

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE TTAB JUNE 16, 00

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Response, Inc.

v.

Service Response Technology, Ltd.

Opposition No. 98,461
to application Serial No. 74/453,350
filed on November 2, 1993

Mark P. Kovalchuk of Kovalchuk and Cutshall, P.A.
for Response, Inc.

Loren G. Helmreich of Browning Bushman
for Service Response Technology, Ltd.

Before Walters, Wendel and Bucher, Administrative Trademark
Judges.

Opinion by Wendel, Administrative Trademark Judge:

Service Response Technology, Ltd. filed an application
to register the mark RESPONSEWARE for "computer programs and

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software to assist in tracking and evaluating customer service activity and business inquiries."¹

Response, Inc. filed an opposition to registration of the mark under Section 2(d) of the Trademark Act on the ground of likelihood of confusion. In the notice of opposition, opposer alleges the adoption and use of the mark RESPONSE for many years in connection with the sale and support of computer hardware and software; the ownership of registrations for the mark RESPONSE and design, as shown below,

for "computer programs for use in the pharmaceutical profession, the agricultural industry and by retail business"² and "distributorship services and retail outlet services in the field of computer hardware and software utilized specifically for record keeping by the pharmacy and farming industries";³ and the likelihood of confusion with applicant's use of its RESPONSEWARE mark for goods of the same general class which are marketed in the same channels

¹ Serial No. 74/453,350, filed November 2, 1993, claiming a date of first use and first use in commerce of October 1, 1993.

² Registration No. 1,444,918, issued June 30, 1987, Section 8 and 15 affidavits accepted and acknowledged, respectively.

³ Registration No. 1,468,651, issued December 8, 1987, Section 8 and 15 affidavits accepted and acknowledged, respectively. There

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of trade and to the same purchasers as opposer's goods and services.

Applicant, in its answer, denied the salient allegations of the notice of opposition and set forth as a defense third-party use of similar marks.

The Record

The record consists of the file of the involved application; opposer's case-in-chief testimony depositions, and accompanying exhibits, of Beverly J. Rowlands, CEO of opposer, Sandra L. Phillips, Director of process management of opposer, and Steven R. Waters, Vice President of sales of opposer; certified status and title copies of three registrations owned by opposer⁴ and applicant's answer and supplemental answer to opposer's Interrogatory No. 16, all made of record by opposer's notice of reliance; applicant's trial testimony deposition, and accompanying exhibits, of Ken Johnson, President of applicant; opposer's answers to applicant's Interrogatory Nos. 6, 8, and 9, a dictionary

is a slight variation of the design portion in this mark, there being no underlining present.

⁴ In addition to the two registrations pleaded in the notice of opposition, opposer has introduced a copy of its Registration No. 1,996,666, issued August 27, 1996, for the mark RESPONSEPLUS for "computer diagnostic services and consulting services to computer owners and users." Although opposer has never amended its notice of opposition to allege ownership of this registration, ownership thereof is considered to have been tried by implied consent of the parties. See FRCP 15(b).

definition of the term "response" and copies of third-party registrations for marks containing the term RESPONSE,⁵ all made of record by applicant's notice of reliance; and opposer's rebuttal testimony deposition of Sandra L. Phillips.⁶ Both parties filed briefs on the case, but an

⁵ Upon reviewing Office records, we find that only two of the eight registrations are presently active, the remainder having been cancelled or having expired. The two active registrations are:

Registration No. 1,387,261 for the mark RESPONSER (stylized) for "computer programs in documentary and magnetically recorded form and reference manuals for use therewith; sold as a unit"; and

Registration No. 1,773,915 for the mark QUICK RESPONSE SYSTEM II for "computer software and instructional manuals sold together as a unit, for use in highway, transit and traffic forecasting"; issued on the Supplemental Register.

⁶ Applicant earlier filed a motion to exclude the rebuttal testimony of Sandra Phillips from the evidence of record, consideration of which was deferred until final hearing. Applicant contends that the rebuttal testimony of Ms. Phillips fails to contradict or discredit any testimony or exhibits introduced by applicant during its testimony period, but instead consists of either an attempt to introduce evidence which should have been introduced during opposer's case-in-chief or a rehash of prior testimony. Opposer, in response, argues that the testimony was directed to testimony of Mr. Johnson which expanded applicant's prior responses to interrogatories with respect to customer types, specific customers and the location of the same and thus was proper rebuttal testimony.

