

This Opinion Is Not a
Precedent of the TTAB

Mailed: February 14, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board
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Diamond Hong, Inc.
v.
Zheng Cai DBA Tai Chi Green Tea Inc

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Cancellation No. 92062714
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Bing Li of Law Offices of Bing Li, LLC,
for Diamond Hong, Inc.

Zheng Cai, *pro se.*

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Before Zervas, Taylor, and Hightower,
Administrative Trademark Judges.

Opinion by Hightower, Administrative Trademark Judge:

Diamond Hong, Inc. (Petitioner) petitions to cancel Registration No. 4114136 for the mark WU DANG TAI CHI GREEN TEA and design, shown below



(with “TAI CHI GREEN TEA” disclaimed) for “green tea; tea; tea bags” in International Class 30, owned by Illinois individual Zheng Cai DBA Tai Chi Green Tea Inc (Respondent).¹ The registration includes the following translation statement: “The English translation of ‘Tai Chi’ in the mark is extremely superior.”

Petitioner asserts priority and a likelihood of confusion under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), with its mark



registered for, in most relevant part, “processed herbs; processed ginseng used as an herb; herbal food beverages; royal jelly for food purpose; and tea” in International Class 30.² We grant the petition to cancel.

¹ Registration No. 4114136 on the Principal Register, issued March 20, 2012; Trademark Act Section 8 affidavit of continued use accepted April 11, 2017. The description of the mark states: “The mark consists of a circle outlined in green, that divides to be half green and half white, with a single dot located at each half with the opposite color; on the top of the mark, it has words ‘Tai Chi Green Tea’; at the bottom of the mark, it has words ‘Wu Dang’.” The colors green and white are claimed as a feature of the mark.

² Registration No. 3966518 on the Principal Register, issued May 24, 2011. The description of the mark states: “The mark consists of a man engaged in a tai chi position atop a yin-yang symbol with the term ‘TAI CHI’ below the symbol and a Chinese character on each side of the symbol.” Color is not claimed as a feature of the mark. The registration includes statements that the non-Latin characters in the mark “transliterate into ‘Tai Chi’ or Tai Ji,” and “translate into English as ‘TAI CHI.’”

A combined declaration of use and incontestability under Sections 8 and 15 of the Trademark Act was submitted on April 17, 2017. On August 14, 2017, the USPTO accepted the Section 15 portion of the combined affidavit and the specimens submitted for the goods identified in International Class 30, as well as other goods in Classes 5 and 33. Applicant was allowed six months to submit specimens for goods identified in two other classes, 3 and 29.

I. The Party Petitioner

The petition was filed on November 20, 2015 through ESTTA, the Trademark Trial and Appeal Board Electronic Filing System, in the names of two entities: Diamond Hong, Inc. and H&C Trading Co. Inc. Together, they are identified as “Petitioner” or “Petitioners” in the initial pleading and subsequent papers. Each corporation is the current owner of one of the two registrations pleaded in the Petition for Cancellation.

USPTO fee records indicate that a fee of \$300 was posted as a filing fee. At the time the petition was filed, the fee for a cancellation was \$300 per class, per petitioner, and the subject registration includes one class. Thus, the payment of \$300 was sufficient for one petitioner only.

Although ESTTA permits petitions to be filed by multiple petitioners, the filing lists “Diamond Hong, Inc. & H&C Trading Co. Inc.” on one line as the name of the petitioner. Had both parties been separately identified as distinct legal entities and joint petitioners, the total filing fee would have been \$600.

Rule 2.111(c) of the Trademark Rules of Practice in effect when the petition was filed, 37 C.F.R. § 2.111(c), provided in relevant part as follows:

(1) The petition for cancellation must be accompanied by the required fee for each party joined as petitioner for each class in the registration for which cancellation is sought (see § 2.6).

(2) An otherwise timely petition for cancellation will not be accepted via ESTTA unless the petition for cancellation is accompanied by a fee that is sufficient to pay in full for each named party petitioner to petition for cancellation of the registration of a mark in each class specified in the petition for cancellation.

(3) If an otherwise timely petition for cancellation is submitted on paper, the following is applicable if less than all required fees are submitted:

. . .

(iii) If persons are joined as party petitioners, each must submit a fee for each class for which cancellation is sought. If the fees submitted are sufficient to pay for one person to petition for cancellation of the registration in at least one class but are insufficient for each named party petitioner, the first-named party will be presumed to be the party petitioner. Additional parties will be deemed to be party petitioners only to the extent that the fees submitted are sufficient to pay the fee due for each party petitioner. . . .

