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Finnegan's monthly review of essential decisions, key developments, evolving trends in trademark law, and more.

February 2009 Issue

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by Linda K. McLeod and Stephanie H. Bald

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by Linda K. McLeod and Stephanie H. Bald

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**UNREGISTRABLE:
SUPER ®**

by Robert D. Litowitz

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Civil Cases

G&W Labs., Inc. v. G W Pharma Ltd., Opp'n No. 91169571 (TTAB Jan. 29, 2009)

by Linda K. McLeod and Stephanie H. Bald

ABSTRACT

Applicant asserted counterclaims for fraud against Opposer's registrations covering Classes 5 and 35 based on Opposer's failure to use the marks in connection with the Class 35 services only. Opposer subsequently deleted the Class 35 services from its registrations through its required Section 8 filings. Thereafter, Opposer moved to dismiss the counterclaims against the Class 35 services as moot because those services had been deleted, and to dismiss the counterclaims against Class 5 for failure to state a claim. The TTAB denied Opposer's motion to dismiss the counterclaims against the Class 35 services and granted judgment for Applicant as to those services. The TTAB granted Opposer's motion to dismiss Applicant's counterclaims as to Class 5, however, finding that fraud as to Opposer's Class 35 services did not, in itself, require cancellation of the registrations as to the Class 5 goods.

CASE SUMMARY

FACTS

G W Pharma Limited ("Applicant") filed an application to register the design mark GW PHARMACEUTICALS, shown below, for a variety of pharmaceutical and veterinary preparations in Class 5, as well as various goods and services in Classes 9, 10, 16, 20, 31, 41, 42, and 44.



G&W Laboratories, Inc. ("Opposer") owned trademark registrations for the word mark G&W and the design mark G&W shown below, covering suppositories, tablets, and pharmaceutical preparations in Class 5 and distributorships in the field of suppositories and pharmaceutical preparations in Class 35.



Opposer filed a notice of opposition against Applicant's GW PHARMACEUTICALS mark on the grounds

of priority and likelihood of confusion. In its answer, Applicant counterclaimed for cancellation of both of Opposer's registrations in their entireties on fraud grounds, alleging that Opposer had not used either mark for distributorship services in Class 35. In subsequent filings under Section 8 of the Trademark Act (Declaration of Continued Use), Opposer deleted the Class 35 services from both registrations. Thereafter, Opposer filed a motion to dismiss Applicant's counterclaims against Class 35 as moot, and to dismiss the counterclaims against Class 5 for failure to state a claim.

ANALYSIS

In support of its motion to dismiss, Opposer argued that Applicant's counterclaims were based solely on the contention that Opposer fraudulently obtained its registrations as to Class 35, and not as to the goods in Class 5. While admitting that it had never used its marks in connection with Class 35 services, Opposer argued that its deletion of Class 35 from both registrations rendered Applicant's counterclaims moot. In response, Applicant argued that Opposer's deletion of Class 35 from its registrations could not cure the underlying fraud, and that if fraud was shown as to Opposer's Class 35 services, both registrations were subject to cancellation in their entireties.

The TTAB denied Opposer's motion to dismiss the counterclaims with respect to Class 35, noting that it was well settled that a fraud claim cannot be rendered moot by the deletion of the challenged services through a Section 8 filing. In an apparent retreat from the implications of its earlier *Medinol* line of cases, however, the TTAB rejected Applicant's contention that fraud as to one class of a multiclass registration subjects the entire registration to cancellation. Noting that all of the cases considering fraud since *Medinol* had involved single-class applications or registrations, the TTAB indicated that it had not had occasion to consider whether fraud in less than all classes of a multiclass registration would subject the entire registration to cancellation for fraud. The TTAB pointed out that while the U.S. registration system permits multiclass applications, such an applicant should be considered as being in the same position as if it had filed multiple single-class applications. Accordingly, the TTAB reasoned, each class of a multiclass registration must be considered separately for fraud purposes and a finding of fraud as to one class should not, in itself, require cancellation of all classes in that registration. In a footnote, the TTAB recognized that holding otherwise would provide an incentive against filing multiclass applications, and that no justification existed for treating applications or registrations differently based solely on whether the applicant sought single-class or multiclass registrations.

Turning to Applicant's counterclaims seeking cancellation of the registrations as to Class 35, the TTAB noted that where, after commencement of a cancellation proceeding, a respondent applies for cancellation of the involved registration under Section 7(e) of the Act without written consent of the adverse parties, judgment must be entered against the respondent. Because Opposer's request to delete the Class 35 services was, in effect, a voluntary cancellation of the registration as to that class under Section 7(e), the TTAB entered judgment against Opposer as to Class 35. The TTAB dismissed Applicant's counterclaims as to Class 5.

CONCLUSION

This decision significantly curtails the reach of the TTAB's decision in *Medinol* by holding that a finding of fraud relative to one class in a multiclass application does *not*, in itself, require cancellation of the registration in its entirety.

