

THIS OPINION IS NOT A
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Mailed:
January 18, 2013

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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Lion Capital LLP
v.
Stone Lion Capital Partners L.P.

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Opposition No. 91191681

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Michael Chiappetta of Fross Zelnick Lehrman & Zissu PC for Lion Capital LLP.

Karol A. Kepchar and David C. Lee of Akin Gump Strauss Hauer & Feld LLP for
Stone Lion Capital Partners L.P.

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Before Quinn, Kuhlke, and Hightower, Administrative Trademark Judges.

Opinion by Hightower, Administrative Trademark Judge:

On August 20, 2008, Stone Lion Capital Partners L.P. (“applicant”) filed an intent-to-use application to register the mark STONE LION CAPITAL, in standard character form and with “CAPITAL” disclaimed, for “financial services, namely, investment advisory services, management of investment funds, and fund investment services.”¹ Lion Capital LLP (“opposer”) opposes registration under

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¹ Application Serial No. 77551196.

Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), on the ground that applicant's mark, when used in connection with applicant's services, so resembles opposer's previously used and registered marks LION and LION CAPITAL for various financial services (collectively, "opposer's LION Marks") as to be likely to cause confusion. Both parties filed briefs, and opposer filed a reply brief.

The Record

The record comprises the pleadings and the file of the opposed application. The parties also stipulated to entry into evidence of a declaration of David E. De Leeuw, co-founder and managing director of third party Lion Chemical Capital LLC, and attached exhibits.

In addition, opposer has submitted the following evidence:

- Transcript of the testimonial deposition on written questions of Janet Dunlop, the chief operating officer of opposer, with exhibits. Portions of the deposition designated as confidential were bound and the pages numbered separately from non-confidential portions, which are designated herein as "Dunlop Conf. Tr." and "Dunlop Tr.," respectively;
- Transcript of the rebuttal testimonial deposition on written questions of Ms. Dunlop, with exhibits ("Dunlop Rebuttal Tr.")²;
- Transcript of the testimonial deposition on written questions of Kelly Mayer ("Mayer Tr."), partner in opposer³;
- Transcript of the testimonial deposition of Mario Ortiz, senior litigation paralegal for opposer's counsel, with exhibits;
- Excerpts from the discovery deposition of Danielle Schaefer, the chief financial officer of applicant, with exhibits (confidential);

² The Board denied applicant's motion to quash the rebuttal testimonial deposition of Ms. Dunlop on February 28, 2012.

³ We hereby approve the stipulation the parties submitted on June 6, 2011 relating to the procedure for taking the Dunlop and Mayer depositions and certain evidence and testimony relating to Kelly Mayer.

- Excerpts from applicant's responses to opposer's first and second set of interrogatories;
- Printouts of pages from opposer's website www.lioncapital.com; and
- Printouts and screenshots of pages from various websites relating to applicant's allegations of third-party use of LION-formative names in association with services in the investment field.

Applicant has submitted the following additional evidence:

- Transcript of the testimonial deposition of Danielle Schaefer ("Schaefer Tr."), with exhibits;
- Additional excerpts from the discovery deposition of Ms. Schaefer (confidential);
- Excerpts and exhibits from the discovery deposition of Mr. Mayer (confidential);
- Transcript of the testimonial deposition (with exhibits) of Jacob Capps ("Capps Tr."), a partner in opposer and president and director of Lion Capital (America) Inc., a U.S. subsidiary of opposer, as an adverse witness;
- Transcript of the testimonial deposition (with exhibits) of third party Roaring Blue Lion Capital Management, L.P., through its managing partner Charles William Griege, Jr., under subpoena and pursuant to FED. R. CIV. P. 30(b)(6) and 45;
- Certain of opposer's responses to applicant's requests for admission, interrogatories, and document requests;
- Printouts from the TARR database of 25 registrations on the Supplemental Register with the word "CAPITAL" disclaimed;
- Printouts of pages from various websites relating to applicant's allegations of third-party use of names containing both LION and CAPITAL in association with investment services; and
- File history of opposer's Registration No. 3543654 for LION CAPITAL.

Much of the evidence proffered by both parties has been designated confidential and filed under seal. Relevant evidence that has been submitted under

seal and not disclosed by the parties in the unredacted portions of their public briefs will be discussed herein only in general terms.

