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T.T.A.B.

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

MBA

Mailed: November 23, 2009

Cancellation No. 92049221

Plaid Inc.
(a New York corporation)

v.

Plaid, Inc. (a Connecticut
corporation)

**Before Walters, Zervas and Wellington, Administrative
Trademark Judges**

By the Board:

Respondent Plaid, Inc. ("respondent"), a Connecticut corporation, owns a registration of the mark PLAID, in standard characters, for various advertising, marketing and design services (the "Registration").¹ Petitioner Plaid Inc. ("petitioner"), a New York corporation, seeks to cancel the Registration, alleging: (1) prior use of an identical mark for "branding, design, communications, advertising and marketing services;" (2) ownership of a pending application

¹ Registration No. 3412392, issued April 15, 2008, based on a date of first use in commerce of June 1, 2007 for "Advertising and marketing services; design of advertising materials for others; Advertising services, namely promoting the goods, services, and brand identity of third parties through print, audio, video, digital and on-line medium" in International Class 35 and "Visual design services in the nature of designing visual elements for online, broadcast, printing, outdoor and other communication media" in International Class 42.

for the identical mark PLAID, in standard characters, for services virtually identical to those identified in the Registration,² which application petitioner "reasonably believes" may be refused based on a finding that the mark therein is confusingly similar to the mark in the Registration; and (3) that use of respondent's mark is likely to cause confusion with petitioner's identical mark.³ Respondent denies the salient allegations in the petition for cancellation.

This case now comes up for consideration of petitioner's motion for summary judgment on its claim of priority and likelihood of confusion, filed July 3, 2009. In support of its motion, petitioner claims, based on the testimony of its President and documentary evidence, that it has prior and continuous use of PLAID since no later than October 4, 2005. Affidavit of Carol Costello ("Costello

² Application Serial No. 77451901, filed April 18, 2008, based on a claimed date of first use in commerce of October 4, 2005 for services virtually identical to those identified in the Registration. The only difference between the two identifications is that petitioner's identification of its Class 42 services references "print" media, whereas respondent's references "printing" media. Because the filing date of this application is subsequent to the filing date of the application that matured into the Registration, petitioner may not rely on the application to establish priority. Rather, petitioner must rely on actual trademark use or "use analogous to trademark use" to establish priority.

³ Petitioner also alleges that it "will suffer severe and irreparable damages" if the Registration is not cancelled, as a result of "brand dilution." Petition for Cancellation ¶ 25. We do not construe this bare, otherwise unexplained allegation as an attempt to plead dilution.

Aff.") ¶¶ 2-23 and Ex. A-T. Petitioner also argues that there is a likelihood of confusion between the parties' marks because both parties render the same or similar services under the same mark, including advertising, brand strategy, visual design and Web design. Id. ¶ 26; Transcript of Deposition of Darryl Ohrt, respondent's President ("Ohrt Tr.") pp. 18-22, 29-34, 61-62, 87-90, 148-154. Furthermore, according to petitioner, both parties use their respective marks on the Internet and there is additional, extensive "overlap" between the parties' channels of trade. Costello Aff. 24-28 and 33; Ohrt. Tr. pp. 57-64. Finally, petitioner alleges that its mark is "famous" and that there has been actual confusion between the parties and their respective marks. Declaration of Jamie Scalera ("Scalera Dec."), owner of Miss Smith, ¶¶ 1-3; Declaration of Marty Orzio ("Orzio Dec."), Chief Creative Officer, Energy BBDO, ¶¶ 1-3.

In its opposition to the motion, respondent argues that it uses the "Internet and social media" to an "extreme degree," but that "its use of print is minimal," whereas petitioner primarily uses its mark in print media.

Respondent also argues that although both parties "use the name Plaid Inc.," and "are involved, to one degree or another, in branding advertising, marketing, and design services of some sort," confusion is unlikely because the

parties' customers and potential customers "are highly sophisticated purchasers who must make a highly sophisticated purchasing decision." Respondent claims that "there is a genuine issue of material fact as to whether Petitioner's use of its corporate name functions as a Service Mark and stands for the services it provides." Finally, respondent claims, based on domain name registration information and printouts of portions of certain Web pages, that "there are multiple marketing, branding and market research agencies which incorporate the word 'Plaid' in their names." Affidavit of Darryl Ohrt ("Ohrt Aff.") in Support of Respondent's Opposition ¶ 24 and Ex. F-Q.⁴

In reply, petitioner primarily restates its original arguments. It also objects to respondent's purported evidence of third party use of similar marks for similar services, arguing: (1) "there is no evidentiary foundation ... inasmuch as Respondent does not offer any deposition testimony or written sworn statements from any of these companies with respect to their alleged use of Plaid ...;" (2) the Web page printouts are hearsay; (3) "there is no

