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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Federal Express Corporation

Serial Nos. 78726298; 78726303; 78726306; and 78726310

Lisa Parker Gates of Baker & McKenzie LLP for Federal Express Corporation.

Mark Rademacher, Trademark Examining Attorney, Law Office 114 (K. Margaret Le, Managing Attorney).

Before Quinn, Hairston and Ritchie, Administrative Trademark Judges.

Opinion by Hairston, Administrative Trademark Judge:

Federal Express Corporation has applied to register the following marks in standard character form for "pick-up, transportation, storage and delivery of documents, packages and freight by land and air": (1) FEDEX CUSTOM CRITICAL SURFACE EXPEDITE NETWORK (SURFACE, EXPEDITE, and NETWORK disclaimed); (2) FEDEX CUSTOM CRITICAL AIR EXPEDITE NETWORK (AIR, EXPEDITE, and NETWORK disclaimed); (3) FEDEX CUSTOM CRITICAL AIR EXPEDITE EXCLUSIVE USE (AIR, EXPEDITE, and EXCLUSIVE USE disclaimed); and (4) FEDEX CUSTOM

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CRITICAL SURFACE EXPEDITE EXCLUSIVE USE (SURFACE, EXPEDITE, and EXCLUSIVE USE disclaimed).¹

The trademark examining attorney refused registration in each application on two grounds. First, the examining attorney held that applicant's marks are not registrable under the provisions of Section 2(d) of the Trademark Act because they are likely to cause confusion with four previously registered marks.

Second, the examining attorney refused registration of applicant's marks in the absence of a disclaimer of the additional wording CUSTOM CRITICAL. The examining attorney maintains that CUSTOM CRITICAL is merely descriptive of applicant's identified services within the meaning of Section 2(e)(1) of the Trademark Act.

After the examining attorney made the refusals to register final, applicant appealed. Applicant and the examining attorney have filed briefs.

In view of the common questions of law and fact that are involved in the four applications, and in the interests of judicial economy, we have consolidated the applications

¹ Application Serial Nos. 78726298, 78726303, 78726306, and 78726310, respectively, each filed October 4, 2005, and asserting a bona fide intention to use the mark in commerce.

for purposes of our final opinion.² Thus, we have issued this single opinion.

As a preliminary matter, we address an evidentiary issue. Applicant submitted with its main brief in each application copies of registrations it owns for marks that include the term "FEDEX," as part of its effort to overcome the refusal of registration. These exhibits are untimely and the examining attorney's objection to them is sustained. Trademark Rule 2.142(d). In view thereof, we have not considered them.

Section 2(d) Refusal

We turn first to the refusal to register under Section 2(d). In connection with each application, the examining attorney cited the following four registrations, all of which are currently in force and cover, inter alia, pick-up, transportation, storage/warehousing and delivery of documents, packages and freight by land/air: Registration No. 3055466 issued January 31, 2006 for the mark FILE, PRINT FEDEX KINKO'S; Registration No. 3124984 issued August 1, 2006 for the mark FEDEX KINKO'S OFFICE AND PRINT CENTER and design (OFFICE AND PRINT CENTER disclaimed);

² We also note that the briefs and evidentiary record in the four applications are essentially the same. Citations to the briefs refer to the briefs filed in application Serial No. 78726298. However, we have, of course, considered all arguments and evidence filed in each case.

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Registration No. 3227997 issued April 10, 2007 for the mark FEDEX KINKO'S OFFICE AND PRINT CENTER and design (OFFICE AND PRINT CENTER disclaimed), with the colors purple, blue, green and orange claimed as a feature of the mark; and Registration No. 2935604 issued March 22, 2005 on the Supplemental Register for the mark SURFACE EXPEDITE. The first three registrations are jointly owned by applicant and FedEx Office & Print Services, Inc. (hereinafter "FedEx Office"); and the remaining registration is currently owned by FedEx Custom Critical, Inc. (hereinafter "FedEx Custom"). Applicant does not dispute that the services are identical in view of the fact that each application and each cited registration covers pick-up, transportation, storage/warehousing and delivery of documents, packages and freight by land/air. Neither does applicant dispute that the mark in each application is similar to the mark in each cited registration. Indeed, applicant makes no mention of the similarities/dissimilarities between the marks and services in its responses to the examining attorney's Office actions, request for reconsideration, and brief. Rather, applicant argues that it and the owners of the cited registrations have a common parent, that there is, therefore, a "unity of control" under the holding of *In re Wella A.G.*, 5 USPQ2d 1359 (TTAB 1987), and thus, there is

no likelihood of confusion. Specifically, applicant states that:

