

**THIS OPINION IS NOT A
PRECEDENT OF THE TTAB**

Mailed:
March 23, 2007
Bucher

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Continental National Bank Of Miami

v.

Nathan J. Morgan

Opposition No. 91157725
against Serial No. 78167957

Jeffrey H. Greger and Allan M. Lowe of Lowe Hauptman &
Bernier, LLP for Continental National Bank Of Miami.

Todd E. Zenger of Kirton & McConkie for Nathan J. Morgan.

Before Walters, Bucher and Walsh, Administrative Trademark
Judges.

Opinion by Bucher, Administrative Trademark Judge:

Nathan J. Morgan seeks registration on the Principal
Register of the mark **CONTINENTAL BANK** (*in standard
character format*) for services recited in the application,
as "banking and financial services, namely lease finance
receivables" in International Class 36.¹

¹ Application Serial No. 78167957 was filed on September 25,
2002 based upon applicant's allegation of a *bona fide* intention
to use the mark in commerce. No claim is made to the use of
the word "Bank" apart from the mark as shown.

Continental National Bank of Miami has opposed registration, asserting that applicant's mark, when used in connection with applicant's services, so resembles a mark previously used and registered by opposer, as to be likely to cause confusion, to cause mistake or to deceive under Section 2(d) of the Lanham Act, 15 U.S.C. § 1052(d). Specifically, opposer alleges, *inter alia*, that it has used the mark **CONTINENTAL NATIONAL BANK OF MIAMI** in connection with banking services continuously since 1974 and continues to use that mark, and has had a federal registration covering this mark since 1976.

In his answer, applicant denied the salient allegations in the notice of opposition.

Opposer and applicant have fully briefed the case.

The Record

By operation of the rules, the record includes the pleadings and the file of the opposed application. In support of its case, opposer made of record the trial testimony of Mr. Victor Lopez de Mendoza, opposer's senior vice president, cashier and member of opposer's board of directors, along with opposer's attached Exhibits 1 - 44; the trial testimony of Mr. Frank T. Santana, opposer's vice president, SBA [Small Business Administration

(Federal)] loan officer and Internet banking product coordinator, along with opposer's attached Exhibits 45 - 56; the trial testimony of Ms. Nancy Llerena, opposer's senior vice president and commercial loan officer, along with opposer's attached Exhibits 57 - 61; and the trial testimony of Mr. Guillermo Diaz-Rousselot, opposer's executive vice president and branch administrator, along with opposer's attached exhibit 62.

Opposer also filed a first notice of reliance on May 11, 2005, which made of record applicant's interrogatory answers and documents produced in response to the interrogatories and referenced in applicant's answers, primarily consisting of Federal Deposit Insurance Corporation (FDIC) documents, as well as a second notice of reliance on May 23, 2005, which made of record two of opposer's federal trademark registrations.

As part of his case-in-chief, Nathan J. Morgan made of record his own testimony, along with applicant's attached Exhibits 1 - 13.

During the testimony deposition of opposer's witness, Mr. Mendoza, opposer made of record its registrations by

submitting a certified copy showing status and title of the following pleaded registration:²

| | |
|---|---|
| CONTINENTAL NATIONAL BANK OF MIAMI | for "bank services" in International Class 36. ³ |
|---|---|

Factual Findings

Opposer

Opposer, Continental National Bank Of Miami, began using the mark **CONTINENTAL NATIONAL BANK OF MIAMI** in 1974 and has been using the mark continuously since that time. It grew from a single location to six branches throughout Miami-Dade County, FL. Opposer has been using the domain name continentalbank.com in connection with its banking business since it initiated online banking services in 1999.⁴ Opposer offers "a full range of personal and business products / services from computer home banking and full ATM service to a complete array of

² As discussed *infra*, an additional registration was submitted, but it was not pleaded and has not been considered.

³ Registration No. 1041456 issued on June 15, 1976 based on an application filed on July 9, 1974, claiming first use anywhere and first use in commerce at least as early as April 1, 1974; renewed. The words "National Bank of Miami" are disclaimed apart from the mark as shown.

