

THIS OPINION IS NOT A
PRECEDENT OF THE TTAB

Hearing: March 21, 2013

Mailed: February 10, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board
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Gado S.R.L.
v.
Jay-Y Enterprise Co., Inc.
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Cancellation No. 92047433
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Request for Reconsideration
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Before Richey, Deputy Chief Administrative Trademark Judge,¹ Shaw, and
Masiello, Administrative Trademark Judges.

Opinion by Shaw, Administrative Trademark Judge:

On October 25, 2013, Respondent (“Jay-Y”) filed a request for reconsideration of the Board’s decision issued on September 26, 2013, in which the Board granted Petitioner’s (“Gado”) cancellation of Jay-Y’s registrations under Section 2(d) of the

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¹ Administrative Judge Grendel, who was on the panel that issued the final decision in this case, has retired from Federal service. Judge Richey is substituted in his place. See *In re Bose Corp.*, 772 F.2d 866, 227 USPQ 1, 4 (Fed. Cir. 1985).

Trademark Act and denied Jay-Y's counterclaim for cancellation. The request for reconsideration is fully briefed.²

The purpose of reconsideration is to point out errors made by the Board in rendering its decision. Reconsideration may not be used to introduce into the record additional evidence or to reargue points presented in the requesting party's brief on the case. *See* TBMP § 543 (June 2014) and cases cited therein.

In its request for reconsideration, Jay-Y asserts that the Board's decision is in error for two reasons:

- 1) The Board improperly rejected Jay-Y's substantial evidence of use of DG at least as early as 1993; and
- 2) The Board erred in finding Gado's marks to be famous and confusingly similar to Jay-Y's DG marks.

We address Jay-Y's arguments in turn.

A. Jay-Y's evidence of use of DG at least as early as 1993

Jay-Y is attempting to establish first use dates earlier than the dates alleged in its registrations and thus is subject to a higher evidentiary burden of proof. Such earlier dates of use must be established by clear and convincing evidence rather than the preponderance of the evidence. *Hydro-Dynamics Inc. v. George Putnam Co. Inc.*, 811 F.2d 1470, 1 USPQ2d 1772, 1773 (Fed. Cir. 1987) (a date of first use earlier than that alleged in the application is a change of position from one "considered to have been made against interest at the time of filing the application,"

² We note that the applicable Trademark Rules of Practice make no provision for the filing of a reply brief on a request for reconsideration of a decision issued after final hearing. *See* Trademark Rule 2.129(c). Accordingly Jay-Y's reply brief will be given no consideration.

and therefore must be established by “clear and convincing evidence.”). Moreover, “whether a particular piece of evidence by itself establishes prior use is not necessarily dispositive.... Rather, one should look at the evidence as a whole, as if each piece of evidence were part of a puzzle which, when fitted together, establishes prior use. *West Florida Seafood Inc. v. Jet Restaurants Inc.*, 31 F.3d 1122, 31 USPQ2d 1660, 1663 (Fed. Cir. 1994).

Jay-Y first argues that Teresa Chen’s testimony and supporting documentation constitute clear and convincing evidence that Jay-Y first used DG at least as early as 1993, which would predate Gado’s dates of first use for all of its marks except for the DOLCE & GABBANA mark. The Board carefully considered both Ms. Chen’s testimony and the supporting documentation and found them to fall well short of that required to meet the “clear and convincing” standard. As the Board noted in the decision:

[T]he probative value of the evidence is significantly reduced by a variety of factors, *inter alia*: critical factual omissions; testimony contradicted or unsupported by other testimony or by what documentary evidence is available; a lack of contemporary documentation or advertising showing any use of DG prior to the filing of the applications; and the imperfect or selective memories of some of Respondent’s principal employees regarding adoption of the DG marks and the filing of the trademark applications.³

Regarding Ms. Chen’s testimony, Jay-Y argues that Ms. Chen “testified clearly and unequivocally that she remembered Jay-Y first using logos ‘somewhere in ’92 or ’93.’”⁴ Such vague testimony, to have first used the mark “somewhere” over a 2 year period, is hardly clear and convincing and fails to meet the higher burden of proof

³ Board’s decision, p. 13.

