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UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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Systemax Corporation

v.

Systemax, Inc.

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Opposition No. 91117529  
to application Serial No. 75451483  
filed on March 17, 1998

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William F. Moran III of Stratton, Giganti, Stone & Kopec  
for Systemax Corporation.

Laura E. Goldbard of Stroock & Stroock & Lavan LLP for  
Systemax, Inc.

Before Simms, Seeherman and Bucher, Administrative  
Trademark Judges.

Opinion by Simms, Administrative Trademark Judge:

Systemax Corporation (opposer), an Illinois  
corporation, has opposed the application of Systemax, Inc.  
(applicant), a New York corporation, to register the mark

SYSTEMAX PRO ("PRO" disclaimed) for computer hardware.<sup>1</sup> As grounds for opposition, opposer asserts that since at least May 27, 1988, opposer and its predecessor have used the mark SYSTEMAX for supplies for computerized automatic teller machines (ATMs); that opposer owns registrations of the mark SYSTEMAX and the mark SYSTEMAX in stylized format for distributorship services in the field of ATM supplies (Registration No. 1,532,436, issued March 28, 1989, Sections 8 and 15 affidavit accepted and acknowledged, respectively; Registration No. 1,537,792, issued May 2, 1989, Sections 8 and 15 affidavit accepted and acknowledged, respectively); and that applicant's mark so resembles opposer's mark as to be likely to cause confusion, to cause mistake or to deceive. Applicant has denied the essential allegations of the opposition.

Both parties have taken testimony and submitted notices of reliance.<sup>2</sup> Also of record is an affidavit and related materials submitted with applicant's unopposed

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<sup>1</sup> Application Serial No. 75451,483, filed March 17, 1998, based upon use in commerce since October 27, 1997.

<sup>2</sup> It was not necessary for opposer to file notices of reliance on the testimony depositions of its witnesses or on the exhibits introduced during these depositions. See, generally, Trademark Rule 2.123(h) and TBMP §704.02 (2<sup>nd</sup> ed. June 2003). The testimony is of record without the need for notices of reliance thereon, and the exhibits are of record through the testimony of the witnesses without the need for further action.

motion to reopen, which the Board granted on July 16, 2002.<sup>3</sup> Both parties filed briefs, but no oral hearing was requested.

Opposer's Record

Opposer began business as Jackson Data Systems in 1982, selling business forms and office supplies under the mark SYSTEMAX. In 1984 or 1985, Mr. H. Steven Jackson, opposer's owner and president, began working with a financial institution that owned a network of ATMs. That institution was having problems with its supplier of paper products. Later, and building upon this experience, Mr. Jackson expanded this ATM supply business. During this period of time, Mr. Jackson's company merged with a commercial printer. In 1989, Mr. Jackson incorporated the opposer, and the marks and registrations owned by the predecessor company were assigned to opposer. Opposer currently advertises and distributes ATM and point-of-sale machine<sup>4</sup> supplies to financial institutions and other owners of ATMs in all 50 states. Opposer's ATM supplies include receipts, audit rolls and other rolls of paper such as

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<sup>3</sup> While Trademark Rule 2.123(b) provides that an affidavit may be considered by written agreement of the parties, in view of the fact that applicant's motion was unopposed and the fact that the Board, through an interlocutory attorney, granted the motion to permit this affidavit and related evidence into the record, we shall consider this affidavit even though there was no written agreement in this case.

<sup>4</sup> These machines are used by customers with debit cards at retail locations.

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journal tape (similar to adding machine rolls), ribbons, deposit envelopes, card protectors, signage, decals, brochures, posters and tent cards.

Between January and June 1999, opposer began receiving telephone calls and e-mails from people who apparently intended to reach applicant. As a result of these misdirected communications, opposer initiated a protocol whereby its employees were directed to record these calls by entry into a computerized database. Employees were directed to enter the name of the individual calling, his or her phone number, a description of the problem and information concerning how that person obtained opposer's phone number. E-mails from a link on opposer's Web site also yielded instances of alleged confusion. The log of misdirected phone calls contained 76 entries between June 1999 and the end of 2000. At the time of opposer's testimony, an additional 24 entries had been made.

