Re:  **, Serial No. 86/497300, for "Financial services, namely, investment management, fund investment, and investment advisory services," in Class 36**

In the Office Action issued April 14, 2015, the Trademark Examiner has cited the following co-existing registrations as potential bars to the registration of the subject application based on an alleged likelihood of confusion under Section 2(d) of the Trademark Act:

> CRESTLINE MORTGAGE, Registration No. 2776671, owned by Universal Lending Corporation, issued October 21, 2003 for "Financial services, namely mortgage banking and mortgage lending," in Class 35
>
> BARCELO CRESTLINE, Registration No. 3196143, owned by Barcelo Corporacion , issued January 9, 2007, for "financial investment services in the field of hospitality real estate," in Class 36

In response, Applicant submits that there is no reasonable likelihood of confusion in this case between the parties' marks based on the (i) differences in the parties' services and the sophistication of the target consumers; and (ii) the differences in the marks. Accordingly, Applicant respectfully traverses the refusal to register the mark under Section 2(d) and requests reconsideration thereof.

I. THE PARTIES' SERVICES ARE SUFFICIENTLY DISSIMILAR AND THE TARGET CONSUMERS ARE SOPHISTICATED, AND, THEREFORE, THERE IS NO LIKELIHOOD OF CONFUSION IN THIS CASE

In evaluating the likelihood of confusion, consideration must be given to the dissimilarities between the parties' services in this case. Applicant submits that the parties' services are sufficiently distinct so that confusion is not likely to arise.

Any analysis regarding the commercial relatedness of any goods and services must consider marketplace realities. *See, e.g., Shen Mfg. Co. v. Ritz Hotel L*td., 393 F. 3d 1238 (Fed. Cir. 2004) (RITZ for cooking classes and RITZ for kitchen textiles not related); *Local*

Trademarks, Inc. v. Handy Boys Inc., 16 U.S.P.Q. 2d 1156 (TTAB 1990) (LITTLE PLUMBER for liquid drain opener held not confusingly similar to LITTLE PLUMBER and Design for advertising services, namely, the formulation and preparation of advertising copy and literature in the plumbing field); and Golden State Salami Co. v. Gulf States Paper Corp., E-Z PAK and E-Z OPENER, 141 U.S.P.Q. 661 (CCPA 1964) (paper bags and paper board containers and packaged luncheon meat in cellophane tear open package were found not to be confusingly similar).

In the present case, the parties' services, although all classified under the broad field of financial services, are commercially distinct. Under the mark at issue, Applicant offers or intends to offer investment management, fund investment, and investment advisory services. Applicant is an institutional investor that targets institutional investors for its investor base. It makes hedge fund, private equity, private credit loans, and equity investments on a large scale, usually in the range of $30-$100 million.

In sharp contrast, Universal Lending Corporation's services offered under CRESTLINE MORTGAGE are limited to mortgage lending services. Applicant is not in the business of mortgage banking and mortgage lending. Applicant's target clients are not people looking to take out mortgages to finance home purchases and Applicant's services would not include anything related to the provision of mortgage lending. Therefore, the parties' services are commercially distinct. Similarly, Barcelo Corporacion Empresarial's financial services relate to investments in real estate field, namely, hospitality real estate (*e.g.*, hotels). This is not the investment services that are being or will be provided by the Applicant. Such services are highly specialized and target a niche market. Accordingly, Applicant respectfully submits that because the three parties offer different services to different markets/investors/consumers, there

is no likelihood of confusion.

In addition, confusion is made further remote by the fact that the parties' **different** financial services are offered to highly sophisticated consumers in highly controlled settings. *See, e.g., E-Systems, Inc. v. Monitek, Inc.*, 222 U.S.P.Q., 115, 117 (9th Cir. 1983) (noting that the parties' target consumers are "sophisticated" and holding that "MONITEK" is not likely to be confused with "MONTEK" for complementary precision control devices). For example, the cited marks are used in connection with mortgage lending services and real estate investment services. These are services that would be offered to highly sophisticated consumers and/or those who would have exercised a high degree of care when making their decisions to engage such companies. Similarly, Applicant's investment services are and would be offered to highly sophisticated consumers who would exercise the highest degree of care when selecting Applicant for investment services. The sophistication of such investors has been recognized by the board. For example, in *In re The Pilot Funds*, 1998 TTAB LEXIS 127 (TTAB), the Board noted:

> [W]hile ordinary investors may not necessarily be sophisticated and highly knowledgeable with respect to various financial investments and arrangements, the purchase of mutual funds and the establishment of securities brokerage accounts typically involve, due to the not insubstantial sums of money necessary for such transactions, a ***significant amount of care and deliberation*** prior to the selection and execution thereof. Such activities clearly are not done impulsively.

