

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
Alexandria Division



MILO SHAMMAS, )  
)  
Plaintiff, )  
)  
v. )  
)  
THERESA STANEK REA, )  
*Acting Under Secretary Of Commerce For* )  
*Intellectual Property And Acting Director* )  
*Of The United States Patent And* )  
*Trademark Office,* )  
Defendant. )  
)

Case No. 1:13-cv-1462

MEMORANDUM OPINION

At issue on cross motions for summary judgment in this action seeking review of a decision from the Patent and Trademark Office’s (“PTO”) Trial and Appeal Board (“TTAB”) is whether the TTAB erred in denying registration for the term “PROBIOTIC” on the grounds that the term is generic in connection with fertilizer, and alternatively, that the term at best is descriptive and has not acquired secondary meaning. For the reasons that follow, the TTAB did not err in denying registration to plaintiff. Accordingly, plaintiff’s motion for summary judgment must be denied, and defendant’s motion for summary judgment must be granted.

I.

Plaintiff Milo Shammass, the sole owner of Dr. Earth, Inc., filed a federal trademark application on June 12, 2009 for the term PROBIOTIC in connection with fertilizer. In an Office Action on September 14, 2009, the Trademark Examining Attorney of the PTO refused to register PROBIOTIC on two grounds, stating (1) that the term PROBIOTIC is generic in

connection with fertilizer and (2) that, at most, PROBIOTIC is merely descriptive for fertilizer and has not acquired secondary meaning. Plaintiff filed a response on August 30, 2010, arguing that PROBIOTIC has acquired distinctiveness over the past 10 years. The PTO's Examining Attorney disagreed, and on February 24, 2011, issued a Final Office Action denying registration. Plaintiff then appealed this ruling to the TTAB, arguing that the PTO erred in finding the term generic, and alternatively, lacking in secondary meaning. Thereafter, on October 12, 2012, TTAB affirmed the Examining Attorney's refusal to register the term PROBIOTIC as a trademark. *In re Milo Shammass*, No. 77758863 at 13 (T.T.A.B. Oct. 25, 2012).

In affirming the Examining Attorney's denial, the TTAB found that the term was merely generic, stating that "competitors' use of the term 'Probiotics' as the technology behind their products is persuasive evidence that the relevant consumers perceive the term as generic...and that competitors need to use the term." *In re Milo Shammass*, No. 77758863 at 13. In support of this finding, the TTAB noted that "articles about soil treatment identify probiotics as...the technology or method of using friendly bacteria on the soil as an ingredient of fertilizer." *Id.* Thus, the TTAB concluded that "the relevant consumers are going to understand PROBIOTIC as the genus of goods, namely a fertilizer utilizing probiotic technology." *Id.* at 16.

Alternatively, the TTAB also found that the term PROBIOTIC, even if descriptive, has not acquired secondary meaning. In reaching this result, the TTAB noted that plaintiff "did not submit any sales figures, either in dollar or units, market share information, or advertising expenditures" to support any finding of distinctiveness. *Id.* at 18. The TTAB also noted that "the record is lacking in any media recognition regarding applicant's product and how the term PROBIOTIC points uniquely and exclusively to applicant." *Id.*

Thereafter, on December 19, 2012, Plaintiff filed this action seeking review of the TTAB's decision pursuant to 15 U.S.C. § 1071(b)(1), arguing that the TTAB erred in finding that the term PROBIOTIC is generic, and alternatively, that the term, even if descriptive, has not acquired secondary meaning. Plaintiff seeks (1) reversal of the TTAB's decision, (2) a declaration that the term PROBIOTIC is suggestive or, alternatively, that it merits registration as a distinctive trademark that has acquired secondary meaning, and (3) any other relief deemed proper.

The parties have filed cross motions for summary judgment that essentially present the following two questions: (1) whether the TTAB erred in finding that the term PROBIOTIC is generic for fertilizer, and (2) whether the TTAB erred in finding, alternatively, that the term PROBIOTIC, even if descriptive, has not acquired secondary meaning.

## II.

The summary judgment standard is too well-settled to merit extended discussion, nor do the parties dispute this standard. Summary judgment should not be granted when the non-moving party has "set forth specific facts showing that there is a genuine issue for trial" through "affidavits or as otherwise provided." Fed. Rules Civ. P. 56. A genuine factual dispute exists "if the evidence is such that a reasonable jury could return a verdict for the nonmoving party."

*Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986).

## III.

Plaintiff has filed this action under 15 U.S.C. § 1071, which allows trademark applicants dissatisfied with the TTAB's decision either to appeal to the Court of Appeals for the Federal Circuit or to file an action in district court. Where, as here, the plaintiff files an action in the district court, the district court "'sits in a dual capacity,' serving on one hand as the finder of fact

with respect to new evidence presented by the parties, and on the other as an appellate reviewer of facts found by the TTAB.” *Glendale Intern. Corp. v. U.S. Patent & Trademark Office*, 374 F.Supp.2d 479, 485 (E.D. Va. 2005).

