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Mailed:  
May 5, 2008

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Assured Guaranty Ltd.

Serial No. 78857012

Joan L. Long of Mayer Brown LLP for Assured Guaranty Ltd.

Laurie Mayes, Trademark Examining Attorney, Law Office 101  
(Ronald R. Sussman, Managing Attorney).

Before Walters, Grendel and Ritchie de Larena,  
Administrative Trademark Judges.

Opinion by Grendel, Administrative Trademark Judge:

Assured Guaranty Ltd., applicant herein, seeks  
registration on the Principal Register of the mark **ENDURING  
FINANCIAL STRENGTH** (in standard character form) for  
services recited in the application as "insurance services,  
namely, underwriting financial guaranty insurance and  
reinsurance for municipal and structured finance

obligations and mortgage guaranty insurance and reinsurance.”<sup>1</sup>

The Trademark Examining Attorney has issued a final refusal to register applicant’s mark on the ground that the mark, as used in connection with the services recited in the application, is merely descriptive of such services. Trademark Act Section 2(e)(1), 15 U.S.C. §1052(e)(1).

Applicant has appealed the final refusal. After careful consideration of the evidence of record and the arguments of counsel, we affirm the refusal to register.

Initially, we sustain the Trademark Examining Attorney’s objection to the evidence submitted by applicant for the first time with its appeal brief. That evidence is untimely and shall be given no consideration. Trademark Rule 2.142(d), 37 C.F.R. §2.142(d).<sup>2</sup>

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

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<sup>1</sup> Serial No. 78857012, filed on April 7, 2006. The application is based on use in commerce under Trademark Act Section 1(a), 15 U.S.C. §1051(a). March 27, 2005 is stated in the application to be the date of first use of the mark anywhere, and April 22, 2005 is stated to be the date of first use of the mark in commerce.

<sup>2</sup> Moreover, the mere listing of third-party registrations in applicant’s brief does not suffice to make such registrations of record. See *In re Smith & Mehaffey*, 31 USPQ2d 1531, 1532 n.3 (TTAB 1994); *In re Hub Distributing, Inc.*, 218 USPQ 284 (TTAB 1983).

**Ser No. 78857012**

is being used on or in connection with those 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. That a term may have other meanings in different contexts is not controlling. *In re Bright-Crest, Ltd.*, 204 USPQ 591, 593 (TTAB 1979).

Moreover, 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). *See also In re American Greetings Corporation*, 226 USPQ 365 (TTAB 1985).

Laudatory terms or phrases are a species of merely descriptive marks. "Marks that are merely laudatory and descriptive of the alleged merit of a product are also regarded as being descriptive... Self-laudatory or puffing marks are regarded as a condensed form of describing the character or quality of the goods." *In re Boston Beer Co. L.P.*, 198 F.3d 1370, 1373, 53 USPQ2d 1056, 1058 (Fed. Cir. 1999) (THE BEST BEER IN AMERICA for beer and ale found to be laudatory and incapable of distinguishing source). *See also In re Nett Designs Inc.*, 236 F.3d 1338, 57 USPQ2d 1564

**Ser No. 78857012**

(Fed. Cir. 2001) (THE ULTIMATE BIKE RACK found to be a laudatory descriptive phrase that touts the superiority of the applicant's bike racks); *In re The Place Inc.*, 76 USPQ2d 1467 (TTAB 2005) (THE GREATEST BAR found to be laudatory and thus merely descriptive of restaurant and bar services). *Cf. Hoover Co. v. Royal Appliance Manufacturing Co.*, 238 F.3d 1357, 57 USPQ2d 1720 (Fed. Cir. 2001) (NUMBER ONE IN FLOORCARE is laudatory and thus not inherently distinctive as applied to vacuum cleaners).

Also, slogans which would not be perceived as source indicators but only as informational matter are not deemed to be inherently distinctive and thus are not registrable. *See, e.g., In re Melville Corporation*, 228 USPQ 970 (TTAB 1986) (BRAND NAMES FOR LESS merely descriptive of retail clothing store services); *cf. In re Remington Products Inc.*, 3 USPQ2d 1714 (TTAB 1987) (PROUDLY MADE IN USA fails to function as mark for electric shavers and parts therefor).

Applying these principles in the present case, we find that ENDURING FINANCIAL STRENGTH is a laudatory, informational, and merely descriptive designation when used in connection with insurance services such as applicant's. It would be viewed by prospective purchasers not as an indication of source, but rather as merely a description of

the quality and dependability of applicant and its services.