(emphasis added). *See also Wachovia Bank & Trust Co. v. Crown Nat'l Bankcorp.*, 835 F. Supp. 882, 27 U.S.P.Q.2d 1698 (W.D.N.C. 1993) (noting that consumers for financial services are less likely to be confused than the general public). Given that large amounts of money (potentially millions of dollars) would be at stake, the respective consumers would exercise a high degree of care. Such exercise of care in the normal course would further eliminate any

reasonable likelihood of confusion. *See, e.g., Beneficial Corp. v. Beneficial Capital Corp.*, 213 U.S.P.Q. 1091, 1094-95 (S.D.N.Y. 1982) (discussing the care taken by different types of borrowers and finding that the use of "Beneficial" as trade names by multiple lenders did not lead to confusion); and *First National Bank in Sioux Falls v. First National Bank South Dakota*, 47 U.S.P.Q.2d 1847, 1851 (8th Cir. 1998) (noting that "consumers tend to exercise a relatively high degree of care in selecting banking services. As a result, customers are more likely to notice what, in other contexts, may be relatively minor differences in names. We recognize that other courts have determined there to be minimal or no likelihood of confusion even where the names of financial institutions share the same dominant terms."); and *Wachovia Bank & Trust Co. v. Crown Nat'l Bankcorp.*, 835 F. Supp. 882, 27 U.S.P.Q.2d 1698 (W.D.N.C. 1993) (noting that consumers for financial services are less likely to be confused than the general public).

In sum, given the sophistication of the relevant public in the marketplace, likelihood of confusion is made even further remote between the parties' different marks. *See Electronic Design & Sales Inc. v. Electronic Data Systems Corp.*, 954 F.2d 713, 21 USPQ2d 1388, 1391 (Fed. Cir. 1992) ("We are not concerned with mere theoretical confusion, deception or mistake or with *de minimis* situations but with the practicalities of the commercial world, with which the trademark laws deal.").

II. LIKELIHOOD OF CONFUSION DOES NOT EXIST BECAUSE THE MARKS ARE DIFFERENT IN COMMERCIAL IMPRESSION

In considering registrability of a mark, the entire mark must be considered, including appearance, sound, meaning, commutation and commercial impression. *See In re Electrolyte Labs., Inc.*, 16 U.S.P.Q. 2d 1239 (Fed. Cir. 1990). In determining whether a likelihood of confusion is threatened, consideration must be given to the similarity or dissimilarity of the

respective marks in appearance, sound, connotation and commercial impression. *See In re E.I. DuPont de Nemours*, 177 U.S.P.Q. 563 (C.C.P.A. 1973). Similarity or dissimilarity of the marks must be determined on the basis of the marks considered in their entireties. *Id.* at 567. Furthermore, the fact that the parties' marks share common elements does not necessarily lead to a finding of likelihood of confusion when, as in this case, the marks, in their entireties, create distinct commercial impressions. *See In re Sybron Corp*., 165 U.S.P.Q. 410 (T.T.A.B. 1970) (noting that "the fact that two marks are reverse combinations of the same words is not necessarily conclusive on the question of likelihood of confusion, *and registration has been permitted in those instances where the transposed marks create distinctly different commercial impressions*.") (emphasis added); and *Duluth News-Tribune, a Division of Northwest Publications, Inc. v. Mesabi Pub. Co*., 84 F.3d 1093 (8th Cir. 1996) (noting that "[r]ather than considering the similarities between the component parts of the marks, [the court] must evaluate the impression that each mark in its entirety is likely to have on a purchaser exercising the attention usually given by purchasers of such products."); *see also Colgate-Palmolive Co. v. Carter-Wallace, Inc*., 167 U.S.P.Q. 529, 530 (C.C.P.A. 1970) (noting that likelihood of confusion analysis "must arise from a consideration of the respective marks in their entireties" and holding that PEAK PERIOD and PEAK did not conflict); and *Carefirst of Maryland Inc. v. First Care, P.C.,* 350 F. Supp. 2d 714 (E.D. Va. 2004) (holding that CAREFIRST for health insurance services and FIRST CARE for physicians' group medical office, were not confusingly similar). As discussed in detail below, when properly viewed in their entireties, the parties' marks are sufficiently distinct in appearance, sound, meaning, and commercial impression such that likelihood of confusion does not arise in this case.

