

ESTTA Tracking number: **ESTTA423997**

Filing date: **08/08/2011**

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

Proceeding	91193335
Party	Plaintiff Embarcadero Technologies, Inc.
Correspondence Address	MARTIN R GREENSTEIN TECHMARK A LAW CORPORATION 4820 HARWOOD RD, 2ND FLOOR SAN JOSE, CA 95124-5273 UNITED STATES MRG@TechMark.com, MPV@TechMark.com, AMR@TechMark.com, LZH@TechMark.com
Submission	Brief on Merits for Plaintiff
Filer's Name	Leah Z Halpert
Filer's e-mail	MRG@TechMark.com, MPV@TechMark.com, LZH@TechMark.com, AMR@TechMark.com
Signature	/Leah Z Halpert/
Date	08/08/2011
Attachments	RSTUDIO-91193335-Opposer's Brief-FINAL-08-08-2011.pdf ( 57 pages ) (314495 bytes )

**CERTIFICATE OF ELECTRONIC FILING**

I hereby certify that this correspondence is being deposited via the Electronic System for Trademark Trials and Appeals (ESTTA) on August 8, 2011.

/Leah Z. Halpert/

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

**EMBARCADERO TECHNOLOGIES, INC.**

**Opposer**

**v.**

**RSTUDIO, INC.**

**Applicant.**

**Opposition No.: 91-193,335**

**Trademarks: RSTUDIO**

**Serial Nos.: 77/691,980**  
**77/691,984**  
**77/691,987**

**OPPOSER'S BRIEF ON THE MERITS**

Pursuant to Trademark Rule 2.128(a)(1), Opposer, EMBARCADERO TECHNOLOGIES, INC., ("Embarcadero", or "Opposer"), by its attorneys, hereby submits its Brief on the Merits supporting its request that the Board deny Applicant's U.S. Trademark Application Serial Nos: 77/691,980, 77/691,984, and 77/691,987 for the mark RSTUDIO in Classes 9, 41, and 42.

Dated: August 8, 2011

Respectfully Submitted,

**TechMark a Law Corporation**

By: /Martin R. Greenstein/  
Martin R. Greenstein  
Mariela P. Vidolova  
Leah Z. Halpert  
TechMark a Law Corporation  
4820 Harwood Road, 2<sup>nd</sup> Floor  
San Jose, CA 95124-5273  
Tel: (408) 266-4700; Fax: (408) 850-1955  
E-Mail: MRG@TechMark.com  
Attorneys for Opposer, Embarcadero Technologies

**TABLE OF CONTENTS**

INTRODUCTION ..... 8

DESCRIPTION OF THE RECORD ..... 9

STATEMENT OF THE ISSUES ..... 11

RECITATION OF THE FACTS ..... 12

    I.    Creation, Development, and Expansion of ER/STUDIO ..... 12

    II.   The Software Development Continuum and the ER/STUDIO Line ..... 14

    III.  Embarcadero’s ER/STUDIO Product Line Today ..... 16

    IV.  Embarcadero’s Marketing, Promotion and Sales ..... 20

    V.   Applicant and its Trademarks ..... 22

ARGUMENT ..... 24

    I.    STANDING ..... 24

    II.   PRIORITY ..... 24

    III.  LIKELIHOOD OF CONFUSION ..... 25

        A.    The *du Pont* Factors Favor a Finding of Likelihood of Confusion ..... 25

        B.    The Respective Marks Are Nearly Identical ..... 27

        C.    The Respective Goods and Services are Highly Related ..... 30

            1.    Applicant’s Motion to Amend the Applications Will Not Avoid  
                Likelihood of Confusion and Should be Denied. .... 35

        D.    The Goods and Services Associated with both Marks Will be Used by the  
                Same People in the Same Companies for the Same Purposes. .... 38

        E.    The Sophistication Level of Consumers Does Not Outweigh the Potential for  
                Confusion. .... 40

        F.    The Broad Expansion of the ER/STUDIO Brand and Length of Time on the

	Market Favors a Finding of Likelihood of Confusion. ....	43
G.	The Lack of Any Marks Similar to ER/STUDIO in Use for Any Similar Goods or Services Favors a Finding of Likelihood of Confusion .....	45
H.	Applicant Has No Right to Exclude Others Because Opposer’s Rights are Superior. ....	45
I.	A Real Potential for Confusion Exists and is Substantial .....	46
J.	The Remaining <i>du Pont</i> Factors are Irrelevant or Weigh toward Likelihood of Confusion .....	47
K.	Conclusion .....	48
SUMMARY	.....	49

**TABLE OF AUTHORITIES**

**CASES**

*Barbara’s Bakery Inc. v. Landesman*, 82 USPQ2d 1283 (TTAB 2007) ..... 24

*Baseball America Inc. v. Powerplay Sports Ltd.*, 71 USPQ2d 1844 (TTAB 2004) ..... 27

*Blansett Pharmacal Co. v. Carmrick Labs, Inc.*, 25 USPQ2d 1473 (TTAB 1992) ..... 28

*Blockbuster Entertainment Group v. Laylco, Inc.*, 869 F.Supp. 505, 33 USPQ2d 1581 (E.D. Mich. 1994) ..... 28

*Checkpoint Systems, Inc. v. Check Point Software Techs., Inc.*, 269 F.3d 270 (3d Cir. 1994) .. 42

*Chemical Corp. v. Anheuser-Busch, Inc.*, 306 F.2d 433, 134 USPQ2d 524 (5th Cir. 1962) ... 28

*Coca-Cola Company v. Snow Crest Beverages, Inc.*, 162 F.2d 280, 73 USPQ 518 (1st Cir. 1947), cert. Den. 332 U.S. 809, 75 USPQ 365 (1947) ..... 25

*Cunningham v. Laser Golf Corp.*, 222 F.3d 943 (Fed. Cir. 2000) ..... 41

*Demon International LC v. Lynch*, 86 USPQ2d 1058 (TTAB 2008) ..... 24

*Dreyfus Fund, Inc. v. Royal Bank of Canada*, 525 F.Supp. 1108 (S.D.N.Y. 1981) ..... 31

*Drive Trademark Holdings LP v. Inofin*, 83 USPQ2d 1433 (TTAB 2007) ..... 36

*Earthquake Sound Corp. v. Bumper Industries*, 352 F.3d 1210 (9th Cir. 2003) ..... 29

*Edwards Lifesciences Corp. v. VigiLanz Corp.*, 94 USPQ2d 1399 (TTAB 2010) ..... 41

*Elvis Presley Enter.’s Inc. v. Capece*, 141 F.3d 188 (5th Cir. 1998) ..... 31

*Faberge, Inc. v. Madison Shirt Corp.*, 192 USPQ 223 (TTAB 1976) ..... 30

*Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USQP 24 (CCPA 1976) ..... 27

*Florence Mfg. Co. v. J. C. Dowd & Co.*, 178 F. 73 (2d Cir. 1910) ..... 41

*Giant Food, Inc. v. Nation’s Foodservice, Inc.*, 710 F.2d 1565, 218 USPQ 390 (Fed. Cir. 1983) ..... 47

*Giant Food, Inc. v. Standard Terry Mills, Inc.*, 231 USPQ 626 (TTAB 1986) ..... 36

<i>Han Beauty, Inc. v. Alberto-Culver Co.</i> , 236 F.3d 1333, 57 USPQ2d 1557 (Fed. Cir. 2001) . . .	26
<i>Hard Rock Café Int’l (USA) Inc. v. Elsea</i> , 56 USPQ2d 1504 (TTAB 2000) . . . . .	48
<i>Hasbro, Inc. v. Braintrust Games, Inc.</i> , Opposition No. 91169603 (July 9, 2004) . . . . .	44
<i>Hunt Foods &amp; Indus., Inc. v. Gerson Stewart Corp.</i> , 367 F.2d 431, 151 USPQ 350 (CCPA 1966) .....	41
<i>In re Davey Products Pty Ltd.</i> , 92 USPQ2d 1198 (TTAB 2009) . . . . .	34, 45
<i>In re Dixie Restaurants Inc.</i> , 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997) . . . . .	25, 26, 28
<i>In re E.I. Du Pont de Nemours &amp; Co.</i> , 476 F.2d 1357, 177 USPQ 563 (CCPA 1973) . . . . .	11, 25, 26, 45, 46
<i>In re Lamson Oil Co.</i> , 6 USPQ2d 1041 (TTAB 1987) . . . . .	27
<i>In re Mack</i> , 197 USPQ 755 (TTAB 1977) . . . . .	27
<i>In re Majestic Distilling Co.</i> , 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003) . . . . .	25, 26
<i>In re Melville Corp.</i> , 18 USPQ2d 1386 (TTAB 1991) . . . . .	36
<i>In re Opus One, Inc.</i> , 60 USPQ2d 1812 (TTAB 2001) . . . . .	31
<i>In re Pellerin Milnor Corp.</i> , 221 USPQ 558 (TTAB 1983) . . . . .	41
<i>In re Shell Oil Co.</i> , 992 F.2d 1024, 26 USPQ2d 1687 (Fed. Cir. 1993) . . . . .	31
<i>J.C. Penney Co. v. Security Tire &amp; Rubber Co.</i> , 382 F.Supp. 1342 (E.D.Va. 1974) . . . . .	25
<i>Kimberly-Clark Corp. v. H. Douglas Enter., Ltd.</i> , 774 F.2d 1144, 227 USPQ 541 (Fed. Cir. 1985) . . . . .	41
<i>King Candy Co. v. Eunice King’s Kitchen, Inc.</i> , 496 F.2d 1400, 182 USPQ 108 (CCPA 1974) .....	24
<i>Kohler Co. v. Baldwin Hardware Corp.</i> , 82 USPQ2d 1100 (TTAB 2007) . . . . .	31
<i>KOS Pharmaceuticals, Inc. v. Andrx Corporation</i> , 369 F.3d 700 (3d Cir. 2004) . . . . .	28
<i>L.C. Licensing Inc. v. Berman</i> , 86 USPQ2d 1883 (TTAB 2008) . . . . .	24
<i>Liberty Bell Equipment Corp. v. Graco Minnesota Inc.</i> , Opposition No. 91177965 (January 31,	

2011) .....	37
<i>Magnavox Co. v. Multivox Corporation Of America</i> , 341 F.2d 139 (CCPA 1965) .....	29
<i>May Department Stores Co. v. Prince</i> , 200 USPQ 803 (TTAB 1978) .....	25
<i>Natural Footwear Ltd. v. Don Green</i> , 760 F.2d 1383, 225 USPQ 1104 (3d. Cir. 1985) .....	25
<i>Nikon Inc. v. Ikon Corp.</i> , 987 F.2d 91 (2d Cir. 1993) .....	29
<i>Octocom Systems, Inc. v. Houston Computer Services Inc.</i> , 918 F.2d 937, 16 USPQ2d 1783 (Fed. Cir. 1990) .....	30, 38
<i>Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772</i> , 396 F.3d 1369, 73 USPQ2d 1689 (Fed. Cir. 2005) .....	25, 27
<i>Penguin Books Ltd. v. Eberhard</i> , 48 USPQ2d 1280 (TTAB 1998), <i>app. dismissed</i> , 178 F.3d 1306 (Fed. Cir. 1998) .....	38
<i>Peopleware Systems, Inc. v. Peopleware, Inc.</i> , 226 USPQ 320 (TTAB 1985) .....	35
<i>Recot, Inc. v. Becton</i> , 214 F.3d 1322, 54 USPQ2d 1894 (Fed. Cir. 2000) .....	36, 41
<i>Schering-Plough HealthCare Products Inc. v. Ing-Jing Huang</i> , 84 USPQ2d 1323 (TTAB 2007) .....	24, 45
<i>Sealed Air Corp. v. Scott Paper Co.</i> , 190 USPQ2d 106 (TTAB 1975) .....	27
<i>Shen Mfg. Co. v. Ritz Hotel Ltd.</i> , 393 F.3d 1238, 73 USPQ2d 1350 (Fed. Cir. 2004) .....	26, 36
<i>Specialty Brands v. Coffee Bean</i> , 223 USPQ 1281 (Fed. Cir. 1984) .....	45
<i>Teledyne Technologies Inc. v. Western Skyways Inc.</i> , 78 USPQ2d 1203 (TTAB 2006), <i>aff'd unpublished</i> , Nos. 2006-1366 and 2006-1367 (Fed. Cir. 2006) .....	31
<i>Time Warner Entertainment Co. v. Jones</i> , 65 USPQ2d 1650 (TTAB 2002) .....	39
<i>Tuxedo Monopoly, Inc. v. General Mills Fun Group</i> , 648 F.2d 1335, 209 USPQ 986 (CCPA 1981) .....	34
<i>ViaSat, Inc. v. Viewtech Inc.</i> , Opposition No. 91174770, November 13, 2009 ..	26-28, 39, 41, 42
<i>Visa International Service Association. v. JSL Corp.</i> , 610 F.3d 1088, 95 USPQ2d (BNA) 1571 (9 <sup>th</sup> Cir. 2010) .....	29

