

UNITED STATES PATENT AND
TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

wellington

Mailed: December 17, 2004

Opposition No. 91115198

THE VERMONT TEDDY BEAR
COMPANY, INC.

v.

BUILD-A-BEAR WORKSHOP, LLC

Before Simms, Quinn, and Chapman, Administrative Trademark
Judges.

By the Board:

On February 13, 1998, applicant filed an intent-to-use based
application¹ to register a trademark which appears on the drawing
page as:



The proposed mark is described in the application as follows:

¹ Application Serial No. 75434462.

"The mark consists of a three-dimensional heart shaped object. The outline of a teddy bear is used to signify the placement of a heart shaped object inside a stuffed or plush toy animal; the teddy bear design itself is not claimed as part of the mark, as the heart shaped object may be placed in any stuffed or plush toy animal."

Applicant seeks to register the proposed mark for "plush animals and stuffed toy animals" in International Class 28, and "retail store services featuring plush toy animals, stuffed toy animals, and accessories" in International Class 35.

Opposer timely filed its notice of opposition to registration of applicant's proposed mark under Section 2(d) of the Trademark Act, 15 U.S.C. Section 1052(d), on the ground that applicant's mark, as applied to the goods, so resembles a trademark previously used by opposer, as to be likely to cause confusion, mistake or deception. Specifically, opposer alleges, *inter alia*, that it markets various stuffed toys, including teddy bears, by mail order, toll-free telephone numbers, retail stores and an online website; that "one aspect of opposer's business involves encouraging customers to place a felt or brass heart within the chest of a stuffed bear before the chest of the stuffed bear is closed with thread or other fastening means"; that opposer "sells the concept" of placing the heart in the stuffed teddy bear through "Make a Friend For Life" toy animal kits that include a blueprint instructing the customer to place the heart in the teddy bear; that opposer also "markets this concept" within its retail stores and retail stores of others, pursuant to an agreement with opposer,

whereby opposer's teddy bears can be assembled "including the step of placing a felt or brass heart" inside the teddy bear; that opposer has been "providing the service of permitting customers to place a heart within the chest of stuffed animals and has been providing stuffed animals with a heart placed within the chest thereof continuously in interstate commerce since at least as early as September, 1996"; that as a result of opposer's continuous and extensive use and promotion of the placement of a heart within the chest of a stuffed animal before the chest is closed, "the trade and consuming public have been led to believe that this concept originates with opposer"; that opposer's mark and applicant's proposed mark are "virtually identical, the only possible difference being the particular materials from which the heart is manufactured"; that applicant's proposed mark "so resembles opposer's mark as to [be] likely when used in conjunction with applicant's goods to cause confusion or cause mistake or to deceive"; and that opposer believes it has prior continuous use of its mark.

In its notice of opposition, opposer also pleads ownership of application Serial No. 75774077² for a mark which appears on the application drawing page as follows:

² The application was filed on August 12, 1999, and contains an allegation of a date of first use anywhere and in commerce of September 19, 1996 for all goods and services identified in the application.



and contains the following description of the mark:

"[the mark] consists of a three-dimensional heart shaped object. The outline of a teddy bear is used to signify the placement of a heart shaped object inside a stuffed or plush toy animal; the teddy bear design itself is not claimed as part of the mark, as the heart shaped object may be placed in any stuffed or plush toy animal."

Opposer's pleaded application covers "blueprints and catalogs" in International Class 16, "plush animals and stuffed toy animals" in International Class 28, and "retail store services and mail order services featuring plush toy animals, stuffed toy animals, and accessories therefor" in International Class 35.

This case now comes up on applicant's motion (filed June 15, 2004) for summary judgment.³ The parties have briefed the motion. In order to expedite our decision, the Board presumes familiarity with the issues presented and

³ We note that the motion is filed prior to applicant's filing an answer to the complaint. After the Board instituted this proceeding, applicant filed numerous consented motions for extensions of time to answer the opposition based on the representation that the parties were engaged in settlement negotiations. The Board granted these motions and suspended proceedings on more than one occasion in view of the parties' ongoing settlement negotiations.

does not provide a complete recitation of the contentions and evidence of each party.