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Civil Cases

***AARP v. 200 Kelsey Assocs., LLC,* 2009 WL 47499 (S.D.N.Y. Jan. 8, 2009)**

by Anna C. Bonny

ABSTRACT

The Southern District of New York held that although potential infringers—not trademark owners—typically bring declaratory judgment actions seeking declarations of noninfringement, a plaintiff may seek a declaration of infringement where the defendant has not yet actually sold or distributed an allegedly infringing product. Where a defendant's activities evidence "a definite intent and apparent ability" to commence use of an allegedly infringing trademark on a product, a justiciable controversy exists. Moreover, activities such as actively seeking licensees to publish a magazine, and conducting an extensive analysis of the publishing industry in preparation for the launch of such a magazine, constitute "use in commerce" for the purposes of sufficiently alleging a trademark infringement claim.

CASE SUMMARY

FACTS

Plaintiff AARP, a nonprofit organization dedicated to addressing the needs and interests of senior citizens, sued defendants for trademark infringement regarding their upcoming publication of *Modern Maturity*, a new magazine intended for senior citizens. AARP also sought a declaration that its MODERN MATURITY mark for a bimonthly magazine had been infringed by the defendants. Moving to dismiss for lack of jurisdiction and failure to state a claim, defendants Michael Reich and 200 Kelsey Associates, LLC (collectively "Associates") argued that because they had not actually published or begun selling their *Modern Maturity* magazine, AARP had shown neither the existence of a case or controversy sufficient to confer declaratory judgment jurisdiction nor "use in commerce" of the MODERN MATURITY mark required to state a claim for trademark infringement. In response, AARP argued that it did not have to wait for the defendants to actually publish or distribute their *Modern Maturity* magazine before bringing a declaratory judgment action. Rather, AARP argued that Associates' prepublication activities were sufficient to show that an actual controversy existed between the parties, and that the defendants had used the MODERN MATURITY mark "in commerce" for the purposes of alleging a trademark infringement claim.

ANALYSIS

The Declaratory Judgment Act permits a federal court to "declare the rights and other legal relations" of parties to "a case of actual controversy." 28 U.S.C. § 2201. In this case, the court first noted that

potential infringers—not trademark owners—typically bring declaratory judgment actions. The court determined, however, that if the “controversy” requirement is met, a plaintiff should not be precluded from seeking a declaration of infringement if the defendant could have maintained such an action in the same circumstances. Accordingly, the court adopted the following “converse test” used in the patent context from *Lang v. Pacific Marine & Supply Co.*, 895 F.2d 761, 764 (Fed. Cir. 1990):

- (1) the defendant must be engaged in an activity directed toward making, selling, or using subject to an infringement charge under [the Patent Act], or be making meaningful preparation for such activity; and
- (2) acts of the defendant must indicate a refusal to change the course of its actions in the face of acts by the patentee sufficient to create a reasonable apprehension that a suit will be forthcoming.

The court noted that there was “no persuasive reason” not to apply the *Lang* test in the trademark infringement context.

In considering the first prong of the *Lang* test, the court applied the reasoning in *Starter Corp. v. Converse, Inc.*, 84 F.3d 592 (2d Cir. 1996), and held that the first prong is met “where a party has engaged in a course of conduct evidencing a definite intent and apparent ability to commence use of the [allegedly infringing] marks on [a] product.” But because the “definite intent and apparent ability” test was derived from the “reasonable apprehension of imminent suit” test—a test abrogated by the U.S. Supreme Court in *MedImmune Inc. v. Genentech Inc.*, 549 U.S. 118 (2007)—the court also considered whether *MedImmune* had similarly overturned the “definite intent and apparent ability” test. The court found that the “definite intent and apparent ability” test stems from the portion of the “reasonable apprehension of imminent suit” test concerning the extent to which the parties are in adversarial conflict—and *MedImmune* did not change the fundamental requirement of adversity. In addition, the court found that the heart of the “definite intent and apparent ability” test is the immediacy of the dispute, something *MedImmune* specifically upheld. Accordingly, the court found that *MedImmune* had not overturned the “definite intent and apparent ability” test.

Applying the “definite intent and apparent ability” test to the present case, the court found that AARP had sufficiently alleged a “definite intent and apparent ability” by the defendants to use the MODERN MATURITY mark. Specifically, the defendants had been actively seeking licensees to publish their *Modern Maturity* magazine and had conducted an extensive analysis of the publishing industry in advance of the magazine’s launch. Accordingly, the court found that an “actual controversy” existed between the parties and denied the defendants’ motion to dismiss for lack of jurisdiction.

Regarding the “use in commerce” requirement for a claim of trademark infringement, the court rejected Associates’ argument that “use in commerce” of the MODERN MATURITY mark did not exist without actual publication, distribution, sale, or offer for sale of their *Modern Maturity* magazine. Rather, the court denied defendants’ motion to dismiss for failure to state a claim because (1) trademark infringement claims are not contingent on the actual sale of an allegedly infringing product, and (2) AARP had sufficiently alleged that defendants promoted the production of their magazine through use of the MODERN MATURITY mark. Defendants had been searching for licensees to publish a magazine called *Modern Maturity* and had conducted an extensive analysis of the publishing industry in preparation for launching the magazine. The court held it was reasonable to infer that, in doing so, defendants had used the MODERN MATURITY mark in commerce, such as by providing mock-ups or prototypes of the

magazine while pitching it to potential publishers.