<i>W.R. Grace &amp; Co. v. Herbert J. Meyer Indus., Inc.</i> , 190 USPQ 308 (TTAB 1976) .....	48
<i>Weiss Assoc., Inc. v. HRL Assoc., Inc.</i> , 14 USPQ2d 1840 (Fed. Cir. 1990) .....	47
<i>Wet Seal Inc. v. FD Management Inc.</i> , 82 USPQ2d 1629 (TTAB 2007) .....	24
<i>Winnebago Industries, Inc. v. Oliver &amp; Winston, Inc.</i> , 207 USPQ 335 (TTAB 1980) .....	27

**STATUTES**

15 U.S.C. §1052(d) .....	8
--------------------------	---

**RULES**

TBMP §309.03(b) .....	24
TBMP §309.03(c)(A) .....	24
TBMP §514.03 .....	35
TMEP §1207.01(b)(i) .....	27
Trademark Rule 2.122, 37 C.F.R. §2.122 .....	9
Trademark Rule 2.133(a), 37 C.F.R. §2.133(a) .....	35

## **INTRODUCTION**

Opposer, Embarcadero Technologies, Inc. (“Embarcadero” or “Opposer”), a Delaware corporation engaged in the development, marketing, advertising, distribution and sale of various computer software products, including, among others, computer software for modeling, software applications development, and integrated development environments (“IDEs”), and for related services, including, among others, education and training services in the use of computer software and computer software consultation, design and development of computer software and technical support services in connection with computer software, opposed the intent-to-use applications of Applicant RStudio, Inc (“RStudio” or “Applicant”) for registration of the following mark in connection with the goods and services in Application Nos. 77/691,980<sup>1</sup>, 77/691,984<sup>2</sup>, and 77/691,987<sup>3</sup> in Classes 9, 41, and 42 (hereinafter collectively referred to as the “Applications”):

### **RSTUDIO**

Embarcadero’s grounds for this opposition are (1) a false suggestion of connection under Section 2(a) of the Trademark Act of 1946, 15 U.S.C. §1052(a) and (2) a likelihood of confusion, mistake or deception among purchasers, users and the public under Section 2(d) of the Trademark Act of 1946, 15 U.S.C. §1052(d). All of the grounds for opposition arise from Embarcadero’s extensive common law rights in and incontestable Registration No. 2,203,227 for the mark:

### **ER/STUDIO**

---

<sup>1</sup> “Computer software for statistical computing; computer software for software applications development”

<sup>2</sup> “Providing training in the use of computer software; providing training in the use of statistical methods and related computer software”

<sup>3</sup> “Application service provider (ASP) featuring software for statistical computing and software applications development; computer software consultation; design and development of computer software; technical support services, namely, troubleshooting of problems with computer software programs”

In particular, Embarcadero contends, and the evidence presented in the record and discussed herein proves, that consumers are likely to be confused or mistaken as to the source, association or sponsorship of Applicant's products and services as a result of Applicant's confusingly similar mark, **RSTUDIO**, if allowed to be registered, as the mark will be used for the same or similar purposes, advertised and promoted to and directed at the same trade channels and the same purchasers, and will be used for the same or closely related purposes, and in the same environment as Embarcadero's software products and related services.

Applicant denied the essential allegations of the Notice of Opposition in its Answer, filed January 27, 2010. Both sides have presented testimony and various notices of reliance during their respective testimony periods. The matter is now ripe for adjudication.

#### **DESCRIPTION OF THE RECORD**

In accordance with Trademark Rule 2.122, 37 C.F.R. §2.122, the record includes the pleadings in this proceeding, the file histories of Applicant's intent-to-use applications for the mark **RSTUDIO** (Appln. Nos. 77/691,980, 77/691,984, and 77/691,987), and Embarcadero's pleaded registration for the mark **ER/STUDIO** (Reg. No. 2,203,227).

In addition, Embarcadero entered the following additional evidence during its testimony period:

- Testimonial deposition, with exhibits attached, of Mr. Jason Tiret (February 9, 2011), Director of Modeling and Design Solutions at Embarcadero Technologies, Inc.
- Notices of Reliance (hereinafter "Opposer's NOR" or "Opposer's Rebuttal NOR"):
  - Applicant's website as of February 28, 2011 and May 25, 2011 showing how Applicant uses the **RSTUDIO** mark and how the site has changed since the close of

their testimony period.

- Embarcadero’s website as of February 28, 2011 to show the broad variety of products offered under the **ER/STUDIO** brand name.
- The discovery deposition of Mr. Joseph J. Allaire (September 27, 2010)
- Printed publications explaining the R computing language, the R development environment, and how the R computing language relates to other computing languages.
- Printed publications explaining how the R computing language directly relates to and is well suited for use with relational databases.
- Printed publications explaining how the **ER/STUDIO** brand of products interrelates with a wide variety of databases, including flat file databases.
- Printed publications of dictionary definitions of the term statistics.
- Printed publications of R-specific conference announcements showing the varied community of attendees.

Applicant, for its own case, presented the following evidence during its testimony period:

- Testimonial deposition, with exhibits, of Mr. Joseph J. Allaire (April 15, 2011), CEO of RStudio, Inc.
- Notice of Reliance (hereinafter “Applicant’s NOR”):
  - Designated portions of the discovery deposition of Embarcadero Technologies, Inc. (November 4, 2010).
  - Embarcadero’s Amended Responses to Applicant’s First Set of Interrogatories, namely No. 14.
  - Printed publications discussing the R language and the statistical computing

functions therein.

- Applicant’s website as of April 18, 2011 showing how Applicant uses and advertises **RSTUDIO**.
- Collection of an excessive number of webpages offered to show that “Studio” is used in the names of software products comparable to those offered by both Embarcadero and Applicant.
- Collections of an excessive number of webpages proffered to show that “ER”, as applied in a vacuum to relational databases and database software means “entity relationship”.
- Embarcadero’s website showing the broad variety of products and services offered by Embarcadero, including those under the **ER/STUDIO** brand, as well as current prices for the same.
- Printed publications offered ostensibly to create the impression that there is a separate and distinct statistical computing software category.

### **STATEMENT OF THE ISSUES**

The sole issue ripe for adjudication by the Board in this proceeding is:

1. Under the analysis laid out in *In re E.I. Du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973), is Applicant’s mark **RSTUDIO** likely to cause confusion, mistake or deception among purchasers, users and the public as to the source, association or sponsorship of Applicant’s products and services in light of Embarcadero’s extensive prior rights in the mark **ER/STUDIO** for closely related goods and services in the identical channels of trade?

### **RECITATION OF THE FACTS**

On January 9, 2010, Embarcadero, with the belief that it has been or will be damaged by registration on the Principal Register of the mark **RSTUDIO** shown in Applns. Ser. Nos. 77/691,980 (Class 9), 77/691,984 (Class 41), and 77/691,987 (Class 42), filed the instant opposition. Complaint at 1. As grounds for this opposition, Embarcadero alleges likelihood of confusion, mistake or deception among purchasers, users and the public, *Id.* ¶¶ 7-9. Embarcadero bases this opposition on its extensive prior use and incontestable registration of the mark **ER/STUDIO**, as shown in Registration No. 2,203,227. *Id.* ¶¶ 1-4

#### **I. Creation, Development, and Expansion of ER/STUDIO**

Embarcadero is now and has for many years been engaged in the development, marketing, advertising, distribution and sale of various computer software products, including, among others, computer software for modeling and for software applications development and for related services, including, among others, education and training services in the use of computer software and computer software consultation, design and development of computer software and technical support services in connection with computer software.

Complaint at ¶ 1. Within this mission, Embarcadero first developed and released the initial **ER/STUDIO** branded product in 1997, Applicant's NOR, Exh. A (discovery deposition of Jason Tired on November 4, 2010) at 27:19-25, which later would become the flagship product under the ER/Studio brand umbrella of software products. *Id.* at 14:2-7. Since the introduction of **ER/STUDIO** in 1997, there have been no periods of time when Embarcadero has not had ER/Studio branded products on the market, and, in fact, has continually offered an ever increasing line of ER/Studio products and services. Tired Testimony 131:23-25, 132:1-2, Feb. 9, 2011, Exh 9 (showing a variety of archived Embarcadero webpages promoting and selling the **ER/STUDIO** brand from as early as 1997).

Simultaneously with the launch of the flagship ER/Studio product, Embarcadero applied for

and later obtained on November 10, 1998, Registration No. 2,203,227 for ER/STUDIO in Class 9 for “*entity relationship modeling software for SQL databases*”, Complaint at ¶ 3. This registration became incontestable and conclusive evidence of Embarcadero’s exclusive rights therein as provided under the Lanham Act on November 10, 2003, and Embarcadero filed a Declaration under Section 15 immediately thereafter, which was acknowledged by the USPTO on January 20, 2004. *Id.* ¶ 4. Embarcadero duly renewed the registration for a further 10-year term on May 19, 2009. Complaint at ¶ 3. As discussed further below, the description of the goods in the registration, while still accurate today as to some of the software available under the **ER/STUDIO** brand, represents only a small portion of the vastly expanded common law rights that have been steadily developed and enjoyed by Embarcadero under the **ER/STUDIO** umbrella of products and services since the initial launch. Applicant’s NOR, Exh A at 93; Tired Testimony, Exh 9 (showing a variety of archived Embarcadero webpages cataloging the expansion of products and services offered under the **ER/STUDIO** brand since 1997).

When first released in 1997, the initial ER/Studio product could (1) build database structures; (2) lay them out visually; (3) generate code that creates a database; (4) reverse engineer the database structure; and (5) publish all of this information to HTML in order to distribute information to the end user. Applicant’s NOR Exh A at 14:13-20. These functions were developed for “any data professionals that handle either the design development or management of the database.” *Id.* at 28:19-21. **ER/STUDIO** branded products have, since the beginning, been targeted to any “customers that have data” *Id.* at 29:25. As the products and services are not industry specific, *Id.* at 30:1-2; Tired Testimony at 116:21-22, the **ER/STUDIO** line has steadily grown to become a ***\$14 million per year*** line, which has been sold every day since the initial release. Tired Testimony 131:21-25, 132:1-6, Exh. 9. This is due to the fact that the **ER/STUDIO** brand is suitable for all

businesses, and as such, has naturally expanded well beyond the realm of “entity relationship modeling software” to become a “line of products helps a database user through the entire database cycle” Tired Testimony at Exh. 2, pg. 3, of designing, developing, and managing a database. Applicant’s NOR, Exh A at 16:21-25.

