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RECENT DEVELOPMENTS IN TRADEMARK LAW

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This past year included some significant developments in trademark law, including interpretation of the amended Trademark Law Dilution Act and important changes in the TTAB's Rules of Practice, designed to make TTAB practice more closely mirror Federal Court Practice. Part I of this paper provides summaries of several leading cases from federal courts of appeal, sorted according to the topic(s) that formed the key issue(s) at stake in the case (e.g., priority, likelihood of confusion). Part II includes trademark decisions from the Court of Appeals for the Federal Circuit and a few selected TTAB cases from the past year. Part III discusses the new TTAB Rules.

PART I – SELECTED DECISIONS FROM COURTS OF APPEAL

ACQUIRED DISTINCTIVENESS/SECONDARY MEANING

Custom Vehicles, Inc. v. Forest River, Inc., 476 F.3d 481 (7th Cir. 2007) – “WORK-N-PLAY” held merely descriptive for van that could be converted from office to camper. The Seventh Circuit affirmed district court’s dismissal of the infringement action on summary judgment, finding that Custom Vehicle’s mark was merely descriptive and that Custom Vehicles had not established secondary meaning. Significantly, Custom Vehicles had obtained a federal registration for its mark. However, at the time it filed its statement of use, it had sold only one vehicle in the six month period leading up to the filing of the statement of use. The court thus found there was insufficient secondary meaning to support registration of the mark, and also questioned the validity of the one sale to support the statement of use. (The court acknowledged that, in some cases, the sale of a single item, such as a yacht, could be sufficient to meet the “use” requirement. However, the court concluded that the sale of one van during a six month period was not sufficient.)

COLLATERAL ESTOPPEL

Abercrombie & Fitch Co., v. Moose Creek, Inc., 486 F.3d 629 (9th Cir. 2007) – Ninth Circuit reversed and remanded to district court for reconsideration of denial of preliminary injunction. Parties had previously settled litigation over Moose logo in which Abercrombie was the defendant. In subsequent suit, Abercrombie, as plaintiff, took different positions on factors such as whether there was a “crowded field” of users of similar moose marks. District court, finding collateral estoppel, declined to allow Abercrombie to relitigate certain issues, and denied injunction. Ninth Circuit reversed, finding that there were, indeed, significant changes in circumstances relating to some of the likelihood of confusion factors, such as the number of third party marks in use, and remanded to the district court for further consideration.

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H-D Michigan, Inc. v. Top Quality Serv. Inc., 496 F.3d 755 (7th Cir. 2007) – Defendants marketed cruises for Harley-Davidson enthusiasts under the mark HOGS ON THE HIGH SEAS. H-D Michigan, owner of the Harley-Davidson trademarks, sued defendant for infringement of its HOG and H.O.G. marks for motor cycle clubs. In a prior Second Circuit decision, HOG had been held to be generic for large motorcycles. The District court granted summary judgment for defendant on collateral estoppel grounds, based on the Second Circuit decision finding HOG to be generic for large motorcycles. On appeal, the Seventh Circuit reversed, finding HOG was protectable for motorcycle clubs. Reversing the finding of collateral estoppel, the court remanded to the district court for further action on plaintiff’s claims.

CONTRIBUTORY/SECONDARY LIABILITY

Optimum Techs, Inc. v. Henkel Consumer Adhesives, Inc., 496 F.3d 1231 (11th Cir. 2007) – Plaintiff manufactured rug adhesive tape and sued former distributor for direct trademark infringement and various other unfair competition claims. The distributor had, for many years, distributed Plaintiff’s “LOK-LIFT” rug gripping product. Defendant eventually decided to start distributing a different product, but used some of the same bar codes on the packaging from the prior LOK-LIFT product. There was evidence that in some retail stores, the new product was placed on shelves with signage for Plaintiff’s product. The district court eventually dismissed Plaintiff’s claims, finding that Defendant was not responsible for the actions of retailers. On appeal, plaintiff sought to have its complaint construed as one for contributory infringement, rather than direct infringement. The Ninth Circuit refused to accept the contributory infringement claim because it had not been properly pleaded. The district court ruling was affirmed.

