

Mailed:
Oral Hearing date:
September 16, 2003

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April 08, 2004
Paper No. 25
GDH/gdh

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Citicorp
v.
Morley Companies, Inc.

Opposition No. 91113921 to application Serial No. 75428318
filed on February 3, 1998

Steven M. Weinberg and Susan M. Daly of Greenberg Traurig, LLP.
for Citicorp.

Richard W. Hoffmann of Warn, Burgess & Hoffmann for Morley
Companies, Inc.

Before Simms, Hohein and Chapman, Administrative Trademark
Judges.

Opinion by Hohein, Administrative Trademark Judge:

Morley Companies, Inc. has filed an application to
register the mark "CHOICES UNLIMITED" for "debit card services".¹

Citicorp has opposed registration on the ground that
applicant's mark so resembles the mark "CHOICE," which opposer
has previously used and registered for "credit card services,"²

¹ Ser. No. 75428318, filed on February 3, 1998, which is based on an
allegation of a bona fide intention to use the mark in commerce.

² Reg. No. 1,206,796, issued on August 31, 1982, which sets forth a
date of first use anywhere and in commerce of August 4, 1978; first
renewal.

as to be likely, when used in connection with applicant's services, to cause confusion, mistake or deception.

Applicant, in its answer, has denied the salient allegations of the notice of opposition.

The record includes the pleadings; the file of the opposed application; and, as opposer's case-in-chief, the trial testimony, with exhibits, of Thomas Acton, senior vice president and business manager of its Citicorp Credit Services subsidiary; a notice of reliance on portions of opposer's discovery deposition of Christopher Furlo, a vice president of applicant for its award redemption services; and a notice of reliance on a certified copy of opposer's pleaded registration showing that such registration is subsisting and owned by opposer. The record also includes, as applicant's case-in-chief, the trial testimony, with exhibits, of the above-mentioned Christopher Furlo; and a notice of reliance on (i) portions of applicant's discovery depositions (taken of opposer pursuant to Fed. R. Civ. P. 30(b)(6)) of (a) Eileen Kennedy, in-house trademark counsel for opposer, and (b) Thomas Kerwin, a former credit card services executive for opposer; (ii) applicant's discovery depositions (taken of various non-parties pursuant to Fed. R. Civ. P. 31) of (a) Consumers Choice Credit Union, (b) Comerica Inc., (c) First Tennessee National Corp. and (d) Central Cooperative Bank;³ (iii)

³ Although applicant's notice of reliance also refers to and includes "[d]ocuments produced" by "Apple Bank," such evidence *per se* is not proper subject matter for introduction by means of a notice of reliance in the absence of the portion of the discovery deposition to which it pertains. Trademark Rule 2.120(j)(3)(i) and TBMP §704.09 (2d ed. June 2003). Nonetheless, the description of the record set forth in opposer's main brief includes "various third[-]party documents ...

the file history of opposer's pleaded registration; and (iv) various third-party registrations for marks which contain the term "CHOICE" or variants thereof. Briefs have been filed⁴ and an oral hearing, attended by counsel for the parties, was held.

relied on by Applicant through Notice of Reliance" and applicant's brief states that it "does not contest Opposer's description of the record." Inasmuch as it is clear therefrom that the parties regard such evidence as forming part of the record herein, the documents assertedly produced by Apple Bank are considered to be in evidence by stipulation of the parties pursuant to Trademark Rule 2.123(b).

⁴ Opposer, in its main brief, appears to reiterate the objection which it raised to portions of applicant's trial deposition of Mr. Furlo. Specifically, after the following testimony by Mr. Furlo, opposer's counsel interposed an objection to a line of questioning regarding instances of third-party use:

Q. Now, are you aware of anybody else who's using the name choice on or in connection with debit or credit cards?

A. Yes.

MR. WEINBERG: I'm going to object to any further questions regarding third-party uses of marks with choice. In Mr. Furlo's [discovery] deposition in August 2000 he testified that he knew of no users of choice other than himself and CitiBank.

(Furlo tr. dep. at 15.) Stating also that opposer has "repeatedly asked the Applicant and its counsel to supplement its discovery on the issue of whether or not there are any additional, third-party uses of choice" (id.) and asserting that opposer has "received nothing ... but a refusal to produce any additional documents from the Applicant" (id. at 16), opposer's counsel contended that, "therefore, any testimony on this issue at this time, [and] any documents related to that issue[,] are precluded." (Id.) Applicant, however, went forward with Mr. Furlo's trial testimony, subject to opposer's continuing objection.

Opposer maintains in its main brief that the further evidence offered by applicant "consisted of Mr. Furlo's testimony regarding his visit to a local credit union named Consumer's Choice Credit Union and pages from a few web sites he had visited online for purposes of his testimony"; and that opposer had "objected to all of this testimony and the exhibits relating to this credit union and the web site pages at the time of their attempted introduction on the grounds that (a) at the time of his discovery deposition, Mr. Furlo testified that he was unaware of any third party uses of CHOICE marks ... [and that] (b) none of the 'evidence' he attempted to submit during his testimony deposition was competent, since he had no personal knowledge relating to the credit union or any of these web sites or any of the purported uses of 'Choice' names." Noting in addition that applicant "has

Priority of use is not in issue in this proceeding inasmuch as opposer has proven that, as noted above, its pleaded registration is subsisting and is owned by opposer. See King Candy Co. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108, 110 (CCPA 1974). Opposer's ownership thereof also serves to establish its standing to bring this proceeding. Id. Thus, the

noticed reliance on various third party documents and registrations ... as part of an argument that there are third party uses and registration[s] of marks that contain the word CHOICE," opposer also insists in its main brief that "all such evidence was objected to during the Applicant's testimony on the basis that (a) Mr. Furlo did not have any personal knowledge regarding the purported third party evidence that Applicant was attempting to introduce ... and (b) Mr. Furlo had testified during his discovery deposition that he was not aware of any third party uses, but during his testimony deposition Applicant tried to introduce third party evidence through him notwithstanding many prior requests ... for Applicant to supplement its discovery, which Applicant repeatedly failed to do"

