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Paper No. 13
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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Jade Corporation

Serial No. 75/378,612

Benjamin H. Kaminash and Daniel P. Larsen of Atet Wynne LLP for Jade Corporation.

Virginia T. Isaacson, Trademark Examining Attorney, Law Office 110 (Chris A.F. Pedersen, Managing Attorney).

Before Simms, Walters and Bucher, Administrative Trademark Judges.

Opinion by Bucher, Administrative Trademark Judge:

Jade Corporation has filed a trademark application to register the mark LOCALDIAL for "telecommunications gateway services in the nature of providing intrastate and interstate telecommunications connections by bypassing long distance tolls by use of global communication network technology and protocols," in International Class 38.¹

¹ Application Serial Number 75/378,612, filed on October 24, 1997, based upon an allegation of a *bona fide* intention to use the mark in commerce. On January 14, 1999, applicant filed an amendment to allege use claiming dates of first use of December 20, 1997.

While applicant originally sought registration on the Principal Register, after receiving the initial refusal under Section 2(e)(1) of the Act, 15 USC §1052(e)(1), applicant submitted its amendment to allege use and simultaneously amended this application to seek registration on the Supplemental Register. The Trademark Examining Attorney then refused registration on the ground that the asserted mark is generic as applied to applicant's services and therefore it is incapable of identifying these services and distinguishing them from similar services of others.

Applicant has appealed. Both applicant and the Examining Attorney have filed briefs, but an oral hearing was not held. We reverse the refusal to register.

The specimens indicate that for a flat, monthly fee, applicant provides its customers with a less expensive alternative to traditional long-distance telephone services, at least within designated calling areas. Although applicant relies upon "global communication network technology and protocols" as the backbone for this calling service, the only appliance the customer needs is a tone-generating telephone handset, not a computer. Prior to dialing one's destination telephone number, the subscriber must first dial up a local access telephone number - presumably connecting to applicant's server, which in turn is connected to the Internet.

Turning then to the issue of genericness, it is the Trademark Examining Attorney's position that applicant's "mark LOCALDIAL describes the central characteristic of the services - consumers use a local dial access phone number to avoid local toll calling." (Trademark Examining Attorney's appeal brief, p. 4). Therefore, the Trademark Examining Attorney asserts that LOCALDIAL is a generic name for applicant's services.

In support of her position, the Trademark Examining Attorney has made of record excerpts of articles taken from the NEXIS® database using the combined words "local dial" in conjunction with telecommunications, telephones and the Internet.

The Examining Attorney has the burden of proving genericness by "clear evidence" thereof. See In re Merrill Lynch, Pierce, Fenner & Smith, Inc., 828 F.2d 1567, 4 USPQ2d 1141, 1143 (Fed. Cir. 1987).

Determining whether a mark is generic ... involves a two-step inquiry: First, what is the genus of goods or services at issue? Second, is the term sought to be registered ... understood by the relevant public primarily to refer to that genus of goods or services?

H. Marvin Ginn Corp. v. International Ass'n of Fire Chiefs, Inc., 782 F.2d. 987, 228 USPQ 528 (Fed. Cir. 1986). Of course, in a proceeding such as this, the genus of services at issue are drawn from the recital of services in the application itself.

Magic Wand Inc. v. RDB Inc., 940 F.2d 638, 19 USPQ2d 1551, 1552 (Fed. Cir. 1991) ["Thus, a proper genericness inquiry focuses on the description of services set forth in [the application or] certificate of registration."].

The evidence of record shows that the genus of the service at issue herein is long distance telephone service. After carefully reviewing all of the evidence submitted by applicant and the Trademark Examining Attorney, we find that the Office has not met its burden of proving that the consuming public would refer to that genus of goods as LOCALDIAL.

According to the Trademark Examining Attorney, "A search of the LEXIS/NEXIS® database and the Internet shows widespread use of the words 'local dial' for a variety of telecommunications services. These articles use the words in a generic manner as noted in the excerpted articles below." In her brief, the Trademark Examining Attorney has highlighted the following NEXIS® articles:

"Sprynet, an America Online subsidiary, is now offering customers local dial access to the Internet through a partnership with Gric Communications." *Network World*, September 14, 1998.