Perfect 10, Inc. v. Visa Int’l Serv., Assn., 494 F.3d 788 (9th Cir. 2007) – Plaintiff alleged that defendant credit card companies were liable under a variety of contributory infringement and vicarious liability infringement theories (trademark and copyright). Plaintiff publishes an online magazine “Featuring tasteful copyright images of the World’s most beautiful natural models.” Other websites made infringing copies of photos, altered them, and then offered them for sale online, allowing for payment by credit card. Plaintiff sued several of the credit card companies that processed payments from the alleged infringing websites on various theories of contributory and secondary liability under the trademark and copyright laws. The Ninth Circuit affirmed the district court and refused to find contributory liability on the part of the credit card companies, finding that the actions by the credit card companies did not constitute a “material contribution” to infringement.

DAMAGES/ATTORNEYS FEES

Central Mfg. Inc. v. Brett, 492 F.3d 876 (7th Cir. 2007) – Another case involving the notorious Leo Stoller, a/k/a Central Mfg. Inc. Plaintiff’s failure to establish sufficient commercial use of mark to support infringement claim, and its obstructionist conduct in litigation, resulted in cancellation of Plaintiff’s registration and award of attorneys’ fees to defendant.

Green v. Fornario, 486 F.3d 100 (3d Cir. 2007) – Defendant operated sports marketing business in Philadelphia under name Tyler Green Sports. Plaintiff, a retired baseball player for the Philadelphia Phillies brought claims against Defendant under Sections 43(a), (c) and (d) of the Lanham Act. Defendant eventually signed a consent decree agreeing not to use name TYLER GREEN in trade. The action continued on issues of costs and attorneys fees. The court awarded costs, but concluded the case was not “exceptional” and did not award attorneys fees. On appeal, the Third Circuit affirmed – the evidence was insufficient to show that defendant had acted in bad faith in adopting the Tyler Green name and therefore the case was not exceptional enough to merit an award of attorneys’ fees.

JCW Investments, Inc. v. Novelty, Inc., 482 F.3d 910 (7th Cir. 2007) – Jury awarded plaintiff in Lanham Act infringement case punitive damages based on Illinois common law. Defendant appealed, asserting that Lanham Act preempted Illinois common law provision. Seventh Circuit disagreed, noting that federal law preempts state law in three circumstances (1) the federal law specifically states that it preempts state law; (2) Congress intended to occupy the field completely; and (3) state law is an obstacle to fulfilling Congressional intent. The Seventh Circuit noted that while the Lanham Act did not affirmatively provide for punitive damages, it also did not prohibit them. Under the circumstances, the Illinois punitive damages provision was not an obstacle to Congressional intent. The court also noted that, “In the area of trademark law, preemption is the exception rather than the rule.” 482 F.2d at 919. Punitive damage award upheld.

K and N Engineering, Inc. v. Sarah Bulat d/b/a Incline Design, 510 F.3d 1079 (9th Cir. 2007) (Slip Op. 06-55393 – 12-18-07) – District court granted summary judgment to plaintiff on trademark infringement, counterfeiting, dilution and related claims. K&N elected to recover statutory damages under 15 U.S.C. §1117(C). The district court also awarded Plaintiff \$100,000 in attorneys’ fees pursuant to §1117(B) and §1117(C) (1). On Appeal, the Ninth Circuit reversed the award of attorneys’ fees, finding that § 1117(B) attorneys’ fee provision is not applicable to a §1117(C) award, and that §1117(C) has no independent provision for awarding attorneys’ fees.

United States v. Milstein, 481 F.3d 132 (2d Cir. 2007) – Defendant was found guilty of violating criminal trademark laws for fraudulently distributing misbranded pharmaceutical products in the United States. In addition to liability under the criminal trademark laws, the court held that infringement of the pharmaceutical company’s trademarks also resulted in damage to property within the meaning of the Victim and Witness Protection Act of 1982. Second Circuit upheld district court’s award calculated

under the VWPA, using the pharmaceutical company's lost sales as the measure of restitution.

