

**THIS DISPOSITION
IS NOT CITABLE AS PRECEDENT
OF THE T.T.A.B.**

Paper No. 38
DEB

8/17/00

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Oakley, Inc.
v.
Killer Loop Eyeware S.P.A.

Opposition No. 106,983
to application Serial No. 74/660,395
filed on April 12, 1995

Steven J. Nataupsky of Knobbe Martens Olson & Bear, LLP for
Oakley, Inc.

David K. Koehler of Nixon Peabody, LLP for Killer Loop Eyeware
S.P.A.

Before Hairston, Wendel and Bucher, Administrative Trademark
Judges.

Opinion by Bucher, Administrative Trademark Judge:

Killer Loop Eyeware S.P.A., an Italian limited liability
company, has filed an application for registration of the
following composite mark:



for "eyeglasses, sunglasses, glass lenses, glass frames, glass cases, glass chains, pince-nez, crash helmets," in International Class 9.¹

Oakley, Inc., a Washington state corporation, filed a timely notice of opposition on July 1, 1997. As grounds for opposition, opposer asserts that prior to the filing date of applicant's application, opposer has used the marks shown below in the following federal registrations:

- Reg. No. 1,902,660 for the stylized letters spelling out OAKLEY below the elliptical design shown below, for "printed material, namely decals and stickers":



- Reg. No. 1,984,501 for the elliptical design shown below, for protective and/or anti-glare eyewear, namely sunglasses, goggles, spectacles and their parts and accessories, namely replacement lenses, earstems, frames, nose pieces and foam strips; cases specially adapted for protective and/or anti-glare eyewear and their parts and accessories" in International Class 9; and for clothing and headwear, namely

¹ Application Serial Number 74/660,395 filed on April 12, 1995, and claiming, in addition to an asserted *bona fide* intention to use the mark in commerce, a right of priority under Section 44(d) of the Trademark Act, based upon an application filed in Italy on October 27, 1994. Applicant subsequently perfected its basis for registration under Section 44(e) by submitting a copy of the Italian registration.

T-shirts, sweatshirts, jackets, hats, and caps" in International Class 25:



- Reg. 1,990,262 for the stylized letters spelling out OAKLEY below the elliptical design shown below, for "protective and/or anti-glare eyewear, namely sunglasses, goggles, spectacles and their parts and accessories, namely replacement lenses, earstems, frames, nose pieces and foam strips; cases specially adapted for protective and/or anti-glare eyewear and their parts and accessories" in International Class 9; and for "clothing, headwear and footwear, namely T-shirts, sweatshirts, blouses, sweaters, sport shirts, jerseys, sweatpants, ski pants, racing pants, jeans, coats, vests, jackets, hats, visors, caps" in International Class 25:



- Reg. No. 1,904,181 for the elliptical circle shown below, for "protective and/or anti-glare eyewear, namely sunglasses, goggles and their parts and accessories, namely replacement lenses, earstems, frames, nose pieces and foam strips, cases specially adapted for protective and/or anti-glare eyewear and their parts and accessories" in International Class 9:



- Reg. No. 2,207,455 for the elliptical design shown below, for "luggage, duffle bags, athletic bags, luggage bags with rollers, wrist mounted carryall bags, tote bags, all purpose sports bags, knapsacks and backpacks" in International Class 18:



2

- Reg. No. 2,209,416 for the elliptical design shown below, for "protective and/or anti-glare eyewear, namely, goggles, and their parts and accessories, namely, cases specially adapted for protective and/or anti-glare eyewear and their parts and accessories" in International Class 9; and for "clothing, headwear and footwear, namely, T-shirts, hats, shorts, shirts, pants, jackets, sweatshirts, shoes, and pullovers" in International Class 25:



3

² This registration matured from application Ser. No. 75/126,266, issuing on December 1, 1998, during the pendency of this proceeding.

³ This registration matured from application Ser. No. 75/066,557, issuing on December 8, 1998, during the pendency of this proceeding.

In its notice of Opposition, applicant also claimed ownership of pending application Ser. No. 75/201,562 for the letter "X" inside an elliptical design, as shown below, for "protective and/or anti-glare eyewear, namely, sunglasses, goggles, spectacles and their parts and accessories, namely, replacement lenses, earstems, frames, nose pieces and foam strips; cases specially adapted for protective and/or anti-glare eyewear, and their parts and accessories" in International Class 9; and for "clothing, namely, T-shirt, beachwear, blouses, sports shirts, jerseys, swimwear, swimtrunks, shorts, underwear, shirts, pants, racing pants, ski pants, jeans, vests, jackets, wetsuits, sweaters, pullovers, coats, sweatpants, sweatshirts, belts, socks, gloves, headwear, namely, hats, caps, visors, and footwear, namely, wetsuit booties, shoes, sandals, athletic footwear, all purpose sports footwear, thongs and boots" in International Class 25:



and that applicant's design mark so resembles opposer's previously used marks as to be likely to cause confusion, to cause mistake or to deceive.

