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

Proceeding	87579122
Applicant	MidFirst Bank
Applied for Mark	MONIFI
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Date	02/12/2019

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Applicant:	MidFirst Bank.	)	
		)	Law Office: 113
Serial No.:	87/579,122	)	
		)	Examining Attorney:
Filing Date:	August 22, 2017	)	Timothy Schimpf
		)	
Mark:	MONIFI	)	

Commissioner for Trademarks
PO Box 1451
Alexandria, Virginia 22313-1451

EX PARTE APPEAL
APPEAL BRIEF FOR APPLICANT

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INTRODUCTION

MidFirst Bank (hereinafter, "Applicant"), pursuant to a Notice of Appeal filed with the Trademark Trial and Appeal Board on December 14, 2018, appeals the Examining Attorney's final decision to refuse registration of the mark identified above and in U.S. Trademark Application No. 87/579,122 (the "Application") issued on June 17, 2018. For the reasons set forth below, the applied-for-mark is not confusingly similar to the mark MONIFY (the "Cited Mark") identified in U.S. Registration No. 5,309,205 (the "'205 Registration") as alleged by the Examining Attorney. Accordingly, Applicant respectfully requests that the Trademark Trial and Appeal Board reverse the Examining Attorney's final refusal.

STATEMENT OF FACTS

1. Applicant seeks to register the mark MONIFI ("Applicant's Mark") for on-line banking services for consumers, online banking services for consumers accessible by means of downloadable mobile applications, all of the foregoing sold exclusively online through consumer websites and consumer mobile applications, specifically excluding credit card payment processing services, credit card transaction processing services, merchant banking and investment services, merchant banking services, merchant services, namely, payment transaction processing services, and processing of credit card payments in International Class 036 ("Applicant's Services").

2. The present application was filed as an intent-to-use application on August 22, 2017.

3. In an Office Action dated November 28, 2017, the Examining Attorney refused registration of Applicant's Mark under Section 2(d) of the Trademark Act, 15 U.S.C. §1052(d), on the ground that Applicant's Mark is confusingly similar to the Cited Mark. *See* Office Action Outgoing, November 28, 2017, TSDR p.1.

4. Applicant filed a response to the November 28, 2017 Office Action on May 25, 2018. In its response, Applicant argued that the differences in channels of trade, services offered, and the sophistication of purchasers shows that confusion among the Cited Mark and Applicant's Mark is unlikely.[1] *See* Response to Office Action, May 25, 2018, TSDR p. 1.

5. The Examining Attorney rejected the application again in a Final Office Action dated June 17, 2018 under Section 2(d) of the Trademark Act, 15 U.S.C. §1052(d), asserting once again that Applicant's Mark is confusingly similar to the Cited Mark. The Examining Attorney concluded, "[g]iven that applicant's mark is similar in sound and commercial impression to registrant's mark, and applicant's and registrant's banking services are commercially related, a likelihood of confusion exists between the applicant's and registrant's marks." *See* Office Action Outgoing, June 17, 2018, TSDR p. 1.

6. Applicant filed a Request for Reconsideration after Final Office Action on September 17, 2018. In its Request for Reconsiderations, Applicant once again argued that confusion was unlikely between the Cited Mark and Applicant's Mark. Applicant specifically argued that the differences in services warranted withdrawal of the Examining Attorney's rejection. Applicant provided evidence that the Examining Attorney failed to account for the difference between "merchants" and "consumers" in the banking industry. *See* TEAS Request Reconsideration after FOA, September 17, 2018, TSDR pp. 1-8. Applicant further provided evidence that regulations governing the banking institution support the conclusion that in the banking space, a "merchant" is not a "consumer". *See* TEAS Request Reconsideration after FOA, September 17, 2018, TSDR pp. 1-8.

[1] In the response, Applicant further amended Applicant's identification of services to be that which is before the Board here.

7. In a Reconsideration Letter dated November 15, 2018, the Examining Attorney denied Applicant's Request for Reconsideration. *See* Reconsideration Letter, November 15, 2018, TSDR p. 1.

8. Applicant filed a Notice of Appeal on December 14, 2018 in response to the Examining Attorney's continued final refusal to allow registration of Applicant's Mark. *See* Appeal to Board, December 14, 2018, TSDR p. 1.

