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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Fine Estates from Spain, Inc.

Serial No. 77226718

Gary E. Lambert of Lambert and Associates for Fine Estates
from Spain, Inc.

Steven W. Jackson, Trademark Examining Attorney, Law Office
107 (J. Leslie Bishop, Managing Attorney).

Before Quinn, Walsh and Bergsman, Administrative Trademark
Judges.

Opinion by Walsh, Administrative Trademark Judge:

Fine Estates from Spain, Inc. has applied to register
the mark PAZO SAN TELMO in standard characters on the
Principal Register for goods identified as "wine" in
International Class 33.¹

The Examining Attorney has finally refused
registration under Trademark Act Section 2(d), 15 U.S.C.

¹ Application Serial No. 77226718, filed July 11, 2007, based on
applicant's statement of its bona fide intention to use the mark in
commerce under Trademark Act Section 1(b), 15 U.S.C. § 1051(b).

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§ 1052(d), based on a likelihood of confusion with:

Registration No. 1176448 on the Principal Register for the mark SAN TELMO in standard characters for goods identified as "wine" in International Class 33; the registration issued on November 3, 1981 and has been renewed; the registration includes the following statement: "The mark 'San Telmo' can be translated as 'Saint Telmus.'"; and

Registration No. 3067203 on the Principal Register for the mark shown below for goods identified as "alcoholic beverages, namely, wines"; the registration issued on February 28, 2006; the registration includes the following two statements: "The mark consists of a label design with stylized words SAN TELMO."; and "The English translation of the word SAN THELMO in the mark is SAINT ELMO."²



Diageo Argentina S.A. owns both cited registrations.

Applicant has appealed. Applicant and the Examining Attorney have filed briefs. We affirm.

Before addressing the Section 2(d) refusal we must address two procedural issues.

² We recognize the apparent misspelling of the mark and the inconsistency in the use of "San Telmo" and "San Thelmo" in these statements, as well as the inconsistency in the translations between the two registrations. There is no explanation for these inconsistencies in the record. These inconsistencies have no bearing on our decision here.

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First, in the first Office action the Examining Attorney required "... an English translation of all foreign wording in the mark." Office Action of October 15, 2007. In its response applicant states that "... the term PAZO translates to 'the Stately Home,' 'the Palace,' ... or even 'the Plaza...'" Applicant's Response of November 28, 2007.

In the final Office action which followed that response, the Examining Attorney did not acknowledge that applicant had attempted to provide a translation but simply repeated the same requirement for a translation and made it final. Office Action of December 11, 2007. In its main brief on appeal applicant once again translates "PAZO" as either "the Stately Home" or "the Palace." In his brief, the Examining Attorney states that the only issue on appeal is the Section 2(d) refusal. The Examining Attorney discusses the translation of "PAZO" as "stately home" or "palace" but does not indicate whether this translation has been accepted.

For the purpose of this appeal, we will assume that "PAZO" means "stately home" or "palace." We would reach the same conclusions regarding the Section 2(d) refusal whether "PAZO" is translated as either "stately home," "palace" or "plaza."

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Secondly, the Examining Attorney has objected to certain evidence applicant submitted for the first time with its brief, specifically, Internet evidence concerning sites in Argentina and Spain and copies of two registrations for "FUEGO" marks owned by applicant. Trademark Rule 2.142(d), 37 C.F.R. § 2.142(d), provides, in relevant part, "The record in the application should be complete prior to the filing of an appeal." Applicant did not respond to this objection in its reply brief. The submission of the evidence was untimely. Therefore, we sustain the objection and we have not considered the evidence. Furthermore, for reasons discussed below, if we had considered the evidence, we would reach the same conclusions in this case.

Section 2(d) of the Trademark Act precludes registration of an applicant's mark "which so resembles a mark registered in the Patent and Trademark Office ... as to be likely, when used on or in connection with the goods of the applicant, to cause confusion ..." 15 U.S.C. § 1052(d). In *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1977), the Court set forth the factors to consider in determining likelihood of confusion. Here, as is often the case, the crucial factors are the similarity of the marks and the similarity of the goods of

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applicant and registrant. *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976) ("The fundamental inquiry mandated by Section 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks.").

