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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Express Tax Service, Inc.

Serial No. 75/896,401

Tamara Carmichael of Holland & Knight LLP for Express Tax Service, Inc.

Michael L. Engel, Trademark Examining Attorney, Law Office 108 (David Shallant, Managing Attorney).

Before Simms, Hairston and Chapman, Administrative Trademark Judges.

Opinion by Chapman, Administrative Trademark Judge:

Express Tax Service, Inc. (a Florida corporation) has filed an application to register on the Principal Register the mark shown below

EXPRESS
TAX SERVICE

for services identified, as amended, as "preparation of income tax returns and electronic filing of tax returns for others" in International Class 35.¹ Applicant disclaimed the word "service."²

Registration has been finally refused under Section 2(d) of the Trademark Act, 15 U.S.C. §1052(d), on the ground that applicant's mark, when used in connection with its identified services, so resembles the registered mark TAX EXPRESS for "income tax preparation and accounting services" in International Class 35, issued on the Principal Register to Gary Ensz, dba Tax Express,³ as to be likely to cause confusion, mistake or deception.

Applicant appealed to this Board. Briefs have been filed and an oral hearing was held on February 20, 2003.

The question before us is whether applicant's mark is so similar to the cited registered mark that when seen by

¹ Application Serial No. 75/896,401, filed January 7, 2000. The application is based on applicant's claimed date of first use and first use in commerce of May 5, 1997.

² The Examining Attorney did not require any disclaimer; however, applicant submitted a disclaimer of the word "service" in its September 21, 2001 request for reconsideration (p. 17). Although the Examining Attorney did not formally acknowledge the disclaimer in any manner, applicant's request for entry of the disclaimer is unambiguous and unconditional. Therefore, it has been entered in the application. See Section 6(a) of the Trademark Act.

³ Registration No. 1,391,832, issued April 29, 1986, Section 8 affidavit accepted, Section 15 affidavit acknowledged. The word "tax" is disclaimed. The claimed date of first use is February 5, 1985.

purchasers used in connection with the same or similar services it will be likely to cause confusion as to the source or origin of the services. See *Kangol Ltd. v. KangaROOS U.S.A. Inc.*, 974 F.2d 161, 23 USPQ2d 1945 (Fed. Cir. 1992). We determine the issue of likelihood of confusion in light of the Court's guidance in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also, *In re Majestic Distilling Company, Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003).

Turning first to a consideration of the involved services, in determining the question of likelihood of confusion in an ex parte case, the Board is constrained to compare the services as identified in the application with the services as identified in the cited registration. See *Octocom Systems Inc. v. Houston Computers Services Inc.*, 918 F.2d 937, 16 USPQ2d 1783 (Fed. Cir. 1990).

Applicant's services are identified as "preparation of income tax returns and electronic filing of tax returns for others" and registrant's services are identified as "income tax preparation and accounting services." As identified, registrant's services encompass those of applicant. We find the respective services are legally identical in part, and are otherwise closely related.

In view of the identical/related respective services, we also find that they are offered in the same or similar channels of trade to the same or similar purchasers. See *Canadian Imperial Bank of Commerce v. Wells Fargo Bank*, 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987); and *In re Smith and Mehaffey*, 31 USPQ2d 1531 (TTAB 1994).

Moreover, we do not find that the consumers are sophisticated. Rather, income tax preparation services would be offered to anyone who must file income tax returns, which would include virtually all of the general public from the most sophisticated business person to ordinary consumers. However, we note that these are not inexpensive services, and they are not purchased on impulse. That is, when seeking assistance in the preparation of their income tax returns, purchasers will exercise some degree of care in obtaining such services.

Turning next to a consideration of the marks, it is well settled that marks must be considered in their entirety, not dissected or split into component parts and each part compared with other parts. This is so because it is the entire mark which is perceived by the purchasing public, and therefore, it is the entire mark that must be compared to any other mark. It is the impression created by the involved marks, each considered as a whole, that is

important. See Kangol Ltd. v. KangaROOS U.S.A. Inc., supra; and Franklin Mint Corporation v. Master Manufacturing Company, 667 F.2d 1005, 212 USPQ 233 (CCPA 1981). See also, 3 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition, §23:41 (4th ed. 2001).

However, there is no question that registrant's mark, TAX EXPRESS, is suggestive. Registrant has disclaimed the word "tax," an acknowledgment of the descriptive significance thereof with respect to the preparation of income tax returns. The word "express" is defined in The American Heritage Dictionary of the English Language (Fourth Edition 2000) as "3.a sent out with or moving at high speed. b. direct, rapid, and usually non-stop...."⁴ Clearly TAX EXPRESS is a highly suggestive mark which immediately informs prospective consumers that registrant will prepare one's income tax returns quickly or in an expedited manner. The Examining Attorney even acknowledges that "the common terms [in the involved marks] are weak,..." (brief, p. 4).

