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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92054201
Party	Plaintiff Dan Foam ApS
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

DAN FOAM APS,)	
)	
Petitioner,)	
)	
v.)	Cancellation Proceeding 92/054,201
)	
SLEEP INNOVATIONS, INC.,)	
)	
Respondent.)	

**PETITIONER'S OPENING BRIEF
ON THE PETITION FOR CANCELLATION**

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I. INTRODUCTION

Respondent (“Respondent” or “Bodipedic”) is the record owner of Registration No. 3,916,902 (“the Challenged Registration”) for the word and design mark shown below:



“Respondent’s Mark” is registered for use in connection with “mattress toppers, pillows, mattresses” in International Class 20. Color is not claimed as a feature of Respondent’s Mark.

The Challenged Registration is less than five years old.

Petitioner (“Petitioner” or “DanFoam”) owns Registration No. 3,900,919 for the following word and design mark:



“Petitioner’s Mark” or the “TEMPUR-PEDIC & Reclining Figure Design Mark” is registered for use in connection with “seating and couching mats in the nature of a pillow or seat liner, pillows, cushions, mattresses, top mattresses, bolsters and chair pads” in International Class 20. Color is not claimed as a feature of Petitioner’s Mark.

Petitioner filed, pursuant to Section 2(d) of the Lanham Act, 15 U.S.C. § 1052(d), a Petition for Cancellation of Registration No. 3,916,902 on grounds that the mark of the Challenged Registration is likely to be confused with Petitioner’s Mark.

The record shows by a preponderance of the evidence that the mark of the Challenged Registration is likely to be, and in fact repeatedly has been, confused with Petitioner's Mark and thus is subject to cancellation under the Lanham Act.

II. RECORD

The record before the Board is comprised of the following:

1. By operation of Trademark Rule 2.122, 37 C.F.R. § 2.122, the prosecution file for the Respondent's Mark;
2. Respondent's Responses to Petitioner's First Requests for Admissions, 37 C.F.R. § 2.120(j)(3)(i)(Notice of Reliance, Exhibit 1);
3. Respondent's Responses to Petitioner's Second Requests for Admissions, 37 C.F.R. § 2.120(j)(3)(i)(Notice of Reliance, Exhibit 2);
4. Respondent's Verified Answers to Petitioner's Interrogatories, 37 C.F.R. § 2.120(j)(3)(i)(Notice of Reliance, Exhibit 3);
5. Documents Verified Through Respondent's Responses to Petitioner's Requests for Admissions, 37 C.F.R. § 2.120(j)(3)(i)(Notice of Reliance, Exhibit 4);
6. Printed Publications Available to the General Public, 37 C.F.R. § 2.122(e)(Notice of Reliance, Exhibit 5);
7. Discovery Depositions, 37 C.F.R. § 2.120(j), pursuant to stipulation of the parties under TBMP § 704.11(7);
 - (a) Hochwalt Deposition (designated portions)(Notice of Reliance, Exhibit 6);
 - (b) Setlak Deposition (designated portions)(Notice of Reliance, Exhibit 7);
 - (c) Thorstenson Deposition (designated portions)(Notice of Reliance, Exhibit 8);
 - (d) Loomis Deposition (designated portions)(Notice of Reliance, Exhibit 9);
 - (e) Miller Deposition (designated portions)(Notice of Reliance, Exhibit 10);

8. Documents obtained and produced through discovery, which have been authenticated pursuant to stipulation of the parties under TBMP § 704.11 (Notice of Reliance, Exhibit 11);
9. Declaration of Sarah Hajjar and attached Exhibit A (Notice of Reliance, Exhibit 11);
10. Media obtained and produced through discovery, which was authenticated pursuant to stipulation of the parties under TBMP § 704.11(7) (Notice of Reliance, Exhibit 12);
11. Internet Materials pursuant to TBMP § 704.08(b) (Notice Reliance, Exhibit 13);
12. Testimony deposition of Mohican Laine filed with the Board and served on Respondent pursuant to TBMP §§ 703.01(k),(l)(TTABVue Docket Entry No. 61);
13. Testimony deposition of Victoria Neeshan filed with the Board and served on Respondent pursuant to TBMP §§ 703.01(k),(l) (TTABVue Docket Entry No. 68); and
14. Testimony deposition of Jane Martin filed with the Board and served on Respondent pursuant to TBMP §§ 703.01(k),(l) (TTABVue Docket Entry No. 65).

III. FACTS

Dan-Foam is a domestic and international provider of mattresses and related products, and advertises and promotes its products nationwide under the TEMPUR-PEDIC & Reclining Figure Mark.

Continuously since at least as early as May 2007, Dan Foam has itself, or through its related companies, used its TEMPUR-PEDIC & Reclining Figure Design Mark in connection with mattresses and pillows, among other goods, and is the record owner of Registration No. 3,900,919 for TEMPUR-PEDIC & Reclining Figure Design Mark for use in connection with “seating and couching mats in the nature of a pillow or seat liner, pillows, cushions, mattresses, top mattresses, bolsters and chair pads.”

