

This Opinion Is Not a
Precedent of the TTAB

Mailed: March 29, 2021

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

*PayPal, Inc.*¹
v.
*ZT Holdings, LLC*²

Opposition Nos. 91208416 and 91217374³

Rochelle D. Alpert and Sharon R. Smith of Morgan Lewis & Bockius LLP,
for PayPal, Inc.

Nathan B. Webb of Hahn Loeser & Parks LLP for ZT Holdings, LLC.

Before Cataldo, Goodman and Larkin,
Administrative Trademark Judges.

Opinion by Cataldo, Administrative Trademark Judge:

¹ In the Board's September 1, 2017 order denying Opposer's motion for summary judgment in Opposition No. 91217374, PayPal, Inc. was substituted for the original opposer Xoom Corp. on the basis of merger and assignment of its pleaded registrations, recorded on October 27, 2016 in the USPTO Assignment Recordation Branch at Reel/Frame 5910/0264. 80 TTABVUE 5.

² Prior to commencement of these proceedings, the involved applications were assigned from original Applicant Zoom Tan, LLC to ZT Holdings, LLC and the assignments were respectively recorded with the USPTO Assignment Recordation Branch at Reel/Frame 5280/0223 and 5281/0421. 61 TTABVUE 1, fn. 1.

³ These proceedings were consolidated in a July 15, 2016 Board order. 61 TTABVUE 5-6. Citations to the relevant pleadings, file history, evidentiary record and briefs are to the docket for the parent case, Opposition No. 91217374, unless otherwise noted.

Applicant, ZT Holdings, LLC, filed two applications seeking registration on the Principal Register of the mark ZOOMPAY, in standard characters, identifying “Financial transaction services, namely, providing secure commercial transactions through the use of biometric technology; electronic payment services by which customers may apply money from various sources through the use of biometric technology,” in International Class 36;⁴ and “Computer operating software for point of sale system,” in International Class 9.⁵

Opposer, PayPal, Inc., opposes registration under Trademark Act Section 2(d), 15 U.S.C. § 1052(d), asserting in its notices of opposition⁶ priority and a likelihood of confusion with its XOOM and XOOM-formative marks, previously issued on the Principal Register, including:

- XOOM in typed form,⁷ identifying “Providing business information, namely on, money transfer services,” in International Class 35, and “Money transfer services; electronic funds transfer services; bill payment remittance services; electronic payment, namely, electronic processing and transmission of bill payment data” in International Class 36;⁸

⁴ Application Serial No. 85578671, filed March 23, 2012 pursuant to Trademark Act Section 1(a), 15 U.S.C. § 1051(a), based upon Applicant’s assertion of January 15, 2012 as a date of first use of the mark in commerce in connection with the services.

⁵ Application Serial No. 86192659, filed February 13, 2014 pursuant to Trademark Act Section 1(b), 15 U.S.C. § 1051(b), based upon Applicant’s assertion of a bona fide intent to use the mark in commerce in connection with the goods.

⁶ 1 TTABVue.

⁷ Effective November 2, 2003, Trademark Rule 2.52, 37 C.F.R. §2.52, was amended to replace the term “typed” drawing with “standard character” drawing. A mark depicted as a typed drawing is the legal equivalent of a standard character mark.

⁸ Registration No. 2909931, issued December 14, 2004. Section 8 affidavit accepted; Section 15 affidavit acknowledged. First Renewal.

- XOOM in standard characters, identifying “Providing a web site featuring temporary use of non-downloadable software for providing information on money transfers, and for facilitating money transfers, electronic funds transfers, bill payment remittances and electronic processing and transmission of bill payment data,” in International Class 42;⁹ and
- XOOM in standard characters, identifying “Computer software for facilitating money transfer services, electronic funds transfer services, bill payment remittance services, electronic processing and transmission of payments and payment data,” in International Class 9.¹⁰

In addition, Opposer asserts that application Serial No. 86192659 is void ab initio because, as of the application filing date, Applicant lacked the requisite bona fide intent to use the ZOOMPAY mark in commerce in connection with the goods identified therein.¹¹

In its answers, Applicant denied the salient allegations in the notices of opposition.¹² In addition, Applicant asserted a counterclaim to cancel five of Opposer’s pleaded Registrations, i.e., Reg. Nos. 2909931, 4012377, 4226418, 4232742 and 4232741, on the ground that each of the registrations was procured by fraud.¹³

⁹ Registration No. 4012377, issued August 16, 2011. Section 8 affidavit accepted.

¹⁰ Registration No. 4226418, issued October 16, 2012. Section 8 affidavit accepted.

¹¹ 16 TTABVUE 73-75 (in Opposition No. 91217374).

¹² 4 TTABVUE; (9 TTABVUE in 91217374). Applicant also asserted as affirmative defenses various matters that it did not pursue by motion or at trial. Accordingly, they are deemed forfeited. *See Harry Winston, Inc. v. Bruce Winston Gem Corp.*, 111 USPQ2d 1419, 1422 (TTAB 2014) (pleaded affirmative defenses not pursued in the brief considered waived); *Research in Motion Ltd. v. Defining Presence Marketing Group Inc.*, 102 USPQ2d 1187, 1189-90 (TTAB 2012) (affirmative defenses not pursued at trial considered waived). Applicant further asserted as “affirmative defenses” matters that are more in the nature of amplifications of its denials and have been so construed.

¹³ 9 TTABVUE (in 91217374).

I. Record¹⁴

The record comprises the pleadings and, without any action by the parties, the files of the involved applications.¹⁵ Trademark Rule 2.122(b)(1), 37 C.F.R. § 2.122(b)(1).

Opposer submitted the following evidence by notice of reliance:

Status and title copies of its pleaded registrations and copies of the specimens of use from the file histories thereof; (35 TTABVUE 21-43; 86 TTABVUE 49-71, 131-203)

Third-party registrations; (35 TTABVUE 44-72; 86 TTABVUE 72-130)

Printouts from Opposer's website; (35 TTABVUE 73-174; 86 TTABVUE 204-366, 403-421)

Printouts from the parties' social media; (35 TTABVUE 175-855, 940-941; 36 TTABVUE 2-12, 55-57, 70-71, 283-289; 86 TTABVUE 367-402; 87 TTABVUE 157-162, 172-173, 385-391)

Printouts from Opposer's channel on youtube.com and Opposer's pages on itunes.apple.com, google.com, amazon.com, wikipedia.org, finance.yahoo.com; (35 TTABVUE 856-939; 36 TTABVUE 41-49, 58-60; 86 TTABVUE 458-1102; 87 TTABVUE 3-90, 143-151, 174-182; 91 TTABVUE 5-9)

In Opposition No. 91217374, Opposer pleaded an additional registration (Reg. No. 4407099) that is not subject to Applicant's counterclaim.

¹⁴ Both parties presented arguments in their briefs directed toward the merits of the case in their respective descriptions of the record. While not prohibited by the Trademark Rules of Practice, we find these arguments to be redundant and unnecessary. *See* 37 C.F.R. § 2.126; *see also* TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE (TBMP) § 801.03 (2020) and authorities cited therein.

Citations in this opinion will be to the TTABVUE docket entry number and the electronic page number where the document or testimony appears. Because the Board primarily uses TTABVUE in reviewing evidence, the Board prefers that citations to non-confidential parts of the record include the TTABVUE docket entry number and the TTABVUE page number. *Cf.* TBMP § 801.01 (parties should cite to the record by referring to the TTABVUE entry and page number). We note that neither party cited to TTABVUE in its briefs.

¹⁵ The parties' submission during trial of portions of the records of the involved applications thus was duplicative and unnecessary.

Articles from third-party websites concerning Opposer; (36 TTABVUE 61-69, 72-128, 131-282, 290-293, 311-322; 86 TTABVUE 422-433; 87 TTABVUE 163-171, 183-384, 413-424, 431-448; 88 TTABVUE 3-42, 91-462)

Articles from third-party websites concerning Applicant; (36 TTABVUE 323-328; 86 TTABVUE 434-457, 392-395; 87 TTABVUE 425-430)

Articles from Lexis-Nexis concerning Opposer; (36 TTABVUE 294-310; 87 TTABVUE 396-412)

Reviews of Applicant's activities under its involved mark on bbb.org; (36 TTABVUE 50-54; 87 TTABVUE 150-156)

Portions of the file history of Applicant's involved application Serial No. 85578671; (87 TTABVUE 91-99)

Printouts from Applicant's website; (87 TTABVUE 100-116)

Documents from Opposition No. 91206548 involving Opposer and a third party; (36 TTABVUE 13-40; 87 TTABVUE 117-142)

Opposer's business records; (36 TTABVUE 384-599)

Government records; (88 TTABVUE 480-483)

A copy of Applicant's testimony deposition of its President, Mr. Anthony Toepfer, with exhibits; (88 TTABVUE 503-588)

Applicant's responses to Opposer's discovery requests; (88 TTABVUE 589-601)

Portions of the pleadings and file history of these oppositions; (36 TTABVUE 329-374; 88 TTABVUE 43-89) and

Dictionary definitions. (36 TTABVUE 375-382; 88 TTABVUE 463-479, 484-502)

Opposer also submitted the following testimony:

The declaration of Mr. Julian King, Opposer's General Manager of Xoom, a service of Opposer, and exhibits thereto (85 TTABVUE 2-605; 89 TTABVUE 2-605; 91 TTABVUE 11-14; 93 TTABVUE 2-486; 94 TTABVUE 2-126).

