

THIS OPINION IS NOT A
PRECEDENT OF THE TTAB

Mailed:
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UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

—
Joseph Phelps Vineyards LLC
v.
Fairmont Holdings, Inc.

—
Cancellation No. 92057240
Registration No. 4213619

—
ON REMAND FROM THE U.S. COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

—
Thomas Schneck of Law Office of Thomas Schneck
for Joseph Phelps Vineyards LLC.

Kimberly Koblack of Law Offices of Kimberly Koblack
for Fairmont Holdings, Inc.

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Before Zervas, Ritchie and Gorowitz Administrative Trademark Judges.

Opinion by Gorowitz, Administrative Trademark Judge:

Joseph Phelps Vineyards, LLC (“Petitioner”) filed a petition to cancel the registration of Fairmont Holdings, Inc. (“Respondent”) for the mark ALEC BRADLEY STAR INSIGNIA in standard characters for “cigars, tobacco, cigar boxes, cigar cutters

and cigar tubes,” which was based on Petitioner’s allegation of likelihood of confusion between the mark in Respondent’s registration and Petitioner’s mark INSIGNIA, registered in typed form for “wines” in Class 33. Petitioner separately asserted common-law rights in the mark INSIGNIA for wine.

The Board issued a decision denying the petition to cancel. Petitioner appealed to the U.S. Court of Appeals for the Federal Circuit. The court of appeals vacated the Board’s decision “solely on the basis that the Board used an incorrect standard for fame” and remanded the matter to the Board “for redetermination of the merits of the cancellation petition.” *Joseph Phelps Vineyards, LLC v. Fairmont Holdings, LLC*, 857 F.3d 1323, 122 USPQ2d 1733, 1734-35 (Fed. Cir. 2017).¹ As noted by the court of appeals, our redetermination requires consideration of “all of the relevant factors on a scale appropriate to their merits.” *Id.* at 1734. A concurring opinion by Circuit Judge Newman urged “readjudication of all the relevant factors in the Board’s further consideration of the question of likelihood of confusion.” *Id.* at 1738. In order to appropriately balance the factor of fame in our likelihood of confusion analysis, we discuss all of the *du Pont* factors for which there is evidence of record.

I. The Record.

Examination of the relevant factors, including the issue of fame that prompted the remand, requires us to look at the entire record, which includes the pleadings, and by operation of Trademark Rule 2.122(b), 37 CFR § 2.122(b), the file of the

¹ It appears the court of appeals utilized Fairmont Holdings, LLC rather than Fairmont Holdings, Inc. because we did so in the appealed decision. The caption for this decision shows the correct reference to respondent’s entity designation.

registration sought to be cancelled. The parties stipulated to the introduction of testimony by declarations and other forms of evidence through notice of reliance.

Subject to this stipulation, the parties introduced the following:

A. Petitioner's evidence.

1. Webpages of third-parties for establishments selling both wine and cigars (Notice of Reliance 1);
2. Webpages of third-parties related to wine and cigar pairings (Notice of Reliance 2);
3. Webpages of third-parties related to flavored cigars (Notice of Reliance 3);
4. Certified copy of pleaded Registration No. 1123429 (Notice of Reliance 4);
5. Copy of specimen from registration file of Registration No. 4213619 (Notice of Reliance 5);
6. Article from October 21, 2013 issue of CIGAR AFICIONADO entitled *The Art of Wine and Cigars* (Notice of Reliance 6);
7. Webpages of third-parties regarding Respondent's ALEC BRADLEY STAR INSIGNIA products (Notice of Reliance 7); and
8. Declaration of William H. Phelps, President and CEO of Petitioner and exhibits thereto (Phelps Dec.).

B. Respondent's evidence.

1. Declaration of Alan Rubin, President of Respondent and exhibits thereto (Rubin Dec.);
2. Petitioner's responses to Respondent's first set of interrogatories (Notice of Reliance A);
3. Petitioner's responses to Respondent's first request [sic] for admission (Notice of Reliance B);

4. Petitioner's List of Cancellations/Oppositions Filed (Notice of Reliance C);
5. Copy of Registration No. 1394292 for the mark COACH INSIGNIA from USPTO database, specimen from registration file and various unauthenticated webpages (Notice of Reliance D); and
6. Copy of documents from USPTO database relating to Application No. 86182796 including specimen and various webpages (Notice of Reliance E).

