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U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

The Oakland Corporation[1]

v.

Nylok Fastener Corporation

Opposition Nos. 82,056; 82,057; 82,058; 82,059; 82,061; 82,082; and 82,179

Thomas P. Liniak of Liniak & Berenato, LLC for The Oakland Corporation.

Paul R. Vickrey and Dean D. Niro of Niro, Scavone, Haller & Niro for Nylok Fastener Corporation

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Before Hanak, Hohein and Chapman, Administrative Trademark Judges.

Opinion by Chapman, Administrative Trademark Judge:

The Oakland Corporation has opposed the seven applications owned by Nylok Fastener Corporation which are

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[1] In April 1998 opposer filed a motion to substitute ND Industries as plaintiff, but on June 12, 1998 the Board denied the motion because opposer submitted no documentary evidence of any transfer of interest. In addition, there was inconsistent use of the names “ND Industries,” and “ND Industries, Inc.” in opposer’s motion paper.

set forth below.[2] All seven applications were filed seeking registration on the Principal Register on June 1, 1987; all seven include a statement that "the drawing is lined for the color blue"; and applicant amended each of the applications to seek registration under Section 2(f) based on a claim of acquired distinctiveness.

(1) Ser. No. 73/663,793[3] (Opp. No. 82,056)

(2) Ser. No. 73/664,045[4] (Opp. No. 82,057)

[2] These seven opposition proceedings were consolidated by Board orders dated July 6, 1990 and November 5, 1991.

[3] In application Serial No. 73/663,793, the mark is described as follows: "The mark is a patch of the color blue on a selected number of threads of an internally threaded fastener, with the blue patch extending less than 160 degrees around the circumference of the fastener." The claimed dates of first use and first use in commerce are December 1971.

[4] In application Serial No. 73/664,045, the mark is described as follows: "The mark is a patch of the color blue on a selected number of threads of an externally threaded fastener, with the blue patch extending more than 90 degrees and less than 360 degrees around the circumference of the fastener." The claimed dates of first use and first use in commerce are October 1969.

(3) Ser. No. 73/664,083[5]
(Opp. No. 82,058)

(4) Ser. No. 73/664,084[6]
(Opp. No. 82,059)

(5) Ser. No. 73/663,794[7]

(6) Ser. No. 73/664,048[8]

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[5] In application Serial No. 73/664,083, the mark is described as follows: "The mark is a patch of the color blue on a selected number of threads of an internally threaded fastener, with the blue patch extending more than 160 degrees around the circumference of the fastener." The claimed dates of first use and first use in commerce are December 1971.

[6] In application Serial No. 73/664,084, the mark is described as follows: "The mark is a patch of the color blue on a selected number of threads of an externally threaded fastener, with the blue patch extending 360 degrees around the circumference of the fastener." The claimed dates of first use and first use in commerce are October 1969.

[7] In application Serial No. 73/663,794, the mark is described as follows: "The mark is a pellet of the color blue on a portion of a selected number of threads of an externally threaded fastener." The claimed dates of first use and first use in commerce are December 1956.

[8] In application Serial No. 73/664,048, the mark is described as follows: "The mark is a pellet of the color blue on an internally threaded fastener extending from the exterior of the fastener to the interior surface of the fastener." The claimed dates of first use and first use in commerce are December 1956.

(Opp. No. 82,061) (Opp. No. 82,082)

(7) Ser. No. 73/664,085[9]
(Opp. No. 82,179)

The identifications of goods in each of applicant's three applications depicting internally threaded fasteners were published as "hex nuts, hex flange nuts, cap nuts and bearing retaining nuts all made primarily of metal"; and the identifications of goods in each of the four applications depicting externally threaded fasteners were published as "metal externally threaded fasteners, namely, screws, bolts, studs and shafts and other specialty fasteners which are all externally threaded." On July 23, 1992, applicant moved to amend the identifications of goods for the three applications depicting internally threaded fasteners to "prevailing torque locking fasteners, namely, hex nuts, hex flange nuts, cap nuts and bearing retaining nuts primarily

[9] In application Serial No. 73/664,085, the mark is described as follows: "The mark is a strip of the color blue extending perpendicular to a portion of a selected number of threads of an

externally threaded fastener." The claimed dates of first use and first use in commerce are December 1962.

made of metal having a nylon locking element"; and to amend the identifications of goods for the four applications depicting externally threaded fasteners to "metal externally threaded prevailing torque locking fasteners, namely, screws, bolts, studs and shafts, and other specialty fasteners having a nylon locking element."[10]