⁴ Respondent also complains that the identification of services in petitioner's application is virtually identical to the identification of services in the Registration, and argues that there are "potentially fatal flaws in Petitioner's application and the specimens" submitted therewith. The validity of petitioner's application is not at issue in this proceeding, however.

evidence with respect to when [the third parties] began using" the marks; (4) "unlike Petitioner, not one of the entities identified by Respondent uses the name 'Plaid' alone;" and (5) many of the printouts "make clear that the entities at issue provide services unlike, or far narrower than, the broad range of services provided by Petitioner"

Summary judgment is appropriate where there are no genuine issues of material fact in dispute, thus allowing the case to be resolved as a matter of law. Fed. R. Civ. P. 56(c). Petitioner, as the movant seeking summary judgment, bears the initial burden of demonstrating the absence of any genuine issue of material fact. See, Celotex Corp. v. Catrett, 477 U.S. 317, 323 (1986); Sweats Fashions, Inc. v. Pannill Knitting Co. Inc., 833 F.2d 1560, 4 USPQ2d 1793, 1796 (Fed. Cir. 1987). A factual dispute is genuine if, on the evidence of record, a reasonable fact finder could resolve the matter in favor of the non-moving party. See, Opryland USA Inc. v. Great American Music Show Inc., 970 F.2d 847, 23 USPQ2d 1471, 1472 (Fed. Cir. 1992); Olde Tyme Foods, Inc. v. Roundy's, Inc., 961 F.2d 200, 22 USPQ2d 1542, 1544 (Fed. Cir. 1992).

The evidence on summary judgment must be viewed in a light most favorable to the non-movant, in this case respondent, and all justifiable inferences are to be drawn in respondent's favor. Lloyd's Food Products, Inc. v.

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Eli's, Inc., 987 F.2d 766, 25 USPQ2d 2027, 2029 (Fed. Cir. 1993); Opryland USA, supra. The Board may not resolve issues of material fact; it may only ascertain whether issues of material fact exist. See, Lloyd's Food Products, 987 F.2d at 766, 25 USPQ2d at 2029; Olde Tyme Foods, 961 F.2d at 200, 22 USPQ2d at 1542.

Standing

Petitioner must demonstrate "that it has a reasonable belief that it would be damaged" by the continued registration of respondent's mark. Syngenta Crop Protection, Inc. v. Bio-Chek, LLC, 90 USPQ2d 1112, 1118 (TTAB 2009). In this case, there is no genuine issue of material fact regarding standing. First, the Board has found that a petitioner's allegation of a mere "belief of the likelihood of refusal of its application under Section 2(d)" is sufficient for purposes of standing. The Hartwell Co. v. Shane, 17 USPQ2d 1569, 1570 (TTAB 1990). Second, petitioner has established its use of PLAID for advertising, marketing, branding and design services since October 4, 2005, and alleged likelihood of confusion based on the parties' use of identical marks for similar or identical services. Costello Aff. ¶¶ 2-23 and Ex. A-T. This is sufficient to establish that there is no genuine issue of material fact regarding petitioner's standing. Giersch v. Scripps Networks, Inc., 90 USPQ2d 1020, 1022 (TTAB 2009);

Syngenta, 90 USPQ2d at 1118. Respondent does not specifically contend otherwise, much less introduce contradictory evidence.

Priority

As to priority, respondent is relying on the filing date of its application which matured into the Registration, i.e. February 22, 2007, while petitioner is attempting to establish prior use of PLAID as a service mark and/or trade name. We find that petitioner has established that it has used its service mark PLAID since October 4, 2005. We disagree with respondent's contention, unsupported by evidence, that there is a genuine issue of material fact regarding whether petitioner uses PLAID only as a trade name, and not as a service mark. Petitioner's evidence, including Ms. Costello's testimony and the documentary evidence that petitioner made multiple business proposals and presentations to actual purchasers and potential purchasers which prominently displayed PLAID shows petitioner's use of its mark, as a service mark, for advertising, branding, marketing and design services since October 2005. Furthermore, because respondent concedes that it did not file the application which matured into the Registration until February 22, 2007, and that it did not begin using PLAID until June 1, 2007, there is no genuine issue of material fact that petitioner has priority of use

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for advertising, branding, marketing and design services.

Ohrt Aff. ¶¶ 5, 6.

Even if, as respondent alleges, petitioner only used PLAID as a trade name, that would not create a genuine issue of material fact with respect to petitioner's standing, or its priority. Indeed, "a trade name lacking any independent trademark or service mark significance may bar registration of a trademark or service mark that is confusingly similar to that trade name." Martahus v. Video Duplication Services Inc., 3 F.3d 417, 27 USPQ2d 1846, 1850-51 (Fed. Cir. 1993). Here, petitioner's evidence establishes its use of PLAID as a trade name in connection with advertising, branding, marketing and design services.

