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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Prairie Island Indian Community, a federally recognized Indian tribe, Opposer/Petitioner, vs. Treasure Island Corporation, Applicant/Respondent.	Opposition No. 91115866 Cancellation Nos. 92028171 and 92028379

VIA HAND DELIVERY
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United States Patent and Trademark Office
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NOTICE OF APPEAL TO UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

Applicant/Respondent, Treasure Island Corporation, by its attorneys, hereby appeals, pursuant to 15 U.S.C. § 1071 and Trademark Rule 2.145(a), to the United States Court of Appeals for the Federal Circuit from the final decision dated May 15, 2008 sustaining the opposition and granting the petitions to cancel. A copy of the decision is attached herewith.

Three (3) copies of this filing are being filed with the Clerk of the Court of Appeals for the Federal Circuit along with the required filing fee.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on July 14, 2008, a true and correct copy of the foregoing Notice of Appeal to United States Court of Appeals for the Federal Circuit was served via First Class U.S. Mail, postage prepaid, to counsel for Opposer/Petitioner:

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Date: July 14, 2008

Steven J. Wadyka, Jr.

THIS OPINION IS NOT A PRECEDENT OF THE T.T.A.B.

Oral Hearing:
November 29, 2007

Mailed:
May 15, 2008

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Prairie Island Indian Community, a federally recognized Indian Tribe
v.
Treasure Island Corporation[1]

Opposition No. 91115866[2]
to application Serial No. 75136734
filed on July 19, 1996

Cancellation Nos. 92028171 and 92028379

Eric O. Haugen of Haugen Law Firm, PLLP for Prairie Island Indian Community.

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[1] We note that in filings subsequent to the briefing of these consolidated cases, applicant/respondent (defendant) is referred to as Mirage Resorts, Incorporated and the law firm is listed as Greenberg Traurig. Inasmuch as no assignments or change of attorney have been filed, we have retained the names of the defendant and its attorneys that continue to be of record in the files for these proceedings.

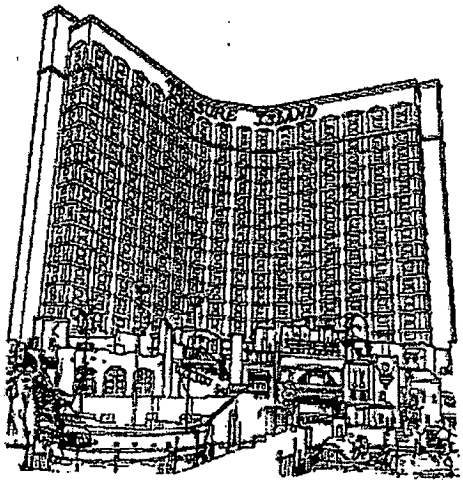
[2] The above-noted proceedings are the remaining active cases of 19 consolidated cases. Judgment on the claim of priority and likelihood of confusion under Section 2(d) of the Trademark Act has been entered against defendant in five cancellation proceedings (92028127, 92028174, 92028314, 92028319 and 92028325) in view of defendant's failure to maintain the subject registrations. One opposition and ten cancellation proceedings (91157981, 92028133, 92028126, 92028130, 92028145, 92028155, 92028199, 92028248, 92028280, 92028294, and 92028342) were dismissed without prejudice by stipulation in view of defendant's voluntary surrender and abandonment of the registrations and application that were the subjects of those proceedings.

Mark G. Tratos and Robert Ryan Morishita of Quirk & Tratos for Treasure Island Corporation.

Before Rogers, Kuhlke and Mermelstein, Administrative Trademark Judges.

Opinion by Kuhlke, Administrative Trademark Judge:

Defendant, Treasure Island Corporation, seeks registration of the mark shown below for services identified in the application as "hotel and resort services" in International Class 42.[3]



In addition to the drawing which includes the words TREASURE ISLAND as part of the mark, the application includes the following description of the mark:

> The mark is three dimensional, and consists of a pirate ship moored in the water just off a

[3] Serial No. 75136734, filed on July 19, 1996, alleging November 23, 1993 as its date of first use and first use in commerce under Section 1(a) of the Trademark Act, 15 U.S.C. §1051(a).

> Caribbean pirate village, and a gangway or bridge going over the water, leading into a building in the village, constituting the entrance to a hotel.

In addition, defendant owned Registration No. 2040770, issued on February 25, 1997, for the mark shown below for "casino services; entertainment, namely, production of live stage shows, lounge performances, theatrical performances, and stunt shows" in International Class 41. This registration was cancelled on December 1, 2007, for failure to file an affidavit of continuing use and a renewal under Trademark Act Sections 8 and 9, 15 U.S.C. §§ 1058 and 1059.

