

**This Opinion
is Not Citable as
Precedent of the TTAB**

7/26/02

Hearing:
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Paper No. 54
GFR

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Real Media, Inc.

v.

RealNetworks, Inc., by change of name from Progressive
Networks, Inc.¹

Opposition No. 107,673
to application Serial No. 75/042,233
filed on January 11, 1996

Glenn A. Gundersen, Martin J. Black and Terence A. Dixon
of Dechert Price & Rhoads for Real Media, Inc.

Katherine C. Spelman and Rachel E. Boehm of Steinhart &
Falconer LLP for RealNetworks, Inc.

Before Seeherman, Hairston and Rogers, Administrative
Trademark Judges.

Opinion by Rogers, Administrative Trademark Judge:

Applicant RealNetworks, Inc. seeks to register
REALMEDIA as a trademark for "computer software which
allows the viewing and transmitting of picture and/or

¹ Recorded in Assignment Branch at Reel 1649, Frame 0121.

video and/or text segments and audio segments over global information networks that transfer and disseminate a wide range of information." The application, filed January 11, 1996, is based on an allegation of applicant's bona fide intention to use the mark in commerce in connection with the identified goods.²

The Pleadings

Registration of the mark is opposed by Real Media, Inc., which alleges that it has been using the mark REAL MEDIA since prior to the filing date of applicant's application "in the field of providing advertising services over the Internet." Specifically, opposer alleges it "offers advertisers and publishers an integrated and targeted, computer-based, advertising management, placement, and reporting system." Opposer also alleges that it uses proprietary, "state-of-the-art, advertising planning and placement software" and "a series of networks of over 150 on-line newspapers and other media outlets" [termed by opposer "The Real Media Networks"] "to stream on-line advertisements in real time to multiple local market web sites." Opposer claims to have registered the domain name realmedia.com on or about

² Opposer alleges in its notice of opposition, and the record shows, that applicant has begun using the mark.

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August 11, 1995 and asserts that its clients can access opposer's services through opposer's web site. Opposer alleges that applicant "is in the business of developing and marketing software applications which permit users to deliver streamed audio, video and other forms of data over the Internet," that such products "are available via [applicant's] web site, which currently has the domain name real.com," and that applicant has also registered the domain names real-media.com and realmedia.net.

Opposer asserts that the mark applicant seeks to register is identical to opposer's mark and that applicant's "products are closely related to the services offered by Opposer under its REAL MEDIA mark and are offered to the public through the same channel of trade." Opposer concludes that a likelihood of confusion, mistake or deception exists because applicant's use of the applied-for mark will create the "false impression that Applicant's goods and services are somehow related to, endorsed by, or associated with Opposer."

Applicant admits opposer's allegations relating to the filing of the involved application and that applicant has begun using the applied-for mark. Applicant also admits salient allegations of opposer relating to the nature of applicant's business and products, their

availability via applicant's web site, and that applicant has registered the domain names real-media.com and realmedia.net. Otherwise, applicant denies the allegations of the notice of opposition, thus leaving opposer to prove its asserted priority and that there exists a likelihood of confusion. More specifically in regard to priority, applicant alleges that opposer cannot show use before applicant and that applicant "has acquired senior rights to the use of the REALMEDIA mark."³

The Record

The record consists of one notice of reliance filed by opposer under Trademark Rule 2.120(j), thereby introducing applicant's responses to opposer's interrogatories; seven notices of reliance filed by opposer under Trademark Rule 2.122(e), the first three filed during opposer's case in chief and the last four filed during rebuttal; opposer's testimony, with exhibits, of David R. Morgan, who participated in the formation of opposer and is its president and CEO; applicant's notice of reliance on "status and title" copies of 13 registrations owned by applicant;

³ In addition, applicant asserts that the opposition is barred by opposer's unclean hands, by laches, by estoppel, and by acquiescence. However, these affirmative defenses have not been pursued by applicant and play no part in our decision.

applicant's notice of reliance under Trademark Rule 2.122(e); applicant's notice of reliance on opposer's responses to applicant's interrogatories; applicant's testimony, with exhibits, of Eric Prock, "systems marketing manager" in applicant's media systems division and a former marketing communications manager and brand manager for applicant; applicant's testimony of Len Jordan, applicant's senior vice president; and a stipulation by the parties introducing into the record three of applicant's filings with the SEC and two of applicant's annual reports.

