

ESTTA Tracking number: **ESTTA297639**

Filing date: **07/27/2009**

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

Proceeding	92048266
Party	Defendant Zucrum Foods, L.L.C.
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Date	07/27/2009
Attachments	Reply_Brief_on_Cross-Motion_for_SJ_-_Azucar_Morena.pdf (11 pages) (116920 bytes)

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

In re registration of:

Registrant: Zucrum Foods, LLC
Registration No.: 2,476,161
Date of Issue: August 7, 2001
Mark: AZUCAR MORENA

MARQUEZ BROTHERS,)
INTERNATIONAL, INC.,)
)
 Petitioner,)
)
 vs.)
)
ZUCRUM FOODS, LLC,)
)
 Registrant.)
_____)

Cancellation No. 92048266

**REGISTRANT’S REPLY BRIEF ON CROSS-MOTION FOR PARTIAL SUMMARY
JUDGMENT REGARDING ISSUE OF GENERICNESS**

Registrant Zucrum Foods, LLC (“Registrant”), submits the following Reply Brief in Support of Registrant’s Cross-Motion for Partial Summary Judgment on genericness.

I. INTRODUCTION

Petitioner’s Reply/Opposition Brief completely ignores the main point showing that the mark “Azucar Morena” is *not* generic: nothing in its brief addresses the fact that “Brown Sugar” is a different product than Mexican *azucar estandar*, of which Registrant’s “Azucar Morena” is one species. Petitioner does not challenge the fact that “Brown Sugar” and Registrant’s product have drastically different characteristics: (i) a nearly 10-times difference in *molasses content* [Brown Sugar at 6.5%, *azucar estandar* at 0.7%], (ii) hence, a marked difference in *taste* and *color*, (iii) differences in usages [Brown Sugar for oatmeal, baked beans but not coffee – *azucar*

estandar as a direct competitor with white refined sugar, but slightly sweeter taste], and (iv) differences in U.S. consumer perception [Registrant’s survey was *unanimous* in consumer perception of different products, Petitioner made no counter-survey].

Instead, Petitioner stoically insists, without expert or consumer support, that there are just two kinds of sugar: white and brown. Beyond refined white sugar, Petitioner insists that everything else is “Brown Sugar,” regardless of usage, consumer recognition, taste or chemical content. This is over-simplification in the extreme, which takes no notice of product differentiation on any basis other than color. Would Petitioner also ignore different usages and insist that consumers choose drinking liquids based on color alone, so that apple cider is like Jack Daniel’s® or Red Tail® Ale? The logic is the same, and so is the lack of foundation in trademark law.

Petitioner’s color-fixation is also its only response to Registrant’s consumer survey which showed that 24 Spanish-speaking U.S. residents *unanimously* considered Brown Sugar and Registrant’s “Azucar Morena” to be “different products,” with different usages. Apparently, Petitioner tried no survey of its own, but rather huffs that consumers’ awareness of the two products’ differences doesn’t mean they’re not the same product – Brown Sugar. This single-minded denial of the abundant evidence of differentiation is far wide of eliminating material fact issues, and of showing the clear evidence needed to overcome the presumption that a registered mark is not generic.

II. UNADDRESSED DISPUTED MATERIAL FACTS

The following summarizes the Disputed Fact Issues, taken from Registrant’s Opposition/Reply Brief, to which Petitioner offers no evidence in response, or avoids entirely:

A. Disputed Material Facts on Issue of “Genericness”

1. Registrant’s “Azucar Morena” is a different product than “Brown Sugar” – different in (i) consumer perception and usage, (ii) taste, color and physical composition, and

(iii) in the manufacturing process. (Decls. of de la Vega (“Jorge”), ¶¶9-13; Hohnerlein, ¶3,6; Van Nuys, ¶6). *Petitioner merely says it’s all brown in color.*