Applicant submitted the following evidence by notice of reliance:

Status and title copies of five of its registrations as well as an application not subject to this proceeding; (41 TTABVUE 20-39, 44-47; 98 TTABVUE 50-89)

A status and title copy of its involved application Serial No. 86192659 and portions of the file history of its involved application Serial No. 85578671; (41 TTABVUE 40-43, 48-56; 98 TTABVUE 90-101)

Copies of third-party registrations and applications; (41 TTABVUE 57-80; 98 TTABVUE 102-106)

Printouts from Opposer's website; (41 TTABVUE 81-149; 98 TTABVUE 459-950)

USPTO records and printouts from websites regarding third-party ZOOM and XOOM formative marks; (41 TTABVUE 150-215; 98 TTABVUE 107-450; 100 TTABVUE 154-157, 167-255)

Printouts from third-party websites regarding third-party use of the terms ZOOM and XOOM; (41 TTABVUE 168-215; 98 TTABVUE 107-112, 117-129, 133-134, 145-158, 166-171, 176-177, 181-183, 188-195)

Printouts from a third-party website regarding business names beginning with the letter X; (41 TTABVUE 216-219)

Printouts from a third-party website regarding biometrics; (41 TTABVUE 221-232)

Opposer's responses to Applicant's discovery requests; (100 TTABVUE 6-139)

A copy of the testimony deposition of Mr. King, with exhibits; (100 TTABVUE 601-1211)

Portions of the file histories of these proceedings and communications between the parties; (41 TTABVUE 233-280; 98 TTABVUE 451-458; 100 TTABVUE 140-153) and

Dictionary definitions. (41 TTABVUE 281-287; 98 TTABVUE 951-986; 99 TTABVUE 2-5; 100 TTABVUE 2-5, 158-166, 256-260)

Applicant also submitted the following testimony:

Testimony deposition of Mr. Toepfer, with exhibits. (45 TTABVUE 2-345; 97 TTABVUE 2-88; 100 TTABVUE 261-600)

Opposer submitted the following evidence in rebuttal:

Printouts from Opposer's website; (47 TTABVUE 6-42, 74-76, 85-91; 56 TTABVUE 5-14)

Printouts from Applicant's website; (56 TTABVUE 24-35)

Printouts from the parties' social media pages; (47 TTABVUE 43-62; 56 TTABVUE 15-22) and

Printouts from third-party websites. (47 TTABVUE 63-73, 77-84, 92-105; 56 TTABVUE 36-53; 105 TTABVUE 6-17)

Portions of the record have been designated confidential pursuant to the Board's Standard Protective Order automatically in place for all inter partes proceedings. The majority of citations to the record refer to the redacted, publicly available versions of each submission on TTABVUE, the Board's online docketing system. The number preceding "TTABVUE" corresponds to the docket entry number; the number(s) following "TTABVUE" refer to the page number(s) of that particular docket entry. *See Turdin v. Trilobite, Ltd.*, 109 USPQ2d 1473, 1476 n.6 (TTAB 2014). Only the docket entry number is provided for portions of the record designated confidential. In this decision we will reference confidential testimony and evidence as needed in general terms.

II. Objections¹⁶

Both parties raised numerous objections to their adversary's testimony and evidence.¹⁷ Many of the objections go to the weight to be accorded the testimony and evidence under consideration, rather than its admissibility. The Board is "capable of weighing the relevance and strength or weakness of the objected-to testimony and evidence, including any inherent limitations," *Hanscomb Consulting, Inc. v. Hanscomb Ltd.*, 2020 USPQ2d 10085, at *3 (TTAB 2020), and this precludes the need to strike the objected-to testimony and evidence. *See Real Foods Pty Ltd. v. Frito-Lay N. Am., Inc.*, 906 F.3d 965, 128 USPQ2d 1370, 1378 (Fed. Cir. 2018) ("The TTAB is entitled to weigh the evidence ...") (citing *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 856, 214 USPQ 1, 7 (1982) ("Determining the weight and credibility of the evidence is the special province of the trier of fact.")).

Given the circumstances herein, we exercise our discretion not to make specific rulings on each and every objection. As necessary and appropriate, we will point out in this decision any limitations applied to the evidence or otherwise note that the evidence cannot be relied upon in the manner sought. *See, e.g., Spiritline Cruises LLC v. Tour Mgmt. Servs., Inc.*, 2020 USPQ2d 48324, at *2 (TTAB 2020) ("Board

¹⁶ We observe that the parties, Applicant in particular, presented arguments directed toward the merits of the case in the appendices to their briefs asserting objections to their adversary's testimony and evidence. While we do not view these arguments as a subterfuge to circumvent the page limits on briefs, *see Alcatraz Media, Inc. v. Chesapeake Marine Tours Inc.*, 107 USPQ2d 1750, 1753-54 (TTAB 2013) (appendices may not be used as a subterfuge to avoid the page limitation), *aff'd*, 565 F. App'x 900 (Fed. Cir. 2014) (mem.); *Harjo v. Pro-Football Inc.*, 45 USPQ2d 1789, 1792 (TTAB 1998) (same), we nonetheless find such arguments to be an unnecessary distraction from the evidentiary issues argued in the appendices.

¹⁷ 107 TTABVUE 56-94, Opposer's brief; 109 TTABVUE 55-83, Applicant's brief; 110 TTABVUE 55-70, Opposer's rebuttal brief.

proceedings are heard by Administrative Trademark Judges, not lay jurors who might easily be misled, confused, or prejudiced by irrelevant evidence”); *Pierce-Arrow Soc’y v. Spintek Filtration, Inc.*, 2019 USPQ2d 471774, at *3 (TTAB 2019) (Board saw no compelling reason to individually address the objections of hearsay, lack of personal knowledge, lack of authentication, irrelevance, and lack of foundation but kept the objections in mind when considering the testimony and evidence, and according appropriate value to the testimony and evidence according to its merits).

We have considered the entire record in making our decision, keeping in mind the parties’ various objections, and have accorded whatever probative value the subject testimony and evidence merit. *See Krause v. Krause Publ’ns Inc.*, 76 USPQ2d 1904, 1907 (TTAB 2005) (“[w]here we have relied on testimony to which respondent objected, it should be apparent to the parties that we have deemed the material both admissible and probative to the extent indicated in the opinion.”).

III. Entitlement to a Statutory Cause of Action¹⁸

“To establish entitlement to a statutory cause of action, a plaintiff must demonstrate: (i) an interest falling within the zone of interests protected by the statute and (ii) a reasonable belief in damage proximately caused by registration of the mark.” *Corcamore, LLC v. SFM, LLC*, 2020 USPQ2d 11277, *4-6 (Fed. Cir. 2020); 15 U.S.C. Sections 1063-64. *See also Australian Therapeutic Supplies Pty. Ltd. v.*

¹⁸ Our decisions have previously analyzed the requirements of Sections 13 and 14 of the Trademark Act, 15 U.S.C. §§ 1063-64, under the rubric of “standing.” Mindful of the Supreme Court’s direction in *Lexmark Int’l, Inc. v. Static Control Components, Inc.*, 572 U.S. 118, 125-26 (2014), we now refer to this inquiry as entitlement to a statutory cause of action. Despite the change in nomenclature, our prior decisions and those of the Federal Circuit interpreting Sections 13 and 14 remain equally applicable.

Naked TM, LLC, 965 F.3d 1370, 2020 USPQ2d 10837, *3 (Fed. Cir. 2020); *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058 (Fed. Cir. 2014); *Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1727 (Fed. Cir. 2012); *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999).

Here, Opposer's entitlement to a statutory cause of action to oppose registration of the marks in Applicant's involved applications is supported by its pleaded registrations, which the record shows are valid, subsisting and owned by Opposer.¹⁹ See, e.g., *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *N.Y. Yankees P'ship v. IET Prods. & Servs., Inc.*, 114 USPQ2d 1497, 1501 (TTAB 2015). Its entitlement to a statutory cause of action is further supported by its assertion of a claim of likelihood of confusion that is plausible on its face.²⁰ As such, Opposer has established that it has a direct and personal stake in this proceeding and a reasonable basis for its belief of damage stemming from registration of a confusingly similar mark for assertedly related goods services. See *Luxco, Inc. v. Consejo Regulador del Tequila, A.C.*, 121 USPQ2d 1477, 1480-81 (TTAB 2017).

Having established its entitlement to a statutory cause of action with respect to the pleaded ground of likelihood of confusion, Opposer has the right to assert any other ground as well, that also has a reasonable basis in fact, in this case, that application Serial No. 86192659 is void ab initio because, as of the application filing

¹⁹ 35 TTABVUE 21-43.

²⁰ 1 TTABVUE 32-34.

date, Applicant lacked the requisite bona fide intent to use the ZOOMPAY mark in commerce in connection with the goods identified therein.²¹ *See Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 188 (CCPA 1982).

Applicant's entitlement to a statutory cause of action as counterclaim plaintiff is inherent in its position as defendant in the underlying opposition. *Finanz St. Honore B.V. v. Johnson & Johnson*, 85 USPQ2d 1478, 1479 (TTAB 2007). *See also, e.g., Carefirst of Md., Inc. v. FirstHealth of the Carolinas Inc.*, 77 USPQ2d 1492, 1502 (TTAB 2005) ("Applicant, by virtue of its position as defendant in the opposition, has standing to seek cancellation of the pleaded registrations", citing *Ohio State Univ. v. Ohio Univ.*, 51 USPQ2d 1289, 1293 (TTAB 1999).

IV. Fraud Counterclaim

Although Opposer's registrations are of record,²² Applicant has filed a counterclaim to cancel five of them, so priority is an issue in the opposition as to those registrations. *See Massey Junior Coll., Inc. v. Fashion Inst. of Tech.*, 492 F.2d 1399, 181 USPQ 272, 275 n.6 (CCPA 1974) ("prior use need not be shown by a plaintiff relying on a registered mark unless the defendant counterclaims for cancellation"). For this reason, we turn first to Applicant's counterclaim to cancel five of Opposer's pleaded registrations based on fraud.

Fraud in procuring a trademark registration occurs when an applicant for registration knowingly makes a false, material representation of fact in connection

²¹ 16 TTABVUE 73-75 (in Opposition No. 91217374).

