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

Proceeding	91161969
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INTRODUCTION

Opposer The Ritz-Carlton Hotel Company, L.L.C. (“Ritz-Carlton”) is a world-renowned provider of lodging and accommodations services and many other services and goods, all provided under a family of trademarks and service marks containing the famous mark RITZ (the “RITZ Marks”). In connection with its business activities, Ritz-Carlton uses and has registered the RITZ Marks for a wide variety of goods and services. Among the many goods and services offered by Ritz-Carlton under the RITZ Marks are a number of art-related services, including the sale of fine art and related luxury-tier items. Ritz-Carlton or its predecessor-in-interest has been using marks containing RITZ in the United States continuously for more than 80 years, since the RITZ-CARLTON hotel opened in Boston in 1927. The RITZ Marks have achieved tremendous fame and consumer recognition, and they are among the most important assets of the company.

On October 21, 2003, many years after Ritz-Carlton began using the RITZ Marks, Applicant Robert B. Wilcox (“Wilcox”) filed an intent-to-use application for the mark RITZ for “art galleries offering original and limited edition fine art, namely, paintings, photographs, sculptures and prints.” Ritz-Carlton initiated this opposition proceeding because Wilcox’s mark is identical to Ritz-Carlton’s RITZ mark and nearly identical to Ritz-Carlton’s other RITZ marks. Moreover, Wilcox’s services are identical, closely related, and complimentary to goods and services offered by Ritz-Carlton under the RITZ Marks. Additionally, the trade channels and target customers for Ritz-Carlton’s goods and services and Wilcox’s services are the same.

Ritz-Carlton’s notice of opposition should be sustained because: (1) Ritz-Carlton has priority of use and registration for the famous mark RITZ and marks containing RITZ for a broad variety of goods and services, which use includes art gallery services and the sale of fine art; (2) Wilcox’s use of the mark RITZ for identical, closely-related, and complimentary services is likely to cause confusion, mistake, or deception in violation of Section 2(d) of the Trademark

Act, 15 U.S.C. § 1052(d); (3) Wilcox's alleged mark falsely suggests a connection with Ritz-Carlton in violation of Section 2(a), 15 U.S.C. § 1052(a); and (4) Wilcox's use of RITZ is likely to dilute Ritz-Carlton's famous RITZ Marks under Section 43(c), 15 U.S.C. § 1125(c).

THE RECORD

I. RITZ-CARLTON'S EVIDENCE

Ritz-Carlton's record consists of the following:

- A. Testimony Deposition and Exhibits of Derek Flint taken on December 13, 2006 ("Flint Dep.").
- B. Testimony Deposition and Exhibits of Julia Gajcak taken on January 5, 2007 ("Gajcak Dep.").
- C. Ritz-Carlton's Notice of Reliance on Wilcox's Answers to Ritz-Carlton's Interrogatories and Requests for Admission.
- D. Ritz-Carlton's Notice of Reliance on registrations owned by Ritz-Carlton.
- E. Ritz-Carlton's Notice of Reliance on printed publications and official records.
- F. Ritz-Carlton's Notice of Reliance on website printouts upon stipulation.

II. WILCOX'S FAILURE TO SUBMIT ANY EVIDENCE

Wilcox submitted no evidence into the record by Notice of Reliance or otherwise, and took no testimony during his testimony period.

STATEMENT OF ISSUES

- 1. Does Wilcox's RITZ mark so resemble Ritz-Carlton's famous mark RITZ and marks containing RITZ as to create a likelihood of confusion, mistake, or deception?
- 2. Does Wilcox's RITZ mark falsely suggest a connection with Ritz-Carlton?
- 3. Is Wilcox's RITZ mark likely to cause, or will Wilcox's RITZ mark cause, dilution of Ritz-Carlton's famous mark RITZ and marks containing RITZ?

STATEMENT OF FACTS

I. RITZ-CARLTON'S FAMOUS RITZ MARKS

A. Ritz-Carlton Or Its Predecessor-In-Interest Has Been Using Marks Containing RITZ In The United States Continuously For Over Eighty Years

From the time the RITZ-CARLTON hotel in Boston opened in 1927, the mark RITZ has been used continuously as part of a family of marks containing or comprised of the word "RITZ." Gajcak Dep. at 11, 13; Flint Dep. Ex. 4; Notice of Reliance Exs. 5-15. The mark RITZ is among those used by Ritz-Carlton in the United States in connection with the advertising and promotion of lodging and accommodations services and related services. Gajcak Dep. at 13-26, Exs. 1-8; Flint Dep. at 23-24; Notice of Reliance Ex. 28. Ritz-Carlton also uses a variety of other marks containing RITZ in connection with the advertising and promotion of Ritz-Carlton's goods and services. These include the famous marks RITZ-CARLTON and THE RITZ-CARLTON & Design as depicted in part I.B of this brief. These marks are used on all or nearly all of Ritz-Carlton's promotional and advertising materials. *See, e.g.*, Flint Dep. Exs. 1, 5, 9-15, 19, 21, 23, 24, 25, 28; Gajcak Dep. Exs. 1-8, 10-12; Notice of Reliance Exs. 28-29. Other RITZ marks widely used by Ritz-Carlton include THE RITZ KIDS, PUTTIN' ON THE RITZ, THE RITZ-CARLTON CLUB, and THE RITZ-CARLTON LOUNGE. Gajcak Dep. at 26-28, Exs. 8, 12; Flint Dep. Ex. 28; Notice of Reliance Exs. 28-29.

Ritz-Carlton is an upscale global company that operates and manages properties throughout North America, South America, the Middle East, Asia, and Europe. Flint Dep. at 14, Ex. 1. Currently, there are 63 RITZ-CARLTON hotels in the world, 24 of which are in the United States. Flint Dep. at 14-15; Gajcak Dep. at 12. The RITZ-CARLTON brand will be the subject of continued rapid expansion in the near future; in fact, 24 additional properties will be

opened by 2009, including three new hotels in California in addition to the five existing RITZ-CARLTON hotels in that state. Gajcak Dep. at 12.

Ritz-Carlton is more than a hotel company. In addition to offering lodging and accommodations services under marks containing RITZ, Ritz-Carlton also uses RITZ marks in the United States in connection with art gallery services, retail store services, retail catalog services, timesharing services, fractional ownership services, real estate management and brokerage services, golf and spa services, educational services, and other goods and services. Flint Dep. at 12-13, 19-20; Flint Dep. Ex. 1; Gajcak Dep. at 10-11. Ritz-Carlton displays and uses marks containing RITZ on signage, advertisements, promotional materials, brochures, marketing collateral, catalogs, communications, newsletters, websites, magazines, and many items found or sold in RITZ-CARLTON facilities, such as towels, floor mats, pillows, robes, matchboxes, candles, clothing, beauty products, key rings, stationery, and other items. *See* Gajcak Dep. at 13, Exs. 1-8, 10-12; Flint Dep. at 23-24, Exs. 1, 5, 9-15, 19, 21, 23, 24, 25, 28; Notice of Reliance Exs. 28-29.

Ritz-Carlton has long used the mark RITZ alone and in combination with other words to promote its goods and services. *See* Gajcak Dep. at 13-26, Exs. 1-8; Flint Dep. at 23-24; Notice of Reliance Exs. 5-15, 28. In addition to Ritz-Carlton's use of the mark RITZ alone, the company and its hotels have long been regularly referred to as "RITZ." Flint Dep. at 25; Gajcak Dep. at 13; Notice of Reliance Ex. 18. For example, Ritz-Carlton's former Senior Corporate Director of Rooms testified that in the course of his employment with Ritz-Carlton, he saw or heard the term "RITZ" used alone every day and that "the majority of people only use the word 'Ritz' when referring to us." Flint Dep. at 25. Additionally, Ritz-Carlton's Vice President of Marketing and Communications testified that she has personally seen or heard the term "RITZ"

used alone to refer to Ritz-Carlton by the general public and the media, and that “it’s just the common reference to the company in general.” Gajcak Dep. at 13.

Indeed, members of the press frequently refer to Ritz-Carlton as “RITZ” and RITZ-CARLTON hotels as “RITZ” hotels. *See* Notice of Reliance Ex. 18. Below are representative examples of such uses by the press, including uses in the context of fine art:

- *New York Post*, January 27, 2002: “After a three-month delay due to the terrorist attacks, a new Ritz-Carlton hotel will open on Battery Place Tuesday. But far from the usual stuffy luxury-hotel approach, this thoroughly modern **Ritz** uses contemporary art as its defining element.” “Not only is most of the art at the **Ritz** abstract, it’s also made with non-traditional materials.” “But Hammond said he was apprehensive at first about making art for the **Ritz**.” “The Battery Park property, which also houses 113 condominiums, is the first **Ritz** to have all original work by contemporary artists.” “Battery Park also marks **Ritz**’s re-entry into New York in 4 1/2 years, when the last **Ritz** here closed its doors.” “Millennium is opening a second **Ritz**...in March.” Notice of Reliance Ex. 31 at RC 0491-94 (emphasis added).
- *The Miami Herald*, March 15, 2004: “Diana Lowenstein, the matriarch and proprietor of Diana Lowenstein Fine Arts Gallery, who contributes art displayed at the **Ritz**.” *See* Notice of Reliance Ex. 25 (emphasis added).
- *Las Vegas Sun*, May 7, 2003: “The **Ritz**, which is part of the Marriott chain of hotels, marks the debut of the **Ritz** brand in Nevada.” “The **Ritz** has signs that direct customers to the casino and has made guests aware of the amenity, Crail said.” “It is attached to the **Ritz** via an overhead walkway and is also accessible from a parking garage that serves the hotel.” Notice of Reliance Ex. 18 at RC 0956-59 (emphasis added).
- *St. Louis Post-Dispatch*, April 29, 2003: “Life Is Ducky At The **Ritz**.” “Watchful valet supervisors Andy Smith and Scott Burney provide Molly with the perfect personal service that the **Ritz** prides itself on.” “The **Ritz** maintains a soothing water fountain that splashes into a tiny, koi-filled pond.” “After Molly visits, they return together to the **Ritz** for some serious carbohydrate loading.” “That’s when Molly traditionally books a second, summer stay at the **Ritz**.” *See* Notice of Reliance Ex. 18 at RC 0965-66 (emphasis added).
- *The Boston Globe*, May 8, 2003: “I took my suburban mom to tea at the **Ritz**.” “I scrutinize passersby for signs of celebrity. This is the **Ritz**, mind you.” “The lush, quiet setting is contemporary compared to the original **Ritz**.” Notice of Reliance Ex. 18 at RC 0953-55 (emphasis added).
- *The Palm Beach Post*, January 30, 2005: “‘The invitations went out very late, and people couldn’t find rooms at the **Ritz** or the Four seasons,’ Cilione said.” “Hotel official

steered guests to Miami-Dade County, where the **Ritz** has three properties.” Notice of Reliance Ex. 18 at RC 0377-78 (emphasis added).

