

THIS OPINION IS NOT A  
PRECEDENT OF THE TTAB

Hearing:  
November 29, 2016

Mailed:  
January 26, 2017

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. 86326950

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Simor L. Moskowitz and Samantha J. Moskowitz of Westerman, Hattori, Daniels & Adrian, LLP for Southern Wine & Spirits of America, Inc.

Tarah Hardy Ludlow, Trademark Examining Attorney, Law Office 110  
(Chris A. F. Pedersen, 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 shown below for “distributorship services in the field of wine, spirits and other alcoholic beverages,” in International Class 35:<sup>1</sup>

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<sup>1</sup> Application Serial No. 86326950 was filed on July 2, 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 has disclaimed the exclusive right to use WINE & SPIRITS OF AMERICA apart from the mark as shown. Color is not claimed as a feature of the mark.

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.<sup>2</sup> The cited mark is registered for "Distributorship services in the field of food," in International Class 35; and "Food 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. The case is fully briefed. Oral arguments were heard on November 29, 2016.

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<sup>2</sup> Reg. No. 4111502, issued March 13, 2012.

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 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 entirety 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 additional literal elements of Applicant’s

mark, namely, C&P and WINE & SPIRITS OF AMERICA; the design elements of Applicant's mark; and the wording FOOD DISTRIBUTORS in Registrant's mark.

Further, customers are likely to give the words COASTAL and PACIFIC the same meaning in each mark. The ampersand 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.<sup>3</sup> While we give full regard to the different meanings of these words, we note that DISTRIBUTORS in Registrant's mark is an appropriate descriptor 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

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<sup>3</sup> Applicant's brief at 6, 16 TTABVUE 11.

meanings of these terms does not create the type of incongruity between the marks that might arise between more starkly unrelated words.

A further difference in meaning between the marks may arise from the letters C&P in Applicant's mark, which are not present in Registrant's mark. However, it is clear that these letters, which appear in the mark in close proximity to the words COASTAL & PACIFIC, are the initial letters of those words and refer to COASTAL & PACIFIC, a term that is similar to the words COASTAL PACIFIC in Registrant's mark.

In our comparison of the marks, we give more weight to the wording of Applicant's mark than to its design elements. In the case of marks consisting of words and a design, the words are normally given greater weight because they would be used by consumers to request the products. *In re Dakin's Miniatures, Inc.*, 59 USPQ2d 1593, 1596 (TTAB 1999). *See also Sweats Fashions Inc. v. Pannill Knitting Co.*, 833 F.2d 1560, 4 USPQ2d 1793, 1798 (Fed. Cir. 1987); *Giant Food, Inc. v. Nation's Food Service, Inc.*, 710 F.2d 1565, 218 USPQ 390 (Fed. Cir. 1983). We take into consideration the fact that C&P is graphically emphasized by virtue of its size and central placement within the design. However, as we note above, in the context of the mark as a whole C&P clearly refers to the wording COASTAL & PACIFIC. *See In re Mighty Leaf Tea*, 601 F.3d 1342, 94 USPQ2d 1257, 1260 (Fed. Cir. 2010) ("ML is likely to be perceived as a shortened version of ML MARK LEES when used on the same or closely related skin care products.")

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 related 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.

(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.”<sup>4</sup>

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:

Carmela Foods

Belkov Brothers

Food Wine Italy

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<sup>4</sup> 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.

Sara-Syrah<sup>5</sup>

Yiannis Foods and Wines

Sparta Foods

Italfoods Inc.

Global Foods

Merchants of Pleasure

Gourmet Food & Wine Distributor

Ben E. Keith Co.<sup>6</sup>

The Examining Attorney also submitted news articles from the LEXIS/NEXIS database that mention 5 other companies or individuals that are identified as distributors of both food and alcoholic beverages:

AMI Group

Wenda Wade

Grapevine Cottage

Rex Renfrow

Mr. Ordonez.<sup>7</sup>

Finally, the Examining Attorney submitted copies of the following 7 use-based third-party registrations, each of which covers distributorships with respect to both food and alcoholic beverages:<sup>8</sup>

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<sup>5</sup> Office Action of February 2, 2015 at 54-65. We have not counted the unidentified “specialty wine and food distributor” offered for acquisition by the business broker Sunbelt of Akron.

<sup>6</sup> Office Action of August 22, 2015 at 9-47.

<sup>7</sup> Office Action of February 2, 2015 at 7-9.

<sup>8</sup> Office Action of October 11, 2014 at 14-24; Office Action of February 2, 2015 at 14-52.

