

**UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451**

coggins

Mailed: July 10, 2013

Cancellation No. 92055228

Citadel Federal Credit Union

v.

KCG IP Holdings LLC

**Before Cataldo, Mermelstein, and Shaw,
Administrative Trademark Judges.**

By the Board:

This case comes up on respondent's motion (filed November 2, 2012) for summary judgment.¹

Background

On February 24, 2012, petitioner filed a petition for cancellation of Registration No. 3213943 on the ground of priority and likelihood of confusion under Section 2(d) of the Trademark Act of 1946, 15 U.S.C. § 1052(d).² After receiving

¹ Respondent's change of correspondence address (filed April 29, 2013) is noted and entered.

² Registration No. 3213943, issued February 27, 2007, under Section 1(a), for the mark CITADEL in standard characters, in connection with "financial services, namely, providing investment management services, investment consultation and advice, investment portfolio management services, investment brokerage

almost six months of consented extensions of time in which to file an answer, respondent filed an answer and shortly thereafter filed the outstanding motion for summary judgment.

The motion for summary judgment was originally filed as a "motion for judgment on the pleadings" seeking dismissal of this cancellation proceeding upon respondent's first affirmative defense (see Answer, paragraphs 13-19) that priority and likelihood of confusion is barred under *Morehouse Mfg. Corp. v. J. Strickland and Co.*, 407 F.2d 881, 160 USPQ 715 (CCPA 1969), based on respondent's incontestable Registration No. 2812459.³

In a November 5, 2012 order suspending proceedings pending disposition of respondent's motion, the Board noted that, inasmuch as respondent claimed that petitioner is precluded from asserting the ground of priority and likelihood of confusion under *Morehouse*, the motion relied on matters outside of the pleadings which the Board elected not to

services, mutual fund investment services and investment of funds for others" in Class 36.

³ Registration No. 2812459, issued February 10, 2004, under Section 1(a), for the mark  CITADEL in connection with "providing investment management services, investment consultation and advice, investment portfolio management services, investment brokerage services, mutual fund investment services, and investment of funds for others" in Class 36. Sections 8 and 15 accepted on February 19, 2010. A copy of an electronic printout of the registration from the Office's TARR database showing its status was attached to the Answer as Exhibit 2.

exclude, and therefore the motion was deemed one for summary judgment as to the *Morehouse* defense.

Procedural Issues

In its reply brief in support of the motion for summary judgment, respondent argues that petitioner's brief in opposition contains a case-dispositive admission against likelihood of confusion. Specifically, respondent argues that petitioner's statements relating to the similarity of the parties' services entitles respondent to summary judgment on petitioner's ground of priority and likelihood of confusion under Section 2(d). We note, however, that the motion for summary judgment is based solely on respondent's *Morehouse* defense - as respondent acknowledges at footnote 1 of its reply. In determining the motion for summary judgment based on respondent's *Morehouse* defense, we find respondent's arguments regarding likelihood of confusion, brought up for the first time in the reply brief, to be improper rebuttal and they have not been considered. Moreover, to the extent that respondent argues that petitioner has taken an inconsistent position in this cancellation proceeding vis-à-vis petitioner's statements during the prosecution of its trademark applications for the mark CITADEL by arguing in the application files that its mark is not likely to be confused with the subject registration (see reply, p. 3, and Hodgson Declaration attached thereto), we remind respondent that "the

doctrine of 'file wrapper estoppel' does not apply to trademark cases." *Giant Food, Inc. v. Standard Terry Mills, Inc.*, 229 USPQ 955, 963 (TTAB 1986).

Inasmuch as we have not considered respondent's improper rebuttal arguments, petitioner's sur-reply has been given no consideration, and petitioner's motion (filed March 6, 2013) for permission to file a sur-reply is denied. See Trademark Rule 2.127(e)(1) (after the movant's reply brief, "[t]he Board will consider no further papers in support of or in opposition to a motion for summary judgment").

Motion for Summary Judgment

Summary judgment is an appropriate method of disposing of cases in which there are no genuine disputes as to any material facts, thus leaving the case to be resolved as a matter of law. See Fed. R. Civ. P. 56(c). To prevail on its motion for summary judgment on the ground that petitioner's claim of priority and likelihood of confusion is barred by the *Morehouse* defense, respondent must show that there are no genuine disputes of material fact that it owns a prior registration for essentially the same mark registered in connection with essentially the same services that are the subject of the involved registration. See *Morehouse Mfg. Corp. v. J. Strickland & Co.*, 160 USPQ at 717; *O-M Bread Inc. v. United States Olympic Comm.*, 65 F.3d 933, 36 USPQ2d 1041,

1045 (Fed. Cir. 1995); and *Green Spot (Thailand) Ltd. v. Vitasoy Int'l Holding Ltd.*, 86 USPQ2d 1283, 1285 (TTAB 2008).