Applicant, in its brief, claims in response that, among other things, its [discovery] depositions and other evidence concerning third-party use of the term "CHOICE" were provided to opposer. Applicant also seems to argue in its brief that a portion of opposer's trial deposition of Mr. Acton is inadmissible or otherwise objectionable because Mr. Kerwin, the witness designated by opposer pursuant to Fed. R. Civ. P. 30(b)(6), "disclaimed knowledge with respect to the CHOICE mark and brand in relevant areas," while Mr. Acton, although "never identified nor produced as a witness prior to the trial" and "after discovery was closed," "[p]redictably ... had substantial knowledge regarding the CHOICE mark, particularly regarding the marketing of the CHOICE brand credit card." Such a tactic, applicant contends, "smacks of trial by ambush" and "cannot be condoned." In a similar vein, applicant argues that Ms. Kennedy, the other Rule 30(b)(6) witness opposer designated for purposes of discovery, "could not offer testimony on the connotation of Opposer's CHOICE mark" and that, accordingly, "it would be fundamentally unfair to allow argument from Opposer on this subject." Opposer, in its reply brief, essentially explains that the witnesses it designated were the best that it could produce at the time and that, when persons more knowledgeable about such matters were later determined, it offered to stipulate to a reopening of the discovery period to allow for the taking of their discovery depositions, but that applicant declined to accept such offer.

We find that since neither party has sufficiently substantiated their objections, the objections, which in any event bear principally on the weight or probative value of the challenged evidence rather than the admissibility thereof, are overruled. However, even if such evidence were to be excluded, the result herein would be the same.

main issue to be determined in this case is whether applicant's "CHOICES UNLIMITED" mark for "debit card services" so resembles opposer's "CHOICE" mark for "credit card services" as to be likely to cause confusion as to the source or sponsorship of the parties' respective services.⁵

⁵ Applicant, in its brief, contends that this proceeding presents a second issue, which it asserts is as follows: "[W]here Opposer has allowed third party uses of marks including the 'choice' component, and specifically in connection with financial and credit card services, should opposer be allowed to oppose Applicant's [application for] registration of the mark CHOICES UNLIMITED?" While it thus would appear that applicant is attempting to assert defenses along the lines that opposer either lacks standing to oppose or is guilty of unclean hands, such were not pleaded in the answer. In any event, in its discussion thereof, applicant refers to "a series of agreements entered into by Opposer" and various third parties and contends that:

In each of the agreements, Opposer allowed a third party to use a mark including the word "choice" on or in connection with credit or debit card services. These agreements were all made against the backdrop of Opposer's assertions that there was a likelihood of confusion between Opposer's mark comprising "choice" and each of the parties' respective marks ... and the threat of filing an opposition. While Opposer effectively precluded registration, the permitted continued use is fatal to its position in this proceeding. Thus, license agreements entered into by Opposer must be construed in one of two ways. First, the agreements can be a concession by Opposer that there is no likelihood of confusion among the respective marks. Second, if there is a likelihood of confusion among the competing marks, these agreements must be construed as licenses granted by Opposer to third parties to use a confusingly similar mark. Either situation precludes Opposer from asserting the position it has taken here.

If, in fact, there is no likelihood of confusion ..., then third party use of marks including the "choice" component indicates that Opposer is entitled only to protect its exact mark, i.e., the word CHOICE. The third party uses limit Opposer's rights to the specific mark of the registration. It cannot be expanded to include every mark including the "choice" component.

If, in fact, the agreements are deemed to be licenses, none of the agreements includes a quality control provision. Thus, the licenses are naked licenses which similarly result in loss of right for Opposer.

In view of these agreements, Opposer's scope of protection is limited to the single word mark CHOICE that is

According to the record, the marks used in connection with credit cards play a significant role in the credit card business due to customer loyalty to the multiple brands they

the subject of its registration. Opposer cannot expand the protection of this registration to include any mark including the "choice" component. Accordingly, Opposer is not entitled to oppose Applicant's CHOICES UNLIMITED mark.

Opposer, in its reply brief, argues that there is nothing improper in the manner in which it has enforced its rights in its "CHOICE" mark for credit card services nor has it engaged in naked licensing of such mark. We agree. As opposer points out, while the record shows that "the settlement agreements allow for some third parties to make limited non-confusing uses of the challenged marks--albeit never directly on debit or credit cards," "what Applicant in any event has failed to prove is that any of the parties with whom Opposer has settled, with a single exception, actually ever used the mark in connection with credit or debit card services." Moreover, as opposer notes, the exception, consisting of the use by Consumers Choice Credit Union of its name directly on the credit cards issued to its members, is at variance with the terms of its settlement agreement with opposer, which provides that while the credit union is allowed to use its name on marketing materials with respect to all of the services offered to its members, it specifically is not permitted to use the name "Consumers Choice Credit Union" directly on credit or debit cards and opposer retains "the right to take action should confusion arise in the future from any uses permitted under the Settlement Agreement." Each of the other settlement agreements of record, furthermore, specifically acknowledges that the third party thereto does not have the right to use or register a mark containing the word "CHOICE" for debit or credit card services. Thus, with a single exception (the extent of which is not known) of use directly on credit cards, we concur with opposer that the record demonstrates that opposer "has not permitted third party uses of a mark containing the term 'Choice' that could result in a likelihood of confusion or otherwise violate Opposer's rights in the CHOICE mark."

