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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

B&B Hardware, Inc. v. Sealtite Building Fasteners

Opposition No. 91155687 to application Serial No. 75129229 filed on July 12, 1996

Roger N. Behle of Foley Bezek Behle & Curtis, LLP for B&B Hardware, Inc.

Walter D. Ames and Trey Yarbrough on behalf of Sealtite Building Fasteners.

Before Quinn, Mermelstein, and Bergsman, Administrative Trademark Judges.

Opinion by Bergsman, Administrative Trademark Judge:

On July 12, 1996, Sealtite Building Fasteners filed a use-based trademark application for the mark SEALTITE, in standard character format (formerly known as a typed drawing)(Serial No. 75129229), for "self-piercing and selfdrilling metal screws for use in the manufacture of metal and post-frame buildings." Applicant claimed February 1992 as its date of first use anywhere and its date of first use in commerce. Applicant amended the application to seek registration under the provisions of Section 2(f) of the

Trademark Act of 1946, 15 U.S.C. §1052(f), based on applicant's substantially exclusive and continuous use of its mark in commerce since 1992.

B&B Hardware, Inc. opposed registration under Section 2(d) of the Trademark Act of 1946. Opposer asserted ownership of Registration No. 1797509 for the mark SEALTIGHT for "threaded or unthreaded metal fasteners and other related hardware; namely, self-sealing nuts, bolts, screws, rivets and washers, all having a captive o-ring for use in the aerospace industry."¹ Opposer alleged that applicant's mark SEALTITE, used in connection with "self-piercing and self-drilling metal screws for use in the manufacture of metal and post-frame buildings" so resembles opposer's mark SEALTIGHT as to be likely to cause confusion.

In its answer, applicant admitted that opposer made prior use of its mark SEALTIGHT, and that the marks at issue are phonetically identical. Applicant denied the remaining salient allegations in the notice of opposition.

The Record

By operation of the rules, the record includes the pleadings and the application file for applicant's mark. The record also includes the following evidence:

¹ Registration No. 1797509, issued October 12, 1993; Section 8 affidavit accepted; first renewal.

A. Opposer's evidence.

 Notice of reliance on a certified copy of Registration No. 1797509 showing the status and title of the registration;

Notice of reliance on the Board's June 13, 2003
 Order in Cancellation No. 92026016 pursuant to Trademark
 Rule 2.122(e);

3. Testimony deposition of Larry Joseph Bogatz, opposer's President, with attached exhibits;²

4. Testimony deposition of Bruce Crouch, Vice President of Hargis Industries, Inc., the parent corporation of applicant, with attached exhibits ("Crouch Testimony Dep. II");

5. The rebuttal testimony deposition of Larry Joseph Bogatz with attached exhibits; and,

6. The rebuttal testimony deposition of Bruce Buskirk, a professor of marketing at Pepperdine University.³

B. Applicant's evidence.

 Testimony deposition of Bruce Crouch with attached exhibits ("Crouch Testimony Dep. I"); and,

² Opposer filed the Bogatz deposition under seal. In a telephone conference with the Board on August 7, 2007, opposer agreed to remove the "confidential" designation.

³ Opposer filed the Buskirk deposition under seal. In a telephone conference with the Board on August 7, 2007, opposer agreed to remove the "confidential" designation.

Testimony deposition of Tom Hulsey, applicant's
 Director of Technical Services and Applications Engineering,
 with attached exhibits.

History of the conflict between the parties

This opposition is the third battle between the parties. The first was a civil action: B&B Hardware, Inc. v. Hargis Industries, Inc., dba Sealtite Building Fasteners (Civil Action No. L-R-C-98-372, E.D. Ark.).⁴ The second was a cancellation proceeding: Sealtite Building Fasteners v. Larry Joseph Bogatz, dba B&B Hardware and B&B Hardware, Inc (Cancellation No. 92026016).

A. The civil action.

On June 2, 1998, opposer filed a trademark infringement action against applicant based on opposer's pleaded registration (Registration No. 1797509). Applicant pleaded several defenses, including that opposer's mark SEALTIGHT was merely descriptive and had not acquired secondary meaning, but applicant did not file a counterclaim to cancel opposer's registration. On May 18, 2000, following a jury trial, the district court held that the SEALTIGHT trademark owned by opposer was merely descriptive and had not acquired

⁴ The precise nature of the legal relationship between Hargis Industries, Inc. and Sealtite Building Fasteners is not clear. However, there is agreement that Hargis Industries and Sealtite Building Fasteners are in privity.

secondary meaning, and dismissed the civil action with prejudice.⁵ The jury did not make any findings of fact on the trademark infringement issue. On June 11, 2001, the Court of Appeals for the Eighth Circuit affirmed the judgment of the trial court. Neither the district court, nor the appellate court, ordered the Commissioner to cancel opposer's registration for the mark SEALTIGHT.

B. The cancellation.

On March 5, 1997, applicant filed a petition to cancel (Cancellation No. 92026016) opposer's pleaded registration on the ground of abandonment. A claim of priority of use and likelihood of confusion was subsequently added. The cancellation proceeding was suspended pending the disposition of the civil action between the parties. After the entry of judgment in the civil action, applicant sought to amend its petition to cancel to include the ground that opposer's mark is merely descriptive and that it has not acquired distinctiveness. In its June 12, 2003 Order, the Board denied applicant's motion to amend the petition for cancellation because opposer's registration was more than five years old, and dismissed the petition for cancellation. The Board noted that applicant, in the civil action, did not pursue a counterclaim to cancel opposer's registration and

⁵ Bogatz Rebuttal Testimony Dep. II, Exhibit R.

that the district court did not order the registration cancelled.

