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**UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, Virginia 22313**

Kuhlke

Mailed: October 26, 2004

Opposition No. 91157915

Ship Smart, Inc.

v.

Clifford Holdings, Inc.

Before Bucher, Rogers and Drost, Administrative Trademark Judges.

Opinion by the Board:

On June 11, 2003, Ship Smart, Inc. (opposer), filed a notice of its opposition to registration of the mark in Clifford Holdings, Inc.'s (applicant) application, Serial No. 76239295.¹ The Board instituted this proceeding on September 29, 2003 with discovery closing on April 16, 2004 and testimony set to open on June 16, 2004. This case now comes before the Board for consideration of opposer's motion (filed June 14, 2004) for summary judgment on its pleaded claim of priority and likelihood of confusion under Section 2(d) of the Trademark Act.

¹ We note that the opposition has been brought against all four classes in the subject application but the deposit account was only debited as to one. Opposer is advised that we have now charged the deposit account to cover the fees for the other three classes.

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As a preliminary matter, response to opposer's motion for summary judgment was due on July 15, 2004; therefore, applicant's response, filed on August 6, 2004, is untimely. Inasmuch as applicant has not moved for an extension of time to file its response, or shown excusable neglect, applicant's response will be given no consideration. Trademark Rule 2.127(e); Fed. R. Civ. P. 6. However, rather than grant the motion as uncontested under Trademark Rule 2.127(a), the Board will consider the motion for summary judgment on its merits.²

BACKGROUND/PLEADINGS

Applicant has filed an application for registration of the mark shown below,



for "advertising and business services, namely, business management; franchising services, namely offering the technical assistance and establishment of retail mailing, shipping, faxing and electronic communication outlets; retail store services, namely offering stamps, office supplies and decorative mailing packages" in Class 35,

² We note that applicant's response only addressed the issue of priority, apparently conceding likelihood of confusion, and would not change our decision.

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"communication services, namely, facsimile transmission and retrieval services, electronic transmission and wire transfer of messages and data, electronic store-and-forward messaging" in class 38, "transportation services, namely, freight ship transport of parcels, delivery and express delivery of goods and parcels via air, truck, ship, train, bus" in class 39, and "notary public services" in class 42.³

In its notice of opposition, opposer alleges, inter alia, that opposer has used its mark "SHIP SMART" since June 1999 in connection with its "wide range of services related to packaging, moving and shipping, including packaging and crating articles for transportation; pick up and delivery services; uncrating and set-up services; moving van and furniture moving services; freight transportation by car, truck, ship, moving van, railway and air; providing information services in the field of packaging and shipping; locating and arranging for reservations for storage space and warehousing for others; freight forwarding services; and truck leasing services," and that applicant's mark "is likely to cause confusion, or to cause mistake, or to deceive or disparage by falsely suggesting a connection with Ship Smart, when there is none." In addition, opposer alleged that it filed an application, Serial No. 78229896, for its mark "SHIP SMART" and applicant's application was

³ Application Serial No. 76239295 filed on April 11, 2001 and

cited as a potential bar to registration for opposer. In its answer, applicant denied the salient allegations of the notice of opposition.

SUMMARY JUDGMENT STANDARD

Generally, summary judgment is appropriate in cases where the moving party establishes that there are no genuine issues of material fact which require resolution at trial and that it is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c). An issue is material when its resolution would affect the outcome of the proceeding under governing law. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). However, a dispute over a fact which would not alter the Board's decision on the legal issue will not prevent entry of summary judgment. *See, for example, Kellogg Co. v. Pack'Em Enterprises Inc.*, 951 F.3d 330, 21 USPQ2d 1142 (Fed. Cir. 1991). A fact is genuinely in dispute if the evidence of record is such that a reasonable fact finder could return a verdict in favor of the nonmoving party. *See Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027 (Fed. Cir. 1993). The nonmoving party must be given the benefit of all reasonable doubt as to whether genuine issues of material fact exist, and the evidentiary record on summary judgment, and all inferences to be drawn from the undisputed facts, must be viewed in the

claiming a bona fide intent to use the mark in commerce.