II. Standing and Priority.

As discussed in the Board's prior decision, Petitioner, relying on its Registration No. 1123429 for INSIGNIA for wine, which issued on July 31, 1979, established standing and priority.

III. The fame of Petitioner's mark.

The Court of Appeals for the Federal Circuit "and its predecessor court have consistently stated that fame of the mark is a dominant factor in the likelihood of confusion analysis independent of the consideration of the relatedness of the goods." *Recot Inc. v. M.C. Becton*, 214 F.3d 1322, 54 USPQ2d 1894, 1898 (Fed. Cir. 2000). Fame is insufficient, standing alone, to establish likelihood of confusion. *Univ. of Notre Dame Du Lac v. J.C. Gourmet Food Imports Co., Inc.*, 703 F.2d 1372, 217 USPQ 505, 507 (Fed. Cir. 1983) ("Likely ... to cause confusion means more than the likelihood that the public will recall a famous mark on seeing the same mark used by another."). However, when there is evidence of fame, the relative importance of fame is increased in the totality of the circumstances and the scope of protection is widened to encompass greater disparity in assessing the relatedness of the goods. *Recot*, 54

USPQ2d at 1897 (“Famous marks thus enjoy a wide latitude of legal protection.”). In *Recot*, though the Board had “acknowledged that the fame of Recot’s mark was ‘unquestionably established,’” it discounted the importance of the fame factor because it found dog treats and human snacks “completely unrelated.” *Id.* The court of appeals, in reversing the Board, faulted the Board’s failure to extend the protection accorded a famous mark “further than the products with which the mark[] [is] currently used” and emphasized the importance of fame and its application with “equal force when evaluating the likelihood of confusion between marks that are used with goods that are not closely related.” *Id.*

Fame for confusion purposes arises as long as a “significant portion of the relevant consuming public ... recognizes the mark as a source indicator.” *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689, 1695 (Fed. Cir. 2005). The relevant consuming public consists of the “class of customers and potential customers of a product or service, not the general public.” *Palm Bay Imps.* at 1695. Petitioner defines its customers as “every type and class of consumer and end user that appreciates fine wine, or is capable of appreciating fine wine.”²

“Likelihood of confusion fame ‘varies along a spectrum from very strong to very weak.’” *Palm Bay Imps.* at 1694. “Relevant factors include sales, advertising, length of use of the mark, market share, brand awareness, licensing activities, and variety

² Respondent’s First Notice of Reliance, Exhibit A – Petitioner’s response to interrogatory no. 3B9, 14 TTABVUE 10.

of goods bearing the mark.” *Coach Services Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1720 (Fed. Cir. 2012).

Petitioner testified that its predecessor’s first use of the mark INSIGNIA for wine was in the Spring of 1978 when it released several hundred cases for sale across the United States. Phelps’ Dec., par. 4, 11 TTABVUE 478. Thus, Petitioner has been using the INSIGNIA mark for wine for approximately 40 years.

At trial, Petitioner did not provide any of its own advertising expenditures for INSIGNIA wine, but did provide sales figures. Since 2000, sales of its INSIGNIA wine have “ranged between 10,000 to 15,000 cases per year representing revenue between \$13 million to \$20 million per year.” *Id.*, par. 7, 11 TTABVUE 478. While these numbers may be substantial in the wine industry, Petitioner did not testify about its market share. *Bose Corp. v. QSC Audio Products Inc.*, 293 F.3d 1367, 63 USPQ2d 1303, 1309 (Fed. Cir. 2002) (Raw numbers of product sales and advertising expenses may have sufficed in the past to prove fame of a mark, but raw numbers alone in today's world may be misleading. ... Consequently, some context in which to place raw statistics is reasonable.). In our earlier decision, we found it significant that there was no evidence about advertising expenditures and no evidence as to market share. However, the court of appeals has recently observed “[t]hough *Bose* expressly approves of using market share, it does not require it.” *Omaha Steaks Int’l, Inc. v. Greater Omaha Packing Co.*, 905F.3d 1315, 128 USPQ2d 1686, 1690 (Fed. Cir. 2018). Other contextual evidence may suffice. *Id.*

We further note that Petitioner did provide appropriate context for its assertion of fame. Such contextual evidence includes the promotion of INSIGNIA wine on Petitioner's website "for at least 10 years" and the "website now includes a shopping cart for wine that receives over 17,000 unique visitors per month on average,"³ (*Id.*, par. 9. at 479). Petitioner also testified that it sells its product through "wine distributors, directly to house accounts that are mainly restaurants and bars, through a JPV Wine Club ... and through a company store at the JPV winery. Wine distributors sell mainly to stores, restaurants, hotels, bars and other retailers." Phelps' Dec., par. 8, 11 TTABVUE 475.