In general, opposer in its rebuttal period may introduce facts and witnesses to deny, explain or otherwise discredit the facts and witnesses of applicant, but not facts or witnesses that should have been introduced during its case-in-chief. See J. McCarthy, McCarthy on Trademarks and Unfair Competition, § 20:116 (4th Ed. 1999). The fact that the evidence might have been introduced during the case-in-chief does not, however, automatically preclude its admission during rebuttal. The Board has held that it has the discretion to admit rebuttal testimony of this nature in the interest of fairness. See Data Packaging Corporation v. Morning Star Inc., 212 USPQ 109 (TTAB 1981).

Here the rebuttal testimony of Ms. Phillips consisted in part of an amplification of prior testimony with respect to opposer's sales methods and as such was testimony which clearly could have been introduced during its case-in-chief. On the other hand, the

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oral hearing was not requested.⁷

Opposer was founded in 1978 under the name Team Custom Software, Inc. and changed its name to Response, Inc. in 1983.⁸ Opposer has sold customized software under its RESPONSE mark for use with IBM computers and IBM compatible personal computers since 1983. Opposer has also sold computer hardware and software developed by others under its mark since 1983 and has been a re-marketer for IBM since that time. Since prior to 1987 opposer has offered support

confidential customer information naming specific customers of applicant was apparently first divulged during cross-examination of applicant's witness Ken Johnson. Thus, we find it in the interest of fairness to admit the rebuttal testimony of Ms. Phillips directed to opposer's similar types of customers, even if not true rebuttal.

Accordingly, applicant's motion to exclude the rebuttal testimony in its entirety is denied and the testimony has been considered as part of the record. We hasten to add, however, that even if this testimony had been excluded, our decision would have been the same.

⁷ While opposer has labelled its entire brief as "confidential," we have taken the subscript that "portions of this brief contain confidential information" as controlling and have treated as confidential only the references to those portions of testimony which were separately filed as confidential matter. In order to properly protect the confidential material in the brief, opposer is required to submit those portions of the brief which were confidential under seal and a redacted copy of the brief for placing in the file. See TBMP § 416.06. Otherwise, the present brief will be placed in the file which is open to the public.

⁸ We note the controversy between the parties as to the status of opposer's Exhibit 1. Although entitled a stipulation of facts, it was clarified during the deposition of Beverly Rowlands that the information therein had not been stipulated to by applicant and that Exhibit 1 was to serve only as the framework for the testimony of opposer. Accordingly, during the testimony of opposer's witnesses the contents of Exhibit 1 were introduced as evidence, paragraph by paragraph, with a few minor changes being made by the witnesses. As such, Exhibit 1, as modified, stands as evidence in opposer's behalf.

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services for its software and its hardware under its RESPONSE mark. In 1992 opposer began to offer support services under the mark RESPONSEPLUS.

Opposer's custom software is directed, in large part, to financial packages and programs for inventory control. Businesses that purchase RESPONSE software specifically include the pharmacy industry, seed companies, the banking industry, other computers dealers, and basically may include any company with a need for financial information or management of product distribution. (Phillips deposition, p. 10). Both software and hardware products are marketed nationwide and marketing means include direct mailings, trade shows, advertisements in various publications, phone solicitations and consultants. Opposer has a retail outlet in Rochester, MN, a sales office in Eden Prairie, MN and sales staff at its corporate headquarters in Jackson, MN. Opposer has grown from a company of two in 1979 to one of 125 employees in 1996 and its sales have increased in like manner.

Opposer developed a program called Customer Support System (CSS) in the 1980's to communicate with its customers. This program was only marketed to others as an integrated part of opposer's Contoller/36 software, a program no longer sold as such but ported over for use on the IBM AS/400, and was only used internally by opposer to

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track and monitor incoming calls for assistance from existing customers. The program was rewritten in 1990, but remained for internal use by opposer to monitor its customer calls. Ms. Phillips testified that CSS is not a stand-alone package and has never been sold to customers for use by them in monitoring their incoming customer service calls.

(Phillips deposition, p.72). Mr. Waters testified, however, that opposer intended to market CSS as a stand-alone product in 1997, that direct mailings had been sent out with respect to this product (called CSS400), and that the program would be targeted to any service provider for use in rapid reaction to customer problems.

