THIS DISPOSITION IS NOT CITABLE AS PRECEDENT OF THE TTAB

Hearing: March 23, 2004

Mailed: June 29, 2004 PTH

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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M.C.A. – Medical and Chemical Agency s.r.l.
v.
Zenna Chemical Industry Co. Ltd.

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Opposition No. 91100786
to application Serial No. 74598262
filed on November 14, 1994

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Zenna Chemical Industry Co. Ltd.
v.
M.C.A. – Medical and Chemical Agency s.r.l. and
M.C.A. – Medical and Chemical Agency S.p.a.
(joined as a party defendant)[1]

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Opposition No. 91104047
to application Serial No. 75056059
filed on February 9, 1996

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Frank P. Presta and Sheryl L. Sharmach of Nixon & Vanderhye P.C. for M.C.A. – Medical and Chemical Agency s.r.l.

Scott R. Hansen of Fulwider Patton Lee & Utecht, LLP for Zenna Chemical Industry Co. Ltd.

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[1] As noted in the Board's April 16, 2003 order, joinder is appropriate in Opposition No 91104047 in view of the assignment of application Serial No. 75056059 involved therein. However, inasmuch as M.C.A. – Medical and Chemical Agency, s.r.l. relies solely on its common law rights in support of its claim in Opposition No. 91100786, joinder of M.C.A. – Medical and Chemical Agency, S.p.A. as a party plaintiff in that proceeding is inappropriate.

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Before Hairston, Walters and Bucher, Administrative Trademark Judges.

Opinion by Hairston, Administrative Trademark Judge:

In these consolidated proceedings, M.C.A. Medical and Chemical Agency s.r.l. (hereinafter M.C.A.) (an Italian corporation) has opposed the application of Zenna Chemical Industry Co., Ltd. (hereinafter Zenna)(a Taiwanese corporation) to register the mark shown below,

TOP-GEL
MCA

for "skin cleansing milk, skin cleansing crème, foundation powder and face cream."[2]

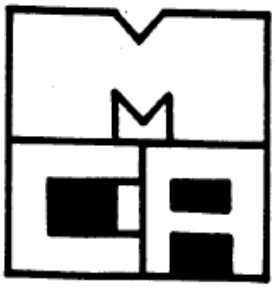
In the notice of opposition, M.C.A. alleges that it has marketed and sold skin care products in the United States under the marks TOP-GEL and MCA since prior to applicant's alleged date of first use; that as a result of widespread use, these marks have become distinctive of M.C.A.'s goods; and that Zenna's mark TOP-GEL MCA, as applied to Zenna's

[2] Serial No. 74598262 filed November 14, 1994, alleging a date of first use and a date of first use in commerce of January 15, 1990.

goods, so resembles M.C.A.'s previously used marks TOP-GEL and MCA, as to be likely to cause confusion. Zenna, in its answer, denied the salient allegations of the notice of opposition.

Zenna, in turn, has opposed the application of M.C.A. to register the mark MCA shown below,

for skin care products, namely, skin cream and soap.[3] In the notice of opposition, Zenna alleges that it is the owner of application Serial No. 75069943 for the mark MCA shown below,



for "cosmetics, namely body cream, cold cream, eye cream, face cream, skin cleansing cream, skin cleansing lotion,

[3] Serial No. 75056059 filed February 9, 1996; alleging a date of first use of February 8, 1988 and a date of first use in commerce with the United States of February 20, 1989.

medicated skin cream, and vanishing cream, foundation makeup, talcum powder, toilet soap, liquid soap for hands, face and body, perfume, lipstick, [and] lip pomades";[4] that the United States Patent and Trademark Office may reject its application in view of M.C.A.'s application; and that Zenna has continuously used its mark since prior to M.C.A.'s alleged date of first use of February 20, 1989. M.C.A., in its answer, admits that Zenna is the owner of application Serial No. 75069943; admits that the United States Patent and Trademark Office may reject Zenna's application, but denies that Zenna has used its mark prior to M.C.A.'s claimed date of first use. Further, as "affirmative defenses," M.C.A. asserts that it has amended its application Serial No. 75056059 to state "the correct" date of first use and date of first use in commerce which is April 10, 1987, and that this date is earlier than any date of first use in commerce on which Zenna may rely.

