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

Proceeding	91179090
Party	Defendant SIMPLYWELL, LLC
Correspondence Address	Christopher M. Bikus Husch Blackwell Sanders, LLP 1601 Dodge Street, Suite 2100 Omaha, NE 68102-1637 UNITED STATES chris.bikus@huschblackwell.com,pto-om@huschblackwell.com
Submission	Brief on Merits for Defendant
Filer's Name	Christopher M. Bikus
Filer's e-mail	chris.bikus@huschblackwell.com, tim.mcfarlin@huschblackwell.com, jamie.diener@huschblackwell.com
Signature	/Christopher M. Bikus/
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Application Serial No. 77/090,694
Published in the *Official Gazette* on August 7, 2007

ELGO, INC.,)	
)	
Opposer,)	
)	OPPOSITION NO. 91179090
v.)	
)	
SIMPLYWELL, LLC,)	
)	
Applicant.)	
)	

APPLICANT SIMPLYWELL, LLC'S TRIAL BRIEF

Christopher M. Bikus
Timothy J. McFarlin
Husch Blackwell Sanders LLP
1620 Dodge Street, Suite 2100
Omaha, NE 68102
Tel: 402-964-5144
Fax: 402-964-5050
chris.bikus@huschblackwell.com
tim.mcfarlin@huschblackwell.com

ATTORNEYS FOR APPLICANT

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I. ISSUES PRESENTED

- A. Because Opposer Elgo, Inc. has failed to show that it has a legitimate personal interest in the mark at issue, does Elgo have standing in this proceeding?**
- B. Assuming Elgo has standing, is there a likelihood of confusion between the parties' identical marks where:**
- (1) Elgo's mark is weak and entitled to little protection;**
 - (2) Applicant Simplywell, LLC's services are materially different than the goods sold by Elgo;**
 - (3) Simplywell's channels of trade for its services are materially different than those for Elgo's goods;**
 - (4) The relevant purchasers are careful and sophisticated;**
 - (5) The extent of any potential confusion is, at most, *de minimis*; and**
 - (6) There is no evidence of actual confusion?**

II. SUMMARY OF THE ARGUMENT

The Board should dismiss this opposition because Elgo lacks standing. Elgo did not submit competent evidence proving that it has a legitimate personal interest in this case. Regardless, even if standing did exist—and it does not—the Board should dismiss the opposition because there is no likelihood of confusion between the marks at issue. The weakness of Elgo's alleged mark, the differences in the parties' goods and services, the different channels of trade, the sophistication of the relevant purchasers, and the absence of actual confusion show that confusion is not likely to arise between the parties' marks.

III. SUMMARY OF THE RELEVANT FACTS

A. **Simplywell's Mark**

Simplywell (through its predecessor) has offered its SIMPLYWELL-branded wellness program to businesses since 2001. (Testimony Deposition of Michael Demman, C.E.O. of Simplywell, LLC [Doc. # 17] (“Demman Dep.”), pp. 3:7 – 5:8; 6:6-25; 12:11-25.) This program includes an array of services such as onsite health screening, online health risk assessment, and telephonic nurse counseling for employees of Simplywell’s clients. (*Id.* at 16:3 – 17:22.) A few years after Simplywell started the SIMPLYWELL program, its clients began asking Simplywell to provide a tobacco cessation program for their employees. (*Id.* at 27:2-15.)

Responding to these requests, beginning in September 2006, Simplywell developed an eight-step telephonic smoking cessation counseling program for its clients’ employees, and decided—in keeping with its SIMPLY brand—to name it SIMPLYQUIT. (*Id.* at 12:1-25; 15:17 – 17:22.) On or about January 25, 2007, Simplywell applied for federal registration of the mark SIMPLYQUIT in International Class 44, including the following description of services (with the proposed amendment [Doc # 13]):

Counseling in the field of smoking cessation offered through employer sponsored wellness plans.

(U.S. Application Serial No. 77/090,694.)

SIMPLYQUIT counseling is a very limited, focused service. For instance, Simplywell does not advertise or market its SIMPLYQUIT counseling in the traditional sense. It is offered only to clients who have already purchased the SIMPLYWELL wellness plan and to employees whose employer has already purchased the SIMPLYWELL plan. (Demman Dep., pp. 18:23 – 20:2; 22:20 – 23:3.) Neither the general public (nor even a client’s employees) can independently purchase Simplywell’s services. (*Id.*) Further, the employees who participate in the SIMPLYQUIT service never see the mark separate and apart from Simplywell’s employer-

sponsored SIMPLYWELL wellness plan. (*Id.*) For example, the SIMPLYQUIT mark is not shown on Simplywell's website. (*Id.* at 26:14 – 27:23.) Some of Simplywell's clients' employees, in fact, will *never* see the SIMPLYQUIT mark—if a client, based on Simplywell's initial screening process, does not have an appreciable number of employees who smoke, for instance, Simplywell will not offer the SIMPLYQUIT service to that client. (*Id.* at 23:4 – 24:6.)

