

Mailed: August 14, 2006

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Cash Flow Solutions, Inc.

Serial No. 78318677

David M. Lafkas, Lafkas Patent LLC for Cash Flow Solutions, Inc.

Linda M. Estrada, Trademark Examining Attorney, Law Office 104 (Chris Doninger, Managing Attorney).

By the Board:

On August 11, 2006, the Board issued a final decision in this ex parte appeal. The Board's opinion was inadvertently designated as "CITABLE AS PRECEDENT OF THE TTAB."

Attached is a copy of the decision, marked with the correct indication "THIS DISPOSITION IS NOT CITABLE AS PRECEDENT OF THE TTAB."

The time for appeal or for requesting reconsideration will run from August 14, 2006.

**THIS DISPOSITION IS NOT
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Before Rogers, Kuhlke and Cataldo, Administrative Trademark Judges.

Opinion by Kuhlke, Administrative Trademark Judge:

Cash Flow Solutions, Inc. has filed an application to register CASH FLOW SOLUTIONS (in standard character form) on the Principal Register for "check verification and collection services" in International Class 36.¹

The examining attorney refused registration under Section 2(e)(1) of the Trademark Act, 15 U.S.C.

§1052(e)(1), on the ground that applicant's mark is merely

descriptive of its services.² Applicant responded by arguing against the Section 2(e)(1) refusal. When the examining attorney made the descriptiveness refusal final applicant responded by filing an amendment to seek registration under Section 2(f) of the Trademark Act based on substantially exclusive and continuous use in commerce for more than five years.³ The examining attorney maintained the refusal under Section 2(e)(1) and stated that the declaration was insufficient to establish acquired distinctiveness. Applicant filed a response maintaining that the mark is not descriptive and submitting evidence in support of its allegation of acquired distinctiveness. After considering the additional evidence the examining attorney issued a final office action stating that the evidence was insufficient to establish acquired distinctiveness in view of the highly descriptive nature of the proposed mark. Applicant has appealed. Both applicant and the examining attorney have filed briefs, but an oral

¹ Application Serial No. 78318677, filed October 26, 2003, under Section 1(a) of the Trademark Act, 15 U.S.C. §1051(a), alleging May 1, 1998 as the date of first use and first use in commerce.

² The examining attorney also refused registration under Section 2(d) based on likelihood of confusion with a prior registration, and required an amendment to the recitation of services and the submission of a specimen. The Section 2(d) refusal and requirements were subsequently withdrawn.

³ Although applicant did not specifically state that it was seeking registration pursuant to Section 2(f) in the alternative,

hearing was not requested. We affirm the refusal to register.

As a preliminary matter, we note the examining attorney's objection to applicant's reference in its brief to a third-party application which was not made of record and request "that this evidence not be considered." The examining attorney's objection is sustained to the extent that applicant did not make this application properly of record and any reference to it has no probative value. See Trademark Rule 2.142(d) (the record in the application should be complete prior to the filing of an appeal).

"A mark is merely descriptive if it 'consist[s] merely of words descriptive of the qualities, ingredients or characteristics of' the goods or services related to the mark." In re Oppedahl & Larson LLP, 373 F.3d 1171, 71 USPQ2d 1370, 1371 (Fed. Cir. 2004), quoting, Estate of P.D. Beckwith, Inc. v. Commissioner, 252 U.S. 538, 543 (1920). See also In re MBNA America Bank N.A., 340 F.3d 1328, 67 USPQ2d 1778, 1780 (Fed. Cir. 2003). The test for determining whether a mark is merely descriptive is whether it immediately conveys information concerning a quality, characteristic, function, ingredient, attribute or feature

it is clear from all of its papers that it continues to argue that the mark is inherently distinctive

of the product or service in connection with which it is used, or intended to be used. In re Engineering Systems Corp., 2 USPQ2d 1075 (TTAB 1986); In re Bright-Crest, Ltd., 204 USPQ 591 (TTAB 1979). It is not necessary, in order to find a mark merely descriptive, that the mark describe each feature of the goods or services, only that it describe a single ingredient, quality, characteristic, function, feature, purpose or use of the goods. In re Gyulay, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987). 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 mark is used, and the impact that it is likely to make on the average purchaser of such goods or services. In re Abcor Dev. Corp., 588 F.2d 811, 200 USPQ 215, 218 (CCPA 1978).

In support of her position, the examining attorney submitted the following dictionary definitions from The American Heritage Dictionary of the English Language, (3d ed. 1992) for "cashflow" and "solutions":

Cashflow: 1. The pattern of income and expenditures, as of a company or person, and the resulting availability of cash; 2. The cash receipts or net income from one or more assets for a given period, reckoned after taxes and

other disbursements, and often used as a measure of corporate worth.

Solutions: 3. a. The method or process of solving a problem. B. The answer to or disposition of a problem 4. Law. Payment or satisfaction of a claim or debt.

