EXHIBITS

11/21/2001
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Compass Holding BV, Compass Publishing BV, and Compass America, Inc. Opposers, v. VisionCompass, Inc. Applicant.	)	Opposition No. 121,332

OPPOSERS' MOTION FOR SUMMARY JUDGMENT

Applicant's application to register "VISIONCOMPASS," Serial No. 75/519,076, was published for Opposition on August 8, 2000. Registration was opposed by Opposers herein through the filing of a Notice of Opposition on December 6, 2000. Discovery in this case closed on September 29, 2001.

As made apparent in the supporting brief submitted herewith, there exists no genuine issues of material fact with respect to the issues of priority of use or likelihood of confusion and Opposers are entitled to judgment as a matter of law. Accordingly, Opposers hereby move the Trademark Trial and Appeal Board to grant this Motion for Summary Judgement in Opposers' favor.

Respectfully submitted,

Date: 11/21/01

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CERTIFICATE OF SERVICE

The undersigned, Thomas J. Vande Sande, attorney for Opposers, hereby certifies that one (1) copy of the foregoing "OPPOSERS' BRIEF IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT" and accompanying "OPPOSERS' MOTION FOR SUMMARY JUDGMENT" and exhibits were this day served on Applicant by mailing same, via first class mail, to:

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Opposers,	)	
v.	)	Opposition No. 121,332
VisionCompass, Inc.	)	
Applicant.	)	

OPPOSERS' BRIEF IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT

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I. INTRODUCTION

Applicant's attempt to register the mark "VISIONCOMPASS" has been opposed based upon U.S. Trademark Reg. No. 1,678,290 for the mark "COMPASS" and the long and well-documented prior use of "COMPASS" by Opposers. The "COMPASS" and "VISIONCOMPASS" marks are used in connection with business performance analysis activities. As demonstrated below, the application of relevant law to indisputable facts makes inescapable the conclusion of likelihood of confusion and warrants the grant of summary judgment in Opposers' favor.

II. NO DISPUTE EXISTS AS TO PRIORITY

Submitted along with Opposers' Notice of Opposition were certified status and title copies of U.S. Trademark Reg. No. 1,678,290. The '290 registration issued on March 10, 1992 and recites dates of first use in commerce of June 1980 with respect to all goods and services set forth in the registration.[1] Opposer Compass America, Inc. has also used "COMPASS" as a portion of its corporate name and trade name for more than a decade.[2] (Notice of Opp. ¶ 17; Ex. 1, OP 5900-5904.[3]

The opposed application, Serial No. 75/519,076 for "VISIONCOMPASS," was filed based upon an intent-to-use on July 16, 1998. No amendment to allege use has been filed. Applicant has admitted that no sales have yet occurred with respect to its "VISIONCOMPASS" goods and services, but it has given away copies of its software in hopes of kindling some interest in Applicant and its goods and services. (Ex. 2 at VC 00650 and Ex. 3 App. Ans. to Int. 27).

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[1] Further details concerning the extent of usage of "COMPASS" are set forth below in Sections III. B - F.

[2] An Opposer is, of course, entitled to rely upon actual uses as well as registrations. Burger Chef Systems, Inc. v. Burger Man, Inc., 181 U.S.P.Q. 168, 169 (C.C.P.A. 1974).

[3] Exhibits in support of Opposers' Motion for Summary Judgment, to the extent comprised of documents and things exchanged during discovery, are also referenced herein by production number. Production numbers bearing a "VC" prefix refer to documents produced by Applicant, VisionCompass, Inc. Documents bearing the "OP" prefix were produced during discovery by Opposers.

As it is beyond dispute that Opposers' use and registration long precedes any date upon which Applicant can rely, the grant of summary judgment in Opposers' favor is warranted with respect to the issue of priority.

III. UNDISPUTED FACTS AND CONTROLLING LEGAL PRINCIPLES WARRANT A FINDING OF LIKELIHOOD OF CONFUSION AND THE GRANT OF SUMMARY JUDGMENT IN OPPOSERS' FAVOR

A. Summary Judgment and the Likelihood of Confusion Analysis

Federal Rule of Civil Procedure 56, made applicable to Trademark Trial and Appeal Board proceedings by 37 C.F.R. §2.116(a), makes summary judgment appropriate in those cases in which there exists no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. Fed. R. Civ. P. 56; Octocom Systems Inc. v. Houston Computers Services Inc., 16 U.S.P.Q. 2d 1783, 1786 (Fed. Cir. 1990).

