

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT
OF THE TTAB

Hearing:
December 3, 2002

Mailed: March 18, 2003
Paper No. 16
csl

ADD Doug's edits

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Security Benefit Life Insurance Company

Serial No. 75/813,178

Glenn A. Gundersen of Dechert Price & Rhoads for Security Benefit Life Insurance Company.

Tanya L. Amos, Trademark Examining Attorney, Law Office 101 (Jerry L. Price, Managing Attorney).

Before Simms, Hohein and Drost, Administrative Trademark Judges.

Opinion by Simms, Administrative Trademark Judge:

Security Benefit Life Insurance Company (applicant), a Kansas corporation, has appealed from the final refusal of the Trademark Examining Attorney to register the mark SECURITY FUNDS ("FUNDS" disclaimed) for mutual fund investment services.¹ The Examining Attorney has refused

¹Serial No. 75/813,178, filed September 28, 1999, based upon allegations of use and use in commerce since April 1968.

Serial No. 75/813,178

registration under Section 2(d) of the Trademark Act, 15 USC §1052(d), on the basis of Registration No. 1,242,311, issued June 14, 1983, Section 8 declaration accepted, Section 15 declaration acknowledged, for the mark shown below:



("FUND" disclaimed) for "banking services." Applicant and the Examining Attorney have submitted briefs, and an oral hearing was held.

It is the Examining Attorney's position that confusion is likely because the respective marks are substantially identical and the services are related. With respect to the marks, the Examining Attorney argues that the word portion of the registered mark and applicant's mark are virtually identical in sound and that the respective marks are otherwise very similar in appearance, meaning and commercial impression. Consumers are not likely to note

Serial No. 75/813,178

the slight difference in spelling, according to the Examining Attorney. The Examining Attorney also argues that the word portion of registrant's mark is more likely to be impressed on a purchaser's memory and be used in calling for registrant's services.

Concerning the relatedness of registrant's banking services and applicant's mutual fund investment services, the Examining Attorney argues, first, that "banking services" is a broad term which may include applicant's mutual fund investment services, as evidenced by at least two third-party registrations of record ("banking services offering mutual fund investments..."). In any event, she argues that the services listed in the registration and applicant's application are all commercially related financial services, and that many banks now also provide mutual fund investment services. It is the Examining Attorney's position that the same class of consumers may be exposed to both services and, if so, are likely to believe, in view of the near identity of the respective marks, that these services emanate from the same source. The Examining Attorney asks us to resolve any doubt in favor of the registrant.

As evidence of the relatedness of these services, the Examining Attorney has made of record approximately 30

third-party registrations of marks covering both banking and mutual fund services.² The Examining Attorney has also made of record excerpts from the Nexis database in an attempt to show that banking and mutual fund investment services are related.³ The Examining Attorney has also relied upon a dictionary entry indicating that banks may purchase or sell securities as for a trust account customer.

Finally, with respect to applicant's argument that there have been no instances of actual confusion, the Examining Attorney contends that applicant has provided no information concerning the opportunity for confusion, such

²It is noted that some of the third-party registrations issued under Section 44 of the Act, 15 USC §1126, without any indication of use of the mark in this country. Those registrations have been given no weight in our consideration of this appeal.

³We have excluded those excerpts dealing with foreign entities as well as those excerpts indicated to be from newswire services, without any indication that those articles have appeared in any printed publication. See *In re Men's International Professional Tennis Council*, 1 USPQ2d 1917, 1918 (TTAB 1987). Other excerpts are irrelevant, as applicant has pointed out, because they discuss the offering of college courses dealing with various topics, such as banking and investment, or the selling of software systems for different uses, including banking and investment purposes. Finally, because many of these excerpts refer to investment banking services rather than banking services, they are entitled to little weight. Investment banking services, which, according to a definition of record, involve the "sale and distribution of a new offering of securities, carried out by a financial intermediary (as an investment banker), who buys securities from the issuer as PRINCIPAL, and assumes the risk of distributing the securities to investors (emphasis in original)," are likely to be rendered to a different class of purchasers than ordinary banking services.

Serial No. 75/813,178

as information concerning the quantity of sales or the geographic extent of use of the registered mark.

