THIS OPINION IS NOT A PRECEDENT OF THE TTAB

Oral Hearing: April 17, 2012 Mailed: September 13, 2012

UNITED STATES PATENT AND TRADEMARK OFFICE

_____

Trademark Trial and Appeal Board

_____

Nartron Corporation
v.
Hewlett-Packard Development Company, L.P.

_____

Cancellation No. 92050789
to Registration No. 3600880

_____

Hope V. Shovein of Brooks Kushman PC for Nartron Corporation.

Martin R. Glick of Arnold & Porter LLP for Hewlett-Packard Development Company, L.P.

_____

Before Kuhlke, Mermelstein and Lykos, Administrative Trademark Judges.

Opinion by Lykos, Administrative Trademark Judge:

On April 9, 2009, Nartron Corporation ("petitioner") filed a petition to cancel Hewlett-Packard Development Company's ("respondent") registration on the Principal Register for the mark TOUCHSMART, in standard character format, for "[p]ersonal computers, computer hardware, computer monitors, computer

display screens" in International Class 9.[1] Petitioner seeks to cancel respondent's registration on the grounds that respondent's mark so resembles petitioner's previously used and registered mark SMART TOUCH for "electronic proximity sensors and switching devices" in International Class 9[2] that it is likely to cause confusion, mistake, or deception of prospective consumers under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d). Petitioner has pleaded ownership of Registration No. 1681891 for the mark SMART TOUCH filed May 22, 1991 and registered on April 7, 1992. Respondent, in its answer, denied the salient allegations in the petition for cancellation and asserted various affirmative defenses.[3]

I. **The Record**

Pursuant to Trademark Rule 2.122(b), the record includes registrant's registration file and the pleadings. With its

[1] Registration No. 3600880, registered on April 7, 2009, pursuant to Section 1(a). The registration alleges January 29, 2007 as the date of first use anywhere and in commerce.

[2] Registration No. 1681891, registered on April 7, 1992 on the Principal Register pursuant to Section 1(a), alleging December 17, 1986 as the date of first use anywhere and January 7, 1988 as the date of first use in commerce; Sections 8 and 15 affidavits acknowledged and accepted; renewed.

[3] Insofar as respondent did not argue any of its asserted affirmative defenses in its brief, they are hereby deemed waived.

petition to cancel, petitioner properly made of record its pleaded Registration No. 1681891. See Trademark Rule 2.122(d).[4]

In addition, the parties introduced the following:

A. **Petitioner's Evidence**

1. Petitioner's Notice of Reliance (filed September 23, 2010) and Exhibits 1-17 attached thereto, comprised of the following items:

   a. Petitioner's pleaded Registration No. 1681891 with portions of the application file history, including the specimen of use (Exhibit 1);

   b. Printed publications consisting of articles, news briefs and brochures retrieved from the Internet and Westlaw® database(Exhibits 2-11);

   c. A printout from the Internet of a copy of Hewlett-Packard Company's Annual Report on Form 10-K for the fiscal year ended October 31, 2008 (Exhibit 12); and

   d. Discovery materials consisting of respondent's September 9, 2009 Initial Disclosures; respondent's April 8, 2010 Responses to Petitioner's First Set of Interrogatories; respondent's April 8, 2010 Responses to Petitioner's First Set of Rule 34 Requests; respondent's July 8, 2010 letter to petitioner's counsel regarding discovery responses and document production, including respondent's July 8, 2010 Privilege Log; respondent's July 8, 2010 Responses to Petitioner's First Set of Requests for Admission (Exhibits 13-17).

---

[4] Respondent incorrectly states in its brief that the file of petitioner's pleaded registration is also automatically of record. Respondent's Brief, p. 2. Only the file of the "registration *against which* a petition ... for cancellation is filed" is automatically of record. *See* Trademark Rule 2.122(b) (emphasis added). *See also Cold War Museum, Inc. v. Cold War Air Museum, Inc.*, 586 F.3d 1352, 92 USPQ2d 1626, 1628 (Fed. Cir. 2009) and TBMP § 704.03(b)(1)(A)(3d ed. rev. 2012) for an explanation of how to make a file of record for a pleaded registration.