DILUTION

Perfumebay.com Inc. v. eBay Inc., 506 F.3d 1165 (9th Cir. 2007) – “eBay” v. “PerfumeBay” for perfume sold via the Internet. PerfumeBay brought DJ action against eBay. District court ruled that PerfumeBay infringed eBay trademarks and ruled for eBay on likelihood of confusion/infringement. However, district court ruled against eBay on dilution claim, ruling that the marks were not similar enough for likelihood of dilution. Ninth Circuit affirmed finding of infringement, and reversed finding of “no likelihood of dilution” – finding that the marks “were nearly identical”.

Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC; Cictoria D.N. Dauernheim; Woofies, LLC, d/b/a Woofie's Pet Boutique, 507 F.3d 252 (4th Cir. 2007). In *Louis Vuitton*, the famous French fashion accessories house objected to Haute Diggity Dog's use of “Chewy Vuiton” and a “CV” design similar to the famous “LV” trademark for dog chew toys and dog beds. Relying heavily on determination that CHEWY VUITON was an obvious parody, the court ruled against Louis Vuitton on both its likelihood of confusion and its dilution claim. The Court recognized that the amended dilution statute did not grant a “fair use” defense to parodies where mark was used in connection with the defendant's goods. However, it determined that it could, nevertheless, consider the impact of an obvious parody when analyzing the factors to consider in determining likelihood of dilution (as well as likelihood of confusion).

Starbucks Corp. v. Wolfe's Borough Coffee, Inc., 477 F.3d 765 (2d Cir. 2007) – Starbucks filed suit for injunction under federal dilution statute prior to amendments in that took effect on October 6, 2006. The district court applied “actual dilution” standard in place at time suit was filed, and denied injunction. On appeal, the Second Circuit determined that the district court should apply the amended statute's “likelihood of dilution standard,” even though the suit was filed before the effective date of the amendment, because the relief sought was prospective.

Universal Communication Systems, Inc. v. Lycos, Inc., 478 F.3d 413 (1st Circuit 2007) – Plaintiff sued Internet message board operator for posting allegedly false and defamatory information about company. The action included claim under Florida anti-dilution law. The First Circuit affirmed the dismissal of suit, finding immunity for defendant under the Communications Decency Act (CDA). Although the CDA immunity does not extend to intellectual property claims, the court declined to find liability under the Florida anti-dilution statute because (1) the use of the mark was non-commercial -- it was not being used to promote goods and services, and (2) applying the anti-dilution statute to a criticism site using a mark in a non-commercial manner raised First Amendment concerns.

DISMISSAL – 12(B)(6)

Vincent v. City Colleges of Chicago, 485 F.3d 919 (7th Cir. 2007) – Dismissal of complaint under 12(b)(6) because plaintiff failed to include registration number in pleading was inappropriate. Fed.R.Civ.P. 8 does not require fact pleading and, in any event, trademarks are protected even without registration.

Brilliance Audio, Inc. v. Hights Cross Communications, Inc., 474 F.3d 365 (6th Cir. 2007) – Plaintiff produced audiobooks and sold two versions – one to retail customers, and one to libraries and institutions, known as “library editions”. Defendant purchased retail version and repackaged/sold as library edition. Plaintiff sued for copyright and trademark infringement. District court granted defendants 12(b)(6) motion, relying on the first sale defenses of copyright and trademark law. On appeal, the Sixth Circuit affirmed the dismissal of the copyright claims, but overturned the dismissal of the trademark claims. Per the court, exceptions to the trademark “first sale” doctrine include (1) that there is inadequate notice that the goods have been repackaged and (2) that there is a material difference in the repackaged goods than those sold by the trademark owner. Here, the Plaintiff had pleaded sufficient facts for the case to go forward.