The record consists of the testimony (with cross-examination) upon written questions of M.C.A.'s sales manager Rinaldo Rescigno (with exhibits); the testimony

[4] Serial No. 75069943 was filed March 11, 1996; alleging a date of first use and a date of first use in commerce of January 15, 1990.

depositions of Zenna's witnesses Su Chin Lin Shen[5]; Kenneth Wong; and K.A. Lin (all with exhibits); and both parties' responses and supplemental responses to discovery requests submitted by notices of reliance.

Both parties filed briefs and reply briefs. An oral hearing was held on March 23, 2004.

At the outset, we note that there is no dispute as to likelihood of confusion. In this regard, M.C.A., in its main brief, states that the issue in these consolidated proceedings is "[w]hether M.C.A. has priority of use of the marks MCA & Design and TOP-GEL over Zenna in the United States. There is no question that there is a likelihood of confusion as the marks and the goods are substantially identical." (M.C.A.'s Brief, p. 5). Similarly, Zenna, in its main brief, states that the issue is "[w]hether Zenna has priority of commercial use of the marks MCA & design and TOP-GEL over M.C.A. in the United States." (Zenna's Brief, p. 3). Further, Zenna states "[t]he marks and goods involved in the proceedings are substantially identical. Consequently, the determinative issue is priority of use." (Zenna's Brief, p. 7).

[5] The Board notes M.C.A.'s contention in its brief that Ms. Shen's testimony deposition has been previously struck by the Board's order of May 23, 2002. The Board struck the testimony deposition transcript because it was unsigned. However, as noted in a subsequent Board order of April 16, 2003, the Board's May 23, 2002 order did not preclude Zenna from refiling Mrs. Shen's signed testimony deposition transcript which Zenna has done.

In view of the foregoing, we find that the parties have conceded that there is a likelihood of confusion. Thus, the issue to be determined in these proceedings is priority. Another related matter to be ruled on in is M.C.A.'s motion to amend its application Serial No. 75056059 to assert new dates of first use prior to the ones set forth in the application. Action on this motion was deferred until final decision.[6]

M.C.A.

In support of its claim of priority, M.C.A. took the testimony upon written questions of its sales manager Rinaldo Rescigno. According to Mr. Rescigno, M.C.A. has been doing business under the name M.C.A. - Medical and Chemical Agency since 1976. M.C.A. manufactures pharmaceutical and cosmetic products for skin care. Mr. Rescigno testified that M.C.A. first used the MCA name and the MCA mark in 1976. All of M.C.A.'s products bear the MCA mark. The mark was chosen because it represents the initials of the wives of the founding partners of the company. Mr. Rescigno testified that M.C.A. first used the MCA mark in the United States in March 1986 on skin cream

[6] We note that in its amendment M.C.A. alleges April 10, 1987 as its date of first use and date of first use in commerce. In its supplemental responses to Zenna's interrogatories, M.C.A. states that it first sold products bearing the marks MCA and TOP-GEL in the United States in March 1986,and it is this date that M.C.A. seeks to prove for priority purposes.

and has continuously used the mark in the United States since that date. According to Mr. Rescigno, M.C.A. always uses the MCA mark with the TOP-GEL mark in close proximity. M.C.A. first used the mark TOP-GEL on skin care products in the United States in March 1986. M.C.A. has continuously used the TOP-GEL mark on its products. M.C.A. manufacturers the products at its laboratories in Italy and the goods are shipped from Italy to one of M.C.A.'s distributors in the United States. M.C.A. first advertised and promoted the marks MCA and TOP-GEL in the United States through its distributor Homeboys Discount in early 1986. Mr. Rescigno testified that M.C.A. first shipped goods bearing the marks MCA and TOP-GEL to the United States in March 1986. M.C.A.'s distributors sell the products to retail stores and other wholesalers in the United States. The products are sold at retail locations such as beauty stores, discount stores, supermarkets, ethnic specialty shops and grocery stores. The primary customers of the products are persons of African descent and the products retail for approximately $3-5.00.