In consequence thereof, we find that to the extent that applicant is seeking to assert as defenses either a lack of standing grounded upon opposer's acknowledged limitations in the scope of its rights or unclean hands based on its assertedly overzealous enforcement thereof, applicant has failed to prove such defenses. As the Board has stated in similar circumstances, "[t]here is nothing ... to suggest that [opposer] has done anything other than seek to protect its rights in its registered [mark or] marks, and preclude the registration of what it believes to be a confusingly similar mark, a right which every trademark owner possesses under the Lanham Act." *Avia Group Int'l Inc. v. Faraut*, 25 USPQ2d 1625, 1627 (TTAB 1992). See, e.g., *Time Warner Entertainment Co. v. Jones*, 65 USPQ2d 1650, 1653 at n. 4 (TTAB 2002); *Cook's Pest Control, Inc. v. Sanitas Pest Control Corp.*, 197 USPQ 265, 268 (TTAB 1977); and 5 J. McCarthy, McCarthy on Trademarks & Unfair Competition §§31:101-102 (4th ed. 2004).

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typically carry. On average, credit card customers carry more than four credit cards and, in view thereof, "compartmentalize some of their credit card purchases" based on loyalty to the multiple brands they carry. (Acton tr. dep. at 11.) Opposer has consequently "found that having more than one brand in a customer's wallet is a very profitable venture" for opposer and, thus "having more than one brand out there is a fundamental strategy" which it has pursued. (Id.) One such brand is opposer's "CHOICE" credit card services, which has generated multi-million dollars (the actual figure being confidential) in earnings for opposer in 2001 (the last full year for which information was presented). However, in addition to competition from other credit cards, opposer "view[s] debit cards as a competitor to credit cards, specifically because it's a payment mechanism." (Id. at 23.)

Opposer maintains what it considers to be a "loyal customer base," with well over half of its customers viewing its "CHOICE" brand as their primary credit card. (Id. at 27-28.) Although actual figures are confidential, the average number of active accounts for its "CHOICE" credit card services in 2001 was in the neighborhood of a million, generating several hundred million dollars in revenue, and its business under such mark has been "valuable ... for a long period of time". (Id. at 49.) Opposer seeks to increase its "CHOICE" credit card business through both new customer accounts and transfers by its existing customers of their account balances on other credit cards. Opposer also offers "enhanced services" with its "CHOICE" brand,

such as credit protection, promotional items and travel programs. (Id. at 43.) It markets its "CHOICE" credit card services "to all socioeconomic groups" and has cardholders "across the U.S." (Id. at 49-50.) Being a payment mechanism, opposer's "CHOICE" credit card can be used "anywhere any MasterCard or Visa [card] is accepted." (Id. at 61.) While both of the latter "are primarily known as credit [cards]," Mr. Acton noted that at present "they are focusing on debit." (Id. at 75.)

Mr. Acton nonetheless conceded that, as of the February 28, 2002 date of his deposition, he was unaware of any instances of actual customer confusion between applicant's use of its "CHOICES UNLIMITED" mark and opposer's use of its "CHOICE" mark, and that he personally was unaware of any third-party uses, in connection with debit or credit card services, of marks which include the word "CHOICE." Likewise, applicant's witness, Mr. Furlo, testified that while applicant began use of its "CHOICES UNLIMITED" mark in connection with a debit card incentive program in May 1998, he was unaware of any instances of actual confusion between such mark and opposer's "CHOICE" credit card services.

Moreover, while opposer admits that credit card and/or debit card services are a separate subset or category of banking services, opposer's objections to third-party uses of marks which include the word "CHOICE" have been limited, for the most part, to the actual use thereof on credit and/or debit cards and do not encompass use of such word in connection with banking services in general. Thus, in policing its "CHOICE" mark, opposer has entered into a number of agreements with certain third-parties

which, while permitting the use--as an "umbrella phrase" or "umbrella term"--of marks which incorporate the word "CHOICE" in connection with a variety of banking services, typically prohibit the use and/or registration of such marks on credit cards and/or debit cards and services specifically related thereto. (Kennedy disc. dep. at 51, 54 and 56.) For instance, opposer's agreement with Consumer's Choice Credit Union permits use by the latter of such name and the mark "CONSUMER'S CHOICE" in connection with credit union services which include credit and debit card services, but registration thereof for credit and debit card services is prohibited. As a result thereof, Consumer's Choice Credit Union, which has used the mark "CONSUMER'S CHOICE" since April 1, 1997 without any known instances of actual confusion, further agreed to amend its pending application to register such mark for credit union services by adding the limitation "but not for credit card or debit card services." (Consumer's Choice Credit Union disc. dep. at 4.)

Similarly, opposer's agreement with Comerica Inc. authorizes use by the latter of the mark "CHOICE ACCESS" for "a package of products for telephone and computer banking," which Comerica claims to have used without knowledge of any actual confusion since around 1995 or 1996. (Comerica Inc. disc. dep. at 4.) In particular, however, the agreement, which was made in settlement of an opposition brought by opposer to registration of such mark, provides among other things that Comerica Inc. will not use or file an application to register the mark "CHOICE ACCESS" on or in connection with, respectively, credit or debit

cards per se and credit card or debit card services, but that it may continue to use the mark for an enhanced checking account service that offers a credit card as a prerequisite; and that it will amend its existing application to register the mark "to expressly exclude credit and debit cards and services." (Id. at 9.)

Likewise, opposer's agreement with First Tennessee National Corp. allows the latter to use the marks "PRIORITY CHOICES for consumer deposit accounts and CHOICES for a consumer newsletter," which it claims to have respectively used since August 12, 1996 and December 9, 1999 without awareness of any instances of actual confusion, and permits the registration of the "PRIORITY CHOICES" mark for "banking services except for credit and debit cards and credit and debit card services." (First Tennessee National Corp. disc. dep. at 3-4.) In a similar vein, opposer's agreement with Central Cooperative Bank permits the latter to use and register a stylized version of the mark "CENTRAL COOPERATIVE BANK--THE RIGHT CHOICE" for "banking services," "excluding credit card and debit card services." (Central Cooperative Bank disc. dep. at 3.) Central Cooperative Bank maintains that it has used such mark for approximately seven years, with no knowledge of any incidents of actual confusion.