Neither party has objected to any of its adversary's notices of reliance but, rather, each has treated all the notices as properly of record. Accordingly, though some of the material introduced thereby might have been objected to as not fit for introduction by notice of reliance⁴, we have considered all the submissions as if they had been stipulated into the record. Racine Industries Inc. v. Bane-Clene Corp., 35 USPQ2d 1832, 1834 n.4 (TTAB 1995) (Letters "not proper subject matter for a

⁴ For example, opposer utilized at least three of its notices designated as filed under Trademark Rule 2.122(e) to introduce, in part, materials retrieved from the Internet. Such materials, absent a stipulation of the parties, are to be introduced, for summary judgment purposes, by affidavit, or for trial purposes, by testimony, so that the foundation for admission may be laid

notice of reliance... deemed to have been stipulated into the record" when adverse party treated them as part of record), and JSB International, Inc. v. Auto Sound North, Inc., 215 USPQ 60 n.3 (TTAB 1982) (By notice of reliance, each party filed, without objection by the other, materials produced in response to requests for production; and Board stated it would "treat them as having been stipulated into the record.")

Notwithstanding their unqualified admission into the record, we have considered the probative value of the submissions on their merits, in conjunction with our weighing of evidence that bears on the various *du Pont*⁵ factors.

The only evidentiary point seriously debated by the parties is whether most, if not all, of the evidence of actual confusion offered by opposer -- some of the Morgan testimony and exhibit 17 thereto -- should be considered to be hearsay. We discuss this issue in conjunction with our consideration of the seventh *du Pont* factor, i.e., the nature and extent of any actual confusion.

by the individual that retrieved the materials. See Raccioppi v. Apogee Inc., 47 USPQ2d 1368 (TTAB 1998).

⁵ In re E.I. du Pont de Nemours & Co., 476 F.2d 1357, 1361, 177 USPQ 563, 567 (CCPA 1973) (enumerating factors that may be considered in evaluating likelihood of confusion, when relevant evidence is of record).

Priority

The record is clear that opposer began using REAL MEDIA as a trade name while attempting to develop business partnerships in 1995 and used REAL MEDIA as a mark for its software for transmitting Internet advertising by the end of December 1995. Morgan dep. pp. 9-15, 41-60, and exhibits 1, 4-7, 11, 15-16.⁶ Applicant asserts in its brief that opposer did not use REAL MEDIA as a mark prior to January 1996, because opposer, responding to applicant's interrogatory about first use, reported a date of "in or about January 1996." The Morgan testimony, however, makes it clear that opposer likely framed the response in this way because it made its software available on its Web site "within the last day or two of '95. We sort of - that was a personal, you know, get this thing out by the end of the year." Morgan dep. p. 14. Opposer then made a more "formal" transfer

⁶ Opposer's notice of opposition is not particularly clear as to whether opposer pleaded use of REAL MEDIA as a trademark, service mark, trade name, or all of these: "Since long before the date Applicant filed its application, Opposer has been using the mark REAL MEDIA in connection with its business." Notice of Opposition, ¶ 2. Applicant, in its brief, acknowledges a claim of use of REAL MEDIA as both a trade name and mark. Brief p. 1. We consider the issue of trade name use tried at least by implied consent of the parties. Fed. R. Civ. P. 15(b).

to a contracting partner, InfiNet, in January 1996.

Morgan dep. p. 12.

Moreover, in arguing that it has priority, applicant has not contested the sufficiency of opposer's evidence of use of REAL MEDIA as a mark or trade name. Rather, applicant claims priority by virtue of an assignment of an unregistered mark, "RealMedia," from Rene Schuchter d/b/a TouchGo Studios.⁷ We note, in this regard, the following passage from applicant's brief:

"Opposer ... claims that [applicant] is not entitled to registration of its mark because it was using the term 'Real Media' as a trade name and as a mark in 1995, prior to filing of [applicant's] intent to use application... But Opposer neglects to mention that a third party had been using the REALMEDIA mark even earlier - as early as April 1992. That company, TouchGo Studios⁸, later assigned all of its rights in the mark to [applicant]. Because an assignee stands in the shoes of the assignor, [applicant] has priority over Opposer for the purposes of this opposition proceeding."

Brief p. 1; see also, brief p. 13. We also note that, at oral argument, applicant's counsel stated that applicant

⁷ The assignment, submitted as exhibit 209A to applicant's testimony deposition of Len Jordan, was signed by assignor on April 2, 1997, and by assignee on April 3, 1997. Though the assignment lists the assigned mark as "RealMedia" we generally refer to TouchGo's mark as applicant has, i.e., as REALMEDIA.

