

Express Mail No. EL 477 835 775 US

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

NOTICE OF OPPOSITION



In the Matter of Application Serial No.
78/070,813 Published in the Official Gazette
on August 20, 2002 at page TM 451.

12-16-2002

U.S. Patent & TMO/c/TM Mail Rpt Dt. #666

TRADEMARK TRIAL AND
APPEAL BOARD
DEC 26 AM 9:30

VIRGIN ENTERPRISES LIMITED,

Opposition No.

Opposer,

v.

Attorney Docket No.:
8343-282-999

KAY GUITAR COMPANY,

Applicant.

TO THE COMMISSIONER OF PATENTS AND TRADEMARKS:

VIRGIN ENTERPRISES LIMITED (“VEL”), a company organized and existing under the laws of England and Wales with its principal place of business at 120 Campden Hill Road, London W8 7AR, England, believes that it will be damaged by the registration of the trademark VIRGIN GUITARS shown in Application Serial No. 78/070,813 for “musical instruments, namely guitars” in International Class 15 and, having previously been given an extension of time to oppose until December 18, 2002, hereby opposes the same.

CERTIFICATION UNDER 37 C.F.R. 1.10

I hereby certify that this paper is being deposited with the United States Postal Service as Express Mail, Label No. EL 477 835 775 US in the envelope addressed to: Assistant Commissioner for Trademarks, 2900 Crystal Drive, Arlington, Virginia 22202-3513, on December 13, 2002.

Elyse A. Marcus, Esq.
(Name)

Elyse A. Marcus
(Signature)

12/13/02
(Date of Signature)

As grounds of opposition, it is alleged that:

COUNT I

1. Opposer, VEL, and its related companies (collectively, the "Virgin Group"), are now and have for many years past been engaged in the sale and distribution of a wide variety of goods and services under the world-famous VIRGIN mark. Sales of its products and provision of its services have been directed to purchasers as well as the trade and the general public.

2. Virgin Group employs more than 25,000 individuals in twenty-six (26) countries worldwide. In the year ending December 31, 1999, Virgin Group companies had worldwide sales revenues of more than U.S. \$5 billion. Goods and services sold or distributed under the VIRGIN mark include, but are not limited to, records, CDs, audio tapes, video tapes, compact disks, Internet services (including radio), retail store services, restaurant services, alcoholic and non-alcoholic beverages, processed foods, airline services, transportation services, travel-related services, cargo services, hotel services, telecommunications products and services, graphic art design services, cups, mugs, clothing, cosmetics, luggage, toys, computer games, jewelry, clocks, watches, umbrellas, books, television post-production services, paper goods, writing instruments, packaging and mailing services, computer media and accessory products, and numerous others.

3. VEL's licensee, Virgin Atlantic Airways Ltd., has provided VIRGIN and VIRGIN ATLANTIC air travel and related services in U.S. commerce since 1984. Virgin Atlantic operates a fleet of Boeing 747 and Airbus A300 and A340 aircraft providing daily

departures to and from New York, Newark, Boston, Washington D.C., Orlando, Miami, Las Vegas, Los Angeles, and San Francisco.

4. Passengers on board VIRGIN airline flights receive diverse VIRGIN® branded items and may purchase, duty-free, VIRGIN toys, VIRGIN clocks, VIRGIN pens, VIRGIN playing cards, VIRGIN cosmetics, VIRGIN sweatshirts, VIRGIN T-shirts, VIRGIN hats, VIRGIN wrist watches, and other VIRGIN branded merchandise. Passengers on board VIRGIN airline flights also are given individual television and radio access as part of the in-flight entertainment, including, but not limited to the ability to watch movies, watch television programs, listen to audio programs, and play video games.

5. VEL's licensee, Virgin Entertainment Group, Inc., has operated VIRGIN and VIRGIN MEGASTORE retail stores in U.S. commerce since 1992. In the year ending 1999, there were more than 150 VIRGIN MEGASTORE retail stores in major cities of the United States, the United Kingdom, Canada, France, Holland, Austria, Belgium, Norway, Italy, Spain, and Japan. VIRGIN MEGASTORE retail stores sell a broad range of consumer goods and offer various services, including, but not limited to, audio and video tapes, cassettes and compact discs, video games, and various books and periodicals related to the music and entertainment industries.

6. By reason of more than thirty (30) years of continuous and substantially exclusive use on a broad range of goods and services distributed throughout the world and tens of millions of dollars spent on advertising and promotion, Opposer's VIRGIN mark has become one of the best-known brand names in international business. Over the past ten (10) years, well-

known sources have recognized, acknowledged and published articles concerning this rise to fame.

7. In 1992, Interbrand identified VIRGIN as one of the “world’s greatest brands,” stating that the “Virgin brand is now established as a broadly-based entertainment and travel brand with a dependable but nonetheless somewhat ‘fun’ and irreverent image.”