⁴ In addition to continentalbank.com, opposer also has the domain name continentalbank.biz. Santana Tr. pp. 7 - 8, Exhibit 47.

real estate / construction lending services for small builders" including the offering of SBA loans. Opposer advertises and promotes its banking services related to financing business equipment, specifically "rapid funding of equipment," "100% Financing," "fixed payment financing," and affordable monthly payments. (Mendoza Tr. at pp. 4, 11; Santana Tr. at p. 5, Exhibits 45 and 46). According to the record, opposer offers commercial loans to businesses and has had working relationships with leasing companies in connection with its banking and loan services. (Llerena Tr. at p. 17 and Diaz-Rousselot Tr. at p. 4). Opposer claims to have offered lease finance receivable services during the course of its thirty-three years in the banking business, particularly in the 1980's. (Diaz-Rousselot Tr. at p. 4.) All of these services are offered under its mark **CONTINENTAL NATIONAL BANK OF MIAMI.**

Opposer offers banking services to the general public including, but not limited to, the Cuban-American population in South Florida. (Mendoza Tr. at p. 12, Exhibits 7 - 22). Members of the relevant banking community, including customers, vendors, and businesses, commonly refer to opposer as simply "Continental Bank."

(Mendoza Tr. at pp. 36 - 44, Exhibits 22 - 29). In connection with its banking services, opposer promotes use of the term **CONTINENTAL** prominently. (Mendoza Tr. at pp. 53 - 54, Exhibit 39). Opposer has also promoted its banking loan services on radio and television. (Mendoza Tr. at pp. 55 - 62, Exhibits 41 and 42).

Applicant's witness agrees that opposer offers "full-service community banking offering a wide variety of deposit products and services, and a wide variety of credit products and services and these would be directed both to the retail consumer of banking services as well as the small business owner." (Morgan Tr. at pp. 11 - 12).

Applicant

In 2003, Mr. Morgan, chief executive officer of Continental Bancorporation, proposed the establishment of Continental Bank, a state chartered bank, in Salt Lake City, UT. (Morgan Tr. Exhibits 6 & 7). According to applicant:

[Continental Bank] was to engage in what we refer to as wholesale banking with a very very limited and specific focus on small business lending providing lease finance and business loans. It differs from the traditional community banking model, in that we do not advertise, we do not deal with individuals. We deal almost exclusively only through third parties that

introduce us to possible lease financing opportunities and other small business loan opportunities.

(Morgan Tr. pp. 7 - 8). According to Mr. Morgan, "Continental Bank" is a highly-specialized, five-employee operation whose business model focuses on extending credit to small businesses by purchasing lease contracts from third-party intermediaries. (Morgan Tr. pp. 8 - 11).

Mr. Morgan described three scenarios for how applicant might come to acquire an equipment loan or lease as a company asset. ① He might purchase loan participation from another bank, in which case applicant's ownership may well be totally blind to the borrower. ② Or a loan broker may continue to service an account where applicant has underwritten the extension of credit from the outset. Again, applicant may well not be known to the borrower. ③ A final scenario is where applicant, as the creditor, develops a direct relationship with the borrower, where applicant and his presence are unmistakable in the form of coupon booklets, statements, invoices, late notices, etc., having the name **CONTINENTAL BANK** prominently placed on them. (Morgan Tr. pp. 37 - 41).

Preliminary matters

Before analyzing the merits of this case, we turn to applicant's objections to substantially all of opposer's trial testimony and evidence.

First, applicant argues that Reg. No. 1041457 for opposer's design mark was not pleaded in the notice of opposition, and that all references to this registration should be stricken.⁵

A certified copy of this registration showing current status and title was first introduced on May 4, 2005, during the testimony deposition of Mr. Victor Lopez De Mendoza. (Mendoza Tr. at pp. 62 - 63, Exhibit 44). At the time, applicant made no objections to its introduction. It was introduced again with a second notice of reliance on May 23, 2005. Applicant is correct in arguing that this registration was not pleaded in the original notice of opposition, and that opposer failed to amend the notice of opposition to include this registration as a basis for its Section 2(d) claim.

