

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

Mailed: 9/17/08

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re American Community Mutual Insurance Company

Serial No. 78827035

John S. Artz of Dickinson Wright for American Community Mutual Insurance Company.

Kathleen Lorenzo, Trademark Examining Attorney, Law Office 109 (Dan Vavonese, Managing Attorney).

Before Quinn, Hairston and Walters, Administrative Trademark Judges.

Opinion by Quinn, Administrative Trademark Judge:

American Community Mutual Insurance Company filed an application to register the mark PAY AS YOU GO for "insurance underwriting in the field of health care plans and life insurance plans and insurance administration in the field of health care plans and life insurance plans" in International Class 36.¹

¹ Application Serial No. 78827035, filed March 2, 2006, alleging a bona fide intention to use the mark in commerce.

The trademark examining attorney refused registration on two bases, namely 1) under Section 2(d) of the Trademark Act, 15 U.S.C. §1052(d), on the ground that applicant's mark, if used in connection with applicant's services, would so resemble the previously registered mark PAY-AS-YOU-GO for "insurance brokerage services, insurance claims administration and claim processing services, and insurance consultation services"² as to be likely to cause confusion; and 2) under Section 2(e)(1) of the Trademark Act, 15 U.S.C. §1052(e)(1), on the ground that applicant's mark, if used in connection with applicant's services, would be merely descriptive thereof.

When the refusals were made final, applicant appealed.³ Applicant and the examining attorney filed briefs.

Mere Descriptiveness

Applicant agrees that the term "pay as you go" "generically refers to the practice of paying for services as you use them instead of in advance." (Brief, p. 9). Applicant also stated that "the intended use of the product will allow customers of this plan to buy coverage when it

² Registration No. 3043248, issued January 17, 2006 pursuant to Section 2(f) of the Trademark Act, 15 U.S.C. §1052(f).

³ The examining attorney also issued a final refusal based on applicant's noncompliance with a requirement to submit additional information about the mark and services. The examining attorney, in her brief, indicated that she has withdrawn the requirement.

is needed." (Response, 2/28/07). In response to the refusal, applicant offers only the conclusory statement that the mark is not descriptive of an ingredient, quality, characteristic, function, feature, purpose and/or use of the services. Applicant also notes "with irony, that the cited registration, for which the examining attorney relies on to reject the Appellant's mark under a likelihood of confusion standard, was not rejected as being descriptive but was allowed to issue." (Brief, pp. 9-10).

The examining attorney maintains that the terminology "pay as you go" is commonly used to refer to the practice of paying for services as you use them, instead of in advance. Thus, the examining attorney contends, the proposed mark merely describes applicant's insurance services that allow individuals to pay for coverage as they need it, that is, on a "pay-as-you-go" basis. The examining attorney also points out that, contrary to the gist of applicant's remarks, the cited registration issued under the acquired distinctiveness provision of Section 2(f). In support of the refusal, the examining attorney submitted dictionary definitions of "pay as you go" and an excerpt of a third-party's webpage regarding its health plan.

A term is deemed to be merely descriptive of goods or services, within the meaning of Section 2(e)(1), if it forthwith conveys an immediate idea of an ingredient, quality, characteristic, feature, function, purpose or use of the goods or services. *In re Bayer Aktiengesellschaft*, 488 F.3d 960, 82 USPQ2d 1828 (Fed. Cir. 2007); and *In re Abcor Development*, 588 F.2d 811, 200 USPQ 215, 217-18 (CCPA 1978). A term need not immediately convey an idea of each and every specific feature of the applicant's goods or services in order to be considered merely descriptive; rather, it is sufficient that the term describes one significant attribute, function or property of the goods or services. *In re H.U.D.D.L.E.*, 216 USPQ 358 (TTAB 1982); and *In re MBAssociates*, 180 USPQ 338 (TTAB 1973). Whether a term is merely descriptive is determined not in the abstract, but in relation to the goods or services for which registration is sought, the context in which it is being used on or in connection with the goods or services, and the possible significance that the term would have to the average purchaser of the goods or services because of the manner of its use. Contrary to the gist of a portion of applicant's argument, that a term may have other meanings in different contexts is not controlling. *In re Bright-Crest, Ltd.*, 204 USPQ 591, 593 (TTAB 1979). It is

settled that "[t]he question is not whether someone presented with only the mark could guess what the goods or services are. Rather, the question is whether someone who knows what the goods or services are will understand the mark to convey information about them." *In re Tower Tech Inc.*, 64 USPQ2d 1314, 1316-17 (TTAB 2002). The "average" or "ordinary" consumer is the class or classes of actual or prospective customers of applicant's goods or services. *In re Omaha National Corporation*, 819 F.2d 1117, 2 USPQ2d 1859 (Fed. Cir. 1987).