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light most favorable to the nonmoving party. See *Opryland USA, Inc. v. Great American Music Show, Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992); *Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542 (Fed. Cir. 1992).

OPPOSER'S EVIDENCE AND ARGUMENTS

Opposer has moved for summary judgment in its favor as to its claim of priority and likelihood of confusion under Section 2(d) of the Trademark Act.

In support of its motion, opposer has presented evidence showing that: (1) opposer has marketed its "SHIP SMART services" nationwide since May 1999 and abroad since 2002 (Declaration of John Kessler, president and founder of Ship Smart, Inc. (hereinafter "Kessler") at paragraphs 3-10, Exhs. A-D); (2) opposer has maintained a website under the domain name www.shipsmart.com since July 1999 (Kessler at paragraph 14); (3) opposer provides "a wide range of packaging, moving and delivery services under its SHIP SMART mark and name, including packaging and crating articles for transportation, pick up and delivery services, uncrating and set-up services, moving van and furniture moving services, and freight transportation by car, truck, ship, moving van, railway and air" and also provides "information about packaging, delivery and freight forwarding services" (Kessler at paragraph 2); (4) opposer made its first sale

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under the mark "SHIP SMART" in June 1999 and has offered and provided its services continuously since that time (Kessler at paragraph 11 and Exh. E); (5) opposer's sales "in terms of both volume of SHIP SMART services provided to customers and gross revenue generated therefrom" have steadily grown from \$689,280 in 1999-2000 to \$3,793,504 in 2003-2004 (Kessler at paragraph 12); (6) "Ship Smart's customers for its SHIP SMART services included individuals and companies of all sizes in a variety of industries, with a wide range of packaging, shipping and moving needs" (Kessler at paragraph 19); (7) opposer's application for the mark "SHIP SMART" was held up due to "an office action against the application, citing applicant's earlier-filed application as a potential bar" (Declaration of Carla B. Oakley, attorney for opposer, (hereinafter "Oakley") at paragraph 4, and Exh. B).

Opposer's evidence on summary judgment includes the declaration of John Kessler, President and Founder of Ship Smart, Inc., together with the exhibits identified therein; the declaration of Charles Shewmake, Senior General Attorney of The Burlington Northern and Santa Fe Railway Company, together with the exhibit identified therein; the declaration of Carla B. Oakley, opposer's outside counsel with the law firm of Morgan, Lewis and Bockius LLP, together with the exhibits identified therein (including applicant's

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response to opposer's first set of interrogatories and applicant's response to opposer's first set of requests for admissions).

With regard to likelihood of confusion, opposer argues that the word portion of the marks, SHIP SMART, are identical and the "minor" design element in applicant's mark "is of little consequence." Further, opposer argues that the services are, "from the face of the parties' respective descriptions," virtually identical services or otherwise related services. In addition, opposer states that the parties offer their services to identical consumers through identical channels of trade. Opposer states that applicant has admitted that applicant "intends to promote and sell the services defined in its application to individuals for their personal and business needs, as well as to small and medium-sized businesses, which is the identical group of consumers that utilize [opposer's] services," Oakley at paragraph 2, Ex. A; Kessler at paragraph 16; and, moreover, applicant's application does not include limitations as to possible channels of trade. Opposer also states that actual confusion has already occurred.⁴ Finally, opposer contends

⁴ Specifically, Mr. Kessler states that he is, "aware of instances where customers or potential customers have been confused by this nearly identical name used for competitive or at least related services" and "I have received phone calls from individuals stating, for example, that they had just left a package at our outlet in a retail store in Houston, Texas, and asking for additional information." Kessler at paragraph 20.