In addition, she submitted printouts from various websites retrieved from the Internet where the phrase "cash flow solutions" is used by third parties in connection with various services including accounts receivable financing, pre-authorized checking and bank drafting, electronic fund transfers, and fee collection services. The examining attorney highlighted the following excerpts from the Internet evidence:⁴

Advertisement from www.happybanking.com stating "Business Banking Cash Flow Solutions...Isn't It Time You Stopped Bankrolling your Customers?"

Advertisement from www.wachovia.com stating "Cash flow solutions include, among other products, ecommerce, integrated payables and receivables, information reporting via web or PC."

Advertisement from www.enbs.com stating "Pre-Authorized Bank Drafting ...Our instant and reliable cash flow solutions can help eliminate many of your collection problems before they occur."

Advertisement from www.nationalcashflow.com stating "Modern Cashflow Solutions...To carry your Business Into the Next Millennium."

⁴ One example presented by the examining attorney is not probative inasmuch as the phrase "cash flow solutions" appears to be used as part of a tradename rather than in a descriptive manner. See www.winsomecorp.com.

Advertisement from www.cashnoproblem.com referencing pre-authorized checking and checks by phone services stating "Cash flow solutions...Welcome to the website dedicated to helping all kinds of businesses increase their cash flow using innovations in technology. On this site you will find solutions that will increase the amount of money you collect from customers and decrease the time it takes to collect it";

Advertisement from www.evergreencash.com for electronic check payment services with the heading "Evergreen Cashflow Solutions";

Advertisement from www.bizwiz.com for automated bank drafts under the heading Cash Flow Solutions states "Automated bank drafts have been used by insurance companies to collect monthly payments for over 30 years...";

Advertisement from www.safe-solutions.com stating "Our company is a 'cash flow solutions' based entity. We offer a variety of solutions by moving money electronically at the point of sale and via the internet with a scope of products ranging from electronic non-sufficient fund check recovery to complete e-commerce applications...an online real time electronic check...Phone checks are another expedient alternative as well..."

We are persuaded by the evidence of record that the separate terms CASH, FLOW and SOLUTIONS are merely descriptive of applicant's recited services and that when combined do not present a unique or incongruous meaning.⁵

In re Tower Tech, Inc., 64 USPQ2d 1314 (TTAB 2002).

⁵ Despite the space between "cash" and "flow" these words appearing next to each other have the same meaning as the compound word "cashflow" when viewed in the context of applicant's services.

We determine the descriptiveness of a term in the context of the goods or services in issue, not in the abstract. In *re* Chopper Industries, 222 USPQ 258 (TTAB 1984); In *re* Bright-Crest, Ltd., 204 USPQ 591 (TTAB 1979). Certainly applicant's collection services encompass or are competitive with the services advertised by third parties in the Internet printouts and these third parties are using the exact phrase "cash flow solutions" to assist in describing the services they provide. As shown in applicant's specimen of use, which is an advertising brochure, applicant's services deal with, *inter alia*, electronic check recovery and "traditional collections" to achieve a high collection rate. The dictionary definitions of the proposed mark's constituent parts simply confirm the descriptive nature of the mark. Cashflow describes the "pattern of income and expenditures" of a company and solutions is a commonly used word to describe a "process of solving a problem."

Applicant argues that CASH FLOW SOLUTIONS is suggestive rather than descriptive because "Cashflow is a vast economic topic comprising issues and matters too numerous to identify and describe here [and] Applicant merely offers what it hopes to be resolutions to one of countless aspects of cashflow issues, that is, check

verification and collection services, that a person or company may be experiencing, while suggesting that the Applicant has the answers to the greater monetary availability issues a third party may be experiencing." This argument is not persuasive. The possibility that the term "cashflow" may encompass more than just applicant's check verification and collection services is not controlling; it is enough that a purpose or feature of applicant's services is included within the meaning of the term. See *In re Chopper Industries*, supra; and *In re Bright-Crest, Ltd.*, supra.

Looking at the average or ordinary prospective customers of applicant's services, as we must, *In re Omaha National Corp.*, 819 F.2d 1117, 2 USPQ2d 1859 (Fed. Cir. 1987), the average consumer of applicant's check verification and collection services would certainly know and be familiar with the terms "cash flow" and "solutions." Nor would it take any speculation or mental leap to understand that the phrase CASH FLOW SOLUTIONS refers to a service that would provide them with a solution to their cash flow problems.

Viewing CASH FLOW SOLUTIONS as a whole, we find the evidence of record sets forth a prima facie case that it is descriptive. We particularly note the examples in the

record where the exact phrase is used in a descriptive manner. Thus, we are persuaded that when applied to applicant's services, the phrase CASH FLOW SOLUTIONS immediately describes, without need for conjecture or speculation, a significant feature or function of applicant's services, namely solutions for potential customers' cash flow problems. Nothing requires the exercise of imagination, cogitation, mental processing or gathering of further information in order for prospective consumers of applicant's services to perceive readily the merely descriptive significance of the phrase CASH FLOW SOLUTIONS as it pertains to applicant's services.