⁸ It appears that TouchGo is not itself a legal entity but is only a dba designation employed by Mr. Schuchter. Nonetheless, herein we generally refer to applicant's assignor as TouchGo.

was not contesting priority except through the assignment.

The parties have included in their briefs lengthy arguments regarding the validity of the assignment and the question of whether tacking in this case is appropriate, i.e., whether applicant can tack its use of its mark onto TouchGo's use. All of these arguments, however, are irrelevant because even if we assume the assignment was valid and that tacking would be appropriate, applicant has not proved use by its assignor of the unregistered REALMEDIA mark.

Though applicant is defendant in this case, it bears a burden of proof in relation to its assertion of priority, notwithstanding that it is set forth as a defense, not a claim. Cf. West Florida Seafood Inc. v. Jet Restaurants Inc., 31 F.3d 1122, 1128-29, 31 USPQ2d 1660, 1666 (Fed. Cir. 1994) (Where defendant alleged abandonment of mark relied on by plaintiff, defendant had "burden of coming forth with some evidence of abandonment."); see also, Packard Press Inc. v. Hewlett-Packard Co., 227 F.3d 1352, 1360, 56 USPQ2d 1351, 1356 (Fed. Cir. 2000) (Party's "responsibility to create a factual record is heightened under the more deferential standard that [Federal Circuit] must apply when reviewing

PTO factfinding. ... This necessarily requires that facts be submitted to the agency to create the record on which the agency bases its decision.") (citations omitted). Applicant has not carried this burden because there is simply no probative evidence of TouchGo's use.

Applicant's Evidence of Priority

As proof of the alleged priority it acquired by the TouchGo assignment, applicant relies in part on the allegations in Rene Schuchter's [TouchGo's] notice of opposition to applicant's involved application.⁹ The contents of that notice read as follows:

1. TouchGo Studios has the RealMedia mark in use as a common law trademark in a name for software tools (RealMedia Tools) which have been distributed nationally since April 1992 in association with the commercial computer software product SimCity for Windows (SimCity is a registered trademark of SimBusiness, Inc.)
2. TouchGo Studios first licensed source code for computer software tools under the name RealMedia Tools to Maxis, Inc. on December 10, 1991.
3. TouchGo Studios has continued to license source code and develop proprietary software in connection with the RealMedia mark. Several products are currently in pre-release under the RealMedia mark; a

⁹ Opposition No. 103,688, settled prior to filing of an answer by the parties' entry into a consent and settlement agreement that includes the assignment of Schuchter's [TouchGo's] mark. Jordan dep. p. 10 and exhibit 209A.

demonstration of one such product, the RealMedia Palette Manager Lite, was made available internationally through an online service in December, 1995 with other pre-release versions made available at earlier dates.

4. TouchGo Studios has an investor agreement based on further development of software which uses the RealMedia mark.
5. TouchGo Studios is in the process of filing an In Use registration application for the mark RealMedia. This registration is applicable to use of the RealMedia mark which precedes above-identified application by Progressive Networks.

As further evidence of priority, applicant also relies on its response to opposer's interrogatory no. 4, which states that applicant's first use of REALMEDIA was "at least as early as 1992." Finally, applicant asserts that opposer's witness has acknowledged TouchGo's priority. Brief p. 16, citing to Morgan dep. p. 31. We consider each of these three items of evidence in turn.

In regard to the TouchGo notice of opposition, we note that statements made in pleadings are not considered as evidence in behalf of the party making them. Kellogg Co. v. Pack'Em Enterprises Inc., 14 USPQ2d 1545, 1547 n.6 (TTAB 1990), *aff'd* 951 F.2d 330, 21 USPQ2d 1142 (Fed. Cir. 1991); *see also*, Intersat Corp. v. Int'l Telecomm. Satellite Org., 226 USPQ 154, 156 n.5 (TTAB 1985)

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(Allegation of priority sufficient for purposes of pleading must still be proved during party's testimony period). This principle is equally applicable to applicant's answer, insofar as it asserts acquisition of "senior rights," and to TouchGo's notice of opposition filed against applicant in a separate proceeding, the allegations of which provide the only evidence of any claim by applicant's assignor of use of the assigned mark.

