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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Oxycal Laboratories, Inc.

v.

Malibu 2000, Inc.

Opposition No. 116,599
to application Serial No. 75/500,579
filed on June 11, 1998

McPherson Moore of Polster, Lieder, Woodruff & Lucchesi,
L. C. for Oxycal Laboratories, Inc.

Timothy N. Thomas of Woodard, Emhardt, Naughton, Moriarty
& McNett for Malibu 2000, Inc.

Before Hohein, Hairston and Chapman, Administrative
Trademark Judges.

Opinion by Hairston, Administrative Trademark Judge:

Malibu 2000, Inc. has filed an application to
register the mark EC MODE in typed capital letters for
"cosmetics using vitamins E and/or C for the hair, scalp
and skin; namely hair shampoos, hair conditioners, hair
gels, hair clarifiers, hair reconstructors, hair shiners,

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hair balms, hair sprays, hair waving preparation, scalp tonics, scalp shampoos, scalp conditioners, facial cleansers, facial creams, facial gels, facial masques, body shampoos, body lotions, skin moisturizers and body oils" in class 3; and "vitamin supplements" in class 5.¹

Registration has been opposed under Section 2(d) of the Trademark Act by Oxycal Laboratories, Inc. In support of its claim of priority and likelihood of confusion, opposer asserts that for a number of years it has been engaged in the manufacture and sale of vitamins and mineral supplements and cosmetics through one or more licensees; that it is the owner of the previously used and registered "EC Stylized" marks, respectively shown below,



for "vitamin and mineral supplement;"² and



¹ Serial No. 75/500,579 filed June 11, 1998 alleging first use and first use in commerce as of March 19, 1998.

² Registration No. 1,577,263 issued January 16, 1990; renewed.

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for "cosmetic preparations, namely skin conditioning
cream

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containing vitamin C";³ that it has used both of these marks since prior to applicant's alleged date of first use; that it has expended substantial amounts of money, time and effort in advertising, promoting and popularizing these marks; that the marks have become well and favorably known; and that applicant's mark, when used in connection with applicant's identified goods, so resembles opposer's marks as to be likely to cause confusion.

Applicant, in its answer, has denied the salient allegations of the likelihood of confusion claim.

The Record

The record consists of the file of the involved application; and the testimony depositions, with exhibits, of opposer's witness Gaye Morgan, and applicant's witness Tom Porter. In addition, applicant submitted a notice of reliance on opposer's response to applicant's document request No. 9;⁴ and the file wrappers of opposer's two pleaded registrations.

³ Registration No. 1,988,733 issued July 23, 1996; affidavits under Section 8 and 15 accepted and acknowledged, respectively. This registration contains the following description: "The mark consists of the stylized letters "EC"; and the following statement: "The stippling shown is for shading purposes."

⁴ While a response to a document request generally is not proper subject matter for a notice of reliance, the parties have

Opposer and applicant filed main briefs on the case, and opposer filed a reply brief. An oral hearing was not requested.

The Parties

Opposer took the testimony of Gaye Morgan, vice-president of Inter-Cal Corporation. Ms. Morgan testified that Inter-Cal is a wholly owned subsidiary of opposer Oxycal Laboratories, Inc. According to Ms. Morgan, opposer manufactures and develops patented and proprietary products that it sells at wholesale to approximately 250 licensees. The licensees in turn produce vitamin and mineral supplements and cosmetics using opposer's products alone or in conjunction with other ingredients for sale to retail customers. All licensees are required to include opposer's marks on all product labels that consist of or contain opposer's products. The record shows that opposer's stylized "EC" marks are used on its brand of vitamin C that is known as ESTER-C. The ESTER-C brand of vitamin C is marketed as a vitamin and mineral supplement for both humans and

treated the response as forming part of the record in this case, and thus we consider it to have, in effect, been stipulated into evidence.

