

2015 TRADEMARK LAW DECISIONS OF THE FEDERAL CIRCUIT*

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INTRODUCTION

The U.S. Court of Appeals for the Federal Circuit had an active trademark docket in 2015. The Federal Circuit issued a total of fifteen trademark decisions,¹ eleven of which were designated as

1. *In re Tam (Tam III)*, 808 F.3d 1321 (Fed. Cir. 2015) (en banc); *Edge Sys., LLC v. Aguila*, No. 2015-1507, 2015 WL 9267529 (Fed. Cir. Dec. 21, 2015); *Jack Wolfskin Ausrüstung für Draussen GmbH v. New Millennium Sports*, 797 F.3d 1363 (Fed. Cir. 2015), *cert. denied*, 136 S. Ct. 982 (2016); *In re Louisiana Fish Fry Prods.*, 797 F.3d 1332 (Fed. Cir. 2015); *Staub Design, LLC v. Carnivale*, 625 F. App'x 993 (Fed. Cir. 2015); *Juice Generation, Inc. v. GS Enters., LLC*, 794 F.3d 1334 (Fed. Cir. 2015); *M.Z. Berger & Co. v. Swatch AG*, 787 F.3d 1368 (Fed. Cir. 2015); *Apple Inc. v. Samsung Elecs. Co.*, 786 F.3d 983 (Fed. Cir. 2015), *cert. granted*, No. 15-777, 2016 WL 1078934 (U.S. Mar. 21, 2016); *Beling v. Ennis, Inc.*, 613 F. App'x 924 (Fed. Cir.), *cert. denied*, 136 S. Ct. 406 (2015); *Princeton Vanguard, LLC v. Frito-Lay North America, Inc.*, 786 F.3d 960 (Fed. Cir. 2015); *In re Tam (Tam II)*, 600 F. App'x 775 (Fed. Cir. 2015) (per curiam); *In re Trivita, Inc.*, 783 F.3d 872 (Fed. Cir. 2015); *Southco, Inc. v. Fivetech Tech., Inc.*, 611 F. App'x 681 (Fed. Cir.), *cert. denied*, 136 S. Ct. 587 (2015);

precedential,² including one en banc decision.³ This is a noticeable increase in precedential decisions from years past⁴ and the first en banc trademark decision issued in many years.⁵

Of the fifteen trademark decisions, eleven primarily involved substantive issues, and the remaining four focused mainly on procedural issues. The cases consist of appeals from the Trademark Trial and Appeal Board (TTAB or Board) and from federal district courts.

The Federal Circuit's final decision of 2015 was its most significant. Sitting en banc, the Federal Circuit overturned its prior decision in *In re Tam* (*Tam I*),⁶ which affirmed the TTAB's refusal to register the mark THE SLANTS on grounds that the mark is disparaging.⁷ As detailed below, the Federal Circuit's *en banc* decision held for the first time that the disparagement portion of section 2(a) of the Lanham Act violates the First Amendment of the U.S. Constitution.⁸ This decision will likely impact the U.S. Patent and Trademark Office's (USPTO) future examination procedures under section 2(a), and it

Couture v. Playdom, Inc., 778 F.3d 1379 (Fed. Cir.), *cert. denied*, 136 S. Ct. 88 (2015); *In re The Newbridge Cutlery Co.*, 776 F.3d 854 (Fed. Cir. 2015).

2. *Tam III*, 808 F.3d 1321; *Jack Wolfskin*, 797 F.3d 1363; *In re Louisiana Fish Fry Prods.*, 797 F.3d 1332; *Juice Generation, Inc.*, 794 F.3d 1334; *M.Z. Berger & Co.*, 787 F.3d 1368; *Apple Inc.*, 786 F.3d 983; *Princeton Vanguard, LLC*, 786 F.3d 960; *Tam II*, 600 F. App'x 775; *In re Trivita, Inc.*, 783 F.3d 872; *Couture*, 778 F.3d 1379; *In re The Newbridge Cutlery Co.*, 776 F.3d 854.

3. *Tam III*, 808 F.3d 1321.

4. See Jonathan M. Gelchinsky, *2014 Trademark Law Decisions of the Federal Circuit*, 64 AM. U. L. REV. 967, 968 (2015) (six precedential trademark decisions in 2014); Anita B. Polott & Dana N. Justus, *2013 Trademark Law Decisions of the Federal Circuit*, 63 AM. U. L. REV. 1419, 1436 (2014) (two precedential trademark decisions in 2013); Molly R. Silfen et al., *2012 Trademark Law Decisions of the Federal Circuit*, 62 AM. U. L. REV. 991, 992 (2013) (eleven precedential trademark decisions in 2012); Marynelle Wilson & Antigone Peyton, *2011 Trademark Law Decisions of the Federal Circuit*, 61 AM. U. L. REV. 1151, 1152 (2012) (two precedential trademark decisions in 2011); Susan B. Flohr et al., *2010 Trademark Law Decisions of the Federal Circuit*, 60 AM. U. L. REV. 1159, 1160–61 (2011) (eight precedential trademark decisions in 2010).

5. See Stephen R. Baird, *Review of the 1999 Trademark Law Decisions of the United States Court of Appeals for the Federal Circuit*, 49 AM. U. L. REV. 1321, 1370–72 (2000) (discussing the last en banc trademark decision before 2015, *Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356 (Fed. Cir. 1999) (en banc), which was decided in 1999).

6. 785 F.3d 567 (Fed. Cir. 2015).

7. *Id.* at 568.

8. *Tam III*, 808 F.3d at 1327–28; see 15 U.S.C. § 1052(a) (2012); see also *infra* Section I.A (detailing the U.S. Court of Appeals for the Federal Circuit's en banc decision in *Tam III*).

may also have a bearing on other pending cases involving this section of the Lanham Act.

This Article reviews all of the Federal Circuit's 2015 trademark decisions in detail below and groups the decisions according to the primary issues in each case.

I. SUBSTANTIVE TRADEMARK ISSUES

A. *Disparagement*

1. *In re Tam*

In *Tam I*, Simon Shiao Tam, the “front man’ for Asian-American dance rock band[,] The Slants,” initially applied to register the mark THE SLANTS for entertainment services.⁹ His first application for the word mark THE SLANTS used specimens featuring Asian motifs.¹⁰ The Examining Attorney refused registration of the mark under section 2(a) of the Lanham Act, as a disparaging mark.¹¹ Tam then filed a second application, which was the subject of this case.¹² The specimens submitted with the second application did not include Asian motifs, but the Examining Attorney again refused registration on disparagement grounds under section 2(a), and the Board affirmed the refusal.¹³

On appeal to the Federal Circuit, Tam argued that the TTAB erred in finding THE SLANTS mark disparaging.¹⁴ As an initial matter, Tam argued that the TTAB erred in relying on the evidence gathered by the Examining Attorney during the examination of the initial trademark application.¹⁵ However, the court held that such evidence was properly considered because the Examining Attorney can look at evidence outside of the application during examination.¹⁶

9. 785 F.3d 567, 568 (Fed. Cir. 2015).

10. *Id.* at 568, 570 (noting that the band’s website featured the mark next to “a depiction of an Asian woman . . . rising sun imagery and . . . a stylized dragon image”).

11. *Id.* at 568.

12. *Id.*

13. *Id.*

14. *Id.* at 569.

15. *Id.*

16. *Id.* (citing *In re Bayer Aktiengesellschaft*, 488 F.3d 960, 966–69 (Fed. Cir. 2007)) (allowing the Examining Attorney to rely on dictionary definitions, Internet search results, and newspaper articles to determine the relevant purchasing public’s comprehension of a word).