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that applicant's customers are not sophisticated because applicant: (1) admitted that its customers "do not require advanced education or special training to purchase or use those services"; (2) described the decision time applicant's customers take to choose their services as "immediate"; and (3) stated the average price of its services is \$15. Oakley at paragraph 2 Exh. A.

DECISION

Opposer, as the party moving for summary judgment in its favor on its Section 2(d) claim based on prior use, must establish that there is no genuine dispute as to (1) its priority of use and (2) that contemporaneous use of the "SHIP SMART" mark by the parties, for their respective services, would be likely to cause confusion, mistake or to deceive consumers. *See Hornblower & Weeks, Inc. v. Hornblower & Weeks, Inc.*, 60 USPQ2d 1733, 1735 (TTAB 2001).

As threshold matter, we find that the evidence of opposer's use of the mark "SHIP SMART" and opposer's pending application wherein the subject application was cited as a potential bar to registration are sufficient to establish opposer's standing in this case. No genuine issue of material fact exists on this issue.

Mr. Kessler is "informed and believe[s] that applicant has an outlet in a retail store in Texas." *Id.*

Priority of Use

To establish priority under Section 2(d), a party must prove that, vis-a-vis the other party, it owns "a mark or trade name previously used in the United States...and not abandoned..." 15 U.S.C. Section 1052.⁵ Opposer has established that there is no genuine issue of fact regarding its priority of use.

As a preliminary matter, based on the record before us there is no genuine issue that "SHIP SMART" as a whole is distinctive for the involved services and applicant has not contended to the contrary. Turning to the parties' respective uses of the mark, the record shows that the earliest date of "first use" upon which applicant may rely is the filing date of its intent-to-use application, April 11, 2001. Although opposer, in moving for summary judgment, submitted applicant's response to opposer's first set of interrogatories, wherein applicant responded that it first used its mark on May 24, 2000, there is no evidence in the record to substantiate this statement, and, in any event, this date is later than opposer's proven date of first use.⁶

⁵ The question of priority is an issue in this case because petitioner does not own an existing registration upon which it can rely under Section 2(d). See *West Florida Seafood, Inc. v. Jet Restaurants, Inc.*, 31 F.3d 1122, 31 USPQ2d 1660 (Fed. Cir. 1994); *Cf.*, *King Candy Co., Inc. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974).

⁶ With regard to opposer's discussion of applicant's claim of priority through a third party, applicant's entry into a consent agreement with a third party that may have used a similar mark

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Mr. Kessler, in his declaration, has shown that opposer first used the mark, "SHIP SMART," at least as early as June 1999 and has continuously used the mark since then. The declaration of Mr. Kessler is internally consistent, not characterized by uncertainty, and is unrebutted. See *Hornblower*, at 1736. Accordingly, we find it credible and persuasive on the issue of priority. In short, there is no genuine issue of material fact in dispute running contrary to opposer's proof of its priority.

Likelihood of Confusion

In determining whether there is any genuine issue of material fact relating to the legal question of likelihood of confusion, the Board must consider all of the probative facts in evidence which are relevant to the factors bearing on likelihood of confusion, as identified in *In re E.I du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). As noted in the *du Pont* decision itself, various factors, from case to case, may play a dominant role. *Id.*, 476 F.2d at 1361, 177 USPQ at 567. Those factors as to which we have probative evidence are discussed below. After a careful review of the record in this case, we find that there are no genuine issues of material fact relating to the factors on which there is evidence and there is no

prior to opposer does not provide applicant with any priority on which that party might rely in a dispute with opposer, and is therefore irrelevant to our discussion.

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indication in the record that trial would produce additional or different evidence on these points so as to change their weight in the balancing of the *du Pont* factors. Nor is there any indication that defendant could produce at trial any evidence on other *du Pont* factors that would change the balance. *Kellogg Co. v. Pack'em Enterprises, Inc.*, 951 F.2d 330, 21 USPQ2d 1142 (Fed. Cir. 1991).

