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Mailed: June 17, 2013

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Barnhardt Manufacturing Company

v.

Wildwood Gin, Inc.

Cancellation No. 92053237

Kathryn A. Gromlovits of Shumaker, Loop & Kendrick, LLP for
Barnhardt Manufacturing Company.

Ernest B. Lipscomb, III and B. Craig Killough of Barnwell Whaley
Patterson & Helms LLC for Wildwood Gin, Inc.

Before Holtzman, Zervas and Shaw, Administrative Trademark
Judges.

Opinion by Holtzman, Administrative Trademark Judge:

Barnhardt Manufacturing Company (petitioner) has filed a
petition to cancel a registration on the Principal Register owned
by Wildwood Gin, Inc. (respondent) for the mark ULTRACLEAN for
"raw cotton," in Class 22.¹

¹ Registration No. 3670482; issued August 18, 2009 from an application
filed May 9, 2008, alleging dates of first use and first use in
commerce on June 2, 2008.

As its ground for cancellation, petitioner alleges that it has continuously used the mark ULTRACLEAN in commerce in connection with "specially cleaned raw cotton" since March 2006, over two years prior to the May 9, 2008 filing date of respondent's underlying application; and that respondent's mark when applied to respondent's goods so resembles petitioner's previously used mark as to be likely to cause confusion. Petitioner further alleges that it is the owner of application Serial No. 85072021 filed on June 25, 2010, for the mark ULTRACLEAN for "raw cotton that has been optimally cleaned to be purified or used as an unbleached raw material"; and that registration to petitioner has been refused on the basis of the registration involved herein.

To the extent that petitioner also intended to assert dilution as a ground for cancellation, the claim was not properly pleaded since petitioner did not allege prior fame of its ULTRACLEAN mark, or fame at all. Furthermore, the claim was neither tried by the parties such that the pleading could be deemed amended to conform with the evidence nor argued by petitioner its brief. Ordinarily, in accordance with the Board's usual practice we would find this claim to have been waived by petitioner. However, respondent devoted a considerable portion of its brief to argument on the merits this claim, and has requested that judgment be entered against petitioner on the

claim. Accordingly, the dilution claim is dismissed as improperly pleaded and because it is unsupported by any evidence. Cf. *Rolex Watch U.S.A. Inc. v. AFP Imaging Corp.*, 101 USPQ2d 1188, 1189 (TTAB 2011).

Respondent, in its answer, admits that petitioner filed an application for the mark and goods identified in the petition to cancel, and denies the remaining salient allegations.

As a preliminary matter, we note that petitioner attached exhibits to its pleading. These materials consist of portions of the file history of petitioner's pleaded application, including the Office action refusing registration together with specimen labels and photographs of its product (Exhs. 1, 4); a document titled "Bleach Process Specifications," dated March 28, 2006, and three invoices of sale, each dated December 12, 2006 (Exh. 3).²

While attaching exhibits to a pleading does not ordinarily make them of record (Trademark Rule 2.122(c)), respondent has not objected to these exhibits, and moreover has treated them as of record in its brief by expressly acknowledging the exhibits in its description of the record and/or addressing them on the merits. Accordingly, these exhibits are all deemed to have been stipulated into the record and they will be considered for whatever probative value they may have. See TBMP 702.02 (3d ed.

² The exhibits also include a printout of the subject registration (Exh. 2) which is automatically of record.

rev. 2012) (improperly offered or otherwise noncomplying evidence may nevertheless be deemed stipulated into the record where no objection to the evidence is raised and/or the nonoffering party treats the evidence as being of record); and, e.g., *Coach Services Inc. v. Triumph Learning LLC*, 96 USPQ2d 1600, 1603, n.3 (TTAB 2010), aff'd in relevant part, 668 F.3d 1356, 101 USPQ2d 1713 (Fed. Cir. 2012).

Record

The record includes the pleadings, with exhibits, and the file for the involved registration. In addition, petitioner submitted the testimony, with exhibits, of petitioner's president and chief operating officer, Lewis Barnhardt;³ and a notice of reliance on the discovery deposition, with exhibits, of respondent's president, Lawson Gary and responses to petitioner's interrogatories.

