc. v. Sexy Hair Concepts, LLC, No. 07 Civ. 5804, 2009 WL 959775, at *6 n.3 (S.D.N.Y. April 8, 2009) ("In general, assertions of methodological errors in a survey 'bear exclusively on the weight to be given the survey rather than bearing on admissibility determination under Fed. R. Evid. 403.' " (quoting Friesland Brands, B.V. v. Vietnam National Milk Co., 221 F. Supp. 2d 457, 460 (S.D.N.Y. 2002))); id. at *11 n.9 (refusing to preclude surveys alleged to have drawn from improper universe of respondents, primed respondents, and failed to incorporate control group). Indeed, "[a] survey is only inadmissible if its flaws destroy all of its relevance." Id. The plaintiffs' arguments do not convince me that the defendants' expert reports must be precluded.

Take, for example, the plaintiffs' contention that the proper universe for a survey seeking to detect whether a mark is generic is "past and future purchasers of the product in issue." (Pl. Memo. at 15). That position is undermined by commentators and cases—including cases cited by the plaintiffs as support for their position indicating that to determine whether the use of a mark on a mass-marketed product is generic, what matters is the general public's "common use of language." 2 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 12:4 (4th ed. rev. 2017) (quoting In re Automatic Radio Manufacturing Co., 404 F.2d 1391, 1395 (C.C.P.A. 1969)); see also Harley Davidson, Inc. v. Grottanelli, 164 F.3d 806, 810 (2d Cir. 1999) ("[D]ictionary definitions of a word to denote a category of products are significant evidence of genericness because they usually reflect the public's perception of a word's meaning and its contemporary usage."); Murphy Door Bed Co. v. Interior Sleep Systems, Inc., 874 F.2d 95, 101 (2d Cir. 1989) (approving evidence of media usage on issue of genericness because "it is a strong indication of the general public's perception" of a term); Blisscraft of Hollywood v. United Plastics Co., 294 F.2d 694, 699 (2d Cir. 1961) (reversing district court's finding that term was descriptive because there was no evidence that "public generally" understood term to be synonymous with material from which product was made); PODS Enterprises, Inc. v. U-Haul International, Inc., No. 12 CV 1479, 2015 WL 1097374, at *4-6 (M.D. Fla. March 11, 2015) (discussing dictionary definitions, use of term in popular magazines and books, and prior military usage as evidence of genericness); Horizon Mills Corp. v. OVC. Inc., 161 F. Supp. 2d 208, 217-18 (S.D.N.Y. 2001) (test for genericness of "mass consumed product" is "common usage or understanding by the general public" (quoting Something Old, Something New, Inc. v. QVC, Inc., No. 98 Civ. 7450, 1999 WL 1125063, at *5 (S.D.N.Y. Dec. 8, 1999))); Coach/Braunsdorf Affinity, Inc. v. 12 Interactive, LLC, 110 U.S.P.Q.2d 1458, 1463 (T.T.A.B. 2014) (looking to dictionary definition to determine genericness); cf. J & J Snack Foods, Corp. v. Earthgrains Co., 220 F. Supp. 2d 358, 371-72 (D.N.J. 2002) (criticizing survey of general public where product not mass-marketed but sold only to certain distributors). Indeed, the original "Thermos" and "Teflon" surveys sought to determine the opinion "of the adult American public," and not some subset of consumers who had purchased or planned to purchase the relevant products. American Thermos, 207 F. Supp. at 21-22; see also 2 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition, § 12:16 (4th ed. rev. 2017) ("The Teflon Survey was conducted ... over the telephone of respondents of both sexes who represented themselves to be over 18 years of age."); E. Deborah Jay, Genericness Surveys in Trademark Disputes: Evolution of Species, 99 Trademark Rep. 1118, 1151 (2009) (noting that "[t]he universe for the survey endorsed in American Thermos and in E.I. Du Pont de Nemours was broadly defined," which is appropriate where "a product or service is marketed to the general public"). The plaintiffs' objections to the universes used in the defendants' experts' surveys-men and women over sixteen who had recently gone to or planned to go to a public beach or pool (Berger Report, ¶ 14), or men and women over the age of 18 (Maronick II Report at 4)—do not counsel in favor of excluding the reports. 5

*6 The plaintiffs' other challenges fare no better. They complain that respondents to Mr. Berger's "Teflon" survey were not provided the proper "context," asserting that the phrase "[w]ith respect to apparel" should have been appended to the question, "[F]or each of the following names, would you please indicate whether you understand the name to be a common name or a brand name[?]" (Pl. Memo. at 17; Lifeguard Teflon Survey, attached as Exh. C to Grunsfeld Decl., at 6). But the cases they cite do not support the proposition that this asserted error mandates preclusion. First, their supporting cases deal with trademark dilution surveys that sought to establish whether customers were likely to confuse two

products. See, e.g., THOIP V. Walt Disney Co., 690 F. Supp. 2d 218, 230 (S.D.N.Y. 2010). Surveys "designed to elicit information relevant to the issue of a likelihood of confusion" should closely "mirror the situation in which the ordinary person would encounter the trademark." 6 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 32:163 (4th ed. rev. 2017). But, as discussed above, the issue of genericness is not concerned so much with the state of mind of someone who is likely to purchase a product, but rather with the wider buying public's perception of whether a term is synonymous with the product to which it is applied. Understanding this, asking if a term is "common" or a "brand name"—even without reference to a particular genus of product—has relevance. After all, before a term can function generically, it must be sufficiently common. It must also not signal a producer; that is, it must not be associated—or, in the case of so-called "genericide," must no longer be associated —with any brand. For a similar reason, Mr. Berger's "Thermos" survey, in which he presented a photograph of a lifeguard to survey respondents and asked whether they were familiar with his function (Pl. Memo. at 19-20), is somewhat probative, as a failure of the public to recognize the occupation of a lifeguard would likely preclude a finding that the label "lifeguard" was generic when applied to clothing a lifeguard wears, cf. Anvil Brand, 464 F. Supp. at 480. In short, the plaintiffs may argue that the jury should discount the defendants' surveys by pointing out these alleged weaknesses; however, the experts' reports are not so poorly designed or executed as to require preclusion. ⁷ See, e.g., GoGo, 2013 WL 4400520, at *6 & n.4 (denying motion to preclude made on basis that survey misidentified relevant public, primed respondents, contained leading questions, and failed to include control group, among others); Victoria's Secret, 2009 WL 959775, at *11 n.9 (refusing to preclude surveys charged with drawing from improper universe of respondents, priming respondents, and failing to incorporate control group).

4. Late Disclosure

Finally, the plaintiffs contend that they were prejudiced because Mr. Berger did not timely disclose the photograph used in his "Thermos" survey. (Pl. Memo. at 20-21). Apparently, the defendants originally provided the wrong image, and only disclosed the correct one at Mr. Berger's deposition. (Pl. Memo. at 20-21). The plaintiffs assert that they were prejudiced by this late disclosure because

they were consequently unable to "formulate appropriate deposition questions." (Pl. Reply at 1-2).

Rule 37(c)(1) of the Federal Rules of Civil Procedure allows a court to preclude information not timely disclosed unless the failure was substantially justified or harmless. Although "this so-called self-executing provision appears to require exclusion" in certain circumstances, "the imposition of sanctions under this rule is discretionary, and preclusion will be ordered only in rare cases." Semi-Tech Litigation LLC v. Bankers Trust Co., 219 F.R.D. 324, 325 (S.D.N.Y. 2004) (footnote omitted). This is not one of those cases.

The timing of the disclosure was far from optimal, but counsel for the plaintiffs received the correct photograph during Mr. Breger's deposition. (Berger Dep. at 141-42). It is not clear why plaintiffs' counsel could not effectively question Mr. Berger after the image was disclosed or, if more time was needed to "formulate appropriate [] questions," why he did not request continuation of the deposition for that purpose. Indeed, even in this motion, plaintiffs' counsel has failed to identify any question that he would have asked or any information he would have attempted to elicit had the photograph been timely disclosed. In this situation, the late disclosure was harmless.

C. Defendants' Motion

1. Mr. Sowers' Qualifications

In contrast to the plaintiffs, the defendants launch a frontal attack on plaintiffs' experts' qualifications. As noted, under Rule 702 a person may qualify as an expert "by knowledge, skill, experience, training, or education." Fed. R. Evid. 702. The defendants argue that Mr. Sowers is unqualified to offer the opinions in his rebuttal reports because he is uninformed regarding the "Primary Significance Test," is unskilled in statistical analysis, and lacks the necessary education and experience. (Def. Memo. at 16-21).

*7 Mr. Sowers has an undergraduate degree in history from Roanoake College and an MBA from the University of Colorado at Colorado Springs. (Curriculum Vitae of Brian M. Sowers ("Sowers CV"), attached as Exh. A to Amended Reply Expert Report of Brian M. Sowers to the

Report of James T. Berger dated Sept. 30, 2016 ("Sowers Rebuttal"), attached as Exh. E to Heed Preclusion Decl. at 1; Sowers Rebuttal, ¶4). He is a principal at a marketing and consulting firm, leading the firm's litigation support practice. (Sowers CV at 1). Prior to joining his current firm in 2011, he held research positions at a number of other firms, such as Forbes Consulting Group and Lockheed Martin Corporation. (Sowers CV at 1-2; Sowers Rebuttal, ¶1). Mr. Sowers has experience designing and implementing marketing research surveys and has functioned as an expert in trademark and trade dress cases. (Sowers CV at 3; Sowers Rebuttal, ¶2).

The defendants' complaints about Mr. Sowers' education and experience are overblown, undersupported, or both. For example, they attack his education, noting that his MBA is from a satellite campus of the University of Colorado, and was completed as an online degree. (Def. Memo. at 19). But they provide no evidence to support their contention that his education and degree are inferior. They accuse him of lacking "basic statistical understanding" (Def. Memo. at 16-17), but apparently fail to recognize that the opinions he offers do not include statistical analyses of any complexity. See Cedar Petrochemicals, 769 F. Supp. 2d at 283 (courts must evaluate experts' qualifications in light of "the particular opinion the expert seeks to offer" (quoting TC Systems, 213 F. Supp. 2d at 174)). They dwell on the fact that he could not remember whether he had failed a class or been put on academic probation as an undergraduate over twenty years ago (Def. Memo. at 18-19), but do not suggest how that would be relevant to whether he is qualified to testify as an expert in this case. They appear to fault him because some of his training in the design and implementation of marketing surveys consisted of assisting "actual experts in designing genericness surveys" (Def. Memo. at 18), because he was promoted to principal when his predecessor left (Def. Memo. at 17-18), and because his CV "only mentions surveys three times" (Def. Memo. at 17). These objections fail.

The defendants also count words in Mr. Sowers' rebuttal reports, noting that the word "experience" appears only three times in each document. (Def. Memo. at 20). This assertedly contravenes Federal Rule of Evidence 702 because, where an expert witness relies "solely or primarily on experience, then [he] must explain how that experience leads to the conclusion reached, why that

experience is a sufficient basis for the opinion, and how that experience is reliably applied to the facts." Fed. R. Evid. 702 advisory committee's note to 2000 amendments. But this requirement is designed to guard against a situation where an expert "offer[s] credentials rather than analysis," LinkCo, Inc. v. Fujitsu Ltd., No. 00 Civ. 7242, 2002 WL 1585551, at *4 (S.D.N.Y. July 16, 2002) (quoting Primavera Familienstifung v. Askin, 130 F. Supp. 2d 450, 529 (S.D.N.Y. 2001)), such as when the witness presents "only [his] qualifications, [his] conclusions[,] and [his] assurances of reliability," Daubert v. Merrell Dow Pharmaceuticals, Inc., 43 F.3d 1311, 1319 (9th Cir. 1995), cited in Fed. R. Evid. 702 advisory committee's note to 2000 amendments; see also General Electric Co. v. Joiner, 522 U.S. 136, 146 (1997) ("[N]othing in either <u>Daubert</u> or the Federal Rules of Evidence requires a district court to admit opinion evidence that is connected to existing data only by the ipse dixit of the expert."). Here, Mr. Sowers' reports adequately explain his analyses and conclusions, which is what the Federal Rules of Evidence contemplate.

2. Mr. Sowers' Report

*8 The defendants also contend that Mr. Sowers' "methodology, to the extent he had one at all, is unreliable." (Def. Memo. at 22). They highlight that Mr. Sowers was unfamiliar with the primary significance test (codified at 15 U.S.C. § 1064(3)) and "misidentified the products sold by the [d]efendants." (Def. Memo. at 22). But they have not established that these alleged defects relate to his "methodology" or make his reports unreliable.

There is no analysis of how Mr. Sowers' understanding (or lack of understanding) of 15 U.S.C. § 1064(3) affects his rebuttal reports; the defendants merely insist that if he cannot understand this subsection, "he cannot be considered reliable in attempting to offer expert testimony about genericness surveys." (Def. Memo. at 22). That criticism does not warrant preclusion.

The defendants then contend that Mr. Sowers' misidentification of the "scope of apparel" sold by Ann Arbor infects his rebuttal report because it led to a misidentification of "the relevant universe for a genericness test," which Mr. Sowers asserts should include only "the junior user's potential customers." (Def. Memo. at 22). That is, the defendants charge that the mistake led

to (hypothetical) overinclusiveness, because the universe of respondents to Mr. Sowers' (hypothetical) survey would include potential consumers of apparel not at issue in this action. (Deposition of Brian Sowers dated Oct. 20, 2016, attached as Exh. A to Heed Preclusion Decl., at 77-78). But Mr. Sowers was not designing or administering his own study, merely commenting on the perceived weaknesses of the defendants' experts' surveys. Moreover, he concluded that the defendants' surveys were too broad because they were directed at the general public, not that they were too narrow because they excluded consumers of an (incorrectly) expanded set of apparel. Therefore, any misunderstanding is irrelevant.

Conclusion

For the foregoing reasons, both the defendants' motion to preclude (Docket no. 134) and the plaintiffs' motion to preclude (Docket no. 152) are denied.

SO ORDERED.

All Citations

Not Reported in Fed. Supp., 2017 WL 908199

Footnotes

- The plaintiffs' memorandum is not paginated, so I use the page numbers assigned by the Court's electronic case filing ("ECF") system.
- The defendants served Mr. Berger's original report prior to his deposition. (Declaration of Thomas P. Heed dated Dec. 20, 2016, ¶ 3). Mr. Berger amended his report after his deposition. (Amended Report of James T. Berger dated Oct. 11, 2016 ("Berger Report"), attached as Exh. B to Heed Preclusion Decl., ¶ 1). The plaintiffs concede that the amended report is "essentially identical in substance to [the] original report." (Pl. Memo. at 14 n.1).
- I disagree with the plaintiffs' assertion that this doctrine applies, "by extension, [to] trial testimony." (Pl. Memo. at 26). As noted, the doctrine protects against creating a false issue of fact with testimony not subject to cross-examination. At trial, where a witness may be cross-examined and impeached with prior inconsistent statements, these concerns are ameliorated.
- 4 Because Mr. Maronick's CV is not paginated, I use the page numbers assigned by the Court's ECF system.
- Nor am I convinced by the argument that because the two experts used different universes "one of them has to be wrong." (Pl. Memo. at 23). Even if the "relevant public" were required to be drawn with surgical precision—and the plaintiffs have presented no authority that it does—the discrepancy here would not make either report inadmissible. See, e.g., GoGo, 2013 WL 4400520, at *6.
- 6 Because the survey is not paginated, I use the page numbers assigned by the Court's ECF system.
- Admittedly attempting to circumvent the page limit (Pl. Memo. at 21), the plaintiffs point me to Mr. Sowers' expert reports for additional support (Pl. Memo. at 21, 24-25). Judges regularly forgive such strategems, considering arguments apparently not convincing enough to include in the briefs. But if the plaintiffs believed that they could not present their arguments concisely enough to comply with the page limit, they should have requested an extension of that limit.

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Remanded by Booking.com B.V. v. Matal, E.D.Va., August 9, 2017

2016 WL 1045672 (Trademark Tr. & App. Bd.)

THIS OPINION IS NOT A PRECEDENT OF THE TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

IN RE BOOKING.COM B.V.

Serial No. 79122365; Serial No. 79122366 February 18, 2016 Hearing: January 5, 2016

*1 Jonathan E. Moskin and Katherine Califa of Foley & Lardner LLP for Booking.com B.V.

Caitlin Watts-Fitzgerald Trademark Examining Attorney Law Office 111 (Robert L. Lorenzo, Managing Attorney)

Before Shaw, Adlin and Masiello Administrative Trademark Judges Opinion by Masiello Administrative Trademark Judge:

Booking.com B.V. ("Applicant") filed two applications for extension of protection to the United States of two International Registrations for the marks shown below:

U.S. Serial No. 79122365

Booking.com

The colors dark blue and light blue are claimed as a feature of the mark; ¹ and

U.S. Serial No. 79122366

Booking.com

The colors dark blue, light blue, and white are claimed as a feature of the mark.²

The services identified in the two applications (as amended) are the same:

Hotel reservation services for others; holiday accommodation reservation services and resort reservation services, namely, providing hotel room reservation services and resort hotel reservation services and providing online hotel and resort hotel room reservation services; providing information about hotels, hotel accommodations and resorts accommodations, whether or not based on the valuation of customers; information, advice and consultancy relating to the aforesaid services; the aforesaid services also provided electronically, in International Class 43.

In each case, the original Examining Attorney ³ refused the requested extension of protection under Section 2(e)(1) of the Trademark Act, 15 U.S.C. § 1052(e)(1), on the ground that Applicant's mark is merely descriptive of Applicant's services. When Applicant claimed, in the alternative, that Applicant's marks have acquired distinctiveness and are entitled to registration under Section 2(f), 15 U.S.C. § 1052(f), the Examining Attorney issued new refusals on the ground that the marks are generic as applied to the services; he also maintained, in the alternative, the mere descriptiveness refusals and found Applicant's showings of acquired distinctiveness to be insufficient. When the Examining Attorney made each of the refusals final, Applicant requested reconsideration and simultaneously appealed to this Board. The Examining Attorney denied the request for reconsideration and these appeals proceeded.

*2 At Applicant's request, these two cases were consolidated with two other pending appeals of refusals to register the marks in Applicant's related applications Serial Nos. 79114998 and 85485097. ⁴ Applicant chose to address all four cases in a single set of briefs, having been granted leave to exceed the page limit for its main brief. ⁵ The cases are fully briefed, including extra supplemental briefs filed by both Applicant and the Examining Attorney. An oral hearing was held January 5, 2016.

The evidentiary records in Serial Nos. 79122365 and 79122366 are essentially identical. Accordingly, we issue our decision regarding them in this single order. Our citations refer to the record in Serial No. 79122366 unless otherwise noted. The other two of the four consolidated cases have somewhat different evidentiary records; separate decisions in those cases will issue in due course.

Applicant and the Examining Attorney have focused virtually all of their attention on the word portion of Applicant's marks, BOOKING.COM, with little discussion of the color and design elements. We too will first address the obviously more important word portion of the marks.

A mark is generic if it refers to the class or category of goods or services on or in connection with which it is used. *In re Dial-A-Mattress Operating Corp.*, 240 F.3d 1341, 57 USPQ2d 1807 (Fed. Cir. 2001), *citing H. Marvin Ginn Corp. v. Int'l Ass'n of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528 (Fed. Cir. 1986) ("*Marvin Ginn*"). The test for determining whether a mark is generic is its primary significance to the relevant public. *In re Am. Fertility Soc'y*, 188 F.3d 1341, 51 USPQ2d 1832 (Fed. Cir. 1999); *Magic Wand Inc. v. RDB Inc.*, 940 F.2d 638, 19 USPQ2d 1551 (Fed. Cir. 1991); and *Marvin Ginn, supra*. Making this determination "involves a two-step inquiry: First, what is the genus of goods or services at issue? Second, is the term sought to be registered ... understood by the relevant public primarily to refer to that genus of goods or services?" *Marvin Ginn*, 228 USPQ at 530. The Examining Attorney has the burden of establishing by clear evidence that a mark is generic. *In re Merrill Lynch, Pierce, Fenner and Smith, Inc.*, 828 F.2d 1567, 4 USPQ2d 1141 (Fed.

Cir. 1987); *In re Am. Fertility Soc'y, supra*; and *Magic Wand Inc., supra*. "Doubt on the issue of genericness is resolved in favor of the applicant." *In re DNI Holdings Ltd.*, 77 USPQ2d 1435, 1437 (TTAB 2005).

1. The genus of Applicant's services.

*3 Applicant's recitation of services describes, in a variety of ways, lodging accommodation reservation services, e.g. "hotel room reservation services," "hotel room reservation services," including such services provided "online" and "electronically." It also describes "providing information" and "information, advice and consultancy relating to the aforesaid services."

The Examining Attorney suggests that the genus of the services is "hotel reservation services." ⁶ Applicant contends that the relevant genus is the broader "travel agency services." ⁷ Applicant argues that the "information" and "information, advice and consultancy" services listed in the recitation "are all the types of services that are typically provided by travel agencies"; and argues that the designation "travel agency services" is broad enough to cover all of the identified services, while "the much narrower and more specific alleged genus 'hotel reservation services' covers ... few of the services in Class 43." ⁸

The identification of goods or services in an application defines the scope of rights that will be accorded the owner of any resulting registration under Section 7(b) of the Trademark Act. Therefore, generally, "a proper genericness inquiry focuses on the description of services set forth in the [application or] certificate of registration." *Magic Wand*, 19 USPQ2d at 1552, *citing Octocom Sys., Inc. v. Houston Computer Servs.*, Inc., 918 F.2d 937, 942, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990). In this case, the recitation of services in each application is substantially more precise than the general term "travel agency services." Moreover, the words "travel agency" are not used, and there is no reference to a fundamental element of typical travel agency services, which is making arrangements for transportation. We note the following dictionary definitions:

travel agency:

"an office or enterprise engaged in selling, arranging or furnishing information about personal transportation or travel."

2433 WEBSTER'S THIRD NEW INTERNATIONAL DICTIONARY (1993).

travel agent:

"a person engaged in selling or arranging personal transportation, tours, or trips."

*4 Id.

travel agency:

"a business that accommodates travelers, as by securing tickets, arranging for reservations, and giving information."

2014 RANDOM HOUSE DICTIONARY OF THE ENGLISH LANGUAGE (2 nd ed. 1987). 9

The recitations' reference to "information, advice and consultancy," expressly related to the core "aforesaid services" of helping customers to make lodging reservations, does not convert the identified services to travel agency services such as those offered by a full-scale travel agency. Therefore, the genus of "travel agency services" is substantially broader than the services set forth in the applications and would merely draw our attention away from the more precise questions before us. We note, moreover, that the evidence of record regarding Applicant's actual activities does not show that Applicant provides reservation services relating to transportation.

Accordingly, focusing on the actual wording of the recitations of services, the genus of Applicant's services is "hotel room reservation services and other lodging reservation services, with related information, advice and consultancy, including such services provided online."

2. Public understanding of the term BOOKING.COM.

We next consider whether BOOKING.COM would be understood by the relevant public primarily to refer to the genus of hotel room and lodging reservation services. The relevant public consists of all persons having an interest in arranging a reservation for a room in a hotel, resort, or other lodging. The Examining Attorney's refusal and supporting arguments focus almost exclusively on Applicant's *online* reservation services, and we will do the same. ¹⁰ Registration is properly refused if the mark is generic with respect to *any one* of the services for which registration is sought. *In re Analog Devices, Inc.*, 6 USPQ2d 1808, 1810 (TTAB 1988), *aff'd*, 871 F.2d 1097, 10 USPQ2d 1879 (Fed. Cir. 1989) (unpublished); *Cf. In re Stereotaxis Inc.*, 429 F.3d 1039, 77 USPQ2d 1087, 1089 (Fed. Cir. 2005), *quoting, Application of Richardson Ink Co.*, 511 F.2d 559, 185 USPQ 46, 48 (CCPA 1975) ("Our predecessor court ... has stated that registration should be refused if the mark is descriptive of any of the goods for which registration is sought").

(a) Salient evidence of record.

With respect to the relevant public's understanding of Applicant's marks, the Examining Attorney and Applicant have made of record various definitions of the word "booking," including:

*5: an arrangement for a person or group (such as a singer or band) to perform at a particular place

: an arrangement to have something (such as a room) held for your use at a later time

...

: RESERVATION 11

1. an arrangement to buy a travel ticket, stay in a hotel room, etc. at a later date *Increasingly, travelers are using the Internet for both information and bookings*.

make a booking: You can make a booking on the phone with a credit card.

2. an arrangement made by a performer to perform at a particular place and time in the future. ¹²

- 1. An engagement, as for a performance by an entertainer.
- 2. A reservation, as for accommodations at a hotel. ¹³

**** 1. a contract, engagement, or scheduled performance of a professional entertainer. 2. reservation (def 5). 3. the act of a person who books. ¹⁴ **** an engagement, as for a lecture or concert. 15 The Examining Attorney has also made of record the following definitions: ABBREVIATION COMPUTING commercial organization: used in the email and website addresses of companies. ¹⁶ **** .com: abbr. commercial organization (in Internet addresses). 17 **** .com (dot-com):

Part of the Internet address of many companies and organizations. It indicates that the site is commercial, as opposed to educational or governmental.

Note: The phrase *dot-com* is used to refer generically to almost anything connected to business on the Internet. ¹⁸

The Examining Attorney has also made of record excerpts from numerous websites that use the term "booking" to describe Applicant's online services and similar online services of others. Such services have been called (among other things):

Booking service; ¹⁹ hotel booking service; ²⁰ booking online; ²¹

Booking website; ²² booking sites; ²³

Hotel booking websites; ²⁴ hotel booking site; ²⁵ hotel booking. ²⁶

The record contains numerous other uses of the word "booking" in similar contexts, in phrases such as "online travel booking sites"; ²⁷ "online hotel-room booking company"; ²⁸ "hotel-only booking sites"; ²⁹ "finalize the booking"; ³⁰ "vacation-booking websites" and "booking app"; ³¹ and "travel booking websites." ³² Notably, Applicant's own website uses "booking," both as a noun meaning a hotel reservation and as a verb meaning to make such a reservation: *6 Our Vision

Booking.com is an informative, user-friendly website - that guarantees the best available prices. Our goal is to provide business and leisure travelers with the most accessible and cost-effective way of discovering and **booking** the broadest selection of accommodations in every corner of the world. ³³

Easily manage all your **bookings** ³⁴

Applicant's website sets forth a selection of available hotels in various cities, indicating when the latest "booking" was made at various hotels:

New York City

421 properties

•••

Helmsley Park Lane Hotel ****

from \$230

Score from 2574 reviews. Very good, 8.1

Latest booking: 10 minutes ago

There are 26 people looking at this hotel

New York Marriott Marquis ****

from \$299

Score from 1042 reviews. Very good, 8.3

Latest **booking**: 2 hours ago

There are 16 people looking at this hotel ³⁵

The Examining Attorney has made of record excerpts of websites whose domain names include the designation "booking.com" or "bookings.com":

Domain name Nature of website

hotelbooking.com website called hotelbooking.com, offering "your best

hotel web search engine." 36

francehotelbooking.com website called Link Paris .com, offering to "find you

a great Paris hotel" and hotel search for other French

cities. 37

instantworldbooking.com website called Instant World Booking.com, offering

"Online booking for hotels, youth hostels, and bed and breakfast accommodations at world heritage

destinations." 38

blinkbooking.com website offering mobile application called Blink: "In just

a few taps, you can book a room in Europe's best hotels:

it's that simple!" ³⁹

cancunhotelbooking.com website called Cancun Hotel Booking.com offering

"Cancun Hotel Reservation - Best Price Guarantee!" 40

drakehotelbookings.com website of The Drake Hotel, with function marked

"BOOK THIS HOTEL." 41

ezyhotelbooking.com website of ezyHotelBooking, offering "Web based

booking software and reservation manager for your

hotel." 42

frbobookings.com website of FRBObookings.com "Making Vacation

Properties 'For Rent by Owner' Easy." 43

netbookings.com website of NETBOOKINGS providing "Online

Availability and Reservation System options." 44

roomsbooking.com website called roomsbooking.com, with "Featured Hotel

Deals." 45

treehousebookings.com website of Treehouse Lodge, stating, "BOOK A TREE

HOUSE."46

*7 Some of these websites make clear trade name use of designations that include "booking.com," as shown below:



The record also includes evidence of domain names that combine ".com" with various combinations of the words "booking" or "book," including the following: ⁴⁷
Bookingcenter.com

Bookingplusinc.com

Bookingwiz.com

Hotelbookingsolutions.com

Fastbooking-hotels.com

Bookingbuddy.com

Ebookers.com

Hotelbook.com

Quikbook.com

Bookit.com

To demonstrate public understanding of BOOKING.COM, Applicant has made of record and focuses heavily on a two-page, 2012 press release by J.D. Power & Associates relating to its rankings of independent travel websites based upon a consumer survey, accompanied by a one-page chart. Neither the survey itself nor any supporting or background material about the survey is of record. Salient excerpts of the press release are set forth below:

J.D. Power and Associates Reports:

Pricing Is the Strongest Driver of Satisfaction with Independent Travel Websites

Booking.com Ranks Highest in Overall Satisfaction among Independent Travel Websites

- ... Satisfaction with the price paid on a travel website drives high overall satisfaction among consumers with their overall website experience, according to the J.D. Power and Associates 2012 Independent Travel Website Satisfaction Report SM released today.
- "... the highest-ranked travel websites in overall satisfaction all have significantly higher price satisfaction scores than the report average," said Sara Wong Hilton ... "While other factors certainly affect overall satisfaction, 75 percent of online travel website consumers indicate price as a primary purchase reason, so there is no denying price greatly impacts the overall website experience."

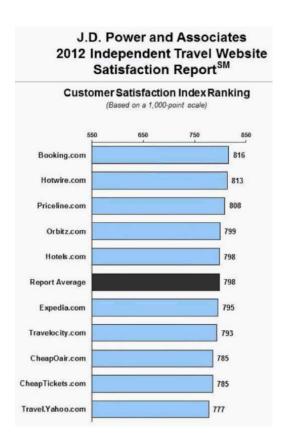
The report measures consumers' overall satisfaction with their purchase experience on an independent travel website, which consists of a vacation package, flight, hotel or rental car. The report examines seven factors (listed in order of importance): competitiveness of pricing; usefulness of information; availability of booking/reservation options; website/online store; ease of booking/reserving; competitiveness of sales and promotions; and contact with customer service. ...

Independent Travel Website Satisfaction Rankings

Booking.com ranks highest with a score of 816, performing particularly well in availability of booking/reservation options; ease of booking/reserving; and pricing. Following Booking.com in the rankings are Hotwire.com (813) and Priceline.com (808).

The 2012 Independent Travel Website Satisfaction Report is based on responses from 2,009 consumers who made an online purchase from an independent travel website in the past 12 months. ... ⁴⁸

*8 The chart accompanying the press release is set forth below: 49



The press release is discussed in the declaration of Applicant's Director, Rutger Marinus Prakke, which states: Applicant's BOOKING.COM service has received numerous industry awards, including, for example:

- J.D. Power and Associates, a premier research and analytics firm, ranked BOOKING.COM First in Consumer Satisfaction among independent travel websites based on a consumer survey (awarded in 2013); ... ⁵⁰

The Prakke Declaration also states that Applicant has won awards for a 2013 advertising campaign; for "Best Tablet App"; and "Best Mobile Site." ⁵¹ It also sets forth figures for the following aspects of Applicant's business:

- countries served;
- accommodations-providers accessible via the service;
- transaction value of accommodation reservations made (worldwide);
- unique monthly U.S. visitors to website;
- roomnights reserved daily (worldwide);
- languages in which the service is offered;
- U.S.-based subscribers to Applicant's newsletters;
- television channels on which commercials have been aired;

- American consumers reached through commercials in movie theatres and streamed internet commercials;
- Facebook "likes" and "talking about";
- Twitter followers;
- number of unsolicited news articles found in a Google News search. 52

Applicant also submitted a declaration from its legal counsel Jaap van den Broek which contains color examples of web advertising; details of an advertising campaign in partnership with Fandango.com (online movie ticket vendor); references to unsolicited customer reviews; information regarding Applicant's presence on Twitter and Facebook; and information regarding Applicant's use of colors, logos and other marks. ⁵³

(b) Discussion.

It is clear from the dictionary definitions that an accepted meaning of "booking" is a reservation for a room in a hotel; and it is clear from the internet evidence that the term "booking" has been widely used to describe the service of arranging reservations for hotel rooms, as described in Applicant's recitation of services and as comprehended by the applicable genus.

Applicant contends that the dictionary definitions show that the primary descriptive meaning of "booking" does not relate to travel, but instead to theatre bookings, referring to definitions such as "a contract, engagement, or scheduled performance of a professional entertainer"; "An engagement, as for a performance by an entertainer"; and "an arrangement for a person or group (such as a singer or band) to perform at a particular place." Applicant also refers to definitions from THE ONLINE SLANG DICTIONARY and URBAN DICTIONARY showing that "book," when used as an adjective, may mean "cool," that "to book" may mean "to leave quickly," and that "booking" may mean "running really fast." ⁵⁴ Applicant argues:

*9 The existence of alternate meanings of the wording at issue precisely calls into question what is the "primary" significance of the term "booking" (not even BOOKING.COM) to consumers. ... Indeed, it is fundamentally inconsistent for the Examiner both to assert that the Board should give weight to dictionary definitions of the word "booking" while at the same time telling the Board to shield its eyes from some of those definitions (including the *primary* definition) that undermine the Examiner's argument. ⁵⁵

Applicant's arguments are unavailing. The question before us is the understanding of "the relevant public," which in this case consists of persons having an interest in "hotel room reservation services and other lodging reservation services, with related information, advice and consultancy, including such services provided online." Those persons would be exposed to the mark in the context of those services and, accordingly, that is the context in which we must consider the primary meaning of the term at issue. In one of the most lucid discussions of this point, *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 189 USPQ 759 (2d Cir. 1976), the Court acknowledged that in the spectrum of distinctiveness (generic/descriptive/suggestive/arbitrary/fanciful) "a term that is in one category for a particular product may be in quite

a different one for another, ... [and] a term may have one meaning to one group of users and a different one to others ...," 189 USPQ at 764; and that "a word may have more than one generic use." 189 USPQ at 766. ⁵⁶ See also Gear Inc. v. L.A. Gear California Inc., 670 F. Supp. 508, 4 USPQ2d 1192, 1197 (S.D.N.Y. 1987) ("that the word 'gear' is more frequently used in its several other meanings than as a term for wearing apparel" does not save it from a finding of genericness for apparel; "the term at issue is still generic if its principal meaning in the relevant market is generic"), vacated in part, dismissed, 13 USPQ2d 1655 (S.D.N.Y 1989); In re ActiveVideo Networks, Inc., 111 USPQ2d 1581, 1588 (TTAB 2014) (meteorological meanings of "cloud" irrelevant as to whether CLOUDTV is generic for computer goods and services); and In re Rosemount Inc., 86 USPQ2d 1436, 1439 (TTAB 2008) ("It is well established that we must look to the meaning of the term within the context of the identified goods.").

*10 Applicant correctly points out that we must consider each mark in its entirety. ⁵⁷ Applicant argues that: In each of the Office Actions, the Examiners have submitted evidence showing descriptive use of "booking" and ".com" separately as evidence that the composite mark BOOKING.COM is generic. This analytical structure sets a lower bar for genericness for domain name marks than other marks, ignores the realities of the marketplace and is contrary to settled law.

There is no evidence whatsoever that consumers isolate and separately consider "BOOKING" and ".COM" in Applicant's mark \dots ⁵⁸

We do not agree that the Examining Attorney's approach is improper. In *In re Hotels.com LP*, 573 F.3d 1300, 91 USPQ2d 1532 (Fed. Cir. 2009), in which the mark HOTELS.COM was at issue, the Court said, "We discern no error in the Board's consideration of the word 'hotels' for genericness separate from the '.com' suffix." 91 USPQ at 1535. The Court implicitly approved the same approach in *In re Reed Elsevier Properties Inc.*, 77 USPQ2d 1649 (TTAB 2005), *aff'd*, 82 USPQ2d 1378 (Fed. Cir. 2007), in which the Board considered separate dictionary definitions of "lawyer" and ".com"; and the Court expressly approved this approach in *In re 1800 Mattress.com IP LLC*, 586 F.3d 1359, 92 USPQ2d 1682, 1684 (Fed. Cir. 2009) ("[T]he Board considered each of the constituent words, "mattress" and ".com," and determined that they were both generic. ... The Board then considered the mark as a whole ..."). In all of these cases, the Court held to be generic marks that were similar in structure to Applicant's marks on the basis of analysis and evidence that were highly similar to those now before us. The fact that "booking" and ".com" appear in dictionaries separately, but not together, does not mean that their combination cannot be generic. The relevant analysis under *Marvin Ginn* is to determine what relevant customers would understand from the combination of these two terms. As the Court stated in *Hotels.com*, "the generic term 'hotels' did not lose its generic character by placement in the domain name HOTELS.COM." 91 USPQ2d at 1535.

Addressing the term BOOKING.COM as a whole, the Examining Attorney contends:

Each of the terms BOOKING and .COM has a clear and readily understood meaning and the combined term communicates just as clearly and directly that Applicant operates a commercial website that provides its customers with *booking* information and reservation *booking* services. ⁵⁹

*11 This contention is supported by the dictionary definitions, quoted above, indicating that "booking" means "reservation" or "an arrangement to ... stay in a hotel room ..." and that ".com" is an abbreviation meaning "commercial organization (in Internet addresses)" and is "Part of the Internet address [that] indicates that the site is commercial ..."

It is also supported by the Internet evidence showing how third parties use the words "booking" and the suffix ".com"; and how they use the combination "booking.com" as a component of domain names and trade names.

Applicant suggests that the question before us is as follows:

the Examiners must show that the "primary significance" of BOOKING.COM "to the relevant consuming public" is simply to designate the genus or class of services identified in the applications [citing *Magic Wand*]. ⁶⁰

[The question is whether] the *entire term* is used or recognized by consumers to designate a genus of goods or services *and* that the *primary significance* of such usage is the generic designation. ... BOOKING.COM is not literally a genus or class name, but it at most contains elements descriptive or suggestive of the class. ⁶¹

The above formulations overstate the rule that we must apply. *Marvin Ginn* does not require that the public use a term to designate the genus; only that the public understand the term to refer to the genus. *Marvin Ginn* does not require that a term literally be the name of the genus; only that it be understood primarily to refer to the genus. This was restated in *In re 1800 Mattress.com*:

The test is not only whether the relevant public would itself *use* the term to describe the genus, but also whether the relevant public would *understand* the term to be generic. *See H. Marvin Ginn*, 782 F.2d at 990 (describing the test as whether the term is "understood by the relevant public primarily to refer to [the appropriate] genus of goods or services"). Thus, it is irrelevant whether the relevant public refers to online mattress retailers as "mattress.com." Instead, as the Board properly determined, the correct inquiry is whether the relevant public would understand, when hearing the term "mattress.com," that it refers to online mattress stores.

92 USPQ2d at 1685 (emphasis in original). Thus, while it might be true that "it is impossible to use BOOKING.COM in a grammatically coherent way to refer generically to anything"; or that "it is not at all logical to refer to a type of product or service as a 'booking.com"; ⁶² that does not mean that this term could not be understood primarily to refer to an online service for making bookings. In other words, the test is not whether the public can use the term in a grammatically correct sentence, but whether the public understands the term to refer to the genus.

*12 The Examining Attorney's contentions as to the public's understanding of the combination BOOKING.COM are supported by the dictionary evidence; the internet evidence showing how third parties use the words "booking" and the suffix ".com"; and, perhaps most importantly, the evidence of how third parties use the combinations "booking.com" and "bookings.com" as components of domain names and trade names in the field of hotel reservations.

We must, however, balance the Examining Attorney's evidence against Applicant's evidence of public perceptions, including the J.D. Power survey. Applicant argues:

It defies logic that consumers would rank BOOKING.COM as the most trusted accommodations website if consumers failed to recognize BOOKING.COM as a source-identifier. Stated another way, if BOOKING.COM merely designated a type or category of services, consumers would not be able to attribute any particular level of quality to services offered under the designation. This is plainly not the case ... ⁶³

It bears noting, before we proceed, that Applicant's characterization of the J.D. Power survey as showing that Applicant is "the most trusted accommodations website" is a substantial overstatement. As the press release, quoted above, indicates, the survey related to customers' "satisfaction," and trust was not one of the seven factors measured by the survey. Even if we were to accept the J.D. Power press release for the truth of the matters asserted in it, ⁶⁴ we find that it is at best a very indirect demonstration of what relevant customers understand "booking.com" to mean. The press release tells us that survey subjects were asked about seven factors - pricing; information provided; booking options; the online "store"; ease of booking; sales and promotions; and customer service - with respect to specific travel websites. These are not the types of questions that would be posed to subjects of a typical genericness survey (e.g., a "Teflon" or "Thermos" survey), which would test whether subjects perceive a term as a brand or a generic term. E. I. Du Pont de Nemours & Co. v. Yoshida Int'l, Inc., 393 F. Supp. 502, 185 USPO 597 (E.D.N.Y. 1975); Am. Thermos Prods. Co. v. Aladdin Indus., Inc., 207 F. Supp. 9, 134 USPQ 98 (D. Conn. 1962), aff'd sub nom. King-Seeley Thermos Co. v. Alladin Indus., Inc., 321 F.2d 577, 138 USPQ 349 (2d Cir. 1963). What the survey does tell us is that subjects had used Applicant's website and expressed a higher level of satisfaction with it (based on some unknown combination of the seven factors) than with other competing websites. Although this survey tells us something about Applicant's business success - i.e., that its customers are highly satisfied it says little or nothing about what customers understand the term BOOKING.COM to mean. (Even if the survey had posed more directly relevant questions, the data presented to the Board are extremely non-specific: we do not know the actual questions that were posed to the survey subjects, nor do we have their responses or a tabulation of their responses, much less an expert's opinion on the validity and meaning of the survey's results.)

*13 We have considered all of Applicant's evidence, including the testimony in its representatives' declarations and the exhibits thereto. These materials demonstrate the scope of Applicant's business and the success that Applicant has achieved in marketing its services. However, compared to the J.D. Power survey, the information these materials provide is even farther afield from the crucial question: whether customers perceive BOOKING.COM as a brand or a generic term. The fact that Applicant has served many customers, or that its advertising and other communications have reached many customers and potential customers, does not answer this central question.

By contrast, the Examining Attorney's evidence is directly relevant to the question of public perception. We accept the dictionary definitions as evidence of the generally accepted meanings of the component terms of Applicant's mark; and the Internet evidence of actual third-party uses of the component terms and the combined term "booking.com" is presented with sufficient context to allow us to understand the use and public perception of these terms.

In *Hotels.com*, *supra*, where the USPTO relied on evidence of genericness similar to the Examining Attorney's evidence here, the applicant presented in rebuttal a "Teflon" genericness survey showing that 76% of respondents perceived the term at issue as a brand name; together with 64 declarations of individuals stating that the term was not generic. Noting the Board's critique of the survey, the Court found:

[O]n the entirety of the evidence before the TTAB, and with cognizance of the standard and burden of proof borne by the PTO, the TTAB could reasonably have given controlling weight to the large number of similar usages of "hotels" with a dot-com suffix, as well as the common meaning and dictionary definition of "hotels" and the standard usage of ".com" to show a commercial internet domain. We conclude that the Board satisfied its evidentiary burden, by demonstrating that the separate terms "hotel" and ".com" in combination have a meaning identical to the common meaning of the separate components. The Board's finding that HOTELS.COM is generic was supported by substantial evidence.

91 USPQ2d at 1537. The applicant's evidence in *Hotels.com* was far more extensive and supportive of allowing registration than is Applicant's evidence in this case. In *In re Reed Elsevier Properties Inc.*, 82 USPQ2d 1378 (Fed. Cir. 2007), the Court found evidence similar to that in this case sufficient to demonstrate genericness:

[I]n determining what the relevant public would understand LAWYERS.COM to mean, the board considered eight websites containing "lawyer.com" or "lawyers.com" in the domain name, e.g., www.massachusetts-lawyers.com, www.truckerlawyers.com, and www.medialawyer.com. It discussed the services provided by these websites in order to illuminate what services the relevant public would understand a website operating under Reed's mark to provide. These websites are competent sources under *In re Merrill Lynch*, 828 F.2d at 1570, and they provide substantial evidence to support the board's finding.

*14 82 USPQ2d at 1381. See also In re 1800 Mattress. com IP LLC, 92 USPQ2d at 1684 ("[H]ere, the Board permissibly gave controlling weight to the large number of similar uses of 'mattress.com' as well as the common meanings of 'mattress' and '.com.").

Applicant argues that the existence of "ample readily available terms for the genus of services, such as 'travel agency' (or even 'travel site' or 'accommodation site')" constitutes "positive evidence the disputed term is *not* generic." ⁶⁵ This is a fallacy. The existence of numerous alternative generic terms does not negate the genericness of any one of them. In 1800 Mattress.com, the Court said:

We also disagree with Dial-A-Mattress's assertion that there can only be one generic term, which is "online mattress stores." Instead, any term that the relevant public understands to refer to the genus of "online retail store services in the field of mattresses, beds, and bedding" is generic.

