Mailed: February 12, 2010

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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Parametric Technology Corporation
v.
PLMIC, LLC

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Opposition No. 91174641
to application Serial No. 78835516
filed on March 13, 2006

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PLMIC, LLC
v.
Parametric Technology Corporation

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Opposition No. 91177168
to application Serial No. 76662967
filed July 13, 2006

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Thomas V. Smurzynski of Lahive & Cockfield LLP for Parametric Technology Corporation.

Edward A. Haffer of Sheehan Phinney Bass & Green P.A. for PLMIC LLC.

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Before Holtzman, Kuhlke and Taylor, Administrative Trademark Judges.

Opinion by Taylor, Administrative Trademark Judge:

In Opposition No. 91174641 of these consolidated proceedings, Parametric Technology Corporation (hereinafter PTC)

has opposed the application of PLMIC, LLC (hereinafter PLMIC) for the mark FLEXPLM[1], in standard characters, for "Cooperative advertising and marketing of products and services by way of solicitation, customer service and providing marketing information via websites on a global computer network."[2] Preliminarily, we note that the Board, on January 30, 2009, granted PTC's motion to amend its notice of opposition "to conform to evidence," in view of PLMIC's tacit assent to the motion as demonstrated by its filing of an answer to the amended notice of opposition. By the amended notice of opposition, PTC adds the following allegations to the notice of opposition:

> 8. Applicant, PLMIC, LLC, through its predecessor-in-title, filed application Serial No. 78/835,516 on March 13, 2006, on the basis of use, claiming that the mark was first used on July 13, 2003 and first used in interstate commerce on July 20, 2004.
>
> 9. In fact, the mark was first put into use in commerce after the filing date of the application. The dates of first use and first use in commerce set out in the filed application were false.

We find these additional allegations sufficient to raise a claim of nonuse, i.e., that the application is void because although based on use in commerce, the mark was not "put into use" in commerce until after the filing date of the application.

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[1] Both PTC and PLMIC have referred to their respective marks interchangeably as FLEXPLM and FlexPLM. Except where quoted, we have referred to each party's mark as FLEXPLM.

[2] Application Serial No. 78835516 filed March 13, 2006 and asserting July 13, 2003 as the date of first use of the mark anywhere and July 20, 2004 as the date of first use of the mark in commerce.

However, based on the arguments set forth in the motion and the parties' briefs on the case, we revisit the motion for the purpose of clarifying the issues before us in Opposition No. 91174641. In its motion and briefs on the case, PTC argues that PLMIC's application is invalid because the dates of use set forth in the application are "false and fraudulent." PTC further argues, in its initial brief as plaintiff in Opposition No. 91174641, that "the application [Serial No. 78835516] should be held invalid as a use-based application filed before use had begun [and, i]f necessary[,] the application should be held invalid on the basis of fraud." (PTC's br. p. 9). In response, PLMIC argues that PTC's allegation of fraud is invalid because PLMIC's predecessor-in-interest

> made no "knowing" misstatement of fact. He filed as a layman without any legal assistance. His mistake was not a mistake of fact; it was a mistake of law – namely, what constituted trademark usage. Nor was his mistake "material." Although the dates he cited were incorrect, his actual first use date – at least as early as March 31, 2005 … preceded by roughly one year his filing date of March 13, 2006.
> (PLMIC's initial br. p. 12).

To the extent that the parties are arguing a fraud claim, we point out that the amended notice of opposition fails to state a valid claim of fraud inasmuch as such a claim was not set forth with particularity, in that the pleading does not allege the PLMIC acted with an intent to deceive the United States Patent and Trademark Office (USPTO), or that a known representation of a material matter was made to the USPTO to procure a registration.

See Fed. R. Civ. P. 9(b); and In re Bose Corp., 580 F.3d 1240, 91 USPQ2d 1938 (Fed. Cir. 2009) (Intent is a required element for a claim of fraud.).

Furthermore, there is no evidence of record concerning PLMIC's intent with regard to the dates of use set forth in the application and, therefore, there is insufficient evidence to meet the elements of a fraud claim. Thus, we do not find that the issue of fraud was tried by the implied consent of the parties.[3] Accordingly, to the extent that PTC's motion to amend the notice of opposition to conform to the evidence sought to add a claim of fraud, the motion is denied.

Thus, we turn to PTC's pleaded claims of priority and likelihood of confusion and nonuse of the mark as of the filing date of PLMIC's application. In the amended notice of opposition, PTC has alleged that since before any use by applicant of its mark, it has continuously used the mark FLEXPLM in the field of computer software for product lifestyle management and the automation of design information; the establishment and control of workflows, shared workspaces and production processes in the nature of product design and

[3] We add that even if we were to address PTC's claim of fraud as argued, it most likely would be dismissed inasmuch as a misunderstanding of what constitutes use in commerce is not necessarily fraud. *See* In re Bose, *supra*. See also Smith Int'l, Inc. v. Olin Corp., 209 USPQ 1033, 1043 TTAB 1981)("If it can be shown that the statement was a 'false misrepresentation' occasioned by an 'honest' misunderstanding, inadvertence, negligent omission or the like rather than one made with a willful intent to deceive, fraud will not be found." (citations omitted)).

creation; product configuration and data management; collaboration and process control; the visualization and digital mockup of designs, and use in software configuration and development, along with user guides sold with such software as a unit; and technical support services, namely, troubleshooting of computer software problems via telephone; updating of computer software; maintenance of computer software, namely, error correction services for computer software; consultation and software implementation services; and product development for others; that it is the owner of Application Serial No. 76662967, filed July 13, 2006, for the mark FLEXPLM for the goods and services noted above; that the services recited in PLMIC's application Serial No. 78835516 are similar to the goods and services offered by PTC under its trademark FLEXPLM; and that applicant's FLEXPLM mark, when used in connection with the services recited in the application, will so resemble PTC's FLEXPLM mark as to cause confusion, or to cause mistake, or to deceive.

