

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION**

GRUPO BIMBO S.A.B. de C.V., a)
Mexico Corporation;)
)
Plaintiff,)
)
v.)

Case No.: 1:21-CV-00721

DREW HIRSHFELD, in his official)
capacity performing the functions and)
duties of the Under Secretary of Commerce)
for Intellectual Property and Director of the)
United States Patent and Trademark Office;)
and)

**THE UNITED STATES PATENT AND)
TRADEMARK OFFICE**)

Serve:)
Office of the General Counsel)
U.S. Patent and Trademark Office)
Madison Bldg. East, Room 10B20)
600 Dulany Street)
Alexandria, VA 22314)

Attorney General of the United)
States)
Main Justice Building)
10th & Constitution Ave, NW)
Washington, DC 20530)

U.S. Attorney for the Eastern Dist.)
of Va.)
2100 Jamieson Avenue)
Alexandria, VA 22314)

Defendants.)

COMPLAINT

Plaintiff Grupo Bimbo S.A.B. de C.V. (“Plaintiff” or “Grupo Bimbo”), by its undersigned attorneys, for its Complaint against defendants Drew Hirshfeld, in his official capacity performing the functions and duties of the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office (the “Director”), and the United States Patent and Trademark Office (the “PTO”), alleges as follows:

INTRODUCTION

1. Grupo Bimbo, along with its many subsidiaries, is the largest bakery company in the world, and its many brands are some of the most beloved by consumers worldwide.

2. In approximately August 2015, Grupo Bimbo introduced ARTESANO brand pre-packaged, sliced bread in the United States. The product was an immediate success. Since its launch, retailers have sold approximately one billion dollars of ARTESANO brand pre-packaged sliced bread, making ARTESANO one of the most successful bread brands during that time period.

3. As a result, the ARTESANO mark has become a well-known brand as used in connection with pre-packaged sliced bread.

4. Nevertheless, the PTO has refused to register Grupo Bimbo’s well-known ARTESANO trademark, contending that while the ARTESANO trademark has acquired distinctiveness as a trademark, it is a generic term for pre-packaged sliced bread and thus barred from registration. This action is to appeal that decision.

PARTIES, JURISDICTION AND VENUE

5. Grupo Bimbo is a Mexico corporation with an office at Prolongacion Paseo De La Reforma, No. 1000, Co. Pena Blanca Santa Fe, Mexico City, Mexico 01210.

6. Drew Hirschfeld is performing the functions and duties of the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office with an address at P.O. Box 1450, Alexandria, Virginia 22314.

7. The United States Patent and Trademark Office is a federal agency within the United States Department of Commerce. The agency is located at 600 Dulany Street, Alexandria, Virginia 22314.

8. This Court has jurisdiction over the subject matter of this action pursuant to Section 21(b) of the U.S. Trademark Act of 1946 (the “Lanham Act”), as amended, 15 U.S.C. Sec. 1071(b), which provides that a party dissatisfied with a final decision of the Trademark Trial and Appeal Board (“TTAB”) may institute a new civil action in a Federal District Court challenging such decision. This Court also has subject matter jurisdiction pursuant to 28 U.S.C. Sec. 1331.

9. Venue is proper in this district pursuant to 28 U.S.C. Sec. 1391(e)(1)(A).

FACTUAL BACKGROUND

Grupo Bimbo and the ARTESANO Brand

10. Grupo Bimbo, along with its many subsidiaries, is the largest bakery company in the world. Its successful and widely recognized brands are sold in the United States and internationally.

11. Grupo Bimbo sells ARTESANO brand bread in countries throughout the world, including in Mexico.

12. Since at least as early as August 2015, Grupo Bimbo has extensively and continuously used and promoted the ARTESANO trademark in connection with pre-packaged sliced bread in commerce in the United States.