Turning to the substantive grounds of refusal, the Federal Circuit applied a two-part test it developed in *In re Geller*¹⁷ to determine whether a mark is disparaging.¹⁸ Under this test, the Board must consider:

- (1) what is the likely meaning of the matter in question, taking into account not only dictionary definitions, but also the relationship of the matter to the other elements in the mark, the nature of the goods or services, and the manner in which the mark is used in the marketplace in connection with the goods or services; and
- (2) if that meaning is found to refer to identifiable persons, institutions, beliefs or national symbols, whether that meaning may be disparaging to a substantial composite of the referenced group.¹⁹

Under the first part of the test, the Federal Circuit found substantial evidence supporting the TTAB's finding that the mark THE SLANTS likely refers to people of Asian descent.²⁰ The court noted that although there are a number of meanings for the word "slants," including innocuous meanings, that fact "does not foreclose the possibility that the term may also be used in an offensive manner, even when the non-disparaging meanings are more common."²¹

Under the second part of the test, the Federal Circuit found ample evidence that the word "slant" is "disparaging, offensive, or an ethnic slur when used to refer to someone of Asian descent."²²

On appeal, Tam also challenged the constitutionality of Lanham Act section 2(a), arguing that restrictions on disparaging trademarks are unconstitutional under the First Amendment because the grant of the benefit—a trademark registration—is conditioned upon the restraint of speech under section 2(a).²³ The court found that this argument was foreclosed by its precedent in *In re McGinley*,²⁴ in which

17. 751 F.3d 1355, 1358 (Fed. Cir. 2014) (affirming the Board's rejection of the mark "STOP THE ISLAMISATION OF AMERICA," based on substantial evidence that "associating peaceful political Islamisation with terrorism would be disparaging to a substantial composite of American Muslims"), *cert. denied sub nom. Geller v. PTO*, 135 S. Ct. 944 (2015).

18. *Tam I*, 785 F.3d at 569.

19. *Id.* (quoting *In re Gellar*, 751 F.3d at 1358).

20. *Id.* at 570.

21. *Id.* (noting that "the existence of . . . other meanings makes it necessary to examine how the applicant uses the mark in the marketplace to determine its likely meaning").

22. *Id.* at 571.

23. *Id.*

24. 660 F.2d 481, 484 (C.C.P.A. 1981) (finding that the "appellant's First Amendment rights would not be abridged by the refusal to register his mark").

it found that “the PTO’s refusal to register appellant’s mark does not affect his right to use it.”²⁵

Tam raised other constitutional challenges based on vagueness, the Due Process clause, and the Equal Protection clause.²⁶ The Federal Circuit rejected each of these challenges and affirmed the Board’s decision to refuse registration to THE SLANTS mark.²⁷

At the conclusion of the decision, Judge Kimberly Ann Moore noted that it was time for the Federal Circuit to revisit its decision in *In re McGinley*.²⁸ On April 27, 2015, seven days after issuing *Tam I*, the Federal Circuit sua sponte vacated the decision and scheduled an en banc hearing to focus on whether the section 2(a) bar on registering disparaging marks violates the First Amendment, giving the court the opportunity to revisit its *In re McGinley* holding.²⁹

On December 22, 2015, the Federal Circuit, sitting en banc, ruled the disparagement portion of section 2(a) of the Lanham Act³⁰ to be unconstitutional.³¹ Judge Moore, writing for the majority, again stated that it was time for the Federal Circuit to revisit its precedent under *McGinley* because “the *McGinley* analysis was cursory, without citation to legal authority, and decided at a time when the First Amendment had only recently been applied to commercial speech,” and the protection afforded to commercial speech had “evolved significantly” since *McGinley*.³² Judge Moore’s thorough sixty-two-page decision detailed why section 2(a) of the Lanham Act violates the First Amendment.

The court first explained that trademark registration is significant and affords numerous benefits to owners of trademark registrations.³³ In particular, registration offers: (1) “the right to exclusive nationwide use of that mark where there was no prior use by others,” (2) a presumption of the mark’s validity, (3) the right to sue in federal court to enforce the trademark, (4) potential recovery of

25. *Tam I*, 785 F.3d at 572 (quoting *In re McGinley*, 660 F.2d at 484).

26. *Id.* at 572–73.

27. *Id.*

28. *Id.* at 573, 580 (Moore, J., additional views) (stating that the court had failed, in *McGinley* and other cases, to analyze whether section 2(a) imposes “unconstitutional conditions” on free speech).

29. *Tam II*, 600 F. App’x 775 (Fed. Cir. 2015).

30. 15 U.S.C. § 1052(a) (2012).

31. *Tam III*, 808 F.3d 1321, 1328 (Fed. Cir. 2015).

32. *Id.* at 1333–34.

33. *Id.* at 1328.

treble damages if the owner can show infringement was willful, and (5) the federal government's assistance in preventing infringing or counterfeit goods from entering the United States.³⁴

The Federal Circuit determined that section 2(a) was subject to strict scrutiny because it denied rights to private speech based on content and viewpoint.³⁵ The court explained that under strict scrutiny, “[c]ontent-based laws—those that target speech based on its communicative content—are presumptively unconstitutional and may be justified only if the government proves that they are narrowly tailored to serve compelling state interests.”³⁶ The Federal Circuit found that section 2(a) applied based on the particular topic and conveyed message and is, therefore, a content-based law.³⁷ In particular, the court noted that the USPTO “reject[ed] marks under § 2(a) when it [found] the marks refer[red] to a group in a negative way, but it permit[ted] the registration of marks that refer[red] to a group in a positive, non-disparaging manner.”³⁸

The Federal Circuit rejected each of the government's many arguments that section 2(a) should not be subject to strict scrutiny. First, the government argued that section 2(a) regulated commercial speech, which is not subject to strict scrutiny.³⁹ However, the court pointed out that the disparagement provision in section 2(a) was directed at the *expressive* component of the speech, not the commercial component.⁴⁰

Second, the government argued that section 2(a) prohibited *no* speech because Tam was free to choose whatever name he wanted for his band and could use that name in commerce.⁴¹ The court rejected this argument, noting that the way in which section 2(a) burdens

34. *Id.* at 1328–29.

35. *Id.* at 1334.

36. *Id.* (quoting *Reed v. Town of Gilbert*, 135 S. Ct. 2218, 2226 (2015)).

37. *Id.* at 1335.

38. *Id.* at 1336.

39. *Id.* at 1337–38.

40. *Id.* at 1338 (explaining that when regulations affect speech with a dual character—such as commercial and expressive speech—the applicable First Amendment standard depends on the aspect of the speech being targeted by the regulation, and that here, section 2(a) was directed at the expressive component of speech about a public concern rather than commercial speech, which involves information such as who produces and sells a certain product).

41. *Id.* at 1339.

speech is tantamount to a restriction.⁴² In addition, the court noted that a federal trademark registration “bestows *truly* significant and financially valuable benefits upon markholders”⁴³ and “[d]enial of these benefits creates a serious disincentive to adopt a mark which the government may deem offensive or disparaging.”⁴⁴

Third, the government argued that trademark registration is *government* speech and is outside the scope of the First Amendment.⁴⁵ Rejecting this argument as “meritless,” the Federal Circuit pointed out that the manifestations of government registration (i.e., the registrant’s right to attach the ® symbol to the registered mark, the mark’s placement on the Principal Register, the issuance of a certificate of registration) do not convert the underlying speech to government speech.⁴⁶

Fourth, the government argued that section 2(a)’s message-based discrimination is tantamount to a government subsidy, and therefore, exempt from strict scrutiny.⁴⁷ The court rejected this argument as well, finding that cases dealing with subsidies have never been extended to the “benefit” that is bestowed on the owner of a federal trademark.⁴⁸ The court declined to find that a trademark is a subsidy because although a trademark registration is valuable, it is not monetary.⁴⁹

After firmly rejecting each of the government’s arguments against application of the strict scrutiny standard, the Federal Circuit found that, even if it were to analyze section 2(a) under intermediate scrutiny as a regulation of commercial speech, section 2(a) would fail this lower standard of review as well.⁵⁰ To survive the intermediate scrutiny standard for the regulation of commercial speech: (1) the regulated speech must concern lawful activity and must not be misleading; (2) the asserted government interest must be substantial; and (3) the regulation must be narrowly tailored and directly

42. *See id.* at 1340 (noting that section 2(a) indirectly burdens speech based on its content by burdening some speakers and benefitting others).