2. Petitioner's Rebuttal Notice of Reliance (filed January 20, 2011) and Exhibits 1-5 attached thereto, comprised of the following:

   a. A copy of respondent's Application Serial No. 77826570 obtained from TESS (Exhibit 1); and

   b. Printouts of the pages found at the URLs shown in Respondent's Exhibits 60, 72, 42, 53 and 54 (Exhibits 2-5).

3. The testimony deposition of John Washeleski, Senior Vice President of Engineering for petitioner ("Washeleski Deposition") with Petitioner's Exhibits 1-30 and Respondent's Exhibit No. 100 attached thereto.

B. **Respondent's Evidence**

1. Respondent's Notice of Reliance (filed November 22, 2010) and Exhibits 1-85 attached thereto comprised of the following:

   a. Certified copies of registrations and an application owned by respondent incorporating the term "SMART" (Exhibits 2-6);[5]

   b. Third-party registrations in International Class 9 obtained from TARR incorporating the term SMART (Exhibits 7-31);

   c. Third-party registrations in International Class 9 obtained from TARR incorporating the term TOUCH (Exhibits 32-41);

   d. Printed publications, namely articles obtained from Westlaw and Internet web sites(Exhibits 42-79);

   e. Dictionary definitions of the word "smart" (Exhibits 80-82);

   f. Discovery materials consisting of petitioner's July 22, 2009 Initial Disclosures; Petitioner's April 29, 2010 Responses to Respondent's First Set of

[5] Respondent submitted under notice of reliance as Exhibit 1 the involved registration in this proceeding, which, as noted above is automatically of record.

Interrogatories; and Petitioner's April 29, 2010 Written Responses to Respondent's First Set of Document Production Requests (Exhibits 83-85).

2. The testimony deposition of Ashley Frankart who has worked for respondent since 2007 in the field of marketing, and Exhibits 1-8 attached thereto; and

3. The testimony deposition of Jean Neumann who has worked for respondent since 2000 in the fields of product administration and brand naming, and Exhibits 1-14 attached thereto.

Both parties filed briefs, petitioner filed a reply brief, and both parties were represented by counsel at an oral hearing.

II. **Evidentiary Issues**

In its brief,[6] respondent made the following objections:

1. Respondent objects to Exhibit 5 to Petitioner's Notice of Reliance and Exhibit 15 to Mr. Washeleski's deposition, an article obtained from the Internet entitled "*Cypress's PSoC(R) CapSense Enables Touch Sensing Inside HP Compaq Notebook PC's*," as inadmissible hearsay pursuant to Fed. R. Evid. 801 and 802. Specifically respondent argues that they are offered for the truth

[6] In addition, respondent objected to the following materials obtained from petitioner's Internet web site on the ground that they were not properly authenticated and therefore lack foundation pursuant to Fed. R. Evid. 901: Exhibit 8 to petitioner's Notice of Reliance and Exhibit 24 to Mr. Washeleski's Deposition; Exhibit 9 to petitioner's Notice of Reliance and Exhibit 25 to Mr. Washeleski's deposition; Exhibit 10 to Petitioner's Notice of Reliance and Exhibit 28 to Mr. Washeleski's Deposition; Exhibit 11 to Petitioner's Notice of Reliance and Exhibit 20 to Mr. Washeleski's deposition; and Exhibit 12 to Petitioner's Notice of Reliance and Exhibit 21 to Mr. Washeleski's deposition. Counsel for respondent withdrew the objections during oral argument. In any event, even if the authentication objections were not withdrawn, they would be overruled pursuant to *Safer, Inc. v. OMS Investments Inc.,* 94 USPQ2d 1031 (TTAB 2010), which changed Board practice to allow materials from Internet web sites to be submitted into evidence under notice of reliance.

of the matter asserted – "that HP uses embedded capacitive sensors in its computers" and do not fall within any exception to the hearsay rule. We agree. Accordingly, respondent's objections are sustained and the exhibits have been given no consideration

2. Respondent objects to Exhibit 7 to Petitioner's Notice of Reliance and Exhibit 23 to Mr. Washeleski's deposition, an article obtained from the Internet entitled "GM Gives $2 Billion Contract to Hewlett Packard" as inadmissible hearsay pursuant to Fed. R. Evid. 801 and 802. Specifically respondent argues that they are offered for the truth of the matter asserted—that HP entered into a contract with a U.S. based automotive manufacturer and do not fall within any exception to the hearsay rule. We agree. Accordingly, respondent's objections are sustained and the exhibits have been given no consideration.