The record also contains copies of 30 third-party registrations for marks which contain the word "CHOICE" or a variant thereof. Approximately two thirds of such registrations involve marks for banking services or credit union services, with over half of those containing the specific exclusion of credit

card and debit cards and/or credit card and debit card services. Those marks which are so registered are "CONSUMERS CHOICE," "CHOICE ACCESS," "APPLE CHOICE BANKING," "CHOICE CREDIT," "INDIVIDUAL CHOICE BANKING," "CHOICE PLAN," "PRIORITY CHOICES," "CUSTOMER'S CHOICE," "FIRSTCHOICE," "CHOICE CONNECTION," "OWNER'S CHOICE," "PEOPLES CHOICE," "MONEY CHOICES," "INVESTORS CHOICE," "CENTURA CHOICES," "A COMMUNITY OF CHOICES," "A NEW CHOICE IN BANKING," "CLASSIC CHOICE" and "WACHOVIA BUSINESS CHOICE ACCOUNT." Two other third-party registrations, for the marks "MERCHANTS' CHOICE" and "LOAN CHOICE," respectively pertain to credit card payment processing services and to loan services which exclude credit and debit cards and credit and debit card services. The remaining third-party registrations, which involve the marks "PERSONAL CHOICE ACCOUNT," "ASSET CHOICE ACCOUNT," "CHOICEREWARDS," "BEST CHOICE," "CUSTOM CHOICE," "MCDONALD ASSET CHOICE," "WELLSCHOICE," "THE DEALER'S CHOICE" and "SURE CHOICE," cover various financial management, investment brokerage, loan, mortgage, financing and insurance services.

With respect to its pleaded registration, the record reveals that opposer obtained such registration by successfully arguing that the mark "SUDDENLY, IT'S THE OBVIOUS CHOICE," which was cited as a bar in view of the prior registration thereof for services recited as the "extension of credit to customers who purchase at subscribing retail establishments and making collections from such customers through a central billing system," was not likely to cause confusion with opposer's mark "CHOICE" for credit card services because, *inter alia*:

[A] determination of the likelihood of confusion of CHOICE and the cited slogan requires consideration of the marks in their entireties, including any terms in addition to the common one. The use of CHOICE as a part of a slogan of many words prevents the two marks from being similar in overall sound and appearance.

The most palpable distinction lies in the commercial impression created by the cited phrase, namely that of an extended slogan, a catchy phrase, as distinguished from the succinct and sparse impression created by ... [the CHOICE] mark.

An equally prominent distinction lies in the emphasis inherent in the word SUDDENLY of the cited phrase, a prominence elevated by both the intrinsic impact of the word SUDDENLY and its lead appearance in the slogan.

(File History of Reg. No. 1,206,796: July 21, 1981 Response to January 22, 1981 Office Action, at 2.)

As to applicant, the record shows that it runs two awards redemption or employee performance improvement programs for its corporate clients. The purpose of such programs, Mr. Furlo explained, is "to motivate either sales, service, scrap production or consumer activity to generate a benefit for our clients by offering a reward mechanism," which typically consists of "a travel destination and/or a merchandise item, a cash item and/or possibly cash loaded onto a debit card." (Furlo tr. dep. at 5.) Of the programs which it runs, one involves merchandise while the other, which applicant operates under the mark "CHOICES UNLIMITED," features debit cards bearing such mark. Applicant, while deriving around \$30,000 in fees from such program, does not currently produce marketing or advertising materials therefor,

nor does it otherwise promote its "CHOICES UNLIMITED" mark or have any future plans for the program. Although the "CHOICES UNLIMITED" program is mentioned by applicant in its existing company brochures and on its website, "it's not something ... that we're actively trying to sell," according to Mr. Furlo. (Id. at 8.)

As of his September 5, 2002 trial deposition, Mr. Furlo testified with respect to applicant's "CHOICES UNLIMITED" debit card program that applicant currently is "operating award programs for two companies, one [of which] is General Motors and the other is TRW."⁶ (Id. at 6.) Applicant developed the "CHOICES UNLIMITED" mark while "looking for a name that would provide our clients with the ability to have something that gave them a connotation that this award [program] could be utilized for any purchase activity." (Id. at 7.) When applicant selected its mark, Mr. Furlo, who has worked for applicant since 1995 and been an officer thereof since 1997, was not aware of opposer's use of the mark "CHOICE" in connection with credit cards.

In actual use, the mark "CHOICES UNLIMITED" appears prominently on the front of applicant's debit cards, along with a "MASTERCARD" logo, while the "MORLEY" portion of applicant's name is featured on the back of such cards, together with (in very small print) a toll-free customer service number and a caveat stating (among other things) that: "This card is not a credit card and use of this card by you will be your acceptance of the

⁶ No amendment to allege use, which as noted earlier began in May 1998, has been filed in connection with applicant's involved application.

terms outlined in your distributed program materials."

(Applicant's Ex. 2.) Moreover, nothing on the front of the debit cards used in applicant's "CHOICES UNLIMITED" program tells a vendor whether a card is a debit card or a credit card. The cardholders participating in such program can include anyone and are located throughout the United States, since there is no limit as to where the debit cards can be used. The cards, in fact, may be used wherever opposer's "CHOICE" credit cards are used. In addition, while applicant sends cardholders a periodic statement bearing the "CHOICES UNLIMITED" mark, its name does not appear thereon.