Applicant, in its answer, denied the salient allegations in the notice of opposition.

The record consists of the pleadings; the file of the involved application; and trial testimony, with related exhibits, taken by opposer of: Jamie Dodge, an intellectual property

paralegal with Oakley, Inc.; Kris Bowers, Advertising Director of Oakley, Inc.; Scott Bowers, Director of Sports Marketing of Oakley, Inc.; and Donna Gordon, Chief Financial Officer of Oakley, Inc.; and applicant's Notice of Reliance pursuant to 37 C.F.R. §2.122, making of record several third-party registrations and dozens of pages of advertisements from specialized sporting goods magazines. Both parties filed briefs on the case, but the initial request for an oral hearing was later withdrawn.

The record shows that opposer is a major manufacturer and marketer of sunglasses. Utilizing a high profile sports marketing campaign, opposer sold more than \$1 billion worth of eyewear products from 1994 to 1998. The sunglasses and goggles are sold through more than 10,000 retail outlets across the United States, including Sunglass Hut, Champs Sports, and many other stores.

The record demonstrates that opposer's elliptical mark is used prominently on straps for sunglasses and goggles, on packaging bands and on packaging boxes for sunglasses, spectacles, and goggles, for replacement earsock/nosepiece kits, on warranty cards and on hang tags. The mark is also used prominently on the earstems of most of Oakley's sunglasses and goggles, as seen below, in images included in the record:



FIVES



TENS



TWENTYS



FROGSKINS



EYEJACKET



MINUTE



STRAIGHT JACKET



TRENCHCOAT



ROMEO



X X



ZERO.4



ZERO.7

Opposer also employs the elliptical design on Oakley's home page on the Web, on sticker/decals, on retail store display cards, autograph cards, and point of purchase posters, on individual product sheets, on folders of assorted product sheets, and on its catalogues, on magazine ads and magazine inserts, as well as on a wide selection of clothing and caps, some of which are worn by well-known athletes in photographs of record.

Applicant admits that it sells "similar eyewear products in potentially similar trade channels and markets" as those relied upon by opposer.⁴ Opposer identifies applicant, Killer Loop Eyeware, more specifically, as "a subsidiary of Bausch & Lomb, one of Oakley's major competitors."

⁴ Applicant's brief, p. 9.

Applicant has a federal registration⁵ for the following design, and submits that the application opposed herein is merely "an evolution" from this previously used and registered mark:



As part of its notice of opposition, opposer made of record status and title copies of its pleaded registrations enumerated above. Thus, there is no issue with respect to opposer's priority. King Candy Co., Inc. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974).

We turn then to the issue of likelihood of confusion. Our determination under Section 2(d) of the Trademark Act is based upon an analysis of all of the probative facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973).

Goods and Channels of Trade

We look first to the goods of the parties. Applicant and opposer are both in the business of selling eyeglasses (or spectacles), sunglasses, as well as their parts and accessories

⁵ Reg. No. 1,992,374 issued August 13, 1996 for "eyeglasses, sunglasses, glass lenses, glass frames, glass cases, glass chains, in International Class 9.

such as replacement lenses, frames and cases.⁶ Because opposer's registrations and the involved application contain no restrictions as to the types of eyeglasses and sunglasses, for purposes of our analysis, we must assume the goods are identical. Furthermore, in the absence of any limitations by either party, we must assume that these goods travel in the usual channels of trade for such goods. *In re Elbaum*, 211 USPQ 639 (TTAB 1981).

The number and nature of similar Third-Party marks

Applicant cites hornbook law stating that common shapes like ovals are not inherently distinctive, and that even upon a demonstration of acquired distinctiveness, such designs are to be accorded little protection. Accordingly, applicant argues that opposer's ellipse is a common, non-distinctive shape that should be accorded, at best, a very narrow scope of protection. In an attempt to bolster this position, applicant has submitted as part of its notice of reliance copies of third parties' federal trademark registrations which are said to be representative of use of this shape. For example, the following marks, where elliptical or circular designs are part of composite marks, are registered in the eyewear field:

⁶ Although applicant has now dropped the clothing items from this application, it is clear both parties find it commercially valuable to extend their marks from eyewear to clothing.