Defendant also owned Registration No. 2040756, issued on February 25, 1997, for the mark shown below for "men's and ladies' clothing, namely, shirts, jackets, hats, caps, suspenders, sweaters, jogging suits, shorts, pants, skirts, swimwear, ties; aerobic wear, namely, leggings, body suits, T-shirts, sweatshirts; ladies' evening wear, namely,

sequined blouses, sequined sweaters, sequined dresses, sequined jackets, vests, and evening pants; children's apparel, namely, shirts, shorts, pants, and swimwear." This registration was also cancelled on December 1, 2007 for failure to file an affidavit of continuing use and a renewal under Trademark Act Sections 8 and 9.

The cancellations under Sections 8 and 9 occurred subsequent to the briefing and oral hearing for these proceedings. Inasmuch as these proceedings are ready for decision we will rule on the merits with regard to the marks in the cancelled registrations, rather than issuing a show cause order under Trademark Rule 2.134(b). However, defendant will not benefit from the Section 7(b) presumptions for these marks and, therefore, must prove priority through evidence of use of these specific marks.

CLAIMS AND DEFENSES

In the opposition and cancellations, plaintiff, Prairie Island Indian Community, alleges that prior to defendant's use or filing dates of the above-noted application and registrations, plaintiff adopted and continuously used the mark TREASURE ISLAND for hotel, casino and gaming services, and clothing, including, caps, t-shirts, sweats and polo shirts. Plaintiff further alleges that defendant's above-noted marks so resemble plaintiff's previously used marks as to be likely to cause confusion, or to cause mistake, or to deceive within the meaning of Section 2(d) of the Lanham Act, 15 U.S.C. §1052(d). In its answers defendant denied the salient allegations and asserted the affirmative defenses of acquiescence, laches and estoppel.

THE RECORD

By operation of Trademark Rule 2.122, the record includes the pleadings and the files of the subject application and registrations. In addition, the parties have submitted trial testimony with related exhibits taken by each party of the following witnesses: (1) Cindy Lee Maxwell Flemke, Administration Manager for Treasure Island Resort & Casino (Red Wing, Minnesota) and (2) Delores Marie Knapp, Hotel Manager for Treasure Island Resort & Casino (Red Wing, Minnesota), taken by plaintiff; and (3) Thomas O. Mikulich, president and COO of Treasure Island Hotel and

Casino (Las Vegas, Nevada), (4) John Schadler, a partner in Schadler Kramer Group Advertising, (5) Andrew Scott Pascal, an employee of Wynn Resorts, (6) Ronald Gerald Valentine, former general manager of Treasure Island Casino (Red Wing, Minnesota), and (7) Mark William Russell, vice president and general counsel of Treasure Island Corporation (Las Vegas, Nevada), taken by defendant.

In addition, the parties submitted various materials under notices of reliance.[4]

Defendant has maintained several objections to testimony and exhibits on various bases. We have considered these objections and have accorded only appropriate weight and probative value to the evidence in view of those objections. Specific evidence and objections are addressed below where necessary.

RES JUDICATA

As a preliminary matter, plaintiff asserts that it is entitled to judgment under the doctrine of res judicata in view of the judgments entered in the many related cancellation and opposition proceedings. Plaintiff argues that because these decisions "established [the] existence of (a) a likelihood of confusion as between Defendant's

[4] We note the email communications plaintiff submitted under a notice of reliance were struck from the record by Board order dated November 30, 2005, and we have not considered this evidence in reaching our decision.

TREASURE ISLAND-based marks and Plaintiff's TREASURE ISLAND mark; and (b) a priority in Plaintiff's favor, all in connection with the cancelled registrations, [they] establish those two issues in Plaintiff's favor relevant to several of the remaining proceedings." Br. p. 12.

Neither claim preclusion nor issue preclusion applies in these cases. First, several of the prior proceedings were withdrawn without prejudice and have no preclusive effect with regard to remaining claims.[5] With regard to the five proceedings in which judgment was entered, the judgments were entered prior to trial and therefore the issues were not fully litigated as required for issue preclusion to apply. Institut National Des Appellations d'Origine v. Brown-Forman Corp., 47 USPQ2d 1875, 1895 (TTAB 1998).