Applicant argues that opposer has not "contested TouchGo's assertion in its Notice of Opposition that it had been using the mark since 1992." Brief p. 13, n.10. The point, however, is inapposite, as TouchGo never asserted a claim of priority in an opposition against opposer; opposer, therefore, has never been required to admit or deny TouchGo's assertion. Cf. Maremont Corporation v. Air Lift Company, 463 F.2d 1114, 1116 n.4, 174 USPQ 395, 396 n.4 (CCPA 1972) (Applicant Maremont, in defending opposition, was able to rely on pleading admissions made by opposer Air Lift in earlier opposition wherein Air Lift's own application had been challenged, though admissions were "evidentiary only" and not "judicial" or conclusive). Moreover, to further underscore that the TouchGo opposition involved mere

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allegation, and did not result in any sort of judicial admission or proved fact, we note that applicant, as defendant in that case, never even answered the opposition and it was settled without trial of any issue or claim. Finally, even if the TouchGo opposition had been tried, it is a settled proposition of law that any findings of fact in that case would not be binding on opposer in this case, as it was not a party to the TouchGo case. Alabama Board of Trustees v. BAMA-Werke Curt Baumann, 231 USPQ 408, 411 n.8 (TTAB 1986), Trak Inc. v. Traq Inc., 212 USPQ 846, 847-48 (TTAB 1981), Primal Feeling Center of New England, Inc. v. Janov, 201 USPQ 44, 55 (TTAB 1978), and Borden, Inc. v. PCI Industries, Inc., 198 USPQ 446, 447-48 (TTAB 1978).

In short, applicant cannot rely herein on TouchGo's mere allegation of use made in the earlier opposition because it constitutes nothing more than an unproved allegation; and applicant could not, in any event, use that opposition to bind opposer herein, because opposer was not a party to the opposition filed by TouchGo.

We conclude our consideration of the TouchGo notice of opposition by noting that opposer introduced it into the record of this case by rebuttal notice of reliance. We do not view this as any sort of admission by opposer

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of the truth of the allegations in TouchGo's notice of opposition. Opposer introduced the TouchGo notice of opposition and other related materials, by its rebuttal notice of reliance, for the stated purpose of demonstrating that the software on which applicant's assignor had claimed to use the REALMEDIA mark is "entirely different from the streaming software on which Applicant has used its mark." We do not believe opposer, during rebuttal, must avoid relying on materials necessary to rebut applicant's arguments relating to the asserted validity of the assignment and tacking, lest it be viewed as having thereby admitted a claim of priority never proved by applicant.

We turn next to applicant's response to opposer's interrogatory no. 4. The interrogatory and response, in pertinent part, read as follows:

Interrogatory No. 4: Identify all Marks containing any form or variation of the term "REAL" (including but not limited to Marks containing the term(s) "REALMEDIA" or "REALMEDIA" [sic]) which Applicant, as defined in paragraph K of the Definitions section, has ever used or intends to use, and identify, pursuant to paragraph J of the Definitions section, the goods shipped or sold or the services offered or provided in connection with each such Mark.

For each such Mark, good and service:

(a) state the date and place each Mark was first used on or in connection with each good or service; and

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(b) state the date and place of first use in commerce for each Mark on or in connection with each good or service; and

(c) state whether each such use has been continuous to the present; and

(d) identify the circumstances of each such first use, including the identity of the person (or, if an individual cannot be identified, the class of persons) to whom the goods were first shipped or sold or to whom the services were first offered or provided; and...

(i) state the reasons for the selection, approval and adoption of each Mark; and....

Answer: [Boilerplate objections omitted] Without waiving these objections, Applicant states:

For the types of goods shipped or sold and services offered or provided in connection with the Marks, please refer to Applicant's web site located at www.real.com and to the Applicant's SEC filings accessible at www.sec.gov.

1. Mark: REALMEDIA

(a) At least as early as 1992.

(b) At least as early as 1992.

(c) Use has been continuous to the present.

(d) Investigation on going [sic], will supplement.

...

(i) See response to Interrogatory No. 3 above.

...

[Response goes on to discuss 38 other REAL marks]

The interrogatory response is internally inconsistent and, therefore, not particularly probative.

Applicant admits it was not founded until 1994.

Applicant's Brief, p. 4. Yet, by the terms of its response to opposer's interrogatory, it is asserting use of REALMEDIA since 1992 for the goods and/or services featured at its current Web site. Further evidence of

the inconsistency of the response stems from the reference, in subsection (i), to applicant's response to interrogatory no. 3. That interrogatory response recounts how and why applicant adopted the REALMEDIA mark after its adoption of other "REAL" marks and refers to the response to interrogatory no. 4 for a listing of such marks. Returning to the response to interrogatory no. 4, we find that all the "REAL" marks listed therein were adopted well after 1992.

