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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Sports Machine, Inc., dba BikeSource
v.
Midwest Merchandising, Inc.

Cancellation No. 30,578

Mary J. Gaskin of Annelin & Gaskin for Sports Machine, Inc.

Roger A. Gilcrest of Standley & Gilcrest LLP for Midwest
Merchandising, Inc.

Before Walters, Chapman, and Bucher, Administrative
Trademark Judges.

Opinion by Chapman, Administrative Trademark Judge:

Sports Machine, Inc., dba BikeSource (a Texas
corporation) has filed a petition to cancel a registration
on the Principal Register issued to Midwest Merchandising,
Inc. (a Delaware corporation), for the mark shown below

BIKE SOURCE

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for "retail store outlets featuring bicycles, bicycle accessories and replacement parts, and apparel relating to bicycles" in International Class 42.¹

Petitioner asserts as grounds for cancellation that it "is the owner of common law rights in the service mark Bike Source, which it has used continuously in the State of Texas since March 1, 1994, to identify its retail stores and related equipment" (Paragraph 1); that respondent wrote to petitioner on February 28, 2000 demanding that petitioner "immediately discontinue use of the name 'BikeSource' or face legal action" (Paragraph 3); that the words making up respondent's mark are merely descriptive of the services in connection with which the mark is used; that because the words "BIKESOURCE are merely descriptive, Petitioner should be entitled to use the words 'bike' and 'source' in connection with its operation of its retail store outlets for bicycles, etc." (Paragraph 5); and that registration of respondent's service mark violates Section 2(e)(1) of the Trademark Act.

In its answer, respondent denied the salient allegations of the petition to cancel, and raised the affirmative defenses of laches (asserting petitioner had knowledge of respondent's use and registration of its mark,

¹ Registration No. 1,887,592, issued April 4, 1995, Section 8 affidavit accepted. The claimed date of first use and first use in commerce is March 15, 1991.

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but unreasonably delayed in bringing action), and estoppel (asserting petitioner uses the mark BIKESOURCE as a source-indicative mark for retail stores featuring bicycles, and is therefore estopped from claiming the term functions merely to describe the registered services).

The record consists of the pleadings; the file of respondent's registration; petitioner's testimony, with exhibits, of Leonard Garland, petitioner's president and owner; respondent's testimony, with exhibits, of (i) Van Shuff, respondent's operations manager, and (ii) Karl Rosengarth, an employee of A.K.A. Productions, Inc., publisher of "Dirt Rag Magazine"²; and notices of reliance filed by both parties on various items such as: (1) the discovery deposition transcript, with exhibits, of Leonard Garland, petitioner's president and owner; (2) certain discovery responses to interrogatories and/or requests for admissions; (3) a photocopy of respondent's pending application Serial No. 76/035,008³; (4) printouts from the USPTO's Trademark Electronic Search System (TESS) of numerous third-party applications and registrations; and (5)

² Petitioner neither attended the depositions nor cross-examined either of respondent's two witnesses.

³ Application Serial No. 76/035,008 was filed April 20, 2000 for the mark BIKESOURCE (typed drawing) for the same services as those in respondent's involved registration. (These services are now classified by the USPTO in International Class 35.)

photocopies of dictionary definitions of the words "bike" and "source."

Both parties filed briefs on the case.⁴ Neither party requested an oral hearing.

Petitioner, Sports Machine, Inc., was incorporated in Texas in April 1991, and it is 100% owned by Leonard Garland, who serves as president of the corporation, with his wife serving as corporate secretary. Petitioner operates two BikeSource stores⁵, one in Kingwood, Texas and the other in The Woodlands, Texas (both being in the Houston area). The Kingwood store opened in April 1994 and The Woodlands store opened in May 1996. Petitioner has continuously operated these stores since 1994 and 1996 respectively. The signs on petitioner's stores appear as shown below.



There are also neon signs in the windows showing "BikeSource,"⁶ and the mark as shown above appears

⁴ On pages 11-12 of its reply brief, petitioner objects to the "tone of" respondent's brief and "inaccuracies and misstatements" therein. Petitioner's objections to respondent's brief on the case are overruled. See TBMP §540.

⁵ In March 1994 petitioner applied for a certificate of doing business under an "Assumed Name" for "BIKE SOURCE" and in October 1995 did the same for "BikeSource."

⁶ The record shows that petitioner uses "Bike Source" in various formats, including in all capital letters or with only two letters capitalized, and with and without the half wheel design, and with and without a space between the words.