²² 86 TTABVUE 49-71.

with an application to register with the intent of obtaining a registration to which it is otherwise not entitled. *In re Bose Corp.*, 580 F.3d 1240, 1245, 91 USPQ2d 1938, 1939-40 (Fed. Cir. 2009); *Torres v. Cantine Torresella S.r.l.*, 808 F.2d 46, 1 USPQ2d 1483, 1484 (Fed. Cir. 1986); *Embarcadero Techs., Inc. v. Delphix Corp.*, 117 USPQ2d 1518 (TTAB 2016); *ShutEmDown Sports Inc. v. Lacy*, 102 USPQ2d 1036, 1044 (TTAB 2012).

A party alleging fraud in the procurement of a registration bears the heavy burden of proving fraud with clear and convincing evidence. *Bose*, 91 USPQ2d at 1943 (quoting *Smith Int'l, Inc. v. Olin Corp.*, 209 USPQ 1033, 1044 (TTAB 1981)). The Board will not find fraud if the evidence shows that a false statement was made with a reasonable and honest belief that it was true, rather than an intent to mislead the USPTO into issuing a registration to which the applicant was not otherwise entitled. *See id.*; *see also Woodstock's Enters. Inc. (Cal.) v. Woodstock's Enters. Inc. (Or.)*, 43 USPQ2d 1440, 1443 (TTAB 1997), *aff'd (unpub'd)*, Appeal No. 97-1580 (Fed. Cir. Mar. 5, 1998). The standard for finding intent to deceive is stricter than the standard for negligence or gross negligence, and evidence of deceptive intent must be clear and convincing. *Id.*

To carry its burden, the party alleging fraud must prove that: (1) the applicant made a false representation to the USPTO; (2) the false representation was material to the registrability of the mark; (3) the applicant had knowledge of the falsity of the representation; and (4) the applicant made the representation with the intent to deceive the USPTO. *Bose*, 91 USPQ2d at 1941, *cited in ShutEmDown Sports*, 102 USPQ2d at 1044. With regard to intent, the Board has stated:

Fraud implies some intentional deceitful practice or act designed to obtain something to which the person practicing such deceit would not otherwise be entitled. Specifically, it involves a willful withholding from the Patent and Trademark Office by an applicant or registrant of material information or fact, which, if disclosed to the Office, would have resulted in the disallowance of the registration sought or to be maintained. Intent to deceive must be “willful”. If it can be shown that the statement was a “false misrepresentation” (sic) occasioned by an “honest” misunderstanding, inadvertence, negligent omission or the like rather than one made with a willful intent to deceive, fraud will not be found. Fraud, moreover, will not lie if it can be proven that the statement, though false, was made with a reasonable and honest belief that it was true or that the false statement is not material to the issuance or maintenance of the registration. It thus appears that 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.

First Int’l Svcs. Corp. v. Chuckles Inc., 5 USPQ2d 1628, 1634 (TTAB 1988), *citing Smith v. Olin*, 209 USPQ at 1043-44; *see also Bose*, 91 USPQ2d at 1940 (emphasizing that fraud requires the intent to mislead the PTO).

Applicant’s fraud claim rests on allegations that Opposer intentionally represented to the USPTO, for purposes of securing its challenged registrations, that it used its marks in connection with electronic payment and bill payment remittance services when it was engaged exclusively in international money transfers prior to 2014. Averments and evidence of use of a mark for the goods or services identified in a use-based application are critical to its approval, and if it had been disclosed to the examining attorney that the mark was not in use for the identified services (or that the specimen of use was fabricated), registration would have been refused. *Nationstar Mortg. LLC v. Ahmad*, 112 USPQ2d 1361, 1365 (TTAB 2014). Thus, any misrepresentations in this regard are considered material. *Id.*

A. Commercial Transactions

Applicant argues that Opposer's terms of service prohibit rendition of the services under the XOOM – formative marks for commercial transactions and, therefore, prohibit their use for bill payment.

Although the oldest of Xoom's trademark registrations claim use of electronic and bill payment remittance services since May of 2003, the earliest Terms of Service document in the record was effective October 1, 2004. [98 TTABVUE 459-468]. This Xoom customer contract describes a service wherein the customer initiates a transaction that includes transfer of money from the customer's authorized credit or debit card to a designated recipient, but also clarifies that "Xoom is not a bank and neither holds nor transfers Sender's funds of its own accord," that "use of the Service for Commercial Transactions is at your own risk," and still further that customers agree that the Service is not to be "exploit[ed] for any commercial purposes." [98 TTABVUE 460-462, 464]. Xoom's next Terms of Service contract, effective, May 19, 2005, contained the same relevant language and conditions. [98 TTABVUE 483-501].²³

Xoom's February 2006 Terms of Service contract truncated its "Overview of Service" section and included claims that "the Service enables you to send money and make payments to designated recipients," but continued to dissuade customers from use of the Service to pay for goods and services, which occurred at the customer's "own risk," and included a customer provision wherein they "agree to hold Providers harmless for any loss or expense they incur as a result of a Commercial Transaction." [98 TTABVUE 503, 505, 511]. The Xoom Website Frequently Asked Questions" section explains, perhaps, the addition of payment language by asserting, in response to the question "Can I use Xoom to pay for goods and services?", that "[y]ou may only use Xoom to pay for commercial transactions in the Philippines...[y]ou can pay utility bills directly in Jamaica." [98 TTABVUE 521]. The problem is that Xoom didn't launch its Jamaican bill pay service until August 28, 2003, nor expand its money transfer services into the Philippines until April 2, 2014—both dates coming well after Xoom's claimed date of first use for electronic and bill payment remittance services of May 2003. [98 TTABVUE 476, 479].²⁴

²³ 109 TTABVUE 20-21.

²⁴ 109 TTABVUE 21.

The next Xoom customer contract of record is the October 2011 User Agreement, and it tellingly removed the claim from the 2006 Terms of Service overview section asserting that payments could be made, instead replacing that language with a simple description that “[t]he Service was created to help our customers send money transfers to family and friends.” [98 TTABVUE 543]. The User Agreement makes no mention of electronic payments or bill payment remittance services and, in fact, includes a “Restrictions” sub-section on “Commercial Transactions” that appears to preclude such use by admonishing customers that “[y]ou should not use the Service to send money except to people that you know personally...[i]f Xoom discovers you are using the Service to purchase goods or services, we reserve the right to cancel your transactions.” [98 TTABVUE 544].²⁵

Opposer, on the other hand, presents the testimony declaration of its General Manager, Julian King, with accompanying exhibits, and additional evidence demonstrating that consumers could always, from its inception in 2003 to the present, use XOOM to pay bills in several ways.²⁶

A customer engages with Xoom and requests that Xoom move money on their behalf. Xoom debits money electronically from a payment instrument and makes it available for disbursement in many ways.

[W]e allow customers to send monies to multiple endpoints. Those could be cash, to pay bills, to bank accounts. We offer delivery of money to people’s homes. We enable and facilitate charitable transactions and donations. The payments of mortgages and other directed – we call them “directed payments.” [89 TTABVUE 18, 141; 100 TTABVUE 602-803]

Q. In your position at Xoom, have you been aware of various types of ways that Xoom’s customers can facilitate or pay bills?

A. Yes.

²⁵ 109 TTABVUE 21-22.

²⁶ We find that Mr. King has established a proper foundation for his testimony regarding his knowledge of events at Opposer and its predecessor prior to his hiring in 2005 as a result of his review of business records and familiarity with all aspects of Opposer’s operations in his various executive positions with Opposer. 85 TTABVUE 2-4. *See, e.g., Ava Ruha Corp. v. Mother’s Nutritional Ctr., Inc.*, 113 USPQ2d 1575, 1579 (TTAB 2015).

Q. Would you describe all of those different ways for us, that you're aware of, that have been offered by Xoom?

**

THE WITNESS: As of 2003, consumers could pay bills in multiple countries using the Xoom service as a product type for the entire -- from the same time consumers could pay bills directly into bank accounts, and they could pay bills in other countries using our delivery and cash pick up services. I personally witnessed these occur.

**

A. In addition to that, we launched a productized version of our Bill Pay service, a revised productized version of our Bill Pay service in 2014 that allowed customers to retrieve the balance of bill, have that presented to them on a continuous basis, and pay the bills on behalf of their loved ones and for themselves.

Q. Can Xoom's services be used at any time to pay, for example, an individual in another country that you might owe a bill to?

A. Yes. I personally have used the Xoom services to do that.

Q. Tell us about that.

A. I have paid for accommodations, a bill for accommodations on multiple accommodations. I have also witnessed bills being paid in Vietnam, for example, and other countries.