As to claim preclusion, there must be "(1) an identity of parties or their privies, (2) a final judgment on the merits of the prior claim, and (3) the second claim must be based on the same transactional facts as the first and should have been litigated in the prior case." Sharp

[5] Although equitable estoppel could apply to the marks and goods and services involved in the dismissals in view of defendant's abandonment and voluntary surrender with prejudice, as discussed above the marks in those dismissals are different from the marks in the proceedings before us. Aromatique Inc. v. Lang, 25 USPQ2d 1359, 1361 (TTAB 1992) (applicant, by abandoning application with prejudice in prior opposition is estopped in subsequent opposition from attempting to register virtually identical mark for identical goods).

Kabushiki Kaisha v. Thinksharp, Inc., 448 F.3d 1368, 79 USPQ2d 1376, 1378 (Fed. Cir. 2006). For purposes of claim preclusion, the marks in the current proceeding must be the "legal equivalent" of the marks in the prior proceedings. "There is no reason why the fact that a party's two marks might be confusingly similar to each other under a likelihood of confusion analysis should be held to be a sufficient basis for finding that the applications to register the two marks should be deemed to be a single 'claim,' for claim preclusion purposes." Institut National, 47 USPQ2d at 1895 (CANADIAN MIST AND COGNAC not legal equivalent of MIST AND COGNAC). While the phrases TREASURE ISLAND or TREASURE ISLAND AT THE MIRAGE are present in the marks from the prior proceedings, the design elements in the present marks are very different; therefore, the marks in the current proceedings are not "legally equivalent" to those at issue in the prior judgments.[6] In view thereof, the "transactional facts" are not sufficiently similar for claim preclusion to apply.

[6] We note in one of the dismissed cases, Cancellation No. 92028133, the mark in the subject Registration No. 2176004 appears to be the same as the mark depicted in the registration involved in Cancellation No. 92028171 and very similar to the mark in the registration involved in Cancellation No. 92028379. However, the hotel, restaurant, and bar services identified in Registration No. 2176004, are different from the goods and services listed for the marks in Cancellation Nos. 92028171 and 92028379 and, thus, cannot be considered the same "transactional facts." See Litton Industries, Inc. v. Litronix, Inc., 577 F.2d 709, 198 USPQ 280 (CCPA 1978). Moreover, as discussed above, the dismissal does not have claim preclusive effect.

Finally, we note that defendant's current application and cancelled registrations were pending or issued prior to the judgments entered against defendant, and the Board generally does not apply claim preclusion in such circumstances. Sharp Kabushiki Kaisha, supra, 79 USPQ2d at 1379 ("Precedent and sound administrative policy support the Board's reasoning that a trademark owner is entitled to choose which opposition to defend, when the proceedings are not an attempt to evade the effect of a previous adverse judgment on the merits.")

In view of the above, the previous entries of judgment against defendant with respect to its other marks cannot be deemed to be dispositive of defendant's rights to the marks in the proceedings still before us. Institut National, 47 USPQ2d at 1896.

PRIORITY AND LIKELIHOOD OF CONFUSION

Priority

Priority is in issue because plaintiff does not have a registration of record. Plaintiff has established that since January 19, 1990 it first used and continues to use the mark TREASURE ISLAND for casino services and merchandising items such as t-shirts, glassware and mugs. See, e.g., Flemke Test. pp. 17, 22, 97, 98 and exhibits. Further, plaintiff began offering hotel services under this mark in December, 1996. Flemke Test. p. 166.

Defendant's testimony, evidence and argument primarily pertain to its first use of the mark TREASURE ISLAND with a pirate design element shown below in connection with slot merchandising services beginning in 1988.

In addition, defendant relies on its use of the mark TREASURE ISLAND in various stylized formats also used in connection with slot merchandising services since at least May, 1989. Mikulich Test. pp. 15-18 Exhs. C, D, E and F.

Defendant is attempting to tack this use onto its current use to establish priority; however, the marks and goods and services in issue in the three proceedings before us are not sufficiently similar to the marks and slot merchandising services upon which defendant is relying to allow for tacking.

Tacking for purposes of determining priority in Board proceedings, which concern the question of registrability, is applied very narrowly. "A party seeking to 'tack' its use of an earlier mark onto its use of a later mark for the same goods or services may do so only if the earlier and

later marks are legal equivalents, or are indistinguishable from one another. To meet the legal equivalents test, the marks must create the same commercial impression, and cannot differ materially from one another. Thus, the fact that two marks may be confusingly similar does not necessarily mean that they are legal equivalents." Pro-Cuts v. Schilz-Price Enterprises Inc., 27 USPQ2d 1224, 1227 (TTAB 1993). See also American Paging Inc. v. American Mobilphone Inc., 13 USPQ2d 2036 (TTAB 1989), aff'd in an unpublished opinion, 17 USPQ2d 1726 (Fed. Cir. 1990) (AMERICAN MOBILEPHONE and AMERICAN MOBILEPHONE PAGING not legal equivalents for purposes of tacking; registrant's mark AMERICAN MOBILEPHONE PAGING and design confusingly similar to petitioner's mark AMERICAN PAGING). See also Van Dyne Crotty, Inc. v. Wear-Guard Corp., 926 F.2d 1156, 17 USPQ2d 1866, 1868 (Fed. Cir. 1991) (CLOTHES THAT WORK not legal equivalent of CLOTHES THAT WORK, FOR THE WORK YOU DO).