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prominently on petitioner's website.⁷

When petitioner first started the business as "Sports Machine, Inc.," it carried sports machines such as treadmills, steppers, stationary bicycles, as well as bicycles and related accessories. Petitioner now sells bicycles, bicycle apparel, bicycling accessories, and parts and accessories for bicycles.

Petitioner does not engage in any mail order or Internet sales, with all sales made to the customers on-site in the stores. Petitioner's website ("thebikesource.com") is used only as a store locator and as a bridge from bicycle manufacturers' sites to local bicycle dealers in the inquirer's area.

In September 1998 an employee of respondent (Mark Eisenberg) approached Mr. Garland at the Trek company's booth at a trade show and advised Mr. Garland that respondent owned the mark "BIKE SOURCE." Subsequently, in a letter dated February 28, 2000, respondent formally requested that petitioner cease use of "BikeSource." And in late March 2000, petitioner filed this petition to cancel.

Mr. Garland testified that he is aware of a large California bicycle retailer whose website is "bikesource.com"; and he explained, "This is the large bike

⁷ Petitioner includes the following statement on its website: "Bike Source is not affiliated with any other Bike Source outside the State of Texas."

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source in the United States. This would be primarily one that a customer, if they thought of Bike Source, they would normally think of this one because this is the one that has done the most national advertising [full-page advertisements appearing in magazines such as Mountain Bike Action and Velo News].” (Dep., pp. 13-14.)

He also testified regarding a listing of Trek bicycle company accounts in which the words “Bike Source” or “BikeSource” appear. These accounts consist of petitioner’s stores and respondent’s stores, as well as two others—the BikeSource in Irvine, California which is the large bicycle dealer on the Internet mentioned previously, and a store in Chandler, Arizona. Mr. Garland testified about petitioner’s answer to respondent’s interrogatory No. 11, asking for all uses of “BIKESOURCE” by anyone other than petitioner or respondent. The list consists of one store each in Anchorage, Alaska; Chandler, Arizona; Monroe, Louisiana; and Austin, Texas; as well as three websites, including the large company in Irvine, California; one in Berkeley, California; and one identified only as “bikesource.co.uk.”

Mr. Garland testified that he believes “the two words together, bike and source, are quite descriptive to [sic?-of] bicycle retail outlets and bicycle stores.” (Dep., p. 22.) Further, he explained that he uses the term “source” to mean the place from which something comes, and that the

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primary reason he chose the assumed name "BikeSource" was so that people would come by the store and see that it is a retail outlet for bikes. (Dep., p. 24.)

Respondent first adopted the mark "BIKESOURCE" in March 1991, and respondent currently operates ten bicycle stores under the mark "BIKESOURCE," with four in the Columbus, Ohio area; one in Dayton, Ohio; two in the Kansas City area; one in Charlotte, North Carolina; one in Downers Grove, Illinois; and one in Denver, Colorado. Some of these stores were opened as "BIKESOURCE" stores, while others had been operating under other names and were later converted to "BIKESOURCE" stores.

Respondent engages in advertising on radio and television, in print media, through direct mail and on the Internet. Respondent has sponsored bicycle racers; and it uses the mark BIKESOURCE on various promotional products such as jersey shirts and water bottles. Its sales have been nationwide through telephone call orders and Internet sales.

Mr. Shuff, respondent's operations manager, testified that customers recognize BIKESOURCE as identifying respondent's stores; and that no customer has used "BIKESOURCE" to refer to bicycle stores in general. The terms used to refer to any bicycle store include bicycle dealer, bike shop, bike store, etc.

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He also testified that respondent has sent cease and desist letters to several businesses operating under the name "BIKESOURCE" (with or without a space between the words), including bicycle stores in Chandler, Arizona, Pittsburgh, Pennsylvania, Rocky River, Ohio, and Irvine, California. These companies generally complied or worked out a resolution with respondent, but none of the companies asserted that "BIKESOURCE" is not a mark. With regard to the three websites testified to by petitioner (petitioner's answer to respondent's interrogatory No. 11), one is a bicycle registry, one is a motorcycle informational site, and one sells bikes retail, which is the large company in Irvine, California who clearly uses "BIKE SOURCE" as a mark, not in a merely descriptive manner.

The record shows that petitioner operates two bicycle stores; and that respondent has written to petitioner requesting that petitioner cease using BIKE SOURCE as the name of its stores. Thus, petitioner's standing to bring this petition to cancel is established.⁸

The only issue remaining before the Board is whether the registered mark (BIKESOURCE in the form appearing in the

⁸ Respondent's specific request in its brief (p. 24) that the Board find petitioner does not have standing is denied.