⁵ Registration No. 1041457 for "bank services" in International Class 36, issued on June 15, 1976 based on an application filed on July 9, 1974, claiming first use anywhere and first use in commerce at least as early as April 1, 1974; renewed. The words "National Bank of Miami" are disclaimed apart from the mark as shown.



Opposer argues, essentially, that inasmuch as applicant did not object to its introduction during the testimony deposition, we should deem the issue of likelihood of confusion with respect to this second registration to have been tried by the implied consent of the parties. See Fed. R. Civ. P. § 15(b).

However, the federal rules do not require such objections to be raised at the time of introduction during testimony, and applicant's objecting to this registration in the final brief represents a timely objection. At no point has applicant treated this registration as being of record. Therefore, we have not considered applicant's actions to amount to implied consent to the inclusion of Reg. No. 1041457 as a basis for opposer's Section 2(d) claim. We have given the federal registration itself no consideration in our decision herein.

With regard to applicant's request that the Board exclude portions of opposer's brief, the Board does not generally strike a properly- and timely-filed brief, or significant portions thereof, and we decline to do so in this case.

As to applicant's objection to the lack of certification of Mr. Frank Santana's testimony, this

objection is overruled. He was sworn to tell the truth at the beginning of the trial deposition (Santana Tr. p. 3) and all the other requirements of the Trademark Rules appear to have been followed during the taking and transcription of this deposition. 37 C.F.R. § 2.123(f); TBMP § 703.01(k) (2d ed. rev. 2004). Therefore, we have considered this testimony.

Applicant has also objected to printouts obtained from opposer's online web pages that were made of record during the trial testimony of Mr. Santana, as well as to portions of opposer's brief that reference opposer's Internet domain name, www.continentalbank.com.

Mr. Santana is certainly competent to authenticate any evidence he personally downloaded from the Internet, and he testified that he personally obtained and printed these web pages on May 3, 2005 - the same date appearing on the bottom of all the pages of Exhibit 45. This was one day prior to his trial testimony on May 4, 2005. He testified that this exhibit included "printouts from pages of our website" and that he was the person primarily responsible for managing opposer's online banking and Internet presence. (Santana Tr. at pp. 5 - 28). Hence, applicant's objection to these documents as inadmissible

due to lack of authentication is overruled. To the extent that applicant has also objected to this evidence as constituting inadmissible hearsay under Fed. R. Evid. 801 - 802, applicant's objection is overruled. While the content of the web pages is hearsay as to the truth of the statements contained thereon, we have considered this evidence as indicating, at most, that some of the public using the Internet may have been exposed to the information contained in the excerpts. Thus, we have considered Mr. Santana's testimony and Exhibit 45 in the present case.

In support of its blanket objection to many of opposer's exhibits, applicant argues that the specified exhibits are inadmissible because they lack a proper foundation, and they are irrelevant or unreliable. (See applicant's brief at p. 6). This objection is overruled because applicant is required to specify those exhibits to which it objects. The Board will not do applicant's work for him and review the entire record with an eye to possible objections. Moreover, applicant's general objections on the basis of lack of foundation are improper inasmuch as Mr. Victor Lopez De Mendoza, Mr. Frank T. Santana, Ms. Nancy Llerena and Mr. Guillermo Diaz-

Rousselot each laid a foundation sufficient to admit the exhibits introduced during his/her testimony. These employees of opposer are competent to testify to those matters of which they have personal knowledge, as well as to those matters regarding company history and records kept in the ordinary course of business, based on knowledge attributable to their positions within the company. On occasion during the actual taking of the trial testimony, when applicant's counsel objected on the basis of an inadequate foundation, opposer's counsel provided additional basis for the document to be introduced or for the proffered question. Applicant has provided no valid argument for excluding any of opposer's exhibits on the basis of relevance or reliability. Rather, we have considered the probative value of each individual exhibit in reaching our decision herein.

As to the balance of opposer's documentary evidence and testimony, applicant objects to specified materials as consisting of hearsay or as being inadmissible because of a lack of foundation or because the materials are irrelevant.

