## This Opinion is Not a Precedent of the TTAB

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## UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Overstock.com, Inc. v. J. Becker Management

Opposition No. 91203624

Alan J. Howarth of Clayton, Howarth & Cannon PC. for Overstock.com, Inc.

Allison M. Corder of Valauskas Corder LLC for J. Becker Management.

Before Kuhlke, Wellington, and Gorowitz, Administrative Trademark Judges.

Opinion by Wellington, Administrative Trademark Judge:

Overstock.com, Inc. ("Opposer") opposes the application filed by J. Becker Management, Inc. to register the mark:



for "retail store and on-line retail store services featuring furniture and sleep products" in International Class 35.1 The exclusive right to the wording MATTRESS OVERSTOCK has been disclaimed in the application.

Opposer claims a likelihood of confusion with its registered mark OVERSTOCK.COM (Registration No. 2939764 or, hereinafter "Reg. '764") for "online wholesale and retail store services featuring general consumer merchandise, namely, clothing, shoes, bath and body products, jewelry, electronics, cookware, housewares, appliances, furniture, linens, pillows, decorative accessories, office furniture and accessories, toys, games, sporting goods, tools, outdoor lawn and garden equipment, pet supplies and paper products" in International Class 35.2 In particular, Opposer pleads that it has "built up goodwill" in its mark; that Applicant's mark is "a colorable imitation" of Opposer's mark; that Applicant's services are "the same, similar and/or related to" the services in connection with which Opposer uses its mark; and that "registration and/or use" of Applicant's mark is likely to cause confusion, mistake and/or deceive as to origin.

Applicant filed an answer denying the salient allegations of Opposer's likelihood of confusion claim.

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<sup>&</sup>lt;sup>1</sup> Application Serial No. 77587536 was filed on October 7, 2008 and amended to seek registration on the Principal Register on March 17, 2010. The application is based on a statement of first use in commerce and anywhere on May 11, 2005, under Section 1(a) of the Trademark Act.

<sup>&</sup>lt;sup>2</sup> Registration No. 2939764 issued on April 12, 2005 under Section 2(f) ("acquired distinctiveness") of the Trademark Act, and has been renewed. Opposer attached printouts for the registration from the USPTO electronic database TESS with the Notice of Opposition.

# I. Applicant's Affirmative Defense -- Motion to Amend Its Recitation of Services

In its answer, Applicant raised an affirmative defense by asserting that it seeks to amend its recitation of services to exclude "online" retail store services, that this amendment "will avoid a likelihood of confusion," and that it is "at least entitled to registration" of its mark in connection with the services, as amended.<sup>3</sup> Applicant elaborated that it "is not using ... [and] has no intent-to-use" its mark in connection with the excluded services.<sup>4</sup> Applicant filed a motion to amend its application in this regard on the same day as its answer.<sup>5</sup> The Board subsequently acknowledged the motion and deferred consideration until final decision.<sup>6</sup>

In its trial brief, however, Applicant inexplicably stated that it "agrees with Opposer's request to the Board to deny Applicant's proposed amendment to [Applicant's] services." Brief, p. 18 (at fn. 6), referencing page 17 of Opposer's Brief. Applicant goes on to admit that "the services of the parties" overlap. *Id*.

Based on Applicant's statements in its brief, we consider its motion to amend the recitation of services as having been withdrawn. Accordingly, Applicant's proposed

<sup>&</sup>lt;sup>3</sup> 6 TTABVUE.

 $<sup>^4</sup>$  Id.

<sup>&</sup>lt;sup>5</sup> *Id*.

<sup>&</sup>lt;sup>6</sup> 11 TTABVUE.

amendment is given no further consideration, except as explained at the end of this decision. See, *infra*, "Remand Application to Examining Attorney."

To be clear, the recitation of services in the involved application remains unchanged for purposes of our likelihood of confusion analysis, namely, "retail store and on-line retail store services featuring furniture and sleep products."

## II. Evidentiary Objections

Applicant raises several objections to various evidentiary submissions made by Opposer. We address the objections by the types of materials being introduced or the basis for the objection.

Procedural Objections to Notice of Reliance Materials

Procedural objections to the introduction of evidence must be raised promptly. If a procedural objection involves a defect that may be cured promptly, but is not timely raised, the objection may be deemed to be waived. See TBMP 707.02(b) and cases cited therein.