The various factors set forth in In re E.I. du Pont de Nemours & Co., 177 U.S.P.Q. 563 (C.C.P.A. 1973) provide the basis upon which the Trademark Trial and Appeal Board analyzes the likelihood of confusion issue. Where no genuine issue of material fact exists with respect to the existence of a likelihood of confusion, this tribunal recognizes the propriety of granting summary judgment on that issue in favor of the Opposer. Bongrain International v. Moquet Ltd., 230 U.S.P.Q. 626 (T.T.A.B. 1986).

As established below, the analysis of relevant Du Pont factors, in the context of indisputable facts, warrants the grant of this motion for summary judgment.

B. The Parties' Marks are at Least Similar, if Not Substantially Identical

Applicant's mark is "VISIONCOMPASS." Opposers' mark is "COMPASS." As noted above, the U.S. arm of the Compass companies named as Opposers, specifically Opposer Compass America, Inc., uses "COMPASS" not only as a mark, but also as the dominant portion of its corporate name and the trade name under which it has for many years conducted business in the U.S.

Even persons familiar with Applicant and Opposers, upon being presented with "COMPASS" and "VISIONCOMPASS" on related goods and services, are likely to assume that those goods and services come from, or are endorsed by, the same entity. Likelihood of confusion is frequently found where a newcomer's mark incorporates in its entirety the mark of a senior user. Such is likely to suggest some type of affiliation or sponsorship between the parties or their goods and services. Johnson Publishing Co. v. International Development Ltd., 221 U.S.P.Q. 155, 156, 157 (TTAB 1982); Girls Clubs v. Boys Clubs, 6 U.S.P.Q. 2d 2049, 2051 (S.D.N.Y. 1988). Indeed, the mark "COMPASS" may be viewed as a shortened version of "VISIONCOMPASS." Confusion is made all the more likely as a result of those instances in which Applicant refers to various of its offerings with designations such as "the Compass Document." (See for example, Ex. 4 at VC 804, 895, 896, 946, 948).

The "VISIONCOMPASS" mark which Applicant seeks to register is similar to, and creates a commercial impression nearly identical to, the "COMPASS" mark, as well as the Compass formative corporate name and trade name of Opposer Compass America, Inc. Potential customers of Opposers and Applicant are likely to assume that the goods (and services) offered by Applicant and Opposers under their respective "VISIONCOMPASS" and "COMPASS" marks, or that Opposers and Applicant themselves, are in some way connected or affiliated with one another.

C. The Parties' Goods and Services

Given the similarity of the marks, if those marks are to be encountered on goods and services which are the same, similar, or related, confusion is likely to occur. It is not necessary that the parties provide exactly the same goods or services in order for a likelihood of confusion to exist, as the ultimate inquiry is whether the parties' goods and services bear such a relationship that, if encountered by the same persons, such might logically assume that the goods and /or services come from a common source. In re Graphics Technology Corp., 222 U.S.P.Q. 179, 180-181 (T.T.A.B.

1984); Mine Safety Appliances Co. v. Management Science America, 212 U.S.P.Q. 105, 108 (T.T.A.B. 1981).

As noted in In re Epic Systems Corp., 228 U.S.P.Q. 213, 214 (T.T.A.B. 1985):

> [F]or the purpose of determining the likelihood of source confusion of trademarks, the goods need not be identical, or even competitive, it being sufficient that they are so related and/or conditions surrounding their marketing are such that they are likely to be encountered in the marketplace by the same relevant purchasers who, because of the relatedness of the goods and the marks' similarities would believe, mistakenly, that they share a common source or are associated with the same producer.

1. Opposers' Goods and Services.

The identification of goods and services recited in the '290 "COMPASS" registration reads as follows:

> Pre-recorded magnetic and optical discs for use with computers; audiotapes and videotapes featuring analysis and assessment of data processing procedures, performances and efficiency, computer programs for analyzing and assessing data-processing procedures, performance and efficiency, in class 9;
>
> Computer program manuals and instructional materials for analyzing and assessing data-processing procedures, performance and efficiency, in class 16;
>
> Business consultation services relating to data-processing procedures, selection, operation, analysis, performance and efficiency, in class 35;
>
> Instruction services for selecting, analyzing, assessing and operating data-processing hardware and software, in class 41; and
>
> Consulting services for the selection, analysis, assessment and operation of data-processing hardware and software; consulting services in the field of computers, in class 42.

