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

TEQUILA CAZADORES, S.A. de C.V.,)
)
Opposer,)
)
v.)
)
TEQUILA CENTINELA, S.A. de C.V.,)
)
Applicant.)

Opposition No. 125,436
Appln. Serial No. 76/112,825
Mark: CABRITO & Design

APPLICANT'S REPLY IN FURTHER
SUPPORT OF MOTION FOR SUMMARY JUDGMENT
OF NO LIKELIHOOD OF CONFUSION AND OF NO DILUTION

Applicant, TEQUILA CENTINELA, S.A. de C.V. ("Centinela"), submits this Reply in further support of its motion for summary judgment of no likelihood of confusion and no dilution as between Centinela's CABRITO & (Goat) Design mark and the CAZADORES and CAZADORES & (Deer) Design marks (the "CAZADORES mark(s)"). The opposition papers filed by Bacardi & Company Limited ("Bacardi") do not show that there are any genuine issues of material fact in dispute. Centinela remains entitled to judgment as a matter of law.

Bacardi has not Come Forward with Relevant, Material Facts that are Genuinely in Dispute

These are the essential facts for the Board to consider:

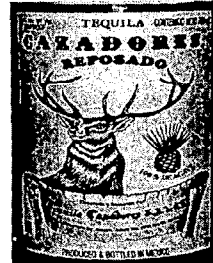
Centinela's Application Serial No. 76/112,825 to register the mark CABRITO & (Goat) Design (the "CABRITO & (Goat) Design Application"), shows the mark as follows:



(Exhibit A, Centinela's Mtn. S. J.).

In its Amended Notice of Opposition, Bacardi claims ownership by assignment of U.S. Registration No. 1,863,882 for the mark CAZADORES (Exhibit B, Centinela's Mtn. S. J.).

Bacardi additionally claims in its Amended Notice of Opposition ownership of Application Serial No. 78/149,334 for the mark TEQUILA CAZADORES REPOSADO ETC. & (Deer) Design, which appears in the Application as follows:



(Exhibit C, Centinela's Mtn. S. J.)

Bacardi further claims in the Amended Notice of Opposition common law rights in the mark CAZADORES & (Deer) Design, a representative specimen of which appears as follows:



(Exhibit D, Centinela's Mtn. S. J.)

The English translation of "Cabrito" is "small or young goat," and the English translation of "Cazadores" is "hunters" (Exhibits E and F, Centinela's Mtn. S. J.).

Bacardi does not seriously dispute these facts, because it cannot. Rather, Bacardi asserts hyper-technical criticisms that do not raise genuine issues of material fact.

For example, Bacardi criticizes Centinela for providing the Board with a poor likeness of the CAZADORES & (Deer) Design mark (Bacardi's Opp. to S. J., p. 3), but Bacardi does not provide a better rendition of the mark. Bacardi also claims that "hunters" is only one possible

translation of CAZADORES (Bacardi's Opp. to S. J., p. 3), but Bacardi does not provide any other definition.

As Centinela discusses below, the remainder of Bacardi's opposition papers seeks to distract the Board from deciding the central issues raised in Centinela's summary judgment motion: whether the parties' marks are either (i) confusingly similar for likelihood of confusion purposes, or (ii) identical or substantially similar for dilution purposes. As a matter of uncontested fact, the parties' marks are not identical, substantially similar, or confusingly similar.

***Standards Regarding an Opposing Party's
Response to a Motion for Summary Judgment***

In opposing Centinela's summary judgment motion, Bacardi, as "the nonmoving party must come forward with 'specific facts showing that there is a *genuine issue for trial*.'" *Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio Corp.*, 574 U.S. 574, 587 (1986) (emphasis original). To show that a factual issue is "genuine," the oppo[sing party] must do more than simply show that there is some metaphysical doubt as to the material facts." *Matsushita*, 574 U.S. at 586. Rather, the party opposing summary judgment must show that "the evidence is such that a reasonable [panel of the Board] ... could return a [decision] ... for the nonmoving party." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986).