Evidentiary Objections

Opposer has moved to strike the 74 pages of Internet evidence submitted with applicant's sixth notice of reliance, which are printouts of pages from various websites relating to applicant's allegations of third-party use of names containing both LION and CAPITAL in association with investment services. Opposer objects on the grounds that these documents are misleading, are not evidence of third-party use, and should not be accorded a presumption that the names shown therein are in actual use in connection with those services.

Similarly, applicant objects to three exhibits consisting of Internet printouts – comprising state corporate records and newspaper articles – submitted by opposer via notice of reliance. Applicant objects to the corporate records on the grounds of relevance and materiality, and to the newspaper articles on the basis of hearsay.

Each of the Internet documents subject to these objections follows the requirements of *Safer, Inc. v. OMS Investments, Inc.*, 94 USPQ2d 1031, 1039 (TTAB 2010). This evidence therefore is admissible not for the truth of the matter asserted, but for what the printouts show on their face and whatever probative value they may have. Where relevant, specific evidence is discussed *infra*.

Applicant also lodges several objections to opposer's testimony and deposition exhibits. While we have carefully considered each of applicant's objections, our rulings herein address only evidence that is relevant to our opinion and not

otherwise of record.⁴ In particular, applicant moves to strike portions of the transcripts of the testimonial deposition of Lion Capital's witness Kelly Mayer and the rebuttal testimonial deposition of opposer's witness Janet Dunlop, both of which were taken on written questions, as follows:

- Mayer Tr. 20:11-16: Question number 12 asked: "Where are most of your investors located?" The witness responded that about two-thirds, or 60%-70%, of the capital committed to opposer's first two funds was from investors in the United States. Applicant is not specific, but it presumably objected that this testimony is non-responsive because the answer is provided in terms of capital rather than individuals or institutions. We view the testimony as one way of responding to a somewhat vague question. Applicant's motion to strike is denied.⁵
- Dunlop Rebuttal Tr. 13:25-14:6 and Exhibit 12 (filed under seal): This testimony concerns an exhibit applicant contends was not produced until after its testimony period closed. Opposer responds that it produced the document on July 26, 2011 and can prove it did so via a cover letter enclosing the document, which it did not submit but could provide at the Board's request. Assuming that applicant is correct and the document was not timely produced, we will nonetheless consider the document and corresponding testimony for whatever probative value they may have in the nature of rebuttal evidence, given that the document was created after discovery closed and concerns use of a mark by a third party identified by applicant. Furthermore, applicant had notice of the document before Ms. Dunlop's rebuttal testimonial deposition on written questions, as well as the opportunity to cross-examine the witness about it.

The Parties

Applicant is a New York-based investment advisor for hedge funds. Applicant's brief at 1. Applicant "has managed a credit opportunities hedge fund

⁴ Opposer states that it has not relied on a number of the challenged passages, or that they are not necessary to substantiate the propositions set forth in its briefs. We therefore have given that testimony no consideration.

⁵ Of record, but designated as confidential, is an excerpt from the discovery deposition of the same witness in which he provided an estimated number of U.S. investors.

with a focus on event driven, distressed, high yield and special situations under the name ‘Stone Lion Portfolio L.P.’ since the fund’s inception on November 6, 2008.”

Id.

Opposer, located in the United Kingdom, is an investment firm that seeks to make control investments in mid-sized and large consumer-oriented businesses in Europe and North America. Printout from opposer’s website, Exhibit 101 to Capps Tr., at 2. Opposer’s investments range “from equity and equity-like securities . . . to investments in debt securities both on a primarily issued basis or in some cases on a secondary basis.” Mayer Tr. at 10:2-6. Opposer began using the LION and/or LION CAPITAL marks in the United States in April 2005. *Id.* at 12:11-19. Its investors include pension funds, fund to fund representation, individuals, and family offices. *Id.* at 19:14-22. Its primary form of investing is as a private equity house making investments on a private basis in companies, both equity and debt. *Id.* at 11:7-10. About two-thirds of the capital committed to its funds is from U.S. investors. *Id.* at 20:11-16. Opposer’s investments include distressed debt. Dunlop Tr. at 10:11-11:22 and 31 (errata). Although some conflicting deposition testimony (designated as confidential) is of record, opposer asserts that it uses the marks LION and LION CAPITAL interchangeably in association with its services.⁶

Standing and Priority

Applicant does not dispute opposer’s standing or priority. Opposer’s standing to oppose registration of applicant’s mark is established by its pleaded Registration

⁶ Opposer’s response to applicant’s Interrogatory No. 31, submitted via applicant’s Notice of Reliance, December 29, 2011.

