

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE TTAB DEC. 9, 99

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Festival Markets, Inc.

Serial No. 75/138,331

Glenn S. Bacal of Quarles & Brady LLP for Festival Markets,
Inc.

Catherine K. Krebs, Trademark Examining Attorney, Law
Office 108 (David Shallant, Managing Attorney)

Before Hairston, Chapman and Holtzman, Administrative
Trademark Judges.

Opinion by Chapman, Administrative Trademark Judge:

Festival Markets, Inc. has filed an application to
register the mark INDOOR SWAPMART for "flea market
services, namely, the operation of flea markets."¹

Registration has been refused under Section 2(e)(1) of
the Trademark Act on the basis that, when used in
connection with applicant's services, the mark is merely

¹ Application Serial No. 75/138,331, filed July 23, 1996. The
claimed date of first use is April 20, 1991.

descriptive of them.² The Examining Attorney also found that applicant's alternative claim of distinctiveness under Section 2(f) is insufficiently supported.

Applicant has appealed.³ Both applicant and the Examining Attorney have filed briefs, but an oral hearing was not requested.

The issues before the Board are (1) whether applicant's mark INDOOR SWAPMART is merely descriptive when applied to its services; and (2) if the mark is merely descriptive, whether applicant has submitted sufficient evidence of acquired distinctiveness under Section 2(f) to overcome the refusal to register under Section 2(e)(1).

Turning first to the question of descriptiveness, the Examining Attorney submitted definitions of the following

² The Examining Attorney utilized the term "generic" in some of her Office actions, but she did not issue a clear, and separate refusal to register on that basis. Applicant addressed the issue "in an abundance of caution" (applicant's brief, p. 1). The Examining Attorney concurred that "there was no specific refusal on the grounds that the proposed mark is not capable of functioning as a mark because it is generic." (Examining Attorney's brief, p. 2). Thus, there is no refusal to register on the ground of genericness in this case. We emphasize that any refusal(s) to register and the statutory ground(s) therefore must be clearly set forth in the Office actions. See TMEP §1106.01.

³ Along with its brief, applicant also filed a request for a remand to the Examining Attorney for consideration of new evidence. In her brief, the Examining Attorney waived any objection to the entry of all of the evidence submitted with the request for remand. The record is clear that the Examining Attorney considered the involved evidence. The Board has also considered all of applicant's additional evidence.

terms from the Random House Unabridged Dictionary (2nd ed. 1993):

- (1) "indoor" is defined as "occurring, used, etc., in a house or building, rather than out of doors";
- (2) "swap" is defined as "exchange, barter or trade as one thing for another..."; and
- (3) "mart" is defined as "1. market, trading center, trade center. 2. A building, center, or exposition for the sale of goods by manufacturers and wholesalers to retail merchants. 3. Archaic. A fair. 4. Obs. Bargain."

The Examining Attorney also submitted several third-party registrations which include disclaimers of the component words ("indoor," "swap," and "mart"); and Nexis and Dialogue story excerpts such as the following:

- (1) "Recreation Department and Twin Rivers Bass Club will host the First Annual Fishing Tackle - New and Used - Sale and **Swap Mart** from 8am-2pm, Saturday..." News & Record (Greensboro, NC), January 24, 1996;
- (2) "The General Services Administration no longer wants to run the government's used computer **swap mart**. GSA officials have proposed amending the Federal IRM Regulation to give agencies authority to dispose of their own excess hardware." Government Computer News, June 5, 1995;
- (3) "Headline: Second string: Fake Apparel Earns Counterfeiters Millions" "...everyday," Alan Baskin of the Arizona Attorney General's Office said. 'It's on street corners, shopping malls and at **swap marts**.'" The Phoenix Gazette, February 3, 1995;

- (4) "...high-tech Denver International Airport, thus, leaving Stapleton to find a second lease on life as an **indoor swap mart**, United is taking GADS with it..." AI Expert, October 1994;
- (5) "Headline: Shopper's World picks Mesa as site for its 2nd **swap mart**" "Shopper's World, the **indoor swap mart** that insists it's not a flea market, plans to open a second Valley market next month in..." Mesa Tribune, November 3, 1993; and
- (6) "...newly formed North Encanto Neighborhood Association. The booklet also includes tips for selling and setting up merchandise for **swap marts** and craft fairs...." The Arizona Republic, March 6, 1993.