"Companies will still want modems for local dial access and for mission-critical applications..." *TechWeb News*, April 3, 1998.

"...the service offers local dial access numbers in more than 500 cities." *National Underwriter*, December 8, 1997.

"Companies such as the ... which provide authentication, verification and settlement services similar to those in the cellular telephone industry, can give any ISP's users local-dial access to networks all over the world." *InternetWeek*, October 6, 1997.

"Santel Internet - provides local dial access to the communities of Artesian, Alpena, Carthage, Dimock, Ethan, Fedora, Mitchell, & surrounding South Dakota communities."

With respect to the Internet and LEXIS/NEXIS® evidence, none of these articles makes reference to "local dial" as a type of long distance telephone service. Rather, in reviewing all of the evidence in the instant record, we note that the two words "local dial" indeed occur together in that order, and are used in a number of descriptive ways for certain types of activities and products. But substantially all of the relevant excerpts use two specific three-word expressions: "local dial access" and "local dial tone." Variations on "local dial access" include "direct local dial access," or "local dial Internet access," as contrasted with "long distance access" or "800-service access." The term "local dial tone" is used within larger phrases like "local dial tone market," "local dial tone lines," etc. In each of these latter uses, it is clear that "dial tone" would be perceived as the composite phrase in these contexts when considering the connotation of the larger phrase.

Hence, we see that these entire three-word phrases ("local dial access" and "local dial tone") are used in a descriptive manner in the general context of telecommunications, and specifically describe the connection of personal computers to the Internet via one's local telephone hookup. This distinction is of importance because this usage is quite different from applicant's LOCALDIAL long-distance telephone services using Internet technology to bypass the tolls of the local toll and long distance carriers.

Given that a Trademark Examining Attorney who has submitted evidence from the NEXIS database and the web is presumed to have submitted the best evidence available to her from the searches of those media, In re Federated Dept. Stores, 3 USPQ2d 1541 (TTAB 1987), we must assume that such searches did not reveal any other references to the term "local dial" *per se*.

Of course, the issue in this appeal is not whether "local dial" might describe a primary characteristic of applicant's services, namely, that one can get around toll call charges by dialing a non-toll, local telephone number. Since the time of its response to the initial Office action and amendment to the Supplemental Register, applicant has conceded as much throughout most of the prosecution of this application.

As for the dictionary evidence, the Trademark Examining Attorney points to separate definitions of the word "local"² and the word "dial."³ If anything, this somewhat-dated, pre-Internet source placed in the record by the initial Trademark Examining Attorney demonstrates that the word "local" has a number of very different meanings in the field of telecommunications, all of which would seem to be at the opposite end of the spectrum from long distance telephone calling.

The Trademark Examining Attorney also includes examples of applicant's use of the terminology in the advertising copy comprising the specimens of record:

"Thank you for using the first calling service to provide all the calling you want in the LocalDial area for one low, flat monthly rate. We hope the information contained here is helpful for your use of LocalDial."

"What is LocalDial? LocalDial is an easy to use, supplemental phone service for flat, monthly rate calling within its designated calling area."

² Local. (1) Pertaining to that which is defined and used only in one subdivision of a computer program. Contrast with global. (2) Synonym for channel attached. (See local central office, local channel, local code, local lock, local loop, local processor, local service, local service area, local system queue area. (4) Contrast with remote. Vocabulary for Data Processing, Telecommunications and Office Systems (Seventh Edition, July 1981).

³ Dial. To use a dial or pushbutton telephone to initiate a telephone call. In telecommunications, this action is taken to attempt to establish a connection between a terminal and a telecommunications device over a switched line. Vocabulary for Data Processing, Telecommunications and Office Systems (Seventh Edition, July 1981).

"My LocalDial Access Phone Number is: (Use this space to keep your LocalDial Phone Number handy.)"

"LocalDial calling requires 2 separate dialing steps - after dialing the Access Pone Number you must wait until the 'Welcome Message' starts before speed dialing the Area Code with the Destination Phone Number."

According to the Trademark Examining Attorney, "A review of the advertising materials submitted by the applicant shows that the proposed mark is of such a nature that it would not be perceived as indicating source, but is rather a description of the services provided by the applicant."

