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This Opinion is Not
Citable as Precedent of
the TTAB

Paper No. 17
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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re eEye, Inc.¹

Serial No. 75/713,044

Eric L. Tanezaki of Stetina Brunda Garred & Brucker for
eEye, Inc.

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Office 106 (Mary Sparrow, Managing Attorney).

Before Seeherman, Hanak and Rogers,
Administrative Trademark Judges.

Opinion by Rogers, Administrative Trademark Judge:

An application has been filed by eEye, Inc. to
register ECOMPANY on the Principal Register for services
identified as:

"Promoting the web sites of others via web sites
on a global computer network," in International
Class 35; and

¹ The application was filed by eCompany, LLC, which assigned it to eCompany, Inc. Later, eCompany, Inc. changed its name to eEye, Inc. The assignment and change of name, respectively, are recorded in the USPTO Assignment Branch at Reel 2628, Frame 0063, and Reel 2662, Frame 0131.

"Computer services, namely, designing and implementing global network web pages for others; hosting the web sites of others on a computer server for a global computer network; providing multiple-user access to a global computer information network for the transfer and dissemination of a wide range of information; providing and developing software programming for managing businesses for others for use on a global computer network; and providing e-mail receipt and response services for others for a global computer network," in International Class 42.

The application was filed based on applicant's claim that it has been using the designation since June 20, 1996 and using it in commerce for the identified services since May 21, 1997. The trademark examining attorney has refused registration under Section 2(e)(1) of the Lanham Act, 15 U.S.C. §1052(e)(1), on the ground that the designation will be perceived by prospective purchasers of the services as merely descriptive. Applicant, as an alternative to its claim that the designation is inherently distinctive and registrable, has asserted under Section 2(f) of the Lanham Act that the mark has acquired distinctiveness. The examining attorney responded that the designation is essentially generic and no amount of evidence of acquired distinctiveness can establish a right to register the designation for the identified services.

When the refusal was made final, applicant appealed. Applicant and the examining attorney have filed briefs. Applicant stated in its brief that it did not desire an oral hearing.

The Record

For this appeal we take judicial notice of a computer dictionary definition of the "E-" prefix² as well as a standard dictionary definition of the word company.³ University of Notre Dame du Lac v. J.C. Gourmet Food Imports Co., 213 USPQ 594 (TTAB 1982), *aff'd*, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983). The record created by the examining attorney and applicant includes 10 excerpts of articles retrieved from the NEXIS database (the only items put in by the examining attorney); a consent agreement entered into by applicant and The Fortune Group,

² **E** See *exponent* and *e-*.

e- (**E**lectronic-) The "e" prefix, with or without the dash, may be attached to anything that has moved from the physical world to its electronic alternative, such as e-mail, e-commerce, e-cash, e-cards, etc. "E" words have become synonymous with the Internet. Although many prefer to write the terms without the dash, the dash is used in this publication wherever possible, because the dash makes it easier to identify the word; for example, e-mail rather than email and e-commerce instead of ecommerce.

McGraw Hill Computer Desktop Encyclopedia 295 (9th ed. 2001).

³ **company** n. pl. **-nies**. ...6. A business enterprise; firm. The American Heritage Dictionary of the English Language 270 (New College Ed. 1976).

a division of Time, Inc., whereby each consents to the other's use and registration of ECOMPANY⁴; a declaration by Firas Bushnaq, applicant's president and C.E.O. (according to the signature line of the involved application), detailing marketing and advertising expenditures by applicant and supported by copies of two advertisements placed by applicant; a second declaration by Mr. Bushnaq detailing additional marketing or advertising activities and supported by reprints of the "search results" pages from searches for "ecompany" on the Internet, by reprints showing listings of applicant in certain online directories, by some press releases from applicant which appear on its web site, and by a reprint of an article discussing applicant that was included in an online Internet industry newsletter; and a third declaration from Mr. Bushnaq detailing the number of "hits" recorded at applicant's web site (reported by Mr. Bushnaq to have the URL of <http://www.ecompany.net>⁵), and supported by a reprint

⁴ Time, Inc. had, prior to eEye, filed an application to register eCompany (in stylized form). The examining attorney's first office action addressed only the question of whether there might be a likelihood of confusion if the prior-filed application resulted in issuance of a registration. After the consent was filed, the descriptiveness refusal was raised for the first time in the second office action. The examining attorney's NEXIS evidence was not provided until the third office action.