Applicant offers its "CHOICES UNLIMITED" program to persons "who would be in a purchasing or marketing or sales activity that is looking to utilize a debit card for a reward program." (Furlo tr. dep. at 8.) It maintains, therefore, that the purchasers of its incentive or performance improvement program are "[v]ery sophisticated" and know that they are dealing with applicant rather than opposer. (Id. at 24.) In marketing such program, applicant, unlike the case with opposer's "CHOICE" credit card services, does not use solicitation letters to try to increase business. Applicant, furthermore, has never used its "CHOICES UNLIMITED" mark in connection with credit cards. Instead, it has always used such mark exclusively in connection with debit cards for incentive programs. In terms of the volume of cards which applicant has had issued, Mr. Furlo testified that "between 4,000 and 5,000 cards ... have been distributed,

utilized and cancelled over the last four and a half years" of the "CHOICES UNLIMITED" program; and that while applicant "just recently reprinted another 5,000 cards," he did not know "the exact number that are in circulation and still valid." (Id. at 14.) However, except as noted below, applicant essentially has "no interface with the direct user" of its cards. (Id. at 26.)

In operation, an individual participant or user of applicant's services cannot add money to a "CHOICES UNLIMITED" debit card; rather, as pointed out by Mr. Furlo, a card is funded through the following process:

What would happen is we would have a client that would want to utilize a debit card as a reward. At the end of the program period they'll give us a list of winners, [and] the dollar amounts to load on each debit card.

We would then ... forward that information onto our banking partner, wire the money to the bank. The bank will then produce the cards and send the cards to the individual ... winners.

At the same time we will produce a letter and send it to the individual winners [saying] that this card is coming, here's how it works, here's the dollar amount you have on the card. You're free to utilize it anywhere MasterCard is accepted, anywhere worldwide. And you have this limit to spend and once you spend it its gone.

There is some instances where they have put another line saying this is an ongoing program, so you could win again. So hold onto your card because the person who has awarded this card to you from your organization might come back to you and say you have won again. And then they would put additional funds onto the card.

(Id. at 9-10.) Thus, once an individual winner receives a "CHOICES UNLIMITED" debit card as an award, such person, as the

mark suggests, could use it for "anything under the sun." (Id. at 13-14.) As examples thereof, Mr. Furlo noted that:

You could go buy groceries with it, you could go buy merchandise, you could pay bills. We wanted to convey an unlimited arena for which you could use this award for.

(Id. at 14.)

While applicant also provides a toll-free telephone number to answer questions from end users about their statement balances and other aspects of its "CHOICES UNLIMITED" program, applicant does not solicit any business from such users and has no plans to change the manner in which its debit cards are used. Moreover, there is nothing in either the letters or statements which applicant sends to the end users of its debit cards which indicates or explains that its "CHOICES UNLIMITED" program is not related to or affiliated with opposer's "CHOICE" credit cards. In fact, Mr. Furlo admitted that he does not know whether any of the award winners in applicant's program also have a "CHOICE" credit card.

Mr. Furlo also testified that, since the taking of his discovery deposition, he had become aware of certain third-party uses of marks which include the term "CHOICE" on or in connection with credit card or debit card services. Such uses include some of those previously discussed herein. In particular, Mr. Furlo noted the use by Consumers Choice Credit Union, in the Saginaw, Michigan area where applicant is located, of the mark "CONSUMERS CHOICE CREDIT UNION" on the face of a "VISA" credit card being advertised in a pamphlet he picked up in a personal visit to such

bank. He also conducted an Internet search and discovered use by First Tennessee National Corp. of the mark "PRIORITY CHOICES" for a checking account which includes a no-fee debit card and a no-fee "VISA" credit card. In addition, his Internet search led to the discovery of use by Community Choice Credit Union of its name as a mark for credit union services which include a debit card and a "VISA" credit card; the use by First Choice Banks of its name for banking services which include its "FIRST PREMIER BANK VISA" credit card; and the use by Apple Bank of the mark "APPLE CHOICE BANKING" in connection with banking services which include an ATM debit card.

Mr. Furlo admitted on cross-examination, however, that after becoming aware of the above third-party uses, he did not speak with or have anyone contact First Tennessee National Corp., Community Choice Credit Union, First Choice Bank or Apple Bank regarding their respective marks. He further conceded that his sole purpose in downloading information such as that from the Community Choice Credit Union website was to find other uses of the word "CHOICE" for purposes of this litigation. He also admitted, among other things, that he had no knowledge as to whether Community Choice Credit Union or Apple Bank has an agreement with opposer; and that other than the information he located from various websites, he has no independent knowledge about the uses shown therein. Furthermore, he acknowledged that some credit cards have dollar amount limits and that some banks issue both credit cards and debit cards.

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We find upon consideration of the pertinent factors set forth in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973), for determining whether there is a likelihood of confusion that, because each of such factors either favors opposer or is neutral and none favors applicant, confusion is likely from the contemporaneous use of the parties' marks in connection with their respective services. Specifically, as to the *du Pont* factor concerning the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression, applicant's "CHOICES UNLIMITED" mark is substantially similar in appearance and sound, and virtually identical in connotation and commercial impression, to opposer's "CHOICE" mark due to the presence in such marks of, respectively, the plural and singular forms of the word "CHOICE." See, e.g., *Wilson v. Delaunay*, 245 F.2d 877, 114 USPQ 339, 341 (CCPA 1957) ["there is no material difference, in a trademark sense, between the singular and the plural form of the word"]; and *Calvin Klein Industries Inc. v. Calvins Pharmaceuticals Inc.*, 8 USPQ2d 1269, 1271 (TTAB 1988) [addition of the letter "S" "does little to distinguish" the mark "CALVINS" from the mark "CALVIN"]. In addition, applicant's "CHOICES UNLIMITED" mark is substantially similar in sound and appearance to opposer's "CHOICE" mark since it begins with the virtually identical word "CHOICES." See, e.g., *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1845 (Fed. Cir. 2000) ["as the Board found, because" the marks "LASER" and "LASERSWING" both "begin with

'laser,' they have 'consequent similarities in appearance and pronunciation']].

