
WAKE FOREST JOURNAL OF BUSINESS
AND INTELLECTUAL PROPERTY LAW

VOLUME 18

FALL 2017

NUMBER 1

**NOTE: GLASS HALF FULL OR HALF EMPTY: AN
ANALYSIS OF *OAKVILLE HILLS CELLAR, INC. V.
GEORGALLIS HOLDINGS, LLC***

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“Wine is one of the most civilized things in the world and one of the most natural things of the world that has been brought to the greatest perfection, and it offers a greater range for enjoyment and appreciation than, possibly, any other purely sensory thing”

– Ernest Hemingway¹

I. INTRODUCTION

Wine plays a major role in the lives of many Americans. The United States has held the title of the world’s “largest consuming nation” of wine for the past several years.² In 2015 alone, Americans consumed 913 million gallons of wine, an increase of 27 million gallons from 2014.³ The United States is also home to one of the world’s largest wine markets, with a production of 768,088,776 gallons of wine in 2015.⁴ With wine shipments to the United States totaling 384 million cases of wine, contributing about \$55.8 billion to the economy, it is no wonder that wine producers have incorporated wine marketing into their businesses.⁵

To effectively market wine, producers and retailers must understand what attracts customers to a particular wine over another.⁶ For any customer searching for the perfect bottle of wine, the “medium is the message.”⁷ Although the exact measure of influence a wine label has on a customer is contested within the wine industry,

¹ ERNEST HEMINGWAY, *DEATH IN THE AFTERNOON* 10 (1932).

² *2014 California Wine Sales Grow 4.4% by Volume and 6.7% by Value in the U.S.*, WINE INST. (May 19, 2015), <http://www.wineinstitute.org/resources/pressroom/05192015>; see also Henry Samuel & John Phillips, *Wine Around the World: Who Drinks the Most?*, TELEGRAPH (Apr. 26, 2016), <http://www.telegraph.co.uk/news/2016/04/25/italy-drinks-less-wine-than-germany-in-historic-drop/> (stating that “[t]he United States topped the list of the world’s biggest wine-drinking nation in 2015 . . .”).

³ *Wine Consumption in the U.S.*, WINE INST., <https://www.wineinstitute.org/resources/statistics/article86> (last updated July 12, 2017).

⁴ *US/California Wine Production*, WINE INST., <https://www.wineinstitute.org/resources/statistics/article83> (last updated July 12, 2017).

⁵ *2015 California Wine Sales in U.S. Hit \$31.9 Billion Retail Value*, WINE INST. (July 8, 2016), <http://www.wineinstitute.org/resources/pressroom/07082016>.

⁶ *The Brand’s the Thing*, ECONOMIST (Dec. 16, 1999), <http://www.economist.com/node/268163> (“For wine producers and retailers, it is vital to know what makes shoppers take one bottle off a supermarket shelf in preference to another.”).

⁷ Batya Ungar-Sargon, *How Much Do the Labels on Wine Bottles Influence What We Buy?*, VINEPAIR (Aug. 26, 2015), <http://vinepair.com/wine-blog/how-much-do-the-labels-on-wine-bottles-influence-what-we-buy/>.

one thing is certain: a wine's label has the potential to have a big impact on a purchase decision,⁸ since customers rely on the information printed on a wine label to infer the wine's quality.⁹ With the average grocery store selling approximately 360 types of wines in any given week,¹⁰ many customers are likely to become overwhelmed in the decision-making process.¹¹ Despite the large number of products available, customers typically spend between ninety seconds to two minutes in making a purchase decision in a grocery store.¹² Furthermore, wine is the type of product in which a "high proportion of attributes . . . can only be assessed during consumption . . ." ¹³ As a result, consumers will use "extrinsic cues" to determine the wine's quality.¹⁴ Examples of extrinsic cues include price, packaging, and brand name, all of which are incorporated into the wine's label.¹⁵ Thus, there are many characteristics that can be placed on a wine label to help solidify a wine purchase.

Brand names are one of the most important characteristics on a wine label in a consumer's decision-making process.¹⁶ A wine's brand name is "an intangible product attribute which is associated with, and identifies, a product."¹⁷ In the wine industry, the brand name ultimately is the "identifying product name prominently displayed on the bottle."¹⁸ Brand names help develop a product's

⁸ *Id.*

⁹ Olivier Gerfaud & Florine Livat, *How Do Consumers Use Signals to Assess Quality?* 1, 4 (Am. Ass'n of Wine Economists, Working Paper No. 3, 2007), http://www.wine-economics.org/aawe/wp-content/uploads/2012/09/AAWE_WP03.pdf.

¹⁰ *Grapes of Worth: How Supermarkets are Becoming Local Wine Shops*, NIELSEN (Feb. 19, 2015), <http://www.nielsen.com/us/en/insights/news/2015/grapes-of-worth-how-supermarkets-are-becoming-local-wine-shops.html>.

¹¹ Simone Mueller et al., *How Does Shelf Information Influence Consumers' Wine Choice?*, AUSTL. & N.Z. WINE INDUSTRY J., May–June 2009, at 1, 1.

¹² *See The Way the Brain Buys*, ECONOMIST (Dec. 18, 2008), <http://www.economist.com/node/12792420>.

¹³ Larry Lockshin, *Consumer Purchasing Behaviour for Wine: What We Know and Where We are Going*, ACAD. WINE BUS. RES., <http://academyofwinebusiness.com/wp-content/uploads/2010/05/File-030.pdf> (last visited Sept. 17, 2017).

¹⁴ *Id.* (noting that extrinsic cues are attributes that can change without altering the actual wine).

¹⁵ *Id.*

¹⁶ Sharon L. Forbes & David Dean, *Consumers Perception of Wine Brand Names*, ACAD. WINE BUS. RES. 1, 3 (June 12–15, 2013), <http://academyofwinebusiness.com/wp-content/uploads/2013/04/Forbes-Dean.pdf>.

¹⁷ *Id.* at 2.

¹⁸ Sara Schorske & Alex Heckathorn, *The Rules of the Winery Name Game*, COMPLIANCE SERV. AM., <http://www.csa-compliance.com/html/CSA-Articles/rules-of-the-winery-name-game.html> (last visited Sept. 17, 2017).

brand, which is a “combination of elements that identifies a product made by one manufacturer and distinguishes it from products made by competing companies”¹⁹ Often times, wine producers can use a wine’s brand name to their advantage by designing a name that is distinctive and connects the wine to a story or place.²⁰ Wine producers can also create a distinctive brand name by altering a word’s sound, spelling, or meaning.²¹ When faced with a purchase decision, customers will often examine the wines’ brand names in an effort to avoid making a bad purchase.²² Furthermore, there is often a positive correlation between a wine’s brand name and a customer’s decision, illustrating that the taste of a wine alone is not nearly as important in the decision-making process as a wine’s taste combined with its brand name.²³ This positive correlation explains how a wine’s brand name can influence and even substitute a wine’s quality.²⁴ Thus, a wine’s brand name is created to differentiate wine producers’ products and influence indecisive customers who must make a decision when hundreds of other wines line a grocery store’s shelf.²⁵

This Note will first trace the history of trademark law and then explore the interplay of trademarks in the wine industry, since both wine producers and trademarks find value in unique and distinct brand names.²⁶ The Note will move on to give an overview of consumer confusion and discuss *In re E.I. DuPont DeNemours & Co.*,²⁷ which announces factors for courts and the Trademark Trial and Appeal Board (TTAB) to use when faced with consumer confusion claims. The Note will then analyze *Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*²⁸ through the Federal Circuit’s and TTAB’s application of the dispositive first *DuPont* factor²⁹ and will argue that the nature of

¹⁹ Forbes & Dean, *supra* note 16, at 2.

²⁰ *Id.* at 3.

²¹ *Id.*

²² Kelsea Nissen, Influences on Wine Purchases: A Comparison Between Millennials and Prior Generations 9 (Mar. 2012) (unpublished B.S. study, California Polytechnic State University) (on file with the Agribusiness Department, California Polytechnic State University).