As noted earlier in this decision, PTC also has alleged that PLMIC, through it predecessor-in-title, filed application Serial No. 78835516 on March 13, 2006, on the basis of use, claiming that the mark was first used on July 13, 2003 and first used in interstate commerce on July 20, 2004, but that the mark, in fact, was first put into use after the filing date of the application;

and that the dates of first use and first use of the mark in commerce set out in the application were false.

In response to the allegation that "[t]he services recited in application Serial No. 78/835,516, are similar to the goods and services offered by Opposer under its trademark FLEXPLM," PLMIC, in its answer, has admitted "[m]ost, if not all, of the particular subject matter described by Opposer [PTC] for its Class 9 uses and its Class 42 uses is subject matter with respect to which Applicant (or its predecessor in interest, Mr. Silvestri) has used the mark FLEXPLM…" PLMIC otherwise has denied the salient allegations of the amended notice of opposition.[4]

In Opposition No. 91177168 PLMIC, in turn, has opposed the application of PTC to register the mark FLEXPLM, in standard characters, for "computer software for -- product lifestyle management and the automation of design information; the establishment and control of workflows, shared workspaces and production processes in the nature of product design and creation; product configuration and data management, collaboration and process control; the visualization and digital mockup of designs, and use in software configuration and development, along with user guides sold with such software as a unit" in International Class 9; and "technical support services,

[4] PLMIC also requested relief in the form of attorney's fees. PLMIC is advised, however, that the Board is without authority to award attorney's fees. See Trademark Rule 2.127(f).

namely, troubleshooting of computer problems via telephone; updating of computer software; maintenance of computer software, namely, error correction services for computer software, software implementation services and consultation rendered in connection therewith, and product development for others" in International Class 42.[5] PLMIC, in its amended notice of opposition, alleges that it is seeking registration of FLEXPLM at the USPTO for use in connection with "cooperative advertising and marketing of products and services by way of solicitation, customer service and providing marketing information via websites on a global computer network (Amended opp. ¶3); that its predecessor-in-interest, Mr. Silvestri, first used FLEXPLM at least as early as March 31, 2005 in connection with the above listed services (Amended opp. ¶4); that PTC's mark FLEXPLM is identical in sound and appearance to PLMIC's mark FLEXPLM (Amended opp. ¶8); that "[m]ost, if not all, of the particular subject matter described by Applicant [PTC] for its Class 9 uses and its Class 42 uses is subject matter with respect to which Opposer [PLMIC] (or its predecessor in interest, Mr. Silvestri) has used the mark FLEXPLM, with Mr. Silvestri having done so since at least as early as March 31, 2005" (Amended opp. ¶9.2); and that "Applicant's [PTC] use of FLEXPLM so resembles Opposer's [PLMIC] use of FLEXPLM as to make it likely to cause confusion or mistake

[5] Application Serial No. 76662967, filed July 13, 2006, and alleging December 2005 as the date of first use of the mark anywhere and in commerce.

or to deceive as to the affiliation, connection, or association of Applicant [PTC] with Opposer [PLMIC], or as to origin, sponsorship, or approval of services, goods, or commercial activities." (Amended opp. ¶10).

PTC, in its answer to the amended notice of opposition, admits:

a. it first used its FLEXPLM mark in May 2005 (Amended opp. ¶7, Answer ¶7);

b. its mark FLEXPLM is identical in sound and appearance to PLMIC's mark FLEXPLM (Amended opp. ¶8, Answer ¶8);

c. its use of the mark FLEXPLM is similar to PLMIC's use of the mark FLEXPLM (Amended opp. ¶9, Answer ¶9); and

d. it is opposing PLMIC's application for registration of FLEXPLM, Opposition No. 91174641, and is asserting in its opposition at paragraph 4 that the services of PLMIC are similar to PTC's goods and services (Amended opp. ¶9.1, Answer ¶9.1).

PTC has otherwise denied the essential allegations of the amended notice of opposition.

THE RECORD

The record consists of the pleadings and the files of application Serial Nos. 78835516 (the subject of Opposition No. 91174641) and 76662967 (the subject of Opposition No. 91177168). In addition, PTC submitted the testimony deposition, with Exhibits 1-11, of Sumant Mauskar, PTC's senior vice-president, Global Services; and PLMIC submitted the testimony deposition, with Exhibits 1-7[6], of Jason Silvestri, PLMIC's sole member,

[6] Exhibit Nos. 5-7, including PLMIC's responses to PTC's first set of interrogatories (Ex. 6) and first request for production

owner and head of operations, and the testimony deposition, with Exhibit No. 8, of Graeme Noseworthy, senior marketing manager of Monster Worldwide, former marketing programs manager of AimNet Solutions, and brother-in-law of Jason Silvestri, PLMIC's owner and head of operations.

Both PTC and PLMIC filed briefs and reply briefs.