A party's response to an interrogatory, unlike a response to a request for an admission, generally does not limit that which the party can attempt to prove at trial.¹⁰ Compare Marcoin, Inc. v. Edwin K. Williams & Co., Inc., 605 F.2d 1325, 1328, 28 Fed. R. Serv.2d 157 (4th Cir. 1979) and Sperling v. Hoffman-La Roche, Inc., 924 F.Supp. 1396, 1412 (D.N.J. 1996) with Power Conversion, Inc. v. C & W Lektra-Bat Company, 181 USPQ 185 (TTAB 1973) (Respondent in *Power Conversion*, having admitted in response to request for admission that it did not use mark prior to specific date, estopped from relying on affidavit of its president asserting earlier

¹⁰ An exception to the general rule may arise when the attempt to prove facts different than those set forth in the interrogatory response would prejudice the interrogator. See *JSB International, Inc.*, *supra*, 215 USPQ at 62.

use). Thus, the inconsistency of applicant's response would not have prevented applicant from offering competent evidence, during its trial period, of its asserted priority. However, it did not.

Applicant's brief makes it clear that the 1992 date is derived from the TouchGo notice of opposition. Brief, p. 9. That, however, does not remedy the inconsistency in the interrogatory response because, as already discussed, the notice of opposition consists merely of allegations, and is not competent evidence to prove that which is asserted therein.

A party's response to an interrogatory is not without evidentiary value, but generally is viewed as "self-serving." General Electric Co. v. Graham Magnetics Inc., 197 USPQ 690, 692 n.5 (TTAB 1977) *citing* Grace & Co. v. City of Los Angeles, 278 F.2d 771, 776 (9th Cir. 1960), and Beecham Inc. v. Helene Curtis Industries, Inc., 189 USPQ 647 (TTAB 1976). The trier of fact has discretion to decide what weight to give to an interrogatory response. Fidelity & Deposit Co. of Maryland v. Hudson United Bank, 653 F.2d 766, 777 (3d Cir. 1981); *Marcoin, supra*; and Freed v. Erie Lackawanna Railway Co., 445 F.2d 619, 621 (6th Cir. 1971).

In this case, we give little weight to applicant's interrogatory response because of the internal inconsistency in the response and the absence of any corroborating evidence.¹¹ We decline to resolve the inconsistency in a response which applicant provided after due deliberation by inferring facts as to applicant's predecessor's use which applicant had the burden to prove. Also, we do not consider opposer's introduction of the response by notice of reliance filed during its main testimony period to constitute any sort of admission of the truth of the response.¹²

An interrogatory response, when properly introduced into evidence, can be considered for whatever probative value it has, for it is settled that once responses are properly made of record, they "are considered to be in evidence for both parties for all purposes permitted by the Federal Rules of Evidence," Anheuser-Busch, Inc. v. Major Mud & Chemical Co., Inc., 221 USPQ 1191, 1192 n.7 (TTAB 1984). That is, once responses are in evidence it

¹¹ We could infer from applicant's failure to produce any direct evidence of TouchGo's use that such evidence would not support applicant's allegation that it acquired priority via assignment. Cf. Borrer v. Herz, 666 F.2d 569, 573-74, 213 USPQ 19, 23 (Fed. Cir. 1981). We do not, however, draw such an inference but reiterate that the absence of direct evidence undermines applicant's assertion of priority.

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is "entirely proper" for any party "to argue the probative effect" of the responses. Beecham Inc. v. Helene Curtis Industries, Inc., 189 USPQ 647 (TTAB 1976). See also, 37 C.F.R. § 2.120(j)(7). There is much authority, however, holding that responses to interrogatories, although relevant and admissible evidence, are not entitled to conclusive weight. See, e.g., Donovan v. Crisostomo, 689 F.2d 869, 875 (9th Cir. 1982); see also, *Fidelity & Deposit, supra*, and *Freed, supra*.