... because Fedex Corporation directly owns Applicant (Federal Express Corporation), FedEx Custom Critical, Inc. and Fedex Office and Print Services, Inc., control over the mark at issue in this case and the cited marks resides in a single source. There is no likelihood of confusion as to source between services offered by Federal Express Corporation, FedEx Custom Critical, Inc. and Fedex Office and Print Services, Inc. because they all are wholly owned and controlled by Fedex Corporation. Purchasers will know that services emanating from subsidiaries of Fedex Corporation emanate from a single source. Because Applicant (Federal Express Corporation), FedEx Custom Critical, Inc., and Fedex Office and Print Services, Inc. are wholly owned and controlled by the same parent company, Fedex Corporation, all use of marks owned by these subsidiaries inures to the ultimate benefit of Fedex Corporation." (italics in original; citations omitted)

Brief, p. 4.

In support of its position, applicant relies on the following materials: (1) attachments to annual reports submitted by FedEx Corporation to the United States Securities and Exchange Commission. These documents list applicant, FedEx Office, and FedEx Custom as wholly owned subsidiaries of FedEx Corporation; and (2) an excerpt from applicant's 2006 annual report to the United States Securities and Exchange Commission describing applicant's acquisition of all of the assets of Kinko's, Inc.

The examining attorney, on the other hand, maintains that because applicant, FedEx Office and FedEx Custom are not wholly owned subsidiaries of one another, but rather sister corporations which are subsidiaries of parent FedEx Corporation, there must be evidence "to establish how one sister corporation control[s] the trademark activities of the other to establish unity of control to support the contention that the sister corporations constitute a single source." Brief, unnumbered p. 5.

In Wella, the applicant Wella A.G. sought to register the mark WELLASTRATE for hair care products. The examining attorney refused registration under Section 2(d) in view of the marks WELLA, WELLASOL, WELLA STREAK and WELLATONE for various hair care products, all registered in the name of Wella Corporation (Wella U.S.), a subsidiary of Wella A.G. When an appeal was taken, the Board affirmed the refusal to register. The Board held that Section 2(d) bars registration of a mark that so resembles a mark registered or used "by another" as to be likely to cause confusion and that, because Wella U.S. was a separate legal entity from Wella A.G., Wella U.S. was "another" within the meaning of Section 2(d) and Wella A.G. was not entitled to registration of the mark WELLASTRATE. Wella A.G. appealed the Board's decision to the U.S. Court of Appeals for the

Federal Circuit (CAFC). The CAFC vacated the Board's decision and remanded the application to the Board for further action in accordance with its opinion. In remanding the case for further action, the CAFC stated that the Board had "taken an unduly, unnecessarily, and improperly narrow view of Section 2(d)" and had failed to address the question of whether the public is likely to believe that the source of hair care products sold under the WELLASTRATE trademark is Wella U.S., rather than Wella A.G. or the "Wella organization," which question the statute required the Board to address. In addition, the CAFC criticized the Board's decision for affirming the refusal to register under Section 2(d) without determining "whether under the circumstances there was in fact any likelihood of confusion, or to explain what that confusion would be." On remand, the Board reversed the Section 2(d) refusal stating at 5 USPQ2d at 1361 that:

... a determination must be made as to whether there exists a likelihood of confusion as to source, that is, whether purchasers would believe that particular goods or services emanate from a single source, when in fact those goods or services emanate from more than a single source. Clearly, the Court views the concept of 'source' as encompassing more than 'legal entity.' Thus, in this case, we are required to determine whether Wella A.G. and Wella U.S. are the same source or different sources. If we find that the two entities are the same source, there could, of course, be no confusion as to source, and the

refusal under Section 2(d) may not stand. The question of whether Wella U.S. and Wella A.G. are the same source is a question of fact.

