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UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board
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In re Southern Wine & Spirits of America, Inc.
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Serial No. 86323495
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Simor L. Moskowitz and Samantha J. Moskowitz of Westerman, Hattori, Daniels & Adrian, LLP for Southern Wine & Spirits of America, Inc.

Jason F. Turner, Trademark Examining Attorney, Law Office 108
(Andrew Lawrence, Managing Attorney).
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Before Mermelstein, Shaw, and Masiello, Administrative Trademark Judges.

Opinion by Masiello, Administrative Trademark Judge:

Southern Wine & Spirits of America, Inc. (“Applicant”) filed an application for registration on the Principal Register of the mark COASTAL & PACIFIC WINE & SPIRITS OF AMERICA in standard characters for “distributorship services in the field of wine, spirits and other alcoholic beverages,” in International Class 35.¹

¹ Application Serial No. 86323495 was filed on June 28, 2014 under Trademark Act Section 1(a), 15 U.S.C. § 1051(a), on the basis of Applicant’s use of the mark in commerce, stating January 2012 as the date of first use and first use in commerce.

Applicant disclaimed the exclusive right to use WINE & SPIRITS OF AMERICA apart from the mark as shown.

The Trademark Examining Attorney refused registration under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), on the ground that Applicant's mark, as used in connection with Applicant's services, so resembles the registered mark COASTAL PACIFIC FOOD DISTRIBUTORS, in standard characters, as to be likely to cause confusion, or to cause mistake, or to deceive.² The cited mark is registered for "[d]istributorship services in the field of food," in International Class 35; and "[f]ood warehousing services," in International Class 39. Registrant has disclaimed the exclusive right to use FOOD DISTRIBUTORS apart from the mark as shown. When the refusal was made final, Applicant appealed and filed a request for reconsideration. The Examining Attorney denied the request for reconsideration and this appeal proceeded. Applicant and the Examining Attorney have filed briefs.

Our determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the factors bearing on the issue of likelihood of confusion as set forth in *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973). In any likelihood of confusion analysis, two key considerations are the similarities between the marks and the similarities between the goods and services. *See Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976). In this case, Applicant and the Examining Attorney have also presented evidence and arguments regarding trade

² Reg. No. 4111502, issued March 13, 2012.

channels, customers, conditions of sale, and the number and nature of similar marks in use in the marketplace.

(a) The marks.

We first consider the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression. *See Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689 (Fed. Cir. 2005). “The proper test is not a side-by-side comparison of the marks, but instead ‘whether the marks are sufficiently similar in terms of their commercial impression’ such that persons who encounter the marks would be likely to assume a connection between the parties.” *Coach Servs. Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1721 (Fed. Cir. 2012).

The marks are similar in appearance and sound to the extent that each includes the words COASTAL and PACIFIC in that order. There are a number of visual and phonetic differences between the two marks: the ampersand between COASTAL and PACIFIC in Applicant’s mark; the wording WINE & SPIRITS OF AMERICA in Applicant’s mark; and the wording FOOD DISTRIBUTORS in Registrant’s mark. All are points of visual and phonetic difference.

With respect to meaning, customers are likely to give the words COASTAL and PACIFIC the same meaning in each mark. The ampersand between COASTAL and PACIFIC in Applicant’s mark is unlikely to materially alter the meaning of these two words. Trademarks must be considered in light of the fallibility of memory, *In re St. Helena Hosp.*, 774 F.3d 747, 113 USPQ2d 1082, 1085 (Fed. Cir. 2014), and this minor difference might well be overlooked or not remembered. In any event, if

there is any substantial difference in meaning between COASTAL PACIFIC and COASTAL & PACIFIC, it has not been argued or demonstrated by Applicant. The wording WINE & SPIRITS OF AMERICA is obviously different in meaning from FOOD DISTRIBUTORS. Applicant argues that these words are highly significant in distinguishing the marks, because they clearly indicate that Registrant operates in the field of food and Applicant operates in the field of alcoholic beverages, suggesting that these two marks must designate different sources of service.³ While we give full regard to the different meanings of these words, we note that DISTRIBUTORS in Registrant's mark is descriptive or generic for *Applicant's* services, thereby reducing the distinguishing power of this term. Further, customers are likely to perceive some relationship between the meanings of FOOD and WINE & SPIRITS, as all of these words describe comestible goods for human consumption that are often consumed together. Thus, the different meanings of these terms does not create the type of incongruity between the marks that might arise between more starkly unrelated words.

