

**THIS OPINION
IS NOT A PRECEDENT OF
THE TTAB**

Mailed: June 3, 2010

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

General Media Communications, Inc.
v.
Imperia Holdings, Inc.

Opposition No. 91179668
to Application No. 77093101
filed on January 1, 2007

John Cyril Malloy, III and Meredith A. Frank of Malloy and
Malloy for General Media Communications, Inc.

Ira P. Rothken of Rothken Law Firm for Imperia Holdings,
Inc.

Before Hairston, Walters and Holtzman, Administrative
Trademark Judges.

Opinion by Walters, Administrative Trademark Judge:

General Media Communications, Inc. filed its opposition
to the application of Imperia Holdings, Inc. to register the
standard character mark PENTHOUSE VODKA for "alcoholic
beverages, namely, vodka," in International Class 33.¹ The

¹ Application Serial No. 77093101, filed January 29, 2007, based upon an
allegation of a bona fide intention to use the mark in commerce in
connection with the identified goods.

application includes a disclaimer of VODKA apart from the mark as a whole.

As grounds for opposition, opposer asserts that applicant's mark, when applied to applicant's goods so resembles opposer's previously used and registered PENTHOUSE and PENTHOUSE formative marks in connection with a wide variety of goods and services as to be likely to cause confusion, under Section 2(d) of the Trademark Act. Opposer alleges that it is an international multimedia entertainment enterprise; that it provides adult entertainment and related goods and services; that it has widely circulated adult publications *Penthouse* and related magazines; that it has used its PENTHOUSE mark on *Penthouse Magazine* since at least 1969; and that its marks are famous.



Applicant, in its answer, denied the salient allegations of the claim and asserted as "affirmative defenses" that there are numerous third-party users and registrations of marks consisting of or incorporating PENTHOUSE, and that opposer is, thus, precluded from claiming the exclusive right to use PENTHOUSE.² Applicant admits the issuance of certain registrations asserted by opposer, but not their current status and title.


² We construe this claim as an assertion that PENTHOUSE is a weak mark; rather than as an impermissible collateral attack on opposer's registered PENTHOUSE marks.

The Record

The record consists of the pleadings and the file of the involved application. Additionally, by notice of reliance, opposer submitted certified status and title copies of nine of its pleaded registrations; various specified responses of applicant to opposer's interrogatories; and the discovery deposition of applicant's principal, David Arevshatyan. Opposer also submitted the testimony deposition by opposer of Jeff Stoller, Director of Global Club Licensing for opposer's parent company, with accompanying exhibits. By notice of reliance, applicant submitted copies of various third-party registrations and printed publications. Applicant did not submit any testimony depositions. Both parties filed briefs on the case.

We note that opposer's pleading included references to cancelled registrations and pending applications, neither of which serve to establish anything other than the fact that opposer has pending applications and cancelled registrations. Of the active pleaded registrations, opposer established the status and title of the following registrations. Only these nine registrations have been considered in reaching our decision herein.

Registration & status	Mark	Goods/Services
0880922 Registered: 11/18/69 Renewed for 10 yrs from 11/18/99	PENTHOUSE	"Magazine," in International Class 38
3007070 Registered: 10/18/05	PENTHOUSE	"Entertainment services, namely, providing live dance performances, model searches and special appearances by young women selected as centerfolds or annual award winners and night club services," in International Class 41; "Restaurant and bar services," in International Class 43
2810417 Registered: 2/3/04 Disclaimer: CLUB	 <p>The PENTHOUSE Club</p>	"Entertainment services, namely, providing live dance performances, model searches and special appearances by young women selected as centerfolds or annual award winners and night club services," in International Class 41; "restaurant, night club and bar services," in International Class 43
2738557 Registered: 7/15/03 Section 8 affidavit under examination	PENTHOUSE	"Cigars," in International Class 34
2738555 Registered 7/15/03 Section 8 affidavit under examination; Disclaimer: SELECTION	 <p>The PENTHOUSE Selection</p>	"Cigars," in International Class 34
1064636	PENTHOUSE	"Services for the

<p>Registered: 4/26/77 Renewed for 10 yrs from 4/26/07</p>		<p>sales promotion of goods of others through the medium of advertising and promotion in publications," in International Class 35</p>
<p>2952697 Registered: 5/17/05 Disclaimer: BOUTIQUE</p>		<p>"Retail store services, featuring adult products, namely, videos and DVD's, magazines, lotions, oils and novelties," in International Class 35</p>
<p>3067272 Registered: 3/14/06</p>	<p>PENTHOUSE</p>	<p>"Computer services, namely providing an on-line magazine in the field of adult entertainment," in International Class 41</p>
<p>3512920 Registered: 10/7/08 Disclaimer: LINGERIE</p>	<p>PENTHOUSE LINGERIE</p>	<p>"Clothing, namely, baby dolls, teddies, bras, panties, thongs, booty shorts, g-strings, garter belts, chemises, camisoles, cami skirt sets, bustiers and corsets," in International Class 25</p>

Factual Findings

Opposer has established ownership of nine trademark registrations in the United States for marks incorporating the term PENTHOUSE. Opposer offers a variety of goods and services under PENTHOUSE and PENTHOUSE formative marks; and licenses the use of its PENTHOUSE formative marks in connection with a variety of goods and services.

