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

00704720002110

In the Matter of:  
Application Serial No. 75/701,707  
Mark: Drawing of a Marine Heat Exchanger  
Published in the Official Gazette at Page TM 400 on May 9, 2000



08-22-2003

U.S. Patent & TMO/TM Mail Rcpt Dt. #22

DURAMAX MARINE, LLC,	)	
	)	
Opposer,	)	
	)	
v.	)	Opposition No. 119,899
	)	
R.W. FERNSTRUM & COMPANY,	)	
	)	
Applicant.	)	

Box TTAB – No Fee  
Commissioner for Trademarks  
2900 Crystal Drive  
Arlington, VA 22202-3513

08-22-2003  
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**OPPOSER'S REPLY BRIEF**

I. Introduction

The bases for Duramax Marine's Motion for Summary Judgment are that (1) Fernstrum cannot obtain a registration for a picture of its product, and (2) the results of the survey filed by Fernstrum in support of its effort to change the basis of the application to Section 2(f) was fatally defective. Fernstrum filed a Response Brief to the foregoing motion and a cross-motion for summary judgment (to be responded to separately) on July 30, 2003. In its Response Brief, Fernstrum made various statements supported by evidence that were not presented by Opposer in its Motion for Summary Judgment and made certain statements that were unsupported by evidence. Duramax Marine requests that the Board consider and enter this Reply Brief.

II. Fernstrum erroneously states that the subject of its service mark application Serial No. 75/701,707 is not an actual representation of a marine heat exchanger.

Fernstrum states in footnote 1 of its Response Brief that the mark sought to be registered is an artist's rendition. However, it is a very accurate portrayal of Fernstrum's marine heat exchanger. Paul W. Fernstrum testified that Fernstrum's Reg. No. 2,357,354 (Response Brief, Ex. F), including the same keel

cooler (Response Brief, Sec. III(B)(7), p. 16) and a globe, could have been line-art drawings made from a photograph of a Fernstrum keel cooler (Ex. 38<sup>1</sup>, p. 107, l. 14-21, referring to Ex. 22, Bates No. 0971; Ex. 39, p. 108, l. 8-25, referring to Ex. 22 (Dep. Ex. 12), Ex. 25 (Dep. Ex. 13), Ex. 40 (Dep. Ex. 25)).

Moreover, Fernstrum submitted 84 specimens (Ex. 18, Doc. Nos. 1 through 84) showing usage of its mark. Among those submitted in Ex. 18 are Bates Nos. 0204, 0210, 0255, 0260, 0262, 0265, 0266, 0268-0271 and 0275, all appearing to be photographs or an artist's rendition made from or appearing to look like photographs. Therefore, footnote 1 of Fernstrum's Response Brief is misleading in that the artists' renditions to which it refers are indeed accurate depictions of its keel cooler.

In its "Introduction" in its Response Brief, Fernstrum states that the Board granted Fernstrum's motion to dismiss, but incorrectly made the following statement: "...allowing Duramax to amend its pleading 'to sufficiently allege in its notice the grounds of descriptiveness or lack of acquired distinctiveness.' (Emphasis added). (Ex. 41, April 26, 2001 Order, p. 8)." The order only required the Opposer to properly state a claim in its pleading. Duramax Marine was never directed to make any particular allegation in its Notice of Opposition, and Fernstrum is incorrect in stating otherwise.

### III. Facts

In its section entitled "Clarification Of The Record" (Response Brief, p.2), Fernstrum characterizes Duramax Marine's discussion of the "Undisputed Facts" as being a "fictional account." This is untrue.

#### A. The Events in the New Orleans Litigation

Fernstrum suggests in the section of its brief entitled, "Duramax Mischaracterizes The Events In The New Orleans Litigation," that the settlement reached at the early part of the litigation in New Orleans was the result of continuing settlement negotiations. That is not the case. The trial commenced in the U.S. District Court for the Eastern District of Louisiana on May 3, 1999, before Judge Mary Anne Vial

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<sup>1</sup> The exhibits to Duramax Marine's Motion for Summary Judgment and in this Reply are referred to as "Ex. \_\_\_\_." Exhibits 38-45 are in addition to those in the Motion for Summary Judgment and are attached hereto.

Lemmon. Fernstrum called its witnesses<sup>2</sup> who were cross-examined by each of Donovan Marine and East Park Radiator and redirectly examined by Fernstrum. When Fernstrum completed its case, Judge Lemmon "suggested" that Fernstrum conduct settlement discussions with Donovan Marine, East Park Radiator and Duramax Marine, since it was clear to her that Fernstrum had failed to meet its burden of proof. Judge Lemmon was attempting to resolve the litigation (which she did). Donovan Marine and East Park Radiator could have moved for a directed verdict but decided it was more expeditious to attempt to settle the litigation, and were successful in doing so.