In addition, "if the tacking of the use of one mark onto the use of a second mark - for the purposes of obtaining or maintaining a registration - is permitted only when the marks are 'legal equivalents' or 'indistinguishable,' the tacking of the use of a mark for certain goods or services onto the use of the same mark for other goods or services - for the purposes of obtaining or maintaining a registration - should be permitted only when

the two sets of goods or services are 'substantially identical.'" Big Blue Products Inc. v. International Business Machines Corp., 19 USPQ2d 1072, 1075 (TTAB 1991).[7]

As can be seen from a comparison of the marks displayed herein, the marks in the application and registrations are substantially different from the mark depicted above with the pirate and the bird. Even considering defendant's use of just the stylized wording TREASURE ISLAND, the design elements in the subject application and registrations differentiate the marks from this earlier use. We note that defendant acknowledges the narrowness of what constitutes legally equivalent marks for purposes of tacking, in its discussion regarding the issue of claim preclusion, and concludes, at least as to the marks in the cancelled registrations and abandoned application, that they are not legal equivalents of the remaining marks in issue. See Br. pp. 41-43 ("While some [of] the marks at issue could be

[7] We further note the dicta in that case stating that "even if IBM ultimately is unable to present facts that would permit the tacking of the two uses that would in turn permit IBM to register BIG BLUE for typewriter ribbons, IBM may nevertheless well be able to establish pre-1984 trade name rights in BIG BLUE or pre-1984 trademark rights in BIG BLUE for other office products based upon public or trade usage that would in turn enable IBM to prevent registration of BIG BLUE by opposer." Id. at 1075. In the related footnote the Board stated: "While the doctrine of 'natural expansion of business' can be considered in determining whether a senior user can prevent registration of the same or similar mark to a junior user for related goods, the doctrine does not represent the test to be applied when the senior user himself seeks to register a mark for certain goods by relying on his earlier use of the same mark for 'related' (but not 'substantially identical') goods." Id. n. 4.

seen as confusingly similar to the previously cancelled registrations for infringement purposes, none of them are legal equivalents for tacking or res judicata purposes.").

Moreover, the prior goods or services, depending on the interpretation, are not sufficiently related to the hotel and resort services in application Serial No. 75136734, the casino and entertainment services recited in Reg. No. 2040770, or the clothing identified in Reg. No. 2040756.[8] Slot merchandising is described by defendant in the following testimony:

> But what slot merchandising means is the marketing or sale or use of the product. I guess in the traditional sense, the way you market a car or market a shirt, if you're marketing, you're trying to sell that to the public. But, in fact, you don't sell the slot machine. You sell time on the slot machine or the entertainment value of playing the slot machine. The slot machine is physically present in your casino. And then it's played in those days by the insertion of coin. Its technology has taken us to a much different level now. But back then it was just the insertion of a coin and it was a wagering game, a gambling game that you would insert money into the machine and there would be either a positive or negative outcome for the customer. And the reverse would be the case for the company. And so the slot merchandising, I think, as I've testified in other contexts, was to use a name to market and attract customers to use or play or wager at that particular slot machine. And that's what we intended to do through marketing, through advertising, through brand recognition, through slot tournaments that might be limited to only use the proprietary slots as opposed to all the slots on the floor. It effectively is marketing to sell

[8] As noted above, these registrations have been cancelled and defendant has not presented evidence of use of these specific marks.

> product. And the product that we are selling is the entertainment value or service value of somebody wagering on those particular slot machines.

Russell Test. pp. 86-87.

In addition, defendant provided testimony that slot marketing is "promoting the casino, the slot machine component of the casino. It's basically the promotion of slots as an entertainment offering." Schadler Test. p. 7. As described by defendant "[b]y May 15, 1989, two areas or 'banks' of TREASURE ISLAND games, e.g. both slot and video poker machines were in place at various locations within the Golden Nugget and signs identifying the brand were placed above each bank of games." Br. p. 8.

