

**THIS OPINION IS NOT
A PRECEDENT OF
THE T.T.A.B.**

Mailed:
January 22, 2007

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Berg and Wanninger, LLC

Serial No. 76594445

David R. Fairbairn of Kinney & Lange, P.A. for Berg and Wanninger, LLC.

Aisha Clarke, Trademark Examining Attorney, Law Office 101 (Ron Sussman, Managing Attorney).

Before Seeherman, Walters, and Bergsman, Administrative Trademark Judges.

Opinion by Bergsman, Administrative Trademark Judge:

Berg and Wanninger, LLC filed an intent-to-use application to register the mark SKYFLATS (in standard character form) for the following services, as amended: "real estate services, namely, listing, leasing, brokerage, sales and operations of non-luxury condominium residential units."¹

¹ Serial No. 76594445, filed May 27, 2004.

Registration has been refused under Section 2(d) of the Lanham Act, 15 U.S.C. §1052(d). The trademark examining attorney contends that the applicant's mark, when applied to applicant's services, so closely resembles the mark SKY HOMES for "real estate management services and real estate brokerage services, namely, operation and sale of luxury high-rise and mid-rise residences" as to be likely to cause confusion, to cause mistake, or to deceive.²

When the refusal was made final, applicant appealed. Applicant and the examining attorney have filed briefs.

We affirm.

The examining attorney contends that there is a likelihood of confusion between applicant's mark SKYFLATS and registrant's mark SKY HOMES because the marks are similar, the services are related, and the services travel in the same trade channels. The examining attorney asserts that both marks share the word "Sky" as the first and most salient feature of the marks, followed by a descriptive word (*i.e.*, "Flats" or "Homes"). Moreover, the words "Flats" and "Homes" have related meanings in that "Flats" (which are one level apartments) may be homes.

² Registration No. 2771066, registered on October 7, 2003. Registrant disclaimed the exclusive right to use the word "Homes."

With respect to the services, the examining attorney argues that both the application and the registration involve the sale and operation of residential units. The examining attorney discounts applicant's argument regarding the restriction of the application to "non-luxury residential condominiums" because there is no clear distinction between "luxury" and "non-luxury" condominiums. The examining attorney notes that there is no evidence of any industry standard regarding "luxury" and "non-luxury" properties and that applicant has promoted its condominium development as "luxury living." Indeed, the examining attorney points out that applicant's units are listed as starting at over \$500,000, well beyond what would be considered "affordable" housing.

Finally, the examining attorney concludes that the services of the parties move in the same channels of trade because the applicant has not proven that the differences between "luxury" and "non-luxury" properties are such that the relevant purchasers would be different or that the services would not be found in the same marketplace.

In support of her likelihood of confusion refusal, the examining attorney relied on the following evidence:

1. Applicant's website (www.cloud9skyflats.com) which touts applicant's property as having the "comforts of luxury living";

2. The Twin Cities Loft & Condo Living Tour website (www.loftlivingtour.com) which previews condominium projects in the Minneapolis/St. Paul metropolitan area. This website lists applicant's CLOUD 9 SKYFLATS alongside "upscale" condominiums (Silver Lake Village), "luxury residences" (Phoenix On The River), and other projects that "make you feel as though you've just stepped into a five-star hotel" (Upper Landing);³
3. Registrant's website (<http://wci.wcicomunities.com>) which provides information regarding a variety of floor plans starting at \$860,000 and the available amenities; and,⁴
4. A news article appearing in the Multi-Housing World website (<http://mhw.com>) entitled "WCI Plans 'Sky Homes' In Pompano Beach" dated July 11, 2005. The article announces the plans for the SKY HOMES project, which will offer condominiums starting at \$700,000.

Applicant argues that SKYFLATS is not likely to cause confusion with SKY HOMES because the services of applicant and registrant are readily distinguishable (*i.e.*, applicant seeks registration for services related to "non-luxury"

³ In her appeal brief, the Examining Attorney submitted another portion of the Twin Cities Loft & Condo Living Tour website which specifically promoted applicant's development and listed the price range for the residential units. The Board may consider evidence submitted with a brief, despite its untimeliness, if the nonoffering party (1) does not object, **and** (2) discusses the new evidence or otherwise treats it as being of record. TBMP §1207.03 and the cases cited therein. Because applicant did not discuss the new evidence or otherwise treat it as being of record, we have not considered the website printout attached to the examining attorney's brief.