Nos. 3543654 (LION CAPITAL) and 3645484 (LION), which the record shows to be valid and subsisting, and owned by opposer. *See, e.g., Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000) (party's ownership of pleaded registration establishes standing).

In addition, because opposer's pleaded registrations are of record, priority is not an issue with respect to the services covered by opposer's pleaded registrations. *Penguin Books Ltd. v. Eberhard*, 48 USPQ2d 1280, 1286 (TTAB1998) (citing *King Candy Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108, 110 (CCPA 1974)). Specifically, opposer filed foreign application Serial No. 78627031 for LION CAPITAL on May 10, 2005 under Trademark Act Section 44(d), and Registration No. 3543654 issued under Trademark Act Section 44(e) on December 9, 2008; opposer filed foreign application Serial No. 77300323 for the mark LION on October 10, 2007 under Trademark Act Section 44(d), and Registration No. 3645484 issued under Trademark Act Section 44(e) on June 30, 2009. There is no dispute that opposer has priority vis-à-vis applicant, which filed the involved application on an intent-to-use basis on August 20, 2008 and has not attempted to establish priority of use for its mark STONE LION CAPITAL.

These services in opposer's pleaded registrations are:

- LION CAPITAL (Registration No. 3543654): "Equity capital investment; venture capital services, namely, providing financing to emerging and start-up companies; leveraged buy outs and investments in financially distressed or underperforming companies; real estate investment; hedge fund services"
- LION (Registration No. 3645484): "Financial services, namely, financial and investment planning and research, financial consultation, and assisting others with the completion of financial

transactions for stocks, bonds, securities and equities; venture capital services, namely, providing financing to emerging and start-up companies; leveraged buy outs and investments in financially distressed or under performing companies; real estate affairs, namely, real estate investment services; equity capital investment; investment services, namely, investment management services, mutual fund and hedge fund investment services, management of a capital investment fund, capital investment consultation and financial trust operations; trust services, namely, investment and trust company services; advisory and consultancy services relating to corporate finance and venture capital services; investment in the field of private equity, venture capital and specialized funds and other funds; advising on and managing investments; private equity investment management; buying, selling and holding of securities; investment management services relating to acquisitions and mergers; management of equity and debt investment portfolios; investment asset management”

All of the services identified in both registrations are in International Class 36.

Likelihood of Confusion

“We determine likelihood of confusion by focusing on . . . whether the purchasing public would mistakenly assume that the applicant’s [services] originate from the same source as, or are associated with, the [services] in the cited registrations.” *In re Majestic Distilling Co.*, 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). We consider all probative facts in evidence which are relevant to the likelihood of confusion factors set forth in *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973). Opposer must establish that there is a likelihood of confusion by a preponderance of the evidence. *Cunningham*, 55 USPQ2d at 1848.

The parties have presented evidence as to the following *du Pont* factors: similarity of the parties’ marks (factor 1); similarity of their services (factor 2); similarity of trade channels (factor 3); the conditions under which and buyers to

whom sales are made, i.e., consumer sophistication (factor 4); the strength of opposer's marks (factor 5); and the number and nature of similar marks in use on similar goods (factor 6). The parties essentially agree that the *du Pont* factors relating to actual confusion (factors 7 and 8) are neutral.

A. Similarity of the Services

We first address the similarities or differences between opposer's and applicant's services, the second *du Pont* factor. It is settled that in making our determination regarding the relatedness of the parties' services, we must look to the services as identified in the application and opposer's pleaded registrations. See *Octocom Sys., Inc. v. Houston Computer Servs., Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990). That is, because the scope of the registration applicant seeks is defined by its application (not by its actual use), it is the application (not actual use) that we must look to in determining applicant's right to register:

The authority is legion that the question of registrability of an applicant's mark must be decided on the basis of the identification of goods set forth in the application regardless of what the record may reveal as to the particular nature of an applicant's goods, the particular channels of trade or the class of purchasers to which sales of the goods are directed.