FINDINGS OF FACT

PTC

In support of its claim of priority, PTC took the testimony of its senior vice-president, Global Services, Sumant Mauskar. According to Mr. Mauskar, PTC has been in business for about 20 years. (Mauskar test. p. 8). PTC produces software, including software to help companies who develop products, design and manage the information related to those products, and provides services for implementing that software for Product Lifecycle Management ("PLM"). (Mauskar test. p. 7). Mr. Mauskar testified that FLEXPLM, one of PTC's products, "is built for managing information created during the design of apparel and footwear for companies in that space, including retailers like J.C. Penney which have their own private branch." (Mausker test. pp. 8-9). The services associated with the FLEXPLM mark are services to implement the software and to configure the standard software for

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of documents (Ex. 7) were made of record by PTC during cross examination. As noted above, exhibit 5, consisting of the application for registration filed in Serial No. 78835516, is of record by rule. As such, its submission during the testimony period was duplicative.

the unique needs of the customer, as well as providing support and/or training. (Mausker test. p. 9). The term FLEXPLM was first used to describe PTC's software and related services as described above in a Statement of Work (SOW) contract executed on May 26, 2005. (Mausker test. p. 13, exhs. 1 and 2). Mr. Mausker specifically testified that:

> Q. This one [Exhibit 2] I will ask you to identify.
>
> A. Sure. That's a Statement of Work that we executed with Timberland for implementing FlexPLM.
>
> Q. It looks from Page 1 that you are described as the author.
>
> A. Correct.
>
> Q. What does that mean? That you authored this Statement of Work?
>
> A. I authored this Statement of Work.
>
> Q. What does this Statement of Work do?
>
> A. The Statement of Work basically outlines what work we are going to be performing for this client.
>
> Q. Did you provide this work that is described in this statement to the client?
>
> A. Yes, we did.
>
> Q. Does this Statement of Work describe what that work was?
>
> A. Yes.[7]

[7] The Statement of Work was submitted as "Confidential Attorney's Eyes Only." Accordingly, we will disclose only the specifics that were discussed in Mr. Mausker's non-confidential testimony. Suffice it to say that the work described in the

> ***
> Q. What is the date of this Statement of Work?
>
> A. The execution date is 26th of May.
>
> Q. What year?
>
> A. 2005.
>
> ***
> Q. Is this the first use of the term "FlexPLM" by PTC to describe this software and these services?
>
> A. In a contract, yes.
>
> Q. Was there any other discussion before this of the term "FlexPLM"?
>
> A. Right. We were discussing the use of the term prior to that internally as we were trying to figure out the name for the product upon acquisition, and this was one of the first places where we used the term to capture the name that we were going to use.
> (Mausker test. pp. 11-14, exhs. 1 and 2).

Mr. Mausker further testified that the SOW "is the pattern for how FlexPLM software and services are provided to customers." (Mausker test. p. 26). Mr. Mausker also testified as to PLM's continuous use of the FLEXPLM mark for the identified software and services since May of 2005, particularly stating that PLM "did about half a million dollars in software and about 7 million in services"; in 2006 the software license revenue was "around" 2 million and the service revenue in the 13-14 million dollar range; in 2007 about 4 million in software revenue and approximately

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Statement reflects the type of software and services identified as being performed under PTC's FLEXPLM mark.

13 million in services revenue; and for 2008, estimated the software revenue at around 5 million and the service revenue around 10 million. (Mausker test. pp. 25-26). As regards the marketing of PLM's software and services, Mr. Mausker testified that PLM calls on customers directly using a sales force, advertises in magazines, attends industry events and engages in marketing activities with consulting companies that "operate in the same space [field]." (Mausker test. p. 26).

PLMIC

To support its claim of priority, PLMIC took the depositions of Jason Silvestri, its sole manager and member, and John Graeme Noseworthy, the former marketing programs manager for AimNet Solutions and Mr. Silvestri's brother-in-law.

Mr. Silvestri testified that from 2002 to 2005, he had a sole proprietorship called Top Of The Food Chain (TOTFC), which dealt with search engine optimization and marketing, i.e., creating websites and website interfaces to be more search engine friendly. He further testified that in 2006, "I started PLMIC, and the business was the same pretty much as Top of The Food Chain, but the difference is there. Top Of The Food Chain dealt with any clients who came in. And we used search engines as the key to advertising. Whereas, the PLMIC deals with product lifecycle management in

supporting market places, and that deals with, we use our own outlets as the prominent advertising platform instead of using search engines." (Silvestri test. p. 6). According to Mr. Silverstri, product lifecycle management (PLM) is a software-based methodology used to control data and information of products through the entire lifecycle process. (Silvestri test. p. 7). Mr. Silvestri stated that he first used the term FLEXPLM "no later than March 2005" when he purchased and registered, as sole-proprietor of the Top Of The Food Chain, a website domain, FlexPLM.com;[8] and that the FLEXPLM mark was used in connection with "cooperative advertising of marketing and of products and services by way of solicitation, customer service and providing marketing information via websites" at the time

[8] Mr. Silvestri particularly testified as follows:

> Q Have you ever used the term FlexPLM?
> A Yes.
> Q When was the first time you used it?
> A As early as July 20, 2004, but no later than March 2005.
> ***
> Q With respect to the March 2005 date, how did you use the term FlexPLM?
> A As a sole proprietorship [sic] of Top of the Food Chain, I posted to the internet a certain availability to certain services with my FlexPLM Advertising Solutions.
> Q And this occurred in March 2005.
> A This occurred March 2005. This was done over our website, FlexPLM.
> Q Any possibility if could have been earlier than that?
> A It could have been as early as February, actually I don't know for sure.
> (Silvestri test. pp. 7-8).

