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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:
Four Media Company

Serial No.: 75/704,588

Filed: May 13, 1999

Mark: RIOT

Classes: 40, 42

Our Ref.: 57629-0019

Melvin T. Axibund
Examining Attorney

Law Office No. 113
(703) 308-9113, Ext. 196

07-30-2001
U.S. Patent & TMOfc/TM Mail Rcpt Dt. #75

NOTICE OF APPEAL

Commissioner for Trademarks
Box TTAB/Fee
2900 Crystal Drive
Arlington, VA 22202-3513

CERTIFICATE OF MAILING
I hereby certify that this correspondence is being deposited with the U.S. Postal Service as *First Class* mail, postage prepaid, in an envelope addressed to Commissioner for Trademarks, 2900 Crystal Drive, Arlington, VA 22202-3513 on 7-24-01
By: Laurie A. Rosse

To the Trademark Trial and Appeal Board:

Applicant Four Media Company hereby appeals to the Trademark Trial and Appeal Board the decision of the Examining Attorney dated January 25, 2001, finally refusing to register the mark that is the subject of the captioned application. Applicant has complied with all remaining requirements made by the examining attorney in this application.

A check payable to the Director of the U.S. Patent & Trademark Office in the amount of $200 as required by Rule 2.6(a)(18) accompanies this Notice of Appeal. The

08/01/2001 EPINA1 00000160 75704588
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Los Angeles, California 90067-5010
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Commissioner is hereby authorized to charge any deficiency in the payment of required fees or credit any overpayment to Deposit Account No. 10-0440.

Respectfully submitted,

Dated: 7/23/01

By: _____

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REQUEST FOR RECONSIDERATION

Commissioner for Trademarks
Box Responses/No Fee
Law Office 113
2900 Crystal Drive
Arlington, VA 22202-3513

CERTIFICATE OF MAILING
I hereby certify that this correspondence and the identified enclosures are being deposited with the U.S. Postal Service as *First Class* mail, postage prepaid, in an envelope addressed to: Commissioner for Trademarks, Box Responses/No Fee, 2900 Crystal Drive, Arlington, VA 22202-3513 on 7-24-01.
By: Laurie A. Rossi

Madam:

This is in response to the final refusal issued by the Examining Attorney on January 25, 2001. Applicant's counsel, Steven Plotkin, discussed this case with the Examining Attorney July 23, 2001, and thanks the Examining Attorney for his comments.

The Examining Attorney has made final his refusal of the captioned application due to Reg. No. 2,179,583 (the "'583 Reg.") for RIOT owned by Discreet Logic Inc. ("Discreet") in connection with computer software for creating, editing and compositing special effects and editing visual and audio data. In its initial Response to the Office Action, Applicant argued that there is no likelihood of confusion with the '583 Reg. because of the differences in the goods and services and the channels of trade and the purchasing environment for the respective goods and services. The Examining Attorney was not persuaded by this argument,

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and made final his refusal of the captioned application. Applicant respectfully requests that the Examining Attorney reconsider this refusal.

The factors relevant to a determination of whether use and registration of the respective marks is likely to cause consumer confusion are set forth in *In re E. I. DuPont de Nemours & Co.*;[1] TMEP §1207.01. Applicant submits that the following factors are most relevant here: differences in the goods and services, marketing channels, and sophistication of consumers. Applicant believes that consideration of the foregoing factors results in a conclusion that there is no likelihood of confusion from concurrent use and registration of the respective marks for the respective goods and services.

Applicant and Discreet have entered into a Co-Existence Agreement designed to preclude confusion. In such Co-Existence Agreement, Discreet acknowledged that there is no likelihood of confusion from concurrent use by Applicant and Discreet of their respective marks, and has consented to registration of Applicant's mark. A copy of this Co-Existence Agreement accompanies this communication as Exhibit A.