The recitation reflects Opposers' activities in providing goods and services to companies and other entities that involve analyzing and assessing procedures, efficiencies and performance of various business functions.[4] As the '290 recitation indicates, services involve the use of software and services in selecting and collecting information relating to a company's current processes and practices. Through the analysis of data, Opposers assess, or measure, a company's current

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[4] "Data processing" is defined as "The organization and manipulation of data" and is synonymous with "information technology" or "IT." "IT" is in turn defined as "The broad subject concerned with all aspects of managing and processing information, especially within a large organization or company." (Ex. 5).

capabilities and performance, and can recommend changes for improvement and enhanced performance and efficiency.

2. Applicant's Recited Identification of Goods.

Applicant's identification of goods reads as follows:

> Computer software for developing, managing and collaborating in the field of business performance measurement, namely, computer software for tracking, measuring, and analyzing key business performance indicators in International Class 9.

3. The Parties' Goods and Services Are Closely Related and Overlapping.

"Consulting services in business performance improvement in the operational aspects of specific business sectors and in the IT operations of all business sectors" are provided by Opposers under the COMPASS mark. (Ex. 6 at OP 0400.) Key performance indicators and related data are tracked and analyzed (Ex. 7 at OP 0395 and OP 2392) by Compass consultants and software in order to analyze and improve business performance. (Ex. 8 at OP 2387 and 2401).

Clearly, it is beyond dispute that both parties' activities involve the analysis of data and the assessment, or measuring, of a company's current capabilities and performance for the purpose of enhancing business performance and efficiency. The goods and services recited in the '290 registration thus include within their scope the goods of the '076 application.

The commonality of objectives and the parties' specific activities in analyzing business performance serves to further underscore the existence of a likelihood of confusion. Specifically, in tracking, measuring and analyzing business performance:

1. Applicant seeks to provide a meaningful view of a business's data (Ex.9 at VC 00227) in order to identify relevant data (Ex. 10 at VC 00346) so that it can analyze that data (Ex. 11 at VC 00340). In order to track and analyze the effectiveness of business operations, "VISIONCOMPASS" transforms the data. (Ex. 12 at VC 00230). VisionCompass automates data collection and analysis. (Ex. 13 at VC 00390).

In conducting a typical COMPASS data center study "The first step is data collection." Compass provides "all the appropriate data collection materials" and "once all required data is collected, COMPASS performs a preliminary analysis...." (Ex.14 at OP 1492). "Compass" studies involve "two major phases: data collection and performance analysis...." (Ex. 7 at OP 2392). "When all required data is gathered and entered into the Compass PC Input Program, [Compass] can begin the performance analysis." (Ex. 8 at OP 2401).

2. Applicant places special emphasis on measuring, tracking, and analyzing an organization's "key performance indicators" (KPIs). (Applicant's id. of goods and Ex. 15 at VC 00773, 00302-00303). "Key business indicators" are used in the rendering of Opposers' services "to communicate the critical elements of business performance." (Ex. 16 at OP 0379). In addition, Compass performance improvement studies include a report "relating to how well you perform according to specific key performance indicators." (Ex. 7 at OP 0395).

3. Applicant also attempts to identify, and measure performance based upon, the "best practices" found within a business or organization. (Ex. 17 at VC 00382, 00366, 00487). Compass "helps to build process improvement strategies in the light of best practice." (Ex. 18 at OP 0386). "Best practice information from within and outside your industry" is considered by Compass. (Ex. 19 at OP 0043). Compass performance improvement recommendations can be based on a client's own performance or on the best practices of other companies. (Ex. 19 at OP 0036).

4. Applicant looks to identify and eliminate gaps between the actual performance and the desired performance of business operations. (Ex. 20 at VC 00835). Opposers similarly strive to identify and close performance gaps. (Ex. 21 at OP 0396, 0379).

5. The business performance evaluations provided under both the "COMPASS" and "VISIONCOMPASS" marks include "trend analysis." (Ex. 22 at VC 00312 and Ex.23 at OP 0046, OP 0059).

6. Applicant's analysis is capable of being applied to all aspects of a business. (Ex. 24 at VC 302, 1263). The same is true with respect to the analysis performed under the "COMPASS" mark. (Ex. 25 at OP 0002 and 0398).

