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Paper No. 11
BAC

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re National Penn Bank

Serial No. 75/696,025

John F. A. Earley, III of Harding, Earley, Follmer & Frailey for National Penn Bank.

Michael W. Baird, Trademark Examining Attorney, Law Office 109 (Ronald R. Sussman, Managing Attorney).

Before Seeherman, Hanak and Chapman, Administrative Trademark Judges.

Opinion by Chapman, Administrative Trademark Judge:

National Penn Bank (a federally chartered national bank) appeals from the Examining Attorney's final refusal to register on the Principal Register the mark DIRECT INVEST for services ultimately identified as "banking services, namely, interest bearing retail checking accounts, which provides a free check card, free PC banking, free phone banking, unlimited check writing, and

FDIC insurance coverage,"¹ under Section 2(e)(1) of the Trademark Act, 15 U.S.C. §1052(e)(1), on the basis that the mark, when used in connection with applicant's services, is merely descriptive of them. Both applicant and the Examining Attorney have filed briefs, but an oral hearing was not requested.

Essentially, the Examining Attorney's position is that the word DIRECT refers to "bank-at-home services" and the word INVEST refers to "any interest-bearing accounts" (brief, p. 2); and that the combination of the terms remains merely descriptive of applicant's interest-bearing checking account services. Specifically, the Examining Attorney argues that "the common meaning of the component terms merely indicates [describes] that the claimed services feature the ability to manage investments from a remote location through the use of a personal computer." (Brief, p. 6.)

Applicant argues that the primary services of a bank are as a safe depository for the money of its customers or as a lending institution for loans to its customers, whereas "invest" means to put money into business, real

¹ Application Serial No. 75/696,025, filed April 30, 1999, based on applicant's assertion of a bona fide intention to use the mark in commerce.

estate, stocks, bonds, etc.; that checking accounts are not considered an investment vehicle; that the Examining Attorney's evidence regarding "direct investment" being a specific type of banking service does not relate to applicant's identified services; that applicant's mark is suggestive rather than merely descriptive because the mark does not immediately convey information to prospective purchasers about applicant's services, but instead requires imagination and thought to make a connection between the mark and applicant's services; and that any doubt as to the question of whether a mark is merely descriptive should be resolved in applicant's favor.

It is well settled that "a term is descriptive if it forthwith conveys an immediate idea of the ingredients, qualities or characteristics of the goods [or services]." (Emphasis added). In re Abcor Development Corp., 588 F.2d 811, 200 USPQ 215, 218 (CCPA 1978). Moreover, the immediate idea must be conveyed with a "degree of particularity." In re TMS Corporation of the Americas, 200 USPQ 57, 59 (TTAB 1978). See also, In re Entenmann's Inc., 15 USPQ2d 1750, 1751 (TTAB 1990), aff'd, unpub'd, Fed. Cir. February 13, 1991.

Further, it is well-established that the determination of mere descriptiveness must be made not in the abstract or

on the basis of guesswork, but in relation to the goods or services for which registration is sought, the context in which the term or phrase is being used or is intended to be used on or in connection with those goods or services, and the impact that it is likely to make on the average purchaser of such goods or services. See *In re Pennzoil Products Co.*, 20 USPQ2d 1753 (TTAB 1991).

It has long been acknowledged that there is often a very narrow line between terms which are merely descriptive and those which are suggestive, and the borderline between the two is hardly a clear one. See *In re Atavio Inc.*, 25 USPQ2d 1361 (TTAB 1992).

Viewing this record in its entirety, we find that the Examining Attorney has not established a prima facie showing that the mark DIRECT INVEST is merely descriptive of applicant's identified services, "banking services, namely, interest bearing retail checking accounts, which provides a free check card, free PC banking, free phone banking, unlimited check writing, and FDIC insurance coverage." The excerpted stories retrieved from the Nexis database do not evidence use of the words "DIRECT INVEST" descriptively in relation to the services which are the subject of this application. Instead, they show that the words have several different connotations, such as the

following (emphasis in original printouts), none of which are applicable to applicant's identified services:

HEADLINE: Independent Stance
...capital account restrictions such as those making it hard for Slovene firms to borrow abroad, encouraging greater inflows of foreign **direct investment**, and opening up the **banking** sector to greater foreign competition. Slovenia may have more or less completed the privatization of its formerly 'socially-owned' firms, albeit... "Banker," January 1999;

HEADLINE: Not (Yet) Gone the Way of All Asia
...net inflows in current U.S. dollars of foreign **direct investment**;...(source: world **bank**), "The New York Times," November 15, 1998; and

HEADLINE: GETTING real About going Global; What's Fizz? What's Fizzle
...spree of intercontinental mergers and acquisitions—not just monstrous couplings like Daimler and Chrysler, British Petroleum and Amoco, Deutsche **Bank and Bankers** Trust, but scores upon scores of more modest deals, so that cross-border M&A now accounts for more than half of all new **direct investment** worldwide.... "Fortune," February 15, 1999.

The evidence submitted by the Examining Attorney indicates that "direct banking" relates to the customer's ability to conduct his or her banking business on-line or

via telephone, and that "direct investment" is an activity engaged in by some types of financial institutions.²

However, as applicant argues, the activity of direct investment is far different from the services identified in the application. That is, in connection with applicant's checking account services, the mark DIRECT INVEST does not readily and immediately evoke an impression and an understanding of the specific nature of applicant's identified services. See *In re Intelligent Medical Systems Inc.*, 5 USPQ2d 1674 (TTAB 1987); *In re TMS Corporation of the Americas*, supra; and *In re Silva Mind Control International, Inc.*, 173 USPQ 564 (TTAB 1972).

Decision: The refusal to register the mark as merely descriptive under Section 2(e)(1) is reversed.

² For example, the Examining Attorney submitted three banking dictionary definitions of the term "direct investment"; and the definition from the Dictionary of Finance and Banking (Second Edition 1997) reads as follows:

"The investment by some US banks in the equity of certain kinds of company [sic], e.g., real estate and property development. Savings and loans companies suffered heavy losses and failures in the late 1980s as a result of such direct investments. National banks are prohibited from making direct investments and many other institutions are now wary of doing so."