²³ Lockshin, *supra* note 13 (noting an experiment that found that participants cannot differentiate between many wines when given limited information).

²⁴ Nissen, *supra* note 22, at 8. For example, a wine brand name that is humorous can be perceived by a customer as cheap. Forbes & Dean, *supra* note 16, at 4.

²⁵ Lockshin, *supra* note 13.

²⁶ Forbes & Dean, *supra* note 16, at 3.

²⁷ *In re E.I. DuPont DeNemours & Co.*, 476 F.2d 1357 (C.C.P.A. 1973).

²⁸ *Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*, 826 F.3d 1376 (Fed. Cir. 2016).

²⁹ See *infra* text accompanying note 106.

the wine industry should have also been considered in order for both courts to find a likelihood of confusion among two wine brand names.

II. BACKGROUND

A. History of Trademark Law

The beginnings of trademark law have often been attributed to medieval guilds.³⁰ Craftsmen in medieval guilds were inclined to place a mark on their products that would identify the source of the good.³¹ Over time, the use of such marks led to certain goods developing social significance.³² Other commentators have challenged the source of trademark law. For instance, some argue that the idea of trademark law can be seen in Roman law, where a man was criminally liable if he used “another’s name for gain.”³³ Although the origin of trademarks is disputed, the use of marks on goods has historically been essential to developing goodwill and demonstrating ownership of goods.³⁴

In the United States, trademarks differ from patents and copyrights in that the Constitution does not establish their legal basis.³⁵ Rather, trademark law was originally developed by common law.³⁶ Common law trademarks survive today, but their protections are limited geographically.³⁷ Even with the geographic limitation, historical common law trademarks were seen as “important instrumentalities” that helped manufacturers and merchants identify their goods as well

³⁰ César Ramirez-Montes, *A Re-Examination of the Original Foundations of Anglo-American Trademark Law*, 14 MARQ. INTELL. PROP. L. REV. 91, 100 (2010).

³¹ FRANK I. SCHECHTER, *THE HISTORICAL FOUNDATIONS OF THE LAW RELATING TO TRADE-MARKS* 21 (1925).

³² *Id.* at 23.

³³ Ramirez-Montes, *supra* note 30, at 100.

³⁴ Mark P. McKenna, *The Normative Foundations of Trademark Law*, 82 NOTRE DAME L. REV. 1839, 1849–50 (2007).

³⁵ AARON SCHWABACH, *INTELLECTUAL PROPERTY: A REFERENCE HANDBOOK* 9 (2007); *see also* U.S. CONST. art. I, § 8, cl. 8 (“[The Congress shall have Power] To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries” (alteration in original)).

³⁶ J. THOMAS MCCARTHY, *MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION* § 5:2 (4th ed. 2009).

³⁷ Julia Lynn Titolo, *A Trademark Holder’s Hangover: Reconciling the Lanham Act with the Alcohol and Tobacco Tax and Trade Bureau’s System of Designating American Viticultural Areas*, 17 J. INTELL. PROP. L. 173, 177 (2009) (noting that common law protects the marks “in the geographic area in which the mark is actually used in connection with goods or services”).

as build their reputation.³⁸ Congress attempted to federalize trademark law by enacting various statutes in the late 1800s.³⁹ These first federal trademark statutes, however, were deemed unconstitutional under *In re Trade-Mark Cases*, where the Supreme Court held that Congress lacked the authority under the Constitution to regulate trademarks unless trademarks affect commerce among states, foreign nations, or Indian tribes.⁴⁰ In response to *In re Trade-Mark Cases*, Congress passed new federal trademark statutes in the late 1800s and early 1900s, in which Congress utilized its powers under the Commerce Clause to regulate trademarks.⁴¹

In 1946, Congress passed the Lanham Act, which serves as the major federal statute for today's trademark law.⁴² This Act aims to "modernize, simplify, and unify existing federal trademark law," as well as creates an incentive to register trademarks federally.⁴³ The Lanham Act gives the trademark holder a "legal presumption" of ownership over the mark, as well as grants the "exclusive use" of the mark to identify the holder's products.⁴⁴ Additionally, the Lanham Act creates benefits for the mark holder by "putting others on constructive notice of ownership nationwide; creating a presumption of ownership, which can be used as evidence in trademark disputes; and preserving the ability to bring claims in federal court"⁴⁵ Thus, unlike common law mark holders, federal mark holders enjoy nationwide protection and a variety of benefits that help both them and their customers distinguish products.⁴⁶

B. The Interplay of Federal Trademark Law's Purpose and the Wine Industry

For a brand name to be successful, a wine producer will need to trademark the wine's name.⁴⁷ A trademark can protect "any word, name, symbol, or device, or any combination thereof . . . to identify

³⁸ *In re Trade-Mark Cases*, 100 U.S. 82, 87 (1879).

³⁹ MCCARTHY, *supra* note 36, at § 5:3.

⁴⁰ *In re Trade-Mark Cases*, 100 U.S. at 91, 99.

⁴¹ SCHWABACH, *supra* note 35, at 10.

⁴² MCCARTHY, *supra* note 36, at § 5:4.

⁴³ SCHWABACH, *supra* note 35, at 10.

⁴⁴ Titolo, *supra* note 37, at 179 (emphasis omitted).

⁴⁵ *Id.* at 178.

⁴⁶ *Id.* at 178–79.

⁴⁷ Kathie Bartley, *The Power of a Great Wine Brand Name*, KB MARKETING (Apr. 18, 2015),

[<https://web.archive.org/web/20170407171436/http://www.kbmarketing.co.nz/wine-news/the-power-of-a-great-wine-brand-name>].

and distinguish . . . goods . . . from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.”⁴⁸ Trademarks serve two purposes that have remained consistent throughout time:⁴⁹ (1) to determine ownership of a product; and (2) to identify a product’s source, which encourages competition among producers.⁵⁰ A trademark will most likely be available for use if it identifies and distinguishes the source of the wine, and the use of the trademark does not—or is not likely to—infringe upon another’s trademark.⁵¹ The use of trademarks encourages competition in the marketplace, as customers connect the source of a product to its reputation and quality.⁵² “Without a way to know who makes what, reputations cannot be created and evaluated, and the process of competition will be less effective.”⁵³ Primarily, trademarks “protect . . . the consumers from being misled.”⁵⁴ Ultimately then, trademark protections protect both consumers and producers; they help reduce consumer confusion, as well as help reduce unfair competition while simultaneously increasing the reputation and goodwill of producers.⁵⁵

As previously noted, a wine’s label is an essential tool to help customers make their purchase decisions.⁵⁶ While the taste of wine keeps customers returning to a specific type of wine,⁵⁷ such as a particular type of merlot, the wine’s brand gives customers “reassurance, confidence, and connection” to the wine.⁵⁸ Thus, the label and its contents, including the brand name, is a wine’s

⁴⁸ 15 U.S.C. § 1127 (2006).

⁴⁹ Gordon U. Sanford, III, *An Intellectual Property Roadmap: The Business Lawyer’s Role in the Realm of Intellectual Property*, 19 MISS. C.L. REV. 177, 178 (1998).

⁵⁰ Megan M. Carpenter & Kathryn T. Murphy, *Calling Bulls**t on the Lanham Act: The 2(A) Bar for Immoral, Scandalous, and Disparaging Marks*, 49 U. LOUISVILLE L. REV. 465, 466 (2011).

⁵¹ *Trademark Issues for the Wine Industry*, NEAL & MCDEVITT pt. I, http://www.nealmcdevitt.com/assets/news/TM_Issues_for_Wine_Industry_1_thru_6.pdf (last visited Sept. 17, 2017).

⁵² Carpenter & Murphy, *supra* note 50, at 466.

⁵³ Titolo, *supra* note 37, at 179 (quoting *Top Tobacco, L.P. v. N. Atl. Operating Co.*, 509 F.3d 380, 381 (7th Cir. 2007)).

⁵⁴ Ramirez-Montes, *supra* note 30, at 92.

⁵⁵ Titolo, *supra* note 37, at 179.