Accordingly, the court found that Associates' activities constituted "use in commerce" of the MODERN MATURITY mark for purposes of alleging a claim of trademark infringement.

CONCLUSION

Although declaratory judgment actions are not typically brought by trademark owners against infringers, *AARP* shows that a trademark owner may seek a declaration of infringement, even where the defendant has not actually sold or distributed any allegedly infringing products. Under *AARP*, an "actual controversy" may exist merely where the defendant's activities evidence "a definite intent and apparent ability" to commence use of the allegedly infringing mark in the future. Moreover, a defendant's use of a mark in connection with product prelaunch activities may be sufficient to establish "use in commerce" for purposes of alleging a trademark infringement claim.

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Civil Cases

Frayne v. Chicago 2016, **2009 WL 65236 (N.D. Ill. Jan. 8, 2009)**

by David M. Kelly

ABSTRACT

The Northern District of Illinois dismissed plaintiff's two declaratory judgment claims relating to reverse domain name hijacking. The court initially ruled that reverse domain name hijacking under Section 32(2)(D)(v) of the Lanham Act could not be established if a domain name had not yet been "suspended, disabled, or transferred" from the domain name owner. There was no such action here because plaintiff filed this action before the UDRP Panel decided defendant's UDRP complaint. Additionally, the court held that plaintiff's claim for "attempted" reverse domain name hijacking did not exist under the Lanham Act.

CASE SUMMARY

FACTS

Plaintiff Stephen Frayne registered the domain name [chicago2016.com](#) in August 2004, apparently unaware that the City of Chicago intended to bid for the 2016 Summer Olympic Games. The [chicago2016.com](#) domain name was one of 38 similar "potential host city" and "Olympic year" domain names Frayne registered a few days prior to the commencement of the 2004 Athens Olympics. In July 2006, the City of Chicago formed Chicago 2016, a private corporation established to represent the city in its efforts to court the 2016 Olympic Games. Chicago 2016 filed an application to federally register CHICAGO 2016 as a trademark and received a registration in 2008. CHICAGO 2016 assigned its rights to the CHICAGO 2016 mark to the U.S. Olympic Committee ("USOC") in April 2007, and the USOC licensed Chicago 2016 to use the mark. Chicago 2016 contacted Frayne and inquired if "he was entertaining offers on or would be willing to part with" the [chicago2016.com](#) domain, but Frayne refused to sell. When Frayne refused Chicago 2016's subsequent attempts to acquire the domain, Chicago 2016 filed a complaint under the Uniform Domain Name Dispute Resolution Policy ("UDRP") alleging that Frayne had registered and used the [chicago2016.com](#) domain name in bad faith.

Before the UDRP Panel could decide the complaint, Frayne filed this suit in federal court seeking a declaratory judgment regarding various Lanham Act trademark claims, including reverse domain name hijacking under Section 32(2)(D)(v) of the Lanham Act and "attempted" reverse domain name hijacking. Frayne also alleged violations of his free speech and equal protection rights. Chicago 2016 moved to

dismiss certain claims of Frayne's complaint.

ANALYSIS

In general, reverse domain name hijacking occurs when a trademark owner attempts to secure another's domain name through a UDRP proceeding or litigation, but the trademark owner does not have any legal basis for doing so. Frayne conceded the invalidity of his claim for reverse domain name hijacking under the Lanham Act, which requires the improper suspension, disabling, or transfer of a domain name by a third party through the use of a domain name registrar's dispute resolution policy. Because Frayne's domain name had not been "suspended, disabled, or transferred" as required by Section 32(2)(D)(v), the court dismissed his claim for reverse domain name hijacking.

Regarding Frayne's claim for "attempted" reverse domain name hijacking, the court found that such a claim did not exist in the plain language of the Lanham Act. In support of his claim, Frayne relied on *General Media Communications, Inc. v. Crazy Troll*, in which a New York district court granted the plaintiff's motion for declaratory relief, concluding that a UDRP Panel's finding of actual or attempted domain name hijacking under *UDRP rules* was incorrect. The court distinguished *Crazy Troll*, finding that while the rules for UDRP proceedings permitted a UDRP Panel to find that a party had initiated proceedings in bad faith in an *attempt* to improperly deprive a registrant of its domain name (i.e., reverse domain name hijacking under the UDRP), that case involved the application of UDRP rules, not the Lanham Act, which controls here. Because attempted domain name hijacking does not exist as a cause of action under the Lanham Act, the court dismissed Frayne's claim.

