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THIS DISPOSITION IS NOT
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APRIL 29, 98

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

NationsBank Corporation
v.
Nation One Mortgage Company, Inc.

Opposition No. 97,660 to application Serial No. 74/480,907
filed on January 21, 1994

Larry C. Jones, John L. Sullivan, Jr. and Martha Gayle Barber of
Bell, Seltzer, Park & Gibson for NationsBank Corporation

Donald C. Kupperstein of Kupperstein & Kupperstein for Nation One
Mortgage Company, Inc.

Before Simms, Seeherman and Hohein, Administrative Trademark
Judges.

Opinion by Hohein, Administrative Trademark Judge:

Nation One Mortgage Company, Inc., by change of name
from Minuteman Mortgage Company, Inc., has filed an application
to register the mark "NATIONONEMORTGAGE" for "mortgage banking
services".¹

NationsBank Corporation has opposed registration on the
ground that, since long prior to the filing date of the involved

¹ Ser. No. 74/480,907, filed on January 21, 1994, which alleges a bona fide intention to use the mark in commerce.

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application, it "and its licensees have continuously engaged in the marketing, promoting, advertising and offering of all services connected with banking and financial services"; that such services "include, but are not limited to, banking services, credit card services, preapproved credit line services, loan financing services, mortgage banking services, personalized consumer and commercial banking services, investment advisory services, insurance services, savings accounts, checking accounts, and teller machine transactions"; that since long prior to the filing date of the involved application, opposer has continuously and extensively used and promoted its "NATIONSBANK," "NATIONSBANC" and "other members of its family of 'NATIONS' marks" in connection with its various banking and related financial services; that opposer is the owner of valid and subsisting registrations for, inter alia:

(1) the mark "NATIONSBANK" and design,
as reproduced below,

for "banking and related financial
services";²

(2) the mark "NATIONS FUND" and design,
as illustrated below,

for "mutual fund investment services";³

² Reg. No. 1,688,466, issued on May 19, 1992, which sets forth dates of first use of September 1990; combined affidavit §§8 and 15.

(3) the mark "NATIONS TRUST" for "banking and related financial services";⁴

(4) the mark "NATIONS CORP." for "banking and related financial services";⁵

(5) the mark "NATIONSBANC" for "banking and related financial services";⁶

(6) the mark "NATIONS 24" for "automatic teller machine banking services";⁷

(7) the mark "NATIONS CARD" for "banking and related financial services";⁸

(8) the mark "NATIONS CREDIT" for "consumer financial lending services, residential mortgages, secured and unsecured lines of credit, and inventory financing";⁹ and

(9) the mark "NATIONSBANK CHECKCARD" for "banking services";¹⁰

that applicant's mark "is confusingly similar to Opposer's marks and trade name"; that applicant's services "fall within the broad

³ Reg. No. 1,766,925, issued on April 20, 1993, which sets forth dates of first use of April 1, 1992.

⁴ Reg. No. 1,833,461, issued on April 26, 1994, which sets forth dates of first use of October 26, 1993. The word "TRUST" is disclaimed.

⁵ Reg. No. 1,833,462, issued on April 26, 1994, which sets forth dates of first use of October 27, 1993. The term "CORP." is disclaimed.

⁶ Reg. No. 1,834,877, issued on May 3, 1994, which sets forth dates of first use of October 25, 1993.

⁷ Reg. No. 1,834,878, issued on May 3, 1994, which sets forth dates of first use of October 22, 1993.

⁸ Reg. No. 1,834,879, issued on May 3, 1994, which sets forth dates of first use of October 28, 1993. The word "CARD" is disclaimed.

⁹ Reg. No. 1,870,786, issued on December 27, 1994, which sets forth dates of first use of February 1993. The word "CREDIT" is disclaimed.

¹⁰ Reg. No. 1,874,822, issued on January 17, 1995, which sets forth dates of first use of June 15, 1994. The term "CHECKCARD" is disclaimed.

range of banking and financial services offered by Opposer" under its marks; and that, accordingly, applicant's "use ... of the NATIONONEMORTGAGE mark would so resemble Opposer's marks and trade name as to be likely to deceive or cause confusion or mistake among members of the purchasing public"¹¹

Applicant, in its answer, has denied the salient allegations of the notice of opposition.¹²

The record includes the pleadings; the file of the involved application; and, as part of opposer's case-in-chief, the testimony,¹³ with exhibits, of its assistant general counsel, Kathryn D. Kohler.¹⁴ Opposer, as the rest of its case-in-chief,

¹¹ Although opposer also alleges in the notice of opposition that applicant's "use of its mark is ... a false designation of origin," such a claim was neither pursued at trial nor argued in opposer's briefs. Consequently, no further consideration will be given thereto.

¹² While applicant additionally asserted, as affirmative defenses, that the opposition "is barred by laches" and that opposer "is estopped by its own conduct," such defenses not only have not been properly pleaded, in that the facts claimed to constitute laches and estoppel have not been set forth, but in any event such defenses were neither tried nor raised in the briefs. Accordingly, no further consideration will be given to applicant's putative affirmative defenses.