ARGUMENT

I. <u>Differences in Services Among the Marks Warrants Withdrawal of the Rejection</u>.

The differences in the services identified in the '205 Registration with those identified in the Application show that Section 2(d) does not apply.

Applicant's services are limited to online consumer banking and specifically exclude the services identified in the '205 Registration. Although each set of services is in International Class 036, "[t]he classification of goods and services has no bearing on the question of likelihood of confusion." TMEP §1207.1(d)(v). "Rather, it is the manner in which the applicant and/or registrant have identified their goods or services that is controlling." *Id.* The respective identifications here show confusion to be unlikely.

First and foremost, Applicant submits the Examining Attorney has made an overly broad generalization of the respective services identified in the '205 Registration and the Application without giving consideration to Applicant's arguments submitted in response thereto. Specifically, the Examining Attorney has made statements such as "[b]oth applicant and registrant identify financial services related to money transactions" and "Applicant's on-line banking services for consumers are related to the registrant's credit card payment and transaction processing services because they are similar financial services offered by the same financial

services companies to consumers." *See* Reconsideration Letter, November 15, 2018, TSDR p. 1. Similar broad generalizations have failed to be upheld.

For example, in *Riverbank Inc. v. River Bank*, the district court evaluated whether the mark RIVERBANK for use in connection with tax planning and preparation services was confusingly similar to RIVER BANK for use in connection with real estate loans, commercial loans and retirement accounts. 625 F.Supp.2d 65, 72 (D. Mass. 2009). The prior user contended confusion was likely, arguing "both companies operate[d] in the financial services sector." *Id.* The district court disagreed, noting "[it] [was] wary of such a broad generalization" and finding that "none of the services offered" by the respective companies were the same. *Id.* A similar situation arose in *Castle Oil Corp. v. Castle Energy Corp.* where the court found that "[t]he so-called 'petroleum' industry is mammoth and diverse, comprising exploration and production, transportation, numerous refineries, terminating operations, wholesale traders of various petroleum products, and retailers and distributors of various petroleum products [and is] in fact a large set of industries." 26 U.S.P.Q.2d 1481, 1485 (E.D. Pa. 1992). Accordingly, Applicant respectfully submits that the Board should hold as the *Riverbank* and *Castle* courts have and be wary of characterizing the services identified in the Application and in the '205 Registration as similar merely because they could be characterized as being included in the "financial services sector." *Accord,* TMEP §1207.1(d)(v).

Second, when Applicant's identified services are compared to those identified in the '205 Registration, it is evident that the online consumer banking products of Applicant and the merchant banking and credit card processing services identified in the '205 Registration are wholly dissimilar and would not be offered to the same prospective consumers. The crux of the Examining Attorney's rejection is that Applicant's Services and the services offered in

connection with the Cited Mark "are broad enough to target similar consumers for their financial services which would create a likelihood of confusion between the financial services." Reconsideration Letter, November 15, 2018, TSDR p. 1. In this regard, the Examining Attorney finds a "merchant" to be a "consumer" because certain dictionary references define a "merchant" to be a buyer and seller of commodities. *See* Office Action Outgoing, June 17, 2018, TSDR p. 13-20. Thus, according to the Examining Attorney, "[m]erchants are a type of consumer as they utilize economic goods and services in the course of their business." Office Action Outgoing, June 17, 2018, TSDR p. 1. Applicant respectfully disagrees and submits that this finding fails to take into account the specific goods and services at issue.

At issue are "merchant banking" and "consumer banking," not consumers and merchants, generally. The services identified in the '205 Registration are "merchant banking services." A merchant bank is "a company that deals mostly in international finance, business loans for companies, and underwriting." *See* Exhibit 1, TEAS Request Reconsideration after FOA, September 17, 2018, TSDR pp. 2. "A merchant bank may perform some of the same services as an investment bank, but it does ***not*** provide regular banking services to the general public." *See* Exhibit 1, TEAS Request Reconsideration after FOA, September 17, 2018, TSDR pp. 2 (emp. added). *Accord,* Exhibit 2, TEAS Request Reconsideration after FOA, September 17, 2018, TSDR pp. 3 ("A merchant bank is known as a wholesale bank and ***isn't used*** by the general public." Most merchant banks deal with large corporations as well as with other merchant banks, large financial institutions and, sometimes, various governments around the world.") (emp. added). Likewise, financial services offered to consumers, i.e., the general public, are not directed to the same consumer base as merchant banks. *See* Exhibit 3, TEAS Request Reconsideration after FOA, September 17, 2018, TSDR p. 4 ("Personal banking, sometimes

called retail banking because of the retail services offered to consumers, differs from commercial banking in a number of ways…").

