

ESTTA Tracking number: **ESTTA560814**

Filing date: **09/23/2013**

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

Proceeding	91194974
Party	Defendant GFA Brands, Inc.
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Date	09/23/2013
Attachments	Applicant's Opposition to Opposers' Motion to Strike Applicant's Main Trial Brief.pdf(3105534 bytes) Wilbert Declaration.pdf(9916 bytes) Cross Declaration.pdf(276549 bytes)

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

PROMARK BRANDS INC. and H.J.
HEINZ COMPANY,

**Opposition Nos. 91194974 (Parent)
and Opposition No. 91196358**

Opposers,

U.S. Trademark Application 77/864,305
For the Mark **SMART BALANCE**

v.

U.S. Trademark Application 77/864,268
For the Mark **SMART BALANCE**

GFA BRANDS, INC.,

Applicant.

**APPLICANT’S OPPOSITION TO OPPOSERS’ MOTION TO STRIKE APPLICANT’S
MAIN TRIAL BRIEF AND IN SUPPORT OF APPLICANT’S RULE 6(b)(1)(B) MOTION
TO EXTEND TIME**

SUMMARY OF ARGUMENT

Opposers’ (“Heinz”) motion to strike Applicant’s (“GFA Brands”) trial brief should be denied under the “excusable neglect” standard and the *Pioneer* factors used by the Board to evaluate motions to strike because: (1) GFA acted in good faith; (2) GFA’s inadvertent delay has no appreciable impact on these proceedings; (3) GFA Brands’ trial brief will help the Board reach a meritorious decision; and (4) Heinz did not claim prejudice in its motion to strike, and any prejudice could be remedied by an appropriate extension of the deadline for Heinz’s reply brief. GFA therefore moves under Fed. R. Civ. P. 6(b)(1)(B) for a short extension of the due date for its trial brief to make it timely, and for a commensurate extension of the due date for Heinz’s reply brief. GFA’s counsel made a mistake and apologize to the Board and opposing counsel for doing so. There was no prejudice or bad faith, however, so Heinz’s motion to strike should be denied.

PROCEDURAL BACKGROUND

Heinz has correctly recited the events that governed the due dates for trial briefs: Heinz's brief was due and timely served and filed on August 12, 2013. GFA's brief was therefore due on September 11, 2013.

Because counsel for GFA Brands mistakenly believed that the additional five days provided under Trademark Rule 2.119(c) governing service by mail applied to its trial brief, GFA calculated the due date to be September 16. (Declaration of Johanna Wilbert in Opposition to Opposers' Motion to Strike Applicant's Trial Brief and in Support of the Applicant's Rule 6(b)(1)(B) Motion to Extend Time ¶¶ 3-6 ("Wilbert Decl.")). Because of several unexpected problems that arose in connection with e-filing GFA Brands' brief, it was filed at about 11:10 p.m. Central Time on September 16, which is 12:10 Eastern Time on September 17, making its filing about ten minutes after what GFA Brands' counsel had believed to be the deadline. (Wilbert Decl. ¶¶ 7-8.) Heinz received service by First Class Mail and a courtesy copy by e-mail before midnight Central Time on September 16. (Wilbert Decl. ¶ 8.)

Within hours of receiving Heinz's motion to strike on September 17, and after realizing the mistake, lead counsel for GFA Brands, David Cross, sent a message by e-mail to Heinz's counsel explaining what had happened, apologizing for the mistake, and agreeing to extend the deadline for Heinz's reply brief by at least six days to remedy any possible prejudice to Heinz. (Declaration of David R. Cross in Opposition to Opposers' Motion to Strike and in Support of Applicant's Motion for an Extension of Time ¶ 4, Ex. A ("Cross Decl.")). In an e-mail response on September 18, counsel for Heinz clarified that its motion to strike was based on GFA's mistake about the five day delay under the service by mail rule and was not based on GFA's

brief being an additional ten minutes late. (Cross Decl. ¶ 5, Ex. B.) Despite acknowledging GFA's offer to agree to an extension of time, Heinz rejected the offer of an extension as a cure. (Cross Decl., Ex. B.)

ARGUMENT

I. OPPOSERS' MOTION TO STRIKE AND APPLICANT'S MOTION TO EXTEND TIME SHOULD BE GRANTED UNDER THE EXCUSABLE NEGLIGENCE STANDARD AND THE PIONEER FACTORS.

Where, as here, an applicant's time to file its trial brief has expired, the applicant must show that its late filing resulted from excusable neglect. Fed. R. Civ. P. 6(b). The proper analysis of the excusable neglect standard was addressed by the Supreme Court in *Pioneer Investment Services Co. v. Brunswick Associated Ltd.*, 507 U.S. 380 (1993), and was adopted by the Board in *Pumpkin Ltd. v. The Seed Corps.*, 43 U.S.P.Q.2d 1582 (T.T.A.B. 1997). Excusable neglect must be determined considering "all relevant circumstances" and not by using a "bright line" approach. *Pumpkin Ltd.*, 43 U.S.P.Q.2d at 1585-86.

Under the relevant *Pioneer* factors, Heinz's motion to strike should be denied and GFA Brand's motion to extend time should be granted because: (1) GFA acted in good faith; (2) GFA's delay will have no appreciable impact on the proceedings; (3) any possible prejudice to Heinz could be cured by extending the time for its reply brief; and (4) GFA Brands' trial brief will help the Board reach a meritorious decision on the merits.

Applying these same considerations, the Board has previously denied an opposer's motion to strike an applicant's trial brief under nearly identical circumstances. In *Nestle Prepared Foods Co. v. V&V Enterprises, Inc.*, Opp. No. 91167465, 2011 WL 1060725, at *1 (T.T.A.B. Mar. 10, 2011), the opposer moved to strike the applicant's brief because it was filed five days late. The applicant had done so because, as here, it was under the "misapprehension that the additional five days provided under Trademark Rule 2.119(c) was applicable to briefs on

the case.” *Id.* The opposer claimed it was prejudiced because it had five fewer days in which to prepare its reply brief. *Id.*

The Board denied the opposer’s motion to strike because the delay in filing was minimal and had no impact on the proceedings. *Id.* at *2. The Board further concluded that while “applicant’s mistaken interpretation of the rules was within its control, it is also clear that its conduct did not fall within the realm of bad faith.” *Id.* The Board rejected the opposer’s claim that it was prejudiced because the opposer did not request an extension of time to file its reply brief and had filed its reply brief within the required time. *Id.* Finally, the Board denied the motion to strike because striking the applicant’s trial brief would make deciding the merits more difficult. *Id.* As the Board explained, “because it benefits the Board in its ability to make a just determination of the case in light of the specific issues raised in this proceeding to have the briefs of both parties of record, Applicant’s brief, including the objections maintained therein is accepted.” *Id.*

The Board’s decision in *Nestle* is in accord with its other decisions on motions to strike an applicant’s trial brief where the delay was due to a good faith mistake. The Board denied motions to strike principal trial briefs in at least three other cases using the same logic it applied in *Nestle*:

- (1) In *Netiq Corp. v. Egis Inc.*, the applicant filed its brief one day late due to a mistake in calculating its due date. Opp. No. 91187844, 2011 WL3828717, at *2 (T.T.A.B. Aug. 9, 2011). The opposer moved to strike. *Id.* Considering the *Pioneer* factors, the TTAB found “(1) there is no prejudice to opposer because of the late filing of applicant’s brief, (2) applicant’s one day delay created no impact on these proceedings, (3) the delay was totally within the control of applicant, and (4) applicant acted in good

faith.” *Id.* As in *Nestle*, the TTAB concluded, “we consider the fact that a brief on the case is often helpful to the Board in understanding the facts and analyzing the likelihood of confusion. In view of the foregoing, we find that applicant has met the standard of excusable neglect and, therefore, opposer’s motion to strike applicant’s brief is denied.”

Id.

(2) In *Lockheed Martin Corp. v. Raytheon Co.*, Opp. No. 91167189, 2011 WL 5014027, at *2-3 (T.T.A.B. Sept. 27, 2011), the Board found excusable neglect where “Applicant’s explanation as to its mistaken interpretation of the rules clearly demonstrates that the delay was not willful; the two-day delay in filing applicant’s brief had a negligible impact on the proceedings; and there is no evidence that opposer has been harmed by the delay.” The applicant filed its brief two days late because of its mistaken interpretation of the weekend/Federal Holiday rule. *Id.* at *2.

(3) In *Hot Stuff Foods, LLC v. Obsidian Group Inc.*, the applicant’s trial brief was two days late. Opp. No. 91169298, 2008 WL 902840, at *2 (T.T.A.B. Feb. 21, 2008). The TTAB noted that “[a]pplicant’s short delay could not have been particularly prejudicial to opposer’s effort to prepare a reply to such a brief. If the two-day delay had genuinely undercut opposer’s ability to prepare a reply brief, it could have sought an extension.” *Id.* As in *Nestle*, the Board noted that the applicant’s brief would help it in honoring its obligation to rule on the merits because it “benefits the Board’s attempt to reach a meritorious decision to have briefs from both parties; . . .” *Id.*

None of the cases cited by Heinz address the *Pioneer* factors or even mention the excusable neglect standard of Fed. R. Civ. P. 6(b). That is likely because none of the parties who were late even attempted to provide an excuse for their neglect. The first case Heinz cites,

Chesebrough-Pond's Inc. v. Faberge, Inc., 618 F.2d 776, 780 (C.C.P.A. 1980) involved summary judgment papers, not trial briefs. It also involved a neglectful applicant who had obtained *five* different extensions of time to file its papers, yet met none of the deadlines. The last due date was October 30, 1978, at which point it still had failed to file opposing papers. *Id.* at 777-78. In fact, it appears that it never filed anything responding to the opposer's motion for summary judgment. Finally, unlike here, the record was "devoid of any excuse by way of extenuating circumstances proffered" by counsel for the applicant for its delay. *Id.* at 780.

Similarly, in the two other cases Heinz cites, *Green Bay Packers, Inc. v. Sebor*, Opp. No. 91120345, 2003 WL 1964050, at *2 (T.T.A.B. Apr. 18, 2003), and *Information Builders, Inc. v. Bristol Technologies, Inc.*, Opp. No. 91179897, TTABVUE Doc. No. 46, at 5 (T.T.A.B. Jan. 10, 2011), the Board granted motions to strike briefs because the delinquent party made no attempt whatsoever to explain its late filing.

In contrast, GFA has a good faith, albeit embarrassing, explanation for its late filing. It is the same explanation accepted by the Board when it denied the motion to strike the applicant's trial brief in *Nestle*.

Also as in *Nestle*, there is no appreciable prejudice to Heinz. GFA has already agreed to an extension for Heinz's reply brief to remedy any prejudice it may suffer due to the mistake, an offer Heinz has refused as a cure. (Cross Decl. Ex. B.) Heinz's contention in its counsel's September 18 e-mail message that GFA's delay may have benefitted GFA in some unstated way (Cross Decl. ¶ 6, Ex. B) is not true. GFA's trial team would have rearranged schedules and met the September 11 deadline if they had properly calculated the due date for GFA's brief. (Cross Decl. ¶ 7; Wilbert Decl. ¶ 6.) Furthermore, prejudice under the *Pioneer* factors requires evidence of prejudice to the party moving to strike, not a speculative benefit to the neglectful party, as

Heinz claims in its September 18 e-mail message. *See Pumpkin Ltd.*, 43 U.S. P.Q. 2d at 1587 (the prejudice factor focuses on the “danger of prejudice” to the party seeking to strike).

II. GFA HAS FOLLOWED THE BOARD’S RULES CONCERNING EXPERT DISCLOSURES.

The error regarding the due date of the brief is not a pattern. GFA has followed the Board’s rules concerning expert disclosures. GFA’s disclosure during discovery of its survey experts, Messrs. Kaplan and Johnson, has prompted a long-running dispute between the parties that has nothing to do with GFA’s late trial brief. These experts were disclosed to respond to the confusion survey and opinions of Heinz’s proffered survey expert, Barry Sabol, in accordance with the scheduling order as amended and Fed. R. Civ. P. 26 governing expert disclosures. Heinz’s *ad hominem* argument based on GFA’s expert disclosures, that GFA’s counsel “systematically disregards the TTAB Rules,” is false. (Br. pp. 2-3.)

The history of the dispute about GFA’s survey experts is addressed in detail elsewhere, including in Applicant’s Response to Opposers’ Evidentiary Objections. (*See* TTABVUE Doc. Nos. 20-36, 92.) It begins, however, with the truism that responding to an opposer’s survey expert with qualified experts of one’s own is very important. As one commentator has observed, “[w]hen survey evidence is introduced in a TTAB proceeding, frequently the opponent will then employ an expert to critique the survey and sometimes will run a rebuttal survey. **Failure to do either when faced with an apparently successful survey can be deadly.**” *A Legal Strategists Guide to Trademark Trial and Appeal Board Practice* 283 (Jonathan Hudis, 2d ed. 2012) (emphasis added). GFA Brands decided to do both a critique and a survey to respond to Sabol’s flawed survey, which in Sabol’s opinion proved a high likelihood of confusion, the key issue in this case.

The following brief chronology shows that GFA’s expert disclosures were proper:

(1) Heinz timely disclosed Barry Sabol and provided a copy of his survey report allegedly showing a likelihood of confusion, via e-mail and first class mail on January 9, 2012. (Doc. No. 22.) This disclosure triggering the 30 day period for GFA to name any responsive experts under Fed. R. Civ. P. 26(a)(2)(D)(ii) to “contradict or rebut” Sabol’s opinions. *See generally* TBMP § 401.03 “Expert Disclosures”; *Legal Strategist’s Guide, supra*, at 259.

(2) As required by TBMP § 401.03, the parties initially cooperated in the process of expert discovery by extending the 30 days under Fed. R. Civ. P. 26, to allow GFA time to retain qualified experts to respond to Sabol. But as the agreed and ordered extended deadline for disclosing Fed. R. Civ. Pr. 26(a)(2)(D)(ii) experts approached, and Mr. Johnson who would ultimately complete a competing survey made clear he would not be able to do so in time, GFA filed a motion on March 2, 2012, requesting additional time so that both of its survey experts could complete their work. (Doc. Nos. 26, 27.)

(3) Heinz opposed GFA’s motion to extend time. (Doc. No. 28.) In a decision and order dated March 16, 2012, GFA’s motion was granted over Heinz’s objection. (Doc. No. 29.) New deadlines were set for GFA to disclose its rebuttal survey experts. (Doc. No. 29.) GFA then disclosed both experts in accordance with the schedule, as revised by the March 16 order. Heinz then proceeded with discovery depositions of both GFA’s survey experts, and the parties cooperated in facilitating this expert discovery. (Doc. Nos. 30, 31.)

As this chronology shows, although Heinz was not pleased, GFA’s survey expert disclosures complied with the rules and the schedule, as amended. Furthermore, GFA’s experts were not required to use any magic words in their reports to make their opinions fall within Fed. R. Civ. P. 26(a)(ii)(D)(ii), which limits GFA’s experts to responsive opinions that “contradict or rebut” Sabol’s opinions. Under any definition of either the word “contradict” or “rebut,” Messrs.

Kaplan's and Johnson's opinions qualify. Mr. Kaplan provided point-by-point opinions about Sabol's flawed survey methodology. Mr. Johnson's opinions contradict and rebut Sabol's opinions because he came to the directly contrary opinion about confusion: Mr. Johnson's survey, which was performed in accordance with accepted standards, proves there is no likelihood of confusion. It is a proper response to Sabol's survey and opinion that there is a likelihood of confusion. *See Legal Strategist's Guide, supra*, at 283 ("frequently the opponent will then employ an expert to critique the survey **and sometimes will run a rebuttal survey**") (emphasis added).

CONCLUSION

This is a brief that no lawyer wants to write. We set high standards for ourselves. We did not meet those standards when we filed GFA Brands' trial brief five days and 10 minutes late. Rule 6(b)(1)(B) and the *Pioneer* factors, however, allow for a margin of human error. GFA Brands respectfully requests that it be granted relief as allowed under Rule (a)(b)(1)(B), the *Pioneer* factors, and in the manner the Board has granted relief in similar cases involving untimely principal trial briefs because: (1) GFA has acted in good faith, including in its immediate agreement to allow Heinz more time for its reply brief; (2) there is no prejudice to Heinz; (3) the delay will have no appreciable impact on these proceedings; and (4) we believe GFA's trial brief will help the Board reach a meritorious decision.

Opposers' Motion to Strike Applicant's Trial Brief should be denied, and GFA Brands' Motion to Extend Time should be granted.

Dated this 23rd day of September, 2013.

/s/ David R. Cross
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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing Applicant's Opposition to Opposers' Motion to Strike Applicant's Main Trial Brief and in Support of Applicant's Rule 6(b)(1)(B) Motion to Extend Time; Declaration of David R. Cross in Opposition to Opposers' Motion to Strike and in Support of Applicant's Motion for an Extension of Time; and Declaration of Johanna Wilbert in Opposition to Opposers' Motion to Strike Applicant's Main Trial Brief and in Support of Applicant's Rule 6(b)(1)(B) Motion to Extend Time was sent by First Class U.S. Mail, postage prepaid, with a courtesy copy via e-mail, on this 23rd day of September, 2013, to Counsel for the Opposers listed below.

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APPENDIX A

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

PROMARK BRANDS INC. and H.J.
HEINZ COMPANY

**Opposition Nos. 91194974 (Parent)
and Opposition No. 91196358**

Opposers,

U.S. Trademark Application 77/864,305
For the Mark **SMART BALANCE**

v.

U.S. Trademark Application 77/864,268
For the Mark **SMART BALANCE**

GFA BRANDS, INC.,

Applicant.

APPENDIX OF AUTHORITIES THAT DO NOT APPEAR IN THE U.S.P.Q.

Cases:

Green Bay Packers, Inc. v. Sebora, Opp. No. 91120345, 2003 WL 1964050 (T.T.A.B. Apr. 18, 2003)

Hot Stuff Foods, LLC v. Obsidian Grp. Inc., Opp. No. 91169298, 2008 WL 902840 (T.T.A.B. Feb. 21, 2008).

Info. Builders, Inc. v. Bristol Techs., Inc., Opp. No. 91179897, TTABVUE Doc. No. 46 (T.T.A.B. Jan. 10, 2011).

Lockheed Martin Corp. v. Raytheon Co., Opp. No. 91167189, 2011 WL 5014027 (T.T.A.B. Sept. 27, 2011)

Nestle Prepared Foods Co. v. V&V Enters., Inc., Opp. No. 91167465, 2011 WL 1060725 (T.T.A.B. Mar. 10, 2011)

Netiq Corp. v. Egis Inc., Opp. No. 91187844, 2011 WL 3828717 (T.T.A.B. Aug. 9, 2011)

Other Authorities:

A Legal Strategists Guide to Trademark Trial and Appeal Board Practice (Jonathan Hudis, 2d ed. 2012)

Dated this 23rd day of September, 2013.

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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was sent by First Class U.S. Mail, postage prepaid, with a courtesy copy via e-mail, on this 23rd day of September, 2013, to Counsel for the Opposers:

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/s/ Johanna M. Wilbert
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2003 WL 1964050 (Trademark Tr. & App. Bd.)

THIS DISPOSITION IS NOT CITABLE AS PRECEDENT OF THE TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

GREEN BAY PACKERS, INC. AND NATIONAL FOOTBALL LEAGUE PROPERTIES, INC.

v.

MARC A. SEBORA

Opposition No. 120,345 to Application No. 75/246,847 filed on February 24, 1997

April 18, 2003

*1 Robert Lloyd Raskopf, Claudia Bogdanos and Horace E. Anderson of White & Case for Green Bay Packers, Inc. and National Football League Properties, Inc.

David O. N. Johnson of Meyer, Puklich, Merriam & Johnson for Marc A. Sebora

Before Cissel, Walters and Drost
Administrative Trademark Judges
Opinion by Walters
Administrative Trademark Judge:

Green Bay Packers, Inc. and National Football League Properties, Inc. filed their opposition to the application of Marc A. Sebora to register the mark PACKARONI for "pasta" in International Class 30.¹

Opposers assert several grounds of opposition. First, opposers assert that applicant's mark, when applied to applicant's goods, so resembles opposers' previously used and registered marks incorporating PACK and PACKERS for a variety of goods and services, including food products,² as to be likely to cause confusion, under Section 2(d) of the Trademark Act.

Second, opposers assert that applicant is party to an agreement, dated April 30, 1998, wherein applicant agreed to refrain from filing any trademark application for the mark PACKERONI, or from using any marks containing trademarks of the NFL; that applicant expressly abandoned, with prejudice, its earlier application, Serial No. 75/189,565, for the mark PACKERONI for pasta products; and that, in consideration thereof, opposers withdrew their Opposition No. 108,715 to registration of the PACKERONI mark.³

Third, opposers assert that applicant's mark falsely suggests a connection between applicant and opposers, under Section 2(a) of the Trademark Act, 15 U.S.C. 1052(a).

Finally, opposers assert that registration of applicant's mark will dilute the distinctive quality of opposers' famous PACKER marks, under Section 13(a) of the Trademark Act, 15 U.S.C. 1063(a).

Applicant, in its answer, denied the salient allegations of the claim and asserted unclean hands, laches, estoppel and acquiescence as affirmative defenses.

The Record

The record consists of the pleadings; the file of the involved application; and the testimony depositions by opposers of Marc A. Sebora, applicant, and David M. Proper, attorney for opposer National Football League Properties, Inc., with accompanying

exhibits. Applicant submitted no testimony or evidence during its trial period. Both parties filed briefs on the case but a hearing was not requested.

Analysis

Opposers submitted very little evidence in support of several of the grounds asserted in their notice of opposition. The testimony of Mr. Proper establishes that opposer Green Bay Packers, Inc. is a member club of the National Football League (NFL); that opposer National Football League Properties, Inc. (NFLP) is a business entity that has been the exclusive licensee of the NFL member clubs for trademark matters since 1963 and also licenses and enforces the various NFL trademarks; and that the Green Bay Packer team's licensed products sell well, particularly in connection with the team's participation in Super Bowl XXXI. Mr. Proper explained the nature of NFL licenses and sponsorships, noting that licensees pay a royalty and must use the trademarks of all teams equally, whereas sponsors pay a flat rate for the period of the contract and the trademarks used are specified in the contract. Mr. Proper stated that returns from these license and sponsor agreements total "hundreds of millions of dollars annually" (Proper, p. 13, ln. 21-23). Sponsors in the food industry include Campbell's Soup, Anheuser Busch, Miller, Quaker Oats, Gatorade, Coca Cola, Pepsi, General Mills, Hershey, Kraft and Oscar Meyer. Mr. Proper recalled a sponsor or licensee named The Pasta Shop in connection with pasta products in 1997-1998, but did not recall particular facts regarding the agreement. Mr. Proper stated that opposers have a number of broadcast partners; that the NFL team games are broadcast nationally and via the Internet; that licensed/sponsored goods are sold nationally; and that the various teams are promoted further through their involvement in community and charitable activities.

*2 We note that there is reference in the testimony of both Mr. Proper and Mr. Sebora to "the Green Bay Packer trademarks"; however, opposers did not present any testimony or other evidence, such as status and title copies of registrations, establishing the status and title of the registrations asserted in the notice of opposition, or otherwise establishing opposers' ownership and use of any marks at common law, or the goods or services in connection with which such marks may be used or registered.

With their brief, opposers submitted numerous exhibits, including photocopies of certified copies of several registrations. In his brief, applicant objected to opposers' brief in its entirety on the ground that it was untimely. Opposers point out, correctly, that their brief was filed in a timely manner.⁴ However, the exhibits attached to opposers' brief are untimely because this evidence should have been filed during opposers' testimony period. Trademark Rule 2.142(d). Because this evidence is untimely, we have not considered these exhibits.

It is interesting that, in its brief, applicant concedes that opposers own the four trademark registrations asserted in the notice of opposition, namely, Registration No. 1,100,375 for PACKERS, Registration Nos. 1,109,722 and 1,810,704 for GREEN BAY PACKERS, and Registration No. 1,743,691 for AMERICA'S PACK GREEN BAY, USA and design.

It is even more interesting that opposers, in their reply brief, have correctly noted that applicant's brief was filed late and opposers' request that the brief be stricken. Because applicant's brief is untimely we grant opposers' request and we have not considered applicant's brief.⁵

As a result of these procedural decisions, opposers are left with only the evidence and testimony presented at trial, which, as previously stated, does not establish opposers' ownership or use of any marks. Nor have opposers established facts necessary to prove the elements of their claims under Sections 2(a), 2(d), or 13(a).⁶ Thus, the opposition must be dismissed as to opposers' Section 2(d) claim, which alleges priority and likelihood of confusion; opposers' Section 2(a) claim, which alleges that applicant's mark falsely suggests a connection between applicant and opposers; and opposers' Section 13(a) claim, which alleges that registration of applicant's mark will dilute the distinctive quality of opposers' famous PACKER marks.

We turn now to opposers' claim that this application was filed in violation of an April 30, 1998 agreement between the same parties as opposers and applicant. In view of this agreement, Opposition No. 108,715 to application Serial No. 75/189,565, for the mark PACKERONI for pasta products, was dismissed with prejudice.

There is no question that the Board has jurisdiction over opposers' claim that applicant is in violation of the 1998 agreement. *Kimberly-Clark Corp. v. Fort Howard Paper Co.*, 772 F.2d 860, 227 USPQ 36 (Fed. Cir. 1985). Because no issues were actually litigated in the parties' prior Board proceeding, the applicability of the 1998 agreement to this proceeding is based upon claim preclusion. *See Chromalloy American Corp. v. Kenneth Gordon (New Orleans) Ltd.*, 736 F.2d 694, 222 USPQ 187 (Fed. Cir. 1984); *Jet, Inc. v. Sewage Aeration Systems*, 223 F.3d 1360, 55 USPQ2d 1864 (Fed. Cir. 2000), reh'g and reh'g en banc denied, 2000 U.S. App. LEXIS 26699 (Fed. Cir. 2000); and *Flowers Industries Inc. v. Interstate Brands Corp.*, 5 USPQ2d 1582 (TTAB 1987). As the Board stated in *Polaroid Corp. v. C & E Vision Services, Inc.*, 52 USPQ2d 1954, 1956 (TTAB 1999):

*3 Our primary reviewing court, the Court of Appeals for the Federal Circuit, has stated that it would be guided by the analysis set forth in the *Restatement (Second) of Judgments*, Section 24 (1982) in determining whether a plaintiff's claim in a particular case is barred by the doctrine of claim preclusion. *See Chromalloy American Corp. v. Kenneth Gordon (New Orleans) Ltd.*, 736 F.2d 694, 222 USPQ 187 (Fed. Cir. 1984). Section 24 of the Restatement describes the concept of a claim as follows:

(1) When a valid and final judgment rendered in an action extinguishes the plaintiff's claim pursuant to the rules of merger or bar ... the claim extinguished includes all rights of the plaintiff to remedies against the defendant with respect to all or any part of the transaction, or series of connected transactions, out of which the action arose.

(2) What factual grouping constitutes a "transaction", and what grouping constitutes a "series", are to be determined pragmatically, giving weight to such considerations as whether the facts are related in time, space, origin or motivation, whether they form a convenient trial unit, and whether their treatment as a unit conforms to the parties' expectations or business understanding or usage.

The Board, in applying the Restatement's analysis, has looked to whether the mark involved in the second proceeding is the same mark, in terms of commercial impression, as the mark involved in the first proceeding. *See Institut National Des Appellations d'Origine v. Brown-Forman Corp.*, 47 USPQ2d 1875, 1894 (TTAB 1998).

Significant evidence and argument in this proceeding is directed to the 1998 agreement, which states in pertinent part:

[Applicant will not] (1) use the PACKERONI designation, or any other marks or designations containing any NFL trademarks, without the express written consent of National Football League Properties, Inc.; or (2) file any trademark application for the PACKERONI mark.

Opposers contend, essentially, that the mark in this application, PACKARONI, sounds the same as PACKERONI, looks very similar, with only one letter changed, and has the same commercial impression as the PACKERONI mark; that PACKARONI incorporates opposers' PACK mark; and that, therefore, applicant is in breach of the 1998 agreement.

As opposers have not submitted admissible evidence establishing their ownership of any trademarks in this proceeding, we clearly have insufficient evidence to find that the mark herein falls within the clause of the agreement prohibiting use of "any other marks or designations containing any NFL trademarks."

The only remaining prohibition in the agreement is against the use or registration of the PACKERONI mark or designation. Thus, we must determine whether the previously opposed mark and this mark are sufficiently similar for the claims in this proceeding to be considered part of a single transaction or a series of transactions within the *Restatement's* concept of a claim. Recognizing that the pronunciation is likely to be the same and that the marks differ by only one letter, we nonetheless find that the connotations and commercial impressions are sufficiently different so that the claims involving these two marks cannot be considered to be part of a single transaction.⁷ We find that the word PACKER is very apparent and dominates the mark PACKERONI, whereas PACKARONI appears to consist of two equally strong components - PACK and ARONI, which brings

to mind “macaroni.” Therefore, based on the record before us, we conclude that the 1998 agreement does not prohibit applicant's registration of PACKARONI for pasta. Opposers' claim in this regard fails.

*4 *Decision*: The opposition is dismissed.

Footnotes

- 1 Application Serial No. 75/246,847, filed February 24, 1997, based upon an allegation of a bona fide intention to use the mark in commerce in connection with the identified goods.
- 2 Opposers plead four registrations: Registration No. 1,100,375, issued August 22, 1978 [renewed for term of ten years from August 22, 1998], in International Class 41, for the mark PACKERS; Registration No. 1,109,722, issued December 19, 1978 [renewed for a term of ten years from December 19, 1998], in International Class 41, for the mark GREEN BAY PACKERS; Registration No. 1,810,704, in International Classes 16 and 25, for the mark GREEN BAY PACKERS; and Registration No. 1,743,691, issued December 29, 1992, in International Class 41, for the mark AMERICA'S PACK GREEN BAY, USA and design.
- 3 While opposers do not assert a specific statutory basis for this ground of opposition, opposers argue in their brief that the application involved herein for the mark PACKARONI violates the terms of the above-referenced agreement between opposers and applicant.
- 4 Opposers' brief was filed April 2, 2002, which is within the time for filing its brief based on opposers' consented motion to extend the testimony periods, which was filed October 5, 2001, and granted by the Board on November 13, 2001.
- 5 Although we have not considered applicant's brief, applicant is not required to submit a brief. See 37 CFR §2.128(a)(1) and TBMP §801.02(b).
- 6 To note one example - there is insufficient evidence that any marks that opposers may own are famous - only a conclusory statement by opposers' witness, Mr. Proper, and two cases cited by opposers in their brief, neither of which involve the Green Bay Packers: *National Football League Properties, Inc. v. New Jersey Giants, Inc.* (the court concluded that the NFL's marks were well known) (637 F. Supp. 507, 516 (D.N.J. 1986)); and *Johnny Blastoff, Inc. v. Los Angeles Rams Football Co.*, 188 F.3d 427, 434-435 (7th Cir. 1999) (case does not contain a specific conclusion that opposers' marks are well known). We do not find this evidence sufficient to either establish ownership, status or fame of their pleaded marks.
- 7 *Polaroid Corp. v. C & E Vision Services, Inc.*, *supra*. (POLAREX and design is not sufficiently similar to the same word, POLAREX, in typed form to be considered part of a single transaction). *Cf. Aromatique, Inc. v. Arthur H. Lang*, 25 USPQ2d 1359 (TTAB 1992) (claim preclusion applicable with regard to prior opposition because marks essentially identical where subject mark differs “ever so slightly in typeface and capitalization” from mark in prior application). In the *Aromatique* decision, the Board stated (at 1360): “[We do] not wish to encourage a losing party to modify its mark insignificantly after an adverse ruling and thereby avoid the estoppel effect of the prior adjudication.” The case before us differs factually from the *Aromatique* case because, while the mark herein differs from the earlier mark by only one letter, the commercial impressions of the two marks are sufficiently different, as discussed above, so that a finding of claim preclusion is not appropriate.

2003 WL 1964050 (Trademark Tr. & App. Bd.)

2008 WL 902840 (Trademark Tr. & App. Bd.)

THIS OPINION IS NOT A PRECEDENT OF THE TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

Hot Stuff Foods, LLC

v.

Obsidian Group Inc.

OPPOSITION 91169298 TO APPLICATION SERIAL 76624188 FILED ON DECEMBER 10, 2004

February 21, 2008

*1 Gregory C. Golla of Merchant & Gould P.C. for Hot Stuff Foods, LLC
Serge Anissimoff of Anissimoff & Associates for Obsidian Group, Inc

Before Quinn, Rogers and Wellington
Administrative Trademark Judges
Opinion by Rogers
Administrative Trademark Judge:

Obsidian Group, Inc. [applicant], a corporation of Canada, has applied under the intent-to-use provisions of the Trademark Act to register WE'E HOT STUFFED! for "restaurant services." The stylized mark is shown below.



The image shows the stylized logo for "We're hot stuffed!". The words "We're" and "stuffed!" are in a bold, black, sans-serif font. The word "hot" is significantly larger and more stylized, rendered in a bubbly, outlined font that overlaps with the other words.

Applicant claimed a priority filing date of June 10, 2004 when it filed its application. See Trademark Act Section 44(d), 15 U.S.C. § 1126(d).¹ When an applicant files its application under Trademark Act Section 1(b), 15 U.S.C. § 1051(b) [the intent-to-use provision], and also claims a priority filing date, the Office presumes that the applicant will eventually base issuance of the United States registration on use of the mark in commerce as well as on any foreign registration that may issue based on the home country application yielding applicant its priority filing date. See Trademark Manual of Examining Procedure (TMPEP) Sections 1003.03 and 1103 (fifth ed. September 2007). However, such an applicant may elect to proceed based solely on the intent-to-use filing basis while retaining its claim to a priority filing date and will not, then, have to wait for issuance of its foreign registration to perfect that basis for registration in the United States. See TMPEP Section 1003.04. That is what applicant has done in the case at hand. Applicant has not, however, amended its application to assert use of the mark in commerce. For priority purposes, the earliest date on which applicant can rely is its June 10, 2004 priority filing date.

Hot Stuff Foods, LLC [opposer] has opposed issuance of a registration to applicant based on its prior use and registration of numerous marks including the terms HOT STUFF.² In addition, opposer asserts that it has "used the HOT STUFF mark as a family mark for a variety of restaurant, franchising and food products and services." Notice of Opposition, ¶2. Opposer asserts various arguments in its pleading as to why applicant's use and registration of the WE'RE HOT STUFFED! mark will result in confusion, mistake or deception in the trade and among consumers. Opposer also asserts that its "HOT STUFF marks are

famous, particularly within the restaurant and food kiosk markets” and invokes, in its pleading, Sections 2(a), 2(d), 2(f) and 43(c) of the Trademark Act.

*2 Applicant has admitted only those allegations relating to the filing of applicant's application, of opposer's extension of the opposition period, and the timeliness of opposer's notice of opposition. All other allegations of opposer have been either expressly or effectively denied by applicant. See Fed. R. Civ. P. 8(b).

Although its pleading makes reference to various provisions of the Trademark Act, in its brief opposer only references its claim under Section 2(d) of the Act and does not argue that the record supports any claim under Sections 2(a) or 2(f) and 43(c).³ Accordingly, opposer has waived any pleaded claims other than that asserted under Section 2(d).

As for the brief filed by applicant, opposer has moved to strike it, asserting that it is untimely and that applicant's late filing of the brief resulted in prejudice to opposer, insofar as the late filing shortened the time opposer had to prepare and file its reply brief on the case. Applicant has contested the motion to strike, although it did not file and serve its brief in response to the motion until 37 days after filing and service of the motion. A response to a motion served by first class mail is due in twenty days. See Trademark Rule 2.127(a) (response time fifteen days) and Trademark Rule 2.119(c) (add five days to response time when motion is served by first class mail). Applicant did not include any explanation for the late brief in response to the motion to strike or otherwise ask that its tardiness be excused. Having failed to establish excusable neglect for the late-filed response to the motion, applicant's response has not been considered. Nonetheless, we have not treated the motion to strike as conceded and have instead considered it on its merits.

