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Mailed:
February 9, 2006
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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Emerald Bioagriculture Corporation
v.
Biosafe Systems, LLC

Cancellation No. 92042503

John C. Blattner of Butzel Long for Emerald Bioagriculture Corporation.

Robert S. Smith, Esq. for Biosafe Systems, LLC.

Before Bucher, Drost, and Kuhlke, Administrative Trademark Judges.

Opinion by Drost, Administrative Trademark Judge:

On December 5, 2001, Biosafe Systems, LLC (respondent) applied to register the mark OXYGROW, in standard character form, for "chemical compositions for treating soil to enhance growth of agricultural and horticultural products" in Class 1. On September 16, 2003, respondent's application issued as Registration No. 2,765,685 alleging a date of first use and first use in commerce of June 15, 2001.

On September 22, 2003, Emerald Bioagriculture Corporation (petitioner) filed a petition to cancel

respondent's registration on the ground that "Petitioner's AUXIGRO mark is likely to be confused with Registrant's OXYGROW mark." Petition to Cancel at 2. Petitioner is the owner of Registration No. 2,428,652 for the mark AUXIGRO, in standard character form, for "fertilizers, namely, organic acids that increase plant growth and yield for agricultural or domestic use" in Class 1. The registration, issued February 13, 2001, is based on an intent-to-use application filed March 24, 1997, and it now contains an allegation of dates of first use of June 1997. Respondent denied the salient allegations of the petition to cancel.

The Record

The record consists of the following items: the file of the involved registration; the testimony deposition of petitioner's President, Chief Executive Officer, and expert witness, John McIntyre, with accompanying exhibits; the testimony deposition of petitioner's linguistics expert, Cynthia P. Gardiner, with accompanying exhibits; the testimony deposition of respondent's Chief Executive Officer, Robert Larose; and copies of responses to interrogatories, requests for admissions, status and title copies of petitioner's registration, and other documents submitted by notice of reliance.

Priority

In this case, both petitioner and respondent own a federal registration for their marks AUXIGRO and OXYGROW. In such cases the ownership of registrations by both parties is offsetting.

While it is true that petitioner owns a registration for BREWSKY'S, by the same token, respondent owns a registration for BREWSKI BROTHERS. Hence, unlike in an opposition proceeding where the opposer may own a registration and applicant, of course, does not, we are confronted here with a situation where both parties own registrations. Under such circumstances, it is the Board's practice "to hold that [as a practical matter] a petitioner, whether a registrant or not, must, in the first instance, establish prior rights in the same or a similar mark and the respondent in turn can defeat the petitioner's claim of damage by establishing that, as between the parties, it possesses [prior] superior rights in the mark sought to be cancelled." United States Mineral Products v. GAF Corp., 197 USPQ 301, 305 (TTAB 1977). See also 3 J. McCarthy, *McCarthy on Trademarks and Unfair Competition* Section 20:18 at page 20-39, footnote 3 (4th ed. 1998) and Pamex Foods, Inc. v. Clover Club Foods, Inc., 201 USPQ 308, 313 (TTAB 1978) ("Thus, the Board has taken the position, in essence, that the registrations of each party offset each other; that petitioner as a plaintiff, must, in the first instance, establish prior rights in the same or similar mark ...").

Of course, petitioner or respondent may rely on its registration for the limited purpose of proving that its mark was in use as of the application filing date. Thus, a petitioner -- whose application filing date was earlier than respondent's application filing date -- could take its chances and elect to make of record simply a copy(s) of its registration. Trademark Rules 2.122(d)(1) and 2.122 (d)(2). By so doing, petitioner's proven first use date of its mark would then be the filing date of the application. However, if respondent thereafter proved an actual first use date pre-dating petitioner's filing date, the issue of priority, and hence petitioner's Section 2(d) claim, would be resolved in favor of respondent.

Brewski Beer Co. v. Brewski Brothers, Inc., 47 USPQ2d 1281, 1284 (TTAB 1998).

In this case, petitioner's registration is based on an application with a filing date of March 27, 1997. The filing date of respondent's underlying application is December 5, 2001, and respondent's president has testified that it first marketed its OXYGROW product "somewhere around 2001." Larose dep. at 8. Petitioner "may rely on its registration for the limited purpose of proving that its mark was in use as of the application filing date." Id. Therefore, because petitioner's application that resulted in its registration was filed several years before respondent's earliest date of use or its application's filing date, petitioner has priority in this case.