In other words, "merchants" are not "consumers" in the banking industry. Simplified, financial institutions offer two primary services: holding deposits and lending funds. And, regulations governing the banking institution support the conclusion that in the banking space, a "merchant" is not a "consumer." At one end of the banking service spectrum are deposit accounts; for purposes of deposit accounts, a "consumer" is explicitly defined as "a natural person who holds an account primarily for personal, family, or household purposes, or to whom such an account is offered." *See* TEAS Request Reconsideration after FOA, September 17, 2018, p. 1; *see also* 12 C.F.R. §1030.2(h).

At the other end of the banking service spectrum are lending services. Governed in part by the Equal Credit Opportunity Act and its implementing regulation, Federal Reserve Board Regulation B, financial institutions must distinguish consumers, e.g., individuals, from businesses. *Compare* 12 C.F.R. §1002.9(a)(2) ("Content of notification when adverse action is taken. A notification given to an applicant [which is defined by 12 C.F.R. §1002.2(e) as "any person"] when adverse action is taken shall be in writing…") *with* 12 C.F.R. §1002.9(a)(3) ("Notification to business credit applicants. For business credit, a creditor shall comply with the notification requirements of this section in the following manner…"). *See* TEAS Request Reconsideration after FOA, September 17, 2018, p. 1. Further, Regulation B distinguishes "business credit" from "consumer credit." *See* TEAS Request Reconsideration after FOA, September 17, 2018, p. 1; *see also* 12 C.F.R. §§1002.2(g)-(h).

"Consumer credit" is "credit extended to a natural person primarily for personal, family, or household purposes," whereas "business credit" is "extensions credit primarily for business or

commercial (including agricultural) purposes, but excluding [public utilities credit, securities credit, incidental credit, and government credit]." *See* TEAS Request Reconsideration after FOA, September 17, 2018, p. 1; *see also* 12 C.F.R. §§1002.2(g)-(h). Similarly, under the Truth in Lending Act, as implemented by Federal Reserve Board Regulation Z, banks have different credit disclosure requirements for consumer credit ("credit offered or extended to a consumer primarily for personal, family, or household purposes") than for business credit. *See* TEAS Request Reconsideration after FOA, September 17, 2018, p. 1; *see also* 12 CFR §§ 1026.2(12) and §1026.1(b) ("The purpose of this part is to promote the informed use of consumer credit by requiring disclosures about its terms and cost, to ensure that consumers are provided with greater and more timely information on the nature and costs of the residential real estate settlement process…").

Moreover, banks providing ancillary services, such as credit reporting, are further required to distinguish consumers from other types of customers. For example, the Fair Credit Report Act, 15 U.S.C. §§1681 *et seq.* (herein the "FCRA") defines a "consumer" as "an individual." *See* TEAS Request Reconsideration after FOA, September 17, 2018, p. 1; *see also* FCRA at §1681a(b). And, under the FCRA, banks are uniquely obligated to consumers in a manner that does not extend to businesses. *See* TEAS Request Reconsideration after FOA, September 17, 2018, p. 1; *see also* FCRA at §1681a(b); FCRA §1681d(a) ("A person may not procure or cause to be prepared an investigative consumer report on any consumer unless…"); FCRA §1681d(d) (outlining prohibitions on consumer reporting agencies of investigative consumer reports in regards to certification, inquiries, certain public record information, and certain adverse information); and FCRA §1681m(a) ("If any person takes any adverse action

with respect to any consumer that is based in whole or in part on any information contained in a consumer report, the person shall…").

Outside of the federal regulatory scheme governing financial institutions, the law consistently defines "merchants" separate and apart from "consumers." The Uniform Commercial Code distinguishes "consumer transactions" as those in which "an individual incurs an obligation primarily for personal, family, or household purposes." *See* TEAS Request Reconsideration after FOA, September 17, 2018, p. 1; *see also* 12A Okla. Stat. Ann. §102(24).