Id. It is sufficient if a likelihood of confusion is found with respect to use of applicant's mark on any item that comes within the description of services in the application or registration. *Tuxedo Monopoly, Inc. v. General Mills Fun Group, Inc.*, 648 F.2d 1335, 209 USPQ 986, 988 (CCPA 1981); *Apple Computer v. TVNET.net, Inc.*, 90 USPQ2d 1393, 1397 (TTAB 2007).

Applicant operates a hedge fund. Its application, however, covers much broader services: “financial services, namely, investment advisory services, management of investment funds, and fund investment services.” The parties have introduced extensive evidence regarding the similarities and differences between the services they actually offer. The issue before us, however, is whether the services *as identified in the application* overlap with the services *as identified in opposer’s pleaded registrations*.

The financial services identified in opposer’s Registration No. 3645484 for LION include “management of a capital investment fund” and “capital investment consultation.” Opposer has established that it is offering these services in interstate commerce. Applicant’s identification “management of investment funds” encompasses opposer’s identification “management of a capital investment fund” and applicant’s “investment advisory services” encompasses opposer’s “capital investment consultation.” Thus, opposer’s services are legally identical to applicant’s “financial services, namely, investment advisory services, management of investment funds, and fund investment services.”

The similarity of the parties’ services weighs strongly in favor of a likelihood of confusion.

B. Channels of Trade

The third *du Pont* factor considers the similarity of the trade channels for the parties’ services. A significant amount of the evidence submitted by the parties – some of it confidential – is directed to the channels of trade for their services, as well as conditions of sale, discussed *infra*. Suffice it to say that the parties agree

that, by law, they cannot advertise or make general solicitations for investors; they must have a substantive pre-existing relationship with the offeree and confirm that they are qualified to invest before making an offer. *See* Applicant's Brief at 6 n.7. Both parties market their services one-on-one, and the evidence shows that identifying and procuring investors is a protracted and personal enterprise.

Because there are no limitations to the recitation of services in the application or opposer's registrations as to channels of trade and classes of purchasers, we must presume that the parties' services travel through all usual channels of trade and are offered to all normal potential purchasers. *In re Elbaum*, 211 USPQ 639, 640 (TTAB 1981); *see also Paula Payne Prods. Co. v. Johnson Publ'g Co.*, 473 F.2d 901, 177 USPQ 76, 77 (CCPA 1973).

Moreover, because the services described in the application and opposer's registrations are in part legally identical, we must presume that the channels of trade and classes of purchasers are the same. *See American Lebanese Syrian Associated Charities Inc. v. Child Health Research Institute*, 101 USPQ2d 1022, 1028 (TTAB 2011); *In re Smith & Mehaffey*, 31 USPQ2d 1531, 1532 (TTAB 1994) ("Because the goods are legally identical, they must be presumed to travel in the same channels of trade, and be sold to the same class of purchasers.").

Du Pont factor three therefore weighs strongly in opposer's favor.

C. Similarity of the Marks

We turn next to the *du Pont* likelihood of confusion factor focusing on the similarity or dissimilarity of "the marks in their entirety as to appearance, sound, connotation, and commercial impression." *Palm Bay Imports Inc. v. Veuve Clicquot*

Ponsardin Maison Fondée En 1772, 396 F.3d 1369, 73 USPQ2d 1689, 1691 (Fed. Cir. 2005) (quoting *du Pont*, 177 USPQ at 567). In comparing the marks, we are mindful that the test is not whether the marks can be distinguished when subjected to a side-by-side comparison, but rather whether they are sufficiently similar in terms of their overall commercial impression so that confusion as to the source of the goods offered under the respective marks is likely to result. *San Fernando Elec. Mfg. Co. v. JFD Elecs. Components Corp.*, 565 F.2d 683, 196 USPQ 1, 3 (CCPA 1977); *Spoons Rests. Inc. v. Morrison Inc.*, 23 USPQ2d 1735, 1741 (TTAB 1991), *aff'd*, No. 92-1086 (Fed. Cir. June 5, 1992).

