

THIS OPINION IS NOT A
PRECEDENT OF THE TTAB

Hearing: July 20, 2021

Mailed: September 1, 2021

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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In re Joy Tea Inc.

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Serial No. 88640009

Laurence M. Sandell and Robert Kimmer of Mei & Mark LLP,
for Joy Tea Inc.

Tasneem Hussain, Trademark Examining Attorney, Law Office 118,
Michael W. Baird, Managing Attorney.

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Before Kuhlke, Coggins, and Dunn,
Administrative Trademark Judges.

Opinion by Coggins, Administrative Trademark Judge:

Joy Tea Inc. (“Applicant”) seeks registration on the Principal Register of the mark

FOR JOY (in standard characters) for

Tea; Tea extracts; Tea-based beverages; Tea-based beverages also containing CBD; Tea-based iced beverages; Tea-based milk tea; Barley tea; Beverages made of tea; Beverages with a tea base; Black tea; Buckwheat tea; Chai tea; Chamomile tea; Chamomile-based beverages; Citron tea; Coffee and tea; Earl Grey tea; Fermented tea; Fruit teas; Ginger tea; Ginseng tea; Green tea; Herb tea; Herbal tea; Herbal food beverages; Iced tea; Instant tea; Jasmine tea; Kombucha tea; Lime tea; Lime blossom tea; Mixes for making tea; Mixes in the nature of concentrates, syrups or

powders used in the preparation of tea based beverages; Oolong tea; Peppermint tea; Red ginseng tea; Roasted brown rice tea; Rooibos tea; Rose hip tea; Rosemary tea; Sparkling tea; Syrups for making tea; Tieguanyin tea; White tea; White lotus tea (Baengnyeoncha); all of the foregoing being legal under both state and federal laws and containing ingredients solely derived from hemp with a delta-9 tetrahydrocannabinol (THC) concentration of not more than 0.3 percent on a dry weight basis in International Class 30.¹

The Trademark Examining Attorney refused registration under Sections 1 and 45 of the Trademark Act, 15 U.S.C. §§ 1051 and 1127, on the ground that Applicant does not have a bona fide intent to use the mark in lawful commerce because the goods are not in compliance with several sections of the Federal Food, Drug, and Cosmetic Act (“FDCA”), including 21 U.S.C. §§ 321(ff) and 331(ll), as Applicant’s goods either contain or may contain cannabidiol (CBD).

When the refusal was made final, Applicant requested reconsideration. The Examining Attorney denied the request for reconsideration, and Applicant appealed to this Board. The appeal proceeded with briefing and an oral hearing. We affirm the refusal to register.

The record shows that “CBD” is an abbreviation for “cannabidiol,” a chemical component of the cannabis plant that is regulated under the FDCA as a drug. July 22, 2020 Office Action at 5-31 (material from the U.S. Food and Drug Administration

¹ Application Serial No. 88640009 was filed on October 2, 2019, under Section 1(b) of the Trademark Act, 15 U.S.C. § 1051(b), based upon Applicant’s allegation of a bona fide intention to use the mark in commerce.

Citations to the briefs in the appeal record refer to the TTABVUE docket system. Citations to the prosecution file refer to the .pdf version of the TSDR system record. *In re Consumer Protection Firm PLLC*, 2021 USPQ2d 238, *3 n.3 (TTAB 2021).

(“FDA”). As the Examining Attorney points out, *see* 6 TTABVUE 5, the FDCA currently prohibits “[t]he introduction or delivery for introduction into interstate commerce of any food to which has been added . . . a drug or biological product for which substantial clinical investigations have been instituted and for which the existence of such investigations has been made public” 21 U.S.C. § 331(l). There is no question that the identification of Applicant’s goods includes food to which CBD has been added, that CBD was the subject of substantial clinical investigations during prosecution of the involved application, and that this makes some of Applicant’s goods currently illegal under the FDCA.

Trademark Act Section 1(b), 15 U.S.C. §1051(b), states that “a person who has a bona fide intention, under circumstances showing the good faith of such person, to use a trademark in commerce” may apply for registration of the mark. The issue in this appeal is narrow and simple: whether an applicant for a federal trademark registration can have a bona fide intent to use its mark in commerce on goods that are currently prohibited under federal law but that may, perhaps, become lawful in the future. Or, as Applicant phrases it, whether there is a “statute or applicable regulation [that] supports disqualifying an applicant’s bona fide intent that stems from a belief—especially an objectively reasonable belief—that its intended future commerce will be legal future commerce.” 4 TTABVUE 2; *see also* 8 TTABVUE 3. The Board has previously addressed this issue, if not the specific arguments that Applicant now makes.

