

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

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**UNITED STATES PATENT AND TRADEMARK OFFICE**

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**Trademark Trial and Appeal Board**

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In re Charles Schwab & Co., Inc.

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Serial No. 78416656

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Elizabeth R. Gosse and John A. Hughes of Townsend and  
Townsend and Crew for Charles Schwab & Co., Inc.

Timothy J. Finnegan, Trademark Examining Attorney, Law  
Office 104 (Chris Doninger, Managing Attorney).

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Before Quinn, Grendel and Mermelstein, Administrative  
Trademark Judges.

Opinion by Quinn, Administrative Trademark Judge:

An application was filed to register the designation  
ON INVESTING for the following goods and services, as  
amended:

Providing downloadable publications via the  
Internet about news, research, investments,  
finance, financial planning, and investment  
strategy (Class 9);

Periodical publications pertaining to news,  
research, investments, finance, financial  
planning, and investment strategy (Class 16); and

Providing information via the Internet about  
financial news, research, investments, finance,

financial planning, and investment strategy  
(Class 36).<sup>1</sup>

Applicant claimed, in the application as originally filed, that its mark has acquired distinctiveness under Section 2(f) of the Trademark Act.

The trademark examining attorney refused registration on the ground that the Section 2(f) evidence in support of the claim of acquired distinctiveness is insufficient given the highly descriptive nature of applicant's designation sought to be registered.

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

Before turning to the issue of acquired distinctiveness, we direct our attention to the examining attorney's perceived problem with the identification of goods and services. In the first Office action, the examining attorney indicated that the identification was indefinite in all three classes, and suggested acceptable terminology. Applicant's response was completely silent regarding the identification. In the next Office action, the examining attorney made no mention of any problems relating to the identification. It was not until the final

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<sup>1</sup> Application Serial No. 78416656, filed March 11, 2004, alleging first use anywhere and first use in commerce on March 13, 1999.

refusal that the examining attorney again raised any problem with the identification. In the final refusal, the examining attorney indicated that the identification in Class 36 required clarification; no mention was made regarding any problem in the other two classes. Applicant, in its request for reconsideration, amended the Class 36 services in accordance with the examining attorney's earlier suggestion. The examining attorney denied the request for reconsideration pertaining to the issue of acquired distinctiveness; however, no mention was made about applicant's amended identification or any remaining problems regarding the identification. It was not until the examining attorney's appeal brief that the identification was mentioned again. After noting that the identification was found to be indefinite in the first Office action, the examining attorney stated "[t]he applicant subsequently adopted the suggested recitation for International Class 036 but failed to amend the remaining classes, 009 and 016. They remain indefinite." (Brief, p. 2).

We view the examining attorney's failure, in the final refusal, to maintain any requirement regarding the identification in Classes 9 and 16 to be a waiver thereof. The only mention in the final refusal pertained to the

other class, and applicant subsequently adopted the suggested identification. Accordingly, we deem the examining attorney's position in his brief that the identifications in Classes 9 and 16 are "indefinite" to be waived, and not an issue on appeal. In this connection, we also note that the examining attorney, in setting forth the issue on appeal in his brief, did not specify the indefiniteness of the identification as an issue.

We now turn to the matter of acquired distinctiveness. By seeking registration pursuant to Section 2(f), applicant has conceded that the designation sought to be registered is merely descriptive. In essence, applicant's Section 2(f) claim of acquired distinctiveness is a concession that the designation is not inherently distinctive and that it, therefore, is not registrable on the Principal Register absent a sufficient showing of acquired distinctiveness. *See Yamaha International Corp. v. Hoshino Gakki Co. Ltd.*, 840 F.2d 1572, 6 USPQ2d 1001, 1005 (Fed. Cir. 1988) ["Where, as here, an applicant seeks a registration based on acquired distinctiveness under Section 2(f), the statute accepts a lack of inherent distinctiveness as an established fact."] [emphasis in original]; and *In re Leatherman Tool Group, Inc.*, 32 USPQ2d 1443 (TTAB 1994). Thus, the issue of mere descriptiveness is not an issue in

this appeal. Nonetheless, it is necessary to determine, at the outset, the degree of descriptiveness of ON INVESTING for the goods and services, given that this determination will have a direct bearing on the amount of evidence necessary to show acquired distinctiveness. *Yamaha International Corp.*, 6 USPQ2d at 1008; and *In re Merrill, Lynch, Pierce, Fenner & Smith, Inc.*, 828 F.2d 1567, 4 USPQ2d 1141 (Fed. Cir. 1987).

The examining attorney submitted dictionary definitions of the words comprising applicant's designation ON INVESTING. The term "on" is defined as "concerning, touching, regarding as to, as regards." The Original Roget's Thesaurus of English Words and Phrases (Americanized Version 1994). The term "investing" means "to commit (money or capital) in order to gain a financial return: *invested their savings in stocks and bonds.*" The American Heritage Dictionary of the English Language (3d ed. 1992).

The examining attorney also introduced excerpts of third-party websites and NEXIS articles showing highly descriptive, if not generic, uses of the term "investing" in the financial field. The uses include examples of "on investing." (see, e.g., [www.btonline.com](http://www.btonline.com): "The best tip

we can give you on investing is to consult a financial advisor.").

In view thereof, we have no hesitation in finding that the designation ON INVESTING, for goods and services regarding investing, is highly descriptive.