3. Respondent objects to Exhibits 26 and 27 to Mr. Washeleski's deposition as inadmissible as improperly authenticated and therefore lacking foundation, citing Fed. R. Evid. 901. In response, petitioner essentially argues that the objections are moot because petitioner does not rely on the objected-to evidence in its brief. We agree; insofar as petitioner does not rely on the aforementioned evidence, we do not consider this evidence and any objections thereto are moot.

4. Respondent objects to Exhibits 2-5 to Petitioner's Rebuttal Notice of Reliance as inadmissible because they are offered in

support of petitioner's "objections" to certain Internet evidence Respondent submitted (Exhibits 42, 53, 54, 60, 72 to Respondent's Notice of Reliance). Respondent, relying on *Manpower, Inc. v. Manpower Info. Inc.*, 190 USPQ 18 (TTAB 1976), argues that each of these objections pertains to alleged defects that could have been cured but that the submission of these materials with petitioner's rebuttal notice of reliance was not sufficiently prompt. In response thereto, petitioner argues that Exhibits 2-5 were offered as rebuttal evidence to show that the URLs do not lead to the pages shown in respondent's Exhibits 42, 53, 54, 60, and 72. The Board has observed that the ephemeral nature of web pages serves to limit their probative value. The fact that petitioner's evidence shows that the URLs lead to different pages cannot be cured; rather petitioner's evidence simply serves the purpose of rebuttal. We agree with petitioner, and therefore respondent's objections are overruled.

III. **The Parties**

Petitioner develops and manufactures advanced electronic and electromechanical systems and components, including sensors, displays, and controls for automotive and consumer product markets. Washeleski Deposition, p.6, lines 18-25; Exhibit 13. Petitioner's products work with "programmable logic devices, microcontrollers, and microcomputer and basic circuits," (Washeleski Deposition, p. 6, lines 22-25), and are capable of working in connection with all

types of computers. Washeleski Deposition, p. 7, lines 1-4. Petitioner is a pioneer in the technology field of capacitive sensing - function based on "either touch or proximity actuation" — (Washeleski Deposition, Exhibit 14), and holds numerous innovative patents in this area. Washeleski Deposition., p. 6, line 18 and Exhibit 11; Washeleski Deposition, Exhibits 9, 14 and 17. Indeed, the goods identified in petitioner's pleaded SMART TOUCH registration, "electronic proximity sensors and switching devices," are based upon this technology which is described as follows:

> Smart Touch® sensing is a breakthrough in human interface technology allowing direct access to computer power, such as with the highly successful iPhone™ and other handled devices. By combining the reliability and flexibility of completely solid state sensing along with anthrotonic considerations, capacitive sensing interface technology creates new automotive design opportunities.
> …

Washeleski Deposition, Exhibit 9, "*Smart Touch sensing places the power of the microprocessor at your fingertips*;" Washeleski Deposition, p. 22, line 10 to p. 23, line 1.

In addition to the automotive industry, petitioner's goods have other applications, including portable media players, major appliances, computers and printers. Washeleski Deposition, p. 32, lines 17 to p. 33, line 9. As further explained:

> Smart Touch® enables a person to use fingers to control computer software through a display screen. A key feature of Smart Touch® allows multiple touches

> simultaneously or sliding fingers across a screen. Applications include the automobile IP [instrument panel], radio and HVAC controls.

Washeleski Dep. p. 34, lines 1-9 and Exhibit 16.

The customers of petitioner's goods are original equipment manufacturers ("OEM") who integrate petitioner's products with computer hardware or software to manufacture finished products for the consumer electronic and the auto industry, which are in turn sold under the other manufacturer's trademarks. Washeleski Deposition, p. 43, lines 5-18; p. 57, lines 7-9 (customers are "the makers of products who then incorporate those sensors into their products"). Petitioner's products are sold through negotiated contracts or purchase orders. Washeleski Deposition, p. 71, lines 8-14 to p. 72, lines 18-25. During sales discussions, petitioner typically enters into confidentiality agreements with potential OEM customers. Washeleski Deposition, p. 71, lines 8-14 to p. 72, lines 18-25. The sales cycle is relatively long, and can last up to a year. Washeleski Deposition, p. 70, line 29 to p. 71, lines 3. During his testimony deposition, petitioner's Vice President of Engineering, John Washeleski, was able to name two customers who purchase electronic proximity sensors from petitioner, a fire truck manufacturer and an automobile manufacturer. Washeleski Deposition, p. 60, lines 14-25; p. 72, lines 11-16.