By an order dated October 23, 1992, the Board deferred a decision on applicant's contested motion to amend the identifications of goods until final decision or summary judgment. Subsequently, on March 10, 1993, the Board entered partial summary judgment in opposer's favor that applicant did not have substantially exclusive use of its marks in commerce "as to the 'broader identification of goods set forth when the applications were published for opposition.'"[11] (We note that other companies, including Long-Lok Fastener Corporation, SPS Technologies, Inc., Ajax

[10] The Industrial Fasteners Institute (IFI), a trade association of North American manufacturers of bolts, nuts, screws, rivets and specialty formed parts publishes "An Introduction to Locking Fasteners" which includes the following definition of "prevailing torque": "The torque necessary to rotate a fastener relative to its mating component with the torque being measured while the fastener is in motion and with zero axial load in the assembly. Prevailing-on torque is the torque measured when the fastener is being advanced toward its seated position. Prevailing-off torque is the torque measured when the fastener is being removed."

[11] The Board denied opposer's other motion for summary judgment on the amended identifications of goods. Subsequently, in an order dated August 23, 1996, the Board denied opposer's third motion for summary judgment, noting in footnote 3 that "applicant has amended its identifications of goods to restrict them to fasteners having nylon locking elements, thereby excluding Kel-F elements."

Metal Processing, Inc., and Loctite Corporation, filed oppositions against various combinations of these seven applications. All of those oppositions have been dismissed.)

Opposer alleges in the notices of opposition that a general practice of the many manufacturers of fasteners which "has been very widely practiced for over 30 years" is to apply a small patch of nylon "to the threads to cause the [fasteners] to be locked to" the device with which it mates (paragraph 5); that such fasteners are called 'self-locking,' and the nylon added for self-locking purposes is colorless if pigment is not added; that applicant's asserted mark is applied by adding a blue pigment to the nylon that forms the nylon section; that opposer sells self-locking fasteners and opposer also applies patches of nylon self-locking material to the threads of fasteners owned by others to their order; that opposer is likely to receive orders from customers in the future specifying blue patches on fasteners and if applicant obtains the registrations, opposer would be damaged as it would be prevented from filling such orders calling for blue sections; that it is desirable to inspect self-locking fasteners after manufacture but before they are sold, and these inspections "can be more readily performed if a pigment is added to the nylon which will contrast with the color of the fastener"

(paragraph 9); that blue is a suitable color for that purpose as it is more readily visible than other colors; that registrations to applicant would restrict opposer's right to use blue pigment to aid in inspections of the fasteners; that fasteners with blue sections "have been used in the past to indicate that the fasteners have threads and dimensions conforming to metric system standards and to differentiate such metric fasteners from those having threads and dimensions conforming to different standards" (paragraph 10); that "manufacturers of products using fasteners have sometimes ordered fasteners with self-locking members of different colors, including blue, each color representing a different product on which the fastener is to be used" (paragraph 10); that issuance of registrations to applicant would restrict opposer's ability to supply fasteners having a blue patch for identification purposes; that there are a large number of manufacturers of threaded nuts and "many fewer colors which are suitable for coloring self-fastening compounds to the threads of these fasteners" (paragraph 12); and that registrations to applicant would remove one of the colors from the public domain, restricting the choice of colors available and reducing competition in the industry.[12]

[12] Opposition No. 82,082 did not include an allegation that nylon added for self-locking purposes would be colorless if added without a pigment; or an allegation that opposer also applies

Opposer, in view thereof, specifically states that its grounds for the oppositions are: (1) applicant's applied-for marks are functional; and (2) applicant's applied-for marks have been used by a number of manufacturers for many years, such that they have become generic, so that any rights of applicant have been abandoned, and the applied-for marks have no secondary meaning.[13]

In its answers applicant admits that nylon added for self-locking purposes would be colorless if added without a pigment,[14] but otherwise denies the salient allegations of the notices of opposition.[15]

The record consists of the pleadings; the files of the seven involved applications; thirty-nine[16] trial testimony depositions,[17] with exhibits (totaling approximately 4500

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pellets of nylon self-locking material to the threads of fasteners owned by others to their order. Also, opposer's allegation refers to a widely-practiced general practice of many manufacturers of fasteners having been done for "many years," (rather than "30 years" as stated in the other cases).

[13] In the Board order dated August 23, 1996, opposer's allegations of likelihood of confusion with two third-party registrations were stricken from this consolidated case.

[14] Inasmuch as such was not alleged in Opposition No. 82,082, applicant did not admit same in that opposition.

[15] In the Board order dated August 23, 1996, applicant's affirmative defenses of laches, estoppel, acquiescence and unclean hands were stricken from this consolidated case as inapplicable.

