

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE TTAB JAN. 10, 00

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Chock Full O'Nuts Corp.

v.

Calgene, Inc.

Opposition No. 98,607
to application Serial No. 74/559,147
filed on August 10, 1994

Sonja Keith of Temko & Temko for Chock Full O'Nuts Corp.

John M. Wilke of Monsanto Company for Calgene, Inc.

Before Hanak, Hairston and Bottorff, Administrative
Trademark Judges.

Opinion by Hanak, Administrative Trademark Judge:

Calgene, Inc. (applicant) seeks to register FLAVR SAVR
in typed drawing form for "fresh fruits and vegetables, and
seeds" in Class 31. The intent-to-use application was filed
on August 10, 1994.¹

¹ In the same application, applicant sought to register the same
mark for "anti-sense gene to control ripening or softening of
fresh fruits and vegetables for use in the produce industry and
research" in Class 1. In a decision dated June 19, 1996, this
Board granted applicant's summary judgement motion with respect
to applicant's Class 1 goods, finding that, as a matter of law,
"regardless of the similarity of the marks, confusion is clearly
unlikely to result from the contemporaneous use by the parties of
these marks on an anti-sense gene for use in the produce industry

Opposition No. 98,607

Chock Full O'Nuts Corp. (opposer) filed a notice of opposition alleging that prior to 1994, opposer both used and registered FLAV-R-SAVR for coffee, and that the contemporaneous use of opposer's mark and applicant's mark creates "a strong possibility of consumer confusion." (Notice of opposition page 13). In lieu of filing an answer, applicant filed a motion for summary judgement which ultimately was granted as to applicant's Class 1 goods and was denied as to applicant's Class 31 goods. Subsequently, applicant filed an answer and counterclaim for cancellation of opposer's Registration No. 1,510,324 for FLAV-R-SAVR depicted in typed drawing form for coffee. Later still, applicant, with the approval of this Board, filed an amended counterclaim. In essence, the amended counterclaim alleged that opposer abandoned its rights in its registered mark FLAV-R-SAVR in three ways: (1) because opposer does not use FLAV-R-SAVR as a trademark but rather merely as a part of other trademarks; (2) because Registration No. 1,510,524 for FLAV-R-SAVR was assigned to opposer without any goodwill attached thereto; and (3) because opposer does not use FLAV-R-SAVR for the goods set forth in Registration No. 1,510,324 (coffee), but rather uses this mark to identify packaging and a system for packaging goods such as coffee.

and research and on coffee [opposer's goods]." (Decision page 4).

Opposition No. 98,607

In response, opposer filed an answer which denied the pertinent allegations of the counterclaim.

Both parties filed briefs. Neither party requested a hearing.

The rather large record in this case includes, among other things, the entire discovery depositions taken by applicant of Charles J. Fischbach (a vice-president of Cain's Coffee Company, a wholly owned subsidiary of opposer) and Thomas G. Donnell (president of Cain's Coffee Company and a vice-president of opposer). In addition, the record includes a certified status and title copy of opposer's Registration No. 1,510,324 for the mark FLAV-R-SAVR depicted in typed drawing form for coffee. This registration issued on October 25, 1988 with a claimed first use date of September 15, 1987. The certified status and title copy shows that a combined Section 8 and 15 affidavit was filed.

We will consider first the counterclaim which seeks to cancel Registration No. 1,510,324. At the outset, we note that neither in its opening brief nor in its reply brief does applicant even mention its contention that opposer "does not use the registered words FLAV-R-SAVR as a trademark but, rather, as a part of other trademarks." (Amended Answer and Counterclaim for Cancellation paragraph 20). Because applicant has not even argued its claim that opposer has abandoned its registered mark FLAV-R-SAVR

Opposition No. 98,607

because opposer purportedly merely uses this mark as a part of other trademarks, and because the record clearly reveals that opposer has made extensive use of its registered mark FLAV-R-SAVR in a manner such that it stands out as a separate mark, we find against applicant on this first alleged ground of abandonment.

We now turn to applicant's second alleged ground of abandonment, namely, that "pleaded Registration No. 1,510,324 has been abandoned because it was assigned to opposer without any goodwill attached thereto." (Amended Answer and Counterclaim for Cancellation paragraph 21). Applicant elaborates upon this second type of abandonment as follows at page 25 of its opening brief: "...Nestle and opposer ... entered into a 'Stock Purchase Agreement' by which opposer agreed to purchase the issued and outstanding shares of common stock of Cain's but it did not recite that such purchase had taken place. At the same time, an assignment of trademarks was executed and then recorded. But the assignment agreement recorded [with the PTO] does not expressly recite goodwill. So, at that stage, there was an assignment of trademarks but no transfer of goodwill."

A review of the discovery deposition testimony of Mr. Fischbach and Mr. Donnell reveals that Cain's Coffee Company was originally owned by the Cain family and a few key employees. In October 1960 Cain's Coffee Company was

Opposition No. 98,607

acquired by Nestle. In 1992, the opposer Chock Full O'Nuts Corp. purchased Cain's Coffee Company in its entirety from Nestle. In an acquiring Cain's from Nestle, opposer acquired numerous trademarks, and their corresponding United States registrations, including specifically the trademark FLAV-R-SAVR and its Registration No. 1,510,324.