Respondent is a "technology solutions provider to consumers, businesses and institutions globally." Neumann Deposition, Exhibit

2. Respondent testified that the goods identified in the involved registration are not sold separately but rather are sold as "an all-in-one touch capable personal computer," "meant to be used in a communal area within the house, whether it be a kitchen or an entryway, somewhere that the entire family could access calendars, perhaps in the kitchen where you could access recipes." Neumann Deposition, p. 13, lines 16-22. Respondent further testified that none of the goods listed in its registration are sold as component parts for use in the manufacturing process. Respondent targets both "enterprise customers" (i.e. business operating in the education, health care, hospitality and retail fields) as well as the high end consumer family. Neumann Deposition, p. 37, lines 4-13; p. 38, lines 10-14; Frankart Deposition, p. 21, line 16 to p. 22, line 3. Respondent further testified that the goods involved in its registration are sold to consumers via "brick and mortar retail stores" such as Best Buy and Office Depot and online or through negotiated contracts with businesses with starting prices ranging from $799.99 - $1699.99. Neumann Deposition, p. 14, lines 3-25; p. 35, lines 7-19; Exhibit 5.

IV. **Standing**

Petitioner has demonstrated through the TARR printout made of record that petitioner is the owner of its pleaded registration and that the registration is valid and subsisting. Because petitioner's registration is of record, petitioner has

established its standing. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

V. **Section 2(d) Claim**

We now turn to petitioner's Section 2(d) claim.

A. **Priority**

In a cancellation proceeding in which both parties own registrations, petitioner must prove priority of use. *See Brewski Beer Co. v. Brewski Bros., Inc.*, 47 USPQ2d 1281 (TTAB 1998) and cases cited therein. Because petitioner's registration is of record, petitioner may rely on the registration as proof that the mark was in use as of the filing date of the underlying application. Trademark Act § 7(c). *See J.C. Hall Co. v. Hallmark Cards, Inc.*, 340 F.2d 960, 144 USPQ 435, 437 (CCPA 1965).

Petitioner's registration issued on April 7, 1992 from an application filed on May 22, 1991. This is long prior to the June 4, 2007 filing date of respondent's underlying application, which is the earliest date on which respondent is entitled to rely given the absence of any evidence of earlier use. Thus, petitioner has established its priority.

B. **Likelihood of Confusion**

Petitioner must establish that there is a likelihood of confusion by a preponderance of the evidence. We base our determination under Section 2(d) on an analysis of all of the probative evidence of record bearing on a likelihood of confusion. *In re E.I. du Pont de Nemours & Co.,* 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973). *See also, In re Majestic Distilling Company, Inc.,* 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). We will now analyze the relevant *du Pont* factors presented in this case, keeping in mind that our determination is based on the goods as listed in the involved registration. *See Cunningham v. Laser Golf Corp.*, 55 USPQ2d at 1846. *See also Canadian Imperial Bank v. Wells Fargo Bank*, 811 F.2d 1490, 1 USPQ2d 1783 (Fed. Cir. 1992).

1. *The Goods*

We begin our analysis with a comparison of the parties' respective goods. Petitioner's goods are identified as "electronic proximity sensors and switching devices." Petitioner's goods, by their intrinsic nature, are component parts sold to OEM's for use in the manufacture of finished products. This is corroborated by the evidence and testimony of record. See discussion *supra.*