43. *Id.* at 1340.

44. *Id.* at 1341.

45. *Id.* at 1345.

46. *Id.* at 1345–46.

47. *Id.* at 1348, 1350 (explaining that the government can impose a message-based discriminatory condition on government funds granted to establish a program to define that program’s limits).

48. *Id.* at 1351.

49. *Id.* at 1353 (explaining that a “registered trademark redefines the nature of the markholder’s rights as against the rights of other citizens”).

50. *Id.* at 1355.

advance the asserted government interest.⁵¹ However, in reviewing *Tam I*, the Federal Circuit did not think that the government presented a substantial government interest as justification for section 2(a)'s bar on disparaging marks, noting that “[a]ll of the government’s proffered interests boil down to permitting the government to burden speech it finds offensive.”⁵²

In closing, the Federal Circuit acknowledged that “invalidating [section 2(a)] may lead to the wider registration of marks that offend vulnerable communities,” but explained that many other First Amendment decisions also protected hurtful speech and that the First Amendment affords such protections so as not to “stifle public debate.”⁵³

In response to the Federal Circuit’s significant decision in this case, which would have far-reaching effects on trademark examination procedure if implemented, the USPTO has temporarily suspended all action on pending applications involving marks subject to potential refusal based on disparagement grounds under section 2(a).⁵⁴ In addition, on April 20, 2016 the USPTO filed a petition for writ of certiorari to the U.S. Supreme Court, requesting that the Court review and reverse the Federal Circuit’s decision that section 2(a) is unconstitutional.⁵⁵ At the time of publication, the Supreme Court

51. *Id.* (citing *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm’n of New York*, 447 U.S. 557, 566 (1980)).

52. *Id.* at 1357.

53. *Id.* at 1357–58 (noting that even speech “inflict[ing] great pain” is protected).

54. EXAMINATION GUIDE 01-16, USPTO (Mar. 10, 2016), https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&cad=rja&uact=8&ved=0ahUKEwiOw-PJ1IbMAhXJND4KHVhaCfEQFggjMAE&url=http%3A%2F%2Fwww.uspto.gov%2Fsites%2Fdefault%2Ffiles%2Fdocuments%2FExamGuide01-16.docx&usq=AFQjCNGTqK9PI-81rGSbQxB_C4LYwMaiyg&sig2=k47urBBiHL2CroRd3vVrag.

55. *Tam III*, 808 F.3d 1321 (Fed. Cir. 2015), *petition for cert. filed sub nom. Lee v. Tam*, No. 15-1293 (U.S. Apr. 20, 2016). Counsel for Pro-Football, Inc., the owner of the REDSKINS trademark registrations for the Redskins NFL team followed suit on April 25, 2016, filing a petition for writ of certiorari to the U.S. Supreme Court of *Pro-Football, Inc. v. Blackhorse*, 112 F. Supp. 3d 439, *petition for cert. filed*, No. 15-1311 (U.S. Apr. 26, 2016). Following the TTAB’s 2014 decision to cancel the REDSKINS trademark registrations as disparaging under section 2(a) of the Lanham Act, in 2015, the U.S. District Court for the Eastern District of Virginia affirmed the TTAB decision on the same grounds and Pro-Football appealed to the U.S. Court of Appeals for the Fourth Circuit. *Pro-Football, Inc. v. Blackhorse*, 112 F. Supp. 3d 439 (E.D. Va. 2015), *appeal filed*, No. 15-1874 (4th Cir. Aug. 6, 2015). Although the Fourth Circuit appeal is ongoing, Pro-Football filed the petition for writ of certiorari to the Supreme Court, arguing that the Supreme Court should grant certiorari because the *Pro-Football* case involves complementary issues to *In re Tam*. *Pro-Football, Inc.*, 112 F. Supp. 3d 439, *petition for cert. filed*, No. 15-1311 (U.S. Apr. 26, 2016).

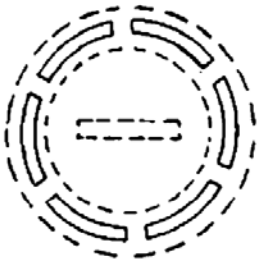
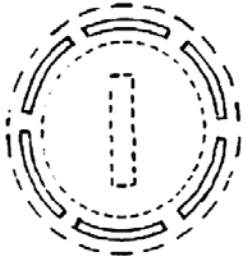
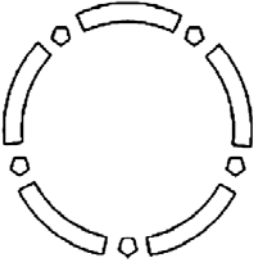
was still considering the USPTO's petition and had not granted or denied certiorari.

B. Use in Commerce

1. Southco, Inc. v. Fivetech Technology Inc.

In *Southco, Inc. v. Fivetech Technology, Inc.*,⁵⁶ Southco sued Fivetech in the Eastern District of Pennsylvania for infringing its patents and trademarks for captive screws, a type of fastener used to attach two parts to one another.⁵⁷ Southco owned two trademark registrations for designs used on the knob of their captive screws,⁵⁸ and Southco claimed that Fivetech's captive screw knob design was similar to Southco's design marks.⁵⁹ Both companies' designs are shown in Figure 1 below. Fivetech moved for summary judgment, arguing that it had not infringed Southco's knob design marks because it had not used Southco's marks in commerce.⁶⁰

*Figure 1. Marks at Issue in Southco, Inc. v. Fivetech Technology Inc.*⁶¹

| Southco's Marks | | Fivetech's Mark |
|---|---|--|
|  |  |  |
| '153 Trademark | '685 Trademark | Fivetech's Mark |

56. 611 F. App'x 681 (Fed. Cir. 2015).

57. *Id.* at 682.

58. *Id.* at 691.

59. *Id.*

60. *Id.* at 692; see 15 U.S.C. § 1114(1)(a) (2012) (providing that that the Lanham Act applies to the "use in commerce" of "any . . . registered mark . . . with which such use is likely to cause confusion, or to cause mistake, or to deceive").

61. *Southco*, 611 F. App'x at 691.

In opposition to the motion for summary judgment, Southco argued that Fivotech had in fact used its mark in commerce in connection with the captive screw product by: (1) depicting the Fivotech screw in a catalog on Fivotech's website; (2) filing a trademark application for Fivotech's design of a screw knob, in which Fivotech stated the mark was "first used in commerce at least as early as 03/10/2010, and is now in use in such commerce;" and (3) identifying the Fivotech screw products in a quotation list submitted to a customer in the United States.⁶²

The district court granted Fivotech's motion for summary judgment and the Federal Circuit affirmed, holding that none of the evidence presented by Southco proved that Fivotech used its mark in commerce.⁶³ In particular, the Federal Circuit found that (1) the catalog alone was not sufficient evidence to prove use in commerce; (2) the trademark application was not a use in commerce without evidence that Fivotech shipped its screws to the United States; and (3) the quotation list was not sufficient to show that Fivotech's screws were ever shipped into the United States.⁶⁴

2. *Couture v. Playdom, Inc.*

In *Couture v. Playdom, Inc.*,⁶⁵ the Federal Circuit affirmed the TTAB's decision to cancel a service mark on the ground that the underlying application was void ab initio.⁶⁶ On May 30, 2008, the appellant, David Couture, filed a use-based application for the service mark PLAYDOM covering various entertainment, education, and script writing services.⁶⁷ In his application, the appellant claimed use of his PLAYDOM mark in connection with all of the identified services since the application filing date.⁶⁸ In support of his use-based application, the appellant submitted a single screenshot of a webpage (shown below), which was created on the filing date of his application and included the following text: "[w]elcome to PlaydomInc.com.

62. *Id.* at 692.

63. *Id.*

64. *Id.* at 692–93.

65. 778 F.3d 1379 (Fed. Cir.), *cert. denied*, 136 S. Ct. 88 (2015). The authors and Kelly IP LLP represented Playdom in the TTAB decision and in the appeal to the Federal Circuit.