On or about October 7, 2010, Respondent filed with the USPTO an application to register the mark BODIPEDIC & Reclining Figure Design for “mattress toppers, pillows, mattresses” in International Class 20, which application was assigned U.S. Application Serial No. 85/070,859, and issued as Registration No. 3,916,902 on February 8, 2011.

On July 1, 2011, Petitioner filed a Petition for Cancellation with the Board seeking to cancel the Challenged Registration on grounds that the mark which is the subject of the Challenged Registration is so similar to Petitioner’s TEMPUR-PEDIC & Reclining Figure Design Mark as to create a likelihood of confusion, to cause mistake, or to deceive, within the meaning of Section 2(d) of the Lanham Act, 15 U.S.C. § 1052(d).

IV. ISSUES

The issue presented by the Cancellation proceeding is whether the continued registration of Respondent’s Mark is likely to cause confusion with Petitioner’s Mark.

Priority is not an issue in this proceeding in view of Petitioner’s ownership of a valid and subsisting registration of its relied upon mark. *King Candy, Inc. v. Eunice King’s Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974).

V. ARGUMENT

A. Petitioner’s Standing

Petitioner has presented evidence regarding its use of Petitioner’s Mark in connection with mattresses, pillows, and related goods. Petitioner has asserted a good faith claim of likelihood of confusion that is not lacking in merit. TBMP § 309.03(b). Petitioner has thus shown that it has a real interest in the case in that it has a direct interest in the outcome and a reasonable basis for its belief that it will be damaged by the continued registration of the challenged mark. TBMP § 303.03; *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842 (Fed. Cir. 2000). Thus, the Board’s standing requirements are satisfied.

B. Likelihood of Confusion

The Board determines a likelihood of confusion based on an analysis of all probative facts that are relevant to the factors set forth in *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). *See also In re Majestic Distilling Co., Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003).

1. The Parties' Goods

In the context of an *inter partes* proceeding, the question of continued registration must be decided on the basis of the identifications of goods set forth in the registrations at issue. *See Otcom Syst. Inc. v. Houston Computers Svcs. Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990).

Bodipedic's goods are "mattress toppers, pillows, mattresses" in International Class 20.

Petitioner's goods are "seating and couching mats in the nature of a pillow or seat liner, **pillows, cushions, mattresses, top mattresses**, bolsters and chair pads" in International Class 20.

Both parties' goods are constructed from memory foam.¹

The parties' goods are identical or overlapping. Accordingly, the *du Pont* factor regarding the similarity or dissimilarity of the goods weighs heavily in favor of a finding of a likelihood of confusion.

2. The Parties' Channels of Trade and Classes of Purchasers

To the extent the parties' goods are identical, the Board presumes that these goods move through the same channels of trade and are sold to the same classes of purchasers. *See In re Viterra Inc.*, 671 F.3d 1358, 101 USPQ2d 1905, 1908 (Fed. Cir. 2012); *American Lebanese*

¹ Respondent's Responses to Petitioner's First Set of Requests for Admissions Nos. 44, 45, Notice of Reliance, Exh. 1.

Syrian Associated Charities Inc. v. Child Health Research Institute, 101 USPQ2d 1022, 1028 (TTAB 2011).

There is also evidence of record in the form of testimony of the parties that the established likely to continue channels of trade for Petitioner's goods and Respondent's goods include online sales through an Internet e-commerce web site.² Overlapping methods of advertising include Internet advertising and specifically key word advertising through Internet search engines and email solicitations.³

Finally, there are no limitations on the channels of trade in the identification of goods of the Petitioner's pleaded registration or in the Respondent's Challenged Registration. Therefore, the Board presumes that the parties' goods move in all channels of trade that are normal for such goods. See *Otocom*, 16 USPQ2d at 1787; *Paula Payne Products Co. v. Johnson Publishing Co.*, 473 F.2d at 901, 177 USPQ 76 (CCPA 1973); *In re Linkvest S.A.*, 24 USPQ2d 1716, 1716 (TTAB 1992).

Accordingly, as the parties' goods either actually share or are presumed to share channels of trade, this *du Pont* factor weighs heavily in favor of a finding of likely confusion.

3. The Marks at Issue

The Board considers the similarity or dissimilarity of the marks at issue in terms of appearance, sound, meaning, and overall commercial impression. *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin*, 396 F.3d 1369, 73 USPQ2d 1689, 1692 (Fed. Cir. 2005). The proper test is not a "side-by-side comparison of the marks, but instead the proper test is "whether the

² Setlak Dep., p. 68, lines 12-25, Notice of Reliance, Exhibit 7; Hajjar Declaration, Notice of Reliance, Exhibit 11; Thorstenson Dep., p. 37, lines 20-24, Notice of Reliance, Exhibit 8.