[16] The testimony transcripts taken in this consolidated case consist of 2 employees of opposer, 2 employees of applicant, 1 employee of applicant's subsidiary Aerospace Nylok Corporation, 2 survey experts, and the remainder are of people employed by manufacturers/distributors/processors/customers in the fastener industry.

[17] The transcript of the testimony of John Mack Bourdelais was submitted by applicant in an inappropriate format. Specifically, there were four pages of testimony per one letter-size page.

pages of transcripts with about 250 exhibits); and sixteen notices of reliance (including thousands of documents, and several thousand pages of transcripts from depositions taken in 1990 in lawsuits between the parties in the U.S. District Court for the Eastern District of Michigan, Civil Action Nos. 89 CV 71969 and 89 CV 71153, and one deposition taken in 1988 in a lawsuit between the parties in the U.S. District Court for the Northern District of Illinois, Civil Action No. 88 C 7715).[18] (For a detailed description of the evidence of record in this consolidated case, see pages v-viii of opposer's brief; adopted by applicant in its brief at unnumbered page 2 of its "table of contents".[19])

Although the Board considered the testimony, this format is not acceptable as all transcripts are to be filed with the Board in the format of one page of testimony per one letter-size page. See, e.g., Trademark Rule 2.123(g)(1), which relates to trial transcripts.

[18] Applicant's December 24, 1997 notice of reliance under Trademark Rule 2.122(f) included 25 court deposition transcripts, six of which (John Balderson,, Henry Jackson, Rudolph Petric, Carlene Watts, Jack J. Zucker, and Richard B. Wallace) were duplicates from the ten court deposition transcripts relied on by opposer in its October 20, 1997 notice of reliance under Trademark Rule 2.122(f). A party should not separately put into the record material which has already been made part of the record.

[19] The Board notes that opposer's description of the record referenced only thirteen notices of reliance filed by the parties. Opposer did not include its October 20, 1997 notices of reliance (i) "on pleadings, orders, and interrogatory responses from prior litigation between the parties pursuant to stipulation between the parties" and (ii) "under 37 CFR § 2.120(j)(3)"; and applicant's December 24, 1997 notice of reliance "on documents produced by The Oakland Corporation pursuant to stipulation of the parties."

The Board notes that applicant has marked two separate exhibits with numbers 24, 25, 26, and 27. Because the similarly numbered exhibits are different documents, the Board was able to ascertain

Both parties filed briefs on the case[20] and were represented by counsel at an oral hearing held before the Board.

Essentially all of the testimony transcripts made of record herein included objections by counsel. None of the objections were preserved by either party by raising same in their briefs on the case. See TBMP §718.04. Therefore, in accordance with Board practice and procedure, the objections raised by the parties during the depositions need not be ruled on by the Board.

Twenty-eight of the thirty-nine trial testimony depositions, many of the exhibits, and large portions of the material submitted under the sixteen notices of reliance, were submitted as confidential.[21] Thus, the Board is

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the appropriate exhibits to which the involved witnesses were referring. (footnote continued)
Finally, the Board also notes that applicant's exhibit Nos. 44-48 were not included in applicant's notebook of exhibits, but the documents comprising those exhibits were of record in applicant's December 24, 1997 notice of reliance on documents produced by opposer; and opposer's exhibit No. 143 was not included in opposer's notebook of exhibits, but the documents comprising that exhibit were of record in opposer's October 20, 1997 notice of reliance on documents produced by applicant. In each of these instances, the Board has prepared photocopies to replace the exhibits which were not included in the respective exhibit notebooks.

[20] Two briefs on the case were filed by each party, one with the confidential portion redacted, and a separate copy without the confidential portion redacted.

[21] Both parties' attorneys are advised that this practice violates Trademark Rule 2.27 which provides that applications and all Office proceedings related thereto are available to the public, with the exception of appropriate confidential material. See Trademark Rule 2.27(e). We note that the better practice for both parties with regard to the deposition transcripts, exhibits and notices of reliance would have been to submit the

severely limited in our discussion of the specific facts in this consolidated case. Suffice it to say that many specific facts of record (which were designated as confidential and cannot be set forth in this opinion), as well as the overall testimony (much of which was designated as confidential and cannot be quoted), present a significantly more compelling case in support of our decision than this opinion otherwise conveys.