For example, applicant objects specifically to Exhibits 1 - 4 on the grounds that Mr. Mendoza did not

know the specific breakdown or location of individual customers reflected in state-by-state and foreign country categories. This is not a basis for finding that the these exhibits either lack a foundation for consideration or that they are irrelevant. Applicant's concern goes, rather, to the probative value of the exhibits.

All further objections by applicant to the balance of the exhibits introduced into the record during the testimony of Mr. Mendoza on the ground that Mr. Mendoza is incompetent to testify on such matters are unfounded in view of the witness' testimony that he started as a director of Continental National Bank of Miami in 1980 (Mendoza Tr. at p. 6), that he is currently a Senior Vice President of opposer (Mendoza Tr. at Exhibit 5), and has personal knowledge about the scope of opposer's international and national banking business. (See Mendoza Tr. at pp. 13 - 14). Given his history with the bank and the nature of his responsibilities, he is competent to testify about the bank transactions that were the subject of his testimony, and Exhibits 1 through 44 are pertinent and relevant documents kept in the ordinary course of business.

Applicant objects to Exhibits 57 and 58 attached to the trial transcript of Ms. Llerena on the ground that no proper foundation was proffered for their admissibility and that these exhibits are irrelevant and unreliable. However, these exhibits were introduced into the record without any objections by applicant's counsel during that testimony deposition. According to the Federal Rules of Civil Procedure, any alleged defect in these exhibits could have been easily remedied had it been raised at the time of the deposition.⁶ Under the final clause of Rule 32(d)(3)(A), had opposer's counsel been faced with a challenge at the time of the testimony, he could have elicited further details from this witness as to the relevance and reliability of these documents. We find that by failing to object in a timely manner to these exhibits during the witness' testimony, applicant waived this objection. See TBMP § 707.04 (2d ed. rev. 2004); see also Pass & Seymour, Inc. v. Syrelec, 224 USPQ 845, 847 (TTAB 1984) ["[W]ith respect to respondent's objections on the grounds of improper identification and/or

⁶ Fed. R. Civ. P. 32(d)(3) As to Taking of Deposition. (A) Objections to the competency of a witness or to the competency, relevancy, or materiality of testimony are not waived by failure to make them before or during the taking of the deposition, unless the ground of the objection is one which might have been obviated or removed if presented at that time.

authentication of exhibits and/or that the exhibits were inadmissible hearsay with no foundation laid for an exception to the hearsay rule[,]... [i]t is our view that all of respondent's objections are of a type that could have been remedied or obviated had they been made during the taking of the deposition"].

Applicant's hearsay objections to Ms. Llerena's testimony are overruled. As to her testimony that she has heard customers referring to opposer as "banco Continental," these statements are not hearsay, for they are accepted not for the truth of the statements made by the non-witnesses to opposer's deponent or the reasons therefor, but rather for the mere fact that the statements referred to in her testimony were, in fact, made to her. Ms. Llerena can testify to the fact that she has, over the years, heard such references.⁷ In a similar fashion, Mr.

⁷ Q [Mr. Greger]: If you could identify [Exhibit 56]?
A [Ms. Llerena]: Yeah. This is a brochure for the home equity loans.
Q: And the title on this is what?
A: Life Improvement Loans.
Q: And in the middle of the front page, what does it say?
A: "Viva Fenomenal con el banco Continental."
Q: And could you translate into English for us?
A: It means have a phenomenal life with Continental Bank.
Q: And is the Continental Bank portion in Spanish "banco Continental"?
A: This is a Spanish version of Continental Bank.
Q: Do you hear your customers referring to Continental National Bank of Miami as banco Continental?

Santana's testimony as to customers saying to him that they searched for "continentalbank.com" when trying to find opposer's online banking website (Santana Tr. pp. 9 - 10) and Mr. Mendoza's testimony that he heard customers refer to opposer as "Continental Bank" or "Banco Continental" (Mendoza Tr. pp. 12 - 13) are not hearsay. See Toys "R" Us, Inc. v. Lamps R Us, 219 USPQ 340, 346 (TTAB 1983); and Finance Co. of America Corp., 205 USPQ 1016, 1035 (TTAB 1979).

