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**THIS DISPOSITION
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Paper No. 30
HRW

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Slim-Fast Foods Company; Lipton Investments, Inc.;
and Conopco, Inc.

v.

Slim USA, Inc.

Opposition No. 115,484
to application Serial No. 75/551,960
filed on July 1, 1998

Patricia Hatry of Davis & Gilbert LLP for
Slim-Fast Foods Company; Lipton Investments, Inc; and
Conopco, Inc.

Daniel S. Polley of Malin, Haley & DiMaggio, P.A. for
Slim USA, Inc.

Before Simms, Walters and Wendel, Administrative
Trademark Judges.

Opinion by Wendel, Administrative Trademark Judge:

Slim USA, Inc. has filed an application to register
the mark SLIM FATS for "vitamin and mineral dietary
supplements."¹

¹ Serial No. 75/511,960, filed July 1, 1998, claiming a first
use date and first use in commerce date of June 20, 1997.

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Slim-Fast Foods Company² filed an opposition to registration of the mark on the ground of priority of use and likelihood of confusion under Section 2(d) of the Trademark Act. In the notice of opposition, opposer alleges that opposer has used SLIM-FAST for many years as its trade name and trademark for dietary meal replacements, nutritional bars and other dietary products; that opposer is the owner of registrations for the mark SLIM-FAST, including Registration Nos. 1,102,508, 1,288,616, and 1,358,816;³ that opposer has priority, both by its first use dates and its registration dates; and that applicant's mark SLIM FATS so resembles opposer's trade name and trademark SLIM-FAST that confusion is likely, when applied to similar goods.

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

² The caption of this proceeding has since been amended to reflect the merger of Slim-Fast Foods Company into Conopco, Inc. and the subsequent assignment of the marks to Lipton Investments, Inc.

³ Registration No. 1,102,508, issued September 19, 1978, for the mark SLIM-FAST (as amended) for "protein food supplement"; Section 8 & 15 affidavits; first renewal; Registration No. 1,288,616, issued August 7, 1984, for the mark SLIM-FAST for "beverage powder meal replacement mix"; Section 8 & 15 affidavits, and Registration No. 1,358,816, issued September 10, 1985, for "dietary meal replacement nutritional bars, and instant pudding meal replacement mix"; Section 8 & 15 affidavits.

The Record

The record consists of the file of the involved application; opposer's trial testimony deposition, with accompanying exhibits, of Peter K. Ellis, information coordinator for Slim-Fast Foods Company; applicant's trial testimony deposition, with accompanying exhibits, of Phillip A. Schuman, President of Slim for Life, Inc., a company formed by the same principals as applicant; printouts from the Nexis database, printouts from opposer's website, printouts from third-party websites, dictionary definitions and printouts of third-party registrations, all made of record by applicant's notices of reliance; and opposer's responses to certain of applicant's interrogatories, also made of record by notice of reliance.

Both parties filed briefs but an oral hearing was not requested.

The Parties

Opposer, through its then parent company, Thompson Medical Company, Inc. sold protein powder diet products as early as May 1977 under the mark SLIM-FAST. Opposer's products fall into the category of weight-loss products used to achieve a well-balanced diet when a person is trying to lose weight or maintain his or her weight.

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Opposer is a leading producer of these types of products. Its meal-replacement dietary products presently come in the form of ready-to-drink shakes, powder mixes and nutritional bars. The SLIM-FAST mark is used on packaging, labeling, point of purchase displays, consumer package inserts and newspaper inserts, coupons, stationery and in various forms of advertising. SLIM-FAST products are advertised extensively on national and cable television, in magazines, particularly women's magazines, in newspapers and on radio. From 1991 to 1999 advertising expenses varied from approximately \$50 million to \$130 million per year. The annual sales rose from around \$6 million in 1977 to \$581,773,000 in 1999. Opposer's products are sold nationwide both to wholesalers and distributors and to retailers, such as supermarket chains and variety stores.

Opposer has promoted its SLIM-FAST products at trade, medical and consumer shows. SLIM-FAST products have also received wide-spread unsolicited publicity through independent sources, such as reference thereto on television shows, in theatre productions, songs, cartoons, books and newspaper articles. Many celebrities have made mention of SLIM-FAST products.