Rhoades v. Avon Products, Inc., 504 F.3d 1151 (9th Cir. 2007) – Plaintiff, which had been engaged in lengthy dispute and opposition proceedings with Avon, brought a Declaratory Judgment action. The district court dismissed the case under 12(b)(6), alleging that the suit was filed in bad faith (to avoid discovery obligations in TTAB) and also relying on the doctrine of primary jurisdiction. Avon argued before the Ninth Circuit that DJ jurisdiction was not proper because the alleged “threats” to plaintiff were made in the context of settlement negotiations. The Ninth Circuit reversed, and ordered the case reinstated and assigned to a different judge. On the 12(b)(6) issue, the court rejected the bad faith argument, and rejected Avon’s efforts to rely on F.R.E. 408 to shield it from DJ jurisdiction. Regarding the doctrine of primary jurisdiction, the court concluded that it was not appropriate to cede jurisdiction to the TTAB when the district court was in at least as good, if not better, position to decide the issues.

FAMOUS MARKS DOCTRINE

ITC Limited and ITC Hotels Limited v. Punchgini, Inc., Raja Jhanjee, Paragnaesh Desai, Vicky Vij, Dhandu Ram, Mahendra Sing, Bachan Rawat, Bukhara Grill II, Inc., 482 F.3d 135 (2d Cir. 2007). Plaintiff, owner of alleged famous mark BUKHARA for restaurant in India, brought suit against defendants, former employees who opened up restaurant in New York under the name BUKHARA GRILL. Plaintiff had not used mark in US for more than 3 years, and relied on assertion of Famous Marks doctrine. Second Circuit ruled against plaintiff, asserting that Congress had not yet incorporated the Famous Marks Doctrine into federal trademark law and declined to apply it. However Second Circuit certified questions to New York Court of Appeals as to whether famous marks doctrine was recognized under New York Common Law, and if so, how much fame was required. In an opinion issued on December 13, 2007, **2007 WL 4334177 (N.Y.)**, **2007 N.Y. Slip Op. 09813**, the New York Court of Appeals advised that a

plaintiff could bring an action under common law theory of misappropriation, and that if it could show that its mark was recognized by consumers in New York as primarily signifying the goods/services of the plaintiff, that it could prevail. However, the Court advised that Plaintiffs could not rely on the famous marks doctrine – the mark had to be famous in New York, even if the use took place outside of New York. Further, the court set the bar very high for the level of fame required to obtain relief under this provision.

FIRST SALE DEFENSE

Brilliance Audio, Inc. v. Hights Cross Communications, Inc., 474 F.3d 365 (6th Cir. 2007) – Plaintiff produced audiobooks and sold two versions – one to retail customers, and one to libraries and institutions, known as “library editions”. Defendant purchased retail version and repackaged/sold as library edition. Plaintiff sued for copyright and trademark infringement. District court granted defendants 12(b)(6) motion, relying on the first sale defenses of copyright and trademark law. On appeal, the 6th Circuit affirmed the dismissal of the copyright claims, but overturned the dismissal of the trademark claims. Per the court, exceptions to the trademark “first sale” doctrine include (1) that there is inadequate notice that the goods have been repackaged and (2) that there is a material difference in the repackaged goods than those sold by the trademark owner. Here, the Plaintiff had pleaded sufficient facts for the case to go forward.

FUNCTIONALITY

General Motors Corp. v. Lanard Toys, Inc., 468 F.3d 405 (6th Cir. 2007) – Toy manufacturer made toy versions of the Hummer vehicle. Among other things, GM sued for infringement of its trademark for the Hummer grille design, and also for trade dress infringement for the Hummer trade dress. The district court ruled for GM on both counts. The Sixth Circuit affirmed the finding of trademark infringement. On the issue of trade dress infringement, the Sixth Circuit agreed that the district court had erroneously identified the issue of functionality of the trade dress as a defense. In fact, it is one of the elements of a trade dress claim, and the burden is on the plaintiff to prove that the trade dress is non-functional. However, the Sixth Circuit then performed its own analysis of the record and concluded that the trade dress was, in fact, non-functional. As such, it declined to find reversible error on the trade dress claim.

