

Response to Office Action

Applicant, Fumari, Inc. ("Applicant") respectfully submits this Response to the Office Action issued on August 13, 2019 against Application Serial No. 88437933 for the SPICED CHAI mark (the "Mark").

I. MERE DESCRIPTIVENESS AND/OR GENERICNESS REFUSAL

The Examining Attorney has refused registration on the grounds the Mark is merely descriptive of Applicant's hookah tobacco, tobacco and tobacco pouches, under 15 U.S.C. § 1052(e)(1) and appears generic under Trademark Act Sections 1, 2, 3 and 45 (15 U.S.C. §§1051-1053, 1127). Applicant respectfully requests that the refusal be withdrawn as the Mark is not merely descriptive or generic because, based on an accurate reading of the Application, and based on only reliable evidence, it is inherently distinctive.

A. The Refusal Is Based on a Misunderstanding of the Application

The Examining Attorney has based her refusal on an inaccurate understanding of the goods in the Application, refusing registration with the argument the Mark is not only descriptive of hookah tobacco, tobacco and tobacco pouches, but also because SPICED CHAI “appears to be generic in connection with the identified goods and, therefore, incapable of functioning as a source-identifier for applicant’s goods.”

A mark is generic if its primary significance to the relevant public is the class or category of goods or services on or in connection with which it is used. See *H. Marvin Ginn Corp. v. Int'l Ass'n of Fire Chiefs, Inc.*, 782 F.2d 987, 989-90, 228 USPQ 528, 530 (Fed. Cir. 1986) (citing *Dep't of Justice, FBI v. Calspan Corp.*, 578 F.2d 295, 299, 198 USPQ 147, 149 (C.C.P.A.1978); *Maremont Corp. v. Air Lift Co.*, 463 F.2d 1114, 1118, 174 USPQ 395, 398 (C.C.P.A. 1972); *In re Automatic Radio Mfg. Co.*, 404 F.2d 1391, 1394-95, 160 USPQ 233, 235-36 (C.C.P.A. 1969)); *In re ActiveVideo Networks, Inc.*, 111 USPQ2d 1581, 1600 (TTAB 2014)) (citing 15 U.S.C §1064(3); *Bellsouth Corp. v. DataNational Corp.*, 60 F.3d 1565, 1570, 35 USPQ2d 1554, 1557-58 (Fed. Cir. 1995)) (construing the language in 15 U.S.C §1064(3) regarding when a term is generic in cancellation proceedings to apply prior to registration). A two-part inquiry is used to determine whether a designation is generic:

1. What is the genus of goods or services at issue?
2. Does the relevant public understand the designation primarily to refer to that genus of goods or services?

H. Marvin Ginn Corp. v. Int'l Ass'n of Fire Chiefs, Inc., 782 F.2d at 990, 228 USPQ at 530.

1. Regarding the first step, there is no evidence in the record to support a finding the mark is descriptive or generic for tobacco products. (See Section I.B. below). All the evidence shows “chai” is used in Class 030 for tea-based beverages and understood by the relevant public primarily to refer to that different genus of goods.
2. The genus of the goods may be defined by an applicant’s identification of goods. See *In re Cordua Rests., Inc.*, 823 F.3d 594, 602, 118 USPQ2d 1632, 1636 (Fed. Cir. 2016) (characterizing as the "correct approach" the Board’s conclusion that the genus of the services at issue was adequately defined by the wording "restaurant services" in applicant’s identification of services). The relevant public for a genericness determination refers to the purchasing or consuming public

for the identified goods and/or services. *Sheetz of Del., Inc. v. Doctor's Assocs. Inc.*, 108 USPQ2d 1341, 1351 (TTAB 2013) (citing *Magic Wand Inc. v. RDB Inc.*, 940 F.2d 638, 641, 19 USPQ2d 1551, 1553 Fed. Cir. 1991)).