¹³ It is noted, however, that while opposer's initial testimony period closed on March 16, 1996, the deposition of opposer's witness, which was taken upon written questions pursuant to Trademark Rule 2.124, was not actually conducted until May 15, 1996. Nevertheless, inasmuch as opposer, in compliance with Trademark Rule 2.124(b), timely served notice of the deposition and the written questions to be propounded to the witness, it appears that the reason why the deposition was conducted after the nominal close of opposer's initial testimony period is that the Board inadvertently failed to follow its practice, as set forth in Trademark Rule 2.124(d)(2), of otherwise suspending proceedings in order to allow for the orderly completion of the deposition. In view thereof, and since applicant has raised no objection to the deposition on the ground of its being untimely, opposer's initial testimony period is hereby deemed to have been extended until May 15, 1996 for the limited purpose of completing the deposition of its witness. See TBMP §§714.04 and 714.07.

¹⁴ Applicant, apparently in reaction to a motion to strike previously filed by opposer with respect to all but one of the exhibits submitted by applicant with the trial testimony of its witness, filed a motion

submitted a notice of reliance upon certified copies of its nine previously mentioned registrations, showing in each instance that the registrations are subsisting and owned by opposer, and portions of its discovery deposition, including associated exhibits, of applicant's vice president, chairman, co-treasurer and secretary, Mark C. Tribuna. Applicant, as its case-in-chief, took the testimony of its president, director and co-treasurer, Charles C. Furtado,¹⁵ and filed a notice of reliance upon

on August 20, 1996 to strike the Kohler deposition, including Exhibits 7 through 17 thereto, on the basis that, contrary to the requirement of Trademark Rule 2.123(g)(1), "the name of the witness is not plainly and conspicuously written at the top of each page." Although opposer, while conceding such a defect in the form of the deposition, timely filed a brief in opposition, counsel for applicant at the oral hearing of this case wisely withdrew the motion to strike. In view thereof, and since Trademark Rule 2.125(b) plainly provides that a party, upon notice to the adverse party, may correct a defect in the required form of a deposition transcript, applicant's motion to strike, as well as opposer's related requests that the Board enter an "appropriate" sanction for the filing of the motion, will not be given further consideration.

¹⁵ Opposer, on August 12, 1996, filed a motion to strike Exhibits 2 through 10 from the Furtado deposition, which was timely taken upon written questions on June 14, 1996. As the basis for its motion, opposer asserts that it is clear from a review of the transcript that "Exhibit Nos. 2-10 were not identified during Mr. Furtado's deposition" and that they were "neither identified in any other deposition nor otherwise authenticated in the course of this proceeding." Applicant, in a timely response supported by an affidavit from Mr. Furtado, argues that the motion should be denied because, among other things, Exhibits 2 through 9, which constitute samples of applicant's advertising and promotional materials, were authenticated by Mr. Furtado, who states in his affidavit that, as he was answering the question at his deposition concerning the manner in which applicant advertises its services, he also "reviewed each and every one of those documents, ensuring and authenticating their accuracy and their genuineness as being documents actually used by the Applicant in the course of its business to advertise its services." With respect to Exhibit 10, which is a copy of a "Trademark Search Report" prepared by "Analyst: C. COLEMAN" of an unnamed firm, applicant similarly contends that such exhibit was authenticated by the witness since, as Mr. Furtado states in his affidavit, while answering the question relating to what steps were taken by applicant in adopting its trade name and service mark so as to avoid any likelihood of confusion, he "reviewed the original Thomson & Thomson Search Report ..., ensuring and authenticating its accuracy and its

opposer's responses to applicant's first set of interrogatories.

genuineness as being the Report actually produced ... and relied upon by the Applicant" Applicant additionally maintains that, inasmuch as it filed the deposition as part of a notice of reliance thereon, Exhibit 10 is admissible since such a report "is, after all, a self-authenticating extract of the records of the U. S. Patent and Trademark Office, the Secretaries of State Offices, ... etc." In reply, opposer submitted an uncontested motion to strike the Furtado affidavit, insisting that such "is a belated effort to authenticate Applicant's Exhibit Nos. 2-10."