7

We agree with opposer that in reaching our decision, we accord little weight to the third-party registrations submitted by applicant. There is no evidence of actual use, and in the absence of such evidence, the third-party registrations are entitled to little weight on the question of likelihood of confusion. See *Plantronics Inc. v. Starcom Incorporated*, 213 USPQ 699 (TTAB 1982). Furthermore, as opposer contends in its reply brief:

Even if these registrations are considered on the merits, they are readily distinguishable from Oakley's Ellipse Logo mark. For example, Registration No. 2,169,616 is a vertical ellipse design, not horizontal. Registration No. 1,511,570 is not a stylized, hyperstretched ellipse similar to Oakley's Ellipse Logo and includes other words and design elements which distinguish it from Oakley's Ellipse Logo. Registration No. 1,360,167 does not include any ellipse. Rather, the mark includes a circle. (pp. 3 - 4 of reply brief).

In addition to the distinguishing factors opposer has pointed out with each of these third party marks, we are not convinced that this limited number of registrations is sufficient to indicate that opposer's elliptical design is a "weak" mark in this field.

⁷ (l. to r.) Reg. Nos. 2,169,616, 1,511,570 and 1,360,167,

By way of contrast with the above marks which opposer finds distinguishable, we note the marks in several recent trademark applications against which Oakley, the opposer herein, has initiated other opposition proceedings before this Board:



Serial No. 75/101,123, for "clothing, namely, shirts, T-shirts, sweatshirts, sweatpants, shorts, sweaters, jackets and hats"



Serial No. 75/077,514, for, *inter alia*, "stickers, sports banners, and clothing, namely, gloves, shoes, hats, tee shirts, sweatshirts"



Serial No. 75/019,432, for "footwear, headwear, and clothing, namely, pants, T-shirts, shirts, jackets, socks, sweat shirts, sweat pants, sweat suits, shorts"

Although the marks shown above in these now-abandoned applications were all to be registered in connection with items of clothing, not eyewear, it is clear that opposer has vigorously enforced its rights in its "Ellipse Logo" against third parties whose marks it believes are creating a similar commercial impression. Opposer has delineated the marks it opposes as being thinner at the top and bottom than on the sides and hyperstretched in a horizontal plane. Moreover, in each case, the overall proportions of the scaling are similar to the proportions of the ellipse of opposer's logo.

respectively.

In its notice of reliance, applicant also submitted dozens of magazine advertisements where sporting goods manufacturers had incorporated elliptical or circular designs somewhere within the ad copy or on pictures of the goods themselves (e.g., skis, snowboards, etc.).

Again, we agree with opposer that the advertisements submitted by applicant (none of the ads was for eyewear) demonstrate only that circles and ellipses are employed by others in a myriad of ways in advertising sporting goods. However, even when the circles or ellipses are used in what are clearly composite marks, few are used in as prominent a trademark manner as is the case with applicant's and registrant's marks involved herein.

We noted above six third-party registrations (p. 9) and applications (p. 11) where other manufacturers or merchants of sporting goods employ this type of circular devices as part of composite marks. However, most are background images or carrier devices that simply fade into the background, having little or no source indicating function. Within composite marks, strong characters comprising fanciful marks, other design features and/or arbitrary wording move into the spotlight. By contrast, most background devices merge into the shadows thereby losing any opportunity to make a separate impression.

In many of these third-party logos, the oval design is integrated with letters or designs internally. In others, there

are things attached to the outside of the oval. As the matter within and/or without the ellipse becomes more and more distinctive, the circle or ellipse becomes less prominent. In others, the ellipse is so intertwined with the more prominent features of the mark that it is difficult to isolate the oval as a separate element.⁸

Hence, based upon the entire record before us, we conclude that applicant has pointed to no other competitors in the eyewear or clothing fields who are currently using an ellipse logo in a strong source-indicating manner.

Conditions surrounding the sale of eyewear

We turn next to the conditions under which, and buyers to whom, sales are made, i.e., ordinary, "impulse" shoppers versus the careful, sophisticated purchaser of precious goods. Applicant picks up on opposer's sports marketing program and argues that opposer is marketing "serious eye protection" -- not "mere sunglasses " -- often costing hundreds of dollars per pair. Hence, applicant contends, we should conclude that these are sophisticated purchasers.