We find the registered mark is entitled to a relatively narrow scope of protection in the field of

⁴ The Board hereby takes judicial notice of this dictionary definition. See *The University of Notre Dame du Lac v. J.C. Gourmet Food Imports Co., Inc.*, 213 USPQ 594 (TTAB 1982), aff'd, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983). See also, TBMP §712.01.

income tax preparation. As the Court of Custom and Patent Appeals stated in the case of Sure-Fit Products Company v. Saltzson Drapery Company, 254 F.2d 158, 117 USPQ 295, 297 (CCPA 1958): "Where a party chooses a weak mark, his competitors may come closer to his mark than would be the case with a strong mark without violating his rights. The essence of what we have said is that in the former case there is not the possibility of confusion that exists in the latter case." See also, In re General Motors Corp., 23 USPQ2d 1465 (TTAB 1992); and In re Starcraft Corp., 18 USPQ2d 1163 (TTAB 1990). Thus, registrant's mark is entitled to a narrower scope of protection than that afforded an arbitrary or fanciful mark.

Moreover, the record reflects that there are other registrations in the same or related fields which include the word "express." For example, in the first Office action, the Examining Attorney had cited three additional registrations (all three were ultimately withdrawn by the Examining Attorney) -- (1) the mark EXPRESSTAX for "preparation of income tax returns" in International Class 35, issued to Expresstax (a California corporation)⁵; and (2) the marks shown below

⁵ Registration No. 1,556,044, issued September 12, 1989, Section 8 accepted. The claimed date of first use is January 6, 1987. In



EXPRESS REFUND

⁶ and

⁷

both for "loan financing services" in International Class 36, and both issued to Beneficial Management Corporation of America (a Delaware corporation). (The Examining Attorney had also referenced a prior pending application Serial No. 75/813,479 for the mark X-PRESS REFUNDS for "obtaining refunds due on electronically filed tax returns" in International Class 35, but he noted that that application was abandoned by the time of his Final Office action.)⁸

the October 16, 2001 Office action responding to applicant's request for reconsideration (but not stating it was granted or denied), the Examining Attorney accepted applicant's claim of ownership of Registration No. 1,556,044 and withdrew that cited registration. (The Examining Attorney had not previously accepted applicant's assertion of ownership of Registration No. 1,556,044 in response to the first Office action noting that the assignee listed -- Express Insurance and Tax Service, Inc. -- was not applicant. Thus, a second assignment was recorded with the USPTO showing applicant as the assignee.)

⁶ Registration No. 2,034,063, issued under Section 2(f) of the Trademark Act on January 28, 1997. The registration includes the following statement: "The stippling shown in the drawing represents shading in the mark, and is not intended to indicate color." The claimed date of first use is December 15, 1993.

⁷ Registration No. 1,649,677, issued July 2, 1991, Section 8 affidavit accepted, Section 15 affidavit acknowledged, renewed. The claimed date of first use is January 1987. This registration originally issued in a special form, but the mark was amended under Section 7 of the Trademark Act on January 31, 2002 to the mark shown above.

⁸ In addition, the Examining Attorney referenced for the first time in his brief on appeal, a third-party registration (No. 2,460,225). We have reached our conclusion in this case without considering this third-party registration as it was untimely offered and a proper copy thereof was not submitted by the Examining Attorney.

In addition, applicant's president, Robert Kluba, averred that applicant uses other "EXPRESS TAX" marks, including "EXPRESS TAX REFUND\$."⁹ (September 18, 2001 declaration, p. 1.)

These third-party registrations and uses further support our conclusion that the registered mark, TAX EXPRESS, is entitled to a narrow scope of protection in the field of income tax preparation.

Applicant's mark, while also suggestive, utilizes the suggestive word "express" as the first word, followed by the essentially generic words "tax service."¹⁰ Thus, there is a slightly different commercial impression created by TAX EXPRESS and EXPRESS TAX SERVICE, the former relating to the fast tax preparation service and the latter using "EXPRESS" more as the brand name followed by the generic terms. We also consider that applicant's mark consists of the words in stylized lettering along with a design

⁹ It is particularly puzzling to the Board to note that Office records indicate the same Examining Attorney approved for publication applicant's application Serial No. 75/896,400 for the mark EXPRESS TAX REFUND\$ for the same services ("preparation of income tax returns and electronic filing of income tax returns for others"), but including a claim of acquired distinctiveness under Section 2(f) of the Trademark Act, and with a disclaimer of the words "tax refund."

¹⁰ As explained previously, applicant disclaimed the word "service," and it is puzzling to the Board why the Examining Attorney made no statement with regard thereto or why a disclaimer of "tax service" was not required.

feature, specifically, the lines by the letter "E" which emphasize the speedy nature with which consumers can presumably obtain completed income tax returns from applicant.

Overall, we find the respective marks are dissimilar in commercial impression.