66. *Id.* at 1382 (explaining that a person or entity must render services under a mark before seeking recognition from the Trademark Trial and Appeal Board (TTAB)).

67. *Id.* at 1380.

68. *Id.*

We are proud to offer writing and production services for motion picture film, television, and new media. Please feel free to contact us if you are interested: playdominc@gmail.com,” and “[w]ebsite [u]nder [c]onstruction.”⁶⁹ The mark was registered in 2009.

Figure 2. *Mark at Issue in Couture v. Playdom, Inc.*⁷⁰



The appellee, Playdom, Incorporated, filed a petition to cancel the registration of appellant’s PLAYDOM mark, arguing it was void ab initio because appellant had not rendered any services under the mark in commerce as of the filing date of his use-based application.⁷¹ In particular, appellee argued that services must have been actually rendered by the filing date of a use-based application to constitute the technical use of a service mark required under the Lanham Act to support a use-based service mark application.⁷² Further, appellee argued that advertising and promotional activities undertaken before

69. *Id.*

70. Petitioner’s Reply Trial Brief at 7, *Playdom, Inc. v. Couture*, 2013 WL 8213084 (T.T.A.B. Nov. 20 2013) (No. 92051115).

71. *Id.*

72. Brief & Supplemental Appendix of Appellee at 19–23, *Couture v. Playdom, Inc.*, No. 2014-1480 (Fed. Cir. Oct. 24, 2014); *see also* Lanham Act, 15 U.S.C. § 1051(a) (2012) (stating that an applicant of a use-based trademark application must use the mark in commerce or in connection with all the goods and services listed in the application as of the application filing date).

the actual rendering of the recited services do not constitute the rendering of services and “use in commerce” under the Lanham Act.⁷³

In response, the appellant argued that his website, business cards, and email addresses constituted offering of services, which he argued should be sufficient to support registration as of the filing date of his application.⁷⁴ He also maintained that using the PLAYDOM mark on the Internet constituted use in commerce.⁷⁵

The Board granted the cancellation, holding that the Lanham Act requires an applicant to demonstrate technical use of a mark by rendering services under the mark before filing his use-based application.⁷⁶ The TTAB also found that merely posting a website page and advertising readiness, willingness, and ability to render services was not sufficient to qualify as rendering services as of the filing date.⁷⁷

On appeal, the Federal Circuit affirmed the Board, holding that an applicant only uses a mark in commerce by both (1) using or displaying the mark to sell or advertise services and (2) actually rendering services under the mark, before filing the use-based application.⁷⁸ In this case, the court determined that there was no evidence that the appellant actually rendered services to any customer before 2010, and thus the cancellation was appropriate.⁷⁹ The court found that merely offering services, without the actual provision of the services, is insufficient to constitute use in commerce under the Lanham Act.⁸⁰ The court had not previously “directly address[ed] whether the offering of a service, without the actual provision of a service, is sufficient to constitute use in commerce under Lanham Act § 45.”⁸¹

73. Brief of Appellee, *supra* note 72, at 20; *see also* 15 U.S.C. § 1127 (defining “use in commerce” as the “bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark”).

74. Corrected Appellant’s Opening Brief with Appendix, at 4–6 n.2, *Couture v. Playdom, Inc.*, No. 14-1480 (Fed. Cir. Oct. 24, 2014).

75. *Id.* at 6, 9.

76. *Couture v. Playdom, Inc.*, 778 F.3d 1379, 1380 (Fed. Cir. 2015).

77. *Id.* at 1381–82.

78. *Id.*

79. *Id.* at 1382.

80. *Id.*

81. *Id.* at 1381.

C. *Bona Fide Intent to Use*

I. *M.Z. Berger & Co. v. Swatch AG*

In *M.Z. Berger & Co. v. Swatch AG*,⁸² the Federal Circuit focused on the legal and evidentiary standards necessary to prove that an applicant had a bona fide intent to use a mark in commerce in affirming the TTAB's decision to refuse registration for the applicant's IWATCH mark.⁸³

Swatch filed a Notice of Opposition to oppose the registration of M.Z. Berger's intent-to-use application for the IWATCH mark for watches, clocks, and various other related goods.⁸⁴ Swatch argued that M.Z. Berger lacked a bona fide intent to use the IWATCH mark, and the Board agreed, sustaining Swatch's opposition.⁸⁵

On appeal, the Federal Circuit considered for the first time "whether [the] lack of a bona fide intent is [the] proper statutory grounds on which to challenge a trademark application."⁸⁶ The court agreed with the TTAB, finding that "[a]n opposer is 'entitled to rely on any statutory ground which negates appellant's right to the subject registration,'" and because a bona fide intent to use a mark in commerce is a statutory requirement for an intent-to-use application, an opposer may use the lack of a bona fide intent to challenge the registration of a trademark application.⁸⁷

Turning to whether M.Z. Berger had a bona fide intent to use the IWATCH mark at the time it filed its application, the court held that M.Z. Berger merely had to show that its "intent to use the mark was firm and not merely [an] intent to reserve a right in the mark," and that the TTAB can view all of the evidence presented as a whole when determining whether the applicant met that standard.⁸⁸ During its proceeding, the TTAB considered evidence from M.Z. Berger employees—which the TTAB concluded "failed to tell a consistent story about the company's intent at the time the application was filed"—and evidence that M.Z. Berger did not take any steps to commercialize the IWATCH product, such as creating mockups of the

82. 787 F.3d 1368 (Fed. Cir. 2015).

83. *Id.* at 1378–79.

84. *Id.* at 1370–71.

85. *Id.* at 1371, 1373.

86. *Id.* at 1375.

87. *Id.*

88. *Id.* at 1376.

watches and clocks to be used with the IWATCH mark.⁸⁹ Based on the evidence presented, the TTAB held that M.Z. Berger did not have a bona fide intent to use the mark at the time of the application.⁹⁰

On appeal, Berger argued that it satisfied the low standard for intent and that the Board improperly discounted the evidence it presented.⁹¹ However, the Federal Circuit affirmed the TTAB's decision, noting that the TTAB properly considered all of the evidence presented—evidence that both supported and undermined M.Z. Berger's argument—and that substantial evidence supported the Board's conclusion that M.Z. Berger lacked the requisite bona fide intent to use the mark in commerce.⁹²

D. Likelihood of Confusion

1. Juice Generation, Inc. v. GS Enterprises LLC

In *Juice Generation, Inc. v. GS Enterprises LLC*,⁹³ the opposer GS Enterprises ("GS") owned four registrations that each featured the phrase PEACE & LOVE—including the two design marks shown in Figure 3 below—and were used in connection with restaurant services.⁹⁴

Figure 3. *GS Enterprises' Marks in Issue in Juice Generation, Inc. v. GS Enterprises LLC*⁹⁵



GS opposed Juice Generation's application to register a design mark (shown in Figure 4 below), which consisted of the words PEACE LOVE AND JUICE, for juice bar services.⁹⁶

89. *Id.* at 1371–72.

90. *Id.* at 1377.

91. *Id.* at 1376.

92. *Id.* at 1377–79.

93. 794 F.3d 1334 (Fed. Cir. 2015).

94. *Id.* at 1336.

95. *Id.*

Figure 4. *Juice Generation's Mark in Issue in Juice Generation, Inc. v. GS Enterprises LLC*⁹⁷



GS successfully argued to the TTAB that Juice Generation's applied-for logo was likely to cause confusion with GS's PEACE & LOVE marks for related services.⁹⁸ In assessing the similarity of the parties' marks, the TTAB identified the words "PEACE LOVE" in Juice Generation's logo as the dominant portion of the mark, found that the word "JUICE" was generic and had been disclaimed, and concluded that there was a likelihood of confusion between the marks.⁹⁹

However, the Federal Circuit vacated the Board's decision and remanded for an opinion consistent with the court's findings.¹⁰⁰ In particular, the Federal Circuit found that the TTAB did not give adequate consideration to evidence of third-party use of PEACE AND LOVE and did not properly consider Juice Generation's PEACE LOVE AND JUICE logo as a whole.¹⁰¹ The Federal Circuit noted that Juice Generation submitted evidence of a number of registered and unregistered third-party marks containing the words "peace" and "love" followed by a third word identifying the product.¹⁰² The TTAB discounted this evidence because Juice Generation had not provided evidence of these third-party marks' use in sales or promotional efforts, or the marks' impact on the purchasing public.¹⁰³ However,

96. *Id.* (noting that Juice Generation's application disclaimed the word "JUICE").