- *The Plain Dealer*, February 1, 2005: “Cowie and Oprah’s film crew descended on the **Ritz** on Friday.” “Cowie and the **Ritz** added chartreuse, saffron and tangerine table linens and matching china.” Notice of Reliance Ex. 18 at RC 0370 (emphasis added).
- *The Miami Herald*, February 14, 2005: “Puttin’ On The **Ritz**...On Feb. 5, social and civic leaders gathered at the South Beach **Ritz** for a gala evening of elegance...Afterwards, guests put on masks for a promenade along Lincoln Road, headed toward the gala at the **Ritz**.” Notice of Reliance Ex. 18 at RC 0360 (emphasis added).

B. Ritz-Carlton’s Trademark Registrations For Its Family Of RITZ Marks

Ritz-Carlton owns numerous U.S. trademark registrations for its family of RITZ Marks covering a wide variety of goods and services. Ritz-Carlton is relying on the following registrations in this proceeding, in addition to its common law rights in the RITZ Marks for art-related goods and services:

- **RITZ**, Reg. No. 1,535,834, Registered April 18, 1989, for hotel and restaurant services, including grill rooms, snack bars, bars, cabarets and tea room services;
- **RITZ**, Reg. No. 2,869,095, Registered August 3, 2004, for providing gaming services accessed via local and worldwide computer networks, personal digital assistants, and electronic computer databases;
- **RITZ**, Reg. No. 2,934,838, Registered March 22, 2005, first used at least as early as December 31, 1933, for hotel services; restaurant, catering, bar and lounge services; resort lodging services; provision of general-purpose facilities for meetings, conferences and exhibitions; provision of banquet and social function facilities for special occasions; and reservation services for hotel accommodations;
- **RITZ-CARLTON**, Reg. No. 1,094,823, Registered June 27, 1978, first used at least as early as May 18, 1927, for hotel services;
- **RITZ-CARLTON**, Reg. No. 2,298,901, Registered December 7, 1999, first used as early as April 30, 1999, for apartment, condominium and real estate management services; real estate brokerage services; and real estate time-sharing services;
- **RITZ-CARLTON**, Reg. No. 2,615,549, Registered September 3, 2002, first used at least as early as December 31, 1927, for golf club services; health club services; providing tennis court facilities; providing facilities for tennis and golf tournaments; golf courses; party planning; providing facilities for recreation activities; providing casino facilities; arranging for ticket reservations for shows and other entertainment events; rental of skin diving and scuba diving equipment; arranging and conducting educational conferences;

- **THE RITZ KIDS**, Reg. No. 1,795,438, Registered September 28, 1993, for hotel services, restaurant services, beauty salons and hairdressing salon services;
- **PUTTIN' ON THE RITZ**, Reg. No. 2,446,217, Registered April 24, 2001, first used at least as early as April 14, 1990, for charitable fund raising services;
- **PUTTIN' ON THE RITZ**, Reg. No. 3,079,520, Registered April 11, 2006, first used at least as early as April 14, 1990, for hotel services; restaurant, catering, bar and cocktail lounge services; resort lodging services; provision of general-purpose facilities for meetings, conferences and exhibitions; provision of banquet and social function facilities for special occasions; and reservation services for hotel accommodations for others;
- **THE RITZ-CARLTON CLUB**, Reg. No. 1,631,978, Registered January 15, 1991, first used at least as early as November 30, 1983, for hotel services;
- **THE RITZ-CARLTON CLUB**, Reg. No. 2,388,768, Registered September 19, 2000, first used at least as early as September 14, 1999, for apartment, condominium and real estate management services; real estate brokerage services; and real estate time-sharing services;
- **THE RITZ-CARLTON LOUNGE**, Reg. No. 2,606,040, Registered August 6, 2002, first used at least as early as April 7, 2002, for resort services, namely, providing facilities for golf, tennis, bicycling and watersports;



- **THE RITZ-CARLTON**, Reg. No. 1,905,234, Registered July 18, 1995, first used in 1927, for cleansers, namely, skin soaps, hair shampoo and conditioner; metal key rings; paperweights; stationery, underarm portfolios, letter pads, folders holding notepaper pads, paper shopping bags, playing cards; passport cases, all-purpose sports bags, golf umbrellas, luggage tags, men's and women's valet bags, tote bags, duffle bags, luggage canvas bags; crystal boxes for decoration, drinking glasses, coffee mugs, coasters; bath linens; clothing, namely, visors, golf caps, robes for use by and sale to hotel guests, golf shirts, tennis shirts, shorts, t-shirts, sweat shirts; toys, namely, stuffed animals, golf balls; processed foods, namely, jam, jellies; staple foods, namely, candy, honey, sugar, ketchup, mustard; matches; entertainment services in the nature of cabarets; hotel services, restaurant services, restaurant services offering a grill room, snack bar, and tea room; cocktail lounge and bar services; and



- **THE RITZ-CARLTON**, Reg. No. 2,386,118, Registered September 12, 2000, first used as early as April 30, 1999, for apartment, condominium and real estate management services; real estate brokerage services; and real estate time-sharing services.

See Opposer's Notice of Reliance, Exs. 5-15. Many of Ritz-Carlton's registrations for the RITZ Marks have become incontestable.

C. Ritz-Carlton's Prior Rights

Priority of use is not at issue in this case. Wilcox filed his application on October 31, 2003 based on an intent-to-use. Wilcox has stated in Interrogatory answers that he has not yet used RITZ in connection with any products or services. See Notice of Reliance Ex. 16 at amended answers to Interrogatory Nos. 4-5, 10-11, 13.

D. The RITZ Marks Are Strong And Famous, and the RITZ-CARLTON Brand Has More Value Than Any Other Luxury Brand In The United States

The RITZ Marks are undeniably distinctive, arbitrary, strong, and famous. All of the RITZ Marks have been the subject of widespread use and extensive advertising, and the marks have generated enormous revenues. As outlined below, the RITZ Marks have been extensively promoted in many ways, and this has contributed to the strength and fame of the RITZ Marks. The RITZ-CARLTON brand is very well known by the general public. Gajcak Dep. at 29-30.

Objective and independent third party studies confirm that the overall RITZ-CARLTON brand is highly recognized and respected, and that there is a high degree of consumer awareness, likeability, and purchase interest. See Gajcak Dep. at 30-35, Exs. 9, 10. In 2005, the Luxury Institute in New York City recognized the RITZ-CARLTON brand as being the most prestigious luxury brand in the United States. Gajcak Dep. at 30-33, Ex. 9. The Luxury Institute study evaluated the value and equity of luxury brands across all fields of goods and services, and studied how consumers rated the prestige of the brands. Gajcak Dep. at 34-35. The study evaluated four major luxury categories: Automobiles, hotels and resorts, fashion designers, and retailers. Gajcak Dep. at 32-33, Ex. 9. The RITZ-CARLTON brand finished ahead of such other luxury brands as PORSCHE, MERCEDES, and ARMANI. Gajcak Dep. at 33, Ex. 9.

In another 2005 Luxury Institute study that focused on brands operating in the services area, the RITZ-CARLTON brand was rated the most prestigious overall luxury brand out of the 230 luxury service brands evaluated. Gajcak Dep. at 34-35, Ex. 10. That study measured the value and equity of brands in the areas of tour operators, the cruise industry, private jet providers, luxury retailers, wealth management firms, and brokerage firms. Gajcak Dep. at 34-35, Ex. 10. Galleries that sell fine art are luxury retailers, as is Ritz-Carlton. Gajcak Dep. at 35-36.

These objective studies overwhelmingly corroborate the extraordinary value of the RITZ-CARLTON brand and the RITZ Marks. The higher the brand prestige and awareness, the more valuable the brand is in the marketplace. Thus, any unauthorized use of any of the RITZ Marks on products or services beyond Ritz-Carlton's quality control or of inferior quality would reflect poorly on Ritz-Carlton, adversely affect the value of the RITZ Marks, and impair Ritz-Carlton's ability to obtain revenues from its marks.

In addition, Ritz-Carlton has received numerous awards for the services it offers under the RITZ Marks, including "every possible award" in the United States within the travel industry. Gajcak Dep. at 36, Ex. 11; Flint Dep. Ex. 1 at RC 1841-45. These awards include the very prestigious Mobil Five-Star award and the AAA Five-Diamond award. Gajcak Dep. at 37, Ex. 11. Additionally, Ritz-Carlton is the first and only hotel company to receive the Malcolm Baldrige National Quality Award from the United States Department of Commerce, and the only service company to receive this award twice, in 1992 and 1999. Gajcak Dep. at 37-39, Ex. 11.