To further expand its reaches, Embarcadero acquired CodeGear LLC, a software company specializing in application development tools, in 2008. Tired Testimony at 108: 21-25, 109, Exh. 4. With this acquisition, Embarcadero extended its capabilities and customer base to sell products and provide services to consumers in all sectors of the application software development continuum, whether they be database developers or application developers, or a mix of both. *Id.* at 109:17-22 (“the logic behind the acquisition was so we could sell both [types of products] to both [customer bases]” *Id.* at 110:21-24). This acquisition marked a new stage for Embarcadero as it now could offer products and services for the entire software development continuum, following the already natural, logical expansion of its products and services. *Id.* At 110:4-9 (There is a logical connection between database products and application development products. Software applications typically utilize data and information, which, most logically, is stored in a database.)

## **II. The Software Development Continuum and the ER/STUDIO Line**

The software development continuum<sup>4</sup> is the spectrum connecting all aspects of software development together. Although each individual aspect can be considered distinct, the software development process and implementation as a whole does not work in a vacuum; each individual aspect is of little separate use without relying on a prior step or proceeding to the next individual part. Even Applicant readily acknowledges that it is a spectrum where one portion of the field, such

---

<sup>4</sup> For more detailed information regarding the software development continuum, see Tired Stipulated Testimony, Tired Testimony, Exh 2, at 3-4, attached hereto as Appendix A.

as database development, is then incorporated into a different area, such as running analyses and statistics on the data that is ultimately stored in the database created. Allaire Testimony at 136:16-24 (“there’s a sequence of design/architecture and then development”).

Databases are at the core of the modern commercial software application process, which is, in essence, the creation and use of application programs to act on data important to a business’s activities. Tired Stipulated Testimony, Tired Testimony, Exh 2 at 3 (“Tired Stip. Testimony”). At the start of the process, a developer or developing team designs and models a database to determine what data needs to be stored, how it needs to be stored, and how it will be accessed and used. *Id.* From this model, database designers create databases needed to meet the business objectives. *Id.* Once created, a database is then filled or populated with relevant data which is then updated constantly – an ongoing process that continues through the life of a database. Various database management tools and utilities help with the maintenance, upkeep, statistical analysis or “metrics”, quality assurance checks, and overall management of the database. *Id.*

Once populated with data, a database must take its place in the software development continuum, else it serves very little purpose. Allaire Testimony at 136:16-19 (“Design and architecture software [such as ER/Studio] allows you to build a specification for the software and then application development software enables you to actually construct the software”). At this point, a populated database is used by various application programs – some “off the shelf”, but the majority of which are written using application development software or IDEs (integrated software environments) to specifically work with the database to accomplish a specific purpose or function. Tired Stip. Testimony at 3. These various and wide-ranging application programs access the database to operate on the data within and accomplish the desired goals and requirements of the business operation. *Id.* at 3-4. The final output from these programs is typically in the form of

graphical reports, statistical reports and analyses on the information needed by the business in its day-to-day and/or long term operations. *Id.* at 4.

All of the above functions are found within either Embarcadero's ER/Studio line of products, or the companion Embarcadero products sold in conjunction with the ER/Studio line, which complement ER/Studio products, and are marketed to and used by the same customers for the same or closely related purposes. *Id.*

ER/Studio products allow customers to begin with modeling the database they wish to create. From there the ER/Studio brand of products and services lead the customer through the design and development of their individual database. *Id.* Once created, the database is implemented when the customer inputs the relevant data and information within it. Tired Stip. Testimony at 4. From these initial steps, the database created with the help of the ER/Studio products and services becomes a powerful tool to the customer, as they can use related Embarcadero brands, as well as ER/Studio branded IDEs to create software applications to easily analyze and report different statistical analyses on the data or any combination of results the user wishes to see from the data originally inputted. *Id.*

### **III. Embarcadero's ER/STUDIO Product Line Today**

Embarcadero's vastly expanded **ER/STUDIO** product line today goes well beyond pure entity relationship modeling. Applicant's NOR, Exh A at 12:6-10. Today, the **ER/STUDIO** brand includes other modeling tools, such as Universal Modeling Language (UML), an entirely different type of modeling from entity relationship modeling, as well as IDEs (integrated development environments) for developing software applications on top of a database. With products such as ER/Studio Data Architect, ER/Studio Software Architect, ER/Studio Business Architect, ER/Studio Repository, ER/Studio Metawizard, and a variety of bundled packages – discussed below – it now

incorporates tools for consumers anywhere within the software development continuum from designing and developing a database, to implementing a database with relevant data, to analyzing and reporting different statistical analyses on the data needed by the business in its day-to-day and/or long term operations. Tired Testimony, Exh 2 at 4. Additionally, the **ER/STUDIO** brand of products, along with their companion products that are sold in conjunction with the **ER/STUDIO** line, See Appendix B to this Brief (showing the wide variety of companion products and services offered for sale on the Embarcadero website today), seamlessly interact with various applications programs – written using application development software or “integrated development environments” (“IDEs”) – that access a database and operate on the data to accomplish the desired goals and requirements of the business operation. Tired Testimony, Exh 2 at 4.

The products within the **ER/STUDIO** family include the following:

- ER/Studio Data Architect is the flagship database design, and modeling development tool of Embarcadero. Applicant’s NOR, Exh A at 14:5-6. Originally referred to as simply ER/Studio, *Id.* at 14:1-5, this product goes beyond merely modeling entity relationships and allows users to build a database structure, lay it out visually, generate code from which the database would be created, and reverse engineer<sup>5</sup> the database structure to help users publish the results to HTML. *Id.* at 14:12-20. *See also* Tired Testimony at Exh 6. ER/Studio Data Architect also performs statistical analyses on the database so the users can understand the size and construct of the database, and factor in these metrics when planning for future growth. Tired Testimony at 128:4-6.
- ER/Studio Software Architect is a similar product to ER/Studio Data Architect, except that

---

<sup>5</sup> Reverse engineering a database in ER/Studio Data Architect is the process of taking a pre-made database and extracting the information on how it is built to understand it, develop new objects into the database, make changes to the existing objects in the database, and generate new code for these changes. Applicant’s NOR, Exh A at 15:3-13.

it is geared toward software rather than a database. Also going far beyond pure entity relationship modeling, ER/Studio Software Architect is an integrated development environment (“IDE”) within which consumers develop software applications using the Universal Modeling Language (UML), a different type of modeling from entity relationship modeling. *Id.* at 108:7-8, 12-15. Users visually design and analyze complex software applications by running statistical analyses on the software, in order to better understand them, *Id.* at Exh 6, with the results of these analytics being viewed graphically in a bar chart, or in a spreadsheet format. *Id.* at 131:2-7.

- ER/Studio Business Architect expands away from pure entity relationship modeling software and provides tools for process and conceptual modeling of a database, Applicant’s NOR, Exh A at 19:17-18. This product simplifies very detailed and complex databases into a smaller number of objects so that a business as a whole can understand the data stored within a database, and how the data is related to each other at a higher level *Id.* at 20:1-4. *See also* Tired Testimony at Exh 6.
- ER/Studio Repository is not entity relationship modeling software, but rather a model management system, storing the database development models used by a business, and allowing concurrent access the models so that developers can be more efficient with data and business modeling projects. Tired Testimony at Exh. 6; Applicant’s NOR, Exh A at 13-15. This product interacts with a variety of industry leading database management systems, including Oracle, IBM DB2, Sybase Adaptive Server Enterprise, and Microsoft SQL Server<sup>6</sup>. Tired Testimony at 121:12-13.

---

<sup>6</sup> This vendor list represents only a subset of the actual databases that can be modeled with ER/Studio or developed with ER/Studio Data Architect. Tired Testimony at 121:14-16.

- ER/Studio Portal, like ER/Studio Metawizard, is not entity relationship modeling software at all, but rather distributes and interfaces with the models stored in ER/Studio Repository via the Internet. Applicant’s NOR, Exh A at 23:13-18. From this web interface, users can run graphical reports on the models, do statistical metrics<sup>7</sup> and analyses on the database models and other general reporting that would aid the consumers with the models. Tired Testimony at 122:3-16. *See also Id.* at Exh. 6.
- ER/Studio Metawizard takes the information about a database from the logical or physical design and exports it to a different format so a third party’s tool can do further analysis, data modeling, or further software modeling. *Id.* at 107:19-25, 108:1. This exportation feature, far removed from pure entity relationship modeling, allows consumers to seamlessly continue through the software development continuum and obtain even more information and analysis about a particular database.
- ER/Studio Viewer is a read-only product that allows a user to open a model produced in another ER/Studio product and view it, navigate it, zoom in, zoom out and print the model. *Id.* at 141:3-6.

In furtherance of its goal to be a “one-stop-shop” for its customers, Embarcadero also markets and sells a variety of bundled packages with ER/Studio products, that incorporate other products offered by Embarcadero to cover the entire software development continuum in one convenient package. Every one of these packages go well beyond the entity relationship modeling software listed in Registration No. 2,203,227. Examples of such comprehensive packages include the following:

- ER/Studio Developer Edition is a version of ER/Studio Data Architect that is embedded with

---

<sup>7</sup> “Metrics” refers to a general reporting interface that allows the customer to do object counts, averages across different tables, and other statistical analyses on a database. Tired Testimony at 122:17-25, 123:1.

RAD Studio, a bundle of all of Embarcadero's application development tools and IDEs that consumers can use to build any application they want, *Id.* at 152:25, 153:1-2, Exh 10, putting both application development and database development together in one package. Tired Testimony at 110:10-16.

- ER/Studio Enterprise Edition bundles ER/Studio Data Architect, ER/Studio Business Architect, ER/Studio Software Architect, ER/Studio Portal, and ER/Studio Repository in one convenient package so that companies can obtain all of their database and software development products and services in one place. Tired Testimony at 118:4-10, Exh. 6.
- ER/Studio XE bundles together ER/Studio Data Architect, ER/Studio Business Architect, ER/Studio Software Architect, ER/Studio Portal, ER/Studio Repository, and ER/Studio Metawizard which can be used regardless of the type of database the user has. *Id.* at 114:13-25, 115:1-10, Exh. 6.

Embarcadero also offers Embarcadero All-Access, a product that bundles editions of all of the Embarcadero products, including ER/Studio, so that a single user or company can have all the tools necessary for the entire spectrum of software development. *Id.* at 113 (“All-Access was launched . . . [for] smaller companies that have people that do the database development, the application development, [and] monitoring performance optimization, [so] they can get all of our products at a nice entry price. . . It [gives] them the full kind of spectrum of tools”). This package of software allows a single customer to design and develop a database and then build applications in an IDE using the database. *Id.*

#### **IV. Embarcadero's Marketing, Promotion and Sales**

As discussed above, today, Embarcadero offers products and services to large and small companies, and even single users, Applicant's NOR, Exh A at 50:17-19, that provide a full

spectrum of tools all phases of the software development continuum, and for the entire software development life cycle. As Embarcadero does not limit their customer base to any specific industry, and rather reaches any customer anywhere that has data, *Id.* at 29:25, 30:1-2; Tired Testimony at 116:21-22, the marketing and promotion of products and services is very broad. In fact about \$500,000 per year is spent on marketing activities, webinars, and trade shows solely for the **ER/STUDIO** brand alone. Tired Testimony at 132:10-14. Such broad advertising and marketing, in addition to the expansion of the capabilities offered by the **ER/STUDIO** brand has allowed this product family to become a \$14 million per year product line. *Id.* at 131:24-25, 132:1-6.