- C. This opposition.
 - The pleadings and the evidence regarding Opposer's mark.

This opposition was filed on February 28, 2003. In its Amended Notice of Opposition, opposer alleged that its products "provide leakproof protection from liquids and gases,"⁶ and that all have "a captive o-ring,"⁷ and pleaded its registered mark for "threaded or unthreaded metal fasteners and other related hardware; namely, selfsealing nuts, bolts, screws, rivets and washers, all having a captive o-ring, for use in the aerospace industry."⁸ At trial and in its brief,⁹ opposer asserted that it sells a "full range of fasteners," without the limitations identified in the Amended Notice of Opposition (i.e., leakproof protection, captive o-ring, and use in the aerospace industry). At trial, applicant cross-examined opposer's witness regarding the nature of opposer's products, deposed its own witnesses to introduce testimony regarding the differences between the products of the parties, and, in its brief, addressed the issue of the

⁶ Paragraph No. 1 of the Amended Notice of Opposition.

⁷ Paragraph No. 3 of the Amended Notice of Opposition.

⁸ Paragraph No. 5 of the Amended Notice of Opposition.

⁹ Opposer's Brief, pp. 2 and 10 ("Opposer has broadened its market so that it sells a full range of fasteners. There is no limit to the application of Opposer's fasteners").

similarity or dissimilarity of the goods. Because applicant did not object and, in fact, participated in presenting testimony on this issue, we deem it to have been tried by consent. In view of thereof, we construe the Amended Notice of Opposition to be amended to conform to the evidence. Fed.R.Civ.P. 15(b).

2. Pretrial Issues.

In an order dated August 23, 2004, the Board denied applicant's motion for summary judgment based on the dismissal of opposer's civil action. The Board held that applicant was barred from bringing a counterclaim to cancel opposer's pleaded registration on the ground that the mark is merely descriptive because opposer's pleaded registration remains in effect despite the previous civil action and cancellation proceeding, and because the registration is more than five years old.¹⁰ The Board held that the civil

¹⁰ Under Section 14 of the Trademark Act of 1946, a registration that is more than five years old may not be canceled on the ground that it is merely descriptive. Where, as here, opposer's mark has been registered for five years, it is protected from cancellation except on the grounds stated in Sections 14(3) of the Trademark Act of 1946, 15 U.S.C. §§1064(3), such as, "if the registered mark becomes the generic name for the goods or services, . . . has been abandoned, . . . or its registration was obtained fraudulently." Otherwise, a mark that has been registered for more than five years cannot be challenged, for example, for mere descriptiveness, or on the basis that the mark lacks secondary meaning. See Park 'N Fly v. Dollar Park and Fly, Inc., 469 U.S. 189, 224 USPQ 327, 331-332 (1985); Sunrise Jewelry Manufacturing Corp. v. Fred S.A., 175 F.3d 1322, 50 USPQ2d 1532 (Fed. Cir. 1999).

action did not have preclusive effect. Claim preclusion does not apply because the transactional facts of a civil action for trademark infringement are not the same as those in an opposition that determine the right to register. *Treadwell's Drifters, Inv. v. Marshak,* 18 USPQ2d 1318, 1321 (TTAB 1990); American Hygienic Laboratories, Inc. v. Tiffany & Co., 228 USPQ 855, 857 (TTAB 1986). Issue preclusion does not apply because the district court made no findings of fact on the issue of likelihood of confusion (the cause of action at issue in this opposition). The only determination essential to the district court's judgment was the determination that opposer's mark was merely descriptive and that it had not acquired secondary meaning.¹¹

Despite the fact that opposer's mark has been found to be merely descriptive, opposer, as the owner of a registered trademark, is entitled to challenge the registration of applicant's mark on the ground of priority of use and likelihood of confusion. Section 2(d) of the Trademark Act of 1946, 15 U.S.C. §1052(d) (applicant's mark "so closely resembles a mark registered in the Patent and Trademark Office, . . . as to be likely to cause confusion, or to cause mistake, or to deceive"). Thus, we find ourselves in the unusual situation whereby opposer is precluded from

¹¹ See the discussion *infra* at pp. 14-16.

enjoining applicant from using its mark, but opposer may nevertheless prevent applicant from registering its mark.

In this regard, even if opposer's mark is a weak mark because it is merely descriptive, it is still entitled to protection against the registration of the same or similar mark for closely related goods or services. See Matsushita Electric Co. v. National Steel Co., 442 F.2d 1383, 170 USPQ 98, 99 (CCPA 1971) ("Even though a mark may be 'weak' in the sense of being a common word in common use as a trademark, it is entitled to be protected sufficiently to prevent confusion as to source from arising"); King-Kup Candies, Inc. v. King Candy Co., 288 F.2d 944, 129 USPQ 272, 273 (CCPA 1961) (although opposer's mark is as weak a mark as can be found, it is still entitled to protection).