Also, Petitioner testified about awards received by Petitioner and provided articles about INSIGNIA wine. The following are examples of the awards and articles:

- Awards won by Petitioner for its INSIGNIA wines:

2002 INSIGNIA wine won the WINE SPECTATOR⁴ Wine of the Year Award in 2005, *Id.* par. 14, 11 TTABVUE 555;

1994 INSIGNIA wine won this award in 1997 (*Id.*, at 559);

1996 INSIGNIA wine named one of the "Top-Scoring 1996 California Cabernet Barrel Samples in WINE SPECTATOR, (*Id.*, at p. 552);

1990 INSIGNIA wine won the Silver Medal in the 1994 International WINE Challenge in WINE MAGAZINE, (*Id.* at 554); and

³ *Id.*

⁴ Petitioner testifies that, "WINE SPECTATOR is a popular monthly magazine for wine lovers." *Id.* par. 14, 11 TTABVUE 476.

1994 INSIGNIA wine named “Wine of the Week” by FORBES.com in 2003 (*Id.*, at 557-8).

- Articles about INSIGNIA wine:

Anthony Dias Blue, Phelps is pioneer of Bordeaux blends - Vineyard has fine-tuned Insignia wines, San Jose Mercury News, October 13, 1993 (*Id.*, at 567);

Michael Dresser, Vantage Point – Fireworks explode at tasting for '94 Joseph Phelps Insignia, Baltimore Sun, April 14, 1996 (*Id.*, at 572);

Ed McCarty, Insignia from Joseph Phelps Vineyards, wine review online.com, April 23, 2013 (*Id.*, at 589-591);

Stephen Tanzer, 2007 Joseph Phelps Insignia Proprietary Red Wine Napa Valley, Stephen Tanzer's International Wine Cellar professional reviews May/June 09 and May/June 10 (*Id.*, at 593);

Also rated 2008, 2009, 2010, and 2011 Joseph Phelps Insignia Proprietary Red Wine Napa Valley (*Id.*, at 594-597); and

Steve Heimoff, Joseph Phelps 2009 Insignia Estate Grown Red (Napa Valley), Wine Enthusiast Magazine, December 31, 2012 (*Id.*, at 600).

The subject matter of the examples listed above is mostly, if not totally, INSIGNIA wine. Even in articles wherein INSIGNIA wine is not the primary subject, it has been mentioned. The following are some examples:

Dan Berger, Phelps: A Makeover, Los Angeles Times, (*Id.*, at 574);

Stephen Tanzer, International Wine Cellar, May/June 2003, (*Id.*, at 585);

Ray Isle, Why Wine Blending Matters, Food & Wine (foodandwine.com), October 2011 (*Id.*, at 616-617);

Anthony Dias Blue, Legends of Napa Valley – Tasting the History of America’s Most Celebrated Wine Region, The Tasting Panel, January 2013 (*Id.*, at 680-681); and

Frank J. Prial, Wine Talk – By using a proprietary name, California wine makers can blend grapes as they see fit, NY Times, October 13, 1993, (*Id.*, at 575).

Thus, articles which discuss INSIGNIA wine appear in both general publications and wine-themed publications.

Evaluating the various items of evidence that bear on fame, to determine where on the spectrum Petitioner’s mark INSIGNIA falls, we find that the mark has achieved a high level of fame with connoisseurs⁵ of fine wine, particularly of Cabernet Sauvignon-based wines. It is not clear from the record the extent to which general consumers and end users of fine wine, other than connoisseurs, are exposed to the wine-themed publications and we find, among those consumers a lesser degree of fame.⁶ See *Phelps*, 122 USPQ at 1735 (“‘fame’ is determined from the viewpoint of consumers of like products.”).