By contrast, applicant argues that its "advertisement does not use LOCALDIAL merely as a description of the service, but rather to identify its long distance services... [T]hese excerpts from Applicant's brochure illustrate that Applicant uses the mark LOCALDIAL to identify the unique brand of service provided by Applicant." (applicant's reply brief p. 9). We agree with applicant on this point as well.

The fact that the term LOCALDIAL may be generic for goods or services which are similar to or even related to the goods or services as described in the application does not establish that LOCALDIAL is also generic for the latter goods or services. By way of example, the fact that the term TOUCHLESS was generic for automobile washing equipment did not establish that said term was likewise generic for automobile washing services. Magic

Wand, 19 USPQ2d at 1553. See also In re The Stroh Brewery Co., 34 USPQ2d 1796, 1797 (TTAB 1995) ["In addition, the fact that a term may be descriptive of certain types of goods does not establish that it is likewise descriptive of other types of goods, even if the goods are closely related."].

Thus, the burden rests with the Examining Attorney to establish that the mark sought to be registered is generic for the goods or services as described in the application. In re Merrill Lynch, 828 F.2d 1567, 4 USPQ2d 1141, 1143 (Fed. Cir. 1997). Moreover, it is incumbent upon the Examining Attorney to make a "substantial showing ... that the matter is in fact generic." Merrill Lynch, 4 USPQ2d at 1143. Indeed, as noted before, this substantial showing "must be based on clear evidence of generic use." Merrill Lynch, 4 USPQ2d at 1143. Thus, it is beyond dispute that "a strong showing is required when the Office seeks to establish that a term is generic." In re K-T Zoe Furniture Inc., 16 F.3d 390, 29 USPQ2d 1787, 1788 (Fed. Cir. 1994). Moreover, any doubt whatsoever on the issue of genericness must be resolved in favor of the applicant. In re Waverly Inc., 27 USPQ2d 1620, 1624 (TTAB 1993).

Decision: The refusal to register is reversed.

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Simms, Administrative Trademark Judge, concurring:

The issue of registrability of the asserted mark LOCALDIAL for applicant's long-distance telecommunications services is a close one. We must reverse if we find the term to be capable of distinguishing applicant's services, even though it may be very descriptive. See Section 23 of the Lanham Act.

Applicant is not seeking to register "LOCAL DIAL ACCESS" for these services, a term which I believe this record demonstrates is generic for long-distance telecommunications services as well as Internet access services. ("IPass, which offers users local dial-access phone numbers world-wide..."; "Unet is just beginning to deploy 100 fax servers around the world, which the company said will provide local-dial access to fax services from almost 1,000 global Unet points of presence..."; "NetWalk--provides flat rate local dial access to the greater Columbus metropolitan area"; "This expansion will allow customers that currently call long-distance...This expansion when completed will increase the regional population base to which NOL can offer local dial access by 3 million people"; "AT&T today released details of its international local-dial access service for AT&T Network Notes that will enable users in 32 countries to dial into the U.S..."; "Next quarter, MCI will offer local dial access from the country's top 12 metropolitan areas. Next year, it will extend local dial access, which is less expensive than 800 access, to the top 125 cities, MCI said.") While most of the references may be said to

pertain to Internet services, it is not clear to me that all of them are. Certainly, the general public, aware of local dial Internet access services would not believe that Local Dial Access for long-distance telecommunications services is anything but a generic term for a type of those services. It would not be capable of identifying and distinguishing applicant's services. Applicant's use does not help matters any. ("My LocalDial Access Phone Number is...")

But applicant is not seeking to register LOCAL DIAL ACCESS as a service mark; rather, it is seeking to register LOCALDIAL for its long-distance telecommunications services. It is certainly problematic that such a mark should be held generic on the basis of evidence that "local dial access" is a generic phrase for a type of telecommunications or Internet services. *Compare, for example, In re Central Sprinkler Co.*, 49 USPQ2d 1194 (TTAB 1998)(involving the mark ATTIC for automatic *sprinklers* installed primarily in the attic). Resolving doubt in favor of applicant, as we must, I would also reverse the refusal on this record.

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