Ms. Nancy K. Jackson, opposer's vice president and chief operating officer, testified that opposer first used the mark SYSTEMAX in connection with ATM supplies in May 1988, although, as noted above, this mark was used for other goods before that date. N. Jackson dep., 56-57. Opposer sells and attempts to sell its goods to purchasing departments and ATM departments of banks and other

financial institutions that are responsible for ordering and managing ATM supplies, as well as to non-financial institutions such as independent ATM owners; retail stores; large gas stations and convenience stores that have ATMs; general business customers; credit card companies and forms clients (customized computer business forms). Opposer promotes and sells its goods by means of direct mail, advertisements in trade publications and at trade shows.

Opposer sells from 75 to 100 million ATM receipts each year (there are about 2,500 receipts on a roll). Opposer also sells 500,000 to 600,000 card protectors, which are designed to protect ATM cards. Opposer sells between four and five million deposit envelopes per year. About 10 percent of opposer's clients are forms clients (dep., 54).

Ms. Jackson testified (13) about purchasers and users of applicant's computers who had contacted opposer with questions and/or complaints when they apparently intended to reach applicant:

A I don't remember the exact first time. The very first time that I remember was our accountant sent me a catalog that had--that had a Systemax mark on it and we did some checking into it at that point in time, but then it's probably been about--probably about two or two and a half years ago when we really started noticing a big influx of contact from people who thought that we were another Systemax and were looking for or

thought that we were supplying them with supplies that we weren't.

... We were receiving phone calls and e-mail from people asking about or largely complaints on things that were wrong with things--with products that they had purchased from what we finally found out was Systemax, Inc. and we're Systemax Corporation.

Ms. Jackson testified that as a result of these misdirected communications, as noted above, employees were directed to keep track of any instances of confusion. One way of doing so was to make an entry in opposer's computer system under "Wrong Systemax." Alleged instances of actual confusion have been recorded since mid or late 1999.

When asked whether any of these people had actually been clients of opposer, Ms. Jackson testified, 18-19:

A I don't think that it's ever turned out that one of the incoming phone calls that are complaining about the other Systemax products have actually been a common customer, but we do have cases where our customers think and say to us that they think we're part of the other Systemax that sells the computers...

...They--well, we have like--like, if our salespeople are making calls and we have our--our ATM supply catalog is a big portion of our business and we mark it with and our salesman use that as a tool and when they are talking to their people or their clients or their prospects, they usually have them get their catalog out and get their catalog in front of them.

And I know of at least two times--and I don't know how many more. I don't know that they've always recorded this, but that they would be talking to a client or prospect and they would say do you have your catalog. And they would say yes. And then there was an obvious discrepancy. And they would say go to Page 5. And they are like I'm on Page 5. It's not here. I don't know what you are talking about.

And then come to find out, it was the other Systemax catalog that they had out on their desk and/or maybe they would be calling in to our salesman and say I can't find this in your catalog, do you still have this and then come to find out, they had the wrong Systemax catalog is why they can't find the product.

Ms. Jackson further testified that the contacts have often communicated with opposer as a result of a phone number given to them by Directory Assistance or obtained from the Internet. Examples from the computer entries under "Wrong Systemax Notes" (exhibit numbers 23 and 24) are set forth below:<sup>5</sup>

I flunked on this one-I failed to get the name & phone # of caller. He was calling as to where his \$400 rebate check was. He had ordered his computer thru the Home Shopping network. He got our # off of the internet. I told him he had the wrong Systemax and he did ask if we were in Bear Lake, MN.

\* \* \*

Kahah N. from San Jose State University [phone number]. They received our phone

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<sup>5</sup> We have deleted last names and other personal identifying information for reasons of privacy.

number from the internet under Systemax.  
His assistant loaded windows 2000, he wanted  
windows 1998, can we switch it for him?