92 USPQ2d 1685. The cases upon which Applicant relies, *In re Dial-A-Mattress Operating Corp.*, 240 F.3d 1341, 57 USPQ2d 1807 (Fed. Cir. 2001); *Elliott v. Google Inc.*, 45 F. Supp.3d 1156 (D. Arizona 2014); and *Salton, Inc. v. Cornwall Corp.*, 477 F. Supp. 975 (D.N.J. 1979), do not support the principle that Applicant posits; they do not hold that a failure to show competitive need disproves genericness, but only that it lends no support to a claim of genericness. In any event, in the case before us there is evidence of competitors' use of the designations "booking.com" and "bookings.com" as parts of trade names and domain names that describe the nature of their services (*e.g.*, "hotelbooking.com," "ezhotelbooking.com," "drakehotelbookings.com," and "roomsbooking.com," among others). If such businesses could not use "booking.com" as a part of their domain names or trade names, they would be meaningfully hampered in their ability to communicate the nature of their online booking services. In *Reed Elsevier*, the Board relied on similar evidence, 77 USPQ2d at 1657 ("In short, this case does not involve a perceived need for others to use a term, but involves a demonstrated use of the term by others."); and the Federal Circuit subsequently affirmed the finding of genericness. *Reed Elsevier*, 82 USPQ2d 1378.

Applicant argues that it is impossible for a term in the form of a domain name, like "booking.com," to identify an entire class or genus of goods or services precisely because "a specific URL can identify only one entity." ⁶⁶ In fact, a URL points not to an *entity*, but to one specific Internet *address*, which can be occupied by any entity that secures the address by entering into an arrangement with the registrar of that address. As domain name registrations are not perpetual, Applicant may be supplanted as the registrant of that Internet address or may voluntarily transfer its domain

name registration. Moreover, Applicant's argument ignores the use of "booking.com" by third parties to identify their internet addresses.

*15 Applicant also argues that refusing to register its mark would be contrary to the policies underlying trademark law and the Trademark Act, stating that Congress's "two purposes" were (1) to protect the public from source confusion; and (2) to protect a business's investment of energy, time, and money from misappropriation by pirates. ⁶⁷ Applicant argues:

Given the stature of the brand among consumers, the purposes of trademark law are advanced by permitting Applicant to protect its great investment in its mark and to protect consumers against the confusion that would inevitably result if others were free to copy the name. Denying registration to the most trusted brand in the field undermines the purposes of trademark law by betraying the trust consumers place in the brand. ⁶⁸

Applicant's policy argument addresses the reasons for protecting *marks*, but neglects to mention the policy underlying the legal exclusion of generic matter from the category of "marks." That policy is based upon concerns relating to fair competition:

Generic terms, by definition incapable of indicating sources, are the antithesis of trademarks, and can never attain trademark status. [Citation omitted.] The reason is plain:

To allow trademark protection for generic terms, i.e., names which describe the genus of goods being sold, *even when* these have become identified with a first user, would grant the owner of the mark a monopoly, since a competitor could not describe his goods as what they are.

In re Merrill Lynch, 4 USPQ at 1142, quoting CES Publ'g Corp. v. St. Regis Publ'ns, Inc.., 531 F.2d 11, 188 USPQ 612, 615 (2d Cir. 1975) (emphasis added). See also In re Pennington Seed Inc., 466 F.3d 1053, 80 USPQ2d 1758, 1763 (Fed. Cir. 2006). As in Merrill Lynch, courts have repeatedly noted the possibility that a business might invest in, and acquire name recognition in, an unprotectable generic term:

[N]o matter how much money and effort the user of a generic term has poured into promoting the sale of its merchandise *and what success it has achieved in securing public identification*, it cannot deprive competing manufacturers of the product of the right to call an article by its name.

Abercrombie & Fitch, 189 USPQ at 764, citing J. Kohnstam, Ltd. v. Louis Marx and Co., 280 F.2d 437, 126 USPQ 362, 364 (CCPA 1960) (emphasis added).

While it is always distressing to contemplate a situation in which money has been invested in a promotion in the mistaken belief that trademark rights of value are being created, merchants act at their peril in attempting, by advertising, to convert common descriptive names, which belong to the public, to their own exclusive use. *Even though they succeed* in the creation of de facto secondary meaning, due to lack of competition or other happenstance, the law respecting registration will not give it any effect.

*16 Weiss Noodle Co. v. Golden Cracknel and Specialty Co., 290 F.2d 845, 129 USPQ 411, 414 (CCPA 1961) (emphasis added).

Applicant seeks to demonstrate that the USPTO has registered numerous marks in the form of a domain name in which a generic term is combined with a top-level domain indicator like ".com." ⁶⁹ Such demonstrations of purportedly inconsistent conduct of the USPTO are not persuasive, because we must decide each case on its own merits, *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1127, 227 USPQ 417, 424 (Fed. Cir. 1985), and are not bound by the USPTO's allowance of prior registrations. *In re Nett Designs Inc.*, 236 F.3d 1339, 57 USPQ2d 1564, 1566 (Fed. Cir. 2001). In any event, in this case the proffered registrations do not support Applicant's position. That is, the purportedly "generic" terms are registered not for the services that the terms directly identify, but for other services that are obliquely related to the terms. For example, ENTERTAINMENT.COM is not registered for providing entertainment of any kind, but for advertising services, promoting the goods and services of others, and discount programs. Reg. No. 4294532, registered under Section 2(f). ⁷⁰

Applicant compares the present case to *In re Steelbuilding.com*, 415 F.3d 1293, 75 USPQ2d 1420 (Fed. Cir. 2005), in which the Court reversed the Board's finding that STEELBUILDING.COM was generic. In that case, evidence before the Court persuaded it that the applicant's services, as identified in the application, included not only the retail sale of steel buildings but also the online, interactive design and manufacture of structures made of steel; and that in that context customers would appreciate the dual meaning of "steelbuilding" as used in the applicant's mark (*i.e.*, a building made of steel and the process of designing and constructing a structure with steel). In this case, Applicant urges that its services are not merely reservation services but also include "soliciting and collating user-generated content such as reviews of lodgings and other travel related items"; and that customers would appreciate that BOOKING.COM "conveys much more than mere 'reservation' services." We do not agree that, in the context of Applicant's identified services, customers would perceive any ambiguity or dual meaning in the term BOOKING.COM. Rather, in that context, BOOKING.COM would be obviously and immediately understood as having the meaning of booking lodgings through an internet service.

We therefore find that the Examining Attorney's dictionary and usage evidence demonstrates, *prima facie*, that relevant customers would understand the term BOOKING.COM to refer to an online reservation service for lodgings; and that Applicant's evidence of its business success and high level of customer satisfaction does not rebut this showing. To complete our consideration of Applicant's marks in their entireties, we next consider whether the design elements of the marks would justify registration notwithstanding our finding that BOOKING.COM is generic for the identified services.

3. The design elements of the marks.

*17 If the design elements of Applicant's marks were found to be distinctive, whether inherently or through acquired distinctiveness, registration of the marks on the Principal Register would be permissible, provided that Applicant were to disclaim the exclusive right to use the wording of the marks. (Applicant has not requested a registration in such form, nor indicated any willingness to enter such a disclaimer.) One of Applicant's marks is presented in stylized letters in two colors and the other is presented in stylized letters with a rectangular "carrier," in three colors. We must decide whether these design and color elements are sufficiently distinctive, whether inherently or through acquired distinctiveness, to create a commercial impression separate and apart from the generic term BOOKING.COM. *In re Northland Aluminum Prods, Inc.*, 777 F.2d 1556, 227 USPQ 961 (Fed. Cir. 1985) ("The Board also correctly found that the form of the lettering of the mark is 'not so distinctive as to create a commercial impression separate and apart from the term BUNDT.' ... The record is devoid of evidence of public recognition of this overall format as a trademark." [citing G. D. Searle, 360 F.2d at 655-656, 149 USPQ at 623]); see also In re Cordua Rests. LP, 110 USPQ2d 1227, 1232 (TTAB 2014) ("[T]he

display of Applicant's mark, consisting primarily of stylized letters, does not make the applied-for matter registrable, despite the genericness of the term CHURRASCOS, since it does not create a separate commercial impression over and above that made by the generic term.").

The lettering in which the marks are presented is conventional. There is no evidence of record indicating that the font has style elements that are unusual in any way; if there are any refinements in the font that could distinguish it from conventional lettering styles, they consist only of a slight rounding of the corners of the letters. Customers would not recognize the style of lettering as an indicator of source. The blue rectangular carrier in one of the marks is extremely conventional and certainly would not be perceived as a source-indicating element. The color schemes of light blue and dark blue; and of light blue, dark blue, and white are, inherently, insufficiently distinctive to indicate source. All of the design and color elements, considered together, are, inherently, not so distinctive as to create a commercial impression separate and apart from the term BOOKING.COM.

Applicant has submitted a substantial amount of evidence to show that BOOKING.COM has allegedly acquired distinctiveness, but none of it focuses on the design and color elements of the marks; it does not demonstrate that the color or design elements have received particular notice or have developed market recognition as an indicator of Applicant as the source of services. We find that the respective design elements of the two marks at issue are not, in themselves, distinctive and that they therefore do not justify registration of the marks.

- 4. The refusal, in the alternative, on grounds of mere descriptiveness.
- *18 Bearing in mind the possibility that our finding that Applicant's marks are generic may be reversed on appeal, we find it appropriate to consider the Examining Attorney's refusal to register the marks on the ground that they are merely descriptive of Applicant's services and that Applicant has failed to demonstrate that they have acquired distinctiveness.

The dictionary and usage evidence submitted by the Examining Attorney demonstrates, at the very least, that BOOKING.COM is highly descriptive and would require significant evidence of acquired distinctiveness in order to allow registration of the two marks. *Yamaha International Corp. v. Hoshino Gakki Co.*, 840 F.2d 1571, 6 USPQ2d 1001 1008 (Fed. Cir. 1988) (The kind and amount of evidence of acquired distinctiveness required to secure a registration will necessarily vary with the subject matter for which registration is sought.).

Applicant's evidence of acquired distinctiveness focuses on the wording BOOKING.COM and does not address the specific stylized marks at issue in this appeal. Applicant has made of record the following evidence showing the scope and success of its business in the field of reservations for hotels and other lodging:

- The J.D. Power survey discussed above.
- The Prakke declaration stating that Applicant commenced use of BOOKING.COM in June, 2006; that Applicant's websites have averaged 10.3 million unique visitors from the United States per month; that there are over 2.2 million U.S.-based subscribers to Applicant's newsletters, which are distributed two or three times per month; that Applicant has advertised extensively on television, the internet, and in movie theatres; that in the first quarter of 2013, its movie theatre commercials reached over 20 million U.S. consumers; and its streamed advertisements on third-party internet websites reached 19 million U.S. consumers; and that Applicant's services under the BOOKING.COM mark have received notice in the press and in the hospitality and advertising industries. Mr. Prakke also states his belief that BOOKING.COM "is recognized as a source-identifier and has become distinctive of Applicant's services through its substantial sales and great commercial success, as well as its substantially exclusive and continuous use of the mark in U.S. Commerce for many years."

The declaration states the number of roomnights booked daily (625,000) and the transaction value of its reservations in 2012 and 2013 (exceeding \$3 billion and \$8 billion, respectively); however, these figures are not limited to services

provided to U.S. customers. The declaration also sets forth figures for Twitter followers and Facebook "likes," but again these are not limited to U.S. persons.

- Information (submitted as exhibits to the Prakke declaration) regarding Applicant's receipt of a Gold level Adrian Award from Hospitality Sales & Marketing Association International; and "Best Tablet App" and "Best Mobile Site" awards for 2014 from Mobile Travel & Tourism.
- *19 Five news items taking note of Applicant's business (from NBCNews.com; Orlando Business Journal; Adweek; Los Angeles Times; and Hospitality Net).

This evidence would not under any circumstances render a generic term registrable. *See In re Northland Aluminum Prods.*, *Inc.*, *supra*. Assuming for the sake of analysis that Applicant's marks are not generic, but highly descriptive, we must consider whether the evidence suffices to render them registrable under Section 2(f).

The Examining Attorney's evidence showing that third parties make use of the term "booking.com" in their trade names and domain names seriously undercuts Applicant's claim to have made "substantially exclusive" use of the term, as well as Applicant's claim to have acquired distinctiveness. *See Levi Strauss & Co. v. Genesco, Inc.*, 742 F.2d 1401, 222 USPQ 939, 940-1 (Fed. Cir. 1984) ("When the record shows that purchasers are confronted with more than one (let alone numerous) independent users of a term or device, an application for registration under Section 2(f) cannot be successful, for distinctiveness on which purchasers may rely is lacking under such circumstances."); and *In re Boston Beer Co. L.P.*, 198 F.3d 1370, 53 USPQ2d 1056, 11058 (Fed. Cir. 1999) ("The examples of use of the phrase by others in its descriptive form support the board's conclusion that the mark had not acquired distinctiveness.") Such evidence confirms what is suggested by the evidence of the meanings of the terms "booking" and ".com" and the ways in which people use these terms: that is, the combination of these terms not only appears to be a likely way for people to describe reservation services provided online, but has actually already been adopted for that purpose by businesses in Applicant's field.

In view of the highly descriptive nature of Applicant's marks and the actual use of BOOKING.COM in the marketplace by third parties, very strong evidence of acquired distinctiveness would be required to render the marks registrable. We find Applicant's demonstration of its business success to be insufficient for this purpose, especially because it does not focus on demonstrating actual market recognition of BOOKING.COM as a source indicator. The press notices are few in number, and while one of them refers to Applicant as a "[h]otel booking giant," the same article also states, "even though many Americans are unfamiliar with the brand, Booking.com is the largest hotel-booking site in the world ..." 72 The record contains no statements by customers indicating the degree of their recognition of the term as Applicant's source-indicator; and the record has very few examples of Applicant's advertising materials to show how Applicant has sought to replace, in the minds of consumers, the general descriptiveness of the term with an impression of singlesource identification. The press release relating to the J.D. Power survey, which neither sets forth the questions asked nor the answers received from the survey respondents, does not present the unmediated views of consumers, but merely an undetailed digest of their responses, indicating general satisfaction with Applicant's services. Considering that the structure of the term BOOKING.COM indicates that it refers to an internet address, the survey does not show that customers recognize BOOKING.COM as a single-source indicator, but only that they were satisfied with the services provided at a particular internet address. Overall, we find Applicant's evidence to be too sparse and equivocal to indicate that a term as highly descriptive as BOOKING.COM has acquired distinctiveness under Section 2(f). We therefore affirm the Examining Attorney's refusal to register Applicant's marks on the ground that they are merely descriptive and that Applicant has failed to demonstrate that they have acquired distinctiveness within the meaning of Section 2(f).

*20 <u>Decision</u>: The refusal to register Applicant's marks is AFFIRMED on the ground that they are generic as applied to Applicant's services; and on the ground that they are merely descriptive of Applicant's services and have not been shown to have acquired distinctiveness.

Footnotes

- Application Serial No. 79122365 was filed on November 7, 2012 under Trademark Act Section 66(a), 15 U.S.C. § 1141f(a), based on International Registration No. 1140887 dated November 7, 2012.
- Application Serial No. 79122366 was filed on November 7, 2012 under Trademark Act Section 66(a), 15 U.S.C. § 1141f(a), based on International Registration No. 1140888 dated November 7, 2012.
- The applications were examined through final refusal and Applicant's request for reconsideration by Nelson B. Snyder, III of Law Office 107. They were then assigned to the current Examining Attorney.
- 4 Board order of December 12, 2014, 10 TTABVUE.
- 5 Board order of January 30, 2015, 12 TTABVUE.
- 6 Examining Attorney's brief, 15 TTABVUE 8.
- 7 Applicant's brief at 6, 13 TTABVUE 7.
- 8 Applicant's reply brief at 3-4, 16 TTABVUE 4-5.
- 9 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 (TTAB 1982), *aff'd*, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983).
- While Applicant's brief refers to its "brick and mortar services," 13 TTABVUE 28, there is no evidence showing that Applicant's services are available otherwise than online.
- 11 <merriam-webster.com>, Office Action of November 16, 2013 at 61.
- 12 <macmillandictionary.com>, Office Action of November 16, 2013 at 64.
- <education.yahoo.com/reference/dictionary>, Office Action of March 17, 2013 at 10-11.
- 14 <dictionary.reference.com>, Applicant's response of May 15, 2014 at 47.
- 15 <collinsdictionary.com/dictionary/American>, Applicant's response of May 15, 2014 at 43.
- 16 MACMILLAN DICTIONARY, at <macmillandictionary.com>, Office Action of November 16, 2013 at 81.
- 17 THE AMERICAN HERITAGE DICTIONARY OF THE ENGLISH LANGUAGE (Fifth ed.2011), Office Action of November 16, 2013 at 154.
- Definition at <dictionary.com>, Office Action of November 16, 2013 at 79.
- "Expedia to pay Baltimore \$1.6M," <u>Dolan Media Newswires</u>, June 20, 2011. Office Action of November 16, 2013 at 46-47.
 "Online hotel brokers can proceed with Durham County, North Carolina tax challenge," <u>Dolan Media Newswires</u>, June 7, 2013, Office Action of November 16, 2013 at 17-18.
- "How to Get Spring Break Or Basketball Playoff Hotels at Up To 50% Off," <u>University Wire</u>, March 20, 2013, Office Action of November 16, 2013 at 23-24.
- 21 "Booking Travel Online?," Travel + Leisure, April 2008, Office Action of November 16, 2013 at 147-8.
- "How to Save Money When Booking Travel Online, at < huffingtonpost.com>, October 22, 2103, Office Action of November 16, 2013 at 149-52. (at 151-2); <usatoday.com>, Office Action of March 17, 2013 at 30-31.
- 23 <hotelpricescompare.com>, Office Action of March 17, 2013 at 13-14.
- 24 <frommers.com>, Office Action of March 17, 2013 at 8-9; < hotelpricescompare.com>, Office Action of March 17, 2013 at 13-14; < budgettravel.com>, id. at 17-18.
- 25

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- 26 <budgettravel.com>, id. at 17-18.
- 27 "Booking Travel Online?," <u>Travel + Leisure</u>, April 2008, Office Action of November 16, 2013 at 147-8.
- 28 "Expedia to pay Baltimore \$1.6M," <u>Dolan Media Newswires</u>, June 20, 2011. Office Action of November 16, 2013 at 46-47.
- 29 <frommers.com>, Office Action of March 17, 2013 at 8-9;
- 30 <budgettravel.com>, id. at 22-23.
- 31 <cntraveler.com>, *id.* at 25-27.
- 32 <usatoday.com>, *id.* at 30-31.
- 33 <booking.com>, id. at 12 (emphasis added).
- 34 *Id.* at 35-36 (emphasis added).
- 35 *Id.* (emphasis added).
- Website at <hotelbooking.com>, Office Action of November 16, 2013 at 179-80.

- Office Action of November 16, 2013 at 181-2.
- 38 *Id.* at 184-6.
- 39 *Id.* at 131-2.
- 40 Office Action of November 4, 2014 at 62.
- 41 *Id*.at 64.
- 42 *Id*.at 69.
- 43 *Id*.at 71.
- 44 *Id*.at 72.
- 45 *Id*.at 73.
- 46 *Id*.at 74.
- 47 See id. at 59-74 and Office Action of November 16, 2013 at 130-174.
- 48 Applicant's response of September 17, 2013 at 31-32.
- 49 *Id.* at 33
- 50 Declaration of Rutger Marinus Prakke, ¶ 11, Applicant's response of May 15, 2014 at 85.
- 51 *Id.*
- 52 *Id.* at 83-90.
- Declaration of Jaap van den Broek, Applicant's response of October 13, 2014 at 50-61. (Applicant apparently did not file certain exhibits referred to in the Broek declaration.)
- Applicant's brief at 21, fn5, 13 TTABVUE 22, referring to evidence submitted with Applicant's Response of May 15, 2014 at 56-59.
- Applicant's reply brief at 12, 16 TTABUE 13.
- In *Abercrombie*, the word "safari," as applied to apparel, was at issue. The fact that "safari" had a specific meaning in the unrelated context of "an expedition into the African wilderness" did not prevent the Court from finding the term generic in the field of fashion apparel. 18 USPQ at 766.
- We must point out that the Examining Attorney was wrong to say, in her brief, "Applicant is *incorrect* in its brief in claiming that the required standard for a finding of genericness is that the *composite* mark BOOKING.COM as a full phrase be generic."

 15 TTABVUE 12 (emphasis in original). The opposite is true: to affirm the Examining Attorney's refusal we must find that a mark, in its entirety, is generic.
- Applicant's brief at 7, 13 TTABVUE 8.
- 59 Examining Attorney's brief, 15 TTABVUE 13 (emphasis in original).
- Applicant's brief at 5, 13 TTABVUE 6.
- 61 *Id.* at 10, 13 TTABVUE 11.
- 62 *Id.* at 12, 13 TTABVUE 13.
- 63 *Id.* at 3, 13 TTABVUE 4.
- 64 "The Board generally takes a somewhat more permissive stance with respect to the admissibility and probative value of evidence in an *ex parte* proceeding than it does in an *inter partes* proceeding." TBMP § 1208.
- Applicant's brief at 6, 13 TTABVUE 7.
- Applicant's brief at 14; see also id. at 24, 13 TTABVUE 15, 25.
- 67 *Id.* at 18, 13 TTABVUE 19.
- 68 *Id.* at 3, 13 TTABVUE 4.
- 69 *Id.* at 24-25, 13 TTABVUE 25-26; and Applicant's response of May 15, 2014 at 67-83.
- Applicant's response of May 15, 2014 at 79.
- 71 Applicant's brief at 27, 13 TTABVUE 28.
- Applicant's response of May 15, 2014 at 106-7 (emphasis added).

2016 WL 1045672 (Trademark Tr. & App. Bd.)

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KeyCite Yellow Flag - Negative Treatment
Order Amended by Booking.com B.V. v. Matal, E.D.Va., October 26,
2017

278 F.Supp.3d 891 United States District Court, E.D. Virginia, Alexandria Division.

BOOKING.COM B.V., Plaintiff

v.

Joseph MATAL, Performing the Functions and Duties of the Undersecretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, and the United States Patent And Trademark Office, Defendants.

Synopsis

Background: Applicant who sought registration of "BOOKING.COM" as trademark, for use in conjunction with both hotel reservation services and travel agency services, filed civil action challenging Trademark Trial and Appeal Board (TTAB) decision affirming denial of the application, 2016 WL 1045674. Both sides moved for summary judgment.

Holdings: The District Court held that:

- [1] "booking" portion of "BOOKING.COM" Internet domain name was generic, standing alone;
- [2] "dot-com" portion of "BOOKING.COM" Internet domain name was generic, standing alone; but
- [3] when combined, "BOOKING.COM" Internet domain name was a descriptive mark;
- [4] consumer survey was reliable; but
- [5] mark had acquired secondary meaning only as to hotel services.

Ordered accordingly.

West Headnotes (41)

[1] Trademarks

Scope of review

In a civil action challenging United States Patent and Trademark Office's (USPTO) denial of an application for trademark, district court reviews the record de novo and acts as the finder of fact. 15 U.S.C.A. § 1071(a)(4).

Cases that cite this headnote

[2] Trademarks



In a civil action challenging United States Patent and Trademark Office's (USPTO) denial of an application for trademark, district court may, in its discretion, consider the proceedings before and findings of the USPTO in deciding what weight to afford an applicant's newly-admitted evidence. Lanham Trade-Mark Act § 21, 15 U.S.C.A. § 1071(b) (3).

Cases that cite this headnote

[3] Trademarks

Levels or categories of distinctiveness in general; strength of marks in general

The Lanham Act identifies four categories of marks in an ascending order which roughly reflects their eligibility for trademark status and the degree of protection accorded: (1) generic, (2) descriptive, (3) suggestive, and (4) arbitrary or fanciful. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[4] Trademarks

Generic terms or marks

A generic mark refers to the genus or class of which a particular product or service is a member and can never be protected. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[5] Trademarks

Descriptive Terms or Marks

A descriptive mark describes a function, use, characteristic, size, or intended purpose of the product or service. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[6] Trademarks

Acquired distinctiveness; secondary meaning

Marks that are merely descriptive are accorded trademark protection under Lanham Act only if they have acquired a secondary meaning, also called acquired distinctiveness, that is, if in the minds of the public, the primary significance of a product or service feature or term is to identify the source of the product or service, rather than the product or service itself. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[7] Trademarks

Descriptive Terms or Marks

Although eligible for protection in some instances, descriptive marks are considered weak marks. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[8] Trademarks

Arbitrary or fanciful terms or marks

Marks that are comprised of words in common usage but do not suggest or describe any quality, ingredient, or characteristic of the goods or services they serve, are said to have been arbitrarily assigned. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[9] Trademarks

Arbitrary or fanciful terms or marks

Fanciful marks are in essence, made-up words expressly coined for serving as a trademark. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[10] Trademarks

Suggestive terms or marks

Trademarks

Arbitrary or fanciful terms or marks

Because the intrinsic nature of suggestive, arbitrary, and fanciful marks serves to identify a particular source of a product or service, these categories are deemed inherently distinctive and are entitled to trademark protection under Lanham Act. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[11] Trademarks

← Generic terms or marks

Allowing trademark protection of a generic mark would grant the owner a monopoly, since a competitor could not describe his goods or services as what they are; instead, generic marks must remain in the public domain where they are free for all to use. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[12] Trademarks

Acquired distinctiveness and secondary meaning in general

Trademarks

Generic terms or marks

A plaintiff seeking to establish a valid trademark as compared to a generic mark must show that the primary significance of the term in the minds of the consuming public is not the product but the producer. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[13] Trademarks

Indication of origin or ownership; identification

Trademarks

Generic terms or marks

A mark is not generic simply because it plays some role in denoting to the public what the product or service is; rather, a mark may serve a dual function of identifying a product or service while at the same time indicating its source. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[14] Trademarks

Generic terms or marks

Determining whether a mark is generic, and thus not entitled to trademark protection, involves three steps: (1) identifying the class of product or service to which use of the mark is relevant; (2) identifying the relevant purchasing public of the class of product or service; and (3) determining whether the primary significance of the mark to the relevant public is to identify the class of product or service to which the mark relates. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[15] Trademarks

Admissibility

Evidence of public understanding of the primary significance of a mark, for purposes of determining whether or not mark is generic, can come from purchaser testimony, consumer surveys, listings and dictionaries, trade journals, newspapers, and other publications. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[16] Trademarks

Marks protected; secondary meaning

Trademarks

Marks protected

Burden of proof rests with party seeking to establish genericness of mark, who must prove that the mark is generic by clear and convincing evidence. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[17] Trademarks

Scope and effect

A single trademark application to register multiple classes, i.e., a combined application, is treated by United States Patent and Trademark Office (USPTO) as though it were a group of individual applications requiring separate analyses for each class of goods or services. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[18] Trademarks

Eligibility for Registration; Grounds for Allowing or Denying

Registration of a mark must be refused if the mark is the generic name of any of the goods or services for which registration is sought. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

1 Cases that cite this headnote

[19] Trademarks

Scope and effect

To define the relevant purchasing public, for purposes of determining whether a mark is generic, and thus not entitled to trademark protection, court must look to the class of goods and services for which the trademark application was submitted. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[20] Trademarks

← Multiple elements; combinations

The public's primary understanding of a mark, as factor in determining whether mark is generic, and thus not entitled to trademark protection, is derived from it as a whole, not from its elements separated and considered in detail; therefore, it should be considered in its entirety. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[21] Trademarks

← Multiple elements; combinations

Although a mark must be considered as a whole to determine whether it is generic, and thus not entitled to trademark protection, this does not preclude court from considering the meaning of individual words in determining the meaning of the entire mark. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[22] Trademarks

← Generic terms or marks

In context of determining trademark protection, a word may have more than one generic use. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[23] Trademarks

← Internet domain names

In context of determining whether "BOOKING.COM" Internet domain name, used in conjunction with travel agency services and hotel reservation services, was generic as to these services, and thus not entitled to

trademark protection under Lanham Act, the word "booking" itself was generic, since it was the common descriptive name for both the act of making a reservation and the reservation itself. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[24] Trademarks

← Internet domain names

In context of determining whether "BOOKING.COM" Internet domain name, used in conjunction with travel agency services and hotel reservation services, was generic as to these services, and thus not entitled to trademark protection under Lanham Act, the phrase "dot-com," as a top-level domain (TLD), was generic, since it was used to refer generically to almost anything connected to business on the Internet and had no source identifying significance. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[25] Trademarks

← Internet domain names

In context of determining whether an Internet domain name is entitled to trademark protection, when combined with an second-level domain (SLD), a top-level domain (TLD), like "dot-com," generally has source identifying significance for trademark purposes, and the combination of a generic SLD and a TLD is generally a descriptive mark that is protectable upon a showing of acquired distinctiveness. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[26] Trademarks

← Internet domain names

In context of determining whether an Internet domain name is entitled to trademark protection, adding a top-level domain (TLD) such as "dot-com" to a generic second-level domain (SLD) does more than indicate that a company offers services via the Internet; it indicates a unique domain name that can only be owned by one entity. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[27] Trademarks

← Internet domain names

"BOOKING.COM" Internet domain name, used in conjunction with travel agency services and hotel reservation services, was a descriptive mark, for purposes of trademark protection, even though individually the words "booking" and "dot-com" were generic, since when combined, the results had a source identifying significance. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[28] Evidence

Official proceedings and acts

Court evaluating whether protection of a mark is warranted under Lanham Act may take judicial notice of information in the public record, such as registrations in United States Patent and Trademark Office's (USPTO) principal register. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

1 Cases that cite this headnote

[29] Trademarks

Strength or fame of marks; degree of distinctiveness

Likelihood of confusion, as will support trademark infringement, is particularly difficult to prove for descriptive marks because they are considered weak marks, and when the common element between two marks is a word which is weak, the likelihood of confusion between the marks is reduced. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[30] Trademarks

← Of one's own product; fair use

Even if party charging trademark infringement succeeds in establishing likelihood of confusion, accused party can defend itself by demonstrating fair use. Lanham Trade-Mark Act §§ 33, 45, 15 U.S.C.A. §§ 1115(b)(4), 1127.

Cases that cite this headnote

[31] Trademarks

Factors considered in general

Likelihood of confusion doctrine used to determine trademark infringement instructs court to examine the following factors: (1) strength or distinctiveness of plaintiff's mark as actually used in the marketplace; (2) similarity of the two marks to consumers; (3) similarity of the goods or services that the marks identify; (4) similarity of the facilities used by markholders; (5) similarity of advertising used by markholders; (6) defendant's intent; (7) actual confusion; (8) quality of defendant's product; and (9) sophistication of the consuming public. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[32] Trademarks

• Of one's own product; fair use

Trademarks

Of another's product; nominative and comparative use

Descriptive or classic fair use of a trademark applies when a dilution defendant is using a trademark in its primary, descriptive sense to describe the defendant's goods or services, whereas nominative fair use comes into play when the defendant uses a famous mark to identify or compare the trademark owner's product. Lanham Trade-Mark Act §§ 33, 45, 15 U.S.C.A. §§ 1115(b)(4), 1127.

Cases that cite this headnote

[33] Trademarks

← Internet domain names

Because Internet domain name marks are relatively new to trademark law, public understanding is highly relevant to understanding how these marks are perceived.

1 Cases that cite this headnote

[34] Trademarks

Consumer data and market research; tests and surveys

Survey of consumers' understanding of "BOOKING.COM" Internet domain name, used in conjunction with travel agency services and hotel reservation services, was reliable, for purposes of determining whether descriptive mark had acquired secondary meaning; survey was limited to online consumers who were more likely to use the services offered, the method survey used to instruct consumers on the distinction between generic and brand names was sufficient, and the ordering effects were both expected and appropriately controlled for by the survey design. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

1 Cases that cite this headnote

[35] Trademarks

Acquired distinctiveness; secondary meaning

Trademarks

Secondary Meaning

Proof of secondary meaning, as will afford trademark protection to descriptive mark, requires a rigorous evidentiary showing, and court considers: (1) advertising expenditures; (2) consumer studies linking the mark to a source; (3) sales success; (4) unsolicited media coverage of the product; (5) attempts to plagiarize the mark; and (6) the length and exclusivity of the mark's use. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[36] Trademarks

Presumptions and burden of proof

Applicant seeking trademark protection of descriptive mark bears burden of proof as to secondary meaning. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[37] Trademarks

Consumer data and market research; tests and surveys

Surveys designed to gauge the relative popularity of a product, rather than the source identifying effect of a mark, are generally not probative of secondary meaning in trademark context.

Cases that cite this headnote

[38] Trademarks

Consumer data and market research; tests and surveys

Survey evidence is generally thought to be the most direct and persuasive way of establishing secondary meaning of a descriptive mark.

Cases that cite this headnote

[39] Trademarks

Suggestive terms or marks

A "suggestive mark" is one that is partially descriptive and partially fanciful.

Cases that cite this headnote

[40] Trademarks

← Internet domain names

"BOOKING.COM" Internet domain name, used in conjunction with both travel agency services and hotel reservation services, had acquired secondary meaning as to hotel reservation services, but not travel agency services, as would afford the descriptive mark trademark protection in both classes; mark was subject to extensive nationwide advertising campaign as to hotel booking,

there was a strong public perception that "BOOKING.COM" was a brand identifier, it had robust consumer sales related to hotels, and voluminous unsolicited media coverage over a decade of exclusive use, but there was no indication that either the consuming public, or even "BOOKING.COM's" officers associated it with travel agency services. Lanham Trade-Mark Act § 45, 15 U.S.C.A. § 1127.

Cases that cite this headnote

[41] Trademarks

Alphabetical listing

BOOKING.COM

Cases that cite this headnote

Attorneys and Law Firms

*895 Brian Justin Kapatkin, Foley & Lardner LLP, Washington, DC, for Plaintiff.

Dennis Carl Barghaan, Jr., United States Attorney's Office, for Defendants.

MEMORANDUM OPINION

Plaintiff Booking.com B.V. ("Booking.com" or "plaintiff") filed this civil action challenging the denial by the Trademark Trial and Appeal Board ("TTAB") of the United States Patent and Trademark Office ("USPTO") of four trademark applications involving the mark "BOOKING.COM" for services in Classes 39 and 43. One of the applications was for the word mark and three were for stylized versions of the mark. For each of the applications, the TTAB found plaintiff's marks ineligible for registration as trademarks because it concluded that BOOKING.COM is generic for the services identified *896 in the applications or, alternatively, that it is merely descriptive and lacks acquired distinctiveness.

Before the Court are plaintiff and defendants' crossmotions for summary judgment. For the reasons that follow, plaintiff's Motion for Summary Judgment [Dkt. No. 63] will be granted in part and denied in part; defendants' Motion for Summary Judgment [Dkt. No. 60] will be granted in part and denied in part; and the USPTO will be ordered to register the mark BOOKING.COM as to the Class 43 services identified in plaintiff's applications but not as to the Class 39 services.

I. BACKGROUND

On December 1, 2011, plaintiff filed a federal trademark application, Serial No. 85485097 ("'097 Application"), based on use, for the mark:



A3166. The services identified in the application (as amended) were:

Class 39: Travel agency services, namely, making reservations for transportation; travel and tour ticket reservation services; travel agency services, namely making reservations for transportation for tourists; provision of travel information; providing consultation related to making reservations for transportation, and travel and tour ticket reservation; all of the foregoing services rendered in-person and via the internet.

Class 43: Making hotel reservations for others in person and via the internet; providing personalized information about hotels and temporary accommodations for travel in-person and via on-line the Internet: providing reviews hotels; consultation services related to making hotel reservations for others, provision personalized information about hotels and temporary accommodations for travel, and on-line reviews of hotels.

Moskin Decl. [Dkt. No. 65–5] ¶ 2.

On June 5, 2012, plaintiff filed Application Serial No. 7911498 ("'998 Application"), for recognition in the United States of its International Registration (hereinafter referred to by the name of the authorizing treaty, "the Madrid Protocol") for the mark:

BOOKING.COM

A4. The services identified in the application (as amended) were:

Class 39: Arranging of tours and arranging of tours online; reservation and sale of travel tickets and online reservation and sale of travel tickets; information, advice and consultancy regarding the arranging of tours and the reservation and sale of travel tickets; provision of information relating to travel and travel destinations; travel and tour agency services, namely, travel and tour ticket reservation services; travel agency services; tourist agency services; providing online travel and tour ticket reservation services, online travel agency services, online tourist agency services, online travel agency services, online tourist agency services and providing online information relating to travel and travel destinations.

Class 43: Making hotel reservations for others; holiday accommodation reservation services and resort reservation services, namely providing online hotel and resort hotel room reservation services; providing information about hotels, holiday accommodations and resort accommodations, whether or not based on the valuation of customers; providing information, advice and consultancy relating to making hotel reservations and temporary accommodation reservations; providing online information, advice and consultancy relating to making hotel reservations and temporary accommodation reservations.

Moskin Decl. [Dkt. No. 65–5] \P 3.

On November 7, 2012, plaintiff filed two federal trademark applications, Serial No. 79122365 ("'365 Application") and Serial No. 79122366 ("'366 Application"), under the Madrid Protocol for the following marks:

Booking.com

Booking.com

A2153, A1138. The services identified in the two applications (as amended) were limited to a subset of services in Class 43:

Hotel reservation services for others: holiday accommodation reservation services and resort reservation services, namely, providing hotel room reservation services and resort hotel reservation services and providing online hotel and resort hotel room reservation services; providing information about hotels, hotel accommodations and resort accommodations, whether or not based on the valuation of customers; information, advice and consultancy relating to the aforesaid services; aforesaid services also provided electronically.

Moskin Decl. [Dkt. No. 65–5] \P 4.

During review by the USPTO, all four applications followed the same procedural history. The examiner initially rejected each application on the ground that BOOKING.COM is merely descriptive of plaintiff's services and therefore unregisterable. A1074, A2089, A3765. After plaintiff objected that the mark BOOKING.COM had acquired distinctiveness, the examiner issued a new refusal, this time on the basis that the word mark is generic as applied to the relevant services and, in the alternative, that the mark is merely descriptive and that plaintiff had failed to establish acquired distinctiveness. A1074, A2089–90, A3766. For

each application, plaintiff sought reconsideration of the new refusal and in each instance reconsideration was denied. A1075, A2090, A3766.

Plaintiff filed a Notice of Appeal for each application and requested consolidated briefing before the TTAB, which was granted. A3766. The evidence submitted to the TTAB included dictionary definitions *898 of the words "booking" and ".com;" print-outs of plaintiff's webpages; examples from news articles and travel websites of terms such as "online booking services" and "booking sites," used to refer to hotel reservation and travel agency services; examples of eight third-party domain names that include "booking.com;" a 2012 JD Power & Associates press release and survey results, indicating that Booking.com ranked highest in overall customer satisfaction; and a declaration from plaintiff's director listing awards won by plaintiff and figures regarding plaintiff's sales success, advertising campaigns, followers on social media, and unsolicited news articles. See Def. Mem. at 6; A1089–92.

Following the hearing, the TTAB affirmed the four refusals of registration in three separate opinions. See A1073–111 (denying the appeal for the '998 Application), A2088–126 (denying the appeals for the '365 and '366 Applications), A3764–801 (denying the appeal for the '097 Application). Although there are minor differences among the three opinions, all share the same central conclusions that "booking" refers to "a reservation or arrangement to buy a travel ticket or stay in a hotel room" or "the act of reserving such travel or accommodation;" that ".com" indicates a commercial website, which does not negate the generic character of the term "booking;" and that the combined term BOOKING.COM would be understood by consumers "primarily to refer to an online reservation service for travel, tours, and lodging," which is consistent with the services proposed in the applications, making the mark generic for the services offered. See, e.g., A1092, A1096, A1107. In the alternative, the TTAB concluded that BOOKING.COM is descriptive of plaintiff's services and that plaintiff "failed to demonstrate that the term has acquired distinctiveness." See, e.g., A1111.

On April 15, 2016, plaintiff filed this civil action under 15 U.S.C. § 1071(b) against Michelle Lee, who was then the USPTO Director ("the USPTO Director"), ¹ and the USPTO (collectively "defendants"), challenging the USPTO's denial of registration of the four applications.

The parties have filed the administrative record from the USPTO proceedings and both sides have produced new evidence on the questions of genericness and descriptiveness. Although the body of evidence before this Court is similar to what was before the TTAB, of significance, plaintiff has now submitted a "Teflon survey," which, as will be discussed below, is the most widely used survey format for measuring consumer opinion in a genericness challenge, and defendants have provided a report by a rebuttal expert. By way of relief, plaintiff asks the Court to reverse the decisions of the TTAB and order the USPTO Director to publish each application in the Principal Register. Compl., [Dkt. No. 1] at 17.

II. DISCUSSION

A. Standards of Review

[1] A trademark applicant "dissatisfied with the decision" of the USPTO has two remedies under the Lanham Act: either "appeal to the United States Court of Appeals for the Federal Circuit," see 15 U.S.C. § 1071(a), or file a civil action against the USPTO Director in federal district court, see 15 U.S.C. § 1071(b). Under § 1071(a), an appeal to the Federal Circuit is taken "on the record" before the USPTO, id. § 1071(a)(4), and the USPTO's factual findings will be upheld if they are *899 supported by "substantial evidence," see, e.g., Recot, Inc. v. Becton, 214 F.3d 1322, 1327 (Fed. Cir. 2000). In contrast, in a civil action under § 1071(b), "the district court reviews the record de novo and acts as the finder of fact." Swatch AG v. Beehive Wholesale, LLC, 739 F.3d 150, 155 (4th Cir. 2014) (citing Durox Co. v. Duron Paint Mfg. Co., 320 F.2d 882, 883–84 (4th Cir. 1963)). Placement of a mark on the generic-descriptive-suggestive-fanciful continuum is a question of fact. In re Dial-a-Mattress Operating Corp., 240 F.3d 1341, 1344 (Fed. Cir. 2001).

[2] Upon the motion of a party, the district court must admit the USPTO record and give it the "same effect as if originally taken and produced in the suit." § 1071(b) (3). "[T]he district court may, in its discretion, 'consider the proceedings before and findings of the [USPTO] in deciding what weight to afford an applicant's newly-admitted evidence.' "Kappos v. Hyatt, 566 U.S. 431, 132 S.Ct. 1690, 1700, 182 L.Ed.2d 704 (2012) (quoting Hyatt v. Kappos, 625 F.3d 1320, 1335 (Fed. Cir. 2010)). The district court also "has authority independent of the

[USPTO] to grant or cancel registrations." Swatch AG, 739 F.3d at 155 (citing § 1071(b)(1)).

Summary judgment is appropriate where the record demonstrates that "there is no genuine dispute as to any material fact and that the moving party is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a). Although the Court must view the record "in the light most favorable to the non-moving party," Dulaney v. Packaging Corp. of Am., 673 F.3d 323, 324 (4th Cir. 2012), "[t]he mere existence of a scintilla of evidence in support of the [nonmovant's] position will be insufficient" to overcome a motion for summary judgment. Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 252, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986); see also Am. Arms Int'l v. Herbert, 563 F.3d 78, 82 (4th Cir. 2009). Rather, a genuine issue of material fact exists only "if the evidence is such that a reasonable jury could return a verdict for the nonmoving party." Anderson, 477 U.S. at 248, 106 S.Ct. 2505. Summary judgment does not become disfavored simply because there is an "important, difficult or complicated question of law." Lewis v. Coleman, 257 F.Supp. 38, 40 (S.D. W. Va. 1966); *900 Bradacs v. Haley, 58 F.Supp.3d 514, 521 (D.S.C. 2014).

The parties have "expressly agree[d] that if the Court determines after reviewing the briefs and evidence on summary judgment that any material issue of fact exists, the Court is authorized to resolve any such factual dispute." [Dkt. No. 26] ¶ 4(B). Accordingly, the Court will make factual determinations as well as weighting decisions that are not normally appropriate on a motion for summary judgment.

B. Analysis

Although plaintiff filed four trademark applications, neither plaintiff nor defendants contend that the stylized elements described in those applications affect the protectability of the mark. Instead, the parties focus on the word mark BOOKING.COM and on where along the generic-descriptive-suggestive-fanciful continuum the mark is situated. Def. Mem. at 1–2; Pl. Mem. at 10–12. Therefore, rather than addressing each application individually, the Court will disregard the stylized elements and focus on the appropriate categorization of the word mark BOOKING.COM; however, because a multi-class application is regarded as a series of separate applications, the Court must independently assess the protectability of the mark for the two classes of services plaintiff

claims in its applications, Classes 39 and 43. <u>See</u> 3 J. Thomas McCarthy, <u>McCarthy on Trademarks and Unfair Competition</u> § 19:56.50 (4th ed.) (hereinafter McCarthy on Trademarks).