Evidentiary and Procedural Issues

A. <u>Opposer's motion to strike applicant's notice of</u> reliance on third-party trademark registrations.

On July 17, 2006, opposer filed a motion to strike applicant's notice of reliance on third-party trademark registrations pursuant to Trademark Rule 2.122(e), 37 CFR §2.122(e). Opposer contends that the notice of reliance was not timely filed because, pursuant to the Board's January 12, 2006 Order, applicant's testimony period was scheduled

to close May 7, 2006, and the notice of reliance was filed on June 27, 2006. 12

Trademark Rule 2.122(e) reads as follows, so far as pertinent: "[0]fficial records . . . may be introduced in evidence by filing a notice of reliance on the material being offered . . . The notice of reliance shall be filed during the testimony period of the party that files the notice." If a notice of reliance is filed after the close of a party's testimony period, the adverse party may file a motion to strike the notice of reliance (and, thus, the evidence submitted thereunder) in its entirety, as untimely. TBMP §§532 and 707.02(b)(1)(2d ed. rev. 2004). See also Jean Patou Inc. v. Theon Inc., 18 USPQ2d 1072, 1075 (notice of reliance that was not timely filed will be given no consideration); May Department Stores Co. v. Prince, 200 USPQ 803, 805 n.1 (TTAB 1978) (a notice of reliance must be filed during a party's testimony period). Because the notice of reliance was filed after the close of applicant's testimony period, opposer's motion to strike is granted and applicant's notice of reliance will be given no consideration.

¹² Applicant did not file a brief in opposition to opposer's motion to strike applicant's notice of reliance.

B. The Bruce Buskirk deposition.

Opposer engaged Bruce Buskirk, a professor of marketing at Pepperdine University, to review and opine on the testimony by Bruce Crouch and Tom Hulsey.¹³ In an extended discussion between counsels during Dr. Buskirk's deposition, opposer refused to proffer Dr. Buskirk as an expert witness. Opposer explained that "I'm offering Dr. Buskirk in rebuttal to the marketing testimony given by both Mr. Crouch and Mr. Hulsey, and I will allow Dr. Buskirk's credentials and other experience to speak for itself."¹⁴ Because opposer did not proffer Dr. Buskirk as an expert witness, and opposer refused to do so when applicant explicitly inquired whether Dr. Buskirk was being proffered as a witness, we are not going to guess whether Dr. Buskirk is intended to be an expert witness or a fact witness. Because opposer did not proffer Dr. Buskirk as an expert witness in marketing, advertising, and trade channels, we will not consider his testimony to be expert testimony.

Even if we were to consider Dr. Buskirk an expert witness, his testimony did not include scientific, technical, or other specialized knowledge that we found helpful in understanding the evidence. Fed. R. Evid. 702.

¹³ Buskirk Dep., p. 11.

¹⁴ Buskirk Dep., p. 12.

C. Objections in the testimony depositions.

Both parties lodged numerous objections during the testimony depositions, but they did not reassert the objections in their briefs. Because the parties did not maintain the objections in their briefs, we consider them waived. See Hard Rock Café International (USA) Inc. v. Elsea, 56 USPQ2d 1504, 1507 n.5 (TTAB 2000) (objection to exhibit raised during deposition but not maintained in brief deemed waived); Reflange Inc. v. R-Con International, 17 USPQ2d 1125, 1126 n.4 (TTAB 1990) (objections to testimony and exhibits made during depositions deemed waived where neither party raised any objection to specific evidence in its brief).

The Parties

A. Opposer

Opposer has continuously sold SEALTIGHT self-sealing fasteners since February 1990.¹⁵ "A fastener is essentially a screw or a bolt or nut, primarily it holds something together. In the case of our [opposer's] products they can also be used to seal a hole, whether it's threaded or not."¹⁶ Opposer's fasteners are primarily used in sealing

¹⁵ Bogatz Testimony Dep., pp. 8, 9, and 29.

¹⁶ Bogatz Testimony Dep., p. 8.

applications, however, opposer asserts that its fasteners can be used for any application.¹⁷

B. Applicant

13.

Applicant has continuously sold SEALTITE fasteners since January 1992.¹⁸ It specializes in fasteners used in the field of pre-engineered steel buildings and wood-frame buildings: that is, the metal building construction industry.¹⁹

> A pre-engineered steel building is a building that a manufacturer actually designs and prefabricates on site. Generally, a pre-engineered steel building company has an engineering department that takes specifications from a customer. They design the structural members and then external members that would be required to fill that customer's needs.

Then, in their marketing facility, they build the primary, secondary structural members, and whatever the exterior is -- usually it's a metal panel - - cut those to size, ship those to the job site so it can be assembled on the job site.

A post-frame building is very similar, except it has - - its primary and secondary structural members are wood posts, and what you might know as twoby-fours, two-by-sixes, and so forth.

¹⁷ Bogatz Testimony Dep., pp. 8, 13, 53. 54, 80; Bogatz Rebuttal Testimony Dep. I, pp. 6, 55; Exhibit P. "They're used everywhere. There is no limit to the applications that our fasteners can be used." (Bogatz Testimony Dep., p. 52).
¹⁸ Crouch Testimony Dep. II, p. 13; Crouch Testimony Dep. I, p. 16.
¹⁹ Hulsey Testimony Dep., pp. 11-12; Crouch Testimony Dep. II, p.