M.C.A. coordinates the marketing of its products through distributors, promoting goods bearing the marks MCA and TOP-GEL in the United States through advertisements placed in newspapers and magazines, at trade fairs, exhibitions and on the Internet. M.C.A. spends

approximately $40,000 to $200,000 per year for promotional purposes internationally. Since March 1986 M.C.A. has had sales of products bearing the marks MCA and TOP-GEL in the United States of approximately $700,000 corresponding to approximately 1,400,000 units.

According to Mr. Rescigno, M.C.A. became aware of Zenna's use of the marks MCA and TOP-GEL after receiving complaints from customers that the products they were using were ineffective, despite the fact that such products bore the marks MCA and TOP-GEL. Further, Mr. Rescigno testified that M.C.A. has received complaints from its distributors that the distributors believed that M.C.A. was selling its goods to third parties, not realizing that the products of which they were complaining had not been manufactured or distributed by M.C.A., but rather by Zenna.

M.C.A. introduced a number of exhibits during the course of Mr. Rescigno's deposition. Exhibit A consists of an invoice dated March 19, 1986 from M.C.A. to Homeboys Discount for 1200 tubes of the TOP-GEL product at a wholesale cost of $1,800. This invoice bears a date stamp of March 21, 1986. The invoice is supported by an air waybill for the same goods dated March 21, 1986. Exhibit B is an invoice dated May 23, 1986 also to Homeboys Discount for 1800 tubes of TOP-GEL, having a total cost of $2,700. This invoice has an accompanying air waybill corresponding

to this shipment. Exhibit C is an invoice dated July 10, 1986 to Homeboys Discount for 1200 tubes of TOP-GEL totaling $1,700 and includes an air waybill for the same goods. Additional representative invoices for the period of 1987 to 1999 from M.C.A. to Homeboys Discount and other distributors were introduced. Also introduced was sample packaging for M.C.A.'s products which shows the marks MCA and TOP-GEL thereon.

Zenna

Zenna, in support of its priority claim, took the testimony of three witnesses. Zenna first took the testimony of Ken Wong, owner of Asia Company, which is a wholesaler and import/export company located in San Francisco, California. Mr. Wong testified that he first saw Zenna's TOP-GEL MCA products in Taiwan "around" 1984 and purchased a small trial order of TOP-GEL MCA face cream from Zenna "around" 1985. (Dep. at 16-17). Mr. Wong sold the products to several retailers in the San Jose area. According to Mr. Wong, Asia Company has continued to order TOP-GEL MCA products from Zenna and has sold these products to distributors in California, Mexico and Canada. Further, Mr. Wong testified that his company has sold "many products with [the] MCA logo…" and that it has done so "[s]ince 1985 to now." (Dep. at 19). As evidence of use of the mark TOP GEL MCA in 1985, Mr. Wong identified an invoice from his

company's records dated June 16, 1985 from Zenna to Asia Company for products described as "TOP GEM MCA Extra Pearl Cream" and "TOP GEM MCA Cleansing Foam."[7] Mr. Wong testified that Asia Company generally retains documents for 5-6 years, and he offered the following explanation as to how the invoice, which was older than five years, was found:

> A. I will repeat it again. Because I told all of my employees to look for any documents or invoices that related to Zenna, one day we find this old cabinet that was long time ago. We did not use the cabinet anymore. It was an old cabinet. That cabinet was not supposed to store all of the documents for all of the import goods. And one day the employee was looking for something, a document, to order some new printing or documents, for the printing press. And she find - the employee find this document among the invoice, among those documents. Among those documents, we find this invoice. It was an accident.
>
> Q. What other supporting documents would normally be found? With that invoice what would you find?
>
> A. Yes, it should come with other supporting documents.
>
> Q. What kind of documents?
>
> A. Packing list, bill of lading.
>
> Q. Are there any customs documents?
>
> A. We did not find that. It should have the bill of lading, packing list, and also a form from the FDA, but I couldn't find it. And I only find this invoice.

[7] The fact that the invoice reads TOP GE<u>M</u> rather than TOP GE<u>L</u> is explained in the deposition of Mr. Lin, discussed later.

> Q. Was there any other invoices found in that same cabinet from the 1985, early 1986 time frame?
>
> A. No.
> (Dep. at 33-34).

