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THE FUTURE OF METAL BU ETC. - R-4538

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UNITED STATES PATENT AND TRADEMARK OFFICE

SERIAL NO: 76/280390

APPLICANT: STEELBUILDING ACQUISITION, INC.



**BEFORE THE
TRADEMARK TRIAL
AND APPEAL BOARD
ON APPEAL**

CORRESPONDENT ADDRESS:

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CORRESPONDENT'S REFERENCE/DOCKET NO: R-4538

CORRESPONDENT EMAIL ADDRESS:

Please provide in all correspondence:

1. Filing date, serial number, mark and applicant's name.
2. Date of this Office Action.
3. Examining Attorney's name and Law Office number.
4. Your telephone number and e-mail address.

EXAMINING ATTORNEY'S APPEAL BRIEF

The applicant appeals the examining attorney's final requirement to disclaim the words "STEELBUILDING.COM" for "computerized on-line retail services in the field of pre-engineered steel buildings and roofing systems."¹ The examining attorney required a disclaimer pursuant to Trademark Act Section 6, 15 U.S.C. § 1056, because the words are descriptive of the services and applicant's claim of acquired distinctiveness under Section 2(f) of the Trademark Act, 15 U.S.C. §1052(f) is insufficient. It is respectfully requested that the requirement be affirmed.

¹ The format for the disclaimer requirement was set forth as "steelbuilding.com." The applicant is required to submit the disclaimer in the correct format which is as follows: No claim is made to the exclusive right to use "steel building.com" apart from the mark as shown.

STATEMENT OF THE CASE

On July 3, 2001, the applicant filed the application at issue for the mark “STEELBUILDING.COM THE FUTURE OF METAL BUILDINGS.” The requirement for a disclaimer of the words “steelbuilding.com,” under Trademark Act Section 6, in an Office action dated September 25, 2001 was issued. The applicant filed a response on March 20, 2002 containing arguments against a disclaimer of the words “steelbuilding.com” but submitted a disclaimer of “metal buildings.” The disclaimer requirement for the words “steelbuilding.com” was made final on April 18, 2002. In a response filed on November 1, 2002, the applicant raised a claim of acquired distinctiveness under Section 2(f) of the Trademark Act. The instant appeal was filed on February 20, 2003. The requirement for a disclaimer was maintained and continued in an Office action mailed on April 29, 2003 on the basis that the words are generic and that the claim of acquired distinctiveness under Section 2(f) of the Trademark Act was insufficient. On June 28, 2005, the requirement for a disclaimer of the words “steelbuilding.com” on the basis that they are generic and that the claim of acquired distinctiveness was insufficient were made final. On December 15, 2005, the applicant submitted additional evidence of acquired distinctiveness based on five years use of the mark in commerce. The request for reconsideration was denied on February 2, 2006. On March 31, 2006, the applicant submitted additional 2(f) evidence based on sales and advertising figures. The request for reconsideration was denied again on May 4, 2006, but the basis for the disclaimer was clarified as mere descriptiveness and that the claim of acquired distinctiveness was insufficient. On July 12, 2006, the applicant requested resumption of the appeal, which was granted on July 13, 2006.

ISSUE

The issue on appeal is whether the applicant has met its burden of establishing secondary meaning, under Section 2(f) of the Trademark Act, as to the words “STEELBUILDING.COM” for “computerized on-line retail services in the field of pre-engineered steel buildings and roofing systems.”

ARGUMENT

I. The words “steelbuilding.com” describe a salient feature of applicant’s services and are highly descriptive.

A term or phrase is merely descriptive within the meaning of Section 2(e)(1) of the Trademark Act, 15 U.S.C. § 1052(e)(1), if it consists of a merely descriptive term or terms, combined with a top-level domain (TLD). The TLD will be perceived by prospective customers as part of an Internet address and therefore, has no source identifying significance. In re Oppedahl & Larsen LLP, 373 F.3d 1171, 71 USPQ2d 1370 (Fed. Cir. 2004) (PATENTS.COM merely descriptive of “computer software for managing a database of records and for tracking the status of the records by means of the Internet”); In re Martin Container Inc., 65 USPQ2d 1058 (TTAB 2002) (“[T]o the average customer seeking to buy or rent containers, “CONTAINER.COM” would immediately indicate a commercial web site on the Internet which provides containers.”); In re Eddie Z’s Blinds and Drapery, Inc., 74 USPQ2d 1037 (TTAB 2005) (BLINDSANDDRAPERY.COM held generic for retail store services featuring blinds, draperies and other wall coverings, sold via the Internet).