⁴ Jay-Y’s Request for Reconsideration, p. 7.

required to show earlier dates of use. Other parts of Ms. Chen's testimony regarding first use were equally unconvincing or were contradicted by other testimony or evidence.

Beginning with Ms. Chen's testimony regarding dates of use provided in the underlying applications, the Board's decision found that Ms. Chen gave "no credible explanation" as to why the earlier dates of first use were not included.⁵ Ms. Chen's testimony that she "was just told that [she] could just put any date on" the applications is self-serving and wholly unconvincing.⁶

Regarding the absence of any contemporary evidence of earlier use, the Board's decision found that Ms. Chen's testimony was contradicted by the record. When asked why Jay-Y's catalogs, spanning the years 1995-1998 and displaying thousands of sunglasses, didn't show any of the DG marks, Ms. Chen simply stated that it was more important to show the face of the glasses.⁷ This statement is flatly contradicted by the catalogs themselves which show hundreds of eyeglasses in three-quarter perspective, including glasses bearing decorations or trademarks on their temple pieces in the same manner as the DG eyeglasses.⁸ Moreover, Ms. Chen also testified that she requested that DG be placed on the sunglass lenses but none of these sunglasses are visible either, among the thousands of sunglasses in the catalogs.

⁵ Board's decision, p. 20.

⁶ Teresa Chen testimony, 65 TTABVUE 45.

⁷ Teresa Chen testimony, 65 TTABVUE 255.

⁸ 114 TTABVUE 2-157.

Regarding the testimony of Jay-Y's other employees, the decision found the testimony of Jay-Y's President, James Chen, who signed the underlying applications, "vague and lacking in any probative value" regarding dates of first use despite the fact that he claimed to be responsible for "managing" Jay-Y's relationships with its factories in Taiwan and China.⁹

Regarding Jay-Y's practice of using the letters DG in its current sunglass model numbers, the decision noted that no explanation was given as to when or why Jay-Y began using the DG in its model numbers.¹⁰

Finally, regarding Jay-Y's own admissions, the decision noted that as late as November 2007, Jay-Y's own initial interrogatory responses stated that 1999 was the correct date of first use of the mark.¹¹

As can be seen from the forgoing examples, the problem with Ms. Chen's testimony is not, as Jay-Y argues, that the Board is improperly requiring corroborating evidence, but rather that her testimony lacks credibility and that Jay-Y's other testimony and evidence contradict and undermine her testimony. When the Board looked at this testimony and evidence as a whole, as it must under *West Florida Seafood*, the Board found it filled with precisely the kinds of "contradictions, inconsistencies, and indefiniteness" that diminish the probative value of testimony. *B.R. Baker Co. v. Lebow Bros.*, 150 F.2d 580, 66 USPQ 232 (CCPA 1945).¹² Moreover, contrary to Jay-Y's claim, all of the testimony, including that of James

⁹ Board's decision, pp. 13-14; 46 TTABVUE 18 and 32-41.

¹⁰ Board's decision, p. 20, n.36.

¹¹ *Id.*, p. 12.

¹² *Id.*, pp. 20-21.

and Ward Chen, is relevant when looking at the evidence as a whole under *West Florida Seafood*.

Similarly, when the Board looked at the invoice evidence purporting to show earlier sales of sunglasses bearing the marks we found that the evidence also fell well short of that required to meet the “clear and convincing” standard.

In considering the invoice evidence, the Board found that both Teresa Chen and Ward Chen testified that Jay-Y’s marks are applied to pre-existing eyeglass styles or designs offered by third-party manufacturers.¹³ Most importantly, we found that there is no testimony or evidence explaining whether pre-existing sunglass styles offered by these third-party manufacturers retained their model numbers when the DG marks were applied, or whether they were given new model numbers. As we noted in our decision:

Without knowing whether the model numbers changed when the DG marks were applied to a manufacturer’s existing sunglass styles, we cannot tell, simply by looking at the model numbers listed on the invoices, whether a particular model of sunglasses sold in a given year by Respondent did or did not bear the DG marks.¹⁴

Jay-Y argues that its testimony shows that “all the models numbers [are] unique to each style of sunglass.” And “it necessarily follows that each model number associated with sunglasses bearing the DG Marks was always branded.”¹⁵ This argument misapprehends the problem with the evidence: the testimony does not

¹³ *Id.*, pp. 15-16.