Applicant objects, for the first time in its trial brief, to various internet materials submitted by Opposer under notice of reliance on the basis that the URL (website address) is either missing or incomplete. Because this is the type of defect that Opposer could have promptly cured had Applicant's objection been timely raised, it is deemed waived. See City National Bank v. OPGI Management GP Inc./Gestion OPGI Inc., 106 USPQ2d 1668, 1672 (TTAB 2013) ("[a]ny shortcomings in respondent's original submission ... under notice of reliance, such as its failure to identify the URL and when the document was actually accessed (either printed out

or downloaded), are procedural deficiencies that were not timely raised by petitioner and thus have been waived").

## Timeliness of Opposer's Second Notice of Reliance

Applicant's objection to Opposer's second notice of reliance as untimely is overruled. Opposer's trial period, as rescheduled, ended on June 29, 2014 which was a Sunday, and the second notice of reliance was filed on the following date, and thus is considered timely, pursuant to Trademark Rule 2.196 ("When the day ... for taking any action ... falls on a Saturday, Sunday or Federal holiday ..., the action may be taken ... on the next succeeding day ..."); see also, TBMP 112 (Times for Taking Action).

#### Byrne Declaration

Opposer submitted, under its first notice of reliance, the file for its registration No. 2939764 which includes a "Declaration of Distinctiveness" executed by Patrick Byrne in 2004. Applicant objects to Opposer's reliance on this declaration because it is not testimony and is not contemporary.

Opposer may introduce the file history of a registration file, including all materials submitted in the prosecution, as an official record under a notice of reliance. Trademark Rule 2.122(e); see also, TBMP 704.03(b)(1). However, without testimony, the registration file materials may have limited probative value. Absent an agreement in writing by the parties allowing testimony to be submitted in the form of an affidavit, testimony must be taken by deposition upon oral examination

in accordance with 37 C.F.R. § 2.123, or by deposition upon written questions in accordance with 37 C.F.R. § 2.124. *See also* TBMP § 703.

In sum, although the Byrne declaration may be introduced as part of a registration's file history, it cannot substitute for testimony and statements made in the declaration are not considered for the truth of the matter asserted.

General Hearsay Objections/ Opposer's 10-K Reports

Opposer submitted various internet materials under three notices of reliance. Without accompanying relevant testimony, the internet evidence is similar to printed publications and is only admissible for what it shows on its face. See, e.g., 7-Eleven Inc. v. Wechsler, 83 USPQ2d 1715, 1717 n.2 (TTAB 2007) (materials made of record by notice of reliance under 37 C.F.R. § 2.122(e) not admissible for the truth of the matters contained therein, unless a competent witness has testified to the truth of such matters); Midwest Plastic Fabricators Inc. v. Underwriters Laboratories Inc., 12 USPQ2d 1267, 1270 n.5 (TTAB 1989) (annual report in evidence only for what it showed on its face), aff'd, 906 F.2d 1568, 15 USPQ2d 1359 (Fed. Cir. 1990).

With respect to Opposer's 2012 10-K annual report filed with the U.S. Securities and Exchange Commission (SEC), we note that annual reports are not considered printed publications for purposes of submitting under a notice of reliance pursuant to Trademark Rule 2.122(e); however, they can still be made of record by notice of reliance in the same manner as other internet-available materials. See Safer Inc. v. OMS Investments Inc., 94 USPQ2d 1031, 1039 (TTAB 2010) ("This approach facilitates the introduction of matter for the limited purpose of demonstrating what

the documents show on their face.") Again, although the annual report is in evidence for what it shows on its face, factual assertions set forth therein are mere hearsay unless supported by testimony. Opposer argues that the annual report is "admissible as exception to the general rule against hearsay as a record of regularly conducted activity under Federal Rule of Evidence 803(6)." Reply Brief, p. 8. However, since there is no testimony identifying and authenticating the annual report as a business record, and it was introduced as a publicly available document obtained from the internet, the hearsay rule applies.

Applicant also objected for the first time in its brief to Opposer's reliance on the annual report for purposes of establishing the fame of its mark on the basis that Opposer did not state the document as being relevant to fame in the notice of reliance. Because this is a curable defect the objection is untimely. Fujifilm SonoSite, Inc. v. Sonoscape Co., 111 USPQ2d 1234, 1237 (TTAB 2014). Moreover, when evidence has been made of record it may be referred to by any party for any purpose permitted by the Federal Rules of Evidence. See Dynamark Corp. v. Weed Eaters, Inc., 207 USPQ 1026, 1028 n.2 (TTAB 1980). Nevertheless, Opposer cannot rely on any statements made in the annual report for purposes of establishing the truth of the matter asserted, the annual report has no real probative value with respect to the factor of fame.