Opposer's original product was its magazine, PENTHOUSE, which was first offered for sale in the United States in

1969 and has been continuously sold to the present. The magazine readership in the United States is approximately three million per month. Since that date, opposer has broadly diversified its goods and services under the PENTHOUSE formative marks, characterizing its business in four areas - entertainment (including broadcasting, video on demand, and the production and distribution of videos/DVDs), licensing (including for goods, nightclubs, restaurants and lounges, and special hotel suites), online services (including social networking websites, an online store, and websites providing general information and links to other sites), and publishing (magazines include *Penthouse*, *Penthouse Forum*, *Penthouse Variations*, *Penthouse Letters*, *Girls of Penthouse* and special editions of these magazines).

Some of the additional goods for which the PENTHOUSE mark is licensed include calendars, adult toys and novelties, apparel, swim suits, lingerie, shoes, jewelry, giftware, clocks, watches, cigars, and candles.

Opposer presents, through its own and its licensees' goods and services, a consistent "romantic, sensual" image. Licensees comply with opposer's general marketing concepts, and use opposer's design, graphics and editorial services. Opposer's main demographic is men over the age of 21.

Through licensees, opposer operates approximately sixteen PENTHOUSE "gentlemen's clubs," which are adult

entertainment clubs, and "lounges," which consist of a bar, restaurant and night club, throughout the United States. Penthouse Key Suites are specific themed suites within independent hotels, which license the mark and use the designated themes. In these suites, opposer cross-promotes PENTHOUSE branded linens, massage oils and the like.

Opposer promotes its goods and services through all available venues and media, including trade shows and advertising in magazines, newspapers and on radio. Opposer also holds PENTHOUSE-themed parties, e.g., at the Super Bowl, release parties, contests and paid promotions. PENTHOUSE PETS are women who appear as centerfolds in PENTHOUSE Magazine. Opposer arranges special guest appearances of PENTHOUSE PETS at parties and in third-party clubs and lounges.

Opposer sponsors promotional parties in numerous nightclubs, including Pure at Caesar's Palace and LAX at the Luxor in Las Vegas. Opposer often co-sponsors these events with alcoholic beverage companies, e.g., Ketel One Vodka co-sponsored the noted event at LAX.

Opposer is actively marketing and has a license agreement dated July, 2008, for the production and sale of non-alcoholic beverages in the United States under the mark PENTHOUSE CLEAR. Opposer also entered into a license agreement for the distribution of alcoholic beverages under

a PENTHOUSE formative mark. However, after approximately one year, during which time no product was shipped, the license agreement was terminated for undisclosed reasons.

Opposer presented evidence and testimony about use of its marks and registrations outside the United States. Because such evidence is irrelevant to the proceeding before us to determine registrability in the United States, we make no findings in this regard.

Applicant was established in 2005 as an import/export business. To date, it has not imported or sold alcoholic beverages in the United States. Mr. Arevshatyan, applicant's principal, stated that applicant's intent is to import Russian vodka under the mark PENTHOUSE VODKA, although Mr. Arevshatyan was not able to indicate any steps applicant has taken to implement this plan, and he stated that applicant has not engaged in any promotional activities in this regard.

The record includes nine third-party registrations for marks that consist of or include the term PENTHOUSE. The goods and services identified range from "liquid furniture polish" (Registration No. 0788325) to "plumbing services" (Registration No. 3422681). The record also includes excerpts from news articles that use the term "penthouse" therein. We take judicial notice of the definition of "penthouse" in *The American Heritage Dictionary of the*

English Language (4th ed. 2009, as accessed at www.dictionary.com) as, inter alia, "an apartment or dwelling situated on the roof of a building; a residence, often with a terrace, on the top floor or floors of a building." The articles and at least three of the third-party registrations use the term "penthouse" in the context of its ordinary dictionary meaning.

Analysis

Standing

Because opposer has properly made nine of its pleaded registrations of record, we find that opposer has established its standing to oppose registration of applicant's mark. See *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842 (Fed. Cir. 2000); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982).

Priority

In view of opposer's ownership of valid and subsisting registrations, there is no issue regarding opposer's priority. *King Candy, Inc. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974). Thus, the only issue to decide herein is likelihood of confusion.