⁵ Since web addresses, as evidenced by various items in the record, generally begin with "http://" rather than with

of an article about applicant appearing in the Los Angeles Times (Mr. Bushnaq reports that the article appeared "in the Orange County edition, Business Section," and has provided a copy retrieved from the newspaper's web site.⁶

The Arguments

The examining attorney essentially contends that the "E" prefix, whether used with or without a hyphen, means "electronic," and would be understood by applicant's customers as a reference to the Internet. In addition, the

"http://:", we take applicant's web address to be <http://www.ecompany.net>.

⁶ The examining attorney did not attempt to introduce a definition of the "E" prefix until he attached one to his brief; and although he referenced a definition of "company" in his brief, he did not provide information that would allow applicant or the Board to verify the recited definition. Specifically, in regard to the latter, though the examining attorney stated in his brief that the definition of "company" came from Webster's Third New International Dictionary, he did not provide page or edition information; nor did he provide a photocopy of the page (if the definition is from a printed volume) or a reprint of an online listing with its web address (if the definition is from a web version of the dictionary).

Because the examining attorney did not make either the definition of "E" or the definition of "company" of record with any of the six office actions he issued, he is, essentially, asking the Board to take judicial notice of the definitions by discussing them for the first time in his brief. We grant the request in regard to the definition for the "E" prefix, but deny it in regard to the definition of "company" (though we have, as noted, taken judicial notice of a definition of that term from a Board dictionary). When request is made during an appeal that the Board take judicial notice of a dictionary definition, a photocopy or reprint should be provided, along with information that will allow the non-offering party to check the accuracy of the definition or reliability of its source. Cf. In re Total Quality Group Inc., 51 USPQ2d 1474 (TTAB 1999).

examining attorney contends that a "company" is a group of persons conducting a commercial or industrial business. The examining attorney concludes that both the "E" [or "e"] prefix and the word "company" are generic in this case, because applicant provides its services electronically, i.e., over the Internet, and is a company. Further, the examining attorney asserts that "[a]pplicant has taken [these] two generic terms, 'company' and 'e,' and created a combined expression in which said terms lose no descriptive significance but instead form a term generic for the provider of the services." Brief, p. 2. Finally, the examining attorney argues that "just a few of the entries from the thousands found in the Lexis/Nexis Research database"⁷ show that "'ecompany' has become virtually synonymous with any business rendering services electronically, i.e., over the internet. So widespread is the use of said term that it can be safely said it is as readily employed and recognized as a term of art in business as [are] 'email' and 'ecommerce.'"

In regard to applicant's alternative argument that ECOMPANY has acquired distinctiveness, the examining

⁷ We do not have an indication of the particular database within the NEXIS service searched by the examining attorney, or of the term searched for. The submitted excerpts, however, are for stories 1, 6-7, 9-10, 12, 14-15, and 19-20 of 6,024 excerpts

attorney asserts that it was "carefully reviewed and found not to be persuasive." Further, the examining attorney asserts that because the "putative mark is generic of the provider of the recited services" no amount of evidence of secondary meaning can convert the term into a registrable mark.

Applicant, on the question of whether the designation is descriptive or suggestive, contests the significance of the NEXIS evidence, asserting that the excerpts only show use of "ecompany" "to indicate a medium in which certain business services are conducted... and certainly not the substantive nature, feature or characteristic of those businesses..." This evidence, applicant asserts, does not "capture the true essence of [its own] services." Brief, pp. 5-6. Applicant admits that a consumer encountering ECOMPANY in the marketplace will be inclined to think of "a mere computer medium in which various types of business services can be conducted" but would have to engage in "compounded analytical thought to arrive at some kind of knowledge" of applicant's specific services. Brief, p. 9. Moreover, applicant argues, consumers may be inclined to think of "electric utility company services or electronic

retrieved by the search, and show use of "e-company," or "e-companies."

company services involving electronics." Finally, applicant distinguishes the body of case law on which the examining attorney relies, case law that holds a term which aptly describes the provider of goods or services is descriptive or generic of the goods or services provided by such an entity.

In regard to the evidence of acquired distinctiveness, applicant argues that it has used ECOMPANY for at least six years and continues to do so; that it has spent "in excess of half a million dollars" on advertising and other promotions over the course of those six years; that its web site is prominently placed within the lists of results of searches for "ecompany" on Internet search engines (Bushnaq declaration submitted with November 6, 2001 response to office action); and that applicant has been recognized by a subcommittee of the U.S. House of Representatives and through its receipt of various accolades in the Internet industry.

