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U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Chaum

Serial No. 74/605,409

George A. Dremonas and Julia L. Spoor of Barnes & Thornburg for
David Chaum.

Peter Cataldo, Trademark Examining Attorney, Law Office 103
(Michael Szoke, Managing Attorney).

Before Simms, Hanak and Hohein, Administrative Trademark Judges.

Opinion by Hohein, Administrative Trademark Judge:

An application has been filed by David Chaum to register the term "CYBER-CASH" as a service mark for the "conduct of financial and monetary transactions, electronic payment transactions, electronic credit transactions and electronic value transfers".¹

Registration has been finally refused under Section 2(e)(1) of the Trademark Act, 15 U.S.C. §1052(e)(1), on the basis

¹ Ser. No. 74/605,409, filed on November 18, 1994, which alleges a bona fide intention to use the term. Applicant claims a right of priority on the basis of Benelux Application No. 827573, filed on May 20, 1994.

that, when used in connection with applicant's services, the term "CYBER-CASH" is merely descriptive of them.

Applicant has appealed. Briefs have been filed,² but an oral hearing was not requested. We affirm the refusal to register.

Applicant, notably without any proof thereof, asserts that "CYBER-CASH" "is a term coined by applicant to identify and distinguish applicant's services." Because such term, according to applicant, "has no real meaning," it "does not immediately describe the services, or a significant function, attribute or purpose of the services" and, thus, "the mark is not merely descriptive." In particular, applicant argues that "the term CYBER is not even a defined word," as shown by the absence

² The Examining Attorney, in his brief, notes applicant, with his initial brief, "has attached entries from dictionaries and an encyclopedia as Exhibits A through E, and an article from the Lexis/Nexis computer database as Exhibit F." While correctly noting that "the Board has taken [judicial] notice of dictionary definitions and entries from widely available reference works relating to the common meaning of terms used as trademarks," the Examining Attorney states that he "objects to the introduction of the Nexis article attached as Exhibit F on the grounds that it is untimely filed pursuant to Trademark Rule 2.142(d) and respectfully requests that the Board disregard this material in its decision." The Examining Attorney's objection is overruled. As applicant points out in his reply brief, "Exhibit F is [simply] the full text of an article cited by the Examining Attorney in an Office Action dated April 2, 1996" and was submitted, according to applicant "in order to demonstrate that the Examining Attorney's reliance upon excerpts alone is misleading and creates an incorrect and unfair impression of common use of the mark." While the better practice would have been for applicant to submit a copy of the full text of the article with his response to the April 2, 1996 Office Action instead of for the first time with his initial brief, we agree with applicant that, since "the article was part of the record at the time of the appeal," submission of the full text thereof with the initial brief has not prejudiced the Examining Attorney, who previously considered the article and elected to make of record excerpts therefrom. Thus, while Trademark Rule 2.142(d) provides that evidence furnished after an appeal has been filed will ordinarily not be considered by the Board, fairness demands that

thereof from the copies of excerpts of various computer dictionaries and other reference works attached to his initial brief.³ With respect to the term "CASH," applicant contends that "[w]hile applicant's services relate to financial and monetary transactions, nothing in the identification of services refers to any type of hard currency or cash." Consequently, when such terms are combined to form the term "CYBER-CASH," applicant insists that "[i]t is only by exercising thought and imagination that the mark could be said to describe applicant's services or their characteristics."

Furthermore, as to the various "NEXIS" articles made of record by the Examining Attorney, applicant argues that "it is clear that the cited articles do not prove use of CYBER-CASH as a common term to describe electronic money." Applicant, in this regard, observes that not only do certain articles "use the term CYBER-CASH in a trademark sense, and others as a trade name," through the "use [of] the mark in quotations" or in conjunction

consideration be given to the full text of the article since, in excerpted form, it essentially is already part of the record.

³ We judicially notice, however, that "cyber" is listed in The Computer Glossary (8th ed. 1998) at 86 as "[f]rom cybernetics, a prefix attached to everyday words to add a computer, electronic or online connotation" and is set forth in the Random House Personal Computer Dictionary (2d ed. 1996) at 123 as "[a] prefix used in a growing number of terms to describe new things that are being made possible by the spread of computers. Cyberphobia, for example, is an irrational fear of computers. Cyberpunk is a genre of science fiction that draws heavily on computer science ideas. Cyberspace is the non-physical terrain created by computer systems." In a similar vein, "cyber-" is defined in The Internet Dictionary (1995) at 44 as "[a] prefix overused to indicate a connection to computers, networks, technology, or futurism." It is settled that the Board may properly take judicial notice of dictionary definitions. See, e.g., *Hancock v. American Steel & Wire Co. of New Jersey*, 203 F.2d 737, 97 USPQ 330, 332 (CCPA 1953) and *University of Notre Dame du Lac v. J. C. Gourmet Food Imports Co., Inc.*, 213 USPQ 594, 596 (TTAB 1982), *aff'd*, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983).