Although the marks have differences in appearance, sound, and meaning, when we consider the overall commercial impressions created by the marks we find them to be sufficiently similar that, if used in connection with similar services, customers would be likely to perceive a connection between them. Accordingly, the *du Pont* factor of the similarity or dissimilarity of the marks weighs in favor of a finding of likelihood of confusion.

³ Applicant's brief at 5, 14 TTABVue 10.

(b) The services.

We next consider the similarity or dissimilarity of the services as identified in the application and the cited registration. *Stone Lion Capital Partners, LP v. Lion Capital LLP*, 746 F.3d 1317, 110 USPQ2d 1157, 1161-62 (Fed. Cir. 2014); *Octocom Sys. Inc. v. Houston Computers Servs. Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990). Both Applicant and Registrant provide distributorship services. However, Applicant operates in the field of “wine, spirits and other alcoholic beverages” whereas Registrant operates in the field of “food.”⁴

In order to demonstrate that the services of Applicant and Registrant are related, the Examining Attorney has submitted evidence from the internet regarding 11 businesses that are described as distributors of both food and alcoholic beverages:

Danai Food and Wine Distributors

Belkov Brothers

Carmela Foods⁵

Jay’s Food & Beverage Distributors

DiDiego Wine & Food Corp

International Wine & Spirits, Inc., Louisiana

Piespa Wine & Food Distributors

George’s Distributing

Gourmet Food & Wine Distributor

⁴ We will focus our analysis on Registrant’s food distributorship services because these are more similar in nature to Applicant’s services than are Registrant’s warehousing services.

⁵ Office Action of February 21, 2015 at 10, 14, 16.

Kahuna Distribution

Natural Merchants Fine Foods & Wines⁶

The Examining Attorney also submitted copies of the following 12 use-based third-party registrations, each of which covers distributorships with respect to both food and alcoholic beverages:⁷

<u>Reg. No.</u>	<u>Mark</u>
3574804	BILLINGTON WINES
3929408	ROYAL EAGLE
4003066	AVIVA VINO
3976396	WHEN YOU GET TO KNOW ME, YOU'LL LOVE ME
3207896	W WINEBOW BRANDS INTERNATIONAL
4449354	TWISTED VINE
3820684	HAVE AN ASS KICKIN' DAY!
2093427	PREMIER PLACE
2744061	REYES HOLDINGS
2718672	KYSELA IMPORTS, INC.
4501047	KEE WORLD
4670946	I-D FOODS CORPORATION

⁶ Office Action of August 26, 2015 at 6-7, 11, 13-18.

⁷ Office Action of September 4, 2014 at 12-29; Office Action of February 21, 2015 at 20-21, 25-27; Office Action of August 26, 2015 at 19-23, 32-34, 38-40.

Third-party registrations which individually cover different goods and services and are based on use in commerce may serve to suggest that the listed goods and services are of types which may emanate from the same source. *In re Albert Trostel & Sons Co.*, 29 USPQ2d 1783, 1785-86 (TTAB 1993); *In re Mucky Duck Mustard Co. Inc.*, 6 USPQ2d 1467, 1470 n.6 (TTAB 1988).

Applicant has argued against the probative value of some of the Examining Attorney's evidence. We have found some of the evidence (not listed above) to be non-probative or duplicative. However, we find the evidence detailed above to have probative value and have not relied on other evidence of the Examining Attorney in our deliberations as to the relatedness of the services at issue.

Applicant argues that "consideration of the services must be limited to the services as identified in the cited registration and application,"⁸ and that "[t]he practical effect of the Examining Attorney's position is to effectively expand the coverage and scope of protection of the cited registration unjustifiably beyond the scope of the registrant's own use"⁹ However, there is nothing wrong with citing a mark that is registered for one set of services against an application relating to a different set of services if use of the marks would give rise to a likelihood of confusion as contemplated by Section 2(d).

Applicant has submitted excerpts of Registrant's website in order to show that Registrant does not sell alcoholic beverages, but distributes only food to the United

⁸ Applicant's brief at 6-7, 14 TTABVUE 11-12.

⁹ *Id.* at 11-12, 14 TTABVUE 16-17.

States military.¹⁰ Applicant points out that “the mark COASTAL PACIFIC FOOD DISTRIBUTORS by its very terms [is] limited to food distribution, the identification of services of the cited registration is specifically limited to distributorship services in the field of food, and ... Registrant’s own website [shows] that it has not ventured beyond the scope of food distribution and, in fact, has limited such distribution only through military channels of trade.”¹¹ However, the relevant question is not whether Registrant has expanded or ever would expand its operations into the field of alcoholic beverages. The relevant question is whether customers, seeing similar marks used by others in connection with both types of services, would mistakenly believe both services to emanate from a single source. The fact that there are other companies in the marketplace that provide both types of services increases the likelihood that customers would believe that both services could emanate from a single source.

