

This Opinion is not a
Precedent of the TTAB

Mailed: September 12, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board
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In re KTM-Sportmotorcycle AG
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Serial No. 79147426
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Don W. Bulson of Renner, Otto, Boisselle & Sklar, LLP
for KTM-Sportmotorcycle AG.

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Before Seeherman, Mermelstein and Heasley,
Administrative Trademark Judges.

Opinion by Seeherman, Administrative Trademark Judge:

KTM-Sportmotorcycle AG (“Applicant”) has appealed from the final refusal of the Trademark Examining Attorney to register the mark E SPEED, in the stylized form shown below,



¹ A different examining attorney handled this application until the appeal was forwarded to the Examining Attorney for briefing on December 31, 2015.

for the following goods in Classes 7 and 12.²

Fans and cylinders for motors for two-wheeled vehicles; silencers for motors and engines for two-wheeled vehicles; exhausts, cylinder heads for engines for two-wheeled vehicles; ignition devices for two-wheeled vehicles in the nature of ignition covers (Class 7);

Electric motor powered two-wheeled vehicles and electrically powered two-wheeled vehicles and parts and accessories therefor, namely motors, tires, wheels, wheel rims, brake linings, brake discs, aero-dynamic fairings, luggage carriers for motorcycles; cases for luggage adapted for use with motorcycles, transport cases adapted for use with motorcycles, saddlebags adapted for use with bicycles and motorcycles, tank bags adapted for use with motorcycles, stands, mudguards, spoilers, after body, rearview mirrors, fuel tank caps, fuel tanks, bicycle chains, motorcycle seats (Class 12).

Registration was refused pursuant to Section 2(d), 15 U.S.C. § 1052(d), on the ground that Applicant's mark so resembles the standard character mark ESpeed, registered for, *inter alia*, the following goods, that if used in connection with Applicant's identified goods in Classes 7 and 12, it is likely to cause confusion or mistake or to deceive.³

Machine parts, namely, cam shafts, cam shaft parts in the nature of cam covers for vehicles and cam shaft modules made therefrom in the nature of cam covers for vehicles, variable camshaft adjustment parts in the nature of cam covers for vehicles, connecting rods, in particular from steel or ceramics, one-piece and composite connecting rods, crank shafts for use in connection with motor vehicles, composite and assembled crankshafts for use in connection with motor vehicles, pistons for use in connection with motor vehicles, compressors, namely, electronic

² Application Serial No. 79147426 was filed on September 11, 2013, requesting an extension of protection of International Registration No. 1204325, based on Section 66(A) of the Trademark Act. The application claims a priority date of May 22, 2013. The application is also for goods in Class 6 (license plate carriers of metal and competition number plates of metal, namely, metal competition plates for Motocross racing"), but no refusal was made for the goods in this class.

³ Registration No. 4192491, issued August 21, 2012. The registration includes goods in Class 6.

compressors, and components for variable compression, namely, cam shafts, engines not for motor vehicles, and engine parts, namely, cam shafts, pumps, namely, pumps as parts of machines, and hybrid drives, namely, variable speed drives for machines, joints and shock absorbers, namely, shock absorbers for machines; transmissions for machines, air-conditioning compressors (Class 7)

Automotive parts, in particular pumps, namely, air pumps, hybrid drives, namely, engines for land vehicles, engine parts, namely, engine parts for land vehicles, and units for the drive train made therefrom, namely, wheel hubs, wheel bearings, wheel bearing units, namely, wheel bearings, and parts thereof, namely, drive shafts and gear wheels and units assembled thereof, namely, gear wheel units, speed-increasing gears, namely, gear wheels, speed-reducing gears, namely, gear wheels, shifting claws, namely, gear shifts, differential gears, namely, gear wheels, lightweight gears, namely, gear wheels, low-cost gears, namely, gear wheels; connecting rods for land vehicles, except for engine parts, in particular from steel and ceramics, in particular one-piece and composite connecting rods; engines for automobiles, in particular lightweight internal combustion engines; units for drive train of automobiles, namely, wheel hubs, wheel bearings, wheel bearing units, namely, wheel bearings, constant velocity and length adjustment units, namely, wheel bearings; longitudinal shafts, namely, drive shafts; side shafts, namely, drive shafts; torsion shafts, namely, drive shafts, all for automobiles and parts thereof, included in this class, in particular drive shafts, hubs, namely, wheel hubs, connections for longitudinal shafts, namely, drive shafts for land vehicles, side shafts, namely, drive shafts for land vehicles, and torsion shafts, namely, drive shafts for land vehicles; automobile transmissions and parts thereof, in particular shafts, namely, drive shafts for land vehicles and gear wheels and units assembled thereof, namely, gear wheels, speed-increasing gears, namely, gear wheels, and speed-reducing gears, namely, gear wheels, synchromesh transmissions, shifting claws, namely, gear wheels, transmissions for electric drives (Class 12).