\* \* \*

Hugh G. located in Louisiana [phone number]  
has a Systemax computer that keeps locking  
up on him. Got our # from the Internet.

\* \* \*

Johnny M. [phone number]-Got our # from the  
Internet. Systemax computer keeps crashing  
and he's only had it a few months. Tries to  
call computer support #s he has, but no one  
answers. Gave him the above #s.

\* \* \*

Chris B. @ [phone number]. He is having  
trouble starting his computer. He received  
our # on line by typing in "Systemax  
Customer Service".

Other examples, where callers got opposer's number  
from other sources, or where it is unclear how they  
obtained opposer's number, are set forth below:

Herron R. from Texas [phone number], having  
trouble getting on the Internet because his  
mouse won't work. Got our # from the  
company he bought the computer from. It's  
Systemax computer.

\* \* \*

Holly H., from Georgia [phone number]. Has  
a Systemax computer that she's had nothing  
but troubles with over the last year. She  
has technical support numbers but is now  
caught in a loop where it transfers her and  
then says, "Goodbye." Feel free to contact  
her [regarding] our problems with sharing  
our name with this company.

\* \* \*

Diane H. received our phone number through [sic] the phone book. She is having problems with her computer screen. [Phone number].

\* \* \*

On 7/01 at 8:43 a.m., Mary P. in Minneapolis at [phone number] left message in the voice mail because she has a 6-month-old Systemax computer that has frozen up several times. She got our # from MSN. She was very frustrated and suggested the company stay open on weekends for all those people who use their computers on weekends. I called her and gave her the two numbers above.

\* \* \*

Janette S. in Aspers, PA [phone number]-having problems with modem on her Systemax computer. Got our # from Cyber Acoustics. She's been given 4 different numbers to try to get help! I gave her the two above numbers.

\* \* \*

HSJ visited Tyndall FCU [Don Summer] and he told Steve he thought we were the Systemax who sold the computers and wondered why our President [of such a large corporation] would be coming to see them.

One e-mail, entitled "sorry company," states:

If you build and market the same type of equipment for ATM's as you do computers, and support them with the same people I have dealt with in your computers, please call me and tell me which banks you sell them to, so I won't go there, cash now is becoming more valuable because the way you people do business, and I don't want to deal with you,

your staff or your equipment EVER!!! [from exhibit number 25]

Other e-mails of record include the following:

**From:** mary [REDACTED]  
**To:** <Systemax@atmsupplies.com>  
**Sent:** Thursday, December 16, 1999 6:54 PM  
**Subject:** video capture driver

I received my new systemax computer on Dec. 14. I have been trying since then to get it going and set up. I was under the impression that everything would be installed and ready to operate when I received it. I am very disappointed. After getting it hooked up, I tried to install the power video, for the camera, which I thought would be ready to go; it wasn't. That kept cutting off and freezing up the screen and I had to continue to reboot the computer. When I finally got it to work, don't know what changed, I get the message "no capture driver installed". I don't have anything that is labeled for that. I've been to the file find - no luck. I'm ready to pack it up and send it back. Why don't you send people a manual to explain what needs to be done to get things started? I received nothing to explain anything. The only way I got a 800# was over the internet after an hour or more of searching and then found out you close at 5:00 central time. My time is 8:00 (eastern) and you should have been open. I called at 7:00 my time. What are working people supposed to do to get tech. help? You make these things seem so simple when it's shown on the tv and they aren't simple at all. Mary T [REDACTED]

**From:** Dave [REDACTED]  
**To:** <Systemax@atmsupplies.com>  
**Sent:** Friday, February 09, 1996 6:24 PM  
**Subject:** What Type Of People Work At Systemax

What is the problem with your company?