Defendant argues that its predecessor in interest (the Golden Nugget) "was the first Las Vegas casino to provide gaming services to its patrons by developing its own line of proprietarily branded games played on slot and video gaming machines [in order to] allow customers to play games of chance on machines that they enjoy [and] to develop customer loyalty to the games that were available in only this casino." Br. p. 18. Finally, in order to "promote greater casino play, the Golden Nugget held Treasure Island tournaments in which patrons played only the Treasure Island games." Id. Further, "[t]he hotel promoted and advertised the Treasure Island tournaments by direct mailings to customers across the country, advertised the games in

newspapers and promoted the games on billboards. The Golden Nugget also displayed exterior signage on the hotel/casino promoting the Treasure Island games." Br. p. 18 citing Pascal Test. pp 4-5, 9-10, 14-15; Mikulich Test. pp. 36-37, 39-40, 43, 66-68, 70-71. Finally, defendant argues that "[b]y making the TREASURE ISLAND brand of games available for play, both in tournament and regular play, the Golden Nugget provided 'casino services' to its patrons under the TREASURE ISLAND mark.... Treasure Island's rights for casino services flow from providing games under the mark, TREASURE ISLAND, for play by the public." Br. p. 19.

Although, the goods, slot machines, may be found in casinos and hotels, and the services, slot entertainment, may be offered in casinos and hotels, such machines and entertainment services are not "substantially identical" to casino or hotel services in order to allow for tacking in the context of an inter partes proceeding before the Board. Moreover, even if slot merchandising services could be considered a subset of or encompassed by casino services, as noted above, the marks are not "legal equivalents," and therefore tacking would still be inappropriate.

With regard to defendant's use on various souvenir items beginning in 1989, although such use included the

phrase TREASURE ISLAND, it did not include the marks shown in the subject application or registrations.[9]

The dates of first use of concern in this proceeding are for the marks in the application and registrations. Inasmuch as there is no evidence or testimony regarding dates of actual use for these specific marks we apply the filing date, July 19, 1996, for the application as the earliest date upon which defendant may rely for purposes of priority in the opposition proceeding.[10] With regard to the marks in the registrations, in view of their cancellation, and the lack of evidence of use, no use has been established for these exact marks on those goods and services.[11]

Therefore, plaintiff's first use in connection with casino services and on t-shirts in January 1990 is earlier

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[9] With regard to the third-party registrations, containing a variety of goods and services under a single mark, referenced in defendant's brief but not entered into evidence, the Board may not take judicial notice of registrations. We hasten to add that consideration of these registrations would not change our determination, in view of, at a minimum, the lack of legal equivalency of the marks.

[10] To the extent the record supports first use of this mark as of the opening of defendant's hotel in 1993, that date is still subsequent to plaintiff's 1990 date of first use. Mikulich Dep. at p. 64. We also note that to the extent the articles from various magazines and newspapers describing defendant's plans to open a casino, beginning in October 1991 and the national commercials airing sometime between 1991 and 1993 constitute sufficient promotional use to establish October 1991 as the date of first use in connection with establishing priority, this date is also later than plaintiff's first use date and the testimony again is not directed to the exact marks in issue.

[11] We note that the dates of first use alleged in the registrations were October 27, 1993 and July 21, 1993, both subsequent to plaintiff's established date of first use.

than defendant's first use of the mark TREASURE ISLAND in connection with casino and hotel services.

In view of the foregoing, plaintiff has established priority.

Likelihood of Confusion

Having determined that plaintiff has priority as to defendant's specific marks subject to these proceedings, we now consider likelihood of confusion. Our likelihood of confusion determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the factors set forth in In re E. I. du Pont de Nemours and Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also, In re Majestic Distilling Co., Inc., 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003). Two key considerations are the similarities between the marks and the similarities between the goods. See Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24 (CCPA 1976).

We turn first to a consideration of the marks. In comparing the TREASURE ISLAND and TREASURE ISLAND and design marks, we must determine whether they are sufficiently similar that there is a likelihood of confusion as to source and, in making the comparison, we must consider the recollection of the average purchaser, who normally retains a general, rather than specific, impression of trademarks.

Sealed Air Corp. v. Scott Paper Co., 190 USPQ 106, 108 (TTAB 1975). In making our determination, we compare the marks in their entireties in terms of appearance, sound, connotation and commercial impression.