Bacardi also must show that the purported factual issues it raises are "material," that is, "[o]nly disputes over facts that might affect the outcome of the [proceeding] ... will properly preclude the entry of summary judgment. Factual disputes that are irrelevant or unnecessary will not be counted." *Anderson*, 477 U.S. at 248; *see also, Pure Gold, Inc. v. Sytnex (U.S.A.), Inc.*, 222 USPQ 741, 743 (Fed. Cir. 1984) ("The Board properly was not deterred from granting summary judgment by the parties' dispute concerning a fact, which, however resolved, would not affect its decision on the legal issue.").

Further, in ruling on Centinela's summary judgment motion, the Board should not draw all inferences in favor of Bacardi, but only those inferences that are reasonable. *Eastman Kodak Co. v. Image Technical Services, Inc.*, 112 S. Ct. 2072, 2083 n. 14 (1992) ("only reasonable inferences can be drawn from the evidence in favor of the nonmoving party") (emphasis original), *citing*, *H. L. Hayden Co. of New York, Inc. v. Siemens Medical Systems, Inc.*, 879 F.2d 1005, 1012 (2d Cir. 1989); *see also*, *Olde Tyme Foods, Inc. v. Roundy's, Inc.*, 22 USPQ2d 1542, 1545 (Fed. Cir. 1992) ("With respect to the marks' appearances, the Board [must] ... view the evidence in a light most favorable to ... [the nonmoving party], drawing all *reasonable* inferences in ... [the nonmoving party]'s favor." (emphasis added)).

In sum, "Rule 56(c) [, Fed. R. Civ. P.], mandates the entry of summary judgment ... against a party who fails to make a showing sufficient to establish the existence of an element essential to that party's case, and on which that party will bear the burden of proof at trial. In such a situation, there can be 'no genuine issue as to any material fact,' since a complete failure of proof concerning an essential element of the nonmoving party's case necessarily renders all other facts immaterial." *Celotex Corp. v. Catrett*, 477 U.S. 317, 322-323 (1986).

In its opposing papers, Bacardi did not come forward with any admissible proof sufficient to raise a genuine issue of material fact regarding the non-identity, lack of substantial similarity, or absence of confusing similarity of the respective marks. The parties' marks speak for themselves. The other matters contained in Bacardi's papers simply are immaterial and/or do not raise genuine factual issues.

Substantial Differences in the Respective Marks

Bacardi claims that the marks at issue sound similar and contain horned animal designs that also are similar (Bacardi's Opp. to S. J., p. 2). Neither assertion is true. As a whole, the four-syllable term CAZADORES sounds nothing like the three-syllable term CABRITO.

Bacardi's assertion that "both marks include multi-syllabic single Spanish words that begin with CA --" (Bacardi's Opp. to S. J., p. 5) shows just how far Bacardi is willing to reach in urging a similarity of the marks.

Bacardi also urges that "both marks can be translated into English words that are related to animals." (Bacardi's Opp. to S. J., p. 5). Where CAZADORES means "hunter" and CABRITO means "little goat" (Exhibits E and F, Centinela's Mtn. S. J.), and where Bacardi has provided no other definitions, the meanings of the respective marks could not be any more dissimilar.

Bacardi further contends that the design elements of the respective marks "include an animal design that shows a horned animal from the shoulders up" (Bacardi's Opp. to S. J., p. 5). This again demonstrates the lengths Bacardi will go to support its position. Under Bacardi's theory, the Board should find the depiction of a rhino from the shoulders up confusingly similar to a depiction of the same portion of a gazelle.

Bacardi additionally asserts that the test for comparing the parties' marks should "focus ... on the 'general recollection' reasonably produced by [Opposer's] mark and a comparison of [Applicant's] mark therewith", citing, *Johann Maria Farina Gegenüber Dem Julichs-Platz v. Chesebrough-Pond, Inc.*, 176 USPQ 199, 200 (CCPA 1972). Even under Bacardi's preferred standard, the former Court of Customs and Patent Appeals affirmed dismissal of the Opposition in *Chesebrough-Pond* where "the designs before [the Panel] ... are clearly distinct in overall appearance." *Id.*

With absolutely no proof, Bacardi claims that "[t]o [non-Spanish] ... speaking consumers and prospective consumers, the overall commercial impressions of the two marks would be virtually identical" (Bacardi's Opp. to S. J., p. 6). Bacardi has offered no evidence of how any consumers would view the commercial impressions of the respective marks.