As shown by the foregoing, consumer banking services differ from merchant banking services as a practical matter and are treated differently by the respective users of each, those in the industry, and those that regulate the industry. As such, the merchant banking services identified in the '205 Registration are not "regular banking services [provided] to the general public" like those that would be offered under Applicant's Mark. *See* Exhibit 1, TEAS Request Reconsideration after FOA, September 17, 2018, TSDR p. 2. Thus, "the goods or services in question are not related" as they would not be "encountered by the same persons in situations that would create the incorrect assumption that they originate from the same source[.]" TMEP 1207.01(a)(i). As a result, "***even if the marks are identical***, confusion is not likely." *Id.* (emp. added).

Applicant submits that evidence provided by the Examining Attorney in support of its final rejection fails to show otherwise. In that rejection, the Examining Attorney relied upon (1) dictionary definitions for "consumer" and "merchant" generally; (2) third party registrations; and (3) website images. *See* Office Action Outgoing, June 17, 2018, TSDR pp. 7-68; *see also* Reconsideration Letter, November 15, 2018, pp. 2-109. With regard to the first, as reflected above, the common definitions of the terms "consumer" and "merchant" should be found

inapplicable where, as here, the terms "consumer" and "merchant" are distinct based on definitions given to them in the market for the goods and services at issue.

The third party registrations offered similarly lack sufficient weight. Although such registrations can "have probative value to the extent that they serve to suggest that the goods listed therein are of a kind which may emanate from a single source under a single mark[,]" *Joel Gott Wines, LLC v. Rehoboth Von Gott, Inc.,* 107 U.S.P.Q.2d 1424, 1432 (TTAB 2013), where the "record includes no evidence about the *extent of [such third-party] uses*...[t]he probative value of this evidence is [] minimal." *Han Beauty, Inc. v. Alberto–Culver Co.*, 236 F.3d 1333, 1338 (Fed. Cir. 2001) (emphasis added).

Applicant further submits that the website images provided by the Examining Attorney are insufficient to show a likelihood of confusion. Those exhibits amount to webpages from websites of ten different financial institutions, TD Bank, Wells Fargo, Citi, Bank of America, Chase, PNC, Capital One, BB&T, SunTrust, and HSBC which are ten of the fifteen largest financial institutions in the United States. *See* Office Action Outgoing, June 17, 2018, TSDR pp. 50-68; Reconsideration Letter, November 15, 2018, pp. 2-78; and Exhibit 4, TEAS Request Reconsideration after FOA, September 17, 2018, TSDR pp. 5-8. As a result, it should be of no surprise that they may offer a wide array of financial services. It does not, however, follow that this fact necessarily causes the general public to believe that banking services directed to consumers emanate from the same source that would provide merchant banking services.

The Examining Attorney has the burden of showing that goods and services are sufficiently related to support a finding of likelihood of confusion. *See* TMEP §1207.01(a)(vi). Importantly, "there [is] no rule that certain goods or services are *per se* related, such that there must be a likelihood of confusion from the use of similar marks in relation

thereto." TMEP §1207.01(a)(iv). *See, e.g., Riverbank* , 625 F.Supp.2d 65, 72 (D. Mass. 2009) (finding no likelihood of confusion and refusing to rely on "broad generalization" of "financial services sector" when comparing the services of two entities). In this present matter, distinct differences between the banking services to be offered under Applicant's Mark and the merchant banking services offered under the '205 Registration show Section 2(d) does not apply. As a result, based on the foregoing, as well as the evidence, arguments and authorities set forth in prior responses, Applicant respectfully submits that this Board reverse the Examining Attorney's refusal and approve the Application for publication.

II. The Differences in Channels of Trade Warrant Withdrawal of the Examining Attorney's Rejection.

Applicant has restricted its channels of trade to "consumer websites and consumer mobile applications." Applicant submits this restriction alone is sufficient to show that the Examining Attorney's rejection should be withdrawn and the Application approved for publication.

As noted by the Examining Attorney, "[d]etermining likelihood of confusion is made on a case-by-case basis by applying [the *du Pont* factors]…[however] only factors of significance to the particular mark need be considered." *See* Office Action Outgoing, June 17, 2018, TSDR p.1 (citations omitted). One such factor is the respective channels of trade, for which the burden is on the Examining Attorney to show an overlap. *See, e.g., In re Bentley Motors Ltd.,* Serial No. 85325994, 2013 WL 8147983 at * 4 (Dec. 3, 2013) (non-precedential). This factor is significant here as the channels of trade for Applicant's Services are limited to consumer websites and consumer mobile applications, and there is no such restriction in the '205 Registration. This alone shows Section 2(d) is inapplicable.