We affirm the refusal to register.

Our determination of the issue of likelihood of confusion under Section 2(d) of the Trademark Act is based on an analysis of all of the probative facts in evidence that are relevant to the factors set forth in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973). *See also In re Majestic Distilling Co., Inc.*,

315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). As a preliminary matter, we note that this appeal has not followed a straight path. Applicant filed its main brief in August 2015, within 60 days of filing its notice of appeal. 4 TTABVUE. The Examining Attorney then sought remand of the application, twice. 6 & 8 TTABVUE. The second request (to introduce evidence that was omitted from an earlier Office Action due to a computer glitch) was granted.⁴ 9 TTABVUE. Applicant chose not to file a supplemental appeal brief after the remand, and the Examining Attorney currently handling this appeal then filed her brief. Shortly after that, Applicant filed a request for remand in order to submit a consent agreement between it and the owner of the cited registration. 13 TTABVUE. That request was granted, and after considering the consent agreement, the Examining Attorney issued an Office action on March 30, 2016. That action gave a detailed explanation, including evidence and citation to case law, as to why the consent agreement was not persuasive. In view thereof, and considering the late stage of the appeal, the Board determined, in an order dated June 22, 2016, that it was unnecessary to allow Applicant or the Examining Attorney to file supplemental appeal briefs. Instead, Applicant was given the opportunity, as part of its reply brief, to provide arguments supporting the

⁴ The Examining Attorney initially requested remand because she had inadvertently advised Applicant that the December 15, 2014 action was a final Office action, as a result of which Applicant filed its notice of appeal on June 15, 2015 and its appeal brief on August 14, 2015. The Examining Attorney explained that she had not intended the December 15, 2014 action to be a final action. However, as the Board explained in its September 28, 2015 denial of the request for remand, because the December 15, 2014 Office action repeated the refusal of the first Office action, it was appropriate for Applicant to file its notice of appeal. *See* Trademark Rule 2.141(a) (a second refusal on the same grounds may be considered as final by the Applicant for purpose of appeal).

persuasiveness of the consent agreement and addressing the Examining Attorney's arguments and evidence. 16 TTABVUE.

Turning first to the factor of the similarity or dissimilarity of the marks, Applicant asserts that the marks, when considered in their entireties, are not likely to be confused because "the 'e' of applicant's mark is of a distinctive orange color and the term SPEED of applicant's mark consists of a highly stylized font which create a completely different commercial impression than registrant's mark." Brief, 4 TTABVUE 5. The problem with this argument is that the cited mark is registered in standard character form, which means that its protection is not limited to any particular color, font or size or style. *In re Viterra Inc.*, 671 F.3d 1358, 101 USPQ2d 1905, 1909 (Fed. Cir. 2012); *Citigroup v. Capital City Bank Group, Inc.*, 637 F.3d 1344, 98 USPQ2d 1253, 1259 (Fed. Cir. 2011). Thus, Registrant could depict its E SPEED mark with an orange "E" and in the same font as Applicant's mark. Although Applicant's mark has a space between "E" and "SPEED" and Registrant's mark does not, consumers are not likely to notice or remember this. *See Mini Melts, Inc. v. Reckitt Benckiser LLC*, 118 USPQ2d 1464, 1470 (TTAB 2016) ("The absence of a space in Applicant's mark MINIMELTS does not meaningfully distinguish it from Opposer's mark [MINI MELTS].")

As a result, the marks must be considered virtually identical in appearance. They are also identical in pronunciation, meaning and commercial impression. This *du Pont* factor favors a finding of likelihood of confusion.

The second *du Pont* factor is the similarity of the goods. “[I]t is not necessary that the goods or services be identical or even competitive in nature in order to support a finding of likelihood of confusion, it being sufficient that the goods or services are related in some manner and/or that the circumstances surrounding their marketing are such that they would be likely to be encountered by the same persons under circumstances that would give rise, because of the marks employed thereon, to the mistaken belief that they originate from or are in some way associated with the same producer.” *In re Home Builders Ass’n of Greenville*, 18 USPQ2d 1313, 1317 (TTAB 1990).