97. *Id.*

98. *Id.* at 1336–37.

99. *Id.* at 1337.

100. *Id.* at 1341–42.

101. *Id.* at 1338.

102. *Id.* at 1339.

103. *Id.*

the Federal Circuit found that the TTAB overlooked that the evidence of third-party marks presented by Juice Generation could also be relevant to show that “some segment of the composite marks which both contesting parties use has a normally understood and well-recognized descriptive or suggestive meaning, leading to the conclusion that that segment is relatively weak.”¹⁰⁴ Therefore, the court reversed and remanded for the TTAB to consider evidence about the third-party marks, the strength of GS’s mark, and the likelihood of confusion that would result if Juice Generation’s mark registered would generate confusion.¹⁰⁵ The Federal Circuit also found the TTAB’s analysis of Juice Generation’s mark was “inadequate.”¹⁰⁶ Specifically, the court noted that while the TTAB did not err by giving less emphasis to the word “JUICE,” “it must still view the mark as a whole.”¹⁰⁷

2. Jack Wolfskin Ausrüstung für Draussen GmbH v. New Millennium Sports

In *Jack Wolfskin Ausrüstung für Draussen GmbH v. New Millennium Sports*,¹⁰⁸ Jack Wolfskin applied to register a design mark of an angled paw print (shown in Figure 5 below) for its clothing, footwear, and accessory products.¹⁰⁹

Figure 5. *Jack Wolfskin’s Mark in Issue in New Millennium Sports*¹¹⁰



104. *Id.* (quoting 2 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 11:90 (4th ed. 2015) (quoting *Standard Brands, Inc. v. RJR Foods, Inc.*, 192 U.S.P.O. 383 (T.T.A.B. 1976))).

105. *Id.* at 1340.

106. *Id.* at 1341.

107. *Id.*; see also *In re Nat’l Data Corp.*, 753 F.2d 1056, 1058 (Fed. Cir. 1985) (explaining that as long as the TTAB’s conclusion rests on consideration of the entire mark, it is not improper, for rational reasons, to state that more or less weight has been afforded to a particular feature of a mark).



108. 797 F.3d 1363 (Fed. Cir. 2015).

109. *Id.* at 1366.

110. *Id.*

New Millennium opposed the registration, citing its own registered mark for the word **KELME** next to a paw print (shown in Figure 6 below) for clothing products.¹¹¹ Jack Wolfskin filed a counterclaim for cancellation alleging that New Millennium abandoned its mark because it stopped using the registered version and began using a modified or modernized version (also shown in Figure 6).¹¹²

Figure 6. *New Millennium's Marks in Issue in New Millennium Sports*¹¹³

| New Millennium's Registered Mark | New Millennium's Modified Mark |
|---|--|
|  |  |

The TTAB rejected Jack Wolfskin's counterclaim, finding that New Millennium had continuously used its mark, or a version that was not a "material alteration," and it sustained New Millennium's opposition against Jack Wolfskin's mark on the ground of likelihood of confusion.¹¹⁴

On appeal, the Federal Circuit disagreed with the Board's finding of a likelihood of confusion between the marks and reversed the Board's decision refusing the registration to Jack Wolfskin.¹¹⁵ The court found that the Board failed to properly compare New Millennium's mark *as a whole* to Jack Wolfskin's mark.¹¹⁶ In particular, the TTAB essentially disregarded the dominant word portion of New Millennium's mark, even though none of the evidence conclusively established that the paw print alone was used for source identification.¹¹⁷ The court reasoned that when a mark consists of both words and a design, the word portion of the mark is the one most likely to indicate the origin of the goods.¹¹⁸ The TTAB also failed to recognize the relatively narrow scope of protection

111. *Id.*

112. *Id.*

113. *Id.* at 1369–70.

114. *Id.* at 1367.

115. *Id.* at 1374.

116. *Id.* at 1366.

117. *Id.* at 1372.

118. *Id.* at 1371.

afforded to marks involving paw prints, given the extensive evidence of paw prints in third party registrations and usage for clothing.¹¹⁹

However, the court agreed with the Board that New Millennium did not abandon its mark by using a slightly modified version; the court noted that this was an established practice called “tacking,” which preserves the rights in mark.¹²⁰ The court explained that the TTAB must consider whether the markholder had so “substantially altered” the mark that it created a different commercial impression.¹²¹ To avoid abandoning its registration, the trademark owner can only make modifications such that the modified version maintains the “same, continuous commercial impression.”¹²² In the present case, New Millennium only altered the font of the “KELME” element of its mark and the style of the paw print, which the TTAB found to be “minor stylistic alterations.”¹²³ The court agreed, finding minor adjustments to the font not sufficient to warrant a finding that consumers would view these as different marks.¹²⁴

E. Trade Dress

1. Apple Inc. v. Samsung Electronics Co.

Samsung appealed from a final judgment in the U.S. District Court for the Northern District of California after a long-running dispute, where the jury initially awarded Apple nearly \$640 million in damages.¹²⁵ On a partial retrial, another jury reduced Apple’s award to \$290 million based on findings that Samsung infringed Apple’s trade dress, design patents, and utility patents.¹²⁶ In addition, the jury in the district court case found that Samsung’s products were likely to dilute the trade dress of Apple’s iPhone.¹²⁷

Apple claimed that elements of its iPhone 3G and 3GS products were protected by common law trade dress of “a rectangular product with four evenly rounded corners; a flat, clear surface covering the

119. *Id.* at 1373–74.

120. *Id.* at 1367, 1370.

121. *Id.* at 1369.

122. *Id.*

123. *Id.* at 1370.

124. *Id.* (noting that the “KELME” portion still “appear[ed] in all capital, block style letter[s]” and the mark still consisted of the literal paw print design).

125. *Apple Inc. v. Samsung Elec. Co.*, 786 F.3d 983, 990 (Fed. Cir. 2015), *cert. granted*, No. 15-777, 2016 WL 1078934 (U.S. Mar. 21, 2016).

126. *Id.*

127. *Id.*

front of the product; a display screen under the clear surface,¹²⁸ and that certain elements on the home screen were protected by a federally registered trademark.¹²⁹ On appeal, Samsung argued that Apple's trade dress was functional and therefore not protectable trademark law.¹³⁰

The Federal Circuit applied Ninth Circuit law,¹³¹ which had a "high bar for non-functionality."¹³² The court found that Apple failed to present substantial evidence of non-functionality of the unregistered trade dress¹³³ because: (1) the design serves a utilitarian advantage because the rounded corners improve "pocketability" and "durability"¹³⁴; (2) there were no alternative designs that showed the exact same features as the asserted trade dress¹³⁵; (3) Apple's advertising hinted at utilitarian advantages of the trade dress features, which was enough to weigh in favor of functionality¹³⁶; and (4) Apple provided no evidence to show that the design elements that were the subject of its trade dress were not relatively simple or inexpensive to manufacture.¹³⁷

Regarding Apple's registered trade dress, the Federal Circuit thought it was "clear" that individual elements claimed in the registration were functional.¹³⁸ Despite Apple's argument that Samsung was improperly disaggregating individual elements of the trade dress, the court found that Apple "offer[ed] no analysis of the icon designs" claimed by the trade dress registration¹³⁹ and that there was not substantial evidence in the record to support the jury's finding.¹⁴⁰ As a

128. *Id.* at 992.

129. *Id.* at 995.