with "INC.," but the majority of the articles, which applicant in its initial brief admits "use the term to refer to electronic money," nevertheless "refer to electronic money as an intangible good" rather than as a service. Therefore, applicant urges, "[t]he fact that the term CYBER-CASH has been used in some articles to refer to a product (money) that may be transferred by means of applicant's services does not mean that the mark is merely descriptive of applicant's services." Such term, applicant insists, "is not merely the ordinary language [used] to describe applicant's electronic transactional services and its appropriation by applicant for those services will not be detrimental to others by hindering their use of normal language in association with their goods or services."

The Examining Attorney, on the other hand, contends that the term "CYBER-CASH," as demonstrated by the excerpts retrieved from his search of the "NEXIS" database, "[merely] describes various on-line electronic financial transactions performed by means of computer networks, as well as a medium of exchange used therefor." As the Examining Attorney correctly notes, the "materials obtained through computerized text searching are competent evidence to show the descriptive use of terms under Trademark Act Section 2(e)(1)," citing *In re National Data Corp.*, 222 USPQ 515, 517 (TTAB 1984) at n. 3, *aff'd*, 753 F.2d 1056, 224 USPQ 749 (Fed. Cir. 1985).

In this regard, the following excerpts are of record and are particularly pertinent (**emphasis added**):⁴

"'It's too soon to determine what type of regulations' will be needed to ensure that **cybercash transactions** are traceable for tax purposes, Vogel told the House Appropriations Subcommittee

....
Government officials have been meeting with the **cybercash** industry to make certain that the technology is developed in a way that ensures that **electronic cash transactions** are traceable, Vogel said." -- BNA's Banking Report, March 19, 1996;

"ANTHONY CURTIS: Well, as I understand it they are going to set up certain **cybercash** situations where you put money into an account, and we're getting into a whole new monetary system here." -- CNN, January 1, 1996;

"... pose real risks: Theft, fraud, secret credit checks and tax evasion are no small considerations in the world of **cybercash**.

Clearly, the advent of **electronic money** will bring us to a significant crossroad in the way we manage our personal financial" -- Herald-Sun, December 31, 1995 (article headlined: "**ELECTRONIC MONEY** That'll be **cybercash**, please");

"Unlike cash, **cybercash** has the potential to be traced, just like credit cards do now." -- Capital Times, December 26, 1995;

"[T]he role of traditional banks of the late 1990s has diminished. New terms such as e-cash, **cybercash**, and other proprietary forms of "**electronic money**" have proliferated." -- Banking Policy Report, December 18, 1995;

⁴ In addition, we judicially notice that the Microsoft Press Computer Dictionary (3d ed. 1997) at 126 lists "cybercash" by referring to "[s]ee e-money," which at 174 is in turn defined as "[s]hort for electronic **money**. A generic name for the exchange of money through the Internet. Also called cybercash, digicash, digital cash, e-cash."

"Booming commercial growth in electronic data interchange (EDI), Internet '**cybercash**' **transactions**, global electronic funds transfers (EFT) and electronic transmission of sensitive corporate financial and engineering data" -- Technology Transfer Week, November 14, 1995;

"Since July 8,000 of the city's 190,000 people have been test driving Mondex, the **cybercash** system created by banker Tim Jones." -- Newsweek, October 30, 1995;

"Sanders, who is taking on Republican Sen. Jesse Helms, claims to be the first to accept **cybercash**.

Sanders' campaign is using CyberCash Electronic Wallet software developed by CyberCash Inc. of Reston, Va." -- InformationWeek, October 16, 1995;

"Ironically, as the shadowy facts behind the fraud were emerging, experts in the field of **cybercash** from around the world were meeting in New York to discuss ways of keeping cyberpayment systems, such as Internet banking and 'smart cards,'" -- Money Laundering Alert, October 1995;

"CheckFree Wallet allows customers to pay for purchases using credit and debit cards and a **cybercash** account available through CyberCash." -- CommunicationsWeek, September 25, 1995;

"She might pay with a credit card, or have the e-cash transferred from her own account. She could then store the **cybercash** in her hard drive and pull it up to spend on online orders" -- Catalog Age, September 1, 1995;

"Taking Care of Business on the internet ... by Winn Schwartz and Chris Goggans covers **cybercash**, security and encryption techniques, and all **transactions** done via cyberspace." -- Publishers Weekly, August 28, 1995;

"And **transactions** can take place with **cybercash - a digital form of money.**" -- Seattle Times, August 23, 1995;

"WHO'S GOING TO BE THE WINNER when encrypted digital signals replace paper **money**? Some big outfits are making bets on **cybercash**." -- Forbes, August 14, 1995;