GENERICISM

Rudolph Int'l, Inc. v. Realys, Inc., 482 F.3d 1195 (9th Cir. 2007) – “DISINFECTABLE” generic, not suggestive, for abrasive nail files that could withstand disinfection.

Colt Defense, LLC v. Bushmaster Firearms, Inc., 486 F.3d 701 (1st Cir. 2007) – “M4” generic for firearms, notwithstanding Colt’s prior registration for mark. Widespread use of M4 generically by competitors, and in media were significant factors in the Court’s decision.

H-D Michigan, Inc. v. Top Quality Serv. Inc., 496 F.3d 755 (7th Cir. 2007) – Defendants marketed cruises for Harley-Davidson enthusiasts under the mark HOGS ON THE HIGH SEAS. H-D Michigan, owner of the Harley-Davidson trademarks, sued defendant for infringement of its HOG and H.O.G. marks for motor cycle clubs. In a prior Second Circuit decision, HOG had been held to be generic for large motorcycles. The District court granted summary judgment for defendant on collateral estoppel grounds, based on the Second Circuit decision finding HOG to be generic for large motorcycles. On appeal, the Seventh Circuit reversed, finding HOG was protectable for motorcycle clubs. Reversing the finding of collateral estoppel, the court remanded to the district court for further action on plaintiff's claims.

INTERNET/FIRST AMENDMENT/DILUTION

Universal Communication Systems, Inc. v. Lycos, Inc., 478 F.3d 413 (1st Circuit 2007) – Plaintiff sued Internet message board operator for posting allegedly false and defamatory information about company. Action included claim under Florida anti-dilution law. First Circuit affirmed dismissal of suit, finding immunity for defendant under the Communications Decency Act (CDA). Although the CDA immunity does not extend to intellectual property claims, the court declined to find liability under the Florida anti-dilution statute because (1) the use of the mark was non-commercial -- it was not being used to promote goods and services, and (2) applying the anti-dilution statute to a criticism site using a mark in a non-commercial manner raised First Amendment concerns.

LIKELIHOOD OF CONFUSION

McNeil Nutritionals LLC v. Heartland Sweeteners, 511 F.3d 350 (3d Cir. 2007) – Plaintiff, maker of SPLENDA artificial sweetener, brought trade dress infringement action for infringement of its yellow trade dress. Defendant manufactured numerous private label sweeteners for major grocery store chains, including Safeway, Giant, and others. The district court analyzed the case under the 10 factors set out in *Interpace Corp. v. Lapp Inc.*, 721 F.2d 460 (3d Cir. 1983). It found that under the *Lapp* factors, the Safeway and Food Lion packages were not sufficiently similar for there to be a finding of likelihood of confusion. However, the court found that, applying the *Lapp* factors to the Giant, Stop and Shop and Tops packaging, that the trade dress was sufficiently similar for a finding of likelihood of confusion. Notwithstanding these similarities, the district court gave substantial weight to the presence of the store brand on each of the packages and denied McNeil's request for preliminary injunction. The Third Circuit reversed and remanded the case, finding that the district court relied too heavily on the presence of the store brand in its likelihood of confusion analysis. Per the Third Circuit, while the court may take into account the presence of the store brand, if the applicability of the *Lapp* factors otherwise would support a finding of likelihood of confusion, then the presence of the store brand cannot serve as an independent defense. (The district court had relied on the Federal Circuit's decision in *Conopco Inc. v. May Department Stores Co.*, 46 F.3d 1556 (Fed. Cir. 1994) in evaluating the significance of the store's brand on the packaging.)

Perfumebay.com Inc. v. eBay Inc., 506 F.3d 1165 (9th Cir. 2007) – “eBay” v. “PerfumeBay” for perfume sold via the Internet. PerfumeBay brought DJ action against eBay. District court ruled that PerfumeBay infringed eBay trademarks and ruled for eBay on likelihood of confusion/infringement. However, district court ruled against eBay on dilution claim, ruling that the marks were not similar enough for likelihood of dilution. Ninth Circuit affirmed finding of infringement, and reversed finding of “no likelihood of dilution” – finding that the marks “were nearly identical”.