This was the holding in *In re Bentley Motors,* where the Trademark Trial and Appeal Board ("Board") overturned a Section 2(d) refusal. In so doing, the Board noted the burden on

the Office to show an overlap in channels of trade, found that the Office had failed to carry this burden, and held that "[t]he lack of evidence showing an overlap in the channels of trade for applicant's and registrants' products is pivotal." *Id.* at *5. Accordingly, relying solely on channels of trade, the Board held Section 2(d) did not apply, reversing the prior rejection by the Examining Attorney.

A similar outcome occurred in *In re HerbalScience Group*, LLC, Serial No. 77519313, 2010 WL 5651672 (TTAB 2010) (precedential), which also involved reversal by the Board of a Section 2(d) refusal. There, the Examining Attorney argued that dietary and nutritional supplements and herbal and medical products respectively identified in the application and registration were sufficiently similar and presumed to move through the same channels of trade as there was no limitation to any channels of trade of record. *Id.* at *3. The Board disagreed, finding "[t]here [wa]s nothing in th[e] record to show that a normal channel of trade for dietary and nutritional supplements is that they are sold to the companies that would purchase applicant's identified goods." Accordingly, due to these differences in channels of trade and consumers, the Board held confusion to be unlikely. *Id.*

Like *In re HerbalScience Group* and *In re Bentley Motors,* there is nothing in the record that would suggest that the "[c]redit card payment processing services; [c]redit card transaction processing services; [m]erchant banking and investment banking services; [m]erchant banking services; [m]erchant services, namely, payment transaction processing services; [and] [p]rocessing of credit card payments" identified in the '205 Registration would be sold through consumer websites and mobile applications. Indeed, the opposite inference exists as the services identified in the '205 Registration are specific to businesses, not consumers, and pertain to "merchant" services or the processing of credit card payments. *See,* Exhibit 1, Response to Office

Action, May 25, 2018, TSDR p. 2 (noting "merchant" to be typically defined as those who buy and sell commodities for profit, dealers, and/or traders). This lack of "overlap in the channels of trade for applicant's and registrants' products is pivotal[,]" and Applicant respectfully submits that, due to this factor alone, the Examining Attorney's rejection should be withdrawn and the Application approved for publication. *See In re Bentley Motors, supra.*

III. The Sophistication of Purchasers Warrants Withdrawal of the Prior Rejection.

The sophistication of the relevant purchasers also weighs against a likelihood of confusion. In order for a likelihood of confusion to exist, there must be confusion in the mind of the relevant purchaser for the product at issue, and sophisticated consumers are generally less likely to be confused. *See e.g., Continental Plastic Containers v. Owens Brockway Plastic Prods., Inc.*, 46 U.S.P.Q.2d 1277, 1282 (Fed. Cir. 1998). When consumers exercise heightened care in evaluating the relevant products before making purchasing decisions, courts have found there is not a strong likelihood of confusion. *See Checkpoint Sys., Inc. v. Check Point Software Techs., Inc.*, 269 F.3d 270, 284 (3d Cir.2001).

The services offered in connection with the Cited Mark are provided to businesses and pertain to the use of sensitive credit card information and banking services for merchants, i.e., businesses. *See* Exhibit 1 of Response to Office Action, May 25, 2018, TSDR p. 2. Seeking banking services for a business or various credit card payment and transaction services cannot be said to be an impulse decision. *See In re Homeland Vinyl Prods., Inc.*, 81 U.S.P.Q.2d 1378 (TTAB 2006) (precedential) (finding "fence rails are not impulse purchases and the construction and installation of a fence would require some level of knowledge and experience" and "[w]e thus would expect that such purchasers would exercise a relatively high degree of care in their purchasing decisions"). Rather, similar to the knowledge and experience referenced in

Homeland¸ the relevant purchasing public for such respective services would exercise a relatively high level of care and sophistication making confusion among the Cited Mark and Applicant's Mark unlikely.

CONCLUSION

In view of the foregoing, Applicant respectfully requests that the Trademark Trial and Appeal Board reverse the Examining Attorney's decision to refuse registration of Applicant's Mark.

Respectfully submitted,

/Chase C. Webb/

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