We would be remiss if we did not comment on the record in and the history of this case. The oppositions were filed on February 8, 1990, and continued until the oral hearing was held on January 14, 1999. The Board is an administrative tribunal of the Patent and Trademark Office (Department of Commerce) empowered to determine the right to register. See Sections 17, 18, 20 and 24 of the Trademark Act. The Board has no authority to determine the right to use, or the broader questions of infringement or unfair competition. See TBMP §102.01. In light of our limited jurisdiction, it is appropriate to point out, as we did several years ago in the case of American Speech-Language-Hearing Association v. National Hearing Aid Society, 224 USPQ 798, 800 (TTAB 1984), that: "It is inconceivable to the Board that the issues raised by this petition for

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confidential pages separately under seal, leaving the remaining portion of the evidence as non-confidential, as provided in Trademark Rule 2.27(e). See TBMP §416.06.

cancellation warrant a record of this size and it is unconscionable that such a proceeding should go on for almost ten years from the time the petition for cancellation was filed." We strongly reiterate that comment with respect to this consolidated opposition proceeding.

Despite the long history and the voluminous record in this consolidated case, the only issues to be determined by the Board are the following: (1) whether the seven applied-for marks (the color blue in a nylon patch, pellet or strip on threaded fasteners), when applied to "prevailing torque locking fasteners, namely, hex nuts, hex flange nuts, cap nuts and bearing retaining nuts primarily made of metal having a nylon locking element" and to "metal externally threaded prevailing torque locking fasteners, namely, screws, bolts, studs and shafts, and other specialty fasteners having a nylon locking element" are de jure functional, and (2) if not, whether such marks have acquired distinctiveness so as to be registrable on the Principal Register under Section 2(f).

Opposer bears the burden of proving its claim that the marks are de jure functional by a preponderance of the evidence. See Brunswick Corp. V. British Seagull Ltd., 35 F.3d 1527, 32 USPQ2d 1120 (Fed. Cir. 1994), cert. denied, 115 S.Ct. 1426 (1995); and Yamaha International Corp. v.

Hoshino Gakki Co. Ltd., 840 F.2d 1572, 6 USPQ2d 1001 (Fed. Cir. 1988).

Applicant carries the burden of proving its asserted claim of acquired distinctiveness. "The burden of proving secondary meaning is on the party asserting it, whether he is the plaintiff in an infringement action or the applicant for federal trademark registration." 1 Gilson, Trademark Protection and Practice, §2.09, at 2-72 (1987), quoted in Yamaha v. Hoshino, supra at 1006.

According to the record, there are many types of fasteners which are utilized in a wide variety of end-uses.[22] Fasteners used in situations which expose them to vibration, stress, temperature extremes and other such situations are susceptible to loosening. These situations call for a locking (or self-locking) fastener.

Self-locking fasteners are used in both military and commercial applications, and specifically in industries such as the following: automotive, aerospace, electronics, lawn and garden machinery, appliances, outboard marine, and recreational products such as ski bindings, skateboards, and bicycles. There are several types of locking fasteners,

[22] The parties have not argued, nor do we find, that the Fastener Quality Act of 1990 (Public Law 101-592), as amended, effective June 8, 1999 (Public Law 104-113 and Public Law 105-234), is relevant to our decision on the question of the registrabiltiy of the involved marks. However, this record is clear that there is generally a paperwork trail for fasteners for "traceability" purposes.

including those with chemical adhesives, Kel-F[23] thermoplastic material, or nylon locking elements. The specific locking element needed on fasteners for a particular situation is generally included in the order for the fasteners requested by the end-use customer, and it is often based on the specifications set forth by the end-use company's engineer. The end-use customer generally orders fasteners from a manufacturer or distributor, with relatively few orders placed directly with processors.

A nylon locking element is made in patch form by spraying it onto the threads of the fastener, in pellet form by drilling a hole into the fastener and press fitting a nylon plug into it, and in strip form by drilling a slot into the fastener and press fitting a nylon strip into it. Nylon patch, pellet or strip element fasteners can be used for temperatures up to 250˚, and they can be reused (adjusted) multiple times.[24]

Locking fasteners comprise a small portion of the overall fastener industry, and the nylon locking elements obviously are only a portion thereof.

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[23] From the record, it appears that Kel-F is a trademark of Minnesota Mining and Manufacturing. (Opposer's exhibit No. 80 and applicant's exhibit No. 4)

[24] Kel-F material is applied in strip or pellet form, is more expensive than nylon locking elements, is used for higher temperature requirements than nylon, and is generally not reusable. Chemical adhesives are sprayed onto the threaded fastener in a patch configuration, and are generally not reusable once the fastener is in place.

