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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Naeem Khalid

Serial No. 75/688,861

John C. Hilton of McCormick, Paulding & Huber LLP for Naeem Khalid.

Nancy Clarke and Cheryl Clayton, Trademark Examining Attorneys, Law Office 102 (Thomas Shaw, Managing Attorney).

Before Simms, Hohein and Drost, Administrative Trademark Judges.

Opinion by Drost, Administrative Trademark Judge:

Naeem Khalid (applicant) has filed an application to register the mark SAM'S FOOD STORES and design for services now identified as "convenience store services featuring food and non-alcoholic beverages"¹ in International Class

¹ While the examining attorney had objected to an earlier identification of services, at oral argument, the examining attorney and the applicant agreed to the identification of services set out above. In the event that the application should subsequently be published for opposition, the identification of services should be amended to reflect the new recitation of services.

35.² A representation of the mark as originally filed is set out below.³



The examining attorney ultimately refused to register applicant's mark under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), because of the registration of the mark SAM'S (in typed form)⁴ and SAM'S and design shown below,⁵ both for "retail wine, liquor, and beverage store services" in International Class 42. The registrations are owned by the same party.



² Serial No. 75/688,861 filed on April 22, 1999. The application claims a date of first use and first use in commerce of July 1, 1992. In addition, the application as filed contained a disclaimer of the words "Food Stores."

³ Applicant has subsequently filed a slightly different drawing that conforms to the Office's drawing requirements. We have based our decision on this amended drawing.

⁴ Registration No. 1,679,761, issued March 17, 1992, renewed.

⁵ Registration No. 1,633,524, issued January 29, 1991, renewed.

After the examining attorney made the refusal final, this appeal followed. Both applicant and the examining attorney filed briefs and an oral hearing was held on October 2, 2002.

The examining attorney's position is that the dominant portion of applicant's mark is the term "Sam's." This word is identical to the only word in Registration No. 1,679,761, "Sam's" in typed form. The examining attorney also argues that it is the dominant part of Registration No. 1,633,524 for the word "Sam's" and grapes design. Also, when viewed in their entireties, the addition of the descriptive words "food stores" to applicant's mark was not enough, according to the examining attorney, to overcome the similarities between the marks.

As to the similarities of the services, the examining attorney found that retail wine, liquor and beverage services are related to convenience store services. The Internet and electronic database evidence demonstrates that convenience stores often sell alcoholic beverages.

A convenience store with good service and free parking. Including a liquor department, magazines, frozen food, personal care products...
www.dntbta.org (Seven Eleven, 220 West Devon Avenue, Chicago, IL 60659).

His Centennial liquor and convenience store slated to open this month...
Dallas Morning News, November 12, 1999.

The restaurant, Anthony's Pizza Café, was ultimately not allowed to sell alcohol despite the fact that the pizzeria shares a street with three restaurants, a bar and a convenience store that sell beer, wine and hard liquor.

Orlando Sentinel, April 11, 1999.

... as well as a new law calling for stricter monitoring of convenience stores selling malt liquor and fortified wine.

News and Observer (Raleigh, NC), January 22, 2000.

Thomasville residents voted in March to allow businesses to obtain mixed-beverage permits to sell alcohol. Before then, only convenience stores sold beer and wine.

News & Record (Greensboro, NC), January 2, 2000.

The Sacramento Board of Supervisors voted 5-0 Tuesday Nov 2 to permit Marvel and Subhra Gima to sell beer and wine at their convenience store in Orangevale.

Sacramento Bee, November 7, 1999.

... at pueblo-run stores near Espanola, where beer and gas prices get equal billing on signs at convenience stores.

Albuquerque Journal, September 24, 1999.

Selectmen have suspended the liquor license of a West Main Street convenience store for two days for selling alcohol to minors on three occasions in the last year.

Worcester Telegram & Gazette, September 15, 1999.

The examining attorney has also submitted copies of several registrations to show that the same entity has obtained registration for the same mark for convenience stores and liquor stores (Nos. 1,760,501 and 1,850,124⁶) and similar stores (Registration No. 2,248,967 - "retail store

⁶ Registration No. 1,847,160 is for the typed version of the same mark).

services, featuring convenience store items, namely, tobacco products, beer, wine liquor, food, and gasoline" and Registration No. 2,002,863 - "Retail convenience store services, retail grocery store services, delicatessen services, and specialty retail store services featuring gourmet meats and cheeses, salads, sandwiches, deli party trays, gourmet baskets, liquor and liqueurs, imported and domestic beers and wines, imported cigars and cigarettes, and beverage and food catering services").

Because the examining attorney found that the marks were similar, the services were related, and the mark was not weak, the examining attorney refused registration.