the application was filed. (Silvestri test. pp. 7-9).[9] Mr. Silvestri explained that he was certain that the availability of FLEXPLM advertising solutions was posted on the Internet in March 2005 because while he offered the services of FlexPLM Advertising Solutions (which he indicated entailed the "goods and services description here [set forth in involved application Serial No. 78835516]") to a company called AimNet Solution via Graeme Noseworthy, a former marketing manager of AimNet and Mr. Silvestri's brother-in-law, they declined, but he made a sale of another service, namely search engine marketing optimization services. (Silvestri test. pp. 12-13). Mr. Silvestri indicated that he had no records of the advertising of the FLEXPLM advertising services on the Internet because his computer crashed and the records could not be retrieved by the Geek Squad located in Best Buy. (Silvestri test. pp. 14-17, exh. 2). Mr. Silvestri testified that the first sale of FLEXPLM services was made by PLMIC in September 2006 to Management Roundtable located in Waltham, Massachusetts. (Silvestri test. p. 17).

Mr. Silvestri also explained that he filed the involved application Serial No. 78835516 without consulting a lawyer and chose July 20, 2004 as the date of first use in commerce

[9] Mr. Silvestri also testified that he originally filed the application for registration of the FLEXPLM mark, but that the

because he registered a domain called FlexPLM and thought that "registering a domain was a proper use of trying to claim rights to a trademark." (Silvestri test. p. 18).

Mr. Silvestri introduced a copy of the specimen submitted with his application for registration of the FlexPLM mark (shown below) and, when asked how it compared to what was posted on the Internet in March of 2005, responded that the "FlexPLM advertising was the same," except that "Logo Recognition Solutions and Interface Adapter were actually FlexPLM solutions that were added after but before the specimen here." (Silvestri test. pp. 19-20).

Mr. Silvestri also introduced a "specimen" (reproduced in part below), "produced" in connection with this proceeding, of the website using FLEXPLM Solutions in October of 2007. (Silvestri test. p. 20, exh. 4).

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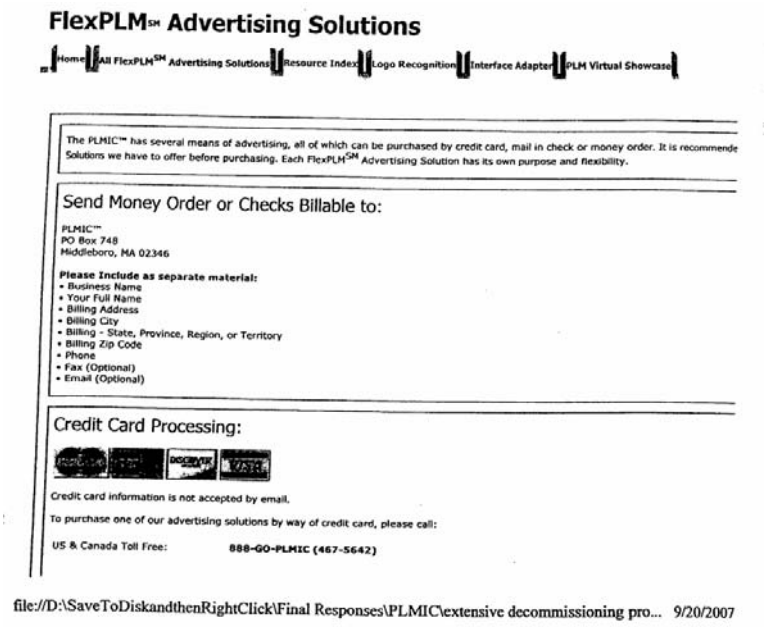
mark (and application) was later assigned to PLMIC. (Silvestri test. p. 9).



FlexPLM℠ Advertising Solutions

Home | All FlexPLM℠ Advertising Solutions | Resource Index | Logo Recognition | Interface Adapter | PLM Virtual Showcase

The PLMIC™ has several means of advertising, all of which can be purchased by credit card, mail in check or money order. It is recommende Solutions we have to offer before purchasing. Each FlexPLM℠ Advertising Solution has its own purpose and flexibility.

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PO Box 748
Middleboro, MA 02346

Please Include as separate material:
- Business Name
- Your Full Name
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- Billing City
- Billing - State, Province, Region, or Territory
- Billing Zip Code
- Phone
- Fax (Optional)
- Email (Optional)

Credit Card Processing:

Credit card information is not accepted by email.

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When asked when did PLMIC begin advertising the services identified under the FlexPLM mark in the manner shown on Exhibit 4, Mr. Silvestri responded "February 2006, February 8th, I am pretty sure. We launched a brand-new website, and on that were these solutions, and on the home page, in fact, in plain sight, we had our FlexPLM Advertising Solutions." (Silvestri test. p. 21).

PLMIC relied upon the testimony of Mr. Noseworthy to corroborate its asserted first use date. Mr. Noseworthy testified that he had "done business" with Jason Silvestri "beginning on or around February of 2005." (Noseworthy test. p. 5). When asked what were the circumstances, Mr. Noseworthy on direct examination testified:

> A Jason originally came to AimNet to talk about a service that at the time he called FlexPLM. It wasn't an appropriate fit for AimNet, so we ended up talking about some other things ….