The examining attorney has the burden of proving that a term is generic by clear evidence. *In re Nordic Naturals, Inc.*, 755 F.3d 1340, 1344, 111 USPQ2d 1495, 1498 (Fed. Cir. 2014) (finding the evidence reflected use of CHILDREN'S DHA in a generic manner rather than as third-party references recognizing applicant as the source of the goods); *In re Merrill Lynch, Pierce, Fenner & Smith Inc.*, 828 F.2d 1567, 1571, 4 USPQ2d 1141, 1143 (Fed. Cir. 1987) (finding that the NEXIS evidence relied upon to show CASH MANAGEMENT ACCOUNT was generic for brokerage services did not satisfy the USPTO's burden to prove genericness by clear evidence because the evidence reflected a "mixture of usages," with some publications showing third-party recognition of the applicant as the source of the services and some showing generic use).

Evidence of the public's understanding of a term can be obtained from any competent source, including dictionary definitions, research databases, newspapers, and other publications. See *In re Cordua Rests., Inc.*, 823 F.3d 594, 118 USPQ2d 1632 (Fed. Cir. 2016) (finding the evidence of record, which included dictionary excerpts, online magazine articles, and newspaper articles, supported the conclusion that CHURRASCOS is generic for restaurant services); *In re Northland Aluminum Prods., Inc.*, 777 F.2d 1556, 227 USPQ 961 (Fed. Cir. 1985) (BUNDT, a term that designates a type of cake, held generic for ring cake mix, where the examining attorney cited cookbooks and food-related news articles).

The Examining Attorney's evidence shows "chai" means "a beverage that is a blend of black tea, honey, spices, and milk". Tobacco is not a beverage and the average consumer associates "chai" with its usual definition of being a blended tea. Additional evidence of the public's understanding of "chai" is found in the USPTO TESS database (search conducted on September 29, 2019), which shows 63 live marks registered on the Principal Register for goods in Class 030 (coffee; tea; spices; etc.) with the word "CHAI" disclaimed as descriptive of the goods. In contradiction, there are no live marks registered on the Principal Register for goods in Class 034 (tobacco; smokers' articles; matches) with the word "CHAI" disclaimed as descriptive of the goods. See Exhibit A. Such evidence of the absence of any disclaimers of CHAI in Class 034 shows consumers do not think of CHAI when using goods in Class 034.

Additional evidence that hookah tobacco and tea-based beverages are dissimilar, and the public would not think of tobacco upon seeing Applicant's Mark is the co-existence of at least 13 active registrations for the same marks owned by different parties covering hookah tobacco and tea-based beverages. See Exhibit B.

When the goods in the Application are understood in this manner, the Mark cannot be deemed merely descriptive or generic.

B. The Refusal Is Based on Unreliable Evidence

The Examining Attorney has attempted to support the refusal with unreliable evidence. The evidence from articles and blogs attached to the Office Action to illustrate descriptiveness and/or genericness is unreliable and cannot be corroborated. It therefore cannot support the refusal. (See *In re Steven Madden, Ltd.*, 2013 WL 6355606, *1-2 (T.T.A.B. 2013).)

Here, the Examining Attorney uses the Texas sharpshooter fallacy to infer an incorrect conclusion when relying on evidence from "various tobacco companies" to support her argument that SPICED CHAI is a term commonly used by those in the tobacco trade to indicate a particular flavor of the products. The Texas sharpshooter fallacy often arises when a person has much data at his or her disposal, but only focuses on a small subset of that data. Some factor other than the one attributed may give all the elements in that subset some common property (or pair of common properties, when arguing for correlation). If the person attempts to account for the likelihood of finding some subset in the large data with some common property by a factor other than its actual cause, then that person is likely committing a Texas sharpshooter fallacy. (https://en.wikipedia.org/wiki/Texas_sharpshooter_fallacy)

Regarding "CHAI SPICE" from Heaven Leaf, the evidence shows the product is "teabacco", not tobacco, with a disclaimer at the bottom of the Heaven Leaf website: "Teabacco contains no tobacco". Not only is CHAI SPICE not SPICED CHAI (inverted formative components "Tea Spice" different from "Spiced Tea"), but the cited goods contain no tobacco, but tea ("chai"): "We use only the finest, 100% natural black tea leaves in our recipe." See Exhibit C. Similarly, the evidence for Hydro Herbal's product labeled XAI (not labeled "SPICED CHAI" on the product packaging) shows the goods are made from sugar cane based molasses, with a disclaimer: "these products DO NOT contain an(y) tobacco or nicotine." Similarly, the evidence for Puff's SPICED CHAI is for an e-liquid containing no tobacco for goods that, by September 30, 2019, are no longer available for sale by Puff. The screenshot of the webpage provided for Puff's e-liquid was in a "Clearance" section, with notice: "Products in our CLEARANCE section are packaging changes, discontinued items, and over stock inventory." A search for the evidence returned a 404 page not found error and search of the referenced Puffecig.com site returns no results for "chai". See Exhibit D. Likewise, the evidence for SPICED CHAI by Starbuzz appears to be a discontinued item sold through a distributor, Hookah Company. A search of Starbuzz Flavors on the website <https://shopstarbuzz.com> on September 30, 2019 shows no SPICED CHAI products. See Exhibit E.