We turn now to applicant's Section 2(f) claim of acquired distinctiveness. It is applicant's burden to prove acquired distinctiveness. *Yamaha International Corporation v. Hoshino Gakki Co., Ltd.*, 840 F.2d 1572, 6 USPQ2d 1001, 1006 (Fed. Cir. 1988); *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*, 6 USPQ2d at 1008. A claim that applicant has been using the subject matter for a long period of substantially exclusive use may

not be sufficient to demonstrate that the mark has acquired distinctiveness. See *In re Gibson Guitar Corp.*, 61 USPQ2d 1948, 1952 (TTAB 2001) (66 years of use). The amount and character of evidence required to establish acquired distinctiveness depends on the facts of each case, *Roux Laboratories, Inc. v. Clairol Inc.*, 427 F.2d 823, 166 USPQ 34 (CCPA 1970), and more evidence is required where a mark is so highly descriptive that purchasers seeing the matter in relation to the services would be less likely to believe that it indicates source in any one party. See *In re Bongrain International Corp.*, 894 F.2d 1316, 13 USPQ2d 1727 (Fed. Cir. 1990). Evidence of acquired distinctiveness can include the length of use of the mark, advertising expenditures, sales, survey evidence, and affidavits asserting source-indicating recognition. However, a successful advertising campaign is not in itself necessarily enough to prove secondary meaning. *In re Boston Beer Co. L.P.*, 198 F.3d 1370, 53 USPQ2d 1056 (Fed. Cir. 1999) (claim based on annual sales under the mark of approximately eighty-five million dollars, and annual advertising expenditures in excess of ten million dollars, not sufficient to establish acquired distinctiveness in view of highly descriptive nature of mark).

In this case, as proof of acquired distinctiveness, applicant submitted the declaration of Kasey Princell, its CEO, attesting that the mark has been in substantially exclusive and continuous use in commerce in connection with the identified services for more than five years preceding the date of the declaration. In addition, applicant states that it has been using the mark "since 1998," and has "invested more than \$161,000 in marketing and advertising alone." Response to Office Action p. 2 (August 24, 2005). Applicant further states that it (1) attended numerous conventions as an exhibitor in Las Vegas, Nevada, Miami Beach, Florida, and Orlando, Florida, (2) forwarded mailers to registered attendees, (3) advertises in trade journals in different industries (e.g., dry cleaning service providers and pizza delivery restaurants), (4) conducts direct marketing through postcard mailings to "thousands" of potential clients, (5) provides quarterly newsletters for clients and potential clients, (6) maintains an Internet website, and (7) "has contracted listing services on major Internet search engines" so that a search for "cash flow solutions" provides applicant's website "first or as the primary sponsor." Response p. 4. Applicant submitted examples of its direct mailings, newsletters, print advertisements, and photographs of its display at the

exhibitions. Applicant indicated that 5,008 pizza delivery franchisees have been exposed to its mark via the trade journal advertisements and "over 50,000 pizza and pasta restaurants and related delivery service providers" were exposed to its mark via the direct marketing campaign. Response p. 3. From this evidence, applicant has established that it has displayed its proposed mark in connection with its services on the Internet, in direct mail and print advertisements, and at exhibition conventions. Applicant did not provide any sales data. Applicant notes that it "is not in a position to state the names of its clients, due to confidentiality agreements, and thereby is unable to provide such direct proof." Br. p. 15. While that may be the case, applicant could have at least indicated the amount of sales it has had and approximately how many clients. In addition, while applicant has indicated that the amount it has expended is large in comparison to the size of its company, that is not as relevant as the size of the market applicant is attempting to reach and applicant's success in that endeavor.

The examining attorney argues that the evidence is not sufficient to establish acquired distinctiveness stating that "while it demonstrates applicant's efforts to

advertise the services, the evidence does not show that the proposed mark has actually acquired distinctiveness." Br. unnumbered p. 9. The examining attorney takes the position that the phrase is highly descriptive and that "as a result of the common use of the wording cash flow solutions in the financial industry in connection with check verification and collection services, consumers do not associate the proposed mark with a single source." Br. unnumbered p. 11.

In view of the highly descriptive nature of the phrase CASH FLOW SOLUTIONS, applicant's evidence of acquired distinctiveness is insufficient to show that the applied-for mark has come to be recognized as an indication of origin of the services in applicant. Applicant did not state how many attendees were at the exhibitions and exposed to applicant's mark in that manner, nor did applicant state how frequently the direct marketing mailings have been mailed. While 50,000 is not an insubstantial number of direct marketing pieces, we cannot know the real meaning of this number because we do not know the size of applicant's consumer base, although we note that the recitation of services would include any enterprise of any size as a potential customer. Moreover, we do not know how frequently these mailings have been sent; one time receipt in the mail without follow up

exposure is not enough to overcome the highly descriptive nature of this mark. Therefore, we conclude that applicant has failed to meet its burden of demonstrating acquired distinctiveness.

Decision: The refusal to register is affirmed under Section 2(e)(1). The applied-for mark as a whole is merely descriptive and applicant has not established, under Section 2(f), that it has acquired distinctiveness.