The term "pay-as-you-go" is defined as "the system or practice of paying debts as they are incurred." The American Heritage Dictionary of the English Language (4th ed. 2000); and "when you pay for services as you use them, instead of in advance." www.moneyglossary.com

Also of record is an excerpt of "Illinois Health Plan Analysis" (Winter 2007) retrieved from the Internet. This material refers to applicant's insurance program offered under PAY AS YOU GO, describing it as a plan in which "an individual can buy additional coverage as they need it."

Based on the meaning of the terminology "pay as you go," and applicant's own description of its prospective insurance product as one that will allow customers to buy coverage when it is needed (a fact supported by the

Internet excerpt), we find that the terminology is merely descriptive. The terminology PAY AS YOU GO immediately describes, without speculation or conjecture, a significant feature of applicant's insurance services, namely that the insurance products it intends to sell will allow customers to pay for insurance coverage as they need it, rather than in advance.

Lastly, as the examining attorney pointed out, the cited registration issued pursuant to Section 2(f), thereby undercutting applicant's argument that this application and the cited registration were subject to inconsistent treatment by the Office. *See, e.g., Yamaha International Corp. v. Hoshino Gakki Co., Ltd.*, 840 F.2d 1572, 6 USPQ2d 1001, 1005 (Fed. Cir. 1988) [for procedural purposes, a claim of distinctiveness under Section 2(f) may be construed as conceding that the matter to which it pertains is not inherently distinctive]. In any event, the issuance of the cited registration under Section 2(f) is irrelevant to our analysis. *See In re Nett Designs Inc.*, 236 F.3d 1339, 57 USPQ2d 1564, 1566 (Fed. Cir. 2001) ["Even if some prior registrations had some characteristics similar to [applicant's] application, the PTO's allowance of such prior registrations does not bind the board or this court."]. As often stated, each case must stand on its own

record. The present record amply supports our conclusion in this appeal.

The Section 2(e)(1) refusal based on mere descriptiveness is affirmed.

Likelihood of Confusion

Registration has been refused on the ground that applicant's mark, if used in connection with applicant's "insurance underwriting in the field of health care plans and life insurance plans and insurance administration in the field of health care plans and life insurance plans," would so resemble the previously registered mark PAY-AS-YOU-GO for "insurance brokerage services, insurance claims administration and claim processing services, and insurance consultation services" as to be likely to cause confusion.

The examining attorney maintains that the marks are virtually identical, differing only in the hyphenation between the words comprising the registered mark. The services, according to the examining attorney, must be compared in terms of how they are identified in the involved application and registration. When the services are compared under such constraints, they are closely related. In support of the refusal, the examining attorney introduced excerpts of third-party web pages.

Applicant, although conceding that the marks are "similar" (brief, p. 3), goes on to argue that the hyphenation in the registered mark may change the meaning of the words and serves to distinguish the commercial impression conveyed by the mark. As to the services, applicant contends that they are "significantly and drastically different." (Brief, p. 4). More specifically, applicant states that while its services relate to the underwriting and administration of health and life insurance policies, registrant's services relate to a payroll product that assists in handling and paying for workers' compensation insurance. Applicant also contends that the channels of trade and customers for the respective services are different.

Our determination of the issue of likelihood of confusion is based on an analysis of all of the probative facts in evidence that are relevant to the factors set forth in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also: *In re Majestic Distilling Co., Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003). In any likelihood of confusion analysis, however, two key considerations are the similarities between the marks and the similarities between the goods

Ser No. 78827035

and/or services. See *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24 (CCPA 1976).

With respect to the involved marks, we examine the similarities and dissimilarities of the marks in their appearance, sound, meaning, and commercial impression. *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772*, 396 F.3d 1369, 73 USPQ2d 1689, 1692 (Fed. Cir. 2005).

The marks PAY AS YOU GO and PAY-AS-YOU-GO differ only in the presence of the hyphens in registrant's mark. The marks are identical in sound, meaning and overall commercial impression, and are virtually identical in appearance. Simply put, applicant is way off base in arguing that the hyphenation distinguishes the marks. It is telling that while applicant contends that the hyphenation gives registrant's mark a meaning and commercial impression different from applicant's mark, applicant never identifies the different meaning and commercial impression. The fact that registrant's mark employs hyphens to connect the words in its mark is of virtually no significance when comparing the marks; consumers are not likely to notice or remember this subtle difference between the marks. See *In re White Swan Ltd.*, 8 USPQ2d 1534, 1535 (TTAB 1988) [when the same words are used

in marks, the presence or absence of hyphens or other punctuation marks generally will be of little significance].

