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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

November 4, 2019

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RE:	Serial No:	88326935
	Mark:	TOPLINE
	Applicant:	Altera Financial, LLC
	Office Action:	May 21, 2019

APPLICANT'S RESPONSE TO OFFICE ACTION

The following is the response of Applicant, Altera Financial, LLC, by Counsel, to the Office Action sent via email on May 21, 2019, by Examining Attorney William Rossman.

I. No Likelihood of Confusion.

The Examining Attorney has refused registration of the proposed mark TOPLINE ("Applicant's Mark") pursuant to Trademark Act Section 2(d), 15 U.S.C. § 1052(d), on the grounds that the mark is likely to be confused with the marks in U.S. Registration Nos. 2778591, 2783010, 2900353, 4958380 and 4971741 (collectively, the "Cited Mark"), which are owned by TopLine Federal Credit Union or its affiliates (collectively, "Registrant"). Because Registrant's and Applicant's Marks are associated with substantially different goods and services, and utilize entirely separate channels of distribution, Applicant respectfully disagrees with the findings and requests that the Examining Attorney reconsider the statutory refusal and allow registration of Applicant's Mark.

II. Legal Standard.

In determining whether there is a likelihood of confusion between Applicant's Mark and the Cited Mark, the Examining Attorney must consider several factors. See In re DuPont De Nemours & Co., 476 F.2d 1357, 1361 (C.C.P.A. 1973) (identifying thirteen factors). A mere possibility of confusion is not enough; "there must be a substantial likelihood that the public will be confused." Vitek Sys., Inc. v. Abbott Labs., 675 F.2d 190, 192 (8th Cir. 1982). Applicant respectfully submits that there is no likelihood of confusion between Applicant's Mark and the Cited Mark as a whole when all of the relevant DuPont factors are considered. The Cited Mark and the Applicant's Marks are not identical. Applicant submits that the following DuPont factors weigh overwhelmingly towards a finding of no likelihood of confusion between the marks: (1) the absence of any actual confusion and de minimis extent of any potential confusion; (2) the dissimilarity and nature of the goods or services as described in an application or in connection with which a prior mark is in use; and (3) the differences in trade channels and potential customers of Registrant and Applicant. Id.

III. Legal Argument.

A. No Actual or Potential Confusion.

Although "[i]t is well recognized that confusion in trade is likely to occur from the use of similar or the same marks for goods and products on the one hand and for services involving those goods and products on the other," Steelcase Inc. v. Steelcare Inc., 219 U.S.P.Q. 433 (TTAB 1983), the level of involvement must be more than theoretical or de minimis, such that confusion will ***probably*** – ***not just possibly*** – occur. See Electronic Design & Sales, Inc. (EDS) v. Electronic Data Systems Corp., 954 F.2d 713, 717, 719 (Fed. Cir. 1992) (emphasis added); Checkpoint Sys., Inc. v. Check Point Software Tech., Inc., 269 F.3d 270, 281 n7 (3d Cir. 2001).

Cf. Jacobs, 668 F.2d at 1236 ("To establish likelihood of confusion a party must show something more than that similar or even identical marks are used for food products and for restaurant services").

Registrant, TopLine Federal Credit Union, is a brick and mortar federally chartered credit union that operates 5 banks exclusively within Minneapolis, Minnesota. See Exhibit "A". Additionally, Registrant offers traditional financial and retirement planning products and services to its banking customers through its Brooklyn Park, MN, bank location. See Exhibit "B".

Applicant, on the other hand, operates a private consulting company in Atlanta, Georgia, that specializes in analyzing private equity and other alternative asset investments for sophisticated investors and investment advisors. See Exhibit "C". The classes of alternative investment products and services offered by Applicant, and its target customers, could not be more different than the traditional investment products and services offered by Registrant to its traditional banking customers. Moreover, Applicant does not provide banking services – or anything in the Class 036 listing referenced in the Office Action.

Simply put, there is no rational basis to presume that a typical customer of Registrant – an individual or charitable foundation located in Minneapolis – would walk into the Registrant's retail Minneapolis bank and confuse it with a boutique Atlanta-based alternative asset due diligence consulting company, or vice versa. Minneapolis is over 1,000 miles away from Atlanta. Furthermore, Registrant's customer base is comprised of individuals and charitable foundations located in metropolitan Minneapolis. Applicant's customer base, to the contrary, is comprised of sophisticated investors and investment advisors. See Exhibit "C". Applicant's principals have an extensive network of personal relationships throughout metropolitan Atlanta, and the majority of

Applicant's customers originate from this Atlanta-based network.