The applicant’s mark consists of the words “STEELBUILDING.COM THE FUTURE OF METAL BUILDINGS” for “computerized on-line retail services in the

field of pre-engineered steel buildings and roofing systems.” As plainly specified in the identification of services, the applicant sells steel buildings by means of the Internet.² Therefore, the words “steel building” describe the goods that are the subject of applicant’s services. The top level domain name “.com” is defined as “a domain name suffix denoting commercial entity designation, such as corporation or company.”³ The addition of “.com” to the words “steel building” adds no trademark significance but simply indicates to the consumer that the services of a commercial entity may be found online. The combination of “steelbuilding” as one word and “.com” simply signifies to the average consumer interested in the purchase of steel buildings that he/she may find such information on the Internet by means of typing in the key words. Thus, the words “steelbuilding.com” are descriptive because they describe the goods that are for sale via the Internet.

The Federal Circuit’s decision in In Re Steelbuilding.com, 415 F. 3d 1293, 75 USPQ2d 1420 (Fed. Cir. 2005), is directly relevant to the issues presented in the instant application. In In Re Steelbuilding.com, the Federal Circuit decided on the issues of whether the terms “steelbuilding.com” are generic for “computerized on-line retail sale services in the field of pre-engineered steel buildings and roofing systems.” The Federal Circuit also issued a decision on whether the terms were merely descriptive of the services and whether the terms had acquired distinctiveness under Section 2(f) of the Trademark Act. In particular, the Federal Circuit affirmed the Trademark Trial and

² The identification of services of “computerized on-line retail services in the field of [...]” was an acceptable entry in the Office’s Identification of Goods/Services Manual at the time of the filing of the present application. At the time of filing of the application, the language of the identification only connoted retail store services.

³ *Official Internet Dictionary A Comprehensive Reference for Professionals*, © 1998 by Government Institutes.

Appeal Board's holding that the mark "steelbuilding.com" is merely descriptive of "computerized on-line retail sale services in the field of pre-engineered metal and roofing systems." The Federal Circuit also held that "steelbuilding.com" had not acquired secondary meaning. Similarly, in the instant case, the terms are descriptive and have not acquired secondary meaning.

The applicant appears to equate the words "highly descriptive" with "generic." The applicant correctly states that the significance of trademarks is categorized along a continuum of highly arbitrary marks to generic marks. (Applicant's Brief at p. 9) Although the Federal Circuit did not deem the words at issue to be generic, the words are highly descriptive. It is respectfully submitted that the words are closer to the generic end of the continuum than the arbitrary end.

II. ***The applicant has not met the heavy burden of establishing secondary meaning for the "steelbuilding.com" portion of the mark.***

The applicant bears the burden of establishing acquired distinctiveness. This burden of proof is heavier where the term sought to be registered has a greater degree of descriptiveness. Yamaha International Corp. v. Hoshino Gakki Co., 840 F.2d 1572, 6 USPQ2d 1001 (Fed. Cir. 1988); In re Bongrain Intern. Corp., 894 F.2d 1316, 1317 (Fed. Cir. 1990). Although not generic, the words "steelbuilding.com" are descriptive of the services and applicant's burden of proving secondary meaning is high. It is respectfully submitted that the applicant has not met the burden of proving that the words "steelbuilding.com" have acquired distinctiveness for "computerized on-line retail services in the field of pre-engineered steel buildings and roofing systems."

A. ***The majority of the evidence of record in support of applicant's claim of acquired distinctiveness was held to be insufficient proof of secondary***

meaning by the Trademark Trial and Appeal Board and affirmed by the Federal Circuit in In Re Steelbuilding.com, 415 F.3d 1293, 75 USPQ2d 1420 (Fed. Cir. 2005).

In In Re Steelbuilding.com, 2003 WL 23350100 (TTAB), the Trademark Trial and Appeal Board considered the following evidence in support of a claim of acquired distinctiveness under Section 2(f) of the Trademark Act, 15 U.S.C. §1052(f):

- (1) use in commerce of the mark for approximately three years;
- (2) a declaration by Tom Hockersmith, applicant's marketing director, attesting to applicant's efforts to promote the mark in print advertisements in trade publications and through the Internet via contracts with Yahoo!, Microsoft Network, AltaVista and AOL for exclusive advertisement rights through pay per performance contracts, advertising budget of \$20,000/month and partial sales figures;
- (3) examples of print advertisements in trade publications (Metal Construction News, Inside Self Storage, Self-Storage Now, Metalmag, RentSmart and Equipment Today);
- (4) annual trade show exhibitions for 2000 and 2001, costing \$10,000/show;
- (5) declarations from one competitor, suppliers of insulation and metal components for the construction industry, manufacturers of metal buildings and customers that attest to the distinctiveness of the mark;

- (6) the results of an Internet voting poll; and
- (7) emails from applicant's customers.

The Federal Circuit affirmed the Board's holding that the claim of acquired distinctiveness was insufficient based on the evidence referenced above, given the highly descriptive nature of the words "steelbuilding.com" in relation to the specified services.