While applicant's mark also contains the word "UNLIMITED" while opposer's mark does not, such does not sufficiently differentiate the parties' marks inasmuch as there is very little difference in connotation between applicant's "CHOICES UNLIMITED" mark, which when used in connection with debit card services obviously means a card which can be used to purchase whatever a cardholder may choose or want, and opposer's "CHOICE" mark, which when used for credit card services similarly connotes a card which can be used to purchase whatever a cardholder chooses or wants. Overall, the substantial aural and visual similarities between the respective marks, coupled with their virtually identical connotations, give rise to marks which engender essentially the same commercial impressions and which, when used in connection with debit card services and credit card services, would be likely to cause confusion as to source or sponsorship.

Applicant argues in its brief, however, that as shown by the file history of the registration for opposer's "CHOICE" mark, opposer is advancing a position which is contrary to that which it took in obtaining its registration. In this regard, applicant asserts that as between a mark which consists of the word "CHOICE" and a mark which is composed thereof and any other matter, opposer previously "took the position that [its mark and] any mark including 'choice' as a component 'prevents' the two marks from being similar" While opposer in its reply brief

asserts that "such a statement has no evidentiary applicability here, today," and that applicant "identifies no support for its argument," we note that as set forth in *Interstate Brands Corp. v. Celestial Seasonings, Inc.*, 576 F.2d 926, 198 USPQ 151, 154 (CCPA 1978):

That a party earlier indicated a contrary opinion respecting the conclusion [of a likelihood of confusion] in a similar proceeding involving similar marks and goods [and/or services] is a fact that may be received in evidence as merely illuminative of shade and tone in the total picture confronting the decision maker. To that limited extent, a party's earlier contrary opinion may be considered relevant and competent. Under no circumstances, may a party's opinion, earlier or current, relieve the decision maker of the burden of reaching his own ultimate conclusion on the entire record.

Moreover, and in any event, rather than constituting a prior inconsistent position, what opposer actually argued in support of the registrability of its "CHOICE" mark over the cited "SUDDENLY, IT'S THE OBVIOUS CHOICE" mark was that, as indicated previously, "[t]he use of CHOICE as a *part of a slogan of many words* prevents the two marks from being similar ..." and that "the commercial impression created by the cited phrase, namely that of an *extended slogan, a catchy phrase*," is to be "distinguished from *the succinct and sparse impression* created by ... [the CHOICE] mark" (emphasis added). In the present case, applicant's "CHOICES UNLIMITED" mark cannot reasonably be characterized as a "slogan of many words" or as "an extended slogan, a catchy phrase." Rather, like opposer's "CHOICE" mark, applicant's mark projects a "succinct and sparse impression." In

view thereof, and in light of the similarities in sound, appearance, connotation and commercial impression discussed above, applicant's mark is confusingly similar to opposer's mark when the marks are considered in their entirety.

With respect to the *du Pont* factors which pertain to the similarity or dissimilarity of the services and the similarity or dissimilarity of established, likely to continue trade channels, such factors clearly favor opposer. In this regard, it is well settled that the registrability of an applicant's mark must be evaluated on the basis of the identification of its goods and/or services as set forth in the involved application for its mark and the identification(s) of the goods and/or services as recited in the pleaded registration(s) made of record by an opposer for its mark, regardless of what the record may reveal as to the particular nature of the respective goods and/or services, their actual channels of trade, or the classes of purchasers to which they are in fact directed and sold.⁷ See, e.g., *Octocom Systems Inc. v.*

⁷ Although not argued or cited in its brief, applicant asserted at the oral hearing that under *Kenner Parker Toys Inc. v. Rose Art Industries Inc.*, 963 F.2d 350, 22 USPQ2d 1453 (Fed. Cir. 1992), *cert. denied*, 506 U.S. 862, 113 S.Ct. 181 (1992), a limitation is implied to its "debit card services" so as to restrict the identification of its services, for purposes of determining the issue of likelihood of confusion, to those which are actually rendered by applicant. While such case provides, *inter alia*, that "similarity of trade dress" may be considered where "[t]he trade dress of the marks enhances their inherently similar commercial impression," 22 USPQ2d at 1458, it nowhere provides authority for the proposition that an applicant's identification of its goods and/or services is to be implicitly limited to those in connection with which the applicant actually uses its mark. Thus, in the present case, the fact that both applicant's "CHOICES UNLIMITED" mark and opposer's "CHOICE" mark are prominently displayed in slanted lettering across the top of the front of their respective debit cards and credit cards simply enhances the virtually

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Houston Computer Services Inc., 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990); and Canadian Imperial Bank of Commerce, N.A. v. Wells Fargo Bank, 811 F.2d 1490, 1 USPQ2d 1813, 1815-16 (Fed. Cir. 1987). It is also well established that, absent any specific limitations or restrictions in the identification of goods and/or services as listed in an applicant's application and in the identification(s) of goods and/or services as set forth in an opposer's registration(s), the issue of likelihood of confusion must be determined in light of consideration of all normal and usual channels of trade and methods of distribution for the respective goods and/or services. See, e.g., CBS Inc. v. Morrow, 708 F.2d 1579, 218 USPQ 198, 199 (Fed. Cir. 1983); Squirtco v. Tomy Corp., 697 F.2d 1038, 216 USPQ 937, 940 (Fed. Cir. 1983); and Paula Payne Products Co. v. Johnson Publishing Co., Inc., 473 F.2d 901, 177 USPQ 76, 77 (CCPA 1973).