As to the question of opposer's testimony, applicant relies on certain portions of the Morgan testimony deposition as proof of prior use by applicant's assignor, TouchGo. Applicant, however, takes the Morgan testimony out of context. When considered in the context of pages 30-32 of the deposition transcript, it is clear that the witness testified that TouchGo studios had contacted him in 1996 and TouchGo claimed to be a prior user of the REAL MEDIA mark. Morgan did not admit TouchGo's priority and referred the caller to opposer's counsel. Moreover, since there is direct testimony from Morgan that opposer used REAL MEDIA as a mark in December 1995 and as a trade

¹² Obviously, opposer did not intend its introduction of the response as proof of priority in applicant.

name even earlier, even if we were to read the testimony as somehow acknowledging use of the same mark by TouchGo as of the time TouchGo's representative contacted Morgan, that contact was at a point later in time than opposer's established first use. Thus, we do not find the Morgan testimony to have resulted in proof of applicant's asserted priority.

In short, there is no direct, probative evidence from applicant to show that any rights RealNetworks has acquired from its assignor are senior to those of opposer. Thus, applicant has not overcome opposer's proof of priority.

One last issue potentially relevant to our discussion of priority remains. Applicant has introduced, at trial, copies of a number of registrations for marks incorporating the term REAL and asserts in its brief that it has a family of REAL marks and that REALMEDIA is an extension of that family. To the extent that applicant made this proffer and advanced this argument in an attempt to establish priority, it is misplaced. A family of marks argument may not be used in defense of an opposition. See Hornblower & Weeks Inc. v. Hornblower & Weeks Inc., 60 USPQ2d 1733 (TTAB 2001).

Likelihood of Confusion

Our determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. See In re E.I. du Pont de Nemours and Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). In the analysis of likelihood of confusion presented by this case, key considerations are the virtually identical nature of the marks, the related nature of the goods, and the overlap in classes of consumers for the respective goods. Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 1103, 192 USPQ 24, 29 (CCPA 1976) ("The fundamental inquiry mandated by § 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks.").

The marks look the same, but for opposer's presentation of REAL MEDIA as two words while applicant presents REALMEDIA as a compound word. The marks would be pronounced the same and would appear to have the same connotation; at least, applicant has not presented evidence or argument that the marks would have different connotations. In sum, the commercial impressions created by the marks are legally identical.

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The legal identity of the marks makes it likely that, if the marks were used in connection with related goods or services, confusion would result. In this regard, the Board has stated that "[i]f the marks are the same or almost so, it is only necessary that there be a viable relationship between the goods or services in order to support a holding of likelihood of confusion." In re Concordia International Forwarding Corp., 222 USPQ 355, 356 (TTAB 1983).

Essentially conceding the identity of the marks, applicant has, apart from its unsuccessful argument regarding priority, focused its arguments on five *du Pont* factors that, it asserts, establish that there is no likelihood of confusion. Applicant asserts that there are differences between the goods and services of the parties; that the parties employ dissimilar channels of trade; that their respective purchasers are sophisticated and deliberative; that there is little, if any, probative, non-hearsay evidence of actual confusion; and that the parties have been using their respective marks concurrently for a period of four years without any probative evidence of actual confusion and, applicant adds, during that time, both have grown successful businesses. Applicant also relies on the argument that

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it uses the REALMEDIA mark "almost exclusively in connection with its trade name and other 'Real' marks."

We consider first the involved goods and services. In doing so, we are mindful that it is well settled that goods or services need not be identical or competitive to support a finding of likelihood of confusion. It is sufficient if the goods or services are related in some way or the circumstances of their marketing are such that they would be encountered by the same persons, even if not contemporaneously, who would, because of the marks, mistakenly conclude that the goods or services are in some way associated with the same producer, or that there is an association between the producers. In re Melville Corp., 18 USPQ2d 1386 (TTAB 1991); In re International Telephone & Telegraph Corp., 197 USPQ 910 (TTAB 1978).

Opposer offers Internet advertisers and publishers a software system for management and placement, i.e., storage and delivery, of advertising. Morgan dep. pp. 4-5, 51 and exh. 10. Opposer's software is now used by more than 500 customers around the world to deliver on-line advertisements that include text, graphics, streaming audio or streaming video, individually or in combination. Morgan dep. pp. 5-7. Representative customers include "companies like nytimes.com,

seattletimes.com, USAtoday.com, MP3.com." Morgan dep. p. 6. See also, in regard to public perception of opposer's business, printed publications introduced by opposer's first notice of reliance.