Fernstrum goes on to state that Duramax Marine never would have agreed to change the shape of its product (a keel cooler with beveled headers) if Fernstrum had failed to meet its burden of proof. Fernstrum is wrong in this statement. Duramax Marine had spent a great amount of time and expended substantial funds in developing an improved, new keel cooler, upon which was issued U.S. Patent No. 6,575,227 (Ex. 12). The decision to make a keel cooler with beveled headers had nothing to do with the litigation in New Orleans.

B. The Negotiations of Duramax Marine in the Litigation in New Orleans

Under its heading "Duramax Did Not Negotiate In Good Faith" (Response Brief, p.3), Fernstrum contends that Duramax Marine "duped" Fernstrum during the settlement negotiations. This allegation is false. During the settlement negotiations in New Orleans, each party and Duramax Marine were represented by lawyers specializing in trademark law. Each of them knew that any published trademark (or service mark) application could be the subject of an opposition proceeding. The executed settlement agreement (Ex. 13) had no statement precluding any party from opposing the Fernstrum application. During the discovery proceedings in the present opposition, Fernstrum admitted that the settlement agreement had no language preventing the filing of an opposition to Fernstrum's application to register its logo in two-dimensional form. (Ex. 42, Adm. 9) Fernstrum was not duped. It knew exactly that it faced the risk of an opposition to its trademark application.

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<sup>2</sup> Charles Nord (Director of Finance of Fernstrum), Robert Sorensen (an expert witness), Nurbell Chittanja, Esq. (a legal expert), Todd Fernstrum (Fernstrum's Vice President of Manufacturing), and Paul Fernstrum (the President of Fernstrum).

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C. Duramax Marine's "Best By Test" Advertising Claim

In Sec. II(C), p. 4, of its Response Brief following the heading "Duramax Ceased Using Its 'Best By Test' Claim Rather Than Disclose The Scientific Basis For the Claim," Fernstrum explains that Duramax Marine "withdrew its improper 'Best By Test' advertisement" because it recognized that it would fail to substantiate its "false advertisement." This is absolutely untrue. Fernstrum offers no proof that the advertisement of Duramax Marine was false; that is simply because it was not false. This is borne out by the decision of District Chief Enslen in Fernstrum's Motion for a Preliminary Injunction in the case that it brought in the Western District of Michigan, who denied the Motion because Fernstrum was found not to be able to establish the falsity of the advertising claims of Duramax Marine (Ex. 15, pp. 19-22).

IV. Legal Argument

A. Reply to Fernstrum's Opposition to the Motion for Summary Judgment

1. Secondary Meaning

Fernstrum states that Duramax Marine is "required to present a *prima facie* case that Fernstrum's mark has not acquired distinctiveness. (Response Brief, p. 4) Duramax Marine did not file its Motion for Summary Judgment based on the issue of acquired distinctiveness and was never directed to do so. One of the grounds of Duramax Marine's Motion for Summary Judgment is that Fernstrum submitted false evidence that its service mark had acquired distinctiveness under Section 2(f) of the Trademark Act. Fernstrum quotes from a portion of the Sorensen study (Ex. 9) and apparently is arguing that the omission of the headers from the tubing shown in the photographs used in the study were a minor omission. This is a major mischaracterization of why the Sorensen survey was submitted in the present application Serial No. 75/701,707. It is first to be noted that the "federal trademark registration" referred to in the Sorensen survey (quoted from the top of page 6 of the Fernstrum Response Brief) referred to Fernstrum's attempt to register only the three-dimensional parallel coolant flow tubes of Fernstrum's actual keel cooler which Fernstrum manufactures and sells. Paul Fernstrum testified that those people used in the survey were only shown photographs of the coolant flow tubes without the headers and not the mark of the present

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opposition. (Ex. 43, pp. 124-126.) The faulty survey should cause Applicant Fernstrum's claim that the mark has acquired distinctiveness or secondary meaning under Section 2(f) to fail.

2. Fernstrum Has Been Using the Mark for Over 50 Years

Opposer acknowledges this and does not dispute this assertion. However, even if a functional feature has achieved consumer recognition (secondary meaning) of that feature as an indication of origin, the feature cannot legally be protected. *1 McCarthy on Trademarks and Unfair Competition*, § 7.66 (4<sup>th</sup> ed., 2003).

3. Ownership of Registration No. 2,357,354

Fernstrum states that it is the owner of U.S. Trademark Registration No. 2,357,354 for its keel cooler in front of a globe. Duramax Marine has not opposed the application from which that registration matured since it includes both a realistic representation of its keel cooler along with an arbitrary feature (the globe), Duramax Marine concluded that it should not oppose that application.