Here, as broadly identified in the respective application and pleaded registration, applicant seeks to register its mark for "debit card services" while opposer lists "credit card services." The record shows that such services, which are generally considered a category of banking services, are merely alternative forms of payment for essentially any kind of consumer purchases. Moreover, as identified, neither parties' services contain any express limitation or restriction as to types of purchasers or channels of distribution. Therefore, contrary to applicant's arguments in its brief that the marketing of

identical commercial impression conveyed, as discussed previously, by such marks. See Applicant's Ex. 2 and Opposer's Exs. 12 and 13A.

opposer's services is made directly to the consuming public while applicant's services are instead targeted "strictly to sophisticated purchasers at major corporations as part of incentive programs" and that it "solicits no business directly from the end or debit card users," applicant's debit card services must be treated as encompassing the same class of ordinary consumers as those to whom opposer's credit card services are focused. Applicant's debit card services must accordingly be considered as competing with opposer's credit card services for the same base of ordinary, reasonably prudent consumers. Such services are so closely related in legal contemplation, if not in fact, that if rendered under the same or similar marks, confusion as to the origin or affiliation thereof is likely to result.

As to the *du Pont* factor which concerns the conditions under which and buyers to whom sales are made, we again note that contrary to applicant's argument that it markets its services only to sophisticated, highly discriminating individuals who direct corporate employee awards or incentive programs, the purchasers of the parties' respective services--as identified in the involved application and pleaded registration--are simply ordinary, reasonably prudent members of the consuming public. Consequently, and while there certainly is nothing in the record to indicate that either debit card services or credit card services are purchased impulsively, neither is it the case that the record establishes that consumer purchasers of such services

would exercise anything more than ordinary, reasonably prudent care in their selection of such services which are appropriate to their financial needs. The conditions under which and buyers to whom sales are made is thus a *du Pont* factor which favors opposer instead of applicant.

With respect to the *du Pont* factor of the fame of the prior mark in terms of sales, advertising and length of use, opposer contends in its initial brief that its "CHOICE" mark is "well known" and thus is entitled to a correspondingly broader scope of protection than might otherwise be the case. While we agree with applicant that the evidence of record is insufficient to establish that opposer's mark is indeed famous, we concur with opposer that the confidential sales and promotional figures covering many years of continuous use suffice to demonstrate that such mark is well known and particularly so among opposer's loyal customer base for its "CHOICE" credit card services. As noted by our principal reviewing court in *Kenner Parker Toys Inc. v. Rose Art Industries Inc.*, supra at 22 USPQ2d 1456, "the fifth *duPont* factor, fame of the prior mark, plays a dominant role in cases featuring a famous or strong mark. Famous or strong marks enjoy a wide latitude of legal protection" (emphasis added). Thus, notwithstanding insufficient proof that opposer's "CHOICE" mark has obtained the status of a famous mark, such mark has been shown on this record to be strong in that it is well known and, as additionally indicated by the number of cardholders transferring their balances from other credit cards to their

"CHOICE" card, is highly regarded by customers for credit card services. This factor therefore favors opposer.

As to the *du Pont* factor of the number and nature of similar marks in use on similar goods or services, applicant argues in its brief that evidence of "extensive third party use of the word 'choice' weakens the claimed mark" of opposer and that such evidence includes "several third party registrations for marks including the 'choice' component ... for banking services." To the extent, however, that applicant is attempting to prove by such registrations that opposer's "CHOICE" mark is nonetheless a weak mark for credit card services inasmuch as consumers have become so accustomed to encountering marks which consist of or include the word "CHOICE" for banking and other financial services that they will look to and distinguish the subject marks by the differences therein, the problem therewith is that it is well settled that third-party registrations are not evidence of what happens in the marketplace or that the public is familiar with the use of the subject marks. See, e.g., *National Aeronautics & Space Administration v. Record Chemical Co.*, 185 USPQ 563, 567 (TTAB 1975). The reason therefor is that third-party registrations simply do not show that the marks which are the subjects of third-party registrations are actually being used, or that the extent of their use is so great that customers have become accustomed to seeing the marks and hence have learned to distinguish them. See, e.g., *Smith Brothers Manufacturing Co. v. Stone Manufacturing Co.*, 476 F.2d 1004, 177 USPQ 462, 463 (CCPA 1973); and *In re Hub Distributing, Inc.*, 218 USPQ 284, 285-

86 (TTAB 1983). Consequently, and aside from the fact that over half of the third-party registrations covering banking or credit union services in any event explicitly exclude credit and/or debit card services, the co-existence of the third-party registrations with opposer's pleaded registration does not justify registration of a confusingly similar mark by applicant since, as indicated in *AMF Inc. v. American Leisure Products, Inc.*, 474 F.2d 1403, 177 USPQ 268, 269 (CCPA 1973):

[L]ittle weight is to be given such registrations in evaluating whether there is likelihood of confusion. The existence of these registrations is not evidence of what happens in the market place or that customers are familiar with them nor should the existence on the register of confusingly similar marks aid an applicant to register another likely to cause confusion, mistake or to deceive.

See also *Olde Tyme Foods, Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1545 (Fed. Cir. 1992) [third-party registrations "may not be given any weight" (emphasis in original) as to the strength of a mark].

Moreover, to the extent that applicant is instead arguing that, like dictionary definitions, the various third-party registrations for marks which contain the word "CHOICE" or a variation thereof demonstrate that opposer's mark is weak in the sense that it is highly suggestive of banking services such as credit card services, see, e.g., *Tektronix, Inc. v. Daktronics, Inc.*, 534 F.2d 915, 189 USPQ 693, 694-95 (CCPA 1976), suffice it to say that, as noted above, the mark "CHOICE" has been shown on this record to be a strong mark in that it is well

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known in connection with credit card services. However, even if such mark were to be regarded as weak in terms of its service mark significance, it would not mean that opposer's mark is entitled to protection only against the same or a virtually identical mark. Instead, it is well established that even a weak mark is entitled to protection against the registration of the same or a substantially similar mark for identical and/or closely related goods or services, such as is the case with respect to applicant's "CHOICES UNLIMITED" mark for debit card services. See, e.g., Plus Products v. Physicians Formula Cosmetics, Inc., 198 USPQ 111, 114 (TTAB 1978).