To the extent that Mr. Furtado's affidavit is an attempt to identify or otherwise authenticate applicant's Exhibits 2 through 10, opposer's motion to strike the affidavit is granted inasmuch as such affidavit is not only untimely under Trademark Rule 2.121(a)(1), which provides that (unless stipulated to by the parties and approved by the Board) no testimony shall be taken except during an assigned testimony period, but it is barred by Trademark Rule 2.123(b), which specifies that the testimony of a witness may be submitted in the form of an affidavit only by agreement of the parties. Moreover, and in any event, with respect to opposer's motion to strike applicant's Exhibits 2 through 10, we note that while Trademark Rule 2.123(e)(2) provides in relevant part that "[e]xhibits which are marked and *identified* at the deposition will be deemed to have been offered into evidence, without any formal offer thereof" (*emphasis added*), opposer is correct that none of the exhibits in issue was specifically identified by Mr. Furtado at his deposition. In particular, when asked to describe the manner in which applicant's services are advertised, Mr. Furtado testified that: "Currently all advertising is targeted to the wholesale market place predominately through fax and direct solicitation and exhibits will be attached, weekly rate sheets." (Furtado dep. at 8.) However, not only was no other testimony given with respect to such exhibits, but in fact only Exhibits 2 through 5 are copies of applicant's weekly rate sheets since Exhibits 6 through 9 constitute, instead, sample advertisements by applicant. As to the search report which is marked as Exhibit 10, the following testimony by Mr. Furtado solely described the fact that a search was conducted, but no mention was made as to the search report itself: "In 1993 a thorough search of conflicting names and/or marks was conducted through the Search Service, Thomson & Thomson, Victory Road, Quincy, Massachusetts, a professional trade name and service mark research firm." (*Id.* at 10.) Except for the addition by the court reporter, after the questions and answers were concluded, of a parenthetical note stating that "(Stenographer marked Exhibits Two-Ten.)," there is simply no other mention of the disputed exhibits anywhere in the transcript. (*Id.*) Furthermore, as to whether the search report is nevertheless of record by means of applicant's notice of reliance, opposer is again correct that a search report does not constitute a printed publication or official record within the contemplation of Trademark Rule 2.122(e) and therefore is not proper subject matter for a notice of reliance. See *Weyerhaeuser Co. v. Katz*, 24 USPQ2d 1230, 1232 (TTAB 1992). Opposer's motion to strike is accordingly granted and applicant's Exhibits 2 through 9 form no part of the record herein. We hasten to add, however, that even if such exhibits were considered as part of the evidentiary record, they would make no difference in the disposition of this case.

Briefs have been filed and an oral hearing, attended by counsel for each of the parties, was held.

Opposer's priority of use of its pleaded "NATIONSBANK," "NATIONSBANC," "NATIONS CREDIT" and other registered marks containing the term "NATIONS" is not in issue inasmuch as the certified copies of the registrations therefor show that they are subsisting and owned by opposer. See King Candy Co. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108, 110 (CCPA 1974). The record, in any event, establishes that opposer is the prior user at least with respect to both its "NATIONSBANK" and "NATIONSBANC" marks and trade names.¹⁶ The only real issues to be determined, therefore, are whether opposer, as of applicant's filing date, had developed a family of marks featuring the term "NATIONS" and whether applicant's "NATIONONEMORTGAGE" mark, when used in connection with mortgage banking services, so resembles one or more of opposer's prior marks, its prior trade names and/or a family of "NATIONS" marks for its variously associated banking and related financial services that confusion is likely as to the source or sponsorship of the parties' services.

According to the record, opposer has grown to be the fourth largest bank holding company in the United States.

¹⁶ Although, as indicated elsewhere herein, applicant began use of its current name and its "NATION ONE MORTGAGE" mark on January 1, 1994, for purposes of priority of use of its "NATIONONEMORTGAGE" mark, the earliest date upon which it can rely herein is the January 21, 1994 filing date of its intent-to-use application since it is questionable whether the earlier mark creates the same continuing commercial impression as the concatenated format of the latter one. See, e.g., Zirco Corp. v. American Tel. & Tel. Co., 21 USPQ2d 1542, 1544 (TTAB 1991) and Van Dyne-Crotty Inc. v. Wear-Guard Corp., 926 F.2d 1156, 17

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Opposer was incorporated on July 5, 1968 and changed its name from NCNB Corporation to NationsBank Corporation on December 31, 1991. However, opposer first began use of the mark and trade name "NATIONSBANK," in the concatenated form "NationsBank," on August 27, 1990, when one of its subsidiaries, NCNB America Bank, began rendering credit card services and changed its name to NationsBank National Association.

Opposer, since the formation in 1928 of one of its subsidiaries, Citizens & Southern Holding Company, has been engaged in both retail banking and wholesale banking. According to its witness, Ms. Kohler, who represents opposer and its subsidiaries on consumer credit and marketing matters and oversees its trademarks and service marks, "retail banking" is a term which "refers to the business of providing banking services to consumers ... through the use of bank branches, telephones ... or other electronic means" and includes mortgage lending services as well as credit card services. (Kohler dep. at 5.) Since January 1, 1992, opposer has provided, through its subsidiary national banks (which as such are authorized to conduct business throughout the United States¹⁷), retail banking services of all types, including "deposit, check processing, safe deposit, trust, consumer loan, credit card, mortgage loan, line of credit, cash management, currency exchange, and similar services," under its

USPQ2d 1866, 1868 (Fed. Cir. 1991). Opposer, however, has shown use prior to January 1, 1994 as to its above-noted marks and trade names.¹⁷ Similarly, except for, respectively, Hawaii and Alaska, opposer's affiliated NationsCredit Commercial Corporation of America and NationsCredit Financial Services Corporation subsidiaries are authorized to conduct business in all of the United States, including the District of Columbia.

concatenated "NATIONSBANK" and design mark.¹⁸ (Id. at 7.) In contrast, Ms. Kohler testified that "wholesale banking" is a term which "generally refers to the business of providing banking services to larger corporate entities or other banks." (Id. at 6.) Likewise, opposer has provided wholesale banking services under its concatenated "NATIONSBANK" and design mark since January 1, 1992.