We emphasize that since 1993 this case has involved only nylon locking elements in patch, pellet and strip form on metal prevailing torque fasteners, specifically externally threaded screws, bolts, studs, shafts and specialty fasteners, and internally threaded hex nuts, hex flange nuts, cap nuts and bearing retaining nuts.[25]

Opposer and applicant are direct (and fierce) competitors in the fastener business. They are the two largest of about six or seven companies which process self-locking fasteners with nylon locking elements.[26] (Weaver-assistant to the president of opposer corporation-dep., pp. 334-335.) The majority of both parties' customers are either manufacturers, or distributors of fasteners, with far fewer direct, or end-use, customers. When nylon processing is requested, then either the customer supplies the fasteners and the processor processes them by adding a self-locking material, or the processor both purchases the fasteners and processes them for the customer.

Upon receipt of an order, whether it comes to the manufacturer or distributor (who in turn orders from the

[25] Applicant offered such limiting amendments to the identifications of goods in each of its seven applications on July 23, 1992, and summary judgment was entered against applicant on the broader identifications of goods in the Board order dated March 10, 1993. Interestingly, in applicant's December 18, 1997 deposition of opposer's president, Richard M. Wallace, the witness did not seem to be aware of the exact nature of the limitations applicant made to its identifications of goods in its seven involved applications. (Dep., p. 22).

processor), or even the occasional end-use customer (who orders directly from the processor), inquiry is not generally made as to why a customer requested a particular type or size of fastener or any other aspect of the specification. However, if an order is unclear or includes some inconsistency (e.g., requests two different types of locking elements for a singe fastener), then presumably the customer would be contacted to clarify the order.

Opposer's predecessor was founded in 1955 (primarily as a processor of fasteners for the automotive industry). Opposer began selling nylon pellet fasteners in 1956, nylon patch fasteners in 1969, and nylon strip fasteners in 1986. Opposer began selling nylon locking elements in the color yellow in 1957, and opposer continues to process the vast majority of its nylon self-locking elements in yellow. In fact, if a customer requests nylon patch, pellet or strip in a color other than yellow, opposer attempts to convince the customer to accept nylon elements in yellow, and opposer charges a higher price for running a different color.

Applicant's history also goes back to the mid-1950s (having been founded primarily as a processor of fasteners for the aerospace industry). Applicant first sold nylon pellet fasteners in 1961, nylon patch fasteners in the early 1970s, and nylon strip fasteners in the 1960s. From 1954 to

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[26] Both parties also process Kel-F material, and chemical

1992 applicant sold over two billion units, which constitutes millions of dollars in sales. Virtually all of applicant's nylon patch, pellet and strip locking elements for fasteners have been produced in the color blue.[27] If a customer requests nylon patch, pellet or strip in a color other than blue, applicant likewise attempts to convince the customer to accept its normal colored nylon, and applicant also charges a higher price for running a different color.

It is clear that processors of nylon locking elements for fasteners have an economic incentive to use primarily one color for this nylon because to change the pigment powder for coloring the nylon requires shutting down the machinery, cleaning it and setting up another color, resulting in downtime and additional manufacturing cost.

Fasteners with nylon patch, pellet or strip locking elements (for temperatures reaching 250° Fahrenheit maximum) which are ordered for the military, must meet the primary government specification (MIL-F-18240). While the

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adhesives.

[27] The Board notes that in applicant's July 21, 1993 answers to opposer's interrogatory Nos. 1 and 2, applicant defined the term "blue" as used in its involved applications, in part, as: "The color blue has the property of reflecting light of a particular wavelength. The color blue is one of the primary colors and it is also a distinct color of the spectrum. Nylok's use of the term 'blue' in its trademark application is no different from the plain an [sic] ordinary meaning of the term in everyday language." Applicant identified the shades of blue it intends to be covered by the term "blue" in its applications, in part, as "all colors included within these limits (from the previously stated range of Munsell colors) as well as all reasonable equivalents and expansions thereof."

percentage of nylon fasteners ordered under this military specification is very small, nonetheless, for those which do come under this specification, the manufacturer/processor is required to produce the nylon patch, pellet or strip locking elements in the color designated for that company (e.g., blue is assigned to applicant, yellow is assigned to opposer, red is assigned to Aerospace Nylok Corporation--a subsidiary of applicant, and green is assigned to Long-Lok Fastener Corporation).[28]

On the commercial side, the Industrial Fasteners Institute (IFI) publishes voluntary standards for prevailing torque locking fasteners (IFI 124) as well as for chemical adhesive locking fasteners (IFI 125).

