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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Crow Marcrum, Inc.

Serial No. 76438849

L.F. Hilbers, Esq. for Crow Marcrum, Inc.

Tasneem Hussain, Trademark Examining Attorney, Law Office
105 (Thomas G. Howell, Managing Attorney).

Before Seeherman, Grendel, and Drost, Administrative
Trademark Judges.

Opinion by Drost, Administrative Trademark Judge:

On August 7, 2002, applicant Crow Marcrum, Inc. filed
an intent-to-use application (No. 76438849) to register the
mark SUBSTATION SERVICE COMPANY, in typed or standard
character form, for services ultimately identified as
"Repairs and installation of electrical equipment" in Class
37.

The application was amended on October 3, 2002, to allege dates of use and first use in commerce of September 18, 1980.

The examining attorney¹ initially refused registration on the ground that the mark SUBSTATION SERVICE COMPANY was merely descriptive under Section 2(e)(1) of the Trademark Act, 15 U.S.C. § 1052(e)(1), because applicant's services are "done as a part of its "substation servicing services." First Office Action, p. 2. Applicant responded to the refusal by submitting an Amendment to Allege Use as well as evidence of the extent of the use of the mark. Based on this evidence, applicant alleged that the mark had become distinctive. The examining attorney found that applicant's evidence did not show that the mark had become distinctive of applicant's services.

When the examining attorney ultimately made the refusal to register final, applicant filed a notice of appeal and a request for reconsideration. When the request for reconsideration was not successful, this appeal followed.

The following evidence was submitted by the examining attorney and applicant in support of their positions. The

¹ The current examining attorney was not the original examining attorney in the case.

examining attorney has submitted numerous printouts retrieved from an electronic database in support of the argument that the mark SUBSTATION SERVICE COMPANY is merely descriptive and, despite applicant's position to the contrary, the examining attorney argues the mark "remains highly descriptive and has not acquired distinctiveness."

The most relevant articles are set out below:

We support these projects and are working with their developers to address issues such as transmission access, substation services and station power requirements.

PR Newswire, February 28, 2001.²

ABB provides turnkey substation services for large commercial and industrial consumers providing them access to lower cost and higher reliability power sources.

Federal News Service, September 5, 1997.

The New Horizons business line will design and construct transmission and distribution systems for utilities and others. It will offer full service construction, substation services, vegetation management and construction management, training and consulting.

Energy Services & Telecom Report, January 15, 1998.

There are also many other references that apparently refer to power substations in general or "police" substations;

² Newswire stories are entitled to some weight. In re Cell Therapeutics Inc., 67 USPQ2d 1795, 1798 (TTAB 2003) ("[I]t is much more likely that newswire stories will reach the public because they can be picked up and 'broadcast' on the Internet. In short, while we are not saying that newswire stories are of the same probative value as are stories appearing in magazines and newspapers, we think that the situation has changed such that said newswire stories have decidedly more probative value than they did" previously).

such references do not have any relevance to the issue in this case. Finally, applicant's specimen makes it clear that: "Owners of substations rely on SSC for transformer, relay, regulator, breaker, switch gear, and other equipment maintenance."

Applicant has submitted the following evidence in support of its argument (Declaration of L.F. Hilbers dated March 11, 2004) that its mark has acquired distinctiveness.

Applicant's mark "SUBSTATION SERVICE COMPANY" has become distinctive of the services by Applicant of substation repair and maintenance through Applicant's exclusive and continuous use of its Mark in commerce for over the twenty three (23) years immediately before the date of this statement. The Date of First Use is September 18, 1980 (09-18-1980). Since then for more than twenty three (23) years, the Mark "Substation Service Company" has been used exclusively by Applicant under which all of its business, namely of substation repair and maintenance, has been conducted.

Applicant's telephone is and always has been answered "Substation Service Company." All of Applicant's employee uniforms are clearly marked with "Substation Service Company." Numerous vendors have set up internal accounts that list Applicant as "Substation Service Company" exclusively.

Over these years Applicant has completed work in over thirty two (32) states for national customers, all of whom know Applicant exclusively as "Substation Service Company." Customers generated purchase orders, contracts and checks are all made out exclusively to "Substation Service Company." "Substation Service Company" has always been the exclusive trademark name of Applicant's company.