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animals and it is used in cosmetics. Since opposer's introduction of its ESTER-C vitamin C in 1985, opposer's sales have increased significantly. In 1995, 1996 and 1997 opposer's subsidiary Inter-Cal received the Gold Medal Vity award for the ESTER-C brand as the top-selling vitamin supplement in the United States. In addition, opposer and its licensees have spent substantial sums advertising and promoting their products.⁵ Ms. Morgan testified that opposer and its licensees have advertised and promoted their products by way of "hundreds of thousands" of magazine advertisements, product brochures, numerous direct mailings, coupon advertisements, videos, "shelf talkers," and promotional items. Also, opposer appears at 5-7 trade shows each year and it has obtained testimonials from a number of well-known celebrities and has used these in its advertisements. The ESTER-C brand products of opposer and its licensees are sold in 98% of the health food stores in the United States and generally retail for under \$20.00. Applicant took the testimony of its president Tom Porter who testified that in 1997 applicant adopted the mark "EC4U2 Wrinkle-Less" to identify a line of cosmetics it developed. According to

⁵ Opposer and its licensees' sales and advertising figures were deemed confidential information and were introduced into the record pursuant to a protective order.

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Mr. Porter, applicant selected the "EC" portion of its mark to indicate that applicant's products are "easy" for customers to use. Mr. Porter testified that the "EC4U2 Wrinkle-Less" name was simply too cumbersome, and in order to "narrow the focus" applicant adopted the mark EC MODE in the spring of 1998. Mr. Porter testified that the term "MODE" was selected

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because applicant used the expression "in the mode" in marketing its goods. Applicant currently markets a full line of hair, scalp, and skin care products. Approximately 95% of applicant's products are sold in beauty salons. The remainder of applicant's products are sold at its web site and by medical professionals. Applicant's products are not currently sold through health food stores. Applicant advertises in trade publications such as Modern Salon, Beauty Beat, and Salon News. The actress Jane Seymour is applicant's international spokesperson and she endorses applicant's products and appears in advertisements. Applicant's products retail for between \$10.00 and \$15.00.

Preliminary matters

Before considering the merits of this case, we must discuss two preliminary matters. The first concerns opposer's request that we not consider an argument in applicant's brief, specifically, applicant's argument that opposer is estopped from arguing that there is a likelihood of confusion in this case because in the application which matured into opposer's pleaded Registration No. 1,988,733 opposer argued that there was no likelihood of confusion between its mark and a third-party "EC" mark cited by the Examining Attorney. Opposer

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contends that applicant is precluded from presenting any such arguments concerning any third-party marks because in response to opposer's interrogatory asking applicant to identify any third-party marks on which applicant intended to rely, applicant responded that it had not decided whether it would be necessary to rely on any such marks, and applicant did not supplement this response. In making its argument, however, applicant has not so much "relied" on a third-party mark, but rather is attempting to rely on a position taken by opposer during the prosecution of the application that matured into opposer's pleaded Registration No. 1,988,733.

A prior inconsistent position on the issue of likelihood of confusion is admissible, but not binding on the Board, since such prior arguments in an ex parte context are relevant "as merely illuminative of shade and tone in the total picture," but do not "relieve the decision maker of the burden of reaching his own conclusion on the entire record." *Interstate Brands Corp. v. Celestial Seasonings, Inc.*, 576 F.2d 926, 198 USPQ 151, 154 (CCPA 1978). Thus, while we will consider applicant's argument with respect to opposer's prior position, our determination of whether there is a likelihood of

confusion in this case is based on the facts and record herein.

The second matter concerns opposer's objections to the testimony of applicant's witness, Mr. Porter, with respect to his opinion that opposer's various exhibits do not evidence use of the letters "EC" per se as a trademark. Suffice it to say that such opinion testimony is not binding on the Board and merits very little weight in our determination of whether opposer may rely on common law rights in the letters "EC" per se.

Analysis

Priority

With respect to the issue of priority, opposer has relied upon certified copies of its pleaded registrations for the marks shown below which show that such registrations are subsisting and owned by opposer.