I tried to enter a purchase of a computer through the procedures of "as seen on tv" of a computer system put together under the "Brand Name of Systemax"

But a partial shipment with a box of Labeled systemax all over it, went to an address 714 [REDACTED] Redwood City Ca with the wrong zip code number. and when a UPS representative called me using my Ph # [REDACTED] Saying the package was undeliverable

I tried to correct the address for shipment to  
Dave M [REDACTED]  
714 [REDACTED] Sunnyvale Ca. [REDACTED]

"Right down the street from AMD"

All the Phone # given to me by a "as seen on tv" representative to contact systemax are not answered. So with a little research I found two PO box numbers and a 22 Harbor Drive Port Washington NY address and Ph # 516 608 7000

I want systemax to call me immediately to resolve customer service issues Dave M [REDACTED]

I just purchased a Systemax 233 notebook, and I can't seem to get out of the BIOS setup page, it keeps taking me around and around to the same page after I have put my pass word in, and it takes me back to the first page again, how do I get passed [sic] the configuration page and get into the Windows 98, according to the users manual, the configuration is already done in the unit itself, and then will move on, mine it just stays on the setup page over and over again, how do I rectify this problem? Thank-you.

\* \* \*

hello,  
my name is nelson. i recently purchased a systemax pc. I am considering another computer/electronic device and need to know the following: does this pc have a USB port? Although i've work with computers in the past, i wish to be precise prior to purchasing. the system i have is an 550 MHz, AMD ATHLON processor. can't you respond before monday...?

\* \* \*

I have recently purchased a Systemax keyboard and monitor through the Home Shopping network. It came with no specs or instructions. I know my way around a keyboard pretty well. My problem is: when I hit the half moon (sleep I assume) my monitor will turn off, as I expect. When I try to wake it up by using the sun it will not come back up. I also tried the power on (circle with the half slash at the top of the arc) Still nothing. Can anyone please help?

Finally, when asked why opposer brought this opposition proceeding, Ms. Jackson testified, at 91-92:

A The only reason we took this action is because it's impacting or affecting our day-to-day business lives and because we're concerned about the--not only the time and money that goes into this, but the--our reputation.

And one thing that we're doing out there is marketing ourselves as we specialize in ATM supplies and do only ATM supplies and then you'll have somebody say Oh, yeah, except for your computers and so it's--

And then with all of the angry--most of what we get, the correspondence we get or the phone calls we get are angry people. We're not--we're not accustomed to that. We're not used to dealing with angry customers and we really don't like having to deal with it for another company.

Opposer also took the testimony of H. Steven Jackson, the owner and president of opposer. Concerning opposer's class of purchasers, he testified, at 14:

The typical purchasing agent in a financial institution buys everything from--if they--if the financial institution owns automatic teller machines, they would buy the automatic teller machine supplies. They would buy paper clips, pencils, note pads. They are typically responsible for the supply rooms which feed the whole bank. Supplies of a wide variety, you know, are typically purchased by these purchasing agents.

Q Would they--would they ever buy any hardware?

...

THE DEPONENT: Okay. Hardware. They would not typically buy ATMs, but they would typically buy hardware items such as calculators, computers, things of that type. Typically, they don't buy ATM hardware.

Concerning one instance of alleged actual confusion, Mr. Jackson testified, at 45-46:

...I was at--our sales manager had scheduled an appointment with me with a client of ours in Panama City, Florida and he commented to me before I left that he thought that the client was somewhat apprehensive and--and I asked him why he thought that and he--he said well, it was his hesitation and tone of his voice. He didn't understand why the president of Systemax was coming to see him..

When I got to the client's site, I was met by the purchasing agent for the credit union. As he was taking me back to his office, he stopped me in the hallway and he said I have to tell ya we really--we really don't know why the president of a billion dollar corporation would be coming to visit us.

And I said well, thank you very much. I wish we had a billion in sales, but that's not us and he said, but you're Systemax? And I said yes, but we're the Systemax that sells automatic teller machine supplies only and he said oh. He said we thought you were the president of the Systemax Corporation that, you know, that sells the computers.