For the past more than twenty three (23) years and presently, Applicant continues to receive new business

from individuals exclusively seeking out Applicant by looking for "Substation Service Company." In 1990, an outside agency was commissioned to complete a brochure (pictures and company information) costing several tens of thousands of dollars. It identified Applicant's company as "Substation Service Company," exclusively. These brochures specifically introduce potential clients to Applicant exclusively as "Substation Service Company." Applicant's web site is www.substationsservice.com. All documentation such as invoices, contracts, quotations, checks, business cards, employee uniforms, test results, and other general office correspondence bear the name "Substation Service Company" exclusively. Applicant's vehicles are clearly marked exclusively with "Substation Service Company." Christmas cards, promotional items and the front of the building are clearly marked exclusively with "Substation Service Company." Since 1980, more than Five Hundred Thousand dollars (\$500,000) has been spent in advertising Applicant's services of substation repair and maintenance exclusively under the name "Substation Service Company."

Furthermore, over these twenty three (23) years, Applicant['s] annual income has steadily grown so that during the fiscal year ending March 31, 2002 (03-31-2002) Applicant grossed an annual income in the amount of Three Million dollars (\$3,000,000) for those services delivered by Applicant under this Mark. Applicant has conducted projects in over thirty two (32) states with one hundred (170) customers and currently has projects in seven (7) states.

DESCRIPTIVENESS

For a mark to be merely descriptive, it must immediately convey knowledge of the ingredients, qualities, or characteristics of the goods or services. In re Gyulay, 820 F.2d 1216, 1217, 3 USPQ2d 1009, 1009 (Fed. Cir. 1987); In re Quik-Print Copy Shops, Inc., 616 F.2d 523, 525, 205 USPQ 505, 507 (CCPA 1980). To be "merely descriptive," a

term need only describe a single quality or property of the goods or services. Meehanite Metal Corp. v. International Nickel Co., 262 F.2d 806, 120 USPQ 293, 294 (CCPA 1959).

Descriptiveness of a mark is not considered in the abstract, but in relation to the particular goods or services for which registration is sought. In re Abcor Dev. Corp., 588 F.2d 811, 814, 200 USPQ 215, 218 (CCPA 1978).

In this case, applicant has conceded that its mark is descriptive. See Applicant's Brief at 10 ("The evidence submitted in the Office Actions shows that CMI's mark is descriptive. CMI has not suggested otherwise"). We add that the evidence confirms that applicant is a company that provides maintenance and other services to substations. Therefore, the term SUBSTATION SERVICES COMPANY immediately describes a company that provides maintenance, repair and installation of electrical equipment services for substations.

ACQUIRED DISTINCTIVENESS

We now address the central issue in this appeal, whether applicant's term has acquired distinctiveness. Applicant must demonstrate that the mark has acquired distinctiveness under Section 2(f) of the Trademark Act. In re Nett Designs Inc., 236 F.3d 1339, 57 USPQ2d 1564,

1565 (Fed. Cir. 2001) ("A merely descriptive mark qualifies for registration only if the applicant shows that it has acquired secondary meaning"). Applicant has the burden of proving that its mark has acquired distinctiveness. In re Hollywood Brands, Inc., 214 F.2d 139, 102 USPQ 294, 295 (CCPA 1954) ("[T]here is no doubt that Congress intended that the burden of proof [under Section 2(f)] should rest upon the applicant"). "[L]ogically that standard becomes more difficult as the mark's descriptiveness increases." Yamaha Int'l Corp. v. Hoshino Gakki Co., 840 F.2d 1572, 6 USPQ2d 1001, 1008 (Fed. Cir. 1988).

Applicant's mark is SUBSTATION SERVICE COMPANY and it is clear from applicant's brochure that its company provides an assortment of services to "owners of substations." These services include transformer services, maintenance services, and rewinding and repair services. The term SUBSTATION SERVICE COMPANY is highly descriptive of a company that provides maintenance, repair, and other services to substations.

The examining attorney argues (brief at unnumbered p. 4) that:

[Applicant's] evidence is insufficient because (1) the allegations of sales and advertising expenditures do not establish that the proposed mark has acquired distinctiveness, (2) the Applicant never provided any actual evidence that the proposed mark served as a

source identifier for Applicant's services, and (3) the other evidence of the Applicant's use of the mark in its internal operations is either irrelevant or inadequate to establish that the public perception of "SUBSTATION SERVICE COMPANY" is an indicator of source.