⁵⁶ Clinton Stark, *2 Out of 3 Consumers Base Wine Purchases on Label (Top 10 Wine Trends)*, STARK INSIDER (Jan. 14, 2015), <http://www.starkinsider.com/2015/01/2-3-consumers-base-wine-purchase-label-plus-wine-trends.html> (noting that “nearly two out of the three [customers] pick a bottle of wine based on the label” (alteration in original)).

⁵⁷ *Id.*

⁵⁸ *What Makes a Wine Brand?*, RICHARD HEMMING MW (Feb. 25, 2016), <https://www.richardhemmingmw.com/blog/what-makes-a-wine-brand>.

identifier.⁵⁹ Since trademarks also serve as identifiers, a trademark can be “vital” in order to compete in the wine industry.⁶⁰

Trademarks help protect already trademarked wine names and future wine names, in that a trademark protects a name from being used or infringed upon by another wine producer.⁶¹ For example, if a future wine producer wishes to name his wine with a trademarked name, he could be prohibited or challenged from doing so, which can potentially bring high costs from delays of product release or from litigation, or even diminish the future wine producer’s reputation.⁶² With the responsibility of protecting and monitoring a wine brand name resting on the wine producer, the wine producer who chooses to challenge trademark infringement could send the infringing wine producer a cease-and-desist letter.⁶³ A wine producer that is served with a cease-and-desist letter is faced with drastic consequences if using a protected trademarked name; the producer’s “investment in [his] labels, website, and social-media advertising for that name – and . . . the hard-earned goodwill – likely would be lost.”⁶⁴ At the same time, a wine producer with a registered trademark can suffer consequences if he chooses to not challenge the future wine producer’s use especially since “trademark infringement gets worse the longer it sits.”⁶⁵ Not pursuing an infringing trademark can result in “diluting [a brand name’s] distinctiveness, losing [the] right to exclusive use of that [brand name] . . . reducing [the] brand’s value,”⁶⁶ or even deeming the trademark abandoned.⁶⁷

Trademarks are also important in the wine industry because the Alcohol and Tobacco Tax and Trade Bureau (TTB) only tracks and

⁵⁹ Steven Lay, *Branding a Winery and Its Wine Is Expensive, Necessary and Benefits the Consumer No Matter the Size*, EZINE ARTICLES (Nov. 12, 2015), <http://ezinearticles.com/?Branding-a-Winery-and-Its-Wine-Is-Expensive,-Necessary-and-Benefits-the-Consumer-No-Matter-the-Size&id=9225932>.

⁶⁰ Sean Balkin, *Trademarking Wine Goes Beyond Brand Names*, LOTEMPIO L. (Sept. 27, 2013), <https://www.lotempiolaw.com/2013/09/uncategorized/trademarking-wine-goes-beyond-brand-names/>.

⁶¹ Schorske & Heckathorn, *supra* note 18.

⁶² *See id.*

⁶³ *Winery and Vineyard Trademarks: How to Create and Protect Brand Names*, FARELLA BRAUN + MARTEL LLP (July 8, 2013), http://www.fbm.com/Winery_and_Vineyard_Trademarks_How_to_Create_and_Protect_Brand_Names_07-08-2013/.

⁶⁴ *Id.* (alteration in original).

⁶⁵ *Id.*

⁶⁶ *Id.* (alteration in original).

⁶⁷ Mystyc Metrik, *A Toast to Wine Trademarks*, SOC’Y WINE & JURIS. 1, 3, <http://wineandjurisprudence.org/wp-content/uploads/2013/04/Metrik-Wine-trademarks.pdf> (last visited Sept. 14, 2017).

regulates trade names.⁶⁸ Thus, the wine producer bears the sole responsibility to protect and regulate its brand name.⁶⁹ The best way a wine producer can protect its wine's brand name is through trademark law.⁷⁰ Federal trademarks are especially favorable for wines that are being sold in multiple states due to their nationwide protection.⁷¹ Additionally, as previously touched upon in Part I, a distinct and unique trademarked name will provide the "strongest trademark protection" because it is less likely that another wine producer will attempt to use the same name.⁷² On the other hand, the weakest trademark protections would lie in descriptive and generic names. Descriptive names include an aspect of the product⁷³ and require proof of customers associating the name with a "secondary meaning."⁷⁴ Generic names cannot even receive protection from federal trademarks⁷⁵ because they simply convey a category of a product.⁷⁶ Therefore, a federal trademark of a distinct name provides wine producers "maximum name security" since trademark law gives the "most legal clout" to challenge another wine producer's use of a wine's brand name.⁷⁷

C. An Overview of Consumer Confusion in Trademark Law

The "cornerstone" of trademark law is to prevent consumer confusion through the use of another's protected mark.⁷⁸ A trademark need not be identical to another mark in order to avoid litigation.⁷⁹ Rather, a similar mark on a similar good can be enough for a wine producer to challenge another's use of a particular mark.⁸⁰ The

⁶⁸ A trade name in the wine industry is the "name, other than a business' precise legal name, that the winery uses in its operations." Schorske & Heckathorn, *supra* note 18.

⁶⁹ *Id.*; see also *Trademark Issues for the Wine Industry*, *supra* note 51, at pt. V ("A wine business owner has an affirmative duty to monitor unauthorized uses of its mark or third party uses of marks that could be considered 'confusingly similar' to its own.").

⁷⁰ Schorske & Heckathorn, *supra* note 18.

⁷¹ *Trademark Issues for the Wine Industry*, *supra* note 51, at pts. IV, V.

⁷² Metrik, *supra* note 67, at 1.

⁷³ *Trademark Issues for the Wine Industry*, *supra* note 51, at pt. II.

⁷⁴ Metrik, *supra* note 67, at 2.

⁷⁵ *Id.*

⁷⁶ *Trademark Issues for the Wine Industry*, *supra* note 51, at pt. II (noting that, for example, "House Wine" is a generic name).

⁷⁷ Schorske & Heckathorn, *supra* note 18.

⁷⁸ See *Trademark Issues for the Wine Industry*, *supra* note 51, at pt. V.

⁷⁹ *Id.* at pt. III.

⁸⁰ *Id.*

challenge of an “applicant’s or registrant’s mark” being “confusingly similar to one’s prior registered or common law mark” is the “most frequent basis” for denying a mark’s registration.⁸¹ Preventing consumer confusion is important because a mark that is likely to confuse consumers “potentially disadvantages both individuals who are tricked by confusing . . . trademarks into purchasing goods . . . other than those they intended to procure, and the provider of goods [who] . . . lose[s] sales when consumers are confused.”⁸²

Section 1125(a)(1)(A) of the United States Code—part of the Lanham Act—establishes that:

any person who . . . uses in commerce any word, term, [or] name . . . which is likely to cause confusion . . . as to the affiliation, connection, or association of such person with another person . . . of his or her goods . . . by another person . . . shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.⁸³

Put simply, Section 1125(a)(1)(A) creates a civil cause of action for those who have suffered from the consequences of a confusing trademark. Additionally, Section 1114(1)(b) explains that:

any person who shall, without the consent of the registrant . . . reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion . . . shall be liable in a civil action by the registrant.⁸⁴

Thus, the Lanham Act provides a cause of action for consumers, mark holders without a federally registered trademark, and mark holders with a federally registered trademark.

Plaintiffs have the burden of proof to demonstrate the likelihood of

⁸¹ E. Deborah Jay, *He Who Steals my Good Name: Likelihood-of-Confusion Surveys in TTAB Proceedings*, 104 TRADEMARK REP. 1141, 1141 (2014).

⁸² Ann Bartow, *Likelihood of Confusion*, 41 SAN DIEGO L. REV. 721, 744 (2004) (alteration in original).

⁸³ 15 U.S.C. § 1125 (2012) (alteration in original).