And we had a conversation about it and he still--he--even though these people had been buying products from us for ATM products, they still thought that we were one in [sic, should be "and"] the same company.

Opposer's exhibits include status and title copies of its two pleaded registrations.

Applicant's Record

The record shows that, in 1985, a subsidiary of Global DirectMail Corporation called Global Computer Supplies International Ltd. changed its name to Systemax Incorporated. This company remained a corporate division of applicant until May 1999 when the parent corporation assumed the name of the subsidiary.

Applicant began using the mark SYSTEMAX on personal computers in November 1997. The mark is now used on such goods as computers, monitors, keyboards, mouse and mouse pads and other computer peripherals and accessories.

Applicant took the testimony of Steven Goldschein, its senior vice president and chief financial officer. He testified that applicant is a direct marketer of industrial and computer products sold mainly in the business-to-business arena to small and medium-size businesses including banks and other financial institutions, as well as home office businesses. The specific target of applicant's sales efforts are information systems directors and purchasing departments of these businesses. Applicant sells hundreds of thousands of personal computers each year and has from 500,000 to 1 million customers. The average price of applicant's computers is \$1,100. Applicant's sales total about \$300 million each year. Goldschein dep.,

43. Applicant spends tens of millions of dollars on advertising and promotional expenses, distributing about 100 million catalogs per year (over 150 million catalogs in 2000), and has advertised its computers in print advertisements such as computer magazines, on radio, on the Home Shopping Network and at trade shows. Most of applicant's sales result from the distribution of its catalogs and direct marketing phone calls, and also come from its Web site, through retail stores and its own outlets. Applicant does not sell ATM supplies or paper products. Mr. Goldschein testified that he was aware of no instances of actual confusion and stated that purchasers of supply items are different from those purchasing "capital requisition" items like computers. Goldschein dep., 58. Applicant sells its SYSTEMAX computers through companies with such names as Global Computer Supplies, Infotel, Dartek and Tiger Direct.

With respect to the specific mark here sought to be registered--SYSTEMAX PRO--Mr. Goldschein testified, at 59-60, that the only use of this mark was in the November 1997 catalog and that applicant does not use the mark SYSTEMAX PRO any longer. It was used for a short period of time at

the end of 1997 and the early part of 1998. Applicant no longer has any labels with the mark SYSTEMAX PRO.<sup>6</sup>

Mr. Frank Kelly, the president of an intellectual property research and acquisitions firm, was called by applicant to testify concerning the uses of the mark SYSTEMAX by third parties. Mr. Kelly conducted what he called an "in-use-only investigation" with respect to the mark or name used by others. He obtained Dun & Bradstreet reports on various companies, checked the Internet for information about these companies, and called the companies to inquire concerning the nature of their usage. According to Mr. Kelly, the mark SYSTEMAX or its phonetic equivalent is being used for such diverse goods and services as intake cams for engines, providing administrative services to packaging and shipping companies, fiber optic and copper connections or systems, carbon decolorization systems for corn sweeteners, steel mining equipment, industrial automation controls, retailing of television and radio electronic equipment and computer software development. Applicant also filed a notice of reliance on six third-party registrations of this mark covering such services as accounting, secretarial and postal services, business

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<sup>6</sup> Opposer did not plead or argue that we should also sustain this opposition because applicant has abandoned the specific mark sought to be registered. Therefore, we have not considered the issue of abandonment.

conference planning, dry cleaning and shoe repair services, and facsimile transmission services.