The Examining Attorney essentially contends that this evidence establishes that the mark INDOOR SWAP MART has an immediately recognizable descriptive meaning, specifically, that "it is a market where value is exchanged, or swapped." (Examining Attorney's brief, p. 3).

Applicant, in urging reversal of the refusal, contends that the mark is only suggestive of flea market services; and that the common descriptive terms for applicant's services are "flea markets" or "swap meets."⁴

A mark is unregistrable under Section 2(e)(1) of the Trademark Act as merely descriptive of the services in

⁴ "Swap meet" is defined on a page from the Random House Unabridged Dictionary (2nd ed. 1993) submitted by the Examining Attorney, as "a fair or bazaar where objects, usually secondhand, are bartered or sold." We take judicial notice of the following definition of "flea market" from The American Heritage Dictionary (1976) as "a shop or open market selling antiques, used household goods, curios, and the like." See TBMP §712.

connection with which it is used if it immediately and forthwith conveys information about the characteristics, features or functions of those services. See *In re Omaha National Corp.*, 819 F.2d 1117, 2 USPQ2d 1859 (Fed. Cir. 1987); and *In re Abcor Development Corp.*, 588 F.2d 811, 200 USPQ 215 (CCPA 1978).

Initially, we note that applicant has agreed to disclaim the term "indoor," stating that the "Examiner has convinced Applicant on this point. Therefore, Applicant is willing to disclaim 'indoor' apart from the mark as shown." (Applicant's response filed January 23, 1998, p. 9)

We agree with the Examining Attorney that this mark immediately and directly conveys information about the nature of applicant's services, i.e., flea markets which are held indoors. The public would readily understand that this mark merely describes these services. See *In re Gyulay*, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987).

Accordingly, we find that applicant's mark is merely descriptive as applied to applicant's goods.

Turning now to the merits of applicant's alternative position that the mark INDOOR SWAPMART has acquired distinctiveness, applicant has the burden of establishing that its mark has become distinctive. See *Yamaha*

International Corp. v. Hoshino Gakki Co. Ltd., 840 F.2d 1572, 6 USPQ2d 1001, 1006 (Fed. Cir. 1988).

The question of acquired distinctiveness is one of fact which must be determined on the evidence of record. As the Board stated in the case of Hunter Publishing Co. v. Caulfield Publishing Ltd., 1 USPQ2d 1996, 1999 (TTAB 1986):

"[e]valuation of the evidence requires a subjective judgment as to its sufficiency based on the nature of the mark and the conditions surrounding its use."

There is no specific rule as to the exact amount or type of evidence necessary at a minimum to prove acquired distinctiveness, but generally, the more descriptive the term, the greater the evidentiary burden to establish acquired distinctiveness. See *In re Bongrain International (American) Corp.*, 894 F.2d 1316, 13 USPQ2d 1727 (Fed. Cir. 1990); and *Yamaha*, supra at 1008. See also, 2 J. McCarthy, McCarthy on Trademarks and Unfair Competition, §15:28 (4th ed. 1999).

In support of its claim of acquired distinctiveness, applicant submitted several unsolicited media articles regarding its INDOOR SWAPMART flea markets; and the declaration of Roger Karber, president of applicant. In his declaration, Mr. Karber avers that when applicant was in the process of choosing a mark, it first conducted focus

group research where consumers were asked to consider and comment on a variety of names; and that the focus group considered the term "SwapMart" as an indicator of source, whereas the terms "swap meet" and "flea market" were common references to these marketplaces. He further avers that applicant's use of the mark INDOOR SWAPMART commenced in 1991, and since then applicant has spent \$2,217,500 on print publications (e.g., West Coast Merchandiser, The Business Journal, Phoenix New Times, Arizona Republic, Arts and Crafts Chronicle, Arizona Woman) and electronic media advertising; and that as shown in the Table of Weekly Advertising Impressions for electronic media buying, applicant has made 1.6 billion consumer impressions through television and radio advertising.