In sum, all of the documents obtained from the internet and submitted under notices of reliance are admissible solely for purposes of what they show on their face. These internet printouts, including Opposer's 10-K annual report, cannot be used to establish the truth of any matters asserted in the documents.

## Opposer's Advertisements

Under its second notice of reliance, Opposer attached copies of what is described as "direct mail advertising mailed by [Opposer] to customers and potential customers on or about [from 2008 to 2014]."7 Inasmuch as these are not printed publications or otherwise publicly available materials obtained from the internet, they are not admissible under a notice of reliance. Wet Seal, Inc. v. FD Management, Inc., 82 USPQ2d 1629, 1632 (TTAB 2007) (advertising invoices and other advertising documents not admissible under notice of reliance alone); see also, Wagner Electric Corp. v. Raygo Wagner, Inc., 192 USPQ 33, 36 n.10 (TTAB 1976). Opposer's assertion that they constitute business records of "regularly conducted activity" and as such are admissible under FRE 803(6) is not well-taken. They do not appear to be business records and have not been authenticated as business records. Moreover, a company's business records do not constitute official records and are not self-authenticating. Thus, they cannot be submitted under notice of reliance. See Research In Motion Ltd. V. NBOR Corp., 92 USPQ2d 1926, 1929 (TTAB 2009); Hiraga v. Arena, 90 USPQ2d 1102, 1105 (TTAB 2009).

Accordingly, these materials (specifically "Exhibit A" attached to Opposer's second notice of reliance) are not of record and are given no further consideration.

<sup>&</sup>lt;sup>7</sup> 23 TTABVUE.

#### III. Record

The record in this case consists of the pleadings and, by rule, the file of the involved application. Trademark Rule 2.122(b)(1).

Opposer has made its pleaded registration (Reg. '764) for the mark OVERSTOCK.COM of record by attaching a copy thereof showing title and status from the PTO electronic database to the Notice of Opposition. Trademark Rule 2.122(d)(1).

Opposer also submitted the following materials under three notices of reliance:8

- A copy of the file history of Opposer's pleaded Reg. '764;9
- Printouts from the PTO TSDR electronic database for Registrations Nos. 3676884 (OVERSTOCK.COM CARS), 3676885 (OVERSTOCK CARS), 3693462 (OVERSTOCK.COM IT'S ALL ABOUT THE PRICES), 3728854 (LIVE BETTER WITH OVERSTOCK.COM), 3693463 (OVERSTOCK.COM IT'S ALL ABOUT THE PRICE), 3693464 (OVERSTOCK.COM PRICES), 3693465 (OVERSTOCK.COM PRICE), 3952223 (OVERSTOCKTOBER), 3069011 YOUR (OVERSTOCK.COM ONLINE OUTLET). and 4218453 (OVERSTOCK.COM AUCTIONS), 4303487 (OVERSTOCK.COM REDLINE DEALS);10
- Printouts from Opposer's website (www.overstock.com), including press releases, advertised products, a 2012 10-K annual report, and information concerning an outlet store;<sup>11</sup>
- Printouts from Yahoo! Finance website;<sup>12</sup>

<sup>&</sup>lt;sup>8</sup> The advertisements submitted as "Exhibit A" under Opposer's first notice of reliance are not listed in view of Applicant's sustained objection.

<sup>&</sup>lt;sup>9</sup> 16 TTABVUE.

 $<sup>^{10}</sup>$  *Id*.

<sup>&</sup>lt;sup>11</sup> *Id*.

 $<sup>^{12}</sup>$  *Id*.

- Printouts obtained from the Internet Archive Wayback Machine (www.archive.org/web) purportedly showing Opposer's website home page at points from 1999-2013;<sup>13</sup>
- Advertisements from printed publications, *e.g.*, Better Homes and Gardens, Family Circle, Good Housekeeping, etc.;<sup>14</sup>
- Printouts from the website www.forbes.com;<sup>15</sup>
- "Reprint" from publication Consumer Reports titled "Best Online Retailers";16
- Partial file histories for Opposition Nos. 91175307, 91205850, 91212400, 91212402, 91213616, and 91213617, and Cancellation Nos. 92054852, 92055634, 92056429, and 92057569; and
- Printouts from websites www.overstock.com, www.phenomsonline.com, and www.usedcars.overstock.com.