Opposer, in the case of its retail banking services, advertises such services to the general public "in all forms of media, including television, radio, newspaper, magazines, direct mail, telemarketing, and the Internet." (Id. at 9.) In addition, opposer promotes its retail banking services through printed brochures, which in conjunction with its "NATIONSBANK" and design mark, advertise such services as its consumer "LineOne®" and "LineOne® Equity" lines of credit, "home equity loans" and "mortgage loans" (Opposer's Exhibit 7); its "LineOne Equity" line of credit (Opposer's Exhibit 9); and its "NationsBanc Mortgage Corporation" adjustable and fixed rate mortgages (Opposer's Exhibit 10). Opposer also uses brochures to advertise and promote, in association with a concatenated form of its "NATIONS CREDIT" mark, its various home equity lines of

¹⁸ Opposer's subsidiary national banks have physical facilities in North Carolina, Virginia, Maryland, South Carolina, Georgia, Florida, Tennessee, Kentucky, Texas and the District of Columbia. In addition to such areas, its NationsBanc Mortgage Corporation and NationsCredit Consumer Corporation subsidiaries both have physical facilities in Alabama, Arizona, Colorado, Connecticut, California, Delaware, Illinois, Indiana, Kansas, Louisiana, Massachusetts, Michigan, Mississippi, Missouri, Nevada, New Jersey, New Mexico, New York, Ohio, Pennsylvania, Rhode Island, Washington and Wisconsin.

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credit (Opposer's Exhibit 14) and other financial services, such as personal loans, bill consolidation loans, home improvement loans, vacation loans and education loans (Opposer's Exhibit 13).

Approximate annual expenditures by opposer to advertise and promote its retail banking services to the public at large are in the range of between \$65 million and \$90 million.¹⁹ Following the change to its present name, opposer and its subsidiary banks and mortgage company have since early 1992 used the mark and trade name "NATIONSBANK," in its concatenated format, in connection with their advertising,²⁰ while brochures by its mortgage company subsidiary, NationsBanc Mortgage Corporation, also utilize not only the trade name NationsBanc, but state (in fine print) that such firm "is a NationsBank Corporation Company" (Opposer's Exhibit 11) or "a subsidiary of NationsBank Corporation" (Opposer's Exhibit 10). Advertising by opposer's finance company subsidiary employs the mark "NATIONS CREDIT," including a concatenated format thereof which appears on brochures (Opposer's Exhibit 13) and sometimes additionally features the associated statement "A NationsBank Company" (Opposer's Exhibits 14 and 15) as shown below:

¹⁹ Prior to correcting her testimony to state the above figures, Ms. Kohler initially indicated that annual advertising and promotional expenditures by opposer amounted to tens of millions of dollars. Applicant, however, has raised no objection to the change in the substantive focus of the testimony to stress the higher range subsequently indicated.

²⁰ In the case of credit card advertising, such use began in 1990.

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Opposer also uses the name and mark "NATIONS FUND" to advertise a family of mutual funds.

With respect, in particular, to the business conducted by opposer in Massachusetts, the state in which applicant is physically located and principally transacts business, opposer originates consumer loans and leases through its consumer finance subsidiary, NationsCredit Consumer Corporation, which maintains offices in Braintree, Danvers and Westborough. Such firm, as of January 1994, had 5,594 customer accounts in Massachusetts and, as of December 31, 1995, had 8,277 such accounts. Opposer additionally "services mortgage loan accounts in Massachusetts" through its subsidiary, NationsBanc Mortgage Corporation. (Kohler dep. at 10.) Specifically, such subsidiary had 1,862 mortgage accounts in Massachusetts as of January 1994 and had approximately 7,000 mortgage accounts in that state as of October 1995. Through its subsidiary banks, opposer also renders retail banking services and, since 1992, has provided credit card services to residents of Massachusetts. As of January 10, 1996, opposer had about 6,700 retail banking customers in such state and approximately 60,000 credit card accounts held by about 58,000 customers.

Opposer became aware of applicant and its attempt to register its "NATIONONEMORTGAGE" mark through the publication thereof in the Official Gazette. Opposer, however, is not aware of any instance of actual confusion between applicant's mark and any of opposer's marks or trade names.

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Applicant, like opposer, engages in both retail and wholesale banking, although applicant limits such activities to the mortgage banking field. According to applicant's president, Mr. Furtado, the term "retail banking" connotes situations in which "a mortgage lender offers its financial products and/or services directly to the consumer," while the term "wholesale banking" signifies instances in which "a mortgage lender and/or investor offers its financial products and/or services directly to other mortgage bankers, lenders, investors and/or brokers for their offering directly to the consumer." (Furtado dep. at 5-6.)

Applicant, in particular, has engaged in retail banking since October 1989 and, while it was predominately a retail-oriented institution until January 1995, its retail banking operation, as of Mr. Furtado's trial deposition on June 14, 1996, "accounts for approximately ten percent of all closed loans on a monthly basis." (Id. at 6.) The change in focus from retail mortgage lending to being primarily a wholesale mortgage banker which "purchase[s] loans from mortgage lenders and mortgage brokers as well as credit unions and savings banks" was the result of applicant's research of market trends showing wholesale mortgage banking to be more profitable. (Tribuna dep. at 11.) However, applicant is still engaged in providing retail mortgage lending services to consumers and plans to continue to do so.