³ PET0518-PET0521, Notice of Reliance, Exhibit 11; Hajjar Declaration, Notice of Reliance, Exhibit 11; Respondent's Responses to Petitioner's First Set of Requests for Admissions, Nos. 35, 36, Notice of Reliance, Exhibit 1); Thortenson Dep., pp. 73-74, Notice of Reliance, Exhibit 8. Setlak Dep., p. 7, Notice of Reliance, Exhibit 7; SI0097, Notice of Reliance, Exhibit 11.

marks are sufficiently similar in terms of their commercial impressions such that persons who encounter the marks would be likely to assume a connection between the parties.” *Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1721 (Fed. Cir. 2012).

In considering two marks, the focus should be on the recollection of the average consumer who retains a general rather than specific impression of the marks. *Winnebago Industries, Inc. v. Oliver & Winston, Inc.*, 207 USPQ 335, 344 (TTAB 198). Also, when considering the degree of similarity necessary for a finding a likely confusion, when the marks appear on virtually identical goods, the degree of similarity required to show likely confusion necessarily goes down. *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992).

As the Board has recognized, “as the degree of similarity of the goods of the parties increases, ‘the degree of similarity [of the marks] necessary to support a conclusion of likely confusion declines.’” *Fossil Inc. v. Fossil Group*, 49 USPQ2d 1451 (TTAB 1998), quoting in part from *Century 21 Real Estate Corp. v. Century Life of America*, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992). *See also In re Microsoft Corporation*, 68 USPQ2d 1195 (TTAB 2003). However, the degree of similarity necessary to support a likelihood of confusion is always something less than exact identity.

Both parties' marks are registered in a special form and include stylized lettering and a design element.

PETITIONER	RESPONDENT
	

The TEMPUR-PEDIC & Reclining Figure Design Mark is comprised of the silhouette of the rear view of a reclining female figure lying across the top of the words TEMPUR-PEDIC. One word of the two-word mark appears in **bold** font.

The BODIPEDIC & Reclining Design Figure is comprised of the silhouette of a reclining female figure lying across the top of the word BODIPEDIC. One half of the word mark appears in **bold** font.

The parties' respective reclining figure designs are similar in their depiction of the silhouette of a reclining female figure, on her side, positioned across the top of a word mark that serves as a "bed." The human figure designs are both presented in stylized contemporary formats with clean but softly "feminine" lines. Both figure designs are rendered in a loose "sketch" STYLE in that neither figure is completed along its bottom edge, but rather use the wording below to complete the "picture." Given these multiple points of similarity, the design elements create very similar commercial impressions to the average consumer.

The inclusion of the identical word "PEDIC" as the second portion of each of the word marks heightens the visual and auditory similarities between them, both when viewed and when spoken. The fact that a **bold** font is used on one word of each of the "two-part" word marks

creates an immediate similar visual impression, particularly when taken in conjunction with the similar distinctive design elements.

Although marks are compared in terms of similarity of sound, sight, and meaning, similarity as to only one of these three factors may be sufficient to support a likelihood of confusion. *In re White Swan, Ltd.*, 8 USPQ2d 1534 (TTAB 1988); *Interstate Brands Corp.*, 53 USPQ2d 1910 (TTAB 2000) (“Similarity in either form, spelling or sound alone maybe be sufficient to support a finding of likelihood of confusion”). Exact similarity between marks is not necessary to prove that confusion is likely.

Conflicting marks consisting of both words and pictorial symbols must be compared in their entirety to determine likely confusion. *Columbia Steel Tank Co. v. Union Tank & Supply*, 125 USPQ 406 (CCPA 1960). Also referred to as the “anti-dissection rule,” the rationale is that the commercial impression of a composite trademark on an ordinary buyer is created not by its component parts, but by the mark as a whole. *Recot*, 54 USPQ2d 1894 (Fed. Cir. 2000). *China Healthways Institute, Inc. v. Wang*, 491 F.3d 1337, 1340, 83 USPQ2d 1123 (Fed. Cir. 2007) (“The marks must be compared in their entirety, at least when the overall commercial impression is reasonably based on the entirety of the marks.”).

Considering the overall similarities in the appearance, sound and commercial impressions of the two marks, the similarities between the parties’ marks outweigh the differences and therefore the *DuPont* factor of similarity of the marks weighs in favor of a finding of likelihood of confusion.