In furtherance of the goal to reach every potential customer and to emphasize the interrelationship of ER/Studio and the companion products for use in the continuum of IDE and application development, Embarcadero markets all of their products and services jointly, using a variety of different techniques. Direct sales representatives<sup>8</sup>, telesales representatives<sup>9</sup>, remote sales representatives<sup>10</sup>, global partners that sell in various regions and countries throughout the world, third-party websites that specialize in reselling software, Applicant's NOR Exh. A at 45:11-18, and trade shows such as Enterprise Data World, *Id.* at 54:21-24, are some of the various methods used to market and sell the Embarcadero products. However, Embarcadero's main sales portal for all of its goods and services is directly through the Embarcadero e-commerce online shop site. *Id.* at 45:19-24, 54:1-4.

---

<sup>8</sup> Direct sales representatives field inquiries directly from prospective customers who seek out Embarcadero and their products and services.

<sup>9</sup> Telesales representatives call prospective customers to make sales. They are also referred to as "inside representatives". Applicant's NOR Exh A at 49:8-12.

<sup>10</sup> Remote sales representatives go directly to a customer's place of business to sell directly to them. Applicant's NOR Exh A at 45:13-14.

Continuing with the trend to market a complete line of products and comprehensive packages to aid a customer throughout the entire software development life cycle, Embarcadero sells every one of their products and services, whether for database development or development of an application to build upon that database, from the same online webpage. Tired Testimony at 112:10-18; *Id.* at Exh 5; Appendix A to this Brief. Although the products are separated into different groups on the one online shop page, Embarcadero does not distinguish different sales channels for the different products, *Id.* at 112:19-21, since, when used together or bought in a bundle, customers have a comprehensive set of tools for the entire software development continuum. *Id.* at 113:19-22.

## **V. Applicant and its Trademarks**

RStudio, Inc., solely owned by Joseph J. Allaire, was formed in late 2008. Opposer's NOR, Exh B at 20:9-10. Applicant developed the name for his company and product, **RSTUDIO**, by combining his current desire to provide tools related to the R programming language, with the notion of an artist's studio, or a place where all the tools one needs are in one place. *Id.* at 60:13-18. The RStudio product is advertised as providing a set of tools to make it easy to learn, understand, and use the R programming language, *Id.* at 27:2-5, and is expressly described as an integrated development environment (IDE) to build and develop programs in the R language to run analyses, models and data visualizations or graphs. *Id.* at 39:18-24, 40:1-7. Ultimately, this tool is a "front-end facility that calls R", a free programming language described by its developers as "an integrated suite of software facilities for data manipulation, calculation and graphical display." *Id.* at 85:12-16, Exh. 9. The RStudio product helps its users to perform anywhere from basic to complex statistical analyses on data and graphs the results. Allaire Testimony 208:13-14, Apr. 15, 2011; Opposer's NOR, Exh B at 78:2.

On March 16, 2009, Applicant filed three intent-to-use applications for registration of the

mark **RSTUDIO** in Classes 9, 41, and 42. Allaire Testimony Exh. 1. The three applications were published for opposition on July 14, 2009, and opposed by Embarcadero on January 9, 2010. The applications as published, include the following goods and services:

Class 9: Computer software for statistical computing; computer software for software applications development;

Class 41: Providing training in the use of computer software; providing training in the use of statistical methods and related computer software;

Class 42: Application service provider (ASP) featuring software for statistical computing and software applications development; computer software consultation; design and development of computer software; technical support services, namely, troubleshooting of problems with computer software programs.

Since the start of the instant opposition, Applicant has been beta testing the RStudio product with about 350 end users, Opposer's NOR, Exh B at 23:34, and, as Applicant testified, did not have a specific release date estimated for the product at the time of his deposition. *Id.* at 23:3-13. While the website for the product is officially available to the public as of February 28, 2011, Allaire Testimony at 209:22-24, 210:1-3, the website as of May 25, 2011, still showed the product in beta testing and unavailable for actual purchase. Opposer's Rebuttal NOR, Exh. A. In fact, Applicant testified that no pricing plan had been developed as of yet for the RStudio product. Opposer's NOR, Exh B at 34:4-7.

During the course of and as a result of this opposition, Applicant filed both a request to amend the goods and services to the current **RSTUDIO** applications, Allaire Testimony at Exh 3, as well as brand new applications in International Classes 9, 41, and 42 for the mark RFUSION. Opposer's NOR, Exh B at 100:1-19 (RFUSION is "basically an alternate name for the RSTUDIO product" that will be used only if RSTUDIO cannot be. *Id.* at 102:5-8); Allaire Testimony at 246:15-20. In addition, Applicant filed applications for registration of the mark RADIX in the same three

classes as well, with distinct plans to change the company name to RADIX once the company goes public in the next few years. Opposer's NOR, Exh B at 101:22-24.

## **ARGUMENT**

### **I. STANDING**

Embarcadero has standing to oppose registration of Applicant's mark because it has properly made its pleaded registration and extensive uncontested prior common law use of its **ER/STUDIO** mark of record, and has asserted a clearly non-frivolous claim of likelihood of confusion. *L.C. Licensing Inc. v. Berman*, 86 USPQ2d 1883, 1887 (TTAB 2008) (standing established by properly making pleaded registrations of record); *Schering-Plough HealthCare Products Inc. v. Ing-Jing Huang*, 84 USPQ2d 1323, 1324 (TTAB 2007) (standing based on ownership of pleaded registrations); *Wet Seal Inc. v. FD Management Inc.*, 82 USPQ2d 1629, 1634 (TTAB 2007) (standing based on common law use of mark); *Barbara's Bakery Inc. v. Landesman*, 82 USPQ2d 1283, 1285 (TTAB 2007) (standing established by properly making pleaded registrations of record and asserting non-frivolous likelihood of confusion claim); TBMP §309.03(b).

### **II. PRIORITY**

Embarcadero's priority rights are not at issue in this case because Embarcadero's pleaded registration 2,203,227, issued November 10, 1998, is of record in this proceeding, with a priority date well before the March 16, 2009 filing dates of Applicant's applications. *L.C. Licensing*, 86 USPQ2d at 1887 (pleaded registrations show current ownership and that each is valid and subsisting; priority is not an issue); *Demon International LC v. Lynch*, 86 USPQ2d 1058, 1060 (TTAB 2008) (opposer must properly introduce its pleaded registrations into the record so that priority will not be an issue); *King Candy Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 1402, 182 USPQ 108, 110 (CCPA 1974); TBMP §309.03(c)(A)

Additionally, Embarcadero's priority rights naturally extend far beyond than the original software product listed in the 2,203,227 registration to its extensive common law rights as well, as Embarcadero pleaded its extensive uncontested prior common law use of the **ER/STUDIO** mark in connection with a wide range of goods and services not constituting entity relationship modeling software, but extensively used on closely related products and in relationship to these initial goods. *Natural Footwear Ltd. v. Don Green*, 760 F.2d 1383, 1406, 225 USPQ 1104 (3d. Cir. 1985) (once one has established a common law trademark in a product, the prior use of that trademark will apply as well to the use of the same trademark on related products in ascertaining priority of use); *See May Dept. Stores Co. v. Prince*, 200 USPQ 803 (TTAB 1978); *J.C. Penney Co. v. Security Tire & Rubber Co.*, 382 F.Supp. 1342 (E.D.Va. 1974). As Embarcadero pleaded its uncontested prior common law use of the **ER/STUDIO** mark in connection with a wide range of goods and services which are not entity relationship modeling, but are closely related.

### **III. LIKELIHOOD OF CONFUSION**

#### **A. The *du Pont* Factors Favor a Finding of Likelihood of Confusion**

The ultimate question in any likelihood of consumer confusion case is a question of fact, *Coca-Cola Company v. Snow Crest Beverages, Inc.*, 162 F.2d 280, 73 USPQ 518 (1st Cir. 1947), cert. Den. 332 U.S. 809, 75 USPQ 365 (1947). As such, there is no black letter rule which can provide a ready guide to all cases, but rather the Board must base its determination on an analysis of all facts and evidence that are relevant to the factors bearing on the likelihood of confusion. *See In re E. I. du Pont de Nemours & Co.*, 476 F.2d at 1361, 177 USPQ at 567. *See also Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689 (Fed. Cir. 2005); *In re Majestic Distilling Co.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003); *In re Dixie Restaurants Inc.*, 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997). These

factors include:

- (1) The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation, and commercial impression.
- (2) The similarity or dissimilarity and nature of the goods . . . described in an application or registration or in connection with which a prior mark is in use.
- (3) The similarity or dissimilarity of established, likely-to-continue trade channels.
- (4) The conditions under which and buyers to whom sales are made, i.e. “impulse” vs. careful, sophisticated purchasing.
- (5) The fame of the prior mark . . . .
- (6) The number and nature of similar marks in use on similar goods.
- (7) The nature and extent of any actual confusion.
- (8) The length of time during and the conditions under which there has been concurrent use without evidence of actual confusion.
- (9) The variety of goods on which a mark is or is not used . . . .
- (10) The market interface between the applicant and the owner of a prior mark . . .
- (11) The extent to which applicant has a right to exclude others from use of its mark on its goods.
- (12) The extent of potential confusion . . . .
- (13) Any other established fact probative of the effect of use.

*Majestic Distilling*, 315 F.3d at 1315, 65 USPQ2d at 1203 (quoting *du Pont*, 476 F.2d at 1361, 177 USPQ at 567).

It is well settled, of course, that not all factors need be viewed with equal weight or even be held relevant in any given situation. *Dixie Restaurants*, 105 F.3d at 1406-07, 41 USPQ at 1533; *see also Shen Mfg. Co. v. Ritz Hotel Ltd.*, 393 F.3d 1238, 1240, 73 USPQ2d 1350, 1352-1353 (Fed. Cir. 2004); *Han Beauty, Inc. v. Alberto-Culver Co.*, 236 F.3d 1333, 1336, 57 USPQ2d 1557, 1558-59 (Fed. Cir. 2001). Additionally, “while [the Board] must consider each factor for which it has evidence, [it] may focus its analysis on dispositive factors, such as similarity of the marks and relatedness of the goods [and services]”. *Han Beauty*, 57 USPQ2d at 1559.

Although this Brief will explore all of the *du Pont* factors in the following sections, “the fundamental inquiry mandated by § 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks.” *ViaSat, Inc. v. Viewtech Inc.*,

Opposition No. 91174770, Page 11, November 13, 2009 (available at: <http://ttabvue.uspto.gov/ttabvue/v?pno=91174770&pty=OPP&eno=87>) (quoting *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976)). As such, factors (1), (2), and (3) should be given greater weight in this likelihood of confusion analysis, although every factor favors the conclusion that Applicant's **RSTUDIO** mark is likely to confuse consumers as to the source of Applicant's goods and services.

**B. The Respective Marks Are Nearly Identical**

The first factor in analyzing a potential likelihood of confusion is “the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation, and commercial impression” *ViaSat, Inc.* at 11; *Palm Bay Imports*, 73 USPQ2d at 1691. This test is not whether the marks can be distinguished when subjected to a side-by-side comparison, but rather whether the marks are sufficiently similar in their overall commercial impression as to be likely to cause confusion when used on or in connection with the goods and services at issue. *Sealed Air Corp. v. Scott Paper Co.*, 190 USPQ2d 106, 108 (TTAB 1975). Additionally, similarity in any one of the elements may be sufficient to find a likelihood of confusion, *In re Lamson Oil Co.*, 6 USPQ2d 1041, 1042 (TTAB 1987); *In re Mack*, 197 USPQ 755, 757 (TTAB 1977); TMEP §1207.01(b)(i), and the proper focus is on the fallibility of the average customer's memory over time, who retains a general rather than specific impression of trademarks. *Baseball America Inc. v. Powerplay Sports Ltd.*, 71 USPQ2d 1844, 1848 (TTAB 2004); *Winnebago Industries, Inc. v. Oliver & Winston, Inc.*, 207 USPQ 335, 344 (TTAB 1980); *Sealed Air Corp.*, 190 USPQ2d at 108.