Finally, the court denied Chicago 2016's motion to dismiss Frayne's constitutional claims that Chicago 2016 violated his free speech and equal protection rights. Chicago 2016 argued that it was not a state actor subject to Frayne's claimed constitutional protections and, even if it were, the act of asserting one's trademark rights against another in an arbitration forum was protected conduct under the *Noerr-Pennington* immunity doctrine, which protects parties from suits for actions involving litigation, lobbying efforts, and public statements. The court ruled that Frayne had sufficiently alleged that Chicago 2016 was a state actor at this stage of litigation. Moreover, Frayne raised and the court recognized an exception to the *Noerr-Pennington* immunity doctrine involving "sham" lawsuits in which "persons use the governmental process, as opposed to the outcome of that process, to directly harm or harass another party." Because Frayne alleged that the UDRP proceeding was a sham designed to injure him, it rendered the *Noerr-Pennington* doctrine inapplicable and the court denied Chicago 2016's motion to dismiss these claims. Similarly, Frayne's allegations of wrongful conduct on Chicago 2016's part precluded application of a claim of immunity under Illinois state law in response to Frayne's claims under the Illinois constitution. Finally, the court also declined to dismiss Frayne's equal protection claims, finding that Frayne's allegation that Chicago 2016 had asserted its trademark rights in a disparate manner was sufficient at this juncture to allow these claims to proceed.

CONCLUSION

To successfully allege reverse domain name hijacking under the Lanham Act, a registrant's domain name must have been improperly "suspended, disabled, or transferred" through the use of a registrar's dispute resolution processes. If this loss of control of the domain name has not yet occurred, as was the case here, there is no claim for reverse domain name hijacking. Moreover, the Lanham Act does not provide for a claim for "attempted" reverse domain name hijacking that would provide domain name owners with an offensive weapon to attempt to preempt such actions by trademark owners.

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Philbrick v. eNom, Inc.,
2009 WL 152127 (D.N.H. Jan. 22, 2009)

by David M. Kelly

ABSTRACT

The District Court of New Hampshire dismissed all of plaintiff's trademark claims against the defendant domain name registrar, even though defendant profited from the use of a "parked" domain name nearly identical to plaintiff's trademark and which was used for a pay-per-click web page featuring links to competing goods. The court dismissed plaintiff's cybersquatting, infringement, and false-designation-of-origin claims because plaintiff's mark PHILBRICK'S SPORTS for a sporting-goods store was not distinctive (either inherently or through acquisition of secondary meaning) or famous when defendant registered the disputed domain names. The court declined to follow a minority view from the Fourth Circuit that intentional copying of a mark was prima facie evidence of secondary meaning. The court also dismissed plaintiff's claim for personal name cyberpiracy because the domain names containing the wording "philbrickssports" were not sufficiently similar to the plaintiff's full name "Daniel Philbrick." Finally, the court rejected plaintiff's claim that the "Welcome to Philbrickssports.com" statement on defendant's website was literally false, and found that plaintiff failed to show the required actual consumer deception to support a false advertising claim based on an ambiguous or literally true statement.

CASE SUMMARY

FACTS

Plaintiff Daniel Philbrick owned Philbrick's Sports, a retail sporting-goods store that he has operated in Dover, New Hampshire, since 1983. Philbrick's Sports was one of several businesses operated in northern New Hampshire by a member of the Philbrick family. In 1965, Philbrick's father opened Philbrick's Sales and Service, a bicycle and lawnmower shop in nearby Rye, New Hampshire, which is still operated as a lawnmower business under the same name. In 1976, Philbrick's brother Rick took over the bicycle portion of his father's business, opening Philbrick's Sports World across the street from Philbrick's Sales and Service. Philbrick's Sports World closed its doors in 1988, only to reopen as Philbrick's Suncoast Sports, which operated until 1997. Although none of the Philbrick businesses were affiliated, each Philbrick brother had his father's permission to use the Philbrick surname as part of their respective business names.

Philbrick registered the domain names philbricks.com/.net and philbrickssports.com in the early 1990s

and for a number of years used them only to provide general information about his store. In 2001, Philbrick began selling hockey equipment on his "Philbricks" websites via a "store" button on those sites, which linked users to several other "non-Philbricks" sites he owned, including hockey.com. There was little to suggest any affiliation between these other sites and his "Philbrick's" websites. For example, customers could access hockey.com independently and the only affiliation information was listed on the "About" page of hockey.com. Philbrick sold the hockey.com domain for \$1 million in 2005. After that, customers could purchase hockey equipment directly through the philbricks.net website.

Defendant eNom, Inc. ("eNom"), a domain name registrar, provided a service called "Club Drop," through which it accepted bids from third parties on domain names that a registrar had placed on "pending delete" status. "Pending delete" means that a domain name registration is set to expire in less than five days and will come available for registration on a first-come, first-serve basis. When "pending delete" domain names became available, eNom attempted to register them on behalf of its top auction bidder. However, if the winning bidder did not pay the registration fee and no additional buyers were found, eNom would often retain the domain name and "park" it, which involved the hosting of profitable pay-per-click ads on a web page at the domain.