Continental National Bank Of Miami has Standing

With regard to the threshold inquiry as to the standing of Continental National Bank Of Miami in this opposition proceeding, opposer has alleged and proven at trial a real commercial interest, as well as a reasonable basis for the belief that opposer would be damaged by the registration of applicant's **CONTINENTAL BANK** mark.

Ritchie v. Simpson, 170 F.3d 1092, 50 USPQ2d 1023, 1025-26 (Fed. Cir. 1999). Continental National Bank of Miami has

A: Yes

[Mr. Zenger]: Objection, hearsay.

Q [Mr. Greger]: Of your own personal knowledge, you've heard people say that?

A: Yes.

[Mr. Zenger]: Objection, hearsay.

Q: Do you personally give these brochures to clients?

A: We have them displayed.

presented evidence of its ownership and validity of its pleaded registration for the mark **CONTINENTAL NATIONAL BANK OF MIAMI**.

Priority

We turn then to the issue of priority in relation to the services set forth in opposer's pleaded registration. As noted above, Continental National Bank of Miami has established its ownership of a valid and subsisting registration for the mark **CONTINENTAL NATIONAL BANK OF MIAMI** for "bank services." Therefore, there is no issue as to opposer's priority. See King Candy Company v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974); and Carl Karcher Enterprises Inc. v. Stars Restaurants Corp., 35 USPQ2d 1125 (TTAB 1995).

Likelihood of Confusion

Turning now to the issue of likelihood of confusion, our determination of likelihood of confusion is based upon our analysis of all of the probative facts in evidence that are relevant to the factors bearing on the issue of likelihood of confusion. See In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also In re Majestic Distilling Co., Inc., 315 F.3d

1311, 65 USPQ2d 1201 (Fed. Cir. 2003). In any likelihood of confusion analysis, however, two key, although not exclusive, considerations are the similarities between the marks and the relationship between the goods and/or services. See Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24 (CCPA 1976). See also In re Dixie Restaurants Inc., 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997).

The Marks

We consider first the du Pont factor that focuses on the similarity or dissimilarity of the marks in their entirety as to appearance, sound, connotation and commercial impression. Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772, 396 F.3d 1369, 73 USPQ2d 1689, 1692 (Fed. Cir. 2005).

As to connotation, applicant argues that the term "Bank of Miami" within opposer's mark accentuates the fact that opposer is a Miami Bank, which applicant alleges is a salient fact from all the evidence of record. By contrast, applicant argues that his mark carries no such connotation.

However, we note that opposer's mark **CONTINENTAL NATIONAL BANK OF MIAMI** and applicant's applied-for mark **CONTINENTAL BANK** share in common the identical, leading term, **CONTINENTAL**. While we must compare the marks in their entireties, opposer has disclaimed the descriptive terminology "National Bank of Miami," while applicant has disclaimed the word "Bank." Additionally, the record establishes that opposer, its customers, vendors, and the Miami media often refer to opposer simply as "Continental Bank." For example, on the occasion of its thirtieth anniversary celebrations, a November 2004 article from El Nuevo Herald contained the following headline:

Celebra el
Continental Bank
sus 30 años ⁸

Third party vendors, such as the caterers of the Skyline Bay Club and the billing office of Selecta magazine, who regularly do business with opposer, use the term "Continental Bank" in invoices and letters, as follows:

⁸ Mendoza Tr. Exhibit 23.