We find the Examining Attorney’s evidence, detailed above, sufficient to establish that customers would readily believe that, if offered under similar marks, Applicant’s and Registrant’s services emanate from the same source. Accordingly, the *du Pont* factor of the similarity or dissimilarity of the services weighs in favor of a finding of likelihood of confusion.

(c) Trade channels.

With respect to the trade channels for Registrant’s food distributorship services, Applicant focuses on Registrant’s website, arguing that Registrant offers its services

¹⁰ Response filed August 3, 2015 at 12-19

¹¹ Applicant’s brief at 12, 14 TTABVUE 17.

only to the U.S. military and that, as a result, Registrant's services travel only through channels of trade specific to military purchasing and government procurement. Applicant contends that these channels are different from its own trade channels, as its services are directed to "restaurants, liquor stores, hotels and other service-industry establishments."¹² The Examining Attorney points out that the cited registration includes no limitations as to the trade channels for the services, and that we must therefore presume that the services are provided through all normal trade channels for food distribution services. In response, Applicant contends that this presumption may be rebutted, and that Registrant's website does indeed rebut the presumption. We disagree. In this proceeding, Applicant cannot rebut this presumption. In *In re Dixie Rests. Inc.*, 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997), the Federal Circuit stated:

Likelihood of confusion must be determined based on an analysis of the mark as applied to the . . . services recited in applicant's application vis-a-vis the . . . services recited in [a] . . . registration, rather than what the evidence shows the . . . services to be. . . . Indeed, the second *DuPont* factor expressly mandates consideration of the similarity or dissimilarity of the services "as described in an application or registration." . . . The certificate of registration is prima facie evidence of the validity of the registration and the registrant's exclusive right to use the mark in connection with the services specified. 15 U.S.C. Section 1057(b) (1994). Dixie's argument that DELTA is not actually used in connection with restaurant services amounts to a thinly-veiled collateral attack on the validity of the registration.

¹² *Id.* at 10-11, 14 TTABVue 15-16.

It is true that a prima facie presumption of validity may be rebutted. ... However, the present *ex parte* proceeding is not the proper forum for such a challenge. ...

41 USPQ2d at 1534 (citations and internal quotation marks omitted).

In the present case, Applicant seeks to persuade us that Registrant's actual services and trade channels are narrower than those described in the cited registration. An *ex parte* proceeding is particularly ill-suited to trying the question of the extent of Registrant's commercial activities. Without Registrant's involvement in this proceeding to respond to Applicant's contentions, we have before us no reliable evidence sufficient to rebut the presumptions, and Registrant has no opportunity to be heard before we limit its registration. In an *ex parte* proceeding, we are required to give "full sweep" to Registrant's identified goods. *Paula Payne Prods. Co. v. Johnson Publ'g Co., Inc.*, 473 F.2d 901, 177 USPQ 76, 77-78 (CCPA 1973). Accordingly, Applicant's contention that Registrant's services are limited to distributing goods to the U.S. military is unavailing.

With respect to the full scope of normal trade channels for the services at issue, there is little evidence of record. The briefs primarily discuss trade channels only in terms of the types of customers to which the services are directed. Applicant states, with respect to its services:

Applicant's services are procured by restaurants, liquor stores, hotels and other service-industry establishments. In order to procure Applicant's services, the purchaser must hold a liquor license¹³

As for food distributorship services, the website of Carmela Foods states:

¹³ *Id.* at 11, 14 TTABVUE 16.

Carmela Foods is a specialty food and wine distributor servicing all independent specialty food retailers, restaurants, country clubs, hotels and resorts¹⁴

The website of Belkov Brothers describes its customers as “food service provider[s]” and “retailer[s].”¹⁵

It is clear that both food distributors and distributors of alcoholic beverages offer their services in channels directed to restaurants and hotels. Further, as many food retailers carry alcoholic beverages as well as food, there is no reason to doubt that alcoholic beverage distributors would offer their services to food retailers where permitted. This is supported by the website of Natural Merchants, which states that its “organic wines can be found in natural retail stores including Whole Foods and Trader Joe’s ...”¹⁶ We see substantial overlap between the established and likely to continue trade channels of Applicant and Registrant. This *du Pont* factor favors a finding of likelihood of confusion.

