

7/26/01

**THIS DISPOSITION  
IS NOT CITABLE AS PRECEDENT  
OF THE T.T.A.B.**

Hearing:  
24 MAY 2001

Paper No. 28  
AD

**UNITED STATES PATENT AND TRADEMARK OFFICE**

**Trademark Trial and Appeal Board**

In re DaimlerChrysler AG

Serial No. 74/734,869

V.T. Giordano of Von Maltitz, Derenberg, Kunin, Janssen & Giordano for DaimlerChrysler AG.

Won T. Oh, Trademark Examining Attorney, Law Office 104 (Sidney Moskowitz, Managing Attorney).

Before Simms, Bucher and Drost, Administrative Trademark Judges.

Opinion by Drost, Administrative Trademark Judge:

DaimlerChrysler AG<sup>1</sup> (applicant) has filed an application to register the mark SMART (typed drawing) for goods ultimately identified as "sub-compact automobiles featuring colored exterior body panels which can be changed easily, low fuel consumption, ease of parking, and crash

<sup>1</sup> Mercedes-Benz Aktiengesellschaft filed the original application, which was eventually assigned to DaimlerChrysler AG as a result of a merger. See Reel and Frame Nos. 1649/0086 and 1906/0815.

protection comparable to larger cars" in International Class 12.<sup>2</sup>

The Examining Attorney has refused to register applicant's mark under Section 2(e)(1) of the Trademark Act because he determined that the mark is merely descriptive of applicant's goods. 15 U.S.C. § 1052(e)(1).

After the Examining Attorney made the refusal final, this appeal followed. Both applicant and the Examining Attorney filed briefs and appeared for an oral hearing.

The Examining Attorney's position is that the term SMART "has significance in the automobile industry because it refers to automobiles or automobile components that incorporate a microprocessor in its operation." Examining Attorney's Appeal Brief, p. 7. To support his position, the Examining Attorney has made of record numerous dictionary definitions and LEXIS/NEXIS articles. These definitions of the term 'smart' include:

1. "Incorporating some kind of digital electronics." *The Free On-line Dictionary of Computing* (2000).
2. "Having some computational ability of its own. Smart devices usually contain their own microprocessors or microcomputers. *Webster's New World Dictionary of Computer Terms* (1988).

---

<sup>2</sup> Serial No. 74/734,869 filed on September 27, 1995. The application was based on a bona fide intent to use the mark in commerce and the ownership of a foreign application (German application Serial No. 395140277 filed on March 31, 1995).

The Examining Attorney also submitted definitions of "smart machines" as:

1. "Industrial and consumer products with 'intelligence' provided by built-in microprocessors or microcomputers that significantly improve the performance and capabilities of such products." *Webster's New World Dictionary of Computer Terms*. (1988)
2. "any device which uses a microprocessor to evaluate the input and make decisions about which path to take. For example, smart car headlights can be designed to automatically monitor the level of external light. When it becomes dark outside, the microprocessor switches on the driving lights, and continues to monitor the environment in order to switch the light off when the sun rises (conditional on the ignition system being turned on)." *Prentice Hall's Illustrated Dictionary of Computing* (1995).

The Examining Attorney also submitted numerous LEXIS/NEXIS articles showing that the term "smart" was used to refer to cars and other products. A sample of the articles appears below.

Auto makers, using microprocessors, minicomputers and other electronics, are creating smart engines that will tell the driver how each part of the car is working. *U.S. News and World Reports*, September 15, 1980, p. 56.

This sort of "smart" interface between the driver and the car is part of the revolution that's been going on under the hood for the past several years. Outboard computers or microprocessors gather information from sensors located all over the engine compartment. *Working Woman*, December 1984, p. 172.

The overall aim is best described as a smart car that helps its driver anticipate and respond to highway

problems, plus a smart highway. *Government Computer News*, January 21, 1991, p. 1.