September 8, 1994

Ms. Astrid Batista
CONTINENTAL BANK
1801 S.W. 1st Street
Miami, FL 33135

Dear Ms. Batista,

Selecta

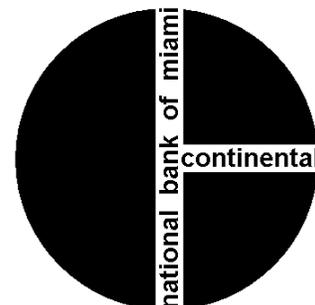
1717 N. Bayshore Drive
Suite 113
Miami, FL 33132
Phone: (305)579-0970
Fax: (305)372-1811

CUSTOMER CONTINENTAL BANK
ANUNCIANTE _____ 9

The record shows that many of opposer's actual uses of its service mark and trade name accentuate the "Continental" portion of the mark:



Dozens of times in exhibits of record, we have seen opposer's extensive use of a special form of its mark, namely the words "Continental National Bank of Miami" combined with a circular design. The word "Continental" is displayed horizontally while the disclaimed term "National Bank of Miami"



⁹ Mendoza Tr. Exhibits 24 and 27.

¹⁰ Mendoza Tr. Exhibits 32 and 56.

is presented vertically. As seen, this unique "letter C" design is used repeatedly, both with and without the words. In those instances where the design is larger and the words are present, we find that this presentation places even greater emphasis on the horizontally-oriented word **CONTINENTAL** than is true for the disclaimed and descriptive portion of the mark that is vertically oriented. The first portion of opposer's word mark will generally be the dominant feature relied on and remembered by consumers. See *Presto Products v. Nice-Pak Products*, 9 USPQ2d 1895, 1897 (TTAB 1998). Given the nature of the design presentation, this leading term is accentuated even further.

Since 1999, many times every day, opposer's customers have been using continentalbank.com, opposer's Internet domain name, to access opposer's on-line banking services, thus accentuating the CONTINENTAL ... BANK portion of its mark. Opposer uses this domain name prominently along with its other service



**CONTINENTAL NATIONAL
BANK OF MIAMI**

www.continentalbank.com

marks in order
to promote its
online banking
services.



CONTINENTAL NATIONAL BANK OF MIAMI

www.continentalbank.com

¹¹

While opposer's use of other marks and customers' references to opposer are not directly relevant herein, this evidence is supportive of opposer's allegation that the **CONTINENTAL** portion of its mark is dominant and would be so perceived by the relevant public.

We agree with opposer that our focus should be placed on the recollection of the average consumer who normally retains a general rather than a specific impression of trademarks. *Sealed Air Corp. v. Scott Paper Co.*, 190 USPQ 106 (TTAB 1975). While we must consider the marks in their entireties, in articulating reasons for reaching a conclusion on the issue of likelihood of confusion, there is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature of a mark. See *In re National Data Corp.*, 753 F.2d 1056, 224 USPQ 749 (Fed. Cir. 1985) [CASH MANAGEMENT ACCOUNT found confusingly similar to THE CASH MANAGEMENT EXCHANGE]. Applicant has agreed to disclaim the term "Bank" apart

¹¹ Mendoza Tr. Exhibits 10 and 12.

from the mark as shown, and opposer has disclaimed the terminology "National Bank of Miami." Clearly, based on the record before use, these terms are merely descriptive. Under our precedent, less weight may be accorded to disclaimed, merely descriptive matter in making a determination of likelihood of confusion.

Based upon this record as a whole, there can be no question but that the dominant and most distinctive portion of each of the parties' marks is the term "Continental."

While acknowledging that there are obvious differences between these marks, we find, nonetheless, that the sight, sound, connotations and commercial impressions of the marks are substantially similar, and hence, this du Pont factor weighs heavily in favor of opposer.

Third parties having similar marks on related services

Applicant goes on to argue that a

"myriad of other banking institutions utiliz[e] the term CONTINENTAL in their marks, including federally registered marks coexisting with [opposer] such as THE CONTINENTAL BANK AND TRUST COMPANY, FIRST CONTINENTAL BANK, CONTINENTAL BANK There are a myriad of other banks which do or have used the term CONTINENTAL without any apparent complaint from [opposer]. ... This

reveals that in the banking industry, the use of other terms provides the necessary distinction for the consumers of the various banking products and services."

Applicant's brief, p. 13.

Opposer contends that this argument put forward by applicant is misleading:

"In fact all three registrations cited by Applicant are registrations which have been deemed cancelled by the U.S. Patent and Trademark Office for failure to file required use declarations The mark CONTINENTAL is not diluted on the register or weak, it is distinctive."

