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

Proceeding	91200223
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**  
**BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Application Serial No. 85/137,006  
Mark: LAGUNA CANDLES

FLAME & WAX, INC.  
Opposer,

v.

LAGUNA CANDLES, INC.  
Applicant.

Opposition No. 91200223

**REPLY TRIAL BRIEF FOR OPPOSER**

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**TABLE OF CONTENTS**

TABLE OF AUTHORITIES.....ii

**I. INTRODUCTION.....1**

**II. ARGUMENT.....1**

**A. The Primary Significance of the Word “LAGUNA” in the mark LAGUNA Candles is as an indicator of a Geographic Place or Location.....2**

**B. The Goods for Which Applicant Seeks Registration Originate In or are Connected to Laguna Beach.....4**

**C. Purchasers are Likely to Make a Goods-Place Association / Goods-Place Association Presumed.....5**

**D. Opposer Need Not Present a Prima Facie Case that Applicant’s Mark Has Not Acquired Distinctiveness in its Mark LAGUNA Candles.....7**

**E. Applicant Has Failed to Establish Secondary Meaning.....7**

**III. CONCLUSION.....9**

**TABLE OF AUTHORITIES**

**CASES**

*British Seagull Limited v. Brunswick Corporation*, 28 USPQ2d 1197 (TTAB 1993).....7

*Burke-Parsons-Bowlby Corp. v. Appalachian Log Homes, Inc.*, 871 F.2d 590, 10 USPQ2d 1443 (6th Cir. 1989).....7,8

*Ex Parte London Gramophone Corp.*, 98 USPQ 362 (Chief Examiner 1953) .....2

*In re Cal. Pizza Kitchen, Inc.*, 10 USPQ2d 1704 (TTAB 1998) .....2

*In re Gale Hayman Inc.*, 15 USPQ2d 1478 (TTAB 1991).....5

*In re Handler Fenton Ws., Inc.*, 214 USPQ 848 (TTAB 1982).....2

*In re Jacques Bernier, Inc.*, 894 F.2d 389; 13 USPQ2d 1725 (1990).....3

*In re Nantucket Allserve, Inc.*, 28 USPQ2d 1144 (TTAB 1993).....6

*In re Penn Diaries, Inc.*, 137 USPQ 168 (TTAB 1963).....2

*In re Societe Generale*, 824 F.2d 957, 3 USPQ2d 1450 (Fed. Cir. 1987).....4,5

*Investacorp, Inc. v. Arabian Investment Banking Corp.*, 931 F.2d 1519, 19 USPQ2d 1056 (11th Cir.) .....7,8

*Test Masters Educational Servs., Inc. v. Singh*, 428 F.3d 559, 76 USPQ2d 1865 (5th Cir. 2005).....7,8

*In re Waldron Furniture Mfg. Corp.*, 149 USPQ 460 (TTAB 1966).....2

*World Carpets, Inc. v. Dick Littrell’s New World Carpets*, 438 F.2d 482; 168 USPQ 609.....2

*Yamaha Int’l Corp. v. Hoshino Gakki Co.*, 840 F. 2d 1572 (Fed. Cir. 1988).....7

**STATUTES**

Lanham Act §2(e)(2), 15 U.S.C. Section 1052(e)(2).....1,4,9

Lanham Act §2(f), 15 U.S.C. Section 1052(f).....1,7

TMEP §1210.04.....2

Trademark Rule 2.56.....8

**TREATISES**

1 Gilson, *Trademark Protection and Practice*, §2.09 (1987).....7,8

## **I. INTRODUCTION**

As a preliminary matter, it should be noted that Opposer is concurrently filing a Motion to Strike Applicant's Trial Brief due to a number of procedural failings which are separately addressed in that brief. In an abundance of caution, Opposer is also filing its Reply Brief in the event that such Motion is not granted.

In its Trial Brief, Applicant resorts to the assembly of a scrapbook of sound-bites from cases which are by and large inapplicable, distinguishable and extraneous to the issue at hand. Taken out of context, at first glance, Applicant's arguments may seem marginally convincing but upon review of the opinions cited and the facts underlying those opinions, Applicant appears to be misguided about applicable law and without a great deal of facts to support a finding in its favor.

The sole issue before the Board is geographic descriptiveness, yet, Applicant utterly confuses this issue by relying on a number of cases which are easily distinguishable or which address the placement of the burden of establishing acquired distinctiveness in opposition proceedings against trade dress applications filed with 2(f) claims. As such, Applicant has failed to overcome Opposer's arguments or evidence.