Respondent further requested that the Board find petitioner filed the petition to cancel in bad faith in violation of Fed. R. Civ. P. 11. The record herein does not warrant such a finding and respondent's request is denied.

registration) is merely descriptive of "retail store outlets featuring bicycles, bicycle accessories and replacement parts, and apparel relating to bicycles."

A term is considered merely descriptive, and therefore unregistrable pursuant to Section 2(e)(1), if it immediately conveys knowledge or information about the qualities, characteristics, or features of the goods or services on or in connection with which it is used. On the other hand a term which is suggestive is registerable. A suggestive term is one which suggests, rather than describes, such that imagination, thought or perception is required to reach a conclusion on the nature of the goods or services. See *In re Gyulay*, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987).

Petitioner bears the burden of proving, by a preponderance of the evidence, its asserted ground of mere descriptiveness. See *Cerveceria Centroamericana, S.A. v. Cerveceria India Inc.*, 892 F.2d 1021, 13 USPQ2d 1307 (Fed. Cir. 1989); and *Cerveceria Modelo S.A. de C.V. v. R.B. Marco & Sons Inc.*, 55 USPQ2d 1298, 1300 (TTAB 2000).

The Oxford American Dictionary (1980) definitions submitted by petitioner are set forth below:

bike *n.* (informal) a bicycle or motorcycle. *v.* (biked, biking) (informal) to travel on either of these; and

source *n.* 1. the place from which something comes or is obtained....

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In addition, petitioner offered the testimony of its owner that he personally believes customers will perceive the mark BIKESOURCE as merely descriptive of retail bicycle stores. However, on cross examination (p. 44), Mr. Garland was asked "Q. Do you have any evidence that customers ever referred to one of your competitors by the name Bike Source in common parlance?" and he answered "A. No."

Mr. Garland also testified regarding several uses of BIKESOURCE by others. However, these uses, including the use on the Internet by the company located in Irvine, California, are trademark/service mark uses of the term "BIKESOURCE." That is, the third-party entities are not using the mark in a merely descriptive manner, but rather as a trademark/service mark. Moreover, respondent has established that it has challenged (generally successfully) the use of BIKESOURCE by most of the entities listed on the Trek bicycle company account listing customers with BIKESOURCE as part of their name, as well as those listed in petitioner's answers to respondent's interrogatories. Petitioner has essentially made no showing of existing, unchallenged merely descriptive uses by others of the term "BIKESOURCE."

While petitioner urges that its own use is merely descriptive in nature, the record clearly shows that petitioner, in fact, uses BIKESOURCE (and the wheel design)

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as a service mark to identify its stores. (See e.g., Garland discovery deposition, exhibits 25-27, 30, 31 and 34.)

As evidence of the descriptive nature of respondent's registered mark, petitioner also submitted copies of several third-party registrations and third-party applications, all incorporating the word "SOURCE," some with disclaimers of the word and some without, some registered under Section 2(f) of the Trademark Act; and some on the Supplemental Register. Petitioner contends that these third-party registrations/applications "are relevant to show that a disclaimer of the word or words 'BIKESOURCE' may have been appropriate in the present situation. However, under trademark practice, even in the absence of a disclaimer, Registrant should have, at most, prima facie ownership only of the compound term BIKESOURCE as shown in the special form drawing." Petitioner went on to request that the registration "should be cancelled unless the word BIKESOURCE is disclaimed." (Brief, pp. 20-21.)⁹

In defending against the petitioner's claim, respondent also submitted copies of several third-party registrations and third-party applications, all relating to whether the

⁹ We construe petitioner's statement as an alternative request that the Board require such a disclaimer. Petitioner's alternative request is denied.

term "source" is viewed by the USPTO as a merely descriptive term with regard to retail services.¹⁰

Of course, third-party applications are not evidence of anything except that the applications were filed on particular dates. With regard to the third-party registrations (those including and those not including disclaimers), we note that each case must be decided on its own merits. We are not privy to the records of the third-party registration files, and the determination of registrability of those particular marks by the Trademark Examining Attorneys cannot control the merits in the case now before us. See *In re Nett Designs Inc.*, 236 F.3d 1339, 57 USPQ2d 1564, 1566 (Fed. Cir. 2001). See also, TMEP §1213.01(a) regarding USPTO disclaimer policy.

Petitioner contends that respondent's own use as shown on the specimen in the registration shows the registered mark is merely descriptive because the advertisement which is the specimen states "The Source!" and "Kansas City's Best Source for Bikes, Rollerblades, Clothing & Accessories!"