Respondent did not take any testimony, but submitted a notice of reliance on petitioner's responses to interrogatories along with responses to respondent's requests for admissions.⁴

Both parties have filed briefs.

³ The entire transcript of Mr. Barnhardt's testimony was designated as "confidential" although there are clearly non-confidential portions and moreover the parties have openly discussed the contents in their briefs. To that extent, the confidentiality of the testimony is considered waived.

⁴ The notice of reliance also includes what respondent refers to as the 30(b)(6) deposition of Lewis Barnhardt. However, this is actually petitioner's testimony deposition of Mr. Barnhardt.

Standing

The record shows that petitioner is owner of an application that has been refused registration as a result of the registration herein. Thus, petitioner's standing, that is, its real interest in this proceeding, has been established. See *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

Distinctiveness and Priority

In order for a plaintiff to prevail on a claim of likelihood of confusion based on its ownership of common law rights in a mark, the mark must be distinctive, inherently or otherwise, and plaintiff must show priority of use. See *Otto Roth & Co. v. Universal Foods Corp.*, 640 F.2d 1317, 209 USPQ 40 (CCPA 1981).

Respondent has not questioned the distinctiveness of petitioner's ULTRACLEAN mark nor are there any other circumstances in the case which would have put petitioner on notice of this defense, and we therefore find that the mark is distinctive. See *Wet Seal Inc. v. FD Management Inc.*, 82 USPQ2d 1629, 1634 (TTAB 2007); *The Chicago Corp. v. North American Chicago Corp.*, 20 USPQ2d 1715 (TTAB 1991). See also *Shalom Children's Wear Inc. v. In-Wear A/S*, 26 USPQ2d 1516 (TTAB 1993). Cf. *Otto Roth*, 209 USPQ at 44 (CCPA 1981) ("Neither the board nor appellee has questioned the inherent distinctiveness of ESPRIT NOUVEAU, and we therefore assume it functions as a trademark").

As to priority,⁵ we note that although petitioner pleaded rights in the mark ULTRACLEAN as a single term, it is clear that the issue of priority was tried by implied consent with respect to slight variations of that mark, that is, as to the separate terms, ULTRA-CLEAN or ULTRA CLEAN, with or without a hyphen. Accordingly, the pleadings are considered amended to conform with the evidence. Fed. R. Civ. P. 15(b).

Petitioner is a supplier of cleaned (bleached) raw cotton to the nonwovens industry. Barnhardt Test., p. 4, 5. The raw material is used in the manufacture of feminine hygiene products, baby wipes, swabs, cotton balls and other similar types of products for consumer and medical use. Id., pp. 4, 13, 23; Exh. 3. Mr. Barnhardt testified that petitioner first used the mark ULTRA-CLEAN on cleaned raw cotton in March 2006, and that the mark has been in continuous use since that time. Id., pp. 6; 15-16; 19-21; Respondent's NOR, Exh. 1 (Resp. No. 2). The record shows that petitioner manufactures the ULTRA-CLEAN product primarily for the company, Spuntech Ind. Ltd. N.R. ("Spuntech"), located in Israel. Respondent's NOR, Exh. 1 (Resp. No. 2).

Petitioner's cotton product is sold in bale form, with each bale weighing approximately 500 pounds. The bale is strapped, and wrapped in polypropylene packaging, and labels bearing the

⁵ Respondent's claim that "prior rights were not the subject of [the] pleadings" (Brief, p. 1, fn.2) is not understood. The petition clearly and specifically alleges prior rights in the mark.

mark ULTRA-CLEAN are affixed to the packaged product in three places. Barnhardt Test., p. 18; Exh. 6; Respondent's NOR, Exh. 1 (Resp. No. 2). Petitioner has submitted examples of labels that are placed on the bales, and Mr. Barnhardt testified that the mark has been used on such labels since March 2006. Id., pp. 17-18, 20; Exh. 6.