Because Petitioner did not identify two joint petitioners in its ESTTA filing and submitted a fee sufficient for only one party petitioner, we do not consider the entity listed second in the petition, H&C Trading Co. Inc., to be a party to this proceeding.³ *See Syngenta Crop Prot. Inc. v. Bio-Chek LLC*, 90 USPQ2d 1112, 1115 n.2 (TTAB 2009); *Giersch v. Scripps Networks Inc.*, 90 USPQ2d 1020, 1021 n.1 (TTAB 2009); TBMP § 308.03 (June 2017) (“Two or more parties may file an opposition, or a petition for cancellation, jointly. However, the required fee must be submitted for each party joined as opposer, or petitioner, for each class in the application for which registration is opposed, or for each class in the registration for which cancellation is sought.”).

II. Procedural Matters and Record

The record comprises the pleadings and, without any action by the parties, the file of the involved registration. Trademark Rule 2.122(b)(1), 37 C.F.R. § 2.122(b)(1).

³ In its brief, Petitioner characterizes the entities as “interrelated.” Appeal Brief at 1, 24 TTABVUE 4. They share the same street address, and the trial record includes a declaration of William Cheung, who states that he is “the principal and president of DIAMOND HONG, INC. and H & C TRADING CO. INC. (jointly ‘Petitioner’).” 22 TTABVUE 54. Nonetheless, there is no evidence establishing that they are not two distinct corporations.

Pursuant to Trademark Rule 2.122(d)(1), 37 C.F.R. § 2.122(d)(1), Petitioner also made of record its pleaded Registration No. 3966518 by submitting with its amended pleading a current copy of information from the USPTO's Trademark Electronic Search System (TESS) database records showing the current status and title of the registration. 15 TTABVUE 21-27. In addition, Petitioner submitted the following evidence:

- The declaration mentioned *supra* of William Cheung, Petitioner's president, with exhibit, 22 TTABVUE 54-62 ("Cheung Decl.");
- The declaration of Kenneth Cang Li, an attorney who represented Petitioner during prosecution of its pleaded registration, with exhibits, 22 TTABVUE 2-53; and
- Plaintiff's notice of reliance, with exhibits from USPTO records relating to other applications and registrations owned by Respondent. 23 TTABVUE.

Respondent introduced no evidence.

Each party submitted a main brief, 24-25 TTABVUE, and Petitioner filed a reply brief, 26 TTABVUE. Respondent also submitted a reply brief, 27 TTABVUE, which we have given no consideration. TBMP § 801.02(d) (June 2017) ("There is no provision for filing a reply brief, rebuttal brief, rejoinder brief, etc. by a party in the position of defendant.").

Respondent's main brief is single-spaced, in contravention of Trademark Rules 2.126(a)(1) and 2.128(b), 37 C.F.R. §§ 2.126(a)(1) and 2.128(b). In the Board's April 8, 2016 order setting aside default judgment in this case, the parties were warned that single-spaced briefs violate the Trademark Rules, and that "[s]trict compliance with Trademark Rule 2.126 and all other applicable rules and procedures is required in

all future filings. Any filing that fails to comply with the Board's rules may be given no consideration." 13 TTABVUE 1 n.1.

Because the text is only seven pages long, well under the 55-page limit even single-spaced, and aids the Board in comprehending Respondent's arguments in this proceeding, we have in this case exercised our discretion to consider Respondent's main brief. We have not, however, considered the factual assertions and "figures" displayed and discussed in Respondent's brief, which are not evidence introduced into the trial record. *See, e.g., Enzo Biochem Inc. v. Gen-Probe Inc.*, 424 F.3d 1276, 76 USPQ2d 1616, 1622 (Fed. Cir. 2005) ("Attorney argument is no substitute for evidence.").

III. Petitioner's Standing

Standing is a threshold issue that must be proven by the plaintiff in every cancellation proceeding. *See Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014); *John W. Carson Found. v. Toilets.com Inc.*, 94 USPQ2d 1942, 1945 (TTAB 2010). Any person who believes it is or will be damaged by registration of a mark has standing to file a petition to cancel. Trademark Act Section 14, 15 U.S.C. § 1064.

Our primary reviewing court has enunciated a liberal threshold for determining standing. "A petitioner is authorized by statute to seek cancellation of a mark where it has both a real interest in the proceedings as well as a reasonable basis for its belief of damage." *Empresa Cubana*, 111 USPQ2d at 1062 (Fed. Cir. 2014) (quotations omitted). A "real interest" is a "direct and personal stake" in the outcome of the proceeding. *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1026 (Fed. Cir.

1999). A claim of likelihood of confusion that “is not wholly without merit,” including prior use of a confusingly similar mark, may be sufficient to “establish a reasonable basis for a belief that one is damaged by the registration sought to be cancelled.” *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). Standing may be established by entry into the record of a petitioner’s pleaded registration, if it is shown to be valid, subsisting, and owned by the petitioner. *See, e.g., Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Otter Prods. LLC v. BaseOneLabs LLC*, 105 USPQ2d 1252, 1254 (TTAB 2012).