Its internal structure - - the reason it's called post-frame is the internal primary structural members are posts, wooden posts.²⁰

Standing

Opposer has established its standing to bring this opposition by properly having made its pleaded registration of record, and having shown that it is not a mere intermeddler. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Lipton Industries*, *Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

Priority

Because opposer's pleaded registration has been made of record, Section 2(d) priority is not an issue in this case vis-à-vis opposer's registered mark and the products listed in the description of goods (*i.e.*, the mark SEALTIGHT for "threaded or unthreaded metal fasteners and other related hardware; namely, self-sealing nuts, bolts, screws, rivets and washers, all having a captive o-ring for use in the aerospace industry"). *King Candy Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974); Ultratan Suntanning Centers Inc. v. Ultra Tan International AB, 49 USPQ 1313, 1315 (TTAB 1998) ("[P]rior use need not be shown by an opposer relying on a registration of its pleaded

²⁰ Crouch Testimony Dep. II, p. 14.

mark for its pleaded goods or services unless the applicant counterclaims for cancellation").

However, because the Arkansas district court previously held that opposer's mark is merely descriptive and had not acquired distinctiveness before applicant began using its mark, opposer may not rely on its common law rights to use SEALTIGHT in connection with a "full range of fasteners." $^{\rm 21}$ As indicated previously, claim preclusion is not applicable because an infringement claim is not the same claim presented in this opposition. Issue preclusion, on the other hand, is applicable vis-à-vis the issue of whether opposer's mark SEALTIGHT is merely descriptive and, if so, whether it had acquired secondary meaning. Issue preclusion serves to preclude the relitigation, by the same parties or their privies, of issues actually litigated, and necessarily determined in a prior proceeding, whether or not the prior proceeding involved the same claim as this opposition. Mother's Restaurant Inc. v. Mama's Pizza, Inc., 723 F.2d 1566, 221 USPQ 394, 397 (Fed. Cir. 1983); Domino's Pizza Inc. v. Little Caesar Enterprises Inc., 7 USPQ2d 1359, 1364

²¹ "[W]here the mark relied upon by a plaintiff in support of its Section 2(d) claim of priority of use and likelihood of confusion has been found to be merely descriptive within the meaning of Section 2(e)(1), the plaintiff must establish priority of acquired distinctiveness (secondary meaning) in order to prevail on the Section 2(d) claim." Perma Ceram Enterprises Inc. v. Preco Industries Ltd., 23 USPQ2d 1134, 1137 (TTAB 1992). See also, Towers v. Advent Software Inc., 913 F.2d 942, 16 UPSQ2d 1039, 1041 (Fed. Cir. 1990).

(TTAB 1988). The issue of descriptiveness and acquired distinctiveness of opposer's SEALTIGHT mark was actually litigated and necessarily determined by the Arkansas district court in the prior proceeding with the determination being adverse to opposer. Under the doctrine of issue preclusion, opposer is barred by the decision in the civil action from asserting that SEALIGHT is inherently distinctive as applied to its goods or that the designation has acquired secondary meaning. Accordingly, our likelihood of confusion determination will be based on an analysis of opposer's registered trademark, and not on its common law rights.

Likelihood of Confusion

Our determination under Section 2(d) is based on an analysis of all of the facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973). The relevant *du Pont* factors are discussed below.

A. The fame of opposer's mark.

We turn first to the factor of fame, because this factor plays a dominant role in cases featuring a famous mark. *Kenner Parker Toys Inc. v. Rose Arts Industries, Inc.*, 963 F.2d 350, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992).

Opposer contends that its mark is famous, due to the longevity of its use.²²

Fame arises when a significant portion of the relevant consuming public (*i.e.*, purchasers of metal fasteners) recognizes the mark as a source indicator. Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772, 396 F.3d 1369, 73 USPQ2d 1689, 1694 (Fed. Cir. 2005). In determining whether a mark is famous, we may consider sales, advertising expenditures, and the length of time the mark has been used. Bose Corp. v. QSC Audio Products Inc., 293 F.3d 1367, 63 USPQ2d 1303, 1309 (Fed. Cir. 2002). This information, however, must be placed in context (e.g., a comparison of advertising figures with competitive products, market share, reputation of the product, etc.). Id. In view of the extreme deference that a famous mark is accorded, and the dominant role fame plays in the likelihood of confusion analysis, a plaintiff asserting that its mark is famous has a duty to clearly prove fame. Blue Man Productions Inc. v. Tarmann, 75 USPQ2d 1811, 1819 (TTAB 2005). In the case sub judice, opposer failed to introduce any evidence regarding the extent of consumer recognition for opposer's mark, and therefore we find that opposer's mark is not a famous mark.

²² Opposer's Brief, p. 12.

B. The similarity or dissimilarity of the marks.

We now turn to the *du Pont* factor focusing on the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation, and commercial impression. *In re E. I. du Pont De Nemours & Co., supra.* Opposer's mark is SEALTIGHT, and applicant's mark is SEALTITE. Applicant has admitted that the marks are phonetically equivalent.²³

While not visually identical, the marks are substantially similar because they are both comprised of a compound word beginning with "seal" and followed by the letters "ti," as the first two letters of the phonetically equivalent "tight" and "tite."