In *In re JJ206, LLC*, 120 USPQ2d 1568 (TTAB 2016), a case involving the refusal under Trademark Act Sections 1 and 45 of an intent-to-use application which identified cannabis-related goods illegal under the federal Controlled Substances Act (CSA), the Board noted that to qualify for a federal trademark registration, it has been consistently held that the use of a mark in commerce must be lawful, and that any goods for which the mark is used must not be illegal under federal law. *See JJ206*, 120 USPQ2d at 1569 (citing *In re Brown*, 119 USPQ2d 1350, 1351 (TTAB 2016), and *Gray v. Daffy Dan's Bargaintown*, 823 F.2d 522, 3 USPQ2d 1306, 1308 (Fed. Cir. 1987)). The Board then concluded that it “logically follows that if the goods on which a mark is intended to be used are unlawful, there can be no bona fide intent to use the mark in lawful commerce.” *See JJ206*, 120 USPQ2d at 1569 (citing *John W. Carson Found. v. Toilets.com, Inc.*, 94 USPQ2d 1942, 1947-48 (TTAB 2010)). In affirming the refusals under Sections 1 and 45, the Board concluded that “because Applicant’s identified goods constitute illegal drug [i.e., cannabis-related] paraphernalia under the CSA, Applicant’s use and intended use of the applied-for marks on these goods is unlawful, and cannot serve as the basis for federal registration.” *JJ206*, 120 USPQ2d at 1572.

In the current appeal, Applicant “seeks to overturn, or at least narrow,” 4 TTABVUE 2, the holding of *JJ206* that “if the goods on which a mark is intended to be used are unlawful, there can be no bona fide intent to use the mark in lawful commerce.” 120 USPQ2d at 1596. In support of its position, Applicant makes three broad arguments: (1) Office “regulations forbid evaluating the Applicant’s good faith

intent in *ex parte* examination;” (2) a “rule that *bona fide* intent for future legal use in commerce cannot exist where current use is not legal is incorrect;” and (3) “Applicant has, and at all times had, a subjective *bona fide* intent to use its mark . . . with the recited goods in *future* legal commerce” because it “anticipat[es] a beneficial change in law within a reasonable amount of time.” *See* 4 TTABVUE 3, 5, 9, 10.

Applicant posits that “[t]here is an inherent conflict between” TRADEMARK MANUAL OF EXAMINING PROCEDURE (TMEP) Sections 907 and 1101. 4 TTABVUE 4. Specifically, Applicant points to TMEP § 1101 which states, in part, that the Office “will *not* evaluate the good faith of an applicant in the *ex parte* examination of applications,” while § 907 provides, in part, that for an intent-to-use application “based on Trademark Act Section 1(b) . . . , if the record indicates that the mark or the identified goods or services are unlawful, actual lawful use in commerce is not possible. Thus, a refusal under Trademark Act Sections 1 and 45 is . . . appropriate for th[is] non-use-based application[], because the applicant does not have a *bona fide* intent to lawfully use the mark in commerce.” Section 907 provides examples of such situations, including when identified goods involve the sale or transportation of a controlled substance in violation of federal law.

We see no conflict in the practice applicable to examination of intent-to-use applications. Applicant ignores further guidance in § 1101 which explains that while an “applicant’s sworn statement of a *bona fide* intention to use the mark in commerce [generally] will be sufficient evidence of good faith in the *ex parte* context,” the Office may nonetheless “make an inquiry in an *ex parte* proceeding [if] evidence of record

clearly indicates that the applicant does not have a bona fide intention to use the mark in commerce.” In the present situation, where some of Applicant’s goods are prohibited under federal law, the record clearly indicates that it is not possible for Applicant to have “an intention to use the mark consistent with the [Trademark] Act’s definition of ‘use in commerce’” which requires “the bona fide use of a mark in the ordinary course of trade.” *See M.Z. Berger & Co. v. Swatch AG*, 787 F.3d 1368, 114 USPQ2d 1892, 1898 (Fed. Cir. 2015) (quoting 15 U.S.C. § 1127). “[I]t has been the consistent position of the Board and the USPTO that a *bona fide* use of a mark in commerce means a ‘lawful use in commerce.’” *John W. Carson Found. v. Toilets.com, Inc.*, 94 USPQ2d at 1948 (citing *In re Midwest Tennis & Track Co.*, 29 USPQ2d 1386, 1386 fn. 2 (TTAB 1993), and *Clorox Co. v. Armour-Dial, Inc.*, 214 USPQ 850, 851 (TTAB 1982)).