The examining attorney "questions whether \$500,000 spent over the course of 23 years in 32 states, totaling roughly \$680 per year per state, is sufficient or significant enough to demonstrate Applicant's proposed mark's acquisition of distinctiveness." Brief at unnumbered p. 5. Regardless of how it is considered, applicant's argument that it spent \$500,000 promoting its mark over 23 years amounts to less than \$22,000 in advertising per year. This is hardly a significant advertising budget. We note that, concerning the advertising expenditures, the brochure that applicant produced in 1990 must have been a significant portion, since it cost "several tens of thousands of dollars." Applicant did not provide any information as to the time period in which this brochure was distributed, the number of copies distributed or, for that matter, the effectiveness of any of applicant's advertising efforts. The "mere statement of sales volume and advertising expenditures are not persuasive since there is no way of our determining whether these activities have had any

impact on purchasers." In re Kwik Lok Corporation, 217 USPQ 1245, 1248 (TTAB 1983).

Applicant's use of its trade name on its letterhead stationery, uniforms, trucks, and similar uses does not necessarily demonstrate that the relevant public recognizes applicant's trade name as a service mark for its repair and installation of electrical equipment services. The record is devoid of any evidence that any relevant purchasers recognize that the mark SUBSTATION SERVICE COMPANY identifies applicant as the source of the identified services. Applicant's evidence consists of, inter alia, the fact that: it uses the term in the course of its business; it has had 170 customers over 23 years; it currently has seven projects; in fiscal year 2002 it had \$3 million dollars in revenue; and it has spent a half million dollars over 23 years promoting its mark. When we look at applicant's evidence we can, at best, describe it as modest. Even when we consider that substation services are not purchased by ordinary consumers and the number of potential purchasers would not be large, applicant has given us no context to determine if its 170 customers in 23 years and its seven current projects is significant. On its face, applicant's evidence would seem to only show the

bare minimum of activity that an ongoing company would need in order to stay in business for 23 years.

Regarding the sales volume (\$3 million), again we do not have a context and it appears to be relatively modest. Applicant has not provided any context to demonstrate that this level of sales is significant in this industry. Furthermore, even if this evidence were more impressive, it does not necessarily demonstrate acquired distinctiveness. Seabrook Foods, Inc. v. Bar-Well Foods Limited, 568 F.2d 1342, 196 USPQ 289, 291 (CCPA 1977) ("The only evidence presented by Seabrook on secondary meaning is the sales volume of its products. Although such evidence may have relevance in establishing secondary meaning, it is not necessarily indicative of recognition of the mark by purchasers as an indication of source of the goods") (citation omitted). Even if, as applicant implies, its sales have grown, "this may indicate the popularity of the product [or service] itself rather than recognition of the mark." In re Bongrain International (American) Corp., 894 F.2d 1316, 13 USPQ2d 1727, 1729 (Fed. Cir. 1990). In addition, "[b]ecause of long use, large sales and advertising, it may be assumed that some persons might recognize a mark as designating origin, but that alone is

not enough." In re Andes Candies Inc., 478 F.2d 1264, 178 USPQ 156, 158 (CCPA 1973).

At this point, we emphasize that we have not considered applicant's evidence of acquired distinctiveness in isolation but as a whole. As indicated above, the evidence appears to show normal business activity rather than trademark recognition. See In re Soccer Sport Supply Co., 507 F.2d 1400, 184 USPQ 345, 348 (CCPA 1975) ("The advertisements of record do not support an inference of distinctiveness inasmuch as the evidence fails to disclose information from which the number of people exposed to the design could be estimated – such as circulation of the publications in which the advertisements appear, advertising expenditures, number of advertisements published, volume of sales of the soccer balls, and the like"). Considering the highly descriptive nature of applicant's mark and the limited evidence of acquired distinctiveness, we find that applicant failed to meet its burden of showing that its mark has acquired distinctiveness.

Decision: The examining attorney's refusal to register applicant's mark SUBSTATION SERVICE COMPANY on the ground that the mark is merely descriptive and that

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applicant has not shown that the mark has acquired
distinctiveness is affirmed.