The meaning and commercial impression of the marks SEALTIGHT and SEALTITE when used in connection with metal fasteners are the same: to fasten securely.²⁴

In view of the foregoing the similarity of the marks is a factor that favors finding that there is a likelihood of confusion.

²³ Answer \P 8.

²⁴ "Seal" means "to fasten or close tightly by or as if by a seal," and "tight" means "firmly or closely fixed in place; not easily moved; secure." *Dictionary.com Unabridged* (v 1.1) based on the <u>Random House Unabridged Dictionary</u> (2006). The Board may take judicial notice of dictionary definitions. *B.V.D. Licensing Corp. v. Body Action Design, Inc.*, 846 F.2d 727, 6 USPQ2d 1719, 1721 (Fed. Cir. 1988).

C. Similarity or dissimilarity and nature of the goods.

Both parties use their marks to identify fasteners.²⁵ Opposer's fasteners are primarily used in sealing applications.²⁶ They are sophisticated fasteners with tight tolerances and high-quality materials for use in connection with sealing internal and external pressure. Applicant's products, on the other hand, are "the next step up from a nail." They are not made for sealing or pressure applications.²⁷ Applicant's fasteners are used to hold metal panels onto steel or wood framing. They are used in the metal building industry.²⁸

Both opposer's and applicant's companies are listed on the Yahoo! Small Business Directory under the heading "Industrial Supplies > Fasteners."²⁹ The listings are displayed as follows:

> Sealtight Fastener Offers fasteners including selfsealing, seal screws, sealing washers, and threaded fasteners. www.sealtightfastner.com

²⁵ Crouch Testimony Dep. I, p. 55.

²⁶ Bogatz Testimony Dep., pp. 8, 13, 53. 54, 80; Bogatz Rebuttal Testimony Dep. I, pp. 6, 55; Exhibit P; Bogatz Rebuttal Testimony Dep. II, Exhibit T; Hulsey Testimony Dep., Exhibits D and O. ²⁷ Crough Testimony Dep. II, pp. 25-26

²⁷ Crouch Testimony Dep. II, pp. 25-26. ²⁸ Hulsey Testimony Dep. pp. 19 35. Cr

²⁸ Hulsey Testimony Dep., pp. 19, 35; Crouch Testimony Dep. I., pp. 50-52. Mr. Crouch was unaware of any application outside of the metal building industry for which applicant's products would be used. (Crouch Testimony Dep. I, pp. 52-53).

²⁹ Bogatz Rebuttal Testimony Dep. I, Exhibit 20. A similar display appears in the Kelleysearch online directory under the heading "Rivet Products." (Bogatz Testimony Deposition, Exhibit 11). Finally, both parties are listed (not consecutively) in the Fasteners Web website, a listing of fastener companies. (Bogatz Rebuttal Testimony Dep. I, Exhibit 21).

Sealtite Building Fasteners Manufacturers and distributors of residential and metal building fasteners. www.sealtite.com

Opposer contends that the products of the parties compete because "our products can be used in a flight hanger or they can be used in a wind tunnel or whatever. Hargus' (sic) products can be used in the same applications so it puts us in a competitive situation with Hargus (sic) Industries."³⁰ Opposer will sell nonsealing fasteners to customers who request such fasteners,³¹ but it does not advertise or promote nonsealing fasteners because its specialty is sealing fasteners.³² While opposer testified that its fasteners have been used in sheet metal applications and to construct buildings, its witness did not

³⁰ Bogatz Testimony Dep., pp. 49, 50

³¹ Bogatz Rebuttal Testimony Dep. II, p. 21. Mr. Bogatz testified that opposer has some customers who purchase fasteners without o-rings. O-rings are used for the sealing application. (Bogatz Testimony Dep., pp. 8, 54).

Bogatz Rebuttal Testimony Dep., II, p. 22. Opposer's advertising and promotional materials display the legend ". . . the perfect sealing solution!" (Bogatz Testimony Dep., Exhibits 3-8 and B; Bogatz Rebuttal Testimony Dep. II, Exhibit T). Also, Opposer's printed catalog and website clearly indicate that opposer specializes in providing fasteners used in sealing applications. (Bogatz Rebuttal Testimony Dep. II, Exhibit T; Hulsey Testimony Dep., Exhibits D and O). Opposer admitted that, unlike applicant's products, none of the fasteners listed in its print catalog are self-drilling or self-tapping fasteners. (Boqatz Rebuttal Testimony Dep. II, pp. 52-56). However, applicant claimed that all of its fasteners could be made with selftapping threads. (Bogatz Rebuttal Testimony Dep. II, pp. 54, 87-88. See also Bogatz Rebuttal Testimony Dep. II, Exhibit T, p. 27).

know the specific application,³³ and he could not identify any customers that used its fasteners for metal building construction.³⁴

Applicant does not manufacture or sell sealing fasteners.³⁵ "[N]ot all fasteners will seal. There has to be some means of making it seal."³⁶ Applicant's products are self-drilling fasteners. Self-drilling fasteners drill their own pilot holes in the material into which they are being installed and then the threads on the fastener cut into the material to form mating threads to secure the fastener.³⁷

According to applicant's witness, the differences in the products are reflected in their price: the average price for opposer's fasteners is at least ten times the average price of applicant's products.³⁸ Applicant contends that its fasteners may cost 2 cents a piece while opposer's fasteners may cost 20 - 25 cents a piece.³⁹