The Examining Attorney produced evidence referring to flavored tobacco products. However, that evidence is only probative if it discusses purchasers of hookah tobacco. Such evidence is not probative to show that purchasers of other tobacco products will understand the term "SPICED CHAI" to refer to chewing tobacco, cigars, cigarettes, snuff, and dipping tobacco, and herbal tobacco products. Accordingly, the USPTO'S evidence does not establish that the relevant public understands "SPICED CHAI" to refer to all types of tobacco products. Therefore, the Mark is not generic as applied to all tobacco products.

The Examining Attorney's evidence showing the term SPICED CHAI demonstrates it is a source-identifier for Applicant. The references are based on Applicant's over seven years of substantially exclusive and continuous use of the Mark for the goods listed in the Application. A Google search for "spiced chai hookah tobacco" conducted on September 4, 2019 returned Applicant's results for the Mark in the top three and placed seven of the eight records on the first page of the search engine results. See Exhibit F. Five of the seven search engine results are third-party references to Applicant's goods. Even if another company continues to use "spiced chai" referring to tobacco products, this is because such competitor(s) is/are copying the success of Applicant's Mark, which was in use long before any competitor used it. The evidence shows recognition in many publications that the source of SPICED CHAI for tobacco products is Applicant. Because of the multiple third-party references that explicitly recognize Applicant as

the source of the Mark, the record lacks substantial evidence to support the Examining Attorney's decision that the mark is generic. (See *Merrill Lynch*, 828 F.2d at 1571).

Accordingly, the Mark is not merely descriptive or generic and the Examining Attorney's refusal should be withdrawn and the Application allowed to proceed to publication.

II. The Mark Is Inherently Distinctive

A. The Refusal Is Based on an Improper Dissection of the Mark

The Examining Attorney asserts that the separate elements SPICED and CHAI of Applicant's Mark make the Mark merely descriptive. However, this conclusion relies on an improper dissection of Applicant's Mark (see TMEP § 1213.05). The SPICED and CHAI words are so merged together or integrated that they cannot be regarded as separable (see *In re Hutchinson Tech., Inc.*, 7 U.S.P.Q. 2d 1490, 852 F.2d 552 (Fed. Cir. 1988) ("[A] mark sought to be registered must be considered in its entirety."); see also *Estate of P.D. Beckwith, Inc. v. Comm'r of Patents*, 252 U.S. 538, 545-46 (1920) ("The commercial impression of a trade-mark is derived from it as a whole, not from its elements separated and considered in detail."))

The test for genericness is the same whether the mark is a compound term or a phrase, and the examining attorney should include, if available, evidence showing use of the mark as a whole in the record. See *Princeton Vanguard, LLC v. Frito-Lay N. Am., Inc.*, 786 F.3d 960, 968, 114 USPQ2d 1827, 1832 (Fed. Cir. 2015) (citing *In re Am. Fertility Soc'y*, 188 F.3d 1341, 1348-49, 51 USPQ2d 1832, 1837 (Fed. Cir. 1999)). When a term consists of a compound word or a telescoped word, the examining attorney may establish that the term is generic by producing evidence that each of the constituent words is itself generic, and that the separate words retain their generic significance when joined to form the compound or telescoped word that has "a meaning identical to the meaning common usage would ascribe to those words as a compound." *In re Gould Paper Corp.*, 834 F.2d 1017, 1018, 5 USPQ2d 1110, 1111-12 (Fed. Cir. 1987) (SCREENWIPE held generic as applied to premoistened antistatic cloths for cleaning computer and television screens); *In re Wm. B. Coleman Co., Inc.*, 93 USPQ2d 2019 (TTAB 2010) (finding that ELECTRIC CANDLE COMPANY is the combination of two generic terms joined to create a compound).

