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U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Holmstead, Inc.

Serial No. 75/183,278

James T. Walsh of Arnold & Porter for Holmstead, Inc.

Teresa Lee, Trademark Examining Attorney, Law Office 101 (Jerry Price, Managing Attorney).

Before Cissel, Walters and Bottorff, Administrative Trademark Judges.

Opinion by Cissel, Administrative Trademark Judge:

On October 17, 1996, Homestead Inc., the Trademark management subsidiary of Hershey Foods Corp., filed the above-referenced application to register the mark "KISSES" on the Principal Register for "chocolate candy," in Class 30. The identification-of-goods clause was subsequently amended to read as follows: "generally solid chocolate candy, with or without ingredients such as nuts." The basis for the application was applicant’s claim of use of

the mark in interstate commerce since July 1, 1907. The application, as it was originally filed, asserted that applicant believed the mark to be inherently distinctive, but that in order to procure a registration on the Principal Register, applicant claimed that the mark had acquired distinctiveness under Section 2(f) of the Act as a result of substantial and exclusive use and promotion of it in connection with the goods identified in the application.

This application is now before the Board on appeal from the Examining Attorney’s final refusal to register based on her conclusion that the term sought to be registered is generic as applied to applicant’s chocolate candy, and hence is unregistrable under Section 2(e)(1) of the Lanham Act. Applicant disputes this contention, arguing that "KISSES" is neither merely descriptive nor generic, but that even if its mark were determined to be merely descriptive of the goods identified in its application, it has nonetheless acquired distinctiveness within the meaning of Section 2(f) of the Lanham Act by virtue of applicant’s extensive use and promotion of it as applicant’s mark, and further, that it has not only acquired secondary meaning, it has become a famous trademark in connection with applicant’s chocolate candy.

Both applicant and the Examining Attorney have built extensive records in support of their respective positions. Both filed briefs, and applicant filed a reply brief. Both articulated their positions at the oral hearing before the Board.

The test for determining whether a term is generic, and hence unregistrable as a trademark under the Lanham Act, has two parts. First, we must ask what class of goods or services is at issue. Then we must determine whether the relevant public understands the designation in question primarily to refer to that class of goods or services. See H. Marvin Ginn Corp. v. International Association of Fire Chiefs, Inc., 782 F.2d 987, 228 USPQ 528 (Fed. Cir. 1986). Section 14 of the Lanham Act, which provides the procedure for cancellation of registrations at any time if the registered mark becomes the generic name for the goods or services, mandates that "[a] registered mark shall not be deemed to be the generic name of goods or services solely because such mark is also used as the name of or to identify a unique product or service. The primary significance of the registered mark to the relevant public rather than purchaser motivation shall be the test for determining whether the registered mark has become the generic name of the goods or services on or in connection

with which it has been used." Because the primary significance of the term to the relevant public is the test for genericness, consumer surveys have been held to be good ways of showing the relevant public's understanding of a given term. Heroes Inc. v. Boomer Esiason Hero's Foundation, 43 USPQ 2d 1193 (D.D.C. 1997). The burden of showing that the term sought to be registered is generic is on the Examining Attorney, who must make a "substantial showing" with "clear evidence of generic use." In re K-T Zoe Furniture, Inc., 16 F.3d 390, 29 USPQ2d 1787 (Fed. Cir. 1994).

The Examining Attorney submitted a good deal of evidence wherein the term sought to be registered is used like a generic word would be. This evidence includes dictionary definitions from as long ago as 1859 and as recently as 1993, wherein the word "kiss" is listed, for example, as "a small piece of confectionery" or "a small piece of candy, especially of chocolate." The Examining Attorney also made of record excerpts from magazines and books, both old and current, as well as published recipes, all of which are consistent with her contention. Additionally, she submitted excerpts retrieved from the Nexis® database of published articles which appear to show "kisses" used in a generic sense in connection with