According to Mr. Wong, he began promoting Zenna's products in the United States in 1988 and he identified a 1988 newspaper advertisement for Zenna's products.

Zenna next took the testimony of Su Chin Lin Shen. Ms. Shen is secretary of the company Rich On. Rich On imports Zenna's products and is a distributor of Zenna's products in the United States. According to Ms. Shen, Rich On imports general merchandise from Taiwan and distributes the products to retailers in the United States, Central America, South American, Mexico and Southeast Asia. Ms. Shen testified that the first product Rich On purchased from Zenna was "Pearl Cream." (Dep. At 10). When initially asked when Rich On first purchased "Pearl Cream" from Zenna, Mrs. Shen testified:

> A. Has been long time. When we first made a purchase it was in 1984. And when we went back it was '83 and I saw this product so that's why I bought the product back here. And so we purchased in about '84, '85, '86.
> (Dep. at 11).

Mrs. Shen was asked several more times when Rich On first purchased "Pearl Cream" from Zenna and she responded in the following manners:

> … It be long time. Long time. 10-plus years ago…10-plus years ago. If that's imported, then there would

> be documentations. Any further I would not be able to find those documents. (Dep. at 14).
>
> ….
>
> It has been long time, but if there were invoice, it had been a long time. All I can say is '84, '85, '86. Somewhere there." (Dep. at 14).
>
> ….
>
> Have been long time. Maybe '86, 80-some. Long time. (Dep. at 15).

Mr. Shen testified that when Rich On imported products from Zenna, some documentation would be included with the shipment in the normal course of business. These documents would include an invoice, shipping document, air waybill, and sometimes catalogs. Ms. Shen identified a package of "Pearl Cream" bearing the marks TOP-GEL MCA. She stated that these marks were on the products she purchased from Zenna. Ms. Shen identified an invoice (found in Zenna's records) from Zenna to Rich On dated 1986 for TOP GEL MCA "Pearl Cream" and a supporting air waybill. Rich On had no records of this transaction as Ms. Shen testified that Rich On does not retain records older than five years. Ms. Shen testified that Rich On continued to purchase TOP-GEL MCA products from Zenna until 2-3 years before her deposition.

Ms. Shen was asked once again about the timing of Rich On's first purchase from Zenna:

> Q. You said you first purchased these from Zenna in about 1984; is that correct?
>
> A. Yeah. I have seen it. Yes. If you ask me whether I actually made a purchase, I cannot really say because I am afraid one day you may

> ask me to look for it. I will not be able to prove to you. I told you before in '83 I have seen it. '84 I went there because we have to first see the time before we make the purchase. (Dep. at 24).

On cross-examination, Ms. Shen testified that Rich On has sold products to customers in California and other states, although she did not identify any specific customers by name.

Zenna also took the testimony of its Director, K. A. Lin. Mr. Lin testified that his responsibilities include management, the development of products, and purchasing. According to Mr. Lin, Zenna is a company with 5-6 employees and is in the business of manufacturing cosmetics. Mr. Lin testified that TOP-GEL means "the best gel" in Chinese. When asked when Zenna began manufacturing TOP-GEL MCA products, Mr. Lin responded:

> A. Around 1983 or 1984, that era. It's been a long time. I can't recall.
> (Dep. at 16)

Mr. Lin identified a document that has a sketch of the mark MCA and Chinese handwriting on it and on the second page of the document it says "This is a short explanation of how the name TOP-GEL came about." (Dep. at 19). Mr. Lin indicated that the document is a "draft that we work on the design at the time." (Dep. at 19). When asked "At what time", he said: "A long time ago. I can't recall. Sometimes when

you ask me about time frames, I can't remember. Also about that era, 1984 or 1983." (Dep. at 20).

Mr. Lin testified that Zenna currently sells products to the United States and many Asian countries generally through an agent. Mr. Lin was asked about Zenna's sale of products to U.S. companies:

> Q. You mentioned a moment ago that you've sold products to – I'm sorry. You mentioned the names of two U.S. businesses that sold Zenna products. You mentioned Asia Company and Rich On. Are there any other businesses in the United States that sell Zenna products?
>
> A. There is one, Tailee.
>
> Q. And where are they located?
>
> A. This I'm not sure.
>
> Q. Are these wholesalers?
>
> A. I'm not sure.
>
> Q. Or distributors?
>
> A. Because honestly, in this regard I did not ask them.
>
> Q. When did Zenna begin selling products in the United States?
>
> A. I forgot because it's been a long time. 1980-something, but I can't remember. It's been a long time.
> (Dep. at 34).