1. The Framework of the Lanham Act

The Lanham Act provides nationwide protection of trademarks. A trademark is "any word, name, symbol, or device, or any combination thereof" used "to identify and distinguish...goods [or services], including a unique product [or service], from those manufactured or sold by others and to indicate the source of the goods [or services], even if that source is unknown." 15 U.S.C. § 1127. The Act has two purposes. The first is to prevent consumer confusion regarding the source of goods and services and to reduce consumers' information costs by "quickly and easily assur[ing] a potential customer that this item—the item with this mark—is made by the same producer as other similarly marked items [or services] that he or she liked (or disliked) in the past." Qualitex Co. v. Jacobson Prod. Co., 514 U.S. 159, 163-64, 115 S.Ct. 1300, 131 L.Ed.2d 248 (1995) (emphasis in original). Second, the Act incentivizes brand investment by assuring the "producer that it (and not an imitating competitor) will reap the financial, reputation-related rewards associated with a desirable product [or service]," id. at 164, 115 S.Ct. 1300, thereby "secur[ing] to the owner of the mark the goodwill of his business," Park 'N Fly, Inc. v. Dollar Park & Fly, Inc., 469 U.S. 189, 198, 105 S.Ct. 658, 83 L.Ed.2d 582 (1985). By allowing the producer to reap the benefits of consumer goodwill, trademark law "encourages the production of quality products [and services] and simultaneously discourages those who hope to sell inferior products [or services] by capitalizing on a consumer's inability quickly to evaluate the quality of an item [or service] offered for sale." Qualitex, 514 U.S. at 164, 115 S.Ct. 1300 (internal quotation marks omitted). Thus, the Lanham Act reflects Congress's conclusion that "[n]ational protection of trademarks is desirable...because [it] foster[s] competition and the maintenance of quality by securing to the producer the benefits of good reputation." Park 'N Fly, 469 U.S. at 198, 105 S.Ct. 658.

[3] [4] [5] [6] [7] [8] [9] [10] In keeping with these twin purposes, the Lanham Act identifies four categories of marks. "Arrayed in an ascending order which roughly reflects their eligibility [for] trademark status and the degree of protection accorded, these classes are (1) *901 generic, (2) descriptive, (3) suggestive, and (4) arbitrary

or fanciful." Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4, 9 (2d Cir. 1976). "A generic mark refers to the genus or class of which a particular product [or service] is a member and can never be protected." Ashley Furniture Indus., Inc. v. SanGiacomo N.A., 187 F.3d 363, 369 (4th Cir. 1999). Examples include Light Beer for ale-type beverages and Thermos for vacuum-insulated bottles. Sara Lee Corp. v. Kayser-Roth Corp., 81 F.3d 455, 464 (4th Cir. 1996). A descriptive mark "describes a function, use, characteristic, size, or intended purpose" of the product or service, such as 5 Minute glue and the Yellow Pages telephone directory. Id. "Marks that are merely descriptive are accorded protection only if they have acquired a secondary meaning [also called 'acquired distinctiveness'], that is, if in the minds of the public, the primary significance of a product [or service] feature or term is to identify the source of the product [or service] rather than the product [or service] itself." Id. (internal citations omitted). Although eligible for protection in some instances, descriptive marks are considered weak marks. Shakespeare Co. v. Silstar Corp. of Am., 110 F.3d 234, 239–40 (4th Cir. 1997). Suggestive marks, such as Coppertone for sunscreen and Orange Crush for orange flavored soda, "connote, without describing, some quality, ingredient, or characteristic of the product [or service]." Sara Lee Corp., 81 F.3d at 464. Marks that are "comprised of words in common usage" but "do not suggest or describe any quality, ingredient, or characteristic of the goods [or services] they serve, are said to have been arbitrarily assigned." Id. Examples of arbitrary marks include Tea Rose brand flour and Apple for computers. Id. Lastly, fanciful marks are "in essence, made-up words expressly coined for serving as a trademark," such as Clorox for a bleach product and Kodak for photography-related products. Id. Because the "intrinsic nature" of suggestive, arbitrary, and fanciful marks "serves to identify a particular source of a product [or service]," these categories "are deemed inherently distinctive and are entitled to protection." Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 768, 112 S.Ct. 2753, 120 L.Ed.2d 615 (1992).

2. Genericness

[11] Because a generic mark, which is statutorily defined as "the common descriptive name of an article or substance," Federal Trade Commission Improvements Act of 1980, Pub. L. No. 96–252, § 18, 94 Stat. 374, 391, by definition neither signifies the source of goods or services nor distinguishes the particular product or service from

other products or services on the market, it cannot be protected as a trademark nor registered as one. Retail Servs., Inc. v. Freebies Publ'g, 364 F.3d 535, 538 (4th Cir. 2004) (citing Park 'N Fly, 469 U.S. at 194, 105 S.Ct. 658). To permit otherwise "would grant the owner of the [generic] mark a monopoly since a competitor could not describe his goods [or services] as what they are." CES Publ'g Corp. v. St. Regis Publ'ns, Inc., 531 F.2d 11, 13 (2d Cir. 1975); see also Renaissance Greeting Cards, Inc. v. Dollar Tree Stores, Inc., 405 F.Supp.2d 680, 688 (E.D. Va. 2005), aff'd, 227 Fed.Appx. 239 (4th Cir. 2007) ("[T]he goals of trademark protection...must be balanced by the concern that trademark protection not become a means of monopolizing language or stifling productive competition."). To the contrary, such marks must remain in the public domain where they are free for all to use. See Am. Online, Inc. v. AT & T Corp., 243 F.3d 812, 821 (4th Cir. 2001) (explaining that trademark law "protects for public use those commonly used words and phrases that the public has adopted, denying to any one competitor a right to corner those words and phrases by expropriating *902 them from the public 'linguistic commons' "); 2 McCarthy on Trademarks § 12:2.

[12] [13] "The rub...is in trying to distinguish generic marks from [protectable marks]." Ashley Furniture Indus., 187 F.3d at 369. According to the test adopted by the Supreme Court in Kellogg Co. v. Nat'l Biscuit Co., a plaintiff seeking to establish a valid trademark as compared to a generic mark "must show that the primary significance of the term in the minds of the consuming public is not the product but the producer." 305 U.S. 111, 118, 59 S.Ct. 109, 83 L.Ed. 73 (1938). A mark is not generic simply because it plays some role in denoting to the public what the product or service is; rather, a mark may serve a "dual function—that of identifying a product [or service] while at the same time indicating its source." S. Rep. No. 98-627, at 5 (1984). Hence, Kellogg focuses on whether "the primary significance of the mark [is] indication of the nature or class of the product or service, rather than an indication of source." Glover v. Ampak, Inc., 74 F.3d 57, 59 (4th Cir. 1996) (emphasis in original); see also Retail Servs., 364 F.3d at 544 (explaining that a generic mark "neither signifies the source of goods nor distinguishes the particular product from other products on the market").

[14] [15] [16] Determining whether a mark is generic involves three steps: "(1) identify[ing] the class of product or service to which use of the mark is relevant; (2)

identify[ing] the relevant purchasing public of the class of product or service; and (3) [determining whether] the primary significance of the mark to the relevant public is to identify the class of product or service to which the mark relates." Glover, 74 F.3d at 59. Evidence of public understanding of the primary significance of a mark can come from "purchaser testimony, consumer surveys, listings and dictionaries, trade journals, newspapers, and other publications." Id. The burden of proof rests with the party seeking to establish genericness, in this case the defendants, who must prove that the mark is generic by clear and convincing evidence. In re Cordua Restaurants, Inc., 823 F.3d 594, 600 (Fed. Cir. 2016).

a. Classes of Services

[17] The first step in analyzing the proposed BOOKING.COM mark is to determine the classes of services (sometimes referred to as "genera of services") at issue in each application. Glover, 74 F.3d at 59. The defendants recognize that the services identified in each registration vary, but summarize the classes of services as "online travel agency services, namely the arrangement of transportation and tours," for Class 39 and "online hotel and lodging services" for Class 43. Def. Mem. at 17–18. Plaintiff does not appear to understand that this is a class specific analysis and argues that the USPTO's "inability to adopt a single genus...requires reversal." See Pl. Reply at 16-17 & n.5. This argument is inconsistent with the longstanding principle that a single application to register multiple classes, i.e., a combined application, is treated "as though it were a group of individual applications" requiring "separate analyses for each class of goods [or services]." Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 1102 (C.C.P.A. 1976).

[18] Plaintiff further criticizes the defendants' "new proposed genera" for "ignor[ing] most of plaintiff's actual services," including "the information and search (or research) services...and business oriented services...used by hotels and other travel services seeking to advertise and list their accommodations for rental." Pl. Opp. at 28. This critique is baseless for several reasons. As an initial matter, plaintiff overlooks that it too has taken a reductivist view of the class of services by defining the *903 relevant class of services or genus as "travel agency services." Pl. Mem. at 13. Further, plaintiff's suggestion that the class of services should include specific services, such as

business consulting, stems from plaintiff's argument that a granular approach that emphasizes services that would not be described with the word "booking" can save its mark from genericness. See Pl. Opp. at 28 n.18 ("[T]here is no reason a broad specification of services or goods cannot be held distinctive for some of the services and not so for others."). Defendants, on the other hand, maintain that "registration is properly refused if genericness is found as to any service specified in the application." Def. Reply at 9. On this issue, defendants have the better of the argument. Registration must be refused if a mark "is the generic name of any of the goods or services for which registration is sought." See Cordua Restaurants, 823 F.3d at 605 (quoting 2 McCarthy on Trademarks § 12:57). Therefore, even though plaintiff provides business consulting services, its mark will fail if it is generic as to plaintiff's hotel reservation services. Similarly, even if, as plaintiff argues, the appropriate genus is "travel agency services," to the extent that this encompasses hotel reservation services, plaintiff's mark is not entitled to protection if it is generic for hotel reservation services. See Otokoyama Co. v. Wine of Japan Imp., Inc., 175 F.3d 266, 271 (2d Cir. 1999) ("Generic words for subclassifications or varieties of a good are...ineligible for trademark protection.").

In addition, as defendants acknowledge, "[p]laintiff is the master of its application, including the identification of services covered by it" and "[i]t was from the identification of services provided by plaintiff that the TTAB derived its recitation of the services." Def. Opp. at 10; see also A1076 (describing the genus of services as an "accurate[] summar[y]" of the recitation provided by the plaintiff); A3768 (same). Because "the question of registrability of an applicant's mark must be decided on the basis of the identification of goods [and services] set forth in the application regardless of what the record may reveal as to the particular nature of an applicant's goods," Octocom Sys., Inc. v. Houston Computer Servs., Inc., 918 F.2d 937, 942 (Fed. Cir. 1990), the identification of services in plaintiff's applications "controls this analysis," In re Dayan, 61 Fed. Appx. 695, 696 (Fed. Cir. 2003). Although plaintiff's applications reference a multitude of services, because "registration is properly refused if the word is the generic name of any of the goods or services for which registration is sought," 2 McCarthy on Trademarks § 12:57, the Court need not analyze each service. Instead, it will focus on the broadest services described in plaintiff's applications: "travel and tour ticket reservation services"

for Class 39 and "[m]aking hotel reservations for others" for Class 43. Moskin Decl. [Dkt. No. 65–5] ¶¶ 2–4.

b. Relevant Purchasing Public

[19] To define the relevant purchasing public, a court must look to the class of goods and services for which the trademark application was submitted. Cf. Glover, 74 F.3d at 59; Retail Servs., Inc. v. Freebies Publ'g, 247 F.Supp.2d 822, 826 (E.D. Va. 2003), aff'd Retail Servs., 364 F.3d at 535. Here, the applications sought registration for travel, tour, and hotel reservation services, including those offered online, making consumers who use travel, tour, and hotel reservation services offered via the internet or in person the relevant purchasing public.

c. Primary Public Understanding

[21] The next consideration is whether "the primary significance of the term in the minds of the consuming public is not the product but the producer." Kellogg, 305 U.S. at 118, 59 S.Ct. 109. The *904 public's primary understanding of a mark "is derived from it as a whole, not from its elements separated and considered in detail;" therefore, "it should be considered in its entirety." Estate of P.D. Beckwith, Inc. v. Comm'r of Patents, 252 U.S. 538, 545-46, 40 S.Ct. 414, 64 L.Ed. 705 (1920). Although "a mark must be considered as a whole," this "does not preclude courts from considering the meaning of individual words in determining the meaning of the entire mark." Hunt Masters, Inc. v. Landry's Seafood Rest., Inc., 240 F.3d 251, 254 (4th Cir. 2001). Accordingly, this Court will consider the two elements "booking" and ".com" separately before considering them in combination.

i. "Booking"

[22] Defendants' argument that BOOKING.COM is generic rests primarily on its view of the meaning of "booking," for which its primary sources are various dictionary definitions. "Although not controlling, 'dictionary definitions are relevant and sometimes persuasive' on the issue of genericness 'based upon the assumption that dictionary definitions usually reflect the public's perception of a word's meaning and its

contemporary usage." <u>Retail Servs.</u>, 364 F.3d at 544–45 (citing 2 <u>McCarthy on Trademarks</u> at § 12:13). The definitions in the record, which are nearly identical to those relied on by the TTAB, include:

- 1. An engagement, as for a performance. 2. A reservation, as for accommodations at a hotel. American Heritage College Dictionary (3d ed. 1997).
- 1. a contract, engagement or scheduled performance of a professional entertainer. 2. a reservation. 3. the act of a person who books. <u>Random House Unabridged</u> Dictionary (2d ed. 1993).
- 1: the act of one that books 2: an engagement or scheduled performance...3: RESERVATION; esp one for transportation, entertainment, or lodging 4: ORDER. Webster's Third New International Dictionary (1993).
- 1: the act of one that books 2: an engagement or scheduled performance 3: RESERVATION. <u>Merriam—Webster's Collegiate Dictionary</u> (11th ed. 2008).

Plaintiff points out that the primary definition of "booking" in the definitions produced by the defendants refers to a performance, as in a theatrical engagement, and that the word has numerous other meanings. Pl. Mem. at 21. Although this observation is correct, it does not advance plaintiff's cause as "a word may have more than one generic use." Abercrombie & Fitch, 537 F.2d at 11.

Defendants also cite evidence that plaintiff and its competitors routinely use the word "booking" in reference to their services. For example, plaintiff's website uses "booking" as a noun, to describe a reservation, see A345 ("Sign in to manage your bookings."); id. ("Latest booking 10 minutes ago."), and as a verb, meaning to make a reservation, see A349 ("Our goal is to provide business and leisure travelers with the most accessible and cost effective way of discovering and booking the broadest section of accommodations in every corner of the world."), as do its confirmation notices, which refer to the reservation as a "booking" in the subject line, see Def. Ex. A, PTO-00011. Similarly, plaintiff's competitors use "booking" as both a noun and a verb in describing their services. For example, Hotwire, which provides services for making hotel, car, and flight reservations, advertises "easier booking," id. at PTO-00322, Hotels.com claims to be the preferred choice "when it comes to booking the perfect hotel," id. at PTO-000298, and Travelocity and Expedia offer services for "hotel booking," id. at PTO-00326; PTO-00313, "vacation package booking," PTO-00315, and "booking a rental car," *905 PTO-00327. "Booking" is also a common component of descriptors for hotel reservation and travel agency services. A 2016 New York Times article regarding the impact of online reservation services on hotel loyalty programs referred to "Hotels.com, Hotwire.com, Trivago.com, and Travelocity.com" as "booking sites." Id. at PTO-00261-64; see also id. at PTO-00286-92. And, Skift, an information platform for the travel sector, headlined an article discussing flight reservation services with reference to "booking sites." Id. at PTO-00250-54. Finally, defendants identify fifteen third-party websites that include "booking.com" or "bookings.com" as components of their domain names. See id. at PTO-00148-65; A764-68, A772-81, A1085-86.

Plaintiff contends that this evidence is not enough to show that the word "booking" is "ever used as a generic term for travel agency services" and "has no relation whatsoever to plaintiff's business consulting services." Pl. Mem. at 21. This argument parallels plaintiff's argument regarding the proper genus of services, which effectively contends that the term "booking" is too narrow to describe the broad "travel agency services" offered by plaintiff while simultaneously too general to capture plaintiff's consulting services. But, this "heads I win, tails you lose" approach has no legal support. See Nat'l Nonwovens, Inc. v. Consumer Prod. Enters., 397 F.Supp.2d 245, 252 (D. Mass. 2005) (rebuffing plaintiff's "subtle rhetorical move that attempts to abstract [the genus] to a higher level of generality"). As explained above, it is well-established that "[a] registration is properly refused if the word is the generic name of any of the goods or services for which registration is sought." Cordua Rests., 823 F.3d at 605 (citing 2 McCarthy on Trademarks § 12:57). This makes good sense. Otherwise, applicants could elude a finding of genericness by simply tailoring their recitation of the goods and services at issue to be broader or narrower than the linguistic scope of their generic or descriptive mark. Permitting such gamesmanship would defeat one of the central purposes of the Lanham Act, which "is carefully crafted to prevent commercial monopolization of language that otherwise belongs in the public domain." S.F. Arts & Athletics, Inc. v. U.S. Olympic Comm., 483 U.S. 522, 573, 107 S.Ct. 2971, 97 L.Ed.2d 427 (1987) (Brennan, J., dissenting).

[23] The evidence presented by the defendants establishes that, by itself, the word "booking" is generic for the classes of hotel and travel reservation services recited in plaintiff's applications. The dictionary definitions include as a meaning of "booking" a reservation or the act of making a reservation. Even more tellingly, plaintiff and its competitors use the term in this manner. This definition is also consistent with public usage, as indicated by the news sources quoted in the record. In this respect, the word "booking," standing alone, is the common descriptive name for both the act of making a reservation and the reservation itself. This conclusion is equally true for hotel reservations and the wider set of reservations offered by a travel agency service, because hotel, flight, and tour reservations are all referred to as "bookings," just as the act of making these types of reservations is often called "booking." Based on this evidence, the Court finds that the term "booking" is generic for these types of services.

ii. Top-Level Domains

[24] The finding that "booking" is a generic term does not end the analysis because the mark at issue is BOOKING.COM. Therefore the Court consider whether the term resulting from combining "booking" with ".com" remains generic. According to dictionary definitions, ".com" refers to a "commercial organization (in Internet addresses)," American Heritage College Dictionary *906 (3d ed. 1997), or "[p]art of the internet address of many companies and organizations," Dictionary.com, http:// www.dictionary.com/browse/-com (last accessed Apr. 7, 2017). In addition, some dictionaries state that "the phrase dot-com is used to refer generically to almost anything connected to business on the Internet." Id. Plaintiff argues that ".com" should be read as a top-level domain (TLD), in the same family as ".net," ".org," and ".edu." Pl. Mem. at 22. A TLD can be contrasted with a second-level domain (SLD), which is the next level of organization in the domain name hierarchy. For example, in "booking.com," "booking" is the SLD and ".com" is the TLD. According to plaintiff, the combination of "booking" and ".com" signals a domain name, 3 which is a unique identifier capable of indicating the source of a product or service. Id. at 21, 23. The defendants, on the other hand, argue that ".com" is merely a term that denotes services offered via the Internet, and point to

Federal Circuit cases holding that a TLD has no source identifying significance.

Although Federal Circuit case law on trademark is not controlling in this jurisdiction, it is persuasive authority. Because the parties acknowledge that there is no Fourth Circuit precedent regarding the source identifying significance of a TLD, Def. Mem. at 19 n.13, the reasoning of the Federal Circuit, which has addressed the role of TLDs in at least five cases, is a helpful starting point; however, it is important to appreciate that all of these opinions arose in § 1071(a) proceedings, in which the Federal Circuit reviewed the TTAB's decisions regarding genericness and descriptiveness for substantial evidence, which is a more deferential standard than the de novo review applicable in this civil action brought under § 1071(b).

The Federal Circuit first addressed the legal effect of combining a SLD consisting of a generic word (henceforth "generic SLD") and a TLD in In re Oppedahl & Larson LLP, 373 F.3d 1171 (Fed. Cir. 2004). There, the USPTO found that PATENTS.COM was generic for software that allowed consumers to track the status of U.S. trademark and patent applications. This holding relied on the conclusion that "patents" was generic and the Trademark Manual of Examining Procedure's instruction that "[b]ecause TLDs generally serve no source-indicating function, their addition to an otherwise unregistrable mark typically cannot render it registrable." Id. at 1174 75 (citing 1209.03(m) Domain Names [R-2]). Before the Federal Circuit, the applicant argued that domain name marks were inherently distinctive and therefore all such marks were entitled to registration. Id. at 1176. The Federal Circuit rejected this argument and affirmed the USPTO, reasoning that "[t]elephone numbers and street addresses are also unique, but they do not by themselves convey to the public the source of specific goods or services." Id. at 1176–77. Nevertheless, the Federal Circuit cautioned that "a bright-line rule that the addition of a TLD to an otherwise descriptive term will never under any circumstances affect the registratibility [sic] of a mark" would "be a legal error," concluding that the USPTO's policy was not a bright-line rule. Id. at 1175.

The Federal Circuit's next TLD case, <u>In re Steelbuilding</u>, 415 F.3d 1293 (2005), is the only case in which the Federal Circuit reversed the TTAB's finding that a domain name was generic, although it ultimately *907 sustained the

USPTO's denial of registration. In that case, the applicant sought registration of STEELBUILDING.COM for "computerized on-line retail services in the field of preengineered metal buildings and roofing systems." Id. at 1296. On appeal, the Federal Circuit determined that the evidence did not support the TTAB's genericness finding because "[t]he applicant's web site permits a customer to first design, then determine an appropriate price, for its own unique design," and that the TTAB "misunderst[ood] the proper genus." Id. at 1298. With respect to the TLD, the court concluded that "[i]n [that] unusual case, the addition of the TLD indicator expanded the meaning of the mark to include goods and services beyond the mere sale of steel buildings" by "expand[ing] the mark to include internet services that include 'building' or designing steel structures on the web site and then calculating an appropriate price before ordering the unique structure." Id. at 1299. Although it rejected the genericness finding, the Federal Circuit affirmed the TTAB's alternative conclusion that the mark was descriptive for the online services specified in the application and that the applicant had failed to meet its burden of proving acquired distinctiveness. Id. at 1299-300. In a separate opinion that diverged from Oppedahl & Larson's conclusion that TLDs generally serve no source identifying function, Judge Linn argued that "[i]n the Internet world, domain-name recognition is a form of source identification" and argued that the case should be remanded to the TTAB for a reassessment of the evidence. Id. at 1301 (Linn, J., concurring-in-part and dissenting-inpart).

The Federal Circuit's next case 4 involved the mark HOTELS.COM, which the examiner concluded was descriptive for the class of services—"providing information for others about temporary lodging; travel agency services, namely, making reservations and bookings for temporary lodging for others by means of telephone and global computer network"—and had not acquired secondary meaning. In re Hotels.com, L.P., 573 F.3d 1300, 1301 (Fed. Cir. 2009). The TTAB subsequently affirmed the rejection but on the alternative basis that HOTELS.COM is a generic term for hotel information and reservation services and that the addition of ".com" to "hotels" did not convert the generic term "hotels" into a protectable mark. Id. In reaching this conclusion, the TTAB relied on dictionary definitions of "hotel," computer printouts of the applicant's website featuring links to hotels, and the inclusion of the characters "hotel.com" in other domain names. Id. at 1301. The applicant presented rebuttal evidence, including sixty-four declarations from customers, vendors, and competitors, who each stated that "the term HOTELS.COM is not the common, generic name of any product, service, or field of study," as well as a Teflon survey drawn from 277 respondents in which 76% regarded HOTELS.COM as a brand name, both of which the TTAB declined to credit. Id. at 1304-05. On appeal, the Federal Circuit concluded that "on the entirety of the evidence before the TTAB, and with cognizance of the standard and burden of proof borne by the USPTO, the TTAB could reasonably have given controlling weight to the large number of similar usages of 'hotels' with a dot-com suffix, as well as the common meaning and dictionary definition of 'hotels' and the standard usage of '.com' to show a commercial internet domain" and held that *908 "Board's finding that HOTELS.COM is generic was supported by substantial evidence." Id. at 1305-06.

The **USPTO** also denied registration MATTRESS.COM for services identified as "online retail store service in the field of mattresses, beds, and bedding" on the basis of genericness. In re 1800Mattress.com IP, LLC, 586 F.3d 1359, 1361 (Fed. Cir. 2009). The Federal Circuit affirmed, rejecting the applicant's argument that because consumers did not refer to such stores as "mattresses.com's" the term could not be generic and instead holding that "substantial evidence...support[ed] the Board's conclusion that 'sclonsumers would see MATTRESS.COM and would immediately recognize it as a term that denotes a commercial website rendering retail services featuring mattresses." Id. at 1362, 1364. In addition, the court found that "[b]ecause websites operate under the term 'mattress.com' to provide mattresses, and they provide them online, the [TTAB] properly concluded that the relevant public understands the mark MATTRESS.COM to be no more than the sum of its constituent parts, viz., an online provider of mattresses." Id. at 1363.

Although the Court recognizes the persuasive force of Federal Circuit cases, a number of factors caution against crediting these precedents here. From a chronological perspective, the Federal Circuit's first TLD case, Oppehahl & Larson, which held that "TLDs generally serve no source-indicating function," was decided in 2004 when the internet was in its infancy and norms regarding domain names were just taking root. See 373 F.3d at

1176. Subsequent opinions have undermined Oppehahl & Larson's reasoning by recognizing that a TLD indicates a domain name and "domain-name recognition is a form of source identification." Steelbuilding, 415 F.3d at 1301 (Linn, J., concurring-in-part and dissenting-inpart). There also appears to be a tension between the Federal Circuit's statement that a per se rule that TLDs cannot be source identifying would be "legal error," Oppedahl & Larson, 373 F.3d at 1177, and the outcomes of these cases, which show that the USPTO's guidance on TLDs functions as a per se rule, see Oppedahl & Larson, 373 F.3d at 1177; Hotels.com, 573 F.3d at 1306; 1800Mattress.com, 586 F.3d at 1363. As discussed above, Steelbuilding is a notable exception, but as Professor McCarthy explains, this case "muddied the waters" and appears to be based on an "erroneous" characterization of STEELBUILDING.COM. 1 McCarthy on Trademarks § 7:17.50.

[25] Beyond the tension within the cases, the Federal Circuit's TLD precedents also demonstrate the difficulty of distinguishing between generic and descriptive marks, an indeterminacy evidenced both by the anomalous holding in Steelbuilding and the multiple cases in which examining attorneys denied registration based on descriptiveness only to be affirmed by TTAB decisions concluding that the mark was actually generic, Oppedahl <u>& Larson</u>, 373 F.3d at 1173; <u>Hotels.com</u>, 573 F.3d at 1301. As discussed below, because "categorizing trademarks is necessarily an imperfect science," Fortune Dynamic, Inc. v. Victoria's Secret Stores Brand Mgmt., Inc., 618 F.3d 1025, 1033 (9th Cir. 2010), it would be imprudent to adopt a sweeping presumption denying trademark protection to a whole category of domain name marks in the absence of robust evidence that public ownership of this language is necessary for consumers and competitors to describe a class of products or services—evidence that does not appear in the Federal Circuit cases. Most importantly, in each of these TLD cases the Federal Circuit reviewed TTAB decisions under the deferential substantial evidence standard, a point that was repeatedly emphasized in the cases. See, e.g., Hotels.com, 573 F.3d at 1301. By contrast, *909 under § 1071(b) this Court is required to conduct a de novo review. For all these reasons, this Court declines to rely on the Federal Circuit's precedents regarding TLDs and will treat this question as an issue of first impression. And, for the reasons developed below, the Court concludes that, when combined with an SLD, a TLD generally has source identifying significance and

the combination of a generic SLD and a TLD is generally a descriptive mark that is protectable upon a showing of acquired distinctiveness.

To illustrate this conclusion, it is helpful to consider the Federal Circuit's reasoning in a case involving telephone numbers as marks. In 2001, before the Federal Circuit first confronted the issue of TLDs, it held that the mark 1-888-M-A-T-R-E-S-S was protectable as a descriptive mark. In re Dial-a-Mattress, 240 F.3d 1341, 1346 (Fed. Cir. 2001). In that case, the applicant applied to register 1– 888-M-A-T-R-E-S-S as a service mark for "telephone shop-at-home retail services in the field of mattresses." Id. at 1343. The examining attorney rejected the mark as generic for the relevant services or, in the alternative, as a descriptive mark with insufficient evidence of acquired distinctiveness. Id. at 1344. The TTAB affirmed both rationales. Id. On appeal to the Federal Circuit, Dial-a-Mattress conceded that the area code in the mark was devoid of source identifying significance by itself and that the word "mattress," no matter how creatively spelled, was generic for retail services in the field of mattresses; however, it argued that, considered in its entirety, the mark was not generic. Id. at 1345. The Federal Circuit agreed, holding that although area codes have no source identifying significance by themselves and the term "mattress" was generic, the combination of an area code and a generic term (1-888-MATRESS) was source identifying. Id. at 1346. Specifically, it was descriptive, as it indicated that "a service relating to mattresses [was] available by calling the telephone number." Id. Yet, even though the telephone mnemonic was source identifying. the Federal Circuit explained that the applicant still needed to establish "acquired secondary meaning" (also termed "acquired distinctiveness") in order to register the descriptive mark. Id. at 1347. ⁵

The reasoning in <u>Dial-a-Mattress</u> maps seamlessly onto TLDs. Although a TLD, like an area code, has no source identifying significance by itself, in combination with a SLD, it indicates a domain name, which, like a telephone number, is unique. Moreover, like the mnemonic phone number 1–888–M–A–T–R–E–S–S, the combination of a TLD and a generic SLD creates a descriptive mark by indicating that services relating to the generic SLD are available by accessing the domain name. Finally, whether such a mark is entitled to trademark protection depends on whether the applicant can demonstrate that it has acquired distinctiveness. In short, TLDs generally do

have source identifying value when used in conjunction with an SLD and a mark comprised of a generic SLD and a TLD is generally a descriptive mark entitled to trademark protection if the mark holder can establish acquired distinctiveness.

[26] [27] Defendants resist this conclusion. Beyond invoking the Federal Circuit cases, defendants' argument that a TLD *910 does not have identifying significance relies principally on the Supreme Court's 1888 decision in Goodyear's Rubber Mfg. Co. v. Goodyear Rubber Co., 128 U.S. 598, 602, 9 S.Ct. 166, 32 L.Ed. 535 (1888), which held that adding terms such as "Corp.," "Inc.," and "Co." to a generic term does not add any trademark significance to an otherwise unregistrable mark. Def. Mem. at 13, 21. By analogy, defendants argue that "[a]dding '.com' to a generic term does not create a composite that is capable of identifying source, just as Plaintiff would not have created a protectable mark by adopting the designation 'Booking Company.' "Id. at 13. This analogy is unhelpful because Goodyear's reasoning regarding corporate designators does not apply with equal force to domain names. As the Supreme Court explained in Goodyear, the use of a corporate designation had no source identifying value because it "only indicates that the parties have formed an association or partnership to deal in [particular] goods. either to produce or to sell them." 128 U.S. at 602, 9 S.Ct. 166. By contrast, adding a TLD such as ".com" to a generic SLD does more than indicate that a company offers services via the internet; it indicates a unique domain name that can only be owned by one entity. In this respect, unlike a corporate designation, a TLD that functions as part of a domain name does have source identifying significance.

Defendants further argue that the public understands that a mark comprised of a generic SLD combined with a TLD is generic for that class of goods or services; however, they provide no evidence to support this position other than citations to the aforementioned Federal Circuit decisions. Def. Mem. at 13. As will be discussed below, defendants' evidence shows that the public understands that such a mark represents a unique domain name indicating to consumers that the proprietor of the domain name provides goods or services relating to the generic term. Blair Rep. at 14 (arguing there is a "tendency for [some survey] respondents to think that any DOT–COM name is a brand").

Next, citing Advertise.com, Inc. v. AOL Adver., Inc., 616 F.3d 974, 980 (9th Cir. 2010), defendants raise the policy argument that recognizing the source identifying significance of TLDs would create "a per se rule-in contravention of the Lanham Act—that the combination of '.com' with any generic term renders it protectable." Def. Mem. at 2, 17. In Advertise.com, the Ninth Circuit addressed AOL's motion for a preliminary injunction against the registrant of ADVERTISE.COM on the basis that the mark was confusingly similar to AOL's mark ADVERTISING.COM, ultimately holding that the combination of a generic SLD and a TLD was not eligible for protection. The Court understands defendants to be invoking Advertise.com's conclusion to argue that, if trademark law recognizes TLDs as source identifying, the addition of a TLD to a generic SLD would always result in a protectable mark. This argument overreaches. Acknowledging that combining a TLD with a generic SLD can produce a source identifying domain name is not tantamount to finding that all domain name marks are protectable. Rather, a generic SLD combined with a TLD creates a descriptive mark that is eligible for protection only upon a showing of acquired distinctiveness. Importantly, acquired distinctiveness is a much higher bar than uniqueness and requires an evidentiary showing that "in the minds of the public, the primary significance of a...term is to identify the source of the product rather than the product itself." Inwood Labs., Inc. v. Ives Labs., 456 U.S. 844, 851 n.11, 102 S.Ct. 2182, 72 L.Ed.2d 606 (1982). In the trademark context, "source" does not refer to the location where a good or service may be found, e.g., at the website associated with a domain name, but to the "producer." *911 Kellogg, 305 U.S. at 118, 59 S.Ct. 109. Therefore, domain name marks composed of a generic SLD and TLD, will be eligible for protection only when the applicant can show that "the primary significance" of the mark in the minds of the relevant consumers is the producer. Id. Such a showing is only possible where the owner of the mark has developed strong brand recognition.

The second policy concern raised by defendants is that granting trademark protections to domain names with a generic SLD would prevent competitors from using the generic term in their domain names, hampering their ability to communicate the nature of their services. Def. Opp. at 25. This argument again echoes the Ninth Circuit's analysis in Advertise.com, which reasoned that granting protection to such a mark would "grant[]

the trademark holder rights over far more intellectual property than the domain name itself," permitting mark holders to monopolize a wide swath of domain names, including those comprised of the generic SLD at issue and any other TLD (e.g., "advertise.net"; "advertise.biz"; "advertise.org") as well other domain names that contain the generic word (e.g., "localadvertise.com"; "advertiseonline.com"). See 616 F.3d at 980–81. This argument, although initially alarming, does not withstand scrutiny.

[28] The most obvious refutation of the monopolization concern is that domain names with a descriptive SLD, such as "steelbuilding," are already eligible for protection upon a showing of secondary meaning. Steelbuilding.com, 415 F.3d at 1299; Oppedahl & Larson, 373 F.3d at 1173. Moreover, although the USPTO has registered marks with what it determined are descriptive SLDs, such as WORKOUT.COM, ENTERTAINMENT.COM, and WEATHER.COM, this has not stopped competitors from using the words "workout," "entertainment," or "weather" in their domain names. To the contrary, such related domain names abound and many, such as MIRACLEWORKOUT.COM, WWW.GOLIVE-ENTERTAINMENT.COM, CAMPERSWEATHER.COM, have actually afforded trademark protection by being registered on the Principal Register. 6

[31] [30] [32] In addition, the descriptive nature of domain name marks with a generic SLD will significantly limit the protection they receive, thereby safeguarding competition and public use. It is axiomatic that "descriptive terms qualify for registration as trademarks only after taking on secondary meaning...with the registrant getting an exclusive right not in the original, descriptive sense, but only in the secondary one associated with the markholder's goods." KP Permanent Make-Up, 543 U.S. at 122, 125 S.Ct. 542. Beyond the circumscribed protection afforded to descriptive marks, competitors are also protected by the likelihood of confusion standard. As the Supreme Court emphasized in KP Permanent Make-Up, the party charging infringement bears the burden of proving that a competitor's use of a mark is likely to confuse consumers. Id. at 118, 125 S.Ct. 542. This is a heavy burden for a plaintiff because likelihood of confusion rests on nine factors, which include the source identifying strength of the plaintiff's mark, the degree of similarity between the marks, and the defendant's

intent. ⁷ See, e.g., H. Jay Spiegel & Assocs., P.C. v. Spiegel, 652 F.Supp.2d 639, 650 (E.D. Va. 2009), aff'd, *912 400 Fed.Appx. 757 (4th Cir. 2010) (finding, on a motion for summary judgment, that the record was inconclusive as to whether SPIEGELLAW.COM was confusingly similar to SPIEGELAW.COM). Likelihood of confusion is particularly difficult to prove for descriptive marks because they are considered "weak" marks, see Shakespeare Co., 110 F.3d at 239-40, and "when the common element between two marks is a word which is 'weak,' the likelihood of confusion between the marks is reduced." Pizzeria Uno Corp. v. Temple, 566 F.Supp. 385, 396 (D.S.C. 1983), aff'd, 747 F.2d 1522 (4th Cir. 1984). Moreover, even if the party charging infringement succeeds in establishing likelihood of confusion, the accused party can defend itself by demonstrating fair use. ⁸ See KP Permanent Make-Up, 543 U.S. at 121, 125 S.Ct. 542 ("some possibility of consumer confusion must be compatible with fair use"). As the Supreme Court has explained, "[i]f any confusion results" from descriptive fair use "that is a risk the plaintiff accepted when it decided to identify its product with a mark that uses a well known descriptive phrase." Id. (internal citation omitted). This principle is equally true in the context of domain names and will preclude holders of marks comprised of a generic SLD and a TLD from preventing competitors from using the generic term in other domain names. 9

Defendants' third policy concern, which again proves more imagined than real, is that granting trademark protection to domain names with generic SLDs would deprive competitors of the right to describe their goods and services as what they are. Def. Mem. at 11-12. As defendants elaborate, "Imagine being forbidden to describe a Chevrolet as a 'car' or an 'automobile' because Ford or Chrysler or Volvo had trademarked these generic words." Id. at 12 (citing Retail Servs., 364 F.3d at 538). Defendants appear to suggest that plaintiff's competitors need to be able to describe themselves as "booking.coms." Although concerns about monopoly are one of the animating forces behind the prohibition on registering generic marks, because each domain name is unique the Court is unpersuaded that the threat of monopoly applies with equal force to domain names. 10 *913 Further. the monopoly argument appears to assume that certain terms must be left in the public commons because they have descriptive value and are needed by consumers and competitors alike; however, no evidence in this record supports the view that domain names are used as descriptive terms for classes of services. To the contrary, the record is replete with evidence that consumers are predisposed to think that a domain name refers to a particular entity. Blair Rep. at 14; In re Hotels.com, 87 U.S.P.Q.2d 1100, 1109 (T.T.A.B. Mar. 24, 2008) (according to the TTAB, "consumers may automatically equate a domain name with a brand name"). By this same logic, plaintiff's competitors, such as Expedia and Travelocity, have no incentive to describe themselves as "booking.coms" because this risks diverting customers to the website of their competitor. In short, there is no evidence in this record indicating that permitting registration of a domain names with a generic SLD would result in the monopolization of descriptive terms that must be left free for public use.

Recognizing that the policy concerns regarding generic terms are a poor fit for marks comprised of a generic SLD and a TLD, the next question is whether the dual purposes of the Lanham Act—protecting consumers and incentivizing brand development-militate for or against protection. Generally, the consumer protection rationale favors trademark protection because brands minimize the information costs of purchasing decisions. Qualitex, 514 U.S. at 164, 115 S.Ct. 1300. Although trademark rights are disfavored when they would cause consumer confusion or impede competition, Am. Online, 243 F.3d at 821, because domain names are inherently unique and the scope of protection afforded to a domain name with a generic SLD will be narrow, the risk of consumer confusion or anticompetitive monopolies is remote. Rather, the evidence in this record shows that consumers are primed to perceive a domain name as a brand which militates for, not against, trademark protection for domain names. In addition, because online goods and services are a significant and ever-growing part of the economy, granting trademarks to producers who primarily offer goods and services online and brand themselves based on their domain name favors the interest of consumers by limiting the prospect of deception and confusion. Incidentally, this also protects the good will generated by producers, often at great effort and expense, and thereby incentivizes brand development. 11 In sum, the rationales animating the Lanham Act are aligned with the conclusions that TLDs are generally source identifying and that a mark composed of a generic SLD and a TLD is a descriptive mark eligible for protection upon a showing of acquired distinctiveness.

*914 iii. Evidence of Public Understanding Regarding Genericness

The Court now considers evidence of the public's understanding of BOOKING.COM, which may include "purchaser testimony, customer surveys, dictionary listings, newspapers, and other publications." Retail Servs., 247 F.Supp.2d at 826. The most striking feature of the evidence in this record is the absence of evidence that consumers or producers use the term "booking.com" to describe the genera of services at issue, that is, hotel and travel reservation services. Pl. Mem. at 12. Defendants point to no purchaser testimony. consumer surveys, newspaper articles, websites, or other publications demonstrating that either the consuming public or plaintiff's competitors refer to travel and hotel reservation services offered online as "booking.coms." See Dial-a-Mattress, 240 F.3d at 1346. Instead, they rely heavily on a statement from the Federal Circuit that use "is irrelevant" and "the correct inquiry is whether the relevant public would understand, when hearing the term 'mattress.com,' that it refers to online mattress stores." Def. Mem. at 13 (citing 1800Mattress.com, 586 F.3d at 1364 (emphasis added)); see also Def. Opp. at 7, 18; Def. Reply at 13. In reaching this conclusion, the Federal Circuit cited H. Marvin Ginn v. Int'l Ass'n of Fire Chiefs, Inc.'s genericness test, which asks whether the "relevant public primarily use or understand the term sought to be protected to refer to the genus of goods or services in question." 782 F.2d 987, 989-90 (Fed. Cir. 1986) (emphasis added). But 1800Mattress.com is not controlling authority, and the Fourth Circuit has not adopted H. Marvin Ginn's test for genericness. In addition, even under this test, whether a mark is used to refer to a genus is certainly relevant; it simply is not dispositive. Importantly, in this de novo proceeding, the evidence before the Court indicates that "[l]inguistic understanding is not some further mental condition"; rather, in the words of Ludwig Wittgenstein, "meaning is use." Leslie Rep., Pl. Ex. 2 [Dkt. No. 64-2] ¶ 78 (citing Philosophical Investigations § 43 (1953)). ¹² Accordingly, the absence of evidence indicating that the consuming public uses the term BOOKING.COM to refer to a class of services, is highly relevant.

What evidence defendants have produced shows that the types of services offered by plaintiff are routinely referred to as "booking website(s)," "booking site(s)," etc. Def. Mem. at 21. According to defendants, "these same meanings are immediately conveyed by the term 'booking.com,' " id. at 22; however, they offer no support for the argument that any composite term that communicates the same meaning as a generic term is itself generic. Id. Further, because domain names are unique, the Court is unpersuaded that BOOKING.COM has the same meaning as "a booking website" or "booking websites," both of which could refer to any number of websites. Cf. Dial-a-Mattress, 240 F.3d at 1346 ("[A] phone number is not literally a genus or a class name.").

Defendants also point to fifteen third-party websites "booking.com" or "bookings.com." that include Mem. 23; PTO-0148-65 Def. at (identifying examples such as *915 "dreamvacationbooking.com"; "vacationhomebooking.com"; and "bhutanbookings.com"). This evidence is unpersuasive because including the characters "b-o-o-k-i-n-g-.-c-o-m" in a longer domain name is not the equivalent of describing one's service as a "booking.com." Indeed, a brief review of these websites indicates that they do not describe themselves as such. 13 Moreover, accepting the defendants' logic would result in privileging trademark protection for long SLDs over short ones simply because a shorter domain name's set of characters is likely to be included in longer domain names. This is not the USPTO's practice, as evidenced by its registration of marks like WORKOUT.COM, ENTERTAINMENT.COM, and WEATHER.COM notwithstanding the multitude of other domain names that uses these strings of characters. Therefore, the Court finds that defendants' list of domain names does not constitute evidence that BOOKING.COM is used to refer to a genus of services. ¹⁴

Conversely, plaintiffs have adduced persuasive evidence that the consuming public understands BOOKING.COM to be a specific brand, not a generic name for online booking services. In particular, plaintiff produced a Teflon survey which revealed that 74.8 percent of respondents identified BOOKING.COM as a brand name. Poret Rep. at 29. Teflon surveys, which are the "most widely used survey format to resolve a genericness challenge," 2 McCarthy on Trademarks at § 12:16, provide survey respondents with a primer on the distinction between the generic or common names and trademark or

brand names, and then present respondents with a series of names, which they are asked to identify as common or brand names. Plaintiff's survey was conducted by Hal Poret, a statistician with experience administering over 200 consumer surveys regarding trademarks. The survey was administered online to 400 respondents from March to April 2016. Poret Rep., Pl. Ex. 1 [Dkt. No. 64–1] at 8, 18, 25.