Thus, insofar as opposer's registered marks are concerned, priority is not in issue. King Candy Co., Inc. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974). However, opposer also argues that it has common law rights in the letters "EC" per se. In

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particular, opposer argues in its main brief that it has "strong common law rights in the alphabetic mark EC in both stylized and non-stylized form (i.e. uppercase and lowercase block letters)" and that applicant has appropriated "the entirety of [opposer's] distinctive EC trademark." However, opposer did not plead common law rights in the letters "EC" per se in the notice of opposition. Opposer only pleaded ownership of its registered "stylized EC" marks. Moreover, opposer did not seek to amend the notice of opposition to plead common law rights in the letters "EC" per se. Further, the issue of whether opposer has common law rights in the letters "EC" per se was not tried by the express or implied consent of applicant. With respect to express consent, applicant, in its brief on the case, has specifically objected to opposer's reliance on common law rights in the letters "EC" per se. With respect to implied consent, this can only be found where the nonoffering party (1) raised no objection to the introduction of evidence on the issue, and (2) was fairly appraised that the evidence was being offered in support of the issue. See TBMP Section 507.03(b) and cases cited therein. In this case, there is no testimony or other evidence from which we can say that applicant should have

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been on notice that opposer was asserting common law rights in the letters "EC" per se. So as to be perfectly clear, we recognize that opposer's witness, Ms. Morgan, during her testimony deposition, often referred to opposer's marks as the "EC marks." Moreover, a review of opposer's exhibits herein reveals the following types of uses of the letters "EC" on ESTER-C products: "The E-C logo and Ester-C are licensed trademarks of InterCal Corporation...; and "Look for the e-c logo." However, this was certainly not sufficient to place applicant on notice that opposer was claiming common law rights in the letters "EC" per se.

Further, the fact that opposer has described the mark in Registration No. 1,988,733 as the "stylized letters EC" is not sufficient to apprise applicant that opposer was claiming common law rights in the letters "EC" per se. Thus, for purposes of priority, opposer is entitled to rely only on its registered stylized "EC" marks.

Likelihood of Confusion

Our likelihood of confusion determination under Section 2(d) is based on an analysis of all the probative facts in evidence that are relevant to the likelihood of confusion factors set forth in *In re E. I. du Pont de*

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Nemours and Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973).

In considering the evidence of record on these factors, we keep in mind that "[t]he fundamental inquiry mandated by Section 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and the differences in the marks." *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976).

We begin our analysis by determining whether the goods of the parties are similar. In this regard, we observe that there is substantial overlap in the goods identified in applicant's application and opposer's pleaded registrations. Applicant's "vitamin supplements" are identical and closely related to the "vitamin and mineral supplement" identified in opposer's Registration No. 1,577,623. Also, applicant's "cosmetics using vitamins E and/or C for the hair, scalp and skin" are identical and closely related to the "cosmetic preparations, namely skin cream containing vitamin C" identified in opposer's Registration No. 1,988,733. Further, both opposer's and applicant's identifications of goods are broadly worded, without any limitations as to channels of trade or classes of purchasers. We must presume, for purposes of our likelihood of confusion

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analysis, that the goods of applicant and opposer are sold in all of the normal channels of trade to all of the usual classes of purchasers for goods of the type identified. See *Canadian Imperial Bank v. Wells Fargo*, 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987). In other words, we conclude that the channels of trade and class of purchasers of the parties' goods are the same.

Next, we will consider opposer's argument that its marks are well known in their field. As we have indicated, the record shows substantial sales of ESTER-C brand products that bear opposer's stylized "EC" registered marks. In this regard, we note that ESTER-C was the number one selling vitamin product in 1995, 1996 and 1997. In addition, the record shows that opposer and its licensees have expended large sums of money advertising and promoting ESTER-C brand products. They have used virtually every form of advertising and promotion, including obtaining testimonials from well-known celebrities and using these testimonials in their advertisements. A review of opposer's exhibits reveals that opposer's registered marks are prominently displayed on the various advertising and promotional materials. We find, therefore, that opposer's two registered stylized

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"EC" marks are indeed well known, and thus are to be accorded a broad scope of protection.

The next du Pont factor we consider is "the nature and extent of any actual confusion." Applicant argues that despite three years of contemporaneous use, there have been no instances of actual confusion. Applicant's president, Tom Porter, testified that he knew of no instances of actual confusion. Also, opposer, in response to applicant's document request No. 9, stated that it was unaware of any documents and/or things that were probative of the nature and extent of any likelihood of confusion. However, there is no evidence that either party has a procedure in place for reporting or recording instances of actual confusion. Also, while we recognize that the parties' goods are sold throughout the United States, the parties have focused their efforts in different marketing channels, with products bearing opposer's marks being sold primarily in health food stores, and products bearing applicant's mark being sold primarily in hair salons. In addition, at the time of applicant's testimony, it had used its mark for only about three years. Thus, we cannot conclude from this record that the length of time and the circumstances under which the parties have concurrently marketed their

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products are such that the absence of actual confusion is entitled to significant probative weight in our likelihood of confusion analysis.