Applicant's  mark has a design element, which is material when comparing the marks. Moreover, the CRESTLINE MORTGAGE mark's second term "MORTGAGE", while descriptive, give the combined mark "CRESTLINE MORTGAGE a commercially distinct meaning as compared to  , which does not convey the obvious message that CRESTLINE MORTGAGE provides. In addition, the mark BARCELO CRESTLINE is different in several significant aspects. First, the cited mark contains the initial term "BARCELO", which is, based on information reviewed by Applicant, a surname. As used with CRESTLINE, this surname helps to give BARCELO CRESTLINE a commercially distinct appearance from  . Such differences in sight, sound, and meaning of the marks at issue show that Applicant's different CRESTLINE mark should be permitted to coexist. *See In re Electrolyte Laboratories, Inc.* 16 U.S.P.Q. 2d 1239 (Fed. Cir. 1990) (noting that there is no general rule holding that in a composite mark the literal element dominates the design element and, therefore, in a likelihood of confusion analysis, no one part of a mark can be discounted). The Trademark Trial and Appeal Board and the courts have often found that marks that contain a common term are not confusingly similar, even if used for similar or overlapping goods and services, if the marks create different commercial impressions. *See, e.g., In re Hearst Corp.,* 25 U.S.P.Q. 2d 1238 (Fed. Cir. 1992) (marks VARGA GIRL and VARGAS, both for calendars, sufficiently different in sound, appearance, connotation, and commercial impression to negate likelihood of confusion); *Stouffer Corp. v. Health Valley Natural Foods, Inc.,* 1 U.S.P.Q. 2d 1900, 1906 (TTAB 1986) (finding no confusingly similar commercial impressions between LEAN LIVING and LEAN CUISINE used in connection with identical goods); *Taco Time International, Inc. vs. Taco Town, Inc.*, 217 U.S.P.Q. 268 (TTAB

1982) (no likelihood of confusion between TACO TOWN and TACO TIME for identical services because of differences in pronunciation, appearance, and meaning of mark); *Accuride International, Inc. v. Accuride Corp.*, 10 U.S.P.Q. 2d 1589 (9th Cir. 1989) (no likelihood of confusion between ACCURRIDE for drawer slide mechanisms and the identical mark used by a truck wheel manufacturer). Therefore, in sum, the overall impression of the mark cannot be ignored. With its peak-in-a-shield design echoing the meaning of the CREST portion of the mark, Applicant's mark creates a commercial impression of reaching the top that is absent from both CRESTLINE MORTGAGE and BARCELO CRESTLINE.

III. CONCLUSION – APPLICANT'S POSITION IS SUPPORTED BY THE FACT THAT THE PTO HAS PERMITTED THE CITED MARKS THEMSELVES TO COEXIST

The points raised by the Applicant in this Office Action Response are further supported by the fact that the PTO has registered both of the cited marks. Application history for the later-filed application for BARCELO CRESTLINE shows that the other cited mark CRESTLINE MORTGAGE was not cited. This shows that the examining attorney determined during review that there was no likelihood of confusion between these marks. Further, the PTO found no likelihood of confusion between these two marks and CRESTLINE CAPITAL & Design, which covered "asset management services for others in the fields of hotels, senior living centers and health care communities," in Class 36. Considering the differences between Applicant's mark and the cited marks in appearance, sound, and commercial impression and the differences between the respective parties' services and target market, coexistence on the Principal Register is amply warranted. In conclusion, based on the foregoing submissions, Applicant respectfully requests that the cited marks be withdrawn and its application approved for publication.