There is no evidence whatsoever of actual confusion, and the threat of potential confusion is theoretical or de minimis at best. Thus, the Examining Attorney should reverse the refusal and allow Applicant's mark to register.

B. Dissimilarities in Services, Trade Channels and Potential Customers.

No likelihood of confusion exists unless an applicant's goods and registrant's services are sufficiently related and the circumstances surrounding the marketing of said goods and services are such that purchasers encountering them would, in view of the similarity of the marks, mistakenly believe that the goods and services emanate from the same source. See Monsanto Co. v. Enviro-Chem Corp., 199 USPQ 590 (TTAB 1978); In re International Telephone & Telegraph Corp., 197 USPQ 910 (TTAB 1978). Even if the marks are identical, if these conditions do not exist, confusion is not likely. See In re Unilever Limited, 222 USPQ 981 (TTAB 1984) and In re Fesco, Inc., 219 USPQ 437 (TTAB 1983). Where the goods and services are different, the Examining Attorney bears the burden of showing that the applicant's goods and the registrant's goods commonly would be provided by the same source. E.g., In re Shipp, 4 U.S.P.Q.2d 1174, 1176 (TTAB 1987) (refusal reversed where Examining Attorney's argument that small segment of market would be familiar with both Applicant's use of PURITAN in connection with dry cleaning services and Registrants' uses of PURITAN in connection with dry cleaning equipment and dry cleaning chemicals rejected due to lack of proof of trade practices and failure to show likelihood, rather than possibility, of confusion).

In assessing the potential for confusion, the Examining Attorney must also consider "the extent to which the targets of the parties' sales efforts are the same." See Ford Motor Co. v. Summit Motor Prods., Inc., 930 F.2d 277, 293 (3d Cir. 1991). Where the products or services at

issue are marketed to different customers and sold in different locations, there is no likely confusion. See Worsley Rests., Inc. v. Speedy's Hamburgers, Inc., 783 F.Supp. 347, 348 (E.D. Tenn. 1991) (finding no likelihood of confusion where parties' marketing areas did not overlap); Sunenblick v. Harrell, 895 F.Supp. 616, 629 (S.D.N.Y. 1994) (finding factor weighed against likelihood of confusion where companies sold music in different genres located in different sections of same stores). Furthermore, there is little to no likelihood of confusion when there is no overlap among customers or potential customers. See Harlem Wizards Entm't Basketball, Inc. v. NBA Props., Inc., 952 F.Supp. 1084, 1096 (D.N.J. 1997).

i. Registrant's Brick and Mortar Retail Credit Union.

Registrant operates a traditional federal credit union under the name "TopLine Federal Credit Union." As a federal credit union, Registrant is regulated by the National Credit Union Administration (NCUA). Registrant provides traditional banking services to "the entire Twin Cities area" with approximately "44,000 current members." See Exhibit "D". Registrant "offers membership to individuals and their immediate families who live, work, worship, attend school or volunteer in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington in Minnesota." Such counties comprise the Twin Cities metropolitan area. Registrant's banking services include checking and savings accounts, home and auto loans, and credit cards. See Exhibit "D". Additionally, Registrant offers traditional financial planning, insurance and retirement planning services to its members. These products and services include life and disability insurance, annuities, stocks, bonds, mutual funds and IRA and 401(k) accounts. See Exhibit "B".

The Twin Cities are home to approximately 3.6 million people. See Exhibit "E". As such, Registrant's 44,000 members comprise approximately 1.6% of the population of the

metropolitan area in which they are located. Presumably, far less than all of Registrant's banking customers take advantage of Registrant's "investment services," as many people obtain such services through their employers or other outlets, if at all.

In sum, Registrant offers garden variety banking and financial services to a small number of people isolated in one metropolitan area.

ii. Applicant's Alternative Assets Consulting Firm.