chocolate, e.g., "…at one of the workshops held Friday, motivational speaker Pegine Echeverria paced the floor in a meeting room handing out chocolate kisses…." The Examining Attorney also points out that the Trademark Register includes third-party registrations for marks used with candy wherein the term is disclaimed, and others where the term is used in the identification-of-goods clause. Further, the record also includes what the Examining Attorney describes as examples of "misuse of the term KISSES by applicant, itself…" (brief p.17), although the examples to which she refers as "misuse" are consistent with her contention that the term is used not as a source-identifying trademark, but rather as the name of the product. For example, a book published by applicant in 1926 used "kisses" in lower case letters, without a identifying it as applicant's trademark. Over thirty years ago, in 1969, applicant used the term in the identification-of-goods cause in an application it filed, although the application was subsequently amended to delete the term from that clause. In a registration that issued under Section 2(f) of the statute in 1983, applicant disclaimed the words "milk chocolate kisses," which were used in the mark combining those words with a graphic design.

Applicant submitted, with the original application as filed, three volumes of evidence in support of the claim of distinctiveness. Applicant’s response to the refusal to register was also supported by substantial evidence. In addition to establishing applicant’s substantially exclusive use of "KISSES" in connection with chocolate candy for almost ninety years, the evidence of record shows that sales, advertising and awareness of "KISSES" in connection with applicant’s candy has been enormous. Applicant’s evidence establishes that the word functions as a trademark for applicant’s goods, and is in fact a famous trademark for applicant’s chocolate candy.

Approximately two billion pounds of chocolate candy have been sold by applicant under the mark. In a single day alone, applicant now produces 33 million individual candies, each of which is individually labeled with the "KISSES" trademark. Revenues from sales under the mark and advertising figures for applicant’s "KISSES" chocolate candy are equally impressive. During the period from 1980 to 1995, applicant spent hundreds of millions of dollars on advertising featuring the mark, and applicant’s sales of chocolate candy under the mark totaled over $3 billion for that period.

As noted above, each individual piece of candy manufactured, advertised and sold under the mark by applicant prominently features the mark on its packaging. Each conically-shaped piece is individually wrapped in foil, with a paper plume or streamer bearing the mark emerging from the top of the wrapper.

The key piece of evidence submitted by applicant in support of its argument that the mark has acquired distinctiveness is the survey submitted with the original application. Conducted by Ivan Ross, Ph.D., a consumer psychologist and survey specialist, the survey is direct evidence establishing the distinctiveness and fame of applicant's "KISSES" trademark. The survey indisputably shows that the respondents understand the difference between a trademark and a generic term, and that they regard "KISSES" as a trademark.

Potential purchasers of chocolate candy were interviewed by telephone. The difference between generic terms and brand names was explained to them, and then their reaction to five different terms used in connection with candy was examined. In addition to the term at issue in this case, "KISSES," Dr. Ross included two designations that are trademarks, M&M's® and MILK DUDS®, and two designations that are generic, "CHOCOLATE COVERED PEANUTS"

and "MALTED MILK BALLS." Almost 80 percent of respondents identified "KISSES" as a brand, and only 16.5 percent considered it to be a generic term. Slightly more than 84 percent of respondents identified MILK DUDS® as a brand, with less than 9 percent responding that it was a generic term, and over 94 percent of respondents identified M&M's® as a brand; only 4.4 percent as a generic term. In contrast, almost three quarters of respondents considered "CHOCOLATE COVERED PEANUTS" to be a gereric term and only 20 percent thought it was a brand. Similarly, a majority correctly identified "MALTED MILK BALLS" as a generic term.

As Dr. Ross pointed out, these figures show that applicant's mark was overwhelmingly recognized as a trademark, just as were the well known registered trademarks M&M's® and MILK DUDS®. Applicant's "KISSES" mark had more than 50 percent greater recognition as a trademark than the generic term "CHOCOLATE COVERED PEANUTS." Dr. Ross stated that the survey results are an appropriate basis for concluding that the primary significance of "KISSES" to purchasers of chocolate candy is as a brand name, and that the name is clearly not perceived as a common or generic name for a type of chocolate candy.