2. “Brown Sugar” is not, as Petitioner asserts, a generic name for any sugar product that is not a pure white refined sugar of 99.9% sucrose. And Petitioner’s own evidence confirms that “Brown Sugar” and “unrefined sugar” (such as Registrant’s “Azucar Morena”) are indeed *different products!* (See Calk Decl., Ex. E (copying www.thenibble.com: “Brown Sugar is white sugar with some of the molasses added back in.” There are indeed numerous varieties of tan or light brown or even darker sugar that are not “Brown Sugar” as known in the U.S. (Decls. of Dunbar ¶¶4-7; Hohnerlein ¶6; Jorge ¶9; Van Nuys ¶6). *Petitioner merely says, if it’s not white refined sugar, it’s Brown Sugar. No support is given except Petitioner’s own statement.*

3. Registrant’s “Azucar Morena” product and “Brown Sugar” are not “competitive” goods, as they are *not reasonably interchangeable* by buyers for the same purposes. (*McCarthy on Trademarks*, 24:23). The U.S. consumer puts “Brown Sugar” on his/her oatmeal, or uses it to cook Boston baked beans --but most do not use for coffee or foods with which the strong taste would be overwhelming, and not for pouring from a container, as Brown Sugar makes clumps. (Decls. of Hohnerlein, ¶8; Jorge, ¶13). *Petitioner does not address the McCarthy treatise’s statements, nor attempt to refute any other part of the issue.*

4. In the United States, “Brown Sugar” is the common term used to identify a type of *painted or boiled* refined sugar (remixed with cane molasses) thereafter known as “soft sugar” due to the high moisture content, which, in turn, makes “Brown Sugar” not a “free-flowing sugar,” unlike sugars produced in Mexico, including Registrant’s product, “Azucar Morena.” (Jorge Decl., ¶12-13; Hohnerlein Decl., ¶4). *Petitioner does not address the moisture content of Brown Sugar, or the free-flowing nature of sugars, other than Brown Sugar.*

5. “Brown Sugar” is a product type known in the U.S., but it is virtually *unknown* in Mexico, either in manufacture, distribution or use. (Hohnerlein Decl., ¶3; Van Nuys Decl., ¶6). Sugar produced in Mexico is of only two basic types: (i) *azucar refinada*, the refined white table sugar; and (ii) *azucar estandar*, an unrefined sugar, the prevalent sugar in most Latin countries.

(*Id.*, ¶5). Both are free-flowing sugars, with different color, taste, aroma and humidity due to production variables and content of natural impurities (molasses). ((Jorge Decl., ¶10). “Azucar Morena” product is a brand of *azucar estandar* – a tan-colored, free-flowing sugar, with 0.7% volume of other, naturally-occurring components (Jorge Decl., ¶10; Hohnerlein Decl., ¶9), far less than the 6.5% molasses content of “Brown Sugar.” (Dunbar Decl., ¶4). *Petitioner disputes that Brown Sugar is unknown in Mexico, but only by claiming that unrefined sugar is not white! No dispute is made of the different uses of Brown Sugar, or the 10-times molasses factor, etc.*

6. Since Petitioner claims to obtain its sugar products in Mexico, Registrant disputes Petitioner’s assertion that “Brown Sugar is among the products from Mexico distributed and sold by Petitioner” (Pet.’s St.Undisp.Facts, ¶4), since “Brown Sugar” is virtually *unknown* in Mexico, either to producers or consumers. (Hohnerlein Decl., ¶3). Similarly, Registrant disputes the contention that Petitioner has, or will, suffer any damage since it is nearly impossible that Petitioner is truly obtaining “Brown Sugar” in Mexico for distribution in the U.S. (*Id.*). Petitioner is merely trying to obtain use of Registrant’s fanciful name “Azucar Morena” to sell a *different* product than “Brown Sugar.”

