Commissioner of Patents and Trademarks
Patent and Trademark Office (P.T.O.)

RE: TRADEMARK REGISTRATION OF CITY HOLDINGS, INC.
93-105
August 9, 1993
***1** Petition Filed: March 26, 1993

For: CCS (stylized)
Registration No. 1,370,680
Cancelled: August 3, 1992
Issued: November 12, 1985

Robert M. Anderson

Acting Assistant Commissioner for Trademarks

On Petition

City Holdings, Inc. has petitioned the Commissioner to accept a Combined Declaration filed under Sections 8 and 15 of the Trademark Act in connection with the above identified registration. Trademark Rules 2.146(a)(3), 2.146(a)(5) and 2.148 provide authority for the requested review.

Facts

The registration issued on November 12, 1985, for "retail store services specializing in audio, video and electronic equipment," in International Class 42. Pursuant to Section 8 of the Trademark Act, 15 U.S.C. § 1058, registrant was required to file an affidavit or declaration of continued use or excusable nonuse between the fifth and sixth year after the registration date, i.e., between November 12, 1990 and November 12, 1991.

On October 16, 1991, petitioner filed a Combined Declaration under Sections 8 and 15 of the Trademark Act. The specimens submitted with the affidavit consisted of an "Event Planning Sheet," and a brochure describing a "Matching Gifts Program" offered to petitioner's employees. On April 27, 1992, the Affidavit-Renewal Examiner issued an Office action notifying petitioner that the affidavit could not be accepted because the specimens showed use of the mark on services different from those named in the registration.

On October 27, 1992, petitioner filed a request for reconsideration, together with substitute specimens, supported by the declaration of petitioner's Vice President that the substitute specimens were in use in commerce prior to expiration of the sixth year following the registration date. By letter dated January 28, 1993, the Affidavit-Renewal Examiner denied the request for reconsideration, stating that Trademark Rule 2.162(e) permits a registrant to cure a deficient specimen after expiration of the sixth year only where the specimen originally filed showed current use on one of the goods or services for which the mark was registered.

This petition was filed March 26, 1993. Petitioner does not claim that the specimens filed October 16, 1991 are acceptable evidence of continued service mark usage of the registered mark. Rather, it contends that Rule 2.162(e) permits a deficient specimen to be cured after expiration of the sixth year regardless of whether the timely filed specimen shows use of the mark in connection with the same goods or services named in the registration.

Decision

Trademark Rule 2.146(a)(3) permits the Commissioner to invoke supervisory authority in appropriate circumstances. However, the Commissioner will reverse the action of an Examiner only where there has been a clear error or abuse of discretion. In re Richards-Wilcox Manufacturing Co., 181 USPQ 735 (Comm'r Pats.1974); Ex parte Peerless Confection Company, 142 USPQ 278 (Comm'r Pats.1964).

***2** Section 8 of the Trademark Act, 15 U.S.C. § 1058, provides, in part:

> [T]he registration of any mark under the provisions of this Act shall be cancelled by the Commissioner at the end of six years following its date, unless within one year next preceding the expiration of such six years the registrant shall file in the Patent and Trademark Office an affidavit setting forth those goods or services recited in the registration on or in connection with which the mark is in use in commerce and attaching to the affidavit a specimen or facsimile showing current use of the mark, or showing that any nonuse is due to special circumstances which excuse such nonuse and is not due to any intention to abandon the mark....

Trademark Rule 2.162(e), 37 C.F.R. § 2.162(e), requires that the affidavit:

> [s]tate that the registered mark is in use in commerce, list the goods or services recited in the registration on or in connection with which the mark is in use in commerce, and specify the nature of such commerce ... The statement must be accompanied by a specimen or facsimile, for each class of goods or services, showing current use of the mark. If the specimen or facsimile is found to be deficient, a substitute specimen or facsimile may be submitted and considered even though filed after the sixth year has expired, provided it is supported by an affidavit or declaration pursuant to § 2.20 verifying that the specimen or facsimile was in use in commerce prior to the expiration of the sixth year (emphasis added)."