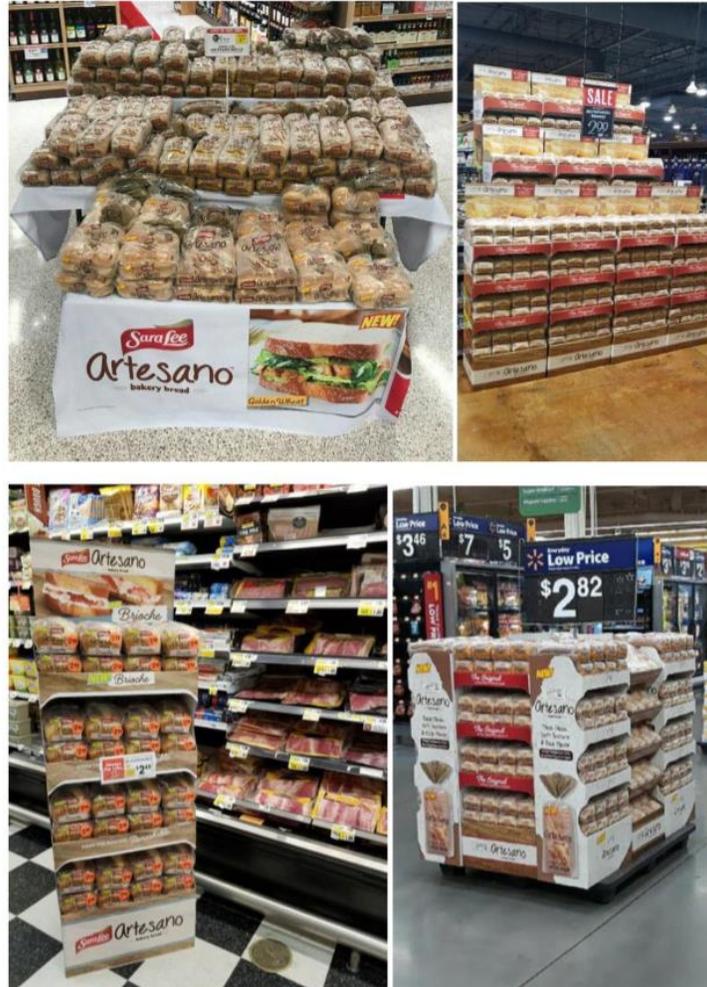
13. Since its launch, retailers have sold approximately one billion dollars of ARTESANO brand pre-packaged sliced bread in the United States, making one of the most successful bread brands during that time frame.

14. The ARTESANO mark is prominently displayed on packaging and advertisements as shown below:



15. The ARTESANO brand is ubiquitous in bread aisles throughout the country. Indeed, ARTESANO brand bread is available for purchase at all major food retailers throughout the United States.

16. The ARTESANO mark is prominently used in connection with in-store displays, as shown below:



17. Grupo Bimbo has spent tens of millions of dollars to advertise and promote ARTESANO prepackaged, sliced bread in the United States. Such advertisements and promotions have created hundreds of millions of consumer impressions.

18. Advertisements promoting Grupo Bimbo's ARTESANO pre-packaged sliced bread have frequently aired during television programming in the United States, including on popular networks such as ABC, CBS, E, HGTV, TBS, and Bravo.

19. Grupo Bimbo has promoted its ARTESANO pre-packaged sliced bread with print advertisements, which have been circulated to well over 100 million U.S. consumers.

20. Grupo Bimbo's ARTESANO brand is active on social and digital media, including on Facebook, Pinterest, Instagram, and YouTube.

21. Grupo Bimbo's ARTESANO bread has won numerous industry awards and recognitions, all featuring ARTESANO as Grupo Bimbo's brand name for the product. For example, in April 2017, the IRI Growth Summit, an annual conference attended by sales and marketing leaders from the world's top consumer packaged goods manufacturers, retailers and media agencies, announced the most successful Consumer Packaged Goods Brands of 2016. IRI Growth Summit named Grupo Bimbo's ARTESANO bread #5 on the list of its 2016 New Product Pacesetters in terms of sales. The IRI Growth Summit cited the impressive \$102.4 million in first year sales and the 43% rate of repeat consumers.