For its part, Applicant submitted the following materials under a notice of reliance during its trial period:<sup>17</sup>

- Printouts from its website www.mattressoverstockusa.com;
- Printouts from the PTO TSDR electronic database for Registrations Nos. 3356793 (DIRTOVERSTOCK), 3871710 (HUNTFISHOVERSTOCK), 3518586 (OVERSTOCKDRUGSTORE.COM), 3843994 (OVERSTOCKDEALS.COM), 3694437(OVERSTOCKDEALS.COM), 3249262 (OVERSTOCKJEWELER.COM), 3783032 (ACOVERSTOCK); 3945614 (WOW WEEKENDS OVERSTOCK WAREHOUSE); 3522517 (SNOWOVERSTOCK) 3220880 (STREETOVERSTOCK); 3226032 (ATVOVERSTOCK); and 3447230 (ASIA OVERSTOCK);

 $^{15}$  *Id*.

<sup>&</sup>lt;sup>13</sup> 23 TTABVUE.

 $<sup>^{14}</sup>$  *Id*.

 $<sup>^{16}</sup>$  *Id*.

<sup>&</sup>lt;sup>17</sup> 19-20, 22 TTABVUE.

- Printouts from the websites www.dirtoverstock.com, www.hfoverstock.com, www.overstockdrugstore.com, www.islandoverstock.com, www.tcoverstock.com, www.recreationoverstock.com, www.overstockliquidationco.com, www.overstockaccessories.com. www.overstockfurnituredeals.com, www.cincinnatioverstockwarehouse.com, www.louisvilleoverstockwarehouse.com, www.lexingtonoverstockwarehouse.com, www.automation-overstock.com, www.nationaloverstockwarehouse.com, www.bgoverstockwarehouse.com, www.hostpitaloverstock.com, www.furnituremadeaffordable.com (for "Overstock Furniture Sales" website), www.hockeyoverstock.com, www.golfoverstock.com, www.beautyoverstock.net, www.overstockdeals.com, www.overstockjeweler.com, www.amazon.com, Opposer's website www.overstock.com;
- Opposer's responses to Applicant's first set of admissions Nos. 1-10; and
- Opposer's response to Applicant's interrogatory No. 9.

## IV. Opposer's Standing and Priority

Because Opposer's pleaded registration for the mark OVERSTOCK.COM is of record, this is sufficient to establish Opposer's standing and removes priority as an issue with respect to this mark and services vis-à-vis Applicant's mark and services. Cunningham v. Laser Golf Corp., 222 F.3d 943, 55 USPQ2d 1842 (Fed. Cir. 2000); and King Candy Co. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974).

#### V. Likelihood of Confusion

We now turn our attention to likelihood of confusion. Our determination under Trademark Act Section 2(d) is based on an analysis of all 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).

#### A. Similarity of the Services and Channels of Trade

Applicant's services include "retail store and on-line retail services featuring furniture and sleep products" and Opposer's services include "on-line wholesale and retail store services featuring general consumer merchandise, namely, ... furniture, linens, pillows, ... office furniture," and thus they are partially overlapping. Specifically, both parties' services include the on-line retail sale of furniture and, because "sleep products" is a broad term, the parties' services would include the on-line retail sale of linens and pillows. In other words, the services are, at least, partially identical. With respect to Applicant's retail "brick and mortar" store services, the record shows that these services, too, are closely related to Opposer's on-line retail store services inasmuch as they feature the same goods.

In line with our findings, and as previously noted, Applicant admits that "it is clear the services of the parties overlap." Brief, p. 18. Applicant further admits that "[w]ithout limitations to the channels of trade in Applicant's application or in Opposer's registration – and both directed to retail and on-line services – Applicant agrees with the presumption that the channels of trade overlap." *Id.* at 19-20.

In view of the above, there is no dispute that the parties' retail services are, in part, identical and otherwise closely related. Moreover, we must presume these services, at least where they overlap, will move in the same channels of trade and will be made available to the same potential classes of ordinary consumers. See

Citigroup Inc. v. Capital City Bank Group Inc., 637 F.3d 1344, 98 USPQ2d 1253, 1261 (Fed. Cir. 2011). See also, American Lebanese Syrian Assoc. Charities Inc. v. Child Health Research Inst., 101 USPQ2d 1022, 1028 (TTAB 2011); see also In re Viterra Inc., 671 F.3d 1358, 101 USPQ2d 1905, 1908 (Fed. Cir. 2012) (finding Board entitled to rely on this presumption).

Accordingly, the second and third  $du \ Pont$  factors strongly support a finding of likely confusion.