7. Applicant seeks to provide its clients with business process improvement recommendations. (Ex. 24 at VC 302, 1263). Under the "COMPASS" mark "Business performance improvement studies investigate either the complete enterprise or a part of it...." (Ex. 26 at OP 0052; see also Ex. 25 at OP 0002).

8. Increased "efficiency" and "effectiveness" are specific benefits to be afforded those utilizing the performance analysis goods (and services) offered by Applicant and Opposers. (Ex. 27 at VC 00401 and Ex. 28 at OP 0942).

9. Gaining "competitive advantage" is an enticement offered potential "VISIONCOMPASS" users. (Ex. 29 at VC 00365). COMPASS enables its clients "to obtain competitive advantage through superior business performance." (Ex. 16 at OP 0379).

10. Applicant provides rather significant services in connection with its "VISIONCOMPASS" activities and software. While these consulting services are not recited in the '076 application, their existence provides a marketplace reality which further underscores the existence of a likelihood of confusion.[5]

As noted by Applicant, its "Consulting can be as simple as confirming that your company's IT systems are robust enough for the software to function well, or as complex as helping your organization design a business model specific to your

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[5] Applicant acknowledges that its "offering includes a mix of products and services that will support the development of function specific or industry specific solutions to business problems." (Emphasis added) (Ex. 30 at VC 00799).

company." (Ex. 31 at VC 00233). Applicant admits that "Significant consulting efforts with regard to the business performance management framework, Vision, organization structure etc. are assessed upfront during the pre-sales phase...." (Ex. 32 at VC 00810). Applicant regularly makes reference to its "VisionCompass Consultants" (See, for example, Ex. 33 at VC 00800) and offers consulting services in connection with numerous business performance improvement activities. (Ex. 34 at VC 00424). In at least one instance Applicant boasts, "After signing contracts, the first group of people that were sent in by VisionCompass, Inc. was a team of Consultants." (Ex. 35 at VC 00376).

Opposers provide a broad array of consulting services under the "COMPASS" mark. (Ex. 36 at OP 0400). Compass Consultants provide efficiency and effectiveness consulting services in a variety of areas including business performance improvement studies and information technology performance improvement studies, as well as combinations of the two, based upon an analysis of business key performance indicators. (See, for example, Ex. 37 at OP 2387-2388).

11. Both parties utilize software in connection with the analysis of data for the purpose of assessing and improving business performance. Representative samples of the parties' software are submitted herewith as Ex. 38 at VC 00061 and OP 6659. The software of both parties displays data as graphics and as spreadsheets reflecting the performance of various business functions. (Ex. 39 at VC 00320, 00328, 00452, 00456 and OP 6662, 6666, 6670, 6677, 6678, 6679, 6683, 6687).

Evidence of the relatedness of the parties' activities under their marks is abundant and unambiguous. In sum, there exists an overlap, or at a minimum, a very close relationship, between the respective goods and services of the parties. When encountered in the same channels of trade one would logically assume that the goods and services come from a common source, or at least that

there exists some affiliation, sponsorship or relationship between the parties or their goods and services. Confusion is likely.

D. Consideration of Channels of Trade Bolsters the Conclusion That Confusion is Likely.

This Du Pont factor involves the consideration of to whom and how the parties offer their goods and services. The '076 application sets forth no limitation or restriction with respect to whom or how Applicant does business. However, included within the types of companies Applicant seeks to do business are those involved in, *inter alia*, manufacturing, banking, insurance, transportation, utilities, professional services, and telecommunications. (Ex. 41 at VC 00341 and VC 00216). Opposers activities under the "COMPASS" mark are also offered to companies and other entities involved in, *inter alia*, manufacturing, banking, insurance, transportation, utilities, professional services, and telecommunications. (Ex. 42 at OP 0290).

"Applicant's goods and services have been, currently are and will continue to be promoted in three main mediums: tradeshows, a company web site, and through print advertisements." (Ex. 43, App. Ans. Int.6). Opposers similarly promote through trade shows (Ex. 44 Opp. Comp. Amer. Supp. Ans. Int. 3), a company website (Ex. 45 at OP 5033-5035) and through print advertisements (Ex. 46 at OP 6103-6104, 0041-0056, 0166-0171, 0393-0400, 0021). In addition, both parties provide goods and services under their respective marks, at least in part, through the use of a direct sales force. (Ex. 47 App. Ans. Int. 15 and Comp. Amer. Ans Int. 3).