First, the evidence of record shows that "financial strength" is a criterion upon which insurance companies are rated by rating agencies, and that it also is a specific positive or desirable attribute by which insurance companies tout and describe their services. Applicant itself, in its 2004 Annual Report, touts its "financial strength ratings":

Our success in the direct financial guaranty system is significantly impacted by AGC's current **financial strength ratings**. We believe our business plan is focused on the proper segments of the market, supported by our substantial capital base, sound underwriting and credit discipline, all of which are benchmarks for ratings improvement.  
([www.assuredguaranty.com](http://www.assuredguaranty.com)).

Other examples in the record of descriptive usage of "financial strength" in connection with insurance services include (emphasis added):

Because insurers and reinsurers lost so much money after hurricanes Katrina, Rita and Wilma, rating agencies, which rate the **financial strength** of insurance companies, began to require reinsurers to have more available capital to cover losses, Denzer said. Reinsurers will need to raise their premiums to generate some of that capital. The rating agencies also now are requiring insurers to buy more reinsurance, Hewitt said.  
(Pioneer Press (St. Paul, Minnesota) (December 30, 2006));

Overall, Moody's awarded the industry an A1 average **insurance financial strength rating** which, notably, falls within the lower level of its investment grade ratings.  
(Life Insurance International (December 11, 2006));

The most prominent independent ratings agencies continue to recognize American General Life in terms of insurer **financial strength...**  
([www.aigag.com](http://www.aigag.com));

In 1999, Provident Mutual continued its heritage of **financial strength**, one that is built on profitable growth, diversified and increasing sources of revenues, a high-quality conservative balance sheet and a strong capital position.

...  
Once again, Provident Mutual's consistent financial strength was reflected by the insurance industry rating agencies.  
(Provident Mutual 1999 Annual Report, from [www.nancywest.net/investing](http://www.nancywest.net/investing));

In this letter, Buffett spends some time discussing how Berkshire's insurance companies can differentiate themselves in what is essentially a commodity business:

"At Berkshire, we work to escape the industry's commodity economics in two ways. First, we differentiate our product by our **financial strength**, which exceeds that of all others in the industry."  
([www.finance-weblog.com](http://www.finance-weblog.com)).

Based on this evidence, we find that FINANCIAL STRENGTH, as it appears in applicant's mark, would be viewed as a merely laudatory, informational and descriptive phrase denoting the quality and reliability of applicant's services, and not as an inherently distinctive indication of source.

Second, and more importantly, we find that applicant's mark in its entirety, ENDURING FINANCIAL STRENGTH, likewise is merely laudatory, informational and descriptive of applicant's services. Indeed, the adjective<sup>3</sup> ENDURING only heightens the laudatory nature of the phrase as a whole. The evidence of record clearly supports this finding.

Initially, we note that applicant itself uses the phrase in a laudatory, informational, non-service mark manner in its 2004 Annual Report (at [www.assuredguaranty.com](http://www.assuredguaranty.com)). In his "letter to shareholders," applicant's president and Chief Executive Officer Dominic J. Frederico states as follows, in pertinent part (emphasis added):

All of us at Assured Guaranty are focused on adding to our achievements in 2005 and building on the foundation that was started more than 17 years ago to create a leading financial guaranty insurance and reinsurance company that provides **enduring financial strength** for fixed income investors and long-term value creation for our shareholders.

An applicant's own usage of the designation in question in a non-distinctive manner is highly probative evidence of the merely descriptive nature of the designation. See *In*

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<sup>3</sup> Applicant's contends that the word ENDURING, as used in the mark, might be seen as a verb rather than an adjective. We find this argument to be wholly unpersuasive.

*re Gould Paper Corp.*, 834 F.2d 1017, 5 USPQ2d 1110 (Fed. Cir. 1987).

The record also shows that others in the insurance field use "enduring financial strength" as an informational and laudatory phrase describing the quality and dependability of their insurance services. The Trademark Examining Attorney has made of record an excerpt from the website of The Doctors Company ([www.thedoctors.com](http://www.thedoctors.com)), another insurance company, which includes the following statement (emphasis added):

The Doctors Company has received consecutive "A" (Excellent) ratings from insurance industry ratings agency A.M. Fiest company since 1985, reflecting our company's **enduring financial strength**, security and performance.

An excerpt from the website of another insurance company, American General Life Insurance Company ([www.aigag.com](http://www.aigag.com)), includes the following statements (emphasis added):

Few companies can match the **enduring financial strength** of American General Life Insurance Company, one of the world's leading providers of financial services.

