

US: TRADE MARKS

TTAB refuses co-existence agreement

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US courts have long held that consent agreements should be given “great weight” by the USPTO when determining whether there is a likelihood of confusion between an applied-for mark and an existing registration. Indeed, the USPTO’s Trademark Manual of Examining Procedure (TMEP) specifically states that the USPTO “should not substitute its judgment concerning likelihood of confusion for the judgment of the real parties in interest without good reason, that is, unless the other relevant factors clearly dictate a finding of a likelihood of confusion”. Recently, however, in *In re Bay State Brewing Company, Inc.*, the Trademark Trial and Appeal Board (TTAB) issued a precedential decision in which it decided to affirm a likelihood of confusion refusal, notwithstanding the fact that the parties at issue had entered into a consent agreement.

The applicant, Bay State Brewing Company, had filed an intent-to-use-based trade mark application for the mark Time Traveler Blonde in standard characters with “blonde” disclaimed and covering beer. The USPTO had refused registration, claiming a likelihood of confusion with a registration for the mark Time Traveler, also in standard characters and covering beer, ale and lager. The applicant appealed the refusal, conceding that there is a likelihood of confusion between the marks but asserting that its mark should be registered because it had entered into a consent agreement with the owner of the cited Time Traveler registration.

The TTAB held that “there is no per se rule that a consent, whatever its terms, will always tip the balance to finding no likelihood of confusion, and it therefore follows that the content of each agreement must be examined”. Looking at the consent agreement submitted by the ap-

plicant with an express acknowledgement of the great weight that such agreements are entitled, the TTAB found that the consent agreement was outweighed by the other relevant likelihood of confusion factors, namely, that the marks are virtually identical, as are the goods, purchasers and channels of trade, and that the products are typically subject to impulse purchases.

The TTAB’s decision appears to have been influenced by the fact that certain of the agreed upon limitations in the consent agreement, namely, with respect to geographic restrictions and labelling requirements, were not reflected in the trade mark filings and, therefore, would not be reflected in any subsequently issued certificate of registration. For example, although the consent agreement contained geographical limitations on the applicant, the registrant was not similarly confined, the result being that there would still be overlapping geographical areas in which the parties sold their respective products. Similarly, the undertaking with respect to the appearance of the mark on the bottle label was not consistent with the broad protection afforded a registration for a mark in standard characters.

Therefore, the TTAB ruled that the consent agreement submitted “does not comprise the type of agreement that is properly designed to avoid confusion and does not fully contemplate all reasonable circumstances in which the marks may be used by consumers calling for the goods”. This decision is instructional because it reminds applicants that they may not be able to overcome a likelihood of confusion refusal even if they have secured a consent to register from the owner of the cited mark, as the TTAB is not obligated to accept a consent agreement in all situations. The decision also suggests that it may be appropriate or advisable to add express limitations to an application if that is the basis upon which the consent is provided by another party.