³³ Bogatz Testimony Dep., pp. 15-16, 53. On cross-examination, Mr. Bogatz testified that an unidentified person working for Fastenal reported that perhaps General Dynamics wanted to use opposer's fasteners "for an airplane hangar" at an unidentified location. (Bogatz Testimony Dep., pp. 57-61).
³⁴ Bogatz Rebuttal Testimony Dep. II, pp. 47-48.
³⁵ Hulsey Testimony Dep., pp. 16-17.
³⁶ Bogatz Testimony Dep., p. 80.
³⁷ Hulsey Testimony Dep. I, pp. 49-50.
³⁸ Crouch Testimony Dep. II, pp. 26, 29; Exhibit E. Mr. Bogatz's testimony regarding opposer's pricing policy was very guarded.
Mr. Bogatz explained that opposer does not have a set price list. It prices its fasteners per order based on the product and quantity. (Bogatz Rebuttal Testimony Dep. II, pp. 51-72).

³⁹ Crouch Testimony Dep. II, p. 30.

Applicant further argues that sales of fasteners in the metal building construction industry are price sensitive, and that a half-cent price differential can be the difference between making and losing a sale.⁴⁰ Accordingly, a customer for a fastener for use in the metal building construction industry would never consider purchasing a fastener at 20 - 25 cents a piece.⁴¹

With respect to the similarity or dissimilarity or nature of the goods, it is not necessary that applicant's products and opposer products be similar or competitive, or even that they move in the same channels of trade, to support a holding of likelihood of confusion. It is sufficient that respective goods of the parties would or could be encountered by the same persons under circumstances that could, because of the similarity of the marks, give rise to the mistaken belief that they originate from the same producer. See In re International Telephone & Telegraph Corp., 197 USPQ 910, 911 (TTAB 1978). The issue is not whether purchasers would confuse the goods but rather whether there is a likelihood of confusion as to the source of the goods. In re Rexel Inc., 223 USPQ 830, 831 (TTAB 1984).

⁴⁰ Crouch Testimony Dep. II. p. 30.

⁴¹ Crouch Testimony Dep. II. p. 30.

²²

In analyzing the similarity or dissimilarity and nature of the goods, it is important to note that the greater degree of similarity in the marks, the lesser degree of similarity is required of the products on which they are being used in order to support a holding of likelihood of confusion. "If the marks are the same or almost so, it is only necessary that there be a viable relationship between the goods and services in order to support a holding of likelihood of confusion." In re Concordia International Forwarding Corp., 222 USPQ 355, 356 (TTAB 1983). See also, In re Engine Supply, Inc., 225 UPSQ 216, 217 (TTAB 1985) ("where the goods or services are sold under identical marks, the degree of similarity in the goods or services of the parties need not be as great as would be required in situations where there are arguable differences between the marks") (Emphasis added).

The fastener industry is not monolithic. There are separate and distinct market segments. However, the fact that the products at issue are fasteners is sufficient to establish that the products are intrinsically related, *albeit* for different purposes. Consumers encountering different fasteners under the substantially similar marks in the case *sub judice* may believe that the products are related. This *du Pont* factor, therefore, favors finding that there is a likelihood of confusion.

D. <u>Similarity or dissimilarity of likely-to-continue</u> channels of trade.

Opposer explained that it does not know where most of its fasteners go (or how they are used) because ninety percent (90%) of its fasteners are sold through distributors.⁴² The distributors that sell opposer's fasteners sell a full range of fasteners.⁴³ In fact, both parties sell to Fastenal, a distributor of fasteners.⁴⁴

Opposer also sells to OEMs, especially when the sale involves higher volumes.⁴⁵ Both distributors and direct customers will contact opposer with a specific sealing requirement and request engineering information for meeting that application.⁴⁶

Applicant sells its products to the following customers:

- 1. Manufacturers of pre-engineered steel buildings;
- Component manufacturers of pre-engineered steel buildings;
- 3. Fastener distributors; and,

⁴² Bogatz Testimony Dep., pp. 9, 13-14, 16, 29, 57 . In his rebuttal testimony deposition, Mr. Bogatz testified that 80% of opposer's sales were to distributors. (Bogatz Rebuttal Testimony Dep. I., p. 86; Bogatz Rebuttal Testimony Dep., II, p. 36). Applicant was also unable to determine the ultimate use to which its products are put once they are sold. However, applicant emphasized that it designs and markets its products for their best possible use (*i.e.*, in the metal building construction industry). (Crouch Testimony Dep. I, pp. 60-61). ⁴³ Bogatz Rebuttal Testimony Dep. I, p. 54.

⁴⁵ Bogatz Testimony Dep., pp. 14, 31.

⁴⁶ Bogatz Testimony Dep., p. 31.