Thus, SIMPLYQUIT counseling is just an additional service Simplywell provides to some of its clients under the SIMPLYWELL program. (*See id.* at 27:2-23.)

B. Elgo's Alleged Mark

Elgo claims it is the owner of the mark SIMPLYQUIT for the following goods, described in U.S. Registration No. 3,557,525:

Smoker's articles, namely, cigarettes containing tobacco substitutes not for medial purposes.

(Opposer's First Notice of Reliance ("NOR"), Ex. A.) The "smoker's articles" sold under this mark are simulated plastic cigarettes, offered to individuals who want to quit smoking. (Applicant's NOR, Opposer's Interrogatory Answers, p. 5, No. 8.) Since September 2001, the SIMPLYQUIT simulated cigarettes have been offered for sale directly to the general public via phone, mail, and Internet orders. (*Id.* at p. 5, No. 7 and pp. 8-9, No. 19.) Late-night television, daytime television, magazines, and the Internet are used to market the product. (*Id.* at p. 9, No. 20.)

There is no evidence in the record of the alleged sales volume of the SIMPLYQUIT simulated cigarettes or any monies spent advertising or promoting the mark. Neither is there any evidence as to the amount that has been spent to advertise the mark, the extent or frequency of such advertising, or the extent of distribution of materials to consumers bearing the mark. And there is no evidence of any actual confusion between Elgo's claimed mark and Simplywell's

mark over nearly five years of concurrent use. (*See also* Demman Dep., pp. 30:23 – 31:5.) There is, however, evidence of third-party use of the SIMPLYQUIT mark. (*Id.* at 29:5 – 30:17.)

IV. SUMMARY OF SIMPLYWELL'S EVIDENTIARY RECORD

Simplywell submitted the testimony deposition of Simplywell's CEO Michael Demman, including exhibits, taken June 5, 2009, and filed with the Board on July 30, 2009 [Doc. # 17]. Simplywell also submitted a First Notice of Reliance, including Elgo's responses to Simplywell's First Set of Interrogatories on July 30, 2009 [Doc. # 18].

V. SIMPLYWELL'S OBJECTIONS TO ELGO'S EVIDENCE

Elgo submitted eight notices of reliance on the last day of its testimony period, April 30, 2009 [Doc. # 12].¹ These notices consist largely of documents that cannot, by rule, be entered into evidence via a notice of reliance. And under 37 CFR § 2.123(l), which states that evidence not submitted in accordance with the rules will not be considered, the Board should not consider Elgo's notices of reliance, as detailed below.

A. With its First Notice of Reliance, Elgo improperly submitted an alleged copy of U.S. Trademark Registration No. 3,557,525 that the Board should not consider.

With its First Notice of Reliance, Elgo improperly submitted an alleged copy of a U.S. Trademark Registration No. 3,557,525, along with the purported application file history for the same. A registration owned by a party may be made of record in a proceeding by, *inter alia*, filing a notice of reliance accompanied by a copy of the registration prepared and issued by the PTO, showing both the current status of and title to the registration. 37 CFR § 2.122(d). Although the status and title copies need not be certified, at present all such copies prepared and issued by the PTO are certified. *See* TMBP 704.03(b)(1). Plain copies of a registration, such as a printout from the PTO website, are not sufficient. *Id.*

¹ As such, Simplywell had no opportunity to submit any objection to Elgo's notices of reliance prior to the close of Elgo's testimony period.

The copy of the registration Elgo submitted appears to be a mere plain copy, not prepared and issued by the PTO, in that it is not certified. Elgo's submission of Registration No. 3,557,525 is therefore improper. Because Registration No. 3,557,525 has been improperly submitted, the application file history for this registration is irrelevant and is thus also submitted improperly. The Board, therefore, should not consider the Elgo's First Notice of Reliance.

B. With its Third Notice of Reliance, Elgo improperly submitted Simplywell's responses to Elgo's document requests, which the Board should not consider.

Elgo has submitted with its Third Notice of Reliance, among other things:

- a. *Opposer's Response to Applicant's First Set of Document Requests* (Exhibit C to Elgo's Third NOR);
- b. *Applicant's Response to Opposer's Request for Documents* (Exhibit F to Elgo's Third NOR); and
- c. Documents produced by Simplywell as SW00001-SW00012 (*id.*).

Regarding the first two items, above, no rule allows the introduction of written responses to document requests into evidence via a notice of reliance. *See* 37 CFR § 2.120. Elgo's submission of Simplywell's written responses is therefore improper.

As for the third item—documents produced by Simplywell—the rules provide that documents produced in discovery can, under certain circumstances, be introduced via a notice of reliance, such as by attaching them to a response to a request for admission. *See, e.g.*, TBMP 704.11; 37 CFR §§ 2.122(e) and 2.120(j)(3)(ii). But Elgo has failed to employ any of the permissible methods of submission for documents labeled SW00001-SW00012, so Elgo's submission of these documents via notice of reliance is also improper.

The Board should thus not consider Exhibits C and F of Elgo's Third Notice of Reliance.