We first note that in combined word and design marks, the word portion frequently dominates inasmuch as it is the words by which consumers will call for the goods and services. In re Appetito Provisions Co., Inc., 3 USPQ2d 1553 (TTAB 1987). Moreover, there is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature of a mark, provided the ultimate conclusion rests on a consideration of the marks in their entireties. In re National Data Corp., 753 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985). Although defendant's marks all include prominent designs, and, in the case of the mark in the opposition proceeding, such mark includes the trade dress of the hotel, in each mark we find that the words TREASURE ISLAND are the dominant element.

With regard to the mark in Reg. No. 2040756, defendant, citing Four Seasons Hotels, Ltd. v. Koury Corp., 21 USPQ2d 1847, 1852 (EDNC 1991), argues that it includes the phrase "AT THE MIRAGE" and no confusion is likely inasmuch as "[u]se of a strong, well-known mark as part of a composite name reduces the likelihood that the remainder of the composite name will create a commercial impression distinct

from that mark." Defendant further contends that "[t]he Mirage name and marks were deemed to be famous by the United States District Court in Mirage Resorts, Inc. v. Stripe, 152 F. Supp.2d 1208 (D. Nev. 2000)." Br. p. 32. However, we do not find this to be persuasive. In general the addition of a house mark, even if well known, will not avoid a finding of likelihood of confusion and may even serve to aggravate the likelihood of confusion. In re Christian Dior, S.A., 225 USPQ 533, 535 (TTAB 1985) (addition of house mark DIOR to applicant's LE CACHET DE DIOR for shirts does not obviate confusion with CACHET for dresses and toiletries).

We find the difference in appearance based on the design elements and the addition of the phrase "AT THE MIRAGE" is not sufficient to outweigh the similarity engendered by the identity of the common literal portions, TREASURE ISLAND. We also find the overall commercial impression of the marks to be similar in view of the dominance of the words TREASURE ISLAND in defendant's marks. Moreover, the marks share the same connotation as to the ordinary meaning of the words TREASURE ISLAND.

In view of the above, we find the marks to be similar when compared in their entireties in terms of appearance, sound, connotation and commercial impression, and the factor of the similarity of the marks thus weighs in favor of a likelihood of confusion. See RE/MAX of America, Inc. v.

Realty Mart, Inc., 207 USPQ 960, 964 (TTAB 1980) (similarity in sound sufficient for likely confusion).

Turning next to the goods and services, we find that defendant's hotel services, casino services, and various clothing items are related to plaintiff's casino services and t-shirts such that when used in connection with similar marks they would be likely to cause confusion. The parties' casino services are identical. Similarly, defendant's t-shirts listed in Reg. No. 2040756 are identical to plaintiff's t-shirts and related to several other of the clothing items (e.g., sweatshirts, shorts and shirts). With regard to defendant's hotel services, plaintiff argues that casino and hotel services compliment each other in that "casinos, traditionally, have offered lodging services for its patrons." Br. p. 25. Indeed, the record shows that both parties in these proceedings offer casino and hotel services under the same mark. In addition to the TREASURE ISLAND hotel and casino, defendant's related companies also offer hotel and casino services under the same mark. See, e.g., Russell Test. p. 43 (Bellagio, The Mirage and Golden Nugget Laughlin). Finally, while defendant argues that it was the first to use TREASURE ISLAND for hotel services, it

does not dispute the relatedness of hotel and casino services.[12]

Thus this factor favors a finding of likelihood of confusion.

With regard to the channels of trade and class of customers, the record shows that the parties market their respective casino and hotel services and related merchandising items to at least an overlapping consumer base. Although plaintiff concentrates its marketing regionally, defendant's national marketing includes plaintiff's region. These factors also weigh in favor of a likelihood of confusion.

Plaintiff testified to several instances of actual confusion occurring at various times after plaintiff opened its hotel in 1996. Plaintiff submitted evidence of actual confusion in the form of front desk and call tracking summaries under the testimony of Delores Knapp, the hotel manager of Treasure Island in Red Wing, Minnesota. Defendant asserted objections to this testimony and related exhibits as lacking foundation and constituting hearsay. In her managerial capacity, Ms. Knapp instructed front desk and reservations personnel, and telephone operators to record

[12] Although we do not find plaintiff's offering of "lodging services" to be hotel services, the fact that defendant was the first to offer hotel services does not overcome plaintiff's priority obtained through its use with casino services.