Inasmuch as petitioner does not dispute that respondent owns Registration No. 2812459 or that the services described in that prior registration are essentially the same services described in the subject registration, we find no genuine dispute as to these issues. Therefore, whether the *Morehouse* defense is available to respondent depends upon whether the mark in the subject registration is essentially the same as the mark in the prior registration. To make such a determination, we must compare the appearance, pronunciation, meaning, and commercial impression of the marks. *Green Spot*, 86 USPQ2d at 1285. Additionally, "no part of the mark can be ignored in comparing the marks as a whole." *O-M Bread*, 36 USPQ2d at 1045 (internal citation omitted).

Respondent essentially argues that its marks convey the same pronunciation, meaning, and commercial impression because the dominant element of the earlier composite mark

 CITADEL is the word CITADEL which is the very mark at issue in the subject registration, and that the design element of the earlier mark does not significantly change the pronunciation or perception of the dominant word element CITADEL. Petitioner, on the other hand, argues that the design element of respondent's earlier mark is a significant part thereof, that the two marks must be considered as a whole

(and not dissected), that the earlier design element prevents the two marks from being substantially identical, and that respondent incorrectly relies on the test for mark similarity under a likelihood of confusion analysis instead of the "essentially the same mark" analysis required under *Morehouse*.

In comparing respondent's earlier and later marks, we find that respondent has failed to demonstrate that there are no genuine disputes of material fact that its marks are essentially the same. We are not persuaded by respondent's arguments that the design element of the earlier mark does not change the appearance or commercial impression of the later standard character mark. The question is whether the marks in their entireties are *essentially the same*. See *O-M Bread*, 36 USPQ2d at 1045. See also *Green Spot*, 86 USPQ2d at 1287 n.9 ("[w]e note that *Morehouse* requires that the marks be essentially the same rather than merely confusingly similar"). When we consider respondent's earlier mark as a whole, the crenellated design element is a significant portion of the mark which presents a bold impression not present in the standard character mark. This element is not merely a small difference which requires "careful inspection to detect." *Morehouse*, 160 USPQ at 717. Nor are we persuaded by respondent's reliance on *In re Dixie Rests. Inc.*, 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997), *In re Max Capital Group Ltd.*, 93 USPQ2d 1243 (TTAB 2010), *In re RSI Sys. LLC*, 88

USPQ2d 1445 (TTAB 2008), or *In re Appetito Provisions Co. Inc.*, 3 USPQ2d 1553 (TTAB 1987), all of which involved *ex parte* appeals which considered similarity of marks under a *du Pont* likelihood of confusion analysis⁴; or reliance on *Nat'l Bakers Servs., Inc. v. Hain Pure Food Co., Inc.*, 207 USPQ 701 (TTAB 1980), or *Cont'l Specialties Corp. v. Cont'l Connector Corp.*, 192 USPQ 449, 452 (TTAB 1976). In *Nat'l Bakers Servs., Inc.*, the later mark HOLLYWOOD was presented in typed form (which is the equivalent of the standard character form of respondent's later mark),⁵ and the earlier mark HOLLYWOOD HEALTH FOODS was presented in a stylized script without any design element; however, in the instant case, respondent's earlier mark contains a significant design element which was not present or at issue in *Nat'l Bakers Servs., Inc.* In *Cont'l Specialties Corp.*, the later mark CONTINENTAL was presented in typed form, and the earlier marks were presented in stylized script against interlocking background designs; however, in the instant case, respondent's earlier mark contains a design element which is not merely a background design.

⁴ *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973).

⁵ Trademark Rule 2.52(a) was amended in 2003 to refer to "typed drawings" as "standard character" drawings. See 37 C.F.R. 2.52(a); and 68 Fed. Reg. 55,748 (Sept. 26, 2003).

Accordingly, we find as a matter of law that respondent's earlier and later marks are not essentially the same, and that the *Morehouse* defense is not available to respondent in this cancellation proceeding. In view thereof, respondent's motion for summary judgment is denied, and respondent's first affirmative defense (i.e., paragraphs 13-19) is stricken from the answer.⁶

Schedule

Proceedings are resumed. Dates are reset on the following schedule.

Deadline for Discovery Conference	7/31/2013
Discovery Opens	7/31/2013
Initial Disclosures Due	8/30/2013
Expert Disclosures Due	12/28/2013
Discovery Closes	1/27/2014
Plaintiff's Pretrial Disclosures	3/13/2014
Plaintiff's 30-day Trial Period Ends	4/27/2014
Defendant's Pretrial Disclosures	5/12/2014
Defendant's 30-day Trial Period Ends	6/26/2014
Plaintiff's Rebuttal Disclosures	7/11/2014
Plaintiff's 15-day Rebuttal Period Ends	8/10/2014

In each instance, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule

⁶ Inasmuch as we have determined that respondent's earlier and later marks are not substantially the same, and we have stricken respondent's prior registration defense, the parties should not address the issue at trial or in their final briefs.

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2.125. Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.