The existence of a related company relationship between Wella U.S. and Wella A.G. is not, in itself, a basis for finding that any 'WELLA' product emanating from either of the two companies emanates from the same source. Besides the existence of a legal relationship, there must also be a unity of control over the use of the trademarks. 'Control' and 'source' are inextricably linked. If, notwithstanding the legal relationship between entities, each entity exclusively controls the nature and quality of the goods to which it applies one or more of the various 'WELLA' trademarks, the two entities are in fact separate sources. Wella A.G. has made of record a declaration of the executive vice president of Wella U.S., which declaration states that Wella A.G. owns substantially all the outstanding stock of Wella U.S. and 'thus controls the activities and operations of Wella U.S., including the selection, adoption and use of the trademarks.' While the declaration contains no details of how this control is exercised, the declaration is sufficient, absent contradictory evidence in the record, to establish that control over the use of all the 'WELLA' trademarks in the United States resides in a single source.

The facts in this case differ from those in *Wella* in several respects. As previously noted, the applicant herein is a joint owner of three of the cited registrations, namely Registration Nos. 3055466, 3124984 and 3227997. As a joint owner of the registrations, applicant is presumed to at least share control over the use of the marks in these registrations and, thus, there is no issue that the services in these registrations and the

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involved applications are provided under marks controlled, at least in part, by the same entity. In other words, with respect to these registrations and the involved applications, there is no question about "unity of control" that must be addressed, as was required in *Wella*. In view thereof, the Section 2(d) refusal to register in view of these registrations is in error.

Insofar as cited registration Registration No. 2935604 is concerned, it is owned solely by FedEx Custom. Unlike the applicant and the owner of the cited registration in *Wella*, the applicant and FedEx Custom are not parent and subsidiary, but rather sister corporations which are wholly owned subsidiaries of parent FedEx Corporation. In this regard, we note that TMEP §1201.07(b)(iii) states that:

If neither the applicant nor the registrant owns all or substantially all of the other entity, the applicant bears a more substantial burden to establish that unity of control is present. For instance, if both the applicant and the registrant are wholly owned by a third common parent, the applicant would have to provide detailed evidence to establish how one sister corporation controlled the trademark activities of the other to establish unity of control to support the contention that the sister corporations constitute a single source. ... The applicant's evidence or explanation should generally be supported by an affidavit or a declaration under 37 C.F.R. §2.20. (citations omitted)

In this case, the mere fact that applicant and FedEx Custom are sister corporations which are wholly owned subsidiaries of parent FedEx Corporation is insufficient, in and of itself, to establish unity of control. Furthermore, unlike the applicant in *Wella*, the instant applicant has not provided evidence or an explanation which establishes how it and FedEx Custom each share or control the trademark activities of the other, so as to establish unity of control to support the contention that it and FedEx Custom constitute a single source. So as to be clear, there is nothing in the attachments and excerpts from the annual reports submitted by applicant which explain how applicant and FedEx Custom each control the trademark activities of the other sufficient to establish unity of control. Having failed to provide such evidence or explanation, we are unable to conclude that applicant and FedEx Custom are the same source for determining whether Registration No. 2935604 serves as a bar to registration of applicant's marks under Section 2(d).

We turn then to a determination of the issue of likelihood of confusion under Section 2(d). This determination is based on an analysis of all of the facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. See *In re E. I. du Pont de*

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Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973);
See also Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin
Maison Fondee En 1772, 396 F.3d 1369, 73 USPQ2d 1689 (fed.
Cir. 2005); In re Majestic Distilling Co., 315 F.3d 1311,
65 USPQ2d 1201 (Fed. Cir. 2003); In re Dixie Restaurants
inc., 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997).

We begin our analysis with the second *du Pont* factor,
under which we determine the similarity or dissimilarity of
the services as identified in the applications and cited
registration, respectively. In this case, the services are
identical in that each of the applications and the cited
registration cover pick-up, transportation, storage and
delivery of documents, packages and freight by air.
Insofar as the third *du Pont* factor is concerned, in view
of the identity of the services, we must presume that the
channels of trade and purchasers for the services are
identical. As previously indicated, applicant does not
dispute the identity of the services, trade channels and
purchasers.