The record shows that on March 27, 2006, petitioner sent an email to Spuntech regarding the cleaning and labeling requirements for the product; and that petitioner prepared a bleach process specification sheet for Spuntech on March 28, 2006, referring to the "product description" as BCC ULTRA CLEAN ("BCC" identifying "Barnhardt commodity comber") and specifying the certification and labeling requirements for the product. Id., pp. 16-18; Exhs. 5, 6; Pldg. Exh. 3. The three invoices of sale submitted by petitioner all bear the ULTRA-CLEAN mark and show, as respondent admits, that the product was ultimately shipped to Spuntech, in three separate prepaid shipments, on December 12, 2006. Pldg. Exh. 3; Resp.'s Br., pp. 4, 8. Each invoice lists 60 bales of cotton (which weigh roughly 512 pounds per bale), and a total cost, per shipment, of approximately \$30,000.

We find that the evidence as a whole is clearly sufficient to demonstrate petitioner's use of the mark ULTRA-CLEAN at least as of December 12, 2006.

According to respondent's president, Mr. Gary, respondent began actual use of its ULTRACLEAN mark in June 2008. Gary Test., pp. 10, 16. Thus, the May 9, 2008 filing date of respondent's underlying intent-to-use application is the earliest date upon which respondent can rely for purposes of priority. Petitioner has established use of its ULTRA-CLEAN mark prior to such date, and therefore has priority.

Respondent argues that petitioner's evidence is insufficient to establish petitioner's prior use of the ULTRA-CLEAN mark. We have considered those arguments and find them unpersuasive.

While respondent acknowledges petitioner's sales of its ULTRA-CLEAN product to Spuntech in December 2006, respondent argues that petitioner has provided no evidence of labeling of the product "prior to [respondent's] trademark filing for the mark on May 9, 2008." Br., p. 8. However, it is clear from Mr. Barnhardt's testimony that the packaging in which the cotton product is shipped includes a label bearing the ULTRA-CLEAN mark, and that the labels reflect the mark as it was used in 2006. Furthermore, although the particular labels shown in Barnhardt Exh. 6 (as well as those in Pldg. Exh. 1) may not have been "made" or printed before May 9, 2008, as respondent contends, it is clear from the record that this label is of the type that has been used by petitioner. It is obvious from the face of the various labels of record, that each label has been individually

prepared according to the specifications (weight, moisture, etc.) for the particular bale of cotton.

Respondent further argues that petitioner made no bona fide use of the mark prior to respondent's application filing date. Respondent relies on *Lucent Information Management Inc. v. Lucent Technologies Inc.*, 186 F.3d 311, 51 USPQ2d 1545, 1555 (3d Cir. 1999) (applying the "market penetration" test formulated by the Court in *Natural Footwear Ltd. v. Hart, Schaffner & Marx*, 760 F.2d 1383, 225 USPQ 1104 (3rd Cir. 1985)) which, according to respondent, "raised the threshold of 'use' required to establish priority." Arguing that "trademark rights are not created unless there is a shipment or sale exposed to the public in the United States," respondent contends that petitioner's "one time sale" of bleached cotton under the mark in December 2006 "to a *single* customer" which was "located outside the United States" establishes only a token use of the mark; and that petitioner's "failure to continue sales" under the mark between December 2006 and the filing of respondent's application in May 2008 "makes [petitioner's] use a *de minimis* use of the mark." Br., pp. 4, 9, 13, 16 (italics in original).

To begin with, respondent cites to no authority for its contention that the sale of products to a single customer is not sufficient to establish priority of use. Furthermore, to the extent that respondent is arguing that in order for a sale to be

bona fide, it must be made to customers within the United States, respondent is mistaken. As defined in Section 45 of the Trademark Act, "use" of a mark means use "in commerce." The word "commerce" means "all commerce which may lawfully be regulated by Congress." Commerce between the United States and a foreign country is a type of commerce that is regulable by Congress. See *Person's Co. Ltd. v. Christman*, 900 F.2d 1565, 14 USPQ2d 1477, 1479 (Fed. Cir. 1990). Thus, petitioner's shipment of its product to the company in Israel was clearly a sale of the product in commerce.