Centinela has not Violated the Anti-Dissection Rule

Bacardi claims that Centinela, in its summary judgment motion, “impermissibly dissects the word marks and the design features” of the respective marks when analyzing how different the marks are (Bacardi’s Opp. to S. J., p. 4). Centinela has done no such thing.

Bacardi cites *In re Shell Oil Co.*, 26 USPQ2d 1687, 1688 (Fed. Cir. 1993), which states that “[t]he marks are considered in their entirety, words and design.” Centinela agrees. However, even when applying the anti-dissection rule in that case, the Federal Circuit panel in *Shell Oil* took the time to discuss the elements of the respective marks before coming to a conclusion on the marks as a whole.

So long as it is the entirety of the marks that is compared (as Centinela has done), “it is often helpful to the decision-maker to analyze the marks by separating them into their component words or design elements in order to ascertain which aspects are more or less dominant” *Opryland USA, Inc. v. The Great American Music Show, Inc.*, 23 USPQ2d 1471, 1473 (Fed. Cir. 1992). “[I]t [also] is not a violation of the anti-dissection rule to view the component parts of conflicting composite marks as a preliminary step on the way to an ultimate determination of probable customer reaction to the conflicting composites as a whole.” 3 McCarthy, T. J., *McCarthy on Trademarks and Unfair Competition*, § 23:41 (4th ed. 2002).

Bacardi Impermissibly Introduces Product Packaging Trade Dress in Comparing the Respective Marks

Bacardi improperly has offered *the trade dress used with the respective marks* as a basis for comparing *the marks* (Bacardi’s Opp. to S. J., pp. 5-6). However, considerations of the parties’ trade dress are irrelevant, because “such trade dress might well be changed at any time; [and] only the word [and design] mark itself is to be registered.” *Kimberly-Clark Corp. v. H. Douglas Enters., Ltd.*, 227 USPQ 541, 543 (Fed. Cir. 1985); *see also, Vornado, Inc. v. Breuer Elec. Mfg. Co.*, 156 USPQ 340, 342 (CCPA 1968) (“[T]he display of a mark in a particular style

is of no material significance since the display may be changed at any time as may be dictated by the fancy of the applicant or the owner of the mark.”).

Bacardi also makes much of the fact that both parties use: (i) cylindrical bottles, (ii) the term REPOSADO on their labels, (iii) yellow-colored labels, (iv) red and black label design features, and (iv) banners (Bacardi’s Opp. to S. J., p. 6). These are not relevant considerations.

The presence of REPOSADO on the parties’ labels is irrelevant, when this term is not part of Centinela’s CABRITO & (Goat) Design mark shown in its application. REPOSADO, moreover, is a generic term meaning “calm,” “unhurried” or “rested.”¹ (Exhibit A attached hereto). The term has been disclaimed in one issued Registration (No. 2,547,146) and one pending Application (Ser. No. 76/251,873) (Exhibit B collectively attached hereto) for alcoholic beverages. As shown by Bacardi’s own submissions (Bacardi’s Opp. to S. J., Exh. A(4)), and by Exhibits C, D and E attached hereto, REPOSADO has been used as an industry term of art by numerous spirits manufacturers.

Other spirits producers, such as Herradura, Tres Magueyes, and 7 Leguas, also use the common packaging design elements that Bacardi alleges are shared by the CABRITO and CAZADORES product packaging, such as: (i) cylindrical bottles (See attached Exhs. C(3)-(4), C(6)-(7), and D(4)-(5)); yellow-colored labels² with black and red features (See attached Exhs. C(1)-(7), D(1)-(5) and E(1)-(5)); and banners (See attached Exhs. C(1), (3), (5), (6), and D(1), (2), (4)).

Bacardi’s Other Irrelevant Arguments

Bacardi raises other arguments that have little or no relevance to Centinela’s summary judgment motion, such as: the parties’ goods, trade channels and sales conditions, the alleged

¹ “Reposado” or “rested” style tequila is settled in barrels for several months, giving it a natural yellow color and a natural flavor from the barrel resting process.