The fact that the marks are virtually identical is a *du Pont* factor that weighs heavily in favor of finding a likelihood of confusion between the marks.

We next turn to a consideration of the services. We note, at the outset of considering this *du Pont* factor, that the greater the degree of similarity between applicant's mark and the cited registered mark, the lesser the degree of similarity between applicant's services and registrant's services that is required to support a finding of likelihood of confusion. *In re Opus One Inc.*, 60 USPQ2d 1812, 1815 (TTAB 2001). If the marks are the same, or virtually the same as in this case, it is only necessary that there be a viable relationship between the services in order to support a finding of likelihood of confusion. *In re Concordia International Forwarding Corp.*, 222 USPQ 355, 356 (TTAB 1983).

With respect to the services, it is well settled that the question of likelihood of confusion must be determined based on an analysis of the services recited in applicant's application vis-à-vis the services identified in the cited registration. *In re Shell Oil Co.*, 992 F.2d 1204, 26

USPQ2d 1687, 1690 n. 4 (Fed. Cir. 1993); and *Canadian Imperial Bank v. Wells Fargo Bank*, 811 F.2d 1490, 1 USPQ2d 1783 (Fed. Cir. 1992). Where the services in the application at issue and/or in the cited registration are broadly identified as to their nature and type, such that there is an absence of any restrictions as to the channels of trade and no limitation as to the classes of purchasers, it is presumed that in scope the identification of services encompasses not only all the services of the nature and type described therein, but that the identified services are offered in all channels of trade which would be normal therefore, and that they would be purchased by all potential buyers thereof. *In re Elbaum*, 211 USPQ 639, 640 (TTAB 1981).

Applicant's services are identified as "insurance underwriting in the field of health care plans and life insurance plans and insurance administration in the field of health care plans and life insurance plans," while registrant's services are identified as "insurance brokerage services, insurance claims administration and claim processing services, and insurance consultation services."

Applicant's contention that the services are "significantly and drastically different" is ill founded

given the constraints under which we compare the services. Applicant's contention that registrant's services relate to a payroll product that assists in handling workers' compensation insurance is of no consequence. An applicant may not restrict the scope of the goods and/or services covered in a cited registration by argument or extrinsic evidence. *In re Bercut-Vandervoort & Co.*, 229 USPQ 763, 764 (TTAB 1986). Rather, as indicated earlier, we determine the likelihood of confusion based on the services as identified in the involved application and registration.

In the present case, registrant's services do not include any restriction or limitation to workers' compensation insurance, or any other type of insurance. Thus, we presume for purposes of our analysis that registrant's insurance services relate to health care and life insurance, that is, the same products involved in applicant's services. So as to be clear, applicant's insurance services, on the one hand, are limited to the field of health care plans and life insurance plans; on the other hand, registrant's services, broadly identified with no restrictions or limitations, are presumed to be rendered in all types of insurance fields, including the health care and life insurance fields. Further, given that the services are so closely related, the services are presumed

to be offered through the same trade channels (insurance brokers and agents) to the same classes of purchasers (including ordinary consumers looking for insurance coverage).

In view of the above, the factors of the similarity between the services, trade channels and classes of purchasers weigh in favor of finding a likelihood of confusion.

In reaching our decision, we recognize that merely descriptive marks, as in the case of registrant's mark, may be entitled to a narrower scope of protection than an arbitrary or coined word. *In re Box Solutions Corp.*, 79 USPQ2d 1953 (TTAB 2006). However, even a weak mark is entitled to protection, as in this case, against the registration of a virtually identical mark for closely related services. *King Candy Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974).

We conclude that consumers familiar with registrant's insurance brokerage services, insurance claims administration and claim processing services, and insurance consultation services rendered under the mark PAY-AS-YOU-GO would be likely to believe, upon encountering applicant's mark PAY AS YOU GO for insurance underwriting in the field of health care plans and life insurance plans and insurance

Ser No. 78827035

administration in the field of health care plans and life insurance plans, that the services originate from or are associated with or sponsored by the same entity.

The Section 2(d) refusal based on likelihood of confusion is affirmed.

Decision

The refusals to register under Section 2(d) on the ground of likelihood of confusion, and under Section 2(e)(1) on the ground of mere descriptiveness are affirmed.