The survey began by explaining the distinction between "brand names" and "common names" and provided consumers with examples of three brand names (TOYOTA, CHASE, and STAPLES.COM) and three common names (AUTOMOBILE, BANK, and OFFICESUPPLIES.COM). Id. at 9. The survey then tested consumer's understanding of the distinction between common and brand names by asking them to identify whether KELLOGG and CEREAL were common or brand names. Id. at 10. Respondents who correctly answered that KELLOGG is a brand name and CEREAL is a common name continued with the survey while those who did not were excluded. Id. at 11. Following that initial screening, respondents were shown a series of terms, one at a time, and for each term were asked to answer the following question:

- "Do you think this is a...
 - · Brand name
 - Common name
 - Don't know"

*916 <u>Id.</u> The list of terms and product descriptions shown to respondents were

- The term at issue:
 - "BOOKING.COM (Hotel and other lodging reservation services)"
- Three brand names:
 - "ETRADE.COM (Stock and investor broker services)"
 - "PEPSI (Cola and other soft drinks)"
 - "SHUTTERFLY (Photo-sharing and photo gift services)"
- Three common names

- "SPORTING GOODS (Products used in sports and other physical activity)"
- "WASHINGMACHINE.COM (Review and sales of washing machines)"
- "SUPERMARKET (Retail sale of food and other groceries)"

<u>Id.</u> at 11–13. There were four separate rotations in which these terms were presented to the respondents, in each of which the terms were ordered differently and with BOOKING.COM placed in a different position on the rotation "so as not to bias the responses to the term BOOKING.COM." <u>Id.</u> at 13–14. There were also two versions of the survey language, one in which the phase "brand name" always preceded the phrase "common name" (<u>i.e.</u>, "This survey is about brand names and common names.") and one in which this order was reversed. <u>Id.</u> at 9, 15. The following table displays the proportion of respondents who identified each trademark as a brand name versus a common name, compared to BOOKING.COM:

	BOOKING.COM	PEPSI	ETRADE.COM	SHU
Brand name	74.8%	99.3%	96.8%	96.89
Common name	23.8%	0.8%	3.0%	3.0%
Don't know	1.5%	0.0%	0.3%	0.3%

<u>Id.</u> at 28. The following table displays the proportion of respondents who identified each generic term as a brand name versus a common name, compared to BOOKING.COM:

	BOOKING.COM	SUPER- MARKET	SPORTING GOODS	WAS CON
Brand name	74.8%	0.0%	0.5%	33.0
Common name	23.8%	100.0%	99.5%	60.8
Don't know	1.5%	0.0%	0.0%	6.3%

<u>Id.</u> Poret concluded that in his opinion "these results strongly establish that BOOKING.COM is not perceived by consumers to be a generic or common name." <u>Id.</u> at 29; see also <u>E. I. DuPont de Nemours & Co. v. Yoshida Int'l, Inc.</u>, 393 F.Supp. 502, 527 (E.D.N.Y. 1975) (finding that survey results indicating that 68% of consumers viewed Teflon as a brand name rebutted the claim that the mark was generic).

[33] Defendants argue that plaintiff's Teflon survey should be excluded pursuant to <u>Hunt Masters</u>, 240 F.3d at 255, where the Fourth Circuit held that in a

genericness inquiry consumer surveys are not relevant "where a term was commonly used prior to its association with the products at issue" whereas surveys are relevant where the term at issue "began life as a 'coined term.' " Def. Opp. at 12. Although "booking" is not a coined term, BOOKING.COM arguably is. More importantly, defendants have presented no evidence that BOOKING.COM is in the category of marks for which Hunt Masters forecloses reliance on consumer surveys, namely that it "was commonly used prior to its association with *917 the products at issue." Id. Moreover, the Court finds that because domain names marks are relatively new to trademark law, public understanding is highly relevant to understanding how these marks are perceived. As a result, this case is not on all fours with Hunt Masters and plaintiff's Teflon survey, which sheds light on how the composite mark BOOKING.COM is understood by consumers, is highly relevant. 15

Defendants next attack the methodological soundness of plaintiff's survey as a basis for excluding the report. Def. Opp. at 13. Defendants rely primarily on a comment by Poret, posted in a blog by a colleague in 2009, in which he remarked that because consumers often assume that domain names have source identifying significance, surveys testing TLD marks should be composed exclusively or primarily of TLD marks. Def. Ex. A at PTO-00366. During his deposition, Poret explained that he has since revised his views. Recognizing that consumers conventionally encounter an array of marks, including TLD and non-TLD marks, Poret is now of the opinion that it is unnatural to test brand recognition with only TLD marks. Poret Tr., Pl. Ex. A [Dkt. No. 72– 1] at 18:8–19:21. Defendants make much of this change of opinion but point to no case law, scholarly authority, or principled justifications for conducting Teflon surveys comprised exclusively or even primarily of TLD marks. Def. Mem. at 26–27; Def. Opp. at 14–15.

Defendants also point to three alleged methodological flaws in Poret's survey identified by their expert, Dr. Edward Blair. Blair Rep., Def. Ex. B [Dkt. No. 61–3]. First, Dr. Blair contends that the survey population is under-inclusive because it was restricted to consumers who search for or make hotel or travel reservations online but plaintiff's trademark applications also reference services offered in person. Id. at 11–13. Poret's supplemental expert response explains that the survey focused on consumers who used online

reservation services because the USPTO determined that BOOKING.COM was generic for a website service, thus "measuring consumer perception of BOOKING.COM in the online context squarely tested the context in which the chance of consumers understanding a mark ending in '.COM' to be generic was greatest." Poret Supp. Rep., Def. Ex. D [Dkt. No. 61–5] at 3.

Second, although Dr. Blair concedes that the survey explained and tested the distinction between dot-com brand names and common names, he contends that this educational component was insufficient because it did not focus specifically on dot-com names and respondents were not tested on their ability to distinguish between dotcom brand names and dot-com common names. Blair Rep. at 5–6, 14. Observing that 33% of respondents incorrectly identified WASHINGMACHINE.COM, one of the test terms, as a brand name, Dr. Blair contends that the educational portion of the survey was ineffective and respondents were predisposed to think that any dot-com name was a brand name. Id. Without conceding that this is a flaw in the survey design, Poret explains that one can control for this predisposition by removing the respondents who answered that WASHINGMACHINE.COM is a brand name. Poret Supp. Rep. at 4. Even with *918 that adjustment, of the remaining respondents, 65 percent identified BOOKING.COM as a brand name. Id. at 5.

Dr. Blair's third critique is that the responses varied based on the order in which the marks were presented, which he posits is an indication that respondents did not understand the distinction between dot-com brand names and common names and were answering based on context rather than actual knowledge. Blair Rep. at 19. Poret acknowledges that the results exhibit order effects but explains that all Teflon surveys have order effects, irrespective of whether they test dot-com or other marks. Poret Supp. Rep. at 8. "[T]he very reason that [Teflon] surveys include various orderings of the terms," he elaborates, "is because it is well known and expected that responses to terms often vary in this manner" and "providing various orderings is designed to control for this phenomenon." Id. (emphasis in original).

[34] The Court is persuaded by Poret's responses and finds that Dr. Blair's critiques do not undermine the veracity of the survey results. "[N]o survey is perfect." Selchow & Righter Co. v. Decipher, Inc., 598 F.Supp.

1489, 1502 (E.D. Va. 1984). Poret's decision to limit the survey to online consumers was reasonable, the method used to instruct them on the distinction between generic and brand names was sufficient, and the ordering effects are, as Poret explains, both expected and appropriately controlled for by the survey design. In short, plaintiff's Teflon survey is reliable. It also provides the only actual evidence of consumers' understanding of BOOKING.COM, because defendants "had an equal opportunity to conduct [their] own survey but chose not to" do so. Selchow & Righter, 598 F.Supp. at 1503.

Numerous courts agree that "direct consumer evidence, e.g., consumer surveys and testimony is preferable to indirect forms of evidence" such as dictionaries, trade journals, and other publications. See, e.g., Berner Int'l Corp. v. Mars Sales Co., 987 F.2d 975, 982 (3d Cir. 1993). Even the Federal Circuit, the source of authority upon which the USPTO principally relies, has held that "consumer surveys may be a preferred method of proving genericness." BellSouth Corp. v. DataNational Corp., 60 F.3d 1565, 1570 (Fed. Cir. 1995). Therefore, the Court declines defendants' invitation to rely on theoretical and indirect sources of consumer understanding, such as dictionary definitions, over plaintiff's Teflon survey.

In sum, defendants have not met their burden of proving by clear evidence that BOOKING.COM is generic. To the contrary, the Court finds that the relevant consuming public primarily understands that BOOKING.COM does not refer to a genus, rather it is descriptive of services involving "booking" available at that domain name. Diala-a-Mattress, 240 F.3d at 1346 (finding that 1–8–8–8–M–A–T–R–E–S–S "immediately conveys the impression that a service relating to mattresses is available by calling the telephone number"). And, because "booking" is a broad enough term to refer to both hotel and travel reservation services, the Court finds that BOOKING.COM is descriptive of both the Class 39 and Class 43 services described in plaintiff's applications.

3. Acquired Distinctiveness

As with any descriptive mark, BOOKING.COM is eligible for protection only upon a showing of secondary meaning or acquired distinctiveness. See Steelbuilding.com, 415 F.3d at 1299. To make this showing, the burden shifts to the applicant to demonstrate that "in the minds of the public, the primary significance of a product feature or term is to identify the source of the

product rather than the product itself." Inwood Labs., 456 U.S. at 851 n.11, 102 S.Ct. 2182. "Saying that a trademark has acquired secondary meaning *919 is shorthand for saying that a descriptive mark has become sufficiently distinctive to establish a mental association in buyers' minds between the alleged mark and a single source of the product." Retail Servs., 364 F.3d at 539 (citation and internal quotation marks omitted); see also Sara Lee, 81 F.3d at 464 (noting that "secondary meaning" exists when, "in the minds of the public, the primary significance of a product feature or term is to identify the source of the product rather than the product itself" (internal quotation marks omitted)); Perini Corp. v. Perini Constr., Inc., 915 F.2d 121, 125 (4th Cir. 1990) ("Secondary meaning is the consuming public's understanding that the mark, when used in context, refers, not to what the descriptive word ordinarily describes, but to the particular business that the mark is meant to identify.").

[35] [36] Proof of secondary meaning requires a "rigorous evidentiary" showing and courts consider six factors: "(1) advertising expenditures; (2) consumer studies linking the mark to a source; (3) sales success; (4) unsolicited media coverage of the product; (5) attempts to plagiarize the mark; and (6) the length and exclusivity of the mark's use." Perini, 915 F.2d at 125. Secondary meaning exists if a "substantial portion" of the relevant consuming public associates the term with the particular business, id., and the applicant bears the burden of proof, U.S. Search, LLC v. U.S. Search.com, Inc., 300 F.3d 517, 525–26 (4th Cir. 2002).

As explained above, applications containing multiple classes are treated as separate applications, 3 McCarthy on Trademarks § 19:56.50; therefore, the Court's analysis of the evidence of secondary meaning must assess Class 39 and 43 independently. But, in the interest of efficiency, the Court will begin by summarizing the evidence in the record.

a. Evidence of Acquired Distinctiveness

With respect to advertising, plaintiff has submitted evidence of the number of visual impressions of BOOKING.COM by consumers. Although the secondary meaning test refers to "advertising expenditures," Perini, 915 F.2d at 125, the Court is satisfied that the number of visual impressions is equally, if not more, probative of

secondary meaning because it more closely approximates the number of consumers who have been exposed to a brand. Plaintiff aired BOOKING.COM branded television commercials that received 1.3 billion visual impressions from U.S. customers in 2015 and 1.1 billion impressions in 2016. Pl. Ex. A, Dunlap Decl. ¶ 9a. Its internet advertisements during these years received 212 million and 1.34 billion visual impressions from U.S. customers, respectively. Id. ¶ 9c. And its 2015 movie theater advertisements received approximately 40 million visual impressions from U.S. customers. Id. ¶ 9b. This is compelling evidence of plaintiff's advertising efforts and is considerably more wide-reaching than the evidence used to satisfy the first factor in other Fourth Circuit cases. See Resorts of Pinehurst, Inc. v. Pinehurst Nat'l Corp., 148 F.3d 417, 421–22 (4th Cir. 1998) (finding that the markholder had made "considerable advertising efforts and expenditure of money toward developing a reputation and goodwill" for its mark through a "nationwide marketing campaign" that involved "placing advertisements in numerous national golf publications such as Golf and Golf Digest magazines" and aggressively "seeking out major professional golf tournaments"). 16

*920 [37] As to the second factor, plaintiff cites two surveys. The first is a 2012 JD Power & Associates survey recognizing plaintiff as having the highest customer satisfaction rate of any travel site in the United States. Pl. Mem. ¶ 27; Pl. Opp. at 14. Defendants argue that the survey is entitled to little weight because it does not reveal anything about what consumers understand BOOKING.COM to mean. Def. Opp. at 26. Plaintiff contends that the survey is an admissible form of evidence, Pl. Opp. at 14, but admissibility is not the problem. Surveys such as the JD Power & Associates survey are designed to gauge the relative popularity of a product not the source identifying effect of the mark. As a result, defendants are correct in arguing that the JD Power & Associates survey is not probative of secondary meaning and is entitled to minimal weight. Chase Fed. Sav. & Loan Ass'n v. Chase Manhattan Fin. Servs. Inc., 681 F.Supp. 771, 780-81 (S.D. Fla. 1987) (explaining that survey evidence is entitled to "slight weight" when it "derive[s] from questions that were not asked in a specific, limited and probative context,...and did not probe the primary significance of the term" (internal quotation marks omitted)).

[38] Plaintiff also relies on the Teflon survey conducted by Poret, which indicated that 74.8 percent of consumers of online travel services recognize BOOKING.COM as a brand. Pl. Mem. ¶ 4; id. at 29. Although primarily used to determine whether a mark is generic, Teflon surveys are also a generally accepted way of measuring secondary meaning. See, e.g., Firefly Digital, Inc. v. Google, Inc., No. CIV.A. 6:10-0133, 2011 WL 6160222, at *5 (W.D. La. July 7, 2011); Schwan's IP, LLC v. Kraft Pizza Co., 379 F.Supp.2d 1016, 1024 (D. Minn. 2005), aff'd, 460 F.3d 971 (8th Cir. 2006); March Madness Athletic Ass'n, L.L.C. v. Netfire, Inc., 310 F.Supp.2d 786, 809 (N.D. Tex. 2003), aff'd,120 Fed.Appx. 540, 2005 WL 147264 (5th Cir. 2005); see also Innovation Ventures, LLC v. NVE, Inc., 90 F.Supp.3d 703, 720 (E.D. Mich. 2015) (finding a Teflon survey probative of the strength of a protectable mark). In this Circuit, "survey evidence is generally thought to be the most direct and persuasive way of establishing secondary meaning." U.S. Search, LLC, 300 F.3d at 526 n.13. And Professor McCarthy has identified survey evidence as one of a handful of types of direct evidence of consumer understanding—along with consumer testimony—as compared to the other secondary meaning factors, which offer circumstantial evidence of brand recognition. 2 McCarthy on Trademarks § 15:30. Because plaintiff's Teflon survey is the only evidence in the record that speaks directly to how consumers understand plaintiff's mark, it weighs heavily in the secondary meaning analysis and the survey's finding that approximately three out of four consumers recognize BOOKING.COM as a brand indicates strong brand awareness. See IDV N. Am., Inc. v. S & M Brands, Inc., 26 F.Supp.2d 815, 823 (E.D. Va. 1998) (holding that BAILEYS liqueurs had secondary meaning, based in part upon a "51% consumer awareness rating").

The third factor, record of sales success, is also well-established. Plaintiff's public filings reflect that its U.S. customers conduct billions of dollars' worth of transactions each year, Pl. Mem. ¶ 13, ¹⁷ and, as of *921 2013, plaintiff's total transaction value, both in the United States and abroad, was over \$8 billion, see Prakke Decl., A2522, which is substantially higher than the sales success in other cases where courts in this Circuit have found secondary meaning. See, e.g., Worsham Sprinkler Co. v. Wes Worsham Fire Prot., LLC, 419 F.Supp.2d 861, 869–72 (E.D. Va. 2006) (citing annual revenues averaging \$18–20 million); IDV N. Am., Inc., 26 F.Supp.2d at 823 (finding that BAILEYS liqueurs' \$1 billion in sales over

the course of a decade supported a finding of secondary meaning). In addition, plaintiff's mobile app, which can be used to search for hotels and make reservations, was downloaded approximately 1 million times in 2014, 1.9 million times in 2015, and 2.5 million times in 2016, Pl. Ex. A, Dunlap Decl. ¶ 7, which offers additional, circumstantial evidence of sales success and consumer brand recognition.

The fourth factor is unsolicited media coverage. In 2015 and 2016 the number of news articles published in the United States referencing BOOKING.COM was over 600 and 650, respectively. Pl. Ex. A, Dunlap Decl. ¶ 10. This compares very favorably to other cases where courts have found that media coverage demonstrated that a brand had achieved public prominence. Washington Speakers Bureau, Inc. v. Leading Authorities, Inc., 33 F.Supp.2d 488, 496–97 (E.D. Va. 1999), aff'd, 217 F.3d 843 (4th Cir. 2000) (relying on evidence that a "news database search offered by [the markholder] disclosed hundreds of articles specifically referring to [the service] and its activities").

Plaintiff identifies no evidence of the fifth factor, attempts to plagiarize the mark. Pl. Mem. at 29. But, a party need not prove all six factors and the Fourth Circuit has concluded that secondary meaning can exist even when "no attempts to plagiarize the mark were shown." Perini, 915 F.2d at 126.

With respect to the sixth factor, length and exclusivity of use, plaintiff, which has been offering "online hotel reservation service" since 1996, operated from "1996 to June 2006 using the mark BOOKINGS. In June 2006, [plaintiff] modified its mark to BOOKING.COM and has been providing services under that mark since then." Prakke Decl. A2522. Eleven years of uninterrupted use, in conjunction with the other factors, weighs in favor of secondary meaning. See Teaching Co. Ltd. P'ship v. Unapix Entm't, Inc., 87 F.Supp.2d 567, 579–80 (E.D. Va. 2000) (finding that secondary meaning existed in a mark that had been used without interruption for eight years).

In addition, there is no evidence in the record that "any other party offering travel agency services refers to itself as a 'Booking.com.' "Pl. Ex. C, Moskin Decl. ¶ 12. As previously discussed in the genericness evaluation, defendants point to fifteen third-party websites that include "booking.com" or "bookings.com," Def. Mem. at 23, and one might argue that this is evidence that plaintiff

has not enjoyed exclusive use. This argument fails because the mere existence of a registered domain name or even a website does not equate to its use as a "mark." "[A] domain name does not become a trademark or service mark unless it is also used to identify and distinguish the source of goods or services." 1 McCarthy on Trademarks § 7:17.50. Out of the millions of domain names, only a fraction play the role of a mark. Id. Indeed, the websites associated with the domain names cited by the defendants identify their services not by reference *922 to their domain name but by phrases such as "Dream Vacation Booking" and "Vacation Home Booking." Further, as explained above, these websites are not actually referring to themselves as "booking.coms," therefore they are not using the term either descriptively or as a mark.

Finally, plaintiff has adduced evidence of its substantial social media following. As of 2016, over 5 million consumers had "liked" BOOKING.COM on Facebook and over 100,000 "followed" BOOKING.COM on Twitter. Pl. Ex. A, Dunlap Decl. ¶ 12c. 18 Although this evidence does not directly relate to any of the Perini factors, those factors are non-exhaustive, Shammas v. Rea, 978 F.Supp.2d 599, 612 (E.D. Va. 2013), and, just as unsolicited media coverage offers circumstantial evidence of consumer awareness of a brand, the size of a producer's social media following is indicative of the number of consumers who are familiar with a brand, interested in receiving additional information about it, and presumably tend to feel goodwill toward the producer.

In the face of this evidence, defendants argue that "although [p]laintiff has provided documents related to its commercial success, they do not demonstrate actual market recognition of 'booking.com' as a source indicator." Def. Mem. at 30. This argument ignores the direct evidence of consumer understanding established by plaintiff's Teflon survey and appears to challenge the very nature of the secondary meaning test, which acknowledges that five of the six factors—advertising expenditures, sales success, media coverage, attempts to plagiarize, and exclusivity of use—are all circumstantial evidence. 2 McCarthy on Trademarks § 15:30. Professor McCarthy acknowledges direct evidence "is not a requirement and secondary meaning can be, and most often is, proven by circumstantial evidence." Id. In addition, it defies logic to suggest that billions of consumer impressions through advertising, billions of dollars in sales, and over 1,000 newspaper articles have no bearing on whether consumers understand BOOKING.COM to be a source of reservation services. ¹⁹

b. Class Specific Analysis

[40] Having summarized the evidence of secondary meaning, the next step is to consider what this evidence means for the two classes of marks set forth in plaintiff's applications. Unfortunately, the evidence does not clearly differentiate between Class 39-travel agency services —and Class 43—hotel reservation services. Plaintiff's evidence often speaks simply of BOOKING.COM, and, where it does differentiate, it refers only to plaintiff's hotel reservation services. For example, the Dunlap Declaration, which is the source of plaintiff's evidence regarding advertising, sales success, and unsolicited media coverage, describes plaintiff as "the worldwide leader in online accommodation reservation services" and reports that plaintiff *923 enables customers to make reservations at over "1,027,450 hotels and accommodation providers throughout the world." Pl. Ex. A, Dunlap Decl. ¶¶ 3, 5. Other than referencing Booking.com's receipt of the "World's Leading Online Travel Agency Website" award in 2014 and 2015, Dunlap's declaration makes no reference to travel agency services. In addition, the Prakke Declaration, which establishes the length and exclusivity of use, also portrays Booking.com as an "online hotel reservation service," explaining that since 1996 plaintiff has been "providing hotels and consumers alike with an online hotel reservation service through which hotels all over the world can advertise their rooms for reservation and through which consumers all over the world can make reservations." A2522. Likewise, plaintiff's Teflon survey characterized Booking.com as providing "[h]otel and other lodging reservation services." Pl. Ex. 1, [Dkt. No. 64-1] at B-000055. In light of the total absence of evidence that either the consuming public, or even Booking.com's officers, associate BOOKING.COM with travel agency services, plaintiff has failed to carry its burden of establishing secondary meaning as to Class 39. ²⁰

Conversely, the record demonstrates strong evidence of secondary meaning for Class 43 on five of the six secondary meaning factors: Plaintiff has established the existence of an extensive nationwide advertising campaign; a strong public perception that BOOKING.COM is a brand identifier, as evidenced by the Teflon survey; robust consumer sales; voluminous unsolicited media coverage; and a decade of exclusive use. This evidence is more than sufficient to demonstrate that "in the minds of the public, the primary significance of" BOOKING.COM "is to identify the source of the product rather than the product itself," Sara Lee, 81 F.3d at 464, and that plaintiff's mark is entitled to protection for the services identified in Class 43, as a descriptive mark. ²¹

III. CONCLUSION

The question of whether a TLD has source identifying significance is a question of first impression in this Circuit. After carefully reviewing the Federal Circuit's precedent on this issue, the purposes of the Lanham Act, and the competition-protecting features built into the structure of trademark law, the Court has concluded both that a TLD generally has source identifying significance and that a mark composed of a generic SLD and a TLD is usually a descriptive mark eligible for protection upon a showing of secondary meaning. Applying these holdings to the facts of this case, the Court holds that BOOKING.COM is a descriptive mark and that plaintiff has carried its burden of demonstrating the mark's secondary meaning as to the hotel reservation services described in Class 43 but not as to the travel agency services recited in Class 39.

For these reasons, in an order to be issued with this Memorandum Opinion, plaintiff's Motion for Summary Judgment will be granted in part and denied in part, defendants' Motion for Summary Judgment will be granted in part and denied in part, the USPTO will be ordered to register *924 BOOKING.COM as to the Class 43 services in the '998 Application and '097 Application, ²² and the Court will remand applications '365 and '366 to the USPTO for further administrative proceedings consistent with the findings and conclusions of this Memorandum Opinion to determine whether the design and color elements in those two applications, in combination with the protectable word mark, are eligible for protection as to Class 43 services. ²³

All Citations

278 F.Supp.3d 891

Footnotes

- The USPTO Director position has since been vacated and is currently being filled in an acting capacity by Joseph Matal.
- 2 Defendants try to distinguish Swatch AG, arguing that it does not apply to cases where "a party submits new evidence on only some discrete questions of fact but not others." Def. Opp. at 4-5. This reading of the case law is indefensible. Swatch AG explicitly held, "where new evidence is submitted, de novo review of the entire record is required because the district court 'cannot meaningfully defer to the [USPTO's] factual findings if the [USPTO] considered a different set of facts.' "739 F.3d at 155 (citing Kappos v. Hyatt, 566 U.S. 431, 132 S.Ct. 1690, 1700, 182 L.Ed.2d 704 (2012)) (alterations added). Indeed, the "dual capacity" standard of review endorsed by defendants—where the district court acts as appellate reviewer of facts found by the USPTO and fact-finder on issues for which there is new evidence—was held to be "erroneous" by the Fourth Circuit. Id. at 156. Were there any room for ambiguity about the applicability of de novo review, it was dispelled by the Fourth Circuit's subsequent decision in Shammas v. Focarino, 784 F.3d 219 (4th Cir. 2015), which explained that § 1071(b) authorizes "[d]e novo civil actions" in which "[t]he district court reviews all the evidence de novo and acts as the trier of fact." Id. at 225 (emphasis added) (citing Swatch, 739 F.3d at 155), cert. denied sub nom. Shammas v. Hirshfeld, U.S. —, 136 S.Ct. 1376, 194 L.Ed.2d 360 (2016). Moreover, even if defendants were correct that substantial evidence review applies when no new evidence has been submitted on a particular question of fact, Def. Opp. at 4 (citing Dome Pat., LP v. Rea, 59 F.Supp.3d 52, 78-79 (D.D.C. 2014)), there is no basis to apply that standard here; rather, both parties acknowledge that genericness and descriptiveness determinations are questions of fact, Pl. Mem. at 10; Def. Mem. at 10, and the new evidence before the Court bears on both of those questions.
- A domain name is "any alphanumeric designation which is registered with or assigned by any domain name registrar, domain name registry, or other domain name registration authority as part of an electronic address on the Internet." 15 U.S.C. § 1127.
- The Federal Circuit briefly addressed domain name marks in 2007, but there the argument was not about the source identifying significance of TLDs but rather whether the USPTO properly determined the genus of services. In re Reed Elsevier Props. Inc., 482 F.3d 1376 (Fed. Cir. 2007).
- Defendants attempt to distinguish <u>Dial-a-Mattress</u> by arguing that unlike "888," ".com" has a recognized generic meaning and that 1–888–MATRESS was a mnemonic while BOOKING.COM is not. Def. Mem. at 10. Neither of these distinctions is persuasive because the <u>Dial-a-Mattress</u> court recognized that "888" was an area code, just as the Federal Circuit later recognized that ".com" is a TLD and, even though a domain name is not a mnemonic, it can function like a mnemonic by describing the associated goods or services.
- The Court may take judicial notice of information in the public record, <u>Sec'y of State for Defence v. Trimble Navigation Ltd.</u>, 484 F.3d 700, 705 (4th Cir. 2007), such as registrations in the Principal Register.
- The Fourth Circuit's likelihood of confusion doctrine instructs courts to examine the following factors: "(1) the strength or distinctiveness of the plaintiff's mark as actually used in the marketplace; (2) the similarity of the two marks to consumers; (3) the similarity of the goods or services that the marks identify; (4) the similarity of the facilities used by the markholders; (5) the similarity of advertising used by the markholders; (6) the defendant's intent; (7) actual confusion; (8) the quality of the defendant's product; and (9) the sophistication of the consuming public." George & Co. LLC v. Imagination Entm't Ltd., 575 F.3d 383, 393 (4th Cir. 2009).
- Fair use is "use, otherwise than as a mark,...of a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin...." 15 U.S.C. § 1115(b)(4). Descriptive or classic fair use "applies when the [dilution] defendant is using a trademark in its primary, descriptive sense to describe the defendant's goods or services," whereas "nominative fair use comes into play when the defendant uses the famous mark to identify or compare the trademark owner's product." Rosetta Stone Ltd. v. Google, Inc., 676 F.3d 144, 169 (4th Cir. 2012) (quotation marks omitted).
- 9 At oral argument, plaintiff conceded that other domain names involving the word "booking" are protected under the fair use doctrine.
- In rejecting plaintiff's applications, the TTAB observed that "[a]s domain name registrations are not perpetual, [the plaintiff] may be supplanted as the registrant of that Internet address or may voluntarily transfer its domain name registration to another." A1103. A practical problem might arise if the plaintiff let the domain name registration lapse or transferred it but wanted to continue using the mark; however, because a trademark right would only enhance plaintiff's incentive to maintain its registration the Court need not concern itself with this remote possibility. In addition, this concern applies equally to personal names and alphanumeric telephone numbers, both of which are eligible for trademark protection. See 1 McCarthy on Trademarks §§ 7:13, 7:17.50, 13:1.

- At first glance, it may not be immediately apparent why plaintiff, which uses a unique domain name as its mark, needs trademark protection; however, in the absence of protection, competitors could capitalize on plaintiff's goodwill by expropriating its brand identifiers by, for example, adopting a similar domain name and using the stylized elements of plaintiff's mark or advertising with a hyperlink labeled "Booking.com" that opened a different domain name. Without trademark protection, plaintiff might have some recourse in unfair competition and related torts, but outcomes in this area of law are difficult to predict and leave much to judicial discretion, see 1 McCarthy on Trademarks § 1.11, increasing plaintiff's business risk and leaving consumers more vulnerable to misinformation regarding plaintiff's brand.
- Defendants contend that the report of plaintiff's linguistics expert, Dr. Sarah–Jane Leslie, must be excluded because her research on generics in the field of linguistics has no bearing on generics in the domain of trademark and is therefore inadmissible under Rule 702. Def. Mem. at 27. Although Dr. Leslie's opinion is not relevant as legal expertise, her robust knowledge of linguistics is certainly relevant to the ultimate inquiry, which, as explained by Judge Learned Hand, "is merely one of fact: what do buyers understand by the word for whose use the parties are contending?" Bayer Co. v. United Drug Co., 272 F. 505, 509 (S.D.N.Y. 1921).
- Defendants only included printouts of the websites' home pages in their exhibits. To understand the context of this evidence, the Court visited the websites and reviewed each page to see how the proprietors of the sites described their services. None of the sites describes their services as a "booking.com," rather they describe themselves using proper nouns, such as "Vacation Home Booking."
- 14 In support of their argument, defendants cite Reed Elsevier, 482 F.3d at 1380, in which the Federal Circuit found that eight third-party websites containing "lawyer.com" in their domain names supported the finding that LAWYERS.COM was generic. Def. Mem. at 23. Based on the reasoning set forth above, most notably the deferential standard of review applicable in the Federal Circuit, the Court finds Reed Elsevier unpersuasive.
- Hunt Master's holding has been criticized by the leading trademark treatise, which argues that by categorizing marks as coined or non-coined before determining the relevance of survey evidence, "[t]he Fourth Circuit assumed that which was to be decided....It is an audacious thing for a court to state that consumer perception is irrelevant when the issue is whether a designation is perceived by the consuming public as a generic name or not." 2 McCarthy on Trademarks § 12:17.50.
- In response, defendants argue that there "are no advertising materials that show how [p]laintiff has sought to replace, in the minds of consumers, the general descriptiveness of the term with an impression of a single-source identification."

 Id. This argument is wholly without merit. First, there is no legal basis for requiring a plaintiff to produce the content of its advertising materials to prove that the public recognizes its mark as a brand. Second, this argument simply begs the question, because notwithstanding the "general descriptiveness of [a] term," whether consumers associate "the term with an impression of a single-source identification" is the essence of the secondary meaning inquiry.
- 17 BOOKING.COM annual sales revenues and gross transaction value for the last three years were filed under seal because this information is "competitively valuable and commercially sensitive, and its disclosure is likely to cause harm to the competitive position of Booking.com." [Dkt. No. 67] at 2. The Court is satisfied, based on its review of the sealed filings, that Booking.com has presented compelling evidence of sales success.
- This number likely includes a number of non-U.S. consumers, but even if only a fraction of these consumers were in the United States, this data point would still indicate widespread awareness among U.S. consumers.
- Defendants also argue that "[u]se of a company name does not demonstrate consumer recognition as a brand." Def. Mem. at 30. Defendants identifies no legal basis for drawing a distinction between a company name and a brand, nor is the Court aware of any. See Sara Lee, 81 F.3d at 464 (recognizing that EXXON, POLAROID, and APPLE, all the names of major companies, are also brands). Such a distinction might make sense in certain contexts. For example, consumer recognition of the company name Procter & Gamble would not necessarily be probative of consumer recognition of its brands, such as DAWN for dish soap. But, here, the company name and the brand name BOOKING.COM are one and the same.
- Plaintiff briefly argues that the mark BOOKING.COM is suggestive. Pl. Mem. at 28; Pl. Opp. at 11–2. A suggestive mark is one that is "partially descriptive and partially fanciful." Perini, 915 F.2d at 124. Plaintiff does not make a serious attempt to substantiate this claim, therefore the Court has not addressed it.
- Documents in the record indicate that plaintiff has trademark registrations in the United Kingdom and New Zealand that are only for Class 43, although there is no evidence as to whether plaintiff sought protection for Class 39. A1557–60. In the European Union, Booking has registered its mark in Classes 35, 39, and 43. A1548–53.
- The '998 Application sought registration for BOOKING.COM in standard characters, as to the Class 43 services, therefore the Court's analysis of the wordmark is sufficient to conclude that it is entitled to protection. A1–6. The '097 Application involved design elements, specifically "a stylized depiction of the earth behind a briefcase," and the examiner and the

TTAB both found that the stylized elements of the mark were registrable if plaintiff disclaimed the word mark. A3765–66, A3801. Inferring that this requirement demonstrates that the USPTO concluded that the stylized elements of the mark were eligible for protection, the USPTO will also be ordered to grant the '097 Application as to the Class 43 services.

Both the '365 Application and '366 Application include design elements. The '365 application includes a specific font, with "Booking" in dark blue and ".com" in light blue, A2088–89, and the '366 application includes the same font enclosed in the dark blue colored box with the word "Booking" in white and ".com" in light blue, id. The TTAB concluded that these design and color elements were "not, in themselves, distinctive and that they therefore do not justify registration of the mark." A2122 (emphasis added).

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United States District Court,
N.D. Georgia,
Atlanta Division.

NIGHTLIGHT SYSTEMS, INC., Plaintiff and Counterclaim—Defendant,

v.

NITELITES FRANCHISE SYSTEMS, INC.; Nitelites Manufacturing & Distribution Systems, Inc.; and Thomas Frederick; Defendants and Counterclaim—Plaintiffs,

v.

Robert Gates, Counterclaim-Defendant.

Civil Action No. 1:04–CV–2112–CAP. | July 17, 2007.

Named Expert: Kenneth A. Hollander, Ph.D.

Attorneys and Law Firms

Harold L. Marquis, Cynthia Jeannette Lee, Thomas Kayden Horstemeyer & Risley, Thomas R. Todd, Jr., Office of Thomas R. Todd, Jr., Atlanta, GA, for Plaintiff and Counterclaim—Defendant.

Steven Paul Smith, Thompson Hine LLP, Robert L. Lee, David J. Stewart, Andrew J. Wilson, Alston & Bird, Atlanta, GA, Theodore D. Lienesch, Thomas A. Knoth, Thompson Hine LLP, Victoria L. Nilles, Law Office of Victoria L. Niles, Dayton, OH, for Defendants and Counterclaim—Plaintiffs.

Paul S. Owens, Paul Owens & Associates, Atlanta, GA, for Counterclaim–Defendant.

ORDER

CHARLES A. PANNELL, JR., District Judge.

*1 This matter is now before the court on the plaintiff's/counterclaim-defendants' motion to exclude certain expert testimony [Doc. No. 125].

The plaintiff/counterclaim defendants seek to exclude the testimony of and a survey conducted by Kenneth A. Hollander, an expert witness for the defendants, relating to the genericness of the NITE LITES service mark. An oral hearing was held on July 10, 2007. Mr. Hollander testified for the defendants, and Kenneth L. Bernhardt, Ph.D., testified for the plaintiffs.

I. Hollander's Survey

In January 2006, Hollander commissioned a third party to conduct a survey he designed to determine whether the term NITE LITES is or is not a generic designation for systems that provide low-voltage nighttime illumination of the exteriors of upscale residences [Doc. No. 125, Ex. A]. Hollander designed the survey based on the "Thermos Survey" model, a product category survey that generally describes the product and asks respondents how they would ask for the product in a store. See J. Thomas McCarthy, 2 McCarthy on Trademarks and Unfair Competition §§ 12:15; 12:16 (4th ed.). The "Thermos Survey" model is based on a survey testing the name "thermos" as a generic name for vacuum bottles. Id. (citing American Thermos Prod. Co. v. Aladdin Indus. Inc., 207 F.Supp. 9 (D.Conn.1962)).

Hollander's survey consisted of interviewing a random sample of 200 homeowners who owned single-family dwelling units costing \$300,000 or more, who were familiar with the practice of homeowners illuminating their trees and the outside of their houses with a low-voltage system, and who had ever illuminated their own trees and house and/or were likely to do so in the next 12 months.

The interviews were conducted by a third party unaffiliated with either the defendant or Hollander. The third party used a computer-assisted telephone interviewing (CATI) procedure to conduct the interviews. Neither the interviewer nor the interviewes were told of the underlying purpose of the interview. Half of the interviews were conducted in the Atlanta Standard Metropolitan Statistical Area, while the other half were conducted elsewhere in the continental United States.

The interview consisted of two sets of questions—screening questions and main questions. The screening questions were designed to identify individuals within the relevant consuming public for outside low-voltage

home illumination, which Hollander termed the "relevant universe" or "survey universe," and asked:

- 1. Do you own your own home? Those who did were asked:
- 2. Is it a detached home, a town home, an attached house, a mobile house, or some other? Those owning a detached home were asked:
- 3. When you bought the home, did it cost less than \$300,000 or \$300,000 or more? Those whose home cost \$300,000 or more were asked:
- 4. Are you familiar with the practice of homeowners illuminating their trees and the outside of their houses with a low voltage system? Those who were familiar were asked:
- *2 5. Have you ever illuminated your trees and the outside of your house with a low voltage system? Those who had continued on to the main questions. Those who had not were asked:
- 6. In the next 12 months, how likely would you be to consider illuminating your trees and house with a low

voltage system: Very likely, somewhat likely, or not likely? Those who were very likely or somewhat likely to do so continued on to the main questions.

The main questions were designed to identify what terms the relevant universe used to describe a system of outside low-voltage home illumination, and asked:

- 1. What do you call such a system of outside illumination? Please be as specific as possible.
- 2. Do you know the names of manufacturers of such illuminating systems? Those who did were asked:
- 3. Who are those manufacturers?
- 4. Can you name any trademarks or brand names of such outside illumination systems? Those who did were asked:
- 5. What are those brand names?

When asked "What do you call such a system of outside illumination?" respondents answered as follows:

consider illuminating your trees and house with a low Term	Total	Atlanta	National
	(200)	(100)	(100)
	%	%	%
Outdoor/exterior lighting	48.5	44.0	53.0
Landscape lighting	26.5	23.0	30.0
Decorative lighting	10.0	11.0	9.0
Spotlighting	7.0	11.0	9.0
Uplighting	5.5	5.0	6.0
Low voltage lighting	5.5	5.0	6.0
Lighting (just)	3.5	4.0	3.0
Malibu	3.0	3.0	3.0
Moonlighting	1.5	1.0	2.0
Night lights/Nite lites	0.5	0.0	1.0
Other	14.0	15.0	13.0
Don't know	8.5	11.0	6.0

Total 1

After analyzing the results of the survey, Hollander concluded that the term "nite lites" in any of its variant spellings was not a generic designation for systems that provide low-voltage nighttime illumination of the exteriors of upscale homes [Doc. No. 125, Ex. A, 3]. He based his conclusion on the fact that a substantial percentage of the respondents did not respond to the main questions with a variant of "nite lites." *Id.* For example, only one in 200 interviewees (0.5%) used the term "nite lites" to describe a system of outside illumination in main question 1.

II. Motion to Exclude Expert Testimony

A. The Plaintiffs' Objections to Hollander's Survey

The plaintiffs object to the admissibility of Hollander's survey on two principle grounds. First, the plaintiffs contend that Hollander's survey is irrelevant on the issue of genericness due to his using the wrong methodology [Doc. No. 125–2, 1–2]. Second, the plaintiffs contend that the probative value of Hollander's testimony is considerably outweighed by the likelihood of confusion of the testimony. *Id.*

In particular, the plaintiffs challenge the specific type of survey used by Hollander, the questions posed by Hollander in the survey, the relevant universe surveyed, and the timing of the survey itself. In addition to these objections, the plaintiffs object to the use of certain words by Hollander in his report and his capitalization of the term "nite lites" within the report.

B. The Daubert/Kumho Standard

*3 The district court is obligated to act as a gatekeeper to the admission of expert testimony by ensuring that it "both rests on a reliable foundation and is relevant to the task at hand." *Daubert v. Merrell Dow Pharmaceuticals, Inc.*, 509 U.S. 579, 597 (1993). Determinations regarding the admissibility of such testimony are controlled by Federal Rule of Evidence 702, as explained by the Supreme Court in *Daubert* and its progeny. *City of Tuscaloosa v. Harcros Chemicals, Inc.*, 158 F.3d 548, 562 (11th Cir.1998). *See also Fed. R. Evid.* 702 ("If scientific, technical, or other specialized knowledge will assist the trier of fact to understand the evidence or to determine

132.5 132.0 133.0

a fact in issue, a witness qualified as an expert by knowledge, skill, experience, training, or education, may testify thereto in the form of an opinion or otherwise, if (1) the testimony is based upon sufficient facts or data, (2) the testimony is the product of reliable principles and methods, and (3) the witness has applied the principles and methods reliably to the facts of the case."); *Daubert*, 509 U.S. at 585–97.

Under these rules, the district court generally engages in a three-part inquiry to determine the admissibility of expert testimony. Specifically, the court considers whether (1) the expert is qualified to testify competently regarding the matters he intends to address, (2) the methodology by which the expert reaches his conclusions is sufficiently reliable as determined by the sort of inquiry mandated in Daubert, and (3) the testimony assists the trier of fact, through the application of scientific, technical, or specialized expertise, to understand the evidence or to determine a fact in issue. *Quiet Technology DC-8*, Inc. v. Hubel-Dubois UK Ltd., 326 F.3d 1333, 1340-41 (11th Cir.2003). The same standard applies to all expert testimony, including testimony regarding scientific, technical, and other specialized matters. Kumho Tire Co. v. Carmichael, 526 U.S. 137, 147 (1999).

In the end, it is not the role of the district court to make ultimate conclusions as to the persuasiveness of the proffered evidence. *Quiet Technology*, 326 F.3d at 1341. Indeed, a district court's gatekeeper role is not intended to supplant the adversary system or the role of the jury. *Id.* Quite the contrary, vigorous cross-examination, presentation of contrary evidence, and careful instruction on the burden of proof are the traditional and appropriate means of attacking shaky but admissible evidence. *Id.*

The "overarching" goal of *Daubert's* gatekeeping requirement is simply to make certain that an expert, whether basing testimony upon professional studies or personal experience, employs in the courtroom the same level of intellectual rigor that characterizes the practice of an expert in the relevant field. *Kumho*, 526 U.S. at 152.

C. Application of the Standard in this Case

1. Qualifications of the Expert

*4 To testify as an expert, the expert must be "competent and qualified by knowledge, skill, experience, training, or education to render the opinion." Siharath v. Sandoz Pharms. Corp., 131 F.Supp.2d 1347, 1351 (N.D.Ga.2001), aff'd sub nom. Rider v. Sandoz Pharms. Corp., 295 F.3d 1194 (11th Cir.2002). "It is not necessary that the witness be recognized as a leading authority in the field in question.... Gaps in an expert witness's qualifications or knowledge generally go to the weight of the witness's testimony not its admissibility. Thus, Rule 702 takes a liberal approach to expert witness qualification." Leathers v. Pfizer, Inc., 233 F.R.D. 687, 692 (N.D.Ga.2006)(citing 29 Charles Alan Wright & Victor James Gold, Federal Practice and Procedure: Evidence § 6265 (West 1997)).

Kenneth Hollander is currently the chief executive officer of Kenneth Hollander Associates, a marketing and research consultation firm he founded in 1974. Hollander received a Master of Business degree from the University of Missouri, and is a lecturer, or has lectured, for marketing research courses at the University of Georgia Graduate School of Business, Emory University Graduate School of Business, and Stanford University Graduate School of Business.

Hollander testified at the hearing that Kenneth Hollander Associates is exclusively involved in ad hoc consumer survey research. Hollander further testified at the hearing that he has spent the majority of his career at Kenneth Hollander Associates, and elsewhere, designing, executing, and analyzing consumer survey research. Hollander testified that he has conducted over 3,000 surveys during his career, including a number of surveys relating to the genericness of trademarks.