Samples of representative introductory form letters sent to prospective clients by Compass America, Inc. are submitted herewith as Ex. 48 at OP 0320. Budgeted advertising in connection with Opposers' goods and services under the "COMPASS" mark and Compass trade name has, in recent years, been substantial (Ex. 49 at OP 4954) as have sales (Ex. 50 at OP 6015).

Documentation exchanged during discovery also indisputably establishes that not only Opposers, but also Applicant, offers goods and services to clients and prospective clients through

the activities of consultants (discussed above at III. C.), and the publication of "White Papers" (Ex. 51 VC 00351-00358 and OP 5638-5645, 5621-5623).

In sum, indisputable facts relating to channels of trade lend further support to the inescapable conclusion that there exists a likelihood of confusion.

E. Under the Facts of This Case, the Alleged Sophistication of Targeted Consumers Does Not Diminish the Likelihood of Confusion

While Applicant may contend that its activities under the "VISIONCOMPASS" mark are directed to sophisticated purchasers, it is to be assumed that Applicant's goods (and services) are offered to companies and entities of all sizes and levels of sophistication. As noted above, Applicant's recitation of goods contains no restriction or limitation with respect to whom it does business. Accordingly, there is no basis for concluding that those coming in contact with "VISIONCOMPASS" will necessarily be discriminating and sophisticated consumers of business goods or services.

Moreover, the law has long recognized that even technically sophisticated and careful purchasers are not necessarily expert in trademark evaluation or immune from source confusion. In re Pellerin Milnor Corp., 221 U.S.P.Q. 558, 560 (T.T.A.B. 1983). This is especially true in cases where similar marks are used in connection with the same or closely related goods and services and the channels of trade are essentially the same. In re Epic Systems Corp., 228 U.S.P.Q. 213, 215 (T.T.A.B. 1985). (Likelihood of confusion found as between "EPIC" and "EPIC DATA").

As recognized in Harvey Hubbell, Inc. v. Red Rope Industries, Inc., 191 U.S.P.Q. 119, 124 (T.T.A.B. 1976),

> There is nothing to suggest that they [careful and discriminating individuals] are equally skilled and knowledgeable as to all of the goods that a manufacturer with whom they deal produces and/or sells. And, in fact, being knowledgeable and therefore aware of the current wave of mergers, acquisitions, and diversification of corporate interests, they, possibly more than the average consumer, could mistakenly attribute these different goods to the same source in view of the virtual identity of the marks.

Finally, but significantly, even in those instances in which extensive negotiations relating to the goods and services to be offered (and the price to be attached to those goods and services) take

place prior to closing a sale, the fact that the initial contact between a potential buyer and a seller may have arisen because of confusion, or may result in confusion, is recognized as a sufficient basis upon which to find a likelihood of confusion. Mobil Oil Corp. v. Pegasus Petroleum Corp., 2 U.S.P.Q. 2d 1677, 1682 (2nd Cir. 1987); Grotrian, Th. Steinweg Nachf. v. Steinway & Sons, 186 U.S.P.Q. 436, 445 (2nd Cir. 1975).

The rationale for these holdings is sound. As noted in HRL Associates Inc. v. Weiss Associates Inc., 12 U.S.P.Q. 2d 1819, 1822 (T.T.A.B. 1989):

> Section 2(d) of the Trademark Act does not make a distinction between confusion arising at an early stage in the purchasing process and confusion arising at a later stage. Registration should be denied under the Trademark Act when there exists likelihood of confusion, no matter where it occurs in the marketing or sale of similar goods under similar marks. It is logical to so find, because confusion of a potential purchaser early in the purchasing decision is just as likely to cause injury to an opposer as confusion that may arise later in the purchasing decision.

In sustaining the Opposition, the Board noted:

> "[O]pposer may suffer injury if a potential purchaser is initially confused between the parties' respective marks, in that opposer may be precluded from further consideration by the potential purchaser in reaching his or her buying decision (which may, in turn, prevent opposer from making a sale)." HRL, supra, at p. 1823.

As recognized by these representative cases, any alleged sophistication of purchasers, or the existence of high prices or protracted negotiations prior to the actual purchase of goods or services, does not eliminate the confusion which is likely when initial contact is attempted, made, or thwarted in an effort to market "COMPASS" or "VISIONCOMPASS" goods and services. Of course, confusion becomes even more likely where prospective purchasers receiving initial pamphlets, brochures, etc. are informed that goods and services being offered are provided, at least in part, by consultants who will provide services and utilize software for the purpose of conducting an analysis of business performance in an effort to make the prospective customer's business more profitable and efficient.