## **II. ARGUMENT**

Applicant correctly asserts that the standard for primary geographic descriptiveness pursuant to Section 2(e)(2) of the Lanham Act is 1) whether the mark primarily denotes a geographic place or location; 2) whether the goods originate, or are connected to, the geographic place or location; and 3) whether there exists a goods/place association in the mind of the consumer. (App. Br. pg. 2). The third prong of the test is presumed if the first and second prongs are satisfied. When there is no genuine issue that the geographical significance of a term

is its primary significance, and the geographical place is neither obscure nor remote, a public association of the goods with the place is presumed if an applicant's goods originate in the place named in the mark. TMEP §1210.04; *see, e.g., In re Cal. Pizza Kitchen Inc.*, 10 USPQ2d 1704, 1706 (TTAB 1988) (holding CALIFORNIA PIZZA KITCHEN primarily geographically descriptive of restaurant services rendered in California); *In re Handler Fenton Ws., Inc.*, 214 USPQ 848, 849-50 (TTAB 1982) (holding DENVER WESTERNS primarily geographically descriptive of western-style shirts originating in Denver).

Applicant fails to overcome the showing established by Opposer in its trial brief as Applicant veered away from the applicable standard, citing inapplicable law to distract the Board from its weak position.

**A. The Primary Significance of the Word “LAGUNA” in the mark LAGUNA CANDLES is as an indicator of a Geographic Place or Location.**

Applicant argues that the primary significance of the word “LAGUNA” in its mark is not that of a geographic place or location. (App. Br., Pgs. 3-5). As a legal basis for Applicant's argument, Applicant cites a number of cases which stress the importance of the geographic meaning of the word not being obscure, remote or not conceivably having any connection with the goods. (Id. citing *Ex Parte London Gramophone Corp.*, 98 USPQ 362 (Chief Examiner 1953); *World Carpets, Inc. v. Dick Littrell's New World Carpets*), 438 F.2d. 482, 168 USPQ 609 (5th Cir. 1971); *In re Waldron Furniture Mfg. Corp.*, 149 USPQ 460 (TTAB 1966); *In re Penn Diaries, Inc.* 137 USPQ 168 (TTAB 1963).

Indeed, Opposer has established that the geographic meaning of the word is not obscure or remote. *See* ONR, Exh. C (TTABVUE # 20). The resort community of Laguna is known

worldwide and a hugely popular tourist destination. (Id.) Furthermore, as stated by Applicant, Laguna is well known for its artisan and resort-like culture. (App. Br., Pg. 4).

Additionally, by Applicant's own admission, it has a very real connection with the goods as they are marketed under the tagline, "Not just a candle, but a lifestyle" which Applicant admits is used to encourage consumers to make the connection between Applicant's candles and the artisan resort-like culture of the geographic location, Laguna. (App. Br., Pg. 5) Applicant confusingly concludes though after acknowledging both the geographic significance of Laguna and the place/goods association that Applicant purposefully seeks to evoke between its candles and Laguna that the mark is not primarily geographically descriptive. Applicant's erroneous conclusion is premised on the holding in *In re Jacques Bernier, Inc.*, 894 F.2d 389, 391, 13 USPQ2d 1725. (App. Br., Pgs. 4 -5).

The facts in the *Bernier* case are distinguishable from the facts at issue. In *Bernier*, the Applicant applied for registration of the mark RODEO DRIVE for perfume. The mark was refused registration on the basis of geographic descriptiveness and deceptive misdescriptiveness. The Court, in its opinion, notes that "its perfume is not manufactured, produced or sold in Rodeo Drive." 894 F.2d. 389, 390. The Court then went on to state that "there is no indication that any perfume is manufactured or produced on Rodeo Drive." Id. Thus, in *Bernier*, both the applicant and the geographic location had no connection with the goods at issue and thus a goods/place association could not be found. Contrarily, in the instant case, the goods are sold in Laguna, the invoices indicate that the goods originate from Laguna (ONR, Exh. B, at p. 1 (TTABVUE # 17); ONR, Exh. D) and Laguna is an artisan community which houses various studios that produce candles and numerous shops which sell candles. See ONR, Exh. C, Pgs. 23 24, 41, 50, 51 - 52,

55, and 77 (TTABVUE # 20). Therefore, there is a clear connection between the goods and the mark and it is a connection upon which the Applicant admittedly seeks to capitalize.

Another basis for Applicant's argument that LAGUNA does not have primary geographic significance is that the term "Laguna" has a dictionary definition of a lagoon, lake or pond. (App. Br., Pg. 3). That may be the case but that does not obviate the clear and convincing evidence of Laguna's geographic significance. It is no coincidence that a business in Laguna Beach uses the term LAGUNA. In fact, as aforestated, Applicant admits that the candles are meant to represent the lifestyle of Laguna, not that of a lagoon. (App. Br., Pg. 5). Applicant cannot sidestep the issue of geographical significance by playing up an obscure dictionary definition when the facts clearly suggest that Laguna, California holds a great deal of significance to both Applicant and the general public.