(Applicant's exhibit 14). While the exhibits in evidence do not explicitly recite that Nestle transferred to opposer the "goodwill" associated with the registered mark FLAV-R-SAVR, applicant has never taken issue with the testimony of Mr. Fischbach and Mr. Donnell that opposer acquired from Nestle in 1992 the entire business of Cain's Coffee Company. As Professor McCarthy states, "if an assignee buys a total business ... there seems little doubt that it has purchased the 'goodwill' of the seller." 2 J. McCarthy, McCarthy on Trademarks and Unfair Competition Section 18:23 at page 18-36 (4th ed. 1999). Accordingly, we find that the evidence of record simply does not support applicant's contention that "Nestle assigned the trademark FLAV-R-SAVR to opposer without goodwill." (Applicant's initial brief page 25).²

² In an effort to demonstrate that it acquired from Nestle the goodwill associated with FLAV-R-SAVR, opposer introduced into evidence its Form 8-K. Applicant moved to strike this evidence because it was not identified or produced by opposer during discovery. Because the testimony of Mr. Fischbach and Mr. Donnell shows that opposer acquired from Nestle the goodwill associated with the FLAV-R-SAVR mark, we need not consider opposer's Form 8-K, and accordingly, applicant's motion to strike it is moot.

Opposition No. 98,607

Applicant articulates the third purported form of abandonment in the following manner: "Opposer has abandoned whatever rights it may have had in the trademark FLAV-R-SAVR forming the basis of pleaded Registration No. 1,510,324 because [opposer] does not use the mark as a trademark for the goods recited in the registration, namely, coffee, but, rather, uses the mark to identify packaging and a system for packaging goods such as coffee." (Amended Answer and Counterclaim for Cancellation paragraph 22). Like the first two, applicant's third purported form of abandonment is simply not supported by the record. Applicant placed into evidence numerous exhibits picturing various of opposer's packaging containing coffee upon which there appears in solid capital letters the mark FLAV-R-SAVR followed by the generic term "coffee." See, for example, applicant's exhibits 4, 6, 7, 8, 9, 10 and 11. It appears from some of these exhibits that opposer uses its mark FLAV-R-SAVR to refer to both its coffee and the packaging for its coffee. See applicant's exhibit 8. When asked to explain the FLAV-R-SAVR concept, Mr. Donnell stated that said concept included an entire system consisting of coffee, packaging to maintain the coffee's flavor and filters "so you don't have to buy the filter paper, like with MR. COFFEE to make your coffee. The filter is already there. And it's fresh. It maintains its flavor." (Donnell deposition page 11). Thus,

Opposition No. 98,607

opposer's mark FLAV-R-SAVR is used to identify a particular brand of coffee, albeit a special brand of coffee that comes already packed in filters which in turn are packed in special packaging to maintain the freshness of the coffee.

In sum, applicant's counterclaim for cancellation of opposer's Registration No. 1,510,324 is totally lacking in merit, and accordingly is dismissed.

We turn now to the original opposition, and note at the outset that priority is not an issue because opposer has properly made of record its Registration No. 1,510,324 for the mark FLAV-R-SAVR in typed drawing form for coffee, and because Mr. Donnell and Mr. Fischbach testified that Cain's Coffee Company, which opposer acquired in 1992, has made continuous use of the mark FLAV-R-SAVR for coffee since 1987, about seven years before applicant filed its intent-to-use application seeking to register FLAVR SAVR in typed drawing form for "fresh fruits and vegetables, and seeds." Indeed, applicant has never argued that priority does not rest with opposer. As noted by applicant at page 7 of its initial brief, the sole issue in the opposition proceeding is whether the contemporaneous use of FLAV-R-SAVR on coffee and FLAVR SAVR on fresh fruits and vegetables and seeds will be likely to cause confusion. Opposer is in agreement that the sole issue in the opposition is likelihood of confusion. (Opposer's initial brief page 6).

Opposition No. 98,607

In any likelihood of confusion analysis, two key considerations are the similarities of the goods and the similarities of the marks. Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976) ("The fundamental inquiry mandated by Section 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences of the marks.").

Considering first the marks, we find that applicant's mark FLAVR SAVR and opposer's mark FLAV-R-SAVR are identical in terms of pronunciation and connotation, and are virtually identical in terms of visual appearance. Indeed, even applicant concedes that "the marks FLAV-R-SAVR and FLAVR SAVR are substantially identical in spelling, appearance, and sound." (Applicant's initial brief page 18). Applicant goes on to note that this "first duPont factor weighs in favor of opposer." (Applicant's initial brief page 18). We agree with applicant, and only note that "this [first duPont] factor weighs heavily against applicant, as the two word marks are identical." In re Martin's Famous Pastry Shoppe, Inc., 748 F.2d 1565, 223 USPQ 1289, 1290 (Fed. Cir. 1984)(emphasis added).