instances of misdirected reservations and phone calls where a guest had either made a reservation for the Las Vegas hotel thinking it was the Red Wing hotel or thinking that a particular event was happening at the Red Wing hotel when it was happening at the Las Vegas hotel. See generally Knapp Test. Ms. Knapp was in charge of these records and her testimony regarding them does not lack foundation. However, to the extent the recorded instances were not heard by Ms. Knapp, the information in the documents constitutes hearsay. See Versa Products Co., Inc. v. Bifold Co. (Manufacturing) Ltd., 50 F.3d 189, 33 USPQ2d 1801, 1818 (3d Cir. 1995) (excluding testimony of a witness who was told about alleged statements of confusion, where no testimony was taken of the employees who received the calls and inquiries); Source Services Corp. v. Source Telecomputing Corp., 635 F. Supp. 600, 230 USPQ 290, 297 (N.D. Ill. 1986) (While evidence from employees who received phone calls from members of the public was allowed, unsworn reports prepared by employees and forwarded to plaintiff's president, who testified, deemed hearsay and not allowed under the business records exception of Fed. R. Evid. 803(6)). See also Blansett Pharmacal Co. v. Carmirick Laboratories Inc., 25 USPQ2d 1473, 1476 (TTAB 1992) (statements attributed to others are hearsay and entitled to no probative value); and Corporate Fitness Programs Inc. v. Weider Health and Fitness Inc., 2

USPQ2d 1682, 1690-91 (TTAB 1987) (testimony of others is of little probative value in the absence of testimony from the persons allegedly confused as to whether they were confused and, if so, what caused their confusion). In view thereof, this evidence is entitled to little probative weight.[13]

In addition, defendant argues that the number of instances are de minimis. "Importantly, the alleged evidence only occurs after 1997, even though Treasure Island opened in Las Vegas in 1993. Treasure Island has more than a million (1,000,000) room nights each year and more than two million guests per year. In that context, 260 misdirected calls over several years to Prairie Island is an extraordinarily small percentage. Placing this percentage against the background of opportunity for consumers to be confused into calling the 'wrong TI,' shows that little or no weight should be given to Prairie Island's confusion evidence, as it is de minimus." Br. p. 31. We agree that the number of instances is not overwhelming, however, they are not so insubstantial as to be de minimis.

Although we have given little weight to the evidence of alleged actual confusion, we nevertheless believe that

[13] With regard to defendant's argument that any instances of actual confusion were brought on by plaintiff not identifying itself by its location in Minnesota, plaintiff has established rights in the mark TREASURE ISLAND without any other identifying matter, and plaintiff was under no obligation to identify itself by its location.

confusion is likely. The test is not whether these marks can be distinguished when compared in a side-by-side analysis. The test is whether there is likely to be confusion in the marketplace where the respective goods and/or services bearing the marks are presumed to appear.

Having considered the most relevant du Pont factors in these cases, we conclude that the record supports a finding of a likelihood of confusion as between defendant's TREASURE ISLAND and design marks and plaintiff's TREASURE ISLAND mark, such that registration of defendant's marks is barred under Trademark Act Section 2(d).

AFFIRMATIVE DEFENSE OF ESTOPPEL BY ACQUIESCENCE

We now consider defendant's affirmative defense of acquiescence.[14] "Acquiescence is a type of estoppel that is based upon the plaintiff's conduct that expressly or by clear implication consents to, encourages, or furthers the activities of the defendant, that is not objected to." The Christian Broadcasting Network, Inc. v. ABS-CBN International, 84 USPQ2d 1560 (TTAB 2007). To establish the defense of acquiescence defendant must prove that plaintiff's conduct amounted to "an assurance by the plaintiff to the defendant, either express or implied that

[14] Defendant did not present evidence or argument as to laches or estoppel and therefore we consider these defenses waived. We further note that the deficiencies present in the assertion of acquiescence discussed above would similarly undermine these defenses.

plaintiff will not assert his trademark rights against the defendant." CBS, Inc. v. Man's Day Publishing Company, Inc., 205 USPQ 470 (TTAB 1980). Acquiescence, then, requires proof of three elements: (1) that plaintiff actively represented that it would not assert a right or a claim; (2) that the delay between the active representation and assertion of the right or claim was not excusable; and (3) that the delay caused defendant undue prejudice. Coach House Restaurant Inc. v. Coach and Six Restaurants, Inc., 934 F.2d 1551, 19 USPQ2d 1401, 1409 (11th Cir. 1991) (acquiescence requires active consent). See also Hitachi Metals International, Ltd. v. Yamakyu Chain Kabushiki Kaisha, 209 USPQ 1057 (TTAB 1981).