F. The "COMPASS" Mark Is Sufficiently Strong So as to Bar Registration of "VISIONCOMPASS" for the Goods Recited in the '076 Application

Opposers' mark has been used in the United States for more than twenty years and has been federally registered since 1992. In addition, the U.S. arm of Opposers, Compass America, Inc., has operated under that corporate and trade name for many years. Sales in the U.S. have grown progressively and dramatically over the many years of usage of "COMPASS." (Ex. 50 at OP 6015).

The success of Opposers and the goodwill and reputation afforded Opposers under the "COMPASS" mark have been repeatedly acknowledged by the media and by the trade itself. See, for instance, the dozens of representative articles reporting "COMPASS" activities or quoting "COMPASS" personnel submitted herewith. (Ex. 52 at OP 0006-0012, 0019, 00407-0416, 0420-0424, 0444-0458, 0461-0464, 2639-2660, 0530-0531, 0540-0541, 0562-0569, 0577-0580, 0586-0594, 0648-0653, 0671-0672, 0710-0715, 0756-0763). The extent of goodwill generated under the mark is also evidenced by the evergrowing number of companies that can now be counted as "COMPASS" clients. (Ex. 42 at OP 0290).

The "COMPASS" mark and registration have successfully been asserted in previous Opposition proceedings. Representative of those proceedings are Opposition No. 117,282 involving the mark "SUPPLY CHAIN COMPASS" (resolved in Opposers' favor with the opposed application being abandoned and use of the mark discontinued (Ex. 53 at OP 6696-6703)) and Opposition No. 115,711 involving the marks "VirtualCOMPASS" (Ex. 54 at OP4831-4832) (resolved in Opposers' favor following abandonment of subject applications). The mark and '290 registration were also asserted by Opposers in connection with a dispute involving the attempt to register "COMPASS ROSE MEDIA." (Ex. 55 at OP4163-4165) (Dispute resolved without filing Notice of Opposition following Examining Attorney's acceptance of amendment of Applicant's identification of services). The mark and registration also form the basis for Opposers' claims in connection with pending Oppositions involving attempts to register the marks "COMPASS METHODOLOGY" and "PROCESS COMPASS."

While admittedly other registrations have issued for "COMPASS" and "COMPASS" formative marks, these registrations are distinct from the '290 registration in various aspects, including, significantly, the goods and services for which they are registered. None are as close as is Applicant's mark, given the goods (and services) and channels of trade in connection with which Applicant's mark is used and is to be used. "In any event, their existence [other marks] cannot aid an applicant to register a mark likely to cause confusion with a previously used mark." Alpha Industries, Inc. v. Alpha Microsystems, 220 U.S.P.Q. 67, 72 (T.T.A.B. 1983). "The scope of protection afforded opposer's mark and trade name should extend far enough to proscribe registration of a similar mark for goods which may well be assumed to emanate from opposer." Alpha Industries, supra, at p. 72.

Significantly, even if it were determined that the "COMPASS" mark is not particularly strong, or even assuming arguendo that it is weak, such a determination would not lessen the likelihood of confusion given the facts of this case because even weak marks are entitled to protection where there exists a likelihood of confusion. Matsushita Electric Co. v. National Steel Co., 170 U.S.P.Q. 98 (C.C.P.A. 1971). As noted by Judge Rich (at p. 99):

> "Neither trademarks nor the public are adequately protected unless decisions in cases of this kind are based on a realistic appraisal of the likelihood of purchasers or prospective purchasers being confused as to source regardless of theoretical 'weakness' of a mark."

As noted by Judge Markey, "Confusion is confusion. The likelihood thereof is to be avoided, as much between 'weak' marks as between 'strong' marks, or as between a 'weak' and a 'strong' mark." King Candy Co. v. Eunice King's Kitchen, Inc., 182 U.S.P.Q. 108, 109 (C.C.P.A. 1974).

Finally, in Clark, Inc. v. Resnick, 219 U.S.P.Q. 619, 624 (D.R.I. 1982), having observed that the issue is whether confusion concerning source of origin exists, regardless of whether the marks are weak or strong, the Court astutely concluded, "Certainly, Plaintiff's marks are entitled to protection from an equally weak mark. Weak or not, the issue must [sic] be considered is still the real possibility of consumer confusion."