We conclude that the mark has achieved, overall, a significant level of fame among consumers of wine. While we have no context for sales figures and website visitors, the figures we have been provided are not insignificant. In addition, the long

⁵ Connoisseur is defined in Merriam – Webster Online Dictionary as “one who enjoys with discrimination and appreciation of subtleties: a connoisseur of fine wine.” “Merriam-Webster.com.

The Board may take judicial notice of dictionary definitions, including online dictionaries that exist in printed format, *In re Cordua Rests. LP*, 110 USPQ2d 1227, 1229 n.4 (TTAB 2014), *aff’d* 823 F.3d 594, 118 USPQ2d 1632 (Fed. Cir. 2016).

⁶ Respondent’s First Notice of Reliance, Exhibit A – Petitioner’s response to interrogatory no. 3B9, 14 TTABVUE 10.

use of the mark, repeated receipt of awards for INSIGNIA branded wine, and the references in specialized and general circulation publications, considered together, establish fame. *Omaha Steaks Int'l*, 128 USPQ2d at 1690-91. *Cf. West Florida Seafood Inc. v. Jet Restaurants Inc.*, 31 F.3d 1122, 31 USPQ2d 1660, 1663 (Fed. Cir. 1994) (“the TTAB dissected the evidence to the point that it refused to recognize, or at least it overlooked, the clear interrelationships existing between the several pieces of evidence submitted.”). Having determined that the mark has a significant level of fame among consumers of wine, we now turn to evaluate the other relevant *du Pont* factors.

IV. The similarity or dissimilarity of the marks.

To determine the similarity or dissimilarity of the marks, we consider the appearance, sound, connotation and commercial impression of the marks in their entireties. *Palm Bay Imps.* 73 USPQ2d at 1692. “In a particular case, any one of these means of comparison may be critical in finding the marks to be similar.” *In re Thor Tech Inc.*, 90 USPQ2d 1634, 1635 (TTAB 2009) and cases cited therein. “Further, a single *duPont* factor may [] be dispositive. *DuPont* recognized that in determining likelihood of confusion ‘each case must be decided on its own facts.’” *Kellogg Co. v. Pack'em Enters. Inc.*, 21 USPQ2d 1142, 1145 (Fed. Cir. 1991).

While “the similarity or dissimilarity of the marks is determined based on the marks in their entireties ... there is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature of a mark, provided

the ultimate conclusion rests on a consideration of the marks in their entireties.” *In re National Data Corp.*, 753 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985).

In this case Petitioner’s mark consists solely of the word INSIGNIA while Respondent’s mark is the composite phrase ALEC BRADLEY STAR INSIGNIA, which is in standard character format,⁷ is not limited to any particular presentation and can be depicted with the word INSIGNIA larger than the word STAR. Petitioner argues that the word INSIGNIA in Respondent’s mark is larger than the preceding word STAR and based thereon, Petitioner contends that the dominant part of Respondent’s mark, which should be afforded greater weight, is the word INSIGNIA. In her concurring opinion, Judge Newman agreed, stating, “the dominance of the word INSIGNIA as used on Fairmont’s products is indeed an issue,” *Id.* at 1736, and noting “the actual use of the ALEC BRADLEY STAR INSIGNIA mark presents a different impression to the consumer than the standard character mark ...” *Phelps*, 122 USPQ2d at 1736. The Board can rely on the specimens to determine how the mark is actually used. *Philips Petroleum v. C.J. Webb, Inc., dba Corrosion Reaction Consultants*, 442 F.2d 1376, 170 USPQ 35, 36 (CCPA 1971). The specimen filed with the application shows the mark as actually used with the house mark ALEC BRADLEY on top of an emblem and the product mark STAR INSIGNIA, stacked under the emblem with the word INSIGNIA appearing in larger font.

⁷ Registrations in standard character format are “federal mark registrations that make no claim to any particular font style, color, or size of display and, thus, are not limited to any particular presentation.” *Citigroup Inc. v. Capital City Bank Group Inc.*, 637 F.3d 1344, 98 USPQ2d 1253, 1256 (Fed. Cir. 2011).



The emblem is a natural separation between the house mark and the product mark. The product mark, STAR INSIGNIA incorporates all of Petitioner's mark INSIGNIA prefaced by the word STAR. The word INSIGNIA is approximately twice the size of the word STAR, and thus is the physically dominant part of the product mark.