> ***
> Q FlexPLM?
>
> A FlexPLM, which he was bringing to me to try to pitch to the rest of the company to help them get in the door, which is perfectly reasonable, but at the time, it wasn't an appropriate fit for the company.
>
> I ended up asking him about some of the other things he was doing, which included search engine optimization, search engine marketing, and he did a great job. Perfect fit.
>
> Q You say this occurred at least as early as February 2005?
>
> A Yes. I started the project of looking to build a new website in December of 2004, and by January of 2005, I was trying to do it, but at that time it was still building websites was still a new thing to me. When Jason came in, my God, I really need your help with this. And it was in February that he started to help me work on the website. (Noseworthy test. pp. 6-7).

On cross-examination, Mr. Noseworthy testified with respect to PLMIC's solicitation of services:

> Q When you said that Jason [Silvestri] pitched the FlexPLM services to you in 2005, in what way did he do that? Did he come in and speak with you? Did he call you? Did he write to you? Did he e-mail you?
>
> A Well, I tell you, I remember it clearly because, and it is somewhat tricky to say this with Jason sitting in the room, but I would never have imagined he was capable of this at the time. I simply had no idea Jason had this kind of knowledge. He originally called me and had asked me to look at a web page, and over the phone, he walked me through it and said it was something he would like an opportunity to come and talk to me about at AimNet, and honestly, I just was stunned.
> …
>
> So when he brought it to me over the phone and showed me the link, and we went through it on his website, I remember saying to him, stop, you need to come in and sit down and talk to me about

> this. I understand what you are showing me, but I don't understand how it applies to AimNet. You need to come in.
>
> Later he came in, and we sat in my office at AimNet in Holliston, Massachusetts, and he went through it, and I remember, again, he went through it on the computer showing me the website, which again I remember being struck, very impressed with like, wow, this is fantastic, and it was then that I said to him, this is great, this is interesting. I think you have something here. This is a great thing. It is not a great fit for AimNet….
>
> …
>
> We went into search engine marketing and search engine optimization, which in and of itself Jason was not just pitching a service but again educating me like he did on FlexPLM. It was the student teaching the teacher. I was stunned.
>
> That is part of the reason I remember seeing the site. I remember him talking to me on the phone, and I remember him coming in to speak with me at my office in Holliston.
>
> (Noseworthy test. pp. 9-12).

DISCUSSION

At the outset, we note that there is no dispute as to likelihood of confusion. In this regard, PTC, in its main brief, states that "[e]ach party acknowledges that the marks and the services to which they are applied are confusingly similar. The dispute is over which party has priority." (PTC's br. p. 4). Similarly, PLMIC, in its initial brief under the heading "STATEMENT OF THE ISSUES," states that "[i]n this case of Consolidated Oppositions, should PLMIC's Opposition be sustained because of its priority of use of FLEXPLM?" (PLMIC'S br. p. 4). Both PTC's and PLMIC's briefs otherwise are silent with regard to the issue of likelihood of confusion.

In view of the foregoing, we find that the parties have conceded that there is a likelihood of confusion between their respective marks. Thus, as regards the priority of use and likelihood of confusion claims set forth in each of the consolidated oppositions, the sole issue to be determined is priority. As a related matter, PLMIC filed, concurrently with its main brief, a motion to amend its application to assert March 31, 2005 as the date of first use and date of first use in commerce of its FLEXPLM mark. Last, we note that Opposition No. 91174541 is before us on the additional claim of nonuse, i.e., that PLMIC's application is void *ab initio* because PLMIC had not made trademark use of the FLEXPLM mark at the time it filed its use-based application.

Opposition No. 91174641

1. Application allegedly void ab initio

An application is void *ab initio* if the applied-for mark was not in use in commerce at the time of the filing of the application. See Section 1(a) of the Trademark Act, 15 U.S.C. § 1051 (a); and Intermed Communications, Inc. v. Chaney, 197 USPQ 501 (TTAB 1977) (application void where the INTERMED mark had never been used in the United States on or prior to the filing date in association with the services described in the application).

PTC asserts that Mr. Silvestri, PLMIC's predecessor-in-interest, filed involved application Serial No. 78835516 on

the basis of Section 1(a) of the Lanham Act and that Section 1(a) provides for an application by the "owner of a trademark used in commerce."[10] Neither dates, i.e., the date of first use of the FLEXPLM mark anywhere and the date of first use of the FLEXPLM mark in commerce, asserted by Mr. Silvestri in the application, PTC contends, were "uses" of the mark.[11]

As regards the March 2005 date of first use PLMIC now seeks to assert, PTC contends that "Mr. Silvestri was only able to show in his testimony that he spoke to his brother-in-law about his idea for a services that his brother-in-law's employer might be interested in. … Mr. Silvestri does not claim that he rendered any services related to his trademark application in March 2005." (PTC's br. pp. 9-10). PLMIC further contends that Mr. Silvestri testified that the first time he did render services was in September, 2006, a year and a half after the events of March 2005 and six months after he filed his use-based application.

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[10] 15 U.S.C. § 1051(1)(a)(1). PTC also relies on the definition of "use in commerce" in Section 45 of the Act, set forth *infra.*

[11] PLMIC now asserts March 2005 as its date of first use of the FLEXPLM mark anywhere and in commerce. The originally asserted use dates, i.e., July 13, 2003 (the date PLMIC's predecessor-in-interest thought of using the mark) and July 20, 2004 (the date of registration of the domain name www.flexplm.com [mistakenly referenced in the Silvestri test. as www.plmic.com]) were, according to PLMIC, a result of "a good faith mistake as to what constitutes trademark usage." (PLMIC's br. p. 11); see also (Silvestri test., exh. 7, req. 3).