Respondent's goods are identified as "[p]ersonal computers, computer hardware, computer monitors, computer display screens." Respondent, however, repeatedly and emphatically testified that

each of the individual goods identified in its TOUCHSMART registration are not marketed or sold separately under the TOUCHSMART mark but rather are sold only as an "all-in-one touch-capable personal computer." Respondent's Brief, p. 6. Neumann Deposition, p. 11, lines 7-15; p. 68, lines 10-19; Frankart Deposition, p. 12, line 21 to p. 13, line 7. See discussion *supra*. Respondent also testified that none of the individual goods listed in the registration are sold to OEM's as component parts for use in manufacturing other products. Neumann Deposition, p. 11, lines 17-20; Frankart Deposition, p. 13, lines 13-19. Respondent therefore contends that for purposes of analyzing likelihood of confusion testimony, the only relevant product for comparison is the personal computer which by its very nature is sold only to the average consumer in retail trade channels.[7]

If, hypothetically, respondent's identification were "personal computers comprised of computer hardware, computer monitors, and computer display screens, all sold as a unit" or if the sole item in the identification were "personal computers," we could accept respondent's argument that the only appropriate good for comparison purposes is the "all-in-one" personal computer. Since it is not, however, we must compare each individual item listed in respondent's TOUCHSMART registration. This includes "computer

[7] Petitioner did not assert a claim of abandonment or non-use for the remaining goods listed in respondent's TOUCHSMART registration in this proceeding.

hardware" which is listed separately in respondent's registration. It is this item that we will focus on for purposes of our analysis, as it is closest in nature to the goods in petitioner's registration.

Petitioner argues that "[t]he broad descriptor 'computer hardware' encompasses far more than 'personal computers' (a separate description in the identification of goods). The scope of the term 'computer hardware' extends to the electronic proximity sensors and switching devices of Nartron's asserted registration, and to that extent, the parties' identified goods are legally identical." Petitioner's Rebuttal Brief, p. 5. Thus, the crux of this issue is whether "computer hardware" encompasses "electronic proximity sensors and switching devices;" and if not, whether the goods are sufficiently related to support petitioner's claim of likelihood of confusion. When a term used in the identification of goods is unclear, the Board may resort to extrinsic evidence to determine or clarify how the term is used or understood in the relevant industry or trade. *See In re Edwards Life Sciences*, 94 USPQ2d 1399 (TTAB 2010) ("However, applicant has submitted extrinsic evidence to demonstrate the meaning of its description of goods, not to restrict or limit the goods. Where, as here, applicant's description of goods provides basic information, and the goods are of a technical nature, it is entirely appropriate to

consider extrinsic evidence to determine the specific meaning of the description of goods.”).

Based on the evidence of record, we cannot definitively find that the identification “computer hardware” encompasses “electronic proximity sensors and switching devices.” According to the testimony of Mr. Washeleski, petitioner’s customers, OEM’s, “integrate Nartron’s products with hardware and software to sell the integrated products.” Washeleski Deposition, p. 43, lines 10-13. This statement serves to prove that petitioner’s “electronic proximity sensors and switching devices” are discrete products not subsumed within the broader category of “computer hardware.” We must therefore conclude that goods are not legally identical.

It is well established that the respective goods do not have to be identical or even competitive in order to determine that there is a likelihood of confusion; rather, it is sufficient that the respective goods are related in some manner, or the conditions surrounding their marketing must be such that the goods will be encountered by the same purchasers under circumstances that would give rise to the mistaken belief that they originate from the same source. *See, e.g.*, *On-line Careline Inc. v. America Online Inc.*, 229 F.3d 1080, 56 USPQ2d 1471 (Fed. Cir. 2000); *In re Martin’s Famous Pastry Shoppe, Inc.*, 748 F.2d 1565, 223 USPQ 1289 (Fed. Cir. 1984). While the record shows that petitioner’s goods may be incorporated into “computer hardware,” this is not sufficient to

establish that the goods are related based on the theory that they are complementary or that the conditions surrounding their marketing create circumstances to give rise to likely confusion. By analogy, at least on its face, computer hardware is not related to an automobile despite the fact that it is incorporated into the final product. Thus, without more, we cannot conclude that because one item, petitioner's proximity device, may be a component part of another, respondent's computer hardware, it is related. Moreover, as discussed below, the record points to the opposite conclusion.

2. *Trade Channels and Conditions of Sale/Purchasers*

We now turn to a discussion of the trade channels, conditions of sale, and relevant purchasers. Petitioner contends that respondent's identification of goods is not limited to any particular field, and therefore may include the automotive industry, where it has actively promoted and marketed its goods. In response thereto, respondent maintains that it does not sell or target the automotive industry and has objected to any evidence to the contrary. In addition, respondent maintains that none of the other items listed in its identification are sold as component parts to OEM's.