The court finds Hollander qualified to render an opinion in this case based on Hollander's knowledge and experience with designing, executing, and analyzing consumer survey research, including his experience in conducting surveys relating to trademarks. ²

2. The Methodology by which the Expert Reaches his Conclusions

In *Daubert*, the Court recognized that a determination of admissibility of scientific evidence was a flexible inquiry, and that many factors will bear on it, including: 1) whether the method used is testable or has been tested; 2) whether the method or theory has been subject to peer review

or publication; 3) whether the method has a known or potential rate of error; and 4) whether the method has achieved general or widespread acceptance. *Daubert*, 509 U.S. at 593–94.

"Courts have frequently relied upon properly conducted surveys in determining whether marks are generic or descriptive. Indeed, survey evidence may be the most practical manner of approaching the evaluation of public reaction in a case." *Anheuser–Busch Inc. v. Stroh Brewery Co.*, 750 F.2d 631, 639 (8th Cir.1984) (citations omitted). As one leading treatise has stated, "consumer surveys have become almost de rigueur in litigation over genericness." McCarthy, *supra*, at § 12:14.

*5 To be relevant, a survey must be directed at the issue of consumer perception as to the significance and meaning of the designation in issue. *Id.* Logic dictates that if a survey shows that only a small percentage of the relevant group is even aware of the disputed term, then this is evidence that the term is not used in a generic name by a majority of the relevant group. *Id.*

In order to be reliable, however, expert testimony relating to survey research must be supported by scientific knowledge grounded in the methods and procedures of science. Thus, one of the focuses of inquiry regarding the reliability of a survey, and testimony related to such, is whether the survey was conducted in accordance with generally accepted survey principles. Shari Seidman Diamond, *Chapter SE 6 Reference Guide to Survey Research* § 1, *Reference Manual on Scientific Evidence* (2007).

Even assuming that a survey has technical deficiencies, the survey does not necessarily have to be excluded. Alleged technical deficiencies in a survey go to the weight of the survey, not necessarily its admissibility. *See Jellibeans, Inc. v. Skating Clubs of Georgia, Inc.*, 716 F.2d 833, 845 (11th Cir.1983). If the survey has probative value, the court may still receive the evidence subject to argument about its weight. *Id.* at 846, n. 24.

a. The Survey Method Used by Hollander

The plaintiffs object to the admissibility of Hollander's survey on the basis that, inter alia, the "Thermos Survey" was the wrong survey methodology to use in concluding

that the term "nite lights" was not generic. ³ The plaintiffs' contention is while it may be true that high usage of a term may show "genericness," it does not follow that the lack of usage shows that the term is not generic [Doc. No. 125–2, 5]. Because of this, the plaintiffs contend that the "Thermos Survey" is irrelevant to show nongenericness of the mark NITE LITES. The plaintiffs contend that Hollander should have employed a "Teflon Survey" model instead of the "Thermos Survey."

Two general models of a genericness survey have evolved. McCarthy, *supra*, at § 12:15 (citing Simonson, *An Empirical Investigation of the Meaning and Measurement of Genericness*, 84 Trademark Rep. 199 (1994)). The first, known as a "Thermos Survey," is based on a survey used to prove that the term "Thermos" was a generic name. *See American Thermos Prod. Co.*, 207 F.Supp. 9. A "Thermos Survey" generally describes the product, puts the respondent in an imaginary situation walking into a store, and asks how the respondent would ask for the product. McCarthy, *supra*, at § 12:15. If a large percentage of the respondents use the term in question in their answers, it supports the position that the name is generic, and vice versa. Simonson, *supra*, at 202.

The drawback of a "Thermos Survey" is that for a very strong trademark, respondents with brand loyalty may answer with the trademark and not use what they consider to be a generic name, because it's so obvious to them. McCarthy, *supra*, at § 12:15. Therefore the use of a "Thermos Survey" runs the risk that the genericness of a popular trademark may be overestimated. *See* Simonson, *supra*, at 203.

*6 The second popular genericness survey model is known as a "Teflon Survey" because it was used to prove that the term "Teflon" was not a generic name. McCarthy, supra, at § 12:16 (citing E.I. Dupont de Menours & Co. v. Yoshida Int'l, Inc., 393 F.Supp. 502 (E.D.N.Y.1975)). In a "Teflon Survey" respondents are first given an explanation of the difference between generic and brand names and are then asked to classify different terms, including the disputed name, as one of these two types. See id. The "Teflon Survey" attempts to avoid the problem inherent in the "Thermos Survey" of respondents identifying popular trademarks as generic without further input as to the principle significance of the mark to them as either branded or common. See Simonson, supra, at 203–204.

The evidence suggests that the "Thermos Survey" is a method that has achieved general acceptance for use in determining the genericness of a disputed term. As described above, a leading treatise on the subject describes the "Thermos Survey" as one of two general approaches to determine the genericness of a mark. McCarthy, *supra*, at § 12:15. In addition, The "Thermos Survey" has been repeatedly tested, and a potential error rate has been identified. *See* Simonson, *supra*, at 203 (indicating that the "Thermos Survey" generally overestimates the genericness of a disputed term).

The court is not persuaded that the use by Hollander of a "Thermos Survey" to conclude that a term is not generic is sufficiently beyond the standards practiced in the field of surveying so as to deem the survey unreliable. During the oral hearing, Hollander testified that the term in dispute, "nite lights," is a common name for an unrelated product —dim lights used in the interior of a home to illuminate a dark area. Hollander explained that a "Thermos Survey" that described the product at issue first followed by questions asking the respondents to describe what terms they would use to ask for such a product is likely to reduce the risk of respondents identifying the term "nite lites" as generic for the unrelated common indoor product, thus avoiding a false positive result for genericness. Hollander further testified that the "Thermos Survey" was especially suited to determine the genericness, or lack thereof, of a disputed term in situations where the term at issue had a low incidence of consumer penetration in the relevant market and, therefore, was not a popular brand name for the product. Furthermore, at least one additional publication indicate that the "Thermos Survey" model can be used to determine the genericness, or lack thereof, of a disputed term. See Simonson, supra, at 202 ("If a large proportion of respondents use the term in question in their answers, it supports the position that the name is generic, and vice versa."). Logic dictates that if a survey shows that only a small percentage of the relevant group is even aware of the disputed term, then this is evidence that the term is not used in a generic name by a majority of the relevant group. See McCarthy, supra, at § 12:14.

*7 Therefore, this court finds that, under the alleged facts in this particular case, the "Thermos Survey" method used by Hollander is of sufficient reliability and relevance to allow admissibility. ⁴ The extent to which Hollander's conclusion that the disputed term is not generic or that the

"Teflon Survey" is superior to the "Thermos Survey" for determining non-genericness goes to the weight afforded the survey, not its admissibility. ⁵ See Jellibeans, Inc., 716 F.2d at 845

b. Flaws with the Survey Universe

The plaintiffs further contend that Hollander's survey is irrelevant because it targeted an improper or too narrow "relevant universe" or "survey universe." The basis of this contention is that Hollander included in his universe of interviewees: 1) anyone who had ever illuminated their trees or home with a low voltage illumination system, and not just individuals who had done so in the last 12 months; 2) only individuals who had illuminated their homes with such systems, and not individuals who had illuminated only their businesses; and 3) only individuals who paid \$300,000 or more for their home.

"One of the first steps in designing a survey or in deciding when an existing survey is relevant is to identify the target population." Diamond, *supra*, at § 3. The target population is consumers who have purchased or are likely to purchase the product at issue.

During the oral hearing, Hollander testified that the survey was designed to interview the target consumers for low-voltage outdoor illumination—individuals who owned high valued homes. 6 According to Hollander, he designed the criteria for his "survey universe" based largely on necessity due to the low incidence of homeowners who had purchased or were contemplating purchasing a low-voltage outdoor illumination system. Hollander testified that he included any homeowner that had purchased a system in order to ensure that he had enough respondents to survey because of the low incidence of purchase of low voltage outdoor illumination. He further testified that he sought a bright line cutoff of \$300,000 to ensure that the screening questions were objective, reducing the potential for homeowners who did not pay \$300,000 or more for their home to overestimate the value of their home and skew the population of interviewees.

The court finds that Hollander's "survey universe" sufficiently defined the target population at issue in this case. Furthermore, the court finds that Hollander did not significantly stray from accepted survey techniques

in defining the "survey universe" so as to render the resultant survey irrelevant. *See* Diamond, *supra*, at § 3. The plaintiffs have provided little support indicating that a different "survey universe" would have produced different results. The extent to which the "survey universe" may be flawed in this particular case goes to the weight afforded the survey, and not its admissibility. *See Jellibeans, Inc.*, 716 F.2d at 845.

c. Flaws with the Survey Questions

*8 The plaintiffs have numerous objections to the questions asked by Hollander, alleging that Hollander carefully and intentionally avoided common, ordinary terms by which people might be familiar with the product category at issue in order to avoid the playback of the generic term "night lights." Furthermore, the plaintiffs contend that the use of "outside illumination" and "low voltage" to identify the product at issue instead of more common terms such as "outdoor lighting system" improperly narrowed the category of goods at issue. Because of this, the plaintiffs contend that the survey is irrelevant and unreliable.

During the oral hearing, Hollander testified that he sought to avoid the use of leading questions using the disputed terms at issue in order to prevent the survey phenomenon of "playback." According to Hollander, "playback" occurs when a question is asked using a particular term, and that term is repeated by the respondent as the answer to the question. For this reason, Hollander avoided the use of the terms "night" and "lights" in his questions. Hollander further testified that he used the term low voltage because it was the particular type of lighting system in dispute. ⁷

The court finds that the survey questions are sufficiently reliable and relevant to allow admissibility. *See, for example,* Diamond, *supra,* at § 4. To the extent the particular terms used in the questions or the questions themselves are flawed in this particular case goes to the weight afforded the survey, and not its admissibility. *See Jellibeans, Inc.,* 716 F.2d at 845.

d. Lack of a Control Question

The plaintiffs also object to the lack of a control question in Hollander's survey to show that the respondents understood what the phrase "night lights" meant. During the oral hearing, the plaintiffs' expert, Dr. Bernhardt, conceded that a control question in a "Thermos Survey" would be difficult to use, and that he was not criticizing Hollander's survey for not having a control question.

As the court has found the use of the "Thermos Survey" reliable and relevant in the instant case, the court finds the lack of a control question in Hollander's survey not sufficiently unreliable or irrelevant so as to prevent its admissibility. The extent to which the survey lacks a control question goes to the weight afforded the survey, and not its admissibility. *See Jellibeans, Inc.*, 716 F.2d at 845.

e. Spelling and Capitalization

The plaintiffs further criticize Hollander's report for suggesting that the term "nite lites" is not generic by capitalizing it. The plaintiffs do not explain, however, how the capitalization of the term "nite lites" in the report affected the outcome of a telephone survey, or the conclusion reached in the survey. Therefore, the court finds the capitalization issue irrelevant to the admissibility of the survey.

The plaintiffs also contend that Hollander inaccurately stated that the term "nite lites" is a homonym of the term "night lights." A homonym is one of two or more words spelled and pronounced alike but with different meanings. Regardless of whether the terms "nite lites" and "night lights" are homonyms, the court finds that the use of the word "homonym" by Hollander in his report did not affect his survey research or conclusions, and is therefore irrelevant to the issue of admissibility.

*9 The plaintiffs further contend that Hollander's survey failed to take into account any differences in consumer responses as to how the two terms are spelled, e.g., "night lights" versus "nite lites." Hollander's survey indicates, however, that he considered responses with some variant of "night lights" irrespective of spelling [Doc. No. 125, Ex. A, 16]. The plaintiffs do not sufficiently explain how the failure to visually show interviewees the term "nite lites" results in the survey being irrelevant or unreliable, and the

court finds that such failure is not sufficient to render the survey inadmissible.

f. Timing

The plaintiffs also contend that the staleness of the survey renders the survey irrelevant because the meaning of the phrase "night lights" to the "survey universe" may have changed since the time the survey was taken. The plaintiffs, however, have failed to put forth sufficient factual evidence to support this position.

At least one treatise suggests that there are three possibilities for the critical date when genericness is to be tested: (1) the date when the proponent of the trademark rights first began the alleged trademark use, (2) just before the date when the accused infringer first entered the market, and (3) the current date of the litigation. McCarthy, *supra*, at § 12:17.50. At least one court in this circuit has found a genericness survey admissible when taken during the discovery phase of the litigation. *See Burger King Corp. v. Pilgrim's Pride Corp.*, 705 F.Supp. 1522, 1525 (S.D.Fla.1988). 8

In the instant case, the litigation was filed in 2004. The survey was taken in January of 2006, during the active litigation. The court finds that, given the lack of evidence presented by the plaintiffs on this issue, the survey is not inadmissible due to untimeliness. Any deficiencies in the timeliness of the survey in the instant case goes to the weight afforded the survey, and not its admissibility. *See Jellibeans, Inc.*, 716 F.2d at 845.

3. Helpfulness of the Testimony to the Trier of Fact

The third inquiry in determining the admissibility of expert testimony is whether the testimony assists the trier of fact, through the application of scientific, technical, or specialized expertise, to understand the evidence or to determine a fact in issue. *Quiet Technology DC–8, Inc.*, 326 F.3d at 1340–41.

A pivotal issue in this case is whether the term "nite lites" is generic when used to describe a system of low voltage outdoor illumination. A genericness determination centers on the perception of the relevant consumer population for the product at issue. See

McCarthy, *supra*, at § 12:14. Surveys are generally utilized in the courts to support such a determination. *See id.* ("Consumer surveys have become almost de riguer in litigation over genericness."). The court finds that Hollander's survey meets the criteria of helpfulness to the trier of fact given the specific allegations and contentions of this case.

jury...." Fed. R. Evid. 403. For the reasons described above, the court finds Hollander's survey evidence relating to the issue of genericness probative of the issue. To the extent that technical flaws do exist in Hollander's survey, the court finds that such flaws are not likely to result in confusing the jury.

is substantially outweighed by the danger of unfair

prejudice, confusion of the issues, or misleading the

4. Probative Value of Hollander's Survey

*10 The plaintiffs also contend that the probative value of Hollander's testimony is considerably outweighed by the likelihood of confusion of such testimony for the trier of fact. The plaintiffs appear to base this argument on the fact that the "Thermos Survey" model is an inappropriate model for showing that the term "nite lites" is not a generic term for systems of low voltage outdoor illumination.

Federal Rule of Evidence 403 provides that relevant evidence may be excluded "if its probative value

Conclusion

For the foregoing reasons, the plaintiffs' motion to exclude expert testimony [Doc. No. 125] is DENIED.

SO ORDERED.

All Citations

Not Reported in F.Supp.2d, 2007 WL 4563873

Footnotes

- 1 Some respondents gave more than one answer.
- The court notes that plaintiffs have not challenged Hollander's qualifications to testify as an expert in this case.
- The plaintiffs appear to have styled this argument as Hollander purportedly using the "Thermos Survey" methodology when he did not do so [Doc. No. 125, 4]. A review of the plaintiffs' expert's report, however, appears to contradict this. See Pl.Ex. 1, 8, July 10, 2007 oral hearing ("[Hollander] uses the "Thermos protocol"...). The court understands the argument to be that the "Thermos Survey" was the wrong survey method to use for the conclusions Hollander reached in his expert report.
- The court acknowledges the plaintiffs' citations in their reply brief [Doc. No. 140] to Louis Altman, 3 *Callmann on Unfair Competition., Tr. & Mono.* § 18:30 (4th Ed.) and *Nestle Co., Inc. v. Chester's Market, Inc.,* 571 F.Supp. 763, 776 (D.Conn.1983), *motion to vacate denied by,* 596 F.Supp. 1445 (D.Conn.1985), *order reversed by,* 756 F.2d 280 (2nd Cir.1985). The court finds these citations unpersuasive given the totality of the evidence in this case and the particular facts in *Nestle,* most notably the expert's purported conclusion of non-genericness based upon a survey that resulted in over 13% of respondents identifying the disputed term as a descriptive term for the product category.
- The court notes that on cross-examination, the plaintiffs' expert, Dr. Bernhardt, indicated that he was unaware of the "Teflon Survey" being used in a situation where a disputed mark was a common descriptive term in a different field, but had a low incidence of market penetration in the relevant field at issue.
- The court notes the supporting deposition testimony of Robert Gates, CEO of NSI, with respect to the targeted consumer population of low-voltage outdoor illumination [Doc. No. 137, Ex. B].
- The court notes that the NITE LITES Mark at issue in this matter is registered with the USPTO for "installation of electrical systems; namely, outdoor, low voltage lighting systems in class 37." USPTO Reg. No. 1,872,819.
- In the *Burger King* case, the defendants argued that the survey should be excluded because it was taken after the date that the plaintiff first began using the disputed term and at a time when there was significant third-party use of the term. The court concluded that the timing of the survey goes to the weight afforded the survey, and not its admissibility.

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KeyCite Yellow Flag - Negative Treatment

Decree Modified by King-Seeley Thermos Co. v. Aladdin Industries,
Inc., D.Conn., July 14, 1970

207 F.Supp. 9 United States District Court D. Connecticut.

The AMERICAN THERMOS PRODUCTS COMPANY, Plaintiff,

V.

ALADDIN INDUSTRIES, INCORPORATED, Defendants.

No. 7320. | June 26, 1962.

Synopsis

Action on account of threatened trade-mark infringement. The District Court, Anderson, Chief Judge, held that trade-marks 'Thermos', 'THERMOS' and word 'thermos' in design were valid, but would not be infringed by defendant's generic, descriptive use of word 'thermos' in lower case type, and in manner to avoid confusion and deceit.

Ordered accordingly.

West Headnotes (7)

[1] Trademarks

Particular cases

Evidence in action for threatened trademark infringement established that defendant had sustained burden of proving that word "thermos" was descriptive and generic and belonged in public domain, due to trademark holder's dissemination of word through its educational and advertising campaign and because of holder's lack of reasonable diligence in asserting and protecting trademark rights in word. Lanham Trade-Mark Act, §§ 1 et seq., 32(1) as amended 15 U.S.C.A. §§ 1051 et seq., 1114(1).

4 Cases that cite this headnote

[2] Trademarks

← Infringement in general

Defendant would be permitted to use "thermos" on its vacuum bottles, despite plaintiff's valid trade-mark on "Thermos", where "thermos" had become part of public domain, but use would be limited in manner to eliminate confusion and possibility of deceit with respect to the appreciable, although minority, segment of consumer public which knew, recognized and used trade-mark "Thermos". Lanham Trade-Mark Act, §§ 1 et seq., 32(1) as amended 15 U.S.C.A. §§ 1051 et seq., 1114(1).

3 Cases that cite this headnote

[3] Trademarks

Other particular marks

Trademarks

Identification or Description

Trade-marks "Thermos", "THERMOS" and word "thermos" in design were valid, but would not be infringed by defendant's generic, descriptive use of word "thermos" in lower case type, and in manner to avoid confusion and deceit. Lanham Trade-Mark Act, §§ 1 et seq., 32(1) as amended 15 U.S.C.A. §§ 1051 et seq., 1114(1).

4 Cases that cite this headnote

[4] Trademarks

Loss of distinctiveness; acquired generic meaning

Trademarks

Presumptions and burden of proof

Party claiming right to use trade-marked word need not prove that to consuming public as whole word has lost its trade-mark significance, and that there is no minority at all still aware of trade-mark significance. Lanham Trade-Mark Act, §§ 1 et seq., 32(1) as amended 15 U.S.C.A. §§ 1051 et seq., 1114(1).

2 Cases that cite this headnote

[5] Trademarks

Actual confusion

Trademarks

Persons confused; circumstances of sale

Protection may be granted against trademark infringement if there is likely to be confusion among reasonably careful purchasers, without proof of actual instances of confusion.

2 Cases that cite this headnote

[6] Trademarks

Effect of loss, termination, or abandonment of rights

On balancing of considerations of competitive disadvantage to defendant, who claimed right to use trade-marked word which had entered public domain, against risk that minority of consumers who knew, recognized and used word as trade-mark might be deceived, latter were entitled to primary consideration. Lanham Trade-Mark Act, §§ 1 et seq., 32(1) as amended 15 U.S.C.A. §§ 1051 et seq., 1114(1).

1 Cases that cite this headnote

[7] Trademarks

Alphabetical listing

Thermos.

1 Cases that cite this headnote

Attorneys and Law Firms

*10 Wallace H. Martin, Walter J. Halliday and Robert Bonynge, Nims, Martin, Halliday, Whitman & Williamson, New York City, Shepherd, Murtha & Merritt, Hartford, Conn., for plaintiff.

Dugald S. McDougall, Theodore R. Scott, Ooms, McDougall & Hersh, Chicago, Ill., Curtiss K. Thompson,

Thompson Weir & Barclay, New Haven, Conn., for defendant.

Opinion

ANDERSON, Chief Judge.

- 1. This is an action for threatened trade-mark infringement. The plaintiff is a Michigan corporation, having its principal place of business at Norwich, Connecticut. The defendant, an Illinois corporation, has its principal place of business at Nashville, Tennessee. While both parties make and sell some other products, they are competitors in the manufacture and sale of vacuum-insulated containers of the type used to keep beverages and foods hot or cold. The case arises under the Trademark Act of July 5, 1946, as amended, U.S.C.A. Title 15, § 1051 et seq.; ¹ there is also diversity of citizenship of the parties.
- 2. This action was filed on June 10, 1958. The complaint alleged that the plaintiff owned eight U.S. trade-mark registrations covering the word 'Thermos' and charged the defendant with threatening to sell its own goods under the name 'thermos', in alleged violation of plaintiff's trademark rights. (The complaint also charged the defendant with having actually sold goods thus marked, but no such sales have ever in fact been made.)
- 3. In its answer the defendant acknowledged the existence of a justiciable controversy between the parties, acknowledged its intention to sell vacuum-insulated containers as 'thermos bottles', and averred that the term 'thermos' or 'thermos bottle' is a generic word or phrase in the English language. Thus the issue defined by the pleadings is whether the word 'thermos' is, in fact, a generic descriptive term for a vacuum-insulated container or, on the other hand, is a trade-mark uniquely identifying a product made and sold by the plaintiff.
- 4. The plaintiff's original predecessor in the United States was a German company known as 'Thermos-Gesellschaft M.B.H.', which dealt in vacuum-insulated containers. The German company's business in the United States was taken over in 1907 by a newly organized Maine corporation named 'The American Thermos Bottle Company'; it acquired U.S. patent rights from the German company and set up a factory in Brooklyn, New York. A program of advertising and promotion was launched by the new company, and it prospered. As

business grew, the headquarters was moved to Norwich, Connecticut.

- 5. In 1925, the business and assets of the Maine corporation were, through mesne conveyances, taken over by an Ohio corporation, also named 'The American Thermos Bottle Company'. In 1925, the Ohio company acquired a competitor, Icy Hot Bottle Company and in 1929 purchased *11 another competitor, The Keapsit Company. In 1956 the corporate name of the Ohio Company was changed to The American Thermos Products Company, and business has continued under that name since then. On a few of its products, however, the plaintiff is still using the old name 'The American Thermos Bottle Company'.
- 6. The Ohio corporation was the original plaintiff in this action. In November of 1960, however, its business and assets were transferred to a Michigan corporation of the same name, which is now the party plaintiff. For convenience, the term 'plaintiff' will be used throughout the remainder of these findings to designate the present party plaintiff and its various predecessors, the particular corporation or corporations referred to in each instance being indicated by the context.
- 7. Vacuum ware, with which this suit is concerned, consists of double-walled glass vessels with a vacuum between the walls. Such vessels or containers are provided

with protective metal or plastic casings and other improvements, including shock absorbers and various designs of closures. It is an adaptation of the vacuum flask perfected by Dewar about 1893, but not patented.

- 8. The defendant began to manufacture and sell substantial quantities of vacuum ware in 1945. Although in the years 1945 through 1960 sales by the plaintiff and by the defendant were in a few instances slightly less than those of the next preceding year, the general trend of their net sales was upward.
- 9. The net sales of vacuum ware of the plaintiff in 1907 were \$114,987; in 1910, \$381,184; in 1923, \$1,405,677; and in 1936, \$2,536,112. Its net sales in 1945 were \$5,315,053 and in 1960 were \$13,280,164. The net sales of vacuum ware by the defendant in 1945 totaled \$560,128 and in 1960 were \$6,805,283.
- 10. Since 1957 the plaintiff's net sales of its 'Thermos' trade-mark products have exceeded \$225,000,000; they have been extensively advertised both by the plaintiff, at a cost in excess of \$9,000,000, and by plaintiff's customers under the trade-mark 'Thermos' throughout the United States.
- 11. The plaintiff is the owner of the following registrations of its trademark 'Thermos' in the United States Patent Office:

Registration

Registration

No.	Date	Trademark
67,002 (renewed)	January 7, 1908	"Thermos"
176,064 (renewed)	November 13, 1923	"THERMOS"
229,816 (renewed)	July 5, 1927	"THERMOS"
700,748	July 12, 1960	"THERMOS"
724,440	November 28, 1961	"THERMOS"
725,313	December 19, 1961	"THERMOS"
725,447	December 19, 1961	"THERMOS"
729,146	March 27, 1962	"THERMOS"

- 12. From about 1893 to the present time vacuum-insulated vessels and containers have been called by the descriptive names of 'vacuum bottle', 'vacuum flask', and 'vacuum vessel' and from 1908 to the present time all of plaintiff's competitors in describing or referring to their vacuum-insulated products have used the terms 'vacuum bottle', 'vacuum jug', etc.
- 13. The plaintiff's predecessor, Thermos-Gesellschaft M.B.H., in March of *12 1904 began calling its products of double-walled glass vessels with a vacuum between the walls, 'Thermos' products.
- 14. On March 20, 1907 Thermos-Gesellschaft M.B.H applied to the patent office for registration of 'Thermos' as a trade-mark. It became registered as a trade-mark January 7, 1908.
- 15. Between 1907 and 1923 the plaintiff used the word 'Thermos' almost exclusively in referring to its vacuum-insulated products. Its advertising and literature during those years referred to its product as 'Thermos bottle' without reference to or connection with any then used generic term as, for example, 'Thermos vacuum bottle' or 'vacuum bottle by Thermos'.
- 16. Although the plaintiff, during this period, in most instances accompanied the use of the stylized form of the word



with a notation in relatively small letters that it was a trade-mark, it used 'Thermos', as a noun or adjective, as the sole designation and description of its vacuuminsulated containers.

- 17. As early as 1910 plaintiff asserted 'that Thermos had become a household word.'
- 18. In the latter part of this period the plaintiff included a page in its catalogue which pointed up the stylized

" THERMOS "

as a registered trade-mark followed by some discourse about the qualities of the products, including the sentence:

'By adhering to these principles since the inception of this industry, linked with our extensive educational publicity campaigns, confidence has been established in the minds of the public that Thermos, the original temperature retaining vessels in the various designs, has become a necessary commodity and a boon to humanity.'

In most instances the descriptive material in the catalogue shows the use of 'Thermos' as a synonym for 'vacuuminsulated'.

- 19. The word 'Thermos', used as a synonym for 'vacuum insulated', was, in the latter part of this period, used by the unorganized public in reading-notices, editorials, and other writings for publication. The plaintiff recognized this as an 'enormous amount of free advertising' worth, at that time, between three and four million dollars based upon what the plaintiff would have had to pay for it.
- 20. As a result of plaintiff's plainly generic uses of the word as a name for its product and its uses of 'Thermos' as a synonym for 'vacuum-insulated', with the complete absence of the use of 'Thermos' followed by the words 'vacuum bottle', 'vacuum jug', or 'vacuum carafe', etc., or any other generic term, disseminated through the plaintiff's 'extensive educational publicity campaigns', 'thermos', as a descriptive word, came into popular use.
- 21. On February 25, 1922 in American Thermos Bottle Co. v. W. T. Grant Co., 279 F. 151, aff'd 282 F. 426, the United States District Court for the District of Massachusetts said:
- 'Belatedly defendant's counsel suggests that 'Thermos' is a descriptive word, and that the trade-mark is therefore not valid. This issue was not pleaded, if it needs to be. When the stipulation was made, the parties probably intended by implication to cover the validity as well as the ownership of the trade-mark. The question is not absolutely free from doubt. The vacuum bottles are vessels excluding and including heat, and in that aspect 'Thermos' is descriptive.

There is no evidence in the record that Thermos means to the public vacuum bottles produced by the plaintiff. Compare Coca-Cola Co. v. Koke Co., 254 U.S. 143, 146, 41 Sup.Ct. 113, 65 L.Ed. 189. For present purposes I assume without deciding that the plaintiff has a valid trade-mark, 279 F. at 152.

- 22. While this portion of the District Court's decision was expressly not an adjudication of trade-mark invalidity for *13 genericness, it was a hint or suggestion that such an assertion, if made in time, might have been sustained.
- 23. Immediately following the decision, the plaintiff began to use, in its advertising and on its products, besides the word 'Thermos', the words 'vacuum bottle' or 'vacuum jug', etc., as well as using its trade-mark versions of 'Thermos', accompanied by notations of their trade-mark registration.
- 24. In spite of the addition of the generic terms, 'vacuum bottle', 'vacuum jug', etc., with the trade-mark in prominent print and in a conspicuous location in its catalogues and advertising, the plaintiff continued to use the word 'Thermos' in the text of its catalogues and in the description of its products unaccompanied by any indication that it was a trade-mark and without the generic terms.
- 25. During the period from 1923 to 1953 jobbers, distributors and retailers and others in the trade recognized and treated 'Thermos' as a trade-mark.
- 26. There were, however, in trade journals, in advertising and in publication releases by persons identified with the trade, a number of uses of 'Thermos' as a descriptive term. From 1935 to the time of trial the plaintiff employed a clipping bureau to search out descriptive uses of 'thermos' in advertising and in the trade.
- 27. The plaintiff notified such advertisers or members of the trade of the trade-mark significance of 'Thermos' and requested them to discontinue the descriptive use of the word. This request was in nearly all instances complied with.
- 28. It is agreed by the defendant that the word 'Thermos' is recognized and treated as a trade-mark in the trade.
- 29. During the period 1923 to about 1953 the plaintiff made no investigation or attempt to seek out editorial or literary uses of 'thermos' as a generic term. There

- were many hundreds of such uses in dictionaries, treatises, magazines, newspapers and books which were readily discoverable. The plaintiff protested only those few which came to its attention.
- 30. During this period of approximately thirty years the plaintiff wrote less than two or three dozen protest letters with regard to such non-trade generic uses of 'thermos'. Nor was the paucity of protests compensated for by any other program to stem the rising tide of such uses. While certain items of educational material accompanied letters of protest, there was no formalized educational program aimed at dissuading the general public from using the word generically. In fact, in its trade literature and advertising it continued to put its major emphasis on the word 'THERMOS' compared to the generic words with which it was associated, such as 'vacuum bottle', by using larger, bolder and more striking letters in the word 'THERMOS'. Thus, its advertising and labeling was not a significant force in reeducating the consumer public.
- 31. Through these years the plaintiff was concerned lest the rapidly growing generic use of 'thermos' cause it to fall into the public domain; but, at the same time, it was reluctant to object to non-trade generic uses of the word for fear of creating ill-will and for fear of losing the economic advantage which accrued to it through the widespread free advertising which resulted from such use.
- 32. The plaintiff failed to use reasonable diligence to prevent 'Thermos' from being or becoming a descriptive or generic term and by 1953 the generic or descriptive use of 'thermos' had become established in American usage.
- 33. Between 1954 and 1957 the plaintiff, aware of the widespread generic use of 'thermos', changed its name from The American Thermos Bottle Company to The American Thermos Products Company and planned, and ultimately put into effect, a diversification of products, not vacuum-insulated, but bearing the 'Thermos' trade-mark for the purpose of accentuating the use of the word as a trade-mark on products which were *14 neither vacuum-insulated nor accessories to vacuum-insulated products.
- 34. Between 1958 and 1962 the plaintiff commenced the manufacture and sale of tents, firelighters, camp stoves, lanterns, swivel-seat shell boxes, bottle openers and cap catchers, all bearing the 'Thermos' trade-mark.
- 35. Prior thereto other products manufactured and sold by the plaintiff between 1907 and 1962, which bore the

- 'Thermos' trade-mark, were accessories to or used in connection with vacuum-insulated or insulated ware, such as lunch kits, lunch boxes, pails and kits, and trays and cups.
- 36. In 1957 the plaintiff intensified its policing activities both with regard to generic uses of 'thermos' in the trade and those in editorial and literary writings which appeared in non-trade publications.
- 37. In 1959 it extended the hired clipping bureau service to include editorial and literary generic uses of 'thermos' in non-trade publications.
- 38. The additional efforts made to reverse the trend of generic use and to retrieve the word 'thermos' from the public domain were not effective.
- 39. There is among the consumer public an appreciable minority which knows and recognizes 'Thermos' as a trade-mark and uses it in making its purchases.
- 40. Because of the widespread generic use of the word 'thermos', potential purchasers of vacuum-insulated bottles more often ask for a 'thermos' than for a 'vacuum bottle'. Most of such requests are treated by the retail trade as orders for vacuum-insulated bottles manufactured by the plaintiff; because the trade uses 'Thermos' solely as a trade-mark.
- 41. The word 'thermos' is almost universally understood by the American public as a descriptive word for vacuum-insulated containers whenever members of the public see or hear it so used, regardless of whether such members, themselves, so use the word, or use it in its trade-mark significance or use some other generic term to describe this particular kind of product.

Conclusions of Law:

- 1. The court has jurisdiction of the subject matter and of the parties in this action.
- [1] 2. The defendant has sustained its burden of proof in rebutting the presumption of the validity of the plaintiff's trade-mark 'Thermos' which arises from its registration as a trade-mark with the United States Patent Office insofar as it is presumed not to be a descriptive or generic term; and the defendant has sustained its burden of proof that the word 'thermos' is descriptive and generic and belongs in the public domain.

- 3. The word 'thermos' has become a generic descriptive word in the English language as used in the United States.
- 4. The word 'thermos' became a part of the public domain because of the plaintiff's wide dissemination of the word 'thermos' used as a synonym for 'vacuum-insulated' and as an adjectival-noun, 'thermos', through its educational and advertising campaigns and because of the plaintiff's lack of reasonable diligence in asserting and protecting its trademark rights in the word 'Thermos' among the members of the unorganized public, exclusive of those in the trade, from 1907 to the date of this action.
- [2] 5. As the word 'thermos' was derived from the plaintiff's trade-mark 'Thermos' there is an appreciable, though minority, segment of the consumer public which knows, recognizes and uses the plaintiff's trade-mark 'Thermos' and, therefore, to eliminate confusion and the possibility of deceit of such consumers, the use by the defendant, as a member of the general public, of the word 'thermos' in its literature, in its advertising and on its labels is subject to the following restrictions and limitations:
- (a) the defendant will precede each of its uses of the word 'thermos' by the possessive of the name 'Aladdin' or, at *15 its option, the possessive of 'Aladdin' plus one of defendant's brand names.
- (b) all defendant's uses of the word 'thermos' will be entirely in lower case letters.
- (c) Paragraph (b) will be construed to prohibit the use of an initial capital 'T'.
- (d) in its uses of the word 'thermos' the size and style of the type of each letter of the word must be the same as those of the other six letters.
- (e) the defendant will make no use of the word 'thermos' in which the letters of the word are in any respect larger in size than:
- (1) any of the letters of other names or words with which the word 'thermos' is used; and
- (2) any of the letters of the same phrase, clause or sentence in which it is used.
- (f) the defendant is prohibited from using in its labeling, advertising or publication releases the words 'genuine' or 'original' or any other words or phrases synonymous

therewith, relating to or referring to the word 'thermos'. (It should also be understood in connection with these limitations that defendant's use of 'thermos' must invariably be preceded by 'Aladdin's'.)

(g) the defendant must, in filling any orders which it might receive in which the buyer uses the word 'thermos' unmodified by 'Aladdin's' or 'your' or other reference to or designation of the defendant, include a notice to the buyer that the order is being filled by 'Aladdin's' thermos, followed by the defendant's number of the product or part.

6. The defendant will be enjoined and restrained from using 'thermos' except in the manner set forth in P5 above.

[3] 7. The plaintiff's trade-marks #67,002, #176,064, #229,816, #700,748 #724,440, #725,313, #725,447 and #729,146 are declared to be valid except that they are not infringed and will not be infringed by the defendant's generic descriptive use of the word 'thermos' in lower case type, used in accordance with the provisions of P5 above.

DISCUSSION

This case is concerned with the question whether or not the word 'thermos' has become established in the English language, as used in the United States, as a generic, descriptive term, synonomous with 'vacuum-insulated' and thus employed as an adjective, for example, 'thermos bottle', 'thermos jug', etc., or as an adjectival-noun, 'a thermos'.

The history of the use of the word 'thermos' and the part played in it by the plaintiff fall into three fairly distinct periods: first, from 1907 to 1923; second, from 1923 to the early 1950's and third, from that time to the present.

First Period: 1907-1923

At the beginning of the first period the plaintiff took the word 'thermos' from the name of its German predecessor, 'Thermos-Gesellschaft M.B.H.', and incorporated it into its own name 'The American Thermos Bottle Company'.

'Thermos' is not taken directly from the English language nor is it a completely fanciful word but something in between: 'a coined word with a penumbra of suggestion'; ² it is directly taken from the classical Greek word for 'hot' and, as a root for the familiar English prefixes 'thermo' and the like, it suggests something to do with temperature.

Although at that time several competitors and others who had occasion to refer to this kind of container, used the generic terms 'vacuum-insulated vessel', 'vacuum jacketed bottle' and 'vacuum bottle', the plaintiff sought constantly and assiduously through its educational program to popularize 'Thermos bottle' as the name of that product and as an adjective with the name of other products which were vacuum insulated, without including any of the generic terms then used, as, for example, 'Thermos vacuum-insulated bottle' or 'Thermos vacuum jacketed bottle' or 'Thermos vacuum *16 bottle.' The plaintiff protests that its use of 'thermos', as an adjective or standing by itself as a noun, was never intended by it to be anything more than an effort to spread the use of the name as a trade-mark with the initial 'T' always capitalized and that when it said, for example, in its 1910 catalogue 'that Thermos is a household word', 'Thermos' was used only in a proprietary sense. But a reading of the whole paragraph from page 5 of the 1910 catalogue shows, intentionally or not, an encouragement for generic use as a synonym for 'vacuum insulated':

'TODAY we are housed in the twelve-story fireproof Thermos Building located in the heart of Manhattan; 243-5-7 West 17th Street, through to 232-4 West 18 th Street:

'That Thermos is a household word and the Thermos product is known, used and appreciated throughout the civilized world;

'That Thermos is sold and recommended by every good store everywhere;

'That Thermos has become indispensable in the nursery and in the sick room and for other household purposes;

'That Thermos has become alike indispensable to the sportsman, workman, yachtsman, automobilist, aeronaut, explorer, student— in a word, everybody needs Thermos

'Please bear in mind: Thermos is a GLASS PRODUCT, but will last a lifetime if handled with care— as a glass product.'

The oral use of 'Thermos' by members of a household did not, in all likelihood specify that it was being used with a capital 'T' and as a trade-mark. Such use, with the descriptive words 'vacuum insulated' left out, produced

what the plaintiff describes as a 'careless' use of the trademark but which quite readily turned into a generic use of 'thermos'. The plaintiff was not unaware of this 'careless' use and, except for dealers in the trade, approved such use in publications and among the general public as media of very advantageous free advertising, which it told its dealers in 1917 was worth to the plaintiff, at then current rates, three to four million dollars.

The plaintiff claims that during this period, from 1910 onward it stamped its products with the word 'Thermos', followed by the words 'registered trade-mark' and in the later years of the period designated the word 'Thermos' as a registered trade-mark in its catalogues; but this was, in nearly all instances, by a use of the stylized word



with "Reg. Tr. Mk." under it, while the text of writings and catalogues used the word "thermos" over and over, in the same size and style of type as the words surrounding it, and without reference to its being a registered trade-mark.

As a result of plaintiff's use of the word "thermos" as a synonym for "vacuum insulated" and as a word designating its product without accompanying words such as "vacuum jacketed" or "vacuum insulated", and in consequence of plaintiff's educational program and the public's preference for the word "thermos" as a relatively less cumbersome name for a vacuum-insulated container or vessel, "Thermos" had, by the end of the first period, i.e. by 1923, acquired firm roots as a descriptive or generic word.

The course of conduct of the plaintiff from 1907 to 1923 in its advertising and educational campaigns tended to make "thermos" a generic term descriptive of the product rather than of its origin.

Second Period: 1923-1953

The second period, commencing about 1923, followed the decision of the United States District Court in American Thermos Bottle Co. v. W. T. Grant Co., 279 F. 151 (Mass.1922), aff'd 282 F. 426 (1st Cir.1922), in which the court suggested that "Thermos" might at that time be a descriptive word and therefore invalid as a trademark; but it dismissed, as not raised in time, a defense

based on *17 this claim. Immediately thereafter, in its advertising and labeling, the plaintiff adopted the use of the word 'vacuum' or the words "vacuum bottle" with the word "Thermos", although sometimes it used the words "Thermos bottle" with the term "vacuum bottle" separated from it and in relatively inconspicuous print. It, for the first time, made use of the words "vacuum bottle", "vacuum jug", etc., by adding them to "Thermos" in its catalogues and advertisements, displaying them with a fair degree of prominence, with some exceptions; but it usually omitted these descriptive words in the text.

In general, jobbers, retailers and others in the trade recognized and used "Thermos" as a trade-mark and the plaintiff, with but few exceptions which it did not pursue, was able to prevent a generic use in the trade by a simple reminder to the offender the "Thermos" was a trade-mark. There is no issue in this case as to the use of the word "Thermos" in the trade.

The plaintiff did not, however, during this period take affirmative action to seek out generic uses by non-trade publications and only protested those which happened to come to its attention. For the most part such publications or writers, after receiving a protest letter from the plaintiff, agreed to discontinue their generic use of the word. If they refused, the plaintiff did not do anything further about it. The plaintiff particularly protested the generic use in dictionary definitions and many complied; but an even greater number were not sought out and protested. The great majority of dictionaries showed both trademark and generic uses. However, the fact that the word was being included in most dictionaries and the fact that the generic definition was occurring more and more often, evidenced the widespread growth of "thermos" as a synonym for "vacuum-insulated" in common usage³ particularly in connection with bottle, jug, jar and flask.

The number of protests by the plaintiff of editorial and literary generic use by the general public during this thirty year period was infinitesimal compared to the large numbers of generic uses of "thermos" in newspapers, magazines, both popular and scientific, treatises and text-books, works of fiction and non-fiction and in encyclopedias and dictionaries.

During this period the generic use of "thermos", which had taken firm root during the first period, had grown to a marked extent in non-trade publications, and by the early 1950's reflected a widespread use by the unorganized

public of 'thermos' as a synonym for 'vacuum-insulated' and, also, standing alone, as a noun meaning a vacuum jacketed or insulated bottle.

The evidence discloses less than two or three dozen protest letters sent to claimed editorial and literary (i.e. non-trade) misusers for the thirty years between 1923 and 1953. It is therefore found that the plaintiff failed to use reasonable diligence to rescue 'Thermos' from being or becoming a descriptive or generic term. ⁴

*18 During this second period the plaintiff appears to have been torn between fear, on the one hand, that its trade-mark rights in 'thermos' would, as the U.S. District Court in Massachusetts hinted, be lost for genericness and a reluctance, on the other hand, to surrender or impair the economic advantages which were continuing to accrue to it from the use of 'thermos' as a household word to describe the product— a use which had taken such firm root in the years 1907-1923. Its solution was to give in its catalogues and advertisements new recognition and some emphasis to the descriptive terms 'vacuum' or 'vacuum insulated'; to search out generic uses in the trade and seek the voluntary discontinuance of such uses; and, in cases of generic uses by the public only to protest when such uses happened to come to its attention, which appear to have been relatively few compared to the numbers of such uses shown in evidence.

The plaintiff's policy during this period when such a question came up, to the extent that conflicts of ideas within management permitted, ⁵ was not to press the issue to a conclusion lest it be found by a court that 'Thermos' had already become a descriptive term. ⁶

*19 Third Period: 1953-1962

The third period covers the years from about 1954 to the time of the trial February to April, 1962. Between 1954 and 1957 the plaintiff's activities showed awareness of widespread generic use of 'thermos' and of the necessity of doing much more than had been done prior to 1954 to stop such use and educate the public to the word's trademark significance. It planned, and ultimately put into effect, a diversification of products, not vacuum insulated and not directly related to containers designed to keep their contents hot or cold. Theretofore plaintiff's products other than insulated containers had almost entirely been accessories to such containers. The new plan brought about the manufacture of tents, fire-lighters, camp stoves,

lanterns, cap catchers, all labeled as 'Thermos' brand. brand.