Opposer's reply brief, pp. 8 - 9.

Indeed, these cancelled registrations have no evidentiary value as to the scope of protection to be afforded to opposer's claimed mark, and opposer is correct in noting that the record demonstrates that the three registrations referenced by applicant were all cancelled under Section 8 of the Lanham Act.¹²

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for "banking services" in International Class 36; Registration No. 1307404 issued to The Continental Bank & Trust Company on November 27, 1984 and was then cancelled under Section 8 (six-year) of the Lanham Act on March 6, 1991.

The services

Opposer's registration broadly covers "bank services," and the evidence of record amply demonstrates usage of opposer's mark for full-service banking products and services directed to retail consumers as well as small business owners. Applicant is seeking a registration for "banking and financial services, namely lease finance receivables" - in short, providing financing for equipment leases for business owners.

Based on the evidence of record, opposer offers a broad range of services to business owners, and



**FIRST
CONTINENTAL
BANK**

for "banking services" in International Class 36; Registration No. 2104565 issued to First Continental Bank on October 14, 1997 and was then cancelled under Section 8 (six-year) of the Lanham Act on July 17, 2004; and



for "providing of a full line of banking services" in International Class 36. Registration No. 1818167 issued to Continental Bank N.A. on January 25, 1994 and was then cancelled under Section 8 (six-year) of the Lanham Act on February 10, 2001.

applicant's function of financing lease receivables clearly falls within the broad ambit of opposer's "banking services." Certainly when any applicant seeks to register a mark covering narrowly-drawn banking services, this Board will refuse registration where a substantially similar mark has been previously registered with broadly-recited banking services that encompass the specified services. See In re United California Brokers, Inc., 222 USPQ 361 (TTAB 1984) [brokerage services related to bank services]; Combanks Corp. v. Combank Mortgage Funding, Ltd., 197 USPQ 296 (TTAB 1977) [mortgage services related to retail and commercial banking services]; and American National Bank v. Bank Building Corp., 181 USPQ 532 (TTAB 1973) [applicant's financial construction services related to opposer's traditional bank services]. Accordingly, this du Pont factor too weighs in favor of opposer.

Channels of trade and classes of customers

Applicant has attempted throughout this proceeding to establish limitations on opposer's actual banking services, both in overall scope and geographically. Of course, the involved registration imposes no such limits on opposer's services, customers or channels of trade.

Accordingly, we must presume that applicant and opposer are both entitled to offer their services in all normal trade channels for such services as recited, and to all normal classes of customers for such services. See In re Elbaum, 211 USPQ 639 (TTAB 1981). Thus, because the respective services are overlapping as identified, so too are the classes of customers and channels of trade.

In any case, the probative evidence placed in the record by opposer confirms that there is overlap in the services offered under these respective marks. Opposer has established that its customers include business owners. Its loans are provided to, and certificates of deposit are owned by, residents located throughout the United States and abroad. Furthermore, applicant's ultimate customers/end users could well include small business owners living in South Florida who would be sending in payments made out to "Continental Bank" directly to applicant. According to applicant's testimony, between a quarter and a half of all its debtors (or equipment leasees) know of applicant and actually deal directly with applicant by name (e.g., in the form of coupon booklets, statements, invoices, late notices, etc.). (Morgan Tr. pp. 40 - 41).

As to this critical population, we note that there is no evidence in the record that these consumers are sophisticated. While the financial institutions that serve as applicant's intermediaries may well be sophisticated purchasers, we cannot assume the same would be true for the small business owners who are applicant's ultimate customers. And even if these commercial banking customers are likely to be more sophisticated than ordinary individuals, when similar loan products or secured transactions are being offered under substantially the same service mark, even sophisticated purchasers may be confused. See Weiss Associates Inc. v. HRL Associates Inc., 902 F.2d 1546, 14 USPQ2d 1840 (Fed. Cir. 1990).

In summary, we find that the trade channels and classes of purchasers are overlapping and, to the extent that the classes of purchasers include the population of small business owners, such persons cannot be presumed to be highly sophisticated customers immune from confusion under these circumstances. Therefore this factor tends to favor opposer or, at best, it is neutral.

