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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Cooper

Serial No. 78462908

Diane M. Reed of Knobbe, Martens, Olson & Bear, LLP for Steven D. Cooper.

Ameeta Jordan, Trademark Examining Attorney, Law Office 105 (Thomas G. Howell, Managing Attorney).

Before Grendel, Walsh and Cataldo, Administrative Trademark Judges.

Opinion by Cataldo, Administrative Trademark Judge:

Steven D. Cooper, an individual citizen of the United States, has applied to register the mark ERSOP in standard character form on the Principal Register for "Administration of retirement benefit rollover plans" in International Class 36.[1]

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[1] Application Serial No. 78462908 was filed August 5, 2004, based upon applicant's assertion of March 23, 2001 as the date of first use of the mark anywhere and in commerce in connection with the services.

The trademark examining attorney[2] refused registration under Section 2(e)(1) of the Trademark Act on the ground that applicant's mark is merely descriptive of a feature or quality of applicant's services.

When the refusal was made final, applicant appealed. Applicant and the examining attorney filed main briefs on the appeal and applicant filed a reply brief. In addition, applicant's counsel and the examining attorney presented arguments directed toward the issue on appeal in an oral hearing held on December 21, 2006.

Applicant contends that the federal Employee Retirement Income Security Act (ERISA) permits individuals to invest funds from their retirement plans in franchises or other new businesses; that he provides services related to such investments; and that he coined the terms "Entrepreneur Rollover Stock Ownership Plan" and "ERSOP" as trademarks for such services. Applicant argues that neither ERSOP nor Entrepreneur Rollover Stock Ownership Plan is used in common parlance by either the financial community or the general public. Applicant further argues that the evidence submitted by the examining attorney

[2] The above application originally was examined by another examining attorney, but subsequently was reassigned to the attorney whose name is shown to prepare the appeal brief.

primarily falls into three categories: references to use of ERSOP as a trademark by applicant; subsequently discontinued use of ERSOP as a trademark by applicant's former business associate Leonard Fischer and Benetrends, Inc., a company formed by Mr. Fischer; and misuse of ERSOP by entities known to applicant; and that, as a result, the examining attorney's evidence is insufficient to support the instant refusal to register.[3]

In support of his arguments in favor of registration, applicant has made of record a screenshot from an Internet website containing an article concerning use of retirement funds to purchase franchises; portions of the application file from application Serial Nos. 76515826[4] and 78184588[5], both for the mark ERSOP; and printouts from the USPTO's Trademark Electronic Search System (TESS) of those applications and, in addition, application Serial No. 78185889, also for the mark ERSOP.[6]

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[3] Applicant's request, raised in his main brief, for suspension of the instant appeal and remand of the application to the examining attorney for consideration of additional evidence, was withdrawn by applicant's counsel at oral hearing.

[4] Filed May 21, 2003 by Benetrends, Inc.; abandoned January 26, 2005.

[5] Filed November 13, 2002 by Benetrends, Inc.; abandoned October 23, 2003.

[6] Filed November 16, 2002 by Leonard Fischer; abandoned October 31, 2003.

The examining attorney maintains that ERSOP "is used commonly within the business sector in reference to a mechanism for financing a business through use of retirement funds" (brief, unnumbered p.3); and that ERSOP is "widely recognized" (*Id.*) as an acronym therefor.[7] The examining attorney argues that the evidence of record demonstrates that ERSOP "describes the characteristic or quality of Applicant's services that 'ERSOP' or 'Entrepreneur Stock Ownership Plans' are provided through Applicant's services" (brief, unnumbered p.4); and that the evidence does not indicate proprietary use, but rather generally refers to ERSOP in connection with the use of retirement funds as a means of financing a franchise. The examining attorney further argues that while applicant may have been the first user of ERSOP, the term is now commonly used to describe the type of services offered thereby; and that allowing registration of ERSOP deprives applicant's competitors of an apt description of their services.

In support of the refusal to register, the previous examining attorney has made of record articles from the

[7] The examining attorney alternately asserts that the evidence of record shows that ERSOP stands for Entrepreneur Rollover Stock Ownership Plan (brief, unnumbered p.3) and Entrepreneur Stock Ownership Plan (brief, unnumbered p. 4).

Nexis electronic database as well as articles and screenshots of web pages retrieved from the Internet.

Applicant argues in reply that the examining attorney's evidence fails to demonstrate that third party use of ERSOP is so pervasive that consumers would view it as a descriptive term; that applicant's competitors use different marks and descriptive terms in connection with their services; and that, as a result, registration of ERSOP by applicant will not inhibit competition by depriving such competitors of an apt description of their services.

It is well settled that a term is considered to be merely descriptive of goods and/or services, within the meaning of Section 2(e)(1) of the Trademark Act, if it immediately describes an ingredient, quality, characteristic or feature thereof or if it directly conveys information regarding the nature, function, purpose or use of the goods and/or services. *See* Section 2(e)(1) of the Trademark Act, 15 U.S.C. §1052. *See also In re Abcor Development Corp.*, 588 F.2d 811, 200 USPQ 215 (CCPA 1978). It is not necessary that a term describe all of the properties or functions of the goods and/or services in order for it to be considered to be merely descriptive thereof; rather, it is sufficient if the term describes a

significant attribute or feature about them. Moreover, whether a term is merely descriptive is determined not in the abstract, but in relation to the goods and/or services for which registration is sought. *See In re Bright-Crest, Ltd.*, 204 USPQ 591 (TTAB 1979). Thus, "[w]hether consumers could guess what the product is from consideration of the mark alone is not the test." *In re American Greetings Corp.*, 226 USPQ 365 (TTAB 1985).