Applicant, on the other hand, operates a consulting company in Atlanta, Georgia, that specializes in analyzing private equity funds and other alternative asset investments. Alternative assets have been defined as "anything you wouldn't hear a financial advisor at a bank steer a client towards." See Exhibit "F". Alternative assets are far more "exotic" than traditional investments, such as those offered by Registrant, and include (i) tangible assets, such as precious metals, art, wine, coins and stamps; (ii) financial assets, such as private equity, financial derivatives, carbon credits, film production and cryptocurrencies; and (iii) real property. See Exhibits "F" and "G".

Applicant specifically focuses on "the small-cap end of the domestic private equity markets…." See Exhibit "H". Applicant performs due diligence and pre-screening on such investments in an effort to rank the same according to various proprietary metrics so that Applicant's customers may more effectively evaluate such investments and compare them to one another. See Exhibit "C".

As mentioned above, Applicant's customers are sophisticated investors and investment advisors located primarily in and around Atlanta, Georgia who number in the hundreds or perhaps around one thousand. "Sophisticated investors" is something of a term of art. Without becoming mired in the complexities of federal securities laws and the regulations promulgated

by the Securities and Exchange Commission (SEC) thereunder (collectively, "Securities Law"), private equity offerings, and investing therein, require certain qualifications. See Exhibit "I". Securities Law exists to protect traditional investors, like Registrant's customers, from the risk associated with private offerings.

Generally, only "accredited investors" and "sophisticated persons" may participate in private offerings, lest those offering the securities run afoul of Securities Law. See Exhibits "I" and "J". An "accredited investor" is one who (i) "earned income that exceeded $200,000 (or $300,000 together with a spouse) in each of the prior two years, and reasonably expects the same for the current year," or (ii) "has a net worth over $1 million, either alone or together with a spouse (excluding the value of the person's primary residence)." See Exhibit "J". A "sophisticated person" must have, or the company or private fund offering the securities reasonably believes that this person has, sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of the prospective investment. See Exhibit "J". Generally, these are wealthy and experienced investors who understand the risk and can afford to lose their entire investment in the private offering.

In short, Applicant's products and services are highly specialized, high-risk, high-reward investments generally purchased by wealthy investors and their advisors in the metropolitan Atlanta area to occupy niche portions of their investment portfolios.

iii. Dissimilarities.

Here, there is no evidence that Registrant's and Applicant's services are sufficiently related for purposes of the likelihood of confusion analysis. As discussed above, Applicant has constrained the class of services in its Application to "private equity fund investment services," and such services are highly specialized and nontraditional. Not only does Registrant not offer

such services, private equity analysis or investment is not a category of services that any traditional bank would provide, much less a small, local credit union. To the contrary, Registrant provides checking and savings accounts, auto and home loans, credit cards, and a limited array of traditional financial planning products and services. See Exhibits "B" and "D".

Furthermore, Registrant's and Applicant's services are not offered to the same customers and do not enter the same marketing and trade channels. Registrant's members comprise a small portion of the population of metropolitan Minneapolis, Minnesota, interested in traditional banking and related services. Applicant's customers, on the other hand, comprise an even smaller portion of the population of Atlanta, Georgia, interested in analysis of private equity funds and other nontraditional alternative assets. Over 1,000 miles separate the cities of Minneapolis and Atlanta. See In Speedy's Hamburgers, 783 F.Supp. at 348 (no likelihood of confusion between the marks SPEEDY and SPEEDY'S for the same genre of drive through fast food restaurants where one party's restaurants were 300 miles away from the other's).

It is highly improbable that a typical customer of Registrant would walk into the Registrant's retail Minneapolis credit union and confuse it with a boutique Atlanta-based private equity due diligence consulting company. Registrant's customer base is average individuals in the Twin Cities area. Applicant's customer base, to the contrary, is comprised of "sophisticated investors" located primarily in the Atlanta area. See Exhibit "E".

Simply put, Registrant's and Applicant's products and services move in different channels of trade and are so different that relevant purchasers would not assume that they emanate from the same source. Accordingly, Applicant respectfully submits the refusal ought to be withdrawn.

IV. Conclusion.

Applicant submits that its TOPLINE mark is not likely to be confused with the Cited Mark. As discussed above, when the relevant DuPont factors are considered, the evidence requires a finding of no likelihood of confusion between Applicant's Mark and the Cited Mark. Accordingly, there is no substantial likelihood that the public will be confused. The Section 2(d) refusal should therefore be withdrawn.