When asked about the invoice (found in Asia Company's records) dated June 16, 1985 from Zenna to Asia Company for products described as "TOP GEM", Mr. Lin testified that the fact that the invoice says "TOP GEM" rather than "TOP GEL"

is probably a typographical error. Mr. Lin identified a copy of an air waybill dated August 21, 1986 where the shipper is identified as Zenna Company and the consignee is Rich On, Inc. Mr. Lin testified that the document indicates that 700 dozen units of TOP-GEL MCA cosmetics cream were shipped by air from Zenna to Rich On. Mr. Lin identified another invoice dated August 18, 1986 from Zenna to Rich On in connection with the air shipment. Further, Mr. Lin identified a copy of an "export permit", a portion of which is in English and indicates that Zenna is shipping TOP-GEL MCA Cream to Los Angeles in 1988. Also, Mr. Linn identified a copy of an invoice dated August 13, 1993 indicating that TOP-GEL MCA face cream was shipped to Asia Company by Kim Overseas Company, an agent of Zenna.

Mr. Lin testified that information concerning Zenna's sales of TOP-GEL MCA products to companies in the United States is with its exporters. However, Zenna did obtain some limited information from the exporters and compiled what was according to Mr. Lin a summary of representative sales to U.S. companies for the period 1985-2002. The summary is primarily in Chinese

With regards to Zenna's first use dates, Mr. Linn was asked on direct examination why Zenna, in its application, claimed January 1990 as its date of first use in commerce:

> Q. Mr. Lin, when Zenna filed its trademark application for Top Gel MCA in the United States in

1994, the application alleged a date of first use in commerce of January 1990. As we've seen today, Zenna has since produced documents showing sales much earlier than that, at least as early as June 1985. Can you explain why in 1994 Zenna's application alleged a date of first use in commerce of 1990?

A. Because through Tai E we filed the application.

Q. What is Tai E?

A. Tai E International, the company who applied for the trademark on our behalf. Therefore I did not think that it was very important at the time because in Taiwan the government only keep the records for five years. I think at that time it would be better for us to say 1990 for ten years because we still have information, and at that time we could only find some evidence starting from 1990, around that time, because we had to do a lot of things. We were very busy with our business.

Q. I see. So I understand that – if I understand correctly, at that time that Zenna applied for Top Gel MCA at the U.S. Trademark Office, it didn't think that the date of first use in commerce would be an issue?

A. Correct.

Q. And so Zenna stated a conservative date.

A. The dates that we could provide the information to them.

Q. At that time.

A. Correct. Like our invoices. They are prepared by our young lady. We seriously try to obtain them from the exporters. And for some they could locate the older ones, and we kept looking for the information at an earlier time.

Q. I'm sorry. So that means that as the course of this trademark opposition has gone along, you've searched for additional records and found that the date of first use was actually much earlier than was stated on your trademark application?

A. Correct.
(Dep. at 57-58).

Priority

As noted by our primary reviewing court, "[i]n the usual case the decision as to priority is made in accordance with the preponderance of the evidence." Hydro-Dynamics, Inc. v. George Putnam & Company Inc., 811 F.2d 1470, 1 USPQ2d 1772, 1773 (Fed. Cir. 1987). However, where an applicant seeks to prove a date earlier than the date alleged in its application, a heavier burden has been imposed on the applicant than the common law burden of preponderance of the evidence. The "proof must be clear and convincing. This proof may consist of oral testimony, if it is sufficiently probative. Such testimony should not be characterized by contradictions, inconsistencies, and indefiniteness, but should carry with it conviction of its accuracy and applicability. Moreover, oral testimony given long after the event, while entitled to consideration, should be carefully scrutinized, and, if it does not carry conviction as to its accuracy and applicability, it should not be sufficient to successfully establish a date of first use prior to that alleged in the trade mark application." Elder Mfg. Co. v. International Shoe Co., 194 F.2d 114, 118, 92 USPQ 330, 332 (CCPA 1952).

