

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

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| APPLICANT: | The GEM Group, Inc. |
| SERIAL NO.: | 76/157,993 |
| MARK: | THE GEM GROUP |
| OFFICE ACTION MAILING DATE: | 01/10/02 |
| EXAMINING ATTORNEY: | Matthew J. Pappas Trademark Examining Attorney Law Office 104 (703) 308-9104 ext. 126 |

RESPONSE

MEX In the Office Action dated January 10, 2002, the Examining Attorney once again rejected the application for the mark THE GEM GROUP based upon the prior registered mark GEM ONE owned by VY, Inc. The Examining Attorney alleges that this mark and Applicant's mark are likely to be confused, because the marks are similar and the services offered under the marks are related or could potentially overlap. The Examining Attorney made this refusal FINAL. Subsequent to the issuance of the final rejection, Applicant has been able to obtain from VY, Inc. its consent for the use and registration of the mark THE GEM GROUP. Based upon the submission of a new issue, Applicant would ask that the Examining Attorney reconsider its FINAL rejection with respect to the mark THE GEM GROUP.

Applicant submits the signed Consent Agreement entered into between Applicant and VY, Inc. as further proof that no confusion will arise as a result of the co-existence of these two marks. The Examining Attorney should give considerable weight to the Consent Agreement where it is not merely a naked consent. See In re N.A.D., Inc., 224 U.S.P.Q. 969 (Fed. Cir. 1985); In re Four Seasons Hotels, Ltd., 26 U.S.P.Q.2d 1071 (Fed. Cir. 1993). In particular, where the parties specifically limit the use of the marks and agree to cooperate to eliminate any confusion should it arise, then the agreement is not naked. See In re Four Seasons Hotels, Ltd., 26 U.S.P.Q.2d 1071 (Fed. Cir. 1993). In the present case, the parties have specifically agreed

that neither has any plans, either immediate or long-term, to enter into any of the goods or services categories currently served by the other entity. Consent Agreement at ¶ 3. In fact, the agreement makes it clear that VY, Inc. is engaged primarily in the jewelry industry. Consent Agreement in Preamble. As Applicant indicated in its original response (supported by a declaration from Ronna Campbell), Applicant is not involved in the jewelry business and has no prospects to be involved in that business. Even so, the parties have agreed to consult each other should either party make plans to enter into goods or service categories which are potentially related. Consent Agreement at ¶ 6. Finally, if that effort is unsuccessful and confusion arises, both parties have agreed to take the necessary steps to eliminate such confusion. Consent Agreement at ¶¶ 5-6. The Consent Agreement offered in the present case falls squarely within the precedents of the Federal Circuit.

In addition to the submission of the Consent Agreement, Applicant reiterates that the marks have already coexisted for almost two-and-a-half years now with no known actual confusion. Such long-standing co-existence provides strong evidence that confusion is not likely to occur. In re E.I. du Pont de Nemours & Co., 476 F.2d 1357, 1361 (C.C.P.A. 1973); Greentree Laboratories, Inc. v. G.G. Bean, Inc., 13 U.S.P.Q.2d 1161 (D.Me. 1989)(concurrent use for five years without confusion where plaintiff's mark is weak creates a presumption that confusion is unlikely). This evidence is further support that the parties conclusion as to the likelihood of confusion is correct.

Based upon the foregoing Consent Agreement and arguments, Applicant respectfully requests that the Examining Attorney withdraw the refusal of registration and pass the mark to publication. At the very least, Applicant asks that the Examining Attorney withdraw the FINAL designation from the previous rejection for reconsideration in light of the new issues raised by

the Consent Agreement. Applicant notes that it has filed a Notice of Appeal in order to keep its options open for obtaining this registration (also attached).

Respectfully submitted,



MICHAEL D. JOHNS
Dinsmore & Shohl LLP
1900 Chemed Center
255 East Fifth Street
Cincinnati, OH 45202
Attorney for Applicant

CERTIFICATE OF MAILING

I hereby certify that this Amendment and Response is being deposited with the United States Postal Service, on this 10th day of July, 2002, with sufficient postage as first class mail in an envelope addressed to:

Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513



CONSENT AGREEMENT

THIS AGREEMENT, executed as of the latest date of signing set forth below, is entered into by and between The GEM Group, Inc. ("GEM"), a Georgia corporation, having its principal place of business at 5 Concourse Parkway, Suite 1000, Atlanta, Georgia 30328, and VY, Inc. ("VY"), an Ohio corporation having its principal place of business at 37 West Seventh Street, Cincinnati, Ohio 45202.