"Chairman Michael Castle opened by presenting a flashlight purchased over the computer with "**cybercash**" by one of the panel members." -- FDCH Congressional Hearings Summaries, July 25 1995 (article headlined: "THE FUTURE OF **MONEY**");

"New companies are sprouting up everywhere offering some form of **cybercash** to replace 'real' **money**. Before long, you or your business will be able to bypass **money** altogether by downloading credits" -- Columbus Dispatch, July 8, 1995;

"Banks are starting to use the Web to coin their own **cybercash** to be used as an **electronic credit-and-debit system**." -- InfoWorld, June 19, 1995;

"Another will be the advent of 'smart cards' that can be credited with **cybercash** via home computers, allowing customers to skip the stop at the ATM on their way to the store." -- American Marketplace, June 1, 1995 (article headlined: "HOME **BANKING** INDUSTRY SET TO MUSHROOM SOON");

"[With] 24-hour PC **banking** on the Internet just looming on the horizon, banks are getting ready for the age of '**cybercash**,' according to ... a consultant at Ernst & Young." -- Chicago Sun-Times, May 26, 1995;

"... National Westminster Bank's Mondex card ... and Visa International's recently announced smart card, or **cybercash** used for facilitating commerce on the Internet. It's not hard to understand why. With **electronic cash**, no one would have to fumble" -- Institutional Investor, April 1995 (article headlined: "Regulating **electronic cash**");

"He expects credit-card payments using encryption, not **cybercash**, to dominate Internet trading. **Cybercash**, or e-cash, is **digital money** that can be loaded into a

computer and sent to suppliers" -- The Times, March 22, 1995;

"Digicash is like signing cheques. Wrong. Digicash (a trademark of DigiCash bv, the Netherlands) is a secure, anonymous, fully transferable, electronic equivalent of cash. All those companies offering Net-cheques or **cybercash** or whatever do not really provide the same service. They differ in levels of security, are usually not anonymous, and are effectively extensions of plastic charge cards." -- Seattle Times, March 12, 1995;

"In the CyberCash scheme, participating banks would let a customer open **cybercash** accounts, or '**electronic purses.**' Using the company's software, a customer would move money from the checking account into the **electronic purse.**" -- Dallas Morning News, February 7, 1995; and

"Even more important, systems that support secure credit-card transactions across the net--and even systems that support '**cybercash**' **transactions**--will begin to appear." -- The Seybold Report on Desktop Publishing, February 6, 1995.

In light of the above, the Examining Attorney asserts that, as applied to the services of conducting financial and monetary transactions, electronic payment transactions, electronic credit transactions and electronic value transfers:

The evidence of record demonstrates that "cybercash" merely describes various electronic financial, monetary, payment and credit transactions using electronic currency over computer networks. According to the evidence of record, "CYBER-CASH" merely describes a type of electronic financial transaction that utilizes the transfer of electronic currency, credit, or tendered value. Applicant's services provide the conduct of cybercash transactions for the electronic transfer of money, payments, credit, and value. "CYBER-CASH," therefore, merely describes a function, feature, use or characteristic of the services.

As to applicant's contentions that he coined the term "CYBER-CASH" to identify and distinguish his services; that such term otherwise has no real meaning; and that neither the "CYBER-" nor "CASH" components thereof merely describes applicant's services, the Examining Attorney insists that "applicant's contentions ignore abundant Nexis evidence that 'cybercash' is itself a recognized term" and that "dissection of the term into its component parts is [accordingly] inappropriate." The Examining Attorney also maintains that "[a]pplicant's arguments concerning the amorphous nature of the term 'cyber' and the suggestive nature of the term 'cash' are not persuasive in the face of evidence of the significance of 'cybercash' as a term of art in the field of electronic financial exchange.

Applicant, in reply, asserts that the Examining Attorney's position "misses the point." Specifically, applicant contends that:

Even if CYBER-CASH were a defined term for "electronic currency," this would be irrelevant because Applicant does not use the mark in connection with electronic currency. Applicant uses the mark to identify the source of its financial transaction services. Applicant admits that, under some circumstances, electronic currency may be utilized in connection with these services; however, such is not a mandatory ingredient, and is not necessarily a part of the services recited. Thus, CYBER-CASH is at most somewhat suggestive of a possible aspect of Applicant's services. It is not merely descriptive of these services.

Applicant also concedes, in reply, that as to the "NEXIS" articles relied upon by the Examining Attorney, the term "CYBER-CASH" is used within these articles to describe electronic money."

Nevertheless, applicant maintains that because "[e]lectronic money is clearly not a service, but a good," "[t]he fact that the term CYBER-CASH has been used in some articles to refer to a product that may be transferred by Applicant's services does not mean that the mark is merely descriptive of Applicant' services."