However, the Court of Appeals for the Federal Circuit has expressly limited the holding in *Gould* to "compound terms formed by the union of words" where the public understands the individual terms to be generic for a genus of goods or services, and the joining of the individual terms into one compound word lends "no additional meaning to the term." (*Emphasis added*) *In re Dial-A-Mattress Operating Corp.*, 240 F.3d 1341, 1345, 57 USPQ2d 1807, 1810 (Fed. Cir. 2001) (citing *In re Am. Fertility Soc'y*, 188 F.3d at 1348-49, 51 USPQ2d at 1837). Thus, in *Am. Fertility Soc'y*, the court held that evidence that the components "Society" and "Reproductive Medicine" were generic was not enough to establish that the composite phrase SOCIETY FOR REPRODUCTIVE MEDICINE was generic for association services in the field of reproductive medicine because, unlike in *Gould*, the evidence did not establish that the public would perceive "the mark as a whole" to be no less generic than its constituents. *In re Am. Fertility Soc'y*, 188 F.3d at 1348, 51 USPQ2d at 1837; see also *Princeton Vanguard*, 786 F.3d at 968, 114 USPQ2d at 1832. In *Coleman*, however, the Board stated that *Am. Fertility Soc'y* cannot be read to suggest that an applicant can create a trademark merely by adding a clearly generic term to a non-source-identifying word, even without proof that others have used the composite. *In re Wm. B. Coleman Co.*, 93 USPQ2d at 2025; accord *Princeton Vanguard*, 786 F.3d at 968, 114

USPQ2d at 1833 ("[T]he Board must then consider available record evidence of the public's understanding of whether joining those individual words into one lends additional meaning to the mark as a whole.>").

Here, even if the separate words "SPICED" and "CHAI" retain their descriptive meanings as the combined mark SPICED CHAI, the consuming public would not associate "SPICED CHAI" with the applied for hookah tobacco, tobacco and tobacco pouches, as there is no evidence of record that the public understands the individual terms to be generic for the genus of tobacco products. When examined in its entirety, as required, the Mark is not merely descriptive or generic.

B. The Mark Is Not Merely Descriptive Because It Is Suggestive

The Mark is not merely descriptive because it is suggestive of the goods in the Application, and therefore it is inherently distinctive. Applicant's SPICED CHAI Mark requires consumers to exercise imagination, thought, and perception to reach a conclusion about the nature of Applicant's hookah tobacco, tobacco and tobacco pouches (TMEP § 1209.01(a)).

The composite SPICED CHAI Mark is not descriptive since it describes no ingredient, quality, characteristic, function, feature, purpose, or use of Applicant's tobacco products. Instead, the Mark is suggestive, employing terms which do not describe, but merely suggest the features of the product, requiring the purchaser to use imagination, thought and perception to reach a conclusion as to the nature of the goods. *In re Black & Decker Corp. v. Dunsford*, 42 USPQ 2d 1531 (DCSD NY 1996). The composite is registerable if, as a unitary mark, it has a separate, non-descriptive meaning. *In Re Colonial Stores, Inc.*, 394 F.2d 549, 157 USPQ 382 (CCPA 1968) (holding SUGAR & SPICE not merely descriptive of bakery products).

The Trademark Trial and Appeal Board (the "Board") and the courts have provided examples of marks considered suggestive, not descriptive. With *In Re Micro Instrument Corp.*, 222 USPQ 252 (TTAB 1984), the Board found that the mark MICRO was not merely descriptive when used on machines that produce and perform tooling operations on small or minute parts. There, the examining attorney argued that the dictionary meaning of "micro" was "small or minute in size", and that the mark merely described a single function, feature, characteristic, or quality of the goods to which it applied. The Board found the term "micro" only generates an idea of those characteristics, rather than conveys an immediate and clear description of them. The Board recognized that "the suggestive/descriptive dichotomy can require the drawing of fine lines in a process where *doubts are to be resolved in favor of the Applicants.*" Id. at 255 (*Emphasis added*).