Likelihood of Confusion

The question in this case is whether respondent's mark OXYGROW is confusingly similar to petitioner's mark AUXIGRO when they are used on the identified goods. In likelihood of confusion cases, we analyze the facts as they relate to the relevant factors set out in In re Majestic Distilling Co., 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). See also In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973); and Recot, Inc. v. Becton, 214 F.3d 1322, 54 USPQ2d 1894, 1896 (Fed. Cir. 2000).

We begin our analysis by examining the similarities and dissimilarities of petitioner's and respondent's marks. We must determine whether the marks are similar in sound, appearance, meaning, and commercial impression. Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772, 396 F.3d 1369, 73 USPQ2d 1689, 1692 (Fed. Cir. 2005). Both registrations are for a mark composed of a single word depicted in typed or standard character form. Respondent's registration is for the mark OXYGROW while petitioner's mark is for the mark AUXIGRO. Regarding the sound of the marks, petitioner has submitted the testimony of a linguistic expert. This witness concluded that:

It is my opinion that in normal speech most speakers of North American English would pronounce these two words as homophones, that is, identically or with only slight and largely imperceptible difference in the initial vowels, and that most hearers would perceive no difference between the two words without visual clues. Even those who would normally distinguish between the two vowels in familiar words would have difficulty hearing the difference between these neologisms unless the speaker's pronunciation of the first syllable was deliberately, artificially exaggerated, and the two words were contrasted in the same utterance. Homophones can and do exist in a language so long as they present adequate semantic (as "read" and "red") or syntactic (e.g., noun/verb) contrast. These two homophonous trademarks, however, have no syntactic contrast and occur in the same semantic context; it would therefore be very unlikely that most North American hearers would perceive any difference between them.

Gardiner Ex. at A00199-00200.

Respondent argues that the marks are "radically different" (Brief at 8), but at least as far as

pronunciation is concerned, we agree with petitioner's expert that the marks would be pronounced by many, if not most, prospective purchasers virtually identically. The virtually identical pronunciation of the marks is a factor that favors petitioner. "And particularly we feel that in this age of business over the telephone and advertising on TV and radio the close similarity in sound between GRAND SLAM and GRAND AM would be likely to result in mistake if not confusion." TBC Corp. v. Holsa Inc., 126 F.3d 1470, 44 USPQ2d 1315, 1318 (Fed. Cir. 1997).

Regarding the appearance of the marks, we note that there are certain similarities. Both petitioner's and respondent's marks (AUXIGRO and OXYGROW) are seven letter words that end with a "gro(w)" and have an "X" in the middle of the word. However, the spelling of the words is also different because they begin with different letters "A" and "O" and have different letters to produce the "I" sound ("I" and "Y") and we agree that the overall spelling of the words is different.

We also look at the meaning of the marks. The words OXYGROW and AUXIGRO are not common English words so they have no established meanings. As pronounced, their meanings would be indistinguishable. When viewed, the initial part of the mark (OXY- and AUXI-) may suggest a connection with different words, "oxygen" and "auxiliary" but, when viewed

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in the context of fertilizer and similar products, it is unlikely that prospective purchaser would assume that petitioner's mark would be interpreted as some type of shortening of the words "auxiliary grow." Instead, if petitioner's mark has any meaning at this point, purchasers may understand the "AUXI-" portion to have the same meaning as the phonetically identical prefix "OXY-." Therefore, to the extent that these terms have any meaning, the meanings are likely to be similar. Regarding the commercial impression of the marks, it is likely that they would suggest "oxygen" and "growing" in the context of fertilizer.

Overall, the marks are similar because their pronunciations are virtually identical and their meanings and commercial impressions would be somewhat similar.