⁸⁴ 15 U.S.C. § 1114 (2012).

confusion.⁸⁵ To prove a likelihood of confusion, circuit courts apply multi-factor tests.⁸⁶ However, each of the thirteen circuits uses different multi-factor tests.⁸⁷ For instance, the Eighth Circuit applies a six-factor test, the Seventh Circuit applies a seven-factor test, and the Federal Circuit applies a thirteen-factor test.⁸⁸ Many of the factors of the various circuit court tests overlap.⁸⁹ The tests, however, differ in their weight and treatment of the applied factors.⁹⁰ All the circuit courts include the following factors in their multi-factor tests: the marks' similarity, the goods' proximity, the existence of actual confusion, and the plaintiff's mark's strength.⁹¹ The intent of the defendant is considered in all circuits except the Federal Circuit.⁹² These are considered to be "core" factors.⁹³ The "non-core" factors are those other factors besides the "core" factors, including, for example, the quality of parties' goods.⁹⁴ The "core" factors have more influence over a plaintiff's success in a confusion consumer challenge than the "non-core" factors, which have "little, if any, effect on the outcome of the multi-factor test."⁹⁵

D. The *DuPont* Factors

Because *Oakville Hills Cellar v. Georgallis Holdings, LLC* was reviewed by TTAB and the Federal Circuit, the *DuPont* multi-factor test was applied.⁹⁶ The *DuPont* factors originated in the United States Court of Customs and Patent Appeals⁹⁷ in the 1973 case, *In re E.I. DuPont de Nemours & Co.*⁹⁸ In *DuPont*, TTAB affirmed the mark's refusal of registration since "public interest cannot be ignored, and when the goods of the parties are as closely related as those here

⁸⁵ Jay, *supra* note 81, at 1144.

⁸⁶ Barton Beebe, *An Empirical Study of the Multifactor Tests for Trademark Infringement*, 94 CALIF. L. REV. 1581, 1582 (2006).

⁸⁷ *Id.*

⁸⁸ *Id.* at 1582–83.

⁸⁹ *Id.* at 1583.

⁹⁰ *Id.*

⁹¹ *Id.* at 1589.

⁹² *Id.* at 1590.

⁹³ *Id.*

⁹⁴ *Id.* at 1644.

⁹⁵ *Id.* at 1642.

⁹⁶ *Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*, 826 F.3d 1376, 1377–78 (Fed. Cir. 2016).

⁹⁷ This court later became the Federal Circuit. *Court Jurisdiction*, U.S. CT. APPEALS FOR FED. CIR., <http://www.ca9.uscourts.gov/the-court/court-jurisdiction> (last visited Feb. 10, 2017).

⁹⁸ *In re E.I. DuPont de Nemours & Co.*, 476 F.2d 1357, 1357 (C.C.P.A. 1973).

involved, the sale under the identical mark . . . would be likely to result in confusion.”⁹⁹ DuPont’s “RALLY” mark was used to identify an automobile wax and cleaning agent.¹⁰⁰ However, Horizon Industries Corporation used “RALLY” as a mark to identify an all-purpose detergent.¹⁰¹ DuPont bought out Horizon’s mark, the mark’s application, and Horizon’s goodwill to be used towards DuPont’s automobile cleaning agent.¹⁰² To help facilitate this buyout, DuPont and Horizon formed an agreement to establish the “RALLY” mark’s boundaries, which ultimately allowed DuPont to use the “RALLY” mark on products “incidentally usable” in Horizon’s market.¹⁰³

The court reversed TTAB’s refusal of registration, signaling the court’s finding that DuPont’s use of the mark, “RALLY,” did not likely result in confusion.¹⁰⁴ The court came to this holding after enumerating thirteen factors:¹⁰⁵

1. The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression. [first *DuPont* factor]
2. The similarity or dissimilarity and nature of the goods or services as described in an application or registration or in connection with which a prior mark is in use. [second *DuPont* factor]
3. The similarity or dissimilarity of established, likely-to-continue trade channels. [third *DuPont* factor]
4. The conditions under which and buyers to whom sales are made, i.e. ‘impulse’ vs. careful, sophisticated purchasing. [fourth *DuPont* factor]
5. The fame of the prior mark (sales, advertising, length of use). [fifth *DuPont* factor]
6. The number and nature of similar marks in use on similar goods. [sixth *DuPont* factor]
7. The nature and extent of any actual confusion. [seventh *DuPont* factor]
8. The length of time during and conditions under

⁹⁹ *Id.* at 1359–60.

¹⁰⁰ *Id.* at 1359.

¹⁰¹ *Id.*

¹⁰² *Id.*

¹⁰³ *Id.*

¹⁰⁴ *Id.* at 1363.

¹⁰⁵ Collectively known as the *DuPont* factors. *Id.* at 1361.

which there has been concurrent use without evidence of actual confusion. [eighth *DuPont* factor]

9. The variety of goods on which a mark is or is not used . . . [ninth *DuPont* factor]

10. The market interface between applicant and the owner of a prior mark:

a. A mere ‘consent’ to register or use

b. Agreement provisions designed to preclude confusion . . .

c. Assignment of mark, application, registration and good will of the related business.

d. Laches and estoppel attributable to owner of prior mark and indicative of lack of confusion. [tenth *DuPont* factor]

11. The extent to which applicant has a right to exclude others from use of its marks on its goods. [eleventh *DuPont* factor]

12. The extent of potential confusion, i.e. whether *de minimis* or substantial. [twelfth *DuPont* factor]

13. Any other established fact probative of the effect of use. [thirteenth *DuPont* factor]¹⁰⁶

The court was careful to note that these factors are not listed in order of value, since any of the listed factors could be dispositive.¹⁰⁷ Applying the factors to this case, the court believed that the parties would not have entered into an agreement “if either thought for a moment that purchasers would seriously be confused as to source.”¹⁰⁸ Thus, the court found the tenth *DuPont* factor to be determinative, in that the parties’ agreement illustrated more than “consent.”¹⁰⁹

The *DuPont* factors are essential to understanding consumer confusion. Many mark holders will come to know these factors as a result of bringing a suit to TTAB.¹¹⁰ TTAB serves as an effective

¹⁰⁶ *Id.* (alteration in original).

¹⁰⁷ *Id.* at 1361–62.

¹⁰⁸ *Id.* at 1363.

¹⁰⁹ *Id.* at 1362.

¹¹⁰ See Nikki Siesel, *TTAB Precedent – How Fame Impacts a Likelihood of Confusion Determination*, N.Y. TRADEMARK ATT’Y BLOG (Apr. 11, 2014), <http://www.newyorktrademarkattorneyblog.com/2014/04/11/ttab-precedential-decision-fame-impacts-likelihood-confusion-determination/> (noting TTAB applying
continued . . .

means for mark holders to bring adversary proceedings to express a mark holder's opposition to a mark's registration.¹¹¹ While an upset mark holder can initially bring a trademark claim to either TTAB or a United States federal court, there are many benefits to filing a suit to be heard by TTAB.¹¹² For example, TTAB does not need to have jurisdiction over the defendant like a U.S. court does.¹¹³ If a mark holder wanted to sue a person who has a pending federal trademark application, he can do so only in TTAB.¹¹⁴ Unlike a U.S. court, a "plaintiff can eliminate the need to wait to sue until the defendant begins use [of the mark]."¹¹⁵ A TTAB decision ultimately determines whether a mark applicant can continue on with his trademark registration, whereas a U.S. court will either issue an injunction or damages.¹¹⁶ Furthermore, a TTAB proceeding tends to allow more flexible timing.¹¹⁷ For instance, a party may request an extension of the discovery period and obtain extensions for up to 150 days.¹¹⁸ TTAB proceedings are also generally less expensive than proceedings in a U.S. federal court,¹¹⁹ which can persuade a mark holder to address his grievances in front of TTAB.

Mark holders will continue to face the application of the *DuPont* factors even if they choose to appeal a TTAB decision. TTAB decisions are appealed to the Federal Circuit.¹²⁰ As previously

the *DuPont* factors); *see also* *Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*, 826 F.3d 1376, 1377–78 (Fed. Cir. 2016) (reviewing TTAB's application of the *DuPont* factors).