In the Chicago area, the largest "smart car" test in the world, involving 5,000 cars and commercial vehicles, will be conducted over the next five years. A video screen, microprocessor and satellite receiver will help the car drivers chart the best course to their destination, avoiding traffic accidents and road construction. *Houston Chronicle*, April 19, 1992 p. A1.

Microprocessors are now everywhere: running blenders and toasters, monitoring and managing buildings, controlling car engines and displays, and managing phones. They also are embedded in packaged applications such as smart car keys and toys. *ASAP*, November 26, 1992, p. 74.

Smart switches are electrical switches that use microprocessors to perform multiple functions. Unlike a standard switch, which might turn a car light on and off, a smart switch might be used to simultaneously unlock doors, adjust seats and tune on lights. *Automotive News*, March 11, 1996, p. 6.

Smart air bag systems will have more sophisticated sensors and microprocessors that assess such factors as the severity of a crash, the weight of the occupants and their distance from the wheel or dashboard... *Denver Post*, January 11, 1997, p. D1.

The integrated systems that take their place will use more microprocessors, launching truly smart cars. *Machine Design*, January 30, 1997, p. 11.

Microprocessors, intelligent systems, smart cars, and software - these are the keys to the future. *Business Week*, June 29, 1998, p. 85.

The Examining Attorney concludes by arguing that the term "smart" describes automobiles with microprocessors and it also describes a component in applicant's vehicles,

namely, the microprocessors. Therefore, he determined that the term smart was merely descriptive of applicant's goods.

In response to the Examining Attorney's descriptiveness refusal, applicant submitted a survey of nearly five hundred potential customers as well as a declaration by a professor of linguistics, third-party registrations, and articles showing other uses of the term "smart." As a result of that survey, applicant argues that few customers would view the term "smart" to mean microprocessor-controlled. Furthermore, applicant asserts that automobiles cannot properly be described as "smart" in the sense asserted by the Examining Attorney. "It is modestly priced, with fewer electronically controlled features than most cars." Applicant's Appeal Brief, p. 11. In addition, applicant argues that the term "smart" has many other meanings when applied to its automobiles including "smart looking," "smart buy," "practical," or "clever." To support these arguments, applicant included exhibits that show the term "smart" used to refer to other cars in a non-computer sense.

But overall, if smart looks, smart performance and a smart price sound like intelligent qualities for your convertible to have, the Cavalier RS should prove a smart choice. *Atlanta Journal and Constitution*, April 19, 1991, p. T/4.

It was a smart-looking car, and I felt smart driving it. *Detroit Free Press*, December 31, 1998, p. 2C.

With Escort, the word, "smart" comes up a lot. It's smart looking and smart going. [www.frontier-ford.com/newcars/family.html](http://www.frontier-ford.com/newcars/family.html).

[E]ither vehicle is a smart way to get to and from the office in today's urban rally.  
<http://edmund.com/edweb/whitmore/96Audi.A6vs.97Mercury.Mountaineer.rt.html>.

And with large numbers of late-model former lease cars being offered, such autos with fairly low mileage are thought of as especially smart buys. *Chicago Sun-Times*, August 25, 1997, Car Section, p. 1.

According to applicant, the multiple meanings of the term "smart" preclude a finding that the term is merely descriptive of applicant's sub-compact automobiles featuring colored exterior body panels which can be changed easily, low fuel consumption, ease of parking, and crash protection comparable to larger cars.

In short, the Examining Attorney argues that the term "smart" is merely descriptive because smart is descriptive of goods featuring microprocessors, and applicant's goods contain microprocessors. The Examining Attorney has included many articles in which the term "smart" is used to refer to products containing microprocessors including cars and parts for cars. Applicant, on the other hand, relies on its survey, a declaration by a professor of linguistics, evidence of use of the term "smart" in different contexts

to refer to automobiles, and prior registrations that include the term "smart" for various goods.