130. Opening Brief for Defendants-Appellants at 14, 16, *Apple Inc. v. Samsung Elecs. Co.*, 786 F.3d 983 (Fed. Cir. 2015) (Nos. 2014-1335, -1368), 2014 WL 2586819, at *14, *16; *see Apple Inc.*, 786 F.3d at 991 (explaining that a "functional" feature has some use or purpose or positively affects the product's cost or quality).

131. *Apple Inc.*, 786 F.3d at 991 (citing *Secalt S.A. v. Wuxi Shenxi Const. Mach. Co.*, 668 F.3d 677, 687 (9th Cir. 2012); *Talking Rain Beverage Co. v. S. Beach Beverage Co.*, 349 F.3d 601, 602 (9th Cir. 2003); *Tie Tech, Inc. v. Kinedyne Corp.*, 296 F.3d 778, 782-83 (9th Cir. 2002); *Leatherman Tool Grp., Inc. v. Cooper Indus.*, 199 F.3d 1009, 1013 (9th Cir. 1999)).

132. *Id.* at 992.

133. *See id.* at 992 (citing 15 U.S.C. § 1125(c)(4)(A)) (explaining that the party asserting that the trade dress is not functional carries the burden of proof).

134. *Id.* at 992-93.

135. *Id.* at 993.

136. *Id.* at 993-94.

137. *Id.* at 994.

138. *Id.* at 995.

139. *Id.* at 995-96.

140. *Id.* at 996.

result, the Federal Circuit reversed the jury's verdict that Apple's unregistered and registered trade dress rights were protectable.¹⁴¹

F. Primarily Geographically Descriptive

1. In re The Newbridge Cutlery Co.

In *In re The Newbridge Cutlery Co.*,¹⁴² the Federal Circuit, in a thorough decision discussing the legislative history of the treatment of geographical names under federal trademark law, reversed the USPTO's refusal to register the mark NEWBRIDGE HOME, finding that the mark was not primarily geographically descriptive.¹⁴³

The Newbridge Cutlery Company, an Irish company based in Newbridge, Ireland, sought U.S. trademark registration of its mark NEWBRIDGE HOME for silverware, jewelry, desk items, and kitchenware.¹⁴⁴ The Examining Attorney refused registration, finding that NEWBRIDGE HOME was primarily geographically descriptive of Newbridge, Ireland because Newbridge is a generally known geographic place and the goods originated in Newbridge.¹⁴⁵ In addition, the Examiner found that the word "home" in the mark did not affect the geographic significance of the term Newbridge.¹⁴⁶

On appeal, the TTAB affirmed the Examining Attorney's refusal, holding that Newbridge, Ireland is generally known to the public based on evidence that it is "the second largest town in County Kildare and the seventeenth largest in the Republic of Ireland; [that] it is listed in the *Columbia Gazetteer of the World*; and [that] it appears on a number of websites . . . and tourism websites that advertise the location as a 'large commercial town.'"¹⁴⁷

In its reversal, the Federal Circuit found that there was not substantial evidence in the record to support a finding that Newbridge, Ireland is a place generally known to the relevant American public.¹⁴⁸ The court explained that a mark is geographically descriptive if "(1) 'the mark sought to be registered is the name of a place known generally to the public;' . . . (2) the public would make a

141. *Id.* at 996.

142. 776 F.3d 854 (Fed. Cir. 2015).

143. *Id.* at 856, 859.

144. *Id.* at 856–57.

145. *Id.* at 857, 861–62.

146. *Id.* at 861–62.

147. *Id.* at 862.

148. *Id.* at 863.

goods/place association, i.e., believe that the goods for which the mark is sought to be registered originate in that place;¹⁴⁹ and (3) “the source of the goods is the geographic region named in the mark.”¹⁵⁰

Starting with the first part of the test, the court looked to the evidence relied on by the Examining Attorney and the Board to refuse registration.¹⁵¹ The court pointed out that the size of the town “reveals nothing about what the relevant American purchaser might perceive the word ‘Newbridge’ to mean.”¹⁵² The court discounted evidence of Internet websites showing Newbridge, Ireland, noting that websites alone do not paint the whole picture of consumers’ understanding of a particular location, and cautioned the USPTO from relying on such evidence exclusively when determining whether a location is “generally known.”¹⁵³ After examining the entirety of the evidence presented by the Examining Attorney, the court found that Newbridge, Ireland, is not generally known to the relevant American public and therefore “the mark ‘NEWBRIDGE’ is not *primarily* geographically descriptive of the goods.”¹⁵⁴

G. *Descriptiveness*

1. *In re TriVita, Inc.*

In *In re TriVita, Inc.*,¹⁵⁵ the Federal Circuit affirmed the TTAB’s refusal to register the applicant’s NOPALEA mark for dietary and nutritional supplements containing nopal juice, finding the mark was “merely descriptive” of the applicant’s goods.¹⁵⁶ In affirming the Examining Attorney’s rejection of TriVita’s application as merely descriptive, the Board found that nopalea is the name of a genus of cactus that is used in food and supplements.¹⁵⁷ In addition, the Board found that nopal and nopalea are used interchangeably to describe this type of cactus.¹⁵⁸

The Board’s finding that NOPALEA was merely descriptive is a factual finding that is reviewed for support by substantial evidence on

149. *Id.* at 860 (citations omitted).

150. *Id.* at 861 (citations omitted).

151. *Id.* at 861–62.

152. *Id.* at 862.

153. *Id.* at 863.

154. *Id.* at 864.

155. 783 F.3d 872 (Fed. Cir. 2015).

156. *Id.* at 876.

157. *Id.* at 873–74.

158. *Id.*

appeal.¹⁵⁹ The Federal Circuit rejected each of TriVita's arguments on appeal. First, TriVita argued that the Board should have compared "nopalea" to "nopal" because the addition of the "ea" at the end of "nopalea" makes the mark substantially different in sight and sound from "nopal."¹⁶⁰ However, the Federal Circuit found that these terms are not substantially different because "nopalea" is the name of a genus which contained the "nopal" cactus.¹⁶¹ Second, TriVita argued that the average consumer is not sophisticated enough to distinguish between the botanical meaning of nopalea and nopal, but the court rejected this argument based on "abundant evidence, scientific and non-scientific, of the words 'nopalea' and 'nopal' being used interchangeably."¹⁶² Finally, the court rejected TriVita's argument that the TTAB's application of *American Aloe Corp. v. Aloe Crème Laboratories, Inc.*,¹⁶³ was misplaced, noting that the TTAB appropriately applied the principle from that case, namely that a trademark applicant cannot appropriate a "generic name of the distinguishing and effective ingredient in its product."¹⁶⁴ The Federal Circuit found that substantial evidence supported the Board's findings and affirmed the Board's decision that NOPALEA is not registrable for TriVita's nutritional products.¹⁶⁵

H. Genericness

1. Princeton Vanguard, LLC v. Frito-Lay North America, Inc.

In *Princeton Vanguard, LLC v. Frito-Lay North America, Inc.*,¹⁶⁶ Frito-Lay filed a Notice of Opposition against Princeton Vanguard's application on the Principal Register for PRETZEL CRISPS for "pretzel crackers," arguing that PRETZEL CRISPS is generic for pretzel crackers and, in the alternative, is highly descriptive of a type of cracker product.¹⁶⁷ Frito-Lay also filed a Petition to Cancel

159. *Id.* at 874.

160. *Id.* at 875.

161. *Id.*

162. *Id.*

163. 420 F.2d 1248, 1251 (7th Cir. 1970) (holding that Aloe Crème could not appropriate the generic and descriptive term "Aloe" for its products that contain aloe as the distinguishing ingredient and, thus, could not acquire trademark rights in its ALOE CRÈME mark without a showing of secondary meaning).

164. *In re TriVita, Inc.*, 783 F.3d at 875–76.

165. *Id.* at 876.

166. 786 F.3d 960 (Fed. Cir. 2015).

167. *Id.* at 962–63.