Applicant, on the other hand, argues that the word "Sam's" for liquor stores was found to be a weak mark in Sam's Wines & Liquors Inc. v. Wal-Mart Stores, Inc., 1993 WL350194 (N.D. Ill. 1993) and that the prior registrations indicate that SAM'S has been registered for other services and food items. See Registration No. 2,190,331 (UNCLE SAM'S and design for retail convenience store services); No. 2,071,615 (SAM'S PLACE for restaurant and bar services); No. 2,173,372 (MAD SAM'S and Design for restaurant services); No. 2,071,436 (SAM'S SUBS for restaurant and carry-out services); No. 2,288,190 (SAM'S BREWHOUSE for bar and restaurant services); No. 2,256,399

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(FAMOUS SAM'S for restaurant and bar services); No. 1,772,022 (HOT SAM PRETZEL BAKERY for retail store services associated with the sale of snack foods); No. 2,036,770 (SAM'S CLUB for retail and wholesale department store services); and No. 2,311,545 (SAM'S SANDWICHES & MORE DELICATESSEN and design).

Applicant also argues that the marks have "a substantially different overall look and feel. Applicant pointed out the physical differences between the marks, specifically the differences in the color schemes and patterns, and the additional words 'FOOD STORES' in the Applicant's mark." Br. at 7. Ultimately, applicant argues that "even a small distinction between similar marks is often sufficient when the cited mark is weak. Such a situation is clearly present here." Br. at 8 (citation omitted).

As to the services, applicant argues that "it is common knowledge that among residents of many states, such as Connecticut and New Hampshire, that beer, wine and other alcoholic beverages are forbidden from being sold in convenience-type stores."⁷ Br. at 10.

⁷ It is not clear how common the knowledge is that beer cannot be sold in convenience stores in Connecticut. At least to the extent that convenience stores are considered grocery stores, sales of beer appear to be permitted. Conn. Agencies Regs. § 30-6-A1(b)(3) (2002). See also State v. Shehadeh, 725 A.2d 394, 396

Applicant "has vehemently argued that the services of a convenience store that does **not** sell alcoholic beverages are not similar to the services of a wine, liquor or other alcoholic beverage store." Br. at 8 (emphasis in original).

In a case involving a refusal under Section 2(d), we analyze the facts as they relate to the relevant factors set out in In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 1361, 177 USPQ 563, 567 (CCPA 1973). In considering the evidence of record on these factors, we must keep in mind that "[t]he fundamental inquiry mandated by § 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks." Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976).

The first question we address is whether applicant's and registrant's marks, when compared in their entireties, are similar in sound, appearance, or meaning such that they

(Conn. App. Ct. 1999) ("The defendant owns a convenience store in New Haven. On Sunday, November 24, 1996, four police officers entered the defendant's store to investigate complaints of illegal beer sales. The officers observed that the beer coolers were uncovered and that the doors to the coolers were not locked, in violation of the state liquor laws"); Amoco Oil Co. v. Zoning Board of Appeals, 1993 WL 426341 (Conn. Super. Ct. 1993) ("Carter proposed to use the convenience store as a grocery store selling packaged beer. This required a proper liquor permit ... namely a grocery store beer permit").

create similar overall commercial impressions. In this case, the applicant's mark and the mark in Registration No. 1,679,761 are very similar. Except for the addition of the descriptive words "Food Stores," the marks are virtually the same. While applicant displays his mark in a red, rectangular box, this feature is not very significant. Any differences in type styles are, of course, not relevant here because registrant's mark is in typed form and, thus, not limited to any special form. Squirtco v. Tomy Corp., 697 F.2d 1038, 1041, 216 USPQ 937, 939 (Fed. Cir. 1983); Cunningham v. Laser Golf Corp., 222 F.3d 943, 55 USPQ2d 1842, 1847-48 (Fed. Cir. 2000).

In a similar case, the Federal Circuit held that the addition of the words "The" and "Cafe" and a diamond-shaped design to registrant's DELTA mark still resulted in a likelihood of confusion. In re Dixie Restaurants, 105 F.3d 1405, 1406, 41 USPQ2d 1531, 1534 (Fed. Cir. 1997) (more weight given to common dominant word DELTA). See also Wella Corp. v. California Concept Corp., 558 F.2d 1019, 194 USPQ 419, 422 (CCPA 1977) (CALIFORNIA CONCEPT and surfer design likely to be confused with CONCEPT for hair care products). Here, applicant's specimens reveal that the red, rectangular box containing the mark is actually a sign. It is extremely unlikely that potential purchasers

would rely on a common sign design to distinguish the marks. Even when applicant's mark with its red rectangular design is compared with Registration No. 1,633,524 for the word mark SAM'S with a grape design, the designs are not so striking that the marks are dissimilar. See In re Hyper Shoppes (Ohio), Inc., 837 F.2d 463, 464-65, 6 USPQ2d 1025, 1026 (Fed. Cir. 1988) (BIGG'S and design for grocery and general merchandise store services found likely to be confused with BIGGS and different design for furniture); Giant Foods, Inc. v. Nation's Foodservice, Inc., 710 F.2d 1565, 218 USPQ 390, 395 (Fed. Cir. 1983)(Differences between GIANT HAMBURGERS and design and GIANT and GIANT FOODS and designs not sufficient to overcome the likelihood of confusion).