The strength and fame of the RITZ Marks is further shown by the substantial revenues attributable to goods and services offered by Ritz-Carlton. In 2006, for example, Ritz-Carlton's worldwide revenues were approximately \$3 billion, the majority of which was generated from

Ritz-Carlton's activities in the United States. Gajcak Dep. at 58-59. Ritz-Carlton's revenues have seen a steady increase from year to year and are today more than double what they were in 1989 and 1990, when Ritz-Carlton's annual revenues were at least \$1 billion. Gajcak Dep. at 59. A substantial portion of these revenues is attributable to stays at RITZ-CARLTON properties. In 2006, Ritz-Carlton sold approximately three million room nights in RITZ-CARLTON hotels located in the United States. Gajcak Dep. at 59.

The protection and proper use of the RITZ Marks is very important to Ritz-Carlton and adds to the strength of its brands. Gajcak Dep. at 39-41. Ritz-Carlton vigorously polices its rights in the famous RITZ Marks and ensures that the marks are not misused by third parties. Gajcak Dep. at 41. Ritz-Carlton also takes steps to ensure that the RITZ Marks are used properly and consistently by the company and others that are authorized to use the marks. Gajcak Dep. at 39-41. To that end, Ritz-Carlton has established brand standards that must be met by anyone using the RITZ Marks. Gajcak Dep. at 39-41.

E. Ritz-Carlton's Advertising And Promotional Activities Featuring The RITZ Marks

Ritz-Carlton spends a significant amount of money on advertising and promoting the RITZ Marks. In 2007, for example, Ritz-Carlton will spend approximately \$11 million worldwide on print advertising for lodging and accommodations services and related services and goods, of which the vast majority, approximately \$9 million, will be spent in the United States. Gajcak Dep. at 41. Ritz-Carlton places print advertisements in newspapers with nationwide distribution, such as *The Wall Street Journal* and *The New York Times*, and in well-known magazines such as *Conde Nast*, *Travel & Leisure*, *Town & Country*, *Vanity Fair*, *Gourmet*, and *Departures*. Gajcak Dep. at 43-44. Publications in which Ritz-Carlton advertises contain advertisements for art galleries. Gajcak Dep. at 44. On top of the \$9 million Ritz-

Carlton spends in the United States annually discussed above, Ritz-Carlton spends about \$10 million annually in the United States on advertising its real estate services. Gajcak Dep. at 42. Ritz-Carlton also retains twenty outside public relations agencies in the United States whose goal is to create awareness of and interest in Ritz-Carlton's brands. Gajcak Dep. at 43.

The official Ritz-Carlton website at <*RitzCarlton.com*> is a large focus of Ritz-Carlton's business and plays a vital role in advertising and promoting the RITZ Marks. Gajcak Dep. at 55-56. In addition to providing information about Ritz-Carlton's goods and services, the website allows consumers to book rooms, activities, dinner reservations, and group reservations; organize weddings; and plan special events. Gajcak Dep. at 55-56. In 2006 alone, approximately \$110 million in revenue was generated from the Ritz-Carlton website. Gajcak Dep. at 56-57. Approximately 1.4 million individuals visit the <*RitzCarlton.com*> website on a monthly basis, and the website gets many times more hits than that due to repeat visits. Gajcak Dep. at 57-58. The RITZ Marks are promoted throughout Ritz-Carlton's website. See Flint Dep. Exs. 1, 5, 14, 15, 21, 23, 24; Gajcak Dep. Exs. 1-8, 11; Notice of Reliance Exs. 28 and 29.

In addition, Ritz-Carlton spends approximately \$5 million annually on other promotional materials containing the RITZ Marks to support Ritz-Carlton's goods and services. Gajcak Dep. at 42, 45-46; Gajcak Dep. Ex. 12. Included in such materials are brochures, newsletters, and direct mail pieces. Gajcak Dep. at 45. Ritz-Carlton's brochures are distributed directly to any customer or prospective customer looking for information about the goods and services offered under the RITZ Marks, as well as at trade shows. Gajcak Dep. at 45. Ritz-Carlton also produces and distributes a variety of promotional newsletters at the corporate and individual hotel level that feature the RITZ Marks. Gajcak Dep. at 45-46. The corporate newsletters are distributed at trade shows, at client events, at special events to communicate with travel partners, and directly

to consumers. Gajcak Dep. at 46. Newsletters distributed by individual hotels are aimed primarily at customers or prospective customers and are distributed by direct mail or at special events or trade shows. Gajcak Dep. at 46.

In addition to those activities, Ritz-Carlton mails promotional pieces directly to consumers. Gajcak Dep. at 47. The direct mailings are done at the corporate level, on a regional basis, or at the individual hotel level. Gajcak Dep. at 47. The direct mail pieces that Ritz-Carlton distributes promote and advertise the RITZ-CARLTON brand and feature use of the RITZ Marks. Gajcak Dep. at 38. These mailings are sent to consumers in Ritz-Carlton's databases of guests, as well as to consumers of other companies through corporate partnerships. Gajcak Dep. at 47. Examples of companies with whom Ritz-Carlton has partnered on direct mailings are American Express, Mercedes-Benz, and Neiman Marcus. Gajcak Dep. at 47.

F. Ritz-Carlton's Art-Related Goods And Services

Since prior to the filing date of Wilcox's application, Ritz-Carlton and its RITZ Marks have become linked with art in the minds of customers and the general public through extensive involvement in art sales and a wide variety of art-related activities on many levels. Gajcak Dep. at 59-60. Ritz-Carlton offers the retail sale of fine art and other luxury goods; offers space for artists and art galleries to sell or display art that is for sale; hosts and sponsors fine art auctions; hosts and sponsors fine art exhibitions; promotes the fine art collections in RITZ-CARLTON hotels as an inducement to customers; offers leisure packages featuring tours of fine art collections; disseminates art tour guide books; offers art classes; caters events at art galleries; and produces and distributes periodicals that feature articles about and advertisements for art and art galleries. Ritz-Carlton's art-related activities are promoted and advertised under marks containing RITZ through Ritz-Carlton's website, press releases, promotional materials, brochures, mail order catalogs, and other means. Gajcak Dep. at 59-60.

1. Ritz-Carlton Offers Fine Art And Art-Related Items For Sale.

Ritz-Carlton has long offered the sale of fine art and art-related items. Such art ranges in price from a few dollars for prints and posters, to many thousands of dollars for original works of art. Flint Dep. at 35-36; Gajcak Dep. at 61.

Many RITZ-CARLTON-branded retail gift shops located in RITZ-CARLTON hotels sell objects of art. Flint Dep. at 26; Gajcak Dep. at 61. The retail shops offers “inexpensive tasteful pieces up to very expensive pieces of art.” Gajcak Dep. at 61. For example, the retail gift shop at THE RITZ-CARLTON, HALF MOON BAY (California) sells paintings. Flint Dep. at 28. THE RITZ-CARLTON, LAGUNA NIGUEL (California) similarly sells art in its retail gift shop. Flint Dep. at 29. Ritz-Carlton also sells art books in its retail gift shops. For example, THE RITZ-CARLTON NEW YORK, CENTRAL PARK sells a coffee table book featuring the paintings of Samuel Halpert, a 19th century impressionist painter whose works are featured throughout the hotel. Flint Dep. at 81-83, Ex. 17. Some RITZ-CARLTON hotels offer the sale of high-end photographic books. Gajcak Dep. at 61. The retail gift shops in each RITZ-CARLTON hotel features the RITZ-CARLTON mark on signage. Flint Dep. at 113-114.

Moreover, artwork displayed on the walls of RITZ-CARLTON hotels are often offered for sale. At THE RITZ-CARLTON, MARINA DEL RAY (California), for example, the art displayed in the hotel lounge and the hotel restaurant is offered for sale. Flint Dep. at 28, 34. In THE RITZ-CARLTON NEW YORK, CENTRAL PARK, artwork displayed in guest rooms has been offered for sale, as has artwork that has been displayed in the lobby of that hotel. Flint Dep. at 26. In some hotels, Ritz-Carlton takes an approach of “everything is for sale” in the hotel, including the artwork featured in the rooms. Flint Dep. at 124-125. Individuals do not need to be guests of RITZ-CARLTON hotels to buy artwork that is displayed on the walls of the hotel or in the retail gift shops. Flint Dep. at 76-77. The retail sale of art contributes to Ritz-Carlton’s financial

performance. Flint Dep. at 77-78.

Some RITZ-CARLTON hotels display artwork of local artists and local galleries that is available for purchase. Flint Dep. at 26. THE RITZ-CARLTON, HALF MOON BAY (California), for example, displays in three vitrines the artwork of local galleries all of which is available for purchase. Flint Dep. at 28. Similarly, THE RITZ-CARLTON, SAN JUAN displays in public spaces the work of local artists. Flint Dep. at 29. THE RITZ-CARLTON, NAPLES partners with nearby art galleries to display in the hotel's dining room original works of art on a monthly rotation. Flint Dep. at 97, Ex. 20. All of the foregoing artwork is available for purchase. Flint Dep. at 34, 97.

In addition, Ritz-Carlton has long offered retail catalog services featuring fine art and a wide variety of other luxury-tier items. Flint Dep. at 13, 35; Flint Dep. at Exs. 9-13. Several of the RITZ Marks are prominently used on such catalogs. Flint Dep. at Exs. 9-13. Examples of fine art that Ritz-Carlton sells through these catalogs include Faberge eggs, handcrafted crystal boxes, ornamental picture frames, hand blown glasswork, crystal glassware, ceramic works of art, display plates with artistic designs, jewelry, and handcrafted inlaid music boxes. Flint Dep. at 37-50, Exs. 9-13. Ritz-Carlton places these catalogs prominently in every one of its guest rooms in the United States. Flint Dep. at 13, 37-38, 100. Anyone staying at any RITZ-CARLTON hotel in the United States will see the catalog. Flint Dep. at 13, 37-38, 100. The catalog also is mailed to individuals in Ritz-Carlton's database of customers. Flint Dep. at 38. Approximately 130,000 of the catalogs are placed in hotel rooms yearly, and approximately 140,000 are mailed to customers. Flint Dep. at 50.