In this proceeding, Petitioner properly made of record its pleaded Registration No. 3966518 and showed it to be valid, subsisting, and owned by Petitioner. Petitioner’s claim of likelihood of confusion based on its ownership of Registration No. 3966518 is not wholly without merit. We find that Petitioner has established its standing.

IV. Priority

A party claiming prior use of a mark may petition to cancel a registration on the basis of such prior use pursuant to Section 14 of the Trademark Act. *See Brewski Beer Co. v. Brewski Bros. Inc.*, 47 USPQ2d 1281, 1284 (TTAB 1998). In a cancellation proceeding where both the petitioner and respondent are owners of registrations, the petitioner must prove priority of use. *Christian Broad. Network Inc. v. ABS-CBN Int’l*, 84 USPQ2d 1560, 1565 (TTAB 2007). To establish priority on its likelihood of confusion claim under Section 2(d) of the Trademark Act, Petitioner must prove that, vis-à-vis Respondent, it owns “a mark or trade name previously used in the United States . . . and not abandoned.” Trademark Act § 2(d).

Respondent submitted no evidence of his use, but may rely for priority on the filing date of the application that matured into the subject registration: May 23, 2011. *Kohler Co. v. Baldwin Hardware Corp.*, 82 USPQ2d 1100, 1106 (TTAB 2007). Petitioner submitted testimony that it has used its mark in commerce in association with tea products continuously since at least as early as October 1999. Cheung Decl. ¶ 8, 22 TTABVUE 56. We find that Petitioner has established its priority of use.

V. Petitioner's Preclusion Argument

Petitioner contends that the subject registration should be cancelled because three



prior applications filed by Respondent for the marks 太极绿茶 and 太极绿茶 for tea and related goods and services were refused registration due to a likelihood of confusion with pleaded Registration No. 2449580, owned by H&C Trading Co. Inc., and one of the refusals was affirmed by this Board on appeal. Because H&C Trading is not a party to this proceeding, we need not reach Petitioner's argument. We note, nonetheless, that this contention is unavailing. With respect to the two refusals that were not appealed, "[a] decision by an examining attorney during examination of an application as to whether or not there is likelihood of confusion with another registered mark has no preclusive effect." *Super Bakery Inc. v. Benedict*, 96 USPQ2d 1134, 1135 n.1 (TTAB 2010). As to the refusal affirmed on *ex parte* appeal, Petitioner does not specify what doctrine it invokes, but claim preclusion (*res judicata*), issue preclusion (collateral estoppel), and *stare decisis* do not apply here because neither the marks nor the parties are the same in this proceeding as in the *ex parte* appeal.

VI. Likelihood of Confusion

We proceed to analyze Petitioner's likelihood of confusion claim on the merits. A presumption of validity attaches to a trademark registration, and the party seeking cancellation must rebut this presumption by a preponderance of the evidence. *West Fla. Seafood Inc. v. Jet Rests. Inc.*, 31 F.3d 1122, 31 USPQ2d 1660, 1662 (Fed. Cir. 1994). Section 14(1) of the Trademark Act provides that a cancellation action may be brought on the ground of likelihood of confusion before a registration is five years old. The petition before us was filed within five years from the date the subject registration issued.

Our determination under Trademark Act Section 2(d) is based on an analysis of all probative facts in evidence that are relevant to the factors bearing on the issue of likelihood of confusion. *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973); *see also In re Majestic Distilling Co.*, 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). In any likelihood of confusion analysis, however, key considerations include the similarities between the marks and the similarities between the goods or services, the first two *du Pont* factors. *See Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976) ("The fundamental inquiry mandated by § 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks."). We address the relevant *du Pont* factors in turn.

A. Similarity of the Goods, Customers, and Channels of Trade

We begin with the second and third *du Pont* factors, assessing the similarity or dissimilarity of the parties' goods and their established, likely-to-continue trade

channels. We must make our determination regarding the similarity between the goods based on the goods as they are identified in the registrations, not on any extrinsic evidence of actual use. *See, e.g., In re i.am.symbolic, LLC*, 866 F.3d 1315, 123 USPQ2d 1744, 1749 (Fed. Cir. 2017); *Stone Lion Capital Partners, LP v. Lion Capital LLP*, 746 F.3d 1317, 110 USPQ2d 1157, 1162 (Fed. Cir. 2014). Likelihood of confusion must be found if there is likely to be confusion with respect to any item within the identification of goods for a particular class. *Tuxedo Monopoly, Inc. v. Gen. Mills Fun Group*, 648 F.2d 1335, 209 USPQ 986, 988 (CCPA 1981); *In re i.am.symbolic, llc*, 116 USPQ2d 1406, 1409 (TTAB 2015), *aff'd*, 123 USPQ2d 1744.