The applicant's claim of acquired distinctiveness at issue in the present application is based on substantially the same evidence as listed above. Therefore, the Board's evaluation of the evidence is directly relevant to the issue presented in this instance. The Board considered the applicant's Internet poll and found it to be unreliable because it lacked information as to the number of participants, lacked any measures to prevent participants from voting more than once as well as any measures to prevent interested parties from participating and lacked information as to whether the participants were even prospective purchasers. The Board also considered the affidavits and emails from individuals and determined that some customers understood the terms to be descriptive and that some of the recognition could be attributable to domain name recognition. In Re Steelbuilding.com, 2003 WL 23350100 (TTAB). The applicant's evidence regarding length of use, advertising figures and sales figures are discussed in further detail below.

After the decision in In Re Steelbuilding.com, the applicant submitted additional evidence in support of its claim of secondary meaning under Section 2(f) of the Trademark Act on December 15, 2005 and March 31, 2006.

B. The additional evidence of secondary meaning consisting of use in commerce, sales and advertising figures is not sufficient to show that “steelbuilding.com” has acquired distinctiveness.

The amount and character of evidence needed to establish acquired distinctiveness depends on the facts of each case and particularly on the nature of the mark sought to be registered. See Roux Laboratories, Inc. v. Clairol Inc., 427 F.2d 823, 166 USPQ 34 (C.C.P.A. 1970); In re Gammon Reel, Inc., 227 USPQ 729 (TTAB 1985). More evidence is needed where a mark is so highly descriptive that purchasers seeing the matter in relation to the named goods and/or services would be less likely to believe that it indicates source in any one party. See, e.g., In re Bongrain International Corp., 894 F.2d 1316, 13 USPQ2d 1727 (Fed. Cir. 1990).

On December 15, 2005, the applicant submitted a claim of acquired distinctiveness based on five years use in commerce. Although five years use is prima facie evidence that a mark has acquired distinctiveness, the length of use of a mark in commerce is but one consideration in determining whether a mark has acquired distinctiveness under Section 2(f) of the Trademark Act. Five years use is the bare minimum for length of use in assessing whether a mark has acquired distinctiveness. Given the descriptive nature of the mark, the statutory claim of acquired distinctiveness based on five years use is insufficient.

Contrary to the applicant’s assertion, the record shows that the words “steelbuilding.com” are highly descriptive of “computerized on-line retail services in the field of pre-engineered steel buildings and roofing systems.” As mentioned previously, the applicant’s identification of services clearly specifies that steel buildings are one of

the products for sale. The record contains a dictionary definition of the word “.com” and a multitude of excerpts from the Lexis/Nexis® database which show that “steel building” and “steel buildings” are used to specify the name of a good. The following are representative examples of the evidence from the Lexis/Nexis® database.

“Phillip Joiner was a project manager for Conark Builders, which specializes in pre-engineered steel buildings.” The Commercial Appeal, August 19, 2002.

“Construction is expected to take only 90 days because the structure is a pre-engineered steel building.” The Post Register, July 12, 2002.

“Unofficial plans call for the pre-engineered steel building to be erected behind the firehouse at 230 Nazareth Pike, which is Route 191.” The Morning Call, April 26, 2002.

Furthermore, the Office action dated April 24, 2006 includes copies of websites of third parties that use the words “steelbuilding.com” in their website. For example, one website features the words “<http://unitedsteelbuilding.com>” in the Internet address and the services feature the sale and online pricing of steel buildings. The evidence shows that applicant’s competitors have a need to use the words “steelbuilding.com” in order to market their services via the Internet.

On March 31, 2006, the applicant submitted a second declaration from its Vice President, Mr. Todd R. Moore, that contained annual sales and advertising figures for the years 2002-2005, as well as the rates of visitors per month to applicant’s website. The sales figures consist of the following: \$11, 930,938 for 2002; \$12, 379,618 for 2003; \$22, 535, 464 for 2004; and \$21, 472, 368 for 2005. Mr. Moore also attested to the following yearly advertising figures: \$673,296 for 2002; \$560,423 for 2003; \$966,805 for 2004; and \$981,040 for 2005. Finally, the declaration from Mr. Moore also

states that the traffic to applicant's website ranged from between 49,789 to 102,806 visitors per month.

High sales of the goods or services at issue, and significant advertising expenditures, do not mean that the proposed mark has achieved distinctiveness. Standing alone, the sales figures and advertising expenditures demonstrate the success of applicant's goods and/or services, but not that relevant consumers have come to view the proposed mark as applicant's mark for such goods and/or services. These statements and exhibits merely tend to show that applicant has undertaken extensive promotions and has achieved commercial success. See In re Busch Entertainment Corp., 60 USPQ2d 1130 (TTAB 2000); In re Leatherman Tool Group Inc., 32 USPQ2d 1443 (TTAB 1994); In re Behre Industries Inc., 203 USPQ 1030 (TTAB 1979).