In addition, respondent's reliance on *Lucent* is misplaced. The "market penetration" test, as articulated in *Natural Footwear*, was used for the purpose of determining the geographic extent of common law rights. The Court in *Lucent* extended the reach of this test, using it to determine common law rights as an initial matter, based on the extent of use in commerce. The test does not apply here. Our precedent does not require use in commerce or any particular degree of market penetration in order to establish priority. See, e.g., *National Cable Television Ass'n v. American Cinema Editors, Inc.*, 937 F.2d 1572, 19 USPQ2d 1424, 1429 n.4 (Fed. Cir. 1991) ("Section 14 [through Section 2(d)] requires only prior use; 'in commerce' is noticeably absent."). See also *First Niagara Insurance Brokers Inc. v. First Niagara Financial Group Inc.*, 476 F.3d 867, 81 USPQ2d 1375, 1378 (Fed.

Cir. 2007) ("...the plain language of the statute...merely requires the prior mark to have been 'used in the United States by another.'"); and, e.g., *E.I. du Pont de Nemours and Co. v. Big Bear Stores, Inc.*, 161 USPQ 50, 51 (TTAB 1969) (bona fide test marketing and experimental sales in small volumes are sufficient to show use of a mark).

It is only necessary for petitioner to show that it made a bona fide use of the mark in the ordinary course of trade, and not merely to reserve a right in the mark. Section 45 of the Trademark Act. The record, in this case, shows an arms-length, legitimate commercial transaction, and there is nothing to show that this transaction was anything other than a genuine commercial use.

Respondent's arguments regarding petitioner's alleged lack of continuous use of the mark are unavailing. As noted earlier, Mr. Barnhardt attested to continuous use of the ULTRA-CLEAN mark since 2006. Moreover, respondent has expressly acknowledged that there were subsequent sales of the ULTRACLEAN product to Spuntech in March 2009, stating: "...Barnhardt has provided no evidence of sales using the UltraClean mark from December 2006 until March 30, 2009"; and "[Respondent] understands that [Spuntech] resumed purchasing bleached cotton under the Ultra-Clean name from Barnhardt in 2009." Resp.'s Br., p. 9.

In any event, in order to establish priority, a plaintiff is only required to show prior use, not continuous use of its mark, unless the defendant has asserted the affirmative defense of abandonment. See *West Florida Seafood Inc. v. Jet Restaurants Inc.*, 31 F.3d 1122, 31 USPQ2d 1660 (Fed. Cir. 1994). Respondent has not asserted the defense of abandonment in this case,⁶ and even if it had, this time period is insufficient to support a prima facie case of abandonment inasmuch as it is less than three years.

We find that petitioner has met its burden of establishing its priority by a preponderance of the evidence by showing use of the ULTRA-CLEAN mark in shipments to Israel at least as early as December 12, 2006.

Likelihood of Confusion

Respondent has not discussed the merits of petitioner's issue of likelihood of confusion in its brief, taking the position that there can be no likelihood of confusion "because [respondent] is the proper owner of the [mark]." Nevertheless, the question of likelihood of confusion must be determined from the record, and we find based on the record, that confusion is likely.

⁶ Respondent's passing reference in its brief to an alleged "lapse of about three years before a further sale was made" is insufficient.

Our determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. In re E.I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). In any likelihood of confusion analysis, however, two key considerations are the similarities or dissimilarities between the marks and the similarities or dissimilarities between the goods. See Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976).

Petitioner, in its brief, argues that it owns a family of "ULTRA" prefixed marks, including such marks as ULTRAWHITE, ULTRASORB and ULTRASCENT. However, petitioner did not plead a family of marks, and to the extent that it could be said that the issue was tried by the parties with implied consent, a family of marks clearly has not been proven. See Marion Laboratories v. Biochemical/Diagnostics, 6 USPQ2d 1215, 1218 (TTAB 1988).