Likelihood of Confusion

"We determine likelihood of confusion by focusing on ... whether the purchasing public would mistakenly assume that the [respondent's services] originate from the same source as, or are associated with," petitioner's services. In re Majestic Distilling Co., Inc., 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). In considering the question on a motion for summary judgment, we analyze all probative facts in evidence which are relevant to any of the 13 likelihood of confusion factors set forth in In re E.I. du Pont de Menours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973), as well as whether there are genuine disputes as to

any of these factors which would be material to a decision on the merits. In this case, the parties have introduced evidence concerning, and we therefore address herein, the similarity between the parties' marks, services and channels of trade, fame of the parties' marks, actual confusion and third party use of similar marks for similar services.

Turning first to the similarity of the parties' marks, there is no genuine issue of material fact. The parties' marks are identical. This factor weighs heavily in favor of a finding of likelihood of confusion. Kohler Co. v. Baldwin Hardware Corp., 82 USPQ2d 1100, 1109 (2007); Hornblower & Weeks Inc. v. Hornblower & Weeks Inc., 60 USPQ2d 1733, 1735 (TTAB 2001).

Turning next to the parties' services, petitioner uses its mark for, among other things, branding, design, advertising and marketing services. Costello Aff. ¶ 2. Respondent has registered its mark for the same services. Ohrt Tr. pp. 18-22, 29-34, 61-62, 87-90, 148-54; Ohrt Aff. ¶ 22. Therefore, we find that there is no genuine issue of material fact that the parties' services are virtually identical, and therefore this fact also weighs heavily in favor of a finding of likelihood of confusion.

Turning to the parties' channels of trade, where, as here, "there is no limitation on the channels of trade" in the Registration's recitation of services, it is presumed

that respondent's services move in all normal channels of trade. See, e.g., Octocom Systems, Inc. v. Houston Computers Services, Inc., 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990); Venture Out Properties LLC v. Wynn Resorts Holdings, LLC, 81 USPQ2d 1887, 1893 (TTAB 2007). Even if we construed the words "print," "audio," "video," "digital," "outdoor," "broadcast" and "online" in the Registration as limitations on respondent's channels of trade, petitioner's evidence establishes that petitioner's channels of trade are the same, and limited in the same manner. Furthermore, even if respondent primarily uses its mark in connection with the Internet and social media, and petitioner primarily uses its mark in print, this does not create a genuine issue of material fact, because there is still overlap between the parties' channels of trade. Therefore, there is no genuine issue of material fact that the parties' channels of trade are identical or similar, and this factor also weighs in favor of a finding of likelihood of confusion.⁵

⁵ Respondent's argues that petitioner's evidence regarding its channels of trade should be given no consideration because respondent served an interrogatory on this topic in response to which petitioner only objected, rather than providing a substantive response. Respondent's objection is overruled, because: (1) respondent did not move to compel a supplemental response to the interrogatory in question; (2) respondent did not question Ms. Costello about petitioner's channels of trade when it took her discovery deposition; and (3) petitioner substantively responded to other interrogatories which also related to petitioner's channels of trade.

While there may be genuine issues of material fact regarding the fame of petitioner's mark, in view of the identity of the marks and services, we find it unnecessary to consider fame in reaching a decision.

Finally, turning to petitioner's purported evidence of actual confusion and respondent's purported evidence of third party use of similar marks for similar services, the parties dispute the admissibility, relevance and reliability of this evidence. We need not resolve the parties' disputes over this evidence, however, under the circumstances of this case. That is, even if we were to assign no probative value to petitioner's evidence of actual confusion, and give full weight to respondent's evidence of third party use of similar marks, we would not find that there is a genuine issue of material fact regarding likelihood of confusion. To the contrary, in this case, on the record presented, even if we were to find that there has been no actual confusion and that petitioner's mark is weak as a result of third party use of similar marks, petitioner's mark is not so weak that it is not entitled to protection against an identical mark used for identical services which travel in similar channels of trade. There is simply no genuine issue of material fact that there is likelihood of confusion between the parties' marks. Hornblower & Weeks, 60 USPQ2d at 1735

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("[u]se of identical marks for virtually identical services would create a likelihood of confusion").⁶

Because we find, based on the record herein and the applicable law, that there is no genuine issue of material fact and that petitioner has established its priority and likelihood of confusion as a matter of law, petitioner's motion for summary judgment is hereby **GRANTED**. Accordingly, judgment is hereby entered against respondent, the petition to cancel is granted, and Registration No. 3412392 will be cancelled in due course.

⁶ While respondent argues that the parties' customers are sophisticated, it has not introduced any direct evidence to support this argument. Therefore, this factor is neutral.