Applicant's brief was overdue by two days, as acknowledged in opposer's motion to strike. Applicant's brief runs a total of 17 pages but only includes 12 pages of text. In addition, since applicant did not take testimony, there are no citations to evidence in the brief except for citations to evidence put into the record by opposer. Applicant's short delay could not have been particularly prejudicial to opposer's effort to prepare a reply to such a brief. If the two-day delay had genuinely undercut opposer's ability to prepare a reply brief, it could have sought an extension. Opposer's filing of the brief on time casts doubt on opposer's claim of prejudice. Moreover, when a case has been tried and must be decided on the merits, it benefits the Board's attempt to reach a meritorious decision to have briefs from both parties; even when, as in this case, applicant's brief is plagued by assertions of fact that have no basis in the record. Opposer's motion to strike applicant's brief on the case is denied. We therefore turn to consideration of the merits of opposer's claim of likelihood of confusion under Section 2(d).

*3 The record for this case was created solely by opposer, which filed a notice of reliance and took testimony depositions of two witnesses: Steve Watkins, opposer's Chief Financial Officer, Secretary-Treasurer and a director, who started as an employee of opposer in August 1987; and Tim Schendel, who has been with the company for over 18 years, is the current Director of Contract Administration, and whose responsibilities include “working with counsel on our trademark registrations and renewals.”⁴ Applicant took discovery, did not attend the depositions taken by opposer, and added nothing to the trial record created by opposer.

Though opposer has pleaded registration of numerous HOT STUFF formative marks, the notice of reliance it filed introduces only plain paper copies of the registrations and related reprints from USPTO electronic database records.⁵ Opposer has not put in the record copies prepared by the USPTO showing the current status and title to the registrations. In addition, neither of opposer's witnesses testified as to, or was asked to testify as to, the current status of any particular pleaded registration. Instead, each witness spoke only generally about the approximate number of registrations owned by opposer for HOT STUFF formative marks or the HOT STUFF brand. See Trademark Trial and Appeal Board Manual of Procedure (TBMP) Section 704.03(b) (2d ed. Rev. March 2004) (discussion of ways in which a plaintiff can prove pleaded registrations).

Had opposer proved its ownership of registrations for its pleaded HOT STUFF formative marks, it would have both proved its standing and removed priority as an issue requiring proof in this case. See *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842 (Fed. Cir. 2000) (“These registrations and the products sold under the mark they register suffice to establish

Laser Golf's direct commercial interest and its standing to petition for cancellation of Cunningham's LASERSWING mark.”), and *Herbko International, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 64 USPQ2d 1375, 1378 (Fed. Cir. 2002) (holding that a plaintiff's superior proprietary rights may be established through proof of prior registration.). See also, *King Candy Company v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974). Because opposer did not submit proof of ownership and of the status of its individual pleaded registrations, and applicant did not in its answer admit opposer's ownership of such registrations, opposer has not satisfied its responsibility for proving its standing and removing priority as an issue in this case.

Notwithstanding opposer's failure to avail itself of the options for proving its pleaded registrations, the testimony of its witnesses is clearly sufficient to establish opposer's standing in this case and its priority of use.⁶ Proof of standing in the absence of proof of ownership of a registration can result from proving any one of a number of types of use sufficient to establish prior proprietary rights. See *Herbko, supra*, and *National Cable Television Ass'n, Inc. v. American Cinema Editors, Inc.*, 937 F.2d 1572, 19 USPQ2d 1424, 1429 n.5 (Fed. Cir. 1991) (“Our decision that Editors has prior rights in ACE as a trade name subsumes any argument over standing.”) (internal citation omitted). By the testimony of its witnesses, opposer has established that it uses HOT STUFF and related marks for licensed or franchised restaurants and food kiosks located in other businesses, primarily convenience stores or gas station stores. See, e.g., Schendel dep. pp. 11-16. Opposer's presence in the marketplace is substantial throughout the United States, except for the New England and Northeastern states, and abroad, including 25 sites in Canada. Watkins dep. p. 13, Schendel dep. p. 16. In addition, there is no question that opposer has been engaged in business, using the HOT STUFF marks, since long before the priority filing date of applicant. Watkins dep. p. 5, Schendel dep. p. 12.

*4 We turn, then, to the question of likelihood of confusion. Our determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. See *In re Majestic Distilling Co.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003); see also, *In re E.I. du Pont de Nemours and Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). In the analysis of likelihood of confusion presented by this case, key considerations are the similarities of the marks and the fact that the parties' respective services are the same (i.e., restaurant services) or are related (i.e., opposer's food kiosks and applicant's restaurant services). *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976) (“The fundamental inquiry mandated by Section 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks”).

In comparing the marks of the parties, we have compared the mark in applicant's application to the following marks used by opposer: HOT STUFF FOODS and design, HOT STUFF PIZZA, HOT STUFF FOOD ON THE GO and design, HOT STUFF PIZZERIA and design. The design element in those marks employing a design is an inverted triangle design clearly intended to serve as the outline of a slice of pizza. We focus on these marks because, in the absence of proof of the pleaded registrations, these are the marks shown by the Schendel testimony and exhibits to be in use for restaurants and food kiosks. See Schendel dep. pp. 38-39 and 42-43, and exhs. 16, 17 and 21-30.

To determine whether the marks are similar for purposes of assessing the likelihood of confusion, we must consider the appearance, sound, connotation and commercial impression of each mark. *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772*, 396 F.3d 1369, 73 USPQ2d 1689, 1692 (Fed. Cir. 2005). In a particular case, any one of these means of comparison may be critical in finding marks to be similar. *In re Lamson Oil Co.*, 6 USPQ2d 1041, 1042 (TTAB 1988); see also, *In re White Swan Ltd.*, 8 USPQ2d 1534, 1535 (TTAB 1988). In fact, “the PTO may reject an application ex parte solely because of similarity in meaning of the mark sought to be registered with a previously registered mark.” *In re Sarkli, Ltd.*, 721 F.2d 353, 220 USPQ 111, 113 (Fed. Cir. 1983). In addition, it is a well-established principle that, in articulating reasons for reaching a conclusion on the issue of likelihood of confusion, while the marks are compared in their entireties, including descriptive or disclaimed portions thereof, “there is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature of a mark, provided the ultimate conclusion rests on consideration of the marks in their entireties. Indeed, this type of analysis appears to be unavoidable.” *In re National Data Corp.*, 732 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985).

*5 In each of opposer's marks, HOT STUFF is clearly the dominant element, as the triangular design in some of those marks will be seen either as a common geometric shape or as a descriptive image of a slice of pizza, and the other words in opposer's marks, FOODS, PIZZA, FOOD ON THE GO, and PIZZERIA, all are descriptive and add little, if any, source identifying significance to the marks. Applicant contends in its brief, at numbered p. 5, that the "prefix 'WE'RE'" in its mark cannot be ignored and that "the prefix is commonly accepted as the defining feature of any mark." While we agree that the case law directs that the contraction cannot be ignored, and that the first word in a mark is often of significant importance in comparing that mark with another, in this case we do not find the contraction WE'RE to be as significant as the terms "HOT STUFFED!". Visually, the word HOT is larger and clearly emphasized, and the word STUFFED is followed by an exclamation point, which draws attention to the phrase HOT STUFFED. The contraction WE'RE serves only to set up the exclaimed words "HOT STUFFED!". In addition, while the pronunciation of marks by consumers cannot be controlled and there is no "correct" way to pronounce a mark, the larger size of the term HOT and the exclamation point will, if anything, lead more consumers to emphasize those two words in speaking applicant's mark. See *In re Dixie Restaurants, Inc.*, 105 F.3d 1405, 41 USPQ2d 1531, 1533-34 (Fed. Cir. 1997) (Federal Circuit found no error in the Board's determination that the word DELTA was the dominant element in THE DELTA CAFÉ and design — "an ordinary geometric shape" — and observed that restaurants are often recommended by word of mouth).

As for the connotation of the involved marks, applicant contends, at numbered p. 4 of its brief, that STUFF is a noun that will be taken as referring to an item of food, while STUFFED is an adjective that will be taken as referring to "a culinary process or preparation." We are not persuaded that the average restaurant consumer will draw this distinction. Moreover, when the respective marks are spoken, the difference may not be articulated clearly enough to even allow for the distinction to be possible.

We find the dominant portions of the respective marks very similar and the marks, when considered in their entireties, to yield very similar overall commercial impressions. Given the similarity of the marks, use on the same or related services will result in a likelihood of confusion among consumers.

As already noted, opposer's marks are used for restaurants and food kiosks. Restaurants are a much smaller part of its business than its food kiosk operations. Schendel dep. p. 15. The latter are essentially stations or sections of convenience stores or institutional food service operations that allocate space, including in many cases, seating, for a wide variety of food items distributed by opposer to its licensees and franchisees. See Schendel dep. pp. 13-16 (describing a typical site) and 38 (differentiating institutional accounts from convenience store licensees or franchisees) and exh. 17 (menu). On the other hand "the majority of [opposer's] convenience store sites do have some form of seating, booths or tables" and "customers will indeed treat it as if it were a restaurant." Schendel dep. pp. 15-16. Applicant did not attend either of the testimony depositions taken by opposer and therefore did not object to or probe any of the testimony of opposer's witnesses. We therefore have accepted all such testimony without reservation.

*6 On the testimony of opposer's witnesses, we find the opposer's food kiosk operations to be competitive with fast food type restaurants, which we must consider to be within the scope of applicant's identification. *Octocom Systems, Inc. v. Houston Computers 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 or the class of purchasers to which the sales of goods are directed"). Further, since there are no restrictions as to the anticipated classes of consumers for applicant's restaurant services, we must presume that they will include all possible classes of restaurant consumers, including those who frequent the sites of opposer's licensees or franchisees. Accordingly, we find the involved services related for likelihood of confusion purposes, and the classes of consumers to overlap.

There is a protective order in place that precludes us from mentioning the precise extent of opposer's sales and advertising, but suffice it to say that the annual sales are significant. While applicant contends in its brief, at numbered p. 10, that opposer's mark is not "strong or distinctive" and "is generic and descriptive," we reject this contention and find that at a minimum opposer's marks have significant acquired distinctiveness.

Applicant also contends in its brief, at numbered p. 5, that consumers can differentiate between marks including the term “hot.” However, there is no evidence of record regarding any such marks for restaurant or food kiosk services, and there is certainly nothing to establish that consumers can distinguish between marks containing the words HOT STUFF or HOT STUFFED for the same or similar services.

In sum, the marks are very similar, there is no evidence establishing that opposer's marks are weak or for any reason entitled to a narrow scope of protection, the involved services are in part the same and otherwise related, and the services must be presumed to be marketed to the same classes of end consumers. On the unchallenged record created by opposer we find that confusion among consumers is likely.

Decision: The opposition is sustained.

Footnotes

- 1 Applicant based its claim to a priority filing date in the United States on a Canadian application, serial no. 1,220,286.
- 2 In its brief on the case, at p. 9, opposer further explains it “is the owner of 5 federal registrations for the mark HOT STUFF, and 26 additional registered or pending marks for permutations thereof.”
- 3 We take the references to Sections 2(f) and 43(c) as an attempted pleading of a dilution claim.
- 4 Schendel dep. p. 8.
- 5 A plaintiff pleading in a Board proceeding its ownership of a registration may submit with its pleading copies of USPTO electronic database records to concurrently prove its ownership and validity of the pleaded registration. See Trademark Rule 2.122(d)(1). However, that is an option that was introduced into the rule only as of August 31, 2007, for cases commenced on or after that date. See 72 Fed. Reg. 42242 (August 1, 2007).
- 6 Applicant, in its brief, has not argued in any way that opposer does not have standing or that its evidence does not establish its standing. Likewise, applicant has not argued in any way that opposer does not have priority or that its evidence does not establish priority.

2008 WL 902840 (Trademark Tr. & App. Bd.)

**THIS OPINION IS NOT A
PRECEDENT OF THE TTAB**

Mailed:
January 10, 2011
Bucher

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Information Builders, Inc.

v.

Bristol Technologies, Inc.

Opposition No. 91179897
against Serial No. 78954755

Howard F. Mandelbaum of Levine & Mandelbaum for Information
Builders, Inc.

Roger L. Belfay for Bristol Technologies, Inc.

Before Bucher, Kuhlke and Cataldo, Administrative Trademark
Judges.

Opinion by Bucher, Administrative Trademark Judge:

Bristol Technologies, Inc. sought registration on the
Principal Register of the mark **Bristol Focus** (*in standard
character format*) for goods identified as "computer operating
programs; computers and instructional manuals sold as a
unit; operating system programs" in International Class 9.¹

¹ Application Serial No. 78954755 was filed on August 17, 2006
based upon claims of first use anywhere and first use in commerce
at least as early as July 25, 2006.

Registration has been opposed by Information Builders, Inc. As its grounds for opposition, opposer asserts that under the test of *In re Bose*² recently annunciated by the Federal Circuit, the evidence is clear and convincing that applicant committed fraud on the U. S. Patent and Trademark Office during the application process, and secondly, that given opposer's priority of use, there will be a likelihood of confusion under Section 2(d) of the Trademark Act when applicant's applied-for mark is used in connection with applicant's listed goods because applicant's mark so resembles the following family of **FOCUS** registered marks:

PC/FOCUS

for "diskettes containing a microprocessor program for use in preparation of reports and graphs from data stored in a personal computer" in International Class 9;³

FOCUS

for "computer programs for data base management" in Int. Class 9;⁴

FOCUS FORECASTING

for "consulting services in the field of inventory management and control for businesses including the use of computers and computer techniques in the field of inventory management and

² 580 F.3d 1240, 91 USPQ2d 1938 (Fed. Cir. 2009).

³ Registration No. 1300245 issued on October 16, 1984; renewed. No claim is made to the exclusive right to use the term "PC" apart from the mark as shown.

⁴ Registration No. 1652265 issued on July 30, 1991; renewed.

	control for businesses" in International Class 35; ⁵
FOCUS FORECASTING	for "computer programs recorded on electronic media, namely tapes or discs, for use by businesses to plan inventory needs and to manage and control inventory" in Int. Class 9; ⁶
WEBFOCUS	for "computer programs for data base management" in Int. Class 9; ⁷
FOCUS	for "computer services, namely, providing online information to facilitate demonstration, test use, and ordering of computer software" in International Class 35; ⁸
WEBFOCUS	for "computer software for database management; computer software for accessing databases by means of global computer networks to generate reports; software development tools for making reporting and analysis available through global computer network worldwide websites and for extending the functionality of enterprise reporting and analysis systems on to global computer networks; and computer software for accessing and updating databases through global computer networks" in International Class 9; ⁹

⁵ Registration No. 2223450 issued on February 16, 1999; renewed. No claim is made to the exclusive right to use the word "Forecasting" apart from the mark as shown.

⁶ Registration No. 2223457 issued on February 16, 1999; renewed. No claim is made to the exclusive right to use the word "Forecasting" apart from the mark as shown.

⁷ Registration No. 2248562 issued on June 1, 1999; renewed.

⁸ Registration No. 2606298 issued on August 13, 2002; Section 8 affidavit (six-year) accepted and Section 15 affidavit acknowledged.

⁹ Registration No. 2685249 issued on February 11, 2003; Section 8 affidavit (six-year) accepted and Section 15 affidavit acknowledged.

FOCUS

for "computer software for database management; computer software for use in decision support systems; computer software for use in enterprise reporting and analysis systems and for building applications for the management and tracking of data for enterprise reporting systems; computer database programs for use in connection with decision support, analysis, and reporting programs; computer software development tools for use in developing decision support, analysis, and reporting systems and applications; computer software, namely, client/server reporting, analysis and decision support tools; computerized database, reporting, and analysis software for use on corporate intranet web sites; enterprise server software for use in web based data publishing, reporting, and analysis solutions; computer software for accessing databases by means of global computer networks to generate reports; software development tools for making reporting and analysis available through global computer network worldwide websites and for extending the functionality of enterprise reporting and analysis systems on to global computer networks; and computer software for accessing and updating databases through global computer networks" in Int. Cl. 9;¹⁰ &

FOCUS

for "business accountability software to insure compliance with governmental requirements and standards" in International Class 9.¹¹

¹⁰ Registration No. 2821942 issued on March 16, 2004; Section 8 affidavit (six-year) accepted and Section 15 affidavit acknowledged.

¹¹ Registration No. 2989088 issued on August 30, 2005; Section 8 affidavit (six-year) accepted and Section 15 affidavit acknowledged.

Although the original and the amended Notices of Opposition also asserted a claim of dilution under Section 43(c) of the Trademark Act, 15 U.S.C. § 1125(c), this allegation has apparently been waived as it was not argued in opposer's final briefing.

Preliminary matter

Opposer argues that applicant's brief was filed in an untimely manner under Trademark Rule 2.128(a)(1). According to this rule, the "brief of the party in the position of defendant ... shall be due not later than thirty days after the due date of the first brief."

According to our order of October 21, 2009, the date set for the close of rebuttal testimony was March 15, 2010. Opposer's brief was filed on its due date of May 14, 2010, while applicant's brief was due June 14, 2010. However, applicant's brief was not served and filed until June 18, 2010. The record contains no indication that applicant requested leave to file its brief late.

We find that applicant's brief was not filed in a timely manner, and hence, we have not considered its contents. However, inasmuch as applicant has clearly "not lost interest in this matter," we proceed to final judgment on the merits. See TBMP § 801.02(a) (2d ed. rev. 2004).

The Record

In addition to the pleadings, the file of the opposed application is part of the record without any action by the parties. Trademark Rule 2.122(b), 37 C.F.R. § 2.122(b).

Opposer introduced the following evidence:

- i. Transcript of direct and cross examination
Testimony of Gerald D. Cohen;
- ii. Exhibits 1-87 referred to in the Cohen testimony;
- iii. Plaintiff's Notice of Reliance under Rule
2.120(j) dated November 25, 2009;
- iv. Plaintiff's Notice of Reliance under Rule
2.122(d) dated November 25, 2009; and
- v. Plaintiff's Notice of Reliance under Rule
2.122(e) dated November 25, 2009."

Defendant introduced its Notice of Reliance under Rule 2.122(e) dated January 29, 2010, but took no testimony.

Opposer's standing

"Any person who believes that he would be damaged by the registration of a mark upon the principal register ... may, file an opposition ... stating the grounds therefor." Section 13 of the Trademark Act of 1946, 15 U.S.C. § 1063(a). Thus, a party has standing to oppose in a Board proceeding if it can demonstrate a real interest in the

proceeding. *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982), citing *Universal Oil Products Co. v. Rexall Drug and Chemical Co.*, 463 F.2d 1122, 174 USPQ 458 (CCPA 1972).

Opposer uses and has registered a variety of **FOCUS** designations - a term which appears within applicant's mark in connection with computer operating system programs. This is sufficient to demonstrate that opposer has a real interest in this proceeding, and therefore has standing.

Findings of Fact

Opposer

Gerald D. Cohen was one of the three founders of opposer, Information Builders, Inc. ("IBI"), he has been its President since the Company's inception in 1975, and is opposer's witness herein.¹² IBI is a software manufacturer created to exploit the software products of its founders. Since 1975, opposer has grown from a business of five employees occupying a thousand square feet of workspace to a plant of 125,000 sq. ft. where eight-hundred employees work.¹³ As the largest private software company in New York,

¹² Testimony of Gerald D. Cohen at 4.

¹³ *Id.* at 68-69.

IBI has enjoyed annual revenues of \$300 million, of which its various **FOCUS** software products account for one half of the annual sales, i.e., \$150 million.¹⁴

The record contains evidence of free press coverage of IBI and its **FOCUS** software over the years from articles in *Hoover's Profiles* [opposer's exhibit-2], *Software* magazine [opposer's exhibit-6], *Computer Reseller News* [opposer's exhibit-38], *Database Programming and Design* [opposer's exhibit-50], *Enterprising Computing* magazine [opposer's exhibit-51], *Mid-Range Systems* magazine [opposer's exhibit-52], *DEC Professional* [opposer's exhibit-53], *DBMS* [opposer's exhibit-54], *Cranes* [opposer's exhibit-55], *Main Frame Executive* [opposer's exhibit-56], *DM Review* [opposer's exhibit-39], and *Wikipedia.com* [opposer's exhibit-1]. On the occasion of opposer's 25th anniversary, then New York City Mayor Rudolf Giuliani issued a proclamation honoring IBI for its 25 years of software innovation.¹⁵

Opposer's first software product was called **FOCUS**. Later, opposer incorporated the word **FOCUS** into a variety of other software products.¹⁶ In fact, opposer has been

¹⁴ *Id.* at 7.

¹⁵ Testimony of Gerald D. Cohen at 57-59; opposer's exhibit-76.

¹⁶ *Id.* at 5.

delivering software to its customers under the **FOCUS** trademark continuously since 1975.¹⁷ **WebFOCUS** has been used as a trademark of IBI since 1996.¹⁸

In 1975, opposer's **FOCUS** software was designed to manage information and run programs on mainframe computers. Updated versions of this software continue to be sold and are available across many industries.¹⁹ With the arrival of personal computers, opposer developed products marked as **PC/FOCUS** and **PM/FOCUS**,²⁰ followed in 1996 by an Internet version called **WebFOCUS**.

Opposer's **FOCUS** software is not an operating system, but runs in collaboration with many different operating systems (e.g., Windows, UNIX and Linux).²¹ The complete listing of opposer's marks in this record points to a wide diversity of applications.

Opposer provides educational courses, runs hands-on workshops, sponsors local user groups and holds a national

¹⁷ *Id.* at 60-61; opposer's exhibits-77-79.

¹⁸ Opposer's exhibit-80.

¹⁹ Testimony of Gerald D. Cohen at 5, 8-9; opposer's exhibit-3.

²⁰ Testimony of Gerald D. Cohen at 13-14; opposer's exhibit-7.

²¹ Testimony of Gerald D. Cohen at 71-72.

conference annually in order to promote its **FOCUS** software products on various operating systems.²²

Opposer has published various guides, instruction manuals, periodic newsletters, fact sheets and technical journals directed to its **FOCUS** software, including the Focus Manual, General Information Guides, Fact Sheets, Focus News, and Focus Systems Journal.²³ Since its inception, opposer has vigorously promoted its **FOCUS** products. Initially, it was print advertisements in magazines, later followed by email promotions and online ads. Opposer's annual marketing budget for advertising is \$5-8 million, of which 75% is spent promoting **FOCUS** products.²⁴

IBI has also published customer profiles describing how some of its customers used **FOCUS** software to solve particular business problems. Each profile is reviewed and approved by the involved customer before being published. Examples of the many different business problems solved through the use of **FOCUS** software include monitoring the

²² Testimony of Gerald D. Cohen at 36-43, 54-56; opposer's exhibits 40-42, 45-48.

²³ Opposer's exhibits 3-5, 9, 43-44.

²⁴ Testimony of Gerald D. Cohen at 44-45, 61-62, 71-72; opposer's exhibits 49, 71.

bidding process during an auction of tulips [opposer's exhibit-17]; financial reporting [opposer's exhibit-18]; U.S. Postal Service operations [opposer's exhibit-19]; health care monitoring [opposer's exhibit-26]; construction of an executive information system [opposer's exhibit-27]; containment of thunderstorm damage by an electric utility company [opposer's exhibit-58]; tracking of criminal justice probation programs [opposer's exhibit-59]; truck manufacturing [opposer's exhibit-60]; automobile parts supply maintenance [opposer's exhibit-61]; medical fraud protection [opposer's exhibit-62]; agricultural and construction equipment quality and reliability [opposer's exhibit-63]; water system and pool/spa production and inventory management [opposer's exhibit-64]; custom marketing research information access [opposer's exhibit-65]; graphical sales information systems [opposer's exhibit-66]; manufacture of computer workstations and servers [opposer's exhibit-67]; sales of salt [opposer's exhibit-68]; court case tracking [opposer's exhibit-69]; and insurance brokerage [opposer's exhibit-70].

In addition to paid advertising in print and on the websites of others, opposer advertises its **FOCUS** software on its own website.²⁵

Applicant

Applicant's intentions are to market a combination of computer hardware with its operating system software known as **Bristol Focus**. Its trademark application covering this software is at issue herein.

ANALYSIS

Fraud

The first ground for opposition is fraud on the U.S. Patent and Trademark Office during the *ex parte* prosecution of the involved application. The basic timeline underlying this dispute seems fairly straightforward:

²⁵ Testimony of Gerald D. Cohen at 53-54; opposer's exhibit-71-72.

- July 25, 2006: The first public usage of the term **Bristol Focus** appeared in the *Bozeman Daily Chronicle* newspaper. To the right is an excerpt from the advertisement associating this term with Bristol Technologies, Inc. and its intended product line.²⁶ Between July 20 and August 17, applicant's only activity claimed in the record in connection with the use of this term was applicant's correspondence with its attorney.²⁷

705 LEGALS

Bristol Technologies, Inc. of Bozeman, MT is giving public notice that our business intends to use the following US Trademarks in commerce.

- 1) Bristol Home Central
- 2) Bristol Focus

"Bristol Focus" is providing the following Goods and Services: Computer programs, namely, operating system programs including an operating environment and instruction manuals sold as a unit.

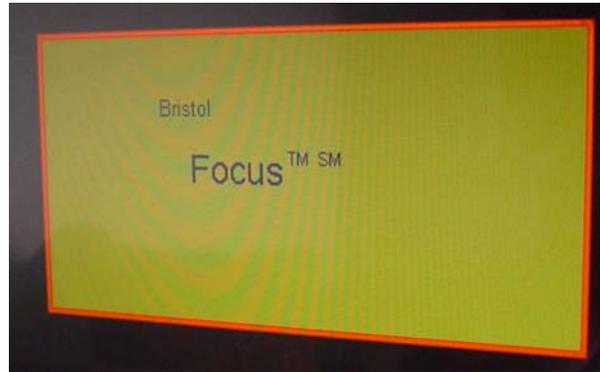
© Copyright Bristol Technologies, Inc. 2006. All rights reserved.

- August 17, 2006: Trademark Application Serial No. 78954755 was filed for registration of the trademark **Bristol Focus** for "computer operating programs; computers and instructional manuals sold as a unit; and operating system programs." The application was executed by David W. Bristol, President of Bristol Technologies, Inc. This application was based on use of the mark in commerce under Section 1(a) of the Trademark Act. The specimen of use was the newspaper ad of July 25, 2006.

²⁶ P. Not. of Rel. I, Interrogatory Answer No. 30.

²⁷ P. Not. of Rel. I, Interrogatory Answer No. 31.

- January 12, 2007: The assigned Trademark Examining Attorney objected to the specimen as unacceptable to show trademark use, and offered the option of an amendment of the application to intent to use under Section 1(b) of the Trademark Act in the event that applicant had not made use of the mark in commerce.
- February 22, 2007: Applicant created an image of the words **Bristol Focus** followed by the designations "TM" and "SM."
- March 26, 2007: Applicant's president, David W. Bristol, photographed this screenprint for use as a specimen of use in commerce.²⁸
- July 15, 2007: The March photograph of the screenprint was filed with the U.S. Patent and Trademark Office as a substitute specimen with a declaration asserting that "[t]he substitute specimen(s) was in use in commerce as of the filing date [August 17, 2006] of the application."
- October 5, 2007: Opposer filed this opposition.
- November 18, 2007: This was the service date of applicant's answers to opposer's first set of interrogatories. Applicant was still in the process of developing proprietary hardware which would use



²⁸ P. Not. of Rel. I, Interrogatory Answer No. 32.

the operating system known as **Bristol Focus**.²⁹ This incomplete combination of computer hardware and software made up applicant's entire product line.³⁰ Applicant had not yet completed the sale of any of its products,³¹ had no distributors, representatives, or salespersons for its products,³² and no license had issued and no use of the products had yet occurred.³³

- March 24, 2008: This was the service date of applicant's answers to opposer's second set of interrogatories. As of this date, the **Bristol Focus** computer operating system program had not yet been completed,³⁴ no orders had been received in response to the earlier advertisement in the *Bozeman Daily Chronicle*,³⁵ and no computer systems bearing the trademark **Bristol Focus** had been shipped by applicant.³⁶

In response to this showing by opposer, applicant argues as follows:

²⁹ P. Not. of Rel. I, Interrogatory Answer No. 1.

³⁰ P. Not. of Rel. I, Interrogatory Answer No. 2.

³¹ P. Not. of Rel. I, Interrogatory Answer No. 7.

³² P. Not. of Rel. I, Interrogatory Answer No. 14.

³³ P. Not. of Rel. I, Interrogatory Answer No. 26.

³⁴ P. Not. of Rel. I, Interrogatory Answer No. 29.

³⁵ P. Not. of Rel. I, Interrogatory Answer No. 27.

³⁶ P. Not. of Rel. I, Interrogatory Answer No. 28.

(1) Applicant believed that running this classified advertisement would constitute use of the mark sufficient to obtain a trademark registration.

(2) The statement of intent-to-use the mark contained in applicant's newspaper advertisement certainly does not rule out the possibility that applicant may have made a *bona fide* use of the mark before the application was filed on August 17, 2006.

(3) Even if the screenprint from the PowerPoint file created on February 22, 2007 was photographed on March 26, 2007, the file contains a copyright notice of 2006, meaning the software could have been demonstrated to clients prior to the filing date.

(4) Clients were unwilling to substantiate meetings with applicant to support its position in this litigation.

(5) The Trademark Examining Attorney asked for a substitute specimen and applicant provided it, thereby satisfying the Office's requirements.

Opposer's conclusion on fraud is stated concisely in its brief:

Defendant may not have understood when the application was signed on or about August 17, 2006 that running of the classified ad did not constitute use of the mark sufficient to obtain a trademark registration. However, the detailed explanation given by the Examining Attorney in the January 12, 2007 office action followed by

Applicant's fabrication of a new specimen no more than six weeks after learning of the initial refusal constitute[s] clear and convincing evidence that Defendant sought to mislead the Patent and Trademark Office with the July 15, 2007 response which caused the Examining Attorney to pass the application to publication.

Plaintiff respectfully submits that the evidence of intent to deceive the Patent and Trademark Office as to use of the mark is clear and convincing and passes the *Bose* test. Accordingly Opposer requests that the opposition be sustained on the ground of Defendant's fraud.

We agree with applicant that we cannot find fraud based upon applicant's application and jurat as originally filed. Upon discovering that its use basis was questionable, applicant could easily have amended the application to one based upon intent to use under Section 1(b) and in the process, retained the original filing date. However, opposer is correct in arguing that with the filing of the substitute specimen, applicant stated incorrectly, under oath, that the mark as shown on this specimen had been used, sufficient to support registration, in connection with the goods in the application at least as early as the filing date of the application.

According to *In re Bose Corp.*, 91 USPQ2d at 1939, the Court of Appeals for the Federal Circuit made it clear that for a fraud claim to be successful, a plaintiff must prove by clear and convincing evidence that a defendant knowingly made a false statement with the intent to deceive the U. S.

Patent and Trademark Office. *Bose*, 91 USPQ2d at 1941. It also set out the relevant standard for proving fraud:

"Fraud in procuring a trademark registration or renewal occurs when an applicant knowingly makes false, material representations of fact in connection with his application." *Torres v. Cantine Torresella S.r.l.*, 808 F.2d 46, 48, [1 USPQ2d 1483] (Fed. Cir. 1986). ... Indeed, "the very nature of the charge of fraud requires that it be proven 'to the hilt' with clear and convincing evidence. There is no room for speculation, inference or surmise and, obviously, any doubt must be resolved against the charging party." *Smith Int'l, Inc. v. Olin Corp.*, 209 USPQ 1033, 1044 (TTAB 1981).

Id. at 1939.

Opposer has demonstrated that the statements made in applicant's statements of use for its substitute specimen were indeed false. In fact, there is as of this late date still no evidence in the file that applicant has yet demonstrated a *bona fide* use of the mark in commerce. On the other hand, in spite of applicant's admissions as to its actual course of conduct, we are reluctant to hold that opposer has "proven 'to the hilt' by clear and convincing evidence" that applicant intended to deceive the U.S. Patent and Trademark Office. See *Asian and Western Classics B.V. v. Selkow*, 92 USPQ2d 1478 (TTAB 2009).

It is clear to us that applicant's representation to the U.S. Patent and Trademark Office that its mark had been used in interstate commerce prior to the original filing

date as reflected in the substitute specimen was both "false" and "material." Without this misrepresentation, the application would not have published for opposition based on Section 1(a) of the Act.

However, the record does not establish that Bristol Technologies, Inc.'s president, David W. Bristol, at the time of filing the substitute specimen, knowingly made a false representation with respect to use of the mark as shown on these specimens with a willful intent to deceive the U. S. Patent and Trademark Office. Mr. Bristol believed that the statement was true at the time he signed the statement of use. "There is no fraud if a false misrepresentation is occasioned by an honest misunderstanding or inadvertence without a willful intent to deceive. ... Unless the challenger can point to evidence to support an inference of deceptive intent, it has failed to satisfy the clear and convincing evidence standard required to establish a fraud claim." *In re Bose Corp.*, 91 USPQ2d at 1942.

Viewing the evidence in light of the above legal principles, we find that opposer has not established that Bristol Technologies, Inc. acted fraudulently in order to have its mark published for opposition. Rather, based upon the evidence of record, we find that Mr. Bristol, as a

layperson, had an honest misunderstanding that the above activities represented a legitimate way to document his purported usage of the adopted term³⁷ and that applicant had legitimately used the mark **Bristol Focus** as shown on the substitute specimen. We would not characterize his actions as trying to fabricate a fraudulent specimen. Under the standard set out in *Bose* by our principal reviewing Court, opposer has not met its "heavy burden of proof" in showing fraud. Opposer's claim of fraud is therefore dismissed.

Priority

Opposer has established that it owns valid and subsisting registrations of its pleaded marks. Hence, Section 2(d) priority is not an issue in this case as to the marks therefor and goods and services covered thereby. See *King Candy Company v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974); and *Carl Karcher Enterprises Inc. v. Stars Restaurants Corp.*, 35 USPQ2d 1125 (TTAB 1995).³⁸

³⁷ See *Maids to Order of Ohio, Inc. v. Maid-to-Order, Inc.*, 78 USPQ2d 1899 (TTAB 2006).

³⁸ We note in addition that applicant contests neither opposer's standing to bring this proceeding nor its priority of use.

Likelihood of Confusion

We turn then to the issue of likelihood of confusion. Our determination of likelihood of confusion must be based upon our analysis of all of the probative facts in evidence that are relevant to the factors bearing on the issue of likelihood of confusion. See *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). In any likelihood of confusion analysis, two key considerations are the similarities between the marks and the relatedness of the goods and/or services. See *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24 (CCPA 1976).

The salient question to be determined is not whether the involved goods and/or services of the parties are likely to be confused, but rather whether there is a likelihood that the relevant purchasing public will be misled to believe that the goods and/or services offered under the involved marks originate from a common source. See *J.C. Hall Company v. Hallmark Cards, Incorporated*, 340 F.2d 960, 144 USPQ 435 (CCPA 1965); and *The State Historical Society of Wisconsin v. Ringling Bros.-Barnum & Bailey Combined Shows, Inc.*, 190 USPQ 25 (TTAB 1976).

The Goods

From the time of its initial answer, applicant has argued that the nature of the goods offered by applicant and the goods and services offered by opposer are sufficiently different from each other that no likelihood of confusion can arise. However, it is not necessary that the respective goods be identical or even competitive in order to support a finding of likelihood of confusion. Rather, it is sufficient that the goods are related in some manner, or that the circumstances surrounding their marketing are such, that they would be likely to be encountered by the same persons in situations that would 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 source or that there is an association or connection between the sources of the respective goods. See *In re Martin's Famous Pastry Shoppe, Inc.*, 748 F.2d 1565, 223 USPQ 1289 (Fed. Cir. 1984); *In re Melville Corp.*, 18 USPQ2d 1386 (TTAB 1991); and *In re International Telephone & Telegraph Corp.*, 197 USPQ2d 910 (TTAB 1978).

Opposer's **FOCUS** software programs do not compete with applicant's operating systems. But all users of opposer's **FOCUS** computer software must also use an operating system.

Furthermore, opposer's **FOCUS** software has been designed to run on almost every operating system, and is used with enterprise IT systems in substantially every field of commerce in the United States.