Applicant "currently is licensed to engage in retail [mortgage] banking in five states," namely, Massachusetts, New Hampshire, Connecticut, Rhode Island and Tennessee. Applicant is currently providing its retail mortgage lending services, as well

as wholesale mortgage banking services, in Massachusetts, New Hampshire, Connecticut and Rhode Island, although it has physical facilities only in Massachusetts. (Furtado dep. at 7.) In addition, while applicant has not yet underwritten any mortgages in Tennessee, that state and the southeastern region of the United States are areas into which it is looking to expand as part of its plans to diversify nationally.

Since January 1995, however, applicant has been principally engaged in wholesale banking and, as of Mr. Furtado's deposition, its "wholesale banking operation accounts for approximately 90 percent of all closed loans on a monthly basis." (Id.) Moreover, while applicant is legally authorized to conduct wholesale banking in all 50 states, its "wholesale banking activities are presently directed primarily towards the eastern seaboard." (Id.)

Applicant is basically a "non-conforming" mortgage banker and thus, unlike conforming mortgage lenders, who make loans which "are underwritten under Fannie Mae, Freddie Mack [sic] guidelines," applicant's credit guidelines are "a lot more lenient". (Tribuna dep. at 13-14.) Although originally incorporated as Minuteman Mortgage Company, Inc. on October 26, 1989, applicant changed its name to Nation One Mortgage Company, Inc. on January 1, 1994.²¹ Since such date, applicant has been

²¹ The impetus for applicant's change of name was twofold. Applicant, in light of its plans to expand outside of its Massachusetts base, desired to change its name from Minuteman Mortgage Company, Inc. to Nation One Mortgage Company, Inc. "to reflect our growth and our national presence." (Tribuna dep. at 34.) In addition, to settle an infringement suit which it had brought against another retail mortgage

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using the trade name "Nation One Mortgage" and the mark "NATION ONE MORTGAGE" in connection with its mortgage banking services. Applicant has also commenced use of the mark "NATIONONEMORTGAGE," in the concatenated form illustrated below, for such services, as demonstrated by the logo shown in an advertisement made of record as Opposer's Exhibit 1:

Applicant, in conjunction with the services of a professional graphics artist who was instructed that applicant wished to project a growing national presence, selected its current trade name and service mark "[t]hrough a four month intensive process of development". (Furtado dep. at 10.) Such process, which was conducted in 1993, included "a thorough search of conflicting names for marks ... through the Search Service, Thomson & Thomson, . . . a professional trade name and service mark research firm." (Id.) Applicant, according to Mr. Furtado, is not aware of any customer confusion between its trade name or service mark and those of opposer.

Applicant advertises the availability of its mortgage banking services by targeting the wholesale marketplace through, predominantly, such direct solicitation as the faxing of weekly

broker, Minuteman Funding Corporation, applicant agreed in 1993 to change its name.

interest rate sheets to mortgage brokers and lenders. In the past, however, applicant also disseminated its rate sheets to retail mortgage customers and real estate brokers. Applicant, in addition, announced its change of name through an ad in The Patriot Ledger, a South Shore, Massachusetts regional publication, which targeted its retail, rather than wholesale, mortgage banking customers and has advertised its business in the yellow pages for the Quincy, Massachusetts area as "Specializing In Residential Mortgages With A Personal Touch". (Opposer's Exhibit 2.) Applicant spent approximately \$42,000 on advertising in 1994 and expended between \$8,000 to \$9,000 thereon in the first ten months of 1995. Applicant projected that, not including facsimile costs, its advertising and promotional costs would be approximately \$35,000 in 1996.

Turning first to the issue of whether opposer has proven that it has established a family of marks with the "NATIONS" surname for its various banking and related financial services,²² we note that as stated in *J & J Snack Foods Corp. v. McDonald's Corp.*, 932 F.2d 1460, 18 USPQ2d 1889, 1891-92 (Fed. Cir. 1991):

A family of marks is a group of marks having a recognizable common characteristic, wherein the marks are composed and used in such a way that the public associates not only the individual marks, but the common

²² Applicant, in its brief, has parroted certain portions of opposer's main brief which are set forth under the heading "**III. NATIONSBANK AND ITS FAMILY OF MARKS**". While poor practice, we take applicant's reference thereto as simply a synopsis or recap of opposer's position regarding an asserted family of marks rather than as an agreement or acceptance by applicant that such a family exists.

characteristic of the family, with the trademark owner. Simply using a series of similar marks does not of itself establish the existence of a family. There must be a recognition among the purchasing public that the common characteristic is indicative of a common origin of the goods.

Recognition of the family is achieved when the pattern of usage of the common element is sufficient to be indicative of the origin of the family. It is thus necessary to consider the use, advertisement, and distinctiveness of the marks, including assessment of the contribution of the common feature to the recognition of the marks as of common origin.

Opposer's mere assertion in its main brief that, "[i]n providing its banking and related financial services to the public, since 1990 [opposer] NationsBank and its subsidiaries have used NATIONSBANK, NATIONSBANC, and other members of the family of NATIONS marks" does not establish that a recognition exists among the purchasing public that the common characteristic "NATIONS" is indicative of a common origin of opposer's services. As applicant, citing *Marion Laboratories Inc. v. Biochemical/Diagnostics Inc.*, 6 USPQ2d 1215, 1218-19 (TTAB 1988), correctly points out in its brief, "[t]o constitute a family of marks, all or many of the individual marks must be used and promoted in such a way as to create a public perception of the family 'surname' as an indication of source, and the family 'surname' must be distinctive."