² Centinela, like other spirits producers, uses yellow labels to distinguish “resposado” style tequila from “blanco” or “white” tequila, which is packaged using white labels (See Exhs. C-F attached hereto).

fame and/or strength of the CAZADORES mark(s), and the uses of marks by third party spirits producers. Where “[t]he first *duPont* [likelihood of confusion] factor simply outweighs all of the others which might be pertinent ... there is no genuine issue as to any fact that would be material to [the Board’s] ... decision on the question of likelihood of confusion.” *Kellogg Co. v. Pack `em Enters. Inc.*, 21 USPQ2d 1142, 1144 (Fed. Cir. 1991).

Bacardi also has offered no documented proof on the question of the recognition, strength and/or fame of the CAZADORES mark(s). *See Toro Co. v. ToroHead Inc.*, 61 USPQ2d 1164, 1176-1181 (TTAB 2001); 15 U.S.C. § 1125(c)(1). The bare Declaration of Sr. Eduardo Miquel, Vice-President of Bacardi’s licensee, provides no documentary proof to support any of his assertions. The one attachment to Sr. Miquel’s Declaration comprises a few printed pages from a web site operated out of Mexico showing no use of the CAZADORES mark(s) (Bacardi’s Opp. to S. J., pp. 8-10 and Exh. B).

Bacardi also relies on *Wynn Oil Co. v. Thomas*, 5 USPQ2d 1944 (6th Cir. 1988), to argue that the incontestable registration for the CAZADORES word mark is evidence of the mark’s strength. However, other courts take a contrary view, *see, e.g., Miss World (UK) Ltd. v. Mrs. America Pageants Inc.*, 8 USPQ2d 1237, 1240 (9th Cir. 1988) (“an incontestable status does not alone establish a strong mark”), and the McCarthy treatise characterizes the view taken in cases such as *Wynn Oil* as a minority view that confuses the issue of validity with the issue of the senior mark’s scope of protection. 5 McCarthy, T. J., *McCarthy on Trademarks and Unfair Competition*, § 32:156 (4th ed. 2002) (discussing cases and split in the Circuit Courts).

Where the respective marks are completely dissimilar, the alleged strength or fame of the CAZADORES mark(s), in any event, is irrelevant to Centinela’s motion. Even if relevant, the CAZADORES mark(s) need to be considered in terms of their conceptual strength and commercial (or marketplace) strength. *Oxford Indus. Inc. v. JBJ Fabrics Inc.*, 6 USPQ2d 1756,

1760 (S.D.N.Y. 1988). In its opposition papers, Bacardi does not even discuss conceptual strength and provides no relevant and admissible evidence of commercial strength.

Bacardi's alleged "evidence" of the commercial strength of the CAZADORES mark(s) and their purported similarities to the CABRITO & (Goat) Design mark come from the bald, unsupported (i) affidavit of Ms. Asensio (a paralegal with Bacardi's law firm) and (ii) Declaration of Sr. Miquel (employed by Bacardi's licensee). Neither person can be characterized as representative of the relevant consuming public. Ms. Asensio has no demonstrated relevant marketing or marketplace experience. The attachments to her affidavit all comprise rank hearsay. Further, Sr. Miquel's Declaration provides no supporting documentary evidence for his assertions (even including the printed Mexican web pages).

Neither Ms. Asensio nor Sr. Miquel has come forward with relevant, admissible evidence showing the confusing similarity of the respective marks, *In re E. I. duPont de Nemours & Co.*, 177 USPQ 563, 567 (CCPA 1973), that the CAZADORES mark(s) are entitled to dilution protection, 15 U.S.C. §§ 1125(c), 1127; *Toro Co. v. ToroHead Inc.*, 61 USPQ2d 1164, 1174 & 1177-1180 (TTAB 2001), or that, for dilution purposes, the respective marks are identical or very substantially similar. *Toro*, 61 USPQ2d at 1183.

Conclusion

Bacardi, in short, has not come forward with sufficient evidence to raise genuine issues of material fact. Based upon the foregoing, Applicant Centinela continues its request for the grant of summary judgment of no likelihood of confusion and no dilution with respect to the marks at issue.

Respectfully submitted,

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Date: December 23, 2002

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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing **APPLICANT'S REPLY IN FURTHER SUPPORT OF MOTION FOR SUMMARY JUDGMENT OF NO LIKELIHOOD OF CONFUSION AND OF NO DILUTION** was served on counsel for Opposer, this 23rd day of December, 2002, by sending same via First Class Mail, postage prepaid, to:

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