The Examining Attorney argues that the internet web page printouts demonstrate that consumers will immediately perceive "SPICED CHAI" products as produced by mixing spiced chai with tobacco. However, since there are many varieties of spiced chai with unique ingredients including (1) ginger, (2) peppercorns, (3) nutmeg, (4) fennel and (4) star anise, labeling a tobacco product with spiced chai does not immediately convey what type of tea flavor characteristics "SPICED CHAI" products possess. (See recipe at Exhibit G: "Spices for this smooth, calming brew almost always include whole or crushed cloves, cardamoms and cinnamon. Additional ingredients may include ginger, peppercorns, nutmeg, fennel and star anise.") The "spice" could refer to a host of items such as those with a scent, a taste, or variety. Spice could also mean temperature in degrees or temperature in foods like jalapenos. The consumer may imagine what characteristics "SPICED CHAI" tobacco products contain. The consumer may take time to ponder whether the product has a combination of tea and tobacco,

ginger, peppercorns, nutmeg, fennel, star anise, hot, cooling, or many other permutations of possible tea flavors, or suggestive of a relaxing, stress reducing feeling and experience or warming sensations the consumer associates with “SPICED CHAI.” Interpretation of the term “SPICED CHAI” when applied to tobacco products requires a stretch of the imagination, does not immediately convey to the consumer the nature of the goods being offered and suggests Applicant’s goods.

C. Third-Party Registrations Support Applicant's Position

That the Mark is not merely descriptive for Applicant's goods is demonstrated by the USPTO's acceptance of similar marks for similar goods as distinctive enough to merit registration on the Principal Register. The USPTO has registered at least two marks that contain “TEA” (the English translation of “CHAI”) that the Examining Attorney objected to as descriptive:

MINT TEA (Reg. No. 4382108) for hookah tobacco related products

PASSION TEA (Reg. No. 4788147) for hookah tobacco related products

That the USPTO registered those marks without requiring proof of secondary meaning shows that the USPTO does not consider tea (or its foreign translation “chai”), as used with hookah tobacco descriptive (see *Borinquen Biscuit Corp. v. M.V. Trading Corp.*, 78 U.S.P.Q.2d 1454, 443 F.3d 112, 119-20 (1st Cir. 2006)).

The Mark is not merely descriptive or generic and the Examining Attorney's refusal should be withdrawn and the Application allowed to proceed to publication.

III. FAILURE TO FUNCTION REFUSAL

Because the Mark is not merely informational wording or descriptive; but, rather, it is inherently distinctive and deserving registration, it functions as a source identifier for Applicant’s hookah tobacco, tobacco, and tobacco pouches. Accordingly, the failure to function refusal should be withdrawn.

Evidence to Support Registration of the Mark

Enclosed with this response are Exhibits to support Applicant's position that the Mark is not merely descriptive or generic and warrants registration on the Principal Register.

Conclusion

Because Applicant's Mark is inherently distinctive, or in the alternative the Examining Attorney has not provided sufficient evidence showing that the relevant consumer when confronted with Applicant's Mark in the marketplace would believe that a significant feature of the goods would be the sale of hookah tobacco, tobacco, and/or tobacco pouches and any doubts as to descriptiveness must be resolved in favor of Applicant (see *In re Box Solutions Corp.*, 79 U.S.P.Q.2d 1953, 2006 WL 1546499, at *2 (T.T.A.B. 2006); *In re Shutts*, 217 U.S.P.Q. 363, 1983 WL 51780, at *3 (T.T.A.B. 1983)), Applicant submits that the Mark is not merely descriptive or generic as used with the goods identified, and accordingly, is entitled to registration on the Principal Register.

Applicant respectfully requests that the Examining Attorney withdraw the refusal to register Applicant's Mark and approve the Application for publication. If a telephone call will assist in the prosecution of this Application, the Examining Attorney is invited to call (619) 881-2305.

Respectfully submitted,

By: /s/ Jonathan A. Paul

Jonathan A. Paul
The Tech Law Group, P.C.
11622 El Camino Real Ste 100
San Diego, CA 92130
Telephone: (619) 881-2305
Facsimile: (214) 242-2063
Email: jpaul@techlg.com

Attorney for Applicant Fumari, Inc.