When you trust AIG Employee Benefit Solutions<sup>SM</sup> with your employee benefits plan, you get more than outstanding products, service and support. You get the **enduring financial strength** of one of the market's leading providers, a name that's known and trusted across the insurance industry: AIG American General.

Also of record is an excerpt from the website of another insurance company, Chubb Group of Insurance Companies ([www.chubb.com](http://www.chubb.com)), which includes the following statement (emphasis added):

Chubb's strong balance sheet and superior credit rating are assurances of our **enduring financial strength**. Agents and brokers consistently rank Chubb at the top of the insurance field, and customers have chosen Chubb for more than a century.

An excerpt from a financial advice website ([www.finance-weblog.com](http://www.finance-weblog.com)) quotes the famous investor Warren Buffet of Berkshire Hathaway as follows (in pertinent part; emphasis added):

Periodically, however, buyers remember Ben Franklin's observation that it is hard for an empty sack to stand upright and recognize their need to buy promises only from insurers that have **enduring financial strength**. It is then that we have a major competitive advantage.

We find that this evidence of use of "enduring financial strength" by applicant and others in the insurance field in its ordinary, non-distinctive sense suffices to establish that the phrase would not be viewed as an indication of source, but rather as a laudatory, informational and descriptive phrase extolling and describing the quality and dependability of applicant and its insurance services.

Applicant's arguments to the contrary are not persuasive.

First, the laudatory and merely descriptive nature of the phrase "enduring financial strength" as used in connection with applicant's insurance services is not lessened or negated by the fact that the phrase might be equally merely descriptive if used in connection with other industries or fields. *In re Hutchinson Technology Inc.*, 852 Fed.2d 552, 7 USPQ2d 1490 (Fed. Cir. 1988), relied on by applicant, is readily distinguishable. Unlike the word TECHNOLOGY involved in that case, which was found to be too vague to be merely descriptive, "enduring financial strength" immediately and specifically describes a particular desirable characteristic of applicant's services, i.e., their dependability.<sup>4</sup> This case thus is more like *In re Finisar Corp.*, 78 USPQ2d 1618 (TTAB 2006), where the Board rejected a similar argument, distinguishing *Hutchinson* by finding that the term SMART, unlike the word TECHNOLOGY and despite its potential applicability to numerous products, was sufficiently definite to be merely

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<sup>4</sup> To use applicant's proffered example (at pages 10-11 of its appeal brief), the word "dependable" in fact would be merely descriptive and unregistrable whether it is applied to insurance services or to automobiles or to any other product or service as to which dependability is a specific and desirable attribute.

descriptive of a particular feature of the goods involved in that case (optical tranceivers).

Second, and relatedly, we are not persuaded by applicant's argument that that "enduring financial strength" is not merely descriptive because purchasers likely would not be able to immediately identify what applicant's particular services are merely by looking at the mark. As noted above, "[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.*, *supra*, 64 USPQ2d at 1316-17. We find that purchasers who know that applicant's services are insurance services will readily understand "enduring financial strength" to mean that applicant and its services are dependable.

Third, we reject applicant's argument that regardless of the mere descriptiveness of each of the words in the mark, their combination results in a composite with an inherently distinctive commercial impression. Applicant does not identify what that new commercial impression might be, and we can think of none. The composite viewed

together is as merely descriptive as the component words are when viewed separately.

Based on the evidence of record and for the reasons discussed above, we conclude without doubt that ENDURING FINANCIAL STRENGTH is merely descriptive as applied to the services recited in the application, and that Trademark Act Section 2(e)(1) therefore bars registration of the mark on the Principal Register.<sup>5</sup>

Decision: The refusal to register is affirmed.

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<sup>5</sup> For the first time in its appeal brief, applicant requests that, if we affirm the Section 2(e)(1) refusal to register the mark on the Principal Register, we allow the application to be registered on the Supplemental Register. However, an application involved in an ex parte proceeding at the Board may be reopened after final decision only for entry of a disclaimer; any other basis for reopening the application after appeal, including a request for amendment to the Supplemental Register, must be pursued by way of a petition to the Director. See Trademark Rule 2.142(g), 37 C.F.R. §2.142(g); *In re Phillips-Van Heusen Corp.*, 63 USPQ2d 1047, 1047 n.2 (TTAB 2002). See generally TBMP §1218. Accordingly, we shall give no consideration to applicant's request for registration on the Supplemental Register.