Turning to the likelihood of confusion analysis, in this case, the key factors are the degree of similarity between the parties' "SHIP SMART" marks and respective services.

As to the marks, "SHIP SMART" and "SHIP SMART with box design," the only difference between the marks is the stylization of applicant's mark and the rather nondistinct surrounding box design. When these marks are considered in their entireties, they are substantially similar in sound, appearance, and commercial impression. *See In re Appetito Co. Inc.*, 3 USPQ2d 1553 (TTAB 1987) (purchaser's use word to request services). *See also, Herbko International, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 64 USPQ2d 1375 (Fed. Cir. 2002) (words dominant portion of mark); *Ceccato v. Manifattura Lane Gaetano Marzetto & Figli S.p.A.*, 32 USPQ2d 1192 (TTAB 1994) (literal portion of mark makes greater and long lasting impression); *In re Melville Corp.*, 18 USPQ2d 1386 (TTAB 1991) (special form mark may not avoid likelihood

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of confusion because typed form mark could presumably be used in same manner).

As to the services offered by each party, many of opposer's and applicant's identified services are, on their face, identical, e.g., "freight ship transport of parcels, delivery and express delivery of goods and parcels via air, truck, ship, train, bus" (applicant) and "freight transportation by car, truck, ship, moving van, railway and air" (opposer). In addition, applicant provides all of its identified services at the same location.⁷ Moreover, given that the marks would be articulated in identical fashion and have the same commercial impression, the relationship between the goods and services need not be as close to

⁷ Opposer's Interrogatory No. 2: Describe when and how applicant first used the term SHIPSMART (as one or two words, with or without a logo or stylization) in commerce to promote or sell its business, products or services.

Applicant's Response: Retail stores inside Wal-Mart with Grand Opening Date at two locations May 24, 2000.

Opposer's Interrogatory No. 4: Describe all of the products or services for which applicant has used the term SHIPSMART (as one or two words, with or without a logo or stylization) as a trademark or service mark, and state the date of first use as to each type of product or services.

Applicant's Response: Its two retail stores since May 24, 2000.

Opposer's Interrogatory No. 7: Describe the target customers or users for the services identified customers or users for the services identified in applicant's application, including but not limited to the age, education and gender.

Applicant's Response: Wal-Mart customers.

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support a finding of likelihood of confusion. *Amtcor, Inc. v. Amtcor Industries, Inc.*, 210 USPQ 70 (TTAB 1981).

Regarding the channels of trade, the involved application is unrestricted. Thus, the Board must presume that the services are marketed or will be marketed in all the normal channels of trade for the identified services and to all the usual classes of purchasers of such services, including those channels of trade and classes of purchasers targeted by opposer. See *Kangol Ltd. v. KangaROOS U.S.A.*, 974 F.2d 161, 23 USPQ2d 1945 (Fed Cir. 1992). In any event, the record shows that both parties market their services to "individuals for their personal and business needs, as well as to small and medium-sized businesses."

Finally, opposer's president has stated in his declaration that there have been instances of actual confusion, and this statement stands unrebutted. Although it is unnecessary to show actual confusion in establishing likelihood of confusion, it can be compelling evidence of a likelihood of confusion. *Giant Food, Inc. v. Nation's Foodservice, Inc.*, 710 F.2d 1565, 1571, 218 USPQ 390, 396 (Fed. Cir. 1983); *World Carpets, Inc. v. Dick Littrell's New World Carpets*, 438 F.2d 482, 168 USPQ 609 (5th Cir. 1971).

In summary, considering the identical pronunciation and commercial impressions of the marks, the overlapping and

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related nature of the services, and the overlapping trade channels and purchasers, we find that there are no genuine issues of material fact that confusion is likely to result.

In view of the above, opposer's motion for summary judgment on its claim of priority and likelihood of confusion under Section 2(d) of the Trademark Act is granted. Accordingly, judgment is hereby entered against applicant, the opposition is sustained, and registration to applicant is refused.

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