Because the trade channels and classes of purchasers in both parties' respective registrations are unrestricted, we must presume that petitioner's and respondent's goods are offered in

all channels of trade and provided to all purchasers as are normal for the respective goods. *Paula Payne Products Co. v. Johnson Publishing Co.*, 473 F.2d 901, 177 USPQ 76 (CCPA 1973); *Kalart Co. v. Camera-Mart, Inc.*, 258 F.2d 956, 119 USPQ 139 (CCPA 1958); and *In re Elbaum*, 211 USPQ 639 (TTAB 1981). Given the highly technical and specialized nature of petitioner's goods, petitioner's goods as identified would not be sold in retail or online stores to the average consumer. The "reasonable" or normal trade channel for a "personal computer" is a retail store or online web site sold to the average consumer, and not an OEM. However, as we have emphasized, respondent's registration is not limited to "personal computers" and we therefore must also consider the "reasonable" or normal trade channels for "computer hardware." The normal trade channels for computer hardware would include retail stores and online sale services. In addition, the record shows that computer hardware is sold to OEM's and because respondent's registration is not limited in any manner, we must also assume that respondent's "computer hardware" is also sold as a component part for use in finished products to OEM's. As such, we assume that both petitioner's and respondent's "computer hardware" are both sold in the OEM trade channel and to the same purchasers.

Regarding the purchasers and conditions of sale, petitioner's goods by their intrinsic nature are of a type purchased by technology professionals who are sophisticated and knowledgeable in their purchasing decisions, and would be highly familiar with the nature, use and purpose of both parties' products. *See Electronic Design & Sales Inc. v. Electronic Data Systems Corp.*, 954 F.2d 713, 21 USPQ2d 1388, 1391 (Fed. Cir. 1992) ("sophistication is important and often dispositive because sophisticated consumers may be expected to exercise greater care;" finding no likelihood of confusion resulting from the contemporaneous use of E.D.S. and EDS despite the fact that "the two parties conduct business not only in the same fields but also with some of the same companies."). *See also* J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 23:101 (4th ed. 2009) ("Where the relevant buyer class is composed solely of professional, or commercial purchasers, it is reasonable to set a higher standard of care than exists for consumers."). The record evidence demonstrates that they exercise an unusually high degree of care when making purchasing decisions. See discussion *supra*. This is reflected in the record which shows that petitioner's goods are only purchased by corporate officials after serious and lengthy consideration, and only after entering a confidentiality agreement. See discussion *supra*. We therefore find that in this particular case, the

sophistication of the purchasers and conditions of sale diminish the likelihood of confusion.

3. *Strength of the Marks/Scope of Protection*

We will now analyze the strength of petitioner's SMART TOUCH mark in order to determine the scope of protection to be accorded petitioner's mark as we analyze the remaining *du Pont* factors.

At the outset, we note that both the terms "smart" and "touch" are weak as used in connection with both petitioner's and respondent's goods. Indeed, the term "smart" is often recognized as descriptive when used in relation to technological goods. *See, e.g., Finisar Corp.*, 78 USPQ2d 1618, 1621 (TTAB 2006) (the term "smart" "tells the consumer that the product is highly automated and capable of computing information"). "In computer technology ["smart"] is a relative term, indicating how sophisticated a program or machine is and how many capabilities it has…." Respondent's Notice of Reliance, Exhibit 80 (definition of "smart" from *Oxford English Dictionary*). Respondent's goods include "computers" which by definition are "smart" technology products.

Moreover, the term "touch" is at least strongly suggestive of respondent's "computers", and by illustration, the evidence indicates that respondent's computers sold under the TOUCHSMART mark in fact include "touch capable" computers. Petitioner also

uses the term "touch" in a descriptive manner in marketing its goods. *See* Washeleski Deposition, Exhibit 19, ("Connecting you with your vehicle… by using intuitive gestures with the Touch of a finger to operate controls."). In addition, both the terms "SMART" and "TOUCH" have been disclaimed in third-party registrations and widely used by others. *See* Respondent's Notice of Reliance, Exhibits 22-31 (registrations) and Exhibits 53-67 (use) for "smart" and Exhibits 32-41 (registrations) and Exhibits 68-73 (use) for "touch." We find particularly probative the following use based third-party registrations of record for marks comprised of or including the phrase "smart touch" for use in connection with electronic or technological goods or accessories therefor:

> Registration No. 3828904 for the mark SMART TOUCH (stylized) for "cell phone covers and cell phone screen protectors" in International Class 9;
>
> Registration No. 3574250 for the mark SMARTTOUCH GDO for "biometrically enabled, fingerprint-activated garage door openers" in International Class 9;
>
> Registration No. 2571855 for the mark SMARTTOUCH for "electronic controls for vehicle mounted snow plows" in International Class 9; and
>
> Registration No. 1745089 for the mark SMARTTOUCH for "automatic weighing equipment; namely, retail programmable service counter scales" in International Class 9.

Based on this evidence, we find that neither petitioner's nor respondent's marks are particularly strong. As such,

neither mark would be entitled to the same scope of protection as an arbitrary or less suggestive mark would receive.

4. *Third-Party Uses*

The sixth *du Pont* factor focuses on the number and nature of similar marks in use on similar goods. At the outset we note that because third-party registrations of marks are not evidence that the registered marks are in use, the third-party registrations respondent made of record are of no probative value with regard to this factor. *See In re Mighty Leaf Tea*, 601 F.3d 1342, 94 USPQ2d 1257, 1259 (Fed. Cir. 2010). *See also* 2 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 11:89 (4th ed. 2009)("The mere citation of third party *registrations* is not proof of third party *uses* for the purpose of showing a crowded field and relative weakness."). Moreover, while respondent did submit evidence of use by other parties of the terms "smart touch" and "smart" and "touch" used individually in marks, we do not find this evidence particularly useful for determining whether the relevant public has been so exposed to the term that it should be accorded minimal protection. As such, we find this *du Pont* factor to be neutral.

5. *The Marks*

We now turn to the *du Pont* likelihood of confusion factor regarding the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial

impression. Petitioner argues that the involved marks merely consist of a transposition of the same two words "SMART" and "TOUCH," making them similar in sound, appearance and connotation.

Respondent argues that the marks are different in appearance because petitioner's SMART TOUCH mark "is a two-word mark consisting of two-five letter words" and respondent's TOUCHSMART mark is a "single ten-letter word mark." Respondent's Brief, p. 22. Respondent also argues that due to the transposition of the terms "SMART" and "TOUCH," the marks not only sound different but have a different meaning – the term "TOUCH" in respondent's mark used as a verb in the imperative form "urging the consumer to touch smartly." Respondent's Brief, p. 23. In addition, respondent relies on federal district court case law to argue that because its TOUCHSMART mark is always preceded by the "HP" house mark, confusion is less likely.

At the outset we point out that the registered mark at issue in this proceeding is TOUCHSMART not HP TOUCHSMART. While respondent may indeed only use its TOUCHSMART mark in connection with the HP house mark, this fact is irrelevant to our analysis. Respondent is reminded that unlike federal courts, we are an administrative board tasked solely with the question of right to registration. *FirstHealth of the Carolinas Inc. v. CareFirst of*

Md. Inc., 479 F.3d 825, 81 USPQ2d 1919, 1921 (Fed. Cir. 2007) (quoting TBMP). The question before us is the registrability of the mark set out in respondent's registration, which does not include respondent's house mark. Hence the federal district court infringement cases respondent relies upon are inapposite here.

Petitioner is correct – both marks are comprised of the same elements: the words "smart" and "touch." However, in this particular instance, the transposition of the terms does change the connotation of the mark. Respondent's TOUCHSMART mark, with the word "touch" used as a verb in the imperative form, evokes the meaning of inviting the user to touch the electronic device, whereas petitioner's SMART TOUCH where "touch" is used as a noun, evokes the meaning of the electronic device reaching out to sense the perimeter. We also find the marks to have a different overall commercial impression. In view of the weakness of the composite terms (see discussion *supra*) and the difference in meaning brought about by the transposition, we find that the dissimilarities outweigh the similarities and the marks are not substantially similar.