In this case, the evidence made of record by the examining attorney fails to support a finding that, as used in connection with applicant's services, the term ERSOP would immediately describe, without conjecture or speculation, a significant characteristic or feature thereof. We note initially that while applicant does not expressly state in his brief that ERSOP is an acronym for "Entrepreneur Rollover Stock Ownership Plan," he does indicate that he coined both terms and common sense suggests that the former is an acronym for the latter. Further, the examining attorney's evidence provides ample support for such a finding.[8] However, such a finding does

[8] There is no support in the evidence of record for the examining attorney's assertion in the alternative that ERSOP is an acronym for "Employee Stock Ownership Plan." A single discussion posted on the Internet website Financial-Planning.com posits a relation between ERSOP and another financing mechanism known as ESOP, but does not provide a definition of either term.

not, by itself, compel a determination that ERSOP merely describes a feature or characteristic of applicant's services. That is to say, simply because the evidence of record shows that ERSOP stands for entrepreneur rollover stock ownership plan, it does not necessarily show that ERSOP merely describes applicant's administration of retirement benefit rollover plans.

As noted above, the examining attorney has introduced as evidence articles from the Nexis computer database as well as articles and advertisements from Internet web pages. The following examples are illustrative:

> The Entrepreneur Rollover Stock Ownership Plan (ERSOP) allows a prospective franchisee to release the money in his or her retirement plan and use it for a fresh start in business. Your new prospect can do this without penalty and without taxes, using a section of the Employee Retirement Income Security Act that's not commonly known. An ERSOP provides this potential new business owner with a proven method to use his or her IRA or 401(k) rollover assets to invest in a franchise just like the ones you sell.
>
> Experience has taught us that the biggest hurdle to overcome in beginning the ERSOP process is client fear….
>
> The ERSOP is an exciting tool that can be used to substantially increase franchise sales. Fortunately it's also cost-efficient. The ERSOP program even makes sense for surprisingly small funds. We have completed transactions for individuals with as little as $20,000.00 in their retirement accounts….

(Franchising World, October 2003)

The SBA is my only financing option. Other choices are home equity loans or a government-approved IRA rollover program, ERSOP.
(St. Louis Post-Dispatch, Inc., May 6, 2005)

Entrepreneur Rollover Stock Ownership Plan - ERSOP
You Can Use Your 401(k) or IRA Rollover Assets to Finance YOUR Franchise or Business Acquisition

Under the Entrepreneur Rollover Stock Ownership Plan (ERSOP) you can reinvest your retirement funds in franchises, property, equipment or working capital. BeneTrends will obtain a favorable Letter of Determination directly from the IRS on your ERSOP.
BeneTrends charges a flat fee for their services.
(www.certifiedbb.com/ersop.html)

ERSOP Program Lets You Use Retirement Dollars for Business Acquisition

Distributions from retirement plans typically are taxed at ordinary income rates (upwards to 50%) but our Entrepreneur Rollover Stock Ownership Plans (ERSOP) allow you to avoid these taxes. The ERSOP program is in complete compliance with the Employee Income Security Act of 1974 (ERISA) and comes with an IRS letter of compliance.
(www.sunbeltfresno.com/buy/000040.html)

Entrepreneur Rollover Stock Ownership Plan (ERSOP) - Using Retirement $$ to Start a Business
Excerpt: "Be aware that ERSOP is a marketing phrase, rather than an Internal Revenue Service term, and most of the business and estate-planning experts we talked to weren't familiar with the plan. While the promoters assure potential investors that they have obtained favorable IRS 'determination letters' about the plans' legality, critics point out that

> determination letters can be challenged. No binding IRS ruling for or against this kind of plan seems to exist." (BusinessWeek Online) (www.heintzberger.com/distributions.html)

> Steven D. Cooper
> President of SDCooper Company
> Steve is a co-developer of the ERSOP program and coined the name Entrepreneur Rollover Stock Ownership Plan which enables prospective buyers to use their 401(k) or IRA to purchase their new business or franchise. He was instrumental in developing the exit strategies which popularized ERSOPs, making them practical. He has taken the ERSOP program on the road attending numerous seminars and tradeshows in the last 5 years, presenting the program to hundreds of groups and groups of hundreds nationwide…. (www.franchise.org/content).

The above examples, which are representative of the evidence made of record by the examining attorney, clearly make reference to ERSOP in connection with the utilization of retirement funds as a means of financing businesses, including franchises.[9] However, these articles and advertisements, some of which are written about applicant and companies related to him, fall short of demonstrating that ERSOP merely describes a feature or characteristic of applicant's recited services, namely, administration of

[9] In addition, the examining attorney has made of record lists of links to Internet web pages containing highly truncated references to ERSOP. These lists, however, are presented in such abbreviated form and contain so little information as to be of very limited probative value to our consideration of the issue on appeal.

retirement benefit rollover plans. Moreover, some of the articles appear to use ERSOP as a trademark in relation to financial services. Thus, we find that the evidence made of record by the examining attorney in this case fails to support her contention that the mark ERSOP merely describes a function, feature or characteristic of the services.

Finally, if doubt exists as to whether a term is merely descriptive, it is the practice of this Board to resolve doubts in favor of the applicant and pass the application to publication. *See In re Gourmet Bakers Inc.*, 173 USPQ 565 (TTAB 1972). In this way, anyone who believes that the term is, in fact, descriptive, may oppose and present evidence on this issue to the Board.

Decision: The examining attorney's refusal of registration is reversed. Accordingly, the involved application will be forwarded for registration in due course.