Because the similarity or dissimilarity of the marks is determined based on the marks in their entireties, our analysis cannot be predicated on dissecting the marks into their various components; that is, the decision must be based on the entire marks, not just part of the marks. *In re Nat'l Data Corp.*, 753 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985); *see also Franklin Mint Corp. v. Master Mfg. Co.*, 667 F.2d 1005, 212 USPQ 233, 234 (CCPA 1981) (“It is axiomatic that a mark should not be dissected and considered piecemeal; rather, it must be considered as a whole in determining likelihood of confusion.”). On the other hand, different features may be analyzed to determine whether the marks are similar. *Price Candy Co. v. Gold Medal Candy Corp.*, 220 F.2d 759, 105 USPQ 266, 268 (CCPA 1955). In fact, there is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature of a mark, provided the ultimate

conclusion rests on a consideration of the marks in their entireties. *In re Nat'l Data Corp.*, 224 USPQ at 751.

We also note that where, as here, the services are closely related, the degree of similarity necessary to find likelihood of confusion need not be as great as where there is a recognizable disparity between the services. *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992); *Jansen Enters. Inc. v. Rind*, 85 USPQ2d 1104, 1108 (TTAB 2007).

Applicant's mark is STONE LION CAPITAL, while opposer's marks are LION and LION CAPITAL. Both parties have disclaimed the word "CAPITAL" from their respective marks. It is well-settled that disclaimed, descriptive matter may have less significance in likelihood of confusion determinations. *See Cunningham*, 55 USPQ2d at 1846 ("Regarding descriptive terms, this court has noted that the 'descriptive component of a mark may be given little weight in reaching a conclusion on the likelihood of confusion.'") (quoting *In re Nat'l Data Corp.*, 224 USPQ at 752); *In re Dixie Rests. Inc.*, 105 F.3d 1405, 41 USPQ2d 1531, 1533-34 (Fed. Cir. 1997); *In re Code Consultants, Inc.*, 60 USPQ2d 1699, 1702 (TTAB 2001) (disclaimed matter is often "less significant in creating the mark's commercial impression").

In this case, applicant's mark incorporates the entirety of opposer's marks, and the common term "LION" is arbitrary in association with the parties' services. Although the word "STONE" appears first in applicant's mark and contributes to the mark's commercial impression, it is an adjective modifying the noun "LION,"

which we view as the dominant part of both parties' marks. We find in this case that the addition of the word "STONE" is not sufficient to distinguish the marks in the context of the parties' services, and we find them to be similar in sight, sound, meaning, and overall commercial impression. The similarity of the parties' marks weighs in favor of a likelihood of confusion.

D. Strength of Opposer's Marks

Du Pont factor five assesses the strength of opposer's marks through, for example, evidence of sales, advertising, and length of use. As noted, although opposer's capital investment funds are large, opposer is prohibited from advertising its services. Its marks have been in use in the United States since 2005. Mayer Tr. at 12:13-19. Opposer submitted evidence that some news about its investments has been published in The Wall Street Journal and The New York Times, as well as on Dow Jones Newswire, CNNMoney.com, FoxBusiness.com, and Forbes.com, among other publications. Dunlop Conf. Tr. at 17-18 and Exh. 7-8.⁷ Applicant, in turn, argues that "Lion Capital's business in the United States has involved only a few dozen investors and minimal press coverage." Applicant's Brief at 19.

Opposer has not established that its marks are well-known in the financial services field. We view this *du Pont* factor as neutral.

E. Number and Nature of Similar Marks in Use for Similar Services

Applicant has made of record the testimony deposition of one third party and a sworn declaration from another. Both provide specific fund investment services.

⁷ Opposer notes that this testimony and these exhibits were erroneously designated as confidential and may be publicly disclosed. Opposer's Brief at 9 n.3.

These are Roaring Blue Lion Capital Management, L.P., which has used the mark BLUE LION CAPITAL since 2005 in connection with hedge fund services, and Lion Chemical Capital, LLC. The latter company is a private equity firm that provides equity capital investment services, targeting investment opportunities in the chemical and related industries. Declaration of Third Party Lion Chemical Capital LLC at 1 ¶ 3. It has used the mark LION CHEMICAL CAPITAL in connection with its services since 2001. *Id.* at 2 ¶ 9. Lion Chemical Capital refers to itself in marketing materials as “LION.” *Id.*, Exh. 2 at LCC019-20, LCC022. It has been the subject of U.S. press coverage. *Id.*, Exh. 4.