Turning to applicant's goods, we note that our comparison of those goods with opposer's goods and services is limited to consideration of the identification set forth in applicant's application. See Octocom Systems Inc. v. Houston Computer Services Inc., 918 F.2d 937, 16 USPQ2d 1783 (Fed. Cir. 1990), and Canadian Imperial Bank of Commerce, National Association v. Wells Fargo Bank, 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987). The identification reads as follows:

"computer software which allows the viewing and transmitting of picture and/or video and/or text segments and audio segments over global information networks that transfer and disseminate a wide range of information."

Opposer argues that applicant's identification encompasses computer software that can be used to transmit any of the types of advertisements opposer's software can transmit. We agree. The latter part of the identification, "over global information networks that transfer and disseminate a wide range of information" clearly is a reference to the Internet and/or World Wide

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Web as the medium within which applicant's software is employed. The essence of the identification is "computer software which allows the viewing and transmitting of picture and/or video and/or text segments and audio segments." Insofar as the identification encompasses "transmitting of" various types of audio, video or text segments, it encompasses opposer's software for delivering "on-line advertisements in real time to multiple local market web sites." See Applicant's brief p. 18 ("...the content sent over RealNetworks' platform can and does include advertising..."); see also, Jordan testimony dep. pp. 14 and 26. That applicant's identification also specifies that its software allows for viewing of transmitted segments does not avoid the essential overlap in the transmission function of the parties' software products.

Even apart from the overlap in the functions of the parties' identified software products, applicant admits that the parties' products are complementary. Brief p. 19. Applicant is a pioneer and industry leader in developing software that allows for the transmission and viewing of different datatypes; it provides a "platform" for delivering these datatypes. Prock dep. pp. 32-33 and 57-58; see also corroborative printed publications

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introduced by applicant's second notice of reliance. Applicant admits Internet advertisers or Web site publishers using opposer's software and services to manage transmission and placement of ads may also be employing one or more of applicant's products, depending on the content of the ad to be transmitted and viewed. Applicant brief pp. 19 and 20 (Applicant "actively encourages advertising agencies to use its streaming media technology") and ("it is true that a web site publisher might be a customer of both RealNetworks and Opposer"). See also, Prock dep. p. 41. The parties have even worked together. Morgan dep p. 24.

For purposes of our likelihood of confusion analysis, the goods as identified overlap and are otherwise related. This *du Pont* factor favors opposer.

Applicant asserts that the parties employ different channels of trade. The record shows otherwise. Both parties attend many of the same trade shows. Morgan dep. pp. 22-24. Applicant does not directly dispute this. In fact, at oral argument, applicant's counsel admitted that the parties share a common class of business customers. See also, Morgan dep. pp. 60-62 and exh. 17. Rather, applicant argues that, within those businesses that both opposer and applicant deal with, different individuals

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would be making purchasing decisions about the parties' respective products and services. Opposer has argued and, at oral hearing, applicant's counsel admitted, that there is no evidence in the record that different individuals would be responsible for making purchasing decisions regarding the respective goods, although applicant's counsel asserted that it would be a logical inference. However, on this record, the parties attend the same trade shows and their marketing targets many of the same businesses, and we have no basis upon which to draw the inference applicant suggests. This *du Pont* factor favors opposer.

Applicant argues that the parties' respective customers are sophisticated and would be deliberative in reaching their purchasing decisions. Opposer admits that many of its customers are sophisticated but asserts that it has also sold its goods and services "to relatively small newspaper and media companies." Reply brief p. 17; Morgan dep. pp. 14 and 58-59, for references to such companies. In addition, opposer argues that applicant's identification is broad enough to encompass applicant's more technologically sophisticated products and also its software that could be, like some of applicant's other

products marketed under other marks, downloaded for free from applicant's web site.

The record is clear that both parties deal, at least substantially, with relatively sophisticated business consumers. Also, in practice, applicant has not used the REALMEDIA mark as a mark for individual software products that can be downloaded for free from its Web site. Nonetheless, opposer is correct in observing that applicant has marketed some of its products in this manner. Applicant's brief at p. 22, n. 15, Jordan dep. pp. 12-13, and Prock dep. pp. 28, 58. Moreover, we agree that applicant's identification, by its terms, can encompass products distributed in this manner.

When the same mark is used by different parties on legally identical goods, even sophisticated business consumers will be subject to confusion about the origin or sponsorship of goods and services; and a relatively unsophisticated customer of opposer who later downloads free software from applicant will also be subject to confusion. On balance, we find this *du Pont* factor favors opposer.