While applicant's mark contains the words "Food Stores" and registrant's marks do not, we do not consider that this feature significantly distinguishes the marks. First, the additional wording is disclaimed and obviously, at least descriptive of a store that sells food. Disclaimed matter is often "less significant in creating the mark's commercial impression." In re Code Consultants Inc., 60 USPQ2d 1699, 1702 (TTAB 2001). In addition, this wording is displayed in smaller type than the word "Sam's" and less likely to be relied on by purchasers to

distinguish the marks. See Azteca Restaurant, 50 USPQ2d 1209, 1211 (TTAB 1999) ("On applicant's menus, which are the specimens of record, the [disclaimed] words appear on a line below the term AZTECA and are in smaller type than the term AZTECA. Certainly, when applicant's mark is viewed as a whole, it is the term AZTECA which is the dominating and distinguishing element thereof").

While we conclude that the marks are very similar, we now address applicant's argument that the name "'SAM'S' is inherently a weak mark." Reply Mem., p. 8. Perhaps applicant's best support for his argument that the term "Sam's" is weak is the language from an unreported Federal district court decision denying a motion for summary judgment. Sam's Wines & Liquors Inc. v. Wal-Mart Stores, Inc., 1993 WL 350194 (N.D. Ill. 1993). In that case, which involved a trademark dispute apparently between the registrant in this case and Wal-Mart's SAM'S WHOLESALE CLUB and SAM'S CLUB MEMBERS ONLY marks nearly ten years ago, the court held that "we find that the 'SAM'S' mark is a relatively weak mark. Many other businesses use the name." Id. at 4. The court referred to the fact that "SAM'S is used by forty-six other businesses in the Chicago area including four other liquor stores." Id. Later, the court held that "disputes concerning ... strength of plaintiff's

mark ... preclude summary judgment on the issue of likelihood of confusion." Id. at 6. Considering that the court never resolved the issue of the likelihood of confusion, the court's statement that the term "Sam's" is a "relatively weak mark" is a slender reed to base an argument that registrant's federally registered mark is entitled to almost no scope of protection. Indeed, we can accept that registrant's marks are "relatively weak" and still hold that there is a likelihood of confusion. "[E]ven weak marks are entitled to protection against registration of similar marks, especially identical ones, for related goods and services." In re Colonial Stores, 216 USPQ 793, 795 (TTAB 1982); In re The Clorox Co., 578 F.2d 305, 198 USPQ 337, 341 (CCPA 1978) (ERASE for a laundry soil and stain remover held confusingly similar to STAIN ERASER, registered on the Supplemental Register, for a stain remover).

Applicant also refers to numerous registrations that include the word "SAM'S" as an argument that registrant's mark is weak. Referring to evidence of third-party registrations, the Court of Customs and Patent Appeals has stated that "there is no evidence of actual use, and this court has made it clear that, without such evidence, third party registrations are entitled to little weight on the

question of likelihood of confusion." Conde Nast Publications, Inc. v. Miss Quality, Inc., 507 F.2d 1404, 184 USPQ 422, 424-25 (CCPA 1975). The Federal Circuit has made it clear that third-party registrations do not demonstrate that a mark is weak and, therefore, entitled to a narrow scope of protection.

As to strength of a mark, however, registration evidence may not be given any weight." AMF Inc. v. American Leisure Prods., Inc., 474 F.2d 1403, 1406, 177 USPQ 268, 269 (CCPA 1973) ("The existence of [third party] registrations is not evidence of what happens in the market place or that customers are familiar with them....")

Olde Tyme Foods, Inc. v. Roundy's, Inc., 961 F.2d 200, 22 USPQ2d 1542, 1545 (Fed. Cir. 1992).