(d) Sophistication of customers; conditions of sale.

Applicant points out that the services of both Applicant and Registrant are directed to the trade and not to the end users of food and alcoholic beverages. Applicant argues that, in each case, the customers are sophisticated and exercise substantial care in selecting services; and that the conditions under which sales are made render confusion unlikely:

In order to procure Applicant’s services, the purchaser must hold a liquor license, and must be connected with a

¹⁴ Office Action of August 26, 2015 at 5.

¹⁵ *Id.* at 12.

¹⁶ *Id.* at 18.

sales representative, request a quote for the specific wine, spirits or other alcoholic beverage of interest, or otherwise purchase goods from Applicant through a price list and established account.¹⁷

[B]oth the Registrant and Applicant are operating at the wholesale distributorship level of services. ... As such, the “consumers” of the cited registrant’s services who wish to procure food products from the cited registrant ... will be a military or government procurement officer, who is well-versed in the various companies that are approved to distribute food to the military. ... Applicant’s relevant consumers generally will be liquor stores, restaurants, bars, hotels and other similar establishments, having an appropriate liquor license, where the specific employee responsible for purchasing the wine, spirits and other alcoholic beverages will have a specialized knowledge of both wine and spirit vendors from whom products can be purchased, as well as the federal and state laws governing the sale and shipping of alcohol.

...

[T]he goods being procured are generally purchased in large quantities, and will cost a significant amount of money. ... [T]he generally higher price of the respective food and/or wine, spirits and/or alcoholic beverages being purchased promotes a more careful and discerning purchasing environment which, in turn, ultimately negates a likelihood of confusion.¹⁸

The Examining Attorney responds, noting that sophistication in business does not confer immunity to source confusion.¹⁹

We find that the sophistication of the relevant customers and the circumstances under which the services are selected reduce somewhat — but do not eliminate —

¹⁷ Applicant’s brief at 11, 14 TTABVUE 16.

¹⁸ *Id.* at 12-13, 14 TTABVUE 17-18.

¹⁹ Examining Attorney’s brief, 16 TTABVUE 13.

the likelihood of confusion. These *du Pont* factors weigh against a finding of likelihood of confusion.

(e) Similar marks in use.

Applicant contends that Registrant's mark is weak and entitled only to a narrow scope of protection because there are many marks that include the term COASTAL PACIFIC in use in the marketplace.²⁰ Applicant has submitted evidence from the internet showing use of twelve such marks, and points out that such marks are particularly common in California.²¹ None of these marks is used in the field of food distributorship; the closest is a mark that is used for organizing farmers' markets. The other marks are used in the fields of landscape management; flight training; building construction; legal services; cartons and other packaging; roofing services; home inspection; mortgage financing; insurance; marine engines; and real estate agency services. The relevant factor, as expressed in *du Pont*, is "the number and nature of similar marks in use *on similar goods [or services]*." 177 USPQ at 567 (emphasis added). The evidence submitted by Applicant does not relate to services similar to those of Registrant or Applicant. Evidence that is not specific to the relevant field of business is not strongly persuasive as to the purported weakness of a mark in that field. We acknowledge that COASTAL PACIFIC may be perceived as geographically suggestive; and Applicant has shown that it has been adopted by other businesses. However, where evidence focusing on the relevant field of

²⁰ Applicant's brief at 8-9, 14 TTABVUE 13-14.

²¹ Response of August 3, 2015 at 23-50.

business is lacking, more is required to persuade us that the mark is commercially weak. We find this *du Pont* factor to be neutral.

(f) Conclusion.

We have considered all of the arguments and evidence of record, including those not specifically discussed herein, and all relevant *du Pont* factors. The marks create very similar commercial impressions, and the services at issue are closely related and are directed to some of the same classes of customers. However, the customers are sophisticated and exercise care in selecting the services, and the conditions of sale decrease the likelihood of confusion. We bear in mind that the level of sophistication of the various individuals who do business with Applicant and Registrant may not be uniform. Moreover, we consider that the conditions of sale that reduce likelihood of confusion may not obtain at all stages of the marketing of the services (*e.g.*, at the stage of initial interest; in advertising; in word-of-mouth recommendations; and in unsolicited publicity). As noted above, the similarity of the marks and the similarities between the services are often considered the most important considerations, and this case is no exception. We find the mitigating factors of sophistication, care, and conditions of sale insufficient to outweigh the other factors, such that confusion as to the source of Applicant's services remains likely.

Decision: The refusal under Section 2(d) is affirmed.