It is well settled that a term is considered to be merely descriptive of goods or services, within the meaning of Section 2(e)(1) of the Trademark Act, if it forthwith conveys information regarding any ingredient, quality, characteristic, feature, function, purpose or use of the goods or services. See, e.g., In re Gyulay, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987) and In re Abcor Development Corp., 588 F.2d 811, 200 USPQ 215, 217-18 (CCPA 1978). It is not necessary that a term describe all of the properties or functions of the goods or services in order for it to be considered to be merely descriptive thereof; rather, it is sufficient if the term immediately describes a significant attribute or idea about them. Moreover, whether a term is merely descriptive is determined not in the abstract but in relation to the goods or services for which registration is sought, the context in which it is being used on or in connection with those goods or services and the possible significance that the term would have to the average purchaser of the goods or services because of the manner of its use. See In re Bright-Crest, Ltd., 204 USPQ 591, 593 (TTAB 1979). Thus, "[w]hether consumers could guess what the product [or service] is from consideration of the mark alone is not the test." In re American Greetings Corp., 226 USPQ 365, 366 (TTAB 1985).

In the present case, it is our view that, when applied to the "conduct of financial and monetary transactions, electronic payment transactions, electronic credit transactions and electronic value transfers," the term "CYBER-CASH" would be understood as immediately describing, without any conjecture or speculation, a significant feature or characteristic of applicant's services. The record sufficiently demonstrates that the terminology "cybercash" designates a form of electronic cash, money or other value which is utilized in the conduct of financial and monetary transactions, electronic payment transactions, electronic credit transactions and electronic value transfers over computer networks, i.e., in cyberspace. Applicant, in fact, concedes that the evidence furnished by the Examining Attorney shows that cybercash may be utilized in connection with computerized financial transaction services and that, in fact, such evidence demonstrates that cybercash may be transferred by applicant's services. While, admittedly, cybercash is the medium of exchange used in such services and thus itself does not constitute the services, it is an integral and significant aspect of such services inasmuch as the conduct of electronic financial transactions cannot take place without the transfer or exchange of some form of money, credit, payment or other value. The term "CYBER-CASH," being the phonetic and hence legal equivalent of the terminology "cybercash," is thus merely descriptive of a necessary feature or characteristic of the electronic financial transaction services identified in applicant's application.

Moreover, even if, as applicant asserts, he was the first person to use the term "CYBER-CASH" in connection with the conduct of financial and monetary transactions, electronic payment transactions, electronic credit transactions and electronic value transfers, such fact is simply not dispositive where, as here, the evidentiary record plainly shows that the term "cybercash" unequivocally projects a merely descriptive, if not a generic, connotation.⁵ See, e.g., In re National Shooting Sports Foundation, Inc., 219 USPQ 1018, 1020 (TTAB 1983) and In re MBAssociates, 180 USPQ 338, 339 (TTAB 1973). It is also clear that nothing in the term "CYBER-CASH" requires the exercise of any imagination, cogitation or mental processing, or necessitates the gathering of further information, in order for the merely descriptive significance thereof to be immediately perceived.

Instead, to the customers for applicant's services, the term "CYBER-CASH" readily conveys that a principal feature or characteristic thereof is the use of cybercash to conduct financial transactions electronically over a computer network. Such transactions, whether they involve monetary exchanges, payments, credits or other value transfers, are all types of cybercash transactions when the financial medium utilized is cybercash. Plainly, the individual terms comprising the term

⁵ The fact that the excerpts of the "NEXIS" articles retrieved by the Examining Attorney show a few instances of use of the term "cybercash" with the designation "inc." as part of a trade name or in quotes to reflect the newness of such term in the field of networked computer financial transactions does not detract from the fact that the evidence overwhelmingly establishes that "cybercash" is a term of art designating electronic money or other secure means of transferring or exchanging value.

"CYBER-CASH" have a meaning when combined which ordinary usage would ascribe to those terms in combination, and the fact that none of the dictionaries and reference works consulted by applicant lists such term or its component element "CYBER-" is simply not controlling on the question of registrability. See In re Gould Paper Corp., 824 F.2d 1017, 5 USPQ2d 1110, 1112 (Fed. Cir. 1987) and In re Orleans Wines, Ltd., 196 USPQ 516, 517 (TTAB 1977).

Accordingly, because the term "CYBER-CASH" forthwith conveys that a significant feature or characteristic of applicant's services is the utilization of cybercash as an electronic exchange medium for conducting financial and monetary transactions, electronic payment transactions, electronic credit transactions and electronic value transfers, such term is merely descriptive within the meaning of the statute.

Decision: The refusal under Section 2(e)(1) is affirmed.

R. L. Simms

E. W. Hanak

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