Advertising Age in 1995 identified VIRGIN as one of “25 rising international brands” along with such famous brands as ESPN, IKEA, and THE GAP. In 1997, Interbrand identified VIRGIN as one of The World’s Top 100 Brands, ranking it 91st in a tie with Canon, just under 90th ranked KLEENEX and above such brands as THE FINANCIAL TIMES, HAAGEN-DAAZ, BRAUN, SAMSUNG, GORDON’S, BENETTON, and DR. MARTENS. This study also ranked VIRGIN fourth among the world’s brands having the greatest proven ability to expand or “stretch” across product boundaries into new categories and markets. The 1997 study further listed VIRGIN ATLANTIC as the seventh most important brand in the world in the fields of leisure and travel.

8. Virgin Group companies and their founder, Sir Richard C.N. Branson, have been referred to thousands of times in print and broadcast media disseminated in U.S. commerce, including feature stories in Time, Newsweek, Business Week, Fortune, and Forbes, and numerous news accounts of Mr. Branson’s attempts to circumnavigate the world in a balloon, including appearances on Nightline and the Today Show.

9. Opposer’s VIRGIN mark is protected under more than 950 trademark registrations in 114 countries.

10. Opposer owns the following VIRGIN trademarks and/or service marks which have been registered with the U.S. Patent and Trademark Office:

<u>Trademark</u>	<u>Registration No.</u>
THE VIRGIN TRADING COMPANY & Logo	2,507,654
VIRGIN	1,413,664
VIRGIN	1,469,618

<u>Trademark</u>	<u>Registration No.</u>
VIRGIN	1,597,386
VIRGIN	1,851,817
VIRGIN	2,094,460
VIRGIN	2,586,162
VIRGIN	2,625,455
VIRGIN (stylized)	1,039,574
VIRGIN (stylized)	1,517,801
VIRGIN (stylized)	1,591,952
VIRGIN (stylized)	1,852,776
VIRGIN (stylized)	2,600,080
VIRGIN (stylized)	2,622,510
VIRGIN ATLANTIC VACATIONS	2,482,726
VIRGIN CARGO WINGS	2,488,605
VIRGIN HEALTHCARE FOUNDATION & Design	2,536,973
VIRGIN HOLIDAYS	2,639,079
VIRGIN MEGASTORE	1,863,353
VIRGIN VACATIONS	2,237,092
VIRGIN VODKA	2,151,589

11. The following registrations cover goods and/or services related to the music and entertainment industries:

- (1) U.S. Registration No. 1,039,574 for VIRGIN (stylized) for “sound records in the form of discs and tapes and cassettes for use therewith”;
- (2) U.S. Registration No. 1,469,618 for VIRGIN for “pre-recorded audio and/or video tapes, cassettes and cartridges; pre-recorded audio and video discs, phonograph records”;
- (3) U.S. Registration No. 1,517,801 for VIRGIN (stylized) for, *inter alia*, “pre-recorded audio and/or video tapes, cassettes and cartridges; pre-recorded audio and video discs, phonograph records”;
- (4) U.S. Registration No. 1,591,952 for VIRGIN (stylized) for, *inter alia*, “printed sheet music; fictional and non-fictional books, reference books, biography and autobiography books, periodicals, namely, paperback books, all dealing with music, films and entertainment”;
- (5) U.S. Registration No. 1,597,386 for VIRGIN for, *inter alia*, “printed sheet music; fictional and non-fictional books, reference

books, biography and autobiography books, periodicals, namely, paperback books, all dealing with music, films and entertainment”;

- (6) U.S. Registration No. 1,851,817 for VIRGIN for, *inter alia*, “retail store services in the fields of records, audio and video tapes, computers and electronic apparatus, sheet music”;
- (7) U.S. Registration No. 1,852,776 for VIRGIN (stylized) for, *inter alia*, “retail store services in the fields of records, audio and video tapes, computers and electronic apparatus, sheet music”;
- (8) U.S. Registration No. 1,863,353 for VIRGIN MEGASTORE, for “retail department store services”; and
- (9) U.S. Registration No. 2,625,455 for VIRGIN for, *inter alia*, “computerized communication services, namely, electronic mail services, and providing networks for the purposes of transmission and reception of computer generated music, news and other data and information; and broadcasting services by radio and over a global computer network of a wide variety of programs, namely, current events, economics, politics, sports, entertainment, the arts and business”;

12. Opposer has pending at the U.S. Patent and Trademark Office, the following applications incorporating its famous VIRGIN mark covering goods and/or services related to the music and entertainment industries:

- (1) U.S. Application Serial No. 74/581,589 for VIRGIN (stylized) for, *inter alia*, “sound records of music in the form of discs and tapes and cassettes; pre-recorded audio or video tapes, cassettes and cartridges featuring music; pre-recorded audio and video discs, phonograph records featuring music; computer software for music products”;
- (2) U.S. Application Serial No. 75/979,112 for VIRGIN (stylized) for, *inter alia*, “retail store services in the fields of records, audio and video tapes, computers and electronic apparatus, sheet music”;
- (3) U.S. Application Serial No. 76/400,175 for VIRGIN ACTIVE and Design for, *inter alia*, “sporting and cultural activities”;
- (4) U.S. Application Serial No. 76/400,176 for VIRGIN for, *inter alia*, “sporting and cultural activities”; and

- (5) U.S. Application Serial No. 76/400,178 for VIRGIN (stylized) for, *inter alia*, “sporting and cultural activities”.