4. Strength of Petitioner’s Mark

Under any standard, the TEMPUR-PEDIC & Reclining Figure Design Mark is famous and well-known. The fame of a senior mark is a dominant factor in establishing that confusion,

mistake, or deception is likely. *Kenner Parker Toys*, 22 USPQ2d at 1456. *See also Packard Press, Inc. v. Hewlett-Packard Co.*, 56 USPQ2d 1351 (Fed. Cir. 2000) (“The fifth *DuPont* factor, fame of the prior mark, when present, plays a ‘dominant’ role in the process of balancing the *DuPont* factors.”). This is because famous marks enjoy a wide latitude of legal protection. *Bose*, 63 USPQ2d 1303, 1305, citing *Recot, Inc. v. Becton*, 54 USPQ2d 1894 (Fed. Cir. 2000). *See also Interlego AG v. Abrams/Gentile Entertainment Inc.*, 63 USPQ2d 1862 (TTAB 2002) (The mark LEGO for toys was found to be a famous mark entitled to “a very broad scope of protection.” A likelihood of confusion was found by the use of applicant's MEGO for toys.).

“Fame” for likelihood of confusion purposes differs from fame for dilution purposes, since dilution fame is an “either/or proposition, whereas likelihood-of-confusion fame varies along a spectrum.” *Palm Bay Imports v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 73 USPQ2d 1689, 1694 (Fed. Cir. 2005). Fame for likelihood of confusion purposes requires a showing that a mark has achieved “extensive public recognition and renown.” *Id.* at 1694.

Evidence of a mark’s fame may be measured by the volume of sales and advertising expenditures for the goods traveling under the mark. *See Bose Corp. v. QSC Audio Products Inc.*, 63 USPQ2d 1303, 1305 (Fed. Cir. 2002). Fame may also be shown through extensive unsolicited media attention. *7-Eleven Inc. v. Wechsler*, 83 USPQ2d 1715 (TTAB 2007); *Starbucks U.S. Brands LLC v. Ruben*, 78 USPQ2d 1741 (TTAB 2006).

Evidence of the fame of Petitioner’s TEMPUR-PEDIC & Reclining Figure Mark is overwhelming.

a. *Petitioner’s Advertising Measures*

Petitioner has expended extraordinary time, effort, and money to advertise goods bearing the TEMPUR-PEDIC & Reclining Figure Design mark on the Internet, on television, in

magazines, and in direct consumer mailings.⁴ Petitioner's media plans are evidence of record and reflect the depth and breadth of advertising for its branded goods.⁵ In 2011 alone, Petitioner spent [REDACTED] advertising Petitioner's Goods in North America. In the past five years, Petitioner has spent [REDACTED] on advertising Petitioner's Goods in North America.⁶ Petitioner's Media Plan for 2010-2011 reflects print advertising in over 100 nationally circulated publications.⁷ Sample print advertisements from *Traditional Home Magazine* (Feb./March 2012) and *Food & Wine Magazine* (Feb. 2012) and others featuring the TEMPUR-PEDIC & Reclining Figure Design mark are of record in this proceeding.⁸ Petitioner's Mark has appeared in connection with its goods in "hundreds" of widely circulated publications, including *Better Homes and Gardens*, *The New Yorker*, *Popular Science*, *Popular Mechanics*, and *USA Today* newspaper.⁹

Petitioner also promotes and sells its goods through a commercial web site www.TempurPedic.com. The TEMPUR-PEDIC & Reclining Figure Design Mark appears on every product page of the www.TempurPedic.com web site. In 2012, approximately [REDACTED] consumers visited the Petitioner's web site each month.¹⁰ Between 2009 and 2011, Petitioner sold approximately [REDACTED] of TEMPUR-PEDIC & Reclining Figure Design products directly through its commercial web site.¹¹ During the same period, approximately [REDACTED]

⁴ The TEMPUR-PEDIC & Reclining Figure Design is used by Petitioner across product model lines. All products sold by Petitioner are sold in connection with the TEMPUR-PEDIC & Reclining Figure Design mark. Setlak Dep., p. 62, lines 23-25 attached as Exhibit 7 to Notice of Reliance.

⁵ PET0518-PET0522, Notice of Reliance, Exhibit 11.

⁶ Setlak Dep., Exh. 10 (PET0322-PET0323), Notice of Reliance, Exhibit 7. Petitioner's Answer to Respondent's Interrogatory No. 10, Notice of Reliance, Exhibit 3.

⁷ PET0518-PET0521, Notice of Reliance, Exhibit 11.

⁸ Samples of Petitioner's Advertisements (PET0036-PET0039), Notice of Reliance, Exhibit 11.

⁹ Setlak Dep., p. 91, lines 10-25, p. 92, lines 1-23, Notice of Reliance, Exhibit 7.

¹⁰ Declaration of Sarah Hajjar, Notice of Reliance, Exhibit 11.

¹¹ Declaration of Sarah Hajjar, Notice of Reliance, Exhibit 11.