The goods, as identified in the application and both cited registrations, are identical, "wine[s]." Applicant argues that its products are "fine wines" from Spain whereas the registrant's products are "fine wines" from Argentina. There are no limitations in either the application or the cited registrations, the goods are simply identified as "wine[s]." Accordingly, we cannot and do not assume, as applicant argues, that the goods of applicant or registrant originate in a certain country, nor do we assume that the goods of applicant and registrant are "fine wines." *In re Bercut-Vandervoort & Co.*, 229 USPQ 763, 764-765 (TTAB 1986).

In the absence of any limitations in the identifications of goods, we conclude that the goods may include wines of varying quality and price, and that the wine of applicant and registrant may originate from the same country. Accordingly, the similarity of the goods is

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a factor that strongly favors finding that there is a likelihood of confusion.

In addition, because the goods in the application and the cited registrations are identical, we must presume that the channels of trade and classes of purchasers are the same. See *Genesco Inc. v. Martz*, 66 USPQ2d 1260, 1268 (TTAB 2003) ("Given the in-part identical and in-part related nature of the parties' goods, and the lack of any restrictions in the identifications thereof as to trade channels and purchasers, these clothing items could be offered and sold to the same classes of purchasers through the same channels of trade"); *In re Smith and Mehaffey*, 31 USPQ2d 1531, 1532 (TTAB 1994) ("Because the goods are legally identical, they must be presumed to travel in the same channels of trade, and be sold to the same class of purchasers"). In view of the foregoing, we must presume that the goods identified in the application and the cited registrations that are legally identical move in the same channels of trade and will be sold to the same classes of consumers.

Turning to consideration of the marks, we first note the following statement by the Court of Appeals for the Federal Circuit: "When marks would appear on virtually identical goods or services, the degree of similarity

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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, 1701 (Fed. Cir. 1992).

More generally, in comparing the marks we must consider the appearance, sound, connotation and commercial impression of the marks at issue. *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689, 1692 (Fed. Cir. 2005).

Also, "... it is well established that the test to be applied in determining likelihood of confusion is not whether marks are distinguishable on the basis of a side-by-side comparison but rather whether they so resemble one another as to be likely to cause confusion, and this necessarily requires us to consider the fallibility of memory over a period of time. That is to say, the emphasis must be on the recollection of the average purchaser, who normally retains a general rather than a specific impression of trademarks." *Sealed Air Corporation v. Scott Paper Company*, 190 USPQ 106, 108 (TTAB 1975).

Applicant argues that PAZO is the dominant element of its mark, stating: "The focal or dominant portion of applicant's mark is the term 'Palace', which defines the Palace of Saint Telmus (San Telmo) which is located in

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Seville, Spain - not coincidentally the country of origin of the wines produced by applicant..." Applicant's Brief at 4.

As to the cited marks, applicant argues: "Conversely, 'SAN TELMO' is the dominant portion of the cited SAN TELMO marks, as these cited marks find basis (sic) in a city on a differing continent, namely, San Telmo, Argentina, the country of origin for the wines produced under the cited marks." *Id.*

Applicant argues further that there are specific differences in appearance, sound and commercial impression between its mark and the cited marks. Applicant also argues that, "... in applicant's mark ... **the term 'SAN TELMO' is a mere adjective**, utilized to describe the dominant noun 'PAZO'. Conversely, in the reference marks, the term '**SAN TELMO' is the noun or subject of the mark.**" *Id.* at 6 (emphasis in the original).

We find applicant's arguments unpersuasive. First, various translations notwithstanding, SAN TELMO, as it appears in applicant's mark and the cited marks, is identical. Also, applicant's arguments based on the country of origin of the respective goods are misplaced. As we stated, the goods, as identified in the application and the cited registration, are not restricted to wine from

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any particular country. Therefore, to the extent applicant argues based on the country of origin of the respective wines, we reject those arguments. We cannot consider extraneous evidence offered to limit the goods identified in the cited registration. *Cf. In re Bercut-Vandervoort & Co.*, 229 USPQ at 764. This prohibition applies equally to arguments as to the perception of the marks based on the restricted goods.