**B. The Goods for Which Applicant Seeks Registration Originate In or are Connected to Laguna Beach.**

In determining whether a mark sought to be registered is "primarily geographically descriptive" pursuant to Section 2(e)(2), it is necessary to show that the public would make a goods/place association, i.e., believe that the goods for which the mark is sought to be registered originate in that place. *In re Societe Generale*, 824 F.2d 957, 3 USPQ2d 1450, 1452 (Fed. Cir. 1987). To hold such a belief, it is necessary, of course, that the purchasers perceive the mark as a place name and this is where the question of obscurity or remoteness comes to the fore. Id.

As stated in Section IIA above, Laguna is a hugely popular tourist destination (place) which is well known for its artisan and resort-like culture. (App. Br., Pg. 4). This image and reputation of Laguna is generally to the Applicant's customers. (Id.) Hence, focus turns to the



second half of the test set forth in *Societe Generale*, namely, whether "the public would make a goods/place association, i.e., believe that the goods for which the mark is sought to be registered originate in that place." 3 USPQ2d at 1452.

Applicant incorrectly argues that the presumption of a goods/place association requires the goods originate from the "exact" location at issue. In support of this flawed position, Applicant cites *In re Gale Hayman, Inc.* (the SUNSET BOULEVARD case). See 15 USPQ2d 1478. But in that case, there was nothing in the record to suggest "that purchasers would believe that Sunset Boulevard was the place of manufacture or production of the perfume and cologne. Indeed, there is no indication that any perfume or cologne is manufactured or produced on Sunset Boulevard. (Id.). Nor is there any evidence that applicant's goods are even sold on Sunset Boulevard." (Id.). Here, Applicant's sole business office and, perhaps more importantly, the majority of Applicant's retailers are located in and around Laguna. See ANR, Exh. J, at p. 86, Response to Interrogatory No. 5 (TTABVUE # 28). Thus, a principal origin, if not the principal origin, of Applicant's products is Laguna. Therefore, the goods-place association is properly presumed.

**C. Purchasers are Likely to Make a Goods-Place Association / Goods-Place Association Presumed.**

Since Applicant's goods originate from Laguna as addressed in Section IIB above, the goods-place association is presumed. However, even without such a presumption, Applicant's use of the LAGUNA CANDLES is likely to cause a goods-place association between the Applicant's goods and Applicant's place of business in Laguna.

While it may be that Applicant's "candles suppliers are located in Ohio, Los Angeles and North Hollywood," Applicant does not mention these or any other geographic location in its marketing materials (ANR, Exh. J, Pgs. 87-88, Response to Interrogatory No. 8 (TTABVUE # 28), App. Br., Pg. 5). Instead, Applicant strictly promotes the image and reputation of Laguna.

As stated in Section IIA above, Applicant acknowledges the geographic significance of Laguna and the place/goods association which it purposefully seeks to evoke between its candles and Laguna (App. Br., Pgs. 4 -5). Again, Applicant's own tagline of "Not just a candle, but a lifestyle" creates a very real connection between Applicant's candles and the artisan resort-like culture of the geographic location, Laguna (App. Br., Pg. 5). Applicant admittedly uses this tagline to encourage consumers to make the said connection. (Id.).

Consumers seeing Applicant's Internet blog would undoubtedly make a goods/place association between Applicant's products and Laguna; and therefore, such consumers would naturally assume that Applicant's candles have their origin in Laguna. Indeed, Applicant's blog encourages consumers to "Take home the memory of Laguna Beach with our Coastal Collection." *See* ONR, Exh. B, at p. 12 (TTABVUE # 17).

While the public may not believe that Applicant's candles are manufactured in Laguna Beach, this does not mean that the consuming public -- upon seeing Applicant's own marketing materials for its upscale LAGUNA CANDLES products -- would also believe that these specialized products do not come from Laguna. *In re Nantucket Allserve, Inc.*, 28 USPQ2d 1144. Moreover, even assuming for the sake of argument that the public does not believe that LAGUNA CANDLES products are actually manufactured in Laguna (and apparently they are not), nevertheless, these goods originate from a company that has its headquarters and, more importantly, most of its retailers in Laguna. (Id.).