While applicant, in the present case, has admitted in its brief that opposer "has established distinctiveness in the word or wordpart 'Nations' with an 's'," it simply cannot be said on this record that opposer has demonstrated the existence of a

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family of "NATIONS" marks. The evidence fails to show that such marks have been promoted in a manner sufficient to create a recognition or awareness among the purchasing public of the common ownership thereof so that a family of marks, characterized by the term "NATIONS" as its distinguishing element, in fact exists. See, e.g., La Maur, Inc. v. Bagwells Enterprises, Inc., 199 USPQ 601, 606 (TTAB 1978) and Polaroid Corp. v. American Screen Process Equipment Co., 166 USPQ 151, 154 (TTAB 1970). Furthermore, it is settled that the mere ownership of a number of marks sharing a common feature, or even ownership of many registrations therefor, is alone insufficient to demonstrate that a family of marks exists. See, e.g., Hester Industries, Inc. v. Tyson Foods, Inc., 2 USPQ2d 1646, 1647 (TTAB 1987); Consolidated Foods Corp. v. Sherwood Medical Industries Inc., 177 USPQ 279, 282 (TTAB 1973); Polaroid Corp. v. American Screen Process Equipment Co., supra; and Polaroid Corp. v. Richard Mfg. Co., 341 F.2d 150, 144 USPQ 419, 421 (CCPA 1965). Accordingly, since opposer has not established its assertion of a family of "NATIONS" marks, the issue of likelihood of confusion must be determined by comparing applicant's "NATIONONEMORTGAGE" mark for its mortgage banking services with each of opposer's registered marks for its various banking and related financial services, as well as with its "NationsBank" and "NationsBanc" trade names. Still, even if opposer had proven the existence of its asserted family of marks, such would not affect the result which we reach herein.

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Turning, therefore, to the issue of likelihood of confusion, 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), that confusion as to source or affiliation is likely to occur. As a starting point, it is settled that the registrability of an applicant's mark must be evaluated on the basis of the identifications of services set forth in the involved application and each of the registrations of record, regardless of what the record may reveal as to the particular nature of the respective services, their actual channels of trade, or the class of purchasers to which they are in fact directed and sold. See, e.g., *Octocom Systems Inc. v. 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). Here, in particular, the record makes clear that applicant's "mortgage banking services" not only encompass opposer's provision of "residential mortgages" under its "NATIONS CREDIT" mark, but opposer's "banking and related financial services," which are rendered under such of its marks as "NATIONSBANK" and design, "NATIONSBANC," "NATIONS CORP." and "NATIONS TRUST," include applicant's mortgage banking services. Applicant, furthermore, admits in its brief that "[b]oth Applicant and Opposer perform mortgage lending and mortgage banking services." Thus, notwithstanding applicant's arguments that the actual channels of trade for the parties' services are different, the respective services must be considered to be

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legally identical in part. Clearly, if the parties' mortgage banking services, including their residential mortgage lending services, were to be sold under the same or similar marks, confusion as to the origin or sponsorship thereof would be likely to take place.

Considering, next, the respective marks, we observe as a general proposition that, "[w]hen marks would appear on virtually identical ... services, the degree of similarity necessary to support a conclusion of likely confusion declines." *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992). Opposer concedes in its initial brief that it "is aware, of course, that many banks rightfully use 'National' as part of their names." While also noting therein that it "is not complaining of such usage," opposer further states that its "concerns arise in the present case ... from Applicant's prominent use of 'NATION' as a prefix in its service mark for mortgage banking services." In particular, opposer asserts that, like the structure of its registered marks, applicant "has adopted the unitary mark NATIONONEMORTGAGE and, in doing so, has both: (i) presented the term 'Nation' as the first term when the mark is encountered in print or in speech; and (ii) attached as a suffix a suggestion as to the particular nature of the financial services being provided--mortgage lending services."

Applicant, on the other hand, maintains that, just as opposer has conceded that it cannot complain of third-party use of the word "National," opposer "can hardly complain, then, at

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the Applicant's use of the word 'Nation,' especially since such word "is always followed by the word 'One'." Furthermore, as to opposer's marks, applicant insists that:

In the instant case, the [letter] "s" in "Nations" is what distinguishes [each of opposer's] "Nations" [marks] from all other marks, and, in particular[,] from that of the Applicant. Accordingly, there is no likelihood of confusion based upon the similarity of the marks in their entirety, as to appearance, sound, connotation and commercial impression. They are dissimilar.