In early 2007, Philbrick discovered that philbricksports.com was one of eNom's parked domain names. The top of the web page contained the text "philbrick sports sporting good sportswear at philbricksports.com." Beneath this text appeared the phrase "Welcome to Philbricksports.com." The page also contained various sporting-goods-related pay-per-click links such as "Hockey Equipment," "Hockey," and "Hockey Gear" that connected to third-party websites. eNom had acquired this domain name, along with philbricksports.net, for a third party through its Club Drop program. When the third party failed to pay the registration fees for either domain, eNom retained only philbricksports.com, dropping philbricksports.net.

Philbrick sued for cybersquatting, cyberpiracy of a personal name, state and common law trademark infringement, false designation of origin, and false advertising. Philbrick moved for summary judgment on his cybersquatting claim, and eNom cross-moved for summary judgment on all of Philbrick's claims.

ANALYSIS

The court denied summary judgment on Philbrick's cybersquatting claim, finding that his PHILBRICK'S SPORTS mark was neither distinctive nor famous as required by the Lanham Act. Section 43(d)(1)(A) defines cybersquatting as a bad-faith intent to profit from registering, trafficking in, or using a domain name that is identical, confusingly similar, or dilutive of another's mark that was distinctive or famous when the domain name was registered. Although eNom asserted several defenses, including claiming immunity as a domain name registrar acting on behalf of a third party, the court focused only on the protectability of Philbrick's mark when eNom registered the disputed domains. The court first determined that the PHILBRICK'S SPORTS mark was clearly not famous because it was not "widely recognized by the general consuming public of the United States" as a designation of source of Philbrick's goods or services. Although Philbrick presented evidence showing use of his mark for the past 25 years and sales to customers in all 50 states, the court deemed this evidence "manifestly insufficient to create a genuine issue whether the mark was famous."

Turning to the distinctiveness (i.e., protectability) of the mark, the court deemed Philbrick's mark merely descriptive and thus lacking inherent distinctiveness because it was a combination of the personal name "Philbrick" with the descriptive term "Sports." In short, the mark "signifies [nothing] but a sporting goods business associated with someone named Philbrick."

The court also rejected Philbrick's claim that his mark was distinctive through the acquisition of secondary meaning. First, regarding Philbrick's use of his mark for 25 years, the court noted that there had always been at least one other store named "Philbrick's," at times in conjunction with the word "Sports," in the same marketplace. The court stated that such uses would "tend to diminish the strength of any connection in the mind of consumers between 'Philbrick's Sports' and a single source," even though these other uses were by Philbrick's relatives who unquestionably had the right to use the name. Second, although Philbrick spent \$1.5 million advertising his mark between 2000 and 2008, he failed to show the effectiveness of that advertising. Moreover, although Philbrick identified radio and television stations and publications with which he advertised, he failed to provide any facts regarding when the ads aired or were published or for how long, or how many consumers were exposed to the ads. And Philbrick's advertising was limited in geographic scope to the Seacoast region of New Hampshire and, in some cases, to Boston. According to the court, this evidence "provides virtually no support for its . . . secondary meaning."

Third, Philbrick relied heavily on his "internet presence since 1997." The court noted, however, that for most of this time, nothing could be purchased on a "Philbrick's Sports" website. And customers purchasing from the hockey.com site or other linked sites likely did not even know they were dealing with Philbrick's Sports because that name did not appear on those other websites or on materials shipped with the purchases. Philbrick did not do business online under "Philbrick's Sports" until October 2005, only one month before eNom registered two of the disputed domains and 2½ years before eNom registered the other domains. The court thus held that these online activities, like Philbrick's advertising, provided "virtually no support" for this claim of secondary meaning.

Philbrick also argued, citing a Fourth Circuit decision, that eNom's intentional copying of his mark established a prima facie case of secondary meaning. The court, however, deemed that case "a minority view that does not hold sway in the First Circuit," which followed the majority view that intentional copying is but one of many secondary-meaning factors to consider. The court noted that intentional copying suggests secondary meaning only when the trademark owner shows *both* the intent to copy and the intent to pass off one's goods as those of another. It was not enough that eNom used sophisticated technology to select domain names with the potential to attract traffic. Given the overlap between the products advertised in the links on eNom's website and Philbrick's sporting goods (e.g., ice hockey equipment, skis), the court noted that "it is perhaps reasonable to surmise that those terms were in fact associated with this domain name" because Internet users searched for those terms with the "Philbrick's Sports" name. But Philbrick failed to submit any evidence that the links were actually associated with eNom's domains for this reason. Moreover, Philbrick failed to present any evidence showing passing off (i.e., customers believing they were dealing with Philbrick but were in fact dealing with eNom or the pay-per-click advertisers). Accordingly, the court granted eNom's summary judgment motion on Philbrick's cybersquatting claim.