The second factor we consider is whether the goods of the parties are related. The goods in respondent's registration are identified as "chemical compositions for treating soil to enhance growth of agricultural and horticultural products." Petitioner's goods are "fertilizers, namely, organic acids that increase plant growth and yield for agricultural or domestic use." While the parties discuss the specific goods on which they use their marks, it is important to recognize that we must consider the goods as they are identified in the identification of goods in the registrations. See

Cunningham v. Laser Golf Corp., 222 F.3d 943, 55 USPQ2d 1842, 1846 (Fed. Cir. 2000) (“[T]he identification of goods/services statement in the registration, not the goods/services actually used by the registrant, frames the issue”). See also In re Dixie Restaurants, Inc., 105 F.3d 1405, 41 USPQ2d 1531, 1534 (Fed. Cir. 1997) (punctuation in original), quoting, Canadian Imperial Bank of Commerce v. Wells Fargo Bank, 811 F.2d 1490, 1 USPQ2d 1813, 1816 (Fed. Cir. 1987) (“Likelihood of confusion must be determined based on an analysis of the mark applied to the ... services recited in applicant’s application vis-à-vis the ... services recited in [a] ... registration, rather than what the evidence shows the ... services to be”); Paula Payne Products v. Johnson Publishing Co., 473 F.2d 901, 177 USPQ 76, 77 (CCPA 1973) (“Trademark cases involving the issue of likelihood of confusion must be decided on the basis of the respective descriptions of goods”).

When we look at the identification of goods, respondent’s goods are chemical compositions for treating soil to enhance the growth of agricultural and horticultural products and petitioner’s goods are organic acids that increase plant growth and yield for agricultural or domestic use. Both respondent’s and petitioner’s goods are chemical compositions that increase plant growth. Petitioner’s CEO and expert witness agreed that its goods can be

characterized as "a chemical composition for treating plants and/or soil for the purpose of enhancing plant growth."

McIntyre dep. at 10. Therefore, inasmuch as both respondent's and petitioner's goods include chemical compositions for enhancing plant growth, they are, at least in part, virtually identical.

Furthermore, while respondent's witness (Larose dep. at 8) testified that "[w]e market Oxygrow specifically to golf courses and specifically for applications to the putting greens on golf courses," petitioner (McIntyre dep. at 19) maintains that its product has similar uses.

We have recognized the benefits that AuxiGro has provided turf grass even before the first commercialization and naming of the product. We've had tests with Scotts Company. We've had tests with other agriculture - or other, I should say, turf grass related companies in the United States both for professional and consumer application and also companies and application testing in Japan.

Therefore, even as actually used, which is not the test, the products at least overlap.

When we view the relatedness of the goods, we conclude that they are at least, in part, virtually identical.

In addition to the marks and the goods, we also look at the channels of trade, the prospective purchasers, and the sophistication of the purchasers. Respondent argues (Brief at 13) that:

Registrant has established that the end users of its product exercises a high level of care in selecting the types of products they use to address particular needs

and/or problems, and that they rely heavily upon the input of crop advisors in so doing. The product of Registrant is not sold at the supermarket check out counter. The consumer is a professional who is fully capable of distinguishing "Auxi" from "Oxy" even though there is one letter that is common. These professional[s] have extensive training.

As we indicated, there are no specific limitations in respondent's or petitioner's identification of goods besides such general terms as for "agricultural and horticultural products" and for "agricultural and domestic use."

Therefore, we must presume that they include all normal channels of trade for those products. Morton-Norwich Products, Inc. v. N. Siperstein, Inc., 222 USPQ 735, 736 (TTAB 1984) ("Since there is no limitation in applicant's identification of goods, we must presume that applicant's paints move in all channels of trade that would be normal for such goods, and that the goods would be purchased by all potential customers"); Schieffelin & Co. v. Molson Companies Ltd., 9 USPQ2d 2069, 2073 (TTAB 1989) ("[M]oreover, since there are no restrictions with respect to channels of trade in either applicant's application or opposer's registrations, we must assume that the respective products travel in all normal channels of trade for those alcoholic beverages"). Furthermore, there is nothing inherent in either identification of goods for fertilizer or chemical compositions to increase or enhance plant growth that limits the purchasers to sophisticated purchasers or to specific

channels of trade. Indeed, we must assume that the purchasers of fertilizer and similar products for horticultural products could include gardeners and others interested in enhancing plant growth. The channels of trade and purchasers for these goods overlap and we cannot hold that sales are limited to sophisticated purchasers. Therefore, these factors are either neutral or favor petitioner.