Decision

It is, of course, well settled that the question whether a term is merely descriptive is determined not in the abstract but, rather, in relation to the goods or services for which registration is sought, the context in

which it is being used on or in connection with those goods or services and the possible significance that the term would have to the average purchaser or user of the goods or services. See In re Bright-Crest, Ltd., 204 USPQ 591, 593 (TTAB 1979) and In re Recovery, 196 USPQ 830, 831 (TTAB 1977).

A proposed mark is considered merely descriptive of goods or services, within the meaning of Section 2(e)(1) of the Trademark Act, if it immediately conveys information about an ingredient, quality, characteristic, feature, function, purpose or use of the goods or services. In re Abcor Development Corp., 588 F.2d 811, 200 USPQ 215, 217-218 (CCPA 1978); see also In re Gyulay, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987). It is not necessary that a term describe all of the properties or functions of the goods or services in order for it to be merely descriptive thereof; rather, it is sufficient if the term describes a significant attribute or idea about them. In re Venture Lending Associates, 226 USPQ 285 (TTAB 1985). Thus, it is not necessary, in this instance, that a prospective purchaser of applicant's services be immediately apprised of the full panoply of applicant's services for the term ECOMPANY to be found merely descriptive.

It has been held that genericness is the ultimate form of descriptiveness and there is a fine line between what merely describes a function, feature, attribute, or characteristic of a product or service and what can fairly be said to be the name of the product or service. In re K-T Zoe Furniture Inc., 16 F.3d 390, 29 USPQ2d 1787, 1788 (Fed. Cir. 1994) (Court affirmed Board's finding that the words "The Sofa & Chair Company" were not generic, but were aptly descriptive of "custom manufacturing of furniture upholstered with fabrics furnished or pre-selected by customers"). A term held not to be generic but, rather, merely descriptive, is registrable upon a showing that sufficient use and recognition has imbued the term with a meaning apart from its mere descriptiveness. *Id.*, 29 USPQ2d at 1788-89.

We disagree with the examining attorney's conclusion that ECOMPANY is, in this case, to be considered a generic term for applicant's identified services. The Office, of course, must make a "strong showing" when it refuses a mark as generic rather than descriptive. *Id.*, 29 USPQ2d at 1788. No matter how widely the term "ecompany" may be used in conjunction with businesses that do business electronically, i.e., over the Internet, it is simply not the name of applicant's services. Certainly, the examining

attorney has not made a strong showing that ECOMPANY is the name of what may readily be said to be web page design services, web site hosting services, and the like. Showing that applicant, just like other businesses that do business on the Internet, may be referred to as an "ecompany" (a proposition which we discuss below), does not establish that ECOMPANY is the name of applicant's services.

We also disagree with the examining attorney's conclusion that this case is akin to various cases cited as standing for the proposition that when a term is a descriptive or generic designation of the nature of one's business it necessarily is a descriptive or generic designation for the goods or services of that business. In each of the cases discussed by the examining attorney, the name of the product or service also was, in essence, the name of the company. In the case at hand we simply do not have the same convergence between the name(s) of applicant's services and its own name.⁸

On the other hand, although we do not find ECOMPANY generic for applicant's services, we do find the term descriptive of the result one would obtain from purchasing

⁸ This argument was raised by the examining attorney when applicant still had the business name "eCompany." Now, as noted earlier, it has the business name "eEye" which further distinguishes the instant case from those on which the examining attorney has relied.

applicant's services. The NEXIS evidence clearly shows that entities doing business on the Internet are called "ecompanies."⁹ Indeed, the previously referenced definition of the "e" prefix contemplates the transition of a company to an "ecompany" ("The 'e' prefix... may be attached to anything that has moved from the physical world to its electronic alternative...").¹⁰ Thus, a company that moves into the realm of "ebusiness"¹¹ or "ecommerce" would readily be referred to as an "ecompany." The readiness with which the term "ecompany" would be perceived as indicating that a company has transitioned into electronic or Internet

⁹ For example, in a transcript from a CNN broadcast, a reporter states: "This bookselling e-company manages by giving its customers the option of using either credit cards or checks." Another NEXIS excerpt mentions "Fortune Magazine's [October, 1999] e50 list of [the] 50 most important e-companies"; and still another reports that "Healtheon/WebMD, the online health information and services provider, yesterday became the latest e-company to announce layoffs."