7. Spanish-speaking U.S. consumers recognize that “Azucar Morena” is a *different product* than “Brown Sugar,” and they knew nothing of “Brown Sugar” until coming to the U.S. (Van Nuys Decl., ¶6). *Petitioner merely says the consumer survey showing Spanish-speaking U.S. residents were ignorant of the existence of “Brown Sugar” until moving to the United States doesn’t mean that the product they knew in Mexico isn’t “Brown Sugar.”*

8. There is no generic term in Mexico for “Brown Sugar,” as that product is virtually unknown in Mexico. (Hohnerlein Decl., ¶3). Again, *petitioner merely says the consumer survey showing Spanish-speaking U.S. residents were ignorant of the existence of “Brown Sugar” until moving to the United States doesn’t mean that the product they knew in Mexico isn’t “Brown Sugar.”*

B. Disputed Material Facts on the Issue of “Fraud”

1. Registrant’s April 2, 1999 letter to USPTO was not “fraudulently stated,” as alleged, as “Azucar Morena” does suggest a dark Latin beauty, and is not the generic term for “Brown Sugar,” which is a different product, with different uses, than Registrant’s product. This is confirmed by the survey of Spanish-speaking U.S. consuming public of the terms “Brown Sugar” and “Azucar Morena.” (Decls. of Jorge, ¶¶5-7; Hohnerlein, ¶3; Van Nuys, ¶6; Dunbar, ¶¶7-15). *Petitioner makes no response to the survey other than that to state again that if sugar is not white, refined sugar, then it is automatically “Brown Sugar.” The consumers in the survey unanimously take a different view, as they never heard of “Brown Sugar” before.*

2. Registrant did not “withhold evidence” from the USPTO examining attorney “regarding the generic nature of the phrase,” nor did Registrant “provide fraudulent and misleading information and an obscure and incomplete translation that did not reflect the true meaning of the term,” unlike those allegations stated by Petitioner. (Second Am. Pet., ¶11). *Petitioner claims to fault Registrant for not informing the USPTO that “Azucar Morena” means “Brown Sugar.” Indeed, initially it was the USPTO examining officer himself who took that position with Registrant, until thinking better of it!*

III. LAW & ARGUMENT

Petitioner’s false claim that what’s not white refined sugar is automatically “Brown Sugar” is far inadequate to overcome the strong presumption that a registered term is not generic, or the requirement that the party seeking cancellation must produce persuasive and clear evidence of genericness to overcome that burden. *See McCarthy on Trademarks* § 12:12; *Yellow Cab Co. of Sacramento v. Yellow Cab of Elk Grove*, 419 F.3d 925, 928 (9th Cir. 2005); *Ty Inc. v. Softbelly’s Inc.*, 353 F.3d 528 (7th Cir.2003). “Brown Sugar” has 6.5% molasses content, while other sugar, like Registrant’s “Azucar Morena” has 0.7% content as Registrant’s evidence showed, and Petitioner leaves those facts unchallenged.

Petitioner's "genericness" claim also must fail on summary judgment, since Registrant here produces substantial evidence that its unrefined "Azucar Morena" is a *different product* than "Brown Sugar," which is made in the U.S. from *refined* sugar. The fact that "Azucar Morena" is a different product than "Brown Sugar" is the basis for granting Registrant's Cross-Motion for Summary Judgment. Petitioner's insistence that "Brown Sugar" is the only allowable English translation of "Azucar Morena" is irrelevant, since it doesn't apply to Registrant's *unrefined* sugar product, with different consumer usages and perceptions, different flavor, aroma, and constituent elements than "Brown Sugar." The TTAB should deny Petitioner's motion for summary judgment and instead grant Registrant's cross-motion for summary judgment.