In its motion, applicant argues that, based on the facts and the documents, and even if all of opposer's assertions concerning its use of a heart object are taken as true, opposer's use of its alleged mark is merely "ornamental or decorative" and that, as a matter of law, cannot give rise to trademark rights. Applicant states that based on "numerous interrogatories, interrogatory answers, and several hundred documents" exchanged between the parties during discovery, the undisputed facts demonstrate that opposer's alleged prior use of a three-dimensional heart consists in actuality of the following: placing a brass heart pendant around the neck of teddy bears, incorporating a brass heart pendant with opposer's teddy bear kits whereby the pendant is to be placed around the teddy bear's neck, and "to the extent that [opposer] now claims that it provided customers with the option of placing a brass pendant inside the bear, the only evidence of such alleged use is a single reference in [opposer's] 1996 Holiday catalog." Applicant asserts that there is "no evidence that [opposer] used a heart in any manner other [than] as mere decoration for its bears" and, as a result, opposer cannot possibly carry its burden of establishing priority, i.e.,

that opposer obtained trademark rights in its mark prior to the filing date of applicant's application.

In support of its argument that opposer's prior use is not trademark use as a matter of law, applicant makes reference to the USPTO's refusal to register opposer's pleaded mark, the subject of application Serial No. 75774077, on the basis that the proposed mark does not function as a trademark or service mark, under Sections 1, 2, 3, and 45 of the Trademark Act. Applicant also cites the decision by the United States Court of Appeals for the First Circuit in *Wiley v. American Greetings Corp.*, 762 F.2d 129, 226 USPQ 101 (1st Cir. 1985), which involved the use of a heart-shaped object affixed to a teddy bear.

Applicant attached the following exhibits to its motion: opposer's pleaded application; copies of excerpts from opposer's "Holiday 1996 The Great American Teddy Bear" catalog; a "blueprint" that was included with opposer's toy bear kits; copies of three Office actions (dated January 6 and 12, 2000 and September 1, 2000); copies of opposer's advertisements for its goods, including those for the "Happy Anniversary" and "Pregnancy" toy bears; a copy of opposer's instructions contained in its toy bear kits; and copies of opposer's responses to applicant's discovery requests.

In response to applicant's motion for summary judgment, opposer argues that the parties' respective marks are

"identical in all respects" and applicant, in fact, "copied" opposer's mark; that opposer used its mark prior to the filing date of applicant's intent-to-use based application; and that opposer's prior use of its mark not only "goes well beyond mere ornamental or decorative use," but that its mark is inherently distinctive. In clarifying its mark and disputing applicant's characterization of its mark, opposer states that it does not claim trademark rights for placing a heart-shaped object as a pendant on the outside chest of a teddy bear; rather, opposer states that it "only claims as its Trademark placement of the heart inside the stuffed animal." [Opposer's Brief p. 4, underline provided by opposer].

Opposer also attempts to distinguish its proposed trademark from that in the *Wiley* case cited by applicant. Opposer states that its mark consists of placement of a heart inside the chest of a teddy bear during assembly and argues that "this procedure is highly distinct from merely sewing a heart on the chest or outside another portion of the anatomy of a stuffed teddy bear or another stuffed animal." Opposer also argues that there is no evidence of "any third parties consistently using as a trademark placement of a heart within the chest of a teddy bear during assembly."

At the end of its response to applicant's motion, opposer requests that the Board enter judgment in its favor, citing TBMP § 528.08 (2d ed. rev. 2004) [entry of summary judgment in favor of nonmoving party]. Opposer argues that there is sufficient evidence for the Board to conclude that opposer acquired prior rights in "the placement of a heart in the chest of a teddy bear" and the record is "abundantly clear and supports grant of summary judgment in favor of opposer."

In support of its response, opposer attached exhibits that include several of the same exhibits filed by applicant, but also include the following: copies of self-described "pages evidencing the creation and mailing" of opposer's Holiday 1996 Catalog; printouts of pages from opposer's website; copies of correspondence between opposer's counsel and the Office concerning the prosecution of opposer's pleaded application; a copy of a discovery deposition taken in this proceeding of Ms. Maxine Clark, applicant's president; a copy of a "cease and desist" letter from applicant's counsel to Children's Concept, Inc.; printouts from the TARR database for registrations owned by opposer; and copies of charts concerning sales of opposer's goods.