In sum, PTC maintains that "[s]ince the use-based application was based on a false claim of use in commerce, and no use in commerce ever did occur before the filing date, the application is invalid." (PTC's br. p. 10).[12]

PLMIC, on the other hand, contends that while "it is true that PLMIC's first consummated sale of FLEXPLM services did not occur until September 2006 [,]" (PLMIC's br. p. 7), the activities of its predecessor-in-interest, Mr. Silvestri, in March of 2005 constitute "use in commerce." PLMIC specified the Silvestri activities as posting, at least as early as March 2005 (and possibly February 2005), the mark FLEXPLM on the Internet as an advertisement of "**already-available"** services and attempting to sell, within March 2005, those services to AimNet.

In making this claim, PLMIC focuses on the definition of "use in commerce" under Section 45 of the Lanham Act, 15 U.S.C. §1147, which reads, in pertinent part:

> The term "use in commerce" means a bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark. For purposes of this Act, a mark shall be deemed to be in use in commerce --
>
> (1) …

[12] PTC also points out that PLMIC has not amended its application to seek registration based on an intent to use the mark in commerce and, that if it did, the application should be struck down on the basis of fraud. Since PLMIC did not seek to amend its application to one based on intent-to-use, this argument is moot and will not be further considered.

> (2) on services when it is used or displayed in the sale or advertising of services and the services are rendered in commerce, or the services are rendered in more than one State or in the United States and a foreign country and the person rendering the services is engaged in commerce in connection with the services.
> 15 U.S.C. § 1127.

PLMIC argues, in essence, that a holding by the Board in In re Cedar Point, 220 USPQ 533, 536 (TTAB 1983), that the "actual rendering of services in commerce" is necessary to constitute use for purposes of registration is no longer binding because it was decided before the 1988 amendment to the definition of "use in commerce" under § 45. We find this argument unavailing. The 1988 amendment actually raised the standard for use by requiring that the use be "the bona fide use of a mark in the ordinary course of trade, and not merely to reserve a right in the mark," i.e., token use of a mark would no longer satisfy the use requirement and qualify a mark for registration. See e.g., Aycock Engineering Co. v. Airflite Inc. 560 F.3d 1350, 90 USPQ2d 1301, 1306 (Fed. Cir. 2009) citing to Blue Bell, Inc. v. Jaymar-Ruby, Inc., 497 F.2d 433, 437, 182 USPQ 65 (2d Cir. 1974). Indeed, the Board made clear in the post 1988 decision, Sinclair Oil Corporation v. Sumatra Kendrick, 85 USPQ2d 1032, 1034 (TTAB 2007), that

> [u]se of the mark in connection with promotional, advertising or other activities

> undertaken prior to the actual rendering of the recited services does not constitute actual "use in commerce" of identified services sufficient to support the filing of a use-based application. See *In re Port Authority of New York*, 3 USPQ2d 1453 (TTAB 1987); *In re Cedar Point, Inc.*, 220 USPQ 533 (TTAB 1983).

PLMIC also argues that "the second sentence of the definition [of "use in commerce"] operates similarly to a "safe-harbor" provision. That is, according to PLMIC, "if one has 'used or displayed in the sale or advertising of services and the services are rendered in commerce,' then one shall be 'deemed' to have used the mark in commerce." This "safe harbor," however, PLMIC asserts, is not the only way that one might meet the definition. "One might meet the definition by satisfying its first sentence. That is, if one has made a 'bona fide use of the mark in the ordinary course of trade, and not merely to reserve a right in the mark,' then this too qualifies as 'use in commerce.'" (PLMIC's br. pp. 10-11). Mr. Silvestri met the standard of the first sentence of the definition, PLMIC maintains, because: "(a) he was ready, willing and able to sell FLEXPLM services in March 2005; and (b) he in fact made a bona fide attempt to sell FLEXPLM services to AimNet in March 2005, while also engaging in related Internet advertising."[13] (PLMIC's br. p. 11). PLMIC further

[13] PLMIC also contends that, contrary to PTC's assertion, its position on "use" is supported by Aycock Engineering Co. v. Airflite Inc., *supra*. We disagree. *Aycock* makes clear that the

maintains that the legislative history of the 1988 amendment supports this construction, inasmuch as Congress intended "use in commerce" to be interpreted with "flexibility to encompass various genuine, but less traditional, trademark uses such as those made in test markets, infrequent sales of large or expensive items …."

First, there is nothing in the structure of the definition that leads us to read the first and second sentence in the alternative as opposed to the conjunctive such that the introductory clause of the definition stands alone. Moreover, even if Congress intended the 1988 amendment to result in a more flexible definition of "use in

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requirement for service mark use did not materially change post 1989. Notably, the court observed, and PLMIC did not disagree, that under both the 1970 and current versions of the law, a mark is in "use in commerce" when it is used in the sale or advertising of services and the services are rendered in commerce. *(Id.)* PLMIC asserts that "Aycock makes unmistakably clear that services are 'rendered' when they are 'offered' to the public openly and notoriously." (PLMIC rebuttal br. p. 6) While that may be so, what constitutes "offered" and "openly and notoriously" is determined by specific facts on a case by case basis. Moreover, that the court stated that Mr. Aycock failed to offer its services, as identified, to "a single customer" merely emphasized Aycock's failure to offer the identified services to anyone at all and does not support PLMIC's claim that an offer to a single potential consumer, in and of itself, constitutes an open and notorious public offering. Nor are we persuaded that *Aycock* supports PLMIC's proposition that services are rendered "when they are 'offered' over the Internet, through which the offer may be considered at any time by virtually anyone in the entire world." In the absence of specific information regarding such Internet postings, e.g., the specifics of the posting and whether the mark is used as a source indicator therein, length of time posted, and whether and to what extent the posting was viewed, there is no way to determine if there is sufficient exposure to establish an open and notorious offering of services.

commerce," PLMIC does not engage in a less traditional service mark use.