Likelihood of Confusion

Our determination of likelihood of confusion under Section 2(d) must be based on an analysis of all of the

probative facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also *Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689 (Fed. Cir. 2005); *In re Majestic Distilling Company, Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003); and *In re Dixie Restaurants Inc.*, 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997). Opposer must establish that there is a likelihood of confusion by a preponderance of the evidence. In considering the evidence of record on these factors, we keep in mind that "[t]he fundamental inquiry mandated by Section 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks." *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976). See also *In re Azteca Restaurant Enterprises, Inc.*, 50 USPQ2d 1209 (TTAB 1999) and the cases cited therein. The relevant *du Pont* factors in the proceeding now before us are discussed below.

While opposer has established its ownership of nine registrations for PENTHOUSE formative marks and a wide variety of goods and services, we have restricted our comparative analysis to those registered marks that we consider the most relevant, namely, the following three

Opposition No. 91179668

marks:

Registration & status	Mark	Goods/Services
0880922 Registered: 11/18/69 Renewed for 10 yrs from 11/18/99	PENTHOUSE	"Magazine," in International Class 38
3007070 Registered: 10/18/05	PENTHOUSE	"Entertainment services, namely, providing live dance performances, model searches and special appearances by young women selected as centerfolds or annual award winners and night club services," in International Class 41; "Restaurant and bar services," in International Class 43
3067272 Registered: 3/14/06	PENTHOUSE	"Computer services, namely providing an on-line magazine in the field of adult entertainment," in International Class 41

Fame

We turn first to the factor of fame, because this factor plays a dominant role in cases featuring a famous or strong mark. *Kenner Parker Toys Inc. v. Rose Arts Industries, Inc.*, 963 F.2d 350, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992). Famous marks are accorded more protection precisely because they are more likely to be remembered and associated in the public mind than a weaker mark. *Id.* Indeed, "[a] strong mark . . . casts a long shadow which

competitors must avoid." *Id.* A famous mark is one "with extensive public recognition and renown." *Id.* See also *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772*, 396 F.3d 1369, 73 USPQ2d 1689, 1694 (Fed. Cir. 2005).

In determining whether a mark is famous, we may consider sales, advertising expenditures, and the length of time the mark has been used. *Bose Corp. v. QSC Audio Products Inc.*, 293 F.3d 1367, 63 USPQ2d 1303, 1309 (Fed. Cir. 2002); and *Blue Man Productions Inc. v. Tarmann*, 75 USPQ2s 1811, 1817 (TTAB 2005), rev'd on other grounds, Civil Action No. 05-2037 (D.D.C. April 3, 2008).

Given the nature of opposer's goods and services, the relevant consuming public herein comprises the general public. Based on the record before us, which demonstrates opposer's long and widespread use of its mark in connection with magazines, we find that the mark PENTHOUSE is famous for magazines. This factor weighs heavily in opposer's favor.

Although the PENTHOUSE mark appears to enjoy some degree of renown in connection with other goods and services in connection with which opposer has used and registered it, we cannot find, at least on the present record, that the mark has attained fame in connection with these other goods and services. However, the wide extent to which opposer has

used its PENTHOUSE formative marks in connection with various nightclub and lounge services, and in connection with appearances by PENTHOUSE PETS at parties and clubs and the sponsoring of various high-profile events, indicates that the mark may have obtained significant renown in connection with these entertainment services.

The Marks

With respect to the involved marks, we examine the similarities and dissimilarities of the marks in their appearance, sound, meaning, and commercial impression. *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 73 USPQ2d at 1692. The test is not whether the marks can be distinguished when subjected to a side-by-side comparison, but rather whether the marks are sufficiently similar in their entireties that confusion as to the source of the services offered under the respective marks is likely to result. The focus is on the recollection of the average purchaser, who normally retains a general rather than a specific impression of trademarks. *Sealed Air Corp. v. Scott Paper Co.*, 190 USPQ 106 (TTAB 1975).

Further, as the fame of a mark increases, as in the case of opposer's mark PENTHOUSE for magazines, the degree of similarity between the marks necessary to support a conclusion of likely confusion declines. *Bose Corp. v. QSC Audio Products Inc.*, 63 USPQ2d at 1309.

While applicant argues that it adopted the mark PENTHOUSE VODKA because PENTHOUSE suggests top quality, applicant has provided no evidence that the word has this connotation to any sector of the general public. Rather, based on the dictionary definition of PENTHOUSE, we find that PENTHOUSE is an arbitrary and strong mark in connection with the relevant goods and services involved in this case. Therefore, it is entitled to a broad scope of protection.

We find that PENTHOUSE is the dominant portion of applicant's mark. Not only is it the first word in the mark and arbitrary, but it is followed by a generic, term that has been disclaimed. The term VODKA is obviously the name of the goods and, thus, it is unlikely to be relied upon by prospective purchasers to distinguish the sources of applicant's goods from opposer's goods and services.