Both applicant and the Examining Attorney also rely on case law to support their positions. Applicant, *inter alia*, cites In re Intelligent Medical Systems, Inc., 5 USPQ2d 1674 (TTAB 1987). In that case, the Board held that INTELLIGENT MEDICAL SYSTEMS was not merely descriptive of a thermometer with an electronic processor. The Board noted that the "intelligent" could indicate that selecting the thermometer could represent an intelligent choice. The Examining Attorney relies heavily on the case of In re Cryomedical Sciences Inc., 32 USPQ2d 1377 (TTAB 1994). In that case, the Board found that the term SMARTPROBE was merely descriptive for disposable cryosurgical syringes.

We begin our analysis by noting that a mark is merely descriptive if it immediately describes the ingredients, qualities, or characteristics of the goods or services or if it conveys information regarding a function, purpose, or use of the goods or services. In re Abcor Development Corp., 588 F.2d 811, 200 USPQ 215, 217 (CCPA 1978). See also In re Nett Designs, 236 F.3d 1339, 57 USPQ2d 1564 (Fed. Cir. 2001). A term may be descriptive even if it only describes one of the qualities or properties of the goods or services. In re Gyulay, 820 F.2d 1216, 1217, 3

USPQ2d 1009, 1009 (Fed. Cir. 1987). We look at the mark in relation to the goods or services, and not in the abstract, when we consider whether the mark is descriptive. Abcor, 588 F.2d at 814, 200 USPQ at 218.

We agree with the Examining Attorney that the term "smart" is widely used to describe products that contain a microprocessor. The Examining Attorney has made of record numerous references to various products described as smart shock absorbers, smart chips that can diagnose their own troubles, smart gearshifts, smart car keys, smart switches, and smart air bag systems. There are also some references to smart cars, often in the context of an experimental or futuristic car.

Engineers are looking toward higher integration to reduce cost, size, and weight of all vehicle components while increasing reliability and fuel economy. As this approach evolves, fewer parts will be add-ons. The integrated systems that take place will use more microprocessors, launching truly smart cars. *Machine Design*, January 30, 1997, p. 11.

The overall aim is best described as a smart car that helps its driver anticipate and respond to highway problems, plus a smart highway. *Government Computer News*, January 21, 1991, p. 1.

I learned that research-and-development programs under way are focused on using the startling capabilities of the microprocessor "Super Smart Cars," PS Aug. '84 to prevent most car thefts. *Popular Science*, January 1985, p. 63.

In the Chicago area, the largest "smart car" test in the world, involving 5,000 cars and commercial

vehicles, will be conducted over the next five years. A video screen, microprocessor and satellite receiver will help the car drivers chart the best course to their destination, avoiding traffic accidents and road construction. *Houston Chronicle*, April 19, 1992, p. A1.

Despite the use of the word "smart" to describe these futuristic cars or cars with advanced electronic features, applicant's declarant states that "[t]he diminutive, modestly priced SMART has fewer electronically controlled features than most cars." Schar declaration, p. 5. In addition, applicant has narrowed its identification of goods. Originally, applicant sought registration for goods identified as "automobiles and their parts." Subsequently, it limited its identification of goods to "sub-compact automobiles featuring colored exterior body panels which can be changed easily, low fuel consumption, ease of parking, and crash protection comparable to larger cars." Therefore, we must determine where its mark is merely descriptive in light of this more narrow identification of goods. Another factor we must consider is the all-pervasiveness of microcomputers in modern automobiles. Unlike in Cryomedical Sciences, the evidence of record leads us to conclude that microcomputers are found on virtually all modern automobiles.

The microprocessor is adding "smart" features to many everyday products. Today's cars, for example, have

more computing power than the lunar landing module of the Apollo 11 mission. *Consumers' Research Magazine*, July 1997, p. 20.

Today's vehicle may have four or five microprocessors monitoring and controlling such things as ignition spark, fuel and emissions controls, automatic transmissions, cruise controls . . . . Andrew H. Card, Jr., Congressional Testimony, November 11, 1993.