¹¹¹ *See Trademark Trial and Appeal Board (TTAB)*, U.S. PAT. & TRADEMARK OFF., <https://www.uspto.gov/trademarks-application-process/trademark-trial-and-appeal-board-ttab> (last visited Feb. 20, 2017).

¹¹² Elizabeth C. Buckingham, *TTAB or Federal Court: Where to Litigate a U.S. Trademark Dispute? Part One: Board Proceedings*, INT'L TRADEMARK ASS'N (Feb. 1, 2012), <http://www.inta.org/INTABulletin/Pages/TTABorFederalCourtWheretolitigateUSTrademarkDisputePartOneBoardProceedings.aspx>.

¹¹³ *Id.*

¹¹⁴ *Id.*

¹¹⁵ *Id.* (alteration in original).

¹¹⁶ Laura Schwartz, *B&B Hardware District Courts Consider Impact on Both Trademark and Patent Litigation*, BROOKS KUSHMAN (Dec. 1, 2015), <https://www.brookskushman.com/news/client-alerts/bb-hardware-district-courts-consider-impact-on-both-trademark-and-patent-litigation/>.

¹¹⁷ Buckingham, *supra* note 112.

¹¹⁸ *Id.*

¹¹⁹ *Id.*

¹²⁰ 37 C.F.R. § 2.145(a)(1) (2017) ("An applicant for registration, or any party to an . . . opposition or cancellation proceeding . . . who is dissatisfied with the decision of the Trademark Trial and Appeal Board . . . may appeal to the United States Court of Appeals for the Federal Circuit.").

discussed, the Federal Circuit applies the *DuPont* factors to determine a likelihood of confusion case.¹²¹ Therefore, while a mark holder bringing a trademark claim must ultimately decide which forum is best for his or her claim, a mark holder reasonably has a fair chance of confronting the *DuPont* factors, given the factors' prevalence in TTAB and the Federal Circuit proceedings.¹²²

III. ANALYSIS

A. "Wine-ing" About *Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*

Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC illustrates the application of the *DuPont* factors in the wine industry. Georgallis Holdings applied to register the brand name "MAYARI" for its wine.¹²³ Oakville Hills argued that Georgallis Holdings's pending wine name would likely create confusion with its wine name, "MAYA."¹²⁴ Specifically, Oakville Hills argued under Section 1052 that "MAYA" should not be registered as a trademark because:

no trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration . . . unless it consists or comprises a mark which so resembles a mark registered in the Patent and Trademark Office . . . as to be likely, when used on or in connection with the goods of the applicant, to cause confusion¹²⁵

Applying the *DuPont* factors, TTAB found that "the marks are sufficiently different that, under normal commercial conditions for the sale of wines, confusion is not likely."¹²⁶

TTAB found three *DuPont* factors in favor of likely creating confusion: (1) the "MAYA" mark will be used on goods similar to Oakville Hills's; (2) Oakville Hills and Georgallis Holdings would use their respective marks in similar trade channels; and (3) the companies' products appeal to the same buyers and are bought under

¹²¹ See *supra* note 96 and accompanying text; see also *Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*, 826 F.3d 1376, 1379 (Fed. Cir. 2016).

¹²² See *supra* note 96 and accompanying text.

¹²³ *Oakville Hills Cellar*, 826 F.3d at 1377.

¹²⁴ *Id.*

¹²⁵ 15 U.S.C. § 1052(d) (2012) (emphasis added).

¹²⁶ *Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*, No. 91211612, 2015 WL 4573202, at *8 (T.T.A.B. 2015), *aff'd*, 826 F.3d 1376 (Fed. Cir. 2016).

similar conditions.¹²⁷ TTAB found only one factor not supporting a likelihood of confusion—the similarity of marks as to appearance, sound, connotation, and commercial impression—and found this factor to be dispositive in its decision.¹²⁸ In regards to the goods in which both marks will be used, TTAB noted that the goods are in fact “identical.”¹²⁹ TTAB based this decision on the identification of the goods in the application and registration to conclude that both Oakville Hills and Georgallis Holdings intended to use their respective marks on “all kinds of wines.”¹³⁰

Oakville Hills appealed the TTAB decision to the Federal Circuit, arguing that TTAB erred in dismissing its opposition claim to appellee Georgallis Holdings’s trademark registration application.¹³¹ The Federal Circuit reviews TTAB’s legal conclusions “without deference” and the findings of facts for “substantial evidence.”¹³² The substantial evidence standard of review for findings of fact gives great deference to TTAB, as the Federal Circuit cannot overrule any findings of fact so long as the evidence supporting TTAB’s factual findings is “more than a mere scintilla.”¹³³ The standard of review for factual findings is essential to Oakville Hills’s appeal because the question of whether a mark is likely to cause confusion is a question of law that is based on the underlying findings of fact.¹³⁴

Oakville Hills first argued on appeal that the marks “MAYA” and “MAYARI” are, in fact, similar enough to cause confusion and TTAB’s factual finding otherwise lacked substantial evidence.¹³⁵ Oakville Hills contended that “MAYA” dominates both marks and the additional “RI” in “MAYARI” is too trivial to be a distinguishing element of the two marks.¹³⁶ Not only do both marks contain “MAYA” within their names, but Georgallis Holdings’s “MAYARI” mark is visually similar to Oakville Hills’s mark by displaying the mark in standard character form.¹³⁷ Furthermore, TTAB found that the two marks “may well” be pronounced quite differently because of

¹²⁷ *Oakville Hills Cellar*, 826 F.3d at 1377–78.

¹²⁸ *Id.* at 1377–78, 1381–82. The court found all other *DuPont* factors to be neutral. *Id.* at 1378.

¹²⁹ *Oakville Hills Cellar*, 2015 WL 4573202, at *2.

¹³⁰ *Oakville Hills Cellar*, 826 F.3d at 1378 (citing *Oakville Hills Cellar*, 2015 WL 4573202, at *2).

¹³¹ *Id.* at 1377.

¹³² *Id.* at 1379.

¹³³ *Id.* (citing *Consol. Edison Co. v. NLRB*, 305 U.S. 197, 229 (1938)).

¹³⁴ *Id.* (citing *In re Chatam Int’l Inc.*, 380 F.3d 1340, 1342 (Fed. Cir. 2004)).

¹³⁵ *Id.*

¹³⁶ *Id.*

¹³⁷ *Id.* at 1380.

the lack of evidence supporting a similar pronunciation of the marks.¹³⁸ Thus, on appeal, Oakville argued that TTAB's finding on the marks' pronunciation rested on speculation rather than substantial evidence.¹³⁹

Oakville Hills argued that the average consumer would not be able to distinguish "MAYA" from "MAYA" plus "RI."¹⁴⁰ Georgallis Holdings's "MAYARI" mark is a combination of the owner's daughters' names, and Oakville Hill's "MAYA" mark is also named after the owner's daughter.¹⁴¹ Thus, Oakville Hills argued that TTAB erred in finding that "MAYARI" has no meaning and further argued that because both of the wine brand names are arbitrary within the wine industry, a consumer would not catch any differences in the meanings in the names due to the marks' similar appearance and sound.¹⁴² Although Oakville Hills lost its opposition claim in the TTAB decision because TTAB found the two marks to be dissimilar in sound,¹⁴³ Oakville Hills further argued that the purchase conditions increased a likelihood of confusion since both parties were selling wine productions "via the same channels of trade, including in bars under noisy and chaotic conditions."¹⁴⁴ As the prior user, Oakville Hills maintained that any doubt of confusion should be resolved in its favor and by ruling in favor of Georgallis Holdings, TTAB undermined the "value and protection" of federal trademarks.¹⁴⁵

In response to Oakville Hills's arguments on appeal, Georgallis Holdings maintained three arguments. First, in response to TTAB's application of the dispositive *DuPont* factor, Georgallis Holdings argued that TTAB did not err because this factor requires an examination of the similarity or dissimilarity of the *entireties* of the marks.¹⁴⁶ Based on the marks' entireties, Georgallis Holdings maintained that since "RI" has no meaning, consumers will view "MAYARI" on the shelf as a "unitary whole and a coined term."¹⁴⁷ Georgallis Holdings found that "MAYA" is often associated with the Mayan culture among U.S. consumers as well as a female name, while "MAYARI" has not appeared in the top one thousand baby names for

¹³⁸ *Id.* at 1378.