Q. And when you used Xoom to pay a bill for accommodations, how did you do that?

A. I asked the merchant for his bank account number, and I sent money directly to his bank account. [100 TTABVUE 602-803]

B. SEC Filings

Applicant argues that Opposer's claim of use of the XOOM marks directly contradicts its filings before the Securities and Exchange Commission.²⁷

Moreover, Xoom's sworn statements to U.S. government agencies confirm that Xoom was, at all times relevant to the fraud counterclaims, solely a money transfer business. When Xoom became a publicly traded company in 2013, it was obligated to file a Form 10-K Annual Report, sworn and attested to under penalty of perjury, with the SEC. Xoom's Form 10-K Annual Report, for the year ending 2013, contained a number of admissions that conclusively demonstrate that the business was solely a money transfer company:

- "Xoom is a leader in the digital consumer-to-consumer international money transfer industry. Our customers use Xoom to send money to family and friends in 31 countries"; [98 TTABVUE 576]
- "Since our inception we have provided digital consumer-to-consumer money transfers. From 2003 to 2005, we also offered other services within the money transfer business. In 2006, we chose to focus solely on our current business model, providing digital consumer-to consumer international money transfers"; [98 TTABVUE 584]
- "In January 2014, we acquired all of the outstanding equity of BlueKite, LTD, a BVI business company, which is a Guatemala-based developer of solutions and applications for cross-border bill pay and cell phone top up services...[w]e believe that expanding our products and features to include bill pay and cell phone top up services in the same convenient, fast and cost-effective manner in which we provide our money transfer services will broaden our relationship with our customers and increase customer loyalty." [98 TTABVUE 578] and
- The "Industry Overview" section was devoted exclusively to describing global money transfer; the "Competition" section says "person-to-person money transfer service providers" are its

²⁷ Because the TTAB is an administrative tribunal authorized solely to determine questions of trademark registrability, we consider Applicant's assertions solely as they apply to its claim of fraud, and do not otherwise opine on any of Opposer's asserted misrepresentations before the SEC.

competitors; no mention of electronic payments or bill payment remittance services are to be found. [98 TTABVUE 578, 583].²⁸

The Form 10-K Annual Report Xoom filed in 2015 further supports the conclusion that bill pay was a new service offered starting in 2014, stating, *inter alia*, that:

- “From 2006 to 2014, we chose to focus solely on providing digital consumer-to-consumer international money transfers. In 2014, we introduced our cross-border bill payment service.”; [98 TTAVUE 744]
- “During 2014, we enhanced our customer experience and expanded our reach in the communities we serve, including with the following initiatives: New Product Expansion—We introduced Xoom Bill Pay”; [98 TTABVEU 737] and
- “As we launch new products and services, such as Xoom Bill Pay...”; [98 TTABVUE 738]

In short, these sworn statements do nothing but reinforce the conclusion—based on Xoom’s Terms of Service and User Agreements—that Xoom had made materially false misrepresentations to the USPTO about its claimed bill and electronic payment services in conjunction with its Xoom trademark registrations.²⁹

Opposer argues that notwithstanding its determination to “focus solely” on consumer to consumer money transfers, XOOM users have always been able to use XOOM to make electronic payments and bill payments of the types discussed above, and that such payments consistently accounted for 10% of its business. [110 TABVUE 33-34; 89 TTABVUE 7, 11-12] Opposer further argues that Form 10-K requires the filer to disclose material information to investors, focusing on the filer’s dominant segment, the principal products produced and services rendered and the principal

²⁸ 109 TTABVUE 23-24.

²⁹ 109 TTABVUE 24.

markets therefor. [110 TTABVUE 33] 17 C.F.R. §229.101, applicable to such filings, provides as follows:

(c) Description of business.

- (1) Describe the business done and intended to be done by the registrant and its subsidiaries, focusing upon the registrant's dominant segment or each reportable segment about which financial information is presented in the financial statements. When describing each segment, only information material to an understanding of the business taken as a whole is required.

Opposer argues that its statements to the SEC are accurate inasmuch as 90% of its business involved person to person money transfers, but do not preclude use of XOOM for bill payments or electronic remittance, which accounts for the remaining 10%.

C. Statements to Consumers

Applicant argues that Opposer's representations to its consumers indicate that Opposer did not provide bill payment or electronic remittance services prior to 2014.

Xoom's own Vice President of Bill Pay, Bobby Aitkenhead, was quoted in a November 2014 article from Globe Newswire—announcing that Xoom “a leading digital money transfer provider, has officially launched Xoom Bill Pay”—saying:

“We believe Xoom Bill Pay is revolutionary for paying bills in developing countries...[i]n the past, money transfer recipients had to spend hours out of their day travelling to a bill pay retailer, just to stand in line, fill out forms and hand cash over the counter to pay for telephone usage or electricity. This is now a thing of the past as we have transformed the process by allowing customers to pay the bills cross-border on behalf of their family in an easy and efficient way.” [98 TTABVUE 909]

A November 24, 2014 Xoom press release entitled “Xoom Launches Cross Border Bill Pay—Pay Bills Online, in Your Home Country, From U.S.,” explained that “Xoom, a leading digital money transfer provider, has officially launched Xoom Bill Pay” which “allows customers to pay electricity, telephone, internet, cable, water and gas bills, from their

mobile phone or tablet,” and that “[i]n 2015, Xoom plans to roll out bill pay services to other Xoom countries, including the Philippines.” [98 TTABVUE 892] An October 2014 article from Seeking Alpha, entitled “Xoom and PayPal Out To Disrupt Payments Industry,” observed that “Xoom’s new cross border bill pay service will take customers from wire transfer companies.” [98 TTABVUE 905]³⁰

The claimed addition of bill payment capabilities to the Xoom mobile software application was closely followed by changes to Opposer’s User Agreement, which by June of 2015 had added language about the ability to pay bills and softened its “Commercial Transactions” provision to restrict transfers to only “[b]eneficiaries that you know personally and for personal reasons” and further that use of the Service for commercial purposes must be limited to “payments made to Service Companies specifically provided for by the Service.” [98 TABVUE 694, 696, 701]³¹

Opposer argues that the 2014 launch of XOOM Bill Pay introduced a new and enhanced way to use XOOM to make electronic remittances and bill payments, to complement the previously available methods.

Q. Is it your position that Xoom was offering bill payment services prior to 2014?

A. Absolutely.

Q. Okay. Help me to understand that, because you’re saying it’s a new service in 2015. You just told me that your own user agreement prohibits the use of the service for anything other than a consumer-to-consumer transfer; that it prohibits the use of the service for payment of goods or services of any kind.

**

THE WITNESS: As I tried to state, the user agreement gives us discretion to cancel transactions.

Today, for example, we allow payments for goods and services in China. But if we see a merchant we don’t like, we are able to cite our user agreement and restrict transactions that we don’t like. It’s a very

³⁰ 109 TTABVUE 25.

³¹ 109 TTABVUE 26.

powerful tool, which is why we use it, because we're in a business where we have to be able to stop traffic through our service that we deem risky.

As I've said multiple times in the past, people can and do pay and have always, prior to today's date and prior to 2014, paid bills using the Xoom service. I described exactly how they did them. [100 TTABVUE 602-803]

According to Opposer, the "evidence shows that as of 2003 and continuing to the present, the XOOM Platform has allowed consumers to pay bills or make electronic payments to a recipient who is owed payment on a bill or on behalf of a recipient whose bills need to be paid." [110 TTABVUE 38]

D. Applicant's Inspection of Opposer's Website and App

Finally, based on Mr. Toepfer's Applicant's Manager and Managing Member] personal inspection of the Xoom Website and Xoom App (and the software functionality associated therewith), further informed by his 30 years of experience as a software engineer and business owner in the commercial transactions software industry, Opposer Xoom Corporation did not offer point-of-sale commercial transaction services, or "bill payment remittance services," "electronic payments," or "electronic payment, namely, electronic processing and transmission of bill payment data" services during, at least, the summer and fall of 2014. [97 TTABVUE 19; 100 TTABVUE 320-325]. More specifically, Mr. Toepfer's informed opinion is that Xoom Website and Xoom App were incapable of effectuating "bill payment remittance services" (defined as "payment of an obligation associated with a written instrument presented to the Xoom customer by the third-party provider of the goods or services rendered") an electronic payment for a commercial transaction (defined as "electronic payment for goods or services rendered"). [*Id.*].³²

Opposer counters that it has introduced evidence in the form of, inter alia, customer reviews for bill payment remittances from 2007 through the date of trial, including summer and autumn of 2014. [89 TTABVUE 150-442]

³² 109 TTABVUE 26.

E. Analysis

“[A]bsent the requisite intent to mislead the PTO, even a material misrepresentation would not qualify as fraud under the Lanham Act warranting cancellation.”³³ *Bose*, 91 USPQ2d at 1940. Applicant argues that Opposer’s testimony and evidence “simply lack credibility in the face of three facts:

- 1) Xoom represented itself to the SEC as “solely” a money transfer company during the time period where the XOOM Marks were applied for, maintained, and renewed (and still further stated that its bill pay service was new in 2014);
- 2) Xoom’s User Agreement and Terms of Service prove the truthfulness of this SEC statement because they explicitly forbid use of the service for payments for goods or services of any kind; and
- 3) Xoom has failed to provide a single page of admissible financial transactions evidence—in the face of clear and repeated discovery requests—that would conclusively prove that electronic payment and bill remittance services were actually rendered, instead of just advertised, before 2015.” [109 TTABVUE 36]

According to the U.S. Court of Appeals for the Federal Circuit, subjective intent to deceive, however difficult it may be to prove, is an indispensable element in the fraud analysis. In most cases, “because direct evidence of deceptive intent is rarely available, such intent can be inferred from indirect and circumstantial evidence. But such evidence must still be clear and convincing, and inferences drawn from lesser evidence cannot satisfy the deceptive intent requirement.” *Bose*, 91 USPQ2d at 1941 (citation omitted). When drawing an inference of intent, “the involved conduct,

³³ In its brief, [109 TTABVUE 42 n.19] Applicant opines that “Xoom’s goods and services related to electronic payments and bill payment remittance services may be cancelled merely for nonuse rather than deceptive intent.” Applicant is mistaken. Deceptive intent is a crucial element of any fraud determination, and non-use is not before us as a separate ground for cancellation.

viewed in light of all the evidence ... must indicate sufficient culpability to require a finding of intent to deceive.” *Id.*

Testimony and evidence reflect that Applicant construes the language used to recite the services at issue in a way that differs from the meanings advocated by Opposer. The parties appear to agree that the term “commercial transaction” involves making payment for goods and services. [109 TTABVUE 21; 110 TTABVUE 34] The parties’ dispute largely centers on differing characterizations of what is encompassed by the term “commercial transaction.” The parties have introduced the following definitions into the record:

“pay” – “to give money in return for goods or services rendered,” “to discharge an indebtedness,” or “to discharge or settle (a debt or an obligation);” [36 TTABVUE 376-382; 88 TTABVUE 464-470]