Here, the overall impression created by the respective marks, when viewed in their entireties, is nearly identical. In terms of appearance, the seven letters of Applicant's mark, **RSTUDIO**, are wholly contained within the eight letters of Opposer's incontestible mark, **ER/STUDIO**. When

spoken aloud, both marks sound alike, as both have a prefix syllable containing the letter “R”, followed by the term “Studio”. In light of Embarcadero’s renown for products covering the full spectrum of software and database development and maintenance, the commercial success of the ER/Studio family – a \$14 million per year product line – and the fact that the Applicant’s products and services are used by the same people in the same companies for the same purposes as Embarcadero, the public is highly likely to mistakenly assume that Embarcadero offers or is somehow otherwise connected to Applicant’s goods and services. When consumers perceive the marks in a commercial environment, the mere deletion of one letter at the start of the **ER/STUDIO** mark does not obviate the extreme similarity – to the point that they are nearly identical – between the marks.

There is significant precedent finding that slight differences between marks are typically not sufficient to avoid a finding of likelihood of confusion, especially when the goods and services are related or competitive, as the case is here. *See, e.g. KOS Pharm., Inc. v. Andrx Corp.*, 369 F.3d 700 (3d Cir. 2004) (ADVICOR and ALTOCOR confusingly similar for pharmaceutical products); *Blansett Pharmacal Co. v. Carmrick Labs, Inc.*, 25 USPQ2d 1473 (TTAB 1992) (finding NALEX and NOLEX confusingly similar); *Blockbuster Entm’t Group v. Laylco, Inc.*, 869 F.Supp. 505, 33 USPQ2d 1581 (E.D. Mich. 1994) (VIDEO BUSTER found confusingly similar to BLOCKBUSTER for rental video services); *Chemical Corp. v. Anheuser-Busch, Inc.*, 306 F.2d 433, 134 USPQ2d 524 (5th Cir. 1962) (WHERE THERE’S LIFE, THERE’S BUGS found confusingly similar to WHERE THERE’S LIFE, THERE’S BUD). Additionally, precedent shows that marks are typically found to be confusingly similar when the only alteration is a mere addition, deletion, or substitution of letters or words, as was done here. *See, e.g. Dixie Restaurants, supra* (DELTA and THE DELTA CAFE found confusingly similar despite the addition of “THE” and “CAFÉ”); *Viasat, supra*

(VIASAT and VIEWSAT found confusingly similar despite the substitution of the letter “A” for the letters “EW”); *Nikon Inc. v. Ikon Corp.*, 987 F.2d 91 (2d Cir. 1993) (IKON found confusingly similar to NIKON for cameras despite the deletion of the initial letter). Here, like the *Nikon* case, Applicant’s mark merely removes the initial letter from Embarcadero’s **ER/STUDIO** mark, and claims that this removal is sufficient to avoid confusion in the same overall field despite the fact that the entirety of Applicant’s mark is still wholly within Opposer’s mark. In fact, the Board and Federal Circuit have consistently found marks with much less in common than those at hand to be confusingly similar in appearance, sound, connotation, and commercial impression. *See, e.g. Earthquake Sound Corp. v. Bumper Industries*, 352 F.3d 1210 (9th Cir. 2003) (CARQUAKE and EARTHQUAKE found confusingly similar for auto audio equipment); *Magnavox Co. v. Multivox Corp. Of Am.*, 341 F.2d 139 (CCPA 1965) (MULTIVOX and MAGNAVOX found confusingly similar for electric reed organs and consumer electronics).

Additionally, as stated above, the only visual difference between the letters of the marks is the removal of the letter “E”. The prefix letter “E” is commonly used in the computer software and electronics field to describe an electronic or online product or function. Tired Testimony at 170:8-14. Such an addition or removal from an existing mark does little if nothing to distinguish between sources from the standpoint of the general public. *Visa Int’l Service Ass’n. v. JSL Corp.*, 610 F.3d 1088, 1090, 95 USPQ2d (BNA) 1571 (9<sup>th</sup> Cir. 2010) (holding that the two marks are effective identical when the only difference is the prefix ‘e’). Even where, as here, the additional letter “E” in Embarcadero’s mark does not have that specific meaning, purchasers, and especially unfamiliar purchasers are likely to associate such a meaning to the letter. Embarcadero sells its products to not only the highly sophisticated specialized computer software engineer, but also to large and small companies that require a comprehensive solution for the entire software development continuum.

As discussed below in Section E of this Argument, as unsophisticated purchasers buy Embarcadero's ER/Studio products, the Board must take the viewpoint of the least sophisticated consumer to be exposed to the marks at issue, or, in this case, the one who will overlook the "E" in **ER/STUDIO** as non-distinctive, and likely view the mark, in its entirety, as effectively identical to Applicant's **RSTUDIO**.

In view of the extreme similarities between Applicant's mark, **RSTUDIO**, and Embarcadero's mark, **ER/STUDIO** – to the point that they are nearly identical – consumers are highly likely to be confused and misled as to the source of the product. As such, the first *du Pont* factor weighs heavily in favor of a finding of likelihood of confusion.

### **C. The Respective Goods and Services are Highly Related**

The next *du Pont* factor to consider is whether the goods and services in the applications and registration are related. The Board must compare the goods and services as laid out in Applicant's applications to the nature of the goods and services sold by Opposer in order to determine whether there is a likelihood of confusion. *Octocom Systems, Inc. v. Houston Computer Services Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990) ("The authority is legion that the question of registrability of an applicant's mark must be decided on the basis of the identification of goods set forth in the application regardless of what the record may reveal as to the particular nature of an applicant's goods, the particular channels of trade of the class of purchasers to which the sales of goods are directed."). In doing this analysis, the Board is not limited to comparing Applicant's goods to those in Opposer's registration only, but rather can take into account the goods and services upon which Opposer uses the mark in the marketplace, and all goods and services into which it may be reasonably expected to expand in the future. *See, e.g., Faberge, Inc. v. Madison Shirt Corp.*, 192 USPQ 223 (TTAB 1976). As such, the realm of protection given to Embarcadero's **ER/STUDIO**

mark reaches far beyond just what is listed in the registration, to encompass the common law rights obtained through years of natural expansion. The protection for Embarcadero's **ER/STUDIO** mark also extends to any future natural expansion that the ordinary customer may perceive possible, regardless of whether such an expansion is a reality or even intended by Embarcadero. *See Dreyfus Fund, Inc. v. Royal Bank of Canada*, 525 F.Supp. 1108, 1119-20 (S.D.N.Y. 1981) (consumer perception of possible expansion is more important than the reality of expansion); *Elvis Presley Enter.'s Inc. v. Capece*, 141 F.3d 188, 202 (5th Cir. 1998) ("The actual intent of the senior user to expand is not particularly probative of whether the junior user's market is one into which the senior user would naturally expand . . . Consumer perception is the controlling factor."). Here, Embarcadero's expansion is, in fact, a reality. Moreover, despite Applicant's attempt to limit the words of the Applications, the reality is that Applicant's goods – an IDE – are exactly the same as Opposer's under the naturally expanded **ER/STUDIO** brand.

Additionally, the greater degree of similarity between the Applicant's mark and Opposer's mark, the lesser the degree of similarity between the goods and services is required to support a finding of likelihood of confusion. *Kohler Co. v. Baldwin Hardware Corp.*, 82 USPQ2d 1100, 1110 (TTAB 2007); *Teledyne Technologies Inc. v. Western Skyways Inc.*, 78 USPQ2d 1203, 1207 (TTAB 2006), *aff'd unpublished*, Nos. 2006-1366 and 2006-1367 (Fed. Cir. 2006); *see also In re Shell Oil Co.*, 992 F.2d 1024, 26 USPQ2d 1687, 1689 (Fed. Cir. 1993) (even when goods are not intrinsically related, the use of identical marks can lead to the assumption that there is a common source). When virtually identical marks are involved, as is the case at bar, only a viable relationship between the respective goods is necessary to find a likelihood of confusion. *In re Opus One, Inc.*, 60 USPQ2d 1812, 1815 (TTAB 2001).

Here, as discussed above, the marks are nearly identical. However, more than merely a

viable relationship between the goods and services of Applicant's applications and the goods and services offered under the extensive **ER/STUDIO** umbrella exist. In fact, Applicant's applications include goods and services that are nearly identical to those offered by Embarcadero under its **ER/STUDIO** brand. Applicant's Application No 77/691,980 in Class 9 cover "*computer software for statistical computing; computer software for software applications development.*" Embarcadero's industry is computer software, and more specifically, computer software for the entire software development spectrum. From database development tools to IDEs within which software applications are written to interact with the databases, Embarcadero provides the computer software industry as a whole "the ultimate flexibility to design, build, and run software applications and database systems" in any environment the customer desires. Tired Testimony, Exh 5; See Appendix A to this Brief. As Embarcadero provides tools for much of the computer software industry under the **ER/STUDIO** brand, as well as under other marks that are closely interrelated and sold in conjunction with **ER/STUDIO** products, Applicant's broad goods which are not limited to any specific industry or field, clearly overlap.

More specifically, the specific goods listed in Appln. No. 77/691,980 directly intersect with the extensive prior common law rights of the **ER/STUDIO** mark. According to dictionary definitions, the term "statistics" covers the broad range of mathematics dealing with the collection, analysis, interpretation, and presentation of masses of numerical data. Opposer's NOR, Exh K Statistical computing is a very broad term covering any type of statistical analyses done by a computer, even the most basic averages of two numbers. Tired Testimony at 120:4-6; Opposer's NOR, Exh B at 48:14-24; 49:1-5 (Statistical computing runs the entire gamut of statistical analysis from the most simple averages to highly complex analyses, including even the most basic average of two numbers); Opposer's NOR, Exh B at 34:23-24 ("You can add 1 plus 1 in the R [statistical

computing] language, so to that extent you can do very simple analyses”). Despite the fact that Applicant attempts to limit this terminology in how they will use “statistical computing” by stating that the intent is for computer software for *advanced* statistical computing, Allaire Testimony 204:19-23, no definition of how one determines what makes statistical computing “advanced” or not is ever given, nor is even available or universally understood. “Advanced” is a creation of Applicant’s attempt to distinguish its goods from those under the expansive **ER/STUDIO** brand. Moreover, the goods as listed do not reflect this intent or limitation, whatever it may mean, instead capturing the entire spectrum of statistics that can be done via a computer<sup>11</sup>, which clearly overlaps with the native capabilities of Embarcadero’s ER/Studio products. Tirt Testimony at 117:14-22 , 119:1-23, 120 (Users can create reports that can summarize, analyze, and present statistics on performance metrics, and other aspects of a database using ER/Studio Data Architect, ER/Studio Business Architect, and ER/Studio Software Architect); *Id.* at Exh 8 (documents functionality of ER/Studio version 7.6, showing that there are native tools related to calculations or statistics that can be presented to and calculated for the user on the models within the program). Once again, just like Applicant’s lack of restrictions to the goods and services of the Applications, Embarcadero also does not restrict their customers as to what types of reports or statistics they have their computers run through the ER/Studio products, *Id.* at 122:24-25, 123:1-3, such that the customer decides whether basic or more advanced statistical techniques are necessary. This overlap in goods and native capabilities weighs heavily in Embarcadero’s favor for likelihood of confusion.

Even more telling is the overlap with the second aspect of Applicant’s Class 9 identification

---

<sup>11</sup> Applicant’s argument that “statistical computing” is the same as “advanced statistical computing. Allaire Testimony at 204:15-19, is undercut by the fact that their own website provides information on how to understand and use the program for basic statistical calculations. Opposer’s Rebuttal NoR, Exh A at 52 (“The Carnegie Mellon Open Learning Initiative has a free online Introduction to Statistics course has an option to do the exercises in R”).