A mark which constitutes a configuration of the goods or their packaging is de jure functional if the configuration of the product or container embodies a feature which is superior to other available designs and thus provides a competitive advantage to the user. See In re Morton-Norwich Products, Inc., 671 F.2d 1332, 213 USPQ 9 (CCPA 1982). Functionality standards are equally applicable when determining whether a color for which registration is

[28] This military specification has existed for several decades, and has been revised several times. The assignment of color is not new, but for some years more than one company was approved to produce a single color. The latest revision cancelled all previous color assignments and required one color per manufacturer. The 1989 revision allowed companies to deplete existing stocks. However, there is no evidence that any

sought is de jure functional. See Brunswick Corp. v. British Seagull, supra.

We note that the situation now before us is not that of a color applied as the uniform color of the product itself (e.g., gold/green color of a dry cleaning press pad as in Qualitex Co. v. Jacobson Products Co., 514 U.S. 159, 115 S.Ct. 1300, 34 USPQ2d 1161 (1995); pink insulation as in In re Owens-Corning Fiberglas Corp., 774 F.2d 1116, 227 USPQ 417 (Fed. Cir. 1985); and a black outboard motor as in Brunswick Corp. v. British Seagull, supra). Rather, this consolidated case involves color applied to a product in a defined design. See 1 J. McCarthy, McCarthy on Trademarks and Unfair Competition, §7:45 (4th ed. 1999). In any event, there is no question that color may be the subject of a trademark. But, if the color is de jure functional, it is not registrable as a trademark. See Qualitex v. Jacobson, supra.

In this case opposer contends that the color blue in nylon patch, pellet or strip locking elements of fasteners is de jure functional because of the competitive need of other fastener processors to make those nylon locking elements in any color, including blue. Specifically, opposer contends that customers of opposer and other fastener processors sometimes demand the nylon locking

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processors had existing stocks of any color other than their

element in blue; that blue shows up better than other colors for purposes of the visual inspection of whether a nylon locking element is on the fastener (e.g., brass, silver and chrome plated fasteners all contrast better with blue than with yellow or black); that blue is often used to indicate metric fasteners or to indicate different size fasteners (length or diameter); that applicant itself uses different shades of blue to distinguish between Kel-F thermoplastic products it processes and the blue nylon elements it processes; that certain end users have adopted policies utilizing or prohibiting certain colors for their own purposes (e.g., some witnesses, albeit none from General Motors, testified that at least for a time General Motors did not allow red because they used that color to indicate a rejected part); and that because there are only limited colors that fall into the 'better' category for use on the involved products, the color depletion theory prohibits registration.

The record shows that use of the color blue to identify metric fasteners came into practice in the 1970s, but such practice involved use of the color of the plating on the entire fastener rather than on the nylon locking element itself. Further, even some of opposer's witnesses testified that when color coding to differentiate metric from inch

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primary color.

fasteners, customers used colors other than blue for metric. (See the testimony of e.g., Deborah Lee Douglas, general manager and purchasing manger, Northwestern Industrial Division of Distribution Dynamics, Inc.--customer ordered red to indicate metric; and Harrington Moore, president, Harrington Moore, Inc.--customer ordered yellow to indicate metric.) Moreover, it appears that metric fasteners are now marked in some manner on the head of the fastener, and that coding them by color has long since died in practice.

Further, there is certainly no convincing evidence that color is or must be used on nylon locking elements in patch, pellet or strip form to identify and differentiate between sizes of fasteners (diameter and/or length), or that even if color is so used, that it must involve blue. There is limited evidence of a few customers who requested two separate colors (not necessarily including blue) to differentiate sizes for their own purpose, whatever that may have been. But these situations are so minuscule in terms of the amount of total product involved as to be insignificant. Opposer has not proven that producers of self-locking fasteners have a competitive need to use the color blue for the nylon locking element to differentiate either metric from inch or to indicate various fastener sizes.

Likewise, with regard to opposer's allegation that there is a need to use blue because its visibility makes it one of the "best" or "better" colors for seeing the nylon locking element is simply not established on this record. Rather, many witnesses testified that on those occasions when orders do include a specified color, there is not necessarily any follow up to ascertain why a customer wanted a particular color. Generally, the only follow up on specific color requests is to determine if the customer can be convinced to allow processing the nylon element in the primary color used by the involved processor. It is true that some witnesses testified that some colors are better in terms of being easily visible in contrast to the fastener itself (i.e., blue, green or red) while other colors are not as highly visible (e.g., silver, black). But this testimony does not prove that the color blue must be available to all processors as a color for the involved nylon locking elements in order for opposer (and others) to remain competitive. Moreover, frequently the witnesses simply represented that individual's personal preference in color, and/or named many colors as being "visible."

There is no question that Kel-F thermoplastic material has been produced by applicant as well as other companies in the color blue, and also that chemical adhesives are applied by several companies in a variety of colors, including blue.