The identification of goods in Respondent's subject registration and Petitioner's pleaded registration both include "tea." The parties' goods thus are identical in part.

Turning to *du Pont* factor three, because Respondent's and Petitioner's goods are identical in part, we must presume that the identical goods move in the same channels of trade and are available to the same classes of customers for such goods – here, general consumers who consume or purchase tea. *See Am. Lebanese Syrian Assoc. Charities Inc. v. Child Health Research Inst.*, 101 USPQ2d 1022, 1028 (TTAB 2011); *see also In re Viterra Inc.*, 671 F.3d 1358, 101 USPQ2d 1905, 1908 (Fed. Cir. 2012) (finding Board entitled to rely on this presumption). The second and third *du Pont* factors thus strongly support a finding of a likelihood of confusion.

B. Similarity of the Marks

We next consider the first *du Pont* factor, the similarity of the parties' marks. In a likelihood of confusion analysis, we compare the marks in their entireties for similarities and dissimilarities in appearance, sound, connotation and commercial

impression. *Palm Bay Imps. Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689, 1691 (Fed. Cir. 2005). We must assess the marks as they are set forth in the registrations. *See, e.g., Mini Melts, Inc. v. Reckitt Benckiser LLC*, 118 USPQ2d 1464, 1470 (TTAB 2016). “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) (quotation omitted).

Where, as here, the marks are used in association with identical goods, the degree of similarity between the marks necessary to support a determination that confusion is likely declines. *Bridgestone Ams. Tire Operations LLC v. Fed. Corp.*, 673 F.3d 1330, 102 USPQ2d 1061, 1064 (Fed. Cir. 2012); *Century 21 Real Estate Corp. v. Century Life of Am.*, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992).

Considered as a whole, Petitioner’s mark and Respondent’s mark share strong similarities in appearance, sound, meaning, and overall commercial impression. With respect to appearance, both marks incorporate a large yin-yang symbol and, because color is not claimed as a feature of Petitioner’s mark, it could be presented in a green-and-white color scheme like Respondent’s mark. *See Viterra*, 101 USPQ2d at 1909. Both marks also make prominent use of the identical term TAI CHI, which are the only words in Petitioner’s mark and are reinforced by the Chinese characters, which translate into English as “TAI CHI.” Under the doctrine of legal equivalents, the significance of the literal term TAI CHI also is strengthened by the figurative image

in Petitioner's mark who is, as per the description of the mark, "a man engaged in a tai chi position." See *Squirrel Brand Co. v. Green Gables Inv. Co.*, 223 USPQ 154, 155-56 (TTAB 1984); *Clover Farm Stores Corp. v. James G. Gill Co.*, 142 USPQ 233, 234 (TTAB 1964). The marks thus convey similar meanings.

There are differences; Respondent's mark does not include a human figure but does comprise the additional wording "GREEN TEA" and "WU DANG," which distinguishes the marks somewhat, particularly aurally. However, because "green tea" is generic in association with Respondent's identified goods, which include "green tea," consumers are likely to accord that phrase less weight in distinguishing the parties' goods. See *In re Dixie Rests. Inc.*, 105 F.3d 1405, 41 USPQ2d 1531, 1534 (Fed. Cir. 1997). The term WU DANG in Respondent's mark is likely to be viewed by consumers as designating a variation or brand extension of Petitioner's mark pointing to a common source. See, e.g., *In re Mighty Leaf Tea*, 601 F.3d 1342, 94 USPQ2d 1257, 1260 (Fed. Cir. 2010) (affirming Board decision that ML likely to be perceived as a shortened version of ML MARK LEES, and noting that "the presence of an additional term in the mark does not necessarily eliminate the likelihood of confusion if some terms are identical").

For all of these reasons, we find the marks to be similar in appearance, meaning, and overall commercial impression when considered as a whole. The first *du Pont* factor weighs in favor of a finding that confusion is likely, particularly considering that the parties' marks are used in conjunction with goods that are identical in part, that is, tea.

VII. Conclusion

We have found that the parties' marks are similar, and that the goods, customers, and channels of trade are identical in part. These factors weigh in favor of a conclusion that confusion is likely. There is no evidence pertaining to the remaining *du Pont* factors, which we treat as neutral. Considering the record evidence as a whole, we find that Petitioner has carried its burden to establish by a preponderance of the evidence that Respondent's mark is likely to cause consumer confusion with Petitioner's prior used and registered mark in association with tea.

Decision: The petition to cancel Registration No. 4114136 is granted.