We briefly address the other factors and start by noting that there is no evidence of actual confusion, but this is not normally significant. Giant Food, Inc. v. Nation's Foodservice, Inc., 710 F.2d 1565, 218 USPQ 390, 396 (Fed. Cir. 1983); J & J Snack Foods Corp. v. McDonald's Corp., 932 F.2d 1460, 18 USPQ2d 1889, 1892 (Fed. Cir. 1991). Indeed, evidence of the length of time and the actual marketing conditions of the parties' goods is somewhat limited and therefore we cannot conclude that the lack of actual confusion is significant in this case. Several factors such as the fame of petitioner's mark, their market interface, the variety of the goods sold under the mark, and the right to exclude others are either embraced in our discussion of other factors or not significant factors in this case.

Two other factors that also merit some discussion are the existence of other marks and respondent's intent when it

adopted its mark. Except for some indication that there are other marks that include the prefix or suffix "gro-," there is no indication that others are using marks similar to AUXIGRO. However, respondent does argue (Brief at 5) that there was "a United States registration for OXY-GRO at the time [petitioner] selected their mark as well as [at] the time they filed their application for registration."

Furthermore, respondent argues (Brief at 15, citation to record omitted) that it "has a strategic partnership with the owner of the mark OXY-GRO that was registered prior to Petitioner's mark. Registrant adopted OXYGROW less than two years after cancellation of the registration for the OXY-GRO mark. There is no evidence of abandonment by the strategic partner in the two year period." It is not entirely clear what a "strategic partnership" is. Larose dep. at 5 ("There is a strategic partnership with [the third party] and they in turn are our manufacturer and warehousing and shipping arm"). However, it is clear that respondent did not own or license this mark. Larose dep. at 30 ("Q. Did [the owner of the third-party registration] ever assign the mark to you?" A. No. Q. Did they ever license the mark to you? A. No. Q. Was there ever any written communication from them at all permitting you to use that trademark? A. No."). Therefore, petitioner cannot rely on this mark to show that there is no likelihood of confusion with petitioner's mark or for

priority purposes. Furthermore, inasmuch as the registration has long since been cancelled it does not impact our likelihood of confusion analysis regarding respondent's mark. Action Temporary Services Inc. v. Labor Force Inc., 870 F.2d 1563, 10 USPQ2d 1307, 1309 (Fed. Cir. 1989 ("[A] canceled registration does not provide constructive notice of anything").

The last factor we consider is petitioner's argument that respondent adopted its mark in bad faith primarily because of the inadequacy of its initial search. A failure to conduct a search does not prove bad faith on respondent's part. Savin Corp. v. Savin Group, 291 F.3d 439, 73 USPQ2d 1273, 1286 (2d Cir. 2004). In this case, the other evidence of respondent's bad faith is simply not sufficient to support a conclusion that respondent acted in bad faith. Therefore, we do not find that this factor favors petitioner.

In order to determine whether there is a likelihood of confusion, we must now consider the evidence as it relates to the factors we discussed. The similarity, if not virtual identity, of the goods is obviously a factor that favors petitioner. "When marks would appear on virtually identical goods or services, the degree of similarity necessary to support a conclusion of likely confusion declines." Century 21 Real Estate Corp. v. Century Life of America, 970 F.2d

874, 23 USPQ2d 1698, 1701 (Fed. Cir. 1992). Also, because the goods are virtually identical, we must assume that the channels of trade and prospective purchasers are the same. Indeed, there is evidence that both respondent's and petitioner's products can be used with turf. Furthermore, both parties' products are intended for agricultural purposes. Therefore, the evidence reinforces the overlapping nature of the channels of trade and purchasers. We also cannot find that, based on the identification of goods, the purchasers are necessarily sophisticated purchasers.

The decisive question then becomes whether the marks are similar. The marks here are phonetically identical. Furthermore, their meanings and commercial impressions are also somewhat similar when viewed in the context of the parties' goods. While fertilizer is not necessarily always purchased by verbally ordering the product, these products would be discussed among farmers, gardeners, and others. Radio and television could be used to promote these products as well as to report news about the products. The pronunciation of the marks would be virtually identical and confusion under these circumstances would be likely.

Decision: The petition to cancel is granted.