Further, it is difficult to tell Kel-F material from nylon by visual inspection only, but some witnesses did testify that they could distinguish the products by touch. There is conflicting testimony as to whether chemical adhesives can be distinguished from nylon by visual inspection only. However, some witnesses testified that chemical adhesives are distinguishable from nylon on visual inspection only because the adhesives are thinner in application. Although there is conflicting testimony, we find on this record that generally neither Kel-F material nor chemical adhesives serves the same function, nor are they confused in the industry with nylon locking elements. Even though at least some companies produce all three products, the products do not realistically compete and are not confused in the marketplace.

The traditional color depletion theory does not apply to prevent registration of applicant’s marks in this case. Opposer has not proven that a blue color in the nylon locking element in patch, pellet and strip form is used by relevant purchasers to distinguish metric or different size fasteners, or that the color blue is necessary as a “better” color in terms of visibility on the fastener, or that customers demand a color, including blue, for any functional purpose on the involved goods. Cf. Kasco Corp. v. Southern Saw Service, Inc., 27 USPQ2d 1501 (TTAB 1993).

To the contrary, this record shows that most customers seeking fasteners with nylon locking elements do not usually demand a color at all, nor do they even care about the particular color of the locking element. They are more concerned with the performance of the product. When a customer does request a specific color nylon patch pellet or strip element, the processor generally attempts to convince the customer to accept the color primarily run by that processor.

Finally, as additional evidence that there is no competitive need for processors to use the color blue for these goods, even opposer once indicated that the use of multiple colors for these goods was "of little importance" in their current business. Opposer ran an advertisement titled "ND Patch®...a coat of many colors!" (applicant's exhibit 27—Weaver dep.) in which the background color is yellow with the exception of a blue square in the upper right portion of the page, and within the square are various externally threaded fasteners showing different colors thereon. The text reads, in part, as follows:

> What color would <u>you</u> like? Customers sometimes ask for our self-locking 90° Patch or 360° Ring-Patch in a color other than its traditional yellow color. Regardless of color, the popular ND Patch process makes your fasteners self-locking and self-sealing while leaving them fully adjustable and reusable....And it's QPL-18240 listed. (Emphasis in original)

A complaint was made to opposer by a manufacturer (who opposer alleges was made aware of the ad by applicant) regarding the reference in the ad to QPL-18240[29] when opposer is only approved on that list for yellow. Thereafter, Richard M. Wallace, president of opposer, sent an in-house memo dated March 24, 1993, in which he stated, inter alia, that "[w]hile this is of little importance to our current business, it is impossible to know what the future has in store...all parts processed per MIL-F-18240 must be done in or [sic] assigned yellow color." (Emphasis in original). (Applicant's exhibit No. 28)

The voluminous record before us does not establish that registration of the color blue for applicant's nylon patch, pellet and strip locking elements is prohibited based on competitive need. See Brunswick Corp. v. British Seagull, supra. The color blue for a nylon patch, pellet or strip does not serve a functional purpose that must be available to all nylon processors in order for companies in this industry to effectively compete. Rather, the record is replete with evidence that competing fastener processors produce their nylon patch and/or pellet and/or strip nylon locking elements in primarily a single color (e.g., opposer in yellow, applicant in blue, Ajax Bolt and Screw in pink, Aerospace Nylok Corporation--applicant's subsidiary--in

[29] QPL is an acronym for the "qualified products list" which

red); that they have done so for many years (in some cases for decades); and that there is significant recognition of this practice in the industry.

We find, therefore, that the seven applied-for marks are not de jure functional.[30]

Turning then to the question of whether the marks in the applications have acquired distinctiveness, we initially note that since there are seven separate applications, opposer has argued that applicant's utilization of collective sales and advertising figures and other collective evidence does not establish secondary meaning for each of the seven marks separately. We acknowledge that much of applicant's evidence of acquired distinctiveness was

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refers to products qualified under the military specification.

[30] Opposer argues that in the federal civil actions between the parties, applicant "incredibly agreed to an Order entered on March 6, 1992 that gave up <u>any</u> right or remedy based upon infringement of its alleged blue trademarks" from the date of a prior Consent Judgment order (May 29, 1991) to the date the Patent and Trademark Office renders a decision on the registrability of these marks. Opposer further argues that applicant has thus "voluntarily forfeited any common law trademark rights" it had previously alleged. (Opposer's brief, p. 17, emphasis in original). Applicant contends that it did not consent or acquiesence to opposer's use of the color blue for the involved goods, nor did it agree to anything amounting to an absolute forfeiture of its rights. Rather, applicant asserts that it simply delayed its right to pursue relief against opposer. We agree with applicant. Opposer's interpretation takes the consent to an illogical extreme; and we disagree with opposer that the case of Mine Safety Appliances Company v. The Electric Storage Battery Co., 405 F.2d 901, 160 USPQ 413 (CCPA 1969) requires a different result herein. We also believe that opposer's interpretation of the consent order would certainly discourage settlement of cases before the District Courts. (With regard to other parties, applicant points out that it has successfully taken action against several other entities to