Past market interface between applicant and opposer

We turn next to applicant's arguments regarding the alleged market interface between applicant and opposer,

under the tenth du Pont factor.¹³ Applicant argues that opposer's President and Chief Operating Officer, A.

"Buster" Castiglia, on May 19, 2005, admitted in writing that there was no likelihood of confusion involved herein, after having discussed this matter with applicant.

Actually, applicant drafted a letter stating that there was no likelihood of confusion between the parties' marks, and sent it to opposer. Mr. Castiglia indicated his agreement and sent the letter back to applicant. In the letter to opposer, applicant wrote:

"Because our services are offered to different customers and through different trade channels than the services offered by your bank, we do not feel that there is any likelihood of confusion in the minds of our customers as to the source or origin of the services offered by our respective banks."

(Morgan Tr., pp. 27 - 31, applicant's exhibit 9).

However, opposer points out that Mr. Castiglia agreed in principle to co-exist peacefully in view of applicant's representations that he was operating a "niche" bank in the "intermountain west region," and based on applicant's

¹³ The tenth du Pont factor is "the market interface between applicant and the owner of a prior mark: (a) a mere 'consent' to register or use; (b) agreement provisions designed to preclude confusion, i.e., limitations on continued use of the marks by each party; (c) assignment of mark, application, registration and good will of the related business; (d) laches and estoppel attributable to owner of prior mark and indicative of lack of confusion." du Pont, 177 USPQ at 567.

clear representations that he did not "intend to branch" out and did "not intend to compete with [opposer] in any of its markets."

Opposer argues correctly that it is hardly bound to this earlier willingness to coexist, in light of testimony and evidence establishing, contrary to applicant's earlier representations of non-encroachment, that applicant is indeed competing directly with opposer in South Florida.

Most reported decisions involving the tenth du Pont factor have focused on factor 10(a), "a mere 'consent' to register or use," and on factor 10(b), "agreement provisions designed to preclude confusion, i.e., limitations on continued use of the marks by each party."

While a "naked" consent to register or use is entitled to little probative weight in the likelihood of confusion analysis, if applicant and the prior user have entered into an agreement which evidences their business-driven conclusion and belief that there is no likelihood of confusion, and which includes provisions designed to avoid any potential confusion, the existence of such an agreement weighs heavily in favor of a finding that confusion is not likely. See In re Four Seasons Hotels Ltd., 987 F.2d 1565, 26 USPQ2d 1071 (Fed. Cir. 1993);

Bongrain Int'l (Am.) Corp. v. Delice De France, Inc.,
811 F.2d 1479, 1 USPQ2d 1775 (Fed. Cir. 1987); and
du Pont, supra.

We view Mr. Castiglia's agreement to co-exist peacefully with applicant in the context of the letter he signed which contained applicant's many representations - namely, that his operation was a "niche" bank located in the "intermountain west region" having no intentions of competing with opposer in any of opposer's then-existing markets. However, the evidence of record in this proceeding shows that applicant has, in fact expanded beyond its description in the letter and, as noted, competes with opposer in the same geographic region. In view of thereof, we will not infer from this agreement that opposer has consented or agreed to applicant's registration of the mark under any circumstances; nor will we impute to opposer, for purposes of the tenth du Pont factor, a belief that confusion is unlikely. Thus, while the existence of the consent letter signed by both parties would seem to favor applicant, we find that the additional facts render this factor neutral, at best.

Conclusion

Having weighed the various relevant du Pont factors discussed herein, we conclude that in view of the substantial similarity in the commercial impressions of applicant's mark, **CONTINENTAL BANK**, and opposer's mark, **CONTINENTAL NATIONAL BANK OF MIAMI**, their contemporaneous use on the overlapping services involved in this case is likely to cause confusion as to the source or sponsorship of such services.

Decision: The opposition is sustained based upon the ground of likelihood of confusion under Section 2(d) of the Lanham Act, and registration to applicant is hereby refused.