Princeton Vanguard's registration for PRETZEL CRISPS on the Supplemental Register, and the two proceedings were later consolidated.¹⁶⁸ Both parties moved for summary judgment.¹⁶⁹ The Board denied both motions, and the case proceeded to trial.¹⁷⁰

After reviewing all of the evidence, the Board sustained Frito-Lay's opposition and granted its Petition for Cancellation, finding that "pretzel" was generic when used in connection with pretzel snacks.¹⁷¹ The TTAB noted that it gave "controlling weight" to dictionary definitions of "PRETZEL" and "CRISPS," evidence of use by the public, and evidence of Princeton Vanguard's use of the mark to reach its decision.¹⁷² Because it found PRETZEL CRISPS to be generic, the Board never reached the question of whether PRETZEL CRISPS had acquired distinctiveness.¹⁷³

Princeton Vanguard appealed, arguing that the Board erred in its genericness analysis by analyzing PRETZEL CRISPS as a compound term comprised of two different words instead of a unitary phrase.¹⁷⁴ The Federal Circuit agreed with Princeton Vanguard and vacated and remanded the case with instructions for the TTAB to apply the correct standard.¹⁷⁵

The Federal Circuit found that the TTAB applied the incorrect legal standard for assessing genericness and reiterated the test for genericness¹⁷⁶ that it established in *H. Marvin Ginn Corp. v. International Ass'n of Fire Chiefs, Inc.*¹⁷⁷ Specifically, to determine a mark's genericness, the TTAB must engage in a two-step inquiry: "First, what is the genus of goods or services at issue? Second, is the term sought to be registered or retained on the register understood by the relevant public primarily to refer to that genus of goods or services?"¹⁷⁸

168. *Id.* at 963.

169. *Id.*

170. *Id.*

171. *Id.*

172. *Id.* at 964.

173. *Id.*

174. *Princeton Vanguard, LLC v. Frito-Lay North America, Inc.*, 786 F.3d 960, 964 (Fed. Cir. 2015).

175. *Id.* at 964, 966, 971.

176. *Id.* at 966.

177. 782 F.2d 987, 989–90 (Fed. Cir. 1986) (determining that the "common descriptive name" of goods or services is its generic term, which cannot be registered as a trademark).

178. *Princeton Vanguard*, 786 F.3d at 965 (quoting *Marvin Ginn*, 782 F.2d at 990).

In applying the second prong, the Federal Circuit held that the TTAB incorrectly adjusted its genericness analysis based on whether the mark was a compound term or a phrase.¹⁷⁹ According to the Board, compound terms must be analyzed under the *Gould* standard that looks at “evidence of the meaning of the constituent words.”¹⁸⁰ However, for marks that are phrases, the Board found that it “must conduct an inquiry into the meaning of the disputed phrase as a whole”¹⁸¹ under the standard established in *In re American Fertility Society*.¹⁸² However, the Federal Circuit dismissed the TTAB’s analysis, holding that “the test for genericness is the same, regardless of whether the mark is a compound term or a phrase.”¹⁸³ The court explained that the TTAB must analyze the mark as a whole to determine whether the public understands the mark to be generic, including consideration of record evidence of the public’s understanding of the mark.¹⁸⁴

The Federal Circuit reviewed the record and found it replete with evidence of the public’s understanding of the mark, including survey evidence and evidence of use of PRETZEL CRISPS in the marketplace.¹⁸⁵ In its instructions for remand, the court reminded the Board that it must carefully consider the surveys of record and explain its decision for disregarding them.¹⁸⁶ On September 24, 2015, the proceedings resumed at the TTAB and the TTAB requested re-briefing on the evidence that the Federal Circuit focused on in its decision.¹⁸⁷

VIII. PROCEDURAL TRADEMARK ISSUES

A. Beling v. Ennis, Inc.

179. *Id.* at 966.

180. *Id.* at 965–66 (citing *In re Gould Paper Corp.*, 834 F.2d 1017, 1019 (Fed. Cir. 1987)).

181. *Id.* at 966 (quoting *In re Am. Fertility Soc’y*, 188 F.3d 1341, 1347 (Fed. Cir. 1999) (holding that the TTAB should not only cite dictionary definitions and third-party uses of the constituent terms of the phrase “SOCIETY FOR REPRODUCTIVE MEDICINE,” but must also conduct an inquiry into the public’s understanding of the meaning of the disputed phrase as a whole)).

182. 188 F.3d 1341 (Fed. Cir. 1999).

183. *Princeton Vanguard*, 786 F.3d at 966.

184. *Id.* at 968.

185. *Id.* at 970.

186. *Id.* at 970–71.

187. *Frito-Lay North Am., Inc. v. Princeton Vanguard, LLC*, No. 92053001, at 2 (T.T.A.B. Sept. 24, 2015).

The Federal Circuit's decision in *Beling v. Ennis, Inc.*¹⁸⁸ involved both procedural and substantive determinations. In that case, Ennis, Inc. owned a federal trademark registration for the COLORWORX and design mark (shown in Figure 7 below) for "printing services" and filed an opposition against Joel Beling's intent-to-use application for the word mark COLOR WARS, alleging a likelihood of confusion.¹⁸⁹ Beling filed counterclaims arguing that Ennis's COLORWORX mark was merely descriptive, generic, and fraudulently procured.¹⁹⁰

Figure 7. *Ennis's Mark in Issue in Beling v. Ennis, Inc.*¹⁹¹



The parties each filed motions for summary judgment in the cancellation proceeding.¹⁹² The TTAB granted Ennis's motion, sustaining the opposition against Beling's mark on the ground of likelihood of confusion.¹⁹³ The Board denied Beling's motion and dismissed the counterclaims for cancellation on the grounds of descriptiveness, genericness, and fraud with prejudice, finding that Beling failed to support its counterclaims with probative evidence showing the public's perception of Ennis's mark.¹⁹⁴

In its review of the case, the Federal Circuit focused its analysis on the evidence that Beling produced, including web pages and USPTO records.¹⁹⁵ The court found that Beling had not met its heavy burden of proof for the fraud claim because it produced no evidence to show that Ennis actually knew third-party COLORWORX and

188. 613 F. App'x 924 (Fed. Cir.) (per curiam), *cert. denied*, 136 S. Ct. 406 (2015).

189. *Id.* at 924–25.

190. *Id.* at 925.

191. *Id.*

192. *Id.*

193. *Id.*

194. *Id.*

195. *Id.* at 926.

COLORWORKS marks existed at the time of the application.¹⁹⁶ On the genericness claim, the Federal Circuit found that Beling submitted no evidence showing that the relevant public would understand Ennis's mark to be generic or merely descriptive.¹⁹⁷

B. In re Louisiana Fish Fry Products, Ltd.

In *In re Louisiana Fish Fry Products, Ltd.*,¹⁹⁸ the Federal Circuit affirmed the TTAB's refusal to register the applicant's mark LOUISIANA FISH FRY PRODUCTS BRING THE TASTE OF LOUISIANA HOME! (shown in Figure 8 below) absent a disclaimer of LOUISIANA FISH FRY PRODUCTS, finding that the applicant failed to establish that its mark had acquired distinctiveness.¹⁹⁹

*Figure 8. Mark in Issue in In re Louisiana Fish Fry Products, Ltd.*²⁰⁰



The Examining Attorney refused to register the mark without a disclaimer of FISH FRY PRODUCTS because the term is generic and, therefore, not independently registrable.²⁰¹ Specifically, the Examining Attorney asserted that FISH FRY PRODUCTS is generic and, in the alternative, that the term was at least “highly descriptive,” but that the applicant failed to show the mark had acquired distinctiveness because the sales figures and advertising evidence submitted only related to the term LOUISIANA FISH FRY PRODUCTS and not specifically to FISH FRY PRODUCTS.²⁰²

196. *Id.* at 925–26.

197. *Id.* at 927.

198. 797 F.3d 1332 (Fed. Cir. 2015).

199. *Id.* at 1337.

200. *Id.* at 1334.

201. *Id.* at 1334, 1337.

202. *Id.* at 1334.