¹⁴ *Id.*, p.17.

¹⁵ Jay-Y’s Request for Reconsideration, p. 9.

show that adding the DG marks to existing sunglasses styles results in a new or different model number.¹⁶

Jay-Y began selling a variety of sunglasses from third-party manufacturers as early as 1983.¹⁷ Teresa Chen testified that she later decided Jay-Y needed to come up with its own brands to better compete in the sunglass market. Ms. Chen testified how the first DG marks were simply added to several existing sunglass styles offered by third-party manufacturers:

Well, after I thought up the names, then I went to the factory and asked them to do some drawings for me. And after that I chose—after I chose the drawings, then I asked them to put [the marks] on one or two styles maybe on the corner of the sunglasses or on the lens.¹⁸

This testimony does not show that a new, unique model number was assigned to the marked models; to the contrary, it suggests that simply applying the DG marks to sunglasses does not change the style or model number of the sunglasses. Ward Chen provided a similar explanation of the way in which DG was added to existing sunglass designs:

Let me explain it to you then. People have different designs. Then they'll offer the designs to us. Like, you know one factory may just have ten designs. So, you know, we see them. We – okay. We like this one. So we buy from this guy. And then we put our trademarks on it, our marks on it.¹⁹

¹⁶ Board's decision, pp. 15-16.

¹⁷ Board's decision, p. 13; James Chen testimony, 46 TTABVUE 12.

¹⁸ Board's decision, p. 15; Teresa Chen testimony, 66 TTABVUE 33.

¹⁹ Board's decision, p. 16; Ward Chen testimony, 45 TTABVUE 29.

Jay-Y argues that the Board's decision improperly assumed that "it is relatively easy to 'affix' a logo to the sunglasses at issue" and points to Model No. 96015²⁰ which Jay-Y argues "simply could not have been sold without the DG mark" because the design is part of the sunglasses.²¹ But again, the testimony contradicts Jay-Y's arguments. Ward Chen testified that, in a later model of sunglasses very similar to Model No. 96015, the manufacturer simply substituted the DG mark for another logo:

Q. [W]as this model [8DG375/MIX] shown to you [by the manufacturer] as is with the letters DG as being available for purchase from a manufacturer?

A. This one in particular, no. . . . It probably had something else besides the mark, the logo right here (indicating). . . . But then we told them to use DG instead of the existing logo that it had here.

The DG mark in Model No. 8DG375/MIX is molded into the temple-piece of the sunglasses in the same way that the DG mark is molded into the temple-piece of Model No 96015.²² This testimony shows that the degree to which the DG mark, or any another mark, is molded into the sunglasses does not affect a particular style or model of sunglasses. It does not indicate, clearly and convincingly, that a new model number was assigned to the marked models.

Since Jay-Y sold both unbranded, and later, branded sunglasses, it is possible that Jay-Y sold the same models of sunglasses both before and after it began

²⁰ Sunglass Model Number 96015 is one of 31 pairs of sunglasses bearing the DG marks collected by Teresa Chen from Jay-Y's inventory and from third-party manufacturers. 96 TTABVUE 49-53.

²¹ Jay-Y's Request for Reconsideration, pp. 11-12.

²² Ward Chen deposition, Exh. 38, p.3, 45 TTABVUE 87.

applying the DG marks to these styles of sunglasses. That is, Jay-Y could have sold certain models of sunglasses without the DG marks, and then later, Jay-Y could have sold the same models of sunglasses with the DG marks. And the model numbers could have stayed the same. Jay-Y placed in evidence 31 pairs of DG branded sunglasses collected in 2009, with some models coming from its third-party manufacturers. There is no clear and convincing evidence showing that such marked goods existed and were offered during the relevant time frame.