Applicant's SLIM FATS product is a dietary supplement which provides essential fatty acids. This supplement is particularly suitable for persons on low calorie diets, since they may be at a risk of getting an insufficient amount of these essential fatty acids.

(Schuman deposition, p.6). Applicant's SLIM-FATS product is sold in quantities of 120 capsules for approximately \$30. Applicant's products are found in boutique types of markets or chains, particularly weight-loss clinics, and not in general retail outlets such as grocery stores or drugstores. Applicant's products are not used as meal replacements or snacks, but rather are designed to be taken as a adjunct to meals.

Applicant's Ownership of the Mark

On direct, Phillip A. Schuman testified that applicant, Slim USA, Inc. was an Arizona corporation founded by the principals of Slim for Life, Inc. for purposes of marketing its product lines in Arizona markets. On cross-examination, Mr. Schuman testified that applicant had been dissolved as a corporation within the last year (the deposition was taken March 27, 2001), but that the principals of applicant, namely, the witness's father Philip R. Schuman and Donald Gearheart, were also the principals or sole shareholders in the

company, Slim for Life, Inc. Mr. Schuman testified that it was their intention to assign the SLIM FATS mark from the dissolved corporation to Slim for Life, Inc., although it had not yet been done. He stated that "because the principals are identical... that would be a matter of little negotiation." (Schuman deposition p. 29). He also testified that at the time of application, Slim for Life, Inc. was the distributor of the product, while applicant's role was as the filer of the application.

Opposer contends that this present dissolved status of applicant and failure to assign the mark to Slim for Life, Inc. prior to dissolution raises issues as to ownership rights in the mark SLIM FATS.⁴ Opposer further argues that applicant, as a non-existing entity cannot

⁴ Applicant has strongly objected to opposer's raising of this issue for the first time in its brief, and as not being pled in the notice of opposition.

Opposer, in reply, moves that under FRCP 15(b) the pleadings be amended to conform to the evidence, namely, to evidence given by applicant's witness during applicant's testimony period, without objection.

Opposer's motion is granted. Under FRCP 15(b) when issues not raised by the pleadings are tried by either express or implied consent of the parties, they shall be treated as if raised in the pleadings. We find the issue of applicant's dissolution as a corporation and the resultant effect thereof to have been tried during applicant's testimony period. Accordingly, the pleadings will be treated as if so amended. While applicant has requested further time to fully brief this issue, if the pleadings are deemed so amended, we find no need for any further briefing.

execute a valid assignment of applicant's prior rights in the mark SLIM FATS.

We note at the outset that, as set forth in the application, applicant is a Nevada corporation. From applicant's testimony, we deduce that applicant's status as a corporation under the laws of Nevada, not Arizona, was revoked.⁵ Applicant has made no later denial of this revocation. Thus, we look to the relevant Nevada statute with respect to the effect of the revocation on the property rights of the corporation.

As an initial observation, we note that notwithstanding the revocation of a corporate charter for failure to file corporate reports and fees, a corporation may be reinstated upon filing the requisite reports and fees, provided the revocation has not been more than five years. Nev. Rev. Stat. § 78.180. Thus, the potential of reinstatement and the resumption of the right to transact business remains a viable one for applicant.

But more to the point, the statute specifically provides that when the charter is revoked, all of the property and assets of the corporation are held in trust by the directors of the corporation in the same manner as

⁵ Although opposer has attached a copy of the revocation certificate to its reply brief, this submission is untimely and has been given no consideration per se.

for insolvent corporations. Nev. Rev. Stat. § 78.175. Thus, we see no apparent prohibition, barring unknown creditor claims, to the assignment of the trademark rights of the revoked corporation to the Slim for Life, Inc. corporation, which assignment would seemingly proceed without objection since the corporations are owned by the same two principals.⁶ On the present record, we find no basis for holding that applicant (through its shareholders) no longer has any ownership rights in the mark SLIM FATS or that it can not assign the same to Slim for Life, Inc.⁷ We go forward to determine the opposition as pleaded.

The Opposition

Priority is not an issue here in view of opposer's submission of certified status and title copies of its pleaded registrations.⁸ See King Candy Co. v. Eunice

⁶ If applicant were to ultimately succeed on appeal in this opposition, the appropriate papers showing the assignment of the mark to Slim for Life, Inc. should be filed with the Office prior to the issuance of any registration.