Ritz-Carlton also has offered the sale of art or art-related goods online through a Ritz-Carlton website. Flint Dep. at 13, 51-54; Flint Dep. Ex. 14. Examples of goods offered for sale by Ritz-Carlton online include artistic glassware, decorative vases, jewelry, and a variety of other

goods. Flint Dep. at 53-54, Ex. 14. Consumers need not enter a RITZ-CARLTON hotel in order to purchase these items. Flint Dep. at 54. However, they see the RITZ Marks displayed on the website when buying art items. *See* Flint Dep. Ex. 14.

2. Art Galleries Are Located On The Premises Of RITZ-CARLTON Hotels.

In addition to the sale of fine art by Ritz-Carlton, some RITZ-CARLTON properties feature art galleries inside the hotel or on the premises. For example, THE RITZ-CARLTON, SAN FRANCISCO features the Hanson Gallery of fine art with two locations inside the hotel. Flint Dep. at 55-56, Exs. 5, 6. The locations for this gallery are near the front desk of the hotel, and both offer the sale of contemporary artwork. Flint Dep. at 56. The Hanson Gallery offers “an eclectic mix of fine art, unique graphics, and sculpture for discriminating clients in the distinguished surrounds in the historic Ritz-Carlton, San Francisco.” Flint Dep. at 58, Ex. 6. According to the website for the Hanson Gallery, “the galleries at The Ritz-Carlton, San Francisco have an increasing focus on original fine art according to the demand of our clients.” Flint Dep. Ex. 6 at RC 1127. The Hanson Gallery is promoted on Ritz-Carlton’s official website as a property feature of THE RITZ-CARLTON, SAN FRANCISCO. Flint Dep. at 57, Ex. 5. The gallery has been located in the hotel since approximately 1994. *See* Flint Dep. Ex. 6 at RC 1127.

THE RITZ-CARLTON, KAPALUA has a retail space in the hotel at which art is sold in public areas. Flint Dep. at 29; Notice of Reliance Ex. 34. Until recently, THE RITZ-CARLTON, NEW ORLEANS featured in the hotel an art gallery called Asiantiques that offered the retail sale of Asian-themed art. Flint Dep. at 27, 59-60; Flint Dep. at Ex. 7. This gallery was forced to shut down in August, 2005 due to damage from Hurricane Katrina. Flint Dep. at 27. Additionally, artists and art galleries utilize space in RITZ-CARLTON properties to exhibit and sell their own art. Gajcak Dep. at 66.

3. Ritz-Carlton Sponsors And Hosts Art Exhibitions And Auctions Where Art Is Sold.

Ritz-Carlton frequently hosts and sponsors art exhibits and auctions in RITZ-CARLTON facilities where art is sold. Flint Dep. at 33, 90-91; Gajcak Dep. at 60-61. Often, RITZ-CARLTON properties associate themselves with a local artist or member of the art community and host exhibitions where art is sold. Gajcak Dep. at 66. Additionally, Ritz-Carlton hosts fundraising events where art is showcased and later auctioned off. Gajcak Dep. at 59-62. For example, in March, 2003, Ritz-Carlton hosted a benefit called the Step by Step Art Auction that featured works by local artisans to benefit a child development organization. Notice of Reliance Ex. 27. These events are promoted on Ritz-Carlton's website, in press releases, and on promotional materials, all of which feature the RITZ and RITZ-CARLTON trademarks. Gajcak Dep. at 59-60.

The RITZ-CARLTON hotels in Reynolds Plantation (Georgia), Washington, D.C., San Francisco, and Amelia Island (Florida) have hosted many fundraising events and functions that feature art auctions. Flint Dep. at 33. THE RITZ-CARLTON, MARINA DEL RAY hosts a reception and art auction in coordination with the Masters Work gallery on a quarterly basis. Flint Dep. at 31. THE RITZ-CARLTON, COCONUT GROVE has hosted an art exhibit featuring a silent auction of fine art of Columbian artists. Notice of Reliance Ex. 21. On several occasions dating back to 2000, THE RITZ-CARLTON, PHOENIX has hosted the Cowboy Artists of America Sale, a fine art action featuring sculptures, drawings, and paintings. Notice of Reliance Ex. 30 at RC 0299-300, 313-316. In April, 2003, Ritz-Carlton hosted a fine art auction at its Naples hotel that featured a Sotheby's auctioneer and the sale of paintings, drawings, prints, photography, and sculptures by renowned artists. Notice of Reliance Ex. 30 at RC 1272. At such events, consumers visiting the RITZ-CARLTON hotels are able to buy fine art. Flint Dep. at 33; *see also* Notice of Reliance

Ex. 30 at RC 0469-71 (charity auction at New Orleans hotel) and RC 1241-43 (fine art auction at Phoenix hotel).

Recently, Ritz-Carlton sponsored a high-profile charity art auction with the well-known actress Lucy Liu. Gajcak Dep. at 62-63, Ex. 13. Ritz-Carlton showcased Ms. Liu's art in a private gallery in New York City, and the art was later auctioned off for charity. Gajcak Dep. at 62-63. The proceeds from the auction benefited the U.S. fund for Unicef and the RITZ-CARLTON Community Footprints program. Gajcak Dep. at 62-63. The RITZ-CARLTON Community Footprints program partners Ritz-Carlton and its hotels with local organizations and charities to raise funds to improve and benefit local communities. Gajcak Dep. at 62-63. The art auction with Ms. Liu was well attended and was enormously successful. Gajcak Dep. at 65. Similar events are planned by Ritz-Carlton on the future. Gajcak Dep. at 65-66.

4. Ritz-Carlton Uses The Fine Art Collections Displayed In Its Hotels As A Significant Promotional Tool To Attract Customers.

RITZ-CARLTON hotels, in essence, are art galleries. Indeed, in a 2002 article about the fine art featured in THE RITZ-CARLTON NEW YORK, BATTERY PARK, the *New York Post* stated that "The Battery Park collection is as much a window into the city's contemporary art scene as a dozen Chelsea galleries." See Notice of Reliance Ex. 31 at RC 0491-494. All Ritz-Carlton hotels exhibit an extensive array of fine art both in public areas of the hotel and in each guest room. Flint Dep. at 23; Gajcak Dep. at 59-60. The typical fine art collection at a RITZ-CARLTON hotel includes works such as paintings, sculptures, antiques, chandeliers, decorative rugs, furniture, figurines, urns, cabinets, china, porcelain, glassware, and the like. Flint Dep. at 62-63, 80; Flint Dep. Ex. 15. The typical value of the art on display in each RITZ-CARLTON hotel property is approximately \$2 million to \$3 million. Flint Dep. at 78. Ritz-Carlton has spent hundreds of thousands of dollars more to bring art exhibitions to locations in and around its

hotels. *See* Notice of Reliance Ex. 31 at RC 491-94.

The display of fine art is an important part of Ritz-Carlton's efforts at striving to meet the expectation of a luxury hotel, and is an amenity that Ritz-Carlton provides in order to attract customers.¹ Flint Dep. at 22. Ritz-Carlton's customers largely value tasteful design and elegant surroundings, of which art is a key component. Gajcak Dep. at 29; Flint Dep. at 21-23. When people walk into a RITZ-CARLTON hotel, they expect to see artwork, and to be able to purchase it. Flint Dep. at 36.

To achieve that goal, Ritz-Carlton promotes the "museum-quality" collections of art and antiques that are featured in its hotels. Flint Dep. at 63-71, Exs. 15, 19; Gajcak Dep. Ex. 12. The display of fine art is part of Ritz-Carlton's sales strategy, and such art is featured in promotional and advertising materials that include brochures and other collateral that is disseminated to customers and potential customers. Flint Dep. at 75-76, Ex. 15; Gajcak Dep. at 48-55, Ex. 12. Moreover, Ritz-Carlton promotes on the Internet and in brochures the proximity of its hotels to art galleries and art boutiques. Gajcak Dep. at 48-50, Ex. 12. The fine art featured in RITZ-CARLTON hotels is often mentioned in press and news articles. *See, e.g.*, Notice of Reliance Ex. 31 at RC 0491-94, RC 1193-94, RC 2196.

Many collateral items that consumers encounter in connection with a visit or stay at a RITZ-CARLTON hotel feature fine art that is displayed in that hotel. Flint Dep. at 78-80. These items include brochures, in-room dining menus, honor bar menus, key cards, check-out folders,

¹ Indeed, fine art is traditionally associated with luxury hotels. *See* Notice of Reliance Exs. 19, 23, 35; Flint Dep. Ex. 25 at RC 1503. As one trade publication stated in 2002:

Many hotel operators are realizing stepping up the quality of art can help to differentiate a property from its nearby competition. So with the rise of every type of concept hotel and franchise imaginable, artwork is rising in importance to help craft brand image while also raising the bar on comfort and quality of a guest's surroundings. Upscale resorts and mid-scale hotels, for example, are finding that the use of local and fine art adds that finishing touch, which singles a property out to an undecided guests.

See Notice of Reliance Ex. 35 at RC 0484-486

key card folders, and limousine greeting boards. Flint Dep. at 78-80. Ritz-Carlton also places art books in guest rooms in its RITZ-CARLTON hotels. At THE RITZ-CARLTON NEW YORK, CENTRAL PARK, every guest room contains a book of Samuel Halpert's paintings, some of which are displayed in the hotel. Flint Dep. at 80-83, Ex. 17.

5. Ritz-Carlton Offers Tours Of The Art In Its Hotels.

Ritz-Carlton offers guided and unguided tours of the art in its hotels. Flint Dep. at 30. Moreover, hotel staff receive art-related training, and some RITZ-CARLTON hotels offer on-site docents. Flint Dep. at 30, 71-72, 74-75. In THE RITZ-CARLTON NEW YORK, CENTRAL PARK, the guest relations officer conducts tours of the artwork displayed in the hotel. Flint Dep. at 30, 71-72. Similar tours are conducted at RITZ-CARLTON hotels in San Juan, Amelia Island (Florida), Battery Park (New York), Pasadena (California), and Washington, D.C. Flint Dep. at 30-31, 71-72.