Opposer has commenced oppositions or infringement actions against the users of several other marks containing various forms of the term RESPONSE. Several of these suits have been settled, in some cases with continued use by defendant of its mark in a restricted area.⁹

Applicant was formed in late 1992 with Mr. Johnson being the sole full-time employee and the one who handles all aspects of the sale and support service of applicant's software. Applicant's software package is sold to service

⁹ Applicant has requested that sanctions be imposed against opposer for its failure to fully produce documents with respect to these proceedings during discovery, even after ordered to do so by the Board. Applicant's request is denied as untimely. If opposer failed to comply with a Board order with respect to discovery within the period allowed, applicant's remedy was to file a motion for sanctions under Rule 2.120(g)(1) at that time, not to delay any such request until final hearing.

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companies to allow them to track customer inquiries and equipment as a contracting help desk system. (Johnson deposition, p.7). According to Mr. Johnson, many companies have written their own internal call tracking and help desk systems, which can be replaced by applicant's software. Applicant markets its software principally by telemarketing, and advertises by means of mailouts and trade shows. Prior to any sale, applicant normally provides one or more demonstrations of its software to prospective purchasers, who were described by Johnson as being "extremely sophisticated" in the computer business. Applicant offers two versions of its software, the RESPONSEWARE/Service Desk, a program for purchasers to track their customers and the equipment sold to them, and RESPONSEWARE/MIS Service Desk, an in-house help desk for use by larger companies with large numbers of computers. Applicant's software is priced on a per user basis, which is approximately \$1,000 per user. Most companies have more than one person handling the help desk and thus take a multi-user license from applicant. Mr. Johnson testified that the software, which he personally developed, was geared toward persons who sell and service computer software and hardware and would not be sold to companies such as pharmacies, agricultural companies or banks. These companies, according to Johnson, would have no need for his product, which is designed to track equipment

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and maintenance contracts for the equipment. (Johnson deposition, p.22).

The Opposition

Priority is not an issue here in view of opposer's submission of status and title copies of its registrations proving ownership of valid and subsisting registrations for the marks RESPONSE and design and RESPONSEPLUS. See King Candy Co., Inc. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974). While opposer also asserts common law rights in the mark RESPONSEline and ownership of a pending application for the mark RESPONSE and design for expanded goods and services, consideration of use of these marks is not necessary for purposes of priority.

Thus, we turn to the issue of likelihood of confusion, taking into consideration all of the du Pont factors which are relevant under the present circumstances. See In re E.I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1974).

Looking first to the factor of the similarity or dissimilarity of the respective marks, we make our comparison between opposer's registered marks RESPONSE and

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design and RESPONSEPLUS and applicant's mark RESPONSEWARE.¹⁰ Opposer contends that RESPONSE is the dominant portion of both opposer's and applicant's marks; that WARE is suggestive of applicant's goods and thus RESPONSEWARE is similar in connotation to RESPONSE software; and that the marks create similar commercial impressions. Applicant argues that the marks must be considered in their entirety, and thus the design component of opposer's mark must be considered and applicant's mark must be viewed as the single term RESPONSEWARE, without any dominant portion. We find the marks highly similar both in visual and oral impression and in connotation. Although applicant is seeking to register RESPONSEWARE as a single term, the word RESPONSE clearly dominates the mark. The suggestiveness of the term WARE, when used with software, is self-evident. Furthermore, applicant has acknowledged that although its mark is generally used in all capital letters, there are instances, such as in a brochure (Applicant's Exhibit 4), in which only the letters "R" and "W" are capitalized, which clearly emphasizes the suggestive nature of the term WARE.

In like fashion, the term RESPONSE dominates opposer's marks. The design portion of most marks is of lesser import, because it is the word portion of the marks, rather

¹⁰ Although opposer asserts rights in the mark RESPONSEline, opposer has failed to establish sufficient use of this mark for us to take it under consideration.

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than any design feature, which is more likely to be remembered and relied upon by purchasers in calling for the goods and services. See *In re Appetito Provisions Co.*, 3 USPQ2d 1553 (TTAB 1987). This is certainly true for opposer's primary mark, the design portion being of minimal significance in the commercial impression as a whole and obviously not being a feature which would be relied upon in calling for opposer's goods.