The plaintiff changed its name from the American Thermos Bottle Company to The American Thermos Products Company. In 1957 the plaintiff began to intensify its policing activities both of generic uses of 'thermos' in the trade and in editorial and literary generic uses in non-trade publications. ⁷

In 1935 the plaintiff had subscribed to a clipping bureau which furnished it with claimed misuses of the trade-mark 'Thermos' which appeared in paid advertisements and this service was continued up to the time of trial. From 1935 through 1958 it had no such service to detect and report the claimed misuses of the trade-mark 'Thermos' in nontrade publications and by the unorganized public. However, on January 1, 1959, the clipping service was extended to include editorial and literary descriptive uses of 'Thermos'.

Before the inauguration of these new measures, however, the generic use of 'thermos' had become firmly impressed as a part of the everyday language of the American public. The plaintiff's extraordinary efforts commencing in the middle of the 1950's and carried on into the time of the trial came too late to keep the word 'thermos' from falling into the public domain; rather it was an effort to pull it back from the public domain—something it could not and did not accomplish.

Comments on Portions of the Evidence

Much of the evidence in the case consists of many hundreds of clippings from publications showing different uses of 'thermos' in various forms. The diverse nature of the evidence and the claims made with respect to it vary with the divergent claims of law which the parties make. The plaintiff has submitted hundreds of clippings showing the use of 'thermos' in its different trade-mark forms and uses of other generic terms such as 'vacuum jacketed', 'vacuum insulated', 'vacuum container'; however, except for a very small fraction, these were uses made in the course of advertising or articles written by or for the trade which, the defendant concedes, recognized and used 'Thermos' as the plaintiff's trade-mark and also used vacuum jacketed, vacuum insulated, etc., as generic terms. The few instances shown by the plaintiff's exhibits to have been editorial or literary uses were in part the result of publication releases by the plaintiff, itself. The plaintiff has

also asserted with respect to both large portions of its own evidence, including use of 'thermos' by dictionaries, by encyclopedias, and by the Connecticut residents which it summoned to court to testify that their use of 'thermos' in replying to the defendant's Sindlinger poll were made with an awareness that 'thermos' was a trade-mark, and other similar instances were what the plaintiff called 'careless' uses of the trade-mark and cannot be counted as generic. This *20 assertion by the plaintiff does bear analysis because, regardless of whether or not a person knows that 'thermos' is a trade-mark, if he uses the trade-mark word as the name of the product, it is used in a descriptive sense and is therefore generic. The plaintiff may more logically argue that a person, admitting that he knows that 'Thermos' is a trade-mark, thus gives recognition to the existence of the trade-mark use. The great majority of dictionaries show the word 'thermos' both as a synonym for vacuum insulated or as a noun standing for a product so described, and also state that it is a trade-mark. The plaintiff, of course, may rightfully claim that the mention of the trade-mark use is a recognition of the existence of the trade-mark; but it is equally proper for the defendant to assert that it also presents the word as one generically used.

Hundreds of clippings or excerpts from publications show literally thousands of literary and editorial uses of 'thermos' as a descriptive or generic word and reflect the widespread use and understanding of 'thermos' as a generic term. The material from the files of both companies, particularly the policing files of the plaintiff and the customer correspondence from the defendant's files, tend to show the growth of the generic use of 'thermos' and its widespread acceptance by the public. Portions of the defendant's consumer correspondence constitute the only substantial showing of consumer use of 'vacuum bottle' or other 'vacuum' container as the descriptive term. The weight of this is considerably impaired by the implication, which the majority of such pieces of correspondence carry with them, that these were not instances of ordinary everyday use, but were specific orders for particular numbered products which the consumer was ordering with either the defendant's catalogue or other descriptive advertising, or the product itself, immediately before him. It is somewhat revealing that in spite of these circumstances about one-third of the customers referred to the products through the descriptive word 'thermos'.

The testimony of the defendant's expert, Dr. Kemp Malone, a distinguished philologist, was logical and persuasive. His explanation for the acceptance by the public of 'thermos' as a generic term and its rapid growth as a name for the product was that it was in part attributable to a characteristic of the general public, and a familiar phenomenon in linguistics, that people tend to adopt and use the shortest and simplest word which will adequately communicate the idea or call to mind the object or product that they want to tell about.

There is sufficient evidence in the case, exclusive of the opinion polls taken by each of the parties, to show that "thermos" has become and is now a generic term in the English language as used in the United States. The polls tend to corroborate what the court has found to be demonstrated by the other evidence in the case. The method of poll taking adopted by each of the parties reflects their respective views of the law and each method was designed to elicit the kind of evidence each wished to bring out. For example, as will be more fully discussed below, the plaintiff asserts that if it can show the recognition and the trade-mark use of the word "Thermos" by a substantial minority of consumers and that it has made a reasonable effort to police the trademark, there can be no valid generic use of the trade-mark as a word. The plaintiff, therefore, asked 3,650 members of the public the following question:

"Please name any trade-mark or brand names, with which you are familiar, for vacuum bottles, insulated bottles or other containers, which keep the contents hot or cold."

This obviously focused the mind of the interviewee upon trade-marks or brand names and on the basis of this emphasis on the question, the plaintiff assumed and argued that all responses whether written with a capital "T" or small "t" were clear cases of trade-mark recognition. *21 The results of the survey show that approximately one-third answered "Thermos" in one form or another.

In view of the fact that any conclusion in this area cannot be reduced to a figure of unimpeachable accuracy but must, at best, be an approximation, the result of the plaintiff's survey may be said to be somewhat corroborative of the court's conclusion based upon other evidence in the case, except that such other evidence indicated a smaller minority of the adult populace which recognized the trade-mark significance and use of

"Thermos". This may be because of the nature of the survey question which left little or no opportunity for the revelation of a generic or descriptive use of "thermos" in the answer.

The interviewers, many of whom testified, appeared to have done their work honestly and conscientiously and with commendable detachment. The weight of the results, however, must be somewhat adversely affected by the poor design of the question to show the existence or non-existence of generic use and by the fact that most of the interviewees, at least those who testified, appear to have had a higher than average educational and economic status, and thus did not constitute a representative cross-section of the consumer public. On the plaintiff's theory, however, it was only interested in showing that trade-mark recognition of "Thermos" existed in a recognizable section of the populace.

Those interviewees who gave what the plaintiff considered a helpful answer on the survey question and who testified in court, had been interviewed by counsel prior to testifying and were generally aware of the issues. They appeared emotionally conditioned to want to assist the plaintiff in preventing the defendant from taking away from the plaintiff what they felt was its rightful trademark. For what it is worth, the plaintiff's survey may be said, in addition to what was mentioned above, to corroborate what the plaintiff has sought to prove, and that is, that there is an appreciable minority segment among consumers who recognize, know and rely upon "Thermos" as a trade-mark of the plaintiff's products.

The survey or poll conducted by Sindlinger & Company for the defendant sought to comply with the prerequisites and principles governing the reception of survey evidence in 'Handbook of Recommended Procedures for the Trial of Protracted Cases' adopted by the Judicial Conference of the United States, March, 1960. The court is satisfied that this poll or survey was conducted in accordance with those standards. 8 The results of the survey were that about 75% Of adults in the United States who were familiar with containers that keep the *22 contents hot or cold, call such a container a 'thermos'; about 12% Of the adult American public know that 'thermos' has a trade-mark significance, and about 11% Use the term 'vacuum bottle'. This is generally corroborative of the court's conclusions drawn from the other evidence, except that such other evidence indicated that a somewhat larger minority than 12% Was aware of the trade-mark meaning of 'thermos'; and a somewhat larger minority than 11% Used the descriptive term 'vacuum' bottle or other container. The subject matter does not lend itself to conclusions of precise mathematical accuracy; but the survey appears to have been conducted according to recognized scientific principles and methods, which have been tested and found successful in the marketing field.

The court was particularly impressed with the high degree of credibility of the interviewers who testified, their conscientiousness in carrying out their duties and their complete lack of bias. They did not know the purpose of the survey as it related to the trial; they did not know when they conducted the interviews, for whom the survey was being made or that it was to be used in litigation; they had never talked with the attorneys nor had they been interviewed or given any instructions by them; and, as each took the stand, she had no knowledge of what the trial was about. Here and there in the testimony it was brought out that some human error had occurred in a particular interview, but an adequate allowance had been made for such error in computing the results of the poll.

The defendant's theory of the law is that a generic use of 'thermos' by a large majority of consumers will place the word in the public domain regardless of the existence of a recognizable group or minority of consumers which has awareness of and uses 'Thermos' as a trade-mark.

The Claims of Law

The nature and method of presentation of the evidence by each of the parties, including, as above mentioned, the objectives and means of conducting the respective surveys, has differed, markedly, because each party has acted in accordance with its own concept of the applicable law. The proof offered by both sides supports the conclusion that a very large majority of the consumer public uses 'thermos' generically and that there is a fairly substantial minority which recognizes, uses and relies upon 'Thermos' as plaintiff's trade-mark. The plaintiff argues that in the light of these factual conclusions it should prevail because the defendant has the burden of showing that 'Thermos' has only a descriptive use and that to the consuming public as a whole 'Thermos' has lost all of its trade-mark significance. Absent such proof, particularly where the plaintiff has shown some trade-mark use and recognition of the word, the plaintiff claims it is entitled to be protected, under the common law and the Lanham Act, in its exclusive right to the use of the word; and that

this is so because so long as the word is a tade-mark to some members of the public there remains the possibility that someone may be deceived. In substance its position is based in part upon the law of New York in which the leading case is Selchow v. Baker, 93 N.Y. 59, 68, 69 (1883) in which the court said:

'* * where a manufacturer has invented a new name consisting of a new word, or a word or words in common use, which he has applied for the first time to his own manufacture or to an article manufactured for him, to distinguish it from those manufactured and sold by others, and the name thus adopted is not generic or descriptive of the article, its qualities, ingredients or characteristics, but is arbitrary or fanciful and is not merely to denote grade or quality, he is entitled to be protected in the use of that name, notwithstanding that it has become so generally known that it has been adopted by the public as the ordinary appellation of the article.'

*23 See also Artype, Inc. v. Zappulla, 228 F.2d 695 (2 Cir.1956). The plaintiff also relies upon Marks v. Polaroid Corp., 129 F.Supp. 243, 270 (D.Mass.1955) in which the court, in seeking to distill the substance of the Cellophane and Aspirin cases (DuPont Cellophane Co. v. Waxed Products Co., 85 F.2d 75, (2 Cir.1936); and Bayer Co. v. United Drug Co., 272 F. 505 (S.D.N.Y.1921), said:

** * a defendant alleging invalidity of a trade-mark for genericness must show that to the consuming public as a whole the word has lost all its trade-mark significance. * * * * and

'Where the possibility of some deception remains real and the need of competitors to satisfactorily describe their products is satisfied by the availability of several common nouns or adjectives suitable for that purpose, this Court will protect the interest of the owner in his trade-mark.'

The defendant, however, relies upon the Aspirin and Cellophane cases, supra, and the Shredded Wheat case, which is Kellogg Co. v. National Biscuit Co., 305 U.S. 111, 59 S.Ct. 109, 83 L.Ed. 73 (1938), as enunciating the governing law which, it claims, applied to the facts of this case, call for the conclusion that 'thermos' is descriptive and has passed into the public domain.

In discussing the issue in the Aspirin case Judge Learned Hand said:

'The single question, as I view it, in all these cases, is merely one of fact: What do the buyers understand by the word for whose use the parties are contending?'

Judge Hand found that buyers in the trade understood 'Aspirin' to be a trade name but he went on to say:

'The crux of this controversy * * * lies not in the use of the word to these buyers, but to the general consuming public, composed of all sorts of buyers from those somewhat acquainted with pharmaceutical terms to those who knew nothing of them. The only reasonable inference from the evidence is that these did not understand by the word anything more than a kind of drug to which for one reason or another they had become habituated.'

It appears that the Bayer Company had itself used 'Aspirin' 'as though it was a general term'; and the only alternative generic terms were 'acetyl salicylic acid' or 'monoaceticacidester of salicylicacid' which were practically unknown to and not readily usable by the consuming public. After it became apparent to the Bayer Company that it was in danger of losing its trade-mark right to 'Aspirin', it made a special effort to protect its trade-mark but the court held:

'If * * * (the buyers) * * * understand by it only the kind of goods sold, then, I take it, it makes no difference whatever what efforts the plaintiff has made to get them to understand more.'

Consideration was given to the fact that some members of the general public, as distinguished from those in the trade, recognized and used 'Aspirin' as the plaintiff's trade-mark. Nevertheless Judge Hand found 'Among consumers generally the name has gone into the public domain,' and that therefore the plaintiff had lost its trademark right.

The opinion in the Cellophane case was written by Judge Augustus Hand with Judge Learned Hand also sitting. In dealing with the question whether or not the word 'cellophane' had passed into the public domain the court said:

"* * The real problem is what is meant to the buying public during the period covered by the present suit. In other words, did it simply mean a transparent glycerinated cellulose hydrate regenerated from viscose, and nothing

more, or did it mean such an article of commerce manufactured by or originating with the complainant?"

*24 The Court observed that:

'The course of conduct of the complainant and its predecessors, and especially complainant's advertising campaign, tended to make cellophane a generic term descriptive of the product rather than of its origin and, in our opinion, made it so to at least a very large part of the trade.'

While the Court of Appeals disagreed with some of the factual conclusions and the conclusions of law of the trial court, the subordinate facts of the Cellophane case as found by the trial judge are of interest in comparing the present case with it.

From the evidence presented, the trial court found (D.C., 6 F.Supp. 859, 863) that there were several descriptive words available and in use for referring to the product sold by the plaintiff under the mark 'DuPont Cellophane' and that 'Cellophane' was a coined word. Some of the descriptive terms were 'transparent cellulose wrapping', 'cellulose', 'transparent', 'transparent paper' or 'transparent wrapping material'. These terms were used by plaintiff's competitors in conjunction with their own trade-marks, such as 'Kodapak', 'Sylphrap', 'Protectoid' or 'Krystal Klear', and were well known to the trade. None of plaintiff's competitors used 'Cellophane' in advertising or describing their goods. However, once the plaintiff's consumer advertising had become effective, other advertisers stated that their products were 'Wrapped in Cellophane', 'Cellophane Wrapped' and the like. When such advertising became fairly extensive, plaintiff began to protest such uses of the word and followed a short time later with protests to publishers and others who had used or were using the word in a less than satisfactory manner. Its policing activities embraced alleged misuses in the Patent Office. There was at least one dictionary definition of 'Cellophane' and it mentioned the fact that it was a trade-mark. In its own advertising, both trade and consumer, plaintiff included trade-mark notices and used descriptive words.

In the present case as in Cellophane the plaintiff itself inaugurated and disseminated the use of 'thermos' as a synonym for 'vacuum insulated' and as a noun standing for the name of the product and it failed to use reasonable diligence to keep it from the public domain. Toulmin,

Trade-Mark Handbook, Chapter XIII, § 141, § 142, § 143 (1957).

The plaintiff, DuPont Company, had, as noted, endeavored to reeducate the public so that it would know that 'cellophane' was not a generic term but the registered trade-mark of the plaintiff. With regard to this the Court of Appeals said:

'It, therefore, makes no difference what efforts or money the DuPont Company expended in order to persuade the public that 'cellophane' means an article of DuPont manufacture. So far as it did not succeed in actually converting the world to its gospel it can have no relief.'

It recognized that a minority used and recognized the word 'cellophane' as the plaintiff's trade-mark, and dealt with this circumstance as follows:

'In the present case the word 'cellophane' ordinarily signifies the cellulose product we have been discussing and nothing more, but to certain persons it is probable that it means the complainant's goods. * * * The defendant should be allowed to use the word cellophane unconditionally in dealing with those to whom it means no more than the product and should be able to fill orders for cellophane received from such persons either with Sylvania cellophane or any other cellophane. But as the complainant's use of the word 'cellophane' has had a wide publicity, there may be some persons who desire DuPont cellophane. Accordingly, it seems to us in the interest of justice that, when filling orders for cellophane, the defendant should state that the product sold is *25 Sylvania cellophane or the cellophane of whomsoever may be the maker, and need state nothing more.'

[4] In general the principles of the Aspirin and Cellophane cases apply to the facts of the present case. It is true that the alternative generic terms in the case of Aspirin were not as understandable to persons other than those in the chemical business nor, in the Cellophane case, did the alternative generic names for cellophane probably have the amount of consumer use which has been acquired by 'vacuum insulated bottle', 'vacuum jacketed bottle' and 'vacuum bottle'. However, these alternatives for 'thermos', even though they have been used over the years by plaintiff's competitors in the trade, never gained wide acceptance by the consumer public in everyday use; the first two, though fully descriptive, were too long; and the term 'vacuum bottle' smacked of the scientific laboratory and never gained anything more than

minor public acceptance. The plaintiff almost completely ignored these generic terms during the first sixteen crucial years when it was educating the consumer public to use the word 'thermos' as a name for or description of its product. There are also probably more people who may have known the meaning of vacuum insulated, vacuum jacketed or vacuum bottle than the few who may have known the alternative terms for aspirin and cellophane. It is also likely that the minority of the consumers who know, recognize and rely upon 'Thermos' as a trademark exceed the minority which knew 'Aspirin' to be a trade-mark and used it as such; and it may, to a less extent, exceed the minority which recognized and used the word 'Cellophane' as a trade-mark. However, while the burden of proof is on the defendant to prove that 'thermos' has passed into the public domain, the Aspirin and Cellophane cases do not require that the defendant prove that 'to the consuming public as a whole the word has lost all its trade-mark significance' in the sense that there must not be left any minority at all, no matter how small, which is still aware of and uses the word in its trade-mark significance. So long as the great majority of consumers use 'thermos' generically and the American public, almost universally, understands what is meant by 'thermos', used descriptively, when they see or hear it regardless of whether or not they themselves use 'thermos' in its trade-mark sense or whether or not they use some other term for the particular product, it does not matter precisely what the relative sizes of the minorities were in the Cellophane case and in this case.

In American Chicle Co. v. Topps Chewing Gum, 2 Cir., 208 F.2d 560, 562, the court, in an opinion by Judge Learned Hand, said:

"* * * 'publicizing' the plaintiff's nuggets as 'Chiclets' has fixed the word in the minds of many buyers as meaning no more than a candy coated gum nugget; and to some degree destroyed it as a trade-mark. That is a peril to which all such advertising is subject; its very success may prove its failure.

'We may properly assume, therefore, that, although the defendant's 'makeup' is not 'likely to cause confusion' among attentive buyers, there is a substantial minority, 'likely' to be misled. If we were to read the statute literally, such a minority would be enough, for the text does not limit infringement by the number of those who may be misled. However, we do not read this statute as tabula

rasa; we construe it in the background of the law as it stood in 1946; and that law defined the issue of infringement less literally. On all but the most extreme occasions it involved a balance of two conflicting interests: that of the 'owner' of the mark to prevent the diversion of prospective customers as opposed to that of the putative infringer to be free to compete for them.'

Where as here there is a great majority of the consumer public which uses the *26 word 'thermos' generically and at the same time a fairly substantial minority which recognizes and uses and relies upon the plaintiff's trademark 'Thermos', the law of the Aspirin and Cellophane cases does not say that that ends the matter and that judgment should enter for the owner of the trade-mark. The court must then proceed to consider whether a declaration that the word 'thermos' has become a part of the public domain will create a likelihood that members of the consumer public may be deceived because they may thereby be induced to buy the defendant's or some other manufacturer's product of vacuum insulated ware as and for the vacuum insulated ware of the plaintiff, or whether the decree of the court can preserve the characteristics of the plaintiff's trade-mark and at the same time so limit the generic use of 'thermos' that there is no likelihood of such deceit.

'(1) A designation which is initially a trade-mark of trade name ceases to be such when it comes to be generally understood as a generic or descriptive designation for the type of goods, services or business in connection with which it is used.

'(2) To the extent that a designation of the kind described in Subsection (1) retains its significance as a trademark or trade name, its use as such is protected as far as it may be practicable without impeding the use of the designation by others in its generic or descriptive significance.' Restatement, Torts § 735 (1938).

In the Cellophane case the court quotes from a portion of the case of Ford v. Foster, (1872) L.R. 7 Ch.App. 611, in which Mellish, L., J., said:

'Then what is the test by which a decision is to be arrived at whether a word which was originally a trade mark has become publici juris? I think the test must be, whether the use of it by other persons is still calculated to deceive the public, whether it may still have the effect of inducing the public to buy goods not made by the original owner of the trade mark as if they were his goods. If the mark has come 134 U.S.P.Q. 98

to be so public and in such universal use that nobody can be deceived by the use of it, and can be induced from use of it to believe that he is buying the goods of the original trader, * * * the right to the trade mark must be gone.' 85 F.2d 75, at 82.

In applying this to the Cellophane case the court did not construe it to mean that there could not be found to be a generic use of cellophane if there were a minority which recognized it as a trade-mark, nor did it conclude that 'Cellophane', as a trade-mark must be gone and utterly abolished. Instead of adopting the rigid and inflexible rule of Selchow v. Baker, supra, and the interpretation of the Aspirin and Cellophane cases which the court applied in the Polaroid case, both of which the plaintiff relies upon, the court in the Cellophane case adopted a flexible approach which decreed the word to be neither wholly trade-mark nor generic without limitation.

The risk that consumers may be deceived stems from the opportunity for confusion. The court was faced with this possibility in both the Aspirin and Cellophane cases because there were found to be minorities in both instances who desired to buy the respective trade-marked products of the plaintiff manufacturers. This is the class of people on whom deception might be practiced. In those cases the decrees were designed to protect them from deception by placing certain conditions and limitations on the generic use of the words in issue.

[5] If there is likely to be confusion among reasonably careful purchasers, the court need not have before it evidence of actual instances of confusion. It is a matter for the court to determine from the circumstances of each case. See La Touraine Coffee Co. v. Lorraine Coffee Co., 157 F.2d 115, at p. 117 (2 Cir.1946) and cases there cited; see also Judge Frank's dissent in that case at page 124.

*27 [6] The reasons for permitting any generic use of 'thermos' under the circumstances of this case are to permit the natural enrichment of the language and to prevent the plaintiff from maintaining a monopoly of the word with the result that consumers who use it generically and to whom defendant's or other manufacturers' products are acceptable or even especially desirable, are almost always offered the trade-mark product of the plaintiff by the retailers. There was evidence that there exists the potential for injustices resulting from such unfair competitive disadvantages. This arises also from a kind of confusion which stems from the very existence of the generic use of 'thermos' by a great majority

of the consumer public and from the understanding of the descriptive use of the word 'thermos' by nearly everyone. However, on a balancing of the considerations of competitive disadvantage to the defendant against the risk that a minority of consumers who know, recognize and use 'thermos' as a trade-mark may be deceived, the latter must be given primary consideration and it is only in the event that the possibility of confusion engendering such deceit can be removed that consideration can be given to the danger of plaintiff's monopoly as a reason for allowing the defendant and others to use 'thermos' generically.

The court is here of the opinion that risk of confusion can, as in the Cellophane case, be eliminated by limitations and conditions imposed upon the generic use of 'thermos' so that there will be no likelihood that anyone can or will be deceived by such generic use. If, as in the Cellophane case, the defendant were required to precede each use by it of the word 'thermos' by the possessive of the name 'Aladdin', plus (at its option) any of its brand names as: Aladdin's thermos or Aladdin's Huckleberry Hound thermos; and if, in addition, it were required to confine its use to lower case through-out, as 'thermos', and at no time were permitted to use the word with an initial capital 'T' and; if the size and style of the type used must be the same for all seven letters of the word and at no time be larger in size than any of the letters of other names with which, or of the letters of words in the same phrase, clause or sentence in which, it is used; and if the defendant is prohibited from using in its labeling, advertising or publication releases the words 'genuine' or 'original' or any other words or phrases synonymous therewith, relating to or referring to the word 'thermos', the possibilities of deception would be eliminated. It should also be understood in connection with these limitations that defendant's use of "thermos" must invariably be preceded by "Aladdin's", partly in order that "thermos" will never appear as the first word of a sentence, and, therefore, a phrase such as 'thermos bottle by Aladdin' will not be acceptable. It should be further understood that any orders which might be received by the defendant in which the buyer uses the word 'thermos' in any of its forms, unmodified by "Aladdin's" or "your" or other reference to, or designation of, the defendant, the defendant must, in filling the order, include a notice to the buyer that the order is being filled by Aladdin's thermos, followed by the defendant's number of the product or part. 134 U.S.P.Q. 98

The plaintiff has eight registered trade-marks for the word "thermos" which it has adopted during its history from 1908, each of which identifies itself with one of three different forms: the first is characterized by an initial capital "T"; the second is a form of stylized capitals,



; and the third is of capitals, all of the same size, "THERMOS". Under the limitations of the decree the plaintiff will retain the exclusive right to the use of all of its present forms of the trade-mark "Thermos" without

change. Therefore, those consumers who desire to buy the trademarked products of the plaintiff can identify them by exactly the same trade-marks that they have always seen. This circumstance together with the limitations on generic use provided by the decree *28 will prevent confusion in its use and insure against the possibility that any members of the consumer public will be deceived.

Settle order for judgment on the complaint and counterclaim in accordance with this opinion, with costs taxed in favor of the defendant.

All Citations

207 F.Supp. 9, 134 U.S.P.Q. 98

Footnotes

- 1 '§ 1114. Remedies; infringement; innocent infringement by printers and publishers
 - (1) Any person who shall, in commerce, (a) use, without the consent of the registrant, any reproduction, counterfeit, copy, or colorable imitation of any registered mark in connection with the sale, offering for sale, or advertising of any goods or services on or in connection with which such use is likely to cause confusion or mistake or to deceive purchasers as to the source of origin of such goods or services; * * * shall be liable to a civil action by the registrant for any or all of the remedies hereinafter provided in this chapter * * *.'
- 2 Lambert Pharmacal Co. v. Bolton Chem. Corp., 219 F. 325, 327 (S.D.N.Y.1915).
- In a memorandum dated November 16, 1940 from Mr. A. E. Payson, the plaintiff's President, to Mr. I. K. Fearn, Vice President in Charge of Sales, concerning the treatment of 'Thermos' in dictionaries, Mr. Payson said:
 - 'I am asking Pennie, Davis, Marvin & Edmonds, in view of their opinion in this matter, to write up a dictionary definition for THERMOS in the hope that we will be able to get it included in as near the proper form as possible. As a matter of fact, according to their reasoning, THERMOS ought not be in the dictionary as all. The very fact that it is in the dictionary means that it is a word of such common use that it requires definition, and this undoubtedly would be cited against us in a law suit to defend the trade-mark. The best we can do is to try to 'purify' the definition of the word, and with that in view I will try and get hold of a desired definition.'
- Toward the end of this thirty year period some of the plaintiff's officers were becoming increasingly aware of the risk to the trade-mark 'Thermos' in the great growth of the generic use of the term. In a letter dated July 23, 1946 from the plaintiff's Vice President in Charge of Sales to Mr. W. M. Hutchison, of Keeling & Company, Indianapolis, Indiana, the following statements appear:
 - Today at the weekly staff meeting, I brought up the question of misuse of our trade-mark. That is very much on the increase today, principally because the mention of vacuum insulated goods and their uses is very widely increased. We had considerable discussion of the point and from that arrived at the decision to do something about it.
 - 'Mr. Payson will recheck the matter with our legal counsel so as to get his opinion whether our present course of merely writing letters of protest is sufficient to cover the legal requirements of the matter. In addition to that, he has asked me to consult with you on possible suggestions for amplifying and improving our activity in this matter.
 - "* * Further, back in 1937, either you or we did write to a number of dictionary and encyclopedia publishers and publishers of school textbooks and point out the correct usage of the trade-mark 'Thermos'.
 - 'It is some such activity as that, that seems to us now to be advisable. Among other suggestions that came into the meeting were that all advertising agencies and all publications, particularly those magazines which go to the general public as well as to the trade, should be put on notice as to the position of the registered trade-mark 'Thermos'.
 - ** * we can continue our letters of protest on any infractions of the trade-mark and intensify those. I suspect that all of us have rather let that activity drop out during the wartime, since we probably felt that to raise the question of the trade-mark when we were not supplying enough goods would simply create ill-will.

134 U.S.P.Q. 98

'* * The real difficulty, of course, has been in getting agreement to do something about it. I think we have that now and, therefore, can go ahead.'

In spite of this, however, little was done by the plaintiff between 1946 and 1953 with regard to non-trade generic uses of 'Thermos'. It sent no more than a dozen of such protest letters to dictionaries and publications having general public circulation. Of these about a half dozen agreed to comply with the plaintiff's request; the others either ignored the protest or expressly refused to comply.

- 5 Footnote 4, ante.
- In a letter from Mr. A. H. Payson, Vice President of The American Thermos Bottle Company, dated January 8, 1952 in response to inquiry by F. S. Slyder, a field representative of the Company, concerning an instance of descriptive use of the word 'Thermos' in the trade, Mr. Payson wrote as follows:

'We have had numerous instances of having protested the misuse of 'Thermos'; however, a short time later another violation pops up. The only real answer, of course, is suit, the winning of a judgment and the broadcasting of the result to all of our customers.

'Action has been contemplated; however, management here as well as our attorneys is very loathe to go to law to enforce our trademark rights. There is a very real danger that some 'liberal' might decide, particularly, if he himself has been in the habit of using 'Thermos' as a generic term, to declare it that. Damage of an adverse decision would be irreparable as you know. I question very much if were the decision left up to you that you would decide to go to law.'

- 7 For the year 1957 et seq. the plaintiff wrote the following numbers of letters of protest: 1957— 178; 1958— 270; 1959— 1109; 1960—950; and 1961— 1171.
- The key guestions asked 3,300 interviewees were:

'Are you familiar with the type of container that is used to keep liquids, like soup, coffee, tea and lemonade, hot or cold for a period of time?

'Have you yourself ever used (or filled) such a container—that is, the type to keep liquids cold or hot?

'What was the occasion for using such a container?

'If you were going to buy one of these containers tomorrow— that is, the type that keeps food and beverages hot or cold — what type of store would you select to make your purchase?

'What would you ask for—that is, what would you tell the clerk you wanted?

'Can you think of any other words that you would use to ask for a container that keeps liquids hot or cold?

'If you were going to describe one of these containers to a friend of yours— what words would come to your mind first to describe a container that keeps liquids hot or cold?

'Do you, or does anyone else within your household own a container such as we have been talking about?

'How many are owned by all members of your household?

'What do you call this (these) containers?

'Do you know the names of any manufacturers who make these containers that keep liquds hot or cold?

'Can you name any trade-marks or brand names that are used on these containers?'

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2001 WL 862242 (Trademark Tr. & App. Bd.)

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Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

IN RE DAIMLERCHRYSLER AG

Serial No. 74/734,869 July 26, 2001

Hearing: 24 MAY 2001

*1 V.T. Giordano of Von Maltitz, Derenberg, Kunin, Janssen & Giordano for DaimlerChrysler AG.

Won T. Oh, Trademark Examining Attorney Law Office 104 (Sidney Moskowitz, Managing Attorney).

Before Simms, Bucher and Drost Administrative Trademark Judges. Opinion by Drost Administrative Trademark Judge:

DaimlerChrysler AG¹ (applicant) has filed an application to register the mark SMART (typed drawing) for goods ultimately identified as "sub-compact automobiles featuring colored exterior body panels which can be changed easily, low fuel consumption, ease of parking, and crash protection comparable to larger cars" in International Class 12. ²

The Examining Attorney has refused to register applicant's mark under Section 2(e)(1) of the Trademark Act because he determined that the mark is merely descriptive of applicant's goods. 15 U.S.C. § 1052(e)(1).

After the Examining Attorney made the refusal final, this appeal followed. Both applicant and the Examining Attorney filed briefs and appeared for an oral hearing.

The Examining Attorney's position is that the term SMART "has significance in the automobile industry because it refers to automobiles or automobile components that incorporate a microprocessor in its operation." Examining Attorney's Appeal Brief, p. 7. To support his position, the Examining Attorney has made of record numerous dictionary definitions and LEXIS/NEXIS articles. These definitions of the term 'smart" include:

- 1. "Incorporating some kind of digital electronics." The Free On-line Dictionary of Computing (2000).
- 2. "Having some computational ability of its own. Smart devices usually contain their own microprocessors or microcomputers. Webster's New World Dictionary of Computer Terms (1988).

The Examining Attorney also submitted definitions of "smart machines" as:

1. "Industrial and consumer products with 'intelligence' provided by built-in microprocessors or microcomputers that significantly improve the performance and capabilities of such products." Webster's New World Dictionary of Computer Terms. (1988)

- 2. "any device which uses a microprocessor to evaluate the input and make decisions about which path to take. For example, smart car headlights can be designed to automatically monitor the level of external light. When it becomes dark outside, the microprocessor switches on the driving lights, and continues to monitor the environment in order to switch the light off when the sun rises (conditional on the ignition system being turned on)." *Prentice Hall's Illustrated Dictionary of Computing* (1995).
- *2 The Examining Attorney also submitted numerous LEXIS/NEXIS articles showing that the term "smart" was used to refer to cars and other products. A sample of the articles appears below.

Auto makers, using microprocessors, minicomputers and other electronics, are creating smart engines that will tell the driver how each part of the car is working. U.S. News and World Reports, September 15, 1980, p. 56.

This sort of "smart" interface between the driver and the car is part of the revolution that's been going on under the hood for the past several years. Outboard computers or microprocessors gather information from sensors located all over the engine compartment. *Working Woman*, December 1984, p. 172.

The overall aim is best described as a smart car that helps its driver anticipate and respond to highway problems, plus a smart highway. *Government Computer News*, January 21, 1991, p. 1.

In the Chicago area, the largest "smart car" test in the world, involving 5,000 cars and commercial vehicles, will be conducted over the next five years. A video screen, microprocessor and satellite receiver will help the car drivers chart the best course to their destination, avoiding traffic accidents and road construction. *Houston Chronicle*, Aprill 19, 1992 p. A1.

Microprocessors are now everywhere: running blenders and toasters, monitoring and managing buildings, controlling car engines and displays, and managing phones. They also are embedded in packaged applications such as smart car keys and toys. *ASAP*, November 26, 1992, p. 74.

Smart switches are electrical switches that use microprocessors to perform multiple functions. Unlike a standard switch, which might turn a car light on and off, a smart switch might be used to simultaneously unlock doors, adjust seats and tune on lights. *Automotive News*, March 11, 1996, p. 6.

Smart air bag systems will have more sophisticated sensors and microprocessors that assess such factors as the severity of a crash, the weight of the occupants and their distance from the wheel or dashboard.... *Denver Post*, January 11, 1997, p. Dl.

The integrated systems that take their place will use more microprocessors, launching truly smart cars. *Machine Design*, January 30, 1997, p. 11.

Microprocessors, intelligent systems, smart cars, and software - these are the keys to the future. *Business Week*, June 29, 1998, p. 85.

The Examining Attorney concludes by arguing that the term "smart' describes automobiles with microprocessors and it also describes a component in applicant's vehicles, namely, the microprocessors. Therefore, he determined that the term smart was merely descriptive of applicant's goods.

In response to the Examining Attorney's descriptiveness refusal, applicant submitted a survey of nearly five hundred potential customers as well as a declaration by a professor of linguistics, third-party registrations, and articles showing other uses of the term "smart." As a result of that survey, applicant argues that few customers would view the term "smart" to mean microprocessor-controlled. Furthermore, applicant asserts that automobiles cannot properly be described as "smart" in the sense asserted by the Examining Attorney. "It is modestly priced, with fewer electronically controlled features than most cars." Applicant's Appeal Brief, p. 11. In addition, applicant argues that the term "smart" has many other meanings when applied to its automobiles including "smart looking," "smart buy," "practical," or "clever." To support these arguments, applicant included exhibits that show the term "smart" used to refer to other cars in a non-computer sense.

*3 But overall, if smart looks, smart performance and a smart price sound like intelligent qualities for your convertible to have, the Cavalier RS should prove a smart choice. *Atlanta Journal and Constitution*, April 19, 1991, p. T/4.

It was a smart-looking car, and I felt smart driving it. Detroit Free Press, December 31, 1998, p. 2C.

With Escort, the word, "smart" comes up a lot. It's smart looking and smart going. www.frontier-ford.com/newcars/family.html.

[E]ither vehicle is a smart way to get to and from the office in today's urban rally. http://edmund.com/edweb/whitmore/96Audi.A6vs.97Mercury.Mountaineer.rt.html.

And with large numbers of late-model former lease cars being offered, such autos with fairly low mileage are thought of as especially smart buys. *Chicago Sun-Times*, August 25, 1997, Car Section, p. 1.

According to applicant, the multiple meanings of the term "smart" preclude a finding that the term is merely descriptive of applicant's sub-compact automobiles featuring colored exterior body panels which can be changed easily, low fuel consumption, ease of parking, and crash protection comparable to larger cars.

In short, the Examining Attorney argues that the term "smart" is merely descriptive because smart is descriptive of goods featuring microprocessors, and applicant's goods contain microprocessors. The Examining Attorney has included many articles in which the term "smart" is used to refer to products containing microprocessors including cars and parts for cars. Applicant, on the other hand, relies on its survey, a declaration by a professor of linguistics, evidence of use of the term "smart" in different contexts to refer to automobiles, and prior registrations that include the term "smart" for various goods.

Both applicant and the Examining Attorney also rely on case law to support their positions. Applicant, inter alia, cites In re Intelligent Medical Systems, Inc., 5 USPQ2d 1674 (TTAB 1987). In that case, the Board held that INTELLIGENT MEDICAL SYSTEMS was not merely descriptive of a thermometer with an electronic processor. The Board noted that the "intelligent" could indicate that selecting the thermometer could represent an intelligent choice. The Examining Attorney relies heavily on the case of In re Cryomedical Sciences Inc., 32 USPQ2d 1377 (TTAB 1994). In that case, the Board found that the term SMARTPROBE was merely descriptive for disposable cryosurgical syringes.

We begin our analysis by noting that a mark is merely descriptive if it immediately describes the ingredients, qualities, or characteristics of the goods or services or if it conveys information regarding a function, purpose, or use of the goods or services. In re Abcor Development Corp., 588 F.2d 811, 200 USPQ 215, 217 (CCPA 1978). See also In re Nett Designs, 236 F.3d 1339, 57 USPQ2d 1564 (Fed. Cir. 2001). A term may be descriptive even if it only describes one of the qualities or properties of the goods or services. In re Gyulay, 820 F.2d 1216, 1217, 3 USPQ2d 1009, 1009 (Fed. Cir. 1987). We look at the mark in relation to the goods or services, and not in the abstract, when we consider whether the mark is descriptive. Abcor, 588 F.2d at 814, 200 USPQ at 218.

*4 We agree with the Examining Attorney that the term "smart" is widely used to describe products that contain a microprocessor. The Examining Attorney has made of record numerous references to various products described as smart shock absorbers, smart chips that can diagnose their own troubles, smart gearshifts, smart car keys, smart switches, and smart air bag systems. There are also some references to smart cars, often in the context of an experimental or futuristic car.

Engineers are looking toward higher integration to reduce cost, size, and weight of all vehicle components while increasing reliability and fuel economy. As this approach evolves, fewer parts will be add-ons. The integrated systems that take place will use more microprocessors, launching truly smart cars. *Machine Design*, January 30, 1997, p. 11.

The overall aim is best described as a smart car that helps its driver anticipate and respond to highway problems, plus a smart highway. *Government Computer News*, January 21, 1991, p. 1.

I learned that research-and-development programs under way are focused on using the startling capabilities of the microprocessor "Super Smart Cars," PS Aug. '84 to prevent most car thefts. *Popular Science*, January 1985, p. 63.

In the Chicago area, the largest "smart car" test in the world, involving 5,000 cars and commercial vehicles, will be conducted over the next five years. A video screen, microprocessor and satellite receiver will help the car drivers chart the best course to their destination, avoiding traffic accidents and road construction. *Houston Chronicle*, Aprill 19, 1992, p. A1.

Despite the use of the word "smart" to describe these futuristic cars or cars with advanced electronic features, applicant's declarant states that "[t]he diminutive, modestly priced SMART has fewer electronically controlled features than most cars." Schar declaration, p. 5. In addition, applicant has narrowed its identification of goods. Originally, applicant sought registration for goods identified as "automobiles and their parts." Subsequently, it limited its identification of goods to "sub-compact automobiles featuring colored exterior body panels which can be changed easily, low fuel consumption, ease of parking, and crash protection comparable to larger cars." Therefore, we must determine where its mark is merely descriptive in light of this more narrow identification of goods. Another factor we must consider is the all-pervasiveness of microcomputers in modern automobiles. Unlike in Cryomedical Sciences, the evidence of record leads us to conclude that microcomputers are found on virtually all modern automobiles.

The microprocessor is adding "smart" features to many everyday products. Today's cars, for example, have more computing power that the lunar landing module of the Apollo 11 mission. *Consumers' Research Magazine*, July 1997, p. 20.

*5 Today's vehicle may have four or five microprocessors monitoring and controlling such things as ignition spark, fuel and emissions controls, automatic transmissions, cruise controls Andrew H. Card, Jr., Congressional Testimony, November 11, 1993.

In this case, we are not dealing with the situation where manufacturers distinguish products with microprocessors from the same products without microprocessors by using the term "smart." Since all automobiles apparently have microprocessors, they would all meet at least the Examining Attorney's broadest definition of "smart" ("having some computational ability of its own"). However, that is not how the Examining Attorney's evidence indicates that the industry is using the term or as the public would understand how the term is used. For example, to claim that a car is "smart" in the sense that the Examining Attorney's articles indicate that it is used in the automobile industry would require the presence of some advanced electronic features, otherwise the term would be meaningless because it would describe virtually every car marketed today. To advertise a car as a "smart" car merely because it contains a traditional

microprocessor used in the fuel injection system would seem to be almost misleading. ³ The evidence of the near universal use of computers in modern automobiles distinguishes this case from Cryomedical Science case.

We also must consider applicant's narrow identification of goods. While the term "smart" may certainly be descriptive for automobiles having advanced electronic features, applicant's goods are limited to "sub-compact automobiles featuring colored exterior body panels which can be changed easily, low fuel consumption, ease of parking, and crash protection comparable to larger cars." Applicant's identification of goods, which emphasizes the small size of the car and exchangeable body panels, suggests a car that would be smart in the "smart buy" sense as opposed to the advanced computer technology sense. Furthermore, applicant's managing director has declared that the car, which is currently marketed in Europe, has fewer electronically controlled features than most cars. We have relied on this statement in reaching our conclusion in this case.

We have also considered applicant's evidence that prospective purchasers would not view the term "smart," when applied to its goods, as describing a feature or characteristic of the goods. Applicant has made of record numerous other meanings of the term "smart" for automobiles. Some including "smart looking" and "smart choice" may be particularly appropriate in referring to a subcompact car with the features included in applicant's identification of goods. While the use of the term "smart" in these ways may be laudatory, there is no argument that this laudatory use would be merely descriptive. Compare Nett Designs ("THE ULTIMATE BIKE RACK" merely descriptive).

*6 We have also considered applicant's survey as evidence that prospective purchasers will not recognize the term "smart" as descriptive of applicant's goods. Applicant is attempting to use a consumer survey to prove that its mark is not merely descriptive. Consumer surveys are commonly used in aiding tribunals determine likelihood of confusion and genericness issues. The so-called "Teflon survey" is widely accepted in determining whether a term is generic. E.I. du Pont de Nemours & Co. v. Yoshida Int'l, Inc., 393 F.2d 502, 185 USPQ 597 (N.D.N.Y. 1975). See also American Thermos Prods. Co. v. Aladdin Industries, Inc., 207 F. Supp. 9, 134 USPQ 98 (D. Conn. 1962), aff'd, 321 F.2d 577, 138 USPQ 349 (2d Cir. 1963) (THERMOS survey). The issue in this case, however, is descriptiveness, and not genericness. Case law provides much less guidance on how to conduct a proper survey to aid a tribunal in determining whether a term is merely descriptive. We do not underestimate the difficulty facing applicant in designing a survey that accurately addresses the descriptiveness issue.

Nonetheless, we do have problems with the survey in this case. The survey starts by advising the participant that the term "Smart" is the name of the product. The interviewer either directly advises the interviewee that "the name of the automobile I just showed you is "SMART" or the information handed to the interviewee clearly tells the person that the name of the automobile is SMART ("This new sub-compact automobile, named "SMART"...). Thus, interviewees are advised up front that the product is a trademark for a product, and not simply a word associated with a product. ⁴

To the extent that applicant's survey shows that prospective purchasers do not identify a microprocessor as a feature of the goods, we note that the picture of the goods and the information provided to the interviewees helped to shape the result. Similarly, in another case involving a survey, when consumers were shown advertising that identified the term LA as a trademark, many survey participants, not surprisingly, also identified the term as a trademark.

The average consumer presumably has no conception of what is legally required for a brand name to receive trademark protection. Thus, just because a majority of the consumers thought, after being exposed to a can prominently labeled LA and advertising that stressed LA as the brand name, that LA was the brand name may not establish that the mark is entitled to trademark status.