¹⁰ See also, in this regard, In re Styleclick.com Inc., 57 USPQ2d 1445, 1448 (TTAB 2000) ("In sum, 'e-', when used as a prefix in the manner of applicant's mark, has the generally recognized meaning of 'electronic' in terms of computers and the Internet.").

¹¹ We take judicial notice of the following definition:
e-business (Electronic-BUSINESS) Doing business online. The term is often used synonymously with e-commerce, but e-business is more of an umbrella term for having a presence on the Web. An e-business site may be very comprehensive and offer more than just selling its products and services. For example, it may feature a general search facility or the ability to track shipments or have threaded discussions. In such cases, e-commerce is only the order processing component of the site. See *e-commerce*.
McGraw Hill Computer Desktop Encyclopedia 297 (9th ed. 2001).

operations is apparent from one of applicant's advertisements that appeared in the Los Angeles Times business section. Titled "Expand Your Business on the World Wide Web" the ad touts applicant as "a premier web presence provider, not just a hosting service" and as capable of providing "services that equal real executive, business and commerce solutions for you and your company." To the right of the text that includes these phrases is a menu-style list of the following terms: "eBusiness," "eCommerce" "eDesign," "eMarketing" and "eSolutions." Plainly, this list of terms will be seen as naming the types of services applicant offers. Applicant uses clearly generic terms, i.e., terms which already appear in dictionaries, such as "eBusiness" and "eCommerce," with other terms that may be viewed as descriptive or generic when used in conjunction with the operation of a business, and have merely had the prefix "e" added, i.e., design becomes "eDesign," marketing becomes "eMarketing," and solutions becomes "eSolutions." In this context, a company considering a purchase of applicant's services will readily and immediately conclude that it can become an "ecompany" by purchasing the services.

We also note applicant's exhortation, in its ad, for prospective customers to "give us a call. Put the 'e' in

your company and take your business global." This exhortation to "[p]ut the 'e' your company" complements the menu-style list of other "e" terms and will be perceived by many, if not most, as a reference to moving "from the physical world to its electronic alternative," i.e., for the prospective customer to become an "ecompany."

Further, the following principle, expressed in the *Styleclick.com* case, is equally applicable here: "As the Internet continues to grow, merely descriptive 'e-' prefix terms for Internet-related goods and/or services must be kept available for competitive use by others." *Styleclick.com, supra*, at 1448.

We are not persuaded that ECOMPANY is suggestive rather than descriptive by applicant's argument that the NEXIS evidence only reveals the medium within which "ecompanies" operate. Clearly, the excerpts use "ecompany" and "e-companies" as nouns for the companies discussed, i.e., as descriptive terms for the companies, not their method of operation (although clearly method of operation is also revealed). We also are not persuaded by applicant's arguments that prospective customers may consider ECOMPANY to be a reference to an electricity-related company, because it is well settled that the

significance of a term is considered not in the abstract but in relation to the identified goods or services.

Having determined that ECOMPANY is a descriptive, but not generic, designation for applicant's services, we now must consider whether applicant has shown sufficient evidence of acquired distinctiveness to gain a place on the Principal Register for the designation. We find that it has not made such a showing.

To begin, the term is highly descriptive and, therefore, requires a stronger showing of acquired distinctiveness before it can be registered. See *K-T Zoe*, supra, 29 USPQ2d at 1789 (The degree of acquired distinctiveness that must be shown varies with the degree of descriptiveness of the mark). The more descriptive the term, the more evidence of secondary meaning is required to attain registration. Yet in three declarations from applicant's president, we do not have a claim of substantially exclusive use of the term and we do not have any statement detailing actual sales of applicant's services.

As to the former point, i.e., exclusivity of use, even applicant would have to acknowledge that its use is not substantially exclusive. It has made of record a consent agreement whereby it consents to use by another of the term

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ECOMPANY; and the first of Mr. Bushnaq's declarations attests to the majority of the ad expenditures of applicant being spent on ads in a magazine known as ECOMPANY NOW.

As to the latter point, Mr. Bushnaq has not, in any of his declarations, specified any sales figures for applicant's services. In an article that appeared in the Los Angeles Times in June 2002, and which is attached as an exhibit to Mr. Bushnaq's third declaration, it is reported that sales of applicant's Internet security products "is starting to flourish, with sales running at about \$1 million a month and profit rolling in since midsummer." However, it is not clear that any of these sales are for the services identified in the application, and it appears that they are sales of eEye products, not ECOMPANY services. Thus, while applicant offered the article as an exhibit to Mr. Bushnaq's third declaration, applicant has failed to relate the information in the article to its application. The failure is significant. See *K-T Zoe*, *supra*, 29 USPQ2d at 1789 (evidence of acquired distinctiveness "must relate to the specific services set forth in the application, and the specific mark for which registration is sought").