¹³⁹ *Id.* at 1379.

¹⁴⁰ *Id.* at 1380.

¹⁴¹ *Id.*

¹⁴² *Id.*

¹⁴³ *See supra* text accompanying note 106 (the first *DuPont* factor).

¹⁴⁴ *Oakville Hills Cellar*, 826 F.3d at 1380.

¹⁴⁵ *Id.*

¹⁴⁶ *Id.*

¹⁴⁷ *Id.*

the past century.¹⁴⁸

Second, Georgallis Holdings argued in the alternative that should the Federal Circuit find that TTAB erred in finding the marks dissimilar based on meaning and sound, Georgallis Holdings's registration application should still be valid because TTAB should have given greater favorable consideration to Georgallis Holdings regarding its application of the sixth *DuPont* factor.¹⁴⁹ Third, Georgallis Holdings contended that TTAB should have considered third-party registrations and thus argued that if Oakville Hills previously held that "MAYA" is distinct from "MAYAN," then "MAYARI" is clearly distinct from "MAYA."¹⁵⁰

The Federal Circuit found that there was substantial evidence for TTAB to find that "MAYA" and "MAYARI" are dissimilar as to appearance, sound, meaning, and commercial impression.¹⁵¹ When evaluating this *DuPont* factor, the marks—as Georgallis Holdings and TTAB noted—must be viewed in their entireties.¹⁵² The Federal Circuit maintained that "MAYA" having its own meaning was not enough to find that consumers will dissect "MAYARI" to "MAYA" plus "RI."¹⁵³ Because "may" and "ma" are also words with an established meaning, Oakville Hills needed to provide evidence to show why customers would not dissect the word as "MAY-ARI" or "MA-YARI."¹⁵⁴ Oakville Hills supported its contention that the pronunciation of "MAYARI" would be similar to "MAYA" by pointing to Georgallis Holdings's website, which noted that "MAYARI" is in honor of the owners' daughters, Maya and Arianna.¹⁵⁵ The Federal Circuit, however, found that there was no evidence that the website's availability on the Internet is enough to show that consumers would be aware of the "MAYARI" marks' origin.¹⁵⁶ The Federal Circuit found Oakville Hills's evidence that "MAYARI" is a Filipino name and a goddess in Tagalog mythology unpersuasive because such evidence failed to illustrate that a U.S. consumer would know these meanings.¹⁵⁷ The Federal Circuit thus found this *DuPont* factor to be dispositive, ultimately affirming the

¹⁴⁸ *Id.*

¹⁴⁹ *Id.*

¹⁵⁰ *Id.*

¹⁵¹ *Id.*

¹⁵² *Id.*

¹⁵³ *Id.* at 1380–81.

¹⁵⁴ *Id.* at 1381.

¹⁵⁵ *Id.*

¹⁵⁶ *Id.*

¹⁵⁷ *Id.*

TTAB decision.¹⁵⁸

B. Uncorking the Federal Circuit’s and TTAB’s Application of the First *DuPont* Factor

The Federal Circuit affirmed the TTAB decision after finding that Oakville Hills lacked sufficient evidence to demonstrate how “MAYARI” is similar to “MAYA” as to appearance, sound, meaning, and commercial impression.¹⁵⁹ The Federal Circuit evaluated the first *DuPont* factor—the pronunciation and meaning of the two marks—based on a “substantial evidence” standard of review.¹⁶⁰ A factual finding satisfies this standard of review “if a reasonable mind might accept it as adequate to support the finding.”¹⁶¹ In applying this standard of review, the Federal Circuit noted that TTAB properly found that there was insufficient evidence to determine the pronunciation of “MAYARI.”¹⁶²

Both the Federal Circuit and TTAB speculated that the lack of evidence of MAYARI’s pronunciation means that the two marks *may* be pronounced differently.¹⁶³ The marks, however, *may* also be pronounced similarly.¹⁶⁴ In fact, TTAB admitted that the two marks could be pronounced the same.¹⁶⁵ Therefore, TTAB and the Federal Circuit decided that the two marks are pronounced differently solely on a *possibility* that the two could be pronounced differently. A reasonable mind could hardly accept a possibility to adequately support the finding, especially if the reasonable mind knew that this one *DuPont* factor decided the case.¹⁶⁶ Interestingly, when there was a lack of evidence to decisively determine a *DuPont* factor elsewhere in TTAB’s decision, TTAB found the factor to be neutral.¹⁶⁷ If TTAB

¹⁵⁸ *Id.* at 1381–82 (“A single *DuPont* factor may be dispositive in a likelihood of confusion analysis, especially when that single factor is the dissimilarity of the marks.”) (quoting *Odom’s Tenn. Pride Sausage, Inc. v. FF Acquisition, L.L.C.*, 600 F.3d 1343, 1346–47 (Fed. Cir. 2010)).

¹⁵⁹ *Id.* at 1380.

¹⁶⁰ *Id.* at 1379.

¹⁶¹ *In re Adler*, 723 F.3d 1322, 1325 (Fed. Cir. 2013).

¹⁶² *Oakville Hills Cellar*, 826 F.3d at 1380–81.

¹⁶³ *Id.* at 1381 (emphasis added).

¹⁶⁴ *Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*, No. 91211612, 2015 WL 4573202, at *4, *6 (T.T.A.B. 2015), *aff’d*, 826 F.3d 1376 (Fed. Cir. 2016).

¹⁶⁵ *Id.*

¹⁶⁶ *Oakville Hills Cellar*, 826 F.3d at 1381.

¹⁶⁷ *Oakville Hills Cellar*, 2015 WL 4573202, at *6 (noting that the excerpts from *Wine Spectator* magazine were “too scant” to find Oakville Hills’s “MAYA” mark to be famous). Thus, this *DuPont* factor was treated as neutral and did not tip the balance of the factors in either direction in the question of the likelihood of

generally found a lack of evidence to be neutral, why would a lack of evidence on the pronunciation weigh against Oakville Hills? The Federal Circuit dismissed Oakville Hills's argument that Georgallis Holdings's website provides guidance on the pronunciation since the origin of the "MAYARI" mark lies in the combination of "Maya" and "Arianna."¹⁶⁸ Instead, the Federal Circuit affirmed TTAB's finding that the marks "are only possibly similar, in part, in their pronunciation."¹⁶⁹ Thus, the Federal Circuit willingly affirmed TTAB's finding on a possibility. To produce a fairer result, the Federal Circuit should have remanded the case to allow the parties to gather more evidence of MAYARI's pronunciation to move beyond a mere possibility.

The analysis of the meaning of the mark differed greatly from the pronunciation analysis because both courts acknowledged that each side presented evidence.¹⁷⁰ The courts ultimately found that Oakville Hills's evidence was weak compared to Georgallis Holdings's evidence.¹⁷¹ Therefore, there is available evidence, that a reasonable mind can accept as adequate, to find that the two marks have dissimilar meanings.¹⁷² The Federal Circuit correctly affirmed TTAB's finding on the marks' dissimilar meanings.¹⁷³

The Federal Circuit, however, failed to address an essential sub-rule applied to the first *DuPont* factor.¹⁷⁴ TTAB mentioned that when marks appear on identical goods, "the degree of similarity necessary to support a conclusion of likely confusion declines."¹⁷⁵ TTAB admitted that the marks are "visually similar . . . in part"¹⁷⁶ because the two marks share the first four letters.¹⁷⁷ The dissimilar meanings of the marks and the erred analysis of the marks' pronunciation led TTAB to determine that the overall commercial impressions of the marks were dissimilar.¹⁷⁸ Ultimately, then, this case turned on the lack of evidence of the pronunciation rather than the available evidence of other

confusion. *Id.*

¹⁶⁸ *Oakville Hills Cellar*, 826 F.3d at 1380–81.

¹⁶⁹ *Id.* at 1379 (internal quotation omitted).