Because the statute requires that a specimen or facsimile showing current use of the mark be filed within the prescribed period, an omission of the required specimen cannot be cured after expiration of the sixth year. TMEP § 1603.08.

Pursuant to Trademark Rule 2.162(e), a registrant who has submitted a deficient specimen with an affidavit of continued use can file a substitute specimen after the sixth year has expired, provided that the registrant verifies that the substitute specimen or facsimile was in use in commerce prior to such expiration. However, because the rule

requires the filing, within the statutory filing period, of a specimen showing current use of the mark "for each class of goods or services," a specimen that shows use of the mark on goods or services other than those recited in the registration cannot be cured after expiration of the sixth year. A specimen showing use of the mark on different goods or services is, in effect, an omission of a specimen showing use of the mark on the goods or services recited in the registration.

Thus, the Affidavit-Renewal Examiner correctly stated that a deficient specimen can be cured after expiration of the sixth year only where the specimen originally filed shows current use of the mark on the goods or services for which the mark was registered. See In re Metrotech, --- U.S.P.Q.2d ---- (Comm'r Pats.1993) (copy attached); In re Home Fashions, Inc., 21 U.S.P.Q.2d 1947 (Comm'r Pats.1991).

***3** Having determined that the Examiner correctly interpreted the rule, the outcome on petition turns upon whether she correctly applied the rule to the facts of the instant case. This involves consideration of whether the Examiner clearly erred or abused her discretion in (1) refusing to accept the specimens filed October 16, 1991 as evidence of continued service mark usage of the registered mark, or (2) holding that the specimens filed October 16, 1991 did not constitute "deficient" specimens, within the meaning of Rule 2.162(e), that can be cured after expiration of the sixth year following the registration date.

The standards for assessing the sufficiency of specimens submitted with an affidavit of continued use are no different than those used in assessing the sufficiency of specimens submitted in support of an application for registration of a mark under Section 1 of the Trademark Act. The character of use that must be shown is use in commerce. TMEP § 1603.07. Service mark specimens must show use of the mark in the sale or advertising of the particular services recited in the registration. See TMEP § 1301.04. The question of whether a specimen shows service mark usage is one of fact, to be determined primarily by considering the manner in which the mark is used on the specimens and the commercial impression created by such use.

In this case, petitioner submitted two specimens with the declaration filed October 16, 1991: (1) an "Event Planning Sheet," apparently used in setting up conferences or exhibitions for others, and (2) a brochure describing a matching gifts program offered to petitioner's employees. Though each of these specimens bears the mark in conjunction with the words "Circuit City Stores, Inc.," there is no evidence of record that the specimens are used in the sale or advertising of retail store services. Sinceneither of the specimens shows open use of the mark in the sale or advertising of the retail store services covered by the registration, it cannot be said that the Examiner clearly erred or abused her discretion by refusing to accept them as specimens of continued use of the registered mark in commerce.

The question of what constitutes a "deficient" specimen is also a question of fact, to be determined on a case by case basis. At a minimum, the statute requires that a specimen be filed before the expiration of the statutory filing period that shows continued use of the mark in connection with the goods or services named in the registration. In the instant case, the brochure describing the matching

gifts program bears the mark in conjunction with the words "Circuit City Stores," and, within the text describing the matching gifts program, refers to petitioner as "the nation's largest retailer of brand-name audio, video and appliances." The use of the mark in conjunction with the word "Stores," together with the reference to the "largest retailer of brand-name audio, video and appliances," does show some connection between the mark and the services named in the registration. As such, while the specimen does not clearly show actual use of the mark in the sale or advertising of the services, it does constitute evidence of use of the mark that can be supplemented, after expiration of the statutory filing period, with a proper specimen of actual service mark usage. Accordingly, the Examiner erred in refusing to consider the substitute specimens filed October 27, 1992.

***4** The petition is granted to the extent that the registration is ordered reinstated. The Office action dated January 28, 1993 is vacated, and the application is remanded to the Examiner for consideration of the sufficiency of the specimens filed October 27, 1992.

The registration file will be forwarded to the Post Registration Section of the Office for further action in accordance with this decision.

33 U.S.P.Q.2d 1047

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