22. Grupo Bimbo commissioned the Berkeley Research Group to conduct a survey on the term ARTESANO to determine whether consumers understand the term ARTESANO as functioning as a brand or as a generic term for the goods in question. The survey employed the well-accepted Teflon format for assessing whether a term is generic. Grupo Bimbo's survey results show that 55.2% of respondents identified ARTESANO as a brand name for the relevant goods, whereas only 23.7% identified it as a common name – a 2 to 1 difference. The results demonstrate that the primary significance respondents place on the ARTESANO mark is as a brand name, and not as a common name.

23. In short, the ARTESANO brand is a distinctive source identifier and functions as a strong trademark for consumers of pre-packaged sliced bread.

U.S. Trademark Application History

24. On April 12, 2017, Grupo Bimbo filed a federal trademark application based on use-in-commerce since at least as early as August 31, 2015, for the mark ARTESANO, Serial No. 87/408,465 in International Class 30.

25. An Office Action issued on June 26, 2017, refusing Grupo Bimbo's mark on the basis of mere descriptiveness under Lanham Act Section 2(e)(1). Grupo Bimbo timely filed its response on December 21, 2017, explaining why its mark is inherently distinctive. Grupo Bimbo also took the position, in the alternative, that its ARTESANO mark has acquired distinctiveness under Lanham Act Section 2(f) based on its extensive use of the mark, and provided evidence showing the duration, extent and nature of Grupo Bimbo's use of the mark in commerce.

26. A further non-final Office Action issued on January 16, 2018, maintaining the Section 2(e)(1) refusal and raising a new issue regarding the alleged insufficiency of Grupo Bimbo's Section 2(f) claim of acquired distinctiveness. Grupo Bimbo timely filed its response on July 16, 2018, maintaining its position that its ARTESANO mark is inherently distinctive, and also arguing in the alternative that its ARTESANO mark has acquired distinctiveness. Grupo Bimbo provided further evidence of strong consumer recognition and its extensive use of the mark with its submission.

27. A further non-final Office Action issued on August 28, 2018, maintaining the Section 2(e)(1) and Section 2(f) refusals, and raising a new issue regarding a generic advisory. Grupo Bimbo timely filed its response on February 28, 2019 maintaining its position that its ARTESANO mark is inherently distinctive, and also arguing in the alternative that its ARTESANO mark has acquired distinctiveness. Grupo Bimbo provided further evidence of strong consumer recognition and its extensive use of the mark with its submission.

28. A further non-final Office Action issued on May 2, 2019, refusing the mark on the basis of genericness under Lanham Act Sections 1, 2, 3 and 45, and maintaining the Section 2(e)(1) and Section 2(f) refusals. Grupo Bimbo timely filed its response on November 4, 2019 maintaining its position that its ARTESANO is inherently distinctive and not generic, and also arguing in the alternative that its ARTESANO mark has acquired distinctiveness. Grupo Bimbo provided further evidence of strong consumer recognition and its extensive use of the mark with its submission, including survey evidence. Grupo Bimbo also amended its identification of goods to pre-packaged sliced bread.

29. A final Office Action issued on December 5, 2019 maintaining the Section 1, 2, 3 and 45 refusal based on genericness, as well as the Section 2(e)(1) and Section 2(f) refusals. Grupo Bimbo timely filed a Request for Reconsideration on June 5, 2020 maintaining its position that its ARTESANO mark is inherently distinctive and not generic, and also arguing in the alternative that its ARTESANO mark has acquired distinctiveness. Grupo Bimbo provided further evidence of strong consumer recognition and its extensive use of the mark with its submission.