Respondent cannot avoid likelihood of confusion by adopting Petitioner's entire mark and adding subordinate matter thereto. *See Stone Lion Capital Partners, LP v. Lion Capital LLP*, 76 F.3d 1317, 110 USPQ2d 1157, 1161 (Fed. Cir. 2014); *Giant Food, Inc. v. Nation's Foodservice, Inc.*, 710 F.2d 1565, 218 USPQ 390, 395 (Fed. Cir. 1983); *see also Hewlett-Packard Co. v. Packard Press Inc.*, 281 F.3d 1261, 62 USPQ2d 1001, 1003 (Fed. Cir. 2002); *In re Jump Designs LLC*, 80 USPQ2d 1370, 1375 (TTAB 2006).

When considering the specimen, the commercial impressions of Respondent's product mark and Petitioner's mark are very similar. The common word in the marks, "insignia," is defined as:

- 1: a badge of authority or honor;
- 2: a distinguishing mark or sign.⁸

Thus, the commercial impression of Petitioner's mark INSIGNIA is simply an "insignia" or badge or sign, and the commercial impression of Applicant's product mark STAR INSIGNIA is a badge or sign featuring a star design or element.⁹

Of the two words "star" and "insignia," the latter contributes more to the product mark's capacity to indicate source, as the word "star" and the star design may be perceived as laudatory, of the excellent category of Respondent's cigars.

Having determined that Respondent's product mark is similar in meaning and commercial impression to Petitioner's mark, we now look at Respondent's mark in its entirety to determine whether the addition of Respondent's house mark avoids confusion.

In general the, use of a house mark does not obviate confusion. *In re Mighty Leaf Tea*, 601 F.3d 1342, 94 USPQ2d 1257, 1260 (Fed. Cir. 2010). "The exceptions to this

⁸ We take judicial notice of the definition of "insignia" from *Merriam-Webster* on-line, <http://www.merriam-webster.com/dictionary/insignia>.

⁹ We take judicial notice of the definition of "star" from *Oxford Dictionary* (US) on-line, <https://en.oxforddictionaries.com/definition/us/star>, which is:

- 2 A conventional or stylized representation of a star, typically one having five or more points.
- 2.1 A star symbol used to indicate a category of excellence. "the hotel has three stars."

general rule are where 1) the marks in their entirety convey significantly different commercial impressions, or 2) the matter common to the marks is not likely to be perceived by purchasers as distinguishing source because it is merely descriptive or diluted.” *General Mills Inc. v. Fage Dairy Processing Industry SA*, 100 USPQ2d 1584, 1602 (TTAB 2011). Neither of these exceptions apply here.

There is no evidence that the common element in the marks, “INSIGNIA” is either merely descriptive or diluted. Further, viewing Respondent’s mark in its entirety does not change the commercial impression of it as a badge or sign featuring a star design or element. Based thereon, we conclude that the marks, as viewed in their entirety, are similar in commercial impression and meaning. Since similarity in one of the means of comparison (appearance, sound, meaning or connotation) is sufficient to find the marks similar (*Kellogg Co. v. Pack’em Enters. Inc.*, 21 USPQ2d at 1145), when we take into consideration the differences in the appearance and sound of the marks, overall we find that the similarities in the marks outweigh any dissimilarities and that the first *du Pont* factor favors a finding of likelihood of confusion.

V. Third-party use and registration.

Respondent argues that the mark INSIGNIA for wine is weak in light of “third party use of similar marks on similar goods” (Respondent’s Brief, 17 TTABVUE 20) and of third-party registrations for the marks COACH INSIGNIA for wine and BAHIA INSIGNIA for cigars. *Id.* There is little support for Respondent’s argument

apart from the two registrations of record. This evidence is insufficient to establish weakness. Further, we have already found Petitioner's mark to be famous.