C. With its Fourth, Sixth, and Eighth Notices of Reliance, Elgo improperly submitted internet printouts that the Board should not consider.

Elgo has improperly submitted numerous printouts from the Internet in connection with its Fourth, Sixth, and Eighth Notices of Reliance. Internet printouts cannot properly be submitted via a notice of reliance. *See* TBMP 704.08; 37 CFR § 2.122(e) (allowing only the submission of *printed* publications, i.e., those which are available to the general public in libraries). Again, then, the Board should refuse to consider:

- a. Exhibits G, H, and J of Elgo's Fourth Notice of Reliance (all of which are printouts from the Internet);
- b. All of Elgo's Sixth Notice of Reliance (entirely comprised of Internet printouts);
and
- c. All of Elgo's Eighth Notice of Reliance (entirely comprised of Internet printouts).

D. With its Fifth Notice of Reliance, Elgo improperly submitted a brief from this proceeding that the Board should not consider.

Elgo improperly submitted with its Fifth Notice of Reliance *Applicant's Brief in Opposition to Opposer's Motion for Summary Judgment and Applicant's Brief in Support of Its Motion to Strike*. No mechanism exists for submitting a brief or exhibits to pleadings via a Notice of Reliance. *See* TBMP 704.05, 704.06; 37 CFR § 2.122(c). Further, statements in briefs have no evidentiary value, unless they would serve as an admission against interest, and exhibits to pleadings are not evidence unless identified and introduced as evidence during a party's testimony period. *See id.*

Elgo's submission of *Applicant's Brief in Opposition to Opposer's Motion for Summary Judgment and Brief in Support of Its Motion to Strike* is thus improper, particularly where Elgo offers no explanation of how any statement contained therein would serve as an admission against interest. The Board should refuse to consider Elgo's Fifth Notice of Reliance.

E. With its Seventh Notice of Reliance, Elgo improperly submitted a purported assignment of trademark that the Board should not consider.

Elgo improperly submitted as Ex. N to its Seventh Notice of Reliance a purported assignment for Trademark Application No. 78/085086. This purported assignment bears no indication that it is an official record of the PTO, so its submission via a Notice of Reliance is improper. *See* TBMP 704.07; 37 CFR § 2.122(e). The Board should therefore not consider Exhibit N of the Seventh Notice of Reliance.

VI. ARGUMENT AND AUTHORITIES

A. Elgo does not have standing to oppose Simplywell’s application because Elgo has submitted no competent evidence of a legitimate personal interest in this proceeding.

Elgo has no standing in this proceeding because it has failed to properly submit any evidence of a legitimate personal interest in the outcome of the proceeding. Standing is a threshold issue that must be proven by a plaintiff in every *inter partes* case. *See Ritchie v. Simpson*, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999); *Lipton Industs., Inc. v. Ralston Purina Co.*, 213 USPQ 185, 187 (CCPA 1982). The purpose of the standing requirement, which is directed solely to the interest of the plaintiff—here the opposer—is to prevent litigation when there is no real controversy between the parties. *Lipton Industs.*, 213 USPQ at 189. To establish standing, it must be shown that the opposer has a “real interest” in the outcome of a proceeding; that is, the opposer must have a direct and personal stake in the outcome of the opposition. *Ritchie*, 50 USPQ2d at 1023. Facts regarding its legitimate personal interest are a part of the opposer’s case and must be proved. *Lipton Industs.*, 213 USPQ at 189.

To show the requisite legitimate personal interest, an opposer must prove some threatened or actual injury to its rights. *See Ritchie*, 50 USPQ2d at 1026; *Jewelers Vigilance Comm., Inc. v. Ullenberg Corp.*, 2 USPQ2d 2021, 2023 (Fed. Cir. 1987) (stating that “the goal of

[the Lanham Act's] [S]ection 13 is in harmony with the standing requirements for maintaining a law suit in an Article III court”).

Here, Elgo attempted to submit, via its First Notice of Reliance, a copy of U.S. Trademark Registration No. 3,557,525, along with the purported application file history for the same. As detailed above, Elgo's submission was improper, in that the copy does not appear to have been obtained from the PTO, and the Board should not consider the registration as evidence. 37 CFR § 2.123(l). Without this registration, Elgo has not shown any legitimate interest at stake in this proceeding, and has not met its burden to prove standing.

Next, even assuming, for sake of argument, that Elgo validly submitted this registration into evidence, the registration is not owned by Elgo. The registration certificate identifies Ely Gold, a U.S. individual, as the owner of the registration *and* the mark at issue. By this registration, then, Ely Gold would be the party with standing to oppose Simplywell's application, not Elgo.

Elgo did, however, submit via Exhibit N to its Seventh Notice of Reliance a handwritten copy of a purported assignment of the registered mark by Ely Gold to Elgo. But as detailed above, this submission, too, was improper. Elgo alleged in the notice that the assignment is an official record of the PTO, but there is no indication of this in or on the document itself. If Elgo wanted to properly introduce the assignment into evidence, it could have submitted testimony establishing the assignment's authenticity, but Elgo did not.