B. Functionality

1. Burden of Proof

Duramax Marine has the burden of proving that the opposed mark is functional.

2. Controlling Authority

Duramax Marine acknowledges that the four factors set forth by Judge Rich in *In re Morton-Norwich Products, Inc.*, 671 F.2d 1332, 213 U.S.P.Q. 9 (C.C.P.A. 1982) are often used by other courts as a handy framework from which to evaluate the evidence.

3. Utility Patents Disclosing the Picture of the Keel Cooler Shown in U.S. Serial No. 75/701,707

Fernstrum erroneously states that the mark that Fernstrum seeks to register is a stylized, two-dimensional logo. (Response Brief, III(B)(3), p. 9) This is not correct, as explained above and in section IV(A) of the "Brief in Support of Motion for Summary Judgment." The drawing shown in Serial No. 75/701,707, a sketch of a keel cooler made by Fernstrum, which appears in photographic form in Fernstrum's U.S. Reg. No. 2,357,354 (Ex. F of Fernstrum's Response Brief), is disclosed in Fernstrum's

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U.S. Patent Nos. 4,338,993 (Ex. 25) and 5,931,217 (Ex. 33) as well as being claimed in Fernstrum's U.S. Patent No. 2,382,218 (Ex. 1).

Fernstrum continues its discussion of its U.S. Patent No. 2,382,218 in section III(B)(3), p. 10, by stating that, "...it is only if the functional features of the product configuration themselves are described in the claims of a patent, is a utility patent 'evidence' that the configuration is functional." (Emphasis in original.) However, a utility patent need merely describe an invention for it to be *de jure* functional. *In re Edward Ski Products Inc.*, 49 U.S.P.Q.2d 2001 (TTAB 1999). The Board noted that the applicant had disclosed in its U.S. patent the utilitarian advantages of the product and denied registration even where the disclosure set forth a number of equally suitable configurations and the product design had utilitarian advantages over previously-used designs.

With respect to Fernstrum's '218 patent, Fernstrum describes the small differences between the claims of this patent and the product shown in its Serial No. 75/701,707. (Response Brief, pp. 12-13) Fernstrum is making the argument that the marine craft is included in the claims, wherefore the '218 patent allegedly should apply. The fact is that the marine craft is a minor part of the claim, and that the claims are in fact directed to the marine heat exchanger or keel cooler. Fernstrum never contended that it sold marine craft, but only keel coolers.

Fernstrum makes another argument that its keel cooler is not limited to one design, one size or one shape. (Response Brief, p. 13) It then goes on to state that marine heat exchangers can have oval headers, different kinds of headers, and the like. However, this entire opposition and the subject of Fernstrum's U.S. Serial No. 75/701,707 is directed to a one-piece keel cooler. Duramax Marine admits that there are other kinds of keel coolers, such as channel coolers and demountable coolers. However, all one-piece keel coolers have coolant flow tubes with rectangular cross-sections. Paul Fernstrum testified that rectangular tubes have an increase in surface area for the heat rejection, since this arrangement reduces the volume of the tube as compared to a round tube, and the rectangular tube allows more tubes to

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be placed in a given "footprint" (the space on the hull of a ship where the keel cooler is placed). (Ex. 44, p. 58, l. 7 – p. 59, l. 12).<sup>3</sup>

4. Fernstrum Touts the Utilitarian Advantages of Its Heat Exchanger Through Its Advertising.

Fernstrum advertised extensively regarding the compactness of its one-piece keel cooler. As noted above, Paul Fernstrum stated that it is compact because it allows one to place more tubes in a given footprint. (Ex. 44, p. 59, l. 11-12) Fernstrum's advertisements over the years have consistently emphasized the compactness of its unit. See, for example, Ex. 9, Bates Nos. 0185-0187 and 0191-0196, and Ex. 18, Bates Nos. 0269-0271, 0275-0281, 0309, 0377-0379, 0381, 0382, 0385, 0387, 0389, 0391-0399, 0402-0404 and 0458, for promotional statements of Fernstrum about how compact its unit is.