In some RITZ-CARLTON hotels, including THE RITZ-CARLTON, BOSTON COMMON and THE RITZ-CARLTON, GEORGETOWN, Ritz-Carlton distributes brochures for self-guided tours of the art in the hotel. Flint Dep. at 71-72. THE RITZ-CARLTON, BOSTON COMMON distributes brochures for its collection of art entitled "The Millennium Partners Collection of Contemporary Art at The Ritz-Carlton, Boston Common." Flint Dep. at 72-73, Ex. 19. THE RITZ-CARLTON, AMELIA ISLAND has produced a printed brochure promoting a "Treasures of the Ritz-Carlton Tour" that provides information about the paintings and other works of fine art that appear throughout the hotel, and that invites customers to take a tour by a docent at a cost of \$20. Flint Dep. at 74-75, Ex. 20. Additionally, THE RITZ-CARLTON, PALM BEACH offers an "Art and Afternoon Tea Package" that includes a guided tour of art displayed on the premises and a complimentary guide book. *See* Flint Dep. Ex. 15 at RC 0007.

6. Ritz-Carlton Offers Leisure Packages Featuring Tours Of Art Galleries.

Ritz-Carlton has long offered a variety of leisure packages that include a stay at a RITZ-CARLTON hotel and, as part of the experience, tickets to admission at fine arts events, collections, galleries, and exhibitions. Flint Dep. at 31, 33; Flint Dep. Ex. 21; Notice of Reliance Exs. 20, 22. For example, THE RITZ-CARLTON, LAGUNA NIGUEL offers an annual Pageant of the Masters package that includes tickets for admission to that event. Flint Dep. at 31, 85; Flint Dep. Ex. 21. THE RITZ-CARLTON, COCONUT GROVE offers a leisure package that includes tickets to the Vizcaya, a historic home at which a variety of artwork is displayed. Flint Dep. at 32. THE RITZ-CARLTON, SARASOTA offers an “Art Lovers Package” that includes tickets to the John and Mable Ringling Museum of Art. Flint Dep. at 84-85, Ex. 21; Gajcak Dep. at 21, Ex. 5.

Similar packages have been offered at RITZ-CARLTON hotels in Huntington (tickets to the Norton Simon Museum featuring art by van Gogh, Picasso, and Rembrandt); Philadelphia (tickets to the Barnes Foundation collection of art); Kapalua (tickets to the Celebration of the Arts); Atlanta (tickets to the High Museum Art of Romare Bearden); Buckhead (tickets to the High Museum Art of Romare Bearden); Laguna Niguel (tickets to the Pageant of the Masters); and Detroit (Van Gogh exhibit at Detroit Institute of Arts). *See* Flint Dep. at 85-88, Ex. 21; Gajcak Dep. at 22-25, Exs. 6, 7; Notice of Reliance Exs. 20, 22. These leisure packages are promoted and advertised on the Internet at Ritz-Carlton’s website, by e-mail, through hotel concierges and other hotel staff, through travel agents, and in the press. Flint Dep. at 88-89; Notice of Reliance Ex. 20. Ritz-Carlton has offered similar art-related leisure packages since the opening of the first RITZ-CARLTON hotel. Flint Dep. at 90.

7. Ritz-Carlton Offers Art Classes, Programs, And Events.

Ritz-Carlton offers to guests of all ages educational classes or programs that involve art

or painting. Flint Dep. at 33-34, Ex. 24. These art classes and programs are promoted in various ways, including in Ritz-Carlton's brochures and on its website. Gajcak Dep. at 50-51, Exs. 12, 24. For example, THE RITZ-CARLTON, KAPALUA offers an "Art School" that provides an extensive array of art-related classes. Flint Dep. at 33-34, Ex. 23 at RC 0016-17; Gajcak Dep. at 50-51, Ex. 12. The Kapalua hotel also offers a hands-on artist demonstration as part of its annual Celebration of the Arts festival that has been held since 1993. Flint Dep. at 95-97, Ex. 24 at RC 0011-15. Similarly, THE RITZ-CARLTON, ST. THOMAS offers art classes approximately three times a week at a cost of approximately \$65. Flint Dep. at 33-34, 121. THE RITZ-CARLTON, LAGUNA NIGUEL conducts art classes on request for groups. Flint Dep. at 33-34. The Laguna Niguel hotel also offers a Laguna Beach Art Tour, in which a local artist takes consumers on a guided tour of the Laguna Beach art community. Flint Dep. at 94, Ex. 23.

Additionally, THE RITZ-CARLTON, HALF MOON BAY offers a "Painting By The Sea" program as part of Ritz-Carlton's THE RITZ KIDS service where children learn about acrylic painting and art appreciation and paint their own paintings. Flint Dep. at 87-98, Ex. 24. A similar program called "Rainbow Art Day" is offered as part of Ritz-Carlton's THE RITZ KIDS service at its Kapalua property. Flint Dep. Ex. 23 at RC 0018-19. In addition to Ritz-Carlton offering classes and events on its own premises, a number of RITZ-CARLTON hotels cater events held at art galleries. Flint Dep. at 98-99.

8. Ritz-Carlton Produces And Distributes Magazines That Feature Articles About, And Advertisements For, Fine Art And Art Galleries.

On a quarterly basis, since well before the filing of Wilcox's application, Ritz-Carlton has produced a magazine called THE RITZ-CARLTON Magazine that Ritz-Carlton places prominently in every guest room everywhere in the world. Flint Dep. at 99-101; Flint Dep. Ex. 25. Art galleries and artists frequently purchase advertisements in the magazine. Flint Dep. at

101-102, Ex. 25. For example, the Summer 1999 edition of THE RITZ-CARLTON Magazine featured advertisements for a number of fine art galleries, including Cosmopolitan Fine Arts in La Jolla, California (where Wilcox resides); The Madison Gallery in Atlanta; the Jordan Road gallery in Sedona; Corporate Artworks in Illinois; Martin Fine Art in Illinois; the Viota Gallery in Scottsdale; Cornerstone Galleries in Sedona; and Clark Studios in Capistrano Beach, California. *See* Flint Dep. Ex. 25 at RC 1289-1316. The Summer 1999 edition also contains a number of advertisements promoting the fine art of individual artists, including Yuroz, Anthony Whelihan, and Angela Trotta Thomas. *See* Flint Dep. Ex. 25 at RC 1289-1316.

The RITZ-CARLTON Magazine also features articles about art, art galleries, and art collections. *See* Flint Dep. Ex. 25. The Spring 2004 edition, for example, contains an extensive article entitled *Smart About Art: What Today's Collector Needs to Know* that provides information and tips on purchasing fine art. *See* Flint Dep. Ex. 25 at RC 1500-05. Similarly, the Winter 2000 edition contains an article about fine art auctions. *See* Flint Dep. Ex. 25 at RC 1338-42.

II. WILCOX'S CONFUSINGLY SIMILAR RITZ MARK

A. Wilcox's Intended Use Of RITZ On Identical, Closely Related, And Complimentary Services

Wilcox is seeking registration for the mark RITZ for "art galleries offering original and limited edition fine art, namely, paintings, photographs, sculptures and prints." Wilcox has not yet used RITZ in connection with any products or services. *See* Notice of Reliance Ex. 16 at amended Interrogatory answer Nos. 4-5, 10-11, 13. Wilcox has registered several domain names containing RITZ, including <*RitzGalleries.com*> and <*RitzSpectrum.com*>, which Wilcox intends to use in connection with promoting his art gallery services. Notice of Reliance Ex. 16 at amended interrogatory answer No. 12. Wilcox has made sample business cards and letterhead

featuring the composite mark RITZ SPECTRUM, though these materials have not been distributed to or seen by prospective customers. Notice of Reliance Ex. 16 at amended Interrogatory answer No. 6.

Though Wilcox may have an interest in opening an online art gallery and sell art via the Internet, Wilcox has not attempted to narrow his identification of services to a specific channel of trade. Indeed, if Wilcox's mark is allowed to register, Wilcox could seek to open an art gallery in close proximity to a RITZ-CARLTON hotel and claim the registration gives him the right to do so.

B. Wilcox's Intended Use Of An Identical Mark

There is no dispute that Ritz-Carlton has priority of use. The mark Wilcox applied for is "RITZ" in block letters, which is *identical* to Ritz-Carlton's word mark RITZ and nearly identical and confusingly similar to Ritz-Carlton's registered marks that constitute or incorporate RITZ. Moreover, customers, prospective customers, media, and others have long used "RITZ" to refer to Ritz-Carlton and RITZ-CARLTON hotels. Wilcox admits that he was aware of the use and registration of one or more of the RITZ Marks prior to filing the application at issue. *See* Notice of Reliance Ex. 16 at amended Interrogatory answer No. 2.

C. Confusion Is Enhanced By Wilcox's Intended Use Of Unlimited Marketing And Sales Channels

Wilcox's identification of services contains no limitation on the trade channels in which Wilcox intends to offer art gallery services. Thus, it must be presumed that Wilcox will use RITZ in all trade channels. *See CBS, Inc. v. Morrow*, 708 F.2d 1579, 1581, 218 U.S.P.Q. 198, 199 (Fed. Cir. 1983) (the court looks only to the goods and services recited in the application, regardless of actual usage). Such services can be advertised in magazines, newspapers, direct mailings, the Internet, and through hotel concierges and other hotel employees. These are the

same places where Ritz-Carlton's goods and services are advertised and sold. *See* Sections I.E and I.F *supra*. Indeed, Wilcox has admitted that art galleries market their goods and services by providing brochures and information to hotels or concierges employed by hotels. *See* Notice of Reliance Ex. 17 at answer to Request for Admission No. 11.