It should not be surprising that consumer confusion is likely when the respective goods are operating system software and unrelated general application software. *Eclipse Associates Limited v. Data General Corporation*, 894 F.2d 1114, 13 USPQ2d 1885 (9th Cir. 1990). We find these two types of computer software to be related closely enough such that those acquainted with applicant's software (e.g., database management software) would readily conclude that operating system software bearing a similar mark emanates from, or is sponsored by or affiliated with, the same source. This critical *du Pont* factor favors the position of opposer.

Trade Channels

Inasmuch as neither the identification of goods in the application nor the listing of goods and services in opposer's various registrations include any limitations with respect to trade channels, we assume that both parties' goods will move through the same trade channels, namely all trade channels normal for computer software in International

Class 9. *In re Elbaum*, 211 USPQ 639, 640 (TTAB 1981).

There is not sufficient support in the record to conclude, as applicant argues, that operating system software is offered only in conjunction with the sale of computer hardware, while opposer's software will always be offered separately from hardware installations. Thus, we resolve this factor in opposer's favor.

Strength of opposer's marks

While we agree with applicant that we cannot determine from this record exactly where opposer ranks relative to the other large players in the various markets in which opposer competes, the information we do have about opposer's volume of sales, magnitude of advertising, and thirty-five years of use clearly supports the conclusion that its **FOCUS** mark is strong and quite well-known in this field. Accordingly, with our eye on the *du Pont* factor of the renown of opposer's mark, while we are reluctant to declare this mark "famous," the factor does tilt slightly in opposer's favor in light of how well-known it has become since 1975.

Opposer's **FOCUS** mark appears to be arbitrary in this field, and there is no indication in the record of third-parties using this term in connection with software. In fact, the record demonstrates how vigilant opposer has been

in hundreds of *inter partes* proceedings before this Board, litigating to protect its rights in its **FOCUS** marks for a wide range of goods and services extending even beyond computer software.

On the other hand, opposer refers frequently to its "family of **FOCUS** marks." The family of marks doctrine has applicability in those situations where the plaintiff has established a family of marks characterized by a single feature such that the defendant's subsequent use of its mark containing the feature for goods or services which are similar or related to plaintiff's will cause the relevant purchasing public to assume that the defendant's mark is yet another member of plaintiff's family. See *Blansett Pharmacal Co. Inc. v. Carmick Laboratories Inc.*, 25 USPQ2d 1473, 1477 (TTAB 1992); and *Econo-Travel Motor Hotel Corp. v. Econ-O-Tel of America, Inc.*, 199 USPQ 307, 311-312 (TTAB 1978). However, it is well settled that mere adoption, use and registration of a number of marks having a common feature for similar or related goods or services does not in itself establish a family of marks. Rather, in order to establish a family of marks, it must be demonstrated that the marks asserted to comprise the family, or a number of them, have been used and advertised in promotional material

or used in everyday sales activities in such a manner as to create common exposure and thereafter recognition of common ownership based upon a feature common to each mark. See *J & J Snack Foods Corp. v. McDonald's Corp.*, 932 F.2d 1460, 18 USPQ2d 1889 (Fed. Cir. 1991).

While the record shows that opposer has registered marks such as **FOCUS**, **PC/FOCUS**, **PM/FOCUS**, **FOCUS FORECASTING**, and **WebFOCUS**, and opposer has submitted examples of its product literature, promotional flyers, website pages and advertising, these materials do not show use of all or even a significant number of the registered marks together. As a result, consumers who view these materials will not recognize that the single term "Focus" indicates a family. The record, therefore, fails to show that opposer has widely used and promoted together its registered marks in such a manner as to create public recognition coupled with an association of common origin predicated on the term **FOCUS**. Having failed to establish that they own a family of **FOCUS** marks, opposer must rely on its individual marks for its likelihood of confusion claim. Among opposer's claimed marks, the one closest to applicant's mark is the word mark, **FOCUS**, alone. Accordingly, we will concentrate the remainder of our

discussion on this mark, which opposer has clearly shown functions as its house mark.

The marks

Applicant's mark consists of two words - applicant's president's surname, followed by the word "Focus." In effect, applicant has taken opposer's house mark and added a surname as a prefix. Even without a showing by opposer of a family of **FOCUS** marks, a prospective computer software customer acquainted with opposer's **FOCUS** products, upon seeing applicant's mark used in connection with operating system software, may very well believe that it is a new product line from opposer. Certainly, with respect to the connotations and commercial impressions of the respective marks, while a surname is generally not considered to be inherently distinctive upon its introduction, the arbitrary term "Focus" was inherently distinctive in 1975, and has only grown stronger as opposer's source-indicator for software over the past thirty-five years. Hence, this critical *du Pont* factor also favors a finding of likelihood of confusion.

Conclusion

We conclude, based upon a preponderance of the evidence, and particularly in view of the similarities between the marks, the strength of opposer's various **FOCUS** marks, and the relatedness of the respective goods as identified in the identifications of goods and services, that there is a likelihood of confusion when **Bristol Focus** and **FOCUS** are used contemporaneously on the parties' software.

Decision: The opposition is sustained based upon the ground of likelihood of confusion under Section 2(d) of the Lanham Act, and registration to applicant is hereby refused.

2011 WL 5014027 (Trademark Tr. & App. Bd.)

THIS OPINION IS NOT A PRECEDENT OF THE TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

Lockheed Martin Corporation

v.

Raytheon Company

Opposition Nos. 91167189 to application Serial No. 78481770; 91174152 to application Serial No. 78672972

September 27, 2011

Hearing: April 29, 2011

*1 Susan Orkin Goldsmith and Patrick M. McPherson of Duane Morris LLP for Lockheed Martin Corporation
Jeffrey A. Handelman of Brinks Hofer Gilson & Lione for Raytheon Company

Before Mermelstein, Bergsman and Wellington

Administrative Trademark Judges

Opinion by Bergsman

Administrative Trademark Judge:

Raytheon Company (“applicant”) seeks to register the mark PAVEWAY, in standard character form, on the Principal Register, for “laser guided bombs” (Serial No. 78481770) and “laser guided bomb kits,” (Serial No. 78672972) in Class 13.

Lockheed Martin Corporation (“opposer”) opposed the applications on the ground that the word “Paveway” is generic.¹ Applicant, in its amended answer, has directly denied or impliedly denied, and therefore left opposer with the burden of establishing, the allegations in opposer's amended notice of opposition.

Preliminary Issues

A. This case was a good candidate for the Board's Accelerated Case Resolution procedure.

Prior to the close of discovery, opposer filed a motion for summary judgment which generated a large record. The summary judgment motion and response should have served as a warning to the Board that this case was going to be a contentious litigation with the likelihood of an equally large trial record. Had the Board noted the warning, intervention might have followed. *See Blackhorse v. Pro Football Inc.*, 98 USPQ2d 1633, 1634 (TTAB 2011) (the Board will be taking a more active role in pretrial management of cases that the Board identifies as having the potential to become overly contentious and/or involve excessive records). Of equal note, the parties could have recognized that the record on summary judgment was so extensive as to warrant submission of the case for disposition on its merits through the Board's Accelerated Case Resolution (“ACR”) procedure.

As borne out by the excessive record created in this case, the parties introduced what can be characterized as cumulative and irrelevant testimony and evidence (*e.g.*, many documents were introduced three times and testimony regarding how the bombs work was not relevant to the question whether PAVEWAY is a generic term or a mark). Most noteworthy, however, is that there was no real dispute about the operative facts; rather the parties disagreed as to what the facts meant under applicable law. Under these circumstances, this case was a good candidate for the Board's ACR procedure. ACR is a procedure akin to summary judgment in which parties can receive a determination of the claims and defenses in their case promptly, but without the uncertainty and delay typically presented by standard summary judgment practice. In order to take advantage of ACR, the

parties must stipulate that, in lieu of submission of evidence at trial, and subsequent fact finding by the Board, certain facts are undisputed and the Board can resolve any remaining material issues of fact based on the ACR briefs and evidence submitted by the parties. After ACR briefs and evidence are filed, the Board will issue a decision within fifty days, which will be judicially reviewable as set out in 37 CFR §2.145. Had the parties opted for ACR, proceedings would have been expedited and resulted in savings of time, money and effort. These savings would have included the Board's effort in having to slog through the cumulative and irrelevant testimony and evidence introduced by the parties.

B. "Of course, the whole point of a Doomsday Machine is lost, if you keep it a secret!"²

*2 Unfortunately, the parties have improperly designated a substantial amount of testimony and evidence as confidential. For example, the parties designated the entire Benjamin Ford Rule 30(b)(6) discovery deposition as confidential.³ It was a 200-page deposition where Mr. Ford primarily authenticated documents that opposer also made of record in its other notices of reliance. Very little of Mr. Ford's testimony and very few of the relevant documents are justifiably confidential (*e.g.*, Mr. Ford's educational background and work experience, the derivation of the name PAVEWAY, the process by which the government awards contracts, etc.). Submissions in Board proceedings are intended to be publicly available and the improper designation of materials as confidential thwarts that intention. It is more difficult to make findings of fact, apply the facts to the law, and write decisions that make sense when the facts in evidence may not be discussed. The Board needs to be able to discuss the evidence of record, unless there is an overriding need for confidentiality, so that the parties and a reviewing court will know the basis of the Board's decision. Therefore, in this opinion, we will treat as confidential only the testimony and evidence that was appropriately designated as confidential. *See Edwards Lifesciences Corp. v. VigiLanz Corp.*, 94 USPQ2d 1399, 1402-1403 (TTAB 2010). We will not be bound by all of the unnecessary confidential designations made by the parties.

C. Opposer's motion to strike applicant's brief on the case.

In its reply brief, opposer moved to strike applicant's brief on the case on the ground that the brief was not timely filed and, therefore, should not be considered. Applicant filed a response to opposer's motion.

Opposer's brief was due Saturday, January 1, 2011. Pursuant to Trademark Rule 2.196, when the last day for taking an action falls on a Saturday, Sunday or holiday, the action may be taken on the next succeeding day that is not a Saturday, Sunday or holiday. Thus, opposer was allowed to file its brief as late as Monday, January 3, 2011, and opposer filed it on that date.

Applicant filed its brief on February 2, 2011, thirty days after January 3, 2011. Applicant contends that because Trademark Rule 2.128(a) provides that applicant's brief is due not later than 30 days after the due date of opposer's brief, applicant's brief was timely filed.

As indicated above, Trademark Rule 2.128(a)(1) clearly states:

The brief of the party in the position of plaintiff shall be due not later than sixty days after *the date set for the close of rebuttal testimony*. The brief of the party in the position of defendant, if filed, shall be due not later than thirty days *after the due date of the first brief*. (Emphasis added.)

*3 This language is unambiguous. Barring the granting of an extension of time by the Board, opposer's main brief is due 60 days from the actual date on which the period for rebuttal testimony closes; applicant's brief is then due 30 days later. In this case, the parties agreed (with the Board's approval) that the rebuttal testimony period was to end on November 2, 2010.⁴ Therefore, opposer's brief was due 60 days from that date, namely Saturday, January 1, 2011. Applicant's brief was then due 30 days later, namely Monday, January 31, 2011.

Applicant misconstrues the effect of Trademark Rule 2.196 on the dates in question. Trademark Rule 2.196 does not *change* the date on which the relevant action must be taken. To the contrary, when the due date falls on a weekend or Federal Holiday, it allows that action to be considered timely if taken on the next succeeding business day *despite* the earlier expiration of the due date on a weekend or holiday. Thus, Trademark Rule 2.196 does not change any due date, nor does it change or extend the date of subsequent dependent time periods. Because the time for filing applicant's brief was properly calculated from the date opposer's brief was actually due, applicant's brief was two days late.

It is within the Board's discretion to permit a party to reopen an expired time period where the failure to act is shown to be due to excusable neglect. *See Pioneer Investment Services Company v. Brunswick Associates Limited Partnership*, 507 U.S. 380 (1993). Excusable neglect has been shown in this case. Applicant's explanation as to its mistaken interpretation of the rules clearly demonstrates that the delay was not willful; the two-day delay in filing applicant's brief had a negligible impact on the proceedings; and there is no evidence that opposer has been harmed by the delay.

In view thereof, the motion to strike applicant's brief is denied.

The Record

By rule, the record includes applicant's application files and the pleadings. Trademark Rule 2.122(b), 37 CFR §2.122(b).

A. Opposer's testimony and evidence.

1. Testimony deposition of Joseph Serra, opposer's Business Manager for Precision Guided Systems, with attached exhibits;
2. Opposer's first notice of reliance on printed publications;
3. Opposer's second notice of reliance on documents produced by applicant in discovery and authenticated by applicant's response to opposer's requests for admission;
4. Opposer's third notice of reliance on the Rule 30(b)(6) discovery deposition of Benjamin Ford, applicant's Director of International Business Development/Strike Weapons, with attached exhibits;
5. Opposer's fourth notice of reliance on applicant's responses to opposer's interrogatories;
- *4 6. Opposer's fifth notice of reliance on the affidavits of Curtis Cummings, Steven Oakeson and Scott Driscoll;⁵
7. Opposer's sixth notice of reliance on "government documents and printed publications";
8. Opposer's seventh notice of reliance on "decisions from foreign jurisdictions in opposition, cancellation, and court cases related to the subject opposition"; and
9. Opposer's eighth notice of reliance, submitted in rebuttal, on excerpts from the discovery depositions of opposer's witnesses taken by applicant "which should in fairness be considered by the Board so as to make not misleading what was designated by Applicant."

B. Applicant's testimony and evidence.

1. Applicant's first notice of reliance on excerpts from the Rule 30(b)(6) discovery depositions of Joseph Serra, John Pericci, opposer's Director of Business Development of Precision Guided Systems, and Timothy Stanley, opposer's Intellectual Property Counsel for Missiles and Fire Control;

2. Applicant's second notice of reliance on opposer's responses to applicant's first and second set of interrogatories and applicant's requests for admission;
3. Applicant's third notice of reliance on excerpts from opposer's website purportedly displaying trademark use of military terms;
4. Applicant's fourth notice of reliance on the affidavits of Benjamin Ford, Jay Diston, Manager of Contracts for Atlantic Inertial Systems, Thomas Harlock, Business Manager at Carleton Technologies, Inc., and David Carpenter, Sales Manager at Stanley Machining and Tool Corporation;
5. Applicant's fifth, sixth and seventh notices of reliance on file histories of opposer's trademark registrations and applications purportedly showing trademark use of military terms that "contain statements and admissions by Opposer concerning the trademark significance of such terms";
6. Applicant's eighth notice of reliance on international trademark registration certificates for the mark PAVEWAY to "show that PAVEWAY has been registered internationally in various jurisdictions";
7. Testimony deposition of Richard Friebert, applicant's Paveway Program Director, Raytheon Missile Systems, with attached exhibits; and
8. Testimony deposition of Barry Maxwell, applicant's Senior Manager of Growth and Advanced Concepts, Paveway Programs, Raytheon Missile Systems, with attached exhibits.

The Parties and the Goods

The parties are, *inter alia*, defense contractors who manufacture and/or supply laser-guided bombs, "or more precisely laser guidance kits."⁶ "A laser guided bomb is a weapon which is released from an aircraft and follows reflected laser energy to a target being illuminated by a laser to provide laser guidance to an otherwise unguided bomb."⁷ The product at issue is essentially a kit with two main parts: (1) a computer control group affixed to the front of the bomb; and (2) an air foil group consisting of a tail kit and front end steering canards. The tail kit is attached to the rear of the bomb and the canards are attached to the computer control group to provide the steering capability.

*5 In or around the mid-1960's, applicant's predecessor, Texas Instruments, was selected by the U.S. Air Force to develop and supply the first laser-guided bombs. Thus, "[f]or over thirty years, [applicant was] the single source of the unique LGB [laser-guided bomb] products, which products were marketed under the PAVEWAY mark."⁸

In May 2000, the U.S. Air Force sought a second source for the laser-guided bombs at issue in this proceeding.⁹ *The Commerce Business Daily* (May 12, 2000) issued a "Paveway Sources Sought Synopsis" "intended as a method of informing potential contractors of the existence of a Bid Qualification Plan for Paveway II Laser Guided Bombs."¹⁰ Ultimately, opposer qualified to supply laser-guided bombs and began referring to them as "Paveway Laser-Guided Bombs."

The parties are the only two companies qualified by the Department of Defense to produce these specific laser-guided bombs. Applicant filed the applications at issue and opposer filed the notices of opposition alleging that the term "Paveway" is generic.

Opposer's Standing

To establish its standing to assert that a term is generic as a ground for opposition or cancellation, "a plaintiff need only show that it is engaged in the manufacture or sale of the same or related goods as those listed in the defendant's involved application

or registration and that the product in question is one which could be produced in the normal expansion of plaintiff's business; that is, that plaintiff has a real interest in the proceeding because it is one who has a present or prospective right to use the term descriptively [or generically] in its business.” *Binney & Smith Inc. v. Magic Marker Industries, Inc.*, 222 USPQ 1003, 1010 (TTAB 1984). The testimony and evidence support opposer's contention that it uses the designation PAVEWAY in connection with laser guided bombs.¹¹ This is sufficient to demonstrate that opposer has a real interest in this proceeding and, therefore, has standing.

Whether PAVEWAY is generic?

Section 14(3) of the Trademark Act of 1946, 15 U.S.C. § 1064(3), provides in pertinent part, that, [a] registered mark shall not be deemed to be the generic name of goods or services solely because such mark is also used as a name of or to identify a unique product or service. **The primary significance of the registered mark to the relevant public rather than purchaser motivation shall be the test** for determining whether the registered mark has become the generic name of goods or services on or in connection with which it has been used. (Emphasis added).

In determining whether a term is generic, the critical issue is whether the record shows that members of the relevant public primarily use or understand the term sought to be registered to refer to the category or class of goods in question. *H. Marvin Ginn Corp. v. International Ass'n of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528, 530 (Fed. Cir. 1986); *In re Women's Publishing Co. Inc.*, 23 USPQ2d 1876, 1877 (TTAB 1992).

*6 “[T]he test is not the existence of other terms for the product or recognition of trademark significance by the trade. It is recognition by the purchasing public.” *In re Murphy Door Bed Co., Inc.*, 223 USPQ 1030, 1033 (TTAB 1984). “The fact that a given product has more than one generic name makes no difference.” *Id.* at 1031. A term may start out as nongeneric as applied to a product but may in time lose whatever source significance it might originally have had. *Id.* See also *In re Randall and Hustedt*, 226 USPQ 1031, 1032 (TTAB 1985). “[I]f a term has become the accepted designation for the product to which it is applied, it has been rendered a common descriptive or generic name for said product and is unregistrable.” *In re Murphy Door Bed Co., Inc.*, 223 USPQ at 1031.

“Whether the relevant purchasing public regards a term as a common descriptive name is a question of fact to be resolved on the evidence.” *Dan Robbins & Associates, Inc. v. Questor Corp.*, 599 F.2d 1009, 202 USPQ 100, 105 (CCPA 1979). Making this determination “involves a two-step inquiry: First, what is the genus of goods or services at issue? Second, is the term sought to be registered ... understood by the relevant public primarily to refer to that genus of goods or services?” *Ginn*, 228 USPQ at 530. Evidence of the public's understanding of a term may be obtained from any competent source, including testimony, surveys, dictionaries, trade journals, newspapers and other publications. See *Magic Wand Inc. v. RDB Inc.*, 940 F.2d 638, 19 USPQ2d 1551, 1553 (Fed. Cir. 1991); *In re Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 828 F.2d 1567, 4 USPQ2d 1141, 1143 (Fed. Cir. 1987).

We begin by finding that the genus of the goods at issue in this case is adequately defined by applicant's description of goods, namely, “laser guided bombs” and “laser guided bomb kits.” *Magic Wand Inc. v. RDB Inc.*, 19 USPQ2d at 1552 (“[A] proper genericness inquiry focuses on the description of [goods or] services set forth in the [application or] certificate of registration”). For our purposes, laser guided bombs and laser guided bomb kits are essentially the same thing.¹²

We now turn to the second inquiry: the relevant public's understanding of the term. As indicated above, the issue is whether the relevant public primarily uses or understands the term sought to be registered to refer to the category or class of goods in question. *H. Marvin Ginn Corp. v. International Ass'n of Fire Chiefs, Inc.*, 228 USPQ at 530; *In re Women's Publishing Co. Inc.*, 23 USPQ2d at 1877. In a genericness case, the relevant public is comprised of the potential purchasers of the goods, in this case, the United States Department of Defense, specifically, the U.S. Air Force and Navy, as well as the defense ministries of friendly foreign governments.¹³

*7 The evidence set forth below demonstrates that the relevant public understands the word “Paveway” to be a generic reference for a type of laser-guided bomb.

1. The affidavit of Steven Oakeson, Lead Contract Specialist for the Paveway II Program as of November 1, 2005. As lead contract specialist, Mr. Oakeson supervised the purchasing of Paveway II goods for the United States Air Force.¹⁴ According to Mr. Oakeson, “the Air Force uses “Paveway” with each source [opposer and applicant], to designate the product”¹⁵ and “the term ‘Paveway II’ is used within the Air Force simply as another way to say ‘laser guided bomb kit.’ It does not indicate a particular source of the goods.”¹⁶

2. The affidavit of Curtis Cummings, the contracting officer of the Paveway II Program as of November 1, 2005. As contracting officer, Mr. Cummings managed the purchase of Paveway II goods for the entire U.S. military.¹⁷ According to Mr. Cummings, “the Air Force uses ‘Paveway’ with each source [opposer and applicant], to designate the product”¹⁸ and “the term ‘Paveway II’ is used within the Air Force simply as another way to say ‘laser guided bomb kit.’ It does not indicate a particular source of the goods.”¹⁹

3. The affidavit of Scott Driscoll, Vice President of Sales of MLM International Corporation as of January 9, 2007. MLM International is essentially a broker between the U.S. government and foreign military purchasers in the field of aircraft bombs, including Paveway guidance kits.²⁰ Mr. Driscoll attested to the following facts:

a. “[T]he guidance kits manufactured by [opposer] are ‘Paveway,’ and are known to customers worldwide to be ‘Paveway’”;²¹

b. “‘Paveway’ is a generic, or common industry term, for the type of goods. It does not indicate a particular source of the goods”;²² and

c. “[T]he term ‘Paveway’ is synonymous with ‘laser guided bomb,’ and ‘Paveway’ itself means the technology that primarily uses lasers to guide a bomb to a target.”²³

Applicant argues that these affidavits should be accorded limited probative value because (i) Messrs. Oakeson and Cummings were only in their positions for a short period of time, (ii) the affidavits were signed in 2005, (iii) the affiants were not subject to cross examination, and (iv) the affidavits were drafted by counsel and are mirror images of each other.²⁴

We disagree. First, the affidavits of Messrs. Oakeson and Cummings express their opinions based on their experience. Second, the parties stipulated to the introduction of the affidavits and applicant was aware that it would not have an opportunity to cross examine those witnesses.²⁵ Third, the fact that the affidavits were drafted by counsel does not make them any less probative. *See In re Flex-O-Glass, Inc.*, 194 USPQ 203, 206 (TTAB 1977) (“[T]he fact that the affidavits may be similar in format and expression is of no particular significance ... since the affiants have sworn to the statements contained therein.”). Generally speaking, the Board does not find the use of form statements problematic. *In re Benetton Group S.p.A.*, 48 USPQ2d 1214, 1217 (TTAB 1998).

*8 Finally, applicant noted that opposer only introduced three affidavits when there were numerous other individuals with greater experience who could have testified: notably, Loretta Woodward who refused to sign an affidavit for opposer.²⁶ First, we can only consider the evidence that has been introduced. In this case, opposer introduced three affidavits, as well as other evidence that corroborates the testimony of the witnesses regarding how consumers perceive the word “Paveway.” While there may be other witnesses with knowledge, their testimony is not before us. Second, while Loretta Woodward refused to sign an affidavit for opposer, there was no testimony regarding why she declined to voluntarily participate. We note that applicant did

not submit Ms. Woodward's affidavit or testimony, so we have no basis on which to infer that, had she testified, she would have provided evidence adverse to opposer's position.

In view of the foregoing, we reject applicant's arguments for according these affidavits only limited probative value.

4. Documents showing use of the term "Paveway" by the U.S. Air Force and Navy. A representative sample of those documents is listed below.

a. Opposer's first notice of reliance. A Presolicitation Notice for Paveway II Laser Guided Bombs (September 27, 2000).²⁷ The notice informs interested parties that "[t]he government intends to award a contract with an option for Paveway II Laser Guided Bombs. ... [Applicant and opposer] and Klune Industries ... have expressed interest."

b. Opposer's sixth notice of reliance.

1. Department of Defense announcement of awarded contracts (*defense.gov/contracts*) (September 24, 2010) announcing that opposer was awarded a contract for the procurement of "Paveway II laser guided bomb control groups."²⁸

2. A U.S. Air Force solicitation notice for "Computer Control Group Paveway II" (*fbo.gov*) (May 24, 2010).²⁹ The solicitation "is restricted to qualified sources" and "will not be held up to qualify additional sources."

3. A U.S. Air Force notice for "GBU-16 Laser Guided Bomb Sources Sought" (*fbo.gov*) (April 9, 2010).³⁰ This announcement "is intended as a method of informing potential contractors of the existence of a Bid Qualification Plan for Paveway II Laser Guided Bombs. ... [T]he USAF on behalf of the country of Italy is seeking potential contractors to become an approved supplier for Paveway II Laser Guided Bombs for an anticipated GBU-16 Paveway II kit procurement. ... The Bid Qualification Plan is designed to demonstrate each offeror's competency to bid on Paveway II procurements." The announcement also states that applicant and opposer "are the only known approved sources who currently have the knowledge, skills, facilities and equipment for this effort."

c. Joseph Serra Testimony Deposition

*9 1. *Paveway II Laser Guided Bomb* PowerPoint presentation by DaVon W. Day, USAF (October 30, 2007) at the 2007 Precision Guided Munitions Technical Coordination Group (PGMTCG) meeting.³¹ Screen 5 is titled "Paveway II Logistics." The bottom of the page reads as follows: "LGB Kits - Two manufacturers: Raytheon and Lockheed Martin." Screen 8 has the same title and discusses the "Differences in usability between Raytheon's version and Lockheed Martin's version."

2. The 2006 PGMTCG agenda.³² On October 30, 2006, John Pericci, opposer's Director of Business Development of Precision Guided Systems, presented the "Lockheed Paveway Brief"; Ricky Frieber from Raytheon presented the "State of Paveway (Raytheon)"; and Barry Maxwell from Raytheon presented "Paveway Logistics, Integration and Mission Planning."

D. Benjamin Ford discovery deposition.

1. "Paveway II Competitive Industry Day" presentation by Loretta Woodward (October 25, 2000).³³ The purpose of the competition is to "Award competitive Navy contract for Paveway II Laser Guided kits." Representatives from both parties, as well as the Navy and Air Force, attended.

2. Department of the Air Force, Procurement Program, Procurement of Ammunition, Budget Estimates for Fiscal Years 2004/2005 (February 2003).³⁴ This document is part of the budget estimate for ammunition, including bombs and bullets.³⁵ The budget estimate identifies both parties as contractors for providing Paveway fin assemblies (Bates No. R-004827) and

guidance control units (Bates No. R-004830). With respect to the Paveway guidance control unit, the budget estimate states that the “FY02 unit price is an average of Raytheon and Martin Lockheed unit prices” (Bates No. R-004829).³⁶

E. John Pericci Discovery Deposition (April 5, 2007).

Contractor Performance Assessment Report (May 16, 2005).³⁷ This is an assessment report issued to opposer by the government.³⁸ The acquisition is identified as “Order 0002 for FY03 buy of Paveway II Laser Guided Bombs.” The “contract effort description” is identified as “Provide Paveway II assets ... for the United States Air Force and Navy.” On a form attached to the assessment report, the “Program Title” is identified as “Paveway II Laser-guided Bomb-Kit.”

5. Printed publications showing use of the term “Paveway.” Printed publications submitted pursuant to Trademark Rule 2.122(e) are admissible and probative only for what they show on their face, not as proof of the matters asserted therein. *Safer Inc. v. OMS Investments Inc.*, 94 USPQ2d 1031, 1037 n.14 (TTAB 2010). In other words, the printed publications are evidence of the manner in which the term “Paveway” has been used in the printed publications and of the fact that the relevant reading public has been exposed to the printed publications and may be aware of the information contained therein. *Harjo v. Pro-Football Inc.*, 50 USPQ2d 1705, 1721 n.50 (TTAB 1999). A representative sample of those documents is listed below.

*10 A. Opposer's first notice of reliance.

1. *Flight International* (March 27, 2001)³⁹

GAO Urged To Investigate Paveway II Contract

Raytheon was the Paveway sole source from the late 1960s, but under Congressional pressure, the USN last year allowed Lockheed Martin to again compete for the work. Lockheed Martin became a second source for Paveway in 1988, but won no contracts after planned production was cut.

2. *Aerospace Daily* (March 23, 2003)⁴⁰

Base-year Paveway contract promises intense competition ahead

Both contractors sharing a \$ 281 million Air Force contract to build Paveway II laser-guided bomb kits each say they are in good position to gain market share after the base year of the award.

The Air Force plans to award up to \$ 2 billion for Paveway II production over a seven-year period, starting in fiscal year 2003. The contract is structured with a base-year contract followed by six one-year options, each of which could be competed between Raytheon and Lockheed Martin.

Raytheon was once the Air Force's only supplier of Paveway kits. It is seeking to protect its market share from Lockheed Martin's upstart competition, Ben Ford, a Raytheon business development manager for Paveway, said in an interview.

Lockheed Martin officials, however, were “excited” by receiving a 38 percent share of the first contract less than a year after the Air Force certified its Paveway kits, Lockheed Martin spokeswoman, Ellen Martin said.

... [F]inally, in 1999, Lockheed Martin spent \$ 15 million to build and self-certify its own version of the Paveway II kits, she said.

Since then Lockheed Martin has gained momentum in the market. The company has received two contracts worth \$ 89 million in FY #01 to produce Paveway kits for the Navy.

3. *Jane's Air-Launched Weapons* (janes.com) (January 16, 2006)⁴¹
Paveway II and Paveway III ...

The Paveway family of LaserGuided Bombs (LGBs) - or more precisely, laser guidance kits - was designed and developed during the 1960s to meet the need for a precision attack capability for tactical aircraft that became pressing during the Vietnam War. The Precision Avionics Vectoring Equipment (PAVE) prefix was given to a range of US Air Force guided weapons initiatives at that time, but the Paveway codename has today become almost a generic title for LGBs. Within the US there are now two producers of the Paveway guidance system: Raytheon Missile Systems and Lockheed Martin Missiles and Fire Control.

The original Paveway Laser-Guided Bomb (LGB) became known as Paveway I in 1978 when a Production Engineering Program (PEP) was initiated to improve LGB capabilities. The outcome of the PEP resulted in an updated LGB system, which became known as Paveway II.

In August 2002 [sic] Lockheed Martin was qualified as a second source supplier to the USAF for the Paveway II LGB. ... In November 2003 Lockheed Martin was awarded the complete USDoD order to replace all the Paveway IIs expended by the USAF and US Navy during combat operations in Iraq during March/April.

*11 ***

Today, Paveway II production continues at both Raytheon and Lockheed Martin.

A total of 544 Paveways were dropped by French during the campaign.

4. *Defense Daily* (March 29, 2001)⁴²
Air Force: Lockheed Martin Did Not Meet Paveway Bid Qualification

Lockheed Martin [LMT] did not meet bid qualification requirements that the company agreed to in its bid for components that make up the Paveway II laser-guided bomb (LGB), an official at Hill AFB, Utah, wrote in response yesterday to questions from *Defense Daily*.

On Feb. 27, Lockheed Martin received a \$9 million second source contract for production of 500 Paveway II GBU-16 guidance kits.

5. *Flight Daily News* (November 22, 2005)⁴³

US Navy awards Paveway II development contract

Lockheed Martin has been selected to develop, qualify and produce the Paveway II Dual Mode Laser Guided Bomb (DMLGB), the next-generation precision-guided weapon system for the US Navy.

B. Opposer's sixth notice of reliance.

1. A July 6, 2010 posting on the *Defense Professionals* website (*defpro.com*) reporting that opposer had just delivered the "100,000th Paveway II Enhanced Laser Guided Training Round (ELGTR) to the U.S. Navy."⁴⁴

2. "Laser weapons development is pushing laser technology out of the laboratory and into directed-energy weapons applications in the field," an article posted on May 24, 2010 on the *Military & Aerospace Electronics* website (*militaryaerospace.com*).⁴⁵ The article referenced opposer's Paveway laser guided bombs. "The Paveway legacy lives on with [opposer's] Paveway II Plus laser-guided bomb. ... [Opposer] is a provider of the Paveway II LGB an all three variant of the Paveway II MK-80 series LGBs."

6. Applicant's generic use of "Paveway."

Applicant's "Paper on Raytheon's Unique Paveway Laser Guided bomb (LGB) Family" (June 7, 2004) is a document highlighting the differences between applicant's and opposer's laser guided bombs.⁴⁶ It was prepared for "different customers."⁴⁷ The document states that opposer "is currently a U.S. second-source for Paveway II. [Opposer's] LGB is not a build-to-print duplicate of Raytheon's Paveway II."⁴⁸ In a table of features, applicant pointed out that it was a qualified supplier for international Paveway IIs while opposer was not, and that its total production of Paveway IIs far exceeded opposer's production.

The preceding evidence shows that the word "Paveway" is the generic or common name for a specific type of laser guided bomb. The Air Force and Navy have advertised for multiple sources and have contracted with both opposer and applicant for the production of Paveway laser guided bombs. The definition of a trademark is a word, name, symbol or device used to identify and distinguish the goods of one person from the goods of another and to indicate the source of the goods. Section 45 of the Trademark Act of 1946, 15 U.S.C. § 1127. *See also Zimmerman v. National Association of Realtors*, 70 USPQ2d 1425, 1429 (TTAB 2004) (the issue is whether consumers perceive the term to be a type of product or the source of the product). A trademark identifies a single source, not multiple sources. *Johnson & Johnson v. E. I. DuPont de Nemours and Co.*, 181 USPQ 790, 791 (TTAB 1974) (the function of a trademark is to identify a single, albeit anonymous, source of goods). The U.S. Air Force and Navy use the term "Paveway" to identify products produced by both parties. Therefore, relevant consumers use the word "Paveway" to identify a type of laser guided bomb. The above-noted evidence unequivocally demonstrates that the relevant consumers use and understand "Paveway" to mean a type of laser guided bomb.

*12 Applicant contends that PAVEWAY is not generic for the following reasons:

1. Applicant has used PAVEWAY as a trademark;
2. The media uses PAVEWAY as a trademark;
3. Opposer's use of PAVEWAY has caused confusion;
4. Applicant has enforced its PAVEWAY trademark rights;

5. The government recognizes applicant's trademark rights;
6. There is no competitive need for opposer to use PAVEWAY;
7. The defense industry recognizes PAVEWAY as applicant's trademark; and
8. Opposer's position in this proceeding is inconsistent with opposer's previous attempts to register military terms.

A. Whether applicant has used PAVEWAY as a trademark?

Applicant contends, and the record supports, that applicant has used PAVEWAY as a trademark. However, applicant's intent to exclusively appropriate the word "Paveway" as its trademark is not at issue. The issue is whether "Paveway" is recognized as a trademark for laser guided bombs by the relevant public, not by the company seeking to register the mark. *In re 1800Mattress.com IP LLC*, 586 F.3d 1359, 92 USPQ2d 1682, 1685 (Fed. Cir. 2009) (the issue is whether the relevant public understands the term to be generic). The evidence noted above shows that the U.S. Air Force and Navy, as well as the media writing about the defense industry (and presumably read by relevant customers), perceive the word "Paveway" to be a type of laser guided bomb, not a source indicator.

B. Whether the media uses PAVEWAY as a trademark?

Applicant argues that there is "ample evidence of use of the PAVEWAY mark in the media."⁴⁹ First, applicant references its own advertisements that appear in defense industry trade magazines. This evidence relates to how applicant uses the word "Paveway" and how consumers may encounter the term. This evidence is not conclusive that the relevant public perceives the term as a trademark. Rather, as noted above, the relevant consumers use the term "Paveway" to identify a type of laser guided bomb regardless of applicant's advertisements.