⁴ While applicant's project and registrant's project share many of the same amenities, registrant's project has many extra features such as a news café with a cappuccino/juice bar, a virtual reality room, and a wine cellar and humidor.

Serial No. 76594445

condominiums while the registration is directed toward "luxury" residences) and because they move in different channels of trade. With respect to the channels of trade, applicant explains that because real estate services are local in nature, there is no basis for thinking that consumers would associate a luxury condominium project in Pompano Beach, Florida, with a condominium project in Minneapolis, Minnesota.

Applicant also argues that the marks SKYFLATS and SKY HOMES are not similar because the word "Sky" is not the dominant portion of the marks and because the marks differ in sight, sound, and meaning. Applicant asserts that "Sky" is not the dominant portion of either mark because "Sky" refers to the fact that the registrant's condominiums provide a sky-high view and that applicant's project likewise has a panoramic view. In other words, "Sky" has "particular significance in the real estate field, and is not an arbitrary term." (Applicant's Brief, p. 8). In support of its argument, Applicant submitted nine (9) third-party registrations for real estate related services consisting of the word "Sky" as an element of the various marks.

Finally, applicant argues that because buying a condominium is generally the most significant commercial transaction most people will undertake, consumers will exercise a high degree of care in making such a purchase, including investigating and researching the identity of the seller.

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 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 Company, Inc.*, 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003).

1. Applicant's real estate services and registrant's real estate management and brokerage services are related.

In analyzing the similarity or dissimilarity of the services, we start with the well-settled proposition that it is not necessary that the services of the applicant and registrant be similar or even competitive to support a finding of likelihood of confusion. Likelihood of confusion may be found if the respective services are related in some manner and/or if the circumstances surrounding their marketing are such that they would be

likely to be encountered by the same persons under conditions that could give rise to the mistaken belief that they emanate from the same source. *In re Pollio Dairy Products Corp.*, 8 USPQ2d 2012, 2015 (TTAB 1988); *Seaguard Corporation v. Seaward International, Inc.*, 223 USPQ 48, 51 (TTAB 1984).

In this case, applicant seeks to register SKYFLATS for the following services:

Real estate services, namely, listing, leasing, brokerage, sales and operation of non-luxury condominium residential units.

The cited registration is for the following services:

Real estate management services and real estate brokerage services, namely, operation and sale of luxury high-rise and mid-rise residences.

Because the application and registration both include real estate brokerage services and the operation and sale of residences, some of the services listed are identical notwithstanding the restriction in applicant's description of services to "non-luxury condominium residential units" and the limitation in the registration's description of services to "luxury high-rise and mid-rise residences." "Condominium residential units" can include "high-rise and mid-rise residences." As noted, there is no clear distinction in this record as to what constitutes "luxury" versus "non-luxury." The condominium developments of

applicant and registrant appear to include many of the same amenities, and applicant advertises its properties as providing "luxury living." To the extent that there is a distinction between luxury and non-luxury residential properties, consumers may still be exposed to both marks and mistakenly believe there is a connection as to source (e.g., the same company uses the two marks to designate their two lines of luxury and non-luxury properties).⁵ In view of the foregoing, we find that the services identified in the application and the registration are substantially similar.

2. Applicant's and registrant's services move in the same channels of trade and are offered to the same class of consumers.

Channels of trade mean how and to whom the services are rendered. In this regard, applicant argues that "Real estate is, by definition, a local enterprise." The thrust of applicant's argument is presumably that because registrant's services are rendered in connection with a development located in Pompano Beach, Florida, and applicant's services are intended to be used in connection

⁵ The Twin Cities Loft & Condo Living Tour website noted above advertises a wide variety of condominium developments in one listing thereby exposing potential consumers to both luxury and non-luxury units.

with a development in Minneapolis, Minnesota, the same consumers will not encounter both marks. However, since neither the registration, nor the application, is geographically restricted, the marks are both national in scope. Section 7(c) of the Lanham Act, 15 U.S.C. §1057 (c).⁶ See also, *Nark, Inc. v. Noah's, Inc.*, 212 USPQ 934, 943-94 (TTAB 1981) (registration on the principal register normally provides nationwide protection for the registered mark regardless of geographic area in which the registrant actually uses the mark). That is, the registrant is free to use its mark anywhere in the United States, and not just in a particular locality in Florida. Similarly, if applicant were to obtain a registration, its rights to use the mark would extend throughout the United States, including the state of Florida. Accordingly, in analyzing the channels of trade factor, we consider the real estate services at issue to be national in scope.