Fine art gallery services are also targeted to the same consumers who purchase Ritz-Carlton's goods and services. Fine art is a luxury item purchased by affluent customers who value tasteful design and elegant surroundings. Ritz-Carlton targets exactly the same type of customers. *See* Gajcak Dep. at 29. Indeed, Wilcox has admitted that guests staying at RITZ-CARLTON hotels are typically more likely to purchase art than guests staying at less expensive hotels. *See* Notice of Reliance Ex. 17 at answer to Request for Admission No. 14. Moreover, Wilcox has admitted that prospective customers of services he intends to offer under the mark RITZ are hotel guests, including guests at RITZ-CARLTON hotels. *See* Notice of Reliance Ex. 17 at answer to Request for Admission No. 13.

ARGUMENT

I. THE OPPOSITION SHOULD BE SUSTAINED BECAUSE WILCOX'S ALLEGED MARK CREATES A LIKELIHOOD OF CONFUSION, MISTAKE, OR DECEPTION

A. Ritz-Carlton Has Priority

It is uncontested that Ritz-Carlton began using each of its RITZ Marks prior to the filing date of the application at issue. Some of the RITZ Marks, including RITZ and RITZ-CARLTON, have been used for over seventy years. *See* Gajcak Dep. at 11, 13; Flint Dep. Ex. 4; Notice of Reliance Exs. 5-15. Applicant admittedly has not yet used its mark in connection with any goods or services. Thus, Ritz-Carlton indisputably has priority. *See Royal Hawaiian Perfumes, Ltd. v. Diamond Head Prods. of Hawaii, Inc.*, 204 U.S.P.Q. 144, 147 (TTAB 1979), *citing J.C. Hall Co. v. Hallmark Cards, Inc.*, 144 U.S.P.Q. 435, 437 (CCPA 1965).

B. Likelihood Of Confusion Is Inevitable

The Lanham Act provides that the Board must refuse registration of a mark that is “likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive.” 15 U.S.C. § 1052(d). The test for “likelihood of confusion evaluates objective evidence that the competing marks ... are likely to confuse the purchasing public about the source of the products.” *Kenner Parker Toys Inc. v. Rose Art Indus., Inc.*, 963 F.2d 350, 353, 22 U.S.P.Q.2d 1453, 1455 (Fed. Cir. 1992) (citation omitted), *cert. denied*, 506 U.S. 862 (1992). The Board considers thirteen factors in evaluating the likelihood of confusion, as enumerated in *In re E.I. DuPont DeNemours & Co.*, 177 U.S.P.Q. 563, 567 (CCPA 1973).² The *DuPont* factors are not listed in order of merit, and each of the factors may play a dominant role depending on the facts of a particular case. *Id.* In the present case, the facts clearly support a finding of likelihood of confusion because there is no doubt that the public is likely to believe that RITZ art gallery services are somehow sponsored by, affiliated with, or connected with Ritz-Carlton and its famous RITZ Marks.

² These are: (1) the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression; (2) the similarity or dissimilarity and nature of the goods or services as described in an application or registration or in connection with which a prior mark is in use; (3) the similarity or dissimilarity of established, likely-to-continue trade channels; (4) the conditions under which and buyers to whom sales are made, i.e. “impulse” vs. careful, sophisticated purchasing; (5) the fame of the prior mark (sales, advertising, length of use); (6) the number and nature of similar marks in use on similar goods; (7) the nature and extent of any actual confusion; (8) the length of time during and the conditions under which there has been concurrent use without evidence of actual confusion; (9) the variety of goods on which a mark is or is not used (house mark, “family” mark, product mark); (10) the market interface between applicant and the owner of a prior mark: (a) a mere “consent” to register or use; (b) agreement provisions designed to preclude confusion, i.e., limitations on continued use of the marks by each party; (c) assignment of mark, application, registration and goodwill of the related business; (d) laches and estoppel attributable to owner of prior mark and indicative of lack of confusion; (11) the extent to which applicant has a right to exclude others from use of its mark on its goods; (12) the extent of potential confusion, i.e., whether de minimis or substantial; (13) any other established fact probative of the effect of use. *Id.*

C. Likelihood Of Confusion Is Enhanced By The Fact That The RITZ Marks Are Strong, Famous, And Entitled To A Broad Scope Of Protection

The RITZ Marks are famous marks for purposes of the fifth *du Pont* likelihood of confusion factor. Famous marks, such as the RITZ Marks, “may affect the likelihood purchasers will be confused inasmuch as less care may be taken in purchasing a product under a famous name.” *Kenner Parker Toys*, 963 F.2d at 353, 22 U.S.P.Q.2d at 1456. As the court in *Kenner Parker Toys* observed:

Achieving fame for a mark in a marketplace where countless symbols clamor for public attention often requires a very distinct mark, enormous advertising investments, and a product of lasting value. After earning fame, a mark benefits not only its owner, but the consumers who rely on the symbol to identify the source of a desired product.

963 F.2d at 353, 22 U.S.P.Q.2d at 1456. Accordingly, “[f]amous marks . . . are more likely to be remembered and associated in the public mind than a weaker mark.” *Recot, Inc. v. Becton*, 214 F.3d 1322, 1327, 54 U.S.P.Q.2d 1894, 1897 (Fed. Cir. 2000). Thus, famous marks are accorded a broad scope of protection when evaluating the likelihood of confusion between marks. *See id.*; *Recot, Inc.*, 214 F.3d at 1327, 54 U.S.P.Q.2d at 1897; *R.J. Reynolds Tobacco Co. v. R. Seeling & Hille*, 201 U.S.P.Q. 856, 860 (TTAB 1978); *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 877, 23 U.S.P.Q.2d 1698, 1701 (Fed. Cir. 1992). The fame of marks like RITZ and RITZ-CARLTON means that there can be a likelihood of confusion even between “goods that are not closely related.” *Recot, Inc. v. Becton*, 56 U.S.P.Q.2d 1859, 1861 (TTAB 2000), *quoting Recot, Inc. v. Becton*, 54 U.S.P.Q.2d at 1897 (“the reasoning behind the broad scope of protection afforded to famous marks ‘applies with equal force when evaluating the likelihood of confusion between marks that are used with *goods that are not closely related*’.”).

In addition, a newcomer like Wilcox has a duty to select a mark that is different from ones that already exist. “Competitors must steer clear of the ‘long shadow’ cast by famous

marks.” *House of Blues Brands Corp. v. Sylvia Woods, Inc.*, 71 U.S.P.Q.2d 1308, 1312 (TTAB 2003), citing *Kenner Parker Toys*, 963 F.2d at 353, 22 U.S.P.Q. 2d at 1456. While competitors have a great economic incentive to “snuggle as close as possible to a famous mark” and thereby exploit the goodwill associated with such a mark, “[t]here is ‘no excuse for even approaching the well-known trademark of a competitor . . . and that all doubt as to whether confusion, mistake, or deception is likely to be resolved against the newcomer, especially where the established mark is one which is famous...’” *Kenner Parker Toys*, 963 F.2d at 353, 22 U.S.P.Q.2d at 1456, quoting *Nina Ricci, S.A.R.L. v. ETF Enters., Inc.*, 889 F.2d 1070, 1074, 12 U.S.P.Q.2d 1901, 1904 (Fed. Cir. 1989), quoting *Planter’s Nut & Chocolate Co. v. Crown Nut Co.*, 305 F.2d 916, 924-25, 134 U.S.P.Q. 504, 511 (CCPA 1962).

The Board has considered the following factors to be indicative of fame, all of which weigh in Ritz-Carlton’s favor:

- Long period of usage of the mark;
- High volume of sales and advertising;
- Significant exposure to the public;
- Advertisements in all forms of media;
- Wide range of products and merchandise; and
- Large number of promotions and partnerships.

See generally Jones, 65 U.S.P.Q.2d at 1659 (ROAD RUNNER held famous); *Nasdaq Stock Market, Inc. v. Antartica, S.R.L.*, 69 U.S.P.Q.2d 1718, 1729 (TTAB 2003) (NASDAQ held famous); *Novartis Corp. v. Brady*, Opp. No. 91123924, 2004 WL 2075107, at *6-7 (TTAB 2004) (RITALIN held famous); *Federal Nat’l Mortgage Ass’n v. Carey*, Opp. No. 91153134, 2004 WL 1957206, at *7 (TTAB 2004) (FANNIE MAE held famous); *William Carter Co. v.*

H.W. Carter & Sons, Inc., Opp. No. 91111355, 2004 WL 506139, at *10-11 (TTAB 2004) (CARTER’S held famous).

The RITZ Marks score high on each of the above indicators. *See Jones*, 65 U.S.P.Q.2d at 1658-59. Ritz-Carlton’s RITZ and RITZ-CARLTON marks have been used for more than seventy years. Advertising and promotion of the RITZ Marks have been substantial, and the marks have been used extensively on a wide variety of goods and services, resulting in substantial sales. Furthermore, the evidence shows that the RITZ-CARLTON brand has more value and equity than any other luxury brand in the United States. *See* Section I.D *supra*. Indeed because of the pervasive use of the RITZ Marks in many different types of media and in connection with a wide variety of goods and services, virtually everyone in the United States has been exposed to these marks.

The fame of Ritz-Carlton’s RITZ Marks entitles them to a broad scope of protection. In addition, it weighs heavily in favor of a finding of likelihood of confusion.