In *M.Z. Berger*, the court held that at the time of the application “the circumstances must indicate that the applicant’s intent to use the mark was firm and not merely intent to reserve a right in the mark.” 114 USPQ2d at 1898. It is therefore not possible to have a bona fide intent to use a mark on goods which are unlawful at the time of the application. If it were otherwise, Applicant’s alleged intent to use a mark on the currently unlawful goods would result in the mere reservation of a right in the mark until such time, if ever, at which the currently unlawful goods become lawful. To be clear, bona fide intent to use a mark on goods also requires lawful use—something currently unavailable for some of Applicant’s identified goods.

This is consistent with guidance given by the Trademark Examination Operation (TMEO) after enactment of the Agriculture Improvement Act of 2018, Pub. L. 115-334 (the 2018 Farm Bill), which amended the Agricultural Marketing Act of 1946 to change, inter alia, certain federal authorities relating to the production and marketing of “hemp.” For applications filed before the effective date of the 2018 Farm Bill that identified cannabis-related goods, the TMEO allowed applicants to amend their filing basis and filing dates to the effective date of the 2018 Farm Bill as provided in *Examination Guide 1-19 Examination of Marks for Cannabis and Cannabis-Related Goods and Services after Enactment of the 2018 Farm Bill* (May 2, 2019), see www.uspto.gov/sites/default/files/documents/Exam%20Guide%201-19.pdf, to overcome non-compliance with the CSA as a ground for refusal if the goods were derived from hemp. In articulating the guidance, the TMEO stated that “[s]uch applications did not have a valid basis to support registration at the time of filing because the goods violated federal law.” *Examination Guide 1-19* at p. 2. It also explained that because “[t]he 2018 Farm Bill explicitly preserved FDA’s authority to regulate products containing cannabis or cannabis-derived compounds under the FDCA[, and] CBD is an active ingredient in FDA-approved drugs and is a substance undergoing clinical investigations . . . registration of marks for foods[and] beverages . . . containing CBD will still be refused as unlawful under the FDCA, even if derived from hemp, as such goods may not be introduced lawfully into interstate commerce. 21 U.S.C. §331(l).” *Id.*

Here, the involved application was filed under Trademark Act Section 1(b) based on Applicant's stated bona fide intent to use the mark FOR JOY in commerce in connection with food to which CBD has been added. Because such goods are illegal under the FDCA, "as a matter of law, [A]pplicant cannot make lawful use of its mark in commerce. Therefore, it is a legal impossibility for [A]pplicant to have a *bona fide* intent to use its mark in commerce." *John W. Carson Found. v. Toilets.com, Inc.*, 94 USPQ2d at 1948.

Applicant argues that it "has a bona fide intent to show legal use of its CBD-based products in commerce in the future because it reasonably anticipates that the legal framework will change within a reasonable amount of time." 4 TTABVUE 6. The reliance in Applicant's last argument on a "reasonable amount of time" is inapposite. "We must determine the eligibility of [CBD]-related marks for federal registration by reference to the [FDCA] as it is written, not as it might be enforced [or amended] at any point in time by any particular [FDA Commissioner]. The [FDCA] in its current form makes Applicant's intended uses of its mark[] unlawful, and its mark[is] thus ineligible for federal registration." *PharmaCann*, 123 USPQ2d 1122, 1128 (TTAB 2017). *See also M.Z. Berger & Co. v. Swatch AG*, 114 USPQ2d at 1898 ("The [statutory] reference to 'circumstances showing the good faith' strongly suggests that the applicant's intent must be demonstrable and more than a mere subjective belief."). Until such a change is made, Applicant cannot have a bona fide intent to use the mark in commerce.

As mentioned above, it has been consistently held that the use of a mark in commerce must be lawful, and that any goods for which the mark is used must not be illegal under federal law. *See JJ206*, 120 USPQ2d at 1569. This idea was reexamined in *PharmaCann*, where the Board provided an extensive analysis of unlawful use refusals. *See* 123 USPQ2d at 1123-1128. Based on prior decisions of this Board and multiple courts, including *M.Z. Berger* which held that “an applicant’s intent must reflect an intention to use the mark consistent with the [Trademark] Act’s definition of ‘use in commerce’” requiring “bona fide use of a mark,” *M.Z. Berger*, 114 USPQ2d at 1898, we decline Applicant’s invitation “to overturn, or at least narrow,” 4 TTABVUE 2, the holding in *JJ206* “that if the goods on which a mark is intended to be used are unlawful, there can be no bona fide intent to use the mark in lawful commerce.” 120 USPQ2d at 1569. To do so would violate the longstanding prohibition against reservation of a mark. *See* 15 U.S.C. § 1127 (“The term ‘use in commerce’ means the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark.”).

Decision: The refusal to register Applicant’s mark FOR JOY under Sections 1 and 45 of the Trademark Act is affirmed on the ground that Applicant does not have a bona fide intent to use the mark in lawful commerce because the goods are not in compliance with the FDCA.