The TTAB affirmed the Examining Attorney's refusal, finding that FISH FRY PRODUCTS is generic because the relevant public understands FISH FRY PRODUCTS to "identify a type of sauce, marinade or spice used for fish fries" and "fish fry" and "products" to keep their "generic significance" even when combined.²⁰³ The Board also held that Louisiana Fish Fry failed to prove that the term acquired distinctiveness.²⁰⁴

The Federal Circuit affirmed on appeal, finding that Louisiana Fish Fry did not establish that FISH FRY PRODUCTS had acquired distinctiveness.²⁰⁵ As evidence, Louisiana Fish Fry provided two declarations from its president, one of which said that FISH FRY PRODUCTS became distinctive through Louisiana Fish Fry's "substantially exclusive and continuous use" of the mark for at least the last five years.²⁰⁶ The court said that section 2(f) permits, but does not require, the PTO to accept five years of such use as prima facie evidence of acquired distinctiveness.²⁰⁷ Therefore, the TTAB acted within its discretion when it did not accept Louisiana Fish Fry's alleged five years of use as prima facie evidence, "especially for a mark that is as highly descriptive [as] 'FISH FRY PRODUCTS.'"²⁰⁸ Moreover, under 15 U.S.C. § 1056(a), the PTO can condition the registration of a mark on the applicant's disclaimer of an "unregistrable component of a mark."²⁰⁹ The court explained that it did not need to reach the TTAB's genericness determination,²¹⁰ as the applicant did not disclaim the highly descriptive term "FISH FRY PRODUCTS" and did not demonstrate that term had acquired distinctiveness.²¹¹ Louisiana Fish Fry also submitted its other registrations that included the term LOUISIANA FISH FRY, but the court said that "the Board correctly determined that none of these marks indicate that FISH FRY PRODUCTS has acquired distinctiveness."²¹²

Judge Pauline Newman, although concurring in the court's judgment, would have affirmed the refusal on the ground that

203. *Id.* at 1335.

204. *Id.*

205. *Id.* at 1336–37.

206. *Id.* at 1336.

207. *Id.* at 1336–37 (citing Lanham Act 15 U.S.C. § 1052(f) (2012)).

208. *Id.* at 1337.

209. *Id.* at 1335.

210. *Id.* at 1336.

211. *Id.*

212. *Id.* at 1337.

Louisiana Fish Fry “should disclaim any exclusive right to ‘fish fry products’ because the term is the generic and common descriptive name for these products.”²¹³

C. Staub Design, LLC v. Carnivale

*Staub Design, LLC v. Carnivale*²¹⁴ involved a protracted fight over the mark “THE AFFORDABLE HOUSE.” In 1994, Mr. Carnivale published a book about architectural plans and specifications using the title THE AFFORDABLE HOUSE and obtained a registration for the mark.²¹⁵ In addition, Mr. Carnivale registered the domain name www.affordablehouse.com in 1998.²¹⁶

After discovering Mr. Carnivale’s website, Staub, a residential design company, registered the domain name www.theaffordablehouse.com in 2004.²¹⁷ Mr. Carnivale sent a cease and desist letter to Staub in 2007, and Staub, in turn, petitioned to cancel Mr. Carnivale’s mark, alleging fraud and that the mark was generic.²¹⁸ Shortly after the cancellation proceeding was instituted, Mr. Carnivale filed a civil action against Staub in district court alleging Staub’s use of the www.theaffordablehouse.com domain name violated the Anticybersquatting Consumer Protection Act (ACPA).²¹⁹ The district court eventually found that Staub violated the ACPA and that Mr. Carnivale’s mark was distinctive, not generic.²²⁰

The Board put the cancellation proceeding on hold during the pendency of the civil case.²²¹ At the same time that Mr. Carnivale notified the TTAB of the civil case, he also filed a motion to dismiss.²²² After the district court proceeding concluded, Staub moved to amend its petition for cancellation to remove the fraud claim and add an allegation that Mr. Carnivale’s mark was merely descriptive.²²³ The Board allowed the amendment, but granted Mr.

213. *Id.* at 1337–38 (Newman, J., concurring).

214. 625 F. App’x 993 (Fed. Cir. 2015).

215. *Id.* at 994.

216. *Id.*

217. *Id.*

218. *Id.* at 994–95.

219. *Id.* at 995; *see* Anticybersquatting Consumer Protection Act (ACPA), Pub. L. No. 106-113, 113 Stat. 1501, 1501A-545–52 (2000) (codified at 15 U.S.C. § 1051 et seq. (2012)).

220. *Staub Design*, 625 F. App’x at 995.

221. *Id.*

222. *Id.*

223. *Id.*

Carnivale's motion to dismiss.²²⁴ The TTAB found, under the doctrine of collateral estoppel,²²⁵ that Staub had already litigated and lost the distinctiveness argument in the context of the ACPA claim during the district court proceeding, and was therefore precluded from raising the genericness argument during the cancellation proceeding.²²⁶

Staub appealed the Board's decision to the Federal Circuit.²²⁷ On appeal, the Federal Circuit reviewed the Board's legal conclusions de novo and the factual findings for substantial evidence.²²⁸ The court affirmed the Board's decision that Staub was precluded from re-litigating the issue of distinctiveness "[t]o the extent that Staub's petition [for cancellation] concerned the same issue of whether Mr. Carnivale's mark was distinctive and not generic in 2004."²²⁹ In rejecting Staub's argument that it should not be precluded from raising the distinctiveness issue again because the district court's finding was limited to distinctiveness at the time of Staub's registration of its domain name, the Federal Circuit noted that Staub presented no evidence of changed circumstances that would support its genericness claim.²³⁰

D. Edge Systems LLC v. Aguila

In *Edge Systems LLC v. Aguila*,²³¹ the U.S. District Court for the Southern District of Florida entered a preliminary injunction against Aguila based on infringement of Edge Systems' patent, trademark, and trade dress rights.²³² Aguila, appearing pro se in all hearings, appealed to the Federal Circuit, which affirmed after reviewing the district court's decision for abuse of discretion.²³³

The Magistrate Judge at the district court reviewed evidence from both parties to assess Edge's trademark infringement claim and

224. *Id.*

225. Staub Design, LLC v. Carnivale, No. 92047553, at 9 (T.T.A.B. Nov. 4, 2014) (explaining that under this doctrine, one court's final disposition of an issue prevents the parties from presenting the same issue to another court in a subsequent suit).

226. *Id.* at 10–11; Staub, 625 F. App'x at 995.

227. Staub, 625 F. App'x at 995.

228. *Id.*

229. *Id.*

230. *Id.* at 996.

231. No. 2015-1507, 2015 WL 9267529 (Fed. Cir. Dec. 21, 2015) (per curiam).

232. *Id.* at *1.

233. *Id.* at *1, *7, *8, *10.

Aguila's laches defense.²³⁴ The Magistrate Judge found that Aguila offered no timely or credible evidence to refute Edge's prima facie case of infringement, and the Federal Circuit affirmed, finding there was no abuse of discretion because the Magistrate's "decision to exclude the untimely evidence was consistent with his order and the local evidentiary rules."²³⁵ In addition, the Magistrate found, and the Federal Circuit affirmed, that Aguila failed to properly apply the legal framework of the laches defense to the particular facts and circumstances of his case.²³⁶ Similarly, regarding the trade dress claims, the Federal Circuit affirmed the Magistrate Judge's finding that Aguila had not offered any argument to support his claim that he was the first to use the trade dress in question.²³⁷

CONCLUSION

The Federal Circuit was particularly active in the area of trademark law in 2015. Not only did the Federal Circuit issue a large number of precedential trademark decisions, it also sat en banc in a trademark case for the first time in many years, overturning a decades-old precedent regarding the Lanham Act's implication of First Amendment protections. Trademark practitioners should watch out for more First Amendment-related cases that result from the Federal Circuit's decision in *Tam III*, as it will likely have long-lasting effects on trademark prosecution and litigation.

234. *Id.* at *6–8.

235. *Id.* at *7 (explaining that the evidence was untimely because Aguila submitted it several weeks after the evidentiary hearing).

236. *Id.* at *8.

237. *Id.* at *9–10.