### B. Similarity of the Marks

We now consider the similarity or dissimilarity of the marks at issue in terms of appearance, sound, meaning, and overall commercial impression. *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772*, 396 F.3d 1369, 73 USPQ2d 1689, 1692 (Fed. Cir. 2005).

In comparing the marks, the single and obvious point of similarity is that the word "overstock" is in both Opposer's OVERSTOCK.COM mark as well as Applicant's mark:



There are several points of dissimilarity. First, while the term OVERSTOCK is primary in Opposer's mark, it is the second word in Applicant's mark making it, visually and aurally, less prominent in Applicant's mark. There are also elements within each mark not found in the other. In particular, Opposer has the addition of the top level domain (TLD) ".com." in its mark. Applicant's mark, on the other hand,

begins with the word MATTRESS and contains a "four squares" design on the right. Generally, the addition of these elements has little significance for purposes of distinguishing trademarks. That is, ".com," being a TLD indicator for commercial websites, has been held to have no source-identifying function. See In re 1800Mattress.com IP LLC, 586 F.3d 1359, 92 USPQ2d 1682 (Fed. Cir. 2009) (MATTRESS.COM generic for "online retail store services in the field of mattresses, beds, and bedding," and applicant "presented no evidence that ".com" evoked anything but a commercial internet domain"); see also, TMEP § 1215.01 et seq. ("Marks Composed, in Whole or in Part, of Domain Names"). Likewise, the word "mattress," in the context of Applicant's services, is merely descriptive or generic for Applicant's retail store services that feature "sleep products," which would include mattresses. Finally, although the design element in Applicant's mark is not descriptive, it is not highly distinctive and, in general, with marks that combine a design with wording, it is usually the words that are normally accorded greater weight because the words are likely to make an impression upon purchasers, would be remembered by them, and would be used by them to request the goods. CBS, Inc. v. Morrow, 708 F.2d 1579, 218 USPQ 198, 200 (Fed. Cir. 1983) ("in a composite mark comprising a design and words, the verbal portion of the mark is the one most likely to indicate the origin of the goods to which it is affixed.")

As to the meanings or connotations of the marks, there is no arbitrary or inherently distinctive wording in either mark. Again, ".com" informs consumers that Opposer's mark is also a domain name and the word "mattress" merely describes

goods that Applicant is selling. We further take notice that the shared term "overstock" is defined as follows: 18

#### Overstock:

(verb) 1. To stock (a store, etc.) with more of (something) than can be readily used.

(noun) 1. Too large a stock.

In the prosecution of both the underlying application for Opposer's pleaded registration '764 as well as the involved application in this proceeding, the respective Examining Attorneys argued that "overstock" is merely descriptive of retail store services. Indeed, Opposer's entire mark, OVERSTOCK.COM, was initially refused registration on the basis that it is merely descriptive of the services and Opposer was only able to register the mark under Section 2(f) of the Trademark Act with a showing that it had acquired distinctiveness. Applicant, on the other hand, submitted a disclaimer of the exclusive right to use the descriptive wording "mattress overstock," as required by the Examining Attorney.

The literal terms in both marks are descriptive of the services. For the sake of clarity, we note that the acquired distinctiveness presumption is to Opposer's mark, OVERSTOCK.COM, as a whole, and not to any of the individual elements, e.g., the word OVERSTOCK. The wording in the mark helps create a descriptive overall

<sup>&</sup>lt;sup>18</sup> The Board may take judicial notice of dictionary definitions, *Univ. of Notre Dame du Lac v. J.C. Gourmet Food Imp. Co.*, 213 USPQ 594 (TTAB 1982), *aff'd*, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983), including online dictionaries that exist in printed format or regular fixed editions. *In re Red Bull GmbH*, 78 USPQ2d 1375, 1377 (TTAB 2006).

<sup>&</sup>lt;sup>19</sup> 16 TTABVUE (file history of Reg. '764).

commercial impression, namely, that of a website involving the sale of goods that have been "overstocked" or are considered "overstock." As to Applicant's mark, on the other hand, while the mark connotes the sale of overstocked mattresses, consumers are likely to also notice the design element or place more emphasis on this element, given that it is the only non-descriptive portion of the mark.

After making the above comparison of the two marks, it becomes readily apparent that a determination of whether the two marks are confusingly similar rests almost entirely on the degree of significance the term "overstock" plays in the minds of the relevant consuming public. Indeed, as the parties' arguments reflect, this proceeding revolves around Applicant's assertion that the shared term is weak and consumers will "look to other portions of the mark[s] for small differences as a means of distinguishing the source of the [services] in the marketplace," and Opposer's assertion that its mark is "famous" and "should be afforded a broad scope of legal protection." Applic. Brief at p. 24 and Opp. Brief at p. 25. We discuss address these two factors in the following sections.