The Examining Attorney has highlighted the following goods in the cited registration as being similar to Applicant’s goods:

Crank shafts for use in connection with motor vehicles, composite and assembled crankshafts for use in connection with motor vehicles, pistons for use in connection with motor vehicles, engine parts, namely, cam shafts, pumps, namely, pumps as parts of machines, and hybrid drives, namely, variable speed drives for machines, joints and shock absorbers, namely, shock absorbers for machines; transmissions for machines (Class 7)

Automotive parts, in particular pumps, namely, air pumps, hybrid drives, namely, engines for land vehicles, engine parts, namely, engine parts for land vehicles, and units for the drive train made therefrom, namely, wheel hubs, wheel bearings, wheel bearing units, namely, wheel bearings, and parts thereof, namely, drives shafts and gear wheels and units assembled thereof, namely, gear wheel units, speed-increasing gears, namely, gear wheels, speed-reducing gears, namely, gear wheels, shifting claws, namely, gear shifts, differential gears, namely, gear wheels, lightweight gears, namely gear wheels, low-cost gears, namely, gear wheels (Class 12).

Turning first to Applicant’s and Registrant’s Class 12 goods, Applicant’s goods are specifically limited to two-wheeled vehicles. Registrant’s identification includes

“automotive parts, in particular pumps, namely, air pumps, hybrid drives, namely, engines for land vehicles, engine parts, namely, engine parts for land vehicles, and units for the drive train made therefrom....” We must confess that Registrant’s identification is a little hard to parse, first because of its use of commas both to separate items and internally within the identification of an item, and second because of its use of “namely,” which sometimes appears more than once in an identification of an item. However, whether we view “automotive parts” as referring to only “pumps, namely air pumps,” or to all of the goods listed in this class, “automotive” would, in any event, encompass items for motorcycles. *See* definition of “automotive”: “of, relating to, or concerned with self-propelled vehicles or machines.”⁵ Thus, the identified “engine parts for land vehicles” in Registrant’s registration would include engine parts for electrically powered two-wheeled vehicles, and would thus encompass Applicant’s motors and parts for electrically powered two-wheeled vehicles. These goods are legally identical. As a result, the channels of trade are deemed to be the same. *In re Viterra Inc.*, 101 USPQ2d at 1908 (absent restrictions in the application and registration, legally identical goods and services are presumed to travel in the same channels of trade to the same class of purchasers).

The Class 7 goods are identified in the application as fans and cylinders for motors, silencers for motors and engines, exhausts [and] cylinder heads for engines,

⁵ Merriam-webster.com, submitted with March 30, 2016 Office action, p. 2. A “simple” definition, also appearing on this webpage, is “of, relating to, or concerned with cars and other vehicles.” We also take judicial notice of the definition from the Macmillan Dictionary: “relating to cars and other motor vehicles.” www.macmillandictionary.com.

ignition devices in the nature of ignition covers; all are limited to use in “two-wheeled vehicles.” The registration is for crank shafts and pistons, both of which are specified to be for use in motor vehicles.⁶ Goods for motor vehicles would include goods for use in “two-wheeled” motor vehicles. Although Applicant’s and Registrant’s goods are not identical, we have no doubt that some of the goods are closely related. In particular, cylinder heads for engines and pistons for motor vehicles are essentially part of the same device; the cylinder head is the top of the piston. The intrinsic connection between the two parts is sufficient for us to find the goods are related. As the Examining Attorney has pointed out, there are numerous cases in which the Board has found likelihood of confusion when various automotive parts and accessories are sold under the same or similar marks. *See In re Honda Giken Kogo KK*, 230 USPQ 134 (TTAB 1986) (SHADOW for motorcycles and structural parts thereof likely to cause confusion with SHADOW for motorcycle accessories, namely, fairings and windshields); *In re Magic Muffler Serv., Inc.*, 184 USPQ 125 (TTAB 1974) (MAGIC for mufflers likely to be confused with MAGIC for motors for motor vehicles). Here, because of the complementary, intrinsically connected nature of the goods, consumers would assume that they would emanate from the same source if they were sold under

⁶ As noted above, the Examining Attorney highlighted, as similar/identical goods in the Registrant’s identification, “engine parts, namely, cam shafts, pumps, namely, pumps as parts of machines, and hybrid drives, namely, variable speed drives for machines, joints and shock absorbers, namely, shock absorbers for machines; transmissions for machines.” However, these goods are identified as “for machines,” and therefore would not be for vehicles. The “engine parts, namely, cam shafts” underscored by the Examining Attorney comes immediately after “engines not for motor vehicles,” and it appears that this phrase excludes motor vehicles for these engine parts.

similar marks. Moreover, because the goods work together, they would be directed to the same classes of consumers.