VI. The similarity or dissimilarity of the parties' goods.

It is well established that in a proceeding such as this, the similarity of the goods must be determined on the basis of the goods as identified in the parties' respective registrations. *See Canadian Imperial Bank of Commerce v. Wells Fargo Bank, NA*, 811 F.2d 1490, 1 USPQ2d 1813, 1814 (Fed. Cir. 1987). *See also Stone Lion Capital* 110 USPQ2d at 1161; *Hewlett-Packard v. Packard Press* 62 USPQ2d at 1004; *Octocom Sys., Inc. v. Houston Computers Servs. Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990). It is not necessary that the products of the parties be similar or even competitive to support a finding of likelihood of confusion. Instead, likelihood of confusion can be found "if the respective products are related in some manner and/or if the circumstances surrounding their marketing are such that they could give rise to the mistaken belief that they emanate from the same source." *Coach Servs. Inc. v. Triumph Learning*, 101 USPQ2d at 1722. Further, as noted earlier, when a petitioner has established the fame of its mark, likelihood of confusion may be found even in circumstances when the goods might otherwise be considered unrelated. *Tiffany and Co. v. National Gypsum Co.*, 459 F.2d 527, 173 USPQ 793, 796 (CCPA 1972) (notwithstanding differences between "wood-fiber, low density ceiling tile and ceiling grid panels" and Opposer's wide variety of "personal and household items, for personal or household ornamentation or decoration," TTAB's decision dismissing opposition reversed in part because of fame of Opposer's mark.)

Petitioner argues that wine and cigars are complementary products and as such are related. To establish that wine and cigars are complementary products, Petitioner submitted webpages which advertise or promote cigar bars, cigar stores, wine bars, wine stores and events featuring wine and cigars, which establishes that the products are sold in the same channels of trade. *See* for example,

The Cigar Bar and Grill (www.cigarbarandgrill.com) website states that “The Cigar Bar and Grill is more than just a smoking bar – we’re also a wine bar.”
Petitioner’s First Notice of Reliance, 11 TTABVUE 88 – 98’

Old Oaks Cigar & Wine Co. (<http://neighborhoodinc.org/California-Directory-Coupons/old-oaks-cigar-wineco>).
“Welcome to the Old Oaks Cigar & Wine Company website. We have been serving the Conejo Valley since 1996 with premium handmade cigars from manufacturers such as Cohiba, Asthon, Partagas, Punch, and many more. We carry a wide selection of humidors, ashtrays, lighters, and other cigar accessories for your smoking experience. We also have a long list of fine wines from many local and private vineyards and a wide selection of single malt scotch, rums, brandies and tequilas.” - Petitioner’s First Notice of Reliance, 11 TTABVUE 114;

Everything Wine & Cigars, retail, bar and bistro (<http://everythingwineandcigars.com>) whose website indicates that it sells cigars. There are five pages of wines listed at the end of the site. Petitioner’s First Notice of Reliance, 11 TTABVUE 119 -125;

Renwood Winery (<http://plymouthcalifornia.com/amador-sierra-foothill-wineries/winetasting/116--winery-of-t>) a winery that sells “a selection of Renwood merchandise, gift items and its [own] Renwood cigars” in its giftshop
Petitioner’s Second Notice of Reliance, 11 TTABVUE 65 – 68;

Bellaterra Ranch (<http://www.bellaterraranch.com/storefront/cms.php?id>), which produces wine at its ranch in Sonoma, California and cigars in Nicaragua -Petitioner’s Second Notice of Reliance, 11 TTABVUE 75 – 77; and

Marco V Cigar Wine (www.marcovcigars.com/MarcoVCigarWine.html) cigar company that co-brands cigars with wine (THE VINTAGE wine from Chateau St. Croix Winery), coffee, (DOM CAFÉ coffee), and infused cigars (INFUZE cigars) - Petitioner's Third Notice of Reliance, 11 TTABVUE 33.

Petitioner also submitted evidence of sales of flavored cigars, which are infused with different flavorings, including wine. Examples of flavored cigars include:

- CF Dominicana, which makes its own Gourmet Cigars which are the 'CF Dominicana' cigars with added Vanilla, Amaretto, Cognac Chocolate or Wine extract <http://www.cfcigars.com/flavoredcigars.htm> - Petitioner's Third Notice of Reliance, 11 TTABVUE 21;
- Game Cigars by Garcia Vega, which are "among the most popular brands in the United States ... the Honey, Vanilla, the newer Wine, Peach, and White Grape selections are flavored cigars" – <http://www.famous-smoke.com/grand/garcia+y+vega+game+cigars> - Petitioner's Third Notice of Reliance, 11 TTABVUE 24 - 25; and
- Guy & Lady Barrel, which are "[h]and rolled Dominican tobacco aged in American white oak barrels infused with alcohol...Bourbon, Whiskey, Orange Brandy, Apple Brandy, Spice Rum, Port Wine, Golden Mead, and Apple Pie Moon Shine – www.guyandladybarrel.com/Products.html - Petitioner's Third Notice of Reliance, 11 TTABVUE 35.
- "Messina Hof Private Reserve Papa Paulo Port" – Hight Cigars infused with Messina Hof Port - Petitioner's Second Notice of Reliance, 11 TTABVUE 57;
- "Reserva Decadencia" – Toraño Cigars infused with Wilson Creek Winery's Decadencia Chocolate Port – Petitioner's Second Notice of Reliance, 11 TTABVUE 59; and