For example, Jay-Y references one particular sunglass style, model number 252A, that it claims was sold bearing the DG mark as early as 1993. Jay-Y submitted invoices showing sales of this model between 1993 and 1997.²³ These invoices provide only the model number and have no other information describing the sunglasses. But Jay-Y sells both branded and unbranded styles of sunglasses supplied by third-party manufacturers. Although Jay-Y claims that these model number 252A sunglasses bore the DG marks, the sales invoices alone do not demonstrate that model number 252A bore the DG marks. There is no testimony from Jay-Y explaining how manufacturers assign model numbers, and whether a manufacturer assigns a new model number when a customer requests an existing model with a new mark on it.²⁴ Without this crucial link we cannot find that model numbers carry the significance Jay-Y claims they deserve. In sum, the fact that a particular model of sunglasses, discovered in 2009, bears a DG mark is not clear

²³ Jay-Y's Request for Reconsideration, p. 13-14.

²⁴ Teresa Chen testified how certain model numbers varied depending on the color of the lens or whether the sunglass frames were made of plastic, but no testimony was given on whether application of the DG marks affected the model number. *See* Board's decision, p. 20, n.36.

and convincing evidence demonstrating that others of the same model number, sold between 1993 and 1997, were similarly marked.

Accordingly, the Board adheres to its finding that the testimony and invoice evidence are not sufficient to prove priority.

B. The fame of DOLCE & GABBANA and D&G DOLCE & GABBANA

Applicant disputes the Board's finding that Gado's DOLCE & GABBANA and D&G DOLCE & GABBANA marks are famous for purposes of likelihood of confusion.

The Board's decision found that, as early as 1989, Gado's marks, including the DOLCE & GABBANA mark, had appeared in advertisements in numerous widely-circulated fashion magazines such as Vogue, Vanity Fair, Esquire, Harper's Bazaar, Details, GQ Gentleman's Quarterly, Interview, and W magazine. By 1995, these magazine advertisements are estimated to have reached over 15 million readers. The decision also found that Gado had extensive sales between 1996 and 2008, and had succeeded in dressing a number of well-known musical performers and Hollywood stars at high-profile events.

Jay-Y argues that the advertising figures do not show fame because they lack context and because an audience of 15 million readers out of a national population of 250 million is too small. Jay-Y is incorrect. The Board's decision specifically noted that Gado's advertising expenses had context when it noted that they were "substantial by any measure and ... comparable to advertising expenses of other

well-known fashion brands such as Giorgio Armani and Prada.”²⁵ Moreover, Jay-Y misstates the relevant population by which fame is determined. The relevant customers by whom fame is determined are customers and potential customers seeking fashionable clothing and accessories, not the entire population of the United States. *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 73 USPQ2d 1689, 1694 (Fed. Cir. 2005) (“[A] mark's renown within a specific product market is the proper standard [for determining fame].”). Thus, Gado’s advertisements, which appeared in the fashion industry’s leading magazines, were directed to precisely the relevant customers of fashionable clothing and accessories.

Jay-Y next argues that dressing celebrities in DOLCE & GABBANA attire on concert tours and at major entertainment events “is meaningless absent evidence that the consuming public had knowledge of these events.”²⁶ But Gabriella Forte testified for Gado that magazines featuring photographs of celebrities wearing DOLCE & GABBANA typically give clothing credit to identify what designer a model was wearing. Ms. Forte stated that such credit appeared “on the magazine or [in] the back of the [magazine].” For example, “[u]sually they say Cameron Diaz wearing a Dolce & Gabbana dress, shoes by Stefan Killian, makeup by Estee Lauder....”²⁷ This testimony shows that the association between celebrities and fashion designers is important to the stories in the magazines and is highlighted for readers.

²⁵ Board’s decision, p. 29.

²⁶ Jay-Y’s Request for Reconsideration, p. 20.

²⁷ Forte Testimony, 38 TTABVUE 175-180.