C. Weakness of the term OVERSTOCK in the Context of Retail Services; the Number and Nature of Similar Marks in Use for Similar Services

In light of its defined meaning, there is an inherent weakness in the term "overstock" in connection with retail services. Consumers are likely to perceive the term as describing the types of goods being sold, *i.e.*, overstocked items that may be on discount. The evidence of third-party use and registration of this term in marks corroborates that consumers will immediately understand the term in this manner.

For example, there is a "Hospital Overstock" website (www.hospitaloverstock.com) touting the sale of "NAME BRAND MEDICAL SUPPLIES CLOSEOUT PRICES" and offering to buy:<sup>20</sup>

#### **Got Medical Overstock?**

Sell It to Us. Are you looking to get rid of your excess medical Supplies? We want to buy them! Please fill out our Seller's Form to Provide us with details of the products you would like to sell us.

Another website, "Island Overstock" (www.islandoverstock.com), advertises its consignment services:

...we invite you to become a seller at one of our events. You can sell your overstock pieces – and increase you visibility and revenue.

This usage corroborates the weakness of "overstock" and shows that consumers will readily understand its meaning. The term is frequently and easily used by retail businesses in describing or advertising their normal course of activities.

Applicant argues that OVERSTOCK is also commercially weak or diluted as a result of extensive third-party use of the term in connection with retail store services. In support, Applicant submitted copies of seven third-party registrations for marks that include the term OVERSTOCK in connection with retail store services, as well as the printouts from over twenty third-party websites for which the URL and the website name include the term "overstock."

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<sup>&</sup>lt;sup>20</sup> 22 TTABVUE 9.

Additionally, and aside from the previously mentioned "Hospital Overstock" and "Island Overstock" websites, the record includes materials from various other entities, such as:

- BEAUTY OVERSTOCK "boasts an incredible selection of beauty products for customers nationwide ... offer discontinued items to customers at fraction of the original cost";<sup>21</sup>
- GOLF OVERSTOCK "Golf Equipment: Golf Clubs, Golf Bags, Gold Shoes, Golf Balls, Golf Apparel & Accessories";<sup>22</sup>
- HOCKEY OVERSTOCK.COM "Hockey Equipment at the best prices"; 23
- $\bullet$  RECREATION OVERSTOCK "close out deals on boat covers, motorcycle bags and covers";  $^{24}$
- OVERSTOCK FURNITURE "Overstocked \* Underpriced ... Click here for CRAZY LOW PRICES on our overstocks!" and "At Overstock Furniture we buy overstocks, one-of-a-kinds, factory sell outs, design prototypes, and more to pass the savings on to you."; 26
- OVERSTOCK LIQUIDATION "Atlanta's leading overstock retailer ... We're always tagging overstock & slow moving mattresses and furniture, so you can enjoy extra deep discounts!";<sup>27</sup> and
- AUTOMATION OVERSTOCK "surplus automation equipment, overstock automation devices, manufacturer overruns..." 28

<sup>&</sup>lt;sup>21</sup> 20 TTABVUE 3.

<sup>&</sup>lt;sup>22</sup> Id. at 4-5.

<sup>&</sup>lt;sup>23</sup> Id. at 6-7.

<sup>&</sup>lt;sup>24</sup> Id. at 14.

<sup>&</sup>lt;sup>25</sup> Id. at 18.

<sup>&</sup>lt;sup>26</sup> Id. at 19.

<sup>&</sup>lt;sup>27</sup> *Id*. at 22.

<sup>&</sup>lt;sup>28</sup> *Id.* at 25.

Opposer has contested the probative value of these materials because Applicant did not submit additional evidence showing that the public is actually aware of these third-party marks or the extent of usage. While this is true and we cannot gauge the popularity of or exposure to these websites (e.g., the number of people who have viewed them, sales, etc.), the sheer number of these websites and manner of use makes evident that OVERSTOCK is a term that may be used descriptively, if not generically, for goods being sold at a discount by retail outlets. On their face, the materials show that consumers will readily understand the descriptive significance of the word OVERSTOCK, when used in connection with retail stores, and the consumers are thus not likely to place any importance on the fact that two or more entities share this term.