¹⁷⁰ See *Oakville Hills Cellar*, 2015 WL 4573202, at *5–6; see also *Oakville Hills Cellar*, 826 F.3d at 1381.

¹⁷¹ *Oakville Hills Cellar*, 826 F.3d at 1381; see also *supra* Section III.A.

¹⁷² *Oakville Hills Cellar*, 826 F.3d at 1381.

¹⁷³ *Id.*

¹⁷⁴ See *infra* note 179 and accompanying text.

¹⁷⁵ *Oakville Hills Cellar, Inc.*, 2015 WL 4573202, at *3 (quoting *Century 21 Real Estate Corp. v. Century Life of Am.*, 970 F.2d 874, 877 (Fed. Cir. 1992)).

¹⁷⁶ *Id.* at *6.

¹⁷⁷ *Id.* at *4.

¹⁷⁸ *Id.* at *6.

factors.¹⁷⁹ The bar for determining the similarity of the marks is lower since the marks both appear on “all kinds of wine.”¹⁸⁰ If TTAB and the Federal Circuit only had decisive evidence as to the marks’ dissimilar meanings, then the appearance, sound, and overall commercial impression can be similar enough to pass the low level of similarity needed on identical goods.¹⁸¹ Thus, both TTAB’s and the Federal Circuit’s application of this *DuPont* factor were inconsistent and faulty.

C. A Dispositive Factor Results in a “Pour” Application of Multi-Factor Test

Despite TTAB determining that three *DuPont* factors favored a likelihood of confusion and four factors were neutral on the question, TTAB found that a single *DuPont* factor can be enough to find the mark unlikely to create confusion.¹⁸² While the Federal Circuit does allow for a single *DuPont* factor to be dispositive in answering the question of the likelihood of confusion,¹⁸³ the dispositive factor should still not be viewed in isolation. Viewing one factor as dispositive while ignoring the other factors defeats the purpose of a multi-factor test.¹⁸⁴ The *DuPont* court mentioned that the various factors do not vary in degrees of merit, but that “from case to case” one factor *may* “play a *dominant role*.”¹⁸⁵ Ultimately, then, the *DuPont* court allocated TTAB and the Federal Circuit discretion in weighing the thirteen factors in various degrees. As time has passed, however, the Federal Circuit and TTAB have shaped this grant of discretion into essentially deciding a likelihood of confusion analysis solely on a single factor.¹⁸⁶ This practice of TTAB and the Federal Circuit has

¹⁷⁹ See Lynne Boisineau, *Raise a Glass to the Single Dispositive DuPont Factor*, LEXOLOGY (July 26, 2016), <http://www.lexology.com/library/detail.aspx?g=0fe282a0-e16c-43b7-8c12-fd168bf5aa61> (“The case turned on the evidence (or lack thereof) as to how a relevant consumer would pronounce the word MAYARI.”).

¹⁸⁰ *Oakville Hills Cellar*, 2015 WL 4573202, at *2.

¹⁸¹ See, e.g., *In re Lamson Oil Co.*, 6 U.S.P.Q.2d 1041 (T.T.A.B. 1987) (finding “TURCOOL” and “TRUCOOL” to be so similar that confusion was likely).

¹⁸² *Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*, 826 F.3d 1376, 1378–79 (Fed. Cir. 2016).

¹⁸³ *Id.* at 1381–82.

¹⁸⁴ *Id.* at 1379.

¹⁸⁵ *In re E. I. DuPont DeNemours & Co.*, 476 F.2d 1357, 1361–62 (C.C.P.A. 1973) (emphasis added).

¹⁸⁶ See, e.g., *Odom’s Tenn. Pride Sausage, Inc. v. FF Acquisition, L.L.C.*, 600 F.3d 1343, 1346–47 (Fed. Cir. 2010).

created an “unpredictable, nearly random legal landscape that does a disservice to cases with important issues at stake and clients paying a lot of money to resolve them.”¹⁸⁷

TTAB’s application of the *DuPont* factors clearly appeared to be in favor of finding a likelihood of confusion, since more factors weighed in favor of Oakville Hills.¹⁸⁸ As previously discussed, both TTAB and the Federal Circuit found the first *DuPont* factor—similarity or dissimilarity of the marks as to appearance, sound, meaning, and commercial impression—as dispositive.¹⁸⁹ But this factor determined the entire outcome based on speculation of MAYARI’s pronunciation.¹⁹⁰ Making a single factor dispositive on the outcome of a case, rather than placing more weight on the factor, can result in what happened in *Oakville Hills*.¹⁹¹ The courts arrived at an absurd outcome because both TTAB and the Federal Circuit viewed a factor—which, as previously discussed, was already weak in supporting a lack of likelihood of confusion—to be determinative without any acknowledgement of its relation to the other factors in favor of finding a likelihood of confusion.

A multi-factor test “consists of applying a number of different ‘factors’ to the totality of the facts in the case.”¹⁹² Application of a multi-factor test ultimately requires “consideration of *all* the evidence” in order to formulate an answer to the question of law.¹⁹³ In an area of law that is often unpredictable, a multi-factor test in consumer confusion cases allows at least the judge’s decision making process to be predictable.¹⁹⁴ As a *factor* test, the goal is not necessarily to get the most factors in a party’s favor; the goal is to weigh the factors appropriately to arrive at a just answer.¹⁹⁵ In other words, the factors and their corresponding weight are “variable and relative.”¹⁹⁶ “The factors are interrelated and must be considered together” and should not be applied “mechanically as if they were independent of one

¹⁸⁷ Robert A. Kearney, *What Trademark Law Could Learn From Employment Law*, 12 J. MARSHALL REV. INTEL. PROP. L. 118, 136 (2012).

¹⁸⁸ *Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*, No. 91211612, 2015 WL 4573202, at *2–3 (T.T.A.B. 2015), *aff’d*, 826 F.3d 1376 (Fed. Cir. 2016).

¹⁸⁹ See *supra* Section III.B.

¹⁹⁰ *Oakville Hills Cellar*, 826 F.3d at 1381; *Oakville Hills Cellar*, 2015 WL 4573202, at *6.

¹⁹¹ See *Oakville Hills Cellar*, 826 F.3d at 1381–82.

¹⁹² RICHARD KIRKPATRICK, LIKELIHOOD OF CONFUSION IN TRADEMARK LAW § 2:4 (2d ed. 2013).

¹⁹³ *Id.*

¹⁹⁴ See *id.*

¹⁹⁵ See *id.* at § 2:5.

¹⁹⁶ *Id.* (quoting *Kiki Undies Corp. v. Promenade Hosiery Mills, Inc.*, 411 F.2d 1097, 1099 (2d Cir. 1969)).

another.”¹⁹⁷ Thus, a factor may be weighed more heavily than others, but no factors should be viewed in isolation of one another.¹⁹⁸

Therefore, for TTAB and the Federal Circuit to truly apply a multi-factor test, neither court should view the first *DuPont* factor as dispositive in isolation. Simply saying the first *DuPont* factor may be dispositive is not enough to decide the entire case.¹⁹⁹ Neither TTAB nor the Federal Circuit weighed the three factors finding a likelihood of confusion against the single factor finding to be against a likelihood of confusion.²⁰⁰ By viewing the first *DuPont* factor without regard to the other factors, neither of the courts explained the lower standard for identical goods despite both courts noting that the goods were indeed identical.²⁰¹ *Oakville Hills* is not the only case that has been decided on a dispositive factor,²⁰² but *Oakville Hills* illustrates the disconnect in applying a multi-factor test while allowing one factor to be dispositive. Instead, the courts should have allowed the factor to play a dominant role while still undergoing a weighing process. Thus, in *Oakville Hills*, the courts needed to undergo two balancing processes: (1) weighing the various subparts in the first *DuPont* factor to determine its inflated weight, and (2) weighing the first *DuPont* factor against the other factors. By actually weighing the factors in a multi-factor test, courts will create predictable decision-making processes, maintain overall fairness, and better achieve a just result.