5. Alternative Designs for Keel Coolers

In section III(B)(5), p. 14, of the Response Brief of Fernstrum, they argue that there are numerous alternatives to the one-piece keel cooler. However, Fernstrum is talking about entirely different types of keel cooler, which have numerous disadvantages, particularly with respect to their lack of compactness. Those keel coolers, such as the Walter keel cooler (Fernstrum's Response Brief, Ex. C of Ex. G) and the Johnson Rubber Company's<sup>4</sup> demountable keel cooler (Response Brief, Ex. D of Ex. G), both of which have multiple components, are much larger and less efficient units than the one-piece keel cooler that is the subject of the present opposition. Fernstrum is trying to divert the Board's attention from the goods to which the services of Serial No. 75/701,707 are related, and Fernstrum's attempts to broaden the types of keel coolers from the one-piece keel cooler should be ignored. As Judge Enslin stated in his decision in *R.W. Fernstrum & Company v. Duramax Marine, LLC* (Ex. 15, pp. 19-21), the consumers of keel coolers are experts in purchasing keel coolers and would not consider one-piece keel coolers as in the same categories of goods as the Walter's and Johnson Rubber Company's units.

<sup>3</sup> In Fernstrum's footnote 6, it states that had served a Fourth Set Of Requests For Admission, but no responses were made. Duramax Marine did not believe that any responses were due, as noted in the Board's Order dated January 8, 2002, where it said that opposer is not required to respond at that time to applicant's most recent discovery requests. A set of responses to those Requests for Admission is enclosed as Ex. 45, although it is understood that they may not be given any weight. However, whether they were admitted or not should not make any difference with respect to the present Reply Brief.

6. The Method for Manufacturing the Keel Cooler

In Fernstrum's Response Brief, section III(B)(6), p. 16, they argue that the appearance of the mark sought to be registered does not translate into costs savings. The evidence given is hardly compelling. Fernstrum argues that the Walter keel cooler is more economical. The Walter keel cooler is not a one-piece keel cooler but rather includes a series of tubes that are connected to manifolds at opposite ends of the tubes, consists of many parts, and is much larger than the one-piece keel coolers of the same heat transfer surface area. The quotation from the Walter advertisement on p. 16 of the Response Brief compares the prices of a Walter Double Stem Model with a box-type cooler and not a one-piece keel cooler. The costs referred to by Fernstrum are entirely unrelated to the costs of making a one-piece keel cooler.

Likewise, Fernstrum refers in its Response Brief to the Johnson Rubber Company's spiral tube keel cooler discussed in the brochure of Ex. D of Ex. G of the Fernstrum Response Brief. The keel cooler referred to in Ex. D of Ex. G is a demountable keel cooler having a number of individual spiral tubes, being an entirely different type of keel cooler than the one-piece keel cooler to which the mark which is the subject of Serial No. 75/701,707 relates. A review of Ex. D of Ex. G shows that the comparative costs are between the multiple component Johnson Rubber Company keel cooler and channel steel keel coolers.

None of the statements or evidence set forth in the Response Brief has anything to do with the manufacturing-cost benefits as set forth in the Response Brief. The fourth factor of *In re Morton-Norwich Products, Inc.* is not met by the facts cited by Fernstrum.

7. Registration No. 2,357,354

In section III(B)(7), p. 16, of Fernstrum's Response Brief, Fernstrum states that its Registration No. 2,357,354 for a keel cooler and globe design logo for heat exchangers was issued without opposition, suggesting that the marine industry did not believe that the registration of Fernstrum's keel cooler would bestow Fernstrum with a right of ownership in the design of the keel cooler. However, as noted above,

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<sup>4</sup> Johnson Rubber Company was the name of the predecessor of Duramax Marine, LLC.

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Duramax Marine did not oppose the application for the latter registration because it included an arbitrary feature, namely the globe.

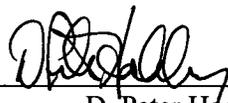
V. Conclusion

For the foregoing reasons, it is respectfully submitted that the Motion for Summary Judgment filed by the Opposer, Duramax Marine, should be granted.<sup>5</sup>

Respectfully submitted,

Date: August 19, 2003

DPH/ck

By:   
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Att.: Exhibits 38-45

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<sup>5</sup> Duramax Marine did not receive a signed Response Brief from Fernstrum. 37 C.F.R. 2.119(e).

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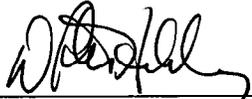
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**OPPOSER'S REPLY BRIEF**

**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing OPPOSER'S REPLY BRIEF, and any document noted as being enclosed or attached, was served via first class U.S. mail, postage prepaid, on the date noted below to:

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Date: August 19, 2003 By:   
D. Peter Hochberg

**CERTIFICATE OF MAILING**

I hereby certify that the foregoing OPPOSER'S REPLY BRIEF, and any document noted as being enclosed or attached, was filed via first class U.S. mail, postage prepaid, on the date noted below to: Box TTAB – No Fee -, Commissioner for Trademarks, 2900 Crystal Drive, Arlington, VA 22202-3513

Date: August 19, 2003 By:   
Christine Kotran