In addition, opposer entered into a consent agreement with the owner of the mark LIONESS CAPITAL PARTNERS & Design, registered for “private equity financing and venture capital investment services” in International Class 36,⁸ which had been cited against opposer’s application for LION CAPITAL.⁹ On deletion of “Capital” from its applied-for mark, opposer also consented to the use and registration of LION HOUND for “investment management services; fund investment services; hedge fund investment services” by Lion Hound Capital L.P.¹⁰ See Applicant’s Brief at 12; Reply Brief at 20. There is no record evidence regarding the degree of consumer awareness of the LIONESS CAPITAL PARTNERS & design and LION HOUND marks.

⁸ Registration No. 2715598.

⁹ See Response to Office Action, May 27, 2008, Registration No. 3543654, submitted with applicant’s first notice of reliance, filed December 29, 2011.

¹⁰ Registration No. 3985974.

Applicant also submitted Internet printouts referencing other third parties, as follows: Liongate Capital Management; LionEye Capital Management LLC; Lion's Path Capital; Lion Capital Group; Blue Lion Capital Management, L.L.C.¹¹; LionStone Capital Mngmnt; Lion Capital Investment Group; Lion Capital LLC; Sea Lion Capital Management LLC; Lion Capital Holdings, Inc.; Lion Capital Management Ltd.; Lion Pride Capital Partners LLC; Lion Capital Partners, L.P.; and Lion Share Capital LLC. Applicant has not established length or extent of use of these names. With its rebuttal notice of reliance submitted February 14, 2012, and the deposition transcript of Mario Ortiz, with exhibits, Opposer submitted Internet printouts calling into question the current status of several of these purported uses. On the other hand, the record includes testimony (designated as confidential) that opposer is aware of and has tolerated some of these uses of LION-formative marks in association with investment services by third parties.¹²

On its face, third-party evidence like that submitted by applicant shows “that the public may have been exposed to those internet websites” and therefore may be aware of the marks used therein. *Rocket Trademarks Pty Ltd. v. Phard S.p.A.*, 98 USPQ2d 1066, 1072 (TTAB 2011). Such evidence generally has minimal probative value where, as here, it is not accompanied by any evidence of consumer awareness.

¹¹ Record evidence suggests that this reference is distinct from Roaring Blue Lion Capital Management, L.P., which testified under subpoena.

¹² However, “it is entirely reasonable for the opposer to object to the use of certain marks in use on some goods which it believes would conflict with the use of its marks on its goods and services while not objecting to use of a similar mark on other goods which it does not believe would conflict with its own use.” *McDonald's Corp. v. McKinley*, 13 USPQ2d 1895, 1899-1900 (TTAB 1989).

See Penguin Books Ltd., 48 USPQ2d at 1284 n.5 (noting that white pages listings do not show that the public is aware of the companies).

Applicant also submits evidence that opposer has changed its position with respect to third-party LION-formative marks. The file history for Registration No. 3543654, opposer's LION CAPITAL mark, includes a response to an Office action submitted May 23, 2008, in which opposer made extensive arguments as to why confusion was unlikely between its mark and the cited mark ROARING LION.¹³ Opposer argued in that response that the marks made different commercial impressions, demonstrated by the cited registration's coexistence on the Register "with numerous other LION marks in Class 36."¹⁴ Opposer concluded that its

search of the Patent and Trademark Office database shows that there are over forty registered or approved LION marks in Class 36, owned by numerous different third parties. . . . ***These coexisting third-party registrations and approved publications are relevant to show that, given the field of LION marks, consumers will look to other elements to distinguish the source of the services.*** Furthermore, where a search of the Office's records locates numerous marks owned by different third parties, TMEP § 1207.01(d)(x) states that the examining attorney "should consider the extent to which dilution may indicate that there is no likelihood of confusion." ***Applicant submits that the successful coexistence of third-party LION marks on the Register in Class 36 demonstrates the Patent and Trademark Office's recognition that even small variations in overall appearance can suffice to prevent consumer confusion.***¹⁵

¹³ Registration No. 2948611.

¹⁴ Applicant's first notice of reliance, submitted December 29, 2011, "Request for Removal from Suspension," at unnumbered p. 3.

¹⁵ *Id.* at unnumbered p. 5 (emphases added) (citation omitted).