We find, however, that when considered in their entirety, applicant's "NATIONONEMORTGAGE" mark, when compared with such marks of opposer as its "NATIONSBANK" and design, "NATIONSBANC" and "NATIONS CREDIT" marks and its "NationsBank" and "NationsBanc" trade names, is substantially similar thereto in sound, appearance, connotation and, especially, overall commercial impression. In particular, we observe that, as actually used in connection with identical mortgage banking services, namely, retail mortgage lending services, applicant utilizes its "NATIONONEMORTGAGE" mark in essentially the same concatenated manner as opposer uses its "NATIONSBANK" and design mark, its "NATIONS CREDIT" mark and its "NationsBank" and "NationsBanc" trade names. Moreover, not only do the words "NATION ONE" in applicant's "NATIONONEMORTGAGE" mark sound and look appreciably like the term "NATIONS" in opposer's marks and the "Nations" portion of its trade names, but such marks and trade names are very similarly structured in the additional sense that each ends with a generic or merely descriptive term for the particular services and businesses in connection with which it is

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used, e.g., "MORTGAGE," "BANK" (and its phonetic equivalent "Banc") and "CREDIT". Overall, applicant's mark and those of opposer's marks and trade names which we have just mentioned also share a similar connotation, as used in connection with mortgage banking, that such services are provided or are available on a nation-wide basis. Furthermore, and most significant, the commercial impression projected by applicant's mark and those engendered by each of such other marks and trade names of opposer are virtually identical since, as pointed out above, not only are such designations similar in sound and connotation, but their concatenated appearance and highly similar structure combine to create designations which the purchasing public would regard as signifying the same source.

Thus, notwithstanding the presence therein of the word "ONE," applicant's "NATIONONEMORTGAGE" mark, when utilized in connection with the same services as those provided by opposer, is simply not sufficiently distinguishable from such marks of opposer as its "NATIONSBANK" and design, "NATIONSBANC" and "NATIONS CREDIT" marks and its "NationsBank" and "NationsBanc" trade names as to avoid causing a likelihood of confusion as to origin or affiliation. Indeed, this record shows that opposer's marks are strong, rather than weak, in the sense that there is nothing which indicates that the "NATIONS" formative thereof has been commonly used by third parties as part of marks for banking and/or related financial services.²³ Additionally, having grown

²³ Even if the search report referred to by applicant were considered to be properly of record, none of the third-party registrations listed

to be the fourth largest banking institution in the United States and considering its substantial annual advertising expenditures, opposer's marks and trade names have undoubtedly achieved a measure of strength and recognition on the part of the public which entitles them to a correspondingly broader scope of protection.

Applicant argues, however, that the conditions under which and buyers to whom sales of the parties services are made precludes any likelihood of confusion. In particular, applicant asserts that:

Although both the Applicant and the Opposer sell to the general public, the Applicant targets its advertising and promotion to the wholesale market, a careful, sophisticated purchaser. With respect to retail purchasers of mortgages, the greater the value of an article, the more careful the typical consumer can be expected to be

therein is for marks in the banking and related financial services fields which are composed of a "NATIONS" formative. Virtually all of the marks in those fields involve, instead, the word "NATIONAL". Moreover, even if the search report disclosed third-party marks in the banking and related financial services arenas which contain the term "NATIONS" or a similar designation, such as "NATION," it is settled that a mere listing of third-party registrations does not demonstrate that the subject marks are in actual use to such an extent that the purchasing public is familiar with them and has learned to distinguish the marks by their other aspects. As stated by the court in *AMF Inc. v. American Leisure Products, Inc.*, 474 F.2d 1403, 177 USPQ 268, 269 (CCPA 1973):

We have frequently said that little 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 *In re Hub Distributing, Inc.*, 218 USPQ 284, 285 (TTAB 1983).

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However, as opposer points out in its reply brief, applicant's application is "not limited to any particular mortgage-related services or market niche"; rather, it covers all types of "mortgage banking services," including both retail mortgage lending as well as wholesale mortgage banking. Moreover, the record reveals that, not only has applicant advertised its services under its mark to the ordinary consumer in the retail mortgage market, but it does an appreciable volume of retail mortgage lending on a monthly basis and intends to continue such lending, notwithstanding that several years ago it changed its principal focus to the wholesale mortgage banking field.

Nevertheless, even assuming that the ordinary purchaser will exercise a great deal of care in obtaining a residential mortgage from applicant, opposer or other retail mortgage lenders, it is still the case that even relatively sophisticated and discriminating purchasers are not necessarily sophisticated or otherwise knowledgeable in the field of trademarks nor are they immune from confusion as to origin or affiliation. See, e.g., *Wincharger Corp. v. Rinco, Inc.*, 297 F.2d 261, 132 USPQ 289, 292 (CCPA 1962); *In re Decombe*, 9 USPQ2d 1812, 1814-15 (TTAB 1988); and *In re Pellerin Milnor Corp.*, 221 USPQ 558, 560 (TTAB 1983). This would be especially the case where, as here, substantially similar marks are utilized by applicant and opposer in connection with identical mortgage banking services. In addition, nothing in this record demonstrates that consumers care about from whom they obtain their mortgages. Members of the general public would care, instead, principally about the interest rate and closing

cost being charged, rather than the financial strength of the lender, particularly since mortgages, as the record discloses, are frequently bundled together and resold as investments in the wholesale mortgage banking market. Finally, even if prospective retail mortgage customers were to notice the slight differences between applicant's mark and opposer's marks and/or trade names, they reasonably could assume, for example, that applicant is a specialized subsidiary of opposer which provides non-conforming mortgage loans to those considered to be greater credit risks.