Also in the Karber declaration is information that in August 1993 applicant hired WestGroup Marketing Research to conduct a random, unaided, consumer telephone survey wherein respondents were asked to identify all swap meets for which they had seen ads in the last 30 days, and 53% specifically recalled seeing the "Indoor SwapMart" ads, the highest recall among consumers of all swap meets in the Phoenix area. In a follow-up question, for those that did not mention "Indoor SwapMart" in response to the previous question, they were asked if they had heard of "Indoor

SwapMart" and 72.1% responded yes. Mr. Karber avers that this survey shows that applicant's marketing efforts have been successful and that the consuming public recognizes INDOOR SWAPMART as a "single, distinctive source of flea market services." Finally, he avers that applicant diligently polices its mark, having successfully stopped others in the industry (including a swap meet in Flagstaff, Arizona) from using "SWAPMART" as part of their names or marks or in their advertisements.

The Examining Attorney contends that the involved mark is highly descriptive and thus, applicant's declaration of use since 1991 is not sufficient; that some of applicant's evidence of unsolicited media coverage is "equivocal"; that although applicant provided evidence of "substantial advertising," there is "no evidence of the geographical extent of the advertising" (Examining Attorney's Office action dated July 23, 1997, p. 2), but rather, the advertising appears to be limited to the Arizona area⁵; and that applicant's consumer survey involved a limited geographical area where the population was "subjected to

⁵ The fact that much of applicant's advertising and use is concentrated in the Arizona area does not, by itself, indicate a lack of acquired distinctiveness. There is no requirement in Section 2(f) of the Trademark Act, nor in any judicial precedent of which the Board is aware, that an applicant must prove nationwide or state-by-state consumer recognition of a term as indicating source of the goods or services.

saturation advertising." (Examining Attorney's brief, p. 11). Further, the Examining Attorney contends that perhaps consumers recognize not the words INDOOR SWAPMART as a trademark, but rather the unique design silhouette which appears on applicant's specimens of record.

It is clear from the evidence in this case, that the applied-for mark is highly descriptive, thus, requiring a greater showing of acquired distinctiveness. While both applicant's advertising figures and the number of "consumer impressions" from radio and television advertising are impressive, these are not determinative of acquired distinctiveness. That is, this information may show the popularity of applicant's services, but it does not establish that the term INDOOR SWAPMART functions as a mark to identify and distinguish the services rendered by applicant.

We are also not persuaded by applicant's 1993 survey because it is not surprising that persons remember applicant's advertisements in view of applicant's massive advertising in the local area where the telephone survey was conducted.

We agree with the Examining Attorney that the articles are "equivocal" and thus do not establish that applicant's mark has acquired distinctiveness.

In the instant case, the overall evidence is insufficient to establish a prima facie showing that applicant's highly descriptive mark has acquired distinctiveness.⁶ See *In re Pennzoil Products Co.*, 20 USPQ2d 1753 (TTAB 1991); and *In re Redken Laboratories, Inc.*, 170 USPQ 526 (TTAB 1971).

Decision: The refusal to register is affirmed.

P. T. Hairston

B. A. Chapman

T. E. Holtzman
Administrative Trademark Judges,
Trademark Trial and Appeal Board

⁶ The Examining Attorney requested in her brief (p. 10) that the Board take judicial notice of excerpts from a geographical dictionary (1988) and a world almanac (1993) regarding the populations of Phoenix, Tucson and Arizona. We have determined this case without reference to these publications. Hence, the Examining Attorney's request regarding judicial notice is moot.