Finally, of record is the affidavit and other material attached to applicant's motion to reopen. This evidence includes an affidavit of Mr. Goldschein with supporting documents. According to this evidence, prior to January 14, 2002, if one conducted a search for "ATM Supplies" on the Yahoo! search engine, the listing for "Systemax" included two links, one to opposer and one to applicant. Also, prior to January 14, 2002, if one searched "Systemax," two headings appeared with three links. The first heading referenced "Automatic Teller Machines" and contained two links, one of which was to the applicant. As result of action requested by applicant, on January 14, 2002, Yahoo! updated its search engine to reflect the existence of two distinct entities. The search engine removed all links to applicant's Web site from those search results intended to link to opposer. Therefore, one does not get a link to applicant when searching for "ATM Supplies," and when one searches "Systemax," the results include two different headings that differentiate between links for opposer and applicant.

Arguments of the Parties

Opposer points to the similarities in the usages of the respective trademarks (the letters "M-A-X" being depicted with horizontal lines).



**SYSTEMAX**



**Systemax**<sup>TM</sup>

Opposer also argues that the same class of consumers (purchasing agents for banks and other financial institutions) could be exposed to the goods and/or services of the parties under their very similar marks. Because both parties sell to small and medium-sized business, opposer argues that the Board can assume that the purchasing agents in the smaller banks and financial institutions may also be purchasing the products of both parties. In this regard, opposer points to the fact that on two occasions the purchasing agents of opposer's

customers mistakenly referred to applicant's catalogs when asked by opposer's employees or agents to look at opposer's catalog.

Opposer maintains that the best evidence of likelihood of confusion is actual confusion, and that in this case the numerous instances of actual confusion are a persuasive and controlling factor on the issue of likelihood of confusion. Opposer asks us to resolve doubt in its favor as the prior registrant in this case.

Applicant, on the other hand, maintains that the differences in the respective goods and services are so vast as to weigh heavily against a finding of likelihood of confusion. Applicant also points to differences in the channels of trade and the specialization of corporate purchasing departments. Relying upon *Electronic Design & Sales Inc. v. Electronic Data Systems Corp.*, 954 F.2d 713, 21 USPQ2d 1388 (Fed. Cir. 1992), applicant argues that the fact that different goods and services may be purchased by the same institution does not by itself establish the similarity of trade channels or the overlap of customers. In this regard, applicant argues that opposer had the burden to prove that the same individuals inside a corporation have the responsibility to make the purchasing decision for both ATM supplies and computers. Applicant

calls the evidence of two individuals who had catalogs of both parties de minimis and insufficient proof that the respective customers are identical.

Applicant also points to the conditions of sale, including the care taken in the purchasing of specialized ATM supplies and computers. Applicant notes that purchasers must make direct contact with opposer in order to purchase highly specialized ATM supplies, and that these goods are purchased only after considerable thought and evaluation. Applicant's goods are expensive and would also be purchased, according to applicant, with a higher degree of care. The parties also advertise in different media and attend different trade shows.

Another factor which applicant argues is in its favor is the number and nature of similar marks in use on a wide range of goods and services, allegedly weakening the strength of opposer's mark.

With respect to the evidence of actual confusion, it is applicant's contention that the misdirected communications do not show actual confusion. First, applicant characterizes the evidence of record as unreliable hearsay concerning statements of individuals whom opposer did not depose. Also, opposer did not prove the reasons for these misdirected communications.

Applicant also maintains that the e-mail messages were caused, not by confusion, but by inattentiveness or carelessness in using a search engine. Applicant argues that such an error does not rise to the level of actionable confusion. It is applicant's contention that the root cause of much of the miscommunication can be attributed to the error of search engines such as Yahoo!, which linked both applicant and opposer under the heading "ATM Supplies" and "ATM Machines." Applicant contends that this confusion coincided with the change of name of Global DirectMail Corp. to Systemax, Inc. in May of 1999, and not by applicant's adoption of the trademark SYSTEMAX PRO for its computers. Applicant argues that about half of the e-mail correspondents had obtained opposer's phone number from the Internet. (Applicant states that it is not aware that it received any misdirected communications intended for opposer.) In sum, applicant states that opposer must show that the communications were from actual customers whose purchasing decisions were affected, and that here opposer cannot cite any examples where purchasers expressed unwillingness to buy opposer's ATM products and services as a result of applicant's computer products, or even that these people were potential customers of opposer. Because these miscommunications were caused by consumer error,

applicant argues that this evidence is not probative on the issue of whether actual confusion has occurred. Moreover, any miscategorization contained in Yahoo!'s Web site or any misleading linking has now been corrected, according to applicant.