Applicant, on the other hand, contends that confusion is unlikely. Applicant states that it is a large, "nationally-based" investment company which sells shares in its family of mutual funds. According to applicant's attorney, applicant first used the SECURITY house mark for financial services in 1950. Applicant states that it had six mutual funds in its SECURITY FUNDS portfolio at the time of registrant's alleged first use in 1981, and has added 12 funds to the family of funds since that time.

With respect to the marks, applicant argues that the eagle design of registrant's mark is the dominant source-identifying and distinguishing element. Further, applicant argues that the mark SECURITY is a weak one in the banking field with 36 active registrations containing this word. In this regard, applicant points to registrations, owned by different entities, of the marks SECURITY NATIONAL BANK and design (Reg. No. 2,500,295, issued October 23, 2001) and SECURITY FEDERAL BANK and design (Reg. No. 2,506,312, issued November 13, 2001). Because the cited registered mark is allegedly not distinctive in the banking field, applicant argues that the mark is not entitled to a broad scope of protection. Applicant also contends that the word

Serial No. 75/813,178

"FUND" in the registered mark has a different meaning, that of a "bank account," from the word "FUNDS" in its mark, meaning "mutual funds." Applicant argues that the mark SECURITY is well-known in the financial field, with millions of investors having come to recognize its mark as a source of origin of applicant's services.

Concerning the services, applicant contends that registrant, in reality, is a credit union which provides banking services, and that these services are restricted to members of the credit union. For example, applicant has determined from registrant's Web site that registrant's members include, among others, residents of certain counties in Utah, federal employees in Utah, members of the armed forces in Utah, and employees of federal government contractors in Utah. Applicant also points to federal regulations which prohibit a credit union from offering uninsured investment products under the identical name as the name of the credit union. Even if applicant were a bank rather than a credit union, applicant states that regulations require that bank tellers refer customers seeking to buy uninsured investment products to other employees of the bank who handle that part of the business. It is applicant's contention, therefore, that there is little actual overlap between the customers in registrant's

Serial No. 75/813,178

specialized market and applicant's mutual fund customers. In any event, applicant argues that while some banks may also market mutual funds to their customers (even under the same mark), banks and mutual funds or regulated investment companies are generally two separate businesses with separate regulatory regimes. In the latter case, applicant argues that the mandatory disclosure requirements for investments reduce any possibility of confusion because of the similarity of the marks.

Further, applicant contends that it owns 20 registrations and applications containing the word "SECURITY" in the fields of life insurance, mutual funds, individual retirement accounts, annuities, financial planning and other financial services. In the field of mutual fund services, for example, applicant points to its ownership of registrations of such marks as SECURITY INCOME FUND (Reg. No. 2,505,842, issued November 13, 2001, "INCOME FUND" disclaimed), SECURITY EQUITY FUND (Reg. No. 2,505,843, issued November 13, 2001, "EQUITY FUND" disclaimed), and SECURITY GROWTH AND INCOME FUND (Reg. No. 2,505,844, issued November 13, 2001, "GROWTH AND INCOME FUND" disclaimed). Applicant's alleged family of registered SECURITY marks includes such marks as SECURITY BENEFIT LIFE INSURANCE COMPANY, SECURITY ULTIMATE BENEFIT,

Serial No. 75/813,178

SECURITY 7, SECURITY UNIVERSAL LIFE, and SECURITY PREMIUM. Finally, applicant's attorney states that applicant has co-existed with the registrant for almost 20 years without any instances of actual confusion. Applicant contends that refusal of registration here would only serve to injure applicant, the senior user herein, and deprive the public of notice of its trademark rights.

In contravention of the Examining Attorney's third-party registration evidence, applicant has made of record registrations of similar marks such as FIDELITY, CITIZENS, LIBERTY, METROPOLITAN and PIONEER, covering services similar to those involved in this appeal, yet apparently held by different entities. It is applicant's contention, therefore, that, in view of this fact, the general public cannot assume that the use of similar marks used in connection with banking services and mutual fund investment services means that these different services are being offered by a single source.

Our likelihood of confusion determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the likelihood of confusion factors set forth in *In re E. I. du Pont de Nemours and Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). In considering the evidence of record on these

Serial No. 75/813,178

factors, we keep in mind that "[t]he fundamental inquiry mandated by §2(d) goes to the cumulative effect of differences in the essential characteristics of the goods [or services] and differences in the marks." *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976).