Applicant also references articles appearing in defense industry trade journals and argues that the word "Paveway" is not used as a generic term. Applicant specifically referenced opposer's Exhibits 110 and 115 (see note 36).⁵⁰ Opposer's Exhibit 110 is a February 25, 2002 article from *Aerospace Daily*. Applicant explains that the author uses the generic terms "laser guided bombs" and "GBU-16 kits" in referencing the goods.⁵¹ The article also reports that opposer received a contract to supply Paveway kits. In February 2001, Lockheed got a \$ 9 million Navy contract for 500 GBU-16 Paveway kits, provided it could meet qualifications.

Furthermore, the article quotes applicant's spokeswoman as explaining that applicant "got a contract last year that was a competition [with Lockheed Martin] where we were the sole winner to provide Paveway IIs." The article quotes applicant's spokesperson as explaining that applicant and opposer competed for a Paveway contract.

*13 Opposer's Exhibit 115 is a February 20, 2003 article from *Aerospace Daily*. Applicant asserts that the article uses the generic terms laser guided bombs and GBU-10, 12 and 16. Moreover, the article reports that applicant "was the sole supplier of laser-guided bomb kits for many years, but [opposer] qualified for the work a couple of years ago."⁵² The article also reports that opposer and applicant are sources for Paveway bomb kits.

Sarah Hammond of [applicant's] Missile Systems unit in Tucson, Ariz. Said \$ 2 billion will be spent over a six- or seven-year period to buy Paveway bomb kits "from both Raytheon and Lockheed Martin, [with] details to come."

The evidence referenced by applicant does not support applicant's contention that the defense industry media recognizes the term "Paveway" as its trademark.

With respect to applicant's argument that the news media refers to the generic name of the product as "laser-guided bombs," there can be more than one generic term for a product. *In re 1800Mattress.com IP LLC*, 92 USPQ2d at 1685.

C. Whether opposer's use of PAVEWAY has caused confusion.

Applicant argues that opposer's "use of the "PAVEWAY mark in connection with its LGB products has resulted in numerous instances of actual confusion."⁵³ According to applicant, "[t]he extensive evidence of actual confusion demonstrates that [applicant's] PAVEWAY mark functions as a source indicator among the relevant consuming public, and that [opposer's] use of the PAVEWAY mark deceives consumers as to the source and quality of the underling [sic] LGB products that are being sold."⁵⁴

Applicant did not have the confused personnel testify regarding their purported confusion. Rather, applicant introduced the instances of confusion through the Ford Affidavit and the depositions of Ricky Friebert and Barry Maxwell. While applicant asserts that its evidence is not hearsay, we consider applicant's testimony regarding customer confusion to be an exception to the hearsay rule: that is, the statements regarding the customers' confusion fall under the state of mind exception to the hearsay rule. *Nat'l Rural Elec. Coop. Ass'n v. Suzlon Wind Energy Corp.*, 78 USPQ2d 1881, 1887 n.4 (TTAB 2006). Although, applicant's testimony regarding the instances of confusion is admissible, the testimony is not as persuasive as it might have been had it been proffered by the witnesses experiencing the purported confusion. In this regard, it is not clear that the witnesses experiencing the purported confusion perceived PAVEWAY as a trademark.⁵⁵ The testimony is ambiguous. In other words, none of the customers experiencing the confusion testified that they thought that PAVEWAY was a trademark and, therefore, PAVEWAY identified a single source.

*14 Applicant referenced the following purported instances of confusion in its brief. In October 2005, Benjamin Ford and Richard Rhinehart briefed members of a defense ministry regarding a PAVEWAY II product. Mr. Ford testified as follows about what one of the attendees said:

44. ... [T]hat [applicant's] group he met with in May 2005 had not briefed the same weapons capability. He further stated that as a result of the May briefing, and the reported lack of ability to hit the moving targets, he had advised [the defense ministry] to remove [applicant] from the dual-mode weapon competition because [applicant's PAVEWAY II] product did not meet [the defense ministry's] requirements.

45. [Applicant] advised [the defense minister] that nobody from [applicant] had briefed [the defense ministry in May 2005, and that [the defense minister] must been confused with another competitor. It was later determined that the May 2005 briefing was by [opposer]. ... [Applicant] was almost eliminated from the competition because of confusion caused by [opposer's] use of the PAVEWAY Mark in connection with an inferior performing product.⁵⁶

Applicant contends that the customer thought that applicant gave the first briefing because of opposer's use of PAVEWAY in connection with the laser guide bomb.⁵⁷ However, it seems unlikely that opposer would not have clearly identified itself as the source of the particular "Paveway" laser guided bomb. Moreover, the customer may have removed applicant from the consideration because the customer thought that the PAVEWAY type laser guided bomb did not meet its requirements, not because the customer thought that PAVEWAY was a brand name. As indicated above, because the confused persons did not testify, there is ambiguity surrounding the purported confusion and it remains unclear whether the confusion was a result of the customer believing that "Paveway" is applicant's trademark.

Applicant identified instances in international sales where opposer's products have been used to fill orders in lieu of orders for applicant's products. In many cases, the customers' aircraft are certified to carry applicant's products but not opposer's products. In those instances, when opposer's PAVEWAY laser guided bomb is sold in place of applicant's laser guided bomb, the bombs

cannot be properly fitted to the aircraft, nor tested by the customers' test equipment.⁵⁸ According to Mr. Friebert, customers have expressed concern that they might receive opposer's PAVEWAY laser guided bombs rather than applicant's PAVEWAY laser guided bombs. It is not clear that the problems referred to by the customers are trademark confusion as opposed to product confusion (*e.g.*, the wrong model number). This is exactly the problem that arises when a generic term is used to "identify" a product. If a customer requests a pencil, the customer may get any old pencil, made by any company. To get a specific pencil, the customer has to use a *trademark* (*e.g.*, I'll take the Eberhard-Faber 5111, please.) In fact this kind of confusion seems to suggest that PAVEWAY is actually *not* capable of distinguishing between these two company's products.

***15** In another instance, the U.S. Navy was experiencing accuracy issues. In trying to resolve the accuracy issues, applicant contends that "it became apparent that there was confusion resulting from [opposer's] use of the mark PAVEWAY in connection with LGB products."⁵⁹

It was determined that the accuracy issues were with [opposer's] LGB products (MAU-209/B) and not [applicant's] PAVEWAY II LGB products (MAU-169). The weapon loadout ... consisted of a majority of [opposer's] LGB products (MAU-209) because the Officer assumed that, since the MAU-209 is a higher number than the MAU-169, it must be newer or better. They were unaware of the different manufacturers as of the reason for the different numbers.⁶⁰

This purported instance of confusion is ambiguous. Mr. Ford's testimony is that the officer loading the weapons was unaware that there was more than one source of PAVEWAY laser guided bombs and that he loaded the highest model number.

We find that the testimony regarding the purported instances of confusion is entitled to little weight because the testimony is ambiguous. The allegedly confused persons did not testify and, therefore, they were not subject to cross examination as to whether they were in fact confused, and if so, what caused their confusion.

D. Whether applicant has enforced its PAVEWAY trademark rights?

Applicant argues that "[u]pon learning of [opposer's] progressive encroachment on its rights in the PAVEWAY mark, [applicant] took several steps, including: (1) objecting to [opposer's] usurpation of [applicant's] right in the PAVEWAY mark; and (2) filing federal trademark applications for the PAVEWAY mark."⁶¹ Applicant cited testimony from Ricky Friebert, applicant's Paveway Program Director, and Barry Maxwell, applicant's Senior Manager of Growth and Advanced Concepts for the Paveway Programs, to support its contention that applicant protested opposer's use of the PAVEWAY mark. According to Mr. Friebert, it was a legal problem. Specifically, Mr. Friebert testified that he and Mr. Ford discussed sending the issue to the legal department: "[t]he proper course of action is to give it to our legal department and have them take proper course of action. ... [the discussion] went as simple as we ought to go tell the legal department and I said you are right, we ought to."⁶² There is nothing in the record to show that Mr. Friebert or Mr. Ford actually contacted applicant's legal department or that that applicant's legal department sent a protest to opposer.

Mr. Maxwell testified that with the exception of defending the opposition, he was not aware that applicant had done anything to protest opposer's use of the term "Paveway."⁶³ However, Mr. Maxwell did testify that applicant had always objected to opposer's use of the term "Paveway."

A. We always objected to it. I recall having a discussion initiated by Mr. Serra regarding the PAVEWAY trademark.

***16** Q. What was that discussion?

A. The discussion was can we come to some form of a settlement on this and get on. I said that is not my decision to make.⁶⁴

Despite having twice deposed Mr. Serra, applicant did not proffer any testimony from Mr. Serra regarding any discussions about “the PAVEWAY trademark.” Moreover, there is no further evidence regarding any action by applicant to protest opposer's use of the term “Paveway.” Furthermore, during his discovery deposition, Benjamin Ford testified that he was unaware of any action taken by applicant to protest opposer's use of the term “Paveway.”

Q. Has [applicant] ever informed [opposer] to stop using the term PAVEWAY for its laser-guided bomb?

A. I don't know specifics. I don't know any specifics.

Q. Why hasn't [applicant] told them to stop?

A. I don't know. ... They may have. I just don't know.

Q. Has [applicant] ever had a discussion as to whether [opposer] should stop using the term PAVEWAY?

A. I don't know.

Q. Are you aware of any conversations?

A. With [opposer] or what?

Q. Within [applicant].

A. Yeah, I know we have discussed their encroachment on our mark, yes.

Q. And as a result of those discussions, did [applicant] decide to take any action?

A. I'm not going to answer.⁶⁵

Later in his deposition, Mr. Ford testified that he was unaware if applicant ever formally objected to opposer's use of the term “Paveway,” but that he thought that he raised an objection although he could not recall with whom or when.⁶⁶

Applicant further contends that applicant “has communicated with the U.S. Government about its rights in the PAVEWAY mark and expressed concern about the confusion caused by [opposer's] use of the PAVEWAY mark.”⁶⁷

Q. So any dialogue between [applicant] and the Air Force regarding confusion between the use of the term PAVEWAY between [applicant] and [opposer] is handled by the legal department?

A. All legal correspondence and things related to legal aspects of our business we give to our legal department. We do have a layman's dialogue expressing our frustration with [opposer's] use of our name brand PAVEWAY.

Q. Have you had this layman's dialogue expressing your frustration with [opposer's] use of the term PAVEWAY?

A. I would say yes.

Q. With whom?

A. I would say _____ back in 2006 just in, you know hall talk.

Q. What was the subject of the discussion with _____?

A. He comes to program review on a quarterly basis and we have time over the break to talk and I might say something to that nature. There is not a date and time specific meeting where I could cite where that dialogue took place. I think if anyone asked him, he would confirm our frustration.

Q. What was his response to you when you raised these concerns?

A. That's legal. That is out of my authority.⁶⁸

***17** Although applicant's level of frustration apparently reached the level of internal "hall talk," there is no evidence in the record that applicant's legal department expressed applicant's "frustration" to the Department of Defense, the Air Force or the Navy. Moreover, there is no indication that applicant followed-up with Mr. Friebert's undisclosed contact to corroborate applicant's frustration with opposer's use of the term "Paveway."

In his affidavit, Benjamin Ford attested to the fact that upon becoming aware of opposer's use of the term "Paveway," applicant "communicated with the U.S. government that the only authorized use of the trademark PAVEWAY is in connection with [applicant] sourced LGB products."⁶⁹ Mr. Ford did not identify who contacted the U.S. government on behalf of applicant, and when, who applicant's representative contacted in the U.S. government, and how the government responded, if it did respond, to applicant's complaint.

Mr. Ford was equally noncommittal during his discovery deposition.

Q. Did [applicant] have any other conversations with anyone else at _____ Air Force Base regarding what the term PAVEWAY meant to them?

A. We have had informal conversations with the Air Force about using the mark and not using the mark.

Q. When you say the Air Force, who specifically did [applicant] have conversations with?

A. I don't know the specifics. I don't know.

Q. When you say informal conversations, what does that mean?

A. Well, it was discussions. I mean, there was nothing in writing.

Q. When did these conversations take place?

A. Over the years from - - I don't know the exact time.

Q. You can't be any more specific than that?

A. No.⁷⁰

Q. Did [applicant] ever object to the Air Force about the Air Force's use of PAVEWAY II?

A. Yeah. We have discussed it with them.

Q. When did you first discuss it with the Air Force?

A. I don't recall the specifics.

Q. Was [applicant] concerned about the Air Force's use of the term PAVEWAY II when they were considering a second source for PAVEWAY II?

A. No, not so much because we were the only supplier at the time.

Q. And when the documents that we looked at today talk about the U.S. Government looking for a second source for PAVEWAY II laser-guided bombs, did that cause any concerns with [applicant] with respect to the trademark usage of the term PAVEWAY?

A. No. We were more concerned about the performance.

Q. You were more concerned about the performance issue than trademark issues; is that a fair statement?

A. I don't know if that's ...

Q. Well, we have looked at documents today where [applicant] has raised the issue of performance issues with respect to [opposer's] laser-guided bombs; is that correct?

A. Right.

Q. Did [applicant] ever raise the issue of the term PAVEWAY by the U.S. Government for [opposer's] laser-guided bombs?

***18** ***

A. Yes.

Q. And in what specific instances did they do that?

A. We talked with _____ Air Force Base, with the people.

Q. Was it ever in writing?

A. I don't recall it in writing.

Q. The talk that you did at _____ Air Force Base, was that the discussions we discussed earlier?

A. Yes.

Q. Was it the discussions with Cummings and Oakeson?⁷¹

A. And others.

Q. And what others were they?

A. Yeah. Like I said, I don't think I recall the specific names or who was who?⁷²

In view of applicant's assertions that the "PAVEWAY mark is a strong and highly distinctive mark that identifies [applicant] as the source of its family of quality PAVEWAY LGB products,"⁷³ that applicant "has made a significant investment in developing goodwill in the mark,"⁷⁴ and that there were actual instances of confusion, we find applicant's testimony vague and evasive regarding its enforcement of the PAVEWAY mark unpersuasive. In fact, the record shows that applicant failed to expressly and unequivocally lodge an objection with opposer regarding its use of the term "Paveway" and that applicant also failed to notify the U.S. Air Force and Navy regarding their purported misuse of the term. Although applicant claims to have made some efforts to lodge such protests, it was unable to produce any details about such efforts or any written letters or memoranda memorializing them.

E. Whether the government recognizes applicant's trademark rights?

Applicant contends that the government recognizes that PAVEWAY is applicant's mark and is taking steps to modify its practice.⁷⁵ First, applicant explains that the government's specifications for a new laser-guided bomb did not use the term "Paveway." According to applicant this demonstrates that the government is modifying its practice to avoid using PAVEWAY as a generic term.⁷⁶ However, because there can be more than one generic term for a product, *In re 1800Mattress.com IP LLC*, 92 USPQ2d at 1685, all this evidence proves is that the government used generic terms other than "Paveway." There is no evidence in the record suggesting that the Department of Defense stopped referring to the product as a "Paveway."

Also, applicant asserts that in the February 2006 Budget Estimate for the procurement of ammunition for FY 2006, one of the entries for laser guided bombs identified PAVEWAY as being uniquely associated with applicant.⁷⁷ The description of the product reads as follows:

1. The GBU-10/12 Computer Control Group is a laser homing guidance unit used on the GBU-10(MK-84 Warhead, 200lb class) or GBU-12(MK-82 Warhead, 500lb class) PAVEWAY II Laser Guided Bomb (LGB). The PAVEWAY II system has folding wings which open upon release for maneuverability and increased aircraft payload. These weapons are primarily used for precision bombing against hardened and non-hardened targets.

*19 2. This item is procured through two different contractors. The item name has been changed from MAU-169H/B PAVEWAY II Guidance Control Unit to GBU-10/12 Computer Control Group, because the previous name designates only one of the contractor's product. Both products are identical in form, fit and function.

While paragraph No. 2 appears to support applicant's contention, paragraph No. 1 shows the government referencing the product of both parties as the GBU-10 or GBU-12 PAVEWAY II Laser Guided Bomb. Thus, it is possible that the government realized that the model number MAU-169 is associated solely with applicant rather than term "Paveway." In fact, Mr. Ford testified that the MAU-169H/B is applicant's model number.

Q. Isn't it true that the MAU-169 HB only designates [applicant's] computer control group?

A. Right. I believe this was based on our objections, they tried to make a change to correct that.

Q. So the correction was that they struck the MAU-169 HB?

A. PAVEWAY II.

Q. PAVEWAY II?

A. Right. Because that is one contractor's product.

Q. That is not a recognition that PAVEWAY II is a trademark of [applicant], is it?

A. I don't know. I would hope so.

Q. But you don't know.

A. I don't know.⁷⁸

In any event, this is the only evidence where the government even arguably recognized "Paveway" as a trademark rather than a type of laser guided bomb; and subsequent Department of Defense communications use Paveway as a designation for a type of bomb, not a brand of bomb. As noted above, the Department of Defense announcement of awarded contracts (*defense.gov/contracts*) (September 24, 2010), the U.S. Air Force solicitation notice for "Computer Control Group Paveway II" (*fbo.gov*) (May 24, 2010), the U.S. Air Force notice for "GBU-16 Laser Guide Bomb Sources Sought" (*fbo.gov*) (April 9, 2010), and the *Paveway II Laser Guided Bomb* PowerPoint presentation by DaVon W. Day, USAF (October 30, 2007) at the 2007 Precision Guided Munitions Technical Coordination Group (PGMTCG) meeting. These are all subsequent to the budget estimate, and show the government using the term "Paveway" to identify a type of laser guided bomb.

F. Whether there is any competitive need for opposer to use PAVEWAY?

Applicant argues that opposer is the only other manufacturer of laser guided bombs that uses the term "Paveway." Other manufacturers of laser guided bombs do not use the term "Paveway" "but use a variety of nonconflicting marks in marketing and selling their products. . . . This demonstrates that quite clearly that there is no competitive need for others to use the PAVEWAY mark."⁷⁹ While the competitive need to use a term may be probative of whether the term is generic, the correct inquiry is whether the relevant public would *understand* the term to be generic. *In re 1800MATTRESS.COM IP LLC*, 92 USPQ2d at 1685. To the extent competitor need is relevant - both the main customer and the only other relevant competitor - opposer - use "Paveway" as a generic term for the product, and thus show a need to do so. We do not need to look at any other competitors, because the parties are the only ones qualified by the main customers to make this type of product. In fact, the use of the term "Paveway" for other products made by other manufacturers would be misdescriptive.

G. Whether the defense industry recognizes PAVEWAY as applicant's trademark?

*20 Applicant introduced the three declarations listed below from individuals who work for defense contractors stating that they associate PAVEWAY as applicant's trademark.

1. Jay Diston, Manager of Contracts for Atlantic Inertial Systems, Inc. Mr. Diston's is responsible for "proposing, negotiating and managing the contract from cradle to tomb with a variety of customers on a variety of programs."⁸⁰ Mr. Diston also stated that "I associate the Paveway trademark with [applicant]."

2. Thomas Harlock, Business Manager at Carleton Technologies Inc., "a leading supplier to the Aerospace & Defense markets." Mr. Harlock stated that "I, as well as all Carleton employees, associate the Paveway trademark with [applicant]."

3. David Carpenter, Sales Manager for Stanley Machining and Tool Corporation. Mr. Carpenter is responsible for supplying parts for laser-guided bombs. Mr. Carpenter stated that "I associate the Paveway trademark with [applicant]."

Mssrs. Carpenter and Harlock work for companies that supply parts for laser guided bombs. It is not clear what Mr. Diston's company, Atlantic Inertial Systems, does. Assuming that Atlantic Inertial Systems is also a parts supplier for laser guided bombs, then all three declarants work for companies that supply parts to manufacturers of laser guided bombs (*i.e.*, defense contractors). There is no indication or explanation as to how the declarants or their companies interact with the U.S. Air Force or Navy, the relevant customers. While the declarations are probative as to how these defense contractors perceive the term "Paveway," the declarations are not as probative as the declarations of Messrs. Cummings and Oakeson, who worked for the Air Force, a relevant customer, and Mr. Driscoll, who worked as a broker between the U.S. government and foreign military purchasers.

H. Whether opposer's position in this proceeding is inconsistent with opposer's previous attempts to register military terms?

Applicant contends that opposer has previously applied to register marks that have been refused on the ground that they were generic or descriptive and that in responding to those refusals, opposer has made statements that are inconsistent with its position in this case.⁸¹ For example, in responding to the refusal to register the term "Joint Strike Fighter," opposer argued that after it was awarded the contract, it became recognized as the sole source of the product and owner of the trademark.

Once the contract is awarded and the project is completed, the name originally assigned by the government is then used in connection with the resulting goods and is given to the manufacturer of those resulting goods. ... As the contract has been awarded to Applicant for nearly ten years now, the U.S. military and all interested parties recognize Applicant has the sole source of the JOINT STRIKE FIGHTER aircraft, and the owner of the mark in general.⁸²

***21** Applicant argues that this evidence shows that "terms used to identify military products are associated with, and owned by, the sole or prime manufacturer of the product. ... [T]hat [opposer] was well aware of the trademark status of PAVEWAY when it entered the LGB market," and "[R]ather than respecting [applicant's] well established rights, [opposer] deliberately disregarded those rights and sought to take advantage of the goodwill embodied in the PAVEWAY mark while establishing a new product line for [opposer]. ... This type of 'palming off' is precisely what the Lanham Act is designed to prevent."⁸³

There are numerous problems with this argument. First, to the extent that applicant is asserting as a defense that opposer is guilty of unfair competition, the Board is not authorized to determine that issue. *Person's Co. v. Christman*, 900 F.2d 1565, 14 USPQ2d 1477, 1481 (Fed. Cir. 1990) (Board cannot adjudicate unfair competition issues); *Ross v. Analytical Technology Inc.*, 51 USPQ2d 1269, 1270 n.2 (TTAB 1999) (no jurisdiction over unfair competition claims); *Hershey Foods Corp. v. Cerreta*, 195 USPQ 246, 252 (TTAB 1977) (determination of whether opposer is guilty of unfair business practices is not within the province of the Board).

Second, opposer's statements in its previous applications may be used in evidence against opposer as admissions against interest. TBMP §§ 704.03(b)(2) and 704.04 (3rd ed. 2011). However, no equitable estoppel may be derived from opposer's inconsistent position in those previous applications. *American Rice, Inc. v. H.I.T. Corp.*, 231 USPQ 793, 798 (TTAB 1986). Moreover, while "a party's earlier contrary opinion may be considered relevant and competent. Under no circumstances, may a party's opinion, earlier or current, relieve the decision maker of the burden of reaching his own ultimate conclusion on the entire

record.” *Interstate Brands Corp. v. Celestial Seasonings, Inc.*, 576 F.2d 926, 198 USPQ 151, 154 (CCPA 1978). We do not take opposer's previous positions in other applications involving other marks and other goods as detracting materially from its position here that the term “Paveway” is generic because the primary issue is how the relevant consumer perceives the term under the facts of record in this proceeding.

Finally, if you have to lay “blame” on anyone for this situation, it falls more on the Department of Defense and on applicant, than on opposer. There is no testimony or evidence that shows that opposer is trying to fool anyone that its products originate with applicant. It was the Department of Defense that decided to obtain a second source for Paveway laser-guided bombs, not opposer. Moreover, opposer is not trying to register the mark; it is only trying to prevent applicant from doing so. That is not palming off. Opposer has adapted to the marketplace and is asserting that nobody owns the term “Paveway” as a mark.

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

Footnotes

- 1 In its amended notice of opposition, opposer also asserted fraud as a ground for opposition. However, because opposer did not argue fraud in its brief, opposer has waived it as a ground for opposition.
- 2 *Dr. Strangelove or: How I Learned to Stop Worrying and Love the Bomb* (Columbia Pictures 1964).
- 3 We are at a loss to understand why the entire deposition was submitted. Unlike the transcript of trial testimony, a discovery deposition made of record under a notice of reliance need not be filed in its entirety. Rather, only those parts of the deposition which are both relevant and relied upon should be attached to the notice of reliance. *Sports Auth. Mich. Inc. v. PC Auth. Inc.*, 63 USPQ2d 1782, 1787 (TTAB 2001).
- 4 The Board's August 17, 2010 order.
- 5 The affidavits were submitted pursuant to a stipulation filed January 20, 2010, under which the parties agreed to permit the submission of affidavits in lieu of oral testimony.
- 6 Opposer's first notice of reliance, Exhibit 148 (*janes.com*).
- 7 Opposer's Brief, p. 5, *citing* Serra Testimony Dep., pp. 15-16.
- 8 Ford Affidavit ¶5.
- 9 Serra Testimony Dep., Exhibits 101 and 102.
- 10 Serra Testimony Dep., Exhibit 101.
- 11 Serra Discovery Dep. (7-30-2011), p. 21 (began using PAVEWAY to identify laser-guided bombs “subsequent to 2003”); Ford Affidavit ¶6 (“[opposer] began using the PAVEWAY Mark on its competing [laser guided bomb] products”).
- 12 Barry Maxwell Dep., p. 52 (“[laser-guided bombs and laser-guided bomb kits] are somewhat used interchangeably through the industry. ... They are the same thing as far as essentially the customer is concerned”); Serra Dep. (7-30-2009), pp. 75 (“my assumption is when we refer to an LGB we're talking the LGB kit” and “a laser guided bomb would be in a discussion typical to the all up unit”).
- 13 Serra Testimony Dep., pp. 16-17; Pericci Discovery Dep. (April 5, 2007), P. 98; Benjamin Ford Discovery Dep., pp. 20 and 132; Opposer's Brief, pp. 9-10; Applicant's Brief, pp. 9-12.
- 14 Oakeson Affidavit Spec. ¶ 4.
- 15 *Id.* at Spec. ¶ 10.
- 16 *Id.* at 12.
- 17 Cummings Affidavit Spec. ¶ 4.
- 18 *Id.* at Spec. ¶ 14.
- 19 *Id.* at 15.
- 20 Driscoll Affidavit Spec. ¶¶ 3-6.
- 21 *Id.* at Spec. ¶ 13.
- 22 *Id.* at Spec. ¶ 14.
- 23 *Id.* at Spec. ¶ 15.
- 24 Applicant's Brief, p. 36.

- 25 The affidavits introduced by applicant were signed in 2008 and the witnesses were not subject to cross examination although opposer
deposed Mr. Ford. Although the stipulation didn't specifically provide for cross-examination, applicant could always have called the
affiants during its own testimony period if it thought there would be some value in that.
- 26 Applicant's Brief, pp. 36-37.
- 27 Opposer's Exhibit 103.
- 28 Opposer's Exhibit 192.
- 29 Opposer's Exhibit 193.
- 30 Opposer's Exhibit 194. *See also* Opposer's Exhibit 102 (May 11, 2000), Exhibit 147 (July 21, 2009), Exhibit 160 (May 16, 2000),
and Exhibit 161 (October 3, 2000).
- 31 Opposer's Exhibit 123. *See also* Opposer's Exhibits 128 and 130. The PGMTCG is "a U.S.-run group with domestic and foreign
customers." (Maxwell Dep., p. 11). It is a user's group that the U.S. Air Force uses to facilitate communication and the exchange of
information. (Serra Testimony Dep., pp. 106-107).
- 32 Opposer's Exhibit 124. *See also* Opposer's Exhibit 129 (2009 PGMTCG Agenda).
- 33 Ford Discovery Dep., Exhibit 11. *See also* Ford Discovery Dep. Exhibit 15. Loretta Woodward was the primary contracting officer for
Paveway II. (Ford Discovery Dep., p. 82). "Industry Day" is the government's attempt to attract bidders. (Ford Discovery Dep., p. 81).
- 34 Benjamin Ford Discovery Dep., Exhibit 17.
- 35 Benjamin Ford Discovery Dep., p. 110.
- 36 Benjamin Ford explained that the specific part number referenced in the budget estimate is a Raytheon part. (Benjamin Ford Dep.,
p. 111.
- 37 Pericci Discovery Dep. Exhibit 49.
- 38 Pericci Discovery Dep., p. 221.
- 39 Opposer's Exhibit 108. *See also* Opposer's Exhibit 154, *Flight International* (March 21, 2006) ("US Navy plans to fund qualification
of a laser seeker for Boeings' Joint Direct Attack Munitions (JDAM) guidance kit promise to set up a three-way competition for future
procurements between the weapon and the dual-mode variants of the Paveway laser-guided bomb (LGB) produced by Lockheed
Martin and Raytheon."). "*Flight International* is one of numerous trade journals, publications that maintains cognizance of activity
ongoing within the defense industry as a whole." (Serra Testimony Dep., p. 45).
- 40 Opposer's Exhibit 116. *See also* Opposer's Exhibit 115, *Aerospace Daily* (February 23, 2003) ("Sarah Hammond of Raytheon's
Missile Systems unit in Tucson, Ariz., said \$ 2 billion will be spent over a six- or seven-year period to buy Paveway bomb kits 'from
both Raytheon and Lockheed Martin, [with] details to come.'"). *Aerospace Daily* "is an industry journal, trade journal covering the
activity, ongoing activity in the defense - - defense business." (Serra Testimony Dep., p. 50).
- 41 Opposer's Exhibit 148. *See also* Opposer's Exhibits 149, 150, 151, 157, 158, and 159. Jane's is a recognized publisher in the field of
weapons: "the Bible for that type of collection." (Serra Testimony Dep., p. 174).
- 42 Opposer's Exhibit 109. *See also* Opposer's Exhibit 117, *Defense Daily* (March 30, 2004) ("Raytheon [RTN] yesterday was awarded
the 'maximum available' share of three competitive contracts for the production of Paveway II laser-guided bomb (LGB) kits for
the Air Force and Navy, topping a bid from the other major producer of Paveway-series kits, Lockheed Martin."). *Defense Daily* "is
another industry periodical, trade journal that covers it - - activity in the defense industry." (Serra Testimony Dep., p. 47).
- 43 Opposer's Exhibit 119. *Flight Daily News* is "another industry trade journal covering defense activity." (Serra Testimony Dep., p. 99).
- 44 Opposer's Exhibit 200.
- 45 Opposer's Exhibit 201.
- 46 Benjamin Ford Discovery Dep., p. 152, Exhibit 27.
- 47 *Id.*
- 48 Applicant denied that it was telling a potential customer that opposer is a supplier of Paveway II. Benjamin Ford explained that
opposer's laser guided bomb "is ... an alternate source or second source for our product, that it's not a Paveway II. ... The fact it is
not provided by us says it's not a Paveway." (Benjamin Ford Discovery Dep., p. 157).
- 49 Applicant's Brief, p. 8.
- 50 Applicant also referenced Pericci Dep. Exhibit 119, but that exhibit could not be found in the record.
- 51 Applicant's Brief, p. 9.
- 52 Applicant's Brief, p. 9.
- 53 Applicant's Brief, p. 22.
- 54 Applicant's Brief, p. 24.
- 55 In analyzing the purported instances of confusion, we will maintain the confidentiality of applicant's customers.

56 Benjamin Ford Affidavit Spec. ¶¶ 44-45.
57 Applicant's Brief, p. 22.
58 Applicant's Brief, pp. 22, *citing* Friebert Dep., pp. 24-27. Barry Maxwell also testified regarding these purported instances of confusion. (Maxwell Dep., pp. 28-30). However, Mr. Maxwell did not testify that he personally spoke with the customers experiencing the confusion. Mr. Maxwell did not testify regarding how he became aware of these purported instances of confusion.
59 Ford Affidavit Spec. ¶ 46.
60 Ford Affidavit Spec. ¶ 46.
61 Applicant's Brief, p. 25.
62 Friebert Dep., p. 35.
63 Maxwell Dep., p. 86.
64 Maxwell Dep., p. 86.
65 Ford Discovery Dep., pp. 121-123. Apparently, Mr. Ford refused to answer because the answer would potentially disclose advice of counsel.
66 Ford Discovery Dep., p. 128.
67 Applicant's Brief, p. 26.
68 Friebert Dep., pp. 39-40. Applicant improperly designated some of this testimony "Highly Confidential- Attorney's Eye's Only." Nevertheless, we will not disclose the identity of the person to whom Mr. Friebert spoke. However, the unidentified person was a Defense Department employee involved in the Paveway program. (Friebert Dep., p. 40).
69 Ford Affidavit ¶41.
70 Benjamin Ford Discovery Dep., pp. 131-132.
71 Curtis Cummings and Steven Oakeson executed affidavits attesting to their opinion that the term "Paveway" designates the product, not a source.
72 Benjamin Ford Dep., pp. 160-161.
73 Applicant's Brief, p. 4.
74 Applicant's Brief, p. 39.
75 Applicant's Brief, p. 27.
76 Applicant's Brief, pp. 27-28.
77 Benjamin Ford Affidavit ¶56 and Benjamin Ford Discovery Dep., Exhibit 29 (Bates No. R-005179).
78 Benjamin Ford Discovery Dep., p. 168.
79 Applicant's Brief, p. 29.
80 Although Mr. Diston stated that he has responsibilities relating to laser-guided bombs, he did not identify what his company does or what the "contract" relates to.
81 Applicant's Brief, p. 30.
82 Applicant's Exhibit 204, the July 13, 2010 Response.
83 Applicant's Brief, p. 33.

2011 WL 5014027 (Trademark Tr. & App. Bd.)

2011 WL 1060725 (Trademark Tr. & App. Bd.)

THIS OPINION IS NOT A PRECEDENT OF THE T.T.A.B.

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

Nestle Prepared Foods Company

v.

V & V Enterprises Incorporated

Opposition No. 91167465 to application Serial No. 76590414 filed on May 4, 2004

October 21, 2010

March 10, 2011

*1 Virginia S. Taylor, Michael W. Rafter, Charlene R. Marino, and Christopher P. Bussert of Kilpatrick Stockton LLP for Nestle Prepared Foods Company
Michael S. Culver of Millen, White, Zelano & Branigan, P.C. for V & V Enterprises Incorporated

Before Grendel, Zervas and Kuhlke
Administrative Trademark Judges
Opinion by Kuhlke
Administrative Trademark Judge:

Applicant, V & V Enterprises Incorporated, seeks registration of the mark shown below for goods identified in the application as “pocket sandwiches” in International Class 30.



The application was filed on May 4, 2004, alleging May 3, 2004, as the date of first use in commerce under Section 1(a), 15 U.S.C. § 1051(a). The wording “POCKET FOODS CORPORATION” is disclaimed.

Opposer, Nestle Prepared Foods Company, as pleaded in its amended notice of opposition, opposed registration of applicant's mark, on the grounds that, as used with applicant's goods, the mark so resembles “each of opposer's HOT POCKETS Marks as to be likely to cause confusion, mistake, and deception, particularly in view of the competitive nature of the parties' goods.”¹ Amended Notice of Opp. Spec. ¶10. Applicant filed an answer by which it denied the salient allegations and asserted that opposer “is not the owner of the pleaded registrations.” Answer to Amended Notice of Opposition.

Briefs were filed and an oral hearing was held on October 21, 2010. As a preliminary matter, in its reply brief opposer moves to strike applicant's brief as untimely. Opposer filed its main brief on the case on February 24, 2010 and applicant filed its brief on March 31, 2010. Trademark Rule 2.128(a)(1) provides that the “brief of the party in the position of defendant, if filed, shall be due not later than thirty days after the due date of the first brief.” Thus, applicant's brief was due on March 26, 2010. At oral hearing it became evident that applicant was under the misapprehension that the additional five days provided under Trademark Rule 2.119(c) was applicable to briefs on the case. However, Trademark Rule 2.119(c) provides that “[w]hen a party is

required to take some action within a prescribed period after the service of a paper upon the party by another party and the paper is served by firstclass mail...5 days shall be added to the prescribed period.” (emphasis added). Trademark Rule 2.119(c) only applies when the time for taking action is triggered by the service of a paper. The Rule is not applicable to circumstances where the time for taking action is triggered by a set due date such as that prescribed in Trademark Rule 2.128(a)(1). Opposer argues that applicant has not shown excusable neglect and because of applicant's delay it had five fewer days in which to prepare and file its reply brief. At a minimum, opposer argues, applicant's evidentiary objections should be waived due to the untimely filing of the brief.