Even if the marks are similar, applicant takes the position that there is no likelihood of confusion because of the marked differences between the goods and services with which opposer uses its RESPONSE marks and the specific "help desk" RESPONSEWARE programs of applicant. Applicant argues that the just resolution of this opposition lies in an understanding of the particular programs of applicant in comparison to the products of opposer. Applicant presents a detailed analysis not only of the features of its help desk program, but also the process of selection of the program by businesses, the sophistication of the purchasers and the expenditures involved. Applicant further argues that opposer's primary business under its marks is providing services, either service contracts to its customers or the sale of hardware and software of other companies, and that use of its RESPONSE marks for such services would not be

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likely to be confused with applicant's RESPONSEWARE mark for a specialized program.

Opposer, on the other hand, argues that both parties sell custom software to various kinds of businesses; that opposer's CSS software is "virtually identical" to applicant's software; that both parties use similar marketing methods; and that the goods of both travel in the same channels of trade and would be encountered by the same purchasers.

Accordingly, a major factor for our consideration is the similarity or dissimilarity of the goods involved. Although it is true that two of opposer's registrations are for services, the third and most pertinent registration is for the mark RESPONSE and design for use with "computer programs for use in the pharmaceutical profession, the agricultural industry and by retail business." Furthermore, the testimony of Ms. Rowlands establishes that opposer began as a custom software company and has sold custom software since that time. Thus, it is without any doubt that opposer is using its RESPONSE mark for software goods, as well as its various services.

It is well established that in an opposition, the question of likelihood of confusion must be determined on an analysis of the mark as applied to the goods and/or services recited in the application viv-a-vis the goods and/or

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services recited in the opposer's registration(s), rather than what the evidence shows the goods and/or services to be. See *Canadian Imperial Bank of Commerce v. Wells Fargo Bank*, 811 F.2d 1490, 1 USPQ2d 1813, 1815 (Fed. Cir. 1987), citing *CBS, Inc. v. Morrow*, 708 F.2d 1579, 218 USPQ 198 (Fed. Cir. 1983). Furthermore, if there are no restrictions in either the application or the registration(s) as to channels of trade, the goods and/or services must be assumed to travel in all the normal channels of trade for goods and/or services of this nature. See *Kangol Ltd. v. KangaROOS U.S.A. Inc.*, 974 F.2d 161, 23 USPQ2d 1945 (Fed. Cir. 1992).

Here the goods as identified in opposer's registration are unrestricted as to the specific nature of the "computer programs." In addition, while certain of opposer's software products are limited to use by a specific business or industry, namely the pharmacy business or the agricultural industry, others fall under the general category of use by "retail business." Although the applicability of this broad category to opposer's presently offered software was demonstrated by the testimony of Ms. Phillips that opposer's custom software might be purchased by any type of business needing assistance with financial information or management of product distribution, proof of actual use of this breadth was not necessary. As pointed out, the likelihood of

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confusion must be determined on the basis of the goods recited in the registration, not on the evidence of the software presently been offered.

Accordingly, we find applicant's specific computer programs as recited in its application to fall squarely within the bounds of opposer's "computers programs." No distinction can be made on the basis of the particular features of applicant's help-desk program; it is immaterial that applicant's program is directed to use by others in assisting their customers whereas opposer's program, at least until recently, has been for internal tracking of its own customers.

Neither can any distinction be made on the basis of channels of trade, inasmuch as applicant's application fails to limit the use of its programs to any particular field. Regardless of any evidence of areas of actual use, the software as identified in the application must be construed as being for use in the same fields as opposer's software. As a matter of fact, Mr. Johnson testified that applicant's software was geared toward persons who sell and service computer hardware and software, which specifically falls with opposer's recited areas of use.

Applicant stresses the sophistication of the purchasers of its software and the care with which the programs are evaluated prior to purchase, and has offered testimony to

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this effect. Further, we find the evidence with respect to opposer's means of marketing, which include use of a direct sales force and consultants, but not sales through retail outlets, sufficient to establish that its custom software would be purchased with comparable care and degree of sophistication. This cannot outweigh, however, the fact that these same sophisticated purchasers might encounter the same type of software, namely, help-desk programs, from the two parties. As such, these purchasers might well be confused as to source when opposer's software is offered under its RESPONSE mark and applicant's software is offered under its RESPONSEWARE mark.