“payment” – “the act of paying, something that is paid” [100 TTABVUE 257]

“remittance” – “a sum of money or (formerly) a quantity of an item transferred from one place or person to another. Also: the action of transferring money, etc., to another place or person, transmittal of money (as to a distant place);” [41 TTABVUE 286-287; 100 TTABVUE 258] and

“bill” – “documents evidencing a debtor’s obligation to a creditor, an invoice for charges for goods or services.” [98 TTABVUE 983-986; 99 TTABVUE 3-5; 100 TTABVUE 3-5]

Based upon these definitions, a payment may be made in return for goods or services rendered, i.e., in a commercial transaction, or may be made to discharge or settle a debt or obligation. Applicant takes the position that Opposer’s various terms

of service either dissuade or prohibit users from making commercial transactions, thus precluding use of XOOM for bill payment remittance services. However, there is no evidence of record that bill payment remittance is necessarily a commercial transaction. To the contrary, Opposer asserts that its services provide electronic payment and bill payment for, inter alia, personal loans, mortgages, utilities, rent, credit cards, caretakers and contractors. [89 TTABVUE 6-13, 147-8] The evidence of record does not support a finding that these types of payments are all commercial transactions or otherwise restricted by Opposer's terms of service. Opposer further asserts that notwithstanding periodic changes to the language of its terms of service and user agreements, users of its XOOM services have always been able to pay bills and make payments, with Opposer reserving the right to cancel transactions found to be in violation of applicable laws or that place Opposer at risk for certain types of disputed transactions. [89 TTABVUE 7-8]

While Applicant argues that Opposer represented to the SEC that it is "solely" engaged in money transfers, Opposer argues that it is, and has always been, primarily engaged in money transfers – accounting for 90% of its business – and that its SEC filings accurately reflect this. Opposer further argues that its terms of service and customer agreements discourage use of XOOM for commercial transactions, but do not prohibit or discourage users from paying bills or making electronic payments. Opposer argues in addition that since 2003, it has provided two different methods for using XOOM to make various payments, and added a third, "productized" and dedicated method for doing so in 2014.

Considering all the testimony and evidence, particularly the testimony and

evidence discussed above, even if we assume that Opposer's allegations as to its bill payment remittance and electronic payment services were false, we find no direct evidence of an intent to deceive the USPTO, and no clear and convincing evidence to warrant the inference of an intent to deceive. Mr. King testified that at all relevant times he believed, and still believes, the truth of the statements about ongoing use of the marks in the pleaded registrations for all the listed services. He explained the basis of his belief, as described above. *See Bose*, 91 USPQ2d at 1942 ("Sullivan testified under oath that he believed the statement was true at the time he signed the renewal application. 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 the context of the record as a whole, neither Opposer's statements to the SEC or its customers regarding Opposer's use of its XOOM marks, Mr. Toepfer's observations regarding the asserted unavailability of Opposer's bill and electronic payment services during the summer and fall of 2014, nor the evidence in support thereof create or support an inference of Opposer's intent to deceive.

With regard to the bill payment and electronic payment services at issue, Opposer has articulated a belief that it has used the mark in connection with such services, based on its interpretation of what the services encompass and the manner in which its consumers have used its services. "We do not need to resolve the issue of the reasonableness [of this belief] as it is not part of the analysis." *Id.* at 1942. In any event, none of Opposer's interpretations are so insupportable as to give rise to an inference of deceptive intent. Even assuming that that these interpretations were

incorrect, based on the totality of the record, we cannot infer that any misrepresentations were made knowingly and with an intent to deceive. The evidence does not “indicate sufficient culpability.” *Id.* at 1941; *Maids to Order of Ohio Inc. v. Maid-to-Order Inc.*, 78 USPQ2d 1899, 1907 (TTAB 2006) (not unreasonable for the applicant’s principal to believe applicant’s activities constituted use of its mark in interstate commerce). *Cf. Nationstar Mortg.*, 112 USPQ2d at 1375 (applicant made false statements regarding his activities, knowing what he was allowed to do and prohibited from doing in the absence of the proper licenses).

While false statements regarding use of a mark are material, *see Nationstar*, 112 USPQ2d at 1365 (citing *Hachette Filipacchi Presse v. Elle Belle LLC*, 85 USPQ2d 1090, 1093 (TTAB 2007)), “[t]here is no fraud if a false misrepresentation is occasioned by an honest misunderstanding or inadvertence without a willful intent to deceive.” *Bose*, 91 USPQ2d at 1942; *Knorr-Nahrungsmittel Akg. v. Havland Int’l, Inc.*, 206 USPQ 827, 834 (TTAB 1980) (“The claim of fraud will not be sustained if it can be proven that the statement, though false, was made with a reasonable and honest belief that it was true.”). “[A]bsent the requisite intent to mislead the PTO, even a material misrepresentation would not qualify as fraud under the Lanham Act” *Bose*, 91 USPQ2d at 1940 (citing *King Auto., Inc. v. Speedy Muffler King, Inc.*, 667 F.2d 1008, 212 USPQ 801, 803 n.4 (CCPA 1981)). Considering the testimony and evidence in its entirety, we do not find that it supports an inference of deceptive intent regarding Opposer’s use of its marks.

Because Applicant has failed to establish fraud with clear and convincing evidence, we deny the counterclaim petition to cancel Opposer’s pleaded Reg. Nos.

2909931, 4012377, 4226418, 4232742 and 4232741.

V. Priority

Applicant's counterclaim to cancel five of Opposer's pleaded registrations is denied and the registrations survive. Opposer introduced into the record copies of its six pleaded registrations,³⁴ thus establishing Opposer's priority as to the marks and the goods and services covered by the registrations.³⁵ *See Contour Chair-Lounge Co. v. Englander Co.*, 324 F.2d 186, 139 USPQ 285, 286 (CCPA 1963) (as long as a registration relied on by an opposer remains uncanceled, it will be treated as valid and entitled to all statutory presumptions; having dismissed petition to cancel pleaded registrations, Board was obligated to treat opposer's registrations as valid and as though no such petition had been filed); *see also King Candy, Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 82 USPQ 108 (CCPA 1974); *Top Tobacco LP v. N. Atl. Op. Co.*, 101 USPQ2d 1163, 1169 (TTAB 2011).

VI. Likelihood of Confusion

The determination under Section 2(d) involves an analysis of all of the probative evidence of record bearing on a likelihood of confusion.³⁶ *In re E.I. DuPont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973) (setting forth factors to be

³⁴ 86 TTABVUE 49-71.

³⁵ As a result, we need not consider the parties' arguments regarding Opposer's assertion of common law rights in its XOOM formative marks.

³⁶ In its brief, Applicant asserts that it owns a "family of federal trademark registrations." [109 TTABVUE 14] However, Applicant has failed to establish, beyond mere assertion of ownership of a number of trademark registrations, existence of a family of ZOOM-formative marks. *Cf., e.g., Nike, Inc. v. WNBA Enterprises, LLC*, 85 USPQ2d 1187 (TTAB 2007). Applicant's assertions in this regard have otherwise been given no consideration.

considered, hereinafter referred to as “*DuPont* factors”); *see also In re Majestic Distilling Co.*, 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). “Not all of the *DuPont* factors are relevant to every case, and only factors of significance to the particular mark need be considered.” *See Cai v. Diamond Hong, Inc.*, 901 F.3d 1367, 127 USPQ2d 1797, 1800 (Fed. Cir. 2018) (quoting *In re Mighty Leaf Tea*, 601 F.3d 1342, 94 USPQ2d 1257, 1259 (Fed. Cir. 2010)); *M2 Software, Inc. v. M2 Commc’ns, Inc.*, 450 F.3d 1378, 78 USPQ2d 1944, 1947 (Fed. Cir. 2006) (even within *DuPont* list, only factors that are “relevant and of record” need be considered). Two key considerations are the similarities between the marks and the similarities between the goods and/or services. *See In re i.am.symbolic, llc*, 866 F.3d 1315, 123 USPQ2d 1744, 1747 (Fed. Cir. 2017) (quoting *Herbko Int’l, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 64 USPQ2d 1375, 1380 (Fed. Cir. 2002)); *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976); *In re FabFitFun, Inc.*, 127 USPQ2d 1670, 1672 (TTAB 2018).

A. Our Focus on Opposer’s XOOM Mark

For purposes of the *DuPont* factors that are relevant to this opposition we will consider Applicant’s involved mark and identified goods and services and Opposer’s XOOM mark in its pleaded Reg. Nos. 2909931 and 4226418. If likelihood of confusion is found as to this mark, and the identified goods and services, it is unnecessary to consider Opposer’s other pleaded registrations. Conversely, if likelihood of confusion is not found as to this mark and the identified goods and services, we would not find likelihood of confusion as to the marks and goods or services in the remaining pleaded

registrations. *See, e.g., In re Max Capital Grp. Ltd.*, 93 USPQ2d 1243, 1245 (TTAB 2010).

B. Relatedness of the Goods and Services

This *DuPont* factor concerns the “similarity or dissimilarity and nature of the goods or services as described in an application or registration” *Stone Lion Capital Partners, LP v. Lion Capital LLP*, 746 F.3d 1317, 110 USPQ2d 1157, 1159 (Fed. Cir. 2014). The analysis of this factor is premised on the identifications of goods and services in Applicant’s involved applications and Opposer’s pleaded registrations. *Id.* at 1161-63; *Octocom Sys., Inc. v. Hous. Comput. Servs. Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990). Relatedness may be shown on the basis of those identifications alone, without resort to extrinsic evidence. *Hewlett-Packard Co. v. Packard Press Inc.*, 281 F.3d 1261, 62 USPQ2d 1001, 1004-05 (Fed. Cir. 2002). It is further established that “likelihood of confusion can be found ‘if the respective products [or services] are related in some manner and/or if the circumstances surrounding their marketing are such that they could give rise to the mistaken belief that they emanate from the same source.’” *Coach Servs.*, 101 USPQ2d at 1722 (quoting *7-Eleven Inc. v. Wechsler*, 83 USPQ2d 1715, 1724 (TTAB 2007)).