*2 Here, the five day delay in filing is minimal and has had no impact on the proceedings. As to any prejudice to opposer, opposer did not request an extension of time in which to file its reply brief and, in fact, filed a reply brief within the required timeframe addressing all of applicant's arguments and objections. While applicant's mistaken interpretation of the rules was within its control, it is also clear that its conduct did not fall within the realm of bad faith. Fed. R. Civ. P. 6(b)(1)(B). Under the circumstances, and because it benefits the Board in its ability to make a just determination of the case in light of the specific issues raised in this proceeding to have the briefs of both parties of record, applicant's brief, including the objections maintained therein is accepted.²

Before considering opposer's claim of priority and likelihood of confusion, we must first address which mark(s) are at issue in this proceeding. The amended notice of opposition refers to “HOT POCKETS” generally and “related ‘POCKETS’ marks” in certain paragraphs, it also contains allegations that two registrations will be “collectively referred to as “Opposer's HOT POCKETS Marks” and then refers to “Opposer's HOT POCKETS Marks” in the paragraph alleging likelihood of confusion. The pleading also lists three registrations for marks that contain the wording HOT POCKETS. Plaintiff is not the owner of these registrations. They are owned by plaintiff's parent company Societe Des Produits Nestle S.A. (Societe), a Switzerland Corporation. Thus, plaintiff may not rely on the registrations for the presumptions afforded by Section 7(b) of the Trademark Act, 15 U.S.C. §1057, as opposer acknowledged at the oral hearing, and must prove priority through establishing prior use.³ See *Chemical New York Corp. v. Conmar Form Systems, Inc.*, 1 USPQ2d 1139, 1144 (TTAB 1986) (wholly-owned subsidiary of owner of registrations may not rely on registrations to prove priority); *Yamaha International Corp. v. Stevenson*, 196 USPQ 701, 702 (TTAB 1979) (opposer could not rely on 7(b) presumptions where registration is owned by its parent company); *Fuld Brothers, Inc. v. Carpet Technical Service Institute, Inc.*, 174 USPQ473, 475-76 (TTAB 1972)⁴ (although petitioner can rely on its wholly-owned subsidiary's use of a mark, petitioner cannot rely on the registrations owned by its wholly-owned subsidiary for statutory presumptions); and *Joseph S. Finch & Co. v. E. Martinoni Co.*, 157 USPQ 394, 395 (TTAB 1968) (opposer cannot rely on registrations owned by its parent or its parent's subsidiaries). See also TBMP 704.03(b)(1)(B) (2d ed. rev. 2004).⁵

Turning to opposer's common law marks, applicant argues that opposer may not rely on the LEAN POCKETS and CROISSANT POCKETS marks inasmuch it did not plead use of those marks. At trial, opposer clearly asserted its use of the marks HOT POCKETS, LEAN POCKETS and CROISSANT POCKETS in connection with stuffed sandwiches. During opposer's testimony, applicant did not object to testimony about such use and in fact conducted cross-examination on these marks. Implied consent to the trial of an unpleaded issue can be found only where the nonoffering party (1) raised no objection to the introduction of the evidence on the issue, and (2) was fairly apprised that the evidence was being offered in support of the issue. *Morgan Creek Productions Inc. v. Foria International Inc.*, 91 USPQ2d 1134, 1138 (TTAB 2009); *H.D. Lee Co. v. Maidenform Inc.*, 87 USPQ2d 1715, 1720-1721 (TTAB 2008). There is no question that applicant was apprised of opposer's intent to try the issue of its use and reliance on the asserted LEAN POCKETS and CROISSANT POCKETS marks. Thus, despite applicant's objection to the testimony and accompanying exhibits pertaining to these marks presented for the first time in its brief, applicant has implicitly consented to trial of the issue of priority and likelihood of confusion with respect to opposer's use of LEAN POCKETS and CROISSANT POCKETS and there is no prejudice to applicant in so holding. In view thereof, the pleadings are amended by implied consent to assert opposer's use of LEAN POCKETS and CROISSANT POCKETS in connection with stuffed sandwiches, and to the extent there was any ambiguity, the pleadings are clarified to allege likelihood of confusion with opposer's asserted common law HOT POCKETS mark. Fed. R. Civ. P. 15(b). We note that opposer only discussed the HOT

POCKETS and LEAN POCKETS marks in its brief. Thus, opposer's asserted marks at issue before us are the asserted common law marks HOT POCKETS and LEAN POCKETS. We focus our decision on its HOT POCKETS mark.

*3 In view of the above, the evidence of record consists of the pleadings herein; the file of applicant's subject application; the testimony deposition (with exhibits) submitted by opposer of Michael Raymond Niethammer,⁶ opposer's Group Marketing Manager for the Hot Pockets brand; opposer's notices of reliance on registrations, official records and the discovery deposition of applicant's 30(b)(6) witness Carl Vennitti; and defendant's notices of reliance on various documents, including online dictionary definitions, third party registrations and a cookbook.⁷

STANDING

As discussed below, opposer has shown that it uses the marks HOT POCKETS and LEAN POCKETS in connection with frozen stuffed sandwiches and has demonstrated a real interest in preventing registration of applicant's mark. See *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999); *Jewelers Vigilance Committee, Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021 (Fed. Cir. 1987); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982). Thus, opposer has established its standing.

PRIORITY

As noted above, because opposer is not the owner of the pleaded registrations, opposer must prove its common law rights prior to applicant's priority date. *Hydro-Dynamics Inc. v. George Putnum and Company Inc.*, 811 F.2d 1470, 1 USPQ2d 1772, 1773 (Fed. Cir. 1987). "Under the rule of *Otto Roth*, a party opposing registration of a trademark due to a likelihood of confusion with his own unregistered term cannot prevail unless he shows by a preponderance of the evidence that his term is distinctive of his goods, whether inherently or through the acquisition of secondary meaning or through 'whatever other type of use may have developed a trade identity.'" *Towers v. Advent Software Inc.*, 913 F.2d 942, 16 USPQ2d 1039, 1041 (Fed. Cir. 1990), citing, *Otto Roth & Co. v. Universal Food Corp.*, 640 F.2d 1317, 209 USPQ 40, 43 (CCPA 1981).

Thus, in order to prevail, opposer must establish that it acquired trademark rights in the HOT POCKETS mark, that it is distinctive, either inherently or through acquired distinctiveness, and that its use predates applicant's first actual or constructive use. Applicant relies on its filing date of May 4, 2004, thus, opposer must establish use prior to applicant's constructive use date, May 4, 2004, the filing date of the pending application.

Because opposer tried this case under the mistaken belief that it could rely on Societe's registrations, the evidence of use is limited to 2003-2008. However, this does predate applicant's filing date. Mr. Niethammer testified to opposer's sales and advertising for the HOT POCKETS brands for frozen stuffed sandwiches beginning in 2003. While the data for 2003 includes sales and advertising expenses for all three brands, HOT POCKETS, LEAN POCKETS and CROISSANT POCKETS, it is substantial and taken in the context of the other testimony and exhibits it is clear that the HOT POCKETS brand comprises a large portion of opposer's sales and advertising. Niethammer Test. p. 8-12 Exh. 1 (profit and loss statement covering 2003-2008). This evidence of sales is for the "retail side of the business" which covers grocery stores (e.g., Safeway); warehouse club stores (e.g., Costco) and super centers (e.g., Walmart). Id.

*4 Applicant argues that opposer's mark, HOT POCKETS, is merely descriptive and the evidence of record is not sufficient to establish that it has acquired distinctiveness.

To the extent applicant has shown that opposer's mark is not inherently distinctive,⁸ opposer has submitted the results of a PERT survey showing extensive brand awareness for the HOT POCKETS brand for the years 2004 - 2009, including a breakout for the first quarter of 2004. Niethammer Test., Exh. 3. Mr. Niethammer testified that PERT tracks brand awareness measures by surveying consumers and opposer receives quarterly reports from PERT. Niethammer Test. p. 26-27. Based on this survey in the first quarter of 2004 the HOT POCKETS brand commanded 96 percent brand awareness, meaning that when asked if a

consumer had heard of the HOT POCKETS brand 96 percent responded yes. See Niethammer Test. p. 28, Exh. 3. The HOT POCKETS brand commanded 30 percent brand awareness in the unaided survey, meaning a consumer responded with the HOT POCKETS name when asked to name a brand of frozen food. Niethammer Test. p. 59. This evidence is sufficient to establish, at a minimum that HOT POCKETS had acquired distinctiveness for frozen stuffed sandwiches by the first quarter of 2004, prior to applicant's filing date.

In view of the above, opposer has shown rights in the mark HOT POCKETS prior to applicant's filing date and, thus, has established priority.

We turn then to consider whether there is a likelihood of confusion.

LIKELIHOOD OF CONFUSION

Our likelihood of confusion determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the factors set forth in *In re E. I. du Pont de Nemours and Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also, *In re Majestic Distilling Co., Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003).

The parties have presented evidence and argument on the factors of the similarity of the marks, the relatedness of the goods, channels of trade, classes of purchasers, the strength of opposer's marks, and bad faith.

With regard to the goods, applicant's "pocket sandwiches," encompass opposer's frozen stuffed sandwiches. As to channels of trade, because applicant has no limitations in its identification of goods we must consider all channels of trade appropriate for the goods of this type. See *Octocom Systems Inc. v. Houston Computers 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 or the class of purchasers to which sales of the goods are directed."); *In re Elbaum*, 211 USPQ 636 (TTAB 1981). Applicant's goods are of a type that would travel in the same channels of trade established by opposer, i.e., retail grocery stores, warehouse club stores and super centers. Therefore, we must presume that applicant's and opposer's goods travel in the same channels of trade and are purchased by the same classes of consumers. *In re Smith and Mehaffey*, 31 USPQ2d 1531 (TTAB 1994).

*5 In view of the above, we find that, the goods are legally identical and the parties' trade channels and customers overlap.

As to the conditions of sale, these are relatively inexpensive goods and are subject to a lower level of purchaser care. *In re Martin's Famous Pastry Shoppe, Inc.*, 223 USPQ 1289, 1290 (Fed. Cir. 1984) ("Bread and cheese are staple, relatively inexpensive comestibles, subject to frequent replacement. Purchasers of such products have long been held to a lesser standard of purchasing care.").

Opposer argues that the element of "bad faith" or "intent to trade off the goodwill" (categorized under du Pont factor 13) weighs in its favor because applicant knew of opposer's HOT POCKETS Mark. To put it simply, without more we cannot make such findings as to applicant's intent, good or bad. This is not a record where an inference of bad faith may be made. Accordingly, we find no bad faith in applicant's adoption of its mark.

The main question in this case is whether opposer's mark HOT POCKETS is sufficiently similar to applicant's mark



such that when used on nearly identical goods, there is likely confusion. We examine the similarities and dissimilarities of the marks in their appearance, sound, meaning, and commercial impression. *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 772*, 396 F.3d 1369, 73 USPQ2d 1689, 1692 (Fed. Cir. 2005). The 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 entirety that confusion as to the source of the goods offered under the respective marks is likely to result. In making this determination we recognize that that “when marks would appear on virtually identical goods or services, the degree of similarity necessary to support a conclusion of likely confusion declines.” *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 32 USPQ2d 1698 (Fed. Cir. 1992). However, where the matter common to the marks is not likely to be perceived by purchasers as distinguishing source, similarity may not be found. See *Citigroup Inc. v. Capital City Bank Group, Inc.*, 94 USPQ2d 1645 (TTAB 2010); *Safer, Inc. v. OMS Inv., Inc.*, 94 USPQ2d 1031 (TTAB 2010) and *In re Shawnee Milling Co.*, 225 USPQ 747 (TTAB 1985).

Central to the analysis in this case is the impact of the common term “pocket” to a potential consumer and whether use of that word is enough to create a likelihood of confusion.

Opposer asserts that its marks are very strong based on their inherent distinctiveness and “opposer's extensive use and promotion of the POCKETS Marks, as well as sales of goods under the marks for over 25 years, and thus are entitled to a broad scope of protection.” Br. p. 14. In response, applicant argues that there is not sufficient evidence upon which to make a determination that the marks are well known and, in fact, the common term “pocket” is not only weak but descriptive of the parties' respective goods.

*6 The evidence does show that the mark HOT POCKETS, in its entirety, has strong commercial strength. The commercial strength “of a mark may be measured indirectly, among other things, by the volume of sales and advertising expenditures of the goods traveling under the mark, and by the length of time those indicia of commercial awareness have been evident.” *Bose Corp. v. QSC Audio Products, Inc.*, 293 F.3d 1367, 63 USPQ2d 1303, 1305 (Fed. Cir. 2002). It is also important to place such numbers in the context of the relevant marketplace and the extent of consumer exposure. The un rebutted evidence establishes that the HOT POCKETS brand is a market leader in the stuffed sandwich category. *Niethammer Test.* p. 22-25, Exhs. 2 and 3. Further, the brand awareness study shows consistently high aided and unaided awareness for the years 2003-2009. *Niethammer Test.* Exh. No. 3.

However, “[b]ecause of the extreme deference that we accord a famous mark in terms of the wide latitude of legal protection it receives, and the dominant role fame plays in the likelihood of confusion analysis, it is the duty of the party asserting that its mark is famous to clearly prove it.” *Lacoste Alligator S.A. v. Maxoly Inc.*, 91 USPQ2d 1594, 1597 (TTAB 2009); *Leading Jewelers Guild Inc. v. LJOW Holdings LLC*, 82 USPQ2d 1901 (TTAB 2007). As noted above, there is no evidence of long term use and the 2003 - 2009 data is not separated by brand, i.e., HOT POCKETS, LEAN POCKETS and CROISSANT POCKETS, which diminishes somewhat the weight of that evidence in that it is unclear which brand is strongest, while unlikely, it is possible that CROISSANT POCKETS is the strongest one and opposer has not presented argument on that mark. In addition, the evidence of “widespread renown within popular culture” is somewhat vague and not supported by documentary evidence. For example, Mr. Niethammer testifies that “people that are aware of HOT POCKETS ... can recite that jingle to you as well.” *Niethammer Test.* p. 38. But this statement is not supported by evidence. Similarly, Mr. Niethammer testifies that:

So there are several hundred Facebook pages of people who have created, like, a HOT POCKETS club for people to join. There are several hundred of those. And then You Tube, there are several thousand videos

that people have made with HOT POCKETS sandwiches in them, the jingle, the packaging. So they will do a number of - make their own commercials, make a song. And there's, you know, like 5,000 videos on YouTube with consumers and advocates of the brands doing this.

Niethammer Test. p. 40.

Again there is no evidence to substantiate this statement. No examples were given and no specific data as to consumer exposure to these social media sites were provided. Thus, we do not give much weight to the testimony regarding use of the HOT POCKETS within "popular culture."

*7 Overall, we find that the record evidence relevant to the strength of opposer's mark is not sufficient to reach the level where the renown of the mark plays "a 'dominant' role in the process of balancing the du Pont factors." *Recot Inc. v. Becton*, 214 F.3d 1322, 54 USPQ2d 1894, 1897 (Fed. Cir. 2000). See also *Packard Press Inc. v. Hewlett-Packard Co.*, 227 F.3d 1352, 56 USPQ2d 1351, 1356 (Fed. Cir. 2000); and *Hard Rock Cafe*, 48 USPQ2d at 1409.

Moreover, the record also shows that the word "pocket," used in connection with stuffed sandwiches or snacks is, at a minimum, highly suggestive. The term "pocket bread" refers to "pita" which is defined as "a round flat bread of Middle Eastern origin that can be opened to form a pocket for filling." App. NOR Ex. A. The use of the term "pocket" to refer to a filled sandwich or snack is demonstrated by the cookbook titled *Edible Pockets for Every Meal* (2003). App. NOR Ex. H. An excerpt from the preface is set forth below:

Whether they are called dumplings, turnovers, pasties, calzones, empanadas, piroshki boreks, quesadillas, knishes, pot stickers or any other name, edible pockets are enjoyed all over the world. ... Pockets make wonderful appetizers, picnic fare or light entrees ... The basis for pocket wrappers depended on what was grown in the region ... There are some traditional pockets that use a specific filling...

Applicant also submitted third-party registrations which include the term POCKET or POCKETS in the marks and have the term disclaimed, are on the Supplemental Register and/or use the term "pocket" or "pockets" in the identification of goods.⁹ See, e.g., Reg. No. 3309541 for the mark FILLO POCKET SINGLES and design "fillo pocket singles" disclaimed for "fillo dough-based pockets with or without filling"; Supp. Reg. No. 3006772 for the mark STIRFRIES RICE POCKETS "rice pockets" disclaimed for "frozen and refrigerated food entrees comprised primarily of rice, with an outer cooked rice grain shell component encompassing various non-grain fillings";¹⁰ Supp. Reg. No. 2626936 for the mark SALAD POCKETS for "pita pocket bread"; Reg. No. 1542783 for the mark PARTY POCKETS "pockets" disclaimed for "pocket bread"; Supp. Reg. No. 1513234 for the mark TEENY POCKETS for "bread, namely pita bread"; Reg. No. 1377467 for the mark LEAN POCKETS "pockets" disclaimed for "pre-cooked, ready to eat, frozen bread having a fruit, meat, cheese and/or vegetable filling";¹¹ Reg. No. 3703153 for the mark BABU'S and design for "prepared foods, namely frozen pocket sandwiches with vegetable and/or meat filing"; Reg. No. 3700429 for the mark SPICE VICE for, inter alia, "doughbased pockets with filling consisting primarily of meats, poultry, fish, fruits and vegetables and cheese"; and Reg. No. 3682826 for the mark KASHI for, inter alia, "pocket sandwiches." While these registrations do not serve as evidence of the sixth du Pont factor, inasmuch as they are not evidence of third-party use, they do serve in the nature of a dictionary definition to support a finding that the term "pocket" may be descriptive or highly suggestive of the subject goods. *AMF Inc. v. American Leisure Products, Inc.*, 474 F.2d 1403, 177 USPQ 268, 269 (CCPA 1973). See also *Olde Tyme Foods, v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1545 (Fed. Cir. 1992).

*8 In addition, all of opposer's evidence to show strength is for the marks HOT POCKETS and LEAN POCKETS in their entirety and not for the term POCKETS by itself. These circumstances are distinguished from *Bose*, 63 USPQ2d at 1303, where the record included evidence of fame for the common term WAVE apart from the house mark BOSE. To the contrary,

here, the evidence of record points to the opposite conclusion. Pocket refers to a type of sandwich or snack that is stuffed and closed. Opposer appears to concede this point in its reply brief in arguing that the marks have similar connotations:

The common use of "POCKET" in both marks also conveys the same meaning to consumers (namely, stuffed sandwiches), and therefore they are more likely to be confusion.

Reply Br. p. 19.

In view of the weakness of the common term POCKET in connection with frozen stuffed sandwiches, the substantial dissimilarities in sound, appearance, connotation and overall commercial impressions of the marks outweigh the differences. First, we are not convinced that the term "pocket" is the dominant element in applicant's mark. The letters PF are the most prominent element and as discussed above "pocket" is at a minimum highly suggestive of applicant's goods.¹² Moreover, even considering that potential purchasers may rely on the wording POCKET FOODS CORPORATION to identify source, the structure of this portion of the mark creates a significantly different commercial impression from opposer's marks where the term POCKETS is preceded by a modifier (HOT or LEAN). In re Best Products Co., Inc., 231 USPQ 988 (TTAB 1986) (BEST JEWELRY and JEWELER'S BEST for retail jewelry shops not confusingly similar). As noted earlier the evidence pertaining to the commercial strength of opposer's marks are to the marks as a whole.

We have carefully considered all of the evidence pertaining to the relevant du Pont factors, as well as the parties' arguments with respect thereto (including any evidence and arguments not specifically discussed in this opinion). In balancing the relevant factors, we conclude that despite the relatedness of the goods, overlap in trade channels and classes of purchasers, because applicant's mark is so dissimilar from opposer's HOT POCKETS and LEAN POCKETS marks, there is not a likelihood of confusion. In particular, the one point of similarity, at a minimum, is highly suggestive of the goods such that the marks are not confusingly similar.¹³

Decision: The opposition is dismissed.

Footnotes

- 1 In addition, opposer asserted a claim of abandonment; however, at oral argument opposer waived this claim. We note that, in any event, the record does not support this claim.
- 2 We note that had we stricken applicant's brief, we would not have considered opposer's reply brief.
- 3 Thus applicant's objection to opposer's submission of these registrations under notice of reliance is sustained to the extent that they may only be used to show what appears on their face, namely, that an application was filed claiming use for the mark shown in the registration for the listed goods, and that the registration was granted.
- 4 We cannot let pass without noting that opposer's characterization of the case *Fuld Brothers, Inc. v. Carpet Technical service Institute, Inc.*, 174 USPQ 473, 476 (TTAB 1972) is incorrect. Opposer concluded that the Board in that case found "that opposer, the parent company, could still claim the priority date of registrations that were in the name of its wholly-owned subsidiary." Reply Br. p. 9. However, in that case the Board expressly stated "Respondent asserts that petitioner has no standing to cancel its mark because at the time this proceeding was brought, Associated Just Distributors, Inc., and not petitioner was the owner of the registration and the user of the mark 'OUT'. Respondent's contention as to petitioner's reliance herein on the pleaded registration is well taken. Notwithstanding the relationship of Associated Just Distributors, Inc., to petitioner, it is nevertheless a separate legal entity, it is the record owner of the registration, and, in view of the express language of Section 5 of the Statute, only the registrant can rely upon the prima facie presumptions afforded a registration under Section 7(b)." *Fuld*, 174 USPQ at 476. The Board in that case stated that the opposer could rely on the *use* by Associated Just Distributors in determining priority.
- 5 We note that in the civil action between the parties, the United States District Court for the District of Colorado, in its order on motions for summary judgment, stated that "the exclusive licensee of a trademark has the right to enforce the trademark ... [and that] [a]s the exclusive licensee of the four trademarks at issue, Nestle is considered a 'registrant' with rights to enforce the trademark." Opp. NOR Exh. 7, *Nestle Prepared Foods Co. v. Pocket Foods Corporation and V & V Enterprises Inc.*, Civ. Action No. 04-cv-02533-MSK-MEH (D.C.D.Colo. Aug. 24, 2009). However, it appears that the court only enforced those "rights" for which Nestle not only

offered its parent's registrations but also had examples of use. In any event, it has been the jurisprudence of the Board for several decades that only the registrant may enjoy the benefits of Section 7(b) presumptions. We do not interpret the definition of "registrant" in Section 45 of the Trademark Act, 15 U.S.C. §1127, to include exclusive licensees to the extent that they may rely on Section 7(b) presumptions. Licensees may enforce trademark rights, but must establish priority through evidence of use and may not rely on their licensor's registrations.

6 Certain testimony and exhibits were designated as confidential and we will discuss those portions of the record in general terms. In addition, while we only discuss certain portions of the record in the decision, we have considered the entire record in arriving at our determination.

7 Opposer's objections to these documents are noted. The objection to Exh. A is denied. These online dictionary definitions are widely available in print and, as such, are admissible. Cf. *In re Cyberfinancial.net Inc.*, 65 USPQ2d 1789, 1791 n.3 (TTAB 2002). In addition, internet printouts may be introduced under notice of reliance. *Safer Inc. v. OMS Investments Inc.*, 94 USPQ2d 1031 (TTAB 2010). Opposer's objection to Exh. B is also overruled. We accept under notice of reliance excerpts from the USPTO's own Acceptable Identification of Goods and Services Manual. The objection to Exh. C is sustained. The magazine from which the excerpt was obtained does not appear to be in general circulation and there is no evidence upon which to determine that it is sufficiently available to fall within the definition of a printed publication for purposes of introduction through notice of reliance. As to the objections to the remaining documents, in essence they address the probative value of the evidence and we have taken that into consideration in making our decision.

8 We discuss applicant's evidence of mere descriptiveness *infra*.

9 The third-party applications submitted by applicant have no probative value on this point as they are only evidence that they were filed. *Glamorene Products Corporation v. Earl Grissmer Company, Inc.*, 203 USPQ 1090, 1092 n.5 (TTAB 1979). Similarly, the cancelled registrations are of little probative value on this point. *Action Temporary Services Inc. v. Labor Force Inc.*, 10 USPQ2d 1307 (Fed. Cir. 1989).

10 Opposer's argument with regard to these two registrations that because the disclaimers contain other matter, is not persuasive. The fact that the wording in these marks may be for a specific type of food "pocket" does not diminish their probative value as to the descriptiveness in connection with the term "pocket." Further, to the extent the additional descriptive or generic matter makes a difference, that undercuts opposer's argument that applicant's mark is similar to opposer's mark.

11 This registration is owned by opposer's parent and was also made of record by opposer.

12 Of course, the application contains a disclaimer of the term "pocket" and the goods are identified as "pocket sandwiches," which would indicate that the term "pocket" is descriptive for these goods. However, we must consider even descriptive matter in our analysis.

13 Opposer urges the Board to find the marks similar based on the District Court's finding that "the product and names of three Pocket Food's products (Cheese & Pepperoni Pizza Pocket, Meatball Pocket, and Ham and Cheese Pocket) are almost identical to the names of products sold under the HOT POCKETS mark (Pepperoni Pizza Hot Pocket, Meatballs and Mozzarella Hot Pocket, Ham and Cheese Hot Pocket)." *Opp. NOR Exh. 7*, p. 24 (*Nestle Prepared Foods Co. v. Pocket Foods Corporation and V & V Enterprises Inc.*) However, applicant's mark at issue in this case is quite different and opposer's marks are not being considered in conjunction with the specific product names. We further note the Court decision was very specific as to the product names and found no infringement as to opposer's asserted "Breakfast Pockets" mark and applicant's "Breakfast Pocket" because opposer was no longer selling that product. *Id.* Thus, it appears that opposer's other marks (HOT POCKETS, LEAN POCKETS, etc.) were not infringed by applicant's use of "Breakfast Pocket."

2011 WL 1060725 (Trademark Tr. & App. Bd.)

2011 WL 3828717 (Trademark Tr. & App. Bd.)

THIS OPINION IS NOT A PRECEDENT OF THE TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

NetIQ Corporation

v.

Egis Incorporated

Opposition No. 91187844 to application Serial No. 77341864 filed on December 1, 2007

August 9, 2011

*1 Leslie C. Ruiter of Stokes Lawrence PS for NetIQ Corporation
Michael A. Shimokaji of Shimokaji & Associates PC for Egis Incorporated

Before Quinn, Taylor and Bergsman
Administrative Trademark Judges
Opinion by Bergsman
Administrative Trademark Judge:

Egis Incorporated (“applicant”) filed an intent-to-use application for the mark EGIS, in standard character form, for the following goods:

Computer software and firmware for the encryption, decryption, compression, protection, retention and transmission of data, files and information; electronic publications, namely, manuals, handbooks, and guides featuring information relating to computer software and firmware for the encryption, decryption, compression, protection, retention and transmission of data, files and information recorded on electronic media, in class 9.

NetIQ Corporation (“opposer”) filed a notice of opposition against the registration of applicant's mark on the ground of likelihood of confusion pursuant to Section 2(d) of the Trademark Act of 1946, 15 U.S.C. §1052(d). Specifically, opposer alleged that it is the owner of the federally-registered mark AEGIS for “computer software for coordinating and connecting information technology management products and modeling, measuring, managing and automating information technology processes; instruction manuals sold as a unit therewith,” in Class 9¹ and that applicant's mark for its software so resembles opposer's mark for its software as to be likely to cause confusion.

Applicant, in its answer, denied the salient allegations in the notice of opposition.

Preliminary Issues

A. Exhibits to pleadings.

Trademark Rule 2.122(c), 37 CFR § 2.122(c), provides that subject to specific exceptions “an exhibit attached to a pleading is not evidence on behalf of the party to whose pleading the exhibit is attached unless identified and introduced in evidence as an exhibit during the period of for the taking of testimony.” Accordingly, except for opposer's copy of its pleaded registration, discussed below, none of the exhibits attached to either the notice of opposition or applicant's answer are evidence in this proceeding.

B. Exhibits to briefs.

*2 Exhibits and other evidentiary materials attached to a party's brief on the case can be given no consideration unless they were properly made of record during the time for taking testimony. *See, e.g., Syngenta Crop Protection, Inc. v. Bio-Chek, LLC*, 90 USPQ2d 1112, 1116 (TTAB 2009); *Bass Pro Trademarks LLC v. Sportsman Warehouse, Inc.*, 89 USPQ2d 1844, 1848 (TTAB 2008); *Life Zone Inc. v. Middleman Group Inc.*, 87 USPQ2d 1953, 1955 (TTAB 2008). *See also* Trademark Rule 2.123(1), 37 CFR §2.123(1) (“Evidence not obtained and filed in compliance with these sections will not be considered”). Accordingly, the evidence attached to the briefs of the parties has been given no consideration.

C. Opposer's motion to strike applicant's brief.

Pursuant to the Board's August 23, 2010 order, applicant's brief on the case was due September 22, 2010. Defendant filed its brief on September 23, 2010 and failed to serve opposer. Nevertheless, opposer timely filed its reply brief.

In its reply brief, opposer moved to strike applicant's main brief on the grounds that it was not timely filed and that it was not served on opposer.² In opposition to the motion to strike, applicant argues that counsel “incorrectly advised his staff of the due date by one day,” that opposer has not suffered any prejudice and that the proceedings will not be delayed.³

Where, as here, applicant's time to file its brief had expired, applicant must show that its failure to act during the time set was the result of excusable neglect. Fed. R. Civ. P. 6(b). The analysis to be used in determining whether a party has shown excusable neglect was set forth by the Supreme Court in *Pioneer Investment Services Company v. Brunswick Associates Ltd. Partnership*, 507 U.S. 380 (1993), adopted by the Board in *Pumpkin Ltd. v. The Seed Corps*, 43 USPQ2d 1582 (TTAB 1997). These cases hold that the excusable neglect determination must take into account all relevant circumstances surrounding the party's omission or delay, including (1) the danger of prejudice to the nonmovant, (2) the length of the delay and its potential impact on judicial proceedings, (3) the reason for the delay, including whether it was within the reasonable control of the movant, and (4) whether the movant acted in good faith.

We find that (1) there is no prejudice to opposer because of the late filing of applicant's brief, (2) applicant's one day delay created no impact on these proceedings, (3) the delay was totally within the control of applicant, and (4) applicant acted in good faith. Also, we consider the fact that a brief on the case is often helpful to the Board in understanding the facts and analyzing the likelihood of confusion. In view of the foregoing, we find that applicant has met the standard of excusable neglect and, therefore, opposer's motion to strike applicant's brief is denied.

D. Applicant's motion to dismiss the opposition based on opposer's failure to take testimony or otherwise introduce any evidence.

*3 In its brief, applicant moved to dismiss the opposition on the ground that opposer failed to take testimony or otherwise introduce any evidence. Trademark Rule 2.132, 37 CFR § 2.132.

Trademark Rule 2.132(a) is not applicable because, as indicated above, opposer has made its pleaded registration of record. Trademark Rule 2.132(b) provides that when the only evidence introduced by opposer is its pleaded registration, applicant may file a motion to dismiss the opposition on the ground that the opposer has shown no right to relief. A motion to dismiss under Trademark Rule 2.132(b) must be filed before the opening of applicant's testimony period. Trademark Rule 2.132(c) (“A motion filed under paragraph (a) or (b) of this section must be filed before the opening of the testimony period of the moving party”). Because applicant filed the motion to dismiss as part of its brief after the close of trial, it was not timely and, therefore, applicant's motion to dismiss the opposition under Trademark Rule 2.312(b) is denied.

The Record

By rule, the record includes applicant's application file and the pleadings. Trademark Rule 2.122(b), 37 CFR §2.122(b).

Opposer made its pleaded registration of record by submitting a copy of it from the electronic database records of the U.S. Patent and Trademark Office showing the current status and title of the registration. Trademark Rule 2.122(d)(1), 37 CFR § 2.122(d)(1).

Applicant did not introduce any testimony or evidence during its testimony period.

Standing

Because opposer has properly made its pleaded registration of record, opposer has established its standing. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

Priority

Because opposer has properly made its pleaded registration of record, Section 2(d) priority is not an issue in this case as to the mark and the goods covered by the registration. *King Candy Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108, 110 (CCPA 1974).

Likelihood of Confusion

Our determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the factors bearing on the issue of likelihood of confusion. *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973). *See also, In re Majestic Distilling Company, Inc.*, 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). In any likelihood of confusion analysis, two key considerations are the similarities between the marks and the similarities between the goods. *See Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976) (“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”).

A. The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.

*4 We turn first to the *du Pont* likelihood of confusion factor focusing on the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression. *In re E. I. du Pont De Nemours & Co.*, 177 USPQ at 567. In a particular case, any one of these means of comparison may be critical in finding the marks to be similar. *In re White Swan Ltd.*, 8 USPQ2d 1534, 1535 (TTAB 1988); *In re Lamson Oil Co.*, 6 USPQ2d 1041, 1042 (TTAB 1988). In comparing the marks, we are mindful that the 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 terms of their commercial impression that confusion as to the source of the goods offered under the respective marks is likely to result.

Opposer's mark AEGIS is similar in appearance to applicant's mark EGIS to the extent that opposer's mark incorporates applicant's entire mark.

The word “aegis” (pronounced x'3b'ej#is) is defined as “the shield or breastplate of Zeus or Athena bearing at its center the head of the Gorgon” and “protection; support,” and “sponsorship; auspices.” The definition references “egis.”⁴ The word “egis” (pronounced x'3b'ej#is) is defined as “aegis.”⁵ Accordingly, the marks are phonetically equivalent and have the same meaning.

The marks AEGIS and EGIS are arbitrary, or suggestive, terms engendering the commercial impression that AEGIS or EGIS software offers protection and support for the users.

In view of the foregoing, we find that the marks are similar in terms of appearance, sound, meaning and commercial impression.

B. The similarity or dissimilarity and nature of the goods in the application and opposer's registration, likely-to-continue channels of trade and classes of consumers.

Opposer has registered AEGIS for “computer software for coordinating and connecting information technology management products and modeling, measuring, managing and automating information technology processes.” “Information technology” is a synonym for “information systems” meaning the “business application of the computer.”⁶ Thus, opposer's AEGIS software is used for managing computer technology.

Applicant is seeking to register EGIS for “computer software and firmware for the encryption, decryption, compression, protection, retention and transmission of data, files and information.” “Encryption” is the process of coding data for security purposes for transmission over a public network.⁷ The encrypted data is decrypted or deciphered and subsequently returned to its original form. “Compression” is “encoding data to take up less space.”⁸

*5 Opposer's software for managing computer technology is broad enough to encompass applicant's software for processing data and, therefore, the goods are legally related.⁹ Because opposer's software may encompass applicant's software, we must presume that applicant's software moves in the same channels of trade and are sold to the same classes of consumer as opposer's software. See *Jansen Enterprises Inc. v. Rind*, 85 USPQ2d 1104, 1108 (TTAB 2007); *Kohler Co. Baldwin Hardware Corp.*, 82 USPQ2d 1100, 1110 (TTAB 2007).

C. The conditions under which and buyers to whom sales are made (i.e., impulse vs. careful, sophisticated purchasing).

Applicant contends that its clients exercise a high degree of care when purchasing its software. Computer software and hardware are generally directed to “expensive” goods. Even if such goods are not considered “expensive”, such are directed to “discriminating purchasers” having a degree of sophistication in their purchasing. A sophisticated consumer would be able to readily distinguish between the highly specialized computer programs of the Applicant and the highly specialized computer programs of the Opposer.¹⁰

One problem with applicant's argument is that, as discussed above, it fails to take into account that based on the descriptions of goods, opposer's software encompasses applicant's software. Accordingly, there is no difference between the parties' “highly specialized computer programs” for the “sophisticated consumer” to distinguish.

Nevertheless, we acknowledge that the customers of both applicant and opposer exercise a high degree of care when selecting software. Even assuming that those customers exercise a high degree of care, that does not outweigh the similarity of the marks and the relatedness of the goods. Being expert or skilled in field of software does not mean that applicant's and registrant's personnel are equally skilled in analysis of trademarks under which these products are marketed. *Medtronic, Inc. v. Medical Devices, Inc.*, 204 USPQ 317, 326 (TTAB 1979). See also *Carlisle Chemical Works, Inc. v. Hardman & Holden Ltd.*, 434 F.2d 1403, 168 USPQ 110, 112 (CCPA 1970) (“Human memories even of discriminating purchasers ... are not infallible.”).

D. Balancing the factors.

Because of the similarity of the marks, the similarity of the goods, and the presumption that the goods move in the same channels of trade and are sold to the same classes of consumers, we find that applicant's mark EGIS, for the goods identified in the

application, so resembles opposer's mark AEGIS, for the goods identified in opposer's registration, as to be likely to cause confusion.