Applicant also asserts that there is no evidence, nor any rational basis, for a consumer familiar with registrant's luxury condominium in Pompano Beach, Florida,

⁶ Section 7(c) of the Lanham Act provides the following: "Contingent upon the registration of the mark on the principal register provided by this Act, the filing of the application to register such mark shall constitute constructive use of the mark, conferring a right of priority, nationwide in effect, on or in connection with the goods or services specified in the registration against any other person." (Emphasis added).

Serial No. 76594445

to associate it with a non-luxury condominium in Minneapolis, Minnesota. As previously noted, there is not a clear distinction between what would constitute a luxury condominium and what applicant characterizes as its "non-luxury" condominium. In any event, the application and registration at issue do not identify the condominium developments by their geographical location. To the contrary, the marks identify and distinguish substantially similar real estate services. Thus, even if we were to suppose that the registrant's services were limited to the development in Florida and applicant's services were limited to the development in Minnesota, consumers are likely to believe that the Minneapolis development is "managed" by the same source that is managing the Pompano Beach development, or that it is another project of the Florida real estate developer.

The only evidence in the record regarding how and to whom the applicant and registrant render their real estate services is the Twin Cities Loft & Condo Living Tour website, which lists condominium developments available in the Minneapolis/St. Paul metropolitan area, as well as the developers involved with those projects. In that regard, "luxury" and "non-luxury" projects are promoted together. Accordingly, the evidence shows that the applicant's

services and the registrant's services move in the same channels of trade and are advertised to and rendered to the same class of purchasers.

3. SKYFLATS is similar to SKY HOMES.

With respect to the marks, we must determine whether applicant's mark and registrant's mark, when compared in their entireties, are similar or dissimilar in terms of sound, appearance, connotation and commercial impression. *In re E.I. du Pont de Nemours & Co.*, supra. While marks must be compared in their entireties, it is not improper to accord more or less weight to a particular feature of a mark. *In re National Data Corp.*, 753 F.2d 1056, 24 UPSQ2d 749, 751 (Fed. Cir. 1983). That a particular feature of a mark is descriptive with respect to the services at issue justifies giving less weight to that portion of the mark. *Id.* Furthermore, the test is not whether the marks can be distinguished when subjected to a side-by-side comparison, but rather whether the marks are sufficiently similar in terms of their commercial impression that confusion as to source of the services offered under the respective marks is likely to result. The focus is on the recollection of the average purchaser, who normally retains a general rather than a specific impression of trademarks. See

Sealed Air Corp. v. Scott Paper Co., 190 USPQ 106, 108 (TTAB 1975); *Winnebago Industries, Inc. v. Oliver & Winston, Inc.*, 207 USPQ 335, 344 (TTAB 1980). Finally, as our primary reviewing court, the Court of Appeals for the Federal Circuit, has observed, “[w]hen marks would appear on virtually identical goods or services, the degree of similarity necessary to support a conclusion of likely confusion declines.” *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992). See also, *Quadrex Corp. v. Infinicon Leybold-Heraeus, Inc.*, 228 USPQ 300, 303 (TTAB 1985) (“the degree of similarity is inversely proportional to the degree of similarity in the marks”).

In our opinion, the similarity between SKYFLATS and SKY HOMES is sufficient to cause purchasers and prospective purchasers who encounter the marks on such closely related services to mistakenly believe that these services emanate from the same source. Both marks start with the word “Sky” followed by the descriptive word “Flats” or “Homes.”⁷ Because the words “Flats” and “Homes” are descriptive, they

⁷ “The word ‘Flat’ means ‘an apartment or suite of rooms on one floor.’ (Random House College Dictionary 502 (Revised ed. 1984)). Therefore, Applicant’s mark, SKYFLATS, specifically refers to one level apartments or condominiums. The registered mark, SKY HOMES, means any place of residence (Random House College Dictionary 633 (Revised ed. 1984), which includes multi-level residences.” (Applicant’s June 29, 2005 Response).