commingled. We also acknowledge that the record shows that applicant sells far more externally threaded fasteners than internally threaded fasteners, and that applicant sells more 90˚ to 180˚ nylon patch elements than 360˚ nylon patch elements, and more nylon patch elements than nylon strip elements. However, based on the overall evidence, including testimony and other evidence (e.g., advertising and brochures of numerous fastener companies--including that of both opposer and applicant), we find that in this particular industry it is common to advertise the various types of nylon locking elements (patch, pellet, and strip) together; it is common to advertise the different available locking elements offered by a company (e.g., adhesive, Kel-F, and/or nylon) together; and it is common for processors of these nylon locking elements to produce primarily only one color. We want to make plain that we are convinced on the record before us that applicant has met its burden of proving acquired distinctiveness for each separate application.[31]

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protect its blue trademark, especially subsequent to the case of Qualitex v. Jacobson, supra.)

[31] Following the Board's March 10, 1993 order (entering summary judgment against applicant on the original identifications of goods, and denying summary judgment on the amended identifications of goods), opposer filed a petition to the Commissioner requesting that the denial of summary judgment be reversed or alternatively that the seven applications be remanded to the Examining Attorney for ex parte review of the showings of acquired distinctiveness. On April 26, 1994 the Commissioner denied the petition explaining that review of a Board decision on a summary judgment motion is not reviewable by the Commissioner. As to applicant's alternative request that the applications be remanded to the Examining Attorney, the Commissioner explained

The reality is that blue has been applicant’s primary color for nylon locking elements in patch, pellet and strip form

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that in an inter partes proceeding before the Board the application is not remanded, but rather issues relating thereto are determined by the Board from the trial evidence pursuant to Trademark Rule 2.133(a).

for decades and fastener manufacturers and/or distributors and/or other processors recognize this.

The testimony shows that applicant has sold a prevailing torque self-locking fastener with a blue-colored nylon element since the mid 1950s (the patch was first developed and used on externally threaded fasteners); and that it has advertised and promoted its blue-colored nylon locking elements since that time. Applicant has made of record catalogs, brochures and/or advertisements going back to 1970 which have a background color, printed words, and applicant's nylon locking element, all in blue (e.g., applicant's exhibit Nos. 53-55); and there are recent advertisements which likewise emphasize the color blue, and are titled "True Blue." (Applicant's exhibit Nos. 17-18).

Applicant established significant sales (in dollars and in units), as well as substantial advertising and promotional expenditures.[32]

Of most importance on the question of acquired distinctiveness is the purchasing public's perception and understanding of the applied-for mark. In this case, the record is clear that blue is perceived as identifying the

[32] Applicant's vice president of administration, and director, Sharon Easton, provided sales figures for blue nylon locking elements for 1954-1997, and advertising figures for 1987-1997. Applicant's exhibit Nos. 49, 50 and 51. (Opposer's assistant to the president, Mickey Weaver, provided opposer's sales figures for blue nylon for pre-1982, and 1982-1992. Opposer's exhibit No. 124.)

source of applicant's nylon locking elements. Even several of *opposer's* witnesses recognized blue as identifying the source of the goods, and most of those specifically recognized the source as applicant. See, e.g., the following testimony:

(1) Thomas J. Waller, Jr., president, Hi-Tech Fasteners (distributor of fasteners for the electronics industry), 18 years experience in the fastener industry, pp. 35-36;

(2) Thomas T. Turner, branch manager, Alatec Products (distributor of fasteners for the aerospace industry), 23 years experience in the fastener industry, pp. 23-24, 101, 107;

(3) Randy Ammon, president, Long-Lok Fasteners Corporation (processor of fasteners), 29 years experience in the fastener industry, pp. 77, 102;

(4) Bryan Wayne Huey, president B & L Bolt Company (distributor of fasteners in the appliance, furniture, manufactured goods industries), 21 years experience in the fastener industry, pp. 22-23;

(5) Stephen Smith, vice president marketing, The Bradley Group (processor of chemical adhesives to fasteners for automotive, computer, farm vehicles), 26 years experience in the fastener industry, pp. 42-44; and

(6) Norman D. Young, assistant general manager, Komar Screw Corