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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Kellogg Company

v.

ACH Food Companies, Inc.

Opposition Nos. 91096445, 91096699 and 91097357
to application Serial Nos. 74339482, 74339484 and 74339485,
filed on December 14, 1992

Jeffrey H. Kaufman of Oblon, Spivak, McClelland, Maier &
Neustadt, P.C. for Kellogg Company.

Don B. Finkelstein, Esq. for ACH Food Companies, Inc.

Before Simms, Cissel and Bucher, Administrative Trademark
Judges.

Opinion by Simms, Administrative Trademark Judge:

Kellogg Company (opposer) has opposed the applications
of ACH Food Companies, Inc., by assignment and change of
name from the original applicant, Pacific Grain Products,
Inc., a California corporation, to register the marks NUTTY
OATS ("OATS" disclaimed), NUTTY CORN ("CORN" disclaimed)

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and NUTTY MULTIGRAIN ("MULTIGRAIN" disclaimed), all for breakfast cereal.¹ A consolidated trial was conducted during which both parties took testimony, introduced exhibits in connection therewith, and filed notices of reliance on various material. Briefs have been filed, but no oral hearing was requested.

In the notices of opposition, opposer has alleged that it makes, distributes, sells and advertises food products; that third parties have used such terms as "nutty," "oats," "corn" and "multigrain" as descriptive names of the same or similar food products so that the marks applicant seeks to register are "common descriptive terms, incapable of functioning as trademarks" and "incapable of denoting a specific source of origin" for breakfast cereal; and that, alternatively, applicant has abandoned whatever trademark rights it had because applicant has allowed third parties to use these terms as descriptive names for the same or similar food products.² Opposer also asserts that "The *bona fides* of Applicant's intent-to-use are not apparent from materials of record in the subject application[s], and Opposer therefore challenges same and leaves the Applicant

¹ Application Serial Nos. 74339482, 74339484 and 74339485, all filed December 14, 1992, based on allegations of applicant's *bona fide* intention to use the marks in commerce.

² We consider this pleading of "abandonment" to be part of opposer's claim that applicant's marks are unregistrable because they are incapable of functioning as trademarks.

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to its proof with regard to the nature and sufficiency of its intent to use at the time of filing."

In its answer, applicant has denied these allegations and has asserted that its marks are arbitrary or fanciful, or, at most, suggestive of its goods. The Board then consolidated these oppositions and a trial was held, as noted above.

Opposer's Record

According to James A. Melliush, opposer's associate director for cereal marketing, opposer sells food products with both nuts and oats and uses such terms as "multi-grain flakes," "nutty taste," "crisp corn texture" and "crunch honey and oat clusters" to describe its products, as well as their taste and texture. Mr. Melliush testified that it is important for opposer to be able to use various terms descriptively, at 41, 42 and 43:

Q. Directing your attention to the trademarks that are at issue in this opposition and the use by Pacific Grain of the terms "nutty," "oats," "corn" and "multi-grain." Is it important for Kellogg to be able to use those terms?

...

A. Yes, we currently use some of those terms. Corn, obviously Corn Flakes. Multi-grain is a descriptor that we use, I know, in Kellogg Smart Start. We refer to that product as consisting of sweetened multi-grain flakes, crunchy rice and oat clusters. So oat and multi-grain are both contained in there. Nutty is a descriptor that we use to--that we would use to describe the flavor of a product

which contains nuts. And several products that we sell do contain nuts.

Q. Do you believe there would be adverse consequences to Kellogg Company if a competitor was able to claim exclusive rights to the term "nutty"?

...

A. "Nutty" describes the flavor of nuts and nuts are fairly common ingredient [sic] within the cereal category. Several brands that we compete with contain nuts. Several brands that we sell contain nuts. Our ability to describe to consumers what the flavor and texture of the product they are purchasing is going to be is considered important. Not being able to describe a product containing nuts as nutty would limit our ability to describe--to fully describe that product to the consumer.

...

A. We sell products that contain both nuts and oats, and to limit our ability to describe the flavor of that product, I'm thinking specifically of low fat granola, to--yes, to limit our ability to describe that--to describe the product with those words would be a problem.

Q. How about as to the combination "nutty corn." Would you believe that that would be harmful to Kellogg Company if a competitor could claim exclusive rights to that combination?

A. Yes. The--as I said, nuts are a fairly common ingredient in many cereals in the category several of our products contain corn. And our inability to use a "nutty corn" description would limit our ability in the area of new products and product enhancements.

Q. And would your view be the same with regard to the combination "nutty multi-grain"?

A. Yes, for the same--for the same reasons.

Opposer also took the testimony of Andrew M.

Weinstein, a legal assistant of the law firm representing opposer. He testified that he bought different cereals at a store in Alexandria, Virginia. Those cereal boxes

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contained the following language: "Honey Nut...with nutty, crunchy walnuts and honey" (Quaker Oatmeal Baked Apple); "We take plump, juicy raisins and roll them in a nutty coating..." (General Mills Raisin Nut Bran); "A natural wheat and barley cereal with a hearty, nutty crunch" (Grape-Nuts cereal); "P.S. Sliced almonds give it a nutty crunch!" (Post Honey Bunches of Oats cereal); and "Grape-Nuts® cereal has a naturally sweet, nutty crunch that's full of carbohydrate energy."

Opposer has made of record third-party registrations for the following marks (in capital letters) and goods, among others: NUTTY BAR sugar wafers (Supplemental Register); NUTTY SNAP milk chocolate bar (disclaimer of "NUTTY"); NUTTY DOODLE S corn puffs coated with caramel and peanut bits ("NUTTY" disclaimed); DOUBLE NUTTY cookies ("NUTTY" disclaimed); GET NUTTY! snack mix ("NUTTY" disclaimed). Opposer also made of record a dictionary definition of "nutty" ("1: having or producing nuts 2: having a flavor like that of nuts").

Language from other material of record including cereal boxes shows the following usages: "Nut-Covered Raisins" and "Nutty Raisin Taste" (from General Mills Raisin Nut Bran); "Great Nutty Taste" (from General Mills Clusters cereal); "Honey Nutty Snack Mix" (recipe from

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General Mills Honey Nut Cheerios cereal); "Kellogg's Honey & Nut Corn Flakes" with a recipe on the back for "Nutty Chocolate Drops"; "The only nutty Corn Flakes" (from a box of corn flakes); a recipe for "Nutty Bran Stuffing Casserole"; "Nutty Honey Taste" (coupon); and a recipe for "Nutty Cornflake Bars".

The packaging for applicant's NUTTY CORN cereal includes the language "The nutty, crunchy taste of toasted corn kernels" and "Nutty Corn™ captures the gentle, nutty flavor of corn and corn bran in a crunchy nugget that stays crisp in milk until the last spoonful. Nutty Corn is one of a family of nutty grain cereals that includes Nutty Wheat & Barley™ and Nutty Rice®";³ "At last! A nutritious breakfast cereal with a nutty, crunchy texture and the taste of corn"; "Toasting brings out the rich, nut-like flavor of the corn and honey imparts its gentle sweetness to the cereal." Applicant's Nutty Rice cereal box indicates that "The toasting of rice brings out the delicious nutty flavor."

Opposer has made of record a great number of articles from the Nexis database which use the various words sought to be registered by applicant for various products. The

³ Applicant's Registration No. 1,543,767, issued June 13, 1989, of this mark was cancelled under Section 8 of the Act, 15 USC §1058.

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following are some examples: "It's the oats that give these rolls their wonderful grainy texture and nutty flavor"; "Whole-grain flapjacks are nutty-tasting"; "nutty homemade cornbread"; "grains that are nutty and sweet tasting"; "nutty-tasting corn tortillas"; "recipe... offers a hint of sweetness with the nutty oats"; "Nutty Oat Bars" (recipe); "steel-cut oats have a nutty flavor..."; "nutty oat topping"; "enhanced by a nutty oat flavor"; "nutty corn flavor"; "nutty oatmeal"; "chewier, nutty texture" (describing oatmeal from steel-cut oats); "nutty flavor" (barley); "nutty flavor" (toasted corn); "nutty flavor" (wild rice); "a nutty-tasting grain" (wheat and rye); "full, rich, nutty flavor" (buckwheat); "nutty" (whole wheat bread); "nutty flavor" (toasted oats); "nutty-flavored grain" (spelt); "sweet and nutty" (rice); "a nutty taste and crunchy texture" (toasted oats); "nutty-tasting multi-grain bread"; "nutty, whole-grain oats"; "nutty corn flavor" (corn bread); "nutty cornmeal"; "nutty, whole-grain flavor" (brown rice); "a sweet, nutty grain" (quinoa).

In requests deemed admitted, applicant has admitted that opposer is a competitor in the breakfast cereal market, that "nutty" is an adjective describing a food product containing nuts or having the flavor of nuts, that others have used and are using "nutty" and "multigrain" to

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describe qualities or characteristics of their food products, and that applicant will use these words to describe qualities or characteristics of its breakfast cereals.

Applicant Record

Applicant's chief financial officer, Neil Glick, testified that applicant makes flour, flour blends, particulate products, cereals and snack crackers. With respect to applicant's cereal products, applicant has been selling NUTTY RICE cereal since August 1992. Beginning around February 1995, applicant commenced selling NUTTY CORN cereal and, since that date, applicant introduced its NUTTY WHEAT & BARLEY cereal. These three cereals are currently sold through brokers and independent sales representatives throughout the United States, and are promoted at trade shows. Applicant's cereals are sold to health food stores and to supermarket chains that have health food sections.

Applicant's president and chief executive officer, Alfred Aragona, testified that the wording "nutty, chunky texture" on its packaging was intended to convey the fact "that we now had a nutty cereal like 'Nutty Rice' that had a corn flavor." Aragona dep., 51. He also testified that "multigrain" is used by third parties on their cereal bars.

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Mr. Aragona, when asked why applicant had selected the mark NUTTY CORN, stated, at 51, that "[W]e wanted to convey the fact that we now had a nutty cereal like "Nutty Rice" that had a corn flavor."

NUTTY OATS and NUTTY MULTIGRAIN cereal have never been marketed. According to Mr. Aragona, applicant made many test products for these two cereals but none was satisfactory. Like its NUTTY RICE and NUTTY CORN cereals, applicant wanted these cereals to have the texture of the others, but was unable to perfect a satisfactory cereal. Aragona dep., 23, 48, 53.

Applicant also took the testimony of Dr. Zachary S. Wochok, the executive vice president of ACH Food and Nutrition Division of the current applicant, ACH Food Companies, Inc.⁴ While Dr. Wochok confirmed the testimony of other witnesses that applicant had not yet introduced NUTTY OATS and NUTTY MULTIGRAIN cereals, he stated that "[O]ur intention is to develop a formulation" of these two cereals. Wochok dep., 33.

Dr. Wochok testified that the word "nutty" is a flavor descriptor similar to the word "sweet." When asked about the phrase "A nutritious breakfast cereal with a nutty,

⁴According to Dr. Wochok, applicant was acquired by AC Humko Corp., later renamed ACH Food Companies, Inc. This assignment and subsequent change of name have been recorded in the Office.

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crunchy texture" on applicant's NUTTY WHEAT & BARLEY cereal package, Dr. Wochok testified, at 57, that "it's describing the taste of wheat and barley cereal." Dr. Wochok stated that "nutty" is "a descriptor of the taste of the cereal," and that it "describe[s] the flavor." Wochok dep., 58.

Similarly, concerning the use of the word "nutty" on applicant's NUTTY CORN cereal box, he testified, at 59, 60, that "nutty" is "a descriptor of the cereal taste" and that "It's describing the taste of the toasted corn kernels."

Dr. Wochok was asked to describe applicant's Nutty Corn cereal:

It's a corn cereal, that has a distinctive flavor to it. A somewhat roasted flavor--roasted corn flavor. Quite different than any other product in the marketplace.

...It's a crunchy, nutty-flavored cereal.

Wochok dep., 70-71. He further testified that applicant had no objection to the use by others, including opposer, of the specific terms here sought to be registered, so long as they were not used as trademarks.

Applicant made of record a brochure which it distributes to food brokers. This brochure states:

"Introducing...Nutty Cereals The Nuttiest Line of Cereals
You've Ever Tasted!" and "The toasting of rice brings out

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the delicious nutty flavor" (Exhibit 5 to Glick deposition).

Arguments of the parties

In its brief, opposer states that the issues include whether applicant's marks are merely descriptive, whether those marks have acquired distinctiveness and whether applicant has demonstrated a *bona fide* intention to use in commerce the marks NUTTY OATS and NUTTY MULTIGRAIN. It is opposer's position that each of applicant's marks is made up of the descriptive adjective "NUTTY" followed by a noun denoting the main ingredient of the breakfast cereal, which ingredient term has been disclaimed. In this regard, opposer points to the testimony of the witnesses who testified that "NUTTY" was intended as a taste or a flavor descriptor. Because opposer makes and advertises cereal products and is a competitor of applicant, registration to applicant, opposer maintains, would inhibit opposer's ability to use marketing language to describe the properties of its cereal products. Opposer also points to the numerous examples of descriptive usages by opposer as well as third parties in connection with breakfast cereals and food recipes, as well as third-party registrations of marks containing the word "NUTTY" with a disclaimer, or registered on the Supplemental Register. It is opposer's

position that because of the high degree of descriptiveness of the marks, applicant had the burden to show a greater degree of acquired distinctiveness. Applicant has admitted that there was no advertising of the NUTTY CORN cereal, and opposer maintains that applicant was precluded by Board order from introducing evidence regarding applicant's date of adoption of all of its marks and advertising and promotional expenditures of the NUTTY CORN cereal.⁵ In addition, opposer notes that the sales of this cereal have been relatively small.

Concerning applicant's *bona fide* intention to use two of the marks sought to be registered (NUTTY OATS and NUTTY MULTIGRAIN), opposer contends that the absence of documentary evidence supports a finding of no *bona fide* intention to use these marks in commerce. There is no dispute that applicant has not produced a commercially

⁵ Actually, on pages 6-7 of the Board's order of June 26, 1997, the Board granted opposer's motion for sanctions to the extent that, "if applicant maintains that certain information or documents requested in discovery do not exist or are unavailable, we will bar applicant from producing such information or documents as evidence in its own behalf at trial, provided that opposer raises the matter by objecting to the evidence in question on that ground, and preserves the objection in its brief on the case." We have read the discovery and trial depositions and do not see that opposer objected to any testimony relating to adoption and use of the mark NUTTY CORN. Indeed, opposer's counsel questioned applicant's witness on the subject of first use of the mark during subsequent discovery (see Glick discovery dep., 45, taken on September 18, 1997) and on adoption and significance of the mark (Aragona discovery dep., 51-53, taken on November 4, 1997). Applicant has not advertised cereal bearing this mark.

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acceptable product under the marks NUTTY OATS and NUTTY MULTIGRAIN.

Applicant does not dispute that the issues in this case include whether its marks are inherently distinctive without the need to show acquired distinctiveness (suggestive) or merely descriptive. It is applicant's position, however, that even if each word is descriptive, this does not mean that the combination is also descriptive. Applicant maintains that its marks are inherently distinctive and not merely descriptive, although it concedes that third parties have used the word "NUT" and "NUTTY" descriptively in connection with their breakfast cereals. Applicant points to third-party registrations of allegedly similar marks (GRAPE-NUTS, BEER NUTS and WHEAT NUTS ("WHEAT" disclaimed, for nut-like snacks made with wheat germ)) as justification for allowing its marks. Applicant also contends that opposer cannot be damaged because it did not object to applicant's use of its other marks containing the word "NUTTY", such as NUTTY RICE and NUTTY WHEAT & BARLEY, and contends that opposer is free to use the very words comprising applicant's marks in a descriptive sense, but not as a trademark. Applicant asks us to resolve doubt on the issue of mere descriptiveness in its favor.

As to the issue of applicant's *bona fide* intention to use its marks, applicant acknowledges that, with respect to two of its marks, it has not been able to come up with an acceptable product formulation. Nevertheless, it maintains that it has a continued intention to use these marks. It points to its use of such marks as NUTTY CORN, NUTTY RICE and NUTTY WHEAT & BARLEY as showing a family of marks with the "NUTTY" formative, and the testimony of Dr. Wochok that applicant desires to add to this family once a satisfactory formulation is achieved.

Concerning applicant's argument that opposer has failed to object to the use of other marks of applicant containing the term "NUTTY", opposer correctly contends in its reply brief that such conduct is irrelevant and, in any event, such a laches defense cannot be raised for the first time in applicant's brief. We agree and shall give this argument no further consideration. Also, opposer argues that it is not understood how opposer could use the entirety of applicant's marks "in their descriptive sense" while at the same time applicant claims that these marks are inherently distinctive.

Evidentiary Rulings

With its brief, opposer has asked us to strike the testimony of Dr. Wochok with respect to events which

occurred prior to his association with applicant in February 1996. Opposer argues that the testimony relating to any events that occurred before his association with applicant should be stricken because of the witness's lack of personal knowledge. We have disregarded testimony of this witness concerning any events which are not of his own personal knowledge.

Applicant asks us to disregard the testimony of Mr. Weinstein, arguing that this testimony relating to third-party descriptive use of the words comprising applicant's marks is irrelevant and immaterial. However, we believe it is relevant and have considered this testimony (and related exhibits) for whatever probative value it has.

Discussion of the Merits

First, we note that standing is a threshold inquiry directed solely to establishing a plaintiff's interest in the proceeding.⁶ The purpose of requiring standing is to prevent litigation where there is no real controversy

⁶ Section 13 of the Trademark Act, 15 U.S.C. § 1063, sets forth the foundation for establishing standing in an opposition proceeding, stating in relevant part:

Any person who believes that he would be damaged by the registration of a mark upon the principal register ... may, upon payment of the prescribed fee, file an opposition in the Patent and Trademark Office.

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between the parties, and where a plaintiff is no more than an intermeddler. *American Vitamin Products, Inc. v. DowBrands, Inc.*, 22 USPQ2d 1313 (TTAB 1992). To establish standing, it must be shown that a plaintiff has a "real interest" in the outcome of a proceeding; that is, plaintiff must have a direct and personal stake in the outcome of the opposition. See *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999); and *Jewelers Vigilance Committee, Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021, 2023 (Fed. Cir. 1987).

Here, opposer has clearly demonstrated that it is a competitor of applicant in the manufacture and sale of breakfast cereals, and that it has used and is in a position to use terms similar to those here sought to be registered by applicant.

We turn, therefore, to the central issue before us-- whether applicant's marks are merely descriptive or generic of its goods. While opposer pleaded that applicant's marks are unregistrable because they are "common descriptive terms, incapable of functioning as trademarks"--in effect, generic terms--it is clear from the record and from the briefs that the issue of mere descriptiveness was also tried by the parties. Therefore, we shall determine whether applicant's marks are merely descriptive, and, if

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so, whether applicant has demonstrated that its marks are nevertheless registrable because they have acquired distinctiveness. Of course, if we determine that applicant's marks are merely descriptive, because applicant has not used two of its marks, there can be no occasion for registration of those marks on the basis of acquired distinctiveness.

A term is merely descriptive and therefore unregistrable pursuant to the provisions of Section 2(e)(1) of the Trademark Act, if it forthwith conveys an immediate idea of an ingredient, quality, characteristic, feature, function, purpose or use of the goods or services with which it is used or is intended to be used. See *In re Gyulay*, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987); *In re Abcor Development Corp.*, 588 F.2d 811, 200 USPQ 215, (CCPA 1978); and *In re Quik-Print Copy Shops, Inc.*, 616 F.2d 523, 525, 205 USPQ 505, 507 (CCPA 1980). It is well settled that a term need not immediately convey an idea of each and every specific feature of the applicant's goods in order to be considered merely descriptive; it is enough that the term describe one significant feature, attribute, function, property, ingredient, quality, characteristic, purpose or use of the goods or services. See *In re Opryland USA Inc.*, 1 USPQ2d 1409 (TTAB 1986). Also, the

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question of whether a particular term is merely descriptive must be determined, not in the abstract, but in relation to the goods or services for which registration is sought, the context in which the mark is used or is intended to be used, and the possible significance that the mark is likely to have for the average purchaser encountering the goods or services in the marketplace. See *In re Omaha National Corp.*, 819 F.2d 1117, 2 USPQ2d 1859 (Fed. Cir. 1987); *In re Abcor Development Corp.*, *supra*; *In re Consolidated Cigar Co.*, 35 USPQ2d 1290 (TTAB 1995); *In re Pennzoil Products Co.*, 20 USPQ2d 1753 (TTAB 1991); and *In re Bright-Crest, Ltd.*, 204 USPQ 591 (TTAB 1979). That is, the question is not whether someone presented with only the term or phrase 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 term or phrase to convey information about them. See *In re Home Builders Association of Greenville*, 18 USPQ2d 1313 (TTAB 1990).

Furthermore, while it is true that, in order for a term to be held merely descriptive, it must describe an attribute of the goods with some particularity, there is no requirement that the term describe the goods exactly or in all respects. See, *In re Entenmann's Inc.*, 15 USPQ2d 1750, 1751 (TTAB 1990) [term "OATNUT" held merely descriptive of

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bread containing oats and hazelnuts because it "readily informs purchasers, with the required degree of particularity, of two not inconsequential ingredients" of the product, even though the kind of nut is not specified by such term].

Upon careful consideration of this record and the arguments of the parties, we conclude that applicant's marks are merely descriptive of the ingredients or characteristics of applicant's breakfast cereals. Some of applicant's own witnesses acknowledge that "nutty" was a flavor or taste descriptor of applicant's cereals. Other evidence of record, including applicant's own packaging, further demonstrates the mere descriptiveness of this part of applicant's marks. Coupling this descriptive term with the generic name for the principal ingredient of applicant's cereals ("NUTTY CORN," "NUTTY OATS" and "NUTTY MULTIGRAIN") does not detract from the mere descriptiveness of these words considered as a whole. For example, NUTTY CORN merely describes the flavor or texture of the kernels of applicant's nutty-tasting corn breakfast cereal.

Therefore, as noted above, we need only consider whether applicant has demonstrated that its NUTTY CORN mark has acquired distinctiveness. In this regard, the level of sales for this product is relatively small (in the amount

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of thousands of dollars each month). Further, applicant has not advertised this product. In view of the relatively high degree of descriptiveness of the mark NUTTY CORN for a nutty-tasting corn cereal, we conclude that applicant has failed to demonstrate that the relevant purchasers have come to recognize this mark as an indication of origin. Further, because its other marks, such as NUTTY RICE, are specifically different, applicant may not rely upon any alleged acquired distinctiveness of those marks to support registration of the NUTTY CORN mark.

Because of we have determined that applicant's marks are unregistrable on the Principal Register, we need not consider opposer's other ground of opposition--that applicant lacks a *bona fide* intention to use its marks. Suffice it to say that this claim is obviously misplaced with respect to applicant's NUTTY CORN cereal, which is now in use.

Decision: The oppositions are sustained and registration to applicant is refused in each application.