In order to determine the public's understanding of a proposed mark, it is necessary to examine the advertising material to determine how the term is being used therein, what is the commercial impression created by such use and what it would mean to purchasers. In Re Redken Laboratories, Inc., 170 U.S.P.Q. 526, 529 (TTAB 1971); In re Packaging Specialists, Inc., 221 U.S.P.Q. 917 (TTAB1984). The applicant's use of the words "steelbuilding.com" on the advertising materials of record would not be viewed by the average consumer as a source for the services because use of the words "steel building" in its descriptive connotation is required to advertise and sell steel buildings. Similarly, the ".com" portion of the mark is required to advertise the applicant services because they are offered online and the addition of the top level domain name to the goods being sold is the most effective way of conveying that information.

For example, in applicant's advertisement labeled Exhibit 3a, the terms "steelbuilding.com" is used as part of an email address of "info@steelbuilding.com," a website address specified as "www.steelbuilding.com" and includes the phrase "E-commerce website offers instant pricing and online sales of steel buildings, [...]." The average consumer of a steel building would be likely to conclude from viewing the applicant's advertisement containing several descriptive and informational uses of the terms "steelbuilding.com," that one may either find information via the Internet about steel buildings or be able to buy a steel building via the Internet, rather than as a single source for the services.

Furthermore, the applicant's evidence regarding its "click-through" rates and "pay-per-performance" advertisements on the Internet reinforce the idea that consumers would view the words "steelbuilding.com" as simply a website on the Internet for information on and about steel buildings. The Hockersmith declaration at #16-18, states the following regarding applicant's Internet advertisements and choice of search terms for its pay-per-performance advertising:

16. Steelbuilding.com has established long-term contracts with four of the best known and most popular search-engines on the Internet—Yahoo!, Microsoft Network (msn.com), AltaVista, and America Online (aol.com)-for exclusive advertising rights for the search results on the key terms related to its products and services. For example, each time a person uses Yahoo! To search for information on a term like "metal building," a graphical banner advertisement promoting Steelbuilding.com will be displayed at the top and bottom of every page that lists the results of this search.

17. [...] Steelbuilding.com's banners receive click-through rates as high as 8% on highly relevant search terms like "metal building." (Examples of performance charts are attached as Exhibit 13).

18. Even more important than Steelbuilding.com's banner-ad campaign is its use of "pay-per-performance" search results. A number of search

engines now allow companies to bid on specific search terms. The bidders establish and fund accounts with these search engines, and then they choose the search terms they want to bid on and specify how much they wish to bid for each. The highest bidder for a particular term is given the top position in the search results for that term, the number two bidder is given the second position, and so on.

The applicant's evidence entitled "Yahoo! Ad Campaign Statistics," "Dart DoubleClick," "Ad Placement Alta Vista," and "America Online Advertising Sales Information System," list the various search terms for which applicant has paid exclusive rights. The lists of search terms consist of the descriptive names of goods. For example, the search terms for Yahoo! are "metal buildings, steel buildings, metal building, steel building, overhaddoors, metal building components and steel building components." The search terms listed for Alta Vista, and America Online both include the terms "steel building" and "steel buildings." Thus, applicant's website would be the first listed when a consumer uses the words "steel building" or "steel buildings" as his or her search terms. It is respectfully submitted, that a consumer viewing the words "steelbuilding.com" on a website would more likely understand the combination of words to be descriptive of the content of the online website rather than as an indicator of source, especially since the search terms include "steel building" and "steel buildings." Similarly, the applicant's evidence of "click through" rates does not automatically lead to the conclusion that consumers recognize the terms as a source indicator, but merely evidence of how many people have been directed to applicant's website.

As mentioned previously, the applicant's burden of showing acquired distinctiveness is heavier where the terms at issue are greater in their degree of descriptiveness. The evidence in support of secondary meaning must be weighed against

the degree of descriptiveness of the terms at issue. In the present instance, despite applicant's efforts to associate the terms "steelbuilding.com" with a single source, the record shows that the terms are highly descriptive in relation to "computerized on-line retail services in the field of pre-engineered steel buildings and roofing systems." Therefore, it is respectfully submitted that the public understanding of the words "steelbuilding.com" remains their ordinary descriptive meanings rather than as an indicator of a single source for services.

CONCLUSION

Considering the totality of the evidence in support of secondary meaning under Section 2(f) of the Trademark Act, as weighed against the highly descriptive nature of the mark, applicant has simply not met its burden to establish by a preponderance of the evidence that its mark has acquired distinctiveness as applied to online retail services featuring the sale of steel buildings. Accordingly, the examining attorney respectfully requests that the requirement for a disclaimer be affirmed.

Respectfully submitted,

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