–“*computer software for software applications development*”. This extremely broad good covering all aspects of the development spectrum not only directly conflicts with the more narrowed goods seen in the **ER/STUDIO** registration, but also with the natural expansion the **ER/STUDIO** brand has undergone. *Id.* at 106:7-15 (ER/Studio Software Architect is application development software, which can also be thought of as an integrated development environment or IDE). Even should the Board find that the first aspect of Applicant’s Class 9 goods are not overlapping, “likelihood of confusion may be found based on any item that comes within the identification of goods in the involved application and registration.” *In re Davey Products Pty Ltd.*, 92 USPQ2d 1198, 1202 (TTAB 2009); *See also Tuxedo Monopoly, Inc. v. General Mills Fun Group*, 648 F.2d 1335, 209 USPQ 986, 988 (CCPA 1981). As such, Applicant’s extremely broad coverage in their Class 9 goods clearly overlaps directly with Opposer’s registration and the extensive common law rights developed since the **ER/STUDIO** product was first introduced over 10 years ago.

The other opposed applications in this case are under Classes 41 and 42 for the extremely broad services of “*Providing training in the use of computer software; providing training in the use of statistical methods and related computer software*” in Class 41, and “*Application service provider (ASP) featuring software for statistical computing and software applications development; computer software consultation; design and development of computer software; technical support services, namely, troubleshooting of problems with computer software programs.*” in Class 42. For both parties, the services offered under the respective marks are closely related to the products themselves. Opposer’s NOR, Exh B at 54:11-24, 55:17-22 (stating that the training under the **RSTUDIO** mark includes training on how to use the product itself and related topics that are required to work with the product); Opposer’s NOR, Exh L (showing that each product under the **ER/STUDIO** mark offers support to the users in how to use the product and other related topics that

are required to work with the product). As the goods offered under each respective mark are so similar, to the point that they are nearly identical, likelihood of confusion for the services at issue should also be found as the services offered by each party are merely to support the overlapping goods.

*1. Applicant's Motion to Amend the Applications Will Not Avoid Likelihood of Confusion and Should be Denied.*

In an effort to avoid the likelihood of confusion between the goods and services of Applicant's Applications and Opposer's uses of the **ER/STUDIO** brand, Applicant is attempting to amend the goods and services of the Applications, Recitation of Facts ("ROF") at 20; Allaire Testimony, Exh 3. The Board deferred consideration of the Motion to Amend ("Motion") until final hearing, and Embarcadero filed an opposition to Applicant's Motion, which is hereby incorporated by reference within this brief. Embarcadero takes this opportunity to briefly summarize its position on Applicant's Motion to Amend.

First off, the Motion is not, in fact, a motion to amend at all, but only a conditional "bargaining chip" offered to the Board. Applicant moves to amend only in the event that the Board deems such amendments necessary to dismiss the opposition. Essentially, Applicant will only make these amendments if the Board is willing to dismiss the opposition if Applicant amends. Such an odd deal should not even be considered by the Board in the first place, let alone granted.

Looking beyond Applicant's strange request, Embarcadero is entitled to a determination of the issues based on the recitation of Applicant's goods and services as published. *See Peopleware Sys., Inc. v. Peopleware, Inc.*, 226 USPQ 320, 321 (TTAB 1985). Any application involved in an opposition may not be amended in substance except with the consent of the other party and the approval of the TTAB, or except upon motion. 37 C.F.R. § 2.133(a); TBMP § 514.03. Not only is

the proposed amendment “in substance”<sup>12</sup>, but Opposer has never and continues to not consent to such an amendment. Additionally, Applicant has not made the required *prima facie* showing that the proposed amendments change the nature and character of their goods and services, or restrict their channels of trade such that a substantially different issue is presented for determination in the opposition. *Drive Trademark Holdings LP v. Inofin*, 83 USPQ2d 1433 (TTAB 2007).

In spite of Applicant’s extremely lacking Motion, even if the Board allows Applicant to amend the goods and services of the Applications, there will still be a likelihood of confusion, mistake and deception among the public as to the source of the goods and services provided. “Goods that are neither used together nor related to one another in kind may still ‘be related in the mind of the consuming public as to the origin of the goods. It is this sense of relatedness that matters in the likelihood of confusion analysis.’” *Shen Mfg. Co*, 73 USPQ2d at 1356 (citing *Recot, Inc. v. Becton*, 214 F.3d 1322, 54 USPQ2d 1894, 1898 (Fed. Cir. 2000)). Furthermore,

“it has often been said that goods or services need not be identical or even competitive in order to support a likelihood of confusion. Rather it is enough that goods or services are related in some manner or that circumstances surrounding their marketing are such that they would be likely to be seen by the same persons under circumstances which could give rise, because of the marks used thereon, to a mistaken belief that they originate from or are in some way associated with the same producer or that there is an association between the producers of each [party’s] goods or services.

*In re Melville Corp.*, 18 USPQ2d 1386, 1388 (TTAB 1991). Thus, even assuming that the amendments proposed by Applicant narrow the goods and services offered to a specific area of software application development and related services – which Embarcadero does not concede – the end result is still the same. The Board has held that even an amendment to the goods fully

---

<sup>12</sup> “Where, as here, a claim of likelihood of confusion has been pleaded, it will be the case . . . that any proposed amendment to an identification of goods in an application involved in a proceeding before the Board is an amendment “in substance” under Trademark Rule 2.133.” *Giant Food, Inc. v. Standard Terry Mills, Inc.*, 231 USPQ 626 (TTAB 1986).

removing the product out of the entire overlapping market is still insufficient to overcome likelihood of confusion if the record indicates that such a restriction is not actually placed on the consumer's use of the product. *Liberty Bell Equipment Corp. v. Graco Minnesota Inc.*, Oppo No. 91177965 at 12 (Jan. 31, 2011) (available at: <http://ttabvue.uspto.gov/ttabvue/ttabvue-91177965-OPP-37.pdf>). Here, the record is clear that Applicant places no restrictions on how the RStudio product is used by its consumers. The proposed amendments to Applicant's Applications merely purportedly limit the goods and services to the R computing language and data from two dimensional datasets. Allaire Testimony, Exh 3. However, Applicant does not place any restrictions within the goods or services for on add-on packages that customers may obtain to work with their product. Opposer's NOR, Exh B at 42:6-15 ("RStudio can work with any R package that's developed, so we don't specifically exclude any third-party packages. So it's compatible with all third-party packages no matter what their intended use"); Allaire Testimony at 247:8-17. Applicant claims that the **RSTUDIO** product only works with the R programming language, and can only obtain the data upon which to run statistical analyses from a two-dimensional, or flat-file database<sup>13</sup>, not a relational database, such as those using the **ER/STUDIO** brand. However, by not placing any use or consumer base restrictions within the amended goods and services, potential customers have the ability to do what has become more and more common over the past 10 years; install third-party add-on packages that directly allow a program written in the R language to obtain its data directly from a relational database rather than a flat-file dataset. Opposer's Rebuttal NOR, Exh D (Because of the increased reliance on databases since the early 2000s, statisticians have realized the need to communicate with relational database management systems ("RDBMS"), and improved support has been added to R); *Id.* at Exh

---

<sup>13</sup> A "flat-file database" is a simple two-dimensional table of data that RStudio uses to store and retrieve the data upon which analyses are run. Allaire Transcript at 126:20-23, 220:2-3 ("A database is a medium for storing, managing, and retrieving data").

E (R is not well suited for large datasets, or concurrent access to data. But RDBMSs are well suited for it, so there is a common overlap between the R language and relational databases, including several packages available on CRAN to help R communicate with DBMSs); *Id.* at Exh F (“As scientists wrestle with the exponential growth of their datasets, the power and utility of the relational database is being applied with increasing breadth and frequency across a range of scientific disciplines”). With such freedom, consumers are likely to be confused in the marketplace, as they would have the ability to use Applicant’s products, even under the amended goods and services proposed, in a manner that would still overlap with the goods and services offered by Embarcadero under the **ER/STUDIO** brand.

In view of the foregoing, the goods and services as seen in Applicant’s **RSTUDIO** applications, in addition to those in the potential amendments, are clearly related to – indeed closely related to – those offered under the **ER/STUDIO** brand by Opposer, weighing the second *du Pont* factor heavily in favor of a likelihood of confusion.

**D. The Goods and Services Associated with both Marks Will be Used by the Same People in the Same Companies for the Same Purposes.**

Because there are no restrictions as to the channels of trade or classes of purchasers with respect to either Applicant’s **RSTUDIO** products and services or Embarcadero’s **ER/STUDIO** products and services, the Board must presume that the goods and services identified in the applications and registration are available in all the normal channels of trade to all the usual purchasers of the goods and services. *Octocom Systems*, 16 USPQ2d at 1787; *Penguin Books Ltd. v. Eberhard*, 48 USPQ2d 1280, 1286-87 (TTAB 1998), *app. dismissed*, 178 F.3d 1306 (Fed. Cir. 1998) (“While applicant has argued that his computer programs are relatively costly and designed for engineers and maintenance managers, such conditions and limitations are also not reflected in

the description of the goods in applicant's applications and must be ignored"). As such, Applicant's goods and services are presumed to be marketed to the general public through all normal trade channels, which are identical to those of Opposer. *Time Warner Entm't Co. v. Jones*, 65 USPQ2d 1650 (TTAB 2002).

Notwithstanding the legal presumption that the parties' respective channels of trade and potential customers are identical, the factual evidence also support the similarity of the trade channels and potential purchasers. The software field, in which both Applicant and Opposer list their products and services, does not work in a vacuum. Rather it is a continuum where one portion of the field, such as database development and modeling, is then necessarily incorporated into a different area, such as running analyses and statistics on the data that is ultimately stored in the database created. Allaire Testimony at 136:16-24 ("there's a sequence of design/architecture and then development"); See Appendix A to this Brief (the Stipulated Testimony of Jason Tiret) for a description of the software development continuum. Applicant apparently believes that database design, architecture, and maintenance – the principle, but not sole area of software development within which the **ER/STUDIO** brand is found – differs significantly from the types of programs that can be developed with the **RSTUDIO** product. However, because of the overlap between disciplines is necessary to make either product useful – there is no purpose to a database if it does not hold any data to be retrieved – many purchasers of database design software would also be interested in purchasing an IDE to develop software to analyze and use the data in the database. The Board has held that such an overlapping interest is sufficient to find that the channels of trade and potential customers are, in fact the same. *Viasat, supra*, at 19.

Additionally, with the expansion of the **ER/STUDIO** line over the past fifteen years, ROF at 12-17, as well as the acquisition of CodeGear LLC by Embarcadero, ROF at 10, Embarcadero has

positioned itself within the field as a “one-stop-shop” for all needs within the software development continuum – from design and development of a database, to developing software applications that will utilize such a database. *See* Tired Testimony, Exh 10. Embarcadero further emphasizes the fact that not only do many of the **ER/STUDIO** branded products take a consumer through the entire software development continuum, but that they also offer many other compatible and complementary products to easily help consumers through the entire continuum, by listing all of their products and services needed for software development in one easy to understand location, regardless of any potential “sub-category” within which the products may individually fall. Applicant’s NOR, Exh G; See Appendix B to this Brief. With such a broad range of products offered by Embarcadero, a customer can use **ER/STUDIO** to design a database or software and then go on to build applications on top of the database or software using other Embarcadero tools. Allaire Testimony at 145:9-21. Even Applicant admits that by offering such a full spectrum of products, in addition to the ER/Studio bundled packages, and Embarcadero All-Access which features ER/Studio, SOF at 16, corporations who know one product from Embarcadero are more likely to buy other products from them. Allaire Testimony at 256:2-14. As such, even if the products and services offered under Applicant’s **RSTUDIO** brand and Opposer’s **ER/STUDIO** brand did not overlap as they are shown to do in the preceding section, the fact that Embarcadero offers a full spectrum of tools for software development shows a clear overlap in the channels of trade and potential customers who would see the two marks.