As to the marketing and ad expenditures detailed in Mr. Bushnaq's first declaration, these ranged from \$30,000

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to \$60,000 dollars per year from 1997 through 2000. These annual expenditures are stated to have been paid for "print advertisements in directories, newspapers, and telephone books, [and] online banner advertisements" as well as for "press releases." We do not find these figures particularly large annual amounts when spread over various types of activities, including possible internal expenses related to issuing of press releases.

Mr. Bushnaq's first declaration also details a more expensive undertaking, specifically, placement of 18 full-page ads at \$14,000 each in 2000 and \$22,100 each in 2001, in each of the first 18 monthly editions of ECOMPANY NOW. A copy of the first of these ads was submitted as an exhibit. Mr. Bushnaq's declaration states that the per ad prices reflect "guaranteed distribution of 250,000,000 [i.e., 250 million] magazine copies" in 2000 and "anticipated distribution of 325,000,000 [i.e., 325 million] magazine copies" in 2001. We admit, however, to some inability to place this information in context and some suspicion that the figures include typographical errors. We do not assume that these distribution figures are monthly figures; and even taken as yearly figures, there would, for example, have to be nearly 21 million magazines distributed each month to reach the 250 million

figure for the year 2000, and many millions more distributed each month to reach the 325 million figure for 2001. Because of our uncertainty about these figures, we have not given them very much weight.

Turning to Mr. Bushnaq's second declaration, the exhibits thereto are said to evidence the success of applicant's efforts to establish its presence online. Mr. Bushnaq states that when a search for the term "ECOMPANY" is executed on the Internet, applicant has "first page placement" on the search results pages returned by five different search engines. We do not find the search results pages very probative, if at all, of the extent to which prospective purchasers of applicant's type of services may recognize ECOMPANY as a mark. First, even if we were to assume that such prospective purchasers would seek information on such services on the Internet (which is, perhaps, a reasonable assumption) by searching for the term "ECOMPANY" we would not assume that the mere act of searching for that term evidences searches for applicant, as opposed to searches for a descriptive term which could lead the searcher to information on services that would allow it to become an "ecompany." Second, the search results pages for each of the search engines reveal many links to web pages that contain the term "ecompany" in

their addresses and which are not, apparently, applicant's web pages.¹² In short, we do not view the asserted "first page" placement on search results pages as very probative evidence of acquired distinctiveness.

Other exhibits submitted with Mr. Bushnaq's second declaration include press releases posted on applicant's web site and a reference to applicant in an Internet newsletter. All three focus on eEye Internet security products and only mention in passing that eEye is a division of eCompany. Apart from the fact that these references now appear to be out-of-date, due to applicant's change of name from eCompany, Inc. to eEye, Inc., they do not appear to use the ECOMPANY designation as a trademark, as opposed to as a trade name, and do not appear to associate the designation with the services in the application before us.

Finally, we turn to the third of Mr. Bushnaq's declarations. This discusses the number of "hits" registered by applicant's web site; and is used to introduce an article from the Los Angeles Times. As to the article, it is subject to the same criticism as the press

¹² As noted earlier in our discussion of the record Mr. Bushnaq's third declaration reports applicant's web page address as what we take to be <http://www.ecompany.net>, and each of the search results pages brings up numerous web addresses that feature "ecompany" in the address but are not applicant's web address.

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releases and Internet newsletter discussed above, in terms of its focus on eEye rather than ECOMPANY. As to the "hits" registered by applicant's web site, we have no context for this information. We do not know, for example, whether visitors to the site were exposed to use of ECOMPANY in the manner of a trademark and in association with the services in the application before us. In short, although the recitation of the number of hits per se is some evidence of exposure of the public to applicant's mark, when all of the 2(f) evidence is considered in terms of the highly descriptive nature of the mark, the evidence simply isn't sufficient to show acquired distinctiveness.

Decision: The refusal of registration under Section 2(e)(1) of the Lanham Act is affirmed both because we find the designation sought to be registered descriptive and because there is insufficient evidence of acquired distinctiveness.