Again, opposer argues correctly that these are no such limitations in the identification of goods, and there is no proof that purchasers of sunglasses exercise great care in their selection of sunglasses at any price. Accordingly, we must

⁸ This is certainly the case with the mark in applicant's existing registration. See discussion on marks at pp. 15-18, *infra*.

assume sunglasses purchasers are no more sophisticated than consumers of any other retail goods. See In re Melville Corp., 18 USPQ2d 1387, 1388 (TTAB 1991).

The fame of opposer's ellipse logo

We turn next to the fame of opposer's mark judged by its level of sales and advertising. As noted above, opposer sold more than \$1 billion worth of eyewear products from 1994 to 1998 through more than 10,000 retail outlets across the United States, including Sunglass Hut.⁹

Opposer adopted this mark in 1993, and by 1996 was pushing toward \$300 million in annual sales of eyeware products. Few companies anywhere have waged a more aggressive sports marketing campaign. Included among the 1500 athletes worldwide opposer has had under contract are household figures like Michael Jordan, Cal Ripken, Jr., Lance Armstrong, Reggie Miller, Mark Maguire and John Daly. In a two-year period before the testimony in this case ended, opposer had spent \$15 million on its sports marketing program alone.

These remarkable athletes are seen wearing their Oakley eyeglasses during nationally televised, prime time sporting events (e.g., opposer's high profile at the 1996 Olympic Games in Atlanta was reflected in Oakley's 1996 sales). Photographs of

⁹ The record reflects a close relationship between applicant and Sunglass Hut. In fact, over a period of years, the Oakley marketing managers maintained editorial control over the quarterly catalogue put out by Sunglass Hut.

these sports heroes wearing Oakley eyeglasses are placed on the covers of national sports magazines and on retail, point-of-sale displays. Their images, with the Oakley logo on the earpieces of the sunglasses and the ellipse logo featured prominently in the foreground of ads appearing on large billboards in Los Angeles, Chicago and New York City (e.g., on a huge Oakley billboard in Times Square, the image of Michael Jordan wearing Oakley sunglasses was seen for months by more than a million and a half consumers every day¹⁰).

As a result of this extensive showing, we conclude that opposer's ellipse logo is a strong mark indeed. This contrasts with the usual fact situation where such a strong showing had not been made, nor could it be made. Here, opposer's ellipse logo should "enjoy a wide latitude of legal protection." See Kenner Parker Toys Inc. v. Rose Art Industries Inc., 963 F.2d 350, 22 USPQ2d 1453 (Fed. Cir. 1992).

Similarity of the Marks

As we turn to the critical question of the similarity of the marks, we are guided by the principle that "when marks would appear on virtually identical goods or services, the degree of similarity necessary to support a conclusion of likely confusion declines." Century 21 Real Estate Corp. v. Century Life of America, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992).

¹⁰ Trial deposition of Kris Bowers, p. 107.

Not surprisingly, when conducting their subjective "eyeball tests" of the two marks, especially in describing applicant's mark, the parties reach quite different conclusions. Applicant describes its mark as follows:

The dominant element of the K ELLIPSE is the large central "K" that occupies the foreground. As with marks that incorporate both words and designs, it can be expected that the letter "K" will create a greater impression and have a greater resonance with the consuming public than the background design.

By contrast, opposer sees this same mark very differently:

... Oakley's Ellipse Logo is not a standard ellipse. The mark is thinner at the top and bottom, and thicker on the sides. The ellipse has been hyperstretched in a horizontal plane, creating a unique effect. Killer Loop's Ellipse Logo and letter K mark incorporates a nearly identical ellipse. Not only is Killer Loop's logo thinner at the top and bottom and thicker at the sides in an identical fashion to Oakley's Ellipse Logo, but the scaling of the two ellipses is virtually identical. The only distinction between Killer Loop's Ellipse Logo and letter K mark and Oakley's Ellipse Logo is that the Killer Loop mark incorporates the letter K along with the Ellipse Logo. Killer Loop argues that its Ellipse is merely in the background and that the predominant element in its mark is the letter K. However, a review of Killer Loop's Ellipse Logo and letter K mark makes it evident that the Ellipse Logo creates a strong commercial impression. First, the Ellipse Logo is darker and bold compared to the Letter K set forth with a thin black border. Second, Killer Loop's Ellipse Logo is intertwined with the letter K and, in fact, appears in front of two of the three legs of the letter K.