6. *Actual Confusion and Contemporaneous Use*

Respondent contends that despite three years of contemporaneous use, there is no evidence of actual confusion, and that petitioner has conceded this point. Respondent's Brief, p. 11. A showing of actual confusion would of course be

highly probative, if not conclusive, of a likelihood of confusion. The opposite is not true, however. The lack of evidence of actual confusion carries little weight. *J.C. Hall Co.*, 144 USPQ at 438. The issue before us is the *likelihood* of confusion, not actual confusion. *Herbko Int'l Inc. v. Kappa Books Inc.*, 308 F.3d 1156, 64 USPQ2d 1375, 1380 (Fed. Cir. 2002) (actual confusion not required). The absence of actual confusion is not probative unless it is accompanied by evidence demonstrating that in light of the parties' actual business activities, confusion, if likely, would have occurred. *See Cunningham*, 55 USPQ2d at 1847. Given the short (three-year) period of contemporaneous use at issue and the lack of evidence that the parties' goods have in fact been sold in the same channels of trade and to the same parties, we cannot conclude that the absence of evidence of actual confusion supports respondent's argument that confusion is not likely. Since there is neither evidence of actual confusion nor significant evidence of its absence, these factors are neutral.

7. *Intent/Bad Faith*

Petitioner contends that based on respondent's responses to its admission requests as well as the privilege log it produced during discovery, respondent became aware of petitioner's SMART TOUCH mark through an internal trademark search, and that its

"obvious concealment of any relevant search reports tips the 'intent' factor in Nartron's favor." Petitioner's Brief, p. 20.

In response thereto, respondent contends that it acted in good faith in selecting the TOUCHSMART mark, pointing to the testimony of Ms. Neumann, who was personally involved in the decision, stating that she was not aware of either petitioner or its products. Neumann Deposition, p. 7, lines 7-15. She also testified that her selection of the TOUCHSMART mark was influenced by respondent's other marks with the suffix "SMART." Id., p. 9, lines 8-12. Respondent also maintains that the listing of its trademark search report on a privilege log "is the opposite of concealment." Petitioner's Brief, p. 27.

Bad faith, or intent to confuse, falls under the thirteenth *du Pont* factor "any other established fact probative of the effect of use." *L.C. Licensing Inc. v. Berman*, 86 USPQ 1883, 1890 (TTAB 2008). "[W]hen there is evidence of an applicant's intent to adopt a mark that suggests to purchasers a successful mark already in use by another, the Board may, and ought to, take into account that intent when resolving the issue of likelihood of confusion when that issue is not free from doubt." *First International Services Corp. v. Chuckles Inc.*, 5 USPQ2d 1628, 1633 (TTAB 1988). However, "an inference of 'bad faith' requires something more than mere knowledge of a prior similar

mark." *Sweats Fashions, Inc. v. Pannill Knitting Co., Inc.*, 833 F.2d 1560, 1565, 4 USPQ2d 1793 (Fed. Cir. 1987).

This record does not establish that respondent intended to adopt his marks in bad faith.[8] Respondent has unequivocally testified that it was unaware of petitioner and its SMART TOUCH mark. As such we deem this *du Pont* fact neutral.

8. *Balancing the Factors*

In a particular case, any of the *du Pont* factors may play a dominant role. *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ at 567. In fact, in some cases, a single factor may be dispositive. *Kellogg Co. v. Pack'em Enterprises Inc.*, 951 F.2d 330, 21 USPQ2d 1142 (Fed. Cir. 1991). In the present case, the sophistication of the customers, conditions of sale, and the dissimilarity and weakness of the marks outweigh the other du Pont factors, such as any peripheral relatedness of the goods, and overlap in trade channels, that would favor a finding of likelihood of confusion. Accordingly, we find that petitioner has failed to prove its case.

DECISION: The cancellation proceeding is dismissed.

---

[8] We do not view respondent's listing of its trademark search report on a privilege log as tantamount to an admission of its knowledge of petitioner's registration or of its intent to adopt a mark which would be likely to confuse. The time for arguing about the propriety of such a listing is long past; one of the reasons for a privilege log is to allow for timely challenges to the withholding of discovery based on claims of privilege. Fed. R. Civ. P. 26(b)(5)(A)(2). If petitioner did not timely challenge the withholding of such discovery, we will not now presume that it was done for nefarious purposes, rather than in a good-faith assertion of privilege.