Opposer also submitted the declarations of Robert Patrick Burns, opposer's Chief Executive Officer (1995-1997)

and Elisabeth B. Robert, opposer's Chief Executive Officer (1997-present) with its response. Attached as exhibits to the Burns declaration are: (1) a copy of a document that Mr. Burns avers is dated May 1996 and "provides evidence concerning the date of conception of this marketing idea" and (2) a copy of opposer's "blueprint" instruction sheet (dated September 6, 1996) which Mr. Burns avers is "included in [opposer's toy bear kits], and that evidences the general time period during which the idea for the [toy] kits was created." Attached as exhibits to the Robert declaration are photographs that Ms. Robert avers show "[opposer's] teddy bear with a heart in its chest as assembled at [opposer's toy bear kit] station at its factory store"; and that these photographs "depict the manner of use of the heart as a trademark as it has been used by [opposer] since [opposer's] station opened at [opposer's] factory store in 1996."

In a reply brief, applicant contends that exhibits submitted by opposer with its response were not properly introduced and requests that the Board "take these procedural deficiencies into consideration when examining [opposer's] alleged proof of use." Applicant also argues that the declarations submitted by opposer with its response contain "inadmissible conclusions" and are "procedurally deficient."

Finally, after the filing of applicant's reply brief, opposer submitted a "notice of precedential decision" wherein opposer states that it seeks to "[bring] to the attention of the Interlocutory Attorney the decision of the Trademark Trial and Appeal Board in *In re Dell Inc.*, Serial No. 75851765, dated August 12, 2004" because it "concerns the types of specimens that are appropriate for demonstrating trademark use."⁴

A party moving for summary judgment has the burden of demonstrating the absence of any genuine issue of material fact, and that it is entitled to summary judgment as a matter of law. Fed. R. Civ. P. 56(c). See also, *Celotex Corp. v. Catrett*, 477 U.S. 317 (1986). When the moving party's motion is supported by evidence sufficient, if unopposed, to indicate that there is no genuine issue of material fact and that the moving party is entitled to judgment, the nonmoving party may not rest on mere denials or conclusory assertions, but rather must offer countering evidence, by affidavit or as otherwise provided in Fed. R. Civ. P. 56, showing that there is a genuine factual dispute for trial. See Fed. R. Civ. P. 56(e), and *Octocom Systems Inc. v. Houston Computer Services Inc.*, 918 F.2d 937, 16 USPQ2d 1783 (Fed. Cir. 1990). In a motion for summary

⁴ The proper citation for the case is *In re Dell, Inc.*, 71 USPQ2d 1725 (TTAB 2004).

judgment, the evidentiary record and all reasonable inferences to be drawn from the undisputed facts must be viewed in the light most favorable to the nonmoving party. See *Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027 (Fed. Cir. 1993).

For purposes of the summary judgment motion, we initially find it necessary to clarify the "trademark" upon which opposer relies in this opposition and to make a determination as to what trademark rights, if any, opposer is entitled to protect. If opposer is unable to establish trademark rights in its heart-shaped object, then opposer will not be able to establish priority or prove its likelihood of confusion ground as alleged in the notice of opposition.

Based on all of the parties' submissions, we find that opposer seeks trademark protection for a procedure or step in the assembly of its goods, namely, that of placing a heart-shaped object in a stuffed toy animal.⁵ It is evident from the exhibits submitted by both parties that opposer's alleged prior trademark use consists of advertising and selling toy animals and toy animal kits, usually teddy bears, that include a heart-shaped object and instructions

⁵ As noted previously in this order, applicant objected to the authenticity and manner of introduction into evidence of certain exhibits submitted by opposer with its response. These objections are moot in view of our decision herein which was reached after considering all of the parties' submissions.

for the consumer to insert the object into the toy animal. As to its services, we find that opposer also rendered services at retail stores or stations where consumers could assemble stuffed toy animals, including the step of inserting the heart-shaped object inside the chest of the toy animal. In other words, when consumers or potential purchasers encountered opposer's goods or services, the heart-shaped object was not already inserted in the toy animal's chest but could be inserted by the consumer after purchasing the toy animal kit.