In these proceedings, M.C.A. and Zenna each seek to prove a date of first use in commerce earlier than the date alleged in their respective applications. We find that M.C.A. has established that it first used the marks TOP-GEL and MCA in commerce in March 1986 by clear and convincing evidence. M.C.A.'s witness, Mr. Rescigno, was familiar with M.C.A.'s activities and his testimony was clear as to M.C.A.'s first use of the marks MCA and TOP-GEL in commerce with the United States in March 1986. Moreover, Mr. Rescigno's testimony was corroborated by documentary evidence in the nature of an invoice and an air waybill for goods shipped to M.C.A.'s U.S. distributor, Homeboys Discount. Further, Mr. Rescigno was specific concerning M.C.A.'s sales to actual customers, and with respect to the extent of advertising and promotion of products bearing the marks MCA and TOP-GEL. Further, Mr. Rescigno testified with respect to the continued use of the marks in commerce. The fact that M.C.A. did not take the testimony of any third-parties, i.e., U.S. distributors or retailers, does not weaken the testimony of Mr. Rescigno and the evidence submitted in connection with his testimony. The testimony of a single witness may establish priority if it is consistent and definite. 2 J. McCarthy, McCarthy on Trademarks and Unfair Competition §20.09 (3rd ed. 1992).

With regard to Zenna's witness Mr. Wong, he testified that he purchased a trial order of Zenna's MCA TOP-GEL products "around 1985." In support of this order, an invoice dated June 16, 1985 was offered into evidence. The circumstances surrounding the discovery of the invoice are highly unusual, particularly in view of Mr. Wong's testimony that Asia Company's documents older than five years are destroyed rather than retained because of space constraints. Although Mr. Wong testified that it is Asia Company's normal practice to keep related documents such as packing lists and shipping documents with its invoices, such documents were not located along with invoice. In short, given the circumstances surrounding the alleged discovery of this single invoice without any other supporting documentation, we find that it does not "carry with it conviction of its accuracy."

Turning next to Ms. Shen's testimony, Zenna certainly cannot rely on Ms. Shen to establish that it first used the TOP-GEL MCA mark in commerce with the United States in 1985. Her responses to questions concerning when she first purchased goods from Zenna were vague and confusing. The time frame encompassed a range of years from 1984 to 1986 and a "long time ago." Moreover, no documentary evidence was introduced during Ms. Shen's testimony with respect to Zenna's use of the mark TOP-GEL MCA in commerce in 1985.

The earliest documents identified by Ms. Shen were an invoice and air waybill for 1986.

With respect to the testimony of Mr. Lin, it does not establish that Zenna first used the mark TOP-GEL MCA in commerce on June 19, 1985. Although Mr. Lin testified that he was in charge of practically everything at Zenna, he could not remember exactly when Zenna first began manufacturing TOP-GEL MCA products or when Zenna first sold products to companies in the United States. Moreover, no documentary evidence from Zenna's own records was introduced relating to use of the TOP-GEL MCA mark in commerce in 1985. Although Mr. Lin acknowledged that his signature was on the June 19, 1985 invoice discovered by Asia Company, he could not remember when Mr. Wong first purchased products from Zenna. Moreover, as we have indicated, the circumstances surrounding the discovery of this invoice are suspicious, to say the least.

In sum, we find that Zenna has failed to establish use of the mark TOP-GEL MCA in commerce on June 19, 1985 by clear and convincing evidence. Thus, M.C.A. has priority in these consolidated proceedings.

M.C.A.'s Motion to Amend

In view of our finding that M.C.A. has established that it first used the marks TOP-GEL and MCA in commerce in March 1986, no action will be taken on M.C.A.'s pending motion to

amend its application Serial No. 75056059 to assert April 10, 1987 as its date of first use and date of first use in commerce. Rather, M.C.A. is allowed until thirty days from the mailing date of this decision to file a further amendment to its application to assert new dates of first use.

Decision: Opposition No. 91100786 is sustained and Opposition No. 91104047 is dismissed.