Petitioner's sales of pillow and accessory units¹⁹ total over an additional [REDACTED] per year.²⁰

c. Third-Party Media Attention

Petitioner's Goods have received widespread unsolicited media coverage including in *Consumer Reports*, *The Patriot Ledger*, *The Albany Herald*, *Sacramento Business Journal*, *Furniture Today Magazine*, *Tire Business*, *PR Newswire Association*, and *Corpus Christi Caller-Times*.²¹ A number of these articles include comments on the high quality of Petitioner's goods.

Petitioner's goods have appeared or have been mentioned on national television shows including *The Oprah Winfrey Show*, *The Montel Williams Show*, *Late Night with Jimmy Fallon*, *The Martha Stewart Show*, *The Biggest Loser*, *The Rachel Ray Show*, and on *ABC Nightly News*.²²

d. Respondent's Recognition of Fame of Petitioner's Mark

Respondent's witness testified as to the renown of the Petitioner's Mark. Michael Loomis, Executive Vice President of Business and Product Development, is responsible for developing new products for Respondent.²³ Mr. Loomis was employed in this capacity at the time he conducted "pressure mapping" tests comparing Petitioner's BODIPEDIC & Reclining Figure Design mattress and Petitioner's TEMPUR-PEDIC & Reclining Figure Design mattress. These side-by-side pressure mapping "results" appeared as color artwork on Respondent's

¹⁹ Accessory units exclude mattresses, pillows, and toppers and includes seat cushions, lumbar cushions, slippers, and linens. Setlak Dep., p. 65, lines 1-8, Notice of Reliance, Exhibit 7.

²⁰ Setlak Dep., p. 64, lines 2-25, p. 65, line 1, Notice of Reliance, Exhibit 7.

²¹ Articles printed from Lexis Nexis database. Notice of Reliance, Exhibit 5.

²² Digital Media Captures, PET0369, Notice of Reliance, Exhibit 12.

²³ Loomis Dep., p. 12, lines 7-18, Notice of Reliance, Exhibit 9.

product packaging.²⁴ Mr. Loomis explained the company’s decision to include the reference to the TEMPUR-PEDIC product on Petitioner’s BODIPEDIC product packaging:

Q. There are many different mattresses you could have chosen to compare the Bodipedic to in terms of pressure mapping. And you chose the TEMPUR-Cloud and I'm wondering why.

Ms. Hurtado: Objection to form.

Loomis: Because it’s a mattress that a lot of consumers are aware of. Tempur does a lot of advertising. People are always asking us if we’re [a]like –does the mattress compare to what they know.²⁵

Respondent knew the extremely high consumer recognition associated with the Petitioner’s brand in choosing to incorporate a reference to Petitioner’s product on its packaging.

Respondent admits that it bid on the “TEMPUR-PEDIC” trademark as a search term to generate advertisements for its products through Google’s sponsored advertising AdWords program to further its own Internet advertising efforts²⁶ – additional evidence that consumers recognize the TEMPUR-PEDIC & Reclining Figure Design brand.

A strong mark “casts a long shadow which competitors must avoid.” *Palm Bay*, 73 USPQ2d at 1694. The TEMPUR-PEDIC & Reclining Figure Design Mark is entitled to the benefits of fame established by the law and applied by this Board.

The fame and strength of the TEMPUR-PEDIC & Reclining Figure Design Mark and the identical nature of the parties’ goods weigh strongly in favor of a finding that Respondent’s BODIPEDIC & Reclining Figure Design mark is confusingly similar to Petitioner’s TEMPUR-PEDIC & Reclining Figure Design Mark.

5. Actual Confusion Evidence

²⁴ Loomis Dep., pp. 33-34, Notice of Reliance, Exhibit 9; Loomis Dep., Exh. 6 (ZIA 0005), Notice of Reliance, Exhibit 9.

²⁵ Loomis Dep., p. 35, line 4 – p. 36, lines 1-9, Notice of Reliance, Exhibit 9.

²⁶ Thorstenton Dep., p. 73, lines 13-25, p. 74, lines 1-6, Notice of Reliance, Exhibit 8.

There is significant evidence of actual confusion among consumers and potential consumers between the parties' respective marks in real marketplace conditions. This evidence is reliable to support a finding of actual confusion and is highly relevant to a finding of likely confusion.

Petitioner has made of record two separate sources of actual confusion evidence: (1) customer communications recorded in real time showing actual confusion and (2) direct testimony of a consumer who experience actual confusion in purchasing Respondent's products.

a. Customer Service Incident Log Reports

Consumers purchase Respondent's products via the Internet through the retail web site www.Overstock.com.²⁷ Customers who have questions or comments regarding Respondent's goods sold through the www.Overtsock.com web site may contact Overstock.com using the contact methods specified on the web site.²⁸

Victoria Neeshan, Associate Director Technology Operations at Overtsock.com, has responsibly for business practices used by Overstock.com to collect comments and questions from customers and potential customers. Ms. Neeshan's responsibilities and experience at Overtsock.com include overseeing the technology and applications that run the company's customer service, including the chat, email, and telecom systems used by customers to inquire about products.²⁹ Ms. Neeshan testified that she has a working knowledge of the business practices used by Overstock.com to collect comments and questions from customers and

²⁷ Thorstenson Dep., p. 37, lines 20-24, Notice of Reliance, Exhibit 8.