We next consider the first *du Pont* factor which
requires us to determine the similarity or dissimilarity of
the marks when viewed in their entirety in terms of
appearance, sound, connotation and commercial impression.

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With respect to the marks, we are mindful that where, as here, the services are identical, the degree of similarity necessary to find a likelihood of confusion need not be as great as where there is a recognizable disparity between the services. *Century 21 Real Estate Corp. v. Century Life of American*, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992).

Applicant's marks are: (1) FEDEX CUSTOM CRITICAL SURFACE EXPEDITE NETWORK; (2) FEDEX CUSTOM CRITICAL AIR EXPEDITE NETWORK; (3) FEDEX CUSTOM CRITICAL AIR EXPEDITE EXCLUSIVE USE; and (4) FEDEX CUSTOM CRITICAL SURFACE EXPEDITE EXCLUSIVE USE. The cited registered mark is SURFACE EXPEDITE.

Although there are differences in each of applicant's marks and the cited registered mark, we nonetheless find that the marks are sufficiently similar that when applied to the identical services in this case, confusion is likely to result. Specifically, persons are likely to view applicant's marks FEDEX CUSTOM CRITICAL SURFACE EXPEDITE NETWORK, FEDEX CUSTOM CRITICAL AIR EXPEDITE NETWORK, FEDEX CUSTOM CRITICAL AIR EXPEDITE EXCLUSIVE USE and FEDEX CUSTOM CRITICAL SURFACE EXPEDITE EXCLUSIVE USE, and the cited registered mark SURFACE EXPEDITE as variant marks indicating pick-up, transportation, storage and delivery of

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documents, packages and freight by air emanating from the same source. Again, applicant does not dispute the similarities in the marks.

We recognize that the cited registered mark SURFACE EXPEDITE issued on the Supplemental Register. In other words, we must presume that the cited registered mark is merely descriptive of the identified services. It is well settled, however, that even weak marks are entitled to protection against registration of similar marks for identical and/or closely related goods and services. See *King Candy Co. v. Eunice King's Kitchen, Inc.*, 182 USPQ 108, 109 (CCPA 1974) [likelihood of confusion "is to be avoided as much as between 'weak' marks as between 'strong' marks, or as between a 'weak' mark and a 'strong' mark"]; and *In re The Clorox Co.*, 578 F.2d 305, 198 USPQ 337 (CCPA 1978) [ERASE for a laundry soil and stain remover held confusingly similar to STAIN ERASER, registered on the Supplemental Register, for a stain remover].

In view of the foregoing, we find that a likelihood of confusion as to source would occur as a result of the contemporaneous use of each of applicant's marks and the mark in Registration No. 2935604.

Disclaimer Requirement

We next address the issue of the requirement for a disclaimer of the wording CUSTOM CRITICAL in applicant's marks FEDEX CUSTOM CRITICAL SURFACE EXPEDITE NETWORK, FEDEX CUSTOM CRITICAL AIR EXPEDITE NETWORK, FEDEX CUSTOM CRITICAL AIR EXPEDITE EXCLUSIVE USE and FEDEX CUSTOM CRITICAL SURFACE EXPEDITE EXCLUSIVE USE. An examining attorney may require an applicant to disclaim an unregistrable component of a mark otherwise registrable. Trademark Act Section 6(a). Merely descriptive terms are unregistrable, under Trademark Act Section 2(e)(1) and, therefore, are subject to disclaimer if the mark is otherwise registrable. Failure to comply with a disclaimer requirement is grounds for refusal of registration. See *In re Omaha National Corp.*, 819 F.2d 1117, 2 USPQ2d 1859 (Fed. Cir. 1987); *In re Richardson Ink Co.*, 511 F.2d 559, 185 USPQ 46 (CCPA 1975); *In re National Presto Industries, Inc.*, 197 USPQ 188 (TTAB 1977); and *In re Pendleton Tool Industries, Inc.*, 157 USPQ 114 (TTAB 1968).

The examining attorney maintains that the term CUSTOM CRITICAL is merely descriptive of a feature of applicant's services. Specifically, the examining attorney argues that:

In the context of pick-up, transportation, storage and delivery of documents, packages and freight by land and air, the words CUSTOM CRITICAL immediately inform consumers that the services feature time-critical shipping where the delivery time is customer-specific, i.e., customized.