Turning to a consideration of the goods, we note that because the marks are substantially identical, their contemporaneous use "can lead to the assumption that there

Opposition No. 98,607

is a common source ... even when [the] good or services are not competitive or intrinsically related." In re Shell Oil Co., 992 F.2d 1204, 26 USPQ2d 1687,1689 (Fed. Cir. 1993). While opposer's goods and applicant's goods need not be intrinsically related in order to find that there exists a likelihood of confusion given the fact that the two marks are substantially identical, in point of fact, we find that opposer's goods (coffee) and certain of applicant's goods (fresh fruits and vegetables) are clearly related. All three types of goods are consumed by humans; all three are sold in the same stores such as supermarkets; all three are purchased by the same ordinary consumers exercising just normal care; and all three are relatively inexpensive items. Indeed, it is common knowledge that coffee is a very popular beverage in the United States, and at breakfast, it is often consumed along with fresh fruits and that at other meals, it is often consumed with a salad, which, of course, consists of fresh vegetables. Indeed, the predecessor to our primary reviewing Court has stated that "coffee has been held by this court to be goods of the same descriptive properties as fruits and vegetables." White House Milk v. Dwinell-Wright, 45 USPQ 444, 445 (CCPA 1940).

In arguing that opposer's goods and its goods are not related, applicant makes the mistake of focusing upon what its actual goods will be, instead of focusing on its goods

Opposition No. 98,607

as described in its application. As our primary reviewing Court has made clear, "in a proceeding such as this, the question of likelihood of confusion must be determined based on an analysis of the mark as applied to the goods and/or services recited in applicant's application vis-à-vis the goods and/or services recited in an opposer's registration, rather than what the evidence shows the goods and/or services to be." Canadian Imperial Bank v. Wells Fargo Bank, 811 F.2d 1490, 1 USPQ2d 1813, 1815 (Fed. Cir. 1987). Applicant makes much of the fact that its "tomatoes are recombinant (i.e. genetically engineered)" and thus, "the average consumer will give careful consideration to buying these products." (Applicant's initial brief page 20). However, as described in its application, applicant's goods include simply "fresh fruits and vegetables." Thus, even if we assume that genetically engineered fruits and vegetables are expensive and will be purchased with care, the fact remains that ordinary fresh fruits and vegetables are, as opposer contends, "relatively inexpensive food items, subject to frequent replacement and often bought on impulse," a fact which applicant concedes "may be true with [regard to] some types of foodstuffs." (Applicant's initial brief page 20.)

In arguing that confusion is not likely, applicant, at page 16 of its initial brief, cites the case of Interstate

Opposition No. 98,607

Brands Corp. v. Celestial Seasonings, Inc., 576 F.2d 926, 198 USPQ 151 (CCPA 1978). However, in Interstate Brands opposer's mark ZINGERS was by no means substantially identical to applicant's mark RED ZINGER. Indeed, the Court in Interstate Brands quoted with approval this Board's statement that "the presence of the word RED in applicant's mark cannot be dismissed as an identification factor." 198 USPQ at 153. In stark contrast, in the present case there is no comparable "identification factor" which would enable consumers to distinguish applicant's mark from opposer's mark. Moreover, the Interstate Brands case presented an unusual fact situation where the opposer, in seeking to register its mark ZINGERS, argued before the PTO that there was no confusion between its mark and the mark ZINGS registered for pretzels, biscuits and crackers, which the Board found were "all snack items like opposer's cakes." 196 USPQ at 325. The Court noted that while the opposer's earlier, contrary opinion regarding the issue of likelihood of confusion was not dispositive, it could nevertheless "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 confident." 198 USPQ at 154. In contrast, on the record before us, the present opposer has never taken a contrary position with regard to the issue

Opposition No. 98,607

of likelihood of confusion involving marks which are the same as or similar to its mark.

Indeed, the two employees of the present opposer who testified (Mr. Fischbach and Mr. Donnell) stated that they were unaware of any uses by third parties of the mark FLAVOR-SAVR on any other products. (Fischbach deposition page 45; Donnell deposition page 18). Moreover, applicant has conceded that it has made of record no evidence showing the use by third parties of similar marks in connection with similar goods, or for that matter any type of goods. (Applicant's initial brief page 21). In contrast, in the Interstate Brands case there was at least some evidence of the use by third parties for various food items of marks containing ZING.

Because the marks are substantially identical and because opposer's goods and certain of applicant's goods (fresh fruits and vegetables) are clearly related food items which are sold in the same stores to the same consumers exercising normal care, and because opposer's goods (coffee) and certain of applicant's goods (fresh fruits and vegetables) are consumed together, we find that there exists a likelihood of confusion, and accordingly sustain the opposition.³

³ We make no determination as to whether there is a likelihood of confusion resulting from the contemporaneous use of opposer's mark on coffee and applicant's mark on seeds. See Tuxedo

Opposition No. 98,607

Decision: The opposition is sustained and applicant's counterclaim to cancel Registration No. 1,510,324 is denied.

E. W. Hanak

P. T. Hairston

C. M. Bottorff
Administrative Trademark Judges,
Trademark Trial and Appeal Board

Monopoly v. General Mills Fun Group, 648 F.2d 1335, 209 USPQ 986, 988 (CCPA 1981).