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PRIMARY JURISDICTION

Rhoades v. Avon Products, Inc., 504 F.3d 1151 (9th Cir. 2007) – Plaintiff, which had been engaged in lengthy dispute and opposition proceedings with Avon, brought a Declaratory Judgment action. The district court dismissed the case under 12(b)(6), alleging that the suit was filed in bad faith (to avoid discovery obligations in TTAB) and also relying on doctrine of primary jurisdiction. Avon argued before the Ninth Circuit that DJ jurisdiction was not proper because the alleged “threats” to plaintiff were made in the context of settlement negotiations. The Ninth Circuit reversed, and ordered the case reinstated and assigned to a different judge. On the 12(b)(6) issue, the court rejected the bad faith argument, and rejected Avon’s efforts to rely on F.R.E. 408 to shield it from DJ jurisdiction. Regarding the doctrine of primary jurisdiction, the court concluded that it was not appropriate to cede jurisdiction to the TTAB when the district court was in at least as good, if not better, position to decide the issues.

PRIORITY

Creagri, Inc. v. USANA Health Sciences, Inc., 474 F.3d 626 (9th Cir. 2007) – OLIVENOL versus OLIVOL for dietary supplements. Defendant challenged plaintiff's claim for priority, alleging that Plaintiff's prior use was for product that did not comply with FDA labeling requirements. Plaintiff alleged that misbranding problem did not preclude it from establishing prior use of the mark in commerce. Court disagreed, concluding that mislabeling problem was sufficiently serious to warrant denial of priority claim in trademark infringement suit. "Use in commerce" must be a "lawful use." Defendant prevailed.

REMOVAL/SUBJECT MATTER JURISDICTION

In re Hot-Hed, Inc., 477 F.3d 320 (5th Cir. 2007) – Plaintiff brought state trademark infringement claims in Texas and included claim for attorney's fees. Defendant's removed to federal court, claiming that Texas law did not allow for attorneys' fees and that case was thus a Lanham Act case. Fifth Circuit found Texas law does allow recovery of attorneys' fees, and remanded for determination as to whether Plaintiff clearly sought relief under Lanham Act. If plaintiff did not seek relief under Lanham Act, then removal on attorneys' fee ground was not proper.

TTAB PROCEDURAL ISSUES – REVIEW BY APPEALS COURTS

The Last Best Beef, LLC v. Dudas, 506 F.3d 333 (4th Cir. 2007) – 4th Circuit reversed decision of district court that found that TTAB had improperly cancelled registration for "The Last Best Place." In the 2006 Appropriations legislation (Section 206 of the Appropriations bill), Congress, at the behest of the State of Montana, tacked on a rider that prohibited the use of federal funds to "register, issue, transfer, or enforce any trademark of the phrase 'The Last Best Place'." The legislation passed. On the day the legislation was signed into law, the PTO, unaware of the legislation, issued two registrations to Plaintiff for "The Last Best Place" for a variety of goods. Other applications were in the allowance stage at that time, and two had been opposed by the State of Montana. Upon learning of the legislation, the PTO cancelled the registrations, withdrew the notices of allowance, and suspended the TTAB proceedings. The plaintiff brought suit in the district court, which found Section 206 of the Appropriations legislation to be in conflict with the Lanham Act. The Ninth Circuit reversed, concluding that Congress intended to enact a discrete and narrow exception to the Lanham Act. ("What may seem inadvisable on the part of Congress is not unconstitutional.")

Rosenruist-Gestão e Serviços Sociedade Unipessoal Ltd. v. Virgin Enterprises Ltd. 511 F.3d 437 (4th Cir. 2007) – Ignoring TTAB rules that require use of the Hague convention to secure testimony of foreign witnesses, and relying on 35 USC §24, the Ninth Circuit ruled that a foreign corporation could be compelled to produce a 30(b)(6) deposition witness, even though the only "contact" with the district appeared to be the filing of the trademark application. The dissenting opinion noted that this is the first decision to "hold that a foreign company that has no United States employees, locations,

or business activities must produce a designee to testify at a deposition in the Eastern District of Virginia so long as it has applied for a trademark registration with a government office located there.”