Applicant’s services are identified as “Financial transaction services, namely, providing secure commercial transactions through the use of biometric technology; electronic payment services by which customers may apply money from various sources through the use of biometric technology.” Opposer’s services include “Money transfer services; electronic funds transfer services; bill payment remittance services; electronic payment, namely, electronic processing and transmission of bill payment

data.” As identified, the parties’ services overlap to the extent that both provide “electronic payment” services, with Applicant’s services more specifically utilizing biometric technology to process and transmit payments. In addition, Opposer introduced into the record copies of sixteen use-based third-party registrations showing the same marks used to identify services of the type recited in the involved application Serial No. 85578671 and pleaded Reg. No. 2909931,³⁷ of which the following are illustrative: [35 TTABVUE 45-72; 86 TTABVUE 73-130]

Reg. No. 4570568 for “providing secure commercial transactions and payment options using a mobile device at a point of sale; electronic money transfer;”

Reg. No. 3869379 for “financial transaction services, namely, providing secure commercial transactions and payment options via mobile devices, electronic networks, or at a point of sale; electronic funds transfers;” and

Reg. No. 3610959 for “financial transaction services, namely, providing secure commercial transactions and payment options using a mobile device at a point of sale; financial transaction processing and information management services, namely, electronic payment processing; money transfer services and electronic transfers of money.”

Applicant’s goods are identified as “Computer operating software for point of sale system.” Opposer’s goods are identified as “Computer software for facilitating money transfer services, electronic funds transfer services, bill payment remittance services, electronic processing and transmission of payments and payment data.” As identified,

³⁷ Because we find that Applicant’s “electronic payment services by which customers may apply money from various sources through the use of biometric technology” at least overlaps, and may be legally identical to, the “electronic payment, namely, electronic processing and transmission of bill payment data” identified in Opposer’s pleaded registration, we need not also determine the similarity or dissimilarity of the parties’ remaining services. Similarity as to any of the goods or services identified in the application and registration will suffice as a basis for finding the respective goods to be similar for purposes of the second *DuPont* factor. See *Tuxedo Monopoly, Inc. v. Gen. Mills Fun Grp.*, 648 F.2d 1335, 209 USPQ 986, 988 (CCPA 1981); *In re Jump Designs LLC*, 80 USPQ2d 1370, 1374 (TTAB 2006). Nonetheless, we consider the parties’ evidence on the remaining services for the sake of completeness.

the parties' goods are related inasmuch as both are software used to facilitate various types of payments. In addition, Opposer introduced into the record copies of six use-based third-party registrations showing the same marks used to identify goods of the type recited in the involved application Serial No. 86192659 and pleaded Reg. No. 4226418, of which the following are illustrative: [35 TTABVUE 45-72; 86 TTABVUE 73-130]

Reg. No. 5138011 for “electronic equipment for point-of-sale systems, namely...computer hardware and computer operating software; computer software, namely, electronic financial platform that accommodates multiple types of payment and debt transactions in an integrated mobile phone, PDA, and web based environment;”

Reg. No. 4597599 for “hardware and software for making and processing payment transactions with credit cards, debit cards, gift cards, cash, and other payment forms; financial software and accessories, namely, card readers, point of sale terminals, hardware and software, all for accepting, effecting, enabling, facilitating, processing, operating and managing payment transactions on mobile devices, cash registers, and other point of sale systems;” and

Reg. No. 5207874 for “downloadable software in the nature of a mobile application for users to store and retrieve customer account information at retail or wholesale locations or virtual points of sale; downloadable computer software allowing for merchants to process customer payment transactions via a mobile telecommunications device by means of a one-time electronic security token as a substitute for the customer's credit, payment or debit card information.”

These registrations suggest, in general, that point of sale software and software for money transfers and bill payment are related and that the services of providing secure commercial transactions and money transfer and bill payment services are also related. *See In re Infinity Broad. Corp. of Dall.*, 60 USPQ2d 1214, 1217-18 (TTAB 2001) (“The registrations show that entities have registered their marks for both television and radio broadcasting services. Although these registrations are not

evidence that the marks shown therein are in use or that the public is familiar with them, they nevertheless have probative value to the extent that they serve to suggest that the [goods and] services listed therein ... are of a kind which may emanate from a single source”); *see also, e.g., Mighty Leaf Tea*, 94 USPQ2d at 1259; *In re Albert Trostel & Sons Co.*, 29 USPQ2d 1783, 1785-86 (TTAB 1993); *In re Mucky Duck Mustard Co. Inc.*, 6 USPQ2d 1467, 1470 at n. 6 (TTAB 1988).³⁸

Based upon the identification of the respective goods and services, both parties provide overlapping electronic payment services, and both also provide software used to facilitate various types of payments, including point-of-sale payments and electronic processing and transmission of payments. Further, the evidence discussed above suggests that third parties have registered marks identifying the parties’ goods and remaining services. Accordingly, this *DuPont* factor weighs in favor of finding that there is a likelihood of confusion.

C. Channels of Trade

There are no restrictions in either party’s identification of goods or services as to their channels of trade. *See Hewlett-Packard*, 62 USPQ2d at 1005 (“[A]bsent restrictions in the application and registration, goods and services are presumed to travel in the same channels of trade to the same class of purchasers.”); *Octocom*, 16 USPQ2d at 1787 (“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

³⁸ In light of the cited decisional law, Applicant is incorrect in its assertion that these third-party registrations have no probative value in the absence of “supporting evidence actually showing use of these marks in commerce.” [109 TTABVue 44]

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.") (citations omitted). As a result, the parties' goods and services are presumed to move in all trade channels customary therefor, and to be available to all classes of consumers. We thus presume that the parties' overlapping services will be offered in overlapping trade channels to overlapping classes of consumers.

With regard to the remaining goods and services, the parties present arguments, but relatively little evidence, regarding the channels of trade in which they may be encountered and by whom. [107 TTABVUE; 109 TTABVUE 47-48] Applicant has submitted testimony that the goods and services under its ZOOMPAY mark are available only to customers of its Zoom Tan tanning salons. [100 TTABVUE 309] However, Applicant's identification of goods and services contain no such restrictions, and we may not impose any grounded upon arguments or extrinsic evidence. *Octocom*, 16 USPQ2d at 1787. Further, based upon our findings above with regard to Applicant's fraud counterclaim, we find that Opposer's channels of trade are not restricted to exclude commercial transactions in a manner that would create a trade channel distinction between the parties' goods and services. [109 TTABVUE 47-48]

As identified, Applicant's software may be used by anyone seeking a point-of-sale transaction, and Opposer's software may be used by anyone seeking to transfer funds, pay bills and transmit payment data. Similarly, Applicant's services may be used by anyone seeking to make a secure commercial transaction and Opposer's services may be used by anyone seeking to transfer funds, pay bills or make electronic payments.

Given the relatedness of the goods and the overlapping or otherwise related nature of the services, we find, in the absence of any trade channel limitations, that these goods and services may be offered in the same trade channels to the same classes of purchasers, namely, ordinary consumers. This *DuPont* factor also weighs in favor of finding that there is a likelihood of confusion.

D. Strength of Opposer's XOOM Mark

We next evaluate the strength of Opposer's XOOM mark and the scope of protection to which it is entitled. The fifth *DuPont* factor is the fame of the prior mark, and the sixth factor is the number and nature of similar marks in use for similar goods or services. *DuPont*, 177 USPQ at 567. In determining strength of a mark, we consider both inherent strength, based on the nature of the mark itself, and commercial strength or recognition. *Bell's Brewery, Inc. v. Innovation Brewing*, 125 USPQ2d 1340, 1345 (TTAB 2017); *see also In re Chippendales USA Inc.*, 622 F.3d 1346, 96 USPQ2d 1681, 1686 (Fed. Cir. 2010) ("A mark's strength is measured both by its conceptual strength (distinctiveness) and its marketplace strength (secondary meaning)."); *Tea Bd. of India v. Republic of Tea Inc.*, 80 USPQ2d 1881, 1899 (TTAB 2006) (same). Commercial strength may be measured indirectly, by volume of sales and advertising expenditures and factors such as length of use of the mark, widespread critical assessments, notice by independent sources of the goods or services identified by the mark, and general reputation of the goods or services. *Weider Publ'ns, LLC v. D&D Beauty Care Co.*, 109 USPQ2d 1347, 1354 (TTAB 2014).

Turning first to conceptual strength, we begin by noting that Opposer's XOOM marks were registered on the Principal Register without a showing of acquired

distinctiveness. Further, there is no evidence that XOOM possesses any significance in relation to the identified goods or services. The mark thus is inherently distinctive. *Tea Bd. of India*, 80 USPQ2d at 1899.