Brief, unnumbered pp. 5-6. In support of his position, the examining attorney submitted the following definitions from the Encarta online dictionary:

critical: 4. **essential:** absolutely necessary for the success of something.

custom: adjective 1. **made to order:** made or built to order

The examining attorney also points to the following statement in a press release describing the services:

"FedEx Custom Critical provides customized surface and/or air solutions with the timing, handling expertise and transportation mode you require"

Applicant, in urging reversal of the refusal to register in the absence of a disclaimer, argues that the term CUSTOM CRITICAL does not immediately convey to consumers the nature of applicant's services, and is, at best, suggestive of the services. Applicant also maintains that it owns four registrations for marks that include the term CUSTOM CRITICAL, without a disclaimer thereof, for essentially identical services. Thus, it is applicant's

position that it should not be required to disclaim CUSTOM CRITICAL in the involved applications.

A term is deemed to be merely descriptive of goods or services, within the meaning of Trademark Act Section 2(e)(1), if it forthwith conveys an immediate idea of an ingredient, quality, characteristic, feature, function, purpose or use of the goods or services. See, e.g., *In re Gyulay*, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987); and *In re Abcor Development Corp.*, 588 F.2d 811, 200 USPQ 215, 217-18 (CCPA 1978). A term need not immediately convey an idea of each and every specific feature of the applicant's goods or services in order to be considered merely descriptive; it is enough that the term describes one significant attribute, function or property of the goods or services. See *In re H.U.D.D.L.E.*, 216 USPQ 358 (TTAB 1982); and *In re MBAssociates*, 180 USPQ 338 (TTAB 1973). Further, it is well-established that the determination of mere descriptiveness must be made not in the abstract or on the basis of guesswork, but in relation to the goods or services for which registration is sought, the context in which the term is being used or is intended to be used on or in connection with those goods or services, and the possible significance that the term would have to the

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average purchaser of the goods or services. In re Recovery, 196 USPQ 830 (TTAB 1977).

If, however, when the goods or services are encountered under a term, a multistage reasoning process, or resort to imagination, is required in order to determine the attributes or characteristics of the product or services, the term is suggestive rather than merely descriptive. See In re Abcor Development Corp., 588 F.2d 811, 200 USPQ 215 (CCPA 1978); and In re Atavio, 25 USPQ2d 1361 (TTAB 1992). To the extent that there is any doubt in drawing the line of demarcation between a suggestive term and a merely descriptive term, such doubt is resolved in applicant's favor. In re Atavio, *supra* at 1363.

Applying these principles to the evidence of record, we conclude that CUSTOM CRITICAL, as used in applicant's marks, has not been proven to be merely descriptive of pick-up, transportation, storage and delivery of documents, packages and freight by land and air. As used in the marks, CUSTOM CRITICAL modifies SURFACE EXPEDITE and AIR EXPEDITE, respectively. However, SURFACE EXPEDITE and AIR EXPEDITE are not "custom critical," as such. It requires some imagination and mental steps to conclude from CUSTOM CRITICAL in applicant's marks FEDEX CUSTOM CRITICAL SURFACE EXPEDITE NETWORK, FEDEX CUSTOM CRITICAL AIR EXPEDITE

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NETWORK, FEDEX CUSTOM CRITICAL AIR EXPEDITE EXCLUSIVE USE and FEDEX CUSTOM CRITICAL SURFACE EXPEDITE EXCLUSIVE USE, that applicant's services involve "custom" pick-up, transportation, storage and delivery of "critical" documents, packages and freight by land and air services.

Therefore, we conclude that the examining attorney has not established that the term CUSTOM CRITICAL, when applied to applicant's services is merely descriptive; that some mental processing or cogitation is required in order for customers and prospective customers for applicant's services to understand the significance of the term CUSTOM CRICIAL as it pertains to applicant's services.

Decision: The refusal to register under Section 2(d) is reversed in each application notwithstanding the existence of Registration Nos. 3055466, 3124984, and 3227997. The refusal to register in each application in the absence of a disclaimer of CUSTOM CRITICAL also is reversed. However, the refusal to register under Section 2(d) is affirmed in each application in view of Registration No. 2935604.