- Santiago Cigars infused with Deer Run Winery's "Noiret" and "Dockside" - Petitioner's Second Notice of Reliance, 11 TTABVUE 68.

While the evidence of use of the same mark on both cigars and wine is not extensive, the evidence suggests that cigars and wine can be used together and that the same mark can be used for both products.

Thus, the evidence suggests that the goods are sold in the same channels of trade to the same purchasers and establishes that the goods are sufficiently related¹⁰ for likelihood of confusion purposes, involving a famous mark.

VII. The conditions under which and the buyers to whom sales are made.

Respondent argues that "wine drinkers and cigar smokers are sophisticated purchasers. Respondent bases its argument regarding the sophistication of wine drinkers on evidence that Petitioner's INSIGNIA wine costs between \$158.00 - \$ 275 per 750 ml bottle¹¹ and on Respondent's assertion that "[d]rinkers of wine this expensive are going to be familiar with and knowledgeable regarding the Joseph Phelps Vineyard's origin of this costly wine when purchasing it." Respondent's Brief, p. 15, 17 TTABVUE 16. Respondent bases its argument regarding the sophistication

¹⁰ Judge Newman, in her concurrence, emphasized that "[p]recedent illustrates the factual sensitivity of the question of relatedness. In *Shell Oil*, 992 F.2d at 1207 [992 F.2d 1204, 26 USPQ2d 1687, 1689 (Fed. Cir. 1993)] the court recognized that "[t]he degree of 'relatedness' must be viewed in the context of all factors, in determining whether the services are sufficiently related that a reasonable consumer would be confused as to source or sponsorship." We have considered the factual sensitivity of the question of relatedness.

¹¹ Respondent's Second Notice of Reliance – Petitioner's Response to Interrogatory No. 2, 15 TTABVUE 8.

of smokers of its cigars on the declaration of Alan Rubin, President of Respondent.
Id.

While we acknowledge that the parties target sophisticated customers, we are constrained to consider the parties' goods as they are identified in the relevant registrations. *See Stone Lion Capital*, 110 USPQ2d at 1160. Neither party's goods are restricted to "expensive" or "high-end" products and thus, we must consider the sophistication of all potential consumers of wine and cigars, including those who purchase "inexpensive," "low-end" products."

VIII. No actual confusion.

Respondent argues that despite concurrent use of their respective marks for a period of over four years, neither Petitioner nor Respondent has encountered evidence of confusion. While a showing of actual confusion would of course be highly probative, if not conclusive, of a high likelihood of confusion, the opposite is not true. The lack of evidence of actual confusion carries little weight, particularly where, as here, it is not clear how much opportunity there has been for actual confusion in the marketplace. *J.C. Hall Co. v. Hallmark Cards, Inc.*, 340 F.2d 960, 964, 144 USPQ 435, 438 (CCPA 1965).

IX. Conclusion.

Upon consideration of "the totality of the circumstances standard," *i.e.*, "consider[ation of] all the relevant factors on a scale appropriate to their merits," *Phelps*, 122 USPQ2d at 1734, and bearing in mind both a record that "shows appreciation by consumers and the wine market of Vineyards' INSIGNIA brand," *Phelps*, 122 USPQ2d at 1735, and the significant fame of Petitioner's mark among

consumers of wine, we reverse our previous decision. Taking into proper consideration the evidence of fame, which bears on both the relationship of the marks and the relationship of the goods, there is a likelihood of confusion between Petitioner's use of the mark INSIGNIA for wine and Respondent's use of the mark ALEC BRADLEY STAR INSIGNIA for cigars, tobacco, cigar boxes, cigar cutters and cigar tubes.

Decision: The petition for cancellation on the ground of likelihood of confusion under Section 2(d) of the Trademark Act is granted.