D. Likelihood Of Confusion Is Enhanced By The Fact That Ritz-Carlton’s Marks Are Inherently Distinctive And Arbitrary

When an opposer’s mark is inherently distinctive, the likelihood of confusion is enhanced. The scope of protection to be accorded to Ritz-Carlton’s RITZ Marks is broadened by the fact that they are inherently distinctive and commercially strong. *Fisons Horticulture, Inc. v. Vigoro Indus., Inc.* 30 F.3d 466, 479, 31 U.S.P.Q.2d 1592,1601 (3d Cir. 1994); 2 Thomas J. McCarthy, *McCarthy on Trademarks and Unfair Competition* (“McCarthy”), § 11:83 (Thomson/West 2006). Ritz-Carlton’s RITZ Marks are inherently strong because they are distinctive and arbitrary on the spectrum of distinctiveness, which is, in increasing order: (1) generic; (2) descriptive; (3) suggestive; (4) arbitrary; or (5) fanciful. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768, 23 U.S.P.Q.2d 1081, 1083 (1992). The most distinctive and

the strongest marks are those that are arbitrary or fanciful. “Arbitrary marks comprise those words, symbols, pictures, etc., that are in common linguistic use but which, when used with the goods or services in issue, neither suggest nor describe any ingredient, quality or characteristic of those goods or services.” 2 McCarthy at § 11:11. For example, “[t]he words ‘shell,’ ‘camel’ and ‘apple’ are not uncommon, but they are arbitrary when applied to gasoline, cigarettes and computers.” *Fisons Horticulture*, 30 F.3d at 748, 31 U.S.P.Q.2d at 1601.

The RITZ Marks are arbitrary as applied to the wide variety of goods and services with which Ritz-Carlton uses these marks. Accordingly, the RITZ Marks are arbitrary and distinctive because they have no descriptive significance in relation to the goods and services at issue in this proceeding. They are inherently strong.

In addition, Ritz-Carlton’s RITZ Marks have great commercial strength. They are well-recognized and highly regarded in the marketplace as demonstrated by the number of press articles about Ritz-Carlton and its goods and services, Ritz-Carlton’s significant sales and advertising expenditures, and the results of objective studies showing that the RITZ-CARLTON brand has more value and equity than any other luxury brand in the United States. *See* Section I.D and I.E *supra*. Thus, Ritz-Carlton’s marks are commercially strong as well. In sum, under the two-prong *Fisons* test, the RITZ Marks are inherently distinctive and commercially strong. This factor weighs in Ritz-Carlton’s favor.

E. Likelihood Of Confusion Is Inevitable Because The Marks Are Identical Or Nearly Identical

Likelihood of confusion is further exacerbated by the fact that Wilcox’s RITZ mark is identical to Ritz-Carlton’s RITZ mark, and nearly identical to Ritz-Carlton’s other RITZ Marks. That fact, along with the fame of Ritz-Carlton’s RITZ Marks, weighs heavily in favor of a finding of likelihood of confusion.

F. Likelihood Of Confusion Is Inevitable Because The Parties' Services Are Closely Related And Complimentary

Wilcox is seeking registration of the mark RITZ for art gallery services offering the sale of fine art. Ritz-Carlton uses marks containing RITZ in connection with art gallery services offering the sale of fine art. In addition, Ritz-Carlton offers a wide variety of other art-related services under marks containing RITZ, including offering space for artists and art galleries to sell or display art that is for sale; hosting and sponsoring fine art auctions; hosting and sponsoring fine art exhibitions; promoting the fine art collections in RITZ-CARLTON hotels as an inducement to customers; offering leisure packages featuring tours of fine art collections; disseminating art tour guide books; offering art classes; catering events at art galleries; and producing and distributing periodicals that feature articles about and advertisements for art and art galleries. *See* Section I.F *supra*. Thus, the services are identical and complimentary, and purchasers encountering art gallery services under a confusingly similar RITZ mark are likely to assume Ritz-Carlton has licensed or approved the use of such mark. This is especially so given the fame of the RITZ Marks. *Jones*, 65 U.S.P.Q.2d at 1662.

In addition, the prospective customers of Wilcox's services and Ritz-Carlton's goods and services are the same. Fine art is a luxury item typically purchased by individuals who have the monetary resources to do so. The typical purchaser of Ritz-Carlton's goods and services is an affluent customer who values tasteful design and elegant surroundings. *See* Gajcak Dep. at 29. Indeed, guests staying at RITZ-CARLTON hotels are typically more likely to purchase art than guests staying at less expensive hotels. *See* Notice of Reliance Ex. 17 at answer to Request for Admission No. 14. Additionally, Wilcox has admitted that among the prospective purchasers of the services Wilcox intends to offer under the mark RITZ are hotel guests, including guests of RITZ-CARLTON hotels. *See* Notice of Reliance Ex. 17 at answer to Request for Admission No.

13. Thus, the similarity of the services, and the fact that both parties target the same type of customer and prospective customer, mandates a finding of likelihood of confusion.

Because Ritz-Carlton's RITZ Marks are so famous, confusion would be likely even if Wilcox's services were not related. *Nasdaq Stock Market, Inc.*, 69 U.S.P.Q.2d at 1734 (NASDAQ for sporting goods likely to be confused with NASDAQ for stock market services); *Rodale, Inc. v. Healthy Heart Review, Inc.*, Opp. Nos. 91151405, 91151406, 2004 WL 363906, at *8 (TTAB Feb. 23, 2004) (PREVENTION MD for medical testing and educational seminars likely to be confused with PREVENTION for health magazines). In addition, the greater the degree of similarity between the parties' respective marks, the lesser the degree of similarity between the parties' respective services is required to support a finding of likelihood of confusion. *Jones*, 65 U.S.P.Q.2d at 1661. However, even though a lesser degree of similarity between the services is needed, due to the fame of Ritz-Carlton's RITZ Marks, confusion is even more likely here because of the close similarity between the parties' services:

“[I]t is well settled that goods need not be identical or even competitive to support a finding of likelihood of confusion, it being sufficient instead that the goods are related in some manner or that the circumstances surrounding their marketing are such that they would likely be encountered by the same persons under circumstances that could give rise to the mistaken belief that they emanate from or are associated with the same source.”

Orlando Food Corp. v. Orlando Baking Co., Opp. No. 100,996, 2000 WL 574529, at *3 (TTAB May 11, 2000) (“complimentary nature of applicant's ‘pizza’ and opposer's items such as ‘tomato sauce,’ ‘cheese,’ ‘processed olives,’ ‘artichoke hearts,’ and ‘roasted peppers,’ all of which can serve as toppings for pizza, is obvious and cannot be ignored. Opposer's goods are closely related to at least one of the goods listed in applicant's identification of goods.”).

Further, the services will be regarded as related when they might be used together. *In re Martin's Famous Pastry Shoppe, Inc.*, 748 F.2d 1565, 1567, 223 U.S.P.Q. 1289, 1290 (Fed. Cir.

1984) (MARTIN'S for bread is confusingly similar to MARTIN'S for cheese, in part because the goods are complimentary and often used and consumed together). If a similar mark appears on complimentary services, then there may be a strong likelihood that buyers will think that there is some connection between the sources of such services. *Id.*; see *E. & J. Gallo Winery v. Gallo Cattle Co.* 967 F.2d 1280, 1291 (9th Cir. 1992) (wine and cheese are “complimentary products, frequently served and promoted together in wine and cheese tastings and parties”; GALLO cheese infringes GALLO wine).

Even if the similarity of the marks at issue were not as great, there would still be confusion because of the fame and strength of Ritz-Carlton’s RITZ Marks. See *Nasdaq Stock Market, Inc.*, 69 U.S.P.Q.2d at 1733.

G. Likelihood Of Confusion Is Enhanced In View Of The Broad Variety Of Goods And Services Sold Under Ritz-Carlton’s Famous RITZ Marks

The more a mark is used on a wide variety of goods and services, the more likely the public is to be confused by use of the mark on other goods and services. For example, in *Orlando Food Corp. v. Orlando Baking Co.*, the Board concluded that where opposer used its mark on a wide variety of food goods, use of the mark on different food goods was likely to cause confusion because “[p]urchasers aware of the variety of opposer’s goods sold under [its] mark . . . may well assume that opposer is now offering pizza and other bakery products under the mark.” *Orlando Food Corp.*, 2000 WL 574529, at *4.

Likewise, in the present case, Ritz-Carlton’s RITZ Marks are used on a broad, ever expanding variety of goods and services. See Gajcak Dep. at 10-11. For example, the RITZ Marks have been used in connection with, *inter alia*, art-related services as described above; hotel services; restaurant, catering, bar and lounge services; resort lodging services; provision of general-purpose facilities for meetings, conferences and exhibitions; provision of banquet and

social function facilities for special occasions; and reservation services for hotel accommodations; timesharing services, fractional ownership services, real estate management and brokerage services, golf and spa services, educational services, charitable fundraising services, and other products and services. *See* Gajcak Dep. at 10-11; Notice of Reliance Exs. 5-15. Because of the popularity of the RITZ Marks and the success of Ritz-Carlton's business, the number of goods and services on which the marks will be used will only increase. Thus, it is likely that the public will view RITZ art gallery services as being connected or affiliated with the RITZ Marks.

H. Likelihood Of Confusion Is Enhanced Because Wilcox's Services Are Presumed To Be Sold In The Same Channels Of Trade As Ritz-Carlton's Goods And Services

Where, as here, there are no specific limitations in the opposed application or Ritz-Carlton's registrations, the Board must assume that the goods and services travel through the same channels of trade and distribution for those goods and services. *See CBS Inc. v. Morrow*, 708 F.2d 1579, 1581, 218 U.S.P.Q. 198, 199 (Fed. Cir. 1983); *Orlando Food*, 2000 WL 574529, at *4. ("The Board must assume that the products move through all the ordinary and normal channels of trade for such goods to all the usual purchasers for such products."). Thus, in this case, the Board must conclude that Wilcox's services will be offered in the same channels of trade as Ritz-Carlton's goods and services. Indeed, nothing would prevent Wilcox from opening a RITZ art gallery in a hotel that competes with Ritz-Carlton. Ritz-Carlton advertises, promotes, and sells its products and services to the public under the RITZ Marks through the same advertising media used by fine art galleries. Wilcox and Ritz-Carlton share the same target audience. Thus, it is presumed that Wilcox will operate in the same trading area as Ritz-Carlton. This factor weighs in favor of Ritz-Carlton.