<u>G. Heileman Brewing Co. v. Anheuser-Busch Inc.</u>, 873 F.2d 985, 10 USPQ2d 1801, 1810 n. 11 (7th Cir. 1989), quoting, Anheuser-Busch, Inc. v. Stroh Brewery Co., 750 F.2d 631, 224 USPQ 657 (8th Cir. 1984) (Bright, J., dissenting).

*7 Here, the survey did not simply ask interviewees about the term associated with the goods. Each interviewee was shown photographs of the goods. These photographs obviously resulted in many interviewees commenting on the appearance of the goods rather than the meaning of the word "smart" ("ugly," "looks like a VW bug," "looks European," "looks like a toy car," "looks like a minivan," "looks like a futuristic car/space car," "looks like a golf cart," "cute," "bright colors/colorful," "dangerous/looks dangerous/doesn't look safe," etc.). Many other interviewees simply repeated the information applicant provided on the information sheet ("colored exterior body panels (which can be changed easily)," "low fuel consumption," "ease of parking," "advanced technology" "crash protection comparable to larger cars" and "prices starting about \$10,000").

While we have pointed out several of the survey's flaws, which limit its persuasiveness, we refuse to give it no weight. In a case as close as this case is, we consider the survey as some evidence that despite its flaws, when prospective purchasers were given the opportunity to indicate that the term "smart" described the microprocessor features of an automobile, almost no one viewed the term in that fashion. ⁵

We acknowledge that this is a close case. We are well aware that the term "smart" is often descriptive for products that contain a microprocessor or some computational ability. However, it is not clear to us whether the term "smart" will immediately convey to prospective purchasers a characteristic or feature of the goods. The only direct evidence we have on that subject is applicant's survey. While we cannot give the survey much weight, it has reinforced the doubts that we have in this case. Under longstanding case law, we resolve those doubts in questions of descriptiveness in favor of the applicant.

6 In re Gourmet Bakers, Inc., 173 USPQ 565 (TTAB 1972); In re Conductive Systems, Inc., 220 USPQ 84 (TTAB 1983).

Decision: The refusal to register applicant's mark SMART for the identified goods on the ground that the mark is merely descriptive is reversed.

Footnotes

- Mercedes-Benz Aktiengesellschaft filed the original application, which was eventually assigned to DaimlerChrysler AG as a result of a merger. See Reel and Frame Nos. 1649/0086 and 1906/0815.
- 2 Serial No. 74/734,869 filed on September 27, 1995. The application was based on a bona fide intent to use the mark in commerce and the ownership of a foreign application (German application Serial No. 395140277 filed on March 31, 1995).
- If consumers believed that a car named "Smart" featured advanced electronic features, and the car did not have those features, the term could be deceptively misdescriptive.
- While advertising is considered in determining whether a mark is descriptive, <u>Abcor</u>, 588 F.2d at 814, 200 USPQ at 218, we note that the material shown to the interviewees was not advertising material. Applicant has filed an intent-to-use application. It had not used the mark in the United States at the time of the survey. In fact, the interviewers were specifically instructed to tell the interviewees that they would be shown "information about a new automobile, one that is not currently sold in the United States." The information was, therefore, prepared specifically for the survey and it did not represent applicant's actual advertising. It does not even correspond to any advertising that applicant's managing director made of record concerning its advertising in Europe.
- Applicant also included copies of third-party registrations. However, we do not find these registrations to be persuasive and we must consider each case on its own merits. See Nett Designs, 57 USPQ2d at 1566 ("Even if some registrations had some characteristics similar to Nett Designs' application, the PTO's allowance of such prior registrations does not bind the Board or this court"). We also do not find the declaration of applicant's linguist adds much to the evidence already of record in this case. Compare Donald F. Duncan, Inc. v. Royal Tops Mfg. Co., 343 F.2d 655, 144 USPQ 617 (7th Cir. 1965) (Linguist explained the foreign origin of the term "yo-yo" and how it entered the English language).
- Applicant has also noted that "[t]he registration sought by applicant would not prevent competitors form using the term 'smart' descriptively." Reply Brief, p. 16.

2001 WL 862242 (Trademark Tr. & App. Bd.)

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Declined to Follow by T. Marzetti Co. v. Roskam Baking Co., 6th Cir. (Ohio), May 25, 2012

538 F.3d 185 United States Court of Appeals, Third Circuit.

E.T. BROWNE DRUG CO., a New Jersey corporation, Appellant/Cross-Appellee

COCOCARE PRODUCTS, INC., a New Jersey corporation, Appellee/Cross—Appellant.

Nos. 06–4543, 06–4658. | Argued Dec. 13, 2007. | Opinion filed: Aug. 5, 2008.

Synopsis

Background: Manufacturer of personal care and beauty products that contained cocoa butter brought action against competitor alleging infringement of "Cocoa Butter Formula" mark. Competitor counterclaimed for modification of larger "Palmer's Cocoa Butter Formula" mark. The United States District Court for the District of New Jersey, Peter G. Sheridan, J., 2006 WL 2683024, granted summary judgment of non-infringement for competitor. Plaintiff appealed.

Holdings: The Court of Appeals, Ambro, Circuit Judge, held that:

- [1] genuine issue of material fact existed on motion for summary judgment as to whether phrase, "Cocoa Butter Formula," was generic;
- [2] manufacturer had burden of proving existence of protectable mark;
- [3] whether phrase, "Cocoa Butter Formula," was generic or descriptive, and whether that phrase had acquired secondary meaning, were questions of fact;

- [4] meaning of phrase, "Cocoa Butter Formula," had to be evaluated by examining its meaning to relevant consuming public;
- [5] survey question of "[w]hat word or words would you use to identify or describe a skin care product which contains cocoa butter?" was not highly suggestive or misleading;
- [6] manufacturer did not have to include word "Palmer's" in its genericness survey;
- [7] phrase, "Cocoa Butter Formula," even assuming that it was descriptive, did not have secondary meaning; and
- [8] disclaimer had to be entered on principal register lack of secondary meaning in "Cocoa Butter Formula" phrase.

Affirmed on other grounds and remanded in part.

West Headnotes (29)

[1] Federal Civil Procedure

Copyright, trademark, and unfair competition cases

Genuine issue of material fact existed on motion for summary judgment as to whether phrase, "Cocoa Butter Formula," was generic, on claim of trademark infringement under Lanham Act. Lanham Act, § 32, 15 U.S.C.A. § 1114; Fed.Rules Civ.Proc.Rule 56(c), 28 U.S.C.A.

3 Cases that cite this headnote

[2] Trademarks

Nature of Confusion

Trademarks

Infringement

To establish trademark infringement in violation of the Lanham Act, a plaintiff must prove that (1) the mark is valid and legally protectable, (2) it owns the mark, and (3) the defendant's use of the mark is likely to create confusion concerning the origin of goods or

services. Lanham Act, § 32, 15 U.S.C.A. § 1114.

23 Cases that cite this headnote

[3] Trademarks

Suggestive terms or marks

Trademarks

Arbitrary or fanciful terms or marks

The Lanham Act protects suggestive and arbitrary or fanciful terms without any showing of secondary meaning. Lanham Act, § 32, 15 U.S.C.A. § 1114.

6 Cases that cite this headnote

[4] Trademarks

← Generic terms or marks

The Lanham does not provide any protection for generic terms because a first-user of a term cannot deprive competing manufacturers of the product of the right to call an article by its name. Lanham Act, § 32, 15 U.S.C.A. § 1114.

5 Cases that cite this headnote

[5] Trademarks

Acquired distinctiveness; secondary meaning

The Lanham Act protects descriptive terms if they have acquired secondary meaning associating the term with the claimant. Lanham Act, § 32, 15 U.S.C.A. § 1114.

6 Cases that cite this headnote

[6] Trademarks

Marks protected; secondary meaning

Plaintiff manufacturer of personal care and beauty products had burden of proving existence of protectable mark in phrase, "Cocoa Butter Formula," on claim of trademark infringement under Lanham Act, because it did not appear on principal register of Patent and Trademark Office (PTO). Lanham Act, § 32, 15 U.S.C.A. § 1114.

5 Cases that cite this headnote

[7] Trademarks

Marks protected

Trademarks

Secondary meaning

Whether phrase, "Cocoa Butter Formula," was generic or descriptive, and whether that phrase had acquired secondary meaning, were questions of fact, on claim of trademark infringement under Lanham Act. Lanham Act, § 32, 15 U.S.C.A. § 1114.

12 Cases that cite this headnote

[8] Trademarks

Generic terms or marks

On a claim of trademark infringement under the Lanham Act, the jurisprudence of genericness revolves around the primary significance test, which inquires whether the primary significance of a term in the minds of the consuming public is the product or the producer, where a court asks whether consumers think the term represents the generic name of the product or service or a mark indicating merely one source of that product or service. Lanham Act, § 32, 15 U.S.C.A. § 1114.

10 Cases that cite this headnote

[9] Trademarks

Acquired distinctiveness and secondary meaning in general

On a claim of trademark infringement under the Lanham Act, in application of the primary significance test, the public need not know the identity of the producer for the primary significance of the term to be the producer. Lanham Act, § 32, 15 U.S.C.A. § 1114.

3 Cases that cite this headnote

[10] Trademarks

Acquired distinctiveness and secondary meaning in general

On a claim of trademark infringement under the Lanham Act, the primary significance test inquires whether the primary significance of a term in the minds of the consuming public is the product or the producer. Lanham Act, § 32, 15 U.S.C.A. § 1114.

11 Cases that cite this headnote

[11] Trademarks

Phrases; slogans

Meaning of phrase, "Cocoa Butter Formula," had to be evaluated on claim of trademark infringement under Lanham Act by examining its meaning to relevant consuming public, which required looking at mark as whole, not dissecting it into various parts, and inquiring whether consuming public considered "Cocoa Butter Formula" to refer to product genus or to producer. Lanham Act, § 32, 15 U.S.C.A. § 1114.

2 Cases that cite this headnote

[12] Federal Civil Procedure

Matters Affecting Right to Judgment

On a claim of trademark infringement under the Lanham Act, in the context of weighing the results of a survey, inferences concerning credibility that were previously made in ruling on a motion for a preliminary injunction cannot determine a motion for summary judgment and should not be used to support propositions that underpin the decision to grant the motion. Lanham Act, § 32, 15 U.S.C.A. § 1114; Fed.Rules Civ.Proc.Rule 56(c), 28 U.S.C.A.

2 Cases that cite this headnote

[13] Trademarks

Consumer data and market research; tests and surveys

Survey question of "[w]hat word or words would you use to identify or describe a skin care product which contains cocoa butter?" was not highly suggestive or misleading, in trademark infringement litigation under Lanham Act, where parties' genericness dispute over phrase, "Cocoa Butter Formula," turned on question of whether customers used that phrase to describe cocoa butter skin care products or lotions. Lanham Act, § 32, 15 U.S.C.A. § 1114.

Cases that cite this headnote

[14] Trademarks

Consumer data and market research; tests and surveys

Manufacturer of personal care and beauty products that contained cocoa butter did not have to include word "Palmer's" in its genericness survey, in trademark infringement litigation under Lanham Act that focused on term "Cocoa Butter Formula," not on the registered trademark "Palmer's Cocoa Butter Formula," since inclusion of word "Palmer's" in survey would have confused matters and would have taken survey outside survey model that asked respondent how he or she would ask for product at issue. Lanham Act, § 32, 15 U.S.C.A. § 1114.

1 Cases that cite this headnote

[15] Trademarks

Marks protected

Reasonable jury could have relied on reasonable inference raised in genericness survey by opinion of 46 respondents who described product class that "Cocoa Butter Formula" did not describe product genus to conclude that consumers did not use words "Cocoa Butter Formula" to describe category of skin care products containing cocoa butter, in trademark infringement litigation under Lanham Act, although survey had been flawed in that it may have caused confusion by asking respondents for terms describing products in addition to asking for terms identifying products and survey likely would have been strongest if it had asked respondents how they would ask for type of

product at issue at store. Lanham Act, § 32, 15 U.S.C.A. § 1114.

3 Cases that cite this headnote

[16] Trademarks

Generic terms or marks

Evidence that competitors used terms other than "Cocoa Butter Formula" tended to prove, in trademark infringement litigation under Lanham Act, that term, "Cocoa Butter Formula," was not generic. Lanham Act, § 32, 15 U.S.C.A. § 1114.

1 Cases that cite this headnote

[17] Trademarks

Phrases; slogans

Phrase, "Cocoa Butter Formula," even assuming that it was descriptive, did not have secondary meaning, and thus was not protectable under Lanham Act, where plaintiff manufacturer had not succeeded in creating secondary meaning in minds of consumers despite use of term "Cocoa Butter Formula" on many occasions over long period of time, strength of "Cocoa Butter Formula" phrase could not be evaluated independently from phrase "Palmer's Cocoa Butter Formula" because "Cocoa Butter Formula" always had been used the term connected with "Palmer's," and competitor had not intended to copy manufacturer's use of phrase, "Cocoa Butter Formula." Lanham Act, § 32, 15 U.S.C.A. § 1114.

5 Cases that cite this headnote

[18] Federal Courts

Questions Considered

Court of Appeals could resolve secondary meaning question on appeal in trademark infringement action because of its interest in judicial economy, and affirm district court's entry of summary judgment on that basis without district court having ruled on that question, where parties had presented secondary meaning question to district court and Court of Appeals had their arguments before it. Lanham Act, § 32, 15 U.S.C.A. § 1114; Fed.Rules Civ.Proc.Rule 56(c), 28 U.S.C.A.

1 Cases that cite this headnote

[19] Trademarks

Acquired distinctiveness and secondary meaning in general

Secondary meaning exists under the Lanham Act when the trademark is interpreted by the consuming public to be not only an identification of the product, but also a representation of the product's origin. Lanham Act, § 32, 15 U.S.C.A. § 1114.

1 Cases that cite this headnote

[20] Trademarks

Acquired distinctiveness and secondary meaning in general

Secondary meaning generally is established under the Lanham Act through extensive advertising which creates in the mind of consumers an association between different products bearing the same mark; this association suggests that the products originate from a single source. Lanham Act, § 32, 15 U.S.C.A. § 1114.

5 Cases that cite this headnote

[21] Trademarks

Acquired distinctiveness and secondary meaning in general

Trademarks

Practices or Conduct Prohibited in General: Elements

If a mark that otherwise could not have had exclusive appropriation achieves secondary meaning, competitors can be prevented from using a mark similar to the mark that has secondary meaning to minimize confusion of the public as to the origin of the product and to avoid diversion of customers misled by a similar mark. Lanham Act, § 32, 15 U.S.C.A. § 1114.

5 Cases that cite this headnote

[22] Trademarks

Acquired distinctiveness and secondary meaning in general

On a claim of trademark infringement under the Lanham Act, a party attempting to establish secondary meaning need not always show that marketing materials succeeded in creating buyer association or that the term contributed to sales growth. Lanham Act, § 32, 15 U.S.C.A. § 1114.

5 Cases that cite this headnote

[23] Trademarks

Consumer data and market research; tests and surveys

Trademarks

Consumer data and market research; tests and surveys

On a claim of trademark infringement under the Lanham Act, a party seeking to establish secondary meaning need not, but may, submit a survey to prove that a mark had acquired secondary meaning in the minds of consumers. Lanham Act, § 32, 15 U.S.C.A. § 1114.

5 Cases that cite this headnote

[24] Trademarks

Disclaimer

Disclaimer had to be entered on principal register as to lack of secondary meaning in "Cocoa Butter Formula" phrase, with regard to registration of larger "Palmer's Cocoa Butter Formula" mark, even if competitor would not have benefited from that disclaimer, where controversy clearly existed under Lanham Act as to validity of "Cocoa Butter Formula" phrase and its place on supplemental register, competitor had explicitly counterclaimed for modification of that larger mark, and absence of disclaimer on principal register could not be allowed to confuse future business into believing that

it could not use "Cocoa Butter Formula" phrase. Lanham Act, § 37, 15 U.S.C.A. § 1119.

4 Cases that cite this headnote

[25] Trademarks

Principal Register

Trademarks

Supplemental Register

Under the Lanham Act, a descriptive term lacking secondary meaning may not appear on the principal register, but may appear on the supplemental register. Lanham Act, § 37, 15 U.S.C.A. § 1119.

3 Cases that cite this headnote

[26] Trademarks

Effect of denial, cancellation, or other loss of registration

"Cocoa Butter Formula" phrase could be removed from supplemental register under Lanham Act if competitor could prove on its counterclaim for modification of larger "Palmer's Cocoa Butter Formula" mark that "Cocoa Butter Formula" phrase was generic. Lanham Act, § 37, 15 U.S.C.A. § 1119.

2 Cases that cite this headnote

[27] Trademarks

← Alphabetical listing

Cocoa Butter Formula.

Cases that cite this headnote

[28] Trademarks

Alphabetical listing

Cococare Butter Formula.

Cases that cite this headnote

[29] Trademarks

Alphabetical listing

Palmer's Cocoa Butter Formula.

Cases that cite this headnote

Attorneys and Law Firms

*189 Arnold B. Calmann, Esquire, Saiber, Schlesinger, Satz & Goldstein, Newark, NJ, Edward M. Laine, Esquire, (Argued), David A. Prange, Esquire, Oppenheimer, Wolff & Donnelly, Minneapolis, MN, for Appellant/Cross-Appellee.

Robert Mahoney, Esquire, (Argued), Jeanne Hamburg, Esquire, Norris, McLaughlin & Marcus, Somerville, NJ, for Appellee/Cross-Appellant.

Before: SLOVITER and AMBRO, Circuit Judges, POLLAK,* District Judge.

OPINION OF THE COURT

AMBRO, Circuit Judge.

This case involves a dispute between two manufacturers of personal care and beauty products that contain cocoa butter. E.T. Browne Drug Co., Inc. ("Browne") claims that it has a protected trademark interest under the Lanham Act, 15 U.S.C. § 1051 et seq., in the term "Cocoa Butter Formula," which features prominently on its products. Cococare Products, Inc. ("Cococare") disputes the validity of this asserted trademark. The District Court entered summary judgment in Cococare's favor after concluding that the term is generic and thus may not receive protection from the trademark laws. We agree that Browne has not demonstrated that "Cocoa Butter Formula" is a protectable trademark, but reach that conclusion by a different path. We believe that a genuine issue of material fact exists as to whether "Cocoa Butter Formula" is generic. But even assuming it is descriptive, this term must have a secondary meaning to be protectable. Because Browne failed to identify sufficient evidence to create a genuine issue of material fact on that point, we affirm the grant of summary judgment in favor of Cococare. We remand, however, to allow the District Court to enter an appropriate order under 15 U.S.C. § 1119.

I. Background and Procedural History

Browne, a New Jersey corporation, markets personal care and beauty products containing cocoa butter under

the brand name "Palmer's." The "Palmer's" line of cocoa butter products is the sales leader among personal care and beauty products containing cocoa butter. The packaging containing those products displays "Palmer's" and "Cocoa Butter Formula." "Palmer's Cocoa Butter Formula" is on the principal register of the United States Patent and Trademark Office ("PTO"), and thus this term is presumptively valid as a trademark. See 15 U.S.C. § 1057(b). In contrast, "Cocoa Butter Formula" is on the *190 PTO's supplemental register but not on the principal register. The statutory presumption of validity accordingly does not attach to that term. See id. § 1094.

Cococare, a New Jersey corporation, also sells personal care and beauty products containing cocoa butter, although its sales are far smaller than those of Browne. In 1994, it introduced new products formulated with cocoa butter and Vitamin E, labeling them "Cococare Cocoa Butter Formula." This use of "Cocoa Butter Formula" gave rise to its dispute with Browne.

"[T]he parties agree that Browne knew of its claims against Cococare since 1993 but did not prosecute them because Cococare sales were 'de minimis'; and Browne could only confirm two 'sightings' of Cococare from 1994–2000." Amended Opinion Granting Summary Judgment at 4, *E.T. Browne Drug Co. v. Cococare Prods., Inc.*, No. 03–5442 (PGS), 2006 WL 2683024 (D.N.J. Sep. 20, 2006) ("Dist.Ct.Op.") (footnote omitted). Browne first objected to Cococare's use of the term "Cocoa Butter Formula" in 2002 after it became aware of a product flyer from a seller of Cococare's products.

Browne then brought suit in the United States District Court for the District of New Jersey after a ceaseand-desist letter sent to Cococare failed to cause it to stop using the contested term. Browne alleged, inter alia, that Cococare had violated the Lanham Act and equivalent New Jersey law by its use of the term "Cocoa Butter Formula." Cococare counterclaimed, inter alia, for cancellation of Browne's supplemental registration of "Cocoa Butter Formula" and amendment of Browne's principal registration of "Palmer's Cocoa Butter Formula." It moved for summary judgment on the grounds that "Cocoa Butter Formula" is not a protectable trademark because it is a generic term, that Browne's claims are barred by the defenses of laches and unclean hands, and that those claims should be dismissed because Cococare's use of "Cocoa Butter Formula" was a fair

use of a product descriptor. Browne cross-moved for summary judgment on the genericness and fair use issues, and on Cococare's counterclaims.

The District Court concluded that "Cocoa Butter Formula" is a generic term and entered summary judgment in favor of Cococare. It rejected Cococare's counterclaims, concluding that no "substantive evidence" supported the allegations that Browne made deliberately fraudulent statements to the PTO. Dist. Ct. Op. at 12–13. The Court noted that Cococare had admitted it suffered no actual damages as a result of Browne's alleged actions, and reasoned that, because "supplemental registration provides no substantive rights, [] there would be no reason to force the cancellation of a supplementally registered mark." *Id.* at 13.

Browne appeals. It argues that the District Court erred in concluding that the term "Cocoa Butter Formula" is generic. ² Cococare appeals the District Court's refusal to direct the PTO to cancel the supplemental registration of "Cocoa Butter Formula" or to direct the addition of a disclaimer to that term on the principal registration of "Palmer's Cocoa Butter Formula." Cococare also renews the arguments that it is entitled to entry of summary judgment in its favor because "Cocoa Butter Formula" has not acquired secondary meaning, Browne waited too long to act and made misrepresentations to the PTO such that its action is barred, respectively, by the defenses of laches and *191 unclean hands, and its (Cococare's) use of the term "Cocoa Butter Formula" amounts to fair use.

II. Jurisdiction and Standard of Review

The District Court had jurisdiction over the Lanham Act claims pursuant to 28 U.S.C. § 1338(a) and pendent jurisdiction over the state law claims under 28 U.S.C. § 1338(b). We have jurisdiction pursuant to 28 U.S.C. § 1291. Our review is plenary. *Berner Int'l Corp. v. Mars Sales Co.*, 987 F.2d 975, 978 (3d Cir.1993). On appeal from a grant of summary judgment, our Court exercises the same standard of review as the District Court and considers whether genuine issues of material fact exist that preclude entry of summary judgment. *Id.*

III. Discussion

A. The Protectability of the Mark "Cocoa Butter Formula"

[1] [2] [3] To establish trademark infringement in violation of the Lanham Act, 15 U.S.C. § 1114, a plaintiff must prove that (1) the mark is valid and legally protectable, (2) it owns the mark, and (3) the defendant's use of the mark is likely to create confusion concerning the origin of goods or services. *Freedom Card, Inc. v. JPMorgan Chase & Co.*, 432 F.3d 463, 469–70 (3d Cir.2005). We thus begin our analysis by asking whether "Cocoa Butter Formula" is a valid, legally protectable trademark.

[4] [5] Terms asserted as trademarks may fall in four categories:

[1] arbitrary (or fanciful) terms, which bear no logical or suggestive relation to the actual characteristics of the goods; [2] suggestive terms, which suggest rather than describe the characteristics of the goods; [3] descriptive terms, which describe a characteristic or ingredient of the article to which it refers[;] and [4] generic terms, which function as the common descriptive name of a product class.

A.J. Canfield Co. v. Honickman, 808 F.2d 291, 296 (3d Cir. 1986) (internal citation and quotation marks omitted). The Lanham Act protects only some of these categories of terms. Working backward, it provides no protection for generic terms because a first-user of a term "cannot deprive competing manufacturers of the product of the right to call an article by its name." Id. at 297 (quoting Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4, 9 (2d Cir.1976)); see also Park 'N Fly, Inc. v. Dollar Park and Fly, Inc., 469 U.S. 189, 194, 105 S.Ct. 658, 83 L.Ed.2d 582 (1985) ("Generic terms are not registrable and a registered mark may be cancelled at any time on the ground[] it has become generic."). In contrast, the Lanham Act protects descriptive terms if they have acquired secondary meaning associating the term with the claimant. Canfield, 808 F.2d at 292-93, 296; see also Berner, 987 F.2d at 979. Finally, trademark law protects suggestive and arbitrary or fanciful terms without any showing of secondary meaning. Berner, 987 F.2d at 979 (citing Canfield, 808 F.2d at 297).

[6] Browne has the burden in this case of proving the existence of a protectable mark because "Cocoa Butter Formula" does not appear on the PTO's principal register. Canfield, 808 F.2d at 297. It contends that "Cocoa Butter Formula" should receive protection from the trademark laws as a descriptive term that has acquired secondary meaning. Cococare responds that the term should receive no protection because it is generic. The parties thus pose a difficult question of trademark law. See id. at 296 ("Courts and commentators have recognized the difficulties of distinguishing between suggestive, descriptive, and generic marks.").

*192 [7] Whether "Cococare Butter Formula" is generic or descriptive, and whether that term has acquired secondary meaning, are questions of fact. See id. at 307 n. 24 (noting that "Courts of Appeals have generally held that a designation's level of inherent distinctiveness is a question of fact"); Dranoff—Perlstein Assocs. v. Sklar, 967 F.2d 852, 862 (3d Cir.1992) (identifying secondary meaning as a question of fact). We therefore ask whether Browne has presented sufficient evidence to create a genuine issue of material fact as to those questions. See Fed.R.Civ.P. 56(c); Berner, 987 F.2d at 978.

As noted, we conclude that Browne has produced evidence sufficient to create a genuine issue of material fact on its claim that the term "Cocoa Butter Formula" is not generic, but descriptive. But as we also conclude that Browne has failed to produce sufficient evidence to create a genuine issue of material fact as to whether the term has acquired secondary meaning, we reach the same result as the District Court—"Cocoa Butter Formula" may not receive the protections of the Lanham Act.

1. Is "Cocoa Butter Formula" Generic?

a. The Primary Significance Test and the Limited Circumstances in Which *Canfield's* Alternative Test Applies

[8] This appeal raises the initial question of the proper test under which to evaluate whether the term "Cocoa Butter Formula" is generic and thus not protectable as a trademark. "The jurisprudence of genericness revolves around the primary significance test, which inquires whether the primary significance of a term in the minds of the consuming public is the product or the producer." *Canfield*, 808 F.2d at 292–93. We ask "whether consumers

think the term represents the generic name of the product [or service] or a mark indicating merely one source of that product [or service]." *Dranoff–Perlstein Assocs.*, 967 F.2d at 859 (alterations in original) (quotation marks and citation omitted). If the term refers to the product (*i.e.*, the genus), the term is generic. If, on the other hand, it refers to one source or producer of that product, the term is not generic (*i.e.*, it is descriptive, suggestive, or arbitrary or fanciful). To give an example, "Cola" is generic because it refers to a product, whereas "Pepsi Cola" is not generic because it refers to the producer. To repeat, Cococare contends that "Cocoa Butter Formula" is generic whereas Browne argues it is descriptive.

The District Court did not apply the primary significance test. It instead applied an alternative test stated in *Canfield.* ³ Neither party disputed that approach. We conclude, however, that the District Court should not have ventured beyond the primary significance test to any alternative gloss.

*193 Canfield addressed situations in which a manufacturer created a new product and it was not clear if it also had created a new product genus. It involved a dispute over the term "Diet Chocolate Fudge Soda." ⁴ "[A] fundamental question ... [was] whether chocolate soda or chocolate fudge soda is the relevant product genus for evaluating genericness." *Id.* at 298–99. The primary significance test ⁵ could not answer that question, we reasoned, since it applied "only after we have determined the relevant genus." *Id.* at 299.

Our Court concluded that the following rule would help us fill in this gap of identifying the appropriate genus for analysis: "If a producer introduces a product that [1] differs from an established product class in a particular characteristic, and [2] uses a common descriptive term of that characteristic as the name of the product, then the product should be considered its own genus." Id. at 305-06. In those circumstances, "[w]hether the term that identifies the product is generic then depends on the competitors' need to use it. At the least, if no commonly used alternative effectively communicates the same functional information, the term that denotes the product is generic." *Id.* at 306 (internal citation omitted). See generally Genesee Brewing Co. v. Stroh Brewing Co., 124 F.3d 137, 145 (2d Cir.1997) (discussing *Canfield* and describing its test as a complement to, rather than a

rejection of, the primary significance test when a court cannot readily determine the genus of a new product).

Canfield does not control here for a simple reason: this case does not pose the question addressed in Canfield. The "question ... at the core" of Canfield was whether "the relevant product category or genus for purposes of evaluating genericness is chocolate soda or chocolate fudge soda." Id. at 293. We do not face a comparable question, as the parties before us do not dispute whether we should use an existing genus or a new genus in our analysis. They instead agree, with only insignificant quibbles over wording, that "Cocoa Butter Skin Care Products" or an equivalent term defines the category.

To understand why this distinction matters, we return to the principles underlying Canfield. It addressed a weakness in the primary significance test—the presumption that a court knows the product's genus. In most cases, that genus will be obvious, even for new products. A slight change in a detergent's formula, for example, likely will not create a new product genus. Problems may arise, however, if a product differs from existing products in what Canfield calls a "particular characteristic." Examples may include the addition of a new flavor or a new featured ingredient (such as honey in the "Honey *194 Brown Ale" at issue in Genesee Brewing Co.). The manufacturer then likely has created a new type of product. That manufacturer may well need to use descriptive terms in the product name to identify the product to consumers. This raises the question of the proper genus for the Court's genericness analysis: the established product class or a new product class that modifies the established product class with the new characteristic.

Canfield addressed this problem by articulating a test that supplies the proper genus for a genericness analysis. Its test applies when a manufacturer uses the following equation: name of new product = name of the established product class ("Diet Chocolate Soda" in Canfield) + name of the new characteristic ("Fudge" in Canfield). See id. at 305–06.

The established product class in our case is "Skin Care Products" or "Lotion." The new characteristic is "Cocoa Butter." Browne could have called its new products "Cocoa Butter Skin Care Products" or "Cocoa Butter Skin Care Lotion." Use of these terms would

have satisfied *Canfield*'s equation (name of the new characteristic + name of the established product class) and triggered its test. *Canfield* stated that the primary significance test would not have been useful because the genericness determination would have depended on the unresolved threshold definition of the genus ("*Cocoa Butter Skin Care Products*" v. "*Skin Care Products*").

Of course, when it introduced skin-care products containing cocoa butter (i.e., adding a new characteristic), Browne did not label those products with the term "Cocoa Butter Skin Care Products" or "Cocoa Butter Lotion." Instead, it used "Cocoa Butter Formula." This term does not frustrate the application of the primary significance test because it does not raise the question whether to use "Cocoa Butter Formula" or "Formula" as the proper genus for our analysis. Cococare also has not suggested that "Formula" identifies the established product class. Browne does not make baby formula after all, or sell algorithms or recipes. Nor does any record evidence suggest that consumers use "Formula" to describe the skin care product category. Browne's use of a different equation to name its product ("Cocoa Butter Formula" = name of the new characteristic ("Cocoa Butter") + a term not describing the established product class ("Formula")) does not bring into play the weakness in the primary significance test that Canfield addressed because it does not raise the question of the proper genus for our analysis. Applying *Canfield* here amounts to attempting to remedy a non-existent problem. We therefore will evaluate the genericness of the term "Cocoa Butter Formula" under the primary significance test only.

b. Is the Term "Cocoa Butter Formula" Generic Under the Primary Significance Test?

[9] [10] [11] "[T]he primary significance test ... inquires whether the primary significance of a term in the minds of the consuming public is the product or the producer."

Id. at 292–93. We applied that test in Berner, asking whether the evidence demonstrated that the term at issue primarily signified the product genus to consumers.

Berner, 987 F.2d at 980–81. Like the term under dispute in Berner, the meaning of "Cocoa Butter Formula" should be "evaluated by examining its meaning to the relevant consuming public." *195 Id. at 981. That evaluation requires looking at the mark as a whole, not dissecting it into various parts. Id. We therefore inquire whether the consuming public understands "Cocoa Butter Formula"

to refer to a product genus or to a producer. We ask specifically if the evidence submitted by Browne creates a genuine issue of material fact as to its contention that the consuming public does not understand the term "Cocoa Butter Formula" to refer to a product genus (*i.e.*, that it is not generic, but descriptive in this case).

Plaintiffs seeking to establish the descriptiveness of a mark often use one of two types of survey evidence. J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition (4th ed.2008) [hereinafter McCarthy on Trademarks] describes a "Teflon survey" as "essentially a mini-course in the generic versus trademark distinction, followed by a test." 2 McCarthy on Trademarks § 12:16. That survey runs a participant through a number of terms (such as "washing machine" and "Chevrolet"), asking whether they are common names or brand names. After the participant grasps the distinction, the survey asks the participant to categorize a number of terms, including the term at issue. *Id.* (discussing survey created for *E.I. DuPont de Nemours & Co. v. Yoshida Int'l, Inc.*, 393 F.Supp. 502 (E.D.N.Y.1975)).

A "Thermos survey," on the other hand, asks the respondent how he or she would ask for the product at issue. If, to use the term under dispute in the case from which the survey gets its name, the respondents largely say the brand name ("Thermos") rather than the initial product category name ("Vacuum Bottle"), the survey provides evidence that the brand name ("Thermos") has become a generic term for the product category. 2 McCarthy on Trademarks § 12:15 (discussing survey used in *American Thermos Prods. Co. v. Aladdin Indus., Inc.*, 207 F.Supp. 9 (D.Conn.1962)). To put this in the terms of the primary significance test, the term would be generic because the consumers would be using it to refer to the product category rather than a producer who makes products within that product category.

Browne conducted a survey in this case that generally adheres to the "Thermos survey" model. The survey posed a number of open-ended questions asking respondents to "identify or describe the product category" in which its products fall. It asked each of the 154 valid respondents "[w]hat word or words would you use to identify or describe a skin care product which contains cocoa butter?" and "[i]f you needed to identify or describe a skin care product containing cocoa butter, what word or words would you use instead of or in addition to just saying cocoa butter,

if any?" Neither "Cocoa Butter Formula" nor any form of the word "Formula" appeared among the respondents' answers.

The District Court appears to have admitted the survey. Cococare does not suggest on this appeal that we should exclude it. Nor do we see a reason to do so. We therefore ask whether the survey evidence creates a genuine issue of material fact as to whether "Cocoa Butter Formula" is not generic, but descriptive.

[12] The District Court concluded that the survey had "little or no probative value" and "should be afforded little or no weight." We understand the Court to *196 have made that determination within the summary judgment framework rather than to have engaged in any inappropriate weighing of the evidence at the summary judgment stage. See, e.g., Universal City Studios, Inc. v. Nintendo Co., 746 F.2d 112, 118 (2d Cir.1984) (holding a survey to be "so badly flawed that it cannot be used to demonstrate the existence of a question of fact"). Cococare argues that we should review this decision for clear error. It points to our decision in Johnson & Johnson-Merck Consumer Pharmaceuticals Co. v. Rhone-Poulenc Rorer Pharmaceuticals, Inc., 19 F.3d 125, 135-36 (3d Cir. 1994), where we employed that standard of review. Rorer did not come to us at the summary judgment stage, however. It involved a District Court that had weighed survey evidence during the course of a fourday evidentiary hearing on a motion for a preliminary injunction.⁸

Our case involves no such weighing of evidence or factual findings. The District Court's role here was to evaluate the record evidence to determine whether Browne's claims could proceed to trial under the summary judgment standard. In this context, we do not defer to the District Court's resolution of that legal question. Instead, we will conduct plenary review as we have on other occasions when a District Court has granted summary judgment. *See Iberia Foods Corp. v. Romeo*, 150 F.3d 298, 302 (3d Cir.1998); *see also Nintendo*, 746 F.2d at 115, 118 (showing no deference to District Court opinion).

[13] The District Court faulted the survey for what it perceived as two errors. It criticized the survey for not using the term "Palmer's," believing that this omission "undermine[d] Browne's theory of the case" and made the questions "flawed and misleading." Dist. Ct. Op. at 9.

The Court also believed that the survey contained leading questions. For example, it considered the question "What word or words would you use to identify or describe a skin care product which contains cocoa butter?" to be highly suggestive in order to evoke a specific response.

We do not agree these questions were so misplaced. The survey was intended to reveal whether customers use the word "Cocoa Butter Formula" to describe cocoa butter skin care products or lotions. The parties' genericness dispute turns on that question. We thus steer away from the criticism that "some of the survey questions *197 use two of the three words (cocoa butter) of Browne's source identifier (cocoa butter formula)." *Id.* We struggle to conjure how Browne could have pursued the core genericness inquiry without doing so. ¹⁰ As we believe the questions are not highly suggestive or misleading, this case does not, as the District Court suggests, find similarities in *Novartis Consumer Health, Inc. v. Johnson & Johnson-Merck Consumer Pharmaceuticals Co.*, 290 F.3d 578, 592 (3d Cir.2002), and *Rorer*, 19 F.3d at 135. ¹¹

[14] We also do not perceive any reason for Browne to have included the word "Palmer's" in its survey. This litigation focuses on the term "Cocoa Butter Formula," not on the registered trademark "Palmer's Cocoa Butter Formula." The inclusion of the word "Palmer's" in the survey would have confused matters and would have taken the survey outside the "Thermos survey" model. 12

[15] Browne's survey does have non-trivial flaws, however. Only 30% of valid respondents used a noun identifying the product genus (e.g., lotion, cream). The majority of respondents either answered with an adjective describing the product class (e.g., healing, moisturizing) or did not answer. This suggests that the questions confused many respondents. The survey may have caused this confusion by deviating from the standard "Thermos survey" model by asking respondents for terms describing the products in addition to asking (as a "Thermos survey" should) for terms identifying the products. The survey likely would have been strongest if it had asked respondents, as the "Thermos survey" also did, how they would ask at a store for the type of product at issue.

These flaws nonetheless do not deprive the survey of probative value. The survey raises a reasonable inference that "Cocoa Butter Formula" does not describe the product genus in the opinion of the 46 respondents who described the product class. A reasonable jury could rely on that inference to conclude that consumers do not use the words "Cocoa Butter Formula" to describe the category of skin care products containing cocoa butter. Cococare could attack the inference at trial, but that does not stop the survey from creating a genuine issue of material fact. It is premature for us now to conclude that the survey does not provide probative evidence that "Cocoa Butter Formula" is not generic. Browne could have performed a better survey. Indeed, it might have rued the survey's design flaws after a trial. But the survey is strong enough to allow Browne to survive summary judgment on the genericness issue.

*198 [16] Browne also points to evidence that competitors use terms other than "Cocoa Butter Formula." This evidence tends to prove that the term is not generic. See Canfield, 808 F.2d at 306 n. 20 ("Courts have long focused on the availability of commonly used alternatives in deciding whether a term is generic." (citing Holzapfel's Compositions Co. v. Rahtjen's American Composition Co., 183 U.S. 1, 22 S.Ct. 6, 46 L.Ed. 49 (1901))). It indicates that other competitors (and thus Cococare) did not need to use the word "Formula" to communicate to consumers the type of products that it sold. This bolsters our conclusion that a genuine issue of material fact exists on the question of genericness, ¹³ and thus the District Court should not have entered summary judgment that "Cocoa Butter Formula" is generic. 14 Instead, it should have proceeded to a secondary meaning analysis.

2. Assuming "Cocoa Butter Formula" is Descriptive, Has it Acquired Secondary Meaning?

[17] Because a genuine issue of material fact exists on the question whether "Cocoa Butter Formula" is generic, the parties normally would need to proceed to trial to resolve that issue. Even assuming that Browne prevailed and proved "Cocoa Butter Formula" to be descriptive, it also would need to show that the term had acquired secondary meaning which associated it with Browne.

[18] Cococare moved for summary judgment on the basis that Browne had not produced evidence creating a genuine issue of material fact on the secondary meaning question. The District Court set out in its opinion how a secondary meaning analysis would proceed and laid out relevant

factors from our case law. But it did not go further. Instead, the Court concluded that "[i]n this case [there] are other controlling factors which taken as a whole show that cocoa butter formula is generic." Dist. Ct. Op. at 12. The parties presented the secondary meaning question to the District Court, however, and we have their arguments before us. We thus resolve that question because of our interest in judicial economy, and affirm on this basis the District Court's entry of summary judgment. See Nicini v. Morra, 212 F.3d 798, 805 (3d Cir.2000) (stating that we may affirm on any ground supported by the record).

[19] [20] [21] Secondary meaning is a new and additional meaning that attaches to a word or symbol that is not inherently distinctive. *See generally* 2 McCarthy on Trademarks § 15:1. We have explained:

*199 Secondary meaning exists when the trademark is interpreted by the consuming public to be not only an identification of the product, but also a representation of the product's origin. Secondary meaning is generally established through extensive advertising which creates in the mind of consumers an association between different products bearing the same mark. This association suggests that the products originate from a single source. Once a trademark which could not otherwise have exclusive appropriation achieves secondary meaning, competitors can be prevented from using a similar mark. The purpose of this rule is to minimize confusion of the public as to the origin of the product and to avoid diversion of customers misled by a similar mark.

Scott Paper Co. v. Scott's Liquid Gold, Inc., 589 F.2d 1225, 1228 (3d Cir.1978) (citations omitted).

We have identified an eleven-item, non-exhaustive list of factors relevant to the factual determination whether a term has acquired secondary meaning: (1) the extent of sales and advertising leading to buyer association; (2) length of use; (3) exclusivity of use; (4) the fact of copying; (5) customer surveys; (6) customer testimony; (7) the use of the mark in trade journals; (8) the size of the company; (9) the number of sales; (10) the number of customers; and, (11) actual confusion.

Commerce Nat'l Ins. Services, Inc. v. Commerce Ins. Agency, Inc., 214 F.3d 432, 438 (3d Cir.2000). "[T]he evidentiary bar must be placed somewhat higher" when the challenged term is particularly descriptive. *Id.* at 441.

Browne's proffered showing of secondary meaning includes the following evidence:

- its use and promotion of the term "Cocoa Butter Formula" continuously for 20 years;
- the substantial amounts of money it has spent promoting the term "Cocoa Butter Formula;"
- the nature and quality of the advertising in support of the term "Cocoa Butter Formula;"
- Cococare's alleged intent to copy the term "Cocoa Butter Formula;" and
- the increase in the sales of products bearing the term "Cocoa Butter Formula."

This evidence may seem, at first blush, to support Browne's claim that the term "Cocoa Butter Formula" has gained secondary meaning. But serious flaws cause it to fail to create a genuine issue of material fact on the question of secondary meaning.

The evidence's core deficiency is that while it shows Browne used the term "Cocoa Butter Formula" on many occasions over a long period of time, it does not show Browne succeeded in creating secondary meaning in the minds of consumers. Although the evidence leaves no doubt that Browne hoped the term would acquire secondary meaning, nothing shows that it achieved this

goal. Jurors would have to make a leap of faith to conclude that the term gained secondary meaning because the record fails to provide meaningful support. A jury could evaluate the quality of the advertising or consider the rise in product sales, but it would have to guess what lasting impression the advertising left in the mind of consumers or what portion of Browne's revenue growth it caused.

[22] We indicated in *Commerce National Insurance Services* that a plaintiff might establish secondary meaning through evidence of advertising and sales *200 growth. *See id.* at 438. ¹⁵ A plaintiff could create a reasonable inference, for example, that a term had gained secondary meaning by showing that it had appeared for a long period of time in a prevalent advertising campaign. Evidence of revenue growth simultaneous with such marketing would strengthen that inference, particularly if supported by evidence of other factors among those we listed in *Commerce National*.

This case, however, differs in an important way from such an example. Browne has introduced no evidence indicating that it ever used "Cocoa Butter Formula" as a standalone term in marketing or packaging. Instead, it always used the term connected with the "Palmer's," forming the phrase "Palmer's Cocoa Butter Formula." For example, Browne's lotion bottles bore logos with "Palmer's" immediately above the words "Cocoa Butter Formula," creating one visual presentation for the consumer. The marketing and sales evidence thus likely would raise a reasonable inference that "Palmer's Cocoa Butter Formula" has gained secondary meaning in the minds of the public. ¹⁶

But Browne wants to do something more complicated: it wants to establish that a portion ("Cocoa Butter Formula") of the larger term ("Palmer's Cocoa Butter Formula") has acquired an independent secondary meaning. Nothing in the record would allow a jury to evaluate the strength of the term "Cocoa Butter Formula" independently from the larger term including "Palmer's." We thus conclude, under the specific circumstances presented by this case, that the marketing and sales evidence provided by Browne does not create a reasonable inference that "Cocoa Butter Formula" has acquired secondary meaning.