PART II – SELECTED FEDERAL CIRCUIT AND TTAB CASES

Included in this selection are a few highlights from the year in TTAB cases. There were many TTAB decisions issued this past year, and thanks to recent policy changes on the part of the board, a number of precedential decisions were issued. The decisions noted below represent a few decisions that, in the author’s view, merit particular attention.

ADMISSIBILITY OF EVIDENCE

In re IP Carrier Consulting Group, 2007 WL 1751192 (TTAB June 18, 2007) (SN 78542726 and 78542734) – *Wikipedia* evidence admissible “so long as the non-offering party has an opportunity to rebut that evidence by submitting other evidence that may call into question the accuracy of the particular *Wikipedia* information.”

DESCRIPTIVENESS

In re Bayer Aktiengesellschaft, 488 F.3d 960 (Fed.Cir. 2007) – “ASPIRINA” for analgesics merely descriptive. Evidence of registration of mark in other countries not accepted because of different standards for registration in different countries.

FRAUD

Hurley International LLC v. Volta, 82 USPQ2d 1338 (TTAB 2007) – Continuing trend of recent decisions, the TTAB found that a foreign *pro se* applicant who alleged that it misunderstood the “use” requirement had committed fraud and sustained an opposition against the mark on summary judgment. Applicant had used and registered the mark in Australia, and when it filed the application in the US, it also asserted “use in commerce,” even though it had not used the mark in the United States. The Applicant pleaded misunderstanding of the requirements for “use,” but the TTAB was unmoved. Significantly, the Board noted that a false statement corrected prior to publication of an application does not constitute fraud.

GENERICISM

In re Reed Elsevier Props. Inc., 482 F.3d 1376 (Fed. Cir. 2007) – “LAWYERS.COM” generic and not registrable for website featuring information on law and legal services.

GEOGRAPHIC TERMS

In re Beaverton Foods, Inc., 84 USPQ2d 1253 (TTAB Aug. 13, 2007 – SN 766624790) – NAPA VALLEY MUSTARD CO. primarily geographically deceptive (not geographically deceptively misdescriptive) of product that was not produced in Napa Valley and/or not made from ingredients from Napa Valley.

GOODS IDENTIFICATION

In re Omega SA, 494 F.3d 1362 (Fed. Cir. 2007) – Applicant sought to register mark for various jewelry items in Class 14, including “chronographs.” PTO Examining Attorney required that chronographs be amended to “chronographs for use in watches,” because otherwise “chronographs” could refer to time recording instruments in other classes. TTAB affirmed Examining Attorney, notwithstanding evidence that applicant had several registrations in which “chronographs” had been accepted, and that it provided evidence that “chronograph” was internationally understood to refer to watches in the watch industry. Fed. Circuit found that TTAB had not abused its discretion in requiring the more detailed identification of the goods.

LIKELIHOOD OF CONFUSION

China Healthways Inst., Inc. v. Wang, 491 F.3d 1337 (Fed. Cir. 2007) – Opposition sustained – Likelihood of confusion between SHI for electronic therapeutic massagers and CHI PLUS for electric massage apparatus.

PRIORITY

First Niagara Insurance Brokers, Inc. v. First Niagara Financial Group, Inc., 476 F.3d. 867 (Fed. Cir. 2007). The Federal Circuit reversed a decision of the TTAB, with the Federal Circuit finding that priority of use for purposes of opposition or cancellation required only a finding of “use,” not “use in commerce.” In this case, the plaintiff Canadian insurer did not have offices in US and was not licensed insurance broker in the United States. However, it did have business connections in the US, including selling policies through US brokers to US citizens who owned Canadian property, and the like. The TTAB analyzed the case from the standpoint of whether the use constituted use of the mark in a type of commerce recognized by Congress and dismissed the opposition. The Federal Circuit reversed, noting that plain language of statute required only “use” in the United States, not “use in commerce.”