Next, we turn to a determination of what we find to be the key likelihood of confusion factor in this case,⁶ i.e., whether applicant's mark and opposer's marks, when compared in their entireties in terms of appearance, sound, and connotation, are similar or dissimilar in their overall commercial impressions. The test for confusing similarity is not whether the marks can be distinguished when subjected to a side-by-side comparison, but rather whether the marks are sufficiently similar in terms of their overall commercial impression that confusion as to the source of the goods offered under the respective marks is likely to result. The focus is on the recollection of the average

⁶ The Court of Appeals for the Federal Circuit has held that in a particular case, a single du Pont factor may be dispositive. See *Kellogg Co. v. Pack'em Enterprises Inc.*, 951 F.2d 330, 21 USPQ2d 1142, 1145 (Fed. Cir. 1991); and *Champagne Louis Roederer S.A. v. Delicato Vineyards*, 148 F.3d 1373, 47 USPQ2d 1459, 1460-1461 (Fed. Cir. 1998).

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purchaser, who normally retains a general rather than a specific impression of trademarks. See *Sealed Air Corp. v. Scott Paper Co.*, 190 USPQ 106 (TTAB 1975). The marks at issue may not be dissected but rather must be considered in their entireties. However, it is not improper to consider the component parts of the respective marks as a preliminary step in the analysis of the similarity of the marks as a whole. Likewise, it is well settled that one feature of a mark may be more significant than another, and it is not improper to give more weight to this dominant feature in determining the commercial impression created by the mark. See *In re National Data Corp.*, 753 F.2d 1056, 224 USPQ 749 (Fed. Cir. 1985). Moreover, where, as in the present case, the marks would appear on identical goods, the degree of similarity between the marks which is necessary to support a finding of likelihood of confusion declines. *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 23 USPQ 1698 (Fed. Cir. 1992).

We begin our analysis of the marks by noting, as explained previously, that opposer is entitled to rely only on its registered stylized "EC" marks shown below.



The Court of Appeals for the Federal Circuit, in *In re Electrolyte Laboratories Inc.*, 913 F.2d 930, 16 USPQ2d 1239, 1240 (Fed. Cir. 1990), held that use of the marks "K+" and design and "K+EFF" for identical goods (a dietary potassium supplement) was not likely to cause confusion, noting that:

The nature of stylized letter marks is that they partake of both visual and oral indicia, and both must be weighed in the context in which they occur. See, e.g., *Georgia-Pacific Corp. v. Great Plains Bag Co.*, 614 F.2d 757, 760, 204 USPQ 697, 699 (CCPA 1980):

It must be remembered that [registrant's] trademark consists of highly stylized letters and is therefore in the gray region between pure design marks which cannot be vocalized and word marks which clearly are intended to be.

In *Georgia-Pacific* the court observed that even if the letter portion of a design mark could be vocalized, that was not dispositive of whether there would be a likelihood of confusion. A design is viewed not spoken, and a stylized letter design cannot be treated simply as a word mark. (citation omitted).

Thus, in comparing the marks in this case, we must consider both the "visual and oral indicia" of opposer's

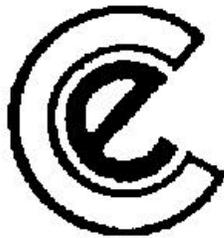
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marks. In doing so, we find that the commercial impression created by opposer's stylized "EC" marks is substantially different from the commercial impression created by applicant's mark EC MODE. Opposer's marks consist of a bold letter "C" encircling the letter "E," which could be perceived by consumers as "CE." In opposer's Registration No. 1,988,733, in particular, the letters "EC" contain shading that gives this mark an even more distinctive appearance. Applicant's mark, on the other hand, contains the additional word "MODE" which is not present in opposer's mark. Although opposer contends that the word "mode" is descriptive of applicant's goods, and thus should be given less weight when comparing the parties' marks, opposer offered no evidence to support this contention. This case is easily distinguished from *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842 (Fed. Cir. 2000), relied on by opposer. In that case, both of the involved marks, LASER and LASERSWING, were in typed capital letters. In addition, the respondent admitted that the word "swing" is commonly used when referring to golf clubs, and he testified that the mark LASERSWING seemed logical for his particular product, "a swinging club." The Court noted that "[t]hese statements, which Cunningham does not deny