Nor does Browne's asserted evidence of Cococare's intent to copy the term "Cocoa Butter Formula" create a genuine

issue of material fact as to secondary meaning. This evidence pertains almost exclusively to trade dress (i.e., the overall appearance of labels, wrappers, and containers used in packaging a product), ¹⁷ an issue not presented by this case. ¹⁸ Browne only identifies one piece of evidence that conceivably suggests an intent to copy. Cococare's founder testified that he may have known about Browne's use of "Cocoa Butter Formula" when Cococare began using that term on its own products. But he also testified that he decided to use the word "Formula" because it is a standard descriptor in the cosmetics industry. He never testified that he copied Browne and nothing in the record suggests that he did. Even viewing this evidence in the light most favorable to Browne, we cannot discern how a reasonable jury could conclude that Cococare intended to copy Browne's use of the term "Cocoa Butter Formula."

[23] Browne could have overcome these deficiencies in its evidence by conducting *201 a secondary meaning survey in the same way it conducted its genericness survey. It could have used survey evidence to show that "Cocoa Butter Formula" had acquired secondary meaning in the minds of consumers, thus creating a genuine issue of material fact on that issue. ¹⁹ We never have held, and do not hold today, that a party seeking to establish secondary meaning must submit a survey on that point. However, Browne's failure to conduct a secondary meaning survey leaves it without evidence of any sort in this case of the secondary meaning of the term "Cocoa Butter Formula."

We thus conclude that Browne has failed to identify evidence creating a genuine issue of material fact on the question whether "Cocoa Butter Formula" has acquired secondary meaning. Cococare is entitled to entry of summary judgment on the basis that Browne lacks a protectable trademark interest in the term "Cocoa Butter Formula."

B. Cancellation or Alteration of Registrations and Remaining Arguments

[24] Having held "Cocoa Butter Formula" to be generic, the District Court briefly considered whether (as Cococare requested in a counterclaim) it should require a disclaimer of the "Cocoa Butter Formula" portion of the principal registration of "Palmer's Cocoa Butter Formula" and cancel the supplemental registration of "Cocoa Butter Formula." See 15 U.S.C. § 1119. This provision states in relevant part: "In any action involving a registered

mark the court may determine the right to registration, order the cancellation of registrations, in whole or in part, restore canceled registrations, and otherwise rectify the register with respect to the registrations of any party to the action." Id. We have explained that "a controversy as to the validity of or interference with a registered mark must exist before a district court has jurisdiction to grant the cancellation remedy." Ditri v. Coldwell Banker Residential Affiliates, Inc., 954 F.2d 869, 873 (3d Cir.1992). A controversy clearly existed as to the validity of the term "Cocoa Butter Formula" and its place on the supplemental register. This raises the question of the need for a disclaimer on the principal register of that portion of the larger mark "Palmer's Cocoa Butter Formula." Moreover, Cococare explicitly counterclaimed for modification of that larger mark. These circumstances meet Ditri's requirement that "a controversy as to the validity of or interference with a registered mark must exist." 20

The District Court declined to order relief under § 1119, however. It apparently believed that a disclaimer of "Cocoa Butter *202 Formula" on the principal registration of "Palmer's Cocoa Butter Formula" would not benefit Cococare. See generally 15 U.S.C. § 1119; 3 McCarthy on Trademarks § 19:63 (explaining effect of a disclaimer). Yet, even if Cococare will not benefit from that disclaimer, we should not allow the absence of a disclaimer on the principal register to confuse a future business into believing that it may not use the term "Cocoa Butter Formula." Cf. Berner, 987 F.2d at 979. As such, on remand the District Court should order that an appropriate disclaimer should be entered on the principal register.

[25] [26] The treatment of the supplemental registration is more complicated since a descriptive term lacking secondary meaning may not appear on the principal register, but may appear on the supplemental register. See, e.g., In re Bush Bros. & Co., 884 F.2d 569, 570 (Fed.Cir.1989). The District Court should not enter any order regarding the supplemental registration unless for some reason Cococare proceeds to trial on its counterclaim and prevails on the issue of the genericness of the term "Cocoa Butter Formula." If Cococare does prove "Cocoa Butter Formula" to be generic, the District Court then could order the removal of that term from the supplemental register.

Cococare argues that Browne's trademark claim must fail because of Browne's failure to assert its rights in the term "Cocoa Butter Formula" in a timely fashion and, because of alleged misrepresentations to the PTO, Browne has "unclean hands." Cococare also argues that it should receive summary judgment on its affirmative defense that its use of the term "Cocoa Butter Formula" constitutes fair use. We need not reach these arguments in light of our conclusion that Browne does not have a protectable trademark right in the term "Cocoa Butter Formula."

IV. Conclusion

We affirm the judgment of the District Court in all respects but one. We remand to allow the Court to enter an order addressing Cococare's request for relief under 15 U.S.C. § 1119.

All Citations

538 F.3d 185, 87 U.S.P.Q.2d 1655

Footnotes

- * Honorable Louis H. Pollak, Senior United States District Judge for the Eastern District of Pennsylvania, sitting by designation.
- The term appears with and without capitalization throughout the parties' briefs and the District Court's opinion. It appears in all capitals on the products depicted in various exhibits and in Browne's registrations. We use "Cocoa Butter Formula" for consistency but attach no significance to this choice.
- Browne does not discuss the claims it brought in District Court under New Jersey law. Those claims therefore do not feature in our analysis of this appeal.
- The District Court treated this question in a somewhat confusing manner. It first stated that it is a "fundamental question in this case ... whether 'cocoa butter' or 'cocoa butter formula' is the relevant product genus for evaluating genericness."

 Dist. Ct. Op. at 7. It then acknowledged that "the product genus in this action, however, is not in dispute." *Id.* This accorded with its previous statements that Browne describes the genus as "skin care products in the cocoa butter category" and that Cococare describes it as "personal care and beauty aid products in the cocoa butter market," *id.* at 5 (quotation

marks omitted), and that any distinction between "skin care products" and "personal care and beauty aid products" is one without a difference, *id*.

The Court continued in apparent agreement with the parties, reasoning that the products bearing the term at issue "are part of [a] new genus; consisting of personal care and beauty aid products, including creams, lotions, skin moisturizers and soaps, formulated with cocoa butter." *Id.* at 7. It then departed from the submissions of the parties and its own prior recognition of their agreement, however, by stating that "cocoa butter formula is the relevant product class." *Id.* at 8.

- We varied in our inclusion and exclusion of the word "Diet" in *Canfield*. We use that word throughout for consistency but attach no significance to that choice.
- Canfield refers to the primary significance test as if it differs from the consumer understanding test. See id. at 299 (referring to "the primary significance test and its related test of consumer understanding"). More recently, we have treated the concept of consumer understanding as included in primary significance. See Berner, 987 F.2d at 982 (referring to the primary significance test as focusing on "consumer understanding"). Either way, the primary significance test remains the central test of genericness in our Circuit. See Canfield, 808 F.2d at 299. Yet we see nothing in the record indicating that either party has asked that we or the District Court use the consumer understanding test to gauge whether a term is generic.
- The public need not know the identity of the producer for the primary significance of the term to be the producer. *Canfield*, 808 F.2d at 300 (citing S.Rep. No. 98–627, at 5 (1984), U.S.Code Cong. & Admin.News 1984, pp. 5718, 5722).
- 7 Under this analysis, the District Court should not have broken up the term for purposes of its analysis and considered "Cocoa Butter" separately from "Formula." See Dist. Ct. Op. at 5, 7.
- 8 We have explained the importance of the distinction between the preliminary injunction and summary judgment stages of litigation:

In the posture before us—a trademark case in which summary judgment proceedings follow a grant of a preliminary injunction in the plaintiff's favor—the distinction between the standards for summary judgment and preliminary injunction become critical. Failure to strictly observe the principles governing summary judgment becomes particularly significant in a trademark or tradename action, where summary judgments are the exception. [I]nferences concerning credibility that were previously made in ruling on [a] motion for a preliminary injunction cannot determine [a] Rule 56(c) motion and should not be used to support propositions that underpin the decision to grant the motion for summary judgment.

Doeblers' Pennsylvania Hybrids, Inc. v. Doebler, 442 F.3d 812, 820 (3d Cir.2006) (alterations in original) (citation and quotation marks omitted). The distinction between the two standards remains as important in the context of weighing the results of a survey as in making credibility determinations (the issue in *Doebler*).

- We reject Browne's argument that we should use an abuse of discretion standard of review because we do not agree that this is a question of the admissibility of the surveys. See In re Paoli Railroad Yard PCB Litigation, 35 F.3d 717, 749 (3d Cir.1994) (applying a deferential standard of review to rulings on admissibility of expert opinions).
- 10 Cococare presents expert evidence indicating that "Cocoa Butter" may have discouraged the use of those words in the answers. But this does not deprive the survey of probative value. It merely creates a question as to how much weight a jury should give the survey.
- 11 In addition to this substantive difference, those cases differ procedurally from this case. In both of those cases we reviewed the weight given to surveys by District Courts considering motions for entry of preliminary injunctions. See supra note 8 (discussing procedural distinction between preliminary injunction and summary judgment stages of trademark litigation).
- Cococare does not distinguish in its opening brief between "Teflon surveys" and "Thermos surveys." It implicitly argues, however, that Browne should have conducted the former rather than the latter when it contends that "[t]he proper question would have asked survey respondents in a straightforward fashion whether the designation 'cocoa butter formula' identified a brand, or a common name." Cococare does not explain why Browne had to conduct a "Teflon survey" rather than a "Thermos survey."
- 13 In contrast, we struggle to perceive the relevance ascribed by Browne to the fact that dictionaries do not include the term "Cocoa Butter Formula." Not all generic terms appear in dictionaries, a fact so obvious Browne makes no effort to disprove it.
- The District Court appeared to reason that the registration of "Cocoa Butter Formula" on the PTO's supplemental register rather than its principal register weakens Browne's claim that the term is descriptive. We know of no support for that view. As the District Court correctly explained elsewhere, the validity of a term that does not appear on the principal register and is not distinctive (*i.e.*, one that is descriptive rather than suggestive, or arbitrary or fanciful) depends on its acquisition of secondary meaning. See Berner, 987 F.2d at 979 (explaining that arbitrary or suggestive terms are distinctive and

automatically qualify for trademark protection, while descriptive terms only receive trademark protection after a showing of secondary meaning).

We also note that Browne is not entitled to summary judgment in its favor on the question of genericness. The weaknesses in the genericness survey alone create a genuine issue of material fact on that point.

- We do not suggest that a party attempting to establish secondary meaning always must show that marketing materials succeeded in creating buyer association or that the term contributed to sales growth.
- This case does not put that question at issue. The parties do not dispute that Browne has a valid, registered trademark in the term "Palmer's Cocoa Butter Formula." Cococare does seek alteration of the principal registration of that term, but only to the extent it includes the term "Cocoa Butter Formula," which it asserts is generic.
- 17 See generally 1 McCarthy on Trademarks § 8:1 (comparing trade dress and trademarks).
- Browne apparently dropped a trade dress claim because Cococare presented unrebutted evidence that it adopted the contested trade dress earlier than Browne.
- Cococare conducted a secondary meaning survey that it argues tends to prove a lack of secondary meaning in the term "Cocoa Butter Formula." That survey does not support Browne's position. Instead, it arguably provides evidence against Browne and would be used by Cococare to rebut any evidence of secondary meaning offered by Browne. We need not attempt to discern, however, whether Cococare's survey undercuts any evidence by Browne. That is not our role at the summary judgment stage. Instead, we ask whether Browne has identified sufficient evidence to allow a jury to resolve the secondary meaning question in its favor. We conclude that it has not. Accordingly, we need not consider here any evidence offered in support of Cococare's position.
- Since this case falls squarely within *Ditri's* requirements, we need not define the exact contours of "controvers[ies] as to the validity of or interference with a registered mark." For example, we do not decide whether, in the absence of an appropriate counterclaim, a District Court may order the addition of a disclaimer to a term (*e.g.*, "Palmer's Cocoa Butter Formula"), including a portion found to be generic (*e.g.*, "Cocoa Butter Formula").

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Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

IN RE NETWORK ASSOCIATES TECHNOLOGY, INC.

Serial No. 76426050

January 25, 2005

Hearing: November 17, 2004

*1 Sandra Edelman of Dorsey & Whitney LLP for Network Associates Technology, Inc.

M. Catherine Faint, Trademark Examining Attorney

Law Office 103

(Michael Hamilton, Managing Attorney)

Before Quinn, Hairston, and Drost Administrative Trademark Judges Opinion by Drost Administrative Trademark Judge:

On June 28, 2002, Network Associates Technology, Inc. (applicant) applied to register the mark VIRUSSCAN, in typed form, on the Principal Register under the provision of Section 2(f) of the Trademark Act (15 U.S.C. § 1052(f) for goods in International Class 9 identified as:

computer utility software; computer software for protecting and securing the integrity of data, computer software, and computer and communications networks; computer software for identifying and correcting faults and errors in the operation of computer software and over computer and communications networks.

The application (Serial No. 76426050) alleged dates of first use anywhere and in commerce of December 16, 1993. Furthermore, the application claimed ownership of Registration No. 1,936,202 for the same mark on the Supplemental Register (issued November 14, 1995) for "computer programs for data integrity and security" in International Class 9.

The examining attorney refused registration on the ground that the mark was generic. In response, applicant argued that its mark was not generic and it submitted additional evidence that the mark had acquired distinctiveness under Section 2(f). After the examining attorney made the refusal final, applicant filed a request for reconsideration that was denied and this appeal followed. ¹

While the examining attorney has discussed applicant's evidence of acquired distinctiveness, the examining attorney (brief, ninth page) ultimately "asserts VIRUSSCAN cannot be registered due to its generic nature, therefore acquired distinctiveness is irrelevant." See also Brief, eighth page ("the term 'virus scan' is so highly descriptive for computer

software for protecting data that it is not capable of acquiring sufficient secondary meaning in the minds of the purchasing public").

Evidence

Both applicant and the examining attorney have presented significant evidence in support of their positions. The following summary highlights the evidence of record. The examining attorney's evidence consisted of numerous printouts from the LEXIS/NEXIS database.

Because your system is doing so many strange things not easily attributable to Winzip, download the latest virus definitions for your computer and run a complete **virus scan**.

*2 South Bend Tribune, July 1, 2002.

IF YOU HAVE BEEN HACKED — What to do. Immediately disconnect the phone or cable jack from the computer. Run a complete **virus scan** on your computer to remove software such as a Trojan Horse, which hackers may have planed.

Consumers Reports, June 2002.

But unfortunately, GuardDog must not have been totally removed, because it pops up when I reboot or shut down my computer. It also interferes with Norton **virus scans**.

St. Paul Pioneer Press, April 1, 2002.

Many applications on a computer, such as third-party virus-scan software, create comprehensive logs when they are used.

ASAP, March 1, 2002.

Here are some steps you can follow to create a clutter-free computer. Perform a **virus scan**. With the likelihood that at least one person in your family regularly downloads information from the Internet or exchanges e-mail with attachments, it's important to check for viruses regularly.

San Diego Union-Tribune, June 27, 2001.

If you set your **virus scan** software to constantly scan your computer for viruses, you may have unknowingly have set the program to automatically scan the floppy drive, too, at regular intervals.

Des Moines Register, March 27, 2001.

As far as I'm concerned, electronic drives and disks are as good as the latest computer **virus scan** program, but a folder full of paper is forever.

Denver Rocky Mountain News, January 16, 2000.

The new technology is deceptively simple. During normal on demand **virus scans**, the software actively scans all processes running in memory and identifies any malicious processes.

eWeek, March 3, 2003.

However, a wireless device with e-mail software certainly could retrieve dangerous attachments, then sync those attachments back to the desktop, providing a back door for malicious code to enter the enterprise. PDA virus scan software is available from the usual suspects: Norton, McAfee and Trend Micro, to name a few.

Wireless Week, June 3, 2002.

The security management products do not claim to give users the security they'd get from using a firewall, **virus scanning** software or IDS.

Network World, March 18, 2002.

The only problem we encountered was that the Java-based interface tended to conflict with active **virus-scanning** software. It's best to disable **virus scanning** while using the management functions.

Government Computer News, March 4, 2002.

The best way to defend against viruses is to use a **virus scanner**. Unfortunately, viruses mutate quickly. For this reason, all popular **virus scanning** software comes with an update service.

Broadcast Engineering, July 2001.

I ran a full scan using Norton and found no virus. Then, I used three free online **virus scans** and two declared the computer clean and one found and deleted a virus that was not even listed by Norton.

Sacramento Bee, March 20, 2003.

*3 A full anti-virus scan should be done weekly, and then anti-virus software should scan all inbound and outbound e-mail.

San Diego Union-Tribune, February 17, 2003.

Tip: Configure your antivirus software to update virus definitions and run virus scans automatically.

Computer Shopper, May 1, 2003.

The examining attorney also included a definition from TechWeb, the Business Technology Network, (TechEncyclopedia) that defined a "virus scanner" as "an antivirus program that searches for binary signatures (patterns) of known viruses that have attached themselves to executable programs." Another Internet record defines a "virus scan" as "a program which a PC user will invoke in order to check that their PC contains no known viruses." See www.users.bigpond.com. In addition, the examining attorney submitted definitions of the individual terms, "virus" ("a computer virus") and "scan" ("to search (stored data) automatically for specific data"). The American Dictionary of the English Language (1992).

Applicant, on the other hand, has submitted the following evidence that its mark is not generic and that it has acquired distinctiveness: numerous registrations containing the word "scan," normally spelled as one word or with a hyphen; a declaration that proved sales figures (in millions: 1999 - \$89.7; 2000 - \$76.1; 2001 - \$81.2); advertising figures (in millions: approximately \$2.5 in 2002 and estimated \$1.95 in 2003) and that more than 40,000 companies use VIRUSSCAN software products. Another declarant indicated that VIRUSSCAN software sales in the retail market averaged

approximately 1,000,000 units between 1999 to 2002; ³ and "there are approximately two million active subscribers to the company's online software subscription services. The overwhelming majority of these two million customers use the company's 'VirusScan Online' service to monitor and protect their computers and networks." ⁴ Regarding its websites (www.mcafee.com and www.mcafee-at-home.com), applicant's declarant (Doug Cavit) indicated that in January of 2003, approximately 20 million unique visitors accounted for 610 million page views and "the vast majority of these visitors to these web sites are exposed to VIRUSSCAN products or services as well as prominent display of the VIRUSSCAN brand."

Applicant also submitted evidence that it is unaware that any of "its competitors use the term 'VIRUSSCAN' to identify the brand or generic names of their products." McGee II declaration at 3. Applicant's evidence included examples of how anti-virus software is marketed, advertised, and displayed without using the term VIRUSSCAN except as a trademark of applicant. Furthermore, applicant also argues that, according to its NEXIS search, 96% of the results of its search of the term VIRUSSCAN contained a reference to applicant. See Response dated May 19, 2004 at 6 and Exhibit F.

*4 In addition, applicant submitted excerpts from various online and paper dictionaries to show that the term "virus scan" or its equivalents were not listed. See Response dated May 19, 2003, Ex. G (Bartleby.com, Merriam-Webster's.com, Webopedia.com, Netlingo.com, The Computer Glossary, McGraw-Hill Encyclopedia of Personal Computing, Microsoft Press Computer Dictionary, Official Internet Dictionary, Prentice Hall's Illustrated Dictionary of Computing, and Webster's New World Dictionary of Computer Terms). 5 Applicant maintains that these dictionaries support applicant's argument that "anti-virus" is recognized as the name of applicant's goods and "virus scan" is not a recognized generic name.

In addition, applicant introduced a survey to demonstrate that the term VIRUSSCAN is not generic for computer software. The survey was addressed to approximately 150 individuals who were responsible for making software purchases for their company and who were involved in making decisions about "the purchase of computer software for protecting network security." Simonson declaration ¶ 13. The survey asked the following relevant questions:

Question 6: "What do you call the type or category of computer software that is designed to protect and secure computer data, software, and computer communications networks?

Question 7: What other name or names, if any, do you use when referring to this type or category of software? ⁶

The results of the survey are as follows:

Question 6 results:

Answer	%	# of Responses (out of 110)
Anti-virus software	16.4	18
Firewall software	10.0	11
Firewall	22.7	25
Firewall protection	0.9	1

Security	5.5	6
Security software	7.3	8
Norton	4.5	5
Encryption/Encryption software	1.8	2
Norton Anti Virus/Virus protection Software	3.6	4
Virus/virus software	2.7	3
Other	20.0	22
Don't know	6.4	7
Question 7 results:		
Answer (Italics = new answer)	%	# of Responses (out of 103)
Anti-virus software	16.5	17
Anti-virus software Firewall software	3.9	17
Firewall software	3.9	4
Firewall software Firewall firmware	3.9	1
Firewall software Firewall firmware Router	3.9 1.0 1.0	411
Firewall software Firewall firmware Router Firewall	3.9 1.0 1.0 4.9	4 1 1 5
Firewall software Firewall firmware Router Firewall Firewall	3.9 1.0 1.0 4.9 0.9	4 1 1 5
Firewall software Firewall firmware Router Firewall Firewall protection Security	3.9 1.0 1.0 4.9 0.9	4 1 1 5

Norton Anti Virus/Virus protection Software	1.0	1
Virus/virus software	1.0	1
McAfee	5.8	6
Network security	1.9	2
Network security Software	1.0	1
Zone Alarm	1.9	2
Other	15.5	16
Don't know	49.5	51

*5 Among the other responses were one response for "virus scan" and another response for "virus protection scan." Simonson declaration, ¶ 21. The remaining responses include: Security Firewall, Security Data, Virus and Security Software, Virex, Tape Backup, Citrix, Nortons Personal Firewall and Anti-Virus, Netware, Personal Firewall, Internet Security, Noris, Secure Data, Norton Security Program, Network Security Software or Hardware, Novell, Norton Utilities, Tecom Software, Sonic Wall, and Span [sic] Proof.

Based on this survey, Mr. Simonson (declaration, ¶ 21) concluded that these "results indicate unequivocally that 'VirusScan' is not a generic term."

Arguments

The examining attorney argues (Brief, fourth page) that the term "virus scan software" is "commonly used as an alternative generic form of 'antivirus software." In addition, the examining attorney points out (Brief, fifth page) that applicant's "own evidence shows that its software product scans for computer viruses." In addition, the examining attorney (Brief, sixth page) faults applicant's survey because it is "limited to a small, non-random sample of 153 individuals who make software purchasing decisions for their company or organization."

On the other hand, applicant asserts that the examining attorney erred by rejecting applicant's survey and giving insufficient weight to its marketplace evidence. Applicant also points to the evidence that its "principal competitors in the marketplace do not use the word 'SCAN' to identify their anti-virus products." Brief at 2. Finally, applicant claims (Brief at 2-3) that the examining attorney "failed to adhere to the heavy burden imposed upon her to prove that Appellant's mark is generic."

Genericness

The key issue in this case is whether applicant's term VIRUSSCAN is generic for applicant's software. Inasmuch as applicant seeks registration under Section 2(f), there is no issue concerning the descriptiveness of the mark. <u>Yamaha Int'l Corp. v. Hoshino Gakki Co.</u>, 840 F.2d 1572, 6 USPQ2d 1001, 1005 (Fed. Cir. 1988) ("Where, as here, an applicant seeks a registration based on acquired distinctiveness under Section 2(f), the statute accepts a lack of inherent distinctiveness as an established fact").

The Court of Appeals for the Federal Circuit has held that: "The critical issue in genericness cases is whether members of the relevant public primarily use or understand the term sought to be protected to refer to the genus of goods or services in question." H. Marvin Ginn Corp. v. Int'l Association of Fire Chiefs, Inc., 782 F.2d 987, 228 USPQ 528, 530 (Fed. Cir. 1986). Marvin Ginn goes on to explain that:

*6 Determining whether a mark is generic therefore involves a two-step inquiry: First, what is the genus of goods or services at issue? Second, is the term sought to be registered or retained on the register understood by the relevant public primarily to refer to that genus of goods or services?

Id.

In this case, the examining attorney has presented significant evidence showing the generic use of the term "virus scan" for anti-virus software. The following examples indicate that at least some members of the purchasing public use the term generically: "third-party virus-scan software"; "perform a virus scan"; and "set your virus scan software." Certainly, the examining attorney has met her initial burden of creating a prima facie case that the term VIRUSSCAN is generic.

However, the next question is whether applicant has rebutted this prima facie case of genericness. Applicant has submitted significant evidence of its sales and advertising and its competitors' business practices. This evidence shows the extensive marketing of applicant's VIRUSSCAN products. It has nearly 2,000,000 subscribers to its VIRUSSCAN online software subscription services, approximately 40,000 business customers, more than \$75 million dollars in sales annually, approximately \$2 million in advertising annually, and more than 20,000,000 unique visitors in one month to its websites featuring VIRUSSCAN products. Applicant has also submitted evidence that 96% of the results of its search of the term VIRUSSCAN contained a reference to applicant. See Response dated May 19, 2004 at 6 and Exhibit F.

In addition, applicant submitted evidence in the form of a survey. According to applicant's survey results, virtually no one in the survey identified "virus scan" as a generic term for applicant's software. These results lead applicant's survey expert to conclude that applicant's term is not generic. At first glance, applicant's survey results appear very impressive. Of 110 respondents to survey questions six and seven, only one responded that the term "virus scan" was a name for the software and another responded that "virus protection scan" was the generic name of the goods. On its face, these results of the survey would strongly support applicant's argument that its mark was not generic.

However, upon closer analysis, the results are less impressive. Applicant's survey asked "What do you call the type or category of computer software that is designed to protect and secure computer data, software, and computer communications networks." The largest response (37 of 110) to the initial question identified "firewall," "firewall software" or "firewall protection" as the generic name of the software. Another 14 responses identified "security" and "security protection" as the generic name, while 22 identified other names. The largest number of responses identified a generic term for a different type of computer protection product, i.e. a firewall, in response to applicant's survey question No. 6. Applicant's survey questions are more like a guessing game. The questions provide just enough information so that participants can guess about applicant's product but not enough information to understand what the specific product is. Applicant's survey would be similar to asking prospective purchasers: "What do you drive that has four wheels and a motor?" While it is likely that the vast majority of responses would be "car," "truck," and "motor vehicle," it would hardly demonstrate that unmentioned terms such as "SUV," "subcompact," or "sedan" were not generic terms also. Therefore, we certainly cannot agree with applicant's declarant who claims that the survey results "indicate unequivocally" that applicant's term is not generic. A survey that establishes a generic name for a product not at issue (firewall) is not very relevant.

*7 While we have reason to question the persuasiveness of the survey, we must give it some weight. At this point, we note that at its bare minimum more than 100 people with some familiarity with business software were asked twice to provide

the name of computer software that is designed to protect and secure computer data. Virtually no respondent identified "virus scan" as the name of the software. <u>Marvin Ginn</u> requires us to determine if the term sought to be registered is understood by the relevant public primarily to refer to that genus of goods.

Under the applicable case law, the examining attorney's burden to establish genericness is not an easy one. Undoubtedly, the examining attorney has submitted significant evidence of generic use. However, applicant has responded with evidence that would lead one to believe that the term VIRUSSCAN is not generic. This evidence includes a "survey" in which virtually no one identified "virus scan" as the name of the goods, the lack of evidence of use of the term by competitors and retailers, the absence of the term from the many general and technical dictionaries of record, the high percentage of use of the term in association with applicant in articles, and applicant's extensive and long use of the term. Ultimately, if we are to find that a term is generic, we must conclude that the evidence clearly shows that the term is understood by the relevant public primarily to refer to that genus of the goods. Based on the present record, which is extensive, but nonetheless a limited ex parte record, we are unable to conclude that the evidence clearly shows that applicant's mark is generic. In re Merrill Lynch, Pierce, Fenner and Smith Inc., 828 F.2d 1567, 4 USPQ2d 1141, 1143 (Fed. Cir. 1987) ("The mixture of usages unearthed by the NEXIS computerized retrieval service does not show, by clear evidence, that the financial community views and uses the term CASH MANAGEMENT ACCOUNT as a generic, common descriptive term for the brokerage services to which Merrill Lynch first applied the term") (footnote omitted).

Having concluded that the record, when considered n light of the Federal Circuit's decisions on genericness, requires us to find that applicant's mark is not generic, we must consider whether applicant has demonstrated that its mark has acquired distinctiveness under the provision of Section 2(f). Applicant has the burden of proving that its mark has acquired distinctiveness. In re Hollywood Brands, Inc., 214 F.2d 139, 102 USPQ 294, 295 (CCPA 1954) ("[T]here is no doubt that Congress intended that the burden of proof [under Section 2(f)] should rest upon the applicant"). "[L]ogically that standard becomes more difficult as the mark's descriptiveness increases." Yamaha Int'l Corp. v. Hoshino Gakki Co., 840 F.2d 1572, 6 USPQ2d 1001, 1008 (Fed. Cir. 1988).

*8 In this case, we find that if applicant's mark is not generic, applicant's evidence shows that its mark has acquired distinctiveness. We note that applicant's sales for its VIRUSSCAN products are approximately \$100 million dollars a year with several million dollars in advertising. Applicant's VIRUSSCAN products protect millions of computers, more than 2 million users subscribe to its online anti-virus products, and more than 20 million unique viewers visit its website where its VIRUSSCAN products are featured. The examining attorney primarily argues (Brief, ninth page) that the mark "cannot be registered due to its generic nature, therefore acquired distinctiveness is irrelevant." Inasmuch as we have concluded that applicant's mark is not generic, evidence of acquired distinctiveness is relevant. We are persuaded that this evidence is sufficient to show that applicant's mark has acquired distinctiveness.

DECISION: The refusal to register applicant's mark VIRUSSCAN on the ground that the mark is generic is reversed.

Footnotes

- 1 An oral hearing was held on November 17, 2004.
- 2 Declaration of Ryan McGee.
- 3 Declaration of Lisa Citron.
- 4 Declaration of Jonathan Wong at 1.
- We note that several of applicant's online dictionary entries do not indicate that applicant searched the term "virus scan" along with the terms "virus scanning," or "virus scanner." The absence of evidence that the most relevant term was searched undercuts the persuasiveness of the online definitions.
- While applicant maintains (brief at 6) that respondents had three opportunities to identify the generic name in the survey, only two questions (# # 6 and 7) asked respondents to provide a generic name. The other question simply asked: "Are you

- familiar with this product [software designed to protect and secure computer data, software, and computer communications networks]"? Simonson declaration, ¶ 17.
- 7 Even when the answers to question No. 7 are considered, firewall-related responses remain the largest response.
- The issue in this case is whether VIRUSSCAN is generic for software that protects against computer viruses, not for all computer software. <u>In re CyberFinancial.Net Inc.</u>, 65 USPQ2d 1789, 1791 (TTAB 2002) ("[I]f applicant's mark BONDS.COM is generic as to part of the services applicant offers under its mark, the mark is unregistrable").

2005 WL 363395 (Trademark Tr. & App. Bd.)

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2 McCarthy on Trademarks and Unfair Competition § 12:14 (5th ed.)

McCarthy on Trademarks and Unfair Competition, Fifth Edition | March 2019 Update J. Thomas McCarthy

Chapter 12. Generic Terms

II. Test of Genericness

§ 12:14. Surveys to determine genericness

References

West's Key Number Digest

West's Key Number Digest, Trademarks 1619

The Importance of Survey Evidence. Consumer surveys have become almost de rigueur in litigation over genericness. ¹ Judges are now used to survey evidence and often expect to receive evidentiary assistance by surveys in resolving generic disputes. ² A litigant who alleges that a designation is not a valid trademark because it is perceived as a generic name of a product or service and does not introduce a survey to support this challenge may be viewed as less than serious by some judges. As Judge Will stated in frustration, "Neither side in this case has produced any consumer surveys or other similar evidence. Both sides are at fault for such laxness." ³ But there is no need for a survey if other evidence overwhelmingly proves that the disputed designation is a generic name. ⁴

Asking Relevant Questions. A survey must be directed at the issue of consumer perception as to the significance and meaning of the designation in issue. A survey that merely tests for consumer awareness of the designation is irrelevant. ⁵ Similarly, asking a question that is not directly relevant to the issue of genericness is irrelevant. ⁶ However, logic dictates that if a survey shows that only a small percentage of the relevant group is even aware of the disputed term, then this is evidence that the term is *not* used as a generic name by a majority of the relevant group.

The Thermos *and* Teflon *Models*. Two preferred models of surveys to test for genericness have been approved by the courts: the Thermos Model and the Teflon Model. They are explained and discussed in the following sections. ⁷ They are the formats most often used by those who raise the genericness challenge and are also often used by those who seek to negate that challenge and prove trademark status for the designation. Of the two, the Teflon format has proven to be the most used and judicially accepted format to test a genericness challenge. ⁸

Other Models of Genericness Surveys. Depending on the circumstances, other survey formats can also be relevant to the issue of trademark significance. That is, surveys that test for secondary meaning 9 and likelihood of confusion 10 may yield relevant results that point towards or away from trademark significance. For example, if there is strong evidence of secondary meaning, then that is evidence that those surveyed perceive the designation as a trademark. ¹¹ Conversely. if a Teflon-type survey shows that a significant percentage of respondents identify a designation as a "brand name," that is not only evidence that it is not a generic name, it is also evidence that the designation has acquired a secondary meaning. 12

If there is strong evidence of a likelihood of confusion, then that is evidence that those surveyed perceive the designation as a trademark, for there cannot be true "confusion" unless those persons perceive the senior user's designation as a trademark. 13

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Footnotes

See Oddi, "Assessing 'Genericness': Another View," 78 Trademark Rep. 560 (1988) (Proposing a survey question: "What is the primary significance of [trademarked name] to you? (a) The name of a product from a single source or (b) The name of a product."); Jay, Genericness Surveys in Trademark Disputes: Evolution of Species, 99 Trademark Rep. 1118 (2009).

See discussion of survey evidence at §§ 32:158 et seq. See also Magic Wand, Inc. v. RDB, Inc., 940 F.2d 638, 19 U.S.P.Q.2d 1551 (Fed. Cir. 1991) (rejected challenge that TOUCHLESS is a generic name for a type of auto wash services, in part because the challenger introduced no survey evidence); Heroes, Inc. v. Boomer Esiason Hero's Foundation, Inc., 43 U.S.P.Q.2d 1193 (D.D.C. 1997) (rejected challenge that HEROES was generic name of charitable services assisting surviving family of police and firefighters killed in line of duty because, in part, "defendant has introduced no consumer surveys"); Hermes Intern. v. Lederer De Paris Fifth Avenue, Inc., 50 F. Supp. 2d 212, 50 U.S.P.Q.2d 1257 (S.D.N.Y. 1999), rev'd on other grounds, 219 F.3d 104, 55 U.S.P.Q.2d 1360 (2d Cir. 2000) (challenger failed to conduct genericness survey in opposition to the survey of the mark owner: summary judgment of genericness was denied).

Gimix, Inc. v. JS&A Group, Inc., 213 U.S.P.Q. 1005, 1982 WL 52164 (N.D. Ill. 1982), affd, 699 F.2d 901, 217 U.S.P.Q. 677 (7th Cir. 1983). But see Nestle Co. v. Chester's Market, Inc., 571 F. Supp. 763, 219 U.S.P.Q. 298 (D. Conn. 1983), rev'd, 756 F.2d 280, 225 U.S.P.Q. 537 (2d Cir. 1985) (The court granted summary judgment finding "toll house" a generic name for chocolate chip cookies, cavalierly rejecting as irrelevant two surveys modeled on the Thermos and Teflon surveys. The court relied on other "surveys" and plaintiff's own generic-type usage. In the author's opinion, in rejecting widely used models of surveys, the court seemed to have already made up its mind that "toll house" was a generic name.).

Nartron Corp. v. STMicroelectronics, Inc., 305 F.3d 397, 64 U.S.P.Q.2d 1761, 2002 FED App. 0341P (6th Cir. 2002), cert. denied, 123 S. Ct. 1486, 155 L. Ed. 2d 227 (U.S. 2003) ("Thus, the overwhelming evidence in this case obviates the need for [defendant] to have conducted a consumer survey."); Colt Defense LLC v. Bushmaster Firearms, Inc., 486 F.3d 701, n.4, 82 U.S.P.Q.2d 1759 (1st Cir. 2007) (term was found to be a generic name without the need for a survey).

Stuhlbarg Intern. Sales Co., Inc. v. John D. Brush and Co., Inc., 240 F.3d 832, 57 U.S.P.Q.2d 1920 (9th Cir. 2001) ("Simply asserting consumer awareness of the term begs the question.").

See, e.g., Tea Board of India v. Republic of Tea, Inc., 80 U.S.P.Q.2d 1881, 2006 WL 2460188 (T.T.A.B. 2006) (asking respondents "What is Darjeeling tea?" to determine if it is a generic name did not elicit relevant responses).

See §§ 12:15, 12:16.

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See D. Jay, Genericness Surveys in Trademark Disputes: Under the Gavel, in Trademark and Deceptive Advertising Surveys, 112 (ABA, Eds. Diamond & Swann 2012) ("Teflon surveys have provided the preferred format for genericness surveys as reflected in U.S. court opinions and U.S. Trademark Trial and Appeal Board decisions in which they have been approved.").

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See §§ 32:190, 32:191. See §§ 32:174 to 32:178, 32:188.

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See §§ 12:46, 15:5, 15:11. The logic is that evidence that customers associate the designation with a single source is evidence that they perceive that designation as a trademark, not as a generic name of the product or service. See Trump v. Caesars World, Inc., 645 F. Supp. 1015, 1020–1021, 230 U.S.P.Q. 594 (D.N.J. 1986), judgment aff'd without opinion, 819 F.2d 1135, 2 U.S.P.Q.2d 1806 (3d Cir. 1987) (Survey for the meaning of "palace" for a casino tended to disprove genericness. "This survey tends to negate Trump's contention that 'palace' is a generic term for accommodation and tends to support the contention that in the context of gambling activity in general, palace is indicative of a source of such services.").

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March Madness Athletic Ass'n, L.L.C. v. Netfire, Inc., 310 F. Supp. 2d 786, 803-804 (N.D. Tex. 2003), judgment entered, 2003 WL 22173299 (N.D. Tex. 2003) and aff'd, 120 Fed. Appx. 540, 73 U.S.P.Q.2d 1599 (5th Cir. 2005) (Because a majority of respondents answered in a "*Teflon* format" survey that they thought that MARCH MADNESS was a mark and not a generic name, then that also proved the existence of secondary meaning.); In re Country Music Association, Inc., 100 U.S.P.Q.2d 1824, 2011 WL 5600319 (T.T.A.B. 2011) (COUNTRY MUSIC ASSOCIATION was held not to be a generic name. The *Teflon* survey was relied on as evidence in support of a secondary meaning.); Frito-Lay North America, Inc. v. Princeton Vanguard, LLC, 124 U.S.P.Q.2d 1184, 1199, 2017 WL 3948367 (T.T.A.B. 2017) (Survey in *Teflon* format designed to show secondary meaning was also relevant to issue of genericness.).

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The buyer, to be deceived, must be looking for some symbol which she thinks identifies a single, albeit anonymous, source: a trademark. Spangler Candy Co. v. Crystal Pure Candy Co., 235 F. Supp. 18, 27, 143 U.S.P.Q. 94 (N.D. Ill. 1964), judgment aff'd, 353 F.2d 641, 147 U.S.P.Q. 434 (7th Cir. 1965) ("The buyer to be deceived, must be looking for something.").

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2 McCarthy on Trademarks and Unfair Competition § 12:15 (5th ed.)

McCarthy on Trademarks and Unfair Competition, Fifth Edition | March 2019 Update J. Thomas McCarthy

Chapter 12. Generic Terms

II. Test of Genericness

§ 12:15. Consumer surveys—Thermos survey

References

West's Key Number Digest

• West's Key Number Digest, Trademarks 1619

Two general models of a genericness survey have evolved. ¹ The first has become known as a "Thermos Survey" because it is based on a survey used to prove "Thermos" was a generic name. ² A Thermos Survey set of questions generally describes the product, puts the respondent in an imaginary situation walking into a store and asks how the respondent would ask for the product. A highly edited portion of the Thermos Survey follows:

Are you familiar with the type of container that is used to keep liquids, like soup, coffee, tea and lemonade, hot or cold for a period of time?

If you were going to buy one of these containers tomorrow—that is, the type that keeps food and beverages hot or cold—what type of store would you select to make your purchase?

What would you ask for—that is, what would you tell the clerk you wanted?

In answer to the last question, 75% of the some 3,000 persons interviewed said "Thermos," 11% said "Vacuum Bottle" and, as a result of follow-up questions, 12% said they thought that "Thermos" had some trademark significance. The court said that these results supported the conclusion that "thermos" had become a generic name to a majority of the public and that minority perception was to be taken into the balance only in **framing** a decree. ³

The drawback of a "Thermos Survey" is that for a very strong trademark, respondents with brand loyalty may answer with the trademark and drop what they consider to be a generic name, because it's so obvious to them. ⁴ For example. one of the 75% that answered "Thermos" might say, "I said 'Thermos' because that's the brand I would buy. I don't like those other inferior brands of vacuum bottles." In the Thermos Survey, defendant tried to ferret out such responses by follow-up questions like:

> Can you think of any other words that you would use to ask for a container that keeps liquids hot or cold?

> Do you know the names of any manufacturers who make these containers that keep liquids hot or cold?

Can you name any trademarks or brand names that are used on these containers?

Thus, the Thermos "what would you ask for" question is a blunt weapon that must be used carefully. ⁵ A *Thermos*-type survey should not be shrunken down to just one question. ⁶

The *Thermos*-type of genericness survey is a recognized methodology that has been allowed into evidence. ⁷ Jay has noted that despite criticisms, the Thermos survey format continues to be used for genericness surveys.⁸

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Footnotes See Simonson, "An Empirical Investigation of the Meaning and Measurement of 'Genericness'," 84 Trademark Rep. 199 (1994) (comparing and examining the built-in bias of the Thermos and Teflon survey methods); D. Jay, Genericness Surveys in Trademark Disputes: Under the Gavel, in Trademark and Deceptive Advertising Surveys, 112-143 (ABA, Eds. Diamond & Swann 2012) (Comparing Teflon and Thermos survey formats). 2 American Thermos Products Co. v. Aladdin Industries, Inc., 207 F. Supp. 9, 134 U.S.P.Q. 98 (D. Conn. 1962), aff'd, 321 F.2d 577, 138 U.S.P.Q. 349 (2d Cir. 1963). 3 See § 12:51. Plaintiff in the *Thermos* case also introduced the results of a survey in which 3,650 people were asked: "Please name any trademark or brand names, with which you are familiar, for vacuum bottles, insulated bottles or other containers, which keep the contents hot or cold." One third of the respondents answered "Thermos" or "thermos." The court said that the survey corroborated the conclusion that there was an appreciable minority segment of consumers who know and recognize "Thermos" as a trademark. American Thermos Products Co. v. Aladdin Industries, Inc., 207 F. Supp. 9, 21, 134 U.S.P.Q. 98 (D. Conn. 1962), aff'd, 321 F.2d 577, 138 U.S.P.Q. 349 (2d Cir. 1963). See discussion of this common phenomenon at §§ 12:6 to 12:8. See Anti-Monopoly, Inc. v. General Mills Fun Group, 684 F.2d 1316, 216 U.S.P.Q. 588 (9th Cir. 5 1982), cert. denied, 459 U.S. 1227, 75 L. Ed. 2d 468, 103 S. Ct. 1234 (1983), where the court enthusiastically embraced the results of a "Thermos Survey" without considering the possibility of brand loyalty coloring responses.

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Elliot v. Google Inc., 45 F. Supp. 3d 1168 (D. Ariz. 2014), aff'd 860 F.3d 1151, 1160 (Challenger to the trademark GOOGLE conducted a one question *Thermos*-type survey that asked: "If you were going to ask a friend to search for something on the Internet, what word or phrase would you use to tell him/her what you want him/her to do?" The court was unimpressed by the significance of this survey. "That there is no authority endorsing or accepting his one-substantive-question Thermos style survey pushes the boundaries of reliability, but not past the threshold of inadmissible "junk science."). Nightlight Systems, Inc. v. Nitelites Franchise Systems, Inc., 2007 WL 4563873 (N.D. Ga. 2007) (denying motion to exclude expert testimony supporting a *Thermos*-type survey); E.T. Browne Drug Co. v. Cococare Products, Inc., 538 F.3d 185, 87 U.S.P.Q.2d 1655 (3d Cir. 2008) (*Thermos*-type survey created a question of fact as to the genericness of the designation "cocoa butter formula" for personal care and beauty products.).

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D. Jay, Genericness Surveys in Trademark Disputes: Under the Gavel, in Trademark and Deceptive Advertising Surveys, 109-111 (ABA, Eds. Diamond & Swann 2012) ("Questions in a Thermos survey should relate to the product or service for which a party is claiming trademark identifying significance and failure to do so may cause the survey to be disregarded.").

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