13. Long prior to June 25, 2001, the filing date of Applicant’s intent-to-use application, Opposer commenced use of the VIRGIN mark on products distributed and services rendered in the United States. Opposer has continuously used and is currently using the VIRGIN mark in the United States on or in connection with a wide variety of products and services, including those related to the music and entertainment industries, and continues to expand its business ventures.

14. On June 25, 2001, Applicant filed U.S. Application Serial No. 78/070,813 for VIRGIN GUITARS, based on intent to use, for “musical instruments, namely guitars” in International Class 15.

15. The eventual use and registration of VIRGIN GUITARS by Applicant for “musical instruments, namely guitars” would be likely to confuse and deceive consumers into thinking that Applicant’s goods were affiliated with, sponsored by, or connected with Opposer’s VIRGIN, VIRGIN MEGASTORE, and VIRGIN ATLANTIC goods and services offered throughout the United States, including those related to the music and entertainment industries.

16. Applicant’s designation VIRGIN GUITARS incorporates Opposer’s famous name and mark VIRGIN and, as such, is nearly identical to and invokes Opposer’s name and mark VIRGIN.

17. Applicant’s designation VIRGIN GUITARS is nearly identical to Opposer’s VIRGIN trademarks and service marks.

18. Applicant’s goods are related to Opposer’s goods and services

which it currently markets and sells under its VIRGIN and VIRGIN MEGASTORE marks.

19. Applicant's designation VIRGIN GUITARS is nearly identical to Opposer's name and mark VIRGIN and Opposer's VIRGIN family of marks comprised of Opposer's name and mark VIRGIN combined with other elements, as to be likely, when applied to Applicant's goods, to cause confusion and mistake and to deceive, with consequent injury to Opposer, the trade and the public.

20. Opposer will be damaged by the registration sought herein by Applicant because such registration will support and assist Applicant in the confusing and misleading use of Applicant's designation sought to be registered, and will give color of exclusive statutory rights in Applicant in violation and derogation of the prior superior rights of Opposer.

COUNT II

21. Opposer repeats and realleges the allegations contained in paragraphs 1 through 20 above as if the same were set forth at length herein.

22. Opposer's VIRGIN family of marks are not only well-known, but also famous as defined in Section 43(c) of the federal Trademark Act, 15 U.S.C. §1125(c)(1).

23. Due to the numerous VIRGIN products and services available in the United States and throughout the world, the registration of Applicant's VIRGIN GUITARS designation is likely to injure Opposer's business reputation, and dilute the distinctive quality of Opposer's famous trade name and registered marks, as defined in Section 43(c) of the federal Trademark Act, 15 U.S.C. §1125(c).

24. Opposer will be damaged by the registration sought herein by Applicant because such registration will support and assist Applicant in the confusing and misleading use

of Applicant's designation VIRGIN GUITARS sought to be registered, and will give color of exclusive statutory rights in Applicant in violation and derogation of the prior superior rights of Opposer.

WHEREFORE, Opposer believes that it will be damaged by registration of Applicant's designation and prays that Application Serial No. 78/070,813 not be allowed.

Please recognize as attorneys for Opposer in this proceeding, James W. Dabney, Joyce M. Ferraro, and Elyse A. Marcus (members of the Bar of the State of New York), and the law firm of Pennie & Edmonds LLP, 1155 Avenue of the Americas, New York, New York 10036.

Please address all communications to Joyce M. Ferraro, Esq. at the above address.

Respectfully submitted,

Dated: December 13, 2002

By: Elyse A. Marcus
James W. Dabney
Joyce M. Ferraro
Elyse A. Marcus

PENNIE & EDMONDS LLP
1155 Avenue of the Americas
New York, New York 10036-2711
(212) 790-9090

Attorneys for Opposer
Virgin Enterprises Limited

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Re: Virgin Enterprises Limited v. Kay Guitar Company
In re Serial No. 78/070,813

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Enclosed please find the Notice of Opposition in connection with the above-captioned matter. Please deduct the appropriate amount from our Deposit Account No. 16-1150, to cover the filing fee and any other fees which may be due.

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Elyse A. Marcus
Elyse A. Marcus

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