We do not construe opposer's previous legal opinion by itself as conclusive on the issue of the diluted nature of its marks. *See Top Tobacco, L.P. v. North Atlantic Operating Co.*, 101 USPQ2d 1163, 1172 (TTAB 2011). Rather, we have considered opposer's earlier arguments to be "illuminative of shade and tone in the total picture confronting the decision maker." *Interstate Brands Corp. v. Celestial Seasonings, Inc.*, 576 F.2d 926, 198 USPQ 151, 154 (CCPA 1978); *see also Anthonys Pizza & Pasta Int'l, Inc. v. Anthonys Pizza Holding Co.*, 95 USPQ2d 1271, 1281 (TTAB 2009) (same), *aff'd*, 415 Fed. Appx. 222 (Fed. Cir. 2010).

Notwithstanding opposer's earlier analysis, we cannot conclude that the record contains sufficient probative evidence of third-party use to establish a crowded field of LION-formative marks for similar investment services. *See, e.g., AutoZone Parts, Inc. v. Dent Zone Cos.*, 100 USPQ2d 1356, 1364-65 (TTAB 2011) (three third-party uses of ZONE marks, with no evidence of extent of use or promotion, did not prove AUTOZONE weak); *cf. Carefirst of Maryland Inc. v. FirstHealth of the Carolinas Inc.*, 77 USPQ2d 1492, 1510 (TTAB 2005), *aff'd*, 479 F.3d 825, 81 USPQ2d 1919 (Fed. Cir. 2007) (testimony from 12 third parties established a crowded healthcare field for the descriptive terms "care" and "first").

The number of LION-formative marks with evidence relating to their actual use in association with similar services is small. Moreover, while the third-party marks limit the scope of protection for opposer's marks, each mark registered or confirmed to be in use for similar services makes a commercial impression less similar to opposer's LION Marks than does applicant's mark. Applicant has not

established that the investment services field is crowded with LION-formative marks, such that consumers for legally identical services are accustomed to distinguishing among them based on relatively small differences in the marks. We find that *du Pont* factor six is therefore neutral.

F. Conditions of Sale and Consumer Sophistication

Turning to the final factor relevant here, the fourth *du Pont* factor considers the conditions under which and buyers to whom sales are made. The evidence establishes that the parties' target investors are sophisticated, and the minimum required investments are large. We must point out again, however, that we are constrained to consider the parties' services as they are recited in the application and registrations, respectively. The services offered by the parties, as identified in their respective application and registrations, are not restricted to high-dollar investments or sophisticated consumers. Rather, applicant's "investment advisory services" and opposer's "capital investment consultation" could be offered to, and consumed by, anyone with money to invest, including ordinary consumers seeking investment services.

Evidence regarding the sophistication of consumers of the parties' services is not determinative in view of the services as identified in the application and the registration. Although even ordinary consumers will exercise care when making financial decisions, careful or sophisticated purchasers are not immune from source confusion where similar marks are used in connection with related services. *See In re Research & Trading Corp.*, 793 F.2d 1276, 230 USPQ 49, 50 (Fed. Cir. 1986) ("Human memories even of discriminating purchasers . . . are not infallible.")

(quoting *Carlisle Chem. Works, Inc. v. Hardman & Holden Ltd.*, 434 F.2d 1403, 168 USPQ 110, 112 (CCPA 1970)). In light of applicant's identification of services, we find that *du Pont* factor four weighs in opposer's favor.

Weighing the Factors

Applicant proposes to register a mark that is similar to opposer's LION Marks for legally identical services offered to the same customers through the same channels of trade. *Du Pont* factors one through four thus weigh in opposer's favor, while the remaining *du Pont* factors are neutral.

On balance, we find that opposer has established by a preponderance of the evidence that applicant's mark STONE LION CAPITAL is likely to cause confusion with opposer's marks LION and LION CAPITAL when used in association with the parties' respective investment services. To the extent we have doubt, it must be resolved in favor of the prior registrant. *Nike Inc. v. WNBA Enters. LLC*, 85 USPQ2d 1187, 1202 (TTAB 2007); *Hard Rock Cafe Int'l (USA) Inc. v. Elsea*, 56 USPQ2d 1504, 1514 (TTAB 2000).

Decision: The opposition is sustained and registration to applicant is refused.