In this case, we are not dealing with the situation where manufacturers distinguish products with microprocessors from the same products without microprocessors by using the term "smart." Since all automobiles apparently have microprocessors, they would all meet at least the Examining Attorney's broadest definition of "smart" ("having some computational ability of its own"). However, that is not how the Examining Attorney's evidence indicates that the industry is using the term or as the public would understand how the term is used. For example, to claim that a car is "smart" in the sense that the Examining Attorney's articles indicate that it is used in the automobile industry would require the presence of some advanced electronic features, otherwise the term would be meaningless because it would describe virtually every car marketed today. To advertise a car as a "smart" car merely because it contains a traditional microprocessor used in the fuel injection system would seem to be almost

misleading.<sup>3</sup> The evidence of the near universal use of computers in modern automobiles distinguishes this case from Cryomedical Science case.

We also must consider applicant's narrow identification of goods. While the term "smart" may certainly be descriptive for automobiles having advanced electronic features, applicant's goods are limited to "sub-compact automobiles featuring colored exterior body panels which can be changed easily, low fuel consumption, ease of parking, and crash protection comparable to larger cars." Applicant's identification of goods, which emphasizes the small size of the car and exchangeable body panels, suggests a car that would be smart in the "smart buy" sense as opposed to the advanced computer technology sense. Furthermore, applicant's managing director has declared that the car, which is currently marketed in Europe, has fewer electronically controlled features than most cars. We have relied on this statement in reaching our conclusion in this case.

We have also considered applicant's evidence that prospective purchasers would not view the term "smart,"

---

<sup>3</sup> If consumers believed that a car named "Smart" featured advanced electronic features, and the car did not have those features, the term could be deceptively misdescriptive.

when applied to its goods, as describing a feature or characteristic of the goods. Applicant has made of record numerous other meanings of the term "smart" for automobiles. Some including "smart looking" and "smart choice" may be particularly appropriate in referring to a subcompact car with the features included in applicant's identification of goods. While the use of the term "smart" in these ways may be laudatory, there is no argument that this laudatory use would be merely descriptive. Compare Nett Designs ("THE ULTIMATE BIKE RACK" merely descriptive).

We have also considered applicant's survey as evidence that prospective purchasers will not recognize the term "smart" as descriptive of applicant's goods. Applicant is attempting to use a consumer survey to prove that its mark is not merely descriptive. Consumer surveys are commonly used in aiding tribunals determine likelihood of confusion and genericness issues. The so-called "Teflon survey" is widely accepted in determining whether a term is generic. E.I. du Pont de Nemours & Co. v. Yoshida Int'l, Inc., 393 F.2d 502, 185 USPQ 597 (N.D.N.Y. 1975). See also American Thermos Prods. Co. v. Aladdin Industries, Inc., 207 F. Supp. 9, 134 USPQ 98 (D. Conn. 1962), aff'd, 321 F.2d 577, 138 USPQ 349 (2d Cir. 1963) (THERMOS survey). The issue in this case, however, is descriptiveness, and not

genericness. Case law provides much less guidance on how to conduct a proper survey to aid a tribunal in determining whether a term is merely descriptive. We do not underestimate the difficulty facing applicant in designing a survey that accurately addresses the descriptiveness issue.

Nonetheless, we do have problems with the survey in this case. The survey starts by advising the participant that the term "Smart" is the name of the product. The interviewer either directly advises the interviewee that "the name of the automobile I just showed you is "SMART'" or the information handed to the interviewee clearly tells the person that the name of the automobile is SMART ("This new sub-compact automobile, named "SMART"...). Thus, interviewees are advised up front that the product is a trademark for a product, and not simply a word associated with a product.<sup>4</sup>

---

<sup>4</sup> While advertising is considered in determining whether a mark is descriptive, Abcor, 588 F.2d at 814, 200 USPQ at 218, we note that the material shown to the interviewees was not advertising material. Applicant has filed an intent-to-use application. It had not used the mark in the United States at the time of the survey. In fact, the interviewers were specifically instructed to tell the interviewees that they would be shown "information about a new automobile, one that is not currently sold in the United States." The information was, therefore, prepared specifically for the survey and it did not represent applicant's actual advertising. It does not even correspond to any advertising that applicant's managing director made of record concerning its advertising in Europe.