Turning first to the marks--SECURITY FUND and design vs. SECURITY FUND--if both words and a design comprise a mark, as is the case with registrant's mark, the words are normally accorded greater weight because the words are likely to make an impression upon purchasers that would be remembered by them and would be used by them to request the goods and/or services. *See Giant Food, Inc. v. Nation's Foodservice, Inc.*, 710 F.2d 1565, 218 USPQ 390, 395 (Fed. Cir. 1983); *In re Appetito Provisions Co.*, 3 USPQ2d 1553, 1554 (TTAB 1987); and *Kabushiki Kaisha Hattori Tokeiten v. Scutto*, 228 USPQ 461, 462 (TTAB 1985). There is no question that the word portions of the respective marks are virtually identical, differing only by the letter "S" in the word "FUNDS" in applicant's mark. The respective marks are virtually identical in pronunciation and appearance. The stylized eagle design in registrant's mark is not sufficiently distinguishing as purchasers are unlikely to differentiate source on the basis of that design element.

Serial No. 75/813,178

Contrary to the asserted differences in meanings of "FUND" and "FUNDS" urged by applicant, we believe that those subtle distinctions are not likely to be grasped by the ordinary consumer. It is our belief, therefore, that the suggestive connotation or meaning as well as the commercial impression of these marks is also virtually identical. We conclude that the marks are very similar.

We note that because the marks are nearly identical, their contemporaneous use can lead to the assumption that there is a common source "even when [the] goods or services are not competitive or intrinsically related." *In re Shell Oil Co.*, 992 F.2d 1204, 26 USPQ2d 1687, 1689 (Fed. Cir. 1993); *In re Concordia International Forwarding Corp.*, 222 USPQ 355 (TTAB 1983); and *Ancor, Inc. v. Ancor Industries, Inc.*, 210 USPQ 70, 78 (TTAB 1981). That is to say, the greater the degree of similarity between applicant's mark and the cited registered mark, the lesser the degree of similarity between applicant's goods or services and the registrant's goods or services that is required to support a finding of likelihood of confusion.

We turn, therefore, to a determination, under the second *du Pont* factor, of the similarity or dissimilarity of the services recited in applicant's application and the services recited in the cited registrations. As the

Serial No. 75/813,178

Examining Attorney points out, it is not necessary that the goods or services of the parties be similar or competitive, or even that they move in the same channels of trade to support a holding of likelihood of confusion, as long as they are related in some manner, and/or that the conditions and activities surrounding the marketing of the goods are such that they would or could be encountered by the same persons under circumstances that could, because of the similarity of the marks, give rise to the mistaken belief that they originate from the same producer. See, e.g., *In re Martin's Famous Pastry Shoppe, Inc.*, 748 F.2d 1565, 223 USPQ 1289 (Fed. Cir. 1984); *In re Melville Corp.*, 18 USPQ2d 1386 (TTAB 1991); *McDonald's Corp. v. McKinley*, 13 USPQ2d 1895, 1898 (TTAB 1989); and *In re International Telephone & Telegraph Corp.*, 197 USPQ 910 (TTAB 1978). Also, our analysis of the relatedness of the services, their channels of trade, and classes of consumers is governed not by what the record shows but, rather, by the respective identifications in the cited registration and applicant's application ("banking services" vs. "mutual fund investment services"). See *In re Dixie Restaurants*, 105 F.3d 1405, 41 USPQ2d 1531, 1534 (Fed. Cir. 1997) ("Indeed, the second DuPont factor expressly mandates consideration of the similarity or dissimilarity of the services as described in

Serial No. 75/813,178

an application or registration"); *Octocom Systems, Inc. v. Houston Computers Services Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990) ("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 the sales of goods are directed"); and *Paula Payne Products v. Johnson Publishing Co.*, 473 F.2d 901, 177 USPQ 76, 77 (CCPA 1973) ("Trademark cases involving the issue of likelihood of confusion must be decided on the basis of the respective descriptions of goods").