4. End-users.⁴⁷

Most of opposer's advertising is done through the Internet (e.g., in opposer's website and online advertisements in fastener magazines and engineering magazines).⁴⁸ In addition, opposer advertises in print magazines such as *Link Magazine*, Department of Defense magazines, and *G.S.A. Magazine*.⁴⁹ Applicant advertises in trade publications in the metal building industry (e.g., *Metal Construction News, Metal Architecture*, and *Rural Builders*).⁵⁰

Opposer also attends trade shows, such as the National Design and Engineering Show.⁵¹ On the other hand, applicant participates in metal building trade shows, including metal roofing shows and mini-warehouse shows (e.g., National Frame Builders Association, Metalcon).⁵²

Opposer does not advertise or promote the sale of its fasteners to the building construction industry.⁵³ Applicant does not advertise or promote its fasteners in the

⁴⁷ Hulsey Testimony Dep., p. 29; Crouch Testimony Dep. II, p. 15. With respect to sales to end users, Mr. Crouch explained that applicant sells to retailers who sell to do-it-yourself persons. (Crouch Testimony Dep. I, p. 20). ⁴⁸ Bogatz Testimony Dep., p. 31. 49 Bogatz Testimony Dep., p. 32. Crouch Testimony Dep. I, p. 32. 50 51 Bogatz Testimony Dep., p. 32. 52 Crouch Testimony Dep. I, p. 33. Mini-warehouse shows encompass companies that build small metal warehouse systems. (Crouch Testimony Dep. I, p. 34). ⁵³ Bogatz Testimony Dep., Exhibit B; Bogatz Rebuttal Testimony Dep. I, pp. 80-82..

same market segments as opposer (*i.e.*, aerospace, defense, medical, measurement, marine, heavy equipment, fluid power and commercial).⁵⁴

Applicant testified that it has never competed with opposer for a sale.⁵⁵ Opposer is unaware of any instances where its products have been used to construct a metal building or that opposer has lost a sale to applicant.⁵⁶

As noted above, the fastener industry is not monolithic. It is composed of separate and distinct market segments. Opposer and applicant sell their fasteners for different applications in different industries. While both parties sell their products through distributors, the evidence shows that only one distributor, Fastenal, carries both products. Accordingly, we find that the products of the parties move in different channels of trade. This *du Pont* factor weighs against finding that there is a likelihood of confusion.

E. Degree of consumer care.

Opposer testified that its customers are not especially sophisticated or knowledgeable regarding fasteners.⁵⁷

Q. B&B customers are normally sophisticated and very knowledgeable customers; is that correct?

⁵⁴ Crouch Testimony Dep. II, pp. 24-25; Exhibits D and O.

⁵⁵ Crouch Testimony Dep. II, p. 31.

⁵⁶ Bogatz Testimony Dep., pp. 92-95; Bogatz Rebuttal Testimony Dep. I, pp. 86-88; Bogatz Rebuttal Testimony Dep. II, pp. 37, 47-48.

⁵⁷ Bogatz Rebuttal Testimony Dep. II, pp. 36-41, 72-75.

* *

A. No, that's not correct. Many of the people that we deal with are purchasing agents or distributors who are just looking for a product that a customer requests.

The customer - - about 80% of what we do is through distribution, and even with the larger companies, say for example, aerospace companies, that are buying products, they buy a whole range of fasteners. The same person buys a whole range of fasteners. The same person buys all the fasteners that that company will buy, so if you have one of those purchasers, they buy fasteners for the shed out back, they buy fasteners for maintenance, they buy fasteners for missiles. They buy it all.

* * *

Q. You have customers, so you claim in your literature, such as the government, who buys fasteners for the Mars rover and the space shuttle and the missile systems and aircraft, laser and radiation systems.

These would be very sophisticated, knowledgeable customers, would they not?

* * *

A. Well, from a business perspective, and people do this on an individual basis, they focus on what they consider to be their greater areas. Certainly, it's a - - we take pride in the fact that we have fasteners on the Mars rovers. Is that the only place that our fasteners are used? Certainly not. They're used in a broad range of applications.

Q. Would those be, in your mind, sophisticated customers, knowledgeable customers, about the products they're having to purchase? * * *

A. Absolutely not. I mean, some of them are sophisticated, but it's on an individual basis.

Q. You advertise that you have had customers such as NASA, Boeing, Raytheon, Honeywell, and Medtronic. Would you consider those as someone - as a businessman, individuals or entities that have representatives who would be sophisticated and knowledgeable in terms of the products they're buying?

* * *

A. Well certainly the company is sophisticated, but the actual fastener purchaser is not sophisticated. They're just buying a product based upon what an engineer specifies for them.⁵⁸

Despite opposer's testimony, it seems implausible that someone using fasteners in high tech applications, such as the aerospace, fluid power, or marine industries (such as NASA, Boeing, and Raytheon), where preventing liquid or gas leaks is essential, would not exercise a high degree of care in his or her purchasing decision. It seems equally implausible that persons who specialize in purchasing fasteners would have little knowledge regarding the fasteners specifications or the different sources for purchasing different types of fasteners.

On the other hand, the fact that each of the parties deals with persons who may be sophisticated about fastener

⁵⁸ Bogatz Rebuttal Testimony Dep. II, pp. 36-39.

technology does not provide assurance that they are dealing with persons who are so sophisticated and knowledgeable about trade identifications, or have such good memories for minute differences in marks, that they could differentiate between the respective terms at issue in this case or appreciate that their similarity does not imply some kind of business relationship or affiliation. *Medtronic, Inc. v. Medical Devices, Inc.,* 204 USPQ 317, 326 (TTAB 1979); *Hydrotechnic Corporation v. Hydrotech International, Inc.,* 196 UPSQ 387, 392-393 (TTAB 1977).