To the extent that applicant's survey shows that prospective purchasers do not identify a microprocessor as a feature of the goods, we note that the picture of the goods and the information provided to the interviewees helped to shape the result. Similarly, in another case involving a survey, when consumers were shown advertising that identified the term LA as a trademark, many survey participants, not surprisingly, also identified the term as a trademark.

The average consumer presumably has no conception of what is legally required for a brand name to receive trademark protection. Thus, just because a majority of the consumers thought, after being exposed to a can prominently labeled LA and advertising that stressed LA as the brand name, that LA was the brand name may not establish that the mark is entitled to trademark status.

G. Heileman Brewing Co. v. Anheuser-Busch Inc., 873 F.2d 985, 10 USPQ2d 1801, 1810 n. 11 (7<sup>th</sup> Cir. 1989), quoting, Anheuser-Busch, Inc. v. Stroh Brewery Co., 750 F.2d 631, 224 USPQ 657 (8<sup>th</sup> Cir. 1984)(Bright, J., dissenting).

Here, the survey did not simply ask interviewees about the term associated with the goods. Each interviewee was shown photographs of the goods. These photographs obviously resulted in many interviewees commenting on the appearance of the goods rather than the meaning of the word "smart" ("ugly," "looks like a VW bug," "looks European,"

"looks like a toy car," "looks like a minivan," "looks like a futuristic car/'space car,'" "looks like a golf cart," "cute," "bright colors/colorful," "dangerous/looks dangerous/doesn't look safe," etc.). Many other interviewees simply repeated the information applicant provided on the information sheet ("colored exterior body panels (which can be changed easily)," "low fuel consumption," "ease of parking," "advanced technology" "crash protection comparable to larger cars" and "prices starting about \$10,000").

While we have pointed out several of the survey's flaws, which limit its persuasiveness, we refuse to give it no weight. In a case as close as this case is, we consider the survey as some evidence that despite its flaws, when prospective purchasers were given the opportunity to indicate that the term "smart" described the microprocessor features of an automobile, almost no one viewed the term in that fashion.<sup>5</sup>

---

<sup>5</sup> Applicant also included copies of third-party registrations. However, we do not find these registrations to be persuasive and we must consider each case on its own merits. See Nett Designs, 57 USPQ2d at 1566 ("Even if some registrations had some characteristics similar to Nett Designs' application, the PTO's allowance of such prior registrations does not bind the Board or this court"). We also do not find the declaration of applicant's linguist adds much to the evidence already of record in this case. Compare Donald F. Duncan, Inc. v. Royal Tops Mfg. Co., 343 F.2d 655, 144 USPQ 617 (7<sup>th</sup> Cir. 1965)(Linguist explained the

We acknowledge that this is a close case. We are well aware that the term "smart" is often descriptive for products that contain a microprocessor or some computational ability. However, it is not clear to us whether the term "smart" will immediately convey to prospective purchasers a characteristic or feature of the goods. The only direct evidence we have on that subject is applicant's survey. While we cannot give the survey much weight, it has reinforced the doubts that we have in this case. Under longstanding case law, we resolve those doubts in questions of descriptiveness in favor of the applicant.<sup>6</sup> In re Gourmet Bakers, Inc., 173 USPQ 565 (TTAB 1972); In re Conductive Systems, Inc., 220 USPQ 84 (TTAB 1983).

Decision: The refusal to register applicant's mark SMART for the identified goods on the ground that the mark is merely descriptive is reversed.

---

foreign origin of the term "yo-yo" and how it entered the English language).

<sup>6</sup> Applicant has also noted that "[t]he registration sought by applicant would not prevent competitors from using the term 'smart' descriptively." Reply Brief, p. 16.