The Examining Attorney does not have the resources to challenge applicant's survey, either its results or its methodology. The Board does have some familiarity with surveying technique and methodology, but we cannot identify any basis upon which to fault applicant's survey either.

Instead of finding fault with the survey, the Examining Attorney contends that the distinctiveness that the survey reveals is only de facto significance as a trademark, and that because the term applicant seeks to register is generic, no amount of de facto secondary meaning as a trademark can entitle applicant to register the term, especially when the term was generic prior to applicant's adoption of it.

In summary, in the instant case, the Board is presented with substantial quantities of evidence on both sides of the issue. On the one hand, the Examining Attorney has shown that the term sought to be registered was at least merely descriptive and has been used in a generic fashion in a variety of published materials, such as recipies, articles, books and dictionaries, which are likely to have been seen by consumers. This is indirect evidence that consumers would perceive the term to be a highly descriptive or generic term for the goods specified in the application. It is not direct evidence, but we can

project from it that consumers exposed to such use of the term would come to understand the term in the sense that these examples show it used. At a minimum, this evidence shows that the term has descriptive significance in connection with chocolate candy, and some of the evidence shows use of it as one would use the name of a particular kind of candy.

On the other hand, the survey submitted by applicant is direct, uncontroverted evidence that whatever descriptive significance the term may once have had has been replaced with significance as applicant's trademark when the term is used in connection with chocolate candy.

Simply put, while the record shows that the term may once have been a generic term, it certainly is not generic now. It is at most merely descriptive. Because the issue is how the term is perceived by the purchasing public, the direct evidence that the term is perceived as a trademark by the purchasing public outweighs the indirect evidence of the public's perception showing that the public has been exposed to use of it descriptively and generically.

To reach the conclusion that the term is not generic, but rather that it is a descriptive term which has acquired secondary meeting as an indication of the source of applicant's chocolate candy, it is not necessary for the

Board to accept applicant's arguments with regard to each piece of the evidentiary record the Examining Attorney built in support of her refusal to register. Indeed, that evidence, if uncontroverted, could have been the basis for affirming the refusal of registration under Section 2(e)(1) of the Act. The evidence of mere descriptiveness and even generic-type use of the terms seems clear, but over the 90 years that applicant has been using and promoting the word as its trademark, building up secondary meaning in what apparently started out as at least a descriptive term, there have undoubtedly been countless opportunities for the press, lexicographers, and even applicant itself to use the term in its original, descriptive sense, or in ways that are ambiguous as to whether it names the goods or distinguishes them from similar products which emanate from sources other than applicant. We find persuasive applicant's argument that many of the Examining Attorney's references that appear to be generic uses of the word are instead references to applicant's product without appropriate designation of the term as applicant's trademark. The sales and promotion figures and the fact that applicant also owns trademark registrations for the conical configuration of its candy and the foil wrapping in which it is encased lends credibility to that argument,

i.e., if applicant is the only one producing and selling huge quantities of individually wrapped chocolate candy so distinctively configured and labeled "KISSES," it is not at all farfetched to conclude that occasional references to such goods as "kisses" are actually references to applicant’s product. In this regard, we note that the record is devoid of evidence that any other candy maker uses the term "KISSES" in connection with chocolate candy, but it does show that applicant has actively policed its mark for the last twenty years, so many of the Examining Attorney’s references do appear to be to applicant’s candy.

The indirect evidence of consumer perception showing that the term has been occasionally encountered by consumers used as a descriptive or generic word is simply outweighed by applicant’s survey, which is direct evidence that establishes without a doubt that "KISSES" is in fact perceived by consumers of these goods, not as the generic name of a type of candy, but rather as the brand name of candy emanating from a single source. Applicant’s survey is the most direct, reliable evidence of the primary significance of "KISSES" to consumers.

Accordingly, although at one time the term sought to be registered apparently had significance that was primarily descriptive in connection with candy, because

this record shows that "KISSES" is now a famous trademark which identifies applicant’s chocolate candy, registration under Section 2(f) of the Lanham Act is appropriate. The refusal to register under Section 2(e)(1) is therefor reversed.

R. F. Cissel

C. E. Walters

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