Under Section 2(f), applicant has the burden of proving that its designation has acquired distinctiveness. *In re Hollywood Brands, Inc.*, 214 F.2d 139, 102 USPQ 294, 295 (CCPA 1954) ("There is no doubt that Congress intended that the burden of proof [under Section 2(f)] should rest upon the applicant"). "Logically that standard becomes more difficult as the mark's descriptiveness increases." *Yamaha International Corp.*, 6 USPQ2d at 1008. In this case that standard is extremely difficult to meet in view of the highly descriptive nature of ON INVESTING for applicant's goods and services relating to investing.

Applicant relies on its use since 1999 of the designation in connection with its goods and services. The only other evidence relied upon by applicant to show acquired distinctiveness is the affidavit (with related exhibits) of applicant's Director of Marketing Communications, Kristine Dixon.<sup>2</sup>

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<sup>2</sup> We note that applicant also claims ownership of Registration Nos. 2439620 and 2503211 of the designation ON INVESTING. This

In her declaration, Ms. Dixon states that applicant is "one of the largest and most successful nationwide brokerage firms...[and] offers a wide variety of financial and investment information and analysis goods and services...[S]ince 1999, [applicant] has published a magazine under the ON INVESTING mark as a premium client benefit for [applicant's] top tier clients." Further, Ms. Dixon declares that during the past seven years, applicant "has spent nearly \$3.5 million producing and promoting its ON INVESTING publication, which it promotes to eligible customers through [applicant's] website..." According to Ms. Dixon, approximately 700,000 people receive ON INVESTING printed publications every year and approximately 20,000 people review the online version of ON INVESTING magazine each year."<sup>3</sup> Ms. Dixon contends that through these "efforts to expose the mark to the public and its reception by the industry and investors, consumers have come to

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evidence is of no help to applicant. Claims of acquired distinctiveness cannot be based on ownership of registrations on the Supplemental Register. See *In re Canron, Inc.*, 219 USPQ 820, 822 (TTAB 1983); see also TMEP §1212.04(d).

<sup>3</sup> In its request for reconsideration and brief, applicant states that in the second and third quarters of fiscal year 2007, a greater number of customers will receive the ON INVESTING magazine. The updated figures are not supported by any additional declaration or any other evidence. Accordingly, these figures have no probative value. Even if applicant had submitted evidence to establish that a greater number of customers received ON INVESTING magazine in the second and third quarters of 2007, it would not alter the outcome of this decision.

recognize ON INVESTING as a mark and use it to identify [applicant] as the source of its investment information and analysis publications.”

Applicant’s total magazine recipients of approximately 720,000 suggest that the designation ON INVESTING has received some degree of exposure to investors. However, we cannot accurately gauge the level of this exposure in the publication or financial fields in the absence of additional information, such as applicant’s market share or how it ranks in terms of subscribers in the industry. Standing alone, the figures appear to be less than impressive considering the large publication and financial fields. Moreover, the customer figures show only the popularity (to the extent that such even exists) of applicant’s goods and services, not that relevant customers of such goods and services have come to view ON INVESTING as applicant’s source-identifying mark. *In re Bongrain International Corp.*, 894 F.2d 1316, 13 USPQ2d 1727 (Fed. Cir. 1990); and *In re Recorded Books Inc.*, 42 USPQ2d 1275 (TTAB 1997). The issue here is the achievement of distinctiveness, and the evidence falls well short of establishing this.

Likewise, the total production and promotion expenditures of \$3.5 million do not appear to be

considerable. According to the evidence of record, this figure encompasses both production of the publications and their promotion combined. Applicant argues that as a result of its expenditures, approximately 720,000 people have received applicant's ON INVESTING print and electronic publications. (Brief, p. 4). That applicant has expended \$3.5 million to produce and publish a magazine to reach 720,000 customers does not show that those customers identify ON INVESTING as a source indicator for applicant's goods and services. In any event, this figure only suggests the efforts made to acquire distinctiveness, and do not demonstrate that the efforts have been successful. *In re Pennzoil Products Co.*, 20 USPQ2d 1753 (TTAB 1991).

Applicant argues that "the Trademark Manual of Examining Procedure makes clear that 'evidence showing the duration, extent and nature of the applicant's use of a mark in commerce that may lawfully be regulated by Congress, advertising expenditures in connection with such use' are *sufficient* evidence to support a claim of acquired distinctiveness." (Brief pp. 5-6) [emphasis added]. Section 1212.06 of the TMEP specifically states that certain types of evidence, e.g., affidavits and declarations, are appropriate and probative when used to demonstrate applicant's efforts to establish acquired

distinctiveness. Providing such limited evidence alone, however, as applicant has done here, is not always sufficient to establish acquired distinctiveness, particularly in the case of a highly descriptive mark like applicant's.

Applicant's evidence relating to a relatively short eight-year span fails to show that ordinary consumers have come to view the highly descriptive designation ON INVESTING as a source-identifying mark for applicant's goods and services. The issue here is the achievement of distinctiveness, and the evidence falls far short of establishing this. Simply put, the record lacks sufficient evidence demonstrating that consumers and prospective consumers view ON INVESTING as a distinctive source indicator for applicant's goods and services.

Accordingly, given the highly descriptive nature of the designation ON INVESTING, more evidence (especially in the form of *direct* evidence from customers) than what applicant has submitted is necessary to show that the designation has become distinctive of applicant's goods and services. The greater the degree of descriptiveness, the greater the evidentiary burden on the applicant to establish acquired distinctiveness. *Yamaha International Corp.*, 6 USPQ2d at 1008.

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We agree with the examining attorney's finding that applicant's Section 2(f) evidence is insufficient to demonstrate that its proposed mark, ON INVESTING, has acquired distinctiveness so as to permit registration on the Principal Register.

**Decision:** The refusal to register is affirmed.