Serial No. 76594445

have less trademark significance and are less likely to make an impression with consumers. Thus it is the word "Sky," which is common to both marks, which must be given greater weight in our likelihood of confusion analysis.

The dominance of the word "Sky" in both applicant's and registrant's marks is reinforced by its location as the first word in the mark. The Board has previously found a likelihood of confusion in the case of marks with identical initial terms and different suffixes. *Presto Products Inc. v. Nice-Pak Products Inc.*, 9 USPQ2d 1895, 1897 (TTAB 1988) (KIDWIPES is similar to KID STUFF}. See also, *Century 21 Real Estate Corp. v. Century Life of America*, supra (upon encountering each mark (CENTURY 21 and CENTURY LIFE OF AMERICA), consumers will notice the identical lead word first).

Applicant argues, in essence, that the added features, "Flats" and "Homes," carry enough of an impact to distinguish the marks when they are compared in their entirety. Applicant's argument is not well taken because the words "Flats" and "Homes" describe the services and, therefore, consumers will look to "Sky" as the source-indicating word in both marks. *Super Valu Stores Inc. v. Exxon Corp.*, 11 USPQ2d 1539, 1542 (TTAB 1989) (TIGER MART for retail convenience stores is likely to cause confusion

with TIGER DISCOUNTER for retail food store services). The marks SKYFLATS and SKY HOMES, used in connection with real estate brokerage services and the sale and operation of condominiums, create the same commercial impression (*i.e.*, an apartment with a sky-high or panoramic view). (Applicant's Brief, p. 8).

Moreover, even those purchasers who are fully aware of the specific differences between the marks may well believe, because of the common "Sky" element, that the two marks are simply variants of one another, used by a single source to identify and to distinguish its luxury and non-luxury condominium developments.

As to the third-party registrations of marks which include the word "Sky" as an element, suffice it to say that the mere fact that others have registered marks containing the word "Sky" cannot preclude a holding that the particular marks in this case are similar. *Winnebago Industries, Inc. v. Oliver & Winston, Inc., supra*. The limited number of registrations submitted by applicant, and the different commercial impressions created by some of those marks (*e.g.*, "Skyline" and "Skybox" are recognized terms that mean the outline of buildings or mountains against the horizon and reserved seating in a stadium or arena), are not sufficient to show that the word "Sky" has

a common significance in the real estate field that would entitle the SKY HOMES registration to such a limited scope of protection that SKYFLATS could be registered for identical or closely related services.

In view of the foregoing, including the descriptive nature of the words "Flats" and "Homes," we find that the marks are similar in terms of appearance, pronunciation, meaning, and commercial impression.

4. Despite the fact that consumers will exercise a high degree of care before making a purchase, pre-sale confusion is still likely.

Applicant argues that because buying or selling a condominium is such an expensive transaction, perhaps the most significant commercial transaction undertaken by many people, "real estate buyers will be even more careful in selecting a seller before spending hundreds of thousands of dollars on a condominium they will live in for many years." Even if a potential consumer makes an association between the services, "reasonable consumers will inquire or investigate any assumed association before making such a major purchase."

Assuming that potential consumers of condominiums exercise a high degree of care in purchasing real estate, events prior to the sale are also relevant in determining

likelihood of confusion. That is to say, initial-interest or pre-sale confusion may occur if a potential consumer is initially confused between the applicant's mark and the registrant's mark. That is certainly the situation here, where the marks are similar and they are used in connection with substantially the same or closely related services. *HRL Associates, Inc. v. Weiss Associates, Inc.*, 12 USPQ2d 1819, 1823 (TTAB 1989). Accordingly, while the factor of purchaser care favors applicant, it is not enough to overcome the likelihood that consumers will mistakenly believe, at least initially, that the services emanate from the same source.

We accordingly find that applicant's mark SKYFLATS, if used in connection with "real estate services, namely, listing, leasing, brokerage, sales and operations of non-luxury condominium residential units," so closely resembles the registered mark SKY HOMES for "real estate management services and real estate brokerage services, namely, operation and sale of luxury high-rise and mid-rise residences" as to be likely to cause confusion, to cause mistake, or to deceive.

Decision: The refusal to register is affirmed.