The Examining Attorney has made of record approximately 30 use-based third-party registrations, some of which are held by the same entities, covering both banking and mutual fund investment or mutual fund brokerage services. These include, by way of example, registrations of the marks FIRST NATIONAL INSURANCE SERVICES COMPANY (Reg. No. 2,407,469, issued Nov. 20, 2000); INTEGRION FINANCIAL NETWORK (Reg. No. 2,181,355, issued August 11, 1998); MEMBERSHIP [B@NKING](#) (Reg. No. 2,387,155, issued Sept. 19, 2000); USAA FIRST START (Reg. No. 2,267,819, issued August 3, 1999); HOUSEHOLD and design (Reg. No. 2,101,720,

Serial No. 75/813,178

issued Sept. 30, 1997); PRUDENTIAL and design (Reg. No. 2,338,258, issued April 4, 2000); DROVERS BANK (Reg. No. 2,318,734, issued Feb. 15, 2000); WASHINGTON MUTUAL (Reg. No. 2,318,138, issued Feb. 15, 2000); 1-800-THE-ROCK (Reg. No. 2,339,970, issued April 11, 2000); THE BELVIDERE BANK and design (Reg. No. 2,230,919, issued March 9, 1999); BOSTON BALANCED FUND (Reg. No. 2,367,183, issued July 11, 2000); ORBITEX (Reg. No. 2,262,755, issued July 20, 1999); and OVERLAND EXPRESS (Reg. No. 2,036,713, issued Feb. 11, 1997). This evidence tends to demonstrate that the same entity may offer or render both banking and mutual fund investment services. That is because third-party registrations which individually cover a number of different items and which are based on use in commerce serve to suggest that the listed goods and/or services are of a type which may emanate from a single source. See *In re Albert Trostel & Sons Co.*, 29 USPQ2d 1783 (TTAB 1993) and *In re Mucky Duck Mustard Co.*, 6 USPQ2d 1467, 1470 n.6 (TTAB 1988). Moreover, applicant has admitted that some companies may provide both banking and mutual fund investment services. Appeal brief, 8, reply brief, 7, 9. Furthermore, there is no reason to believe that customers of banking services and customers of mutual fund investment services will be different. These services are offered to

Serial No. 75/813,178

the general public, which is comprised of people with varying degrees of sophistication.

It is also important to realize that both registrant's registration and applicant's application are unrestricted in geographic scope. See *Giant Food, Inc. v. Nation's Foodservice, Inc.*, 710 F.2d 1565, 218 USPQ 390, 393 (Fed. Cir. 1983) ("Section 7(b) of the Trademark Act of 1946, 15 U.S.C. §1057(b), creates a presumption that the registrant has the exclusive right to use its mark throughout the United States. Therefore, the geographical distance between the present locations of the respective businesses of the two parties has little relevance in this case."); and *Amcor, Inc. v. Amcor Industries, Inc.*, *supra*, at 73 (TTAB 1981) ("[T]he possible geographical separation between the parties, although the evidence does show an overlap on occasion, is of no significance in this proceeding because applicant is seeking territorially unrestricted registrations for its marks and, if granted, the presumptions afforded the registrations under Section 7(b) include a presumption of use or the right to use the registered marks throughout the United States."). See also *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 105 S.Ct. 658, 224 USPQ 327, 331, 331-332 (1985) ("The Lanham Act provides national protection of trademarks in

order to secure to the owner of the mark the goodwill of his business and to protect the ability of consumers to distinguish among competing producers. See S. Rep. No. 1333, at 3, 5. National protection of trademarks is desirable, Congress concluded, because trademarks foster competition and the maintenance of quality by securing to the producer the benefits of good reputation. *Id.*, at 4... There is no question that the Lanham Act altered existing law concerning trademark rights in several respects. For example, § 22, 15 U.S.C. § 1072, provides for constructive notice of registration and modifies the common-law rule that allowed acquisition of concurrent rights by users in distinct geographic areas if the subsequent user adopted the mark without knowledge of prior use."). Accordingly, it is appropriate to analyze this case on the basis of the assumption that the services under the respective marks will be offered in the same locality. That is to say, we must assume that a potential customer of applicant's SECURITY FUNDS mutual fund investment services offered in a particular community is aware of registrant's SECURITY FUND and design banking services also available in that community. When so viewed, and in view of the demonstrated relationship between these services, we believe that the ordinary consumer will believe that applicant's SECURITY

Serial No. 75/813,178

FUNDS investment services emanate from or otherwise sponsored by or affiliated with the same entity that provides the SECURITY FUND (and design) banking services.