Petitioner attempted to introduce certain promotional literature relating to these marks during the discovery deposition of Mr. Gary (Exhs. 6-9), but among other problems with this evidence, petitioner provided no foundation for its introduction. Mr. Gary stated that he had never seen any of these materials; nor had he ever heard of the marks shown therein. Furthermore, there is no evidence that any of the marks allegedly comprising the family have ever been promoted together,

or that any promotion occurred prior to the filing date of respondent's underlying application.

We turn then to a comparison of petitioner's mark ULTRA-CLEAN with respondent's mark ULTRACLEAN, and a consideration of the marks in their entireties in terms of sound, appearance, meaning and commercial impression. See *Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689, 1691 (Fed. Cir. 2005).

The marks are identical in sound, meaning and commercial impression and virtually identical in appearance. The presence of a hyphen between the words in petitioner's mark is an insignificant difference that is not likely to be noticed or remembered by purchasers when encountering these marks at separate times. See *In re Sears, Roebuck and Co.*, 2 USPQ2d 1312, 1313 (TTAB 1987) (CROSS-OVER and CROSSOVER "identical in appearance but for the inclusion in applicant's mark of a hyphen, which, for purposes herein, is of no legal significance"); *Goodyear Tire & Rubber Co. v. Dayco Corp.*, 201 USPQ 485, 489 n.4 (TTAB 1978) (FAST-FINDER with a hyphen is "in legal contemplation" substantially identical to the mark FASTFINDER without a hyphen).

The near identity of the marks strongly favors a finding of likelihood of confusion. See *In re Shell Oil*, 992 F.2d 1204, 26 USPQ2d 1687, 1688 (Fed. Cir. 1993) ("The identity of words,

connotation, and commercial impression weighs heavily against the applicant.").

While ULTRA-CLEAN has a suggestive meaning in relation to petitioner's cotton product, that suggestive meaning is the same in both marks. Furthermore, there is no evidence that the term has been commonly used by others for similar goods or, for that matter, that it has been used by anyone other than petitioner. We recognize that ULTRA-CLEAN, as a suggestive mark, is not entitled to the broadest scope of protection. However, the mark is at least entitled to protection against the registration of a virtually identical mark, if such mark is used on related goods. See *King Candy Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108, 109 (CCPA 1974) (likelihood of confusion is to be avoided as much between weak marks as between strong marks).

We turn then to a consideration of the goods. Respondent's goods are identified in the registration as "raw cotton." Petitioner's product, as the evidence shows, is raw cotton that has been cleaned by a bleaching process. *Barnhardt Test.*, p. 6; Resp.'s NOR, Exh. 1 (Resp. Nos. 2, 3, 9). The respective goods on their face are similar, and this similarity is confirmed by Mr. Gary's testimony which indicates that respondent's raw cotton product is also cleaned, albeit through a mechanical process. *Gary Dep.*, pp. 19, 20. Notwithstanding any differences in the cleaning processes, however, these similar products are

alternatives to one another for use in the very same end products, including healthcare and feminine hygiene products, wet wipes and dry wipes. Barnhardt Test., pp. 13, 23; Gary Dep., pp. 20, 21, 30. Indeed, the parties are competitors in the nonwovens industry. Barnhardt Test., p. 13; Gary Dep., p. 8, 21.

There is no question that the parties' highly similar products would come to the attention of the same purchasers in the same industry under circumstances that would cause them naturally to assume, in view of the near identity of the marks, that the goods emanate from the same source or that there is otherwise some connection between them. See, e.g., *Luzier Inc. v. Marlyn Chemical Co., Inc.*, 442 F.2d 973, 169 USPQ 797 (CCPA 1971). See also *In re Mitsubishi Jidosha Kogyo Kabushiki Kaisha*, 19 USPQ2d 1633 (TTAB 1991); *In re International Telephone & Telegraph Corp.*, 197 USPQ 910 (TTAB 1986). Accordingly, we find that a likelihood of confusion exists.

Decision: The petition to cancel is granted, and Registration No. 3670482 will be cancelled in due course.