In rebuttal, concerning the third-party "use" of similar marks, opposer maintains that we should give little weight to this evidence. First, there is no evidence of the extent of use of these third-party marks. Therefore, there is no evidence that the relevant purchasing public has been exposed to these marks to the extent that they have been conditioned to distinguish between them. Opposer also contends that this record shows that opposer had no problems with any confusion as a result of these third-party uses for different goods or services.

Concerning applicant's hearsay objections to the evidence of actual confusion, opposer points to Rule 803(6) of the Federal Rules of Evidence, which provides that records kept in the regular course of business are admissible through the testimony of a custodian of those records. Finally, opposer contends that applicant's arguments concerning inattentive or careless purchasers are inconsistent with its argument that the purchasers are sophisticated and discriminating. Even after reviewing

opposer's Web site relating to its ATM supply business, these allegedly discriminating purchasers nevertheless sent e-mails to opposer concerning computer products which opposer did not make. Dozens of discriminating purchasers were confused about the identities of the parties or the sources of their products or services, opposer maintains.

#### Analysis

First, because opposer is the owner of valid and subsisting registrations, priority is not an issue in this case. *King Candy Company v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974); and *Carl Karcher Enterprises Inc. v. Stars Restaurants Corp.*, 35 USPQ2d 1125 (TTAB 1995). The only issue before us is whether the marks, as used on the respective goods and services, are likely to cause confusion.

Our determination under Section 2(d) of the Act 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 Majestic Distilling Co., Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003); and *In re E.I. du Pont de Nemours and Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). Two key considerations are the marks and the goods or services. *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d

1098, 192 USPQ 24, 29 (CCPA 1976) ("The fundamental inquiry mandated by [Section] 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks.").

With respect to the marks, applicant's SYSTEMAX PRO mark and opposer's SYSTEMAX mark are very similar in sound, appearance and suggestive meaning, differing only by the word "PRO" in applicant's mark. Moreover, the record shows that applicant uses the mark SYSTEMAX (apparently not SYSTEMAX PRO) in a manner that is very similar to opposer's mark SYSTEMAX, with the suffix "MAX" in both marks displayed with a number of horizontal lines. If these marks were used on or in connection with commercially related goods and services, there would clearly be a likelihood of confusion.

However, upon careful consideration of this record and the arguments of the parties, we find that applicant's computers and computer hardware are sufficiently different in nature from opposer's distributorship services in the field of ATM supplies and the ATM supplies themselves that confusion is unlikely even when these goods and services are offered under these similar marks.

The respective goods and services are quite disparate. On the one hand, opposer sells ATM supplies in the nature

of paper products and such items as card protectors, whereas applicant sells computer hardware. These goods are completely different in nature and are used for completely different purposes.

With respect to the purchasers of these goods and services, we note that applicant's description of goods--computer hardware--is unrestricted as to the channels of trade or the classes of purchasers to whom those goods are sold. In this regard, it is well settled that the issue of likelihood of confusion must be determined on the basis of the goods as they are set forth in the involved application. See, e.g., *Octocom Systems Inc. v. Houston Computer Services Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990); *Canadian Imperial Bank of Commerce, N.A. v. Wells Fargo Bank*, 811 F.2d 1490, 1 USPQ2d 1813, 1815-16 (Fed. Cir. 1987); *CBS Inc. v. Morrow*, 708 F.2d 1579, 218 USPQ 198, 199 (Fed. Cir. 1983) and cases cited therein. Thus, where an applicant's goods are broadly described as to their nature and type, it is presumed that in scope the application encompasses not only all goods of the nature and type described, but also that the identified goods move in all channels of trade which would be normal for those goods, and that they would be purchased by all potential buyers thereof. See, e.g., *In re Elbaum*, 211 USPQ 639, 640

(TTAB 1981). We must assume, therefore, that applicant's computer hardware including computers can be and is sold to such potential purchasers as banks and other financial institutions, the primary purchasers of opposer's goods and services. In fact, the record reflects that this is the case.