Further, while applicant's attorney has indicated that there have been no instances of actual confusion, this uncorroborated statement is entitled to little weight. *In re Majestic Distilling Co., Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003) and authority cited therein. The absence of actual confusion does not mean that there is no likelihood of confusion. *Giant Food, Inc. v. Nation's Foodservice, Inc.*, *supra* at 396; and *J & J Snack Foods Corp. v. McDonald's Corp.*, 932 F.2d 1460, 18 USPQ2d 1889, 1892 (Fed. Cir. 1991). Moreover, applicant has provided no information concerning the opportunity for confusion to have arisen, such as evidence concerning the nature and extent of applicant's use of its mark in the state of Utah, the apparent location of registrant's actual use of its mark for banking services.

A considerable portion of applicant's argument is directed to the alleged weakness of the registered mark. We believe that the registered mark falls into the category of a suggestive mark because it suggests that one's money is secure in registrant's bank. A suggestive mark is, of course, inherently distinctive and registrable without

Serial No. 75/813,178

evidence of acquired distinctiveness. While, generally, it may be entitled to a narrower scope of protection than an arbitrary or fanciful mark, it is nevertheless the case that registration of another mark is to be refused if confusion is likely. The third-party registrations which applicant has made of record (for example, SECURITY NATIONAL BANK, SECURITY FEDERAL BANK) are not evidence of what happens in the marketplace or evidence that consumers are aware of such marks and, in any event, cannot be used to justify the registration of another confusingly similar mark. See *In re J.M. Originals*, 6 USPQ2d 1393, 1394 (TTAB 1988). See also *In re National Data Corp.*, 753 F.2d 1056, 224 USPQ 749 (Fed. Cir. 1985)(finding likelihood of confusion between CASH MANAGEMENT ACCOUNT for certain financial services and THE CASH MANAGEMENT EXCHANGE for computerized cash management services, where the only similarity between the marks were highly descriptive or generic words); and *Giant Food, Inc. v. Nation's Foodservice, Inc.*, *supra* (finding likelihood of confusion between GIANT HAMBURGERS and design for hamburgers, hot dog sandwiches and milk shakes as well as restaurant services and GIANT and design for grocery and supermarket services and a variety of food products). Moreover, as to the listings from an Internet directory of various names of

Serial No. 75/813,178

banks with the mark "SECURITY," we have no information as to nature and geographic extent of those uses, except that one has an Oregon address and the other a Texas address, and, therefore, cannot accord much weight to them.

Applicant has pointed to its ownership of a number of registrations which include the words "SECURITY" and "FUND." When questioned about these registrations at the oral hearing, the Examining Attorney maintained that the instant mark, unlike those approved marks, is almost identical to the registered mark. While those other marks differ by only the addition of highly descriptive or generic matter and while, of course, it is desirable for the Office to achieve uniformity in the registration of marks, the Board must assess each mark on the record before it. *In re Nett Designs, Inc*, 236 F.3d 1339, 57 USPQ2d 1564, 1566 (Fed. Cir. 2001). Also, registrant's failure to file oppositions against those marks is not evidence that we should consider on the issue of likelihood of confusion and is not entitled to significant weight. *In re Majestic Distilling Co., Inc., supra*, 65 USPQ2d at 1206-07. Accordingly, as with the third-party registrations of "SECURITY" marks, we find little persuasive value in these registrations.

Applicant's attorney has also argued that it has prior use of its mark. Suffice it to say that priority is not relevant in an ex parte case and is not a factor to be considered in the determination of likelihood of confusion. *In re Majestic Distilling Co., Inc., supra*, 65 USPQ2d at 1206-07 (Court also noting, at 1202, that applicant, despite having asserted use in commerce since 1984, did not file its application until 1995). Moreover, there can be no doubt that prompt registration of trademark rights has numerous advantages and that delay in registering a mark may result in a refusal if another entity with subsequent use has, in the meantime, registered a confusingly similar mark.

Finally, if we had any doubt regarding our conclusion, in accordance with precedent that doubt must be resolved in favor of the registrant. *In re Hyper Shoppes (Ohio), Inc.*, 837 F.2d 463, 6 USPQ2d 1025, 1026 (Fed. Cir. 1988); and *In re Shell Oil Co.*, *supra*, 26 USPQ2d at 1691 (Fed. Cir. 1993).

Decision: The refusal of registration is affirmed.