

BUREAU NATIONAL INTERPROFESSIONNEL DU COGNAC v. COLOGNE & COGNAC ENTERTAINMENT, Appeal No. 2023-1100 (Fed. Cir. August 6, 2024). Before Lourie, Clevenger, and Hughes. Appealed from TTAB.

Background:

Appellants filed an opposition to Appellee's application for "COLOGNE & COGNAC ENTERTAINMENT" for use with music and entertainment services. Appellants control the common law certification mark COGNAC for brandy from the Cognac region of France. The TTAB dismissed the opposition, finding no likelihood of confusion or dilution. Appellants appealed.

Issue/Holding:

Did the TTAB err in its analysis of likelihood of confusion and dilution? Yes, vacated and remanded.

Discussion:

The Federal Circuit found that the TTAB applied incorrect legal standards and made unsupported factual findings in its likelihood of confusion analysis, particularly regarding the fame of the COGNAC mark. The Federal Circuit held that the TTAB erred by requiring COGNAC to be famous for its certification status rather than its geographic significance or other qualities. The court emphasized that ignoring the mark's geographic fame led the TTAB to the wrong conclusion because fame (including geographic fame) is a "dominant" factor in the likelihood of confusion analysis and famous marks are accorded more protection.

The TTAB's analysis was also flawed because it applied a presumption that the fame of products was attributable to the house mark, e.g., Hennessy, rather than the certification mark. The Federal Circuit explained that certification marks can be famous independent of accompanying house marks, and that the use of a brand name on a product does not necessarily negate the significance of the certification mark on the same product. Indeed, the court also pointed out that certification marks are predominantly present alongside house or brand names, as they can only be used on third-party products.

The court also noted that the TTAB's findings were inconsistent because the TTAB acknowledged COGNAC's popularity and success, remarking on the spirit's impressive sales, renown, and popularity. The Federal Circuit stated that the TTAB then puzzlingly concluded that the mark is not famous and merely "distinctive and entitled to a normal scope of protection."

Finally, regarding Appellants' claim that Appellee's mark would likely cause dilution by blurring of the COGNAC certification mark, the Federal Circuit found that the TTAB's dismissal was based substantially on its finding that the COGNAC mark was not famous.

The court vacated the TTAB's findings on fame for both likelihood of confusion and dilution purposes and remanded for reconsideration.