We find that PLMIC's posting of its FLEXPLM mark on the Internet as advertising of its being "ready, willing and able" to provide its identified services and its unsuccessful attempt to sell its services to a single potential purchaser, simply do not constitute "use in commerce" as defined under the Act. See Sinclair Oil Corporation v. Sumatra Kendrick, *supra*. While such activities may constitute the advertising and promotion of PLMIC's services, they do not encompass the rendering of those service. In that regard, the record reflects that PLMIC's first technical service mark use in commerce in connection with its cooperative advertising and marketing services was when they were rendered to Management Roundtable in September 2006, almost one and one-half year after PLMIC's activities of March 2005 and almost six months after the filing date of the PLMIC's involved use-based application.

Because PLMIC was not rendering its identified services at the time it filed its use-based application, PLMIC's application is void *ab initio*.[14]

[14] In view thereof, PLMIC's motion to amend its dates of use is moot and need not be further considered.

2. Priority

Although PTC has prevailed on its claim of non-use, and accordingly, we have found PLMIC's application void *ab initio*, for sake of completeness, we nevertheless consider PTC's claim that it is the prior user of the FLEXPLM mark. We assume for purposes of this determination that the March 13, 2006 filing date of the application is valid, and that PLMIC made use of the mark as of that date.

To establish priority on a likelihood of confusion claim brought under Trademark Act §2(d), a party must prove that, vis-à-vis the other party, it owns "a mark or trade name previously used in the United States … and not abandoned…." 15 U.S.C. § 1052(d). A party may establish its own prior proprietary rights in a mark through ownership of a prior registration, actual use or through use analogous to trademark use which creates a public awareness of the designation as a trademark identifying the party as a source. See Trademark Act §§ 2(d) and 15, 15 U.S.C. §§ 1052(d) and 1127. *See also* T.A.B. Systems v. PacTel Teletrac, 77 F.3d 1372, 37 USPQ2d 1879 (Fed. Cir. 1996), vacating Pac Tel Teletrac v. T.A.B. Systems, 32 USPQ2d 1668 (TTAB 1994). Priority is an issue in this case because PTC does not own a subsisting registration upon which it can rely under § 2(d). *See* King Candy Co., Inc. v. Eunice

King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974).

Herein, PTC asserts common law rights in the FLEXPLM mark. In order for a plaintiff to prevail on a claim of likelihood of confusion based on its ownership of common law rights in a mark, the mark must be distinctive, inherently or otherwise, and plaintiff must show priority of use. See Otto Roth & Co. v. Universal Foods Corp., 640 F.2d 1317, 209 USPQ 40 (CCPA 1981). PLMIC has not questioned the distinctiveness of PTC's asserted mark and, in fact, seeks to register the identical mark for concededly similar services. We therefore find that the mark is distinctive. *See* The Chicago Corp. v. North American Chicago Corp., 20 USPQ2d 1715 (TTAB 1991). *See also* Wetseal Inc. v. FD Management Inc., 82 USPQ2d 1629 (TTAB 2007).

As regards priority, the record establishes through the testimony of PTC's vice-president, Global Services, Sumant Mausker, and corresponding exhibits, that PTC first used, on May 26, 2005, FLEXPLM as a trademark in connection with software that helps companies who develop products, design and manage the information related to those products, and as a service mark in connection with the provision of services for implementing that software, as well as providing support and/or training. This date is prior to the March 13, 2006 filing date of PLMIC's application which is the earliest

date on which PLMIC is entitled to rely. The record shows, as we found earlier, that PLMIC did not make use of the mark prior to that date.

It is well established that in the absence of testimony or other proof which demonstrates that the actual use of the mark an applicant seeks to register is prior to the filing date of its involved application, the earliest date upon which an applicant can rely in an opposition proceeding is the filing date of the involved application. *See* e.g., Lone Star Mfg. Co. Inc. v. Bill Beasley, Inc., 498 F.2d 906, 182 USPQ 368, 369 (CCPA 1974); and Zirco Corp. v American Tel & Tel. Co., 21 USPQ2d 1542, 1544(TTAB 1991); and Miss Universe, Inc. v. Drost, 189 USPQ 212, 213 (TTAB 1975). Thus, priority rests with PTC.

Because PTC has priority and because a likelihood of confusion exists between the parties' respective marks, registration by PLMIC is barred by Section 2(d).

OPPOSITION NO. 91177168

Priority

We have determined in Opposition No. 91174641 that the activities comprising PLMIC's March 2005 use of its FLEXPLM mark do not constitute technical trademark use and, thus, are not sufficient to establish use as a basis for PLMIC's application to register the mark. However as stated earlier, PLMIC, as plaintiff herein, may establish its prior

proprietary rights in its pleaded FLEXPLM mark through use analogous to trademark use. *T.A.B. Systems v. PacTel Teletrac*, *supra*.