Instead, Elgo incorrectly asserts that Exhibit M to the Seventh Notice of Reliance, an apparent fax from the PTO, is *prima facie* evidence that the mark has been assigned to Elgo. (Opposer's Brief, p. 8.) There are several fatal flaws with this theory. First, the fax in Exhibit M is of a "Trademark Assignment" form, which indicates in three separate places that the purported assignment was submitted to the PTO on April 23, 2009. But the actual alleged assignment,

Exhibit N, is dated *April 27, 2009*. At best, then, this shows that Elgo has not met its burden of proof on standing—at worst, it indicates that a fraud was committed on the PTO (i.e., the assignment was falsely alleged to have been executed on or before April 23, 2009). Second, the fax in Exhibit M is not a record of the PTO’s recordation of the assignment—there is no reel/frame number on the document, for instance. At most, then, Exhibit M simply shows a transmission to the PTO occurred on April 23, 2009.

Last, even assuming the assignment is valid and properly considered as evidence here—and it is not—it is from April 2009. Elgo filed this opposition on August 22, 2007. Thus, Elgo in effect *admits* that it did not have a legitimate personal interest in the mark at issue when it initiated this proceeding. *See, e.g., Gaia Techs., Inc. v. Reconversion Techs., Inc.*, 39 USPQ2d 1826, 1828-31 (Fed. Cir. 1996) (finding that the plaintiff lacked standing because it did not own the mark when it filed suit, regardless of subsequent assignment) (order amended on other grounds); *Jewelers Vigilance*, 2 USPQ2d at 2023 (“[T]he goal of [the Lanham Act’s] [S]ection 13 is in harmony with the standing requirements for maintaining a law suit in an Article III court”).² Elgo’s Seventh Notice of Reliance, then, does not establish its standing here.

Elgo has not proven standing. The Board gave clear notice that standing was an issue in this proceeding when it denied Elgo’s motion for summary judgment [Doc. # 11]. As set forth in that order, it was Elgo’s burden to properly submit competent evidence at trial proving this threshold requirement. Elgo did not meet this burden, and the result is its own doing.

² While the case law does state that proving a proprietary interest in a mark is not necessarily the only way to establish standing in an opposition proceeding, *see Jewelers Vigilance*, 2 USPQ2d at 2023-24, Elgo has not asserted any injury to its rights in this proceeding other than that which would stem from its alleged ownership of the mark depicted in Registration No. 3,557,525. There is no competent evidence in the record that would support such an assertion, regardless.

B. Assuming that Elgo has standing—and it does not—there is no likelihood of confusion between Simplywell’s and Elgo’s marks.

Even assuming for sake of argument that Elgo has standing, confusion is not likely to result between the parties’ marks, primarily because:

- Elgo’s mark³ is weak and entitled to little protection;
- Simplywell’s services are materially different than the goods sold by Elgo;
- Simplywell’s channels of trade for its services are materially different than those for Elgo’s goods;
- The relevant purchasers are careful and sophisticated;
- The extent of any potential confusion is, at most, *de minimis*; and
- There is no evidence of actual confusion between the parties’ marks.

See In re E.I. du Pont de Nemours & Co., 177 USPQ 563 (CCPA 1973).

1. Elgo’s mark is weak and entitled to little protection.

All trademarks are not equal, as McCarthy observes. *McCarthy on Trademarks and Unfair Competition*, § 11:73. Weak marks are afforded a narrow range of protection. *Id.* And a mark’s scope of protection becomes particularly important when a proceeding deals with identical marks on differing goods and services, as is the case here. *See Am. B.D. Co. v. N.P. Beverages, Inc.*, 213 USPQ 387, 389 (TTAB 1981). Elgo’s SIMPLYQUIT mark is weak, due first to its descriptiveness, but due also to the absence of any sales or advertising figures in the record. Elgo’s mark is thus entitled to little protection.

In determining the strength of a mark, the Board considers both the mark’s inherent strength based on the nature of the mark itself and its market strength. *Tea Board of India v. Republic of Tea Inc.*, 80 USPQ2d 1881, 1899 (TTAB 2006). A descriptive, or even suggestive

mark, is considered inherently weak. *Carefirst of Maryland Inc. v. FirstHealth of the Carolinas Inc.*, 77 USPQ2d 1492, 1509 (TTAB 2005). In a Board proceeding, a mark’s inherent strength is decided by looking at the goods recited in the registration. *See In re Classic Media Inc.*, 78 USPQ2d 1699, 1701 (TTAB 1981).⁴ A term is deemed to be merely descriptive of the recited goods if it immediately conveys an idea of an ingredient, quality, characteristic, feature, function, purpose or use of the recited goods. *In re Carlson*, 91 USPQ2d 1198, 1203 (TTAB 2009).

Looking at Elgo’s registration, the goods cited are:

Smoker’s articles, namely, cigarettes containing tobacco substitutes not for medical purposes.