²⁸ Neeshan Testimony Dep., p. 13, and Exhibit 2 to Neeshan Dep., TTABVue Docket Entry No. 68.

²⁹ Prior to 2013, Ms. Neeshan served as the manager of the technologies used at Overstock.com's customer care centers, including the applications systems and telecom systems used by the Overstock.com customer care system. Neeshan Dep., pp. 10-11, TTABVue Docket Entry No. 68.

potential customers directed to Overstock.com about products offered for sale through its web site.³⁰

[REDACTED]

³⁰ Neeshan Testimony Dep., p. 11, lines 22-25, p. 12, lines 1-3, TTABVue Docket Entry No. 68.

³¹ Neeshan Testimony Dep., p. 12, lines 12-23, TTABVue Docket Entry No. 68.

³² Neeshan Testimony Dep., p. 12, lines 12-25, p. 13, lines 1-5, TTABVue Docket Entry No. 68.

³³ Neeshan Testimony Dep., p. 12, lines 24-25, p. 13, line 1, p. 14, TTABVue Docket Entry No. 68.

³⁴ Neeshan Testimony Dep., p. 15, lines 19-24, TTABVue Docket Entry No. 68.

³⁵ Neeshan Testimony Dep., p. 15, lines 10-14, TTABVue Docket Entry No. 68.

³⁶ Neeshan Testimony Dep., p. 15, Exhibit C to Neeshan Dep., TTABVue Docket Entry No. 68.

³⁷ Neeshan Testimony Dep., p. 16, TTABVue Docket Entry No. 68.

³⁸ Neeshan Testimony Dep., p. 23, TTABVue Docket Entry No. 68.

³⁹ Neeshan Testimony Dep., p. 17, TTABVue Docket Entry No. 68.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The customer service incident database logs produced by Overstock.com show through simultaneously recorded exchanges with actual consumers that many consumers who encountered BODIPEPDIC & Reclining Figure brand mattresses on www.Overstock.com mistakenly believed that these mattresses were TEMPUR-PEDIC & Reclining Figure Design brand mattresses. This confusion occurred at the point of sale on the Overstock.com web site – which serves as the primary sales channel for Respondent’s goods.

Sample portions of the customer service incident database logs produced by Overstock and made evidence of record are excerpted below for the ease of the Board. Complete transcripts of the exchanges appear in the following section for completeness.

Repeatedly, consumers refer to the BODIPEDIC products on Overstock.com as “TEMPUR-PEDIC” brand products, when in fact, Overtsock.com does not carry TEMPUR-PEDIC brand products.

[REDACTED]

[REDACTED]

[REDACTED]

⁴⁰ Neeshan Testimony Dep., Exhibits 7, 8, TTABVue Docket Entry No. 68; Laine Testimony Dep., Exhibits 3, 5, TTABVue Docket Entry No. 61.

[REDACTED]

On at least one occasion, a consumer assumed that the BODIPEDIC & Reclining Figure Design pillows were in fact a line of pillows manufactured by Petitioner. After the purchase, the consumer contacted the company to determine whether Sleep Innovations was the manufacturer of the TEMPUR-PEDIC brand pillows intended to purchase.

[REDACTED]

⁴¹ 1015449 is a “catalog” number associated with the BODIPEDIC & Reclining Figure Design 10 inch mattress. Exhibit T.

⁴² Laine Testimony Dep., Exhibit 3, Incident ID 46341, TTABVue Docket Entry No. 61.

[REDACTED]

In other cases, consumers directly inquired whether the BODIPEDIC brand was a TEMPUR-PEDIC product, and the confusion was not cleared up:

[REDACTED]

⁴³Laine Testimony Dep., Exhibit 3, Incident ID 10778997, TTABVue Docket Entry No. 61.

⁴⁴ Catalog # 13811865 is a reference to a BODIPEDIC memory foam mattress on Overstock.com. Screen shot from Overstock.com web site, Notice of Reliance, Exhibit 13.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Another instance reveals Overstock.com's, and ultimately Respondent's, ability to profit from genuine consumer confusion between the parties' respective brands.

[REDACTED]

		[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

		[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

		[REDACTED]
--	--	------------

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The actual confusion evidence described above may be considered without regard to the truth of any assertion made therein. Petitioner alternatively offers the recorded statements under the “state of mind” exception to the hearsay rule, which has been accepted by the Board even when offered for the truth of an out of court statement. *See Armco Inc. v. Armco Burglar Alarm Co., Inc.*, 217 USPQ 145, 149, fn 10 (5th Cir. 1982); *National Rural Electric Cooperative Ass’n v. Suzlon Wind Energy Corp.*, 78 USPQ2d 1881, 1887 (TTAB 2006). The customer service

⁴⁹ Laine Testimony Dep., p. 28, TTABVue Docket Entry No. 61.