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

Footnotes

- 1 Registration No. 3475845, issued July 29, 2008.
- 2 Because opposer timely filed its reply brief, applicant's failure to serve its brief on opposer was harmless error.
- 3 Applicant's motion to reopen time to file a main brief.
- 4 The Random House Dictionary Of The English Language (Unabridged) p. 30 (2nd ed. 1987). The Board may take judicial notice of dictionary evidence. *University of Notre Dame du Lac v. J. C. Gourmet Food Imports Co.*, 213 USPQ 594, 596 (TTAB 1982), *aff'd*, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983).
- 5 *Id.* at 623.
- 6 The Computer Glossary, p. 196 (7th ed. 1995).
- 7 *Id.* at 133.
- 8 *Id.* at 72 and 91.
- 9 The fact that the descriptions of goods specifically differ does not change our finding regarding the relatedness of the software. Similarity between any of opposer's goods and any of the goods in applicant's description of goods will suffice as a basis for purposes of determining whether the goods are related. *Tuxedo Monopoly, Inc. v. General Mills Fun Group*, 648 F.2d 1335, 209 USPQ 986, 988 (CCPA 1981).
- 10 Applicant's Brief, p. 10.

2011 WL 3828717 (Trademark Tr. & App. Bd.)

A Legal Strategist's Guide to

**TRADEMARK TRIAL
AND APPEAL BOARD
PRACTICE**

SECOND EDITION

Jonathan Hudis, Editor

Cover design by Sonya Taylor/ABA Publishing.

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Printed in the United States of America.

16 15 14 13 12 5 4 3 2 1

Library of Congress Cataloging-in-Publication Data

The legal strategist's guide to Trademark, Trial, and Appeal Board practice / [edited] by Jonathan Hudis. — Second edition.

pages cm

Includes bibliographical references and index.

ISBN 978-1-61438-661-2 (print)

1. United States. Trademark Trial and Appeal Board—Rules and practice. 2. Trademarks—Law and legislation—United States. 3. Trademark infringement—United States. I. Hudis, Jonathan, editor of compilation. II. American Bar Association.

KF3193.L44 2012

346.7304'88—dc23

2012026883

Discounts are available for books ordered in bulk. Special consideration is given to state bars, CLE programs, and other bar-related organizations. Inquire at Book Publishing, ABA Publishing, American Bar Association, 321 North Clark Street, Chicago, Illinois 60654-7598.

www.ShopABA.org

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chapter six

Use of Experts

Joseph N. Welch II

I. Introduction

The proper use of experts in Trademark Trial and Appeal Board (TTAB) proceedings has become increasingly important and, in some cases, expected. Those litigating TTAB proceedings need to understand that the nature of the forum can raise unique issues with regard to the presentation of expert testimony. While consumer surveys are the most common form of expert evidence in TTAB proceedings, experts can help the Board in other ways, such as by explaining the pertinent attributes of the market, the products, and even the nature of the marks at issue. In virtually all instances, counsel will need to assist the expert in understanding the case and the context for the expert's opinion, without overstepping the boundaries of that role. Familiarity with the basics of survey design, the requisite qualifications for an expert witness, what will be admissible and what will not, what will be given weight and what will not, what tactics lead to success and what ones lead to failure, is critical to providing optimal representation.

At the same time, the Federal Circuit Court of Appeals and the TTAB have made it clear that there are times when experts are unnecessary. For example, a survey may be unnecessary to prove the fame of a mark.¹ Using an expert to explain an aspect of the law may be appropriate in some cases

1. *Bose Corp. v. QSC Audio Products, Inc.*, 293 F.3d 1367, 1374 (Fed. Cir. 2002) (“[D]irect evidence, such as surveys, is not required in order to determine whether a mark is famous. Indeed . . . virtually all of our precedent attributing fame to a mark has done so through indirect evidence of the extent to which a mark has earned fame in the consumer marketplace.”); *Ass'n pour la Defense et la Promotion de l'Oeuvre de Marc Chagall v. Bondarchuk*, 82 U.S.P.Q.2d 1838, 1844 (T.T.A.B. 2007) (survey unnecessary for purposes of showing “fame or reputation” in § 2(a) false suggestion of connection case).

and not in others.² Sometimes it may be possible to use someone in-house at the client to provide expert testimony, or the equivalent, based on personal knowledge and experience in the particular employment.

Counsel also must take appropriate steps so that the expert's opinion is accepted into evidence. For expert evidence, the most important Federal Rules of Evidence (Fed. R. Evid.) are Fed. R. Evid. 702 and 703.³

Fed. R. Evid. 702 states:

If scientific, technical or other specialized knowledge will assist the trier of fact to understand the evidence or to determine a fact in issue, a witness qualified as an expert by knowledge, skill, experience, training or education, may testify thereto in the form of an opinion or otherwise, if (1) the testimony is based on sufficient facts or data, (2) the testimony is the product of reliable principles and methods, and (3) the witness has applied the principles and methods reliably to the facts of the case.

Fed. R. Evid. 703 states in part:

If of a type reasonably relied upon by experts in the particular field in forming opinions or inferences upon the subject, the facts or data need not be admissible in evidence in order for the [expert's] opinion or inference [based upon them] to be admitted.

The Supreme Court addressed Fed. R. Evid. 702 and the admissibility of scientific expert evidence in the watershed decision *Daubert v. Merrell Dow Pharmaceuticals, Inc.*⁴ It concluded that in applying Fed. R. Evid. 702, the adjudicator must make "a preliminary assessment of whether the reasoning or methodology underlying the testimony is scientifically valid and whether that reasoning or methodology properly can be applied to the facts at issue."⁵ In *Kumho Tire Co. v. Carmichael*,⁶ the Court clarified that the *Daubert* gatekeeping considerations used to ensure that scientific testimony is reliable and relevant can be used for other types of expert

2. See, e.g., *N. Am. Bear Co. v. Vt. Teddy Bear Co.*, 2003 WL 476257, at *3, n.4 (T.T.A.B. Feb. 25, 2003) (trademark lawyer's opinion that confusion was unlikely given "relatively little weight").

3. The Federal Rules of Evidence (Fed. R. Evid.) and the relevant Federal Rules of Civil Procedure (Fed. R. Civ. P.) apply in TTAB proceedings. Trademark Rule 2.122, 37 C.F.R. § 2.122.

4. 509 U.S. 579 (1993).

5. *Id.* at 592-93. See also *Vail Assoc., Inc. v. Vend-Tel-Co., Ltd.*, 516 F.3d 853, 864 n.8 (10th Cir. 2008) (survey properly excluded from evidence under *Daubert* where "unrebutted testimony" showed "systematic design flaws" and the survey "utterly failed to comply with generally accepted survey principles"); Kenneth A. Plevan, *Daubert's Impact on Survey Experts in Lanham Act Litigation*, 95 TRADEMARK REP. 596 (2005).

6. 526 U.S. 137 (1999).

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7. *Id.* at 1

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evidence, and that an adjudicator can exercise his or her discretion in applying the *Daubert* factors individually or as a whole.⁷ The decision has further been interpreted to mean that the *Daubert* factors may or may not apply in a particular case, and that the expertise of the witness may be based upon personal knowledge or experience.⁸

A principal concern in federal court cases is the effect of flawed expert evidence on the jury. Judges therefore are consistently more willing to admit such evidence, but accord it diminished weight, in a nonjury case.⁹ The TTAB, with its administrative judges instead of a jury, is in a similar position to exercise its discretion in admitting expert evidence or affording it diminished weight.¹⁰

Appropriately used, expert evidence can be compelling and even dispositive. The discussion that follows explains the different types of expert evidence used in TTAB cases, successful techniques for its use, and pitfalls to avoid.

II. Expert Disclosure Requirements

As discussed elsewhere in this book, expert disclosures are due no later than 30 days before the end of the discovery period, unless otherwise ordered by the Board.¹¹ Absent such an order, rebuttal experts need to be identified within 30 days of the adverse party's prior disclosure of its expert—that is, by the close of discovery.¹² The Board will consider non-compliant (i.e., not timely) disclosures on a case-by-case basis.¹³ Informing

7. *Id.* at 138.

8. *See, e.g.,* *Betterbox Comm'ns, Ltd. v. BB Technologies, Inc.*, 300 F.3d 325, 329 (3d Cir. 2002).

9. *See, e.g.,* *Hutchinson v. Essence Comm'ns*, 769 F. Supp. 541, 557–65 (S.D.N.Y. 1991) (appropriate to admit the survey data in a nonjury case, but after extensive analysis finding the data “not entitled to significant weight” because of the survey defects).

10. *See, e.g.,* *Stuart Spector Designs Ltd. v. Fender Musical Instruments Corp.*, 94 U.S.P.Q.2d 1549, 1569 (T.T.A.B. 2009) (survey that excluded segment of potential purchasers admitted but had “lessened probative value”); *7-Eleven, Inc. v. Morrison*, 2008 WL 2385970, at *13 (T.T.A.B. 2008) (survey with small sample admitted and given some weight).

11. FED. R. CIV. P. 26(a)(2), Trademark Rule 2.120(a), 37 C.F.R. § 2.120(a). “The USPTO’s rules now require that ‘disclosure of expert testimony must occur in the manner and sequence provided in Federal Rule of Civil Procedure 26(a)(2).’” *7-Eleven, Inc. v. Morrison*, 2008 WL 2385970, at *2, n.2 (T.T.A.B. 2008).

12. 72 Fed. Reg. 42,246. This deadline applies to testifying experts but not consulting experts.

13. *Id.* Leave to use the expert testimony must be sought from the Board if the disclosure is untimely. 72 Fed. Reg. 42,254; Trademark Rule 2.120(a)(2); 37 C.F.R. § 2.120(a)(2).

the TTAB of expert disclosures will enable it to allow time for expert discovery.¹⁴

Unless otherwise stipulated or ordered by the Board, the disclosure must include (1) the expert's written report containing a complete statement of the expert's opinion with its bases and reasoning; (2) all data used in forming the opinion; (3) any exhibits; (4) the expert's qualifications; (5) a list of cases from the past four years in which the expert testified; and (6) identification of the expert's compensation for the TTAB opinion and testimony.¹⁵ Expert disclosures must be signed and served.¹⁶

In *General Council of the Assemblies of God v. Heritage Music Foundation*,¹⁷ for example, petitioner unsuccessfully moved to strike the testimony of respondent's expert for failure to meet most of these disclosure requirements. The Board cited five factors that normally would be applicable under Fed. R. Civ. P. 37(c): "(1) the surprise to the party against whom the witness was to have testified; (2) the ability of the party to cure that surprise; (3) the extent to which allowing the testimony would disrupt the trial; (4) the explanation for the party's failure to name the witness [or here, make proper disclosures] before trial; and (5) the importance of the testimony."¹⁸ Here, however, the respondent had "supplemented its expert disclosure as soon as the deficiencies were brought to its attention" so that there were "no last-minute changes, the discovery period is still open, and there is no disruption to trial."¹⁹ The "prompt supplementation of the disclosure resolve[d] the problem" and the Rule 37(c) factors therefore did not need to be applied to determine whether the omissions "were substantially justified or harmless."²⁰ The Board nonetheless underscored that expert disclosures should be correctly made in the first place, and also confirmed that the disclosing party is not required to inform the Board despite the potential benefits of doing so, but only to serve opposing counsel.²¹

Objections to an expert's qualifications should not be withheld beyond the time of the expert's testimony. In *ZAO Gruppya Predpriyatij Ost v. Vosk Int'l Co.*,²² the Board held that such belated objections were waived. "Applicant's objections should have been made at the deposition, when opposers

14. Gerard Rogers, *TTAB Practice Updates and Strategies*, Am. Intellectual Prop. Law Ass'n Web Seminar, at 28 (2008); Trademark Rule 7.120(a)(2); 37 C.F.R. § 2.120(a)(2).

15. FED. R. CIV. P. 26(a)(2)(B); 72 Fed. Reg. 42,246 and 42,254.

16. Trademark Rule 2.119 (a); FED. R. CIV. P. 26(a)(4).

17. 97 U.S.P.Q.2d 1890 (T.T.A.B. 2011).

18. *Id.* at *2.

19. *Id.*

20. *Id.* at *3.

21. *Id.* at *4.

22. 2011 WL 3828709 (T.T.A.B. 2011) (nonprecedential).

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III. Survey

A. Overview

Occasionally, a party's failure to disclose its expert testimony can result in an unfair trial. In *Occasionally, a party's failure to disclose its expert testimony can result in an unfair trial. In*

Surveys typically show a claimant's potential results, that survey be drawn.²⁵

23. *Id.* at *1 P. 30(d)(3)(A).

24. *See, e.g.*, failure to present by the Federal survey may strengthen position." THE R

25. McDonald obligated in a T Hilson Research 1993). *See also* Cases: A Critiqu

26. *See, e.g.* 525-27 (E.D.N. generic); Donch shown to be ge: 21509858, at *1 rather than ge: 1985) (acquired U.S.P.Q. 317, 3

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P.R. § 2.120(a)(2).

would have had an opportunity to clear up any question as to Mr. Gill's competency as an expert."²³

III. Survey Experts

A. Overview

Occasionally, a federal court judge will indicate that a financially well-off party's failure to submit a survey may weigh against it. The apparent thinking is that the party either must have conducted a survey and obtained unfavorable results or did not run one out of concern over the potential results.²⁴ The TTAB, however, has emphasized the contrary, that is, that survey evidence is *not* required, and that no negative inference will be drawn.²⁵

Surveys typically are used in TTAB proceedings to measure the pertinent population's responses to the mark at issue. Surveys can be used to show a claimed mark is generic, or lacks secondary meaning, or conversely that it is not generic, or has acquired distinctiveness and renown.²⁶ Surveys also can be used to test whether consumers are likely to be confused, or are likely to make the association that leads to dilution.²⁷

23. *Id.* at *11, citing Trademark Rule 2.123(k), 37 C.F.R. § 2.123(k); FED. R. CIV. P. 30(d)(3)(A).

24. *See, e.g.,* *Star Indus. v. Bacardi & Co.*, 412 F.3d 373, 388 (2d Cir. 2005) (plaintiff's failure to present a survey "weighs against a finding of consumer confusion"). As explained by the Federal Judicial Center, some courts take "the position that failure to undertake a survey may strongly suggest that a properly done survey would not support the plaintiff's position." *THE REFERENCE MANUAL ON SCIENTIFIC EVIDENCE* 372 (Fed. Judicial Ctr., 3d ed. 2011).

25. *McDonald's Corp. v. McClain*, 37 U.S.P.Q.2d 1274, 1277 (T.T.A.B. 1995) (no one is obligated in a TTAB proceeding "to spend the effort and expense to obtain such evidence"); *Hilson Research Inc. v. Soc'y for Human Res. Mgmt.*, 27 U.S.P.Q.2d 1423, 1435-36 (T.T.A.B. 1993). *See also* Sandra Edelman, *Failure to Conduct a Survey in Trademark Infringement Cases: A Critique of the Adverse Inference*, 90 TRADEMARK REP. 746 (2000).

26. *See, e.g.,* *E.I. DuPont de Nemours & Co. v. Yoshida Int'l, Inc.*, 393 F. Supp. 502, 525-27 (E.D.N.Y. 1975) (survey showing TEFLON is perceived as a brand name and is not generic); *Donchez v. Coors Brewing Co.*, 392 F.3d 1211, 1218 (10th Cir. 2004) ("Beerman" shown to be generic); *Arrow Trading Co., Inc. v. Victorinox A.G. & Wenger S.A.*, 2003 WL 21509858, at *14-15 (T.T.A.B. 2003) (survey showing SWISS ARMY recognized as a brand rather than generic); *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1127 (Fed. Cir. 1985) (acquired distinctiveness and renown of color pink for insulation); *In re Raytheon*, 202 U.S.P.Q. 317, 319-20 (T.T.A.B. 1979) (acquired distinctiveness).

27. *See, e.g.,* *Union Carbide Corp. v. Ever-Ready Inc.*, 531 F.2d 366, 385-88 (7th Cir. 1976) (widely adopted likelihood of confusion format); *Anheuser-Busch, Inc. v. Mambo Seafood #1, Inc.*, 2008 WL 4674603, at *8 (T.T.A.B. Sept. 22, 2008) (modified *Ever-Ready* format); *Anheuser-Busch, Inc. v. Balducci Publ'ns*, 28 F.3d 769, 775, 777 (8th Cir. 1994), *cert. denied*, 115 S. Ct. 903 (1995) (successful dilution by tarnishment survey); *Nike, Inc. v. Nikepal Int'l, Inc.*, 84 U.S.P.Q.2d 1820 (E.D. Cal. 2007) (survey showing strong association between the marks helped demonstrate likely dilution).

A principal concern regarding such evidence is that the opponent never gets to cross-examine the survey respondents to probe the reasons behind their responses, and the TTAB never gets to assess their credibility.²⁸ In other words, such evidence fundamentally is hearsay. Why has it become so widely accepted in these cases? The Fed. R. Evid., as applied by the TTAB, identify exceptions to the hearsay rule for experts. Most important is Fed. R. Evid. 703, set forth above. It places emphasis on the trustworthiness of the techniques employed. As stated in the notes of the Advisory Committee for that Rule, “[t]he rule offers a more satisfactory basis for ruling upon the admissibility of public opinion poll evidence. Attention is directed to the validity of the techniques employed rather than to fruitless inquiries into whether hearsay is involved.”²⁹ Fed. R. Evid. 803 and 807 also may be invoked to support the admissibility of surveys or other market research conducted in the ordinary course of business. As Judge Sonia Sotomayor explained while sitting on the Second Circuit Court of Appeals:

One of the . . . most common bases for admitting survey evidence is Rule 803(3), which creates an exception to the hearsay rule for statements that express a declarant’s state of mind at the time of the utterance. . . . The great majority of surveys admitted in this Circuit, including those used in Lanham Act cases to establish actual confusion or secondary meaning, fall into this category: they poll individuals about their presently-existing states of mind to establish facts about the group’s mental impressions.³⁰

It is critical that the survey expert employ proper methodology, to ensure trustworthiness. Basic survey designs are discussed below, along with holdings that provide guidance on do’s and don’ts.

28. The TTAB’s assessment of witness credibility is more limited than courts’, as it considers only written testimony, normally in the form of depositions. Trademark Rule 2.191; 37 C.F.R. § 2.191; TTAB Manual of Procedure § 703.01(a); *Hewlett-Packard Co. v. Healthcare Pers., Inc.*, 21 U.S.P.Q.2d 1552, 1553 (T.T.A.B. 1991) (explaining the difference between TTAB and federal court trial testimony).

29. *Cf. iMedica Corp. v. Medica Health Plans*, 2007 WL 1697344, at *6 (T.T.A.B. 2007) (sustaining objection to third-party survey under FED. R. EVID. 703 where the applicant/petitioner “has not offered any testimony of anyone with first-hand knowledge of the survey, including any testimony as to the mechanics of how the ‘Study’ was conducted”); Richard J. Leighton, *Using (and Not Using) the Hearsay Rules to Admit and Exclude Surveys in Lanham Act False Advertising and Trademark Cases*, 92 TRADEMARK REP. 1305 (2002).

30. *Schering Corp. v. Pfizer Inc.*, 189 F.3d 218, 227 (2d Cir. 1999). *See generally id.* 189 F.3d at 224–40 (discussing at length the application of FED. R. EVID. 803 and 807 to five proffered surveys).

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B. Survey Basics

1. The Required Elements

A number of procedural elements need to be satisfied for a survey to be deemed admissible and given weight. The Federal Judiciary Center's *Manual for Complex Litigation* includes the following elements:

1. Respondents are selected from the proper universe.
2. They constitute a representative sample of that universe.
3. The resulting data are accurately reported.
4. The data are analyzed in accordance with accepted principles.
5. The survey questions are clear and not leading.
6. Qualified persons conduct the survey using proper interviewing procedures.³¹

2. Proper Universe

The proper universe normally is defined as actual and potential purchasers of defendant's (i.e., applicant's or registrant's) product.³² In reverse confusion cases, the proper universe will be actual and potential purchasers of plaintiff's (i.e., opposer's or petitioner's) products, because the contention is that consumers likely will believe that plaintiff's product emanates from the defendant.³³

Some examples of improper universes:³⁴ (1) for showing secondary meaning in running shoe insignia, the universe of individuals at running events in the Washington-Baltimore area was too narrow;³⁵ (2) for likelihood of confusion, individuals who had already purchased or leased the DONKEY KONG videogames at issue, rather than potential future purchasers, were

31. MANUAL FOR COMPLEX LITIGATION § 11.493, at 102-03 (4th ed. 2004).

32. *Paco Sport Ltd. v. Paco Rabanne Parfums*, 86 F. Supp. 2d 305, 322 (S.D.N.Y. 2000) ("a survey must rely on responses of prospective purchasers of the products in question . . . [for "traditional" confusion] the relevant market consists of the junior user's customers"), *aff'd without op.*, 234 F.3d 1262 (2d Cir. 2000); *Zimmerman v. Nat'l Ass'n of Realtors*, 70 U.S.P.Q.2d 1425, 1435-36 (T.T.A.B. 2004). See generally Robert C. Bird, *Streamlining Consumer Survey Analysis: An Examination of the Concept of Universe in Consumer Surveys Offered in Intellectual Property Litigation*, 88 TRADEMARK REP. 269 (1998); Peter Weiss, *The Use of Survey Evidence in Trademark Litigation: Science, Art or Confidence Game*, 80 TRADEMARK REP. 71 (1990).

33. See *Paco Sport*, 86 F. Supp. 2d at 322. See also *Citizens Fin. Group, Inc. v. Citizens Nat'l Bank of Evans City*, 383 F.3d 110, 121 (3d Cir. 2004), *cert. denied*, 544 U.S. 1018 (2005) ("The court should limit survey evidence in reverse confusion cases to the customers of the senior user").

34. See generally D. Hilliard, J. Welch, and J. Marvel, TRADEMARKS AND UNFAIR COMPETITION DESKBOOK § 6.14[4], at 214-15 (5th ed. 2011).

35. *Brooks Shoe Mfg. Co. v. Suave Shoe Corp.*, 533 F. Supp. 75, 80 (S.D. Fla. 1981), *aff'd*, 716 F.2d 854 (11th Cir. 1983).

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the wrong universe;³⁶ (3) for likelihood of confusion, female household members at home rather than the primary purchasers of defendant's DOMINO PIZZA at that time—that is, single male college students—were the wrong universe;³⁷ (4) for likelihood of confusion, persons planning on buying gifts for girls under 12 years old, instead of potential purchasers of CABBAGE PATCH dolls, constituted too broad a universe, especially where such potential purchasers might exercise special care in purchasing;³⁸ (5) for likelihood of confusion, girls 13–18 years old was an “arbitrary subset of consumers of beanbag stuffed animals” and therefore not probative;³⁹ (6) for secondary meaning in guitar trade dress, the probative value was weakened where the segment of potential purchasers who did not play guitar was excluded.⁴⁰

3. Representative Sample

The number of respondents tested should be sufficient to provide probative results, and should be representative of the universe. The TTAB has criticized some sample sizes as “small,” leading to the results being given less weight.⁴¹ There is no set rule for what number is sufficient, but often hundreds of respondents are tested.⁴²

A probability sample is derived from a random sampling of the universe in which each person has a known probability of being selected.⁴³ Telephone surveys can have probability samples, with respondent's phone numbers randomly selected based on a formula. Results based on prob-

36. *Universal City Studios, Inc. v. Nintendo Co., Ltd.*, 746 F.2d 112, 118 (2d Cir. 1984).

37. *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 264 (5th Cir. 1980).

38. *Original Appalachian Artworks, Inc. v. Blue Box Factory (USA), Ltd.*, 577 F. Supp. 625, 632 (S.D.N.Y. 1983).

39. *TY Inc. v. Softbelly's, Inc.*, 353 F.3d 528, 531 (7th Cir. 2003) (“the survey was worthless”).

40. *Stuart Spector Designs Ltd. v. Fender Musical Instruments Corp.*, 94 U.S.P.Q.2d 1549, 1570 (T.T.A.B. 2009). *Cf. Factory Five Racing, Inc. v. Carroll Shelby*, 2010 WL 4232609 at *17 (T.T.A.B. 2010) (survey results were of little probative value where, among other things, the survey universe was “overly broad” and “extend[ed] well beyond potential purchasers of the relevant goods”—i.e., potential purchasers of replica kits for high-performance cars).

41. *In re Kimpton Hotel & Rest. Group*, 55 U.S.P.Q.2d 1154, 1157 (T.T.A.B. 2000) (100 survey respondents was “insufficient”); *Zimmerman v. Nat'l Ass'n of Realtors*, 70 U.S.P.Q.2d 1425, 1435–36 (T.T.A.B. 2004) (survey with 96 respondents given “very little weight”); *iMedica Corp. v. Medica Health Plans*, 2007 WL 1697344, at *4–5 (T.T.A.B. 2007) (survey results not given great weight where only 57 respondents interviewed). *Cf. 7-Eleven, Inc. v. Morrison*, 2008 WL 2385970, at *13 (T.T.A.B. 2008) (nonprecedential) (“While the survey sample was small (162 respondents), it is still entitled to some weight”).

42. *See, e.g., Saint-Gobain Corp. v. 3M Co.*, 90 U.S.P.Q.2d 1425, 1438 (T.T.A.B. 2007) (approximately 600 respondents, including control group); *Clinique Laboratories LLC v. Absolute Dental, LLC*, 2011 WL 1652171 at *10 (T.T.A.B. 2011) (nonprecedential) (432 respondents).

43. Robert C. Sorenson, *Survey Research Execution in Trademark Litigation: Does Practice Make Perfection?*, 73 TRADEMARK REP. 349, 355 (1983).

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ability samples have the virtue of being projectable to the entire universe. However, surveys based on probability samples can be excessively costly.⁴⁴

As a result, nonprobability samples, while not creating the projectable results that probability sample results do, are used more widely, and have come to be routinely accepted.⁴⁵ Fed. R. Evid. 703 helps this by permitting experts to rely on even inadmissible evidence if the evidence is "of a type reasonably relied on by experts in the particular field in forming opinions or inferences upon the subject." The most common form of nonprobability survey is the mall intercept, in which consumers in shopping malls are asked to participate. The TTAB has specifically accepted this form of survey as probative.⁴⁶

4. Accurate Reporting

Normally an experienced expert will understand the methodology for proper and accurate reporting of the response data collected. According to the Federal Judiciary Center, the following points should be included in a survey report:

- The survey's purpose.
- A description of the universe and the sample taken from it.
- A description of how respondents in the sample were selected, the interviewing method, validation (postinterview confirmation callbacks), screening criteria used, and other pertinent information.
- A description of how many potential respondents were contacted to obtain the final sample, and how many interviews were conducted to obtain the final, completed interviews.
- The questions asked respondents, including a copy of the questionnaire, interview instructions, and exhibits shown respondents.

44. Also, as discussed further below, changes in phone usage (e.g., cell phones and call blocking) have caused response rates to telephone surveys to dramatically decline. Gabriel M. Gelb & Betsy D. Gelb, *Internet Surveys for Trademark Litigation: Ready or Not, Here They Come*, 97 TRADEMARK REP. 1073, 1076 (2007).

45. Jacob Jacoby & Amy H. Handlin, *Nonprobability Sampling Designs for Litigation Surveys*, 81 TRADEMARK REP. 169 (1991); THE REFERENCE MANUAL ON SCIENTIFIC EVIDENCE 382 (Fed. Judicial Ctr., 3d ed. 2011) (Nonprobability survey results are "admitted into evidence [because] nonprobability sampling is used widely in marketing research and . . . results of these studies are used by major American companies in making decisions of considerable consequences.").

46. *Miles Labs., Inc. v. Naturally Vitamin Supplements, Inc.*, 1 U.S.P.Q.2d 1445, 1455-56 n.33 (T.T.A.B. 1986) ("The shopping mall intercept method has . . . been endorsed as adequate in numerous decisions."); *Clinique Laboratories LLC v. Absolute Dental, LLC*, 2011 WL 1652171 at *10 (T.T.A.B. 2011) (successful mall intercept survey). Given that such surveys typically seek to test, as closely as possible, the reactions of potential purchasers in the purchasing context, shopping malls also contribute appropriate context. Cf. *McDonough Power Equip., Inc. v. Weed Eater, Inc.*, 208 U.S.P.Q. 676, 685 (T.T.A.B. 1981) (survey location "did not duplicate an actual marketing environment").

- A description of how responses were categorized by the expert.
- An estimate of any sampling error in probability samples.
- Clearly labeled statistical data tables.⁴⁷

It is good practice to also supply a copy of the verbatim responses, so that the opposing party can apply its own analysis and the Board can properly assess the expert's conclusions. If not supplied, the opposing party should request their production.

5. Appropriate Analysis

The expert will lose credibility and the evidentiary value of the survey results will be undermined if the expert exhibits bias in categorizing respondent answers. Because open-ended, nonleading questions are encouraged, and responses can take such varied forms, it often is a challenge for the expert to interpret their meaning and assign their place within the issues of the case. Nonetheless, the expert must resist the temptation to slant categorization in favor of the desired outcome.⁴⁸

In one TTAB case, for example, the applicant failed to disclose "the rules and procedure for coding the raw data," and the TTAB found that "the inability to review either the coding rules and procedures or, more importantly, the verbatim responses, lessens the probative value of the survey report's conclusions."⁴⁹

6. Clear, Nonleading Questions

Probably the most common survey criticism is the alleged improper use of leading questions. Such questions suggest the desired answer, rather than objectively testing consumer reactions. For example, asking if the two stores at issue, Marshall Field's and Mrs. Fields, "have a business connection or a business association with one another, or not" was improperly misleading because it "tends to deliberately plant in the respondent's mind

47. THE REFERENCE MANUAL ON SCIENTIFIC EVIDENCE 415-16 (Fed. Judicial Ctr., 3d ed. 2011). Cf. M2 Software, Inc. v. Madacy Ent., 421 F.3d 1073, 1087 (9th Cir. 2005) (survey rejected where its designer did not qualify as an expert and the survey was not shown to have complied with acceptable methods in a "statistically correct manner").

48. Cf. Nat'l Biscuit Co. v. Princeton Mining Co., 137 U.S.P.Q. 250, 253 (T.T.A.B. 1963), *aff'd*, 338 F.2d 1022 (C.C.P.A. 1964); Hershey Foods Corp. v. Cerreta, 195 U.S.P.Q. 246, 256 (T.T.A.B. 1977) ("there appears to be a built in prejudice in the tabulation of the results").

49. Stuart Spector Designs, Ltd. v. Fender Musical Instruments Corp., 94 U.S.P.Q.2d 1549, 1569 (T.T.A.B. 2009). The survey had other flaws, and in the end the TTAB found it "not particularly probative." *Id.* at 1571. See also Factory Five Racing, Inc. v. Carroll Shelby, 2010 WL 4232609 at *18 (T.T.A.B. 2010) (the absence of any transcription of the verbal responses was one of many survey flaws).

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Counsel should be comfortable that the survey questions are easy to follow and to respond to, and that they align with the issues of the case. Unclear, ambiguous questions will undermine survey results, sometimes rendering the survey useless.⁵¹

7. Properly Conducted by Qualified Persons

Interviewers normally are instructed by a supervisor as to how the survey interviews are to be conducted. They are told what to say to the respondents, what stimulus they will be using, and how they will present it (e.g., showing the stimulus and then removing it, or allowing the respondent to hold it and refer to the stimulus while responding). How to fill out the interview form also is explained. It is best if the expert prepares written instructions for the supervisor and the interviewers. To ensure objectivity, interviewers must be unaware of the goals of the survey. They must operate independently of litigation counsel, and should have no knowledge of the litigation or its issues.⁵²

The supervisor typically monitors the interviewers to make sure the survey is correctly conducted. It is common to use postinterview validation to confirm the interview took place (i.e., the interviewer did not fabricate it), the respondent was qualified, and the design methodology was followed.⁵³

C. Likelihood of Confusion Surveys

I. The Ever-Ready Survey Format

The *Ever-Ready* survey format is the one used most in TTAB proceedings for assessing likelihood of confusion. It was first used in a Seventh

50. *Marshall Field & Co. v. Mrs. Fields Cookies*, 25 U.S.P.Q.2d 1321, 1333-34 (T.T.A.B. 1992).

51. *QVC, Inc. v. Home Shopping Network, Inc.*, Opposition Nos. 91/102,173, 91/103,135, 91/104,078, 91/104,173, 91/104,181, 91/104,193, 91/104,323, at 33 (T.T.A.B. 1999); *Hershey Foods Corp. v. Cerreta*, 195 U.S.P.Q. 246, 255-56 (T.T.A.B. 1977) (ambiguous questions and other defects).

52. *See, e.g., McDonough Power Equip., Inc. v. Weed Eater, Inc.*, 208 U.S.P.Q. 676, 684-85 (T.T.A.B. 1980) (11 percent confusion weighed against proferor where, among other things, the expert "undertook the operation of the entire survey from start to finish, knowing full well the identity of the client and the purpose of the study," raising questions of "partiality").

53. *See, e.g., Sheller-Globe Corp. v. Scott Paper Co.*, 204 U.S.P.Q. 329, 334 (T.T.A.B. 1979) (among defects causing survey results to be given no weight, there was no validation of responses or respondents); *The University of Iowa v. The University of Southern Mississippi*, 2011 WL 35333293 at *19 (T.T.A.B. 2011) (nonprecedential) (flaws diminished reliability of survey results, including that "several of the survey administrators . . . may have sacrificed reliability with their intercept and interview methodologies").

Circuit decision to show that confusion was likely between the famous EVEREADY mark for batteries and defendant's use of EVER-READY for flashlight lamps and minibulbs.⁵⁴ In the *Ever-Ready* case, respondents were shown the defendant's EVER-READY lamps and asked the following questions:

1. What company do you think puts out this product?
2. What makes you think so?
3. Please name any other products made by the same concern that puts out the lamp shown here.

That basic format now is commonly augmented by other questions directed to approval or sponsorship, for example:

4. If you have an opinion, do you believe that the [product] shown on this card is or is not made or put out with the approval or sponsorship of any other company or brand? [If yes,] With which other company or brand?
5. [If yes,] Whether or not you know the name of the other company or brand that approved or sponsored the [product] shown on this card, what, if anything, can you tell me about that company or brand?⁵⁵

Similarly, questions directed to affiliation, or to authorization or permission, commonly are included, for example:

6. Do you think that the company that owns this retail establishment is connected or affiliated with any other company? [If yes,] With what other company? What makes you think so?
7. Do you think that the company that owns this retail establishment has authorization, permission, or approval from another company to use this name? [If yes,] From what other company? What makes you think so?⁵⁶

54. *Union Carbide Corp. v. Ever-Ready, Inc.*, 531 F.2d 366, 385–88 (7th Cir. 1976). This traditional format was used, for example, in *Sara Lee Corp. v. Amine Mahmoud*, 2007 WL 4663353 (T.T.A.B. 2007) (nonprecedential) to show LEGSTICK for hosiery was likely to be confused with L'EGGS.

55. *Anheuser-Busch, Inc. v. Mambo Seafood #1, Inc.*, 2008 WL 4674603, at *8 (T.T.A.B. Sept. 22, 2008).

56. These augmenting questions were found proper in *Starbucks U.S. Brands LLC v. Ruben*, 78 U.S.P.Q.2d 1741, 1753 (T.T.A.B. 2006) (“[w]hile these types of questions were not expressly addressed in *Ever-Ready* . . . affiliation and connection queries are appropriate in light of the specific language of the Lanham Act.”). To the same effect: *Clinique Laboratories LLC v. Absolute Dental LLC*, 2011 WL 1652171 at *11 (T.T.A.B. 2011) (nonprecedential).