⁷ Although opposer also made reference to applicant's acknowledgment that the product had not been sold since some time in 2000, we find it clear that no claim of abandonment was tried. This is particularly true in view of the testimony that a product under the SLIM FATS name, manufactured by a new source and under new labeling, was in the process of being introduced.

⁸ Opposer also introduced copies of two additional registrations which had not been pleaded in the notice of opposition. Although applicant objected at the deposition to these

king's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA). In addition, opposer's witness Mr. Ellis introduced invoices showing sales of the products as early as 1977, a time well prior to applicant's filing of its application or its claimed, but not proven, first use date in 1997.

Turning to the issue of likelihood of confusion, we take under consideration all of the *du Pont* factors which are relevant under the present circumstances and for which there is evidence of record. See *E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973).

Looking first to the similarity or dissimilarity of the respective marks, we find marked similarities in both the appearance and sound of the marks SLIM-FAST and SLIM FATS as a whole. Both have not only the same number of letters, but the same letters. Both begin with the same word SLIM and are followed by a word beginning with FA-. The only difference is the transposition of the letters "T" and "S", a transposition which could easily be overlooked by the casual purchaser. Moreover, while it is true that one can not predict the exact manner in which the two marks will be pronounced, nonetheless a

additional registrations, applicant has not reasserted the objection in its brief. Nonetheless, we have limited our analysis to those registrations initially pleaded.

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reasonable pronunciation of the two marks leads to very similar sounds. See *Recot Inc. v. M.C. Becton*, 56 USPQ2d 1859 (TTAB 2000) (marks FRITO LAY and FIDO LAY found to have similarities in both appearance and sound).

We agree with applicant that there are differences in connotations of the two marks, the word "fast" having a much different meaning than "fats." While SLIM-FAST would most probably be viewed as referring to a rapid loss in weight, SLIM FATS has no such connotation. Any recognition of the reference of FATS to applicant's essential fatty acids by the average consumer is questionable and there would most probably be little immediate correlation made between the words SLIM and FATS so as to come to a readily understood meaning for the mark as a whole. Nonetheless, despite these differences in connotation, we find that, on balance, the marked similarities in appearance and sound of the marks would lead to highly similar overall commercial impressions when viewed by the average consumer. See *Recot Inc. v. M.C. Becton*, *id.*

In considering the similarity or dissimilarity of the respective goods, we note that it is not necessary that the goods of the parties be similar or even competitive to support a holding of likelihood of

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confusion. It is sufficient if the respective goods are related in some manner and/or that the conditions surrounding their marketing are such that they would be encountered by the same persons under circumstances that could, because of the similarity of the marks used thereon, give rise to the mistaken belief that they emanate, or are associated with, the same source. See *In re Albert Trostel & Sons Co.*, 29 USPQ2d 1783 (TTAB 1993) and the cases cited therein. If there are no restrictions in the application or registration(s) as to channels of trade, the parties' goods must be assumed to travel in all the normal channels of trade for goods of this nature. See *Kangol Ltd. v. KangaROOS U.S.A. Inc.*, 974 F.2d 161, 23 USPQ2d 1945 (Fed. Cir. 1992).

Applicant argues that its vitamin and mineral supplements, and particularly its essential fatty acids supplements, are significantly different from opposer's weight-loss products used as meal replacements. The question is not, however, whether the goods are the same or similar, but rather whether there is a relationship between the goods such that purchasers would assume a common source if similar marks are used thereon. We find that a relationship of this nature has been established here.

Mr. Schuman testified that applicant's essential fatty acids supplement is particularly suitable for persons on low calorie diets. The label which was submitted as a specimen with the application also contains such a statement. Thus, persons using opposer's meal replacements as weight-loss products may well be the very same persons who would be customers for applicant's essential fatty acids supplement. As further support for this interrelationship of the goods, we note the testimony of Mr. Ellis to the effect that although opposer does not sell both meal replacement products and vitamin and mineral supplements, there are others in the weight-loss business who offer both types of products. In particular, he pointed to companies such as Herbal Life, Nutrisystem and Weight Watchers. (Ellis deposition p. 38). Mr. Schuman testified that its supplement is sold in its weight-loss clinics. (Schuman deposition p. 16). Accordingly, we find that a close relationship has been shown to exist between the weight-loss products of opposer and the vitamin and mineral supplements of applicant.