We also reject applicant's arguments based on the categorization of the terms within the marks based on parts of speech. In fact, it is more accurate to categorize SAN TELMO, the name of a saint or a place name derived from that saint's name, as a proper noun in applicant's mark, and in the cited marks. In applicant's mark, SAN TELMO, is the object of a preposition, a noun and not an adjective. More importantly, SAN TELMO is the dominant element in applicant's mark. It is SAN TELMO, not PAZO, which creates the dominant impression. It is SAN TELMO which identifies the personage associated with the "palace," "stately home" or "plaza." The personage is more significant than the place, and therefore, SAN TELMO is dominant.

We also conclude that SAN TELMO, the most distinctive word element, is dominant over the design element in cited Registration No. 3067203. *In re Dixie Restaurants Inc.*,

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105 F3d 1405, 41 USPQ2d 1531, 1534 (Fed. Cir. 1997). Words are generally more important because they are used in requesting or locating the goods.

Accordingly, while there are specific differences between applicant's mark and each of the cited marks, those differences are not sufficient to distinguish the marks. Therefore, we conclude that the marks are similar. *Miguel Torres S.A. v. Casa Vinicola Gerardo Cesari S.R.L.*, 49 USPQ2d 2018, 2021 (TTAB 1998); *Stabilisierungsfonds fur Wein v. Peter Meyer Winery GmbH*, 9 USPQ2d 1073, 1075 (TTAB 1988).

Applicant also argues that the purchasers of "fine wines" are sophisticated, and therefore, less likely to be confused. As we indicated above, based on the relevant identifications of goods, we conclude that the wine identified in the application and the wine identified in the cited registrations includes wines of varying quality and cost. Also, applicant has not offered any evidence to support its assertion that the purchasers of wine are particularly sophisticated or careful. Accordingly, we conclude that the potential purchasers of wine are not necessarily sophisticated, and that these purchasers would include ordinary consumers who would exercise nothing more than ordinary care in purchasing wine. *Palm Bay Imports*

Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772, 73 USPQ2d at 1695 (Federal Circuit agrees with Board conclusion that "... champagne and sparkling wines are not necessarily expensive goods which are always purchased by sophisticated purchasers who exercise a great deal of care in making their purchases."). Therefore, we conclude that the level of sophistication of potential purchasers for the relevant goods would not diminish the likelihood of confusion in this case.

In its reply brief, applicant also argues that the SAN TELMO marks in the cited registrations are primarily geographically descriptive of the goods under Trademark Act Section 2(e)(2), 15 U.S.C. § 1052(e)(2). We must and do accord the cited registrations the presumption of validity Trademark Act Section 7(b), 15 U.S.C. § 1057(b), affords all registrants. We cannot consider an attack on the validity of the registrations in this ex parte appeal proceeding. *In re Dixie Restaurants Inc.*, 105 F3d 1405, 41 USPQ2d 1531, 1535 (Fed. Cir. 1997). Applicant's argument asserting that SAN TELMO is primarily geographically descriptive is such an attack. Therefore, we reject this argument.

Again, in its reply brief, applicant also argues that the Examining Attorney's actions on its applications for

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its FUEGO marks dictate that we reverse here. Applicant claims that in those applications the Examining Attorney withdrew Section 2(d) refusals similar to those at issue here. We reject this argument. Each case is unique and must be decided on its merits based on the particular record. *In re Nett Designs Inc.*, 236 F.3d 1339, 57 USPQ2d 1564, 1566 (Fed. Cir. 2001).

Finally, after considering all of the evidence and arguments presented, including those not specifically discussed here, we conclude that there is a likelihood of confusion between applicant's PAZO SAN TELMO mark when used in connection with wine and the cited, registered SAN TELMO marks in Registration Nos. 1176448 and 3067203 when used in connection with wine.

Decision: We affirm the refusal under Trademark Act Section 2(d) as to both cited registrations.