Applicant's only argument, with respect to the similarity of the goods, is that Applicant's goods do not overlap with *all* of Registrant's goods. For example, Applicant states that its Class 7 goods "do not overlap with registrant's 'metallic fasteners, in particular nuts ...' of various types in Class 6 or registrant's 'machine parts ... for vehicles, ... motor vehicles, ... machines, ... air-conditioning compressors' in Class 7." Brief, 4 TTABVUE 5-6. Applicant makes a similar statement with respect to its Class 12 goods. However, it is not required that an applicant's goods be found similar to each of the goods recited in the cited registration in order to find likelihood of confusion. Applicant makes no argument with respect to the goods which we have found to be legally identical or related.

The foregoing evidence as to the similarity of the marks and goods and channels of trade would normally be sufficient for us to find a likelihood of confusion. However, in this case, as previously mentioned, Registrant consented to the registration of Applicant's mark and, as both Applicant and the Examining Attorney have acknowledged, a consent agreement can in certain cases be extremely persuasive. In fact, our primary reviewing court, the Court of Appeals for the Federal Circuit, and its predecessor, the Court of Customs and Patent Appeals, have found in several cases that a consent agreement plays a dominant role in the likelihood of confusion analysis. *du Pont*, 177 USPQ at 568. The Federal Circuit has chided the Board for not heeding the admonition of the court in *du Pont* regarding the importance of a

consent agreement. *Amalgamated Bank v. Amalgamated Trust & Sav. Bank*, 842 F.2d 1270, 6 USPQ2d 1305, 1308 (Fed. Cir. 1988). The court based this criticism on what it perceived as the Board's substituting its own judgment when "those most familiar with and affected by the marketplace were best able to attest to its effect and determine whether there was likelihood of confusion—even in cases where marks were identical and goods closely related." *In re Four Seasons Hotels Ltd.*, 987 F.2d 1565, 26 USPQ2d 1071, 1073 (Fed. Cir. 1993). In all of these cases though, there was some basis to show how and why the registrant and applicant had reached the conclusion that confusion was not likely. For example, in *du Pont* the applicant and registrant agreed that du Pont's realm was the "automotive aftermarket" and the registrant's was the "commercial building or household market." "Boundaries of use of the marks were established," permitting the sale of products 'incidentally usable' in the other party's market but prohibiting any promotion as 'especially suited for use in such market.'" 177 USPQ at 566. In *Amalgamated*, there was an agreement that recited that "each party had done business for many years under their present names, that each had been aware of the other's use of its name as at present, and neither knew of any instances of customers' confusion, mistake, or deception." 6 USPQ2d at 1306.

The Federal Circuit cautioned in *In re Mastic Inc.*, 829 F.2d 1114, 4 USPQ2d 1292, 1294 (Fed. Cir. 1987), however, that it is not a "given" "that experienced businessmen, in all cases, make an agreement countenancing each other's concurrent use of the same or similar marks only in recognition of no likelihood of confusion of the public."

The consent in *Mastic* stated that the registrant was aware of the use of the mark by the applicant in connection with the sale of vinyl siding and consented to the registration of the mark. It stated that the basis for the consent “is that the parties have agreed after examination of their respective products and product marketing that there is no likelihood of confusion between the marks as applied to these respective goods.” The agreement stated that it took into account what was essentially a listing of the *du Pont* factors, e.g., the dissimilarity of the established, likely to continue, trade channels; the conditions under which and buyers to whom the sales are made, i.e., roofing contractors on the one hand, and homeowners or building contractors on the other hand; the lack of actual confusion between the marks; and the length of time and conditions under which there had been concurrent use without evidence of confusion.

The court found that the consent was of little probative value, noting that “the consent is conspicuously silent on what are the underlying facts which led the parties to their conclusion of no likelihood of confusion.” 4 USPQ2d at 1295. The court concluded that “the consent appears simply to be an arrangement between the parties with no regard to whether it reflects the realities of no likelihood of confusion if and when both marks are concurrently used in United States commerce.” *Id.* at 1296.