(Opposer’s First NOR, Ex. A.) When applied to these goods, the term SIMPLYQUIT immediately conveys an idea of a function, purpose, and use of “cigarettes containing tobacco substitutes.” Essentially, the function, purpose, and use for “cigarettes containing tobacco substitutes” *is* to quit smoking. SIMPLYQUIT conveys this idea from the start. SIMPLYQUIT is, accordingly, a descriptive and inherently weak mark. At best, the mark is suggestive, still classifying it as inherently weak. *See Carefirst*, 77 USPQ2d at 1509.

Compounding the inherent weakness of Elgo’s mark is the lack of any evidence of sales or advertising of the mark in the record. A mark’s market strength is measured by volume of sales, advertising, and length of use. *See Giant Food, Inc. v. Nation’s Foodservice, Inc.*, 218 USPQ 390, 394 (Fed. Cir. 1983). As to length of use, Elgo has alleged September 21, 2001, as its date of first use in commerce—giving it less than ten years. (Applicant’s First NOR,

³ In the spirit of brevity, the mark shown in U.S. Registration 3,557,525 will be referred to as “Elgo’s mark” for the remainder of this brief, without conceding that Elgo owns the mark or otherwise has standing in this opposition.

⁴ While the Board noted in its decision denying Elgo’s motion for summary judgment that Elgo pleaded common law rights in its mark, Elgo has made no evidence of record regarding any rights in the mark separate and apart from its pleaded registration, nor has it argued the affect of any alleged common law rights in its trial brief.

Opposer's Interrogatory Answers, p. 10, No. 24.) As to sales and advertising, there is simply no evidence in the record of Elgo's alleged sales volume or any monies spent advertising or promoting the mark. Further, Elgo's recitation of certain places where it has advertised its mark (*see id.* at p. 9, No. 20) can have little to no impact on the relative strength of the mark, as there is no evidence on the amount spent on the alleged advertising, the extent or frequency of such advertising, or the extent of distribution of materials to consumers. *See Tea Board of India*, 80 USPQ2d at 1899 n.28. As a consequence, Elgo's mark must be characterized as extremely weak.

As a final blow to Elgo's mark, there is evidence of third-party use of the term SIMPLYQUIT. "When numerous sellers in a product line use similar marks . . . consumers . . . are unlikely to purchase defendant's product or service thinking it is plaintiff's." *McCarthy*, § 1:85 (internal quotation omitted). There is documented evidence of at least two other companies who, at least as of mid-2009, were using the mark SIMPLYQUIT in connection with smoking cessation. (Demman Dep., pp. 29:5 – 30:17.) This third-party use weakens Elgo's mark even further.

The weakness of Elgo's mark affords it little protection and strongly weighs against a likelihood of confusion, particularly in light of the other *du Pont* factors discussed below.

2. Simplywell's channels of trade for its services are materially different than those for Elgo's goods.

Simplywell markets and sells its services in channels of trade that differ significantly from those in which Elgo sells its goods. Differing channels of trade can be a determinative factor in a case such as this, as McCarthy notes:

If the goods of one party are sold to one class of buyers in a different marketing context than the goods of another seller, the likelihood that a single group of buyers will be confused by similar trademarks is less than if both parties sold their goods through the same channel of distribution.

McCarthy on Trademarks, § 24:51. The case law further bears this point out. *See, e.g., Trade Pubs., Inc. v. Big Bear of N. Carolina, Inc.*, 191 USPQ 477, 480 (M.D.N.C. 1976) (FOOD WORLD trade journal would be unknown to customers shopping at FOOD WORLD grocery store); *Local Trademarks, Inc. v. Handy Boys, Inc.*, 16 USPQ2d 1156, 1157-58 (TTAB 1990) (applicant's LITTLE PLUMBER liquid drain opener sold to consumers was not likely to cause confusion with opposer's LITTLE PLUMBER advertising services for professional plumbing contractors because the goods and services were sold through different channels); *In re The Shoe Works, Inc.*, 6 USPQ2d 1890, 1891-92 (TTAB 1988) (identical PALM BAY marks for (a) women's shoes and (b) shorts and pants found not likely to cause confusion where channels of trade differed).

Here, Simplywell offers a SIMPLYWELL-branded package of wellness services only to select corporate clients, investing in limited advertising primarily via corporate trade journals in marketing its SIMPLYWELL plan. (Demman Dep., pp. 16:3 – 20:2.) The SIMPLYQUIT mark, itself, is not advertised in the traditional sense at all. It is shown only to the human resources representatives of corporate clients who have already purchased the SIMPLYWELL plan and then only to employees whose employer has already purchased the SIMPLYWELL plan. (*Id.* at 18:23 – 20:2; 22:20 – 23:3; 23:24 – 24:11.) Elgo, on the other hand, takes phone, mail, and internet orders for its product directly from the general public. (Applicant's NOR, Opposer's Interrogatory Answers, pp. 8-9, No. 19.) Elgo also markets directly to the general public, using late-night television, daytime television, magazines, and the Internet. (*Id.* at p. 9, No. 20.) The parties, thus, use markedly different channels of trade.