Nonetheless, as applicant also points out in its brief, there are a number of examples of actual third-party use of marks containing the term "CHOICE" in the record. Such examples, as specified earlier, are: the use by Consumer's Choice Credit Union of such name and the mark "CONSUMER'S CHOICE" in connection with credit union services which include credit and debit card services; the use by Comerica Inc. of the mark "CHOICE ACCESS" for a package of products for telephone and computer banking, including an enhanced checking account service that offers a credit card as a prerequisite; the use by First Tennessee National Corp. of the mark "PRIORITY CHOICES" for consumer deposit accounts which offer both debit cards and credit cards and the mark "CHOICES" for a consumer newsletter; the use by Central Cooperative Bank of a stylized version of the mark "CENTRAL COOPERATIVE BANK--THE RIGHT CHOICE" for banking services which exclude credit card and debit card services; the use by

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Community Choice Credit Union of its name as a mark for credit union services which include a debit card and a "VISA" credit card; the use by First Choice Banks of its name for banking services which include its "FIRST PREMIER BANK VISA" credit card; and the use by Apple Bank of the mark "APPLE CHOICE BANKING" in connection with banking services which include an ATM debit card. Applicant maintains that such "multiple third party uses of marks including the 'choice' component negates Opposer's claim of exclusivity in all names and marks including the 'choice' component for financial services" and that "[t]he consuming public has not, and cannot, come to [the] conclusion that any mark including the 'choice' component is affiliated with any single source."

However, and aside from the fact that there is no evidence as to the actual extent of such third-party use, what the record demonstrates, as indicated previously, is that in policing its "CHOICE" mark, opposer has entered into agreements with most of the above-mentioned third-parties which, while permitting the use, as an "umbrella" phrase or term, of marks which incorporate the word "CHOICE" in connection with a variety of banking services, typically prohibit the use and/or registration of such marks on credit cards and/or debit cards and services specifically related thereto. Moreover, although they otherwise appear to be unfettered uses, the record simply does not disclose whether the use by Community Choice Credit Union of its name as a mark for credit union services which include a debit card and a "VISA" credit card and the use by First Choice

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Banks of its name for banking services which include its "FIRST PREMIER BANK VISA" credit card are or are not pursuant to an agreement with opposer; and the use by Consumer's Choice Credit Union of its name as a mark on a "VISA" credit card clearly appears to be in contravention of its agreement with opposer. Accordingly, contrary to applicant's assertions, the *du Pont* factor of the number and nature of similar marks in use on similar goods or services does not favor applicant; rather, such factor tends to favor opposer or, at a minimum, is neutral.

Finally, as to the *du Pont* factor of the length of time during and conditions under which there has been "concurrent use" without evidence of actual confusion, the record is clear that neither opposer nor applicant is aware of any instances of actual confusion with respect to the marks at issue and that opposer is also unaware of any incidents of actual confusion between its mark and any third-party uses, in connection with debit or credit card services, of marks which include the word "CHOICE." While acknowledging, in its brief, that opposer "need not necessarily show actual confusion to substantiate a claim for likelihood of confusion," applicant contends that "the failure to cite even one instance of actual confusion indicates that confusion between the [parties'] competing marks is unlikely." In particular, applicant maintains that the respective marks "have been in concurrent use for at least five years without a single incident of actual confusion" and that "[t]his length of time of concurrent use is persuasive evidence that there is no likelihood of confusion."

Although the absence of any instances of actual confusion over a significant period of time is indeed a *du Pont* factor which is indicative of no likelihood of confusion, it is a meaningful factor only where the record demonstrates appreciable and continuous use by an applicant of its mark in the same markets as those served by an opposer under its mark. See, e.g., *Gillette Canada Inc. v. Ranir Corp.*, 23 USPQ2d 1768, 1774 (TTAB 1992); and *Chemetron Corp. v. Morris Coupling & Clamp Co.*, 203 USPQ 537, 541 (TTAB 1979). Specifically, there must be evidence showing that there has been an opportunity for incidents of actual confusion to occur. See, e.g., *Cunningham v. Laser Golf Corp.*, supra at 55 USPQ2d 1847. In this case, the absence of any instances of actual confusion is not considered to be a mitigating factor favoring applicant inasmuch as, in the period spanning the four and a half years since 1998 during which the parties have contemporaneously used their respective marks, applicant has had only two customers for its "CHOICES UNLIMITED" debit card services and has had distributed, in connection with such services, no more than 4,000 to 5,000 debit cards bearing its mark. However, while there may indeed be some number of award incentive winners who have received applicant's debit cards and also happen to carry opposer's "CHOICE" credit cards, there is absolutely no evidence that such is in fact the case and what evidence there is indicates that applicant does not know how many recipients of its "CHOICES UNLIMITED" debit cards additionally are customers of opposer's "CHOICE" credit card services.

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Moreover, the record shows that in marketing its debit card services, applicant, unlike opposer, does not use solicitation letters to try to increase business from end users of its cards. Applicant, in fact, currently derives only about \$30,000 in fees from its debit card services program and there is no evidence as to the volume, in terms of either dollar amount or frequency of use, of debit card transactions incurred by end users of applicant's cards. Furthermore, except for the mention thereof in its existing company brochures and on its website, applicant does not currently produce marketing or advertising materials for its "CHOICES UNLIMITED" debit card services program, nor does it otherwise promote such mark or have any future plans for the program since applicant is not actively trying to sell it to its customers. Circumstances, in short, have been such that the absence of any incidents of actual confusion cannot be said to be probative of a lack of a likelihood of confusion.

We accordingly conclude, in light of the above, that contemporaneous use by applicant of the mark "CHOICES UNLIMITED" in connection with debit card services is likely to cause confusion with opposer's use of the mark "CHOICE" in connection with credit card services.

Decision: The opposition is sustained and registration to applicant is refused.