WHEREAS, GEM is using the marks GEM and Design and THE GEM GROUP in commerce in conjunction with advertising, business marketing consulting, and product merchandising services and has applied to register its marks on the Principal Register of the United States Patent and Trademark Office; and

WHEREAS, VY is participating in the jewelry industry and is using the mark GEM ONE in commerce in conjunction with "promoting the sale of goods and services of others through the distribution of printed material" and is using the mark GEM-ART in commerce in conjunction with "jewelry for personal wear - namely, finger rings, bracelets, pendants, earrings, ornamental pins, lapel pins, and emblem pins" and has registered its marks on the Principal Register of the United States Patent and Trademark Office, Registration Nos. 1,971,824 and 532,012 respectively; and

WHEREAS, the parties hereto wish (1) to recognize the validity of each other's use and current or eventual registration of their respective marks in connection with their respective goods and services and (2) to avoid any conflict with the other's use or registration of the respective marks; and

WHEREAS, the parties hereto have concluded that confusion is not likely to arise from the use and registration of their respective marks in connection with their respective goods and services as set forth above. Neither party has any plans to use and/or register their mark in

conjunction with any goods or services covered by the other party's use and/or registration of their mark.

NOW, THEREFORE, in consideration of the mutual promises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. VY consents to GEM's use and registration of its GEM and Design and THE GEM GROUP marks for the services specified in those applications. VY hereby agrees that it will not take any action to interfere with or prevent the use or registration of the GEM and Design and THE GEM GROUP marks by GEM in connection with the aforesaid services.
2. GEM hereby agrees that it will not take any action to interfere with or prevent the continued use or registration of the marks GEM ONE and GEM-ART by VY in connection with the aforesaid goods and services.
3. Neither party has any immediate or long-term plans to enter into any good or service categories under their respective marks that will be in direct conflict or competitive posture with those currently supplied by the other party so as to be likely to cause confusion.
4. The parties agree to execute and file with the United States Patent and Trademark Office any and all documents which may be reasonably necessary or proper to effectuate the terms of this Agreement, including those which might be necessary or helpful in obtaining the registration of GEM's marks.
5. The parties agree to continue to take reasonable action to prevent any confusion due to the coexistence and registration of their respective marks, and to notify each other of any instances of confusion. Furthermore, the parties agree that if any instances of actual confusion are identified, then the parties will take the appropriate steps to alleviate such confusion.

6. Should any goods or services which are being considered for introduction into either party's offering be considered as a potential conflict to the goods or services offered by the other party, the party introducing new goods or services will advise the other party in writing of such goods or services. If, upon collective review, a conflict is deemed to exist which would create a likelihood of confusion to customers, then the party introducing new goods or services will take appropriate steps to eliminate such conflict and/or alter its mark for such goods or services.

7. Nothing in this agreement prevents either party from enforcing any and all rights the party has with respect to their respective trademarks.

8. This Agreement contains the entire agreement between the parties and may only be amended or supplemented in a writing signed by both parties.

IN WITNESS WHEREOF, the parties hereto enter into this Agreement on the last date set forth below.

The GEM Group, Inc.

By: [Signature]
Name: Ronna Campbell
Title: Secretary/Treasurer
Dated: 7/9/02

VY, Inc.

By: [Signature]
Name: [Signature]
Title: President
Dated: 7/9/02

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

APPLICANT: The GEM Group, Inc.
SERIAL NO.: 76/157,993
MARK: THE GEM GROUP
FILING DATE: 11/02/00
OFFICE ACTION MAILING DATE: 01/10/02
EXAMINING ATTORNEY: Matthew J. Pappas
Trademark Examining Attorney
Law Office 104
(703) 308-9104 ext. 126

NOTICE OF APPEAL

Applicant, The GEM Group, Inc. hereby appeals to the Trademark Trial and Appeal Board from the decision of the Examining Attorney refusing registration.

Respectfully submitted,



MICHAEL D. JOHNS
Dinsmore & Shohl LLP
1900 Chemed Center
255 East Fifth Street
Cincinnati, OH 45202
Attorney for Applicant

CERTIFICATE OF MAILING

I hereby certify that this Notice of Appeal is being deposited with the United States Postal Service, on this 10th day of July, 2002, with sufficient postage as first class mail in an envelope addressed to:

Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513



Michael D. Johns
513-977-8685
johns@dinslaw.com

July 10, 2002

VIA U.S. MAIL

Box RESPONSES NO FEE
Commissioner for Trademarks
2900 Crystal Drive
Arlington, VA 22202-3513

Re: THE GEM GROUP
Serial No.: 76/157,993

Dear Honorable Sir:

Enclosed for filing, please find the Response to the Office Action dated January 10, 2002 for the above-referenced mark.

Kindly acknowledge receipt of the enclosures by stamping and returning the enclosed postcard.

Sincerely,



Michael D. Johns

MDJ:kw
Enclosure
cc: Joseph H. Terry, Esq.

TRADEMARK TRIAL AND
APPEAL BOARD

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