Mario Diaz v. Servicios de Franquicia Pardo’s S.A.C., 83 USPQ2d 1321 (TTAB 2007) – Opposition dismissed after Applicant successfully proved priority based on rights pursuant to Article 7 of the Pan American Convention.

RES JUDICATA

In re Bose Corp., 476 F.3d 1331 (Fed. Cir. 2007) – Fed. Cir. affirmed refusal register speaker design configuration mark on ground of res judicata. Bose’s prior application for the mark was rejected in Federal Circuit opinion in 1985 as de jure functional. Bose again sought registration of its mark, alleging changed circumstances. However, the TTAB and Fed. Cir. both agreed that fundamentally the design was the same that had been previously considered and res judicata barred registration of the mark.

SPECIMENS

In re Valenite, 84 USPQ2d 1346 (TTAB 2007) (SN 76488852) – TTAB extended range of acceptable specimens to find website homepage an acceptable “display associated with the goods.” While PTO previously accepted website specimens that functioned as “online catalogs”, the TTAB further relaxed the rules to recognize that some types of products may require consultations with seller representatives and the like to enable the customer to order them. Here, the website showed the picture of goods in close enough association with the mark, and contained telephone information for calling the company to order the product.

SURNAMES

In re Joint-Stock Co. “Baik”, 84 USPQ 2d 1921 (TTAB 2007) – SN 78521961 – Refusal to register “BAIK” reversed because it is an extremely rare surname, not the surname of anyone associated with the application, and it was not likely to be perceived by public as a surname.

TTAB PROCEDURE – FAILURE TO TAKE TESTIMONY

Firsthealth of the Carolinas, Inc. v. Carefirst of Maryland, Inc., 81 USPQ2d 1919 (Fed. Cir. 2007) – TTAB did not abuse its discretion in refusing to find “excusable neglect” and reopen testimony after counsel missed deadline for testimony period in opposition. Excuses of childbirth, docketing error, large record, and busy schedule/conflicts all failed to satisfy TTAB’s standard for “excusable neglect.”

TTAB PROCEDURE – SERVING NOTICE OF OPPOSITION/PETITION FOR CANCELLATION

Springfield, Inc. v. XD, ____ USPQ2d ____ (TTAB 2/7/08 – Opposition No. 91180596) – In a precedential decision interpreting the new TTAB Rules (See Part III) below, the PTO nullified a notice of opposition after it was learned that Opposer’s counsel did not serve a copy of the notice of opposition on Applicant. Opposer’s counsel had checked the box on the ESTTA form indicating it had served the opposition, but it failed to mail the service copy. By the time the error was discovered, the opposition deadline had passed. Too bad, said the Board – you have the remedy of a petition for cancellation.

PART III - HIGHLIGHTS OF NEW TTAB RULES

In late 2007, the TTAB amended its rules of practice so that some of its procedures now more closely mirror the Federal Rules of Civil Procedure. Details of the rules are available at <http://www.uspto.gov/web/offices/dcom/ttab/>, the TTAB's home page on the USPTO website. Key changes in the rules include the following:

- Plaintiff in an opposition or cancellation now must serve the notice of opposition on either the applicant, or applicant's counsel. (See Rule 2.101, 37 CFR 2.101 for details as to when service on applicant, versus service on counsel, is appropriate.)
- The TTAB's Standard Protective Order is now automatically in place for proceedings unless the parties specifically amend it or opt out of it.
- An initial discovery conference between the parties that includes a discussion of settlement, as well as discovery issues is now required and must be conducted within 30 days of filing the Answer to the pleading.
- Prior to serving any discovery requests, the parties must make initial disclosures similar to those of Fed.R.Civ.P. 26(A) and 26(B).
- Expert disclosure and pretrial disclosure requirements have now been added to the process.