In this case, another du Pont factor to be considered is that of actual confusion. In his September 18, 2001 declaration, Robert Kluba, applicant's president, averred that applicant has approximately one thousand (1000) licensees who use the applied-for mark in connection with tax preparation services, involving offices throughout approximately thirty (30) states; that applicant's web site receives 50-100 hits per day; that the mark is used on brochures, sales kits, advertising materials at trade shows, banners, promotional materials (e.g., clothing, buttons, clocks), and signage; that applicant has participated in about fifty (50) trade shows (e.g., the IRS Tax Forum, various insurance agent trade shows, various pawn broker trade shows); that applicant advertises "on television and radio in various markets throughout the country" (paragraph 7); that applicant has spent approximately \$250,000 annually on advertising, and this

expenditure increased to \$300,000 in 2001.¹¹ Further, Mr. Kluba specifically averred that he knows of no instances of actual confusion involving the marks; and that the marks have "co-existed for many years without any incident of actual confusion or complaint by the other mark's owners." (Paragraph 12.)

We are mindful of the guidance of our primary reviewing Court in the case of *In re Majestic Distilling Company, Inc.*, 65 USPQ2d at 1205, stating: "A showing of actual confusion would, of course, be highly probative, if

¹¹ This evidence was submitted to support applicant's claim of acquired distinctiveness under Section 2(f) offered in response to the Examining Attorney's refusal to register the mark as merely descriptive under Section 2(e)(1). Again, for reasons unknown to the Board, after initially rejecting applicant's evidence under Section 2(f), and following a second remand by the Board to the Examining Attorney, in an Office action dated January 25, 2002, he withdrew the Section 2(e)(1) merely descriptive refusal. Specifically, the Examining Attorney stated that he "withdraws the Section 2(e)(1) descriptiveness refusal"; and in a footnote he explained that "The withdrawal of the Section 2(e)(1) refusal moots the issue of the sufficiency of the evidence of the mark's purported acquired distinctiveness." Thus, the Board must construe this action by the Examining Attorney that he was no longer refusing registration of the mark as merely descriptive, and therefore, there was no need for evidence of acquired distinctiveness. It is clear the issue of mere descriptiveness is not before this Board.

(In the Board order dated October 9, 2001 remanding the application to the Examining Attorney, the Board specifically pointed out that the Examining Attorney had not addressed applicant's request, in the alternative, that the application be amended for allowance on the Supplemental Register. The Examining Attorney never addressed this alternative request, but in light of our decision herein reversing the refusal to register under Section 2(d) of the Trademark Act, applicant's alternative request is moot.)

not conclusive, of a high likelihood of confusion. The opposite is not true, however. The lack of evidence of actual confusion carries little weight, *J.C. Hall Co. v. Hallmark Cards, Inc.*, 340 F.2d 960, 964, 144 USPQ 435, 438 (CCPA 1965), especially in an *ex parte* context."

While applicant's statements that applicant knows of no instances of actual confusion by consumers and that the owner of the cited registration has never complained to applicant carry little weight in this *ex parte* case, nonetheless, we must always consider the overall circumstances of a case, and balance all the relevant du Pont factors in order to reach a determination on the issue of likelihood of confusion. Not all du Pont factors are relevant or of similar weight in every case. See *In re Dixie Restaurants Inc.*, 105 F.3d 1405, 41 USPQ2d 1531, 1533 (Fed. Cir. 1997).

In light of the nature of the marks and services involved herein, we consider that applicant's evidence showing rather extensive use of its mark for several years in much of the nation without any instance of actual confusion to be relevant, and of some probative value.

In summary, in balancing the relevant du Pont factors, we conclude that confusion is not likely.¹²

Decision: The refusal to register under Section 2(d) of the Trademark Act is reversed.

¹² In this case, applicant has consistently and strongly argued that the Examining Attorney's refusal to register under Section 2(d) amounts to a collateral attack on "Applicant's prior, valid, enforceable, and incontestable EXPRESSTAX registration" (brief, p. 7). We need not and do not reach this issue because, although the Examining Attorney accepted applicant's statement that it is the owner of Registration No. 1,556,044 for the mark EXPRESSTAX, the records of the Assignment Branch of the USPTO indicate that the registration issued to Expresstax (a California corporation), but the first of two recorded assignments show the first assignor was Clint Roberts, an individual. Thus, there is a gap in the chain of title. (We also note that the Examining Attorney never required a formal statement of a claim of ownership from applicant which would be entered into the record of the application.)

Even if there were not a title problem with Registration No. 1,556,044, an additional reason for not reaching the issue so strongly urged by applicant is that the Examining Attorney never attacked the validity of applicant's asserted prior registration (No. 1,556,044), and we do not regard the refusal to register the application here as an attack upon the prior registration. Regardless of the outcome of this appeal, the prior registration will remain on the register.

Moreover, the legal theory being advanced by applicant is questionable in light of other cases dealing with this issue. See *In re Save Venice New York Inc.*, 259 F.3d 1346, 59 USPQ2d 1778 (Fed. Cir. 2001); and *In re Best Software Inc.*, 63 USPQ2d 1109 (TTAB 2002).