None of the other *du Pont* factors discussed by the parties affects our conclusion that confusion is likely. Although opposer seeks to clinch its case by asserting that its marks and trade names are famous,²⁴ the proof thereof is simply lacking on this record.²⁵ Opposer had the burden of proof with respect to establishing its claim of fame, but the pertinent testimony provided by its witness relates only to the facts that opposer has grown to be the fourth largest bank in the country and that its annual expenditures to advertise and promote its retail banking services to the public are in the range of between

²⁴ As pointed out by the court in *Kenner Parker Toys Inc. v. Rose Art Industries Inc.*, 963 F.2d 350, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992), *cert. denied*, 113 S.Ct. 181 (1992):

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.

²⁵ Again, while we note applicant's poor practice of parroting in its brief the contentions made by opposer in its initial brief, it is clear from applicant's statement that "there is no evidence or established fact presented in this case that the Opposer has goodwill and reputation" that applicant is not conceding or stipulating that

\$65 million and \$90 million. Although such testimony also indicates that opposer has used its mark and trade name "NATIONSBANK," in the concatenated form "NationsBank," since August 27, 1990; that, following the change to its present name, opposer and its subsidiary banks and mortgage company have used the concatenated format of the mark and trade name "NATIONSBANK" in connection with their advertising since early 1992; that opposer's mortgage company subsidiary also utilizes the trade name NationsBanc; and that advertising by opposer's finance company subsidiary employs the mark "NATIONS CREDIT," the above facts--without more--are collectively insufficient to enable us to find that the marks and trade names used by opposer, including those which, as noted previously, most resemble applicant's mark, have become famous. Not only do we lack any meaningful information as to the extent of opposer's services and business under each of its marks and trade names, but we have only a meager sample of advertising brochures and no examples of promotional usage in other media. We simply cannot infer, therefore, that during the relatively short period of time in which opposer has utilized its marks and trade names, one or more of such designations must have become famous or exceedingly well known to the general public.²⁶

opposer has demonstrated the claimed fame of its marks and trade names.

²⁶ The testimony presented by opposer glaringly illustrates the limitations inherent in taking a deposition upon written questions, which provides no opportunity to follow up or expand upon the answers given by the witness to predetermined questions. See TBMP §714.15. Here, such a deposition appears to have been an especially ill-considered choice since, rather than having the court reporter read the questions to the witness, as set forth in Trademark Rule 2.124(e)

Finally, while applicant stresses the absence of any known instances of actual confusion between its mark and opposer's marks and trade names over the course of a period of approximately two and one half years,²⁷ we concur with opposer that, not only is the period of contemporaneous use fairly short, but we further note that the extent of such use, which occurred solely in Massachusetts, does not appear to have been very substantial.²⁸ Applicant's advertising of its services under its "NATIONONEMORTGAGE" mark, moreover, has been quite limited. Since, in order for the absence of any reported incidents of actual confusion to be a meaningful factor, the record must indicate an appreciable and continuous use by applicant of its mark for a significant period of time in the same market or markets as those served by opposer under its marks and/or trade names, this factor does not favor applicant. See, e.g., Gillette Canada Inc. v. Ranir Corp., 23 USPQ2d 1768, 1774 (TTAB 1992).

and TBMP §714.07, opposer's attorney attended the deposition and conducted the direct examination of the witness. (See Kohler dep. at 3, which indicates that the questioning was done "By Larry D. [sic] Jones," "Counsel for Opposer".)

²⁷ Although applicant also faults opposer for its "failure to conduct [any] research, study or survey on the issue of likelihood of confusion," we note that such is not required as a matter of Board practice. See, e.g., Hilson Research Inc. v. Society for Human Resource Management, 27 USPQ2d 1423, 1435-36 (TTAB 1993) and Miles Laboratories, Inc. v. Naturally Vitamin Supplements Inc., 1 USPQ2d 1445, 1462 (TTAB 1987).

²⁸ Opposer additionally contends that applicant adopted its mark in bad faith. Specifically, opposer urges that applicant's "intent to benefit from the existing goodwill and reputation of NationsBank may be inferred from the fact that, although several other potential names satisfied the requisite of connoting a 'growing national presence,' Applicant chose the one which closely emulates NationsBank" Mr. Furtado's unrebutted testimony establishes, however, that applicant conducted a search for conflicting marks prior to adopting its mark

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Nevertheless, to the extent that the lack of any known incidents of actual confusion may serve to raise a measure of doubt as to our conclusion that confusion is likely, we resolve such doubt, as we must, against applicant and in favor of opposer. See, e.g., Giant Food, Inc. v. Nation's Foodservice, Inc., 710 F.2d 1565, 218 USPQ 390, 395 (Fed. Cir. 1983); San Fernando Electric Mfg. Co. v. JFD Electronics Components Corp., 565 F.2d 683, 196 USPQ 1, 2 (CCPA 1977); and Izod, Ltd. v. Zip Hosiery Co., Inc., 405 F.2d 575, 160 USPQ 202, 204 (CCPA 1969).

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

R. L. Simms

E. J. Seeherman

G. D. Hohein
Administrative Trademark Judges,
Trademark Trial and Appeal Board

and there is nothing else in the record which even suggests that such adoption was anything other than in good faith.