However, as set forth in Herbko International Inc. v. Kappa Books Inc., 308 F.3d 1156, 64 USPQ2d 1375, 1378 (Fed Cir. 2008):

> Before a prior use becomes an analogous use sufficient to create proprietary rights, the petitioner [opposer] must show prior use sufficient to create an association in the minds of the purchasing public between the mark and the petitioner's [opposer's] goods [or services]. *Malcolm Nicol & Co. v. Witco Corp.*, 881 F.2d 1063, 1065, 11 USPQ2d 1638, 1639 (Fed. Cir. 1989). A showing of analogous use does not require direct proof of an association in the public mind. *T.A.B. Systems v. PacTel Teletrac*, 77 F.3d 1372, 1375, 37 USPQ2d 1879, 1882 (Fed. Cir. 1996). Nevertheless, the activities claimed to create such an association must reasonably be expected to have a substantial impact on the purchasing public before a later user acquires proprietary rights in a mark. *Id.*

Within this framework we consider PLMIC's evidence of its predecessor's March 2005 activities which it asserts, at the least, constitute analogous trademark use so as to establish priority for purposes of this opposition. PLMIC primarily relies on the testimony of Jason Silvestri, who states that in March 2005, he posted on the Internet as an advertisement the ability to provide certain services described as FLEXPLM Advertising Solutions and, shortly thereafter, he attempted to sell those services to AimNet Solutions. Mr. Silvestri further explained that he has no

records of his advertising of the FLEXPLM services on the Internet because of a computer crash and subsequent inability to retrieve the documents.

As corroborating evidence, PLMIC introduced the testimony of John Noseworthy, who states that he did business with Jason Silvestri beginning "on or around February 2005" and that Mr. Silvestri pitched the FLEXPLM services by coming in to his office and going through the website. Mr. Noseworthy also stated that FLEXPLM services were "not a great fit for AimNet."

The Federal Circuit has summarized the requirements for establishing use analogous to trademark use as follows: "[W]hether is it sufficiently clear, wide spread and repetitive to create the required association in the minds of the potential purchasers between the mark as an indicator of a particular source and the service to become available later. *T.A.B. Systems v. PacTel Teletrac*, 37 USPQ2d at 1882. The analogous trademark use also must be shown to have a substantial impact on the purchasing public, and the user must establish intent to appropriate the mark. *Id.*

The meager evidence of record does not establish PLMIC's use of FLEXPLM as use analogous to trademark use which has created an association of FLEXPLM with PLMIC dating back to March 2005. First, concerning the Internet posting, the evidence lacks specifics regarding key elements

needed to establish such an association. For example, there is no evidence as to how long the website was made available to the public and how many, if any, discrete hits the website received on a daily, weekly, monthly basis. Moreover, there is no testimony as to whether PLMIC participated in "key word" advertising or other paid website advertising. Contrary to PLMIC's contention, PLMIC's mere presence on the Internet quite simply does not result in sufficient exposure of the FLEXPLM mark to create the required association in the minds of potential purchasers between the mark FLEXPLM as an indicator of the source of the cooperative advertising and marketing services to be provided by PLMIC. Moreover, the record reveals that in the year and a half from the time PLMIC posted the "availability" of its FLEXPLM services on the Internet and the first sale by PLMIC of its cooperative advertising and marketing services under the FLEXPLM mark in September 2006, PLMIC solicited a single potential purchaser. There is no question that that single exposure to PLMIC's FLEXPLM mark had no impact whatsoever on the perception of the purchasing public. In short, PLMIC's evidence falls far short of establishing that potential purchasers make an association in their minds between the FLEXPLM mark as a source indication and PLMIC's cooperative advertising and marketing services. Thus, the earliest date that PLMIC may rely on

for purposes of priority is September 2006. This date is subsequent to the July 13, 2006 filing date of PTC's application.

Furthermore, as regards PTC's asserted date of first use of its FLEXPLM mark, our primary reviewing court has noted that, "[i]n the usual case the decision as to priority is made in accordance with the preponderance of the evidence." Hydro-Dynamics, Inc. v. George Putnam & Company Inc., 811 F.2d 1470, 1 USPQ2d 1772, 1773 (Fed. Cir. 1987). However, where an applicant seeks to prove a date earlier than the date alleged in its application, a heavier burden has been imposed on the applicant than the common law burden of preponderance of the evidence. The "proof must be clear and convincing. This proof may consist of oral testimony, if it is sufficiently probative. Such testimony should not be characterized by contradictions, inconsistencies, and indefiniteness, but should carry with it conviction of its accuracy and applicability." Elder Mfg. Co. v. International Shoe Co., 194 F.2d 114, 118, 92 USPQ 330 (332 (CCPA 1952). PTC now seeks to prove May 26, 2005, a date which is earlier than the December 2005 first use date alleged in its application, as its date of first use in commerce. We find that PTC has established that it first used the mark FLEXPLM in commerce in connection with its identified software and related services on May 26, 2005 by

clear and convincing evidence. PTC's witness, Sumant Mausker, was familiar with PTC's activities and his testimony was clear as to PTC's first use of the FLEXPLM mark in commerce on May 26, 2005. Moreover, Mr. Mausker's testimony was corroborated by documentary evidence in the nature of a statement of work for goods and services provided to Timberland. Further, Mr. Mausker was specific concerning sales and the extent of marketing of goods and services bearing the FLEXPLM mark. Lastly, Mr. Mausker has testified to PTC's continued use of the mark in commerce.

In sum, because PLMIC did not establish that it had made trademark use or use analogous to trademark use prior to either May 26, 2005, when PTC commenced use of its mark, or the July 13, 2006 filing date, we find that PLMIC failed to establish the requisite priority. Accordingly, it cannot succeed on its Section 2(d) claim.

Decision: Opposition No. 91174641 is sustained as to both the non-use and priority and likelihood of confusion claims and Opposition No. 91177168 is dismissed.