Opposers possess a protectable interest in "COMPASS" sufficient to preclude the subsequent registration of "VISIONCOMPASS" where the similarity of the marks, the goods and services offered under the marks, and the involved channels of trade unequivocally establish a likelihood of confusion.

G. Actual Confusion

As long acknowledged, actual confusion is ordinarily extremely hard to prove. Block Drug Co. Inc. v. Den-Mat Inc., 17 U.S.P.Q. 2d 1315, 1318 (T.T.A.B. 1989). Although information exchanged by the parties during discovery does not prove that instances of actual confusion have occurred to date, under the circumstances of this case such does nothing to diminish Opposers' likelihood of confusion showing. Specifically, Applicant admits that to date no copies of its "VISIONCOMPASS" software have been sold. (Ex. 3 App. Ans. Int. 27). Accordingly, there has been little or no opportunity for actual confusion to arise. Applicant admits that to date it has made approximately six copies of its software available for demonstration purposes. (Ex. 3 App. Ans. Int. 27). The law acknowledges that the absence of actual confusion is of no moment where usage has been relatively limited. Alpha Industries, Inc. v. Alpha Microsystems, 220 U.S.P.Q. 67, 72 (T.T.A.B. 1983).

The relevant analysis involves, of course, not actual confusion, but rather the likelihood of confusion. Given the overwhelming likelihood of confusion created by Applicant's use of a similar mark in connection with closely related and overlapping goods and services, confusion is likely, and the absence, so far, of actual confusion in no way undermines the propriety of granting summary judgment in Opposers' favor.

H. Applicant Had Knowledge of the "COMPASS" Mark Prior to the Commencement of This Proceeding

It is beyond dispute that Applicant became aware of the "COMPASS" mark well prior to the commencement of this proceeding. (App. Resp. to Off. Action Aug. 18, 1999 at p. 8). Having

elected to proceed with plans to use and register "VISIONCOMPASS" with knowledge of the "COMPASS" mark, Applicant is to be charged with having taken a calculated risk. Charrette Corp. v. Bowater Communication Papers Inc., 13 U.S.P.Q. 2d 2040, 2043 (T.T.A.B. 1989). As long acknowledged, "[A] party which knowingly adopts a mark similar to one used by another for the same or closely related goods or services does so at its peril. . . ." Spoons Restaurants Inc. v. Morrison Inc., 23 U.S.P.Q. 2d 1735, 1742 (T.T.A.B. 1991). Moreover, there exists "[A] duty on a latecomer to select a mark which is sufficiently distinguishable from a mark in respect of which another has superior rights to avoid a likelihood of confusion. . . ." Bank of America v. First National Bank of Allentown, 220 U.S.P.Q. 892, 895-896 (T.T.A.B. 1984). In possession of both constructive knowledge (15 U.S.C. §1072) and actual knowledge of Opposers' mark, Applicant possessed, but neglected, its duty to select a clearly distinguishable mark. Applicant must bear the consequences of its failure to satisfy the obligations placed upon it by law.

I. The Extent of Potential Confusion Is Substantial

Applicant's use of a similar and conflicting mark, in the same channels of trade, and in connection with overlapping and very closely related goods and services renders the extent of potential confusion substantial where it involves and threatens to disrupt not just a segment or portion, but all of Opposers' business activities. In addition, as discussed above (Section III. E.) there is a substantial risk of confusion from as early as the time at which the parties initially make contact, or attempt to make contact, with potential purchasers of their goods and services. The fact that Applicant has felt compelled to adopt a strategy of giving away copies of its software in hopes of generating interest in Applicant and its goods and services (Ex. 2 at VC 00650) can, of course, only serve to further damage Opposers.

Given these indisputable facts, it can only be concluded that the extent of potential confusion is substantial and that such is likely to significantly damage Opposers and the "COMPASS" mark.

IV. CONCLUSION

The grant of summary judgment is appropriate where there exists no genuine issue of material fact and where the moving party is entitled to judgment as a matter of law.

There is no controversy with respect to the issue of priority. Moreover, undisputed facts clearly establish the all-too-close relationship between the parties' marks, their goods and services, and the channels of trade through which those goods and services are promoted and provided. Under these circumstances, the finding of a likelihood of confusion is unavoidable and summary judgment should be granted in Opposers' favor.

Respectfully submitted,

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