The court also rejected Philbrick's claims of cybersquatting of a personal name under Section 47(1)(A) of the Lanham Act, which prohibits the registration of a domain name consisting of a "name substantially and confusingly similar" to that of another living person with the specific intent to profit from the sale of that domain name. Significantly, Section 47(1)(A) does *not* require that the personal name be a protectable trademark, so the court's findings that Philbrick's mark was merely descriptive and lacked secondary meaning were not fatal to this claim. The parties debated whether Section 47(1)(A) could apply to the use of a party's surname only, or if the statute required the use of a party's full name. The court, however, determined it did not need to resolve the issue because "the configuration of the domain name 'philbricksports' is not substantially similar to that of the name 'Daniel Philbrick.'" Because Section 47(1)

(A) “requires the *names*—not their uses—to be ‘substantially and confusingly similar’ to each other,” Philbrick’s claim for personal name cyberpiracy failed as well.

Regarding Philbrick’s claims for federal and state trademark infringement, unfair competition, and false designation of origin, the court determined that the false designation of origin and unfair competition claims failed as a result of the mark’s lack of distinctiveness discussed above. Moreover, even if Philbrick’s mark was distinctive and protectable, the court found no likelihood of confusion when it applied the eight-factor test used in the First Circuit. The only factor that favored Philbrick was that eNom’s domain names were very similar to Philbrick’s mark. The factors regarding similarity of the goods, channels of trade, advertising, and customer bases all favored eNom due to Philbrick’s failure to show that the links on eNom’s websites actually connected to sites selling the identified products or that this purchasing process was likely to confuse purchasers into thinking they were dealing with Philbrick’s Sports. Moreover, Philbrick did not submit any evidence of actual confusion or that eNom had a bad-faith intent to cause confusion (as opposed to simply registering the domains on behalf of a third party). These factors, coupled with the inherent weakness of Philbrick’s mark, doomed Philbrick’s infringement, false designation of origin, and unfair competition claims.

Finally, regarding false advertising, Philbrick claimed that the phrase “Welcome to Philbricksports.com” as it appeared on the parked website was “false on its face,” or literally false. Under Section 43(a)(1)(B) of the Lanham Act, a plaintiff can recover for a literally false statement without showing actual consumer deception, while a literally true or ambiguous claim required the plaintiff to produce evidence of actual consumer deception that resulted from the defendant’s statement. The court viewed the statement displayed on eNom’s site as literally true because it “simply welcomes the viewer to a website named ‘Philbricksports.com’ which . . . is literally true in the sense that ‘philbricksports.com’ is the name of the website.” Although the statement may suggest that the site was affiliated with a business named “Philbrick’s Sports,” it was not false on its face. Thus, because Philbrick failed to submit any evidence that visitors to eNom’s websites believed they had anything to do with Philbrick (i.e., actual consumer deception), the court also granted summary judgment to eNom on Philbrick’s false advertising claim.

CONCLUSION

Based on this decision, it appears that owners of trademarks that are not inherently distinctive have a heavy burden of proving secondary meaning in the District of New Hampshire, especially trademark owners that operate a local or regional business. Interestingly, the court did not find that plaintiff established secondary meaning even in its local trading area where it used its mark for 25 years and spent \$1.5 million in advertising for the past eight years. In addition, for purposes of cyberpiracy of a personal name, the court appeared to adopt the test that the domain name had to incorporate the individual’s full name or a substantially similar full name and that the presence of only an individual’s surname or a similar surname is not sufficient to meet the “substantially and confusingly similar” standard of Section 47(1)(A) of the Lanham Act.

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TTAB Cases

Compagnie Gervais Danone v. Precision Formulations, LLC, Opp'n Nos. 91179589, 91184174 (TTAB Jan. 5, 2009)

by Linda K. McLeod and Stephanie H. Bald

ABSTRACT

The parties applied to register the nearly identical mark for overlapping and legally identical goods, and opposed each other's applications on the ground of likelihood of confusion. Danone moved for summary judgment on the issue of priority and moved to dismiss Precision's opposition for failure to state a claim. Because Danone's application was filed under Section 66(a) of the Lanham Act and claimed priority based on a French application that was filed on December 6, 2006, the TTAB found that Danone was entitled to rely on that date for purposes of priority, which was earlier than Precision's February 21, 2007, filing date, and granted summary judgment for Danone in its opposition. In addition, because the Trademark Office's records contradicted Precision's allegations of priority, the TTAB granted Danone's motion to dismiss Precision's opposition for failure to state a claim.

CASE SUMMARY

FACTS

Precision Formulations, LLC ("Precision") applied to register the mark FRUITOLOGY for various cosmetic products in Class 3, various nutritional goods and medicated skin creams in Class 5, and various beverage goods in Class 32. Precision filed its application on February 21, 2007, on the basis of intent to use under Section 1(b). Compagnie Gervais Danone ("Danone") applied to register the mark FRUITOLOGY for various dairy products in Class 29 and various beverage goods in Class 32. Danone filed its application on May 22, 2007, under Section 66(a), based on an international registration that issued on May 22, 2007. Danone's international registration, in turn, had been based on an underlying French application filed December 6, 2006. Danone claimed Paris Convention priority from the December 6, 2006, filing date of its French application.