A. The Trademark "Azucar Morena" Cannot be Deemed "Generic."

Petitioner's Brief leaves untouched Prof. McCarthy's statement that, to properly be called an unprotectable "generic name," the designation must be the *name of the same product which it is alleged to identify*. He states: "Certainly, a term can be a generic name of one thing but be a valid trademark for some *other* product." *McCarthy on Trademarks*, ¶12:1, p. 12-5. Even a generic name of one product is not necessarily thus for related products. *In re Minnetonka, Inc.* 3 U.S.P.Q.2d 1711, 1987 WL 124303 (TTAB 1987); *MasterCard Intl. v. Am. Express*, 14 U.S.P.Q.2d 1551, 1990 WL 354500 (TTAB 1990). The evidence is overwhelming that Zucrum's "Azucar Morena" is a different product than "Brown Sugar," with different ingredients, flavor, color and consumer uses. (See Jorge Decl. ¶9; Hohnerlein Decl. ¶10; Van Nuys Decl., ¶6). This evidence, showing *different products*, goes without challenge by Petitioner. Nor does Petitioner challenge Prof. McCarthy's statement one may define a "genus" of goods by the same approach that antitrust law uses to define a "relevant product market." *McCarthy*, ¶12:24, p.12-96. He cites the test of the U.S. Supreme Court, whether commodities are "reasonably interchangeable by consumers for the same purpose." Citing *United States v. E.I. Dupont de Nemours & Co.*, 351 U.S. 377 (1956). He also cites to a case which adopted this approach to examine the genericness issue, which wrote that, if this analysis is used, it should focus upon *consumer perception of product interchangeability*. *McCarthy*, ¶12:24 fn.4, citing

Anti-Monopoly, Inc. v. General Mills Fun Group, 611 F.2d 296 (9th Cir.1979). Petitioner’s Brief leaves that concept unchallenged also.

Prof. McCarthy notes that consumer surveys have become common in litigation over genericness, adding that a survey should address the consumer perception of the meaning of the designation at issue. *McCarthy*, at 12:14, p.12-47. But Petitioner leaves virtually unchallenged Registrant’s consumer survey of Spanish-speaking U.S. residents about the “Azucar Morena” product and “Brown Sugar,” showing that all 24 subjects thought of them as “different products.” (Van Nuys Decl., ¶6). Nor does Petitioner challenge McCarthy’s further point that if the term is used on several different products, the use could not be generic due to use on more than one “genus” of products. *McCarthy*, ¶12.23, p.12-89, citing *Telechron, Inc. v. Telicon Corp.*, 198 F.2d 903 (3rd Cir.1952).

Federal courts have held marks to be non-generic on the basis that the product on which it was used did not fit exactly into the category designated by the mark. See *Genesee Brewing Co. v. Stroh Brewing Co.*, 124 F.3d 137 (1997) (the mark “honey brown” was a generic name for a type of ale, but was not generic for the registrant’s brown lagers, not a traditional category of beer.) In *Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178 (1980), the Fifth Circuit held that “LARVACIDE” was not a generic name for a product used to kill many forms of animal life beyond larvae, noting that a more accurate generic name might be “varmintcide” or “pesticide.”

Here, Registrant produces and distributes several different products using the mark “AZUCAR MORENA,” including unrefined sugar, picante sugar with chili, and molasses. (de la Vega Decl., ¶¶8,14).

Petitioner’s case comes down to an emphasis on several dictionary definitions of “morena” as meaning “brown.” But this evidence is contradicted by other substantial evidence, and hardly the clear and persuasive proof that is needed to overcome the presumption of non-genericness. Petitioner does not confront Registrant’s point that the “doctrine of foreign equivalents” does not support Petitioner’s argument, which holds that a word commonly used in another language as a generic name cannot be imported into the U.S. as a valid trademark.