<u>Reg. No.</u>	<u>Mark</u>
4449354	TWISTED VINE
4003066	AVIVA VINO
3976396	WHEN YOU GET TO KNOW ME, YOU'LL LOVE ME
3405547	BILLINGTON
2071562	WINEBOW INC.
3929408	ROYAL EAGLE
4131264	WINE IN MOTION

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 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,"<sup>9</sup> and that "[t]he

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<sup>9</sup> Applicant's brief at 8, 16 TTABVUE 13.

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 ...."<sup>10</sup> 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 argues that "[t]he distribution of wine, spirits and other alcoholic beverages is highly regulated and controlled by the laws in each state"; and that "a distributor of food services cannot also distribute wine, spirits and other alcoholic beverages without a license or other regulatory compliance ...."<sup>11</sup> The fact that there may be legal barriers to entering the field of alcoholic beverage distribution does not mean that businesses will eschew the field. Rather, in this case the evidence shows that some food distributors have undertaken to distribute alcoholic beverages as well.

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 States military.<sup>12</sup> 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

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<sup>10</sup> *Id.* at 13, 16 TTABVUE 18.

<sup>11</sup> Applicant's reply brief, 19 TTABVUE 10.

<sup>12</sup> Response filed August 3, 2015 at 12-19

beyond the scope of food distribution and, in fact, has limited such distribution only through military channels of trade.”<sup>13</sup> However, the relevant question is not whether Registrant has 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.

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 move through all normal trade channels for food distribution services. Applicant contends that this presumption may be rebutted and that it has been rebutted by the evidence from Registrant’s website showing

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<sup>13</sup> Applicant’s brief at 13, 16 TTABVUE 18.

that “the cited registrant only distributes food products to the US military ....”<sup>14</sup> 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.

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 presumptions that are established by

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<sup>14</sup> Applicant’s brief at 11-12, 16 TTABVUE 16-17.

statute, 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 services. *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.<sup>15</sup> 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 license ....<sup>16</sup>

With respect to trade channels of food distributors, Applicant focuses on the special channels relevant to the military and the government’s procurement of goods for the military. As we have discussed above, this limited view of the relevant trade channels is not valid. The evidence of the Examining Attorney sheds some light on the trade channels of food distributorship services. The website of Italfoods states:

Each day a fleet of Italfoods trucks hurry from our headquarters in South San Francisco to deliver the finest imported and domestic food products to restaurants, specialty food stores, delicatessens and supermarkets throughout the greater Bay Area.<sup>17</sup>

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<sup>15</sup> Most of the discussion of trade channels in the record actually focuses on the nature of the customers to whom the services are directed. We have given full consideration to all of the relevant evidence and arguments, regardless of the rubric under which they are offered.

<sup>16</sup> Applicant’s brief at 13, 16 TTABVUE 18.

<sup>17</sup> Office Action of August 22, 2015 at 14.

The website of Prima Foods states:

Prima Foods Inc., headquartered in Baltimore, Maryland, is a full service wholesale food distributor to restaurants, carry outs, delis, caterers, grocery stores, churches, and the general public.<sup>18</sup>

It is clear that both food distributors and distributors of alcoholic beverages offer their services in channels directed to restaurants. We also see no reason to doubt that Applicant's hotel customers would also do business with food distributors, as many hotels include restaurants and other food service facilities. Further, as many supermarkets carry alcoholic beverages as well as food, there is no reason to doubt that alcoholic beverage distributors would offer their services to supermarkets where permitted. 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 sales representative, request a quote for the specific wine, spirits or other alcoholic beverage of interest, or otherwise

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<sup>18</sup> *Id.* at 43.

purchased [*sic*] goods from Applicant through a price list and established account.<sup>19</sup>

[B]oth 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.

...

The goods being procured are generally purchased in 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.<sup>20</sup>

The Examining Attorney responds that sophistication in business does not confer immunity to source confusion.<sup>21</sup>

We agree with Applicant that the sophistication of the relevant customers and the circumstances under which the services are selected reduce the likelihood of confusion. These *du Pont* factors weigh against a finding of likelihood of confusion.

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<sup>19</sup> Applicant’s brief at 13, 16 TTABVUE 18.

<sup>20</sup> Applicant’s brief at 14-15, 16 TTABVUE 19-20.

<sup>21</sup> Examining Attorney’s brief, 18 TTABVUE 11.

(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.<sup>22</sup> Applicant has submitted evidence from the internet showing use of twelve such marks, and points out that such marks are particularly common in California.<sup>23</sup> 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 business is lacking, more is required to persuade us that the mark is commercially weak. We find this *du Pont* factor to be neutral.

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<sup>22</sup> Applicant's brief at 9-11, 16 TTABVUE 14-16.

<sup>23</sup> Response of August 3, 2015 at 23-50.

(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, they 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 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). But 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.