To confirm this point, it helps to look again at the specific goods identified in Elgo's registration, which are:

Smoker's articles, namely, cigarettes containing tobacco substitutes not for medical purposes (in International Class 34)

(Opposer's First NOR, Ex. A.) Contrast these with the services identified in Simplywell's application:

Counseling in the field of smoking cessation offered through employer sponsored wellness plans (in International Class 44)

(U.S. Application Serial No. 77/090,694.) Simplywell expressly offers its services *only* through employer-sponsored wellness plans.

During this proceeding, Simplywell filed a motion to amend its description of services to add this phrase "offered through employer sponsored wellness plans," as shown above [Doc. # 13]. The Board deferred ruling on this motion until trial [Doc. # 14]. The Board should now grant the motion, if for no other than reason than the fact that Elgo did not oppose the motion in its trial brief. But more importantly, it only makes sense to permit the amendment—the amendment simply makes explicit the distinct channels of trade Simplywell's services were already limited to. (Demman Dep., pp. 16:3 – 20:2; 22:20 – 23:3.)⁵

An express limitation on channels of trade can be a key factor in the likelihood of confusion analysis, as seen in *The Shoe Works*, 6 USPQ2d at 1891 (identical PALM BAY marks for (a) women's shoes and (b) shorts and pants found not likely to cause confusion, where channels of trade were expressly limited). Here, Simplywell only offers and sells its services through employer-sponsored wellness plans, as the amendment makes clear. The SIMPLYQUIT smoking cessation counseling service is only one small part of an overall package of wellness

⁵ The amendment at issue also moots Elgo's argument in its Trial Brief that, because the Trademark Examiner moved to remand Simplywell's application, the burden of proof should be on Simplywell in this proceeding. While Elgo provides no support for this novel but incorrect position, the issue is now moot, if for no other reason than the fact that the Examiner filed his motion before Elgo amended its description of services. In light of the limitation on Simplywell's channels of trade, it is now likely that the Examiner would *not* have sought remand. Regardless, there is no reason to deviate from the rule placing the burden on the opposer. Elgo opposed the application, and it is Elgo's responsibility to prove its case.

services offered under the SIMPLYWELL name. (*See* Demman Dep., p. 6:9-25.) Neither the general public (nor even a client’s employees) can independently purchase Simplywell’s services. (*Id.* at 18:23 – 20:2.) They are only offered through a person’s employer. (*Id.*)

Further, the employees will never see the SIMPLYQUIT mark separate and apart from Simplywell’s employer-sponsored wellness plan. (*Id.*) As a good example, one cannot find the SIMPLYQUIT mark on Simplywell’s website. (*Id.* at 26:14 – 27:23.) In fact, some employees will *never* see the SIMPLYQUIT mark—if an employer, based on Simplywell’s initial screening process, does not have an appreciable number of smokers, for instance, Simplywell will not offer the SIMPLYQUIT services to that client. (*Id.* at 23:4 – 24:6.)

Elgo, on the other hand, markets and offers its cigarettes containing tobacco substitutes directly to the general public, particularly through late-night television, daily television, magazines, and the internet. (Applicant’s NOR, Opposer’s Interrogatory Answers, p. 9, No. 20.) There is no employer. There is no package of wellness services. There is no screening. There is only a plastic simulated cigarette, sold directly to the consumer.

A final matter remains: Elgo alleges in its trial brief that it “is informed and believes” that Simplywell intentionally used materials from Elgo’s website regarding the benefits of smoking cessation. (Opposer’s Brief, p. 6.) Aside from the fact that the allegation is false, Elgo fails to explain how or why it believes this to be the case, nor does it cite any competent evidence to support its accusation. While Simplywell trusts the Board to give short shrift to an unsupported allegation in a trial brief, it bears note if only to illustrate the lengths Elgo feels it must go to connect the parties’ goods and services. As the allegation rings false, so does the connection.

Because Simplywell’s services and Elgo’s goods travel in different channels of trade, their marks are not likely to cause confusion. This factor weighs in Simplywell’s favor.

3. The relevant purchasers are careful and sophisticated.

Sophisticated purchasers are less likely to be confused. *See Carefirst*, 77 USPQ2d at 1504; *Electronic Design & Sales v. Electronic Data Sys.*, 21 USPQ2d 1388, 1392 (Fed. Cir. 1992). As touched on above, Simplywell’s clients are businesses who Simplywell either approaches directly or who are referred to Simplywell by other companies. (Demman Dep., p. 22:2-19.) Simplywell deals with a select individual or individuals from the client company, whose job it is to set up an employee wellness plan with Simplywell. (*Id.* at 17:23 – 18:19.) Such individuals are likely to be cautious and careful in buying a package of services from Simplywell for their business.

Further, after an employer purchases the SIMPLYWELL wellness plan, an array of services are offered to its employees—all under the SIMPLYWELL banner. (*Id.* at 18:20 – 19:12.) Neither the employer or the employees are likely to think that there is another source for such services. Elgo’s customers, on the other hand, are members of the general public to whom Elgo markets with daytime and nighttime television commercials, magazines, and the Internet. (Applicant’s NOR, Opposer’s Interrogatory Answers, p. 9, No. 20.) These persons are admittedly likely to be less sophisticated purchasers than Simplywell’s corporate clients.