Gado's practice of dressing celebrities to build its brand is nothing new. It has long been accepted practice in the fashion industry for fashion designers to attire famous people at high-profile events in order to benefit from the association. This is a practice that can result in substantial publicity. *Harry Winston, Inc. v. Bruce Winston Gem Corp.*, 111 USPQ2d 1419, 1439 (TTAB 2014).

Finally, Jay-Y argues that Gado's sales figures lack an indication of its market share, as "is necessary" under *Bose Corp. v. QSC Audio Prods. Inc.*, 293 F.3d 1367, 63 USPQ2d 1303, 1305 (Fed. Cir. 2002).²⁸ As an initial matter, Gado's annual clothing sales under the DOLCE & GABBANA brand of 75 million Euros is notable by any measure. Nevertheless, *Bose* does not require comparisons with competitors' sales in every instance, as Jay-Y alleges. Rather, *Bose* holds that comparison with "sales or advertising figures for comparable types of products" is one of several types of contexts which may be appropriate to determine fame. *Bose*, 63 USPQ2d at 1309. Another category might be "critical assessment or the general reputation of the marked product." *Id.* In *Bose*, extensive sales and advertising "bolstered by overwhelming evidence of confirmatory context," combined to compel the conclusion that the marks at issue were "famous and thus entitled to broad protection." *Id.* Gado's evidence supporting the fame of DOLCE & GABBANA is similar to that found in *Bose*: large advertising expenditures and sales revenues combined with continuous and extensive critical acclaim and notice in the press which lead inescapably to a finding of fame for likelihood of confusion purposes.

²⁸ Jay-Y's Request for Reconsideration, p. 21.

Separately, Jay-Y argues that the evidence does not support the Board's finding that D&G DOLCE & GABBANA mark is famous either. We disagree. Annual sales under the D&G DOLCE & GABBANA mark were less than those under the DOLCE & GABBANA mark, but were nevertheless impressive, rising from seven million Euros in 1997-1998 to 24 million Euros in 2005. Moreover, we cannot ignore the fame of the DOLCE & GABBANA mark when determining the fame of the D&G DOLCE & GABBANA mark inasmuch as the term DOLCE & GABBANA appears in both marks. "Fame for confusion purposes arises as long as a significant portion of the relevant consuming public ... recognizes the mark as a source indicator." *Palm Bay Imports*, 73 USPQ2d at 1694; *See also McDonald's Corp. v. McSweet, LLC*, 112 USPQ2d 1268 (TTAB 2014). Consumers familiar with the famous DOLCE & GABBANA mark undoubtedly will recognize D&G DOLCE & GABBANA as a closely-related product, if not the same.

Accordingly, the Board adheres to its finding that DOLCE & GABBANA and D&G DOLCE & GABBANA are famous for purposes of likelihood of confusion.

C. Likelihood of confusion

The Board's decision found, *inter alia*, that Gado's DOLCE & GABBANA mark and Jay-Y's DG marks are similar in terms of their overall commercial impressions, especially in light of testimony from both parties that designers often shorten their names to initials or abbreviations.²⁹

Jay-Y argues that the testimony regarding designers' use of initials does not support the conclusion that consumers associate designer brands with the

²⁹ Board's decision, pp. 32-34.

designers' initials or that consumers would associate the letters DG with DOLCE & GABBANA, in particular.³⁰ But the Board's decision specifically addressed this point when it noted that Jay-Y admitted it "recognized that companies like Calvin Klein, Giorgio Armani, and Armani Exchange had had success in putting two letters together to create their respective logos."³¹ This "success" in associating designer names with their corresponding initials establishes that consumers are accustomed to making this association as well.

Accordingly, the Board adheres to its finding that DOLCE & GABBANA and Jay-Y's DG marks are similar in terms of their overall commercial impressions.

The remainder of Jay-Y's arguments are simply re-arguments of points previously presented in the briefs and have been given no consideration.

In conclusion, Jay-Y has not demonstrated that the Board erred in its findings, or that, based on the evidence properly of record and the applicable law, the decision is in error.

Decision: Applicant's Request for Reconsideration is denied.

³⁰ Jay-Y's Request for Reconsideration, p. 22.

³¹ Board's decision, p. 32.