In an opposition or cancellation proceeding, the earliest date the equitable defense of acquiescence may begin to run is the date the mark is published for opposition, if plaintiff had actual knowledge of defendant's use. See Krause v. Krause Publications Inc., 76 USPQ2d 1904 (TTAB 2005). Cf. Teledyne Technologies, Inc. v. Western Skyways, Inc., 78 USPQ2d 1203, 1210, n. 10 (TTAB 2006) ("[I]n the absence of actual knowledge prior to the close of the opposition period, the date of registration is the operative date for calculating laches.") Thus, there was no delay with regard to the opposition.

With regard to the cancelled registrations, although the record shows that plaintiff had actual knowledge of defendant's use of the TREASURE ISLAND word portion of the marks, it is not clear from the record if plaintiff had actual knowledge of the specific marks depicted in the registrations. As noted above, defendant has not shown its use of these specific marks. Thus, we calculate the delay from the date of registration in these cases. The registration in Cancellation No. 92028171 issued on February 25, 1997 and the cancellation petition was filed on October 23, 1998. The registration in Cancellation No. 92028379 issued on February 25, 1997 and the petition was filed on November 16, 1998. The petitions were filed approximately one-and-a-half years after the respective registrations issued. We do not find this to be an inordinate delay. More importantly, as discussed below, the other two elements necessary to establish acquiescence have not been satisfied.

Defendant argues that plaintiff "acquiesced to [defendant's] use of TREASURE ISLAND marks by knowingly availing itself of the hotel and casino services offered under those marks. [Plaintiff's] representatives traveled to Las Vegas on multiple occasions in relation to gaming conventions and trade shows and stayed at the Treasure Island Resort Hotel. Flemke Tr. Pp. 205-217 and ex. E. Prairie Island cannot later be heard to complain of Treasure

Island's registrations of the TREASURE ISLAND marks when its own representatives voluntarily chose to acknowledge the use by staying and enjoying the services and amenities of Treasure Island at the Mirage without objection." Br. p. 34. In addition, defendant argues that plaintiff "further acquiesced to [defendant's] interest in the marks by actively awarding trips to Treasure Island in Las Vegas as a prize for a contest in Minnesota in 1995. In fact, the January/February 1995 newsletter that advertised the contest read: 'To thank you for visiting Treasure Island in Minnesota, we'd like to treat you to Treasure Island in Las Vegas.' The manner in which the contest was promoted, in particular using the identical print size and font for the Minnesota TREASURE ISLAND and the Las Vegas TREASURE ISLAND in promotional materials, suggests that [plaintiff] intended to infer an affiliation between its Minnesota property and Treasure Island's Las Vegas Treasure Island property. At the very least, [defendant] would have fairly seen [plaintiff's] conduct as an overt expression of acquiescence. In such an instance, [plaintiff] should be estopped from later changing positions and challenging the registrations." Br. p. 35.

We do not find these actions by plaintiff's employees sufficient to support a finding that plaintiff "actively represented" that it acquiesced to defendant's registration

of the marks. The fact that plaintiff's employees may have stayed at defendant's hotel is not representing that plaintiff does not object to defendant's registration of the mark.

Even if we construed plaintiff's actions as actively representing that defendant could *use* the TREASURE ISLAND marks, these actions cannot be viewed as actively representing that plaintiff did not object to defendant's *registration* of these marks. See Coach House, supra, 19 USPQ2d at 1404 ("We conclude that the TTAB abused its discretion by failing to observe the distinction in this case between acquiescence as to use and acquiescence as to registration. Although petitioner actively represented that the registrant could use its logo, petitioner did not represent or imply that it would allow registrant to register the petitioner's servicemark on the federal Principal Register. Therefore, no period of delay could have begun running as to registration, until petitioner had notice that registrant was doing something that would generate a claim or right of petitioner.")

Finally, defendant argues that it has "invested tens of millions of dollars to advertise and promote its registered marks and the use of those marks at its resort" and "would lose the benefit of the monies invested in the registration and prosecution of its marks should they be cancelled and

would further lose the ability to stop third parties' use of the marks." Br. p. 35.

Even assuming there was active representation and inexcusable delay, it is unclear how "undue prejudice" or "economic prejudice" would be shown in view of the fact that the rights here are to maintain registrations which defendant has allowed to lapse. As stated by plaintiff, "In this section of its Brief, as throughout its entire Brief, Defendant speaks only of the 'TREASURE ISLAND' marks. Plaintiff and the Board are left to wonder how much economic prejudice would befall Defendant if the specific marks at issue in these proceedings were cancelled and successfully opposed." Reply Br. p. 20.

In view of the foregoing, defendant's assertion of this equitable defense fails.

Decision: The opposition is sustained and the petitions are granted as to plaintiff's claims of priority and likelihood of confusion under Section 2(d) of the Trademark Act.