However, this fact does not end the inquiry. We must also consider such other factors as the conditions of purchase of the respective goods and services and the sophistication of the purchasers.

The potential common purchasers of both opposer's ATM goods and services and applicant's computers--banks and other financial institutions--are undoubtedly relatively sophisticated purchasers who would exercise some degree of care in their purchasing decisions. The purchase of capital equipment like computers would likely be done with some degree of care, especially in view of the expense involved. Applicant's computers cost about \$1,100 apiece. Furthermore, as the record shows, purchases of opposer's ATM supplies are frequently consummated after opposer has contacted corporate department managers and purchasing departments responsible for ordering and managing ATM supplies. These purchasers who need supplies for their ATM and point-of-sale machines would be likely to exercise care

in the purchasing of these supplies. Indeed, it is likely that a consistent source of ATM supplies would be obtained for these goods because they must be purchased on a regular basis, and a knowledge and relationship with the supplier of these goods would likely be developed. Therefore, and even though the marks here are quite similar, we believe that the circumstances surrounding the purchasing decisions of any common customers, such as banks and other financial institutions, would likely dispel any confusion that would otherwise arise.

We also note that the testimony concerning whether the same purchasing departments would buy both ATM supplies and computer hardware is contradictory.<sup>7</sup> Suffice it to say that we believe that opposer has not established in this record that there are common purchasing departments for these goods and services. See, e.g., *Electronic Design & Sales Inc. v. Electronic Data Systems Corp.*, 954 F.2d 713, 21 USPQ2d 1388 (Fed. Cir. 1992).

We have also considered the other evidence of record in this case. First, we find the evidence concerning third-party use of similar marks to be of relatively little probative value. The evidence of the nature and extent of

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<sup>7</sup> We are aware that on at least two occasions, the purchasers or potential purchasers of opposer's supplies also had a copy of applicant's catalog.

any actual use of these marks is largely hearsay, especially Mr. Kelly's conversations with employees of the third parties, and, in any event, these marks are used, for the most part, in completely different fields of endeavor and do not, therefore, serve to weaken the scope of protection of opposer's mark.

Second, as to the evidence of actual confusion, this evidence does tend to indicate some level of confusion on the part of some purchasers of applicant's computers, in the sense that they contacted opposer rather than applicant. However, many of these computer purchasers seem to have contacted opposer through the use of Internet search engines, which list both parties and perhaps others who use the same or similar marks, and Directory Assistance operators who have, for some reason, given them opposer's phone number rather than applicant's. Moreover, these purchasers seem for the most part to be members of the general public, and not also in the market to purchase opposer's ATM supplies or use opposer's distributorship services in the field of ATM supplies. Opposer has pointed to no evidence in the record where any of the mistaken calls or e-mails have been from such common purchasers as banks and other financial institutions. The latter, as indicated above, are discerning purchasers who are more

likely to avoid mistakes in the selection of the entity whom they wish to contact. The only evidence of record of possible confusion by one of opposer's customers comes from the testimony of Mr. Jackson, noted above, relating to his visit to a credit union in Panama City, Florida, whose purchasing agent thought that opposer was connected to applicant. However, we believe that this one incident of apparent confusion is not sufficient, in view of the other circumstances discussed above which militate against such a finding, to warrant a conclusion of likelihood of confusion.

We conclude that, while the marks SYSTEMAX and SYSTEMAX PRO are quite similar, the respective goods and services are sufficiently different that confusion is not likely on the part of the relatively sophisticated and discriminating common purchasers of both ATM supplies and computers.

Decision: The opposition is dismissed.