One might wonder what would happen if this relatively unsophisticated buyer of Elgo’s goods was approached by his employer with the SIMPLYWELL program? Would he be likely to think that, because the SIMPLYWELL program includes the SIMPLYQUIT smoking cessation counseling service, it is related to Elgo? The answer is no, this is not likely to occur. A key consequence of Simplywell’s marketing approach is that it automatically educates the consumer—even one who, hypothetically, was previously exposed to Elgo’s simulated SIMPLYQUIT cigarette. The SIMPLYWELL plan provides a systematic approach to wellness

that, by its nature, makes the source of the services evident. And that source is Simplywell. Said another way, a consumer participating in his employer's multifaceted wellness program cannot help but know the source of the program. He knows it is Simplywell, not Elgo.

The careful, sophisticated purchasing decisions of Simplywell's corporate clients and the systematic way Simplywell's program is presented to the clients' employees prevent any likelihood of confusion. No person exposed to Simplywell or its services would think that Elgo's simulated plastic cigarette is in any way related to the smoking cessation counseling offered through Simplywell's employer-sponsored wellness plans, or vice versa.

This factor thus also weighs against a finding of likelihood of confusion in this case.

4. Simplywell's services are materially different than the goods sold by Elgo.

While the difference between Simplywell's services and Elgo's goods is apparent from the discussions above, it is worth focusing on the point exclusively. This is because:

[W]here goods and services are not related or marketed in such a way that they would be encountered by the same persons in situations that would create the incorrect assumption that they originate from the same source, then, *even if the marks are identical, confusion is not likely.*

TMEP § 1207.01(a)(i) (emphasis added). At bottom, Simplywell offers and sells a *service*, Elgo offers *goods*, each in a different international class. While this distinction does not per se determine the case, it is still important. Examining again the recitations that control this case:

The goods identified in Elgo's registration are:

Smoker's articles, namely, cigarettes containing tobacco substitutes not for medical purposes (in International Class 34)

(Opposer's First NOR, Ex. A.) The services identified in Simplywell's application are:

Counseling in the field of smoking cessation offered through employer sponsored wellness plans (in International Class 44)

(U.S. Application Serial No. 77/090,694.) Explaining these a bit further, the “smoking article” Elgo offers for sale is a simulated plastic cigarette, offered to individuals who want to quit smoking. (Applicant’s NOR, Opposer’s Interrogatory Answers, p. 5, No. 8.) The simulated cigarette is intended to replace the smoker’s oral addition to cigarettes. (*Id.*) In sharp contrast, Simplywell sells employee wellness plans to corporate clients. As part of its SIMPLYWELL suite of services, Simplywell offers an eight-step telephonic counseling plan to its client’s employees who wish to quit smoking. (Demman Dep., pp. 15:17 – 17:22.) Simplywell uses no simulated cigarette—or any other “smoking article”—in its wellness plans. (*See id.* at 27:2-23.)

And as discussed above, Simplywell’s services and Elgo’s goods are marketed in entirely different ways. There is no “way that they would be encountered by the same persons in situations that would create the incorrect assumption that they originate from the same source.” *See* TMEP § 1207.01(a)(i). Simplywell offers a package of wellness services only to selected corporate clients, and it does not employ traditional advertising (television, magazines, etc.) in marketing its SIMPLYQUIT services. (Demman Dep., pp. 18:20 – 20:3.). Elgo, on the other hand, sells directly to the general public using traditional advertising media such as daytime and late-night television, magazines, and the Internet. (Applicant’s NOR, Opposer’s Interrogatory Answers, p. 9, No. 20.) Thus, no situation is created where confusion is likely to occur.

Last, the case law shows that where there are differences in goods and services and differences in how they are marketed, even with identical or close-to-identical marks, confusion is not likely to occur. *See, e.g., Shen Manuf. Co. v. Ritz Hotel Ltd.*, 73 USPQ2d 1350, 1356 (Fed. Cir. 2004) (cooking classes and kitchen textiles not related); *Slimmery Int., Inc. v. Stauffer-Meiji, Inc.*, 6 USPQ2d 1671, 1678 (E.D. Mo. 1987) (SKINNY DIP for ice cream milk bars is not confusingly similar to SKINNY DIPPERS for chocolate sauce and cracker sticks, in part because

the two products were not in the same product class); *Trade Pubs.*, 191 USPQ at 480 (FOOD WORLD trade journal would be unknown to customers shopping at FOOD WORLD grocery store); *Local Trademarks*, 16 USPQ2d at 1157-58 (applicant's LITTLE PLUMBER liquid drain opener sold to consumers was not likely to cause confusion with opposer's LITTLE PLUMBER advertising services for professional plumbing contractors because the goods and services were sold through different channels); *The Shoe Works*, 6 USPQ2d at 1891-92 (identical PALM BAY marks for (a) women's shoes and (b) shorts and pants found not likely to cause confusion where channels of trade differed).