Applicant has also raised the argument that the extent of third-party use of similar RESPONSE-containing marks for goods or services in the computer field is a significant factor in this case. Applicant contends that opposer's trademark rights must be narrowly construed and its mark considered inherently weak, in view of its evidence of use by numerous third parties of the term RESPONSE as a portion of their marks.

We are inclined to agree with applicant that, based simply on the dictionary definition made of record of a "response" as an "answer or reply," the term "response" has suggestive qualities when used in connection with computer software products, rather than being totally

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arbitrary. Applicant's reliance upon third-party registrations, however, as a means for demonstrating extensive use by others of marks containing the term "response" in the computer and software field is misplaced. In the first place, as previously pointed out, only two of the third-party registrations made of record by applicant in its notice of reliance are still in existence. Thus, while third-party registrations may be indicative of the suggestiveness of a term if shown to be commonly used in marks in a particular field, two registrations are clearly insufficient to establish frequent adoption of a term. See *In re Carnation Co.*, 196 USPQ 716 (TTAB 1977). Furthermore, third-party registrations do not constitute evidence of any use whatsoever of the marks shown therein or familiarity of the public therewith. See *AMF Inc. v. American Leisure Products, Inc.*, 474 F.2d 1403, 177 USPQ 268 (CCPA 1973) and the cases cited therein. It is true that Mr. Johnson testified as to the continued use of one of these marks, namely QUICK RESPONSE SYSTEM II. This mark is registered on the Supplemental Register, however, and thus has not even been recognized as functioning as a trademark. Similarly, the trademark searches introduced by each of the parties during the course of the trial not only are not a proper means for making of record the third-party registrations listed therein but also clearly are not evidence of actual

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use of any of the marks covered thereby. See *Riceland Foods Inc. v. Pacific Eastern Trading Corp.*, 26 USPQ2d 1883 (TTAB 1993).

The only other proffered evidence of third-party use consists of information sent to Mr. Johnson concerning a software program for lawyers' billing assistance sold under the mark RESPONSIVE TIME LOGGER, an advertisement in a trade journal for software for unknown purposes being sold under the name RESPONSEAGENT and a Web site advertisement for a MICROSOFT product called PRIMARY SUPPORT WEB RESPONSE.¹¹ We find this minimal evidence at best of use of marks containing the term RESPONSE for software in general, much less use of RESPONSE marks in connection with software similar to that of opposer.¹² Opposer's evidence with respect to its policing of its mark is more persuasive of the limited extent of third-party use of RESPONSE marks in

¹¹ Opposer's objection to the admissibility of this evidence on the basis of having not been provided during discovery is not sustained, opposer having failed to prove that the information was specifically requested and denied. Insofar as opposer's further objection on hearsay grounds is concerned, we note that Internet web pages and printed advertisements such as these may be relied upon for what they show on their face. See *Raccioppi v. Apogee Inc.*, 47 USPQ2d 1368 (TTAB 1998). Thus, we have considered the evidence to the extent that it shows use of the marks in the manner depicted in the advertisements.

¹² Applicant's wholesale search of the Internet for the term "response" without any further specification as to the scope of that which Mr. Johnson described as the "software area" is clearly of little probative value to the specific issues before us. The same holds true for the Web page introduced in Exhibit 11, since there is no indication that the mark or trade name RESPONSE is being used in connection with software of any kind.

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opposer's field. Although certain of its suits may have been settled with continued use of the third-party's mark, it would appear from the testimony of Ms. Rowlands that this use was often restricted to a particular non-overlapping field. Thus, on balance we find insufficient evidence of third-party of RESPONSE-containing marks for similar goods to weigh this factor in applicant's favor.

While applicant has also raised the lack of evidence of any actual confusion, we find this of minimal import when consideration is given to the extent of applicant's business and the number of actual customers.

Accordingly, upon weighing all the relevant *du Pont* factors, and particularly on the basis of the similarity of the marks and the fact that applicant's software programs fall within the scope of opposer's software programs, we find the balance to fall heavily in opposer's favor.

Decision: The opposition is sustained and registration is refused to applicant.

C. E. Walters

H. R. Wendel

D. E. Bucher

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Administrative Trademark Judges,
Trademark Trial and Appeal Board