Next, we consider the nature and extent of any actual confusion. Applicant argues that the Morgan testimony regarding instances of purported actual

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confusion, see Morgan dep. pp. 21-24, is anecdotal, vague and hearsay. Moreover, applicant argues that "even if, as Opposer claims, Mr. Morgan does receive contacts from people who think there is a relationship between Opposer and RealNetworks, it does not necessarily mean that they are **confused** about the origin of the various goods and services in question." (emphasis by applicant) Brief p. 28. Applicant asserts that the "**only** purported evidence of a **specific instance** of confusion is an E-mail from a RealNetworks employee, Kristi Larson [sic], to one of Opposer's employees." Brief p. 12.

We agree with applicant that the Morgan testimony is somewhat vague and is unsupported by any evidence documenting the number and nature of the inquiries that supposedly evidence confusion. Nonetheless, the evidence is not hearsay insofar as it represents Mr. Morgan's testimony that he fields inquiries from trade show attendees who are not looking for opposer but for applicant or that he deals with trade show attendees who have been referred to him from applicant's booth. See Finance Co. of America v. BankAmerica Corp., 205 USPQ 1016, 1035 (TTAB 1980) ("The testimony is not hearsay for it is accepted not for the truth of the statements made by the non-witnesses to [the witnesses] or the reasons

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therefor, but rather for the fact that the statements referred to in their testimony were made to them."). While we do not exclude the Morgan testimony as hearsay, we find it of very limited probative value. Likewise, the Larsen e-mail is devoid of detail and also is not particularly probative evidence of actual confusion.

Nonetheless, solid evidence of actual confusion is sometimes difficult to obtain and, while it is the best evidence of likelihood of confusion, it need not be present for the Board to conclude that confusion is likely. Gillette Canada Inc. v. Ranir Corp., 23 USPQ2d 1768, 1774 (TTAB 1992), Block Drug v. Den-Mat Inc., 17 USPQ2d 1315, 1318 (TTAB 1989). This *du Pont* factor favors neither party.

Applicant contends that it is significant that the parties have used their respective marks for four years without any probative evidence of actual confusion. Moreover, applicant contends that both parties have prospered during this time. The correct statement, with our emphasis, of the *du Pont* factor to which applicant alludes is the "length of time during and conditions under which there has been concurrent use *without evidence of actual confusion.*" That opposer has not provided particularly weighty evidence of actual

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confusion does not mean that there has not been some actual confusion, or that we have no evidence of the same. We just do not find the evidence of actual confusion sufficient to say that the *du Pont* factor focusing on instances of actual confusion weighs solidly in opposer's favor. Likewise, we do not find this related *du Pont* factor focusing on the length of time during which there has been concurrent use without evidence of actual confusion to favor either party. *Cf. The Sports Authority Michigan, Inc. v. The PC Authority, Inc.*, USPQ2d , (TTAB 2002) (Parties found to have five years of concurrent use without any evidence of actual confusion, so *du Pont* factor favored applicant).

The last argument made by applicant in support of finding no likelihood of confusion is its claim that it uses the REALMEDIA mark "almost exclusively in connection with its trade name and other 'Real' marks." Opposer is correct, however, in observing that our assessment of likelihood of confusion is limited to the involved marks and does not take into account how applicant may use its mark in the marketplace. Any registration that would issue to applicant would not restrict it to use of its mark only in connection with its trade name or with its other marks.

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When fame of a mark is established, this will play a dominant role in the balancing of *du Pont* factors. Recot Inc. v. M.C. Becton, 214 F.3d 1322, 1327, 54 USPQ2d 1894, 1897 (Fed. Cir. 2000). While opposer has argued that it has a strong mark, neither party has claimed that its mark is famous. Thus, fame is not a relevant factor in this case.

The only other *du Pont* factor that, on this record, we must consider, is whether the extent of potential confusion is de minimis or substantial. We find the potential for confusion substantial. In this regard, we note in particular that the record shows an expansion by applicant into the Web-based advertising field. Applicant brief p. 19 n.14; Prock testimony dep. p. 41 and exh. 189; see also, industry recognition of expansion in printed publications made of record by applicant's second notice of reliance, in particular, exh. A-1, pp. 98-99.

Conclusion

Balancing the *du Pont* factors, the marks are legally identical and are used for overlapping and/or complementary goods and services marketed in the same channel of trade to many of the same consumers; and

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applicant is expanding into opposer's field. The likelihood of confusion is clear.

Decision: The opposition is sustained.