With regard to commercial strength, Opposer argues that its XOOM marks have been in use for over 15 years at the time of trial. Opposer has introduced testimony and evidence establishing: since 2003, it has spent over \$250 million advertising goods and services under the XOOM marks, including \$40 million in 2017; [100 TTABVUE 794-796] in 2017 XOOM products and services had 1.562 million unique users in the United States; [*Id.*] and that in 2017 users of XOOM products and services sent or paid more than \$7.1 billion, an increase from \$ 6 billion in 2016. [*Id.*] Opposer has also introduced testimony and evidence of recognition from such publications as the Wall Street Journal and Consumer Reports, along with customer testimonials regarding the goods and services under the XOOM mark. [100 TTABVUE 796-798; 88 TTABVUE 17-42; 91-462]

We note that Opposer has not placed its sales and marketing figures and advertising efforts in a context that would establish the strength of its mark relative to other marks for the same goods. *See Bose Corp. v. QSC Audio Prods.*, 63 USPQ2d 1303, 1309 (Fed. Cir. 2002). However and as noted above, Opposer does not rely upon raw numbers alone, but has provided additional contextual evidence of the consumer and media recognition of the goods and services under its XOOM mark. *See Omaha Steaks Int'l, Inc. v. Greater Omaha Packing Co.*, 908 F.3d 1315, 128 USPQ2d 1686, 1690 (Fed. Cir. 2018). These raw numbers of product sales and advertising expenditures, consumer reviews and assertions of media exposure demonstrate that


Opposer has enjoyed substantial sales of goods and services under its XOOM mark, and further suggest that such sales and media exposure translate into widespread recognition of the XOOM mark among consumers of its involved goods and services, which appear to be the general public. *Joseph Phelps Vineyards, LLC v. Fairmont Holdings, LLC*, 857 F.3d 1323, 122 USPQ2d 1733, 1734 (Fed. Cir. 2017).


Applicant argues that Opposer's XOOM mark is weak as a result of extensive third-party use and registration of similar terms. In support of this position, applicant has submitted approximately thirty third-party registrations for various forms of the mark XOOM. [98 TTABVue 103-450] The most probative of these registrations are reproduced below. (All marks appear in typed or standard characters unless otherwise noted.)

No. 1861688 QUICKZOOM for computer software for use in the field of personal and business finance and accounting and user manuals for use therewith sold as a unit;

No. 3922346 ZOOM for mobile computer hardware and software development platform comprised of a software application framework and software development tools;

No. 2675838 ZOOM for computer hardware, peripherals and software for transmitting and receiving data over a wireless network, creating local area networks and networks of electronic devices, and connecting with peripherals;

Nos. 3489836 and 3941742 MAZOOMA and , both for financial information provided by electronic means; electronic funds transfer; electronic funds transfer by telecommunication; (same owner)


No. 5344426  for providing an internet website portal featuring technology for conducting business transactions that allows users to allocate tasks, track time and expenses, invoice, manage human resources, record financial transactions, and establish terms of dealing between business entities;

No. 5071226 ZOOM CREDIT for financing services for retail merchants, namely, submitting customer applications for financing purchases of consumer goods and consumer services to multiple financial institutions, expressly excluding software and services relating to money transfers, bill payment remittances, electronic processing and transmission of payments and payments data, and electronic funds transfer services; financial services, namely, arranging in store sales finance services for merchants; and



No. 5071227 for financing services for retail merchants, namely, submitting customer applications for financing purchases of consumer goods and consumer services to multiple financial institutions, expressly excluding software and services relating to money transfers, bill payment remittances, electronic processing and transmission of payments and payments data, and electronic funds transfer services; (same owner) and

No. 5071256 ZOOM LOANS for “electronic loan origination services.”

We note that the “existence of [third party] registrations is not evidence of what happens in the market place or that customers are familiar with them.” *AMF Inc. v. Am. Leisure Prods., Inc.*, 474 F.2d 1403, 177 USPQ 268, 269 (CCPA 1973). The two third-party registrations for marks closest to Opposer’s XOOM mark, i.e., ZOOM alone, recite computer software applications used for purposes unrelated to Opposer’s goods and services. The mark QUICK ZOOM similarly identifies computer software that is only tangentially related to Opposer’s goods and services under its XOOM mark. Similarly, the MAZOOMA marks are less similar to Opposer’s marks than Applicant’s marks. The ZOOM CREDIT marks identify services that specifically exclude Opposer’s services. That leaves the marks  and ZOOM LOANS that identify services related to Opposer’s services.

In addition, even if the goods or services in the remaining registrations were closer to the goods and services in Opposer’s pleaded registrations, these third-party

registrations may be used to demonstrate that a mark or a portion of a mark is suggestive or descriptive, but they cannot be used to justify the registration of another confusingly similar mark. *Plus Prods. v. Star-Kist Foods, Inc.*, 220 USPQ 541, 544 (TTAB 1983).

The vast majority of the registrations that Applicant has made of record recite goods or services that are unrelated to those at issue and, therefore, they do not support Applicant's argument that Opposer's XOOM mark is entitled to a narrow scope of protection. *See Nat'l Cable Television Ass'n, Inc. v. Am. Cinema Editors, Inc.*, 937 F.2d 1572, 1579-80 (Fed. Cir. 1991) (third party marks for unrelated goods and services are not probative to determination of the strength of a mark); *SBS Prods. Inc. v. Sterling Plastic & Rubber Prods. Inc.*, 8 USPQ2d 1147, 1149 n.6 (TTAB 1988) ("[E]ven if evidence of such third-party use were submitted, it would be of no aid to respondent herein where the third-party usage was for goods unrelated to either petitioner's skin care products or respondent's stuffing box sealant"); *Anderson, Clayton & Co. v. Christie Food Prods. Inc.*, 4 USPQ2d 1555, 1557 n.7 (TTAB 1987) ("The other third-party registrations relating to marks in unrelated fields are of no probative value").

These registrations³⁹ include:

³⁹ Applicant has included several pending applications for marks that have not registered. These applications are irrelevant. *In re Phillips-Van Heusen Corp.*, 63 USPQ2d 1047, 1049 n.4 (TTAB 2002) ("While applicant also submitted a copy of a third-party application ..., such has no probative value other than as evidence that the application was filed"); *Olin Corp. v. Hydrotreat, Inc.*, 210 USPQ 62, 65 n.5 (TTAB 1981) ("Introduction of the record of a pending application is competent to prove only the filing thereof").

Similarly, a cancelled registration "is evidence only of the fact that it previously existed." *UMG Recordings Inc. v. Mattel Inc.*, 100 USPQ2d 1868, 1872 n.2 (TTAB 2011). Any benefits

No. 4524196 DATAOOM (connecting wireless service providers with wireless data consumers);

No. 4676780 FOCUS ZOOM (cameras);

No. 3969055 GAZOOM (non-metallic building materials);

No. 4974740 SOFTZOOM (computer software consulting; programming of computer software for others);

No. 4680102 TOUCH ZOOM (mobile phones and computer application software for mobile phones);

No. 4736857 TRACKING ZOOM (mobile phones and computer application software for mobile phones);

No. 4860258 VELOCITY ZOOM (business data analysis; application service provider and related computer services);

No. 5196123 XOME ZOOM (downloadable mobile application feature for locating real estate information, specifically excluding software for money transfers, bill payment, mortgage payment and electronic transmission of payments);

No. 4754651 XZOOM PRO (various cell phone accessories);

No. 4325920 BLOOM ZOOM and book design (software for use in literacy games and entertainment in the nature of stories, games, puzzles and reading activities);

Nos. 3149281 and 3139651 ZOOM INFORMATION and ZOOM INFO (software for accessing, extracting and organizing information from various

conferred by the registration, including the evidentiary presumptions afforded by Section 7(b) of the Trademark Act, were lost when the registration expired; *see also, e.g., In re Inn at St. John's, LLC*, 126 USPQ2d 1742, 1745 (TTAB 2018) (“The existence of a cancelled registration—particularly one cancelled for failure to provide a declaration of continued use—does not tend to show that the cited mark is weak due to third-party use.”). Finally, Applicant introduced a listing of live and dead registrations and pending applications from the Trademark Electronic Search System (TESS). [41 TTABVUE 151-167] In addition to the deficiencies discussed above, mere listings of or references to registrations are not sufficient to make the registrations of record. *In re Compania de Licores Internacionales S.A.*, 102 USPQ2d 1841, 1843 (TTAB 2012); *In re Hoefflin*, 97 USPQ2d 1174, 1177 (TTAB 2010). As a result, the list has no probative value.

sources regarding people, companies, products, markets and industries to develop databases and enable search thereof);

No. 5347151 ZOOM LISTING (database software to facilitate residential, commercial and investment real estate purchases);

No. 5283345 ZOOM MEDIA (various advertising and marketing services);

No. 5330360 ZOOM NOTIFY (computer network maintenance, integration, managing and security services);

No. 4736856 ZOOM TO TRACK (mobile phones and software therefor);

No. 4554891 ZOOMDATA (business information management, consulting, business and market research analysis);

No. 4792136 AREA ZOOM (mobile phones, software therefor, various cameras);

No. 4833849 ZOOMIN (electronic message management software);

No. 2672446 ZOOMTOWN (electronic mail and messaging services);

No. 4243967 ZOOMUMBA (computers, game software);

No. 4522439 ZOOMWARE (medical software);

No. 2675171 ZOOM-ZOOM (automobile dealerships, automobile financing and warranty services);

No. 2037278 ZZOOM and design (financial services, namely, bonding services); and

No. 4441873 ZOOMLOOKER (stock and commodity brokerage, among numerous services in several classes unrelated to the goods and services at issue).

Certainly, even if there were evidence that third parties were using the term XOOM on such items and services as computer games, automobile dealerships and cell phone accessories, it would not affect the scope of protection that we would give to Opposer's XOOM mark for the identified goods and services. Considering the

record as a whole, we find that Opposer's XOOM mark is inherently distinctive and enjoys a degree of commercial strength. Further, the record does not establish that the XOOM mark is entitled to only a narrowed scope of protection due to third-party use or registration of confusingly similar marks for similar or related goods or services. We therefore accord Opposer's XOOM mark the stronger scope of protection to which inherently distinctive marks with a certain degree of commercial strength are entitled. *See Joseph Phelps Vineyards*, 122 USPQ2d at 1734 (stating that likelihood of confusion fame varies along a spectrum from very strong to very weak).