McCarthy notes that the rule’s purpose is to protect multilingual Americans. *McCarthy*, ¶12:41, p.12-146-147, citing *Holland v. C&A Import Corp.*, 8 F.Supp 259 (S.D.N.Y. 1934). But here, Registrant’s survey shows that Spanish-speaking U.S. residents consider “Azucar Morena” to be a different product than “Brown Sugar.” (Van Nuys Decl., ¶6). Thus, there is no importation of that nature here. Petitioner also fails to answer the point that, at most, the coincidence of “*morena*” meaning tan or dark-skinned and the actual tan color of Zucrum’s unrefined sugar marked “Azucar Morena” is, at most, a “descriptive” use of the word, which nonetheless allows for trademark protection upon proof of secondary meaning. *McCarthy*, at ¶12:20, citing *Redken Laboratories, Inc. v. Clairol, Inc.*, 350 F.Supp. 1301 (C.D.Cal. 1972). In short, Zucrum’s “Azucar Morena” products are simply not what U.S. consumers know to be “Brown Sugar.” Petitioner also fails to address Registrant’s point that non-free-flowing “Brown Sugar” with 6.5% molasses content, different uses, etc. is unknown in Mexico. Instead, Petitioner again weakly retorts that “all that is not white is therefore “Brown Sugar.” That is not true in Mexico, and not even true in the United States. “Brown Sugar” is a U.S. product, not Mexican.

B. Petitioner Resorts to Deceptive Misquotation of Registrant’s Evidence.

Petitioner’s Brief resorts to a surprising device – misquotation – in attempting to argue that Registrant *admits* to having failed to make the mental association in the public mind between its products and the trademark “Azucar Morena.” Petitioner states that “Registrant admitted that it only recently redesigned its packaging to link its brand to ‘a young, attractive, dark-complexioned brunette woman.’” [Petitioner’s Brief, page 11, *citing to de la Vega Decl.*, Exhibit B]. But the actual de la Vega declaration tells a wholly different story. Instead, it states that Registrant “recently expanded the use of its mark on its powdered sugar and picante sugar products.” Later, it states that, to create secondary meaning, “we have incorporated the image of a young, attractive dark-complexioned brunette woman with the label bearing the mark.” (de la Vega Decl., p. 4, para. 8). Thus, Petitioner has falsified the evidence in order to make an argument that, on close inspection, cannot be sustained. The TTAB should regard with high suspicion all such of Petitioner’s representations of the evidence.

C. USPTO followed logic, not “force,” in interpreting “Morena”.

Petitioner overstates the case in attempting to underplay the USPTO office action. Petitioner argues that nothing of significance could result from the USPTO finding, on September 11, 2008, that Registrant’s mark “AZUCAR MORENA” is an arbitrary term in relation to Registrant’s goods when it refused an attempt to register “MORENA DEL CAMPO.” There, the USPTO analyzed that mark with an existing “LA MORENA MAS DULCE” mark and Registrant’s mark “AZUCAR MORENA” to determine the likelihood of confusion from “MORENA DEL CAMPO.” (*Id.*) The USPTO found that applicant’s mark, “MORENA DEL CAMPO,” would create a likelihood of confusion with Registrant’s mark, since the term “Morena” translates to “beautiful dark-complexioned brunette Latin girl,” and *MORENA* “appears to be an arbitrary term in relation to the parties’ respective goods.” (*Id.*)(italics added). Petitioner claims that the Examining Attorney was had to rely on that definition of “Azucar Morena” under Section 7(b) of the Trademark Act, 15 U.S.C. §1057(b), providing that a certificate is *prima facie* evidence of valid registration, and an applicant will not be heard on a collateral attack. *See In re Dixie Restaurants*, 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997). But Petitioner overly dramatizes its argument by stating that the Examiner was “forced” to make her determination “based on Registrant’s false statements.” (Petitioner Brief, p. 14). But the term “Morena” is so commonly applied to a young beauty that very little “force” is needed. For example, in the mariachi song “Cielito Lindo” that schoolchildren learn, the opening line “De la Sierra, Morena, Cielito Lindo, vienen bajando,” something, or someone is clearly coming down the mountain. That someone is clearly “Morena,” a beautiful Latin girl, not just the adjective “Brown.” The Examiner would have known that “Morena” exactly refers to young feminine beauty, and clearly applied the word alone to state its meaning. No “force” was needed there.