In view of the foregoing, the parties’ similarity of trade channels and potential customers strongly supports a finding of likely confusion.

**E. The Sophistication Level of Consumers Does Not Outweigh the Potential for Confusion.**

Typically, ordinary end-users, or “the vast multitude which includes the ignorant, the unthinking and the credulous, who, in making purchases do not stop to analyze, but are governed by appearance and general impression” *Florence Mfg. Co. v. J. C. Dowd & Co.*, 178 F. 73, 75 (2d Cir. 1910), are more likely to be confused by similar marks for similar goods and services as they do not take the time and care to distinguish between brands the way a sophisticated corporate or professional buyer would. *Recot, Inc., supra*; *See Kimberly-Clark Corp. v. H. Douglas Enter., Ltd.*, 774 F.2d 1144, 1146, 227 USPQ 541, 542 (Fed. Cir. 1985); *Hunt Foods & Indus., Inc. v. Gerson Stewart Corp.*, 367 F.2d 431, 434, 151 USPQ 350, 350 (CCPA 1966). However, even highly sophisticated buyers are not immune from source confusion where, as here, the marks are effectively identical. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 948-949 (Fed. Cir. 2000); *In re Pellerin Milnor Corp.*, 221 USPQ 558, 560 (TTAB 1983). Here, Applicant argues that the customers purchasing the products are highly sophisticated, Allaire Transcript at 185:13-23, and therefore are not likely to be confused as to the source despite the nearly identical marks for nearly identical goods and services. While it is true that some forethought goes into the purchase of the Embarcadero products, these products are not so exorbitant in price to assume that only the highly sophisticated are buying them. *See Applicant’s NOR*, Exh B at 61-67, 70-71 (filed under seal). The board has previously held that the price of goods alone, especially when they are not very expensive, is insufficient to find that all of the consumers are highly sophisticated. *Viasat, supra*, at 20 (goods sold at around \$300 deemed “not very expensive”); *See Edwards Lifesciences Corp. v. VigiLanz Corp.*, 94 USPQ2d 1399 (TTAB 2010) (holding that consumers are assumed to be highly sophisticated when the technical goods at issue are sold or licensed for over \$10,000 per item). Additionally, it cannot be outright assumed that all of Embarcadero’s customers who purchase an **ER/STUDIO** product or corresponding service are sophisticated. Even Applicant testified to the

fact that once a company is known for one product, it is more likely that the customer will return to them for other products, indicating that the customers will spend less time researching and reviewing the technical differences between brands, and pushing them more toward utilizing only ordinary care in such a purchase. Allaire Testimony at 256:2-10 (“Q: As part of the purchasing decision, the purchasers, especially the corporate purchasers, like to know the company they’re getting their product from? A: They do. Q: And if they like one product, are they more likely to buy other products from the same company? A: I would imagine they would be”). In addition to making purchasing products from the software development spectrum easier for corporate customers, Embarcadero also offers many bundled packages within the **ER/STUDIO** family and across product lines, ROF at 15-17, specifically for smaller companies or single users to be able to easily obtain all the tools necessary for the entire spectrum of software development without needing to do extensive research. Tired Testimony at 113 (“All-Access was launched . . . [for] smaller companies that have people that do the database development, the application development, [and] monitoring performance optimization, [so] they can get all of our products at a nice entry price. . . It [gives] them the full kind of spectrum of tools”).

In situations where both sophisticated and non-sophisticated customers are exposed to the marks at issue, such as the case is here, this *du Pont* factor must be determined based on the care given when purchasing by the ordinary customer, not the sophisticated customer, as it is likely that the ordinary customers are likely to be mistaken as to the source of the goods or services. *See, e.g. Viasat, supra; Checkpoint Sys., Inc. v. Check Point Software Techs., Inc.*, 269 F.3d 270, 285 (3d Cir. 1994) (Where both professionals and the general public are relevant consumers, “the standard of care to be exercised . . . will be equal to that of the least sophisticated consumer in the class”). As such, the ordinary level of care given when viewing the respective marks in the marketplace weighs

in favor of finding a likelihood of confusion.

Even if the Board finds that the consumers in this situation are all highly sophisticated, this factor is insufficient to outweigh the other *du Pont* factors, and likelihood of confusion should still be found.

**F. The Broad Expansion of the ER/STUDIO Brand and Length of Time on the Market Favors a Finding of Likelihood of Confusion.**

As discussed in the Recitation of Facts above, the **ER/STUDIO** brand of products and services has continuously been on the market since 1997. Since this time, the brand and product family has steadily grown to become a *\$14 million per year* line, Tired Testimony at 131:21-25, 132:1-6, which has been sold and on the market every day since the initial release. *Id.* at 132:1-2, *See Id.*, Exh 9 (Website records showing the continual availability of ER/STUDIO branded products since 1997). This is due in part to the \$500,000 per year spent on marketing activities, webinars, and trade shows to advertise the **ER/STUDIO** brand, *Id.* at 132:12-14, as well as to the popularity and loyalty Embarcadero customers using **ER/STUDIO** products have shown. Applicant's NOR, Exh A, at 73:22-25 (Embarcadero sees a very high retention rate of consumers around 80% from year to year). However, the primary reason for such steady and successful growth of the **ER/STUDIO** brand is due to the extensive expansion of the products beyond "entity relationship modeling software", into the realms of database development and management, and software development. *Id.* at 29. The line has expanded dramatically with the acquisition of CodeGear, LLC in 2008<sup>14</sup> such that the products and services under the **ER/STUDIO** name now not only help a database user through the entire database cycle, Tired Testimony at Exh. 2, pg. 3, of designing,

---

<sup>14</sup> CodeGear LLC was a software company specializing in application development tools. Tired Testimony at 108:21-25, 109, Exh. 4.

developing, and managing a database, Applicant's NOR, Exh A at 16:21-25, but also attract customers interested in all portions of the software development continuum, whether they be database developers or application developers, or a mix of both. *Id.* at 109:17-22 ("the logic behind the acquisition was so we could sell both [types of products] to both [customer bases]" *Id.* at 110:21-24); *See* Appendix A to this Brief explaining the software development continuum. Today, Embarcadero offers products and services for the entire software development spectrum, in a natural, logical expansion of its lines, including bundles under the **ER/STUDIO** brand for all of its varied customers. *Id.* At 110:4-9 (There is a logical connection between database products and application development products. Software applications typically have information or need to work on data, which, most logically, is stored in a database)<sup>15</sup>.

As Embarcadero has continually used the **ER/STUDIO** brand for the past 14 years, with extreme success as seen by the sales figures, advertising expenses, and diversification of the brand, the Board should find that the mark is well-known within the community. *Hasbro, Inc. v. Braintrust Games, Inc.*, Opposition No. 91169603 (July 9, 2004) (Holding that even without context for the figures presented, the CLUE marks are deemed well-known in the community due to long use, diversification of the brand, and substantial sales and advertising figures and such a finding significantly supports a finding of likelihood of confusion).

In view of the fact that the **ER/STUDIO** brand has significantly expanded and diversified, and is well-known and popular within the industry, this factor weighs heavily toward a finding of likelihood of confusion.

#### **G. The Lack of Any Marks Similar to ER/STUDIO in Use for Any Similar Goods**

---

<sup>15</sup> For more detailed information regarding the expansion of the **ER/STUDIO** brand and the common law rights enjoyed under this brand, see ROF, Sec. I - IV, at 8-18.

### **or Services Favors a Finding of Likelihood of Confusion**

As discussed above, Embarcadero enjoys a wide scope of protection for its **ER/STUDIO** mark. Despite Applicant's assertion that the mark is weak because "ER" is a known term in the industry, Applicant's NOR, Exh F, and "Studio" is commonly used, Applicant's NOR, Exh E, the fact that there are no other brands on the market and no other registered marks remotely similar to the **ER/STUDIO** brand in its entirety is telling. *See Id.* This lack of evidence of use of third party marks simply "adds support to Opposer's claim that its marks are strong." *See Schering-Plough v. Ing-Jing Huang*, 84 USPQ2d at 1328. *See also Specialty Brands v. Coffee Bean*, 223 USPQ 1281, 1285 (Fed. Cir. 1984) (discounting third party registrations which are of significantly greater difference from the two marks in issue are from each other).

#### **H. Applicant Has No Right to Exclude Others Because Opposer's Rights are Superior.**

This *du Pont* factor is intended to consider whether Applicant has a long-term and well-known use of these marks associated with the specific type of goods and services at issue here prior to filing the Applications, such that they would have developed a right to exclude. *du Pont, supra; In re Davey Products, supra.* Clearly, here, Applicant does not enjoy such a right. Applicant only applied for the **RSTUDIO** marks in 2009, over 10 years after Embarcadero had originally obtained its valid registration for **ER/STUDIO** and began building its extensive common law rights in the mark. Since the filing of the Applications, Applicant has only done stealth beta testing to a very small group of end users, and, as of Applicant's testimony, the actual product was not yet available for sale or even to the public, *Id.* at 19, such that there has been no use in commerce at all for

Applicant to even begin building any rights.<sup>16</sup>

As Applicant does not have any prior rights in his mark that would allow him to exclude others, this factor favors a finding of likelihood of confusion.

**I. A Real Potential for Confusion Exists and is Substantial**

A final factor to analyze is the extent of potential confusion – whether any confusion is likely to be *de minimis* or substantial. *du Pont*, 476 F.2d at 1361. As discussed above, a real, substantial potential for confusion, mistake or deception among consumers exists. First, the marks at issue are virtually identical in their visual appearance, sound, and connotation. Second, due to the expansive common law rights Embarcadero has developed under the **ER/STUDIO** brand and the nature of the software development continuum (See Appendix A to this Brief), the products and services sold under the respective marks are in identical channels of trade to a virtually identical group of consumers which, from Embarcadero’s past 10 years of vastly expanding common law right, would expect Embarcadero to sell the same product Applicant intends to sell.

Applicant’s **RSTUDIO** product is first and foremost an IDE within which to write and develop a software application. Opposer’s NOR, Exh A at 1, Applicant’s NOR, Exh D at 1, Opposer’s Rebuttal NOR, Exh A at 1 (“RStudio is a new integrated development environment (IDE) for R”). Nothing in the listed goods and services of the published Applications limits this to anything less than a general IDE. In fact, Applicant even testifies to the fact that “customers can perform whatever analyses or write whatever code they would like to”, Allaire Transcript at 247:8:10, within the product without restriction. As such, there is no way to know how users of Applicant’s product would obtain their data to analyze, be it from a third-party package, or a

---

<sup>16</sup> Applicant’s website went “live” for the public to obtain a beta version of the RStudio product as of mid-2011, after the close of testimony and evidence.

database such as those developed using **ER/STUDIO** branded products. *Id.* at 247:11-17.

Not only does the nature of the software development continuum and the need for many consumers using the R programming language to rely on databases such as those developed using **ER/STUDIO** products, Opposer's Rebuttal NOR, Exhs. B, C, D, E, F, but Embarcadero itself offers in conjunction with and under the **ER/STUDIO** brand, IDEs for consumers to develop software applications to interact with and analyze their databases. ROF at 12-17. With such a distinct and clear overlap between the trademarks and their goods and services, a real potential for confusion exists and such potential is substantial. As such, this factor weighs heavily in favor of finding a likelihood of confusion.