Cunningham v. Laser Golf Corp., 222 F.3d 943, 55 USPQ2d 1842, 1846 (Fed. Cir. 2000), quoting, *In re National Data Corp.*, 753 F.2d 1056, 224 USPQ 749, 752 (Fed. Cir. 1985) ("Regarding descriptive terms, this court has noted that the 'descriptive component of a mark may be given little weight in reaching a conclusion on the likelihood of confusion.'"). See also *In re Code Consultants Inc.*, 60 USPQ2d 1699, 1702 (TTAB 2001) ("Disclaimed matter is often "less significant in creating the mark's commercial impression").

The dominant portion of applicant's mark is identical in appearance, sound and connotation to opposer's PENTHOUSE marks. Applicant has taken the entirety of opposer's PENTHOUSE marks and simply added the generic wording VODKA. This mere addition of generic wording does not serve to sufficiently distinguish the marks. *See Coca-Cola Bottling Co. v. Joseph E. Seagram & Sons, Inc.*, 526 F.2d 556, 188 USPQ 105 (CCPA 1975); and *In re United States Shoe Corp.*, 229 USPQ 707 (TTAB 1985).

Thus, we conclude that the marks are substantially similar in appearance, sound, connotation and commercial impression. This *du Pont* factor weighs in opposer's favor. We are not convinced otherwise by a small number of third-party registrations of PENTHOUSE for entirely unrelated goods and a small number of such registrations and articles using the term PENTHOUSE in its ordinary English language meaning.

The Goods and Services, Trade Channels and Purchasers

It is well established that the goods and/or services of the parties need not be similar or competitive, or even offered through the same channels of trade, to support a holding of likelihood of confusion. It is sufficient that the respective goods and/or services of the parties are related in some manner, and/or that the conditions and activities surrounding the marketing of the goods and/or

services are such that they would or could be encountered by the same persons under circumstances that could, because of the similarity of the marks, give rise to the mistaken belief that they originate from the same source. See *Hilson Research, Inc. v. Society for Human Resource Management*, 27 USPQ2d 1423 (TTAB 1993); and *In re International Telephone & Telegraph Corp.*, 197 USPQ 910, 911 (TTAB 1978). The question of likelihood of confusion must be determined based on an analysis of the goods and/or services recited in applicant's application vis-à-vis the goods and/or services identified in opposer's pleaded registration(s). *Canadian Imperial Bank v. Wells Fargo Bank*, 811 F.2d 1490, 1 USPQ2d 1783 (Fed. Cir. 1992).

First, as previously noted, the purchasers of the respective goods and services comprise the general public, and these ordinary consumers would use nothing more than ordinary care in making their purchasing decisions.

The goods and services identified in opposer's three relevant registrations include magazines (print and online), in connection with which the PENTHOUSE mark is famous, and entertainment, restaurant, night club and bar services, in connection with which the PENTHOUSE mark enjoys a high degree of renown. The record establishes that PENTHOUSE as used by opposer in connection with these goods and services, has as a consistent theme, "romantic and sensual" adult

content. Opposer has established that it promotes its magazine and its services in the context of parties and events involving the use and sale of alcohol and that it co-sponsors many of these events with alcoholic beverage companies. Additionally, opposer often advertises its goods and services jointly with alcoholic beverage companies. Alcohol is served at its restaurants, night clubs and bars and the record shows that alcoholic beverages are often ordered at these venues by brand name. Moreover, the record shows that opposer licenses the PENTHOUSE mark for use on a wide variety of goods and services. In this context, and in view of the fame and renown of opposer's PENTHOUSE marks, we find that the respective publications and entertainment and restaurant services are sufficiently related that it is highly likely that the general public familiar with opposer's goods and services will mistakenly believe that opposer is the source of vodka identified by the mark PENTHOUSE VODKA.

While opposer's magazine and applicant's vodka obviously travel in different trade channels, applicant's vodka may be served at the venues wherein opposer's services are rendered and advertised in its magazines. Moreover, the parties' goods and services are likely to end up in the hands of the same ordinary consumers who would exercise only

ordinary care when purchasing the respective goods and services.

Thus, the *du Pont* factors involving the goods and services, trade channels and purchasers all weigh in opposer's favor.

Conclusion

We find that the *du Pont* factors, on balance, weigh in favor of a finding of likelihood of confusion.

We conclude that consumers familiar with opposer's magazine sold under the mark PENTHOUSE, and opposer's various entertainment, restaurant, night club and bar services described herein, all rendered under the mark PENTHOUSE and PENTHOUSE with additional wording, would be likely to believe, upon encountering applicant's mark PENTHOUSE VODKA for "alcoholic beverages, namely, vodka," that the goods and services originate from or are associated with or sponsored by the same entity.

Decision: The opposition is sustained on the ground of likelihood of confusion, and registration to applicant is refused.