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making, recognize the descriptive nature of the component 'swing.'" *Cunningham*, 55 USPQ2d 1846. This is in contrast to the case now before us where opposer's marks consist of stylized letters while applicant's mark is in typed capital letters; and there are no statements by applicant or any other evidence which establishes that MODE is descriptive of cosmetics and/or vitamins.

In finding that the marks are dissimilar, we have considered the fact that applicant seeks to register the mark EC MODE in typed capital letters. This means that applicant's application is not limited to the mark depicted in any special form or lettering. See *Squirtco v. Tomy Corp.*, 697 F.2d 1038, 216 USPQ 937, 939 (Fed. Cir. 1983) and *Phillips Petroleum Co. v. C.J. Webb, Inc.*, 422 F.2d 1376, 170 USPQ 35, 35 (CCPA 1971). Relying on these cases, opposer maintains that applicant's EC MODE mark in typed capital letters must be considered to encompass the following forms:



M O D E



M O D E

However, as the Board stated in *Jockey International Inc. v. Mallory & Church Corp.*, 25 USPQ2d 1233, 1235 (TTAB 1992):

To be perfectly clear, we are not suggesting that because an application or registration depicts a mark in typed capital letters that therefore the word mark must be considered in all possible forms no matter how extensively stylized. Rather, we are simply indicating that when a drawing in an application or registration depicts a word mark in typed capital letters, this Board--in deciding the issue of likelihood of confusion --"must consider all reasonable manners" in which the word mark could be depicted. *INB National Bank v. Metrohost Inc.*, 22 USPQ2d 1585, 1588 (TTAB 1992). We do not consider either of the above forms to be reasonable manners of depicting applicant's mark, especially since there is no evidence that manufacturers and retailers of products of the type involved in this case commonly depict their marks in such manners, i.e., with encircled letters and/or this form of distinctive shading.

Opposer has also argued that applicant adopted its mark either in bad faith or with reckless disregard of opposer's prior rights in opposer's marks, inasmuch as applicant had actual knowledge of opposer's marks prior to applicant's adoption of its own mark by way of a trademark search report. However, mere knowledge of the existence of the prior user does not, by itself,

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constitute bad faith. Also, we have no reason to reject applicant's explanation regarding how it adopted its EC MODE mark. There is nothing in this record to indicate that the testimony of applicant's witness, Mr. Porter, concerning this matter was less than truthful. See *Recot Inc. v. M.C. Becton*, 214 F.3d 1322, 54 USPQ2d 1894, 1899 ["Recot asks us, as it asked the Board, to reject Becton's [mark origin] explanation as far-fetched. We decline Recot's invitation. Absent a showing that Becton's explanation is untrue, Recot fails to bolster its claim to a likelihood of confusion between the marks."] Further, the fact that applicant has depicted its mark such that "EC" and "MODE" are on separate lines in the manner shown below is not evidence of an intent to trade on opposer's good will.



Finally, with respect to the parties' marks, we observe that the letters "C" and "E" are descriptive of the kinds of goods involved in this case. The record shows that opposer's ESTER-C is a brand of vitamin C and that applicant's cosmetics contain vitamins C and E. Thus, although opposer's stylized "EC" marks are entitled to a broad scope of protection, this does not extend to any and all uses of the letters "C" and "E" for vitamins and cosmetics.

In summary, after careful consideration of the evidence of record with respect to the relevant du Pont factors and the parties' arguments with respect thereto, we conclude that there is no likelihood of confusion in this case. That is, notwithstanding the fact that opposer's marks are well known, and that the parties are

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using their respective marks on identical and related goods, we find that the marks are too dissimilar in their commercial impression to support a determination that confusion is likely.

Decision: The opposition is dismissed.