In the case *sub judice*, the evidence regarding the degree of care to which ultimate consumers of the parties' products consider the trademarks and source of the fasteners was simply not developed in sufficient detail to permit us to draw any conclusions regarding the degree of consumer care. Accordingly, this *du Pont* factor is neutral.

F. Instances of confusion.

Opposer asserts that there are many instances where companies call opposer requesting products sold by applicant such as deck screws and inquiring whether opposer was Hargis Industries or associated with Sealtite.⁵⁹ Mr. Bogatz testified that there has been a tremendous increase in such inquiries.⁶⁰

⁵⁹ Bogatz Testimony Dep., pp. 38-39.

⁶⁰ Bogatz Testimony Dep., pp. 39-40.

Mr. Bogatz explained how he is able to identify the misdirected telephone calls:

What happens is when a customer calls or a company calls we will pull out a quote sheet and on the quote sheet we will write down the information that the customer gives us, and sometimes we have companies who call and say are you Sealtight. We say yes, we are. And they go oh, good, I'm looking for a hex washer head with a neoprene washer on it, and then I say well, you must have the wrong Sealtight because the products that we sell have normally an O ring or are sold without an O ring but the sealing member we use is not a (sic) actual neoprene washer and it's not a hex washer head usually. Usually that's buzz words for a product that would be used by Hargus (sic) Industries and so we will - - we'll say - - at that point I will stop them and say you must not be talking about our Sealtight, you must be talking about Hargus (sic) Industries in Tyler, Texas, and I will refer them to them.⁶¹

Applicant challenges the credibility of opposer's testimony that customers inquire whether opposer is related to Hargis Industries because Hargis Industries is an internal, administrative entity, and it is not advertised or promoted. There is no reason for any of applicant's customers to know of Hargis Industries because applicant does not use that name.⁶²

However, it is not unusual for Fastenal, or other customers, to call applicant seeking a product that

⁶¹ Bogatz Testimony Dep., p. 41. See also, pp. 51-52.

⁶² Crouch Testimony Dep. II, p. 37/

applicant does not sell. In fact, applicant admits that "on occasion we will have a customer call and identify a B&B product that they want to purchase." In those instances where the caller is requesting a sealing fastener, applicant immediately knows that it does not carry such products and will refer the caller to opposer, if applicant recognizes the product as one opposer sells.⁶³ Subsequent testimony provides that only representatives from Fastenal have called applicant inquiring about opposer's fasteners.⁶⁴

We do not find Mr. Bogatz's testimony very compelling. After almost ten years,⁶⁵ a civil action, and a cancellation proceeding, opposer produced no telephone memoranda documenting the misdirected telephone inquiries, and it did not identify any customers who were allegedly confused. In addition, the testimony regarding the purported inquiries to Hargis Industries makes the testimony of Mr. Bogatz appear tailored for this litigation, rather than genuine. On the other hand, applicant admitted that it has received misdirected telephone calls from Fastenal, a distributor

⁶³ Crouch Testimony Dep. II, pp. 39-41; Crouch Testimony Dep. I, pp. 55, 59, 72-73. Interestingly, opposer's counsel inquired of applicant whether any record of the inquiries were made, but opposer itself apparently never maintained such records as evidenced by the fact that no such records were introduced into evidence. (Crouch Testimony Dep. I, p. 56).

⁶⁴ Crouch Testimony Dep. I, p. 73.

⁶⁵ Applicant first learned about opposer in 1997 or 1998 when opposer sent applicant a cease and desist letter. (Crouch Testimony Dep. I, pp. 53-54).

that sells both parties' fasteners, regarding products manufactured and sold by opposer. On balance, we find that although the evidence regarding instances of actual confusion is not especially compelling, it does lend support to finding that consumers are likely to believe that the use of similar marks (SEALTIGHT and SEALTITE) in connection with different types of fasteners signify origin from a single source.

G. Balancing the factors.

In the case *sub judice*, the most critical factors in our likelihood of confusion analysis are the similarities of the marks and the similarity of the goods. The marks are substantially identical and they are used on closely related products. Although the specific fasteners of the parties are different and they are marketed to different industries, the anecdotal evidence of actual confusion lends support to our finding that when the fasteners of the parties are marketed under similar marks, consumers will mistakenly believe that they emanate from the same source.

In view thereof, we find that applicant's mark SEALTITE used in connection with "self-piercing and self-drilling metal screws for use in the manufacture of metal and postframe buildings" so resembles opposer's mark SEALTIGHT used in connection with fasteners that provide leakproof protection from liquids and gases, fasteners that have a

captive o-ring, and "threaded or unthreaded metal fasteners and other related hardware; namely, self-sealing nuts, bolts, screws, rivets and washers, all having a captive oring, for use in the aerospace industry" as to be likely to cause confusion.

To the extent that any doubts might exist as to the correctness of our likelihood of confusion analysis, especially considering the prior determination that opposer's mark is merely descriptive and has not acquired secondary meaning, we resolve such doubts against applicant. See Ava Enterprises Inc. v. Audio Boss USA Inc., 77 USPQ2d 1783, 1787 (TTAB 2006); Baseball America Inc. v. Powerplay Sports Ltd., 71 USPQ2d 1844, 1849 (TTAB 2004).

Decision: The opposition is sustained and registration to applicant is refused.