This Co-Existence Agreement provides that each of Applicant and Discreet acknowledge and agree that, based on the differences between the Applicant's services and Discreet's goods, the differences in the consumers of and marketing channels for Discreet's goods and Applicant's services, the sophistication of their respective customers, and the relatively high price of their respective goods and services, there is no likelihood of confusion from concurrent use and registration of RIOT by Discreet for Discreet's goods and RIOT and/or R!OT by Applicant for Applicant's services. Applicant provides a myriad of post-production creative services to television, video and motion picture directors and producers, while Discreet provides tools for creation and editing of special effects. Applicant's services are relatively costly. Discreet's goods sold under the RIOT mark by Discreet are marketed and sold to sophisticated consumers who are predominantly involved in the post-production field. These goods are sold at a high price on par with other custom software not marketed to the general public.

1/ 476 F.2d 1357, 177 USPQ 563 (CCPA 1973)

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Because the accompanying Co-Existence Agreement sets forth factors as to why there is no likelihood of confusion from Applicant's use and registration of Applicant's mark concurrently with Discreet's use and registration of Discreet's mark, such Co-Existence Agreement should be accorded substantial weight by the Trademark Office in finding there to be no likelihood of confusion.

As was noted in the *DuPont* case, "when those most familiar with use in the market place and most interested in precluding confusion enter agreements designed to avoid it, the scales of evidence are clearly tilted. It is at least difficult to maintain a subjective view that confusion will occur when those directly concerned say it won't. A mere assumption that confusion is likely will rarely prevail against uncontroverted evidence from those on the firing line that it is not .... Decisions of men who stand to lose if wrong are normally more reliable than those of examiners and judges."[2]

CONCLUSION

Due to the factors discussed above, consumer confusion is unlikely to result from concurrent use and registration of these respective marks. Accordingly, Applicant respectfully requests that the Examining Attorney reconsider and retract his refusal of the captioned application. Applicant is concurrently filing a notice of appeal with the Trademark Trial and Appeal Board.

Respectfully submitted,

Dated: July 24, 2001

By: _____

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2/ 177 USPQ at 568

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CO-EXISTENCE AGREEMENT

This Co-Existence Agreement ("Agreement") is made and entered into as of the 10 day of July 2001 ("Effective Date"), by and between Four Media Company, a Delaware corporation ("Four Media"), and Discreet Logic Inc., a Canadian corporation ("Discreet").

A. On May 13, 1999, Four Media filed an application for Federal Registration of the service mark RIOT in the United States (Serial No. 75/704,588) (the "'588 Application").

B. Four Media intends to use the service marks RIOT and/or R!OT in connection with motion picture film and videotape laboratory and post-production services, namely, film development and print production; creation, editing and addition of laboratory visual effects; creation, editing and addition of sound and visual effects, creation, editing and addition of sound and foley effects; pre-lay treatment of audio tracks; automated dialog replacement; laugh track integration; sound mixing; telecine processing services, namely optical transfer, image standards conversion, electronically producing motion picture film from videotapes and vice versa; motion picture film and videotape data compression services; videotape, audio tape and motion picture film duplication; and post production services for the television and motion picture industry in the nature of providing computer generated special effects, design of computer generated special effects for others, and creation and authoring of interactive entertainment (collectively the "4MC Services").

C. On August 4, 1998, Discreet was granted Federal Registration No. 2179583 (the "Registration") for RIOT in connection with computer software for creating, editing and compositing special effects and editing visual and audio data in Int. Cl. 9 (the "Discreet Goods").

D. The United States Patent and Trademark Office ("PTO") has refused registration of Four Media's '588 Application because of the Registration.

E. Four Media and Discreet recognize and believe that there are significant differences between the 4MC Services and the Discreet Goods.

F. The 4MC Services and the Discreet Goods are marketed in different channels of trade and are provided to persons involved in discrete stages of the production of products in the entertainment industry. Four Media provides the 4MC Services under the RIOT and R!OT marks to sophisticated consumers, such as video, television and motion picture producers and directors, who produce original creative content. The 4MC Services are relatively costly. The Discreet Goods sold under the RIOT mark by Discreet are marketed and sold to sophisticated consumers who are predominantly involved in the post-production field. These goods are sold at a high price on par with other custom software not marketed to the general public.