This factor further weighs against a finding of a likelihood of confusion here.

5. The extent of potential confusion is, at most, *de minimis*.

Even assuming that there is some small overlap between the parties' goods and services, any potential confusion is, at most, *de minimis*. The only overlap that Elgo points to in its opening brief would be where one of Simplywell's client's employees/participants in the SIMPLYWELL program is offered the SIMPLYQUIT counseling services, and (either before or afterwards) sees one of Elgo's ads. (Opposer's Trial Brief, p. 7.) As detailed above, however, no one sees Simplywell's SIMPLYQUIT mark without first being made aware that it is only one part of the larger SIMPLYWELL wellness program. This fact forecloses any real possibility of confusion.

Regardless, it is implausible that the so-called "confusion" feared by Elgo—where an employee using Simplywell's services through her employer would think that Elgo is in some way related to Simplywell—could harm Elgo. A person cannot directly purchase SIMPLYQUIT smoking cessation services from Simplywell, (Demman Dep., pp. 18:20 – 20:2), so there is no chance that someone could mistakenly make a purchase from Simplywell, thinking it was Elgo. *See U.S. Conf. of Catholic Bishops v. Media Res. Ctr.*, 432 F. Supp. 2d 616, 628 (E.D. Va. 2006)

(noting that the Lanham Act protects “only against mistaken purchasing decisions and not against confusion generally”). Thus, even assuming for the sake of argument that there *would* be potential confusion, it could only be—at most—*de minimis*. It could not affect any purchasing decision.

6. There have been no incidents of actual confusion between the parties’ marks.

There is no evidence that anyone has actually been confused between Elgo’s goods and Simplywell’s services. “We cannot think of more persuasive evidence that there is no likelihood of confusion between these two marks than the fact that they have been simultaneously for five years without causing consumers to be confused” *Brookfield Comms., Inc. v. W. Coast Enter. Corp.*, 50 USPQ2d 1545, 1554-55 (9th Cir. 1999); *see also Genesco, Inc. v. Martz*, 66 USPQ2d 1260, 1271 (TTAB 2003) (finding absence of actual confusion to be at least neutral or weighing in the applicant’s favor); *Oreck Corp. v. U.S. Floor Sys., Inc.*, 231 USPQ 634, 639 (5th Cir. 1986) (finding no actual confusion over seventeen months “highly significant”); *Keebler Co. v. Rovira Biscuit Corp.*, 207 USPQ 465, 475 (1st Cir. 1980) (finding no likelihood of confusion where no evidence of actual confusion existed and there was concurrent use of less than three years).

Here, the parties’ marks have co-existed in the marketplace since September 2006, with zero instances of actual confusion. (Demman Dep., pp. 30:23 – 31:5.) If one believes that there is some potential overlap between the parties’ goods and services, the lack of actual confusion is significant. It shows that this unlikely hypothetical does not translate into real confusion. On the other hand, considering the weakness of Elgo’s mark, the differences in the parties’ goods and services, the different channels of trade, and the sophistication of the relevant purchasers, one might reasonably believe that there is no real opportunity for actual confusion to occur. Either way, the result is the same. There is no likelihood of confusion between the parties’ marks.

VII. CONCLUSION

The Board should dismiss the opposition because Elgo lacks standing. Elgo did not submit competent evidence of a real interest in this case. Regardless, even if standing did exist, the Board should dismiss the opposition because there is no likelihood of confusion between the marks at issue. The weakness of Elgo's mark, the differences in the parties' goods and services, the different channels of trade, the sophistication level of the relevant purchasers, and the absence of actual confusion show that confusion is not likely to arise between the parties' marks.

Respectfully submitted,

/s/ Christopher M. Bikus

Christopher M. Bikus
Timothy J. McFarlin
Husch Blackwell Sanders LLP
1620 Dodge Street, Suite 2100
Omaha, NE 68102
Tel: 402-964-5144
Fax: 402-964-5050
chris.bikus@huschblackwell.com
tim.mcfarlin@huschblackwell.com

ATTORNEYS FOR APPLICANT

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing APPLICANT SIMPLYWELL, LLC'S TRIAL BRIEF was served via first class mail postage prepaid this 16th day of February 2010, addressed as follows:

Cynthia R. Moore
794 Los Robles Avenue
Palo Alto, CA 94306

Joseph A. Mandour, Esq.
Ben T. Lila, Esq.
Mandour & Associates, APC
16870 W. Bernardo Drive, Suite 400
San Diego, California 92127

/s/ Timothy J. McFarlin

CERTIFICATION UNDER 37 C.F.R. § 1.8

I hereby certify that this APPLICANT SIMPLYWELL, LLC'S TRIAL BRIEF is being filed electronically with the United States Patent and Trademark Office utilizing the *Electronic System for Trademark Trials and Appeals* this 16th day of February 2010.

/s/ Timothy J. McFarlin