Applicant also attempts to distinguish the trade channels in which the respective products travel, arguing that its goods are marketed in specialty boutique chains

whereas opposer's products are found in general supermarkets and the like. The goods as identified in the application and registrations, however, have no limitations as to channels of trade. Thus, regardless of any distinctions which may presently exist in the markets in which the products are sold, we must assume that the goods are intended to travel in all the normal channels of trade for goods of this nature. Clearly, many vitamin and mineral supplements are sold in the very same types of markets as opposer's products and no distinction can be drawn on this basis.

Not only would these products be offered in the same retail outlets, but as seen above, the customers for each are likely to be the same, namely, persons seeking to either lose weight or retain a weight reduction while maintaining a well-balanced, healthy diet. In addition, since these are relatively inexpensive products and it has not been shown that they would be purchased with any great degree of care, confusion appears more than likely if highly similar marks are used thereon.

Next we turn to a significant factor in this case, the fame of the prior mark, namely, opposer's mark SLIM-FAST. AS stated by our principal reviewing court in *Kenner Parker Toys v. Rose Art Industries, Inc.*, 963 F.2d

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350, 353, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992), in consideration of the fame of the prior mark:

[A] mark with extensive public recognition and renown deserves and receives more legal protection than an obscure or weak mark.

We find the record here substantiates that opposer's mark is very well-known and widely recognized. The use of the mark for over twenty years, the high level of sales, the extent of advertising, and the widespread publicity obtained from independent sources all point to the public recognition and renown of the mark. Being of the status of a very strong, if not famous, mark, opposer's mark is entitled to a broad scope of protection, particularly when faced with a highly similar mark being used on related goods, as is the case here.

Applicant raises the argument that other companies, selling the same line of goods as opposer, also use the term "slim" or the term "fast" as part of their marks. Applicant has made of record both evidence of third-party use and copies of third-party registrations of various "SLIM-" and "-FAST" marks for vitamin and mineral supplements and/or weight-loss products. Most feature the term "slim," which obviously is highly suggestive

when used in connection with weight-loss products or certain dietary supplements.⁹

Each of these marks consists solely of one or the other of these terms, however, not the combination of the terms "slim" and "fast" as found in opposer's mark. Without evidence of any other use of this combination in a single mark, with or without other matter, for similar goods, we find no basis for according opposer's mark less than the broad scope of protection to which we have found it to be entitled. In fact, the level of fame which opposer's mark has achieved, as previously discussed, strongly contradicts any such weakness of opposer's mark.

Applicant also points out the lack of any evidence of known instances of actual confusion, despite applicant's use of its mark since June 20, 1997. The question arises, however, whether there has been any real opportunity for confusion. The absence of reported instances of actual confusion would be meaningful only if

⁹ In *Con-Stan Industries v. Nutri-System Weight Loss Medical Centers of America Inc.*, 212 USPQ 953 (TTAB 1981), cited by applicant as support for its case, the only term in common between the applicant's mark and the opposer's various marks was the term "nutri," which the Board found to be weak as a feature of marks in the field of food and dietary supplements and thus could not, in itself, serve as a means of distinguishing source. By contrast, here we have found the marks, when considered as a whole and not simply because of the common use of the term "slim," create similar commercial impressions.

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the record shows appreciable and continuous use by applicant of its mark for a significant period of time in the same markets as opposer. See *Gillette Canada Inc. v. Ranir Corp.*, 23 USPQ2d 1768 (TTAB 1992). Mr. Schuman testified that its supplement is offered only in boutique types of markets or chains, such as certain weight-loss clinics, and not on the general market. We have no evidence of the volume of these sales. He also testified that applicant's product has not been sold since some time in 2000. Accordingly, we can give little weight to the lack of evidence of actual confusion. In any event, the issue is likelihood of confusion, not actual confusion.

Accordingly, on the basis of the similarity of the overall commercial impressions of the marks SLIM-FAST and SLIM FATS, the close relationship of the weight-loss products of opposer and the vitamin and mineral dietary supplements of applicant, the identity of the channels of trade, and particularly, of the strength of opposer's mark, we find confusion likely.

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