As the record demonstrates, Oakley prominently promotes its ellipse logo *per se* in billboards, on point-of-sale displays and on national television (without the accompanying "OAKLEY"

housemark). As can be seen above from the ways in which opposer applies this mark to eyewear, Oakley's ellipse logo serves as a source indicator in its own right -- not as a carrier device for other source-indicating matter. During this proceeding, applicant certainly has not challenged the validity of opposer's Reg. No. 1,984,501 covering eyewear:



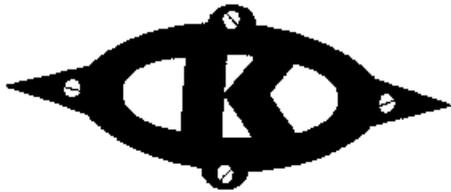
We conclude that applicant's applied for mark creates a commercial impression quite similar to that of opposer's ellipse logos. Based upon this entire record, we conclude that, except for applicant's mark herein, no other competitors in the eyewear or clothing fields are currently using an ellipse logo in a strong source-indicating manner that is close to the mark owned by opposer.

Applicant tries to place this applied for mark in the shadow of its previously registered mark. However, the differences in overall commercial impression are set out by opposer:

Killer Loop argues that its mark is similar to Killer Loop's prior Registration No. 1,992,374 and, presumably, in view of this similarity, Application No. 74/660,395 should mature to registration. A review of these marks clearly illustrates that the marks are strikingly different. First, the ellipse in the prior registration is a standard ellipse. Second, the ellipse is obscured by four protrusions, giving the mark a nautical theme. Each protrusion includes a white bisected circle resembling a screw head. Further, the letter K is also black and bold and runs into the ellipse as opposed to

being a separate element as in the present application. That is, the Ellipse of Killer Loop's prior registration does not stand alone, but has several additional features not present in the current application. The marks shown in Killer Loop's present application and prior registration are dissimilar. Therefore, Killer Loop should not be permitted to ride on the coattails of its prior registration.

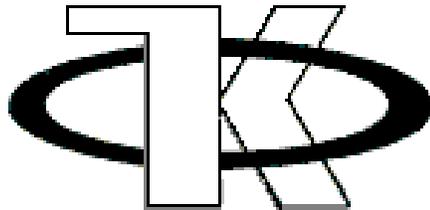
We find that this newly-adopted mark has an overall commercial impression closer to opposer's registered mark than it does to its own previously registered mark:



Killer Loop's ® mark



Oakley's ® mark



Killer Loop's applied for mark

We note also the disagreement of the parties over the significance of the single letter "K" in applicant's design mark at issue. Based upon the testimony of several of its top marketing people and from exhibits attached to their respective trial testimony depositions, opposer has prominently used a variety of single letters to designate various styles of its

sunglasses.¹¹ Hence, where a mark for eyewear or collateral products combines a single letter with a prominently featured elliptical device (i.e., an ellipse having the characteristics identified by opposer), opposer argues there will be confusion among consumers intimately acquainted with its complete line of products and their marks -- more so with single letters than if the matter combined with the ellipse is a literal designation such as a house mark, a fanciful design or an arbitrary word.¹²

We note this understandable concern on the part of opposer, without "granting [Oakley] exclusive use of the alphabet for eyewear."¹³ Nor do we find it necessary to weigh in on the parties' discussion about whether the letter "K" as used in applicant's mark is more reminiscent of Oakley or Killer. Suffice it to say that in making this decision, we have compared the marks in their entirety, and applicant's marks does contain the letter "K" with its "thin black border." Nonetheless, we conclude that the ellipse dominates applicant's applied for mark, and creates the same overall commercial impression as does opposer's ellipse logo.

Finally, we note that if applicant were to place this mark opposite the lenses on the earpieces of a pair of sunglasses,

¹¹ Opposer owns federal registrations for marks having single letters such as "M FRAME," "X METAL," "E WIRE," "T WIRE," "J EYE JACKET," "O MATTER," etc.

¹² We are not asked to determine herein the metes and bounds of opposer's rights to exclude competitors from using specific letters of the alphabet. The marks listed in the previous footnote are the subject of other word mark registrations not having the ellipse logo, so we decline to decide an issue that is not squarely before us.

given the size of the resulting mark, it would be most difficult to expect this particular format of the "K ellipse" with that placement to distinguish the goods from those bearing opposer's ellipse logo. In such a case, we find that the extent of potential confusion would be substantial.

Decision: Accordingly, the opposition is sustained and the application for the "K with ellipse design" mark is refused.

P. T. Hairston

H. R. Wendel

D. E. Bucher

Administrative Trademark
Judges, Trademark Trial and
Appeal Board

¹³ Applicant's brief, p. 11.