The parties opposed each other's respective applications on the ground of likelihood of confusion. In its opposition against Precision, Danone moved for summary judgment on its claim of likelihood of confusion regarding Precision's goods in Class 5 and Class 32. Danone argued that it had priority and was entitled to judgment as a matter of law. Danone also moved to dismiss the opposition filed by Precision on the same grounds, alleging that Precision had failed to state a claim on which relief could be granted. Although the two oppositions had not been formally consolidated, the TTAB exercised its discretion to

issue a single order determining the motions.

ANALYSIS

The TTAB first considered Danone's motion for summary judgment. The TTAB found that standing was not an issue because the parties' respective marks were nearly identical, their goods were overlapping or legally identical, and each had claimed that there was a likelihood of confusion.

The TTAB then turned to the issue of priority. Based on Precision's February 21, 2007, filing date for its intent-to-use application and the fact that Precision had not alleged any earlier date for priority purposes, the TTAB found that Precision's priority date was February 21, 2007. Regarding Danone, the TTAB noted that it had filed its application on May 22, 2007, pursuant to Section 66(a), which provides that an application under that section shall constitute constructive use of the mark conferring the same rights as those specified in Section 7(c), as of the earliest of the following: (1) the international registration date, if the request for extension of protection was filed in the international application; (2) the date of recordal of the request for extension of protection, if the request for extension of protection was made after the international registration date; or (3) the date of priority claimed pursuant to Section 67. The TTAB further explained that Section 67 states that an applicant is entitled to claim a date of priority when it holds an international registration, makes a request for extension of protection to the United States, includes a claim of priority based on a right of priority under Article 4 of the Paris Convention, and the date of the international registration is within six months of the filing date of the application underlying the international registration. Danone's international registration issued May 22, 2007, and was based on an underlying French application filed December 6, 2006. Accordingly, the TTAB found that Danone was entitled to a priority date of December 6, 2006. Because this date was earlier than Precision's filing date of February 21, 2007, the TTAB found that there was no genuine issue of material fact as to the issue of priority and granted Danone's motion for summary judgment contingent upon its application maturing to registration.

Regarding Danone's motion to dismiss Precision's opposition, the TTAB found that Precision had adequately pleaded standing because, based on Precision's filing of an application for a mark nearly identical to Danone's mark for overlapping or legally identical goods, Precision had established a "real interest" in the outcome of the proceeding. On the issue of priority, Precision argued that the TTAB was required to take as true the incorrect allegation in its notice of opposition that Danone's application for the FRUITOLOGY mark was filed on May 22, 2007, and was based on intent to use (Danone's application was, in fact, based on Section 66(a)). The TTAB agreed with Danone, however, that Precision had failed to properly allege priority because the facts pleaded in Precision's notice of opposition and incorporated by reference by virtue of Danone's application supported the conclusion that Danone, and not Precision, had priority. The TTAB explained that despite the requirement that the TTAB must treat all well-pleaded allegations as true, there are facts that the TTAB may consider when a party has filed a motion to dismiss. For example, the TTAB may look to such facts as the filing date, filing basis, priority date, publication date, and applicant's name in the application that is the subject of the opposition proceeding. These are facts not subject to proof, and the Board may look to the Trademark Office's records for such facts even if a party's allegations are well pleaded. Here, the TTAB found that Precision's allegation that Danone's application was filed on the basis of intent to use was not supported by the Trademark Office's records since the application was actually filed under Section 66(a), and it would not take as true any allegations contradicting those records. The TTAB thus held that Precision's allegations of priority were insufficient because Precision's February 21, 2007, filing date was later than Danone's December 6, 2006, priority date. Accordingly, the TTAB granted Danone's motion to dismiss Precision's opposition on the ground that Precision had not stated a claim on which relief could be granted.

CONCLUSION

In considering a motion to dismiss, the TTAB may look to certain facts outside the pleadings that are not subject to proof, including filing date, filing basis, priority date, publication date, and applicant's name in an application, and the TTAB will not take as true any allegations contradicting facts in the Trademark Office's records.

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TTAB Cases

In re Future First LLC, App. No. 78769110 (TTAB Dec. 22, 2008)

by Linda K. McLeod and Stephanie H. Bald

ABSTRACT

Applicant appealed a final refusal to register the mark BANANA CHAIR for a chair on the ground that it was merely descriptive. Based on the record, the TTAB found that the term “banana chair” was not the common commercial name for a particular type of chair. Further, although the TTAB acknowledged that the chair had a curved shape that could suggest the curve of a banana, it found that the BANANA CHAIR mark did not immediately and directly describe the shape of the chair, and reversed the refusal to register on the ground of mere descriptiveness.

CASE SUMMARY

FACTS

Future First LLC (“Applicant”) filed an application for the mark BANANA CHAIR for “furniture, chair,” in Class 20. The Examining Attorney refused registration under Section 2(e)(1) of the Lanham Act on the ground that Applicant’s BANANA CHAIR mark was merely descriptive. Applicant appealed the decision to the TTAB.

Applicant’s owner invented a legless rocking chair with a curved bottom, which he began marketing in 1974 under the mark BANANA CHAIR. The chair was designed for lounging, watching television, and playing video games. The chair was inexpensive (\$19 to \$59 at retail) and was often marketed along with casual furniture such as bean bag chairs.