I. The Absence Of Actual Confusion Is Irrelevant, As Wilcox Has Made No Use Of The Mark RITZ

Because Wilcox has not commenced use of the mark RITZ, it is not surprising there is no evidence of actual confusion. In any event, it is unnecessary to show actual confusion to establish likelihood of confusion. *Weiss Assocs., Inc. v. HRL Associates, Inc.*, 902 F.2d 1546, 1549, 14 U.S.P.Q.2d 1840, 1843 (Fed. Cir. 1990). In light of the other factors discussed herein, the lack of such evidence in the present case is not significant.

In this case, the likelihood of confusion is substantial in view of the fame of Ritz-Carlton's RITZ Marks, the identical or nearly identical nature of Wilcox's mark RITZ, and the similarity of the respective services, target consumers, and trade channels.

II. THE OPPOSITION SHOULD BE SUSTAINED BECAUSE WILCOX'S MARK FALSELY SUGGESTS A CONNECTION WITH RITZ-CARLTON

The elements necessary to prove a claim that a mark falsely suggests a connection with juristic persons under Section 2(a) of the Trademark Act are:

(i) that the defendant's mark is the same or a close approximation of plaintiff's previously used name or identity; (ii) that the mark would be recognized as such; (iii) that the plaintiff is not connected with the activities performed by the defendant under the mark; and (iv) that the plaintiff's name or identity is of sufficient fame or reputation that when the defendant's mark is used on its goods or services, a connection with the plaintiff would be presumed.

Buffett v. Chi-Chi's, Inc., 226 U.S.P.Q. 428, 429 (TTAB 1985) (MARGARITAVILLE associated with opposer Jimmy Buffett). All of those elements are met here. First, as is obvious from the fact that Wilcox's mark is identical to Ritz-Carlton's mark RITZ and nearly identical to the other RITZ Marks owned by Ritz-Carlton, the first two prongs are met. The third, that Wilcox is not associated with Ritz-Carlton, is also met. Finally, the fame and reputation associated with the RITZ Marks is so strong that the public cannot avoid concluding that

Wilcox's use of RITZ is somehow associated with Ritz-Carlton. As in *Buffett*, Wilcox's mark falsely suggests a connection with Ritz-Carlton.

III. THE OPPOSITION SHOULD BE SUSTAINED BECAUSE WILCOX'S USE OF RITZ IS LIKELY TO DILUTE RITZ-CARLTON'S FAMOUS RITZ MARKS

The Lanham Act provides that registration must be refused if the subject mark will likely cause dilution of a federally registered mark. 15 U.S.C. § 1125(c). The Board need not reach this ground because the evidence of likelihood of confusion is so overwhelming in this case. Nonetheless, the evidence of dilution is equally clear.

Under the Lanham Act, the owner of a famous mark that has inherent or acquired distinctiveness shall be entitled to an injunction against another person who, at any time after the owner's mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment of the famous mark, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury. *Id.*

A. The RITZ Marks Are Famous

For purposes of dilution, a mark is famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner. 15 U.S.C. §1125(c)(2)(A). As discussed above, the RITZ Marks have long been strong and famous as distinctive indicators of the source of Ritz-Carlton's goods and services.

B. The RITZ Marks Are Distinctive

Ritz-Carlton's RITZ Marks are arbitrary and distinctive. They neither suggest nor describe any ingredient, quality, or characteristic of Ritz-Carlton's goods and services. They are also well-recognized and famous in the United States and around the world, and they are commercially strong. Wilcox has offered no evidence to rebut these facts.

C. Any Use By Wilcox Of The Mark RITZ Will Commence Well After Ritz-Carlton's RITZ Marks Became Famous

Ritz-Carlton or its predecessor in interest has been using marks containing RITZ since 1927, and these marks have long been famous through widespread use, advertising, and promotional activities. Wilcox filed his application in 2003 based on an intent to use and has admitted making no use of the RITZ mark in commerce. Thus, there is no dispute that any use Wilcox may make of RITZ for art gallery services will commence well after the fame of the RITZ Marks was well established.

D. Registration Of RITZ By Wilcox Is Likely To Dilute Ritz-Carlton's Famous RITZ Marks

Dilution rests on the theory that a famous mark is a “powerful selling tool” that deserves legal protection. *Nabisco, Inc. v. PF Brands, Inc.*, 51 U.S.P.Q.2d 1882, 1888 (2d Cir. 1999) *citing* Restatement (Third) of Unfair Competition § 25 cmt. c. (1995). Use by another of a similar mark diminishes the selling power that a famous mark has engendered in the minds of the purchasing public. *Id.* As demonstrated above, the RITZ Marks are proven “powerful selling tools” such that the RITZ-CARLTON brand has been named the most prestigious luxury brand by the Luxury Institute, and because sales of goods and services offered under this brand in the United States amount to billions of dollars yearly.

The RITZ Marks are exactly the type of marks that dilution law was designed to protect. On October 6, 2006, the Federal Trademark Dilution Act (“FTDA”) was amended by the Trademark Dilution Revision Act (“TDRA”). Pub. L. No. 109-312, 120 Stat. 1730 (amending 15 U.S.C. § 1125(c) (1946)). The TDRA eases the standard of review from actual dilution to likelihood of dilution. In addition, the new law provides four factors to determine fame and sets forth six new factors to determine whether there is a likelihood of dilution. 15 U.S.C. § 1125(c).

According to the new statute, liability for dilution arises when a defendant “at any time after the owner’s mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or ... tarnishment, ... regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury.” 15 U.S.C. § 1125(c). A famous mark is one that is “widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark’s owner.” 15 U.S.C. § 1125 (c)(2)(A). The TDRA contains four factors to determine fame: (1) duration and extent of advertising and publicity; (2) amount, volume and geographic reach of sales; (3) extent of actual recognition of the mark; and, (4) whether the mark is registered. The RITZ Marks meet all four prongs of this test. As explained above, the marks have been advertised for years in major media; the sales of goods and services under the RITZ Marks amounts to approximately \$3 billion annually; independent surveys have found the RITZ-CARLTON brand have more value and equity than any other luxury brand in the United States; and the RITZ Marks are registered and have been for many years. *See generally*, Section I.D and I.E *supra*. Accordingly, the RITZ Marks are famous under the TDRA.

The TDRA also sets forth a new six-factor likelihood of dilution test:

1. degree of similarity of the marks;
2. degree of distinctiveness;
3. extent to which owner has substantially exclusive use;
4. degree of recognition of famous mark;
5. intent of junior user to create association with the famous mark; and,
6. actual association.

15 U.S.C. § 1125(c). A review of these factors shows that registration of RITZ by Wilcox will undoubtedly dilute the distinctive nature of Ritz-Carlton's famous RITZ Marks and lessen Ritz-Carlton's capacity to sell goods or services under the marks. Considering each in turn:

(1) Degree of Similarity. The marks are identical – RITZ and RITZ. Wilcox's RITZ mark is also nearly identical to Ritz-Carlton's other RITZ Marks.

(2) Degree of Distinctiveness. The RITZ Marks are arbitrary, as they do not describe or suggest the characteristics of the myriad of products and services with which they are used.

Thus, the RITZ Marks are distinctive.

(3) Substantially Exclusive Use. The RITZ Marks have been protected by Ritz-Carlton. *See* Gajcak Dep. at 39-41. As a result, the RITZ Marks have been in substantially exclusive use by Ritz-Carlton in connection with its goods and services.

(4) Degree of Recognition. The RITZ Marks are undeniably some of the most famous marks in the world. *See* Section I.D and I.E *supra*.

(5) Intent. Wilcox was aware of Ritz-Carlton's rights in the RITZ Marks prior to adopting it as a mark for art gallery services. *See* Notice of Reliance Ex. 16 at amended Interrogatory answer No. 2.

(6) Actual Association. Because Wilcox has not commenced use of the RITZ mark, no evidence of actual association currently has been found. Even if Wilcox had commenced use of RITZ, actual association evidence is not required to sustain a finding of dilution. *See Moseley v. V. Secret Catalogue, Inc.*, 537 U.S. 418, 433 (2003) *citing Ringling Bros. v. Utah Div. of Travel Dev.*, 170 F.3d 449 (4th Cir. 1999).

Accordingly, registration of RITZ is likely to dilute Ritz-Carlton's famous RITZ Marks, and registration of the mark should be denied.

IV. THE OPPOSITION SHOULD BE SUSTAINED BECAUSE ANY DOUBTS SHOULD BE RESOLVED IN FAVOR OF THE PRIOR USER

As noted by the Federal Circuit, “[i]n the event of doubts about the likelihood of confusion, the Board and this court should resolve those doubts against the newcomer especially when the established mark is famous.” *Kenner Parker Toys*, 963 F.2d at 355, 22 U.S.P.Q.2d at 1458. In the present case, an analysis of the various *duPont* factors supports a finding of likelihood of confusion. However, should the Board have any doubts in this regard, those doubts should be resolved in Ritz-Carlton’s favor.

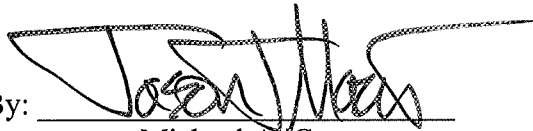
CONCLUSION

For the foregoing reasons, the opposition should be sustained, and registration of the mark RITZ by Wilcox should be denied.

Respectfully submitted,

Date: June 20, 2007

By:

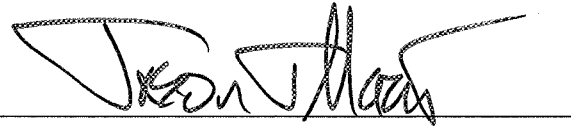
A handwritten signature in black ink, appearing to read "Michael A. Grow", is written over a horizontal line.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the **Opposer's Trial Brief** was served upon Applicant's counsel Richard D. Clarke, Law Office Of Richard D. Clarke, 3755 Avocado Blvd. #1000, La Mesa, Ca 91941-7301, by first class mail, postage prepaid, on June 20, 2007.

A handwritten signature in black ink, appearing to read "Jason M. Clark", is written over a horizontal line.