D. The Nature of the Wine Industry Should Be Given More Consideration

The courts should apply the *DuPont* factors while considering the industry in which the marks are used. Evaluating the marks’ industry can guide courts as to what factors should be given more weight, as the courts may then better understand the implications of similar marks in the same industry.²⁰³ The third and fourth *DuPont* factors²⁰⁴

¹⁹⁷ *Id.*

¹⁹⁸ *See id.*

¹⁹⁹ *Id.*

²⁰⁰ *See Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*, 826 F.3d 1376, 1381–82 (Fed. Cir. 2016); *see also Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*, No. 91211612, 2015 WL 4573202, at *8 (T.T.A.B. 2015), *aff’d*, 826 F.3d 1376 (Fed. Cir. 2016).

²⁰¹ TTAB mentioned, but ultimately failed to apply the rule that where goods are virtually identical, “the degree of similarity necessary to support a conclusion of likely confusion declines.” *Oakville Hills Cellar*, 2015 WL 4573202, at *3. The Federal Circuit completely overlooked and failed to consider such a rule. *Oakville Hills Cellar*, 826 F.3d at 1378.

²⁰² *See, e.g., In re Dixie Rests., Inc.*, 105 F.3d 1405, 1406–07 (Fed. Cir. 1997).

²⁰³ Clifford D. Hyra, *The DuPont Factors: The Trademark Infringement Test*

require courts to evaluate the type of industry. But, as previously discussed, TTAB and the Federal Circuit in *Oakville Hills* failed to weigh those factors against the first *DuPont* factor.²⁰⁵ Thus, neither court wholly considered the wine industry and its uniqueness.²⁰⁶

TTAB and the Federal Circuit should have thoroughly discussed the fourth *DuPont* factor of purchase conditions. TTAB accepted that both of these wines were available to “all normal classes of customers for inexpensive wine,” which included those “persons of no special sophistication [who] would apply only an ordinary degree of care in selecting the goods.”²⁰⁷ While it was commendable that TTAB briefly mentioned an aspect of the wine industry, more discussion was needed to fairly evaluate the consequences of similar marks in the same industry. Because the thirteenth *DuPont* factor²⁰⁸ allows for the weighing of other considerations, considering more thoroughly and directly the conditions of a particular industry may not be a major burden on the courts nor would such a consideration require courts to abuse the discretion that the multi-factor test provides.²⁰⁹

The wine industry is a unique industry in which customers make purchase decisions quickly and determine the quality of the wine by its extrinsic qualities.²¹⁰ If the average customer makes a purchase decision in ninety seconds, then the purchase conditions involve more than just whether a customer is or is not a sophisticated wine consumer.²¹¹ The wine label has exceptional significance because this can be the deciding factor for many customers and the main signal as to whether a customer thinks a particular wine will taste good.²¹²

Explained, HYRA IP 1, 5, <http://documents.jdsupra.com/a3a17e09-01de-4ead-b820-e75373997560.pdf> (last visited Sept. 24, 2017).

²⁰⁴ See *supra* Section II.D.

²⁰⁵ See *supra* Section III.C (revealing the courts’ application of the first *DuPont* factor in isolation has yet another consequence in that the courts analyzed this factor without regard to the relevance of the similar or dissimilar marks in the wine industry).

²⁰⁶ TTAB did discuss the third and fourth *DuPont* factors and found both to be in favor of creating a likelihood of confusion. See *Oakville Hills Cellar*, 2015 WL 4573202, at *3. These particular factors inherently require a look at the particular industry involved. TTAB, however, did not give a thorough analysis of the application of these factors to the wine industry. See *id.* As a result, much of the unique characteristics of purchasing within the wine industry were overlooked. See *id.* (discussing the channels of trade for both parties and the sophistication level of the buyers).

²⁰⁷ *Id.* (alteration in original).

²⁰⁸ See *supra* Section III.C.

²⁰⁹ See *supra* Section III.C.

²¹⁰ See *supra* Part I.

²¹¹ See *supra* Part I.

²¹² See *supra* Part I.

Thus, unlike other products and industries, a wine's brand name serves a broader purpose.²¹³ To illustrate this point, think about various types of transparent tape brand names. The brand name "Scotch" does not necessarily indicate better quality than a store's generic transparent tape. Wine's quality and taste, on the other hand, can only be known by consumption.²¹⁴ Thus, the wine's brand name signals to customers its quality.²¹⁵ This example illustrates that a transparent tape's brand name is less relevant than a wine's brand name with regard to purchase decisions.

Because a wine's name is clearly important to a customer's purchase decision, wine producers utilize federal trademarks to protect their wine names.²¹⁶ For wine producers, a wine name has the potential to increase or decrease profits.²¹⁷ Thus, trademarks in the wine industry are key to a wine producer's success in the wine industry. A wine producer must effectively use the wine's label and name to entice customers to pick his wine rather than choose one of the other 359 wine choices in the grocery store.²¹⁸ In the case of *Oakville Hills*, a customer can reasonably mistake MAYA for MAYARI when making a decision within ninety seconds.

Both TTAB and the Federal Circuit revolved the case around the pronunciation of the two marks, but admittedly, the pronunciation is not important in one situation – when selecting a wine based off the label. When a customer is picking a bottle of wine off of a shelf that contains hundreds of wine options, the customer is more concerned with the name that appears on the wine label rather than the correct pronunciation of the wine's name.²¹⁹

That being said, the pronunciation is important, as *Oakville Hills* argued, when ordering in loud restaurants or bars.²²⁰ A similar pronunciation can result in mixing up wine producers' products. Because trademarks are meant to clear up questions of identities, overlooking the fact that the wine industry includes bars and restaurants threatens the very purpose of federal trademarks.²²¹ Again, without clear evidence illustrating how "MAYARI" should be

²¹³ See *supra* Part I.

²¹⁴ See *supra* Part I.

²¹⁵ See *supra* Part I.

²¹⁶ See *supra* Section II.B.

²¹⁷ See *supra* Part I.

²¹⁸ See *supra* Part I.

²¹⁹ See generally *supra* text accompanying notes 16–25 (explaining the influence of brand name on a customer's decision).

²²⁰ *Oakville Hills Cellar, Inc. v. Georgallis Holdings, LLC*, No. 91211612, 2015 WL 4573202, at *8 (T.T.A.B. 2015), *aff'd*, 826 F.3d 1376 (Fed. Cir. 2016).

²²¹ See *id.*

pronounced, TTAB and the Federal Circuit speculated on the pronunciation possibilities but overlooked how pronunciation of wine names play a specific role in the wine industry, ultimately resulting in an impractical and unsupported conclusion that determined the outcome of the case.²²²

IV. CONCLUSION

The wine industry is unique in that customers make quick decisions about the quality of the wine based on the wine's brand name.²²³ Trademarks help protect producers by reducing unfair competition while increasing a producer's goodwill and reputation.²²⁴ Furthermore, trademarks protect consumers by reducing the possibility of being misled.²²⁵ Thus, trademarks in the wine industry help wine producers succeed in the market by protecting the wine's brand name that appeals to customers in making a purchase decision and also protects customers from choosing the wrong wine.²²⁶

Because of the importance of trademarks in the wine industry, consumer confusion of wine brand names can have drastic consequences. *Oakville Hills* applied the *DuPont* factors to determine whether the marks "MAYA" and "MAYARI" are similar enough to likely cause confusion.²²⁷ Both TTAB and the Federal Circuit incorrectly held that the marks are not similar enough to oppose Georgallis Holdings's registration application for "MAYARI."²²⁸ Both courts allowed a single *DuPont* factor to decide the case.²²⁹ The courts should have weighed the *DuPont* factors based on the available evidence and considered the nature of the wine industry in their multi-factor analysis. By failing to do so, the courts arrived at an unpractical and unfair outcome based on a mere possibility.

²²² *See id.*

²²³ *See supra* Section I.

²²⁴ *See supra* Section II.B.

²²⁵ *See supra* Section II.B.

²²⁶ *See supra* Section II.B.

²²⁷ *See supra* Section III.A.

²²⁸ *See supra* Section III.A.

²²⁹ *See supra* Section III.C.