Opposer also argues, in its brief under "number and nature of similar marks in use in connection with similar services," that its OVERSTOCK.COM mark is "one of a family of marks used by [Opposer] in connection with online store services." Brief, p. 26. Generally, whether a family of marks exists is unrelated to the factor involving dilution of the term by third-party use; rather, the claim is generally asserted by a plaintiff arguing that there is a likelihood of confusion between the common characteristic to its family and defendant's mark. Merritt Foods Co. v. Americana Submarine, 209 USPQ 591, 597 (TTAB 1980) ("the rationale for the 'family of marks' theory is that a party has in effect established a 'secondary meaning' in a term which serves as the characteristic feature of a number of marks used and promoted together by him in his field of endeavor, so that the subsequent

use by another party of a mark containing this term for like or related goods would be likely to create an association of the later mark with the prior user and/or his 'family of marks'.") To the extent that Opposer is seeking to rely on a family of marks in this manner, it did not plead a family of marks and a likelihood of confusion claim based on an OVERSTOCK family of marks has not been tried.<sup>29</sup> Productos Lacteos Tocumbo S.A. de C.V. v. Paleteria La Michoacana Inc., 98 USPQ2d 1921, 1927 (TTAB 2011) (plaintiff's "family of marks" claim, raised for the first time in its brief not considered because it was neither pleaded nor tried by the parties). We would also be remiss if we did not point out that a family of marks generally will not be found to exist where the asserted family element is a descriptive or common term that does not serve as a distinguishing feature of the marks under consideration. See Servo Corp. of America v. Servo- Tek Products Co., 289 F.2d 955, 129 USPQ 352 (CCPA 1961); and American Standard, Inc. v. Scott & Fetzer Co., 200 USPQ 457 (TTAB 1978). Although Opposer clearly has rights in the mark OVERSTOCK.COM, it has been demonstrated that the term OVERSTOCK, by itself, is descriptive in the context of retail store services.

<sup>&</sup>lt;sup>29</sup> Even had Opposer pleaded a family of OVERSTOCK marks, the evidence of record is insufficient to support a finding that "the pattern of usage of the common element is sufficient to be indicative of the origin of the family." Eveready Battery Co. v. Green Planet Inc., 91 USPQ2d 1511, 1514 (TTAB) 2009) citing to Black & Decker Corp. v. Emerson Electric Co., 84 USPQ2d 1482, 1490 (TTAB 2007) and J & J Snack Foods Corp. v. McDonald's Corp., 932 F.2d 1460, 18 USPQ2d 1889, 1891 (Fed. Cir. 1991).

In sum, OVERSTOCK is the type of term that can be and is used by third parties to describe their retail store services and we conclude it is conceptually very weak. As a result, and in conjunction with our similarity of the marks analysis, the fact that the two marks share this term has little significance.

#### D. Strength or Fame of Opposer's Mark

Fame, if it exists, plays a dominant role in the likelihood of confusion analysis. Kenner Parker Toys Inc. v. Rose Art Indus. Inc., 963 F.2d 350, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992). In the likelihood of confusion context, fame "varies along a spectrum from very strong to very weak." Midwestern Pet Foods Inc. v. Societe des Produits Nestle S.A., 685 F.3d 1046, 103 USPQ2d 1435, 1440 (Fed. Cir. 2012) (quoting Palm Bay, 73 USPQ2d 1689). In view of the extreme deference that is accorded to 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. *Leading* Jeweler Guild Inc. v. Ljow Holdings LLC, 82 USPQ2d 1901, 1904 (TTAB 2007). In reviewing the evidence of fame, we are mindful that fame is not a "yes or no" decision but usually involves placing a mark's strength in the spectrum of very weak to famous. Carefirst of Maryland Inc. v. FirstHealth of the Carolinas Inc., 77 USPQ2d 1492, 1507 (TTAB 2005) (stating that "[f]ame is relative . . . not absolute"), aff'd, 479 F.3d 825, 81 USPQ2d 1919 (Fed. Cir. 2007).

At the outset, we note the evidence submitted by Opposer cannot be relied upon in the manner Opposer intends. As explained in "Evidentiary Objections," *infra*,

nearly all of the materials submitted by Opposer cannot be used to prove statements made in the materials. Opposer's reliance on these materials to support its assertions involving fame is unfounded. As a result, we can make no findings of fact regarding factors involving fame, such as: the number of years Opposer has used its mark, the extent of Opposer's advertising activities or sales figures based on annual reports, the number of consumers, etc. While we can rely on certain materials to show that Opposer's services were advertised or received exposure in publications, such as Forbes Magazine, the statements made in these publications, e.g., Opposer is "the best performing online retailer" or that it "has gained plenty of notoriety," are not established facts. Similarly, printouts from the "Archive Wayback Machine" (www.archive.org), on their face, do not prove the manner of use or appearance of Opposer's website since 1999 and subsequent years.