The consent we are considering in the present case has many of the failings of the *Mastic* agreement. The “Whereas” clauses essentially recite who the parties are and the particulars of their respective registrations and applications. The only substantive “Whereas” clause states that “the parties have mutually determined that

if [Applicant] limits the use of its [mark] to [the goods recited in its application],⁷ such use will not create a likelihood of confusion with [Registrant's] ESPEED US registration." In consideration "of the mutual covenants and undertakings expressed herein, the parties agree as follows:

1. [Applicant] agrees to limit its goods to the goods identified above.
2. [Registrant] consents to [Applicant's] use and registration of its [mark] for the goods identified above, and states that such use does not create a likelihood of confusion with [Registrant's] registration.
3. If either party should become aware of any instances of actual confusion between the parties with respect to their respective uses of their respective marks for their respective goods, that party will promptly notify the other party of the circumstances of such confusion, and both parties shall cooperate in taking any reasonable action for avoiding any further confusion."

13 TTABVUE 4-5.

The agreement makes no mention of how the parties have mutually determined that Applicant's use will not create a likelihood of confusion. There is not, as in *du Pont*, any indication that the parties' goods are intended for different markets or, as in *Bongrain Int'l (Am) Corp. v. Delice de France Inc.*, 811 F.2d 1479, 1 USPQ2d 1775 (Fed. Cir. 1987), an agreement that each party would not use its mark for the goods of the other party (Delice agreed not to use its mark on cheese or milk products, and Bongrain agreed not to use its mark on bakery products). Nor does the agreement contain a statement, as in *Amalgamated*, 6 USPQ2d at 1306, to the effect that "each party had done business for many years under their present names, that each had

⁷ This is the identification as amended by Applicant on December 2, 2014 in response to the first Office action.

been aware of the other's use of its name as at present, and neither knew of any instances of customers' confusion, mistake, or deception."

Essentially, the present agreement provides only that Registrant consents to the registration and use of Applicant's mark for the goods identified in its application, which is a "naked" consent. The only provision that has any substance at all is paragraph 3, which provides that if either party becomes aware of confusion it will notify the other, and the parties will take "reasonable action" to avoid further confusion. However, the agreement makes no mention as to why Applicant's registration and use of the identified goods will avoid confusion, an explanation that is sorely lacking, given that the marks are virtually identical and the goods are, in part, legally identical or so closely related as to practically be the same.

As in *Mastic*, Applicant's application is not based on use in commerce, and the record does not show that Applicant has ever used its mark in the United States. Moreover, even more problematic than *Mastic*, the cited registration is based on an International Registration; there is no evidence that *Registrant* has ever used its mark in the United States, or otherwise knows the U.S. market. Moreover, Applicant and Registrant are located in different countries. Therefore, as far as the record is concerned, there is no evidence that Applicant or Registrant have had any contemporaneous use of their respective marks in *any* countries, let alone the United States, from which they can assess the likelihood that U.S. consumers would be confused if their marks were both to be used in the United States. This is a far cry from those consents that were found to be persuasive because those "most familiar

with and affected by the marketplace were best able to attest to its effect and determine whether there was likelihood of confusion.” *Four Seasons*, 26 USPQ2d at 1073.

Mastic teaches us that *any* consent, whether “naked” or “clothed,” is evidence that must be considered in the likelihood of confusion analysis, and that if the evidence of record establishes facts supporting an applicant’s argument that the two uses can exist without confusion of the public, even a “naked” consent is significant additional evidence in support of the applicant’s position. 4 USPQ2d at 1294-95. In this case, however, there is no additional evidence of record that supports Applicant’s position that confusion is not likely. As discussed herein, the marks are virtually identical, the Class 7 goods are, in part, closely related and therefore would be sold to the same classes of customers and the Class 12 goods are, in part, legally identical, and therefore would travel in the same channels of trade. The consent submitted by Applicant simply does not outweigh this evidence. Like the consent in *Mastic*, “the consent appears simply to be an arrangement between the parties with no regard to whether it reflects the realities of no likelihood of confusion if and when both marks are concurrently used in United States commerce. *Mastic*, 4 USPQ2d at 1296.

The marks, goods, trade channels and existence of a consent are the only *du Pont* factors discussed by Applicant and the Examining Attorney, and the only factors on which they submitted evidence. It appears that they have treated the other *du Pont* factors as neutral, and we do the same.

Decision: The refusal to register Applicant's mark E SPEED in stylized form in Classes 7 and 12 is affirmed. Because there is no refusal of registration for the goods in Class 6, the application for this class will be forwarded to publication after the appeal period has expired.