30. On June 5, 2020, Grupo Bimbo filed a Notice of Appeal with the Trademark Trial and Appeal Board (“TTAB”). Grupo Bimbo’s Request for Reconsideration was denied on July 17, 2020. Thereafter, the TTAB resumed action on the appeal, which was suspended pending disposition of the Request for Reconsideration.

The PTO Decision

31. On April 14, 2021, following briefing and oral argument, the TTAB issued an order affirming the refusal to register Grupo Bimbo’s ARTESANO mark on the asserted ground that the mark is generic. The TTAB also ruled, however, that the ARTESANO mark had acquired

secondary meaning, and would therefore be entitled to registration if the ARTESANO mark were descriptive rather than generic.

The PTO Erred In Refusing To Register Grupo Bimbo's ARTESANO Mark On The Asserted Ground That The Mark Is Generic.

32. A generic term is one that designates an entire class of goods or services, rather than the producer of those goods or services.

33. The term ARTESANO has no generic or descriptive meaning in relation to the applied-for goods – pre-packaged sliced bread.

34. The TTAB committed numerous errors in finding that the ARTESANO mark is a generic term for prepackaged, sliced bread.

The TTAB Applied the Wrong Burden of Proof

35. The Trademark Manual of Examining Procedure (TMEP) states that the “examining attorney has the burden of proving that a term is generic by clear evidence.”

36. In finding that the ARTESANO mark is a generic term for prepackaged, sliced bread, the TTAB erred by applying the wrong burden of proof. While the TTAB correctly acknowledged that “the examining attorney has the burden of proving genericness,” it failed to identify or apply the proper “clear evidence” standard.

Misapplication of the Doctrine of Foreign Equivalents

37. The USPTO does not contend that ARTESANO has a meaning in English, but rather refused registration of the ARTESANO mark relying on the “doctrine of foreign equivalents.”

38. In denying Grupo Bimbo's appeal, the TTAB erred in its application of the doctrine of foreign equivalents.

39. The doctrine of foreign equivalents can only be applied when there is a literal and direct translation, the term is from a common modern, language, there is no contradictory evidence of other meanings, and the ordinary American purchaser will stop and translate the foreign word into English.

40. The Trademark Manual of Examining Procedure (“TMEP”) explains how the doctrine should be applied, noting: “Whether an examining attorney should apply the doctrine of foreign equivalents turns upon the significance of the foreign mark to the relevant purchasers, which is based on an analysis of the evidence of record, including, for example, dictionary, Internet, and LexisNexis® evidence. If the evidence shows that the relevant English translation is literal and direct, **and no contradictory evidence of shades of meaning or other relevant meanings exists**, the doctrine generally should be applied by the examining attorney.”

41. The record in the present case contains numerous translations of the term ARTESANO, including craftsman, craftswoman, handmade, handcrafted, home-produced, produced using traditional methods, traditional, homemade, and artisan.

42. Not only does the record contain “shades of meaning” but it also contains completely different meanings, and the doctrine cannot be applied under the USPTO’s own rules.

43. Indeed, in the application at issue in the case, Trademark Application No. 87/408,465, the USPTO accepted “craftsman” as the English translation of ARTESANO.

44. “Craftsman” does not immediately describe an ingredient, function, feature, purpose or use of Applicant’s bread nor is it a generic term for bread.

45. The TMEP indicates that the doctrine of foreign equivalents is a mere “guideline, not an absolute rule.”

46. TTAB erred in using the doctrine of foreign equivalents as a bright line rule to trump the evidence of consumer perception, including Applicant's survey, rather than using it as a guideline.

47. The TTAB erred by relying on an academic translation exercise and disregarding the clear evidence of consumer perception in the record.

ARTESANO Is Not Used as a Generic Term for Prepackaged, Sliced Bread

48. The primary significance of the ARTESANO mark to the relevant public determines whether a term is generic for prepackaged sliced bread.