**D. Opposer Need Not Present a Prima Facie Case that Applicant Has Not Achieved**

**Secondary Meaning in its Mark LAGUNA CANDLES.**

Applicant incorrectly argues that the Opposer has the initial burden of presenting prima facie evidence that Applicant's mark has not acquired distinctiveness. (App. Br., Pg. 7). Citing the *Yamaha Int'l Corp.* case relied upon by Applicant, the Board in *British Seagull Limited v. Brunswick Corporation*, 28 USPQ2d 1197 (TTAB 1993), states, "The ultimate burden of establishing secondary meaning is always on an applicant." The burden was shifted in the line of cases cited by Applicant because the applicant in those cases had made a claim of acquired distinctiveness under Section 2(f) of the Lanham Act. Applicant in this case has relied on no such claim. Thus, Opposer's burden is simply to prove that Applicant's mark has no inherent distinctiveness, i.e. it is descriptive. *Yamaha Int'l Corp. v. Hoshino Gakki Co.*, 840 F.2d 1572, 1579 (Fed. Cir. 1988) (quoting 1 Gilson, *Trademark Protection and Practice* 2.09 at 2-72 (1987)). Secondary meaning cannot be proven if it is never alleged.

**E. Applicant Has Failed to Establish Secondary Meaning.**

Assuming, *arguendo*, that Applicant, by alleging in its Trial Brief that Opposer had the burden of establishing a lack of secondary meaning in LAGUNA CANDLES, has now somehow made a claim of acquired distinctiveness in its mark, Opposer ardently disputes this. "To establish secondary meaning in an inherently nondistinctive term, the plaintiff must show that the primary significance of the term in the public mind is not the product but its producer." 1-2 *Gilson on Trademarks* § 2.09. The burden of establishing it, as previously discussed, is on the party asserting it. *Id.* The burden is substantial and requires a significant amount of evidence. *Test Masters Educational Servs., Inc. v. Singh*, 428 F.3d 559, 567, 76 USPQ2d 1865 (5th Cir.

2005) (“The burden is substantial and requires a high degree of proof.”); *Burke-Parsons-Bowlby Corp. v. Appalachian Log Homes, Inc.*, 871 F.2d 590, 596, 10 USPQ2d 1443 (6th Cir. 1989) (“The evidentiary burden necessary to establish secondary meaning is substantial.”); *Investacorp, Inc. v. Arabian Investment Banking Corp.*, 931 F.2d 1519, 19 USPQ2d 1056 (11th Cir.) (“high degree of proof” required), cert. denied, 112 S. Ct. 639 (1991).

The types of evidence usually required to establish secondary meaning are: testimony from product purchasers, consumer surveys, advertising expenditures, the length, manner and exclusivity of use of the mark, length of sales of products bearing the mark, sales success, number of purchasers of the trademarked products, and geographic areas of sales and advertising. *Gilson on Trademarks*.

Applicant has not as such claimed secondary meaning in its mark, but as an aside, summarily concluded that “Applicant has provided evidence of significant use in commerce.” (App. Br., Pg. 7). The only evidence relied upon by Applicant to support this conclusion are screenshots from the Way Back Machine that show Applicant had a website which displayed the mark LAGUNA CANDLES as early as May 24, 2002. (Id.). The only screenshots that actually display the mark on what appear to be packaging for the candles are from February 2011. (ANR, Exh. J, pg. 3). The screenshots from 2009, 2008 and 2006 do not display any images of the mark in use on the products or their packaging. (ANR, Exh. J, Pgs. 4-11). The screenshots of the website from December 2005 and earlier do not show the mark in use in commerce for candles. Rather, they show generic products with no branding on them. (ANR, Exh. J, Pgs. 16 - 80 (TTABVUE # 28)). Thus, other than the images from the February 2011 screenshot, this evidence would not even suffice to establish use in commerce of the mark LAGUNA CANDLES for candles, let alone secondary meaning. Trademark Rule 2.56. Applicant did not cite to any

other evidence to meet its substantial burden. There is no mention of or citation to evidence of significant sales, extensive advertising or advertising expenditures, continuous and exclusive use of the mark in commerce for candles, no survey – nothing. Simply put, Applicant has failed to not only claim acquired distinctiveness, but also meet the burden for establishing it.

### III. CONCLUSION

Opposer's Main Brief demonstrated that: 1) the primary significance of LAGUNA is geographic; 2) the mark identifies the geographic origin of the Applicant's goods; and 3) prospective purchasers are likely to think that Applicant's products originate in the geographic place named in the mark. Applicant's Brief offered nothing to dissuade the fact that LAGUNA CANDLES as applied-for is primarily geographically descriptive of the origin of the Applicant's goods. This Reply Brief further establishes that refusal to register the mark under Section 2(e)(2) of the Trademark Act, 15 U.S.C. § 1052(e)(2) is proper.

Dated: July 26, 2013

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I certify that on July 26, 2013, I served a copy of the above **REPLY TRIAL BRIEF FOR OPPOSER** to the following by U.S. Mail, postage prepaid and by electronic mail:

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