E. Similarity of the Marks

The first *DuPont* factor is the similarity or dissimilarity of the parties' marks. In a likelihood of confusion analysis, we compare the marks in their entireties for similarities and dissimilarities in appearance, sound, connotation and commercial impression. *Stone Lion*, 110 USPQ2d at 1160. "Similarity in any one of these elements may be sufficient to find the marks confusingly similar." *In re Davia*, 110 USPQ2d 1810, 1812 (TTAB 2014); *accord Krim-Ko Corp. v. Coca-Cola Co.*, 390 F.2d 728, 156 USPQ 523, 526 (CCPA 1968) ("It is sufficient if the similarity in either form, spelling or sound alone is likely to cause confusion.") (citation omitted). "The proper test is not a side-by-side comparison of the marks, but instead 'whether the marks are sufficiently similar in terms of their commercial impression' such that persons who encounter the marks would be likely to assume a connection between the parties." *Cai*, 127 USPQ2d at 1801 (quoting *Coach Servs.*, 101 USPQ2d at 1721).

Applicant's mark ZOOMPAY in standard characters, consists of the recognized terms "ZOOM" and "PAY." Applicant acknowledges that "PAY" "describes the pay

method” for Applicant’s services. [100 TTABVUE 335] The marks are similar in appearance to the extent that the first syllable of Applicant’s ZOOMPAY mark and Opposer’s XOOM mark both are “-OOM” formatives following a single letter. They differ in their first letter and the addition of “PAY” to Applicant’s mark.

Inasmuch as Applicant’s mark consists of two recognized terms, ZOOMPAY would likely be pronounced by consumers as “zoom pay.” Neither party disputes this pronunciation. In addition, Opposer has introduced copies of printed advertisements in which it instructs consumers on the pronunciation of its mark: “Xoom (pronounced “zoom”) enables its customers to send money internationally online, anytime.” [89 TTABVUE 133] Further, in written consumer reviews, Opposer’s customers refer to Opposer’s goods and services under its XOOM mark as “zoom.” [88 TTABVUE 385-462].

Applicant points to an acknowledgment by Opposer’s Manager Julian King that many of Opposer’s consumers do not speak English as a first language, and that Spanish speakers using Opposer’s goods and services under its XOOM mark may not pronounce XOOM as “zoom.” [100 TTABVUE 690-713] Mr. King further testified that Opposer’s customers speak more than 20 different languages and that XOOM may be pronounced differently by different consumers. [*Id.*] Applicant further introduced Spanish-language dictionaries indicating that the letter “Z” is pronounced in Spanish as the letters “H,” “S,” “SH,” or “KS.” [98 TTABVUE 951-981]

“[I]t is well-settled that there is no single ‘correct’ pronunciation of a trademark that is not a common English word because it is impossible to predict how the public will pronounce a particular mark.” *Edwards Lifesciences Corp.*, 94 U.S.P.Q.2d 1399,

1401-1402 (TTAB 2010). However, as the Federal Circuit held in *Stoncor Grp., Inc. v. Specialty Coatings, Inc.*, 759 F.3d 1327, 1331-32, 111 USPQ2d 1649, 1651 (Fed. Cir. 2014):

The Board erred by failing to credit StonCor's evidence that consumers would pronounce "STON" as "stone." There is no correct pronunciation of a trademark that is not a recognized word. *See In re Belgrade Shoe Co.*, 56 C.C.P.A. 1298, 411 F.2d 1352, 1353 (1969). "STON" is not a word in English. Neither party argues that "STON" is a word in any other language. Where a trademark is not a recognized word and the weight of the evidence suggests that potential consumers would pronounce the mark in a particular way, it is error for the Board to ignore this evidence entirely and supply its own pronunciation.

In this case, Opposer has introduced evidence that it promotes the pronunciation of XOOM as "zoom". Applicant, while arguing that XOOM would not normally be pronounced "zoom" by a Spanish speaker, has not introduced any evidence of different pronunciations aside from theoretical ones derived from dictionaries. Opposer, on the other hand, has introduced evidence that its consumers refer to its products and services as "zoom" in writing and when spoken. We thus find, on this record, that ZOOMPAY and XOOM would be pronounced highly similarly as to the first syllable of Applicant's mark.

Opposer's mark XOOM is a coined term having no known meaning. Applicant's mark suggests a quick or speedy method of payment. As a result, the marks differ in connotation except to the extent that Opposer's mark is perceived as indicating the term "zoom," in which case it also connotes speed.

We acknowledge that the presence of PAY as the trailing term in Applicant's mark distinguishes it somewhat visually and aurally from Opposer's mark. This point of distinction, however, does not significantly diminish the similarities in appearance,

sound and overall commercial impression engendered by these two marks. As stated, similarity in any one of the elements of sound, appearance, meaning, or commercial impression is sufficient to support a determination of likelihood of confusion. *Krim-Ko*, 156 USPQ at 526 (“It is sufficient if the similarity in either form, spelling or sound alone is likely to cause confusion”); *In re White Swan Ltd.*, 8 USPQ2d 1534, 1535 (TTAB 1988) (“In appropriate cases, a finding of similarity as to any one factor (sight, sound or meaning) alone ‘may be sufficient to support a holding that the marks are confusingly similar’”) (citations omitted)). Therefore, even if the marks had different meanings, it would not necessarily mean there was no likelihood of confusion.

We find that the marks are more similar than dissimilar, and that the first *DuPont* factor weighs in favor of a finding that confusion is likely.

F. Actual Confusion

Applicant argues that after at least six years of concurrent use there have been no reported instances of actual confusion. [97 TTABVUE 15-16; 109 TTABVUE 48] Opposer argues that due to very limited evidence of use by Applicant of the ZOOMPAY marks since 2012 there has been very little opportunity for actual confusion to have occurred. [87 TTABVUE 100 TTABVUE 515; 107 TTABVUE 45-46]

The absence of any reported instances of confusion is meaningful only if the record indicates appreciable and continuous use by Opposer of its XOOM mark for a significant period of time in the same markets as those served by Applicant under its ZOOMPAY mark. *Citigroup Inc. v. Capital City Bank Grp., Inc.*, 94 USPQ2d 1645, 1660 (TTAB 2010), *aff’d*, 637 F.3d 1344, 98 USPQ2d 1253 (Fed. Cir. 2011); *Gillette*

Canada Inc. v. Ranir Corp., 23 USPQ2d 1768, 1774 (TTAB 1992). In other words, for the absence of actual confusion to be probative, there must have been a reasonable opportunity for confusion to occur. *Barbara's Bakery Inc. v. Landesman*, 82 USPQ2d 1283, 1287 (TTAB 2007) (the probative value of the absence of actual confusion depends upon there being a significant opportunity for actual confusion to have occurred); *Red Carpet Corp. v. Johnstown Am. Enters. Inc.*, 7 USPQ2d 1404, 1406-1407 (TTAB 1988) (same); *Central Soya Co., Inc. v. N. Am. Plant Breeders*, 212 USPQ 37, 48 (TTAB 1981) ("the absence of actual confusion over a reasonable period of time might well suggest that the likelihood of confusion is only a remote possibility with little probability of occurring").

Given the very limited evidence regarding the extent of Applicant's use of its ZOOMPAY mark, we find this *DuPont* factor to be neutral.

G. Applicant's Intent in Adopting Its Mark

Opposer asserts that Applicant had actual notice of Opposer prior to filing the involved application Serial No. 86192659 inasmuch as the parties were engaged in settlement negotiations at the time with regard to Applicant's earlier-filed application Serial No. 85578671, and that Applicant proceeded with these applications after authorizing a proposed settlement agreement. [107 TTABVUE 46] Applicant counters that it had no knowledge of Opposer when filing the first of its involved applications, had no intention of copying Opposer's marks or suggesting any affiliation with Opposer, and filed its second involved application when negotiations broke down. [109 TTABVUE 49-50] The record in this case, viewed as a whole, falls

short of establishing that Applicant intended to create confusion with Opposer and its marks.

We will not infer bad faith under circumstances in which the party asserting it has submitted insufficient evidence thereof. *Cf. L.C. Licensing Inc. v. Berman*, 86 USPQ2d 183, 1891 (TTAB 2008) (bad faith adoption of a mark is strong evidence that confusion is likely because an inference may be drawn from the imitator's expectation of confusion); *Broadway Catering Corp. v. Carla Inc.*, 215 USPQ 462, 465 (TTAB 1982) ("One's wrongful intent to trade on the trademark or trade name of another is strong evidence that confusion is likely. Such inference is drawn from the imitator's own expectation of confusion as to the source of his product").

This *DuPont* factor is neutral.

H. Conclusion on Likelihood of Confusion

We have carefully considered all arguments and evidence of record. Based thereupon, we find that Applicant's mark is similar to Opposer's strong and distinctive mark; that Applicant's goods are related to those of Opposer; and that Applicant's services are overlapping and otherwise related to those of Opposer and may be encountered in the same channels of trade by common classes of consumers. The rest of the *DuPont* factors are neutral. Accordingly, we find that Opposer has carried its burden to establish by a preponderance of the evidence priority and likelihood of confusion, and that Applicant's mark is likely to cause consumer confusion when used in association with the identified goods and services.

Decision: The opposition to registration of application Serial Nos. 85578671 and 85192659 is sustained on the ground of priority and likelihood of confusion.⁴⁰

Applicant's counterclaim for cancellation of Opposer's pleaded registrations on the ground of fraud is denied.

⁴⁰ We do not reach the other ground for opposition, namely, that application Serial No. 86192659 is void ab initio because, as of the application filing date, Applicant lacked the requisite bona fide intent to use the ZOOMPAY mark in commerce in connection with the goods identified therein. "Like the federal courts, the Board has generally used its discretion to decide only those claims necessary to enter judgment and dispose of the case. . . [T]he Board's determination of registrability does not require, in every instance, decision on every pleaded claim." *Multisorb Tech., Inc. v. Pactiv Corp.*, 109 USPQ2d 1170, 1171 (TTAB 2013).