D. Fraud Allegations Make Summary Judgment Inappropriate

Petitioner has failed to raise any showing of fraud in its papers. Petitioner only argues that Registrant “knew or should have known” that “Azucar Morena” simply means “Brown

Sugar,” and that it was fraudulent not to tell that to the USPTO Examining Attorney. But this is the same tired argument that, if it’s not white refined sugar, it’s “Brown Sugar,” which is patently so oversimplified as to be deceptive. Everyone knows that U.S. “Brown Sugar” is what you put on oatmeal and Boston baked beans, but not in coffee. Registrant assiduously maintains that, not only does it not make “Brown Sugar,” *but neither does any Mexican sugar producer!* Registrant’s consumer survey shows uncontradicted evidence that Mexican-born consumers never have heard of “Brown Sugar” until coming to the United States. If that is wrong, Petitioner has had nearly six weeks to spend an afternoon taking *its own consumer survey* to show that some Mexican-born people know what “Brown Sugar” is. But Petitioner either hasn’t done such a survey, or isn’t talking about it. Instead, Petitioner again attempts the same old gambit: if it’s not white refined sugar, it’s “Brown Sugar,” and Mexicans know about sugar that’s not white. This argument wouldn’t fool a sixth-grader and shouldn’t fool the TTAB. The only conclusion is that “Azucar Morena” and “Brown Sugar” are different products – they’re perceived differently by consumers, they are used for different purposes, have different tastes, characteristics, etc. “Azucar Morena” is not a trademark that Registrant applies to what the U.S. market calls “Brown Sugar,” and therefore, since it’s applied to a different product, *it cannot be generic to “Brown Sugar.”* That is a true statement, and cannot be the basis for a fraud claim. Fraud must be proven "to the hilt," leaving nothing to speculation or conjecture. *Pilates, Inc. v. Current Concepts, Inc*, 120 F.Supp. 2d 286, 313 (S.D.N.Y. 2000). Petitioner has shown no fraud.

Respectfully submitted this 27th day of July, 2009.

K&L GATES, LLP

By Robert Ted Parker
Robert Ted Parker
Attorney for Registrant Zucrum Foods, LLC

CERTIFICATE OF SERVICE

David A. Dunbar, employed at the offices of K&L Gates LLP, Four Embarcadero Center, Suite 1200, San Francisco, CA 94111, hereby certifies that a true and complete copy of the foregoing document:

**REGISTRANT'S REPLY BRIEF ON CROSS-MOTION FOR PARTIAL
SUMMARY JUDGMENT REGARDING ISSUE OF GENERICNESS**

was served on Attorneys for Petitioner on July 27, 2009 by enclosing a copy of said document in an envelope addressed as set forth below and by causing such envelope to be delivered as indicated below:

Gregory N. Owen
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- [X] BY MAIL: A true and correct copy of such document was placed in a sealed envelope, addressed as shown above, and such correspondence was deposited, with postage fully prepaid, in a United States Post Office mail box at Spokane, WA on the same day in the ordinary course of business.
- [] BY PERSONAL SERVICE: A true and correct copy of such document was placed in a sealed envelope, addressed as shown above and the undersigned caused such envelope to be delivered by hand to the offices of the addressee.
- [] BY FACSIMILE: Such document was faxed to the facsimile transmission machine with the facsimile machine number stated above. Upon completion of the transmission, the transmitting machine issued a transmission report showing the transmission was complete and without error.
- [X] BY ELECTRONIC MAIL: Such document was transmitted to the e-mail address listed above. The e-mail was not returned as undeliverable

I declare, under penalty of perjury, that the foregoing is true and correct and is executed

July 27, 2009 at San Francisco, California.

s/David A. Dunbar

David A. Dunbar