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The Board normally will find the survey reliable if it follows the *Ever-Ready* format.⁵⁷

There is no set percentage of respondents necessary to establish that confusion is likely. The TTAB has accepted a percentage as low as 11 percent as probative.⁵⁸ Percentages in the 20–30 percent range or higher normally are considered strong evidence of likely confusion.⁵⁹

2. Mystery Shopper Surveys

A mystery shopper survey can create a realistic picture of the actual purchaser experience. The format was first accepted in a case involving the marks “Sun Life of Canada” and “Sun Life of America” for annuity products.⁶⁰ Interviewers were trained to pose as potential annuity purchasers. They telephoned annuity brokers and asked a designed set of questions that tested the brokers’ understanding of product source and any perceived relationship between the parties based on the marks. This revealed substantial confusion, ranging among various survey cells from 15 percent to more than 60 percent. This supported the court’s conclusion that confusion was not only likely but “inevitable.”⁶¹

D. Genericness Surveys

Just as the *Ever-Ready* decision provided the seminal survey format for confusion surveys, so did a decision involving the trademark TEFLON

57. *Id.* (because “this survey format carefully follows the *Ever-Ready* likelihood of confusion survey format, we find that it is reliable and therefore of probative value on the issue of likelihood of confusion”; confusion held likely); *Carl Karcher Enters. Inc. v. Stars Rests. Corp.*, 35 U.S.P.Q.2d 1125, 1132 (T.T.A.B. 1995); *Anheuser-Busch Inc. v. Mambo Seafood #1, Inc.*, 2008 WL 4674603, at *9 (T.T.A.B. Sept. 22, 2008) (“Inasmuch as the survey follows the format of the *Ever-Ready* likelihood of confusion survey, we find it reliable and, thus, probative on the issue of likelihood of confusion between the parties’ marks”; confusion held likely); *Clinique Laboratories* 2011 WL 1652171 at *11. *Cf. Itamar Simonson, The Effect of Survey Method on Likelihood of Confusion Estimates: Conceptual Analysis and Empirical Test*, 83 TRADEMARK REP. 364 (1993) (discussing bias allegedly inherent in the *Ever-Ready* format).

58. *McDonough Power Equip., Inc. v. Weed Eater, Inc.*, 208 U.S.P.Q. 676, 685 (T.T.A.B. 1981). *See also Miles Labs., Inc. v. Naturally Vitamin Supplements, Inc.*, 1 U.S.P.Q.2d 1445, 1462 (T.T.A.B. 1986) (18 percent was “well within the range of percentages accepted as probative by courts in infringement proceedings”).

59. *See, e.g., J & J Snack Foods Corp. v. McDonald’s Corp.*, 932 F.2d 1460, 1463–64 (Fed. Cir. 1991) (30 percent).

60. *SunAmerica Corp. v. Sun Life Assurance Co. of Canada*, 890 F. Supp. 1559, 1570–73 (N.D. Ga. 1994), *aff’d*, 77 F.3d 1325 (11th Cir.), *cert. denied*, 117 S. Ct. 79 (1996).

61. *Id.* at 1580.

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for genericness surveys.⁶² To show that TEFLON was not a generic term, DuPont's expert used the following format:

I'd like to read 8 names to you to get you to tell me whether you think it is a brand name or a common name. By brand name, I mean a word like Chevrolet which is made by one company. By common name, I mean automobile which is made by a number of different companies. So if I asked you, "Is Chevrolet a brand name or a common name?," what would you say?

[If respondent understands continue. If not understood, explain again.]

Now, would you say _____ is a brand name or a common name?
[repeat with each of eight examples]

The results were as follows:

Name	Brand %	Common %	Don't Know
STP	90	5	5
Thermos	51	46	3
Margarine	9	91	1
Teflon	68	31	2
Jell-O	75	25	1
Refrigerator	6	94	—
Aspirin	13	86	—
Coke	76	24	—

The survey caused the court to find that "the public is quite good at sorting out brand names from common names and, for TEFLON, [it] answers the critical question . . ." demonstrating that TEFLON functions as a brand name.⁶³

The *Teflon* methodology subsequently has been widely used in the federal courts and the TTAB. In one TTAB decision, a *Teflon*-type survey demonstrated that SWISS ARMY was perceived as a brand, not a generic term.⁶⁴ The survey tested the reactions of 215 persons ages 18 and older who "indicated an intention to purchase a pocket knife in the next six

62. E.I. DuPont de Nemours & Co. v. Yoshida Int'l, Inc., 393 F. Supp. 502, 525-27 (E.D.N.Y. 1975). Cf. Donchez v. Coors Brewing Co., 392 F.3d 1211, 1218 (10th Cir. 2004) (more than 75 percent of respondents perceived "beerman" to be generic).

63. *Id.* at 527.

64. Arrow Trading Co., Inc. v. Victorinox A.G. & Wenger S.A., 2003 WL 21509858, at *14 (T.T.A.B. 2003).

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months.”⁶⁵ The questions included whether they thought “Margarine,” “Swiss Army,” “M&M,” and “Sony” were common names or brand names. The results showed an 81 percent recognition rate of SWISS ARMY as a brand.⁶⁶ The opposer’s genericness allegation consequently was unsuccessful, and the opposition was dismissed.⁶⁷

Deviations from the format need to be carefully thought out. For example, when an expert tried to use the *Teflon* format to prove that “Streetfighter” was generic for motorcycles, the expert failed “to use equal numbers of brands and kinds of motorcycles in the survey” and “all but ‘Streetfighter’ [were] known brands/names of motorcycles.”⁶⁸ As a result, the Board “accorded no probative value to the survey results.”⁶⁹ In another case, the applicant attempted to show HOME SHOPPING was not generic for “entertainment services in the nature of an ongoing television program whereby viewers are informed of various goods that can be purchased by the viewer” and related services.⁷⁰ The survey tested the reactions of 617 respondents, ages 18 and older, who watched cable television.⁷¹ However, rather than following the *Teflon* format, the survey posed the complex question, “What about ‘Home Shopping Network’? As best you know, is ‘Home Shopping Network’ a name used by only one company to identify its particular broadcasting network, or is ‘Home Shopping Network’ a word combination used by several different companies to mean a network in general?”⁷² According to the survey expert, the results confirmed “that the primary usage of the phrase ‘Home Shopping Network’ is as a source indicator (55.2 percent), not as a descriptive term representing a class (24.7 percent).”⁷³ The Board noted that “the survey did not follow any of the established methods for determining the genericness of a term” and that “several of the questions, because of their structure and length, were

65. *Id.*

66. *Id.* at *14-15.

67. *Id.* at *15.

68. *Buell Motorcycle Co. v. Honda Giken Kogyo Kabushiki Kaisha*, 2003 WL 21796056, at *9 (T.T.A.B. 2003) (nonprecedential). 171 registered owners of sport bikes were tested in four major cities. 59 percent indicated “Streetfighter” was a kind of motorcycle, 21 percent considered it a brand, and 20 percent were uncertain.

69. *Id.*

70. *QVC, Inc. v. Home Shopping Network, Inc.*, Opposition Nos. 91/102,173, 91/103,135, 91/104,078, 91/104,173, 91/104,181, 91/104,193, 91/104,323 (T.T.A.B. 1999).

71. *Id.* at 23.

72. *Id.* at 24.

73. *Id.* at 25. Other survey questions asked, “As best you can remember, what is the name or name of the channels you have watched?” and elicited 47.1 percent “Home Shopping” responses among one group, and 38.9 percent among another. *Id.* at 26-27.

ambiguous and confusing.⁷⁴ Based on other evidence, it concluded “home shopping’ is indeed generic for televised shopping programs.”⁷⁵

Another survey format used to test genericness is sometimes called a “Thermos” format, based on the case in which it was first used.⁷⁶ It probes what term the respondent would use to ask for or identify the particular product. The following questions were asked in the original case:⁷⁷

1. Are you familiar with the type of container that is used to keep liquids, like soup, coffee, tea, and lemonade, hot or cold for a period of time?
2. Have you yourself ever used (or filled) such a container—that is, the type to keep liquids cold or hot?
3. What was the occasion for using such a container?
4. If you were going to buy one of these containers tomorrow—that is, the type that keeps food and beverages hot or cold—what type of store would you select to make your purchase?
5. What would you ask for—that is, what would you tell the clerk you wanted?
6. Can you think of any other words that you would use to ask for a container that keeps liquids hot or cold?
7. If you were going to describe one of these containers to a friend of yours—what words would come to your mind first to describe a container that keeps liquids hot or cold?
8. Do you, or does anyone else within your household, own a container such as we have been talking about?
9. How many are owned by all members of your household?
10. What do you call this (these) container(s)?
11. Do you know the name of any manufacturers who make these containers that keep liquids hot or cold?
12. Can you name any trademarks or brand names that are used on these containers?

The TTAB has confirmed that this is an acceptable format in its proceedings.⁷⁸ A weakness of the format, as pointed out by a leading treatise author, is that “for a very strong trademark, respondents with brand

74. *Id.* at 33.

75. *Id.* at 35.

76. *American Thermos Products Co. v. Aladdin Indus.*, 207 F. Supp. 9 (S.D.N.Y. 1962), *aff’d*, 312 F.2d 577 (2d Cir. 1963).

77. 207 F. Supp. at 21 n.8.

78. *See, e.g.*, *QVC, Inc. v. Home Shopping Network, Inc.*, Opposition Nos. 91/102,173, 91/103,135, 91/104,078, 91/104,173, 91/104,181, 91/104,193, 91/104,323, at 33 (T.T.A.B. 1999). *See also* *E.T. Browne Drug Co. v. Cococare Prods.*, 538 F.3d 185, 195–98 (3d Cir. 2008) (example of “Thermos”-type survey).

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loyalty may answer with the trademark and drop what they consider to be a generic name, because it's so obvious to them."⁷⁹

E. Secondary Meaning Surveys

In order to show that a mark has acquired distinctiveness, that is, secondary meaning, survey experts sometimes ask about one or more elements unique to the branded product to test whether the respondents perceive the brand to signify that single source. For example, in a case where one party's Colby College was located in Maine and the other party's Colby College was located in New Hampshire, the expert quizzed three geographically dispersed respondents about unique attributes of plaintiff's college. Within the groups questioned, 37 to 79 percent of the respondents answered "Maine" when asked, "Where is Colby College located?" A statistically significant percentage identified "Colby College" as a four-year, coed institution located in Maine, distinguishing it from defendant's two-year, primarily women's college located in New Hampshire.⁸⁰

Some experts use the *Teflon* methodology to show that a term has or has not acquired distinctiveness. The reasoning is that if the survey shows that the term is perceived by consumers as a brand, not a generic term, then it also shows the term has acquired distinctiveness.⁸¹ In one case involving the alleged acquired distinctiveness of a guitar trade dress, the Board suggested that "a more useful survey might have been one that follows the Teflon format," which would have both addressed opposer's genericness claim and applicant's claim of source-indicating significance.⁸²

In priority disputes, the time when the mark acquired secondary meaning can be critical. Survey experts consequently often face the daunting task of showing that the term had acquired secondary meaning at the time that the other claimant entered the market, even though the survey

79. J. Thomas McCarthy, *McCARTHY ON TRADEMARKS AND UNFAIR COMPETITION* § 12:15 (4th ed. 2008).

80. *President & Trustees of Colby Coll. v. Colby Coll.*—N.H., 508 F.2d 804, 809 (1st Cir. 1975).

81. *Cf. March Madness Athletic Ass'n, LLC v. Netfire, Inc.*, 310 F. Supp. 2d 786, 803–04, 809 (N.D. Tex. 2003), *aff'd*, 120 Fed. Appx. 540 (5th Cir. 2005) (survey given "substantial weight as indicative of the primary significance of March Madness as a trade name within the context of basketball").

82. *Stuart Spector Designs, Ltd. v. Fender Musical Instruments Corp.*, 94 U.S.P.Q.2d 1549, 1571 n.46 (T.T.A.B. 2009). Another sometimes-used format asks something like, "Do you associate [claimed trademark] with a product of one company or more than one company?" and then asks "Why do you say that?" A sufficiently high number of "one company" answers may be probative of secondary meaning. *See, e.g., Stork USA L.P. v. Farley Candy Co.*, 797 F. Supp. 1399, 1411–12 (N.D. Ill. 1992).

pp. 9 (S.D.N.Y. 1962),

tion Nos. 91/102,173,
323, at 33 (T.T.A.B.
195–98 (3d Cir. 2008)

was conducted years later. Typically, the Board (or court) must decide whether to extrapolate the later survey results to the earlier date.⁸³

Secondary meaning surveys in trade dress cases present their own unique problems.⁸⁴ Other source-indicating indicia normally should be covered up, for example, so that secondary meaning responses can be attributed to the trade dress.⁸⁵

What is a sufficient recognition percentage to demonstrate secondary meaning? Ten percent was insufficient in one case.⁸⁶ Usually a percentage of 50 percent or greater will suffice, and lower percentages have been accepted as probative.⁸⁷

F. Dilution Surveys

Survey experts have faced a particularly difficult challenge in designing successful dilution surveys.⁸⁸ Dilution by blurring is the “association arising from the similarity between a mark or trade name and a famous mark

83. *Cf. Gen. Motors Corp. v. Lanard Toys, Inc.*, 468 F.3d 405, 419 (6th Cir. 2006), *cert. denied*, 128 S. Ct. 356 (2007) (the high recognition rates for the grille and design of GM’s Hummer and Humvee vehicles, i.e., 96 percent in 1999 survey and 77 percent in 2002 survey, supported a finding of secondary meaning in 1992); *Faberge, Inc. v. Saxony Products, Inc.*, 605 F.2d 426, 428 (9th Cir. 1979) (not error to rely on 1974 survey to show secondary meaning in 1970).

84. *See, e.g., Thomas & Betts Corp. v. Panduit Corp.*, 65 F.3d 654, 663 (7th Cir. 1995) (survey testing product’s overall design including functional components was “worthless” for showing secondary meaning in the claimed product feature).

85. *See, e.g., Brooks Shoe Mfg. Co. v. Suave Shoe Corp.*, 533 F. Supp. 75, 81 (S.D. Fla. 1981) (BROOKS brand covered up so as to test consumer perception of “V” design on side of shoe). *Cf. OddzOn Products, Inc. v. Just Toys, Inc.*, 122 F.3d 1396, 1408 (Fed. Cir. 1997) (identifying issues raised by the inclusion of trade dress functional components in a likelihood of confusion survey); *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1127 (Fed. Cir. 1985) (survey showing 50 percent of respondents recognized applicant as the source of “pink” insulation supported finding it had acquired secondary meaning).

86. *Roselux Chem. Co. v. Parsons Ammonia Co.*, 299 F.2d 855, 862 (C.C.P.A. 1962). *Cf. In re Hehr Mfg. Co.*, 279 F.2d 526, 528 (C.C.P.A. 1960) (secondary meaning survey accepted).

87. *See, e.g., Spraying Sys. Co. v. Delavan, Inc.*, 975 F.2d 387, 394 (7th Cir. 1992) (50 percent recognition “is regarded as clearly sufficient to establish secondary meaning [while] a figure in the thirties can only be considered marginal”); *Fed. Glass Co. v. Corning Glass Works*, 162 U.S.P.Q. 279, 287 (T.T.A.B. 1969) (52 percent); *In re Raytheon*, 202 U.S.P.Q. 317, 319 (T.T.A.B. 1979) (476 out of 602 respondents, or 79 percent); *Monsieur Henri Wines, Ltd. v. Duran*, 204 U.S.P.Q. 601, 605 (T.T.A.B. 1979) (37 percent association of opposer’s brand with background design was probative of strength in the design).

88. Krista F. Holt & Scot A. Duvall, *Chasing Moseley’s Ghost: Dilution Surveys Under the Trademark Dilution Revision Act*, 98 TRADEMARK REP. 1311 (2008); William G. Barber, *How to Do a Trademark Dilution Survey (Or Perhaps How Not to Do One)*, 89 TRADEMARK REP. 616 (1999). *Cf. Patrick M. Bible, Defining and Quantifying Dilution Under the Federal Dilution Act of 1995: Using Survey Evidence to Show Actual Dilution*, 79 U. COLO. L. REV. 795, 327 (1999). *See also* Justin J. Gunnell, *Goldilocks and the Three Federal Dilution Standards: An Empirical Review*, 17 TEX. INTELL. PROP. L.J. 101 (2008) (analyzing various dilution survey designs); Jacob Jacoby, *Symposium Review: Considering the Who, What, When, Where and How of Measuring Dilution*, 24 SANTA CLARA COMPUTER & HIGH TECH. L.J. 601 (2007).

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89. 15 U.S.C. § 1125(b)(1) (arising from the reputation of the mark); *In re Nike*, 98 F.3d 769, 775 (9th Cir. 1997) (survey).

90. *Bose Corp. v. Superior Court*, 466 U.S. 165 (1984).

91. *See, e.g., In re Nike*, 98 F.3d 769, 775 (9th Cir. 2003) (NASD opposition sur

92. *Nike, Inc. v. Nike, Inc.*, 98 F.3d 769, 775 (9th Cir. 2003) (an appeal to the court was applied to regulate the use of the trademark in featuring scientific laboratory uses and appliances.” state law trademark; *In re Nike*, 98 F.3d 769, 775 (9th Cir. 2003) (Ever-Ready-

93. *Nike, Inc. v. Nike, Inc.*, 98 F.3d 769, 775 (9th Cir. 2003).

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that impairs the distinctiveness of the famous mark.⁸⁹ As discussed above, a survey normally is not necessary to show a mark is famous,⁹⁰ and it is possible to succeed in a TTAB dilution action without submitting a survey.⁹¹

Surveys nonetheless can be useful in demonstrating consumers' association of the challenged mark and the famous mark. In one case, for example, a survey showed that "a significant number of Nikepal's potential laboratory customers" associated NIKE, the famous mark for athletic footwear and apparel, with applicant's mark NIKEPAL.⁹² Nike's expert "used a universe of survey participants randomly selected from lists of companies that [applicant's president] identified as the sources for Nikepal's current and prospective customers" to draw a sample of phone survey respondents and ask them about their perception of a website called nikepal.com.⁹³ Respondents first were screened to "confirm that they were the persons most responsible for ordering laboratory equipment at their businesses." Then the following survey questions were asked:

Assume for a moment that you were searching the Internet and you encountered a Web site called NIKEPAL.COM. Let me spell it for you: N-I-K-E-P-A-L. Would you or would you not have a belief as to who or what company puts out or sponsors a site called NIKEPAL?

[If has a belief] Who or what company is that? Any others? What makes you say that? What else?

And do you or don't you know of any products or brands that you believe come from or are associated with NIKEPAL? [If does know]

89. 15 U.S.C. § 1125(c)(2)(B). "Dilution by tarnishment" is defined as the "association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark." See, e.g., *Anheuser-Busch, Inc. v. Balducci Publ'ns*, 28 F.3d 769, 775, 777 (8th Cir. 1994), cert. denied, 115 S. Ct. 903 (1995) (successful tarnishment survey).

90. *Bose Corp. v. QSC Audio Products*, 293 F.3d 1367, 1374 (Fed. Cir. 2002).

91. See, e.g., *NASDAQ Mkt., Inc. v. Antartica, S.r.l.*, 69 U.S.P.Q.2d 1718, 1737 (T.T.A.B. 2003) (NASDAQ for clothing likely to dilute famous NASDAQ stock market trademark; opposition sustained).

92. *Nike Inc. v. Nikepal Int'l Inc.*, 84 U.S.P.Q.2d 1820, 1824 (E.D. Cal. 2007). This was an appeal to the district court after the TTAB dismissed Nike's opposition. Applicant had applied to register NIKEPAL for "import and export agencies and wholesale distributorships featuring scientific, chemical, pharmaceutical, biotechnology instruments and glassware for laboratory use, electrical instruments, paper products and household products and cooking appliances." When Nike appealed the dismissal to the district court, it added federal and state law trademark and unfair competition claims. See also *Jada Toys, Inc. v. Mattel, Inc.*, 518 F.3d 628, 636 (9th Cir. 2008) (summary judgment reversed where the results of two *Ever-Ready*-type surveys might be sufficient to show likely dilution).

93. *Nike*, 84 U.S.P.Q.2d at 1824.

What products or brands are those? Any others? What makes you say that? What else?

What, if anything, came to your mind when I first said the word NIKEPAL? Anything else? What makes you say that? What else?

The expert testified that “the vast majority of respondents, 87 percent, associated Nikepal with Nike; that is, when they encounter the mark NIKEPAL, they think of Nike and/or its offerings.”⁹⁴ The court found that the survey showed “a strong degree of association between NIKEPAL and NIKE” and concluded that “there is a likelihood that NIKE will suffer dilution if Nikepal is allowed to continue its use of NIKEPAL.”⁹⁵ It granted Nike injunctive relief, and reversed the TTAB, sustaining the opposition.

G. Additional Survey Design Considerations

I. Other Bias Concerns

In addition to the unreliability introduced by ambiguous or leading questions, other survey design biases can undermine results and cause surveys to be rejected.⁹⁶ The problem can be as simple as using an inappropriate test stimulus⁹⁷ or asking the wrong question.⁹⁸ Setting up the desired answer by the questions preceding the critical one also can slant the results. For example, the Board found the question “What brand do you think of when you hear this slogan?” was impermissibly biased where previous questions

94. *Id.* at 1825.

95. *Id.* at 1828.

96. See generally Peter Weiss, *The Use of Survey Evidence in Trademark Litigation: Science, Art or Confidence Game?* 80 TRADEMARK REP. 71 (1990); *Hershey Foods Corp. v. Cerreta*, 195 U.S.P.Q. 246, 255–56 (T.T.A.B. 1977) (ambiguous questions and interviewers referred to the proffering party); *Universal City Studios, Inc. v. Nintendo Co.*, 746 F.2d 112, 118 (2d Cir. 1984) (the following survey question was held improperly leading: “To the best of your knowledge, was the Donkey Kong game made with the approval or under the authority of the people who produce the King Kong movies?”).

97. *Hormel Foods Corp. v. Spam Arrest LLC*, 2007 WL 4287254, at *21 (T.T.A.B. 2007) (nonprecedential) (use of inaccurate product description on stimulus card); *In re Riviana Foods, Inc.*, 160 U.S.P.Q. 757 (T.T.A.B. 1969) (the tested label did not bear the trademark at issue, and the survey was not admitted); *Factory Five Racing, Inc. v. Carroll Shelby*, 2010 WL 4232609 at *15 (T.T.A.B. 2010) (nonprecedential) (survey given “little, if any, probative value” where, among other things, the stimulus “shows a model which differs significantly from the mark in the drawing and specimen of use in this application”). Cf. *Coryn Group II, LLC v. O.C. Secrets, Inc.*, 2011 WL 862729 at *7 (D. Md. Dec. 6, 2011) (alteration of web page stimulus to remove web address bar, and copyright and contact information, did not necessarily make the results unreliable; “rather, the removal goes to the report’s weight and may be addressed by [cancellation petitioner’s] expert and on cross-examination”).

98. *Tea Bd. of India v. Republic of Tea, Inc.*, 80 U.S.P.Q.2d 1881, 1893–94 (T.T.A.B. 2006) (to test whether DARJEELING is generic for tea, “what is Darjeeling tea” is the wrong question).

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had referred to the brand at issue.⁹⁹ Similarly, the Board is likely to take a dim view of "aided awareness" questions like "Have you ever heard of [brand]" to support a claim that a mark is well-known.¹⁰⁰

To avoid causing respondents to pick or guess among possible answers, itself a form of bias, it is important to give respondents the option to simply say they "don't know." For example, in one TTAB proceeding, before being asked the survey questions, the interviewer instructed respondents, "For each of my questions, if you don't know or don't have any answer, please don't guess. Just tell me you don't know or don't have an answer and we'll go on to the next questions."¹⁰¹ This was critical to the Board's rejection of a criticism that the format was too leading.¹⁰²

In federal court cases, the geographic areas tested can skew results or render them insufficiently probative.¹⁰³ However, TTAB cases involve national registrations rather than, as in federal court cases, alleged infringement in a particular territory. Consequently, in TTAB cases a survey can be taken in a market area where the survey proponent is active but the opponent is not present.¹⁰⁴ Nonetheless, the areas chosen should have a reasonable basis and relationship to the case.¹⁰⁵ Within the geographic area chosen, it is possible to bias results by testing a group of people that does not fully represent the relevant consumer universe. In considering a shopping mall survey in one case, for example, the TTAB observed that if the shopping malls selected biased the respondent population toward higher income levels, that would likely result in understated amounts of likely confusion.¹⁰⁶ The results may be biased by conducting

Trademark Litigation:
Purina Foods Corp. v. Quaker Oats Co., 169 F.2d 1261, 1268-69 (6th Cir. 1948) (desired response given six times before critical question asked); *In re Jockey Int'l, Inc.*, 192 U.S.P.Q. 579, 583 (T.T.A.B. 1976) ("loaded" survey that gave options designed to evoke the desired answer nonetheless held probative).

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99. *Ralston Purina Co. v. Quaker Oats Co.*, 169 U.S.P.Q. 508, 509 (T.T.A.B. 1971). Cf. *Frisch's Rests. v. Shoney's Inc.*, 759 F.2d 1261, 1268-69 (6th Cir. 1985) (desired response given six times before critical question asked); *In re Jockey Int'l, Inc.*, 192 U.S.P.Q. 579, 583 (T.T.A.B. 1976) ("loaded" survey that gave options designed to evoke the desired answer nonetheless held probative).

100. *Carefirst of Md., Inc. v. First Health of the Carolinas, Inc.*, 77 U.S.P.Q.2d 1492, 1507 (T.T.A.B. 2005), *appeal dismissed*, 171 Fed. Appx. 838 (Fed. Cir. 2006).

101. *Anheuser-Busch, Inc. v. Mambo Seafood #1, Inc.*, 2008 WL 4674603, at *8 (T.T.A.B. 2008) (nonprecedential).

102. *Id.* at *9.

103. See, e.g., *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 264 (5th Cir. 1980) (among other defects, 8 of the 10 cities tested had no outlet for defendant's product).

104. *Carl Karcher Enters. v. Stars Rest. Corp.*, 35 U.S.P.Q.2d 1125, 1132-33 (T.T.A.B. 1995) (surveys taken in opposer's California restaurant market supported likelihood of confusion even though applicant operated its restaurants in Texas and Oklahoma).

105. *Ralston Purina Co. v. Quaker Oats Co.*, 169 U.S.P.Q. 508, 509 (T.T.A.B. 1971).

106. *Miles Labs., Inc. v. Naturally Vitamin Supplements, Inc.*, 1 U.S.P.Q.2d 1445, 1455, n.33 (T.T.A.B. 1986).

the survey near displays of the product at issue.¹⁰⁷ Trying to survey only those people most familiar with the contested brand will likely reduce the weight given the results.¹⁰⁸

2. Pilot Studies and Controls

To test the effectiveness of the survey design, experts often will run a preliminary pilot study with a small number of respondents. If flaws such as ambiguities in the questions are disclosed by the pilot study, they can be corrected. Pilot study results are likely to be subject to discovery if the survey is offered in evidence.¹⁰⁹

Another way experts address potential design criticisms is through the use of a “control,” that is, a parallel survey that is run using a comparable but different stimulus. It is run at the same time as the test stimulus survey, using the identical methodology. In a confusion survey, for example, some respondents may make a confusion association for reasons other than the defendant’s trademark. This is sometimes called “noise,” and needs to be accounted for in the survey results to prevent them from being artificially inflated.¹¹⁰ The absence of a control is likely to diminish the weight given the survey results, and in some cases may make the survey inadmissible.¹¹¹

107. *Stuart Spector Designs, Ltd. v. Fender Musical Instruments Corp.*, 94 U.S.P.Q.2d 1549, 1569–70 (T.T.A.B. 2009) (survey was conducted in front of musical instruments stores’ display windows that may have displayed applicant’s guitars at issue; the Board additionally noted “other more subtle biases” in finding the survey “not particularly probative”).

108. *iMedica Corp. v. Medica Health Plans*, 2007 WL 1697344, at *5 (T.T.A.B. 2007) (nonprecedential) (applicant improperly “sought to obtain responses from those who knew of [applicant] and its business, or even who were part of medical practice groups that were providers for [applicant]”).

109. THE REFERENCE MANUAL ON SCIENTIFIC EVIDENCE 416 (Fed. Judicial Ctr., 3d ed. 2011) (“The Federal Rules of Civil Procedure . . . may require that a testifying expert disclose pilot work that serves as a basis for the expert’s opinion”).

110. *Nat’l Football League Props., Inc. v. ProStyle, Inc.*, 57 F. Supp. 2d 665, 668–70 (E.D. Wis. 1999) (survey without a control not admitted into evidence); Michael Rappeport, *Litigation Surveys: Social “Science” as Evidence*, 92 TRADEMARK REP. 957, 986 (2002) (“Just as, in most circumstances, no one would trust the results of a ‘lineup’ in which witnesses were shown only the suspect, the results of a litigation survey, without any controls, are strongly suspect”). Cf. *Clinique Laboratories LLC v. Absolute Dental LLC*, 2011 WL 1652171 at *11–*12 (T.T.A.B. 2011) (properly used control was “an appropriate choice to eliminate any noise in the survey” and the net survey results of more than 30% confusion made a “compelling showing” that confusion was likely).

111. *Hormel Foods Corp. v. Spam Arrest, LLC*, 2007 WL 4287254, at *22 (T.T.A.B. 2007) (“the absence of a control is of particular note”; “we have so many concerns about the survey that we accord it little probative value”).

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Although there unavoidably is an “apples and oranges” effect when a different stimulus is used,¹¹² it has become customary to subtract the percentage of relevant “noise” responses in the control study from the percentage of confusion responses to the test stimulus to reach the final confusion percentage.¹¹³

3. Attorney Involvement

It is critical that the attorney assist the survey expert in understanding the legal issues involved in the case and what consumer perceptions the survey should be designed to test. “[S]ome attorney involvement in the survey design is necessary to ensure that relevant questions are directed to a relevant population.”¹¹⁴ However, it also is critical that the attorney not overreach in this role and begin to assume the role of the expert. The attorney should not have contact with the supervisor or interviewers.¹¹⁵

4. Interviewing Methodologies

How and in what type of location should the survey be conducted? As discussed above, shopping mall intercept surveys are commonly used and accepted. They have the disadvantage of not producing projectable results because they test a nonprobability sample, but the advantage of often being less costly and of capturing respondents in a purchasing environment.¹¹⁶

112. See, for example, the discussion of whether “Baltimore Leopards” or “Baltimore Horses” would have been a better control in a case involving “Baltimore CFL Colts” merchandise, in *Indianapolis Colts, Inc. v. Metropolitan Baltimore Football Club*, 34 F.3d 410, 415–16 (7th Cir. 1994).

113. See, e.g., *Reed-Union Corp. v. Turtle Wax, Inc.*, 77 F.3d 909, 912 (7th Cir. 1996) (after subtracting the 20 percent noise percentage for the control from the 25 percent confusion percentage for the test stimulus, all that was left was an insignificant 5 percent, and confusion was held unlikely). See generally Jacob Jacoby, *Experimental Design and the Selection of Controls in Trademark and Deceptive Advertising Surveys*, 92 TRADEMARK REP. 890 (2002).

114. THE REFERENCE MANUAL ON SCIENTIFIC EVIDENCE, 374 (Fed. Judicial Ctr. 3d ed. 2011). Cf. *Factory Five, Inc. v. Carroll Shelby*, 2010 WL 4232609 at *15–16 (T.T.A.B. 2010) (the expert attributed some of his errors to the attorney: “I took what I was provided with”).

115. See, e.g., *Am. Greetings Corp. v. Dan-Dee Imps., Inc.*, 619 F. Supp. 1204, 1215–16 (D.N.J. 1985), *aff’d on other grounds*, 807 F.2d 1136 (3d Cir. 1986) (survey given less weight because designed by plaintiff’s counsel). Cf. *Saint-Gobain Corp. v. 3M Co.*, 90 U.S.P.Q.2d 1425, 1435–36 (T.T.A.B. 2007) (the Board electing not to rely upon expert report admittedly written by the attorney).

116. In *White Consolidated Industries, Inc. v. Royal Appliance Mfg. Co.*, 2000 WL 713972, at *7 (T.T.A.B. 2000), the Board endorsed the use of a mall intercept study and rejected the opposer’s criticism that it tested a nonprobability sample, stating, “shopping mall surveys have been found to be sufficiently reliable and have been endorsed as adequate in a number of decisions . . . In view of the issue involved, there is nothing in the record to indicate that a mall intercept survey is inappropriate.” See also *Clinique Laboratories LLC v. Absolute Dental LLC*, 2011 WL 1652171 *10–12 (T.T.A.B. 2011) (mall intercept survey found reliable and probative on confusion issue).

Telephone surveys are accepted in appropriate circumstances, and have the benefit that they can be designed to randomly sample the universe so as to create a probability sample with projectable results. They can be less costly than in-person interviews and can be used to reach more problematic respondent populations, such as business professionals. The most obvious disadvantage is the inability to provide visual stimuli to respondents. This can be overcome in some instances with a "mail and call" format in which the respondent first receives a sealed envelope by mail or delivery, which the respondent then opens upon receiving the interviewer's phone call, or by having the respondent view the stimulus on a website. In one case involving the marks POQUITA MAS and UNA MAS for restaurant services, the Board gave a telephone survey little weight because of the lack of a visual component. "While telephone surveys may be appropriate in some circumstances, in this case we have non-English words. The appearance of the mark is important and the failure to address this issue limits the reliability of the survey."¹¹⁷

In another case, in contrast, where the color purple was at issue, the results of a phone survey were relied on by the TTAB even though respondents never saw the color.¹¹⁸ The Board conceded, "[a]t first glance, we agree with applicant that it appears to be inappropriate to use a telephone survey when there is a visual component to the mark." However, because the survey was testing applicant's claim of secondary meaning in the color purple, the Board agreed with opposer's expert that the phone survey isolated the issue of the color's source significance in a way that a visual presentation could not. "To the extent that opposer's survey is subject to criticism, it could also be criticized as erring on the side of over-inclusion [i.e., favoring applicant], because any customer who saw any shade of the color purple as indicating a single source for coated abrasives would have responded affirmatively."¹¹⁹

The use of telephone surveys has become more difficult due to factors such as increased cell phone use, caller identification and call blocking, and cold call recipients' disinclination to participate. At the same time, the use of Internet surveys has increased.¹²⁰ Advantages of Internet surveys

117. *McCarney dba Poquito Mas v. Una Mas, Inc.*, 2004 TTAB LEXIS 51, at *20-21 (T.T.A.B. 2004) (the survey had additional defects, including instructing interviewers to pronounce "mas" in a way "somewhat different from the Spanish pronunciation").

118. *Saint-Gobain Corp. v. 3M Co.*, 90 U.S.P.Q.2d 1425, 1438-39 (T.T.A.B. 2007).

119. *Id.* at 1439.

120. *See, e.g., R & R Partners, Inc. v. Tovar*, 447 F. Supp. 2d 1141, 1154-55 (D. Nev. 2006) (Internet survey admitted where it was conducted "in accordance with generally accepted standards of procedure in the field"). One author has predicted, "Internet interviewing will undoubtedly become the norm over the next decade." Alex Simonson, *Online Interviewing for Use in Lanham Act Litigation*, 14 INTELL. PROP. STRATEGIST 3 (Nov. 2007).

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include the following: (1) visual stimuli can be presented; (2) respondents can respond at their convenience; (3) it can be less expensive than other survey methodologies; and (4) interviewer variations are eliminated. Disadvantages include the potential exclusion of population groups that do not use, or do not have ready access to, the Internet, and the inability to observe or interact with respondents.¹²¹

5. Presentation

Just as TTAB litigation practice can diverge from federal court litigation practice, so can TTAB survey practice. While appropriately mirroring the actual channels of trade and marketing environment may be critical in a federal court survey, for example, in its proceedings the TTAB instead considers the normal channels of trade for the products identified in the application or registration.¹²² The concern that a defective survey will unduly influence a jury also is not present in TTAB proceedings, allowing the Board wider discretion in admitting the results and determining what weight to assign them.¹²³ In a federal court action it also would be improper and potentially fatal to present the trademark at issue to survey respondents in block letters on a card, rather than as consumers experience it in the marketplace, for example, on packaging.¹²⁴ However, in TTAB proceedings, a survey stimulus showing the mark in block letters on a card may be acceptable, because the TTAB generally considers the registrability of the trademark apart from other material that may accompany it on packaging or otherwise.¹²⁵

How the stimulus is presented in the survey also can affect the results. For example, some courts have held that, to test likely confusion, the branded products at issue should not be presented side by side if they do

121. See generally Bruce Isaacson et al., *Why Online Consumer Surveys Can Be a Smart Choice in Intellectual Property Cases*, 26 INTELL. PROP. L. NEWSL. 1, 12 (Spring 2008); Gabriel M. Gelb & Betsy D. Gelb, *Internet Surveys for Trademark Litigation: Ready or Not Here They Come*, 97 TRADEMARK REP. 1073 (2007).