Likewise, applicant's evidence of third-party registrations is not relevant in demonstrating that registrant's marks are weak. We also add that a review of the registrations reveals that the overwhelming majority of the registrations are for services such as restaurants, a fireworks store, a casino, and a hair salon. These services are much less related to applicant's and registrant's services. In short, even if this type of evidence was relevant to prove that a mark was weak, it would not achieve that result in this case.⁸

⁸ While the examining attorney has not made a refusal based on the lack of inherent distinctiveness of the mark, applicant has

Now we will consider whether applicant's and registrant's services are related. Applicant's services are convenience store services featuring food and non-alcoholic beverages and registrant's services are retail wine, liquor, and beverage store services. We start by rejecting applicant's argument that "[t]here is no overlap in products between the two entities." Br. at 5. It seems apparent that a convenience store and beverage store services would, at a minimum, both sell non-alcoholic beverages. Registrant's identification of services is not limited to alcoholic beverages so we must presume that registrant sells non-alcoholic beverages. In re Dixie Restaurants, 105 F.3d 1405, 41 USPQ2d 1531, 1534 (Fed. Cir. 1997)(quotation marks omitted) ("Indeed, the second DuPont factor expressly mandates consideration of the similarity or dissimilarity of the services as described in an application or registration"). We also note that applicant's specimen indicates that he also sells beverages in his store (orange juice \$1.49). Therefore, there is at least some overlap between the products sold in registrant's and applicant's stores.

also submitted affidavits from individuals stating that applicant's mark has become distinctive. This evidence is not relevant to the issue of likelihood of confusion.

More generally, we conclude that there is a relationship between retail stores that sell wine, liquor and beverages and convenience stores. The evidence discussed earlier certainly indicates that the same entities have registered or used the same marks to identify convenience stores and liquor stores or convenience stores that sell liquor. See Dallas Morning News ("His Centennial liquor and convenience store slated to open this month..."); and Registration Nos. 1,760,501, 1,850,124, 2,248,967, and 2,002,863. This is at least some evidence that suggests that the same source may provide both convenience store and liquor store services. See In re Mucky Duck Mustard Co., 6 USPQ2d 1467, 1470 n.6 (TTAB 1988) (Although third-party registrations "are not evidence that the marks shown therein are in use on a commercial scale or that the public is familiar with them, [they] may have some probative value to the extent that they may serve to suggest that such goods or services are the type which may emanate from a single source"). See also In re Albert Trostel & Sons Co., 29 USPQ2d 1783, 1786 (TTAB 1993).

In addition, the examining attorney has submitted evidence that convenience stores also sell liquor and that liquor stores sell food items. For example, the Internet printout for Toolan's Liquor Store in Lansing, Michigan

indicates that it sells various food items in its liquor store and Marty's, a liquor store in Massachusetts, advertises that it has "Fine Wines-Gourmet Foods-Spirits." A 7-11 in Chicago indicates that it is "a convenience store with good service and free parking. Including a liquor department." The other evidence indicates that it is not at all unusual for a convenience store to sell alcoholic beverages. We also note that purchases at convenience stores and stores selling wine, liquor, and beverages would often involve relating inexpensive purchases that would not involve great care. See, e.g., applicant's specimens (cigarettes and orange juice) and Yellow Page advertisements (beer).

We recognize that applicant's convenience store services feature the sale of food and non-alcoholic beverages. This limitation does not mean that the services are no longer related. Both liquor stores and convenience stores can sell food items and non-alcoholic beverages. A potential customer familiar with SAM'S retail liquor, wine and beverage services would likely believe that SAM'S FOOD STORES selling overlapping items have a common source.

Applicant relies on the case of Foremost Dairies, Inc. v. Foremost Sales Promotions, Inc., 158 USPQ 360 (TTAB 1968) for the proposition that "identical marks could

coexist in the unlike arenas of liquor stores and convenience stores." Br. at 5. However, the services in Foremost were not simple liquor store and convenience store services. Applicant's services involved "aiding liquor stores in the fields of advertising, merchandising, and sales promotions," while opposer was engaged in the business of distributing food products including milk products. 158 USPQ at 363. The Board concluded that "there is no likelihood of confusion with regard to Dairies' use of its name in connection with the services it renders to storekeepers and Sales' use of 'FOREMOST' in connection with the services it renders to liquor store owners." Id. Unlike the instant case where the same purchasers could use a convenience store and a liquor store, the potential customers in the Foremost case would be the storekeepers themselves and there would be little overlap.

Because we hold that the marks are very similar, the services are related, and the record does not support applicant's argument that the term SAM'S is so weak as to be entitled to only a very narrow scope of protection, we find that confusion is likely in this case. Finally, if we had any doubts regarding whether there is a likelihood of confusion, we resolve them in favor of the prior registrant

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and against the newcomer. Kenner Parker Toys v. Rose Art Industries, 963 F.2d 350, 355, 22 USPQ2d 1453, 1458 (Fed. Cir. 1992).

Decision: The refusal to register on the ground that applicant's mark is confusingly similar to the marks in the two cited registrations is affirmed.