Given the limitations to Opposer's evidentiary submissions, we cannot find on this record that Opposer's OVERSTOCK.COM has achieved a level of recognition to justify a heightened scope of protection. Accordingly, the fifth *du Pont* factor remains neutral in our likelihood of confusion analysis.

#### VI. Conclusion

On this record, we find no likelihood of confusion between Opposer's mark, OVERSTOCK.COM, and Applicant's mark,



In spite of our findings that the marks are used in connection, at least in part, with identical on-line retail store services and will be offered to the same consumers in the same trade channels, we find the marks themselves are sufficiently different such that consumers will distinguish the sources of the retail store services. The fact that both marks contain the term OVERSTOCK is not so significant to make the marks confusingly similar.

#### Remand Application to Examining Attorney

Trademark Rule 2.131, 37 CFR § 2.131, provides:

If, during an inter partes proceeding involving an application under Section 1 or 44 of the Act, facts are disclosed which appear to render the mark unregistrable, but such matter has not been tried under the pleadings as filed by the parties or as they might be deemed to be amended under Rule 15(b) of the Federal Rules of Civil Procedure to conform to the evidence, the Trademark Trial and Appeal Board, in lieu of determining the matter in the decision on the proceeding, may remand the application to the trademark examining attorney for reexamination in the event the applicant ultimately prevails in the inter partes proceeding. Upon remand, the trademark examining attorney shall reexamine the application in the light of the reference by the Board. If, upon reexamination, the trademark examining attorney finally refuses registration to the applicant, an appeal may be taken as provided by §§ 2.141 and 2.142.

Although we have considered Applicant's affirmative defense, and corresponding motion to amend its recitation of services, as effectively withdrawn, an issue of Applicant's use of its mark on all services, as recited in the application, has been raised.

As previously noted, Applicant made the following statements in its Answer ("first affirmative defense") prior to effectively withdrawing its request to amend the recitation:<sup>30</sup>

Applicant is not using the MATTRESS OVERSTOCK (design) mark and has no intent-to-use the MATTRESS OVERSTOCK (design) mark in connection with the excluded services.

Applicant also made the following statement in its motion to amend the recitation of services:<sup>31</sup>

Upon dismissal of the Opposition, Applicant will cease use of the MATTRESS OVERSTOCK (design) mark in connection with the services that are removed from the services identification.

We further note that Applicant submitted at least one printout (Exhibit 1 under its notice of reliance), showing use of its mark in connection with on-line retail store services featuring "mattresses ... pillows ... sleep accessories").

The aforementioned statements by Applicant, as well as the exhibit, are all of record in this proceeding. Taken together, they raise the issue of whether or not Applicant is currently using the mark in connection with "on-line retail services" and whether it has any intent to use the mark in connection with on-line retail services. In particular, we cannot ignore Applicant's express statement that it does not use its mark and has no intention of using its mark in connection with online retail store services featuring furniture and sleep products. Under 15 U.S.C. § 1127,

<sup>31</sup> 7 TTABVUE 3.

<sup>&</sup>lt;sup>30</sup> 6 TTABVUE 7.

a mark is considered abandoned when "its use has been discontinued with intent not to resume such use."

The issue of whether or not Applicant may no longer be using, or has abandoned, its mark in connection with on-line retail services is a matter that was not tried in this proceeding. Moreover, this is an issue that may render the mark of the involved application unregistrable with respect to those services. In other words, because the application is based on use, under Section 1(a) ("use in commerce"), it should be amended to delete any services for which Applicant does not currently use the mark and has no intent to do so.

In view thereof and in our discretion, we find it is necessary to remand the application to the assigned Trademark Examining Attorney for further examination. Rule 2.131; see also TBMP § 805. In particular, we recommend the assigned Examining Attorney inquire whether the application requires further amendment; a query should be made whether Applicant is no longer using its mark in connection with on-line services and confirmation that the application's declaration of use of the mark in commerce remains valid.

<u>However</u>, because the involved application is also the subject of Opposition No. 91203625, we defer remanding jurisdiction of the application until a decision has issued by the Board in that case.

Decision: The opposition is dismissed. Pending disposition of Opposition No. 91203625, the application will be remanded to the Examining Attorney for further consideration of the issue identified herein, under Rule 2.131.