⁵⁰ In her testimony deposition, Mohican Laine testified that the unique Incident ID number could be used to determine the date that the consumer exchange occurred, but that the date was not included in the log as produced by Overstock.com. Laine Testimony Dep., p. 37, TTABVue Docket Entry No. 61.

incident logs produced by Overstock.com and made part of the record through testimony during the trial period are admissible and reliable.

b. Testimony of Jane Martin

Jane Martin is a consumer who testified directly regarding her actual confusion about the source of Respondent's products.

Jane Martin, a retiree residing in Arizona, is a graduate of Brown University formerly employed by Xerox corporation, who most recently supervised thirty Xerox engineers in the mid-Atlantic states.⁵¹

Ms. Martin testified that she purchased a mattress from Overstock.com through the www.Overtsock.com web site in 2008.⁵² Ms. Martin had done "extensive research" on Tempur-Pedic mattresses prior to her purchase because she had undergone multiple back surgeries.⁵³ Ms. Martin purchased a BODIPEDIC mattress fully believing that the mattress was in fact a TEMPUR-PEDIC brand mattress. As Ms. Martin testified, "Overstock.com advertised the product as Tempur-Pedic and I bought a mattress at that time from Overstock."⁵⁴

Ms. Martin did not realize at the time that what she had purchased was in fact not a TEMPUR-PEDIC product until the product arrived and failed to perform.⁵⁵ She attempted to improve the mattress's performance by purchasing a mattress "topper" which did not perform adequately.⁵⁶ Again, Ms. Martin believed that she was buying a TEMPUR-PEDIC mattress

⁵¹ Martin Testimony Dep., pp. 9-10, TTABVue Docket Entry No. 65.

⁵² Martin Testimony Dep., p. 11, TTABVue Docket Entry No. 65.

⁵³ Martin Testimony Dep., p. 11, TTABVue Docket Entry No. 65.

⁵⁴ Martin Testimony Dep., p. 11, TTABVue Docket Entry No. 65.

⁵⁵ Martin Testimony Dep., p. 12, TTABVue Docket Entry No. 65.

⁵⁶ Martin Testimony Dep., p. 12, TTABVue Docket Entry No. 65.

topper, when in fact the product was a BODIPEDIC.⁵⁷ Ms. Martin disposed of the mattress and the mattress topper as a result of the failure to perform.⁵⁸ Ms. Martin testified that she wanted to purchase a TEMPUR-PEDIC mattress for the support it offered, but found the product that arrived at her home did not provide the support she expected to the point where she had trouble getting out of the bed. She also testified that the quality of the BODIPEDIC product was inferior as it tore and discolored after purchase.⁵⁹

Taken together, these instances of actual confusion are overwhelming in number given the common scarcity of actual confusion evidence. *See General Mills Inc. v. Fage Dairy Processing Industry SA*, 100 USPQ2d 1584, 1604 (TTAB 2011). As the Federal Circuit has established, “a showing of actual confusion would of course be highly probative, if not conclusive, of a high likelihood of confusion.” *Majestic Distilling Co.*, 65 USPQ2d at 1205. Accordingly, the factor of actual confusion here strongly favors a finding of likelihood of confusion.

Third-Party Registrations

Respondent tenders pages of what it contends are relevant third-party registrations for marks that include the formative “pedic.” Respondent’s purported purpose is to attempt to show that a portion of the mark shared by the parties’ respective marks is entitled to a narrow scope of protection.

However, third-party registrations alone cannot demonstrate that a particular term is widely used within an industry because mere registrations “provide no basis for saying that the marks so registered have had, or may have, any effect at all on the public mind so as to have a

⁵⁷ Martin Testimony Dep., p. 13, TTABVue Docket Entry No. 65.

⁵⁸ Martin Testimony Dep., p. 12, TTABVue Docket Entry No. 65.

⁵⁹ Martin Testimony Dep., p. 13, TTABVue Docket Entry No. 65.

bearing on likelihood of confusion.” *Smith Bros. Mfg. Co. v. Stone Mfg. Co.*, 476 F.2d 1004, 177 USPQ 462, 463 (CCPA 1973); *Products Lacteos Tocumbo S.A. de C.V. v. Paeteria La Michoaccana Inc.*, 98 USPQ2d 1921, 1934 (TTAB 2011). Thus such evidence gives the Board no grounds on which to consider the *du Pont* factor of “the number and nature of similar marks in use” in connection with similar goods. 177 USPQ at 567.

Moreover, the marks shown in the registrations tendered by Respondent do not share the elements that are common to both Petitioner’s Mark and Respondent’s Mark and thus are irrelevant to the issues before the Board.

