

# Jafari Law Group, Inc.

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## **In Re Pennington Seed, Inc. on Trademark/Generic Designation**

On October 19, 2006, the U.S. Court of Appeals for the Federal Circuit upheld the Trademark Trial and Appeal Board's (the Board) decision to deny registration of the mark "Rebel" for grass seed on the grounds that the mark is a generic designation of the seed and therefore not entitled to registration.

Pennington Seed, Inc. (Pennington) had previously applied for and been issued a plant variety protection (PVP) certificate for a new grass seed that it had developed. As part of the application process, Pennington was required to designate a varietal name for the grass seed which was to become its generic designation. Pennington chose the term "Rebel" as the varietal name for its new grass seed.

On July 25, 2001 Pennington applied for federal trademark registration of the term "Rebel" in relation to grass seed. The trademark examining attorney refused registration of the mark because it served as the varietal name for a type of grass seed and was therefore its generic designation. The Board affirmed the examiner's decision and upheld the Patent and Trademark Office's (PTO) longstanding policy of treating varietal names as generic.

The Board found support for its decision in the Trademark Manual of Examining Procedure (TMEP) which prohibits registration of varietal names because they do not function as source indicators. Additional support for the Board's decision came from the International Convention for the Protection of New Varieties of Plants (UPOV) which provides that a name for a new plant must be designated and that the designation will serve as the plant's generic name. Pennington appealed.

On appeal, Pennington argued that the Board erred in applying the rule (from the D.C. Circuit) of *Dixie Rose* that varietal names are generic. Pennington also argued that a per se rule prohibiting trademark protection when another form of intellectual property protection is also procured is no longer appropriate given the Supreme Court's decision in *TrafFix*. Lastly, Pennington argued that despite language in the UPOV which provides that a plant's varietal name will serve as its generic designation, the UPOV is not applicable because Pennington's PVP certificate was issued prior to the UPOV's effective date.

The Federal Circuit affirmed the Board's application of the rule from *Dixie Rose* and adopted the holding by the D.C. Circuit which concluded that the term "Texas Centennial" could not be registered as a trademark for a type of rose because it was the varietal name for that particular rose and therefore served as its generic designation.

The Federal Circuit would also reject Pennington's argument that the Supreme Court's decision in *TrafFix* would support its appeal, noting that the decision was irrelevant in that Pennington's appeal did not raise any issues concerning whether a functional aspect of a plan can acquire trade dress protection. As for Pennington's argument that the UPOV is inapplicable in the matter, the Federal Circuit found that the language in the UPOV is consistent with the rule in *Dixie Rose* which does predate the issuance of Pennington's PVP certificate.

In its final holding, the Federal Circuit determined as a matter of law that plant varietal names are generic and that there was substantial evidence to support the Board's finding that "Rebel" is a varietal name for a type of grass seed, and therefore was precluded from being registered as a trademark. The decision of the Board was affirmed.

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