122. See, e.g., *Kangol Ltd. v. Kangaroos U.S.A., Inc.*, 974 F.2d 161, 164 (Fed. Cir. 1992) (in TTAB proceedings, the Board considers the "normal and usual channels of trade and method of distribution").

123. *Hutchinson v. Essence Comm'ns*, 769 F. Supp. 541, 557 (S.D.N.Y. 1991) (appropriate in nonjury case to admit survey results while determining what weight they warrant).

124. See, e.g., *Playtex Products, Inc. v. Georgia-Pacific Corp.*, 390 F.3d 158, 168 (2d Cir. 2004) (unrealistic stimulus); *Juicy Couture, Inc. v. L'Oreal USA, Inc.*, 2006 WL 1012939 (S.D.N.Y. 2006) (using cards was a "fundamental flaw").

125. See, e.g., *7-Eleven, Inc. v. Morrison*, 2008 WL 2385970, at *13 (T.T.A.B. 2008) (nonprecedential); *Anheuser-Busch, Inc. v. Mambo Seafood #1, Inc.*, 2008 WL 4674603, at *8 (T.T.A.B. 2008) (nonprecedential); *Miles Labs., Inc. v. Naturally Vitamin Supplements, Inc.*, 1 U.S.P.Q.2d 1445, 1459-60 (T.T.A.B. 1986); *Sara Lee Corp. v. Goldstone Hosiery Co.*, 2001 WL 253616, at *8-9 (T.T.A.B. 2001).

not appear that way in the marketplace.¹²⁶ The issue instead is whether potential purchasers are likely to be confused in their general recollection of the marks.¹²⁷ Similarly, it may be appropriate to leave the stimulus in the hands of respondents for in-depth study only when the product is one for which consumers normally would engage in such a close review.¹²⁸

While it is common to present the product stimulus singly, an alternative methodology for showing likely confusion can involve showing a lineup of products and asking whether any of them are made by the same company. While this format arguably can create an artificial comparison, the presence of multiple products can act as a control and increase the probative value of the results.¹²⁹ Despite the normal prejudice against side-by-side comparisons, the proper use of a control can even legitimize the use of a two-product lineup under appropriate circumstances. In one TTAB proceeding, after being shown one mark at issue and then the other, respondents were asked, "Do you think that the brand name you saw first and the brand name you saw second come from the same company, different companies, or are you not sure?" with follow-up "why" questions. The TTAB found that a 57 percent connection between the two, including a 45 percent "same company" response to the first question, was strongly indicative that confusion was likely. The control showed only 5 percent noise.¹³⁰

126. See, e.g., *Jordache Enters. v. Hogg Wyld, Ltd.*, 828 F.2d 1482, 1487-88 (10th Cir. 1987) (because it "bears little resemblance to the actual workings of the marketplace," survey given "little weight").

127. *Malletier v. Burlington Coat Factory Warehouse Corp.*, 426 F.3d 538, 548 (2d Cir. 2005) (a court "must ask not whether differences are easily discernable on simultaneous viewing, but whether they are likely to be memorable enough to dispel confusion on serial viewing"); *Sunrider Corp. v. Mineral Works*, 2002 WL 1844106, at *5 (T.T.A.B. 2002) ("The test is not whether they can be distinguished when subjected to a side-by-side comparison . . . [instead,] the focus is on the recollection of the average purchaser, who normally retains a general rather than a specific impression of trademarks").

128. Compare *Jerre B. Swann, A "Reading" Test or a "Memory" Test: Which Survey Methodology Is Correct?*, 95 TRADEMARK REP. 876 (2005), with Henry D. Ostberg, *Response to the Article Entitled "A 'Reading' Test or a 'Memory' Test: Which Survey Methodology Is Correct?"*, 95 TRADEMARK REP. 1446 (2005).

129. Itamar Simonson, *The Effect of Survey Method on Likelihood of Confusion Estimates: Conceptual Analysis and Empirical Test*, 83 TRADEMARK REP. 364 (1993) (comparing the lineup survey format with single presentation formats).

130. *Ava Enters., Inc. v. Audio Boss USA, Inc.*, 77 U.S.P.Q.2d 1783, 1786-87 (T.T.A.B. 2006). This is often called a "Squirt Format" because of the case in which it was first used, *Squirt Co. v. Seven-Up Co.*, 628 F.2d 1086 (8th Cir. 1980). In that case, respondents were asked, "Do you think SQUIRT and QUIRST are put out by the same company or by different companies?" and "What makes you think that?" *Id.* at 1089 n.4.

6. Criticisms

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6. Criticisms and Rebuttal

As the TTAB has observed, "It is notoriously easy for one survey expert to appear to tear apart the methodology of a survey taken by another."¹³¹ Echoing that observation, the Board in a later decision stated, "Courts and the Board long have recognized that there is no such thing as a perfect survey."¹³² Judge Posner referred to survey research as the "black arts."¹³³ When survey evidence is introduced in a TTAB proceeding, frequently the opponent will then employ an expert to critique the survey¹³⁴ and sometimes will run a rebuttal survey. Failure to do either when faced with an apparently successful survey can be deadly.

In one case the Board relied on a survey showing an 81 percent recognition rate of SWISS ARMY as a brand. In doing so, it made the acid observation that it was "noteworthy that opposer did not retain a survey expert to critique applicants' survey, and did not conduct its own survey (or elected not to submit such testimony or survey results)."¹³⁵ In another, the proffering party's expert skillfully took his opposing expert's criticisms into account in a second survey that obtained "very similar" results to the first one.¹³⁶ Wildly divergent results between applicant's survey and opposer's rebuttal survey caused the Board in another case to "have doubts on the probative value" of either.¹³⁷

IV. Linguistic Experts

Linguistic experts can help demonstrate consumers' understanding and perception of a particular term. For example, in one case involving personal care products, the applicant attempted to defend its choice of the unusual mark BODY FANSLLY by contending that the second part was a transliteration of the first two Chinese characters making up its company name. Opposer's

131. *Carl Karcher Enters. v. Stars Rests. Corp.*, 35 U.S.P.Q.2d 1125, 1132 (T.T.A.B. 1995) (citing J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 32:50[5] (3d ed. 1994)).

132. *Sara Lee Corp. v. Goldstone Hosiery Co.*, 2001 WL 253616, at *10 (T.T.A.B. 2001) (nonprecedential).

133. *Indianapolis Colts v. Metro. Baltimore Football Club*, 34 F.3d 410, 416 (7th Cir. 1994).

134. *E.g.*, *Diamonique Corp. v. Wieck Family*, 2004 TTAB LEXIS 271, at *23-24 (T.T.A.B. 2004) (effective criticism of survey report "reduce[s] the probative value . . . to the point that we cannot be sure . . . [it] demonstrates [what] opposer contends").

135. *Arrow Trading Co., Inc. v. Victorinox A.G.*, 2003 WL 21509858, at *14 (T.T.A.B. 2003).

136. *Sara Lee Corp.*, note 132, at *9-10 (T.T.A.B. 2001).

137. *Helene Curtis Indus., Inc. v. Suave Shoe Corp.*, 13 U.S.P.Q.2d 1618, 1624-27 (T.T.A.B. 1989).

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Chinese-language expert refuted this contention by identifying the correct transliteration possibilities, none of which “could be spelled as ‘Fanslly.’”¹³⁸ In finding confusion likely, the Board concluded that “the meaning of applicant’s mark would not be known to consumers, even those who understand Chinese. Therefore, consumers in this country cannot utilize any such meaning as a means of distinguishing applicant’s BODY FANSLLY mark from opposer’s BODY FANTASIES mark.”¹³⁹ In a hair-product case, the Federal Circuit relied upon a French professor’s testimony in affirming that opposer’s TRES-prefix family of marks and applicant’s TREVIVE mark would both be perceived by consumers as featuring the French “tray” pronunciation and having a similar appearance, with the result that confusion was likely.¹⁴⁰

Too often expert testimony adds little to what the Board could determine for itself. In a case involving the marks DIAMONIQUE and DIAMONELLE for types of jewelry, for example, a linguist’s testimony that the suffixes of those marks were “semantically, phonetically and historically different” and were “not pronounced alike and [did] not sound alike” may have belabored the obvious, and did not prevent the Board from finding the marks “somewhat similar in overall commercial impression” and confusion likely.¹⁴¹ Where the marks MAMBO MICHELADA and MICHELOB for beer were at issue, opposing linguists differed in their views of dominant terms, appearance, pronunciation, and meaning.¹⁴² While recognizing the differences, the Board found the marks “share sufficient similarities as to engender similar overall impressions, and confusion is likely.”¹⁴³

Counsel normally should view linguistic evidence as a building block, rather than dispositive. Extending an expert’s linguistic opinion to address an ultimate issue such as likely confusion or descriptiveness is unlikely to be successful. For example, a linguistic expert’s view on likely confusion in one case was not given “much weight” because he was not shown to be an expert in the marketing of the products at issue, nor did he appear to understand the difference between “potential confusion” and “likelihood of confusion.”¹⁴⁴ In another, the linguist’s testimony that, based on her

138. *Parfums de Coeur, Ltd. v. Fanslly Int’l Co., Ltd.*, 2005 TTAB LEXIS 339, at *16 (T.T.A.B. 2005) (nonprecedential).

139. *Id.*

140. *Han Beauty, Inc. v. Alberto-Culver Co.*, 236 F.3d 1333, 1337 (Fed. Cir. 2001). *Cf. iMedica Corp. v. Medica Health Plans*, 2007 WL 1697344, at *6 (T.T.A.B. 2007) (nonprecedential) (linguist’s testimony “not admissible to the extent that it is submitted to show how the consuming public in general regards the term ‘i’ . . . or on the definition of ‘i’”).

141. *Diamonique Corp. v. Wieck Family*, 2004 TTAB LEXIS 271, at *15–16 (T.T.A.B. 2004).

142. *Anheuser-Busch, Inc. v. Mambo Seafood #1, Inc.*, 2008 WL 4674603, at *6 (T.T.A.B. 2008) (nonprecedential).

143. *Id.*, at *7.

144. *Chatham Int’l v. Indomita Wines, S.A.*, 2005 WL 2093249, at *4 (T.T.A.B. 2005).

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expertise, “plyboo” was a descriptive “blend word” for bamboo laminate flooring and plywood made of bamboo was given no probative value.¹⁴⁵ It was not a matter within her “linguistic expertise or personal knowledge,” she “was not an expert in trademark law,” and there was nothing “in her testimony or the rest of the record which indicates that the trade or members of the purchasing public” would regard it as descriptive.¹⁴⁶

If a party is contending that consumers will likely perceive a mark in a certain way, the Board may have the expectation that it will receive evidence from a linguistic expert. In rejecting applicant’s claim that ROQUE had a recognized non-surname meaning in one case, for example, the Board concluded that such a meaning was “totally unknown to the vast majority of Americans” and noted that “applicant has made of record no evidence—such as an affidavit from a language expert—demonstrating that the term ‘roque’ is known to other than a very minimal number of American consumers.”¹⁴⁷

As with other expert testimony, proper preparation of the expert by counsel is critical. In one case in which, among other issues, the petitioner claimed NUMA, an acronym, was generic for the “installation, maintenance, and repair of computer hardware,” its expert testified to the opposite.¹⁴⁸ When asked whether the term “stood for,” “denoted,” “denotes or identifies,” or “designate(s)” the identified services, he repeatedly testified in the negative.¹⁴⁹ The Board consequently determined, based on this testimony of petitioner’s expert, that the term was *not* generic.¹⁵⁰ Counsel needs to sufficiently explain the issues and salient facts in the case to keep the expert on track for producing a meaningful opinion.¹⁵¹

145. *Plyboo Am. Inc. v. Smith & Fong Co.*, 51 U.S.P.Q.2d 1633, 1635–37, 1640 (T.T.A.B. 1999).

146. *Id.* at 1640. *See also In re Prize Cent. Networks, Inc.*, 2001 TTAB LEXIS 745, at *7 (T.T.A.B. 2001) (nonprecedential) (following *Plyboo America* in finding the expert’s opinion had no probative value). *Cf. Goodyear Tire & Rubber Co. v. Cont’l Gen. Tire, Inc.*, 70 U.S.P.Q.2d 1067, 1069 (T.T.A.B. 2003) (because witness was not “an expert in the design and manufacturing of vehicle tires” his testimony was “disregarded on the ultimate question of whether the word ‘intelligent’ is descriptive of tires”).

147. *In re P. Cerlis Corp.*, 1999 TTAB LEXIS 443, at *3–4 (T.T.A.B. 1999).

148. *NUMA, Inc. v. Sequent Computer Sys., Inc.*, 2003 WL 355728, at *3–5 (T.T.A.B. 2003) (nonprecedential).

149. *Id.* at *4.

150. *Id.* at *5.

151. *See, e.g., N. Am. Bear Co., Inc. v. Vt. Teddy Bear Co.*, 2003 WL 476257, at *3 n.4 (T.T.A.B. 2003) (nonprecedential) (testimony of an experienced trademark practitioner given “relatively little weight” where, among other things, he did not consider the goods as described in the registration and application at issue, did not consider other pertinent registrations, and mistakenly relied on the absence of the ® registration notice); *Applebee’s Int’l v. Societe Des Produits Nestle S.A.*, 2003 TTAB LEXIS 467, at *27–28 (T.T.A.B. 2003) (expert opining on likelihood of confusion mistakenly testified as to confusion of goods, rather than marks, and was unfamiliar with *DuPont* confusion factors).

V. Technical Experts

Other types of experts are used in Board proceedings for a variety of purposes. For example, a technical expert successfully showed that, in the construction management field, "Time Impact Analysis" and its acronym "TIA" were widely used industry terms, resulting in the Board's rejection of an application to register TIA.¹⁵² In another case, an expert on "cigars and Cuban cigars and tobacco" provided critical testimony as to the meaning of "Cuban seed tobacco," establishing that applicant's HAVANA CLUB mark was geographically deceptive and unregistrable.¹⁵³

A surprisingly common error is to have the expert testify about irrelevant issues. Even if the expert is highly qualified in her field, that is of little importance if her testimony will not help the TTAB decide the case. In a case involving a "Cuffs and Collar" mark for "exotic dancing for women in the nature of live performances," an "impressive" expert in dramaturgy provided "interesting history and psychosocial analysis in fields as diverse as the origins of the tuxedo, the significance of striptease, the women's liberation movement, the symbolic impact of costumes and uniforms, and other fields. Unfortunately, we find that her expertise and analysis ultimately have little probative value in relation to the question at hand, that is, whether the Cuffs & Collar Mark was inherently distinctive at the time applicant began to use it."¹⁵⁴

It is similarly ineffective to have the expert testify outside of the expert's personal knowledge or field of expertise. For example, an expert in the food packaging business testified about (1) "the predilections of vegetarians and vegans, [having] admitted that he is neither"; (2) "opposer's business, [having] admitted that he has never visited one of opposer's establishments"; and (3) "the meaning and commercial impression of the parties' marks, although he is not an expert in language or trademarks or the businesses of the respective parties."¹⁵⁵ Because his testimony "was not based on personal knowledge, nor was he qualified as an expert in

152. *Capital Project Mgmt., Inc. v. IMDISI, Inc.*, 70 U.S.P.Q.2d 1172, 1182, 1185 (T.T.A.B. 2003) (accepting the witness "as an expert in schedule analysis in the construction management field" and sustaining the opposition because "the designation TIA is, at a minimum, merely descriptive").

153. *Corporacion Habanos S.A. v. Anncas Inc.*, 88 U.S.P.Q.2d 1785, 1789, 1792-93 (T.T.A.B. 2008) ("The consuming public is likely to believe that Havana, Cuba indicates the origin of applicant's goods when in fact the goods will not come from that geographic location").

154. *In re Chippendales USA, Inc.*, 90 U.S.P.Q.2d 1535, 1543 (T.T.A.B. 2009) (registration refused for lack of inherent distinctiveness), *aff'd*, 622 F.3d 1346 (Fed. Cir. 2010).

155. *In-N-Out Burgers v. Peak Harvest Foods, LLC*, 2008 WL 4674604, at *4 (T.T.A.B. 2008) (nonprecedential) (opposition to mark QUALITY YOU CAN TASTE dismissed).

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these fields," the Board concluded that "his testimony about such matters has no probative value," citing Fed. R. Evid. 701.¹⁵⁶ An expert in some areas of the computer business likewise attempted to testify on other matters at issue, but his "own testimony shows that he is not an expert on respondent's use of its mark, on petitioner's use of its mark, or, for that matter, on survey techniques."¹⁵⁷ In another case, sporting goods store owners were not qualified to speak "on behalf of the entire hockey industry."¹⁵⁸

Unsurprisingly, the party must proffer the expert testimony or it will not be admitted.¹⁵⁹ Having the expert testify on the ultimate issue—for example, likelihood of confusion or source-indicating significance—without having conducted a survey typically will be unsuccessful.¹⁶⁰ As the Board explained in one case:

It is well established that the expressions of opinion by witnesses, including persons considered to be experts in a particular field on any question before the Board, is not binding upon the Board for "if such testimony were adopted without considering other aspects of the case, the effect would be to substitute the opinion of the

156. *Id.*

157. *Tangent Computer Inc. v. Tangent Sys., Inc.*, 2002 WL 1733874, at *6 (T.T.A.B. 2002).

158. *In re Gear Int'l Trading Co.*, 2001 TTAB LEXIS 501, at *25–26 (T.T.A.B. 2001) (nonprecedential). See also *Duramax Marine LLC v. R.W. Fernstrum & Co.*, 80 U.S.P.Q.2d 1780, 1786 (T.T.A.B. 2006) (much of expert's testimony irrelevant, but rest was probative on functionality issue of "whether the design proposed for registration is a realistic or stylized depiction of an actual keel cooler"); *Mag Instrument, Inc. v. Vt. Am. Corp.*, 1995 TTAB LEXIS 21, at *5 (T.T.A.B. 1995) ("Consequently, the opinions offered by opposer's linguistics and marketing experts, as opposed to their testimony as to factual matters within their areas of expertise and personal knowledge, are essentially of no probative value in this case").

159. *B&B Hardware, Inc. v. Sealtite Bldg. Fasteners*, 2007 WL 2698310, at *4–5 (T.T.A.B. 2007) (nonprecedential) ("Because opposer did not proffer [him] as an expert witness in marketing, advertising, and trade channels, we will not consider his testimony to be expert testimony. . . . [If opposer had proffered him] "his testimony did not include scientific, technical, or other specialized knowledge that we found helpful in understanding the evidence."); *Duramax Marine LLC v. R.W. Fernstrum & Co.*, 80 U.S.P.Q.2d 1780, 1795 (T.T.A.B. 2006) (survey results not considered where applicant never directly introduced them into evidence).

160. *Cf. Yamaha Int'l Corp. v. Hoshino Gakki Co., Ltd.*, 840 F.2d 1572, 1582–83 (Fed. Cir. 1988) (affirming Board having given only "modest weight" to testimony of guitar-making and -playing experts that the applied-for guitar head shape was perceived by guitar buyers as source-signifying, not ornamental).

witnesses for the ultimate decision to be reached by the Court and would therefore be improper.”¹⁶¹

In one case the Board called this type of testimony “essentially a survey comprising a one person universe.”¹⁶²

When possible, a party may choose to use an officer or employee to supply expert testimony or the equivalent. While having the potential disadvantage of raising bias concerns, the factual testimony of someone with the appropriate background can be effective.¹⁶³ Opinion testimony by the witness must be based on “first-hand knowledge or observation” to satisfy Fed. R. Evid. 701. Most courts have permitted the owner or officer of business to testify on various aspects of the business without qualifying the witness as an expert, and “such opinion testimony is admitted not because of experience, training or specialized knowledge within the realm of an expert, but because of the particularized knowledge that the witness has by virtue of his or her position in the business.”¹⁶⁴ If the witness is testifying solely as a fact witness, then there is no need to proffer the witness as an expert.¹⁶⁵

VI. Checklist

- The effective use of experts requires that counsel be or become knowledgeable about the subject matter of the expert testimony, the requisite qualifications for an expert witness, what governs

161. *Tanners’ Council of Am., Inc. v. Scott Paper Co.*, 185 U.S.P.Q. 630, 637 (T.T.A.B. 1975) (citing *Quaker Oats Co. v. St. Joe Processing Co.*, 232 F.2d 653 (C.C.P.A. 1956)). See also *Mag Instrument, Inc. v. Vt. Am. Corp.*, 1995 TTAB LEXIS 21, *5 (T.T.A.B. 1995); *7-Eleven, Inc. v. Morrison*, 2008 WL 2385970, at *13 (T.T.A.B. 2008) (“the Board has consistently held that although opinion testimony on the question of likelihood of confusion is admissible, it is entitled to little or no weight”) (quoting *Land-O-Nod Co. v. Paulison*, 220 U.S.P.Q. 61, 63–64 (T.T.A.B. 1983)).

162. *In re Jelly Belly Candy*, 2008 WL 5078731, at *4 (T.T.A.B. 2008).

163. See, e.g., *Sunrider Corp. v. Mineral Works*, 2002 WL 1844106, at *2 (T.T.A.B. 2002) (nonprecedential) (testimony of opposer’s president allowed over applicant’s objection that he was not identified as an expert witness). Cf. *Order Sons of Italy in Am. v. Memphis Mafia, Inc.*, 52 U.S.P.Q.2d 1364, 1369 (T.T.A.B. 1999) (rejecting testimony of three expert witnesses that “Mafia” in THE MEMPHIS MAFIA for entertainment services was disparaging where they were all active members in the petitioner’s organization).

164. *High Sierra Food Servs., Inc. v. Lake Tahoe Brewing Co., Inc.*, 2003 WL 21206252, at *2 (T.T.A.B. 2003) (nonprecedential) (admitting testimony of respondent’s CFO and director on geographic significance and materiality of LAKE TAHOE for beer).

165. *Beaute Prestige Int’l v. OroAmerica, Inc.*, 2002 WL 187309, at *2 (T.T.A.B. 2002) (overruling objection that opposer’s witness was “never presented as an expert witness”).

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admissibility, and what strategies in content and presentation are likely to be effective.

- Counsel must explain to the expert the issues of the TTAB proceeding and give context for the expert's opinion so that the expert can tailor that opinion in a way that will be admissible and probative.
- At the same time, counsel must be careful not to overstep and become overly involved in creating the expert's opinion. That can negate or undermine the probative force of the opinion and raise bias concerns that can result in its rejection.
- The Board normally will consider the admissibility of expert evidence under *Daubert*. Among other things, the Board therefore may consider whether "the reasoning or methodology underlying the testimony is scientifically valid and properly can be applied to the facts at issue." In appropriate cases, nonscientific testimony can be based on industry experience or other personal knowledge and experience.
- The most common form of expert evidence in TTAB proceedings is survey evidence. Surveys have been used to test genericness, acquired distinctiveness (secondary meaning), likely confusion, and likely dilution.
- The effective use of survey evidence requires that counsel be knowledgeable about survey design and methodology so that the expert opinion, based on the survey, is admissible and given weight.
- Although survey evidence fundamentally is hearsay, if proper methodology is used, it is admissible under applicable rules of evidence.
- A survey design leading to admissible and probative results will include the following:
 - The proper universe of respondents, which typically will be actual and potential purchasers of the product at issue.
 - A representative sample of respondents from that universe. There is no set number required, but samples often include hundreds of respondents.
 - Clear, unambiguous, nonleading questions.
 - A control study to account for "noise."
 - Objective methodology, with the avoidance of biasing elements.
- Established survey formats that have been accepted by the TTAB:
 - For likelihood of confusion, the *Ever-Ready* format.
 - For genericness and secondary meaning, the *Teflon* format, among others.
 - For likelihood of dilution, case law and expert commentary provides guidance.

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2 (T.T.A.B. 2002)
 expert witness").

- In appropriate cases, a linguistic expert can help demonstrate consumers' understanding and perception of the term(s) at issue.
- Evidence from a linguistic expert often is used in proceedings involving foreign terms but also can be used in cases involving dialects or other specialized language uses.
- Counsel is better off viewing linguistic evidence as a building block, rather than as dispositive of the ultimate issue.
- The Board regularly has declined to give any significant weight to expert testimony on the ultimate issue, for example, secondary meaning or likely confusion.
- Technical experts can play a wide variety of roles in TTAB proceedings, depending on the issues involved. Industry experts, for example, can explain the use of the term in that industry, to help explain its genericness, descriptiveness, or deceptiveness for the goods or services at issue.
- Technical experts also can be used to explain salient factors such as the market, the industry, or the production of a particular product. Any aspect that might affect the determination of protectability, priority, likely confusion, or likely dilution, may be susceptible to useful evidence from an expert.
- It is surprisingly common for counsel to make the mistake of having the expert testify outside of his or her area of expertise, or on irrelevant matters, or on ultimate issues more properly determined by the Board.
- Counsel can avoid such problems by engaging an expert who is appropriately qualified as to the issue, and having that expert testify solely in relation to that issue and within the expert's area of expertise.
- In appropriate cases, an officer or employee of a party to the proceeding may be able to supply the equivalent of expert testimony but as a fact witness, based on particularized knowledge that the witness has by virtue of his or her position in the business.

Chapter Briefs and O

William M. E

I. Introduc

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

PROMARK BRANDS INC.,

**Opposition Nos. 91194974
91196358**

Opposer,

v.

U.S. Trademark Application 77/864,305
For the Mark **SMART BALANCE**
Published in the Official Gazette on April 20, 2010

GFA BRANDS, INC.,

U.S. Trademark Application 77/864,268
For the Mark **SMART BALANCE**
Published in the Official Gazette on August 10, 2010

Applicant.

**DECLARATION OF JOHANNA WILBERT IN OPPOSITION TO OPPOSERS'
MOTION TO STRIKE APPLICANT'S TRIAL BRIEF AND IN SUPPORT OF
APPLICANT'S MOTION TO EXTEND TIME**

I, Johanna Wilbert, declare as follows:

1. I am an associate attorney with Quarles & Brady LLP, counsel for Applicant, GFA Brands. The following statements are based on my personal knowledge.
2. After receiving the Heinz trial brief Mr. Cross asked me to calculate our response date.
3. After some investigation and discussing the TTAB service rules with a colleague who believed Rule 2.119(c) would apply, I then considered the rule myself and I too concluded that it would apply based on the certificate of service stating that formal service had been made by mail and that the e-mail we had received with the brief was a courtesy copy.
4. I then told Mr. Cross the brief was due on September 16th.
5. In preparing this declaration, I have reviewed our internal e-mails regarding the deadline of the Applicant's trial brief. The e-mails corroborate my recollection stated above about the date of September 16 that I and our team believed was correct for our trial brief.

6. We were wrong. But we did not make this mistake intending to obtain a strategic advantage. The mistake was entirely inadvertent, caused by a misunderstanding regarding the applicability of the extension for service. Had we believed the brief was due on September 11th, we would have filed it on September 11th and adjusted our schedules as necessary to accommodate that deadline.

7. On September 16th, in the course of preparing the filing, our team divided responsibilities for various sections as is our custom. Coordinating and compiling the end results of everyone's contributions took more time than anticipated, due in part to technological problems in formatting and unifying the formatting of the various sections. The net effect of several modest delays throughout the day prevented us from filing our brief until ten minutes after 11:00 p.m. Central Time. We worked diligently to meet the 11:00 p.m. deadline but were simply unable to do so. The ten-minute delay was not intended to obtain any strategic advantage.

8. After the brief was electronically filed, I e-mailed courtesy copies of the brief to opposing counsel at 11:20 p.m. I then deposited with the United States Postal Service hard copies of the brief addressed to opposing counsel via First Class mail. I delivered these copies to the post office before midnight on Monday, September 16, 2013.

I affirm under penalty of perjury that the forgoing is true and correct.

Dated this 19th day of September 2013.

/s/ Johanna M. Wilbert

Johanna M. Wilbert

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

PROMARK BRANDS INC. and H.J.
HEINZ COMPANY,

Opposers,

v.

GFA BRANDS, INC.,

Applicant.

**Opposition Nos. 91194974 (Parent)
and Opposition No. 91196358**

U.S. Trademark Application 77/864,305
For the Mark **SMART BALANCE**

U.S. Trademark Application 77/864,268
For the Mark **SMART BALANCE**

**DECLARATION OF DAVID R. CROSS IN OPPOSITION TO OPPOSERS' MOTION
TO STRIKE AND IN SUPPORT OF APPLICANT'S MOTION FOR AN EXTENSION
OF TIME**

I, David R. Cross, declare as follows:

1. I am a partner with Quarles & Brady LLP, counsel for Applicant, GFA Brands. I make the following statements based on my personal knowledge.

2. Because of a misreading of Rule 2.119(c), our firm had mistakenly determined that the due date for GFA Brands' trial brief was September 16, 2013. In preparing this declaration, I have reviewed internal e-mails sent among Quarles & Brady personnel regarding the deadline for GFA's trial brief. Those e-mails corroborate my colleague Ms. Wilbert's explanation of what happened as set forth in her declaration, filed herewith.

3. We did not realize that September 16 was the wrong date until after reading Opposers' Motion to Strike, which we received the morning of September 17.

4. Within hours after determining we had filed the brief late, I sent an e-mail message to counsel for Heinz explaining what had happened, apologizing for our error, and agreeing that Heinz should have at least six additional days for its reply papers to remedy any

possible prejudice to Heinz. (A copy of my September 17 e-mail message is attached hereto as Exhibit A.)

5. Counsel for Heinz responded with an e-mail message the morning of September 18. (A copy of the September 18 e-mail communication is attached hereto as Exhibit B.) That message clarified that Heinz would not have moved to strike if our brief had merely been 10 minutes late or even several hours late. Heinz's motion to strike was based instead on our misapplication of the service by mail rule, which led to a five day, three business day, delay.

6. Heinz's counsel refused our offer of an extension of time as a cure, contending that the delay benefited GFA in some way. (*Id.*)

7. Our mistake was not intentional and did not provide us with any strategic advantage. Had we believed the brief was due on September 11, I and the rest of our team would have adjusted our schedules so that we would have been able to file the same brief on September 11.

I affirm under penalty of perjury that the foregoing is true and correct.

Dated this 19th day of September, 2013.



David R. Cross

EXHIBIT A

Cross, David R. (MKE x1669)

From: Cross, David R. (MKE x1669)
Sent: Tuesday, September 17, 2013 3:32 PM
To: 'Angela R Gott'; Kevin C Meacham; Timothy Fraelich
Cc: Levine, Marta S. (MKE x1675); Wilbert, Johanna M. (MKE x1495)
Subject: RE: ProMark Brands Inc. and H. J. Heinz Company v. GFA Brands, Inc. - Opposers' Motion to Strike Applicant's Trial Brief

I write in response to your motion to strike and to offer you whatever relief you reasonably need to remedy what, after seeing your motion and re-reading and researching the service by mail rule, was clearly the late filing and service of our trial brief.

First, an explanation of our error. We had unexpected problems last night that caused us to e-file at 11:10 Central on 9/16, 12:10 Eastern on 9/17, 10 minutes after what we had understood to be the deadline for our opposing trial brief. We did make service by mail before midnight our time, and you did get our email courtesy copies I assume, so we went home last night embarrassed that we missed the midnight Eastern filing deadline, but thinking that you would not move to strike based on our filing 10 minutes late. And that if you did, we would be within the excusable neglect standard for late filings. So we were surprised to learn this morning that we were not just 10 minutes late but in fact 5 days and 10 minutes late with filing our brief, the 5 days due to our misreading of the service by mail rule, 2.119(c). Although this mistake compounded our embarrassment, I can assure you that before reading your motion to strike, no one on this side thought that our papers were due on 9/11.

Second, we would like to make things right, so that our mistake does not prejudice Heinz. It seems to me that agreeing to extend the deadline for your reply papers by 6 days should remedy any issue you may have. If that is not enough time, please let us know what you think is right.

We apologize for any inconvenience our mistake has caused and fee terrible about what happened.

David R. Cross
Partner
Quarles & Brady LLP
411 East Wisconsin Avenue
Suite 2350
Milwaukee, Wisconsin 53202-4426
www.quarles.com
P: (414) 277-5669
F: (414) 978-8669
David.Cross@quarles.com

From: Angela R Gott [<mailto:agott@JonesDay.com>]
Sent: Tuesday, September 17, 2013 9:53 AM
To: Cross, David R. (MKE x1669); Levine, Marta S. (MKE x1675); Wilbert, Johanna M. (MKE x1495)
Cc: Timothy Fraelich; Kevin C Meacham
Subject: ProMark Brands Inc. and H. J. Heinz Company v. GFA Brands, Inc. - Opposers' Motion to Strike Applicant's Trial Brief

Re: *ProMark Brands Inc. and H. J. Heinz Company v. GFA Brands, Inc.*
TTAB Opposition No. 91194974 (Parent)
and Opposition No. 91196358
Serial Nos. 77/864,305 and 77/864,268 – SMART BALANCE

Dear Counsel,

Attached is a courtesy copy of Opposers' Motion to Strike Applicant's Trial Brief, along with the supporting exhibits, which was filed with the Board today. A service copy of the attached documents is being sent to you today via U.S. Mail.

Regards,

Angela

Angela R. Gott

Jones Day
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
(216) 586-7149 (direct)
(216) 579-0212 (facsimile)

=====

This e-mail (including any attachments) may contain information that is private, confidential, or protected by attorney-client or other privilege. If you received this e-mail in error, please delete it from your system without copying it and notify sender by reply e-mail, so that our records can be corrected.

=====

EXHIBIT B

Cross, David R. (MKE x1669)

From: Timothy Fraelich [tfraclich@JonesDay.com]
Sent: Wednesday, September 18, 2013 10:54 AM
To: Cross, David R. (MKE x1669)
Cc: Angela R Gott; Wilbert, Johanna M. (MKE x1495); Kevin C Meacham; Levine, Marta S. (MKE x1675)
Subject: RE: ProMark Brands Inc. and H. J. Heinz Company v. GFA Brands, Inc. - Opposers' Motion to Strike Applicant's Trial Brief

Mr. Cross:

If the Trial Brief had merely been 10 minutes late, or even several hours late, we would not have filed a Motion to Strike it. The fact of the matter is that Applicant's Trial Brief was filed on August 17, *six days* after the due date of August 11. Since the Brief was due 30 days after the submission of our Trial Brief, in effect, Applicant took 20% more time than provided by the plain language of the Rules to prepare and file its Brief. Such a significant lapse cannot be cured merely by extending the time for Opposer to file its Reply Brief.

As you are aware, this is not the first instance in which we believe that Applicant has acted out of Rule in this proceeding. We continue to have significant issues with the manner in which Applicant submitted its expert testimony. Accordingly, we believe that it is an appropriate remedy is for the Board to Strike Applicant's Trial Brief and to give it no consideration, whatsoever..

Sincerely,

	Timothy P. Fraelich
	901 Lakeside Ave, Cleveland Ohio 44114 • Direct: 216.586.1247 • Fax: 216.579.0212 500 Grant Street, Pittsburgh Pennsylvania 15219 Direct: 412.394.7952 Fax: 412.394.7959 tfraclich@jonesday.com *Admitted in Ohio and Pennsylvania

From:	"Cross, David R." <David.Cross@quarles.com>
To:	Angela R Gott <agott@JonesDay.com>, Kevin C Meacham <kcmeacham@jonesday.com>, Timothy Fraelich <tfraclich@JonesDay.com>,
Cc:	"Levine, Marta S." <marta.levine@quarles.com>, "Wilbert, Johanna" <johanna.wilbert@quarles.com>
Date:	09/17/2013 04:32 PM
Subject:	RE: ProMark Brands Inc. and H. J. Heinz Company v. GFA Brands, Inc. - Opposers' Motion to Strike Applicant's Trial Brief

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David R. Cross

Partner

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David.Cross@quarles.com

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Sent: Tuesday, September 17, 2013 9:53 AM

To: Cross, David R. (MKE x1669); Levine, Marta S. (MKE x1675); Wilbert, Johanna M. (MKE x1495)

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Regards,

Angela

Angela R. Gott

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901 Lakeside Avenue

Cleveland, Ohio 44114

(216) 586-7149 (direct)