G. Four Media and Discreet believe that, based on the differences between the Discreet Goods and the 4MC Services, the differences in the consumers of and marketing channels for the Discreet Goods and 4MC Services, the relatively costly nature of these goods and services, and the sophistication of their respective customers, there is no likelihood of confusion from concurrent use and registration of RIOT by Discreet for the Discreet Goods and RIOT and/or R!OT by Four Media for the 4MC Services. Accordingly, Four Media and Discreet desire to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

1. Acknowledgment of No Likelihood of Confusion. Each of Four Media and Discreet acknowledge and agree that, based on the differences between the 4MC Services and the Discreet Goods, the differences in the consumers of and marketing channels for the Discreet Goods and 4MC Services, the sophistication of their respective customers, and the relatively high price of their respective goods and services, there is no likelihood of confusion from concurrent use and registration of RIOT by Discreet for the Discreet Goods and RIOT and/or R!OT by Four Media for the 4MC Services. Four Media provides a myriad of post-production creative services to television, video and motion picture directors and producers, while Discreet provides tools for creation and editing of special effects.

2. Limitations on Use of RIOT by Four Media. For so long as Discreet uses or owns any registrations or applications for RIOT in the United States, Four Media shall not use, register or apply for registration of RIOT in connection with computer software for creating, editing and compositing special effects and editing visual and audio data in the United States. This shall not preclude Four Media from using computer software to perform the 4MC Services.

3. Limitations on Use of the RIOT Mark by Discreet. For so long as Four Media uses or owns any registration or application for RIOT in the United States, Discreet shall not use, register or apply for registration of RIOT in connection with providing motion picture film and videotape laboratory and post-production services, namely, film development and print production; creation, editing and addition of laboratory visual effects; creation, editing and addition of sound and visual effects, creation, editing and addition of sound and foley effects; pre-lay treatment of audio tracks; automated dialog replacement; laugh track integration; sound mixing; telecine processing services, namely optical transfer, image standards conversion, electronically producing motion picture film from videotapes and vice versa; motion picture film and videotape data compression services; videotape, audio tape and motion picture film duplication; and post production services for the television and motion picture industry in the nature of providing computer generated special effects; or the design of computer generated special effects for others; or creation and authoring of interactive entertainment. Discreet shall not use, register or apply for registration of R!OT. Notwithstanding the foregoing, use of RIOT by Discreet in connection with services of a type

that typically accompany the sale of computer software, including without limitation software support, shall not violate the foregoing covenant.

4. Consent. Neither party shall object to the other party's use or registrations or applications for registration of their respective marks if such use or applications or registrations are in compliance with the limitations set forth in this Agreement, nor shall either party oppose, petition to cancel, interfere with or otherwise challenge any trademark application or registration or renewal of any trademark registration that is in compliance with such limitations, or assist others in so doing. Each party shall from time to time promptly execute and return such consents as the other party hereto shall reasonably request to enable such party to register its mark in compliance with the limitations set forth in this Agreement.

5. Entire Agreement. This Agreement states the entire agreement between the parties with respect to the subject matter hereof, and supersedes all previous and contemporaneous agreements and understandings, if any, whether written or oral, between the parties with respect thereto.

6. Headings. Headings contained in this Agreement are solely for the convenience of the parties hereto and shall not be deemed to or be used to define, construe or limit any of the provisions hereof.

7. Agreement Binding on Successors. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, assigns, affiliates, parents, subsidiaries, officers, directors, shareholders, agents and representatives.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as of the dates set forth below.

Four Media Company	Discreet Logic Inc.
By:	By:
Name: William E. Niles	Name: DAVID JONES
Title: Vice President	Title: VICE PRESIDENT
Dated: July 10, 2001	Dated: July 10, 2001