¹⁰ Despite the fact that respondent submitted copies under a notice of reliance, it nonetheless requested in its notice of reliance that the Board take judicial notice of these third-party applications and registrations. Besides being an unnecessary request in this case, the Board does not take judicial notice of registrations or applications in the USPTO. See *Wright Line Inc. v. Data Safe Services Corporation*, 229 USPQ 769, footnote 5 (TTAB 1985); *In re Lar Mor International, Inc.*, 221 USPQ 180, 183 (TTAB 1983); and *In re Duofold Inc.*, 184 USPQ 638, 640 (TTAB 1974). While we have considered the material because it was submitted with a notice of reliance, respondent's request that the Board take judicial notice of USPTO records is denied.

thereon. We disagree that respondent's use of the word "source" in advertisements for its retail bicycle stores transforms the word "source" and/or the entire mark into a merely descriptive term for the involved services. On the contrary, we find the registered mark (BIKESOURCE in stylized lettering) requires some exercise of mental gymnastics to perceive a descriptive significance thereof.

While it is clear that "bike" is a shortened term for "bicycle" and "source" is a broad term relating to the place from which something comes, we are not persuaded on this record that the registered mark

BIKESOURCE

considered in its entirety, is merely descriptive of respondent's retail stores. See Bose Corp. v. International Jensen Inc., 963 F.2d 1517, 22 USPQ2d 1704 (Fed. Cir. 1992)(Court affirmed Board's finding ACOUSTIC RESEARCH not merely descriptive of speaker units and turntables for phonographs); In re Wells Fargo & Company, 231 USPQ 117 (TTAB 1986)(EXPRESS SAVINGS not merely descriptive of banking services); In re Crocker National Bank, 223 USPQ 152 (TTAB 1984)(WORKING CAPITAL ACCOUNT not merely descriptive of banking services, with disclaimer of "account"; Plus Products v. Pharmative Pharmaceutical Corporation, 221 USPQ 256, 259 (TTAB 1984)(counterclaim petition denied as PLUS not merely descriptive of various food fortifiers and food

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supplements); In re The House Store, Ltd., 221 USPQ 92 (TTAB 1983)(THE HOUSE STORE not merely descriptive of retail store services in the field of furniture and housewares, with "store" disclaimed; and In re TMS Corporation of the Americas, 200 USPQ 57 (TTAB 1978)(THE MONEY SERVICE not merely descriptive of financial services. See also, The Money Store v. Harriscorp. Finance, Inc. 689 F.2d 666, 216 USPQ 11, 17-18 (7th Cir. 1982).

The record does not establish that the registered mark BIKESOURCE (shown in a special form drawing) is merely descriptive under Section 2(e)(1) of the Trademark Act. The mark is certainly suggestive of the services for which it is registered, but this characteristic relates to the strength of the mark and is not fatal to its registrability. Even if it had been clearly established that the registered BIKESOURCE mark is a weak mark (which has not been established), weak marks remain entitled to protection against registration by a subsequent user of the same or similar mark for the same or related goods or services.¹¹ See Hollister Incorporated v. Ident A Pet, Inc., 193 USPQ 439 (TTAB 1976).

Our primary reviewing court, the Court of Appeals for the Federal Circuit, has made clear that descriptiveness

¹¹ We specifically note that respondent's mark is registered on the Principal Register with no disclaimer and no claim of acquired distinctiveness under Section 2(f) of the Trademark Act.

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issues generally cannot be determined on the basis of analogies drawn from terms other than the mark that is registered or sought to be registered. See *In re Seats, Inc.*, 757 F.2d 274, 225 USPQ 364 (Fed. Cir. 1985). See also, *Levi Strauss & Co. v. R. Josephs Sportswear, Inc.*, 28 USPQ2d 1464 (TTAB 1993); and *Fuji Jyukogyo Kabushiki Kaisha v. Toyota Jidosha Kabushiki Kaisha*, 228 USPQ 672 (TTAB 1985). That is, the issue before us is whether the term "BIKESOURCE" (in stylized lettering), not "bike store" or "bike outlet" or "bike dealer," is merely descriptive of the involved services. We cannot focus on the related terms, rather, we must focus on the registered mark itself.

Based on the record before us, we find that petitioner has not met its burden of proof; and we conclude that the registered mark BIKESOURCE (in stylized lettering) is suggestive rather than merely descriptive of respondent's services.

Decision: The petition to cancel is denied.