When acting as an appellate reviewer in an action under § 1071(b), a district court reviews the TTAB’s findings of fact deferentially and must uphold those findings of fact if they are supported by “substantial evidence” under the Administrative Procedure Act (“APA”).<sup>1</sup> The TTAB’s findings that a term is generic<sup>2</sup> or lacks secondary meaning<sup>3</sup> are both findings of fact to be reviewed for such substantial evidence.

“Substantial evidence,” as stated by the Supreme Court, is “more than a mere scintilla of evidence” and requires “such relevant evidence as a reasonable mind would accept as adequate to support a conclusion.” *In re Pacer Technology*, 338 F.3d 1348, 1349 (Fed. Cir. 2003) (quoting *Consol. Edison v. N.L.R.B.*, 305 U.S. 197, 229 (1938)). As the Federal Circuit has noted, “a review for substantial evidence ‘involves examination of the record as a whole, taking into account evidence that both justifies and detracts from an agency’s decisions.’” *On-Line Careline*, 229 F.3d at 1086 (quoting *Universal Camera Corp. v. N.L.R.B.*, 340 U.S. 474, 487-88 (1951)). A finding of fact by the TTAB will not be “upset unless it is not supported by substantial evidence.” *McCarthy on Trademark*, § 21:21. Moreover, “the possibility of drawing

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<sup>1</sup> See *Dickinson v. Zurko*, 527 U.S. 150, 165 (1999) (holding that the proper standard of judicial review of findings of fact made by the PTO is the “substantial evidence” standard of the APA); *On-Line Careline v. America Online, Inc.*, 229 F.3d 1080, 1085 (Fed. Cir. 2000) (applying *Zurko* to findings of fact made by the TTAB); *Skippy, Inc. v. Lipton Inv., Inc.*, 345 F.Supp.2d 585, 587 (E.D. Va. 2002) (stating that “the district court must...afford deference to the fact-findings of the TTAB”).

<sup>2</sup> *In re 1800Mattress.com IP, LLC*, 586 F.3d 1359, 1361 (Fed. Cir. 2009) (“Whether an asserted mark is generic is a factual determination made by the Board.”).

<sup>3</sup> *DuoProSS Meditech Corp. v. Inviro Medical Devices, Ltd.*, 695 F.3d 1247, 1252 (Fed. Cir. 2012); see also *McCarthy on Trademark*, § 32:119 (“Secondary meaning is an issue of fact.”).

two inconsistent conclusions from the evidence does not prevent an administrative agency's finding from being supported by substantial evidence." *Id.* (quoting *Consolo v. Federal Maritime Comm'n*, 383 U.S. 607, 620 (1966)). As stated by the Federal Circuit, the TTAB's decision "may not be reversed...even if [the reviewing court] would have viewed the facts differently if sitting as the tribunal of original jurisdiction," so long as substantial evidence supports the TTAB's ruling. If the evidence before the TTAB supports two conclusions, "the Board's decision to favor one over the other...must be sustained...as supported by substantial evidence." *DuoProSS Meditech Corp.* 695 F.3d at 1252.

By contrast, when a district court in a § 1071 action acts as a finder of fact with regard to new evidence submitted by the parties, the district court must examine the evidence *de novo* and make its own findings of fact as to the generic nature of the term and its lack of secondary meaning.<sup>4</sup> Of course, in reviewing newly-submitted evidence, a district court must bear in mind that plaintiff has the "laboring oar to establish error by the [TTAB]" by a preponderance of the evidence, because plaintiff "does not start over to prosecute his application before the district court unfettered by what happened in the PTO." *Fregeau v. Mossinghoff*, 776 F.2d 1034, 1036-38 (Fed. Cir. 1985). Thus, plaintiff's evidence must be sufficient to establish by a preponderance of the evidence, based on the record as a whole, that the proffered mark is protectable.

Accordingly, the analysis in this case proceeds as follows: first, the TTAB's findings of fact—the TTAB's conclusion that the term PROBIOTIC is generic, and alternatively, lacks secondary meaning—must be reviewed deferentially pursuant to the substantial evidence standard. Next, the new evidence submitted by the parties must be reviewed *de novo* to

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<sup>4</sup> See *Skippy*, 345 F.Supp.2d at 586 ("Review of new evidence is *de novo*."); *Glendale Intern. Corp.*, 374 F.Supp.2d at 485 (stating that "decisions of the TTAB are reviewed *de novo* with respect to conclusions of law").

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