49. ARTESANO is not used by consumers, competitors, or the trade in a generic manner for pre-packaged sliced bread. Instead, the primary significance of ARTESANO in connection with pre-packaged slice bread is as a brand that identifies the source of the goods.

50. Grupo Bimbo owns approximately eighteen (18) foreign trademark registrations for ARTESANO for bread in different Spanish speaking countries, including Mexico, and submitted copies of the trademark registration certificates to the USPTO. The ARTESANO mark has been deemed a registrable trademark in these Spanish speaking jurisdictions. These registrations of ARTESANO in Spanish speaking countries illustrates the brand significance of ARTESANO and undercuts the TTAB's reliance on the doctrine of foreign equivalents as the basis for the position that the mark is generic.

ARTESANO Mark is Registrable on the Principal Register

51. The ARTESANO mark is inherently distinctive (*i.e.*, arbitrary, fanciful, or suggestive) for the goods in question.

52. Inherently distinctive marks are registrable on the Principal Register without a showing of secondary meaning.

53. In the alternative, if it is found not inherently distinctive, the ARTESANO mark is descriptive, and not generic, for the goods in question. A mark is considered merely descriptive if it describes an ingredient, quality, characteristic, function, feature, purpose, or use of the specified goods. A merely descriptive mark is registrable on the Principal Register if it is found to have acquired distinctiveness.

54. As a result of Grupo Bimbo's extensive use, promotion and sales under the ARTESANO mark throughout the country, as well as the careful nurturing of the ARTESANO brand, and the strong consumer and industry recognition of the ARTESANO mark, the ARTESANO mark has acquired distinctiveness as a trademark for pre-packaged sliced bread and therefore is entitled to registration on the Principal Register under Lanham Act Section 2(f).

55. The TTAB recognized and held that the ARTESANO mark has acquired distinctiveness in the United States for the goods in question.

FIRST CAUSE OF ACTION

56. Grupo Bimbo incorporates by reference the paragraphs 1 through 55 above as if fully set forth herein.

57. Grupo Bimbo requests a finding and a declaration from this Court that the ARTESANO mark is inherently distinctive (*i.e.*, arbitrary, fanciful, or suggestive) for pre-packaged sliced bread and therefore entitled to registration on the Principal Register without a showing of secondary meaning. On this basis, the Director should be directed to pass the application to publication.

SECOND CAUSE OF ACTION

58. Grupo Bimbo incorporates by reference the paragraphs 1 through 57 above as if fully set forth herein.

59. In the alternative, if the ARTESANO mark is found not inherently distinctive, Grupo Bimbo requests a finding and a declaration from this Court that the ARTESANO mark is descriptive, and not generic, for pre-packaged sliced bread and has acquired distinctiveness, and therefore is entitled to registration on the Principal Register under Lanham Act Section 2(f). On this basis, the Director should be directed to pass the application to publication.

PRAYER OF RELIEF

WHEREFORE, Grupo Bimbo requests this Court to enter judgment:

- (a) Reversing the decision of the TTAB, dated April 14, 2021, and directing the Director to pass Grupo Bimbo's subject application to publication for registration on the Principal Register;
- (b) Declaring that the ARTESANO mark is inherently distinctive (*i.e.*, arbitrary, fanciful, or suggestive) for pre-packaged sliced bread and therefore entitled to registration on the Principal Register without a showing of secondary meaning;
- (c) In the alternative, if the ARTESANO mark is found not inherently distinctive, declaring that the ARTESANO mark is descriptive, and not generic, for pre-packaged sliced bread and has acquired distinctiveness, and therefore is entitled to registration on the Principal Register under Lanham Act Section 2(f); and
- (d) Awarding Grupo Bimbo such other relief as this Court may deem just and proper.

DATED: June 15, 2021

Respectfully submitted,

GRUPO BIMBO S.A.B. de C.V.

By: /s/ Clay S. Hester

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