In refusing registration, the Examining Attorney contended that the term “banana chair” was the common commercial name for a curved, legless rocking chair. Specifically, the Examining Attorney argued that Applicant’s chair was similar to the shape of a banana fruit, and that chairs in an identical or similar shape and size to Applicant’s chairs had become known as “banana chairs.” The Examining Attorney further asserted that although the evidence of record showed that this type of chair varied in style and size, all of the chairs featured a basic set of similarities that would allow consumers to recognize a highly similar “banana” shape. In support of his position, the Examining Attorney submitted evidence in which the term “banana chair” was used for furniture that appeared similar to Applicant’s chairs. He also submitted hits from an Internet search where the term was used online in nonretail settings, such as chat rooms, on

Craigslist and eBay, and in forums and blogs.

ANALYSIS

The TTAB concluded that the Examining Attorney's evidence was of little probative value. The TTAB explained that it had no way of knowing whether some or even many of the online excerpts were in fact references to Applicant's goods. The TTAB further noted that most of the products in the excerpts were connected to the Pacific Coast and Intermountain West region of the United States, which was the part of the country where most of Applicant's goods had been marketed. In addition, the TTAB explained that the fact that an individual posting a comment on a blog or other online forum may use a term without proper capitalization was not necessarily evidence that he or she believed the term was a common commercial name, or that the readers of the posting viewed the term as a common commercial name. Also, given that Internet search engines could retrieve many uses of almost any term, the TTAB refused to find that the term "banana chair" was clearly the name of a type of chair on the basis of the isolated uses of "banana chair" as a common commercial name by individuals on blogs or public access sites such as Craigslist. Accordingly, the TTAB found that the Examining Attorney had not met his burden of showing that the term "banana chair" was the common commercial name for a particular type of chair.

The TTAB also considered the Examining Attorney's argument that the BANANA CHAIR mark was merely descriptive because it described the shape of the chair. The TTAB rejected this argument, finding that although the chair had a curved shape that could suggest the curve of a banana, the chair did not in fact look like a banana, and the term "banana chair" did not immediately and directly describe its shape. Accordingly, the TTAB found that the BANANA CHAIR mark was not merely descriptive.

CONCLUSION

Without more, evidence of de minimis use of a term as a common commercial name of a product by consumers on blogs or public access sites is not sufficient to bar registration of that term on the ground it is merely descriptive under Section 2(e)(1).

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Unregistrable

SUPER ®

by Robert D. Litowitz

Before the thrilling image of Santonio Holmes's shoe-tips brushing the extremities of the end zone fades into legend, let's focus on the perennial winner at each year's preeminent national civic celebration. If you guessed trademarks, you guessed right. Notice I haven't yet referred to "The Big Game" by its most widely used and universally beloved super title. Nor did thousands upon thousands of advertisers hawking every thing from mega-sized plasma TVs to super-sized chicken wings. Why has the euphemism "The Big Game" replaced the "Super Bowl®" in so much of the commercial vernacular? The answer, as another S. Holmes would have put it, is "elementary," with the key element being ®. The National Football League not only has locked up federal registrations covering the vast retail and broadcast playing field, the NFL also has hewed to the time-honored locker room cliché, "the best defense is a good offense." Implementing an aggressive playbook that might make even the stone-faced Tom Landry blush, the NFL launches cease-and-desist letters and enforcement actions like tight spiral passes against any advertiser who has the temerity to advertise a "Super Bowl" special or that uses the "Super Bowl" mark without first securing a license from the League and becoming an official sponsor. Against the juggernaut of the NFL, anyone who sells unauthorized "Super Bowl" merchandise stands about as much chance as Kurt Warner facing a Steelers' safety blitz. The NFL has gone so far as to block even humble churchgoers from calling their annual Big-Game watching event a "Super Bowl Party." That's why most businesses that cannot afford to "pay-for-play" have opted for the end-around of calling the event "The Big Game." Of course, everyone who sees or hears one of these ads knows that "The Big Game" is actually synonymous with the "Super Bowl." But just as the fourth quarter of an NFL preseason game long after the stars have hit the showers hardly matches the thrill and spectacle of a come-from-behind, last-second championship win, an advertisement that generically touts "The Big Game" lacks the allure, cachet, spectacle, and tradition embodied in the "Super Bowl" trademark. And the NFL's winning game plan of aggressive enforcement ensures that the prestige and goodwill embodied by that mark continues to shine like the gleaming Lombardi trophy that Ben Roethlisberger and the Steelers hoisted on that balmy evening in Tampa. Of course, in trademarks, as in football, a win-thirsty warrior can go too far. Back in 2006, the NFL tried to tackle advertisers and merchants into further submission by applying to register "The Big Game" as its trademark too. But faced with widespread outcry from global retailers and several universities with their own "big games" against longtime rivals, and with a trademark opposition looming, the NFL abandoned its application. The cagey trademark champion proved once more that it knows not only when to pounce, but when to punt.

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