Respondent’s *Morehouse* Defense is Without Merit

Respondent attempts to rely on the *Morehouse* defense, and alleges that its prior registration for BODIPEDIC is essentially the same as its Challenged Registration of BODIPEDIC & Reclining Figure Design. The theory behind the *Morehouse* defense is that a party cannot be harmed by the issuance or existence of a registration if the party already owns a registration for essentially the same mark for essentially the same goods or services. *Morehouse Manufacturing Corp. v. J. Strickland and Co.*, 160 USPQ 715, 717 (CCPA 1969) (“the opposer cannot be damaged, within the meaning of section 13 of the statute, by the issuance to the applicant of a second registration where applicant already has an existing registration of the same mark for the same goods”).

The problem with Respondent’s reliance on the *Morehouse* defense is that Respondent’s former registration of BODIPEDIC is not “essentially the same” as the Challenged Registration for BODIPEDIC & Reclining Figure Design.

Whether the *Morehouse* defense is available to Respondent depends upon whether the applied-for mark is “essentially the same as the mark in the prior registration.” *Citadel Federal*

Credit Union v. KCP IP Holdings LLC, 2013 TTAB LEXIS 380 (TTAB July 10, 2013). The question is whether the marks in their entireties are essentially the same. *O-M Bread Inc. v. United States Olympic Comm.*, 36 USPQ2d 1041, 1045 (Fed. Cir. 1995) (“[w]e note that Morehouse requires that the marks be essentially the same rather than merely confusingly similar”). To make this determination, the Board must compare the appearance, pronunciation, meaning, and commercial impression of the marks. *Green Spot (Thailand) Ltd. v. Vitasoy Int’l Holdings Ltd.*, 86 USPQ2d 1283, 1285 (TTAB 2008). “No part of the mark can be ignored in comparing the marks as a whole.” *O-M Bread*, 36 USPQ2d at 1045 (internal citation omitted).

The mark of the Challenged Registration and the mark of Respondent’s prior registration are not essentially the same. The prior registration is in standard character form, while the applied-for mark has a stylization element and a reclining figure design element that the registration of BODIPEDIC does not have:

PRIOR REGISTRATION	CHALLENGED REGISTRATION
BODIPEDIC	

The stylized font and the reclining figure design elements in the Challenged Registration cannot be ignored; they have a significant effect on the appearance on the commercial impression of the applied-for mark and underlie the Petitioner’s claims in this proceeding. The Board agrees on this point. In *Citadel Federal Credit Union v. KCP IP Holdings LLC*, 2013 TTAB LEXIS 380 (TTAB July 10, 2013), the Board found that a design element is a “significant portion of the mark which presents a bold impression not present in the standard character mark.” The Board noted that the design element was not merely a small difference which

requires “careful inspection to detect.” *Id.* at *8 (citing *Morehouse*, 160 USPQ at 717).

Specifically, in *Citadel*, the Respondent attempted to use the *Morehouse* defense to argue that the marks CITADEL in standard character form and CITADEL with a crenellated design element was essentially the same. The Board stated that “[w]hen we consider respondent’s earlier mark as a whole, the crenellated design element is a significant portion of the mark which presents a bold impression not present in the standard character mark,” and refused to apply the *Morehouse* defense. The same principles apply here. The reclining-figure design and the stylized font are significant portions of Respondent’s BODIPEDIC & Reclining Figure Design mark, which create bold impressions not present in the standard character mark. Therefore, the *Morehouse* defense is not available to Respondent.

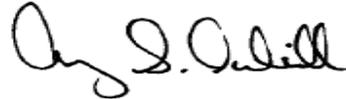
VI. CONCLUSION

In view of the facts disclosed by the record, Petitioner has proved by a preponderance of the evidence that Respondent’s BODIPEDIC & Reclining Figure Design mark that is the subject of Registration No. 3,916,902 is likely to cause confusion with Petitioner’s TEMPUR-PEDIC & Reclining Figure Design mark. Therefore Petitioner respectfully requests that Petitioner’s Petition for Cancellation be granted and Registration No. 3,916,902 be cancelled.

Respectfully submitted,

Date: November 25, 2014

STITES & HARBISON PLLC
Attorneys for Petitioner

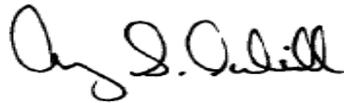
A handwritten signature in black ink, appearing to read "Amy S. Cahill". The signature is fluid and cursive, with the first name "Amy" being the most prominent.

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CERTIFICATE OF SERVICE

I, Amy S. Cahill, an attorney, state that I served a true and correct copy of Petitioner's Trial Brief on the Petition for Cancellation by depositing said copy in a properly addressed envelope, first class postage prepaid, and depositing same in the United States mail on this 25th day of November, 2014 on:

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