**J. The Remaining *du Pont* Factors are Irrelevant or Weigh toward Likelihood of Confusion**

As Applicant's applications were based on an intent to use in commerce, and the record clearly shows that Applicant is not yet on the market, there has been no opportunity for actual confusion or market interface. In fact, actual confusion and market interface is outright impossible under these circumstances. However, a likelihood of confusion claim need not include a showing of actual confusion in order to be sustained. *See Weiss Assoc., Inc. v. HRL Assoc., Inc.*, 14 USPQ2d 1840, 1842 (Fed. Cir. 1990) (It is not necessary to show actual confusion in order to establish a likelihood of confusion); *See also Giant Food, Inc. v. Nation's Foodservice, Inc.*, 710 F.2d 1565, 218 USPQ 390, 396 (Fed. Cir. 1983). Nonetheless, the previously discussed *du Pont* factors all weigh in favor of a finding of likelihood of confusion.

## K. Conclusion

The Board has consistently held that in balancing the *du Pont* factors, any doubts as to the likelihood of confusion, mistake or deception must be resolved in favor of the senior user, or, in this case, Embarcadero. See *Hard Rock Café Int'l (USA) Inc. v. Elsea*, 56 USPQ2d 1504, 1514 (TTAB 2000) (“[O]ne who adopts a mark similar to the mark of another for the same or closely related goods or services does so at his own peril, and any doubt as to the likelihood of confusion must be resolved against the newcomer in favor of the prior registrant.”); *W.R. Grace & Co. v. Herbert J. Meyer Indus., Inc.*, 190 USPQ 308, 311 (TTAB 1976). Embarcadero has established its long-standing, well-known prior rights, including its extensively broad common law rights within the software development spectrum. Additionally, based on the foregoing, the *du Pont* analysis results heavily toward finding of likelihood of confusion, mistake or deception arising from Applicant’s proposed use of the mark **RSTUDIO**, which would be substantially detrimental to Embarcadero if registration of the Applications were allowed. As a result, registration of all three applications should be denied.

**SUMMARY**

Based on the foregoing, the Board should sustain Embarcadero's opposition and refuse the registrations of Application Nos. 77/691,980, 77/691,984, and 77/691,987 for the mark **RSTUDIO** in Classes 9, 41, and 42 on the ground that it is likely to cause confusion, mistake or deception among purchasers, users and the public as to the source, association or sponsorship of the Applicant's goods and services.

Dated: August 8, 2011

Respectfully submitted,

**TechMark a Law Corporation**

By: /Martin R. Greenstein/  
Martin R. Greenstein  
Mariela P. Vidolova  
Leah Z. Halpert  
TechMark a Law Corporation  
4820 Harwood Road, 2<sup>nd</sup> Floor  
San Jose, CA 95124-5273  
Tel: (408) 266-4700; Fax: (408) 850-1955  
E-Mail: MRG@TechMark.com  
Attorneys for Opposer, Embarcadero Technologies

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing **OPPOSER'S BRIEF ON THE MERITS** is being served on August 8, 2011 upon Applicant's Attorney of Record at his address below, with a courtesy copy sent by e-mail to: [JHuston@foleyhoag.com](mailto:JHuston@foleyhoag.com), [ARufo@foleyhoag.com](mailto:ARufo@foleyhoag.com):

Charles E. Weinstein, Esq.  
Julia Huston  
Joshua S. Jarvis  
Anthony E. Rufo  
FOLEY HOAG LLP  
155 Seaport Blvd, Ste 1600  
Boston, MA 02210-2600  
Tel: (617) 832-1000

/Leah Z. Halpert/  
Leah Z. Halpert

# Appendix A

Jason Tiret - Background Testimony: Exhibit 2

My name is Jason Tiret. I am currently the Director of Modeling and Design Solutions in the Product Management Department of Embarcadero Technologies, Inc. (hereinafter “Embarcadero Technologies” or “Embarcadero”). Embarcadero Technologies is located at 100 California Street, 12<sup>th</sup> Floor, San Francisco, California 94111. My phone number at Embarcadero Technologies is (415) 834-3131, extension 300.

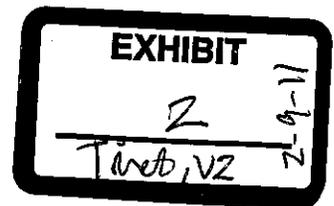
CodeGear, LLC is a wholly owned subsidiary of Embarcadero, and was acquired on June 30, 2008. In the acquisition, Embarcadero obtained all of CodeGear, LLC’s software products and trademarks.

Educational Background:

I graduated from U.C. Davis with a Bachelor of Science degree in applied mathematics and a minor in economics. During school, I took some courses in programming, but focused mainly on mathematics.

Employment History:

I was hired by Embarcadero Technologies after graduating from U.C. Davis in October, 1999. My initial position with Embarcadero was in Technical Support, which lasted until January 2001. My work in Technical Support was not product specific, and covered all of the Embarcadero products. My responsibilities included fielding customer calls, as well as diagnosing and testing bugs in software. In January 2001, I moved to the Presales Department, where I worked until June 2004. In the Presales Department I worked with sales representatives to demonstrate the Embarcadero line of products. My work in Presales also did not focus solely



on one product line, but rather across the entire gamut of the products offered by Embarcadero. In June 2004, I became a Product Manager at Embarcadero where I began to focus my attention on ER/Studio, which evolved since June 2004 to encompass the entire ER/Studio Brand of products. Within the Product Management Department, I was a Product Manager for 3 years, and then became a Senior Product Manager for 1 year, ultimately culminating in my current position. Today, I am the Director of Modeling and Design Solutions in the Product Management Department of Embarcadero, a position I have held for about 3 years. In this position I set the roadmap and strategic direction for our modeling design and development tools under the ER/Studio brand name. In a typical day I work with teams representing the entire life cycle of the ER/Studio brand of products and services. I work with the Development Department both on current releases of the ER/Studio brand of products and services, as well as developing requirements for future releases. I work with the Sales Department on selling the ER/Studio brands of products and services to current and future customers. I work with the Support Department on any issues that have been elevated to them, and I work with the Product Marketing Department during release cycles to develop the product messaging associated with the ER/Studio brand of products and services. Additionally, as my responsibilities include designing the requirements for the development of the ER/Studio Brand of products of services, I work closely with those who maintain contact with our customers to determine what types of features, capabilities, and interoperability with Embarcadero's other product lines our customers require.

Although my job focuses on the ER/Studio brand of products, my previous Embarcadero positions has familiarized me with the entire line of products and services offered by Embarcadero. Additionally, as many of the products offered under the ER/Studio brand name

bundle in various products from across the Embarcadero lines, I am familiar with all of Embarcadero's products and services, and how they interoperate with the ER/Studio brand of products and services. With my 11 years of experience throughout different departments of Embarcadero and working with different brands of products, I am able to testify on behalf of Embarcadero Technologies.

Continuum of a Database:

The ER/Studio line of products helps a database user through the entire database cycle.

Databases are very much at the core of the modern commercial software application process, which is, in essence, the creation and use of application programs to act on data important to a business's activities.

At the start of the process, the professional developer (or development team) will design or model a database to determine what data needs to be stored, how it needs to be stored, and how it will be accessed and used.

From the database model, database designers can then create the database needed to meet those objectives.

The database, once created, is populated or filled with the relevant data - an ongoing process that continues through the life of the database. Various database management tools and utilities help with the maintenance, upkeep, integrity checks and overall management of the database.

The data in the database is used by various applications programs - some "off the shelf" but most others written for specific purposes - written using application development software or "integrated development environments" (IDE's). These various and wide-ranging application programs access the database and operate on the data to accomplish the desired goals and meet

the requirements of the business operation. The output is typically in the form of reports or data exported to or accessed by other programs. Along the way, the various programs - programs for database modeling, design and creation, programs for database maintenance and management, applications development software, user-specific applications, reporting programs and others all typically create statistical reports and summaries of activities, statistical analysis and reports on the data in the database, statistical reports on information needed by the business in its day-to-day and/or long term operations and analysis.

Many of these functions are found within Embarcadero's ER/Studio line of products. Others are found in companion Embarcadero software programs that are sold in conjunction with the ER/Studio line, which complement and are used with the ER/Studio line, and which are marketed to the same customers, and utilized by those customers for the same or closely related purposes.

The ER/Studio brand of products allows customers to begin with modeling the database they wish to create. From there the ER/Studio brand of products and services lead the customer through the design and development of their individual database. Once created, the database is implemented when the customer inputs the relevant data and information within it. From these initial steps, the database created with the help of ER/Studio products and services becomes a powerful tool to the customer as it can easily analyze and report different statistical analyses on the data or any combination of results the user wishes to see from the data originally inputted. Exhibit 3, from the ER/Studio Data Architect manual, shows some of the close relationships between various components of the ER/Studio line of products and data, database design, database management systems (DBMS) and the input and output functionality of data as it moves through the application development and implementation process.

# Appendix B



Follow Us:

FREE TRIALS

EDN

SELECT COUNTRY

search..

COMPANY

PRODUCTS

SOLUTIONS

RESOURCES

NEWS & EVENTS

SUPPORT

Home > Products > All Products...

Upgrade & Reinstall Users Download Center

# All Products

Recognized for our award-winning software, Embarcadero puts the industry's most powerful tools into your hands, giving you the ultimate flexibility to design, build, and run software applications and databases systems in the environment you choose.

## Heterogeneous, On-Demand Tool Chest

**All-Access XE**  
On-demand, heterogeneous tool chest

[Download](#)

## Design and Architecture Tools

**ER/Studio® XE**  
The ultimate design and modeling solution for enterprise information architecture

[Download](#)

**ER/Studio® Data Architect**  
Data modeling tools for designing and understanding databases

[Download](#)

**ER/Studio® Business Architect**  
Real-world process and conceptual modeling

[Download](#)

**ER/Studio® Software Architect**  
Visually analyze and design complex applications on the UML 2.0 specification

[Download](#)

**ER/Studio® Portal**  
Centralized self-service reporting and searching of ER/Studio metadata

[Download](#)

**Schema Examiner**  
Automated error checking for database schema

[Download](#)

### ER/Studio Add-on Products:

- Universal Data Models
- ER/Studio® MetaWizard
- ER/Studio® Viewer
- ER/Studio® Repository

## Application Development

**RAD Studio XE**  
Complete solution for Windows, .NET, PHP and Web application development.

[Download](#)

**Delphi® XE**  
The fastest way to build native Windows applications

[Download](#)

**C++Builder® XE**  
Rapid C++ development environment for Windows

[Download](#)

**Delphi Prism™ XE**  
Cross-platform .NET and Mono IDE

[Download](#)

**RadPHP™ XE**  
The fastest way to build PHP applications

[Download](#)

**JBuilder®**  
The fastest way to develop enterprise Java™ applications

[Download](#)

**3rdRail™**  
The High Power Ruby on Rails IDE

[Download](#)

**TurboRuby®**  
The fastest way to develop Ruby applications

[Download](#)

## Database Management & Development

**DB PowerStudio for SQL Server**  
Simplify database development, administration, and performance tuning

[Download](#)

**DBArtisan® XE**  
Heterogeneous database administration

[Download](#)

**Rapid SQL® XE**  
Heterogeneous SQL IDE

[Download](#)

**DB Change Manager XE**  
Simplify, automate, and report on database changes

[Download](#)

## Performance Optimization

**DB PowerStudio for SQL Server**  
Simplify database development, administration, and performance tuning

[Download](#)

**DB Optimizer XE**  
Heterogeneous database SQL profiling, tuning, and monitoring

[Download](#)

**J Optimizer**  
A profiling and tuning IDE for delivering high-performance, high-quality, scalable Java applications

[Download](#)

## Embedded & Workgroup DBMSes

**InterBase XE**  
Highly scalable, powerful, embeddable database.

[Download](#)

[Download Embarcadero Product Overview >>](#)