For the reasons discussed below, we find the procedure or step of placing the heart-shaped object in the toy animal's chest by the consumer cannot be construed as a trademark nor accorded trademark protection under the Trademark Act.

Section 45 of the Trademark Act defines a "trademark" as follows:

any word, name, symbol, or device, or any combination thereof -- (1) used by a person, or (2) which a person has a bona fide intention to use in commerce and applies to register on the principal register established by this [Act], to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.⁶ 15 USC § 1127.

⁶ A "service mark" is defined identically as that of a trademark, except that it is used to "identify and distinguish the services of one person, including a unique service, from the services of others and to indicate the source of the services, even if that source is unknown." 15 USC § 1127.

Opposer's proposed mark fails to meet the definition of a trademark or service mark and, thus, is not capable of distinguishing opposer's goods or services. Opposer's proposed mark does not consist of any tangible "word, name, symbol, or device, or any combination thereof" but merely of an action to be performed by consumers of opposer's goods and services. Even under the concept of "trade dress," which expands the Trademark Act's definition of a "trademark," trade dress is not so pliable as to give exclusive rights for the concept of placing a heart inside a stuffed animal. See 1 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition, § 8:6 (4th ed. 2001), and cases cited therein, [mere marketing theme of a product or style of doing business is not protectable trade dress].

To the extent that opposer is merely seeking protection for the three-dimensional heart, itself, located inside the chest of a toy animal (and not the step or procedure of inserting the heart into the chest of the toy animal), opposer has not submitted any evidence showing trademark use of the heart, *per se*. And, even if opposer did submit specimens showing such use, the evidence already submitted by both parties clearly shows that the three-dimensional heart is only placed in the toy animal's chest by the consumer after the product has been purchased (either the kit or in person at retail stores). Opposer is essentially

relying on the consumer to prepare or create opposer's proposed trademark. Although opposer's method of use is different from that in the *Wiley* case, we find opposer's use and its reliance on the consumer to create the proposed trademark as even less likely to be perceived as trademark use. In *Wiley*, the plaintiff alleged common law trademark rights in affixing a solid red heart to the left breast of teddy bear and the court held that this carries no distinctive message of origin to consumers and hence does not serve to distinguish it from hearts on other stuffed animals, such characteristics being commonly adopted and well known forms of ornamentation. *Wiley*, 226 USPQ at 103. Consequently, because opposer's heart is not even visible once it is placed inside the chest of the toy animal, this can only decrease the possibility that it can be a source indicator for the goods and/or services.

Finally, opposer's reliance on the Board's decision in *In re Dell, Inc.*, *supra*, is not well-founded. In this decision, cited by opposer after the briefing period had closed, the Board held that a printout of a page from Dell's website was tantamount to a display associated with the goods and properly demonstrated trademark use of Dell's mark. In the matter at hand, opposer has submitted as evidence of its use, printouts of web pages from its website and, again, these web pages demonstrate nothing more than

that opposer sells goods whereby the consumer can insert a heart into the chest of opposer's teddy bears and other stuffed animals. Opposer's use certainly cannot be construed as displays associated with the goods because there is no trademark being prominently displayed.

In view of the above, we find that opposer's use of a heart does not constitute trademark use and is not protectable under the Trademark Act. Drawing all factual inferences tending to show triable issues in the light most favorable to opposer, we find no genuine issue of material fact exists as to whether opposer can demonstrate its priority.

Accordingly, applicant's motion for summary judgment is granted and the opposition is dismissed.⁷ Applicant's application will be forwarded for the issuance of a notice of allowance.⁸

⁷ Opposer's request to have summary judgment granted in its favor is denied.

⁸ Although the opposition is being dismissed, we note that this does not mean the subject application will ultimately mature into a registration. Should applicant file a statement of use and specimens of use in support thereof (which is required for the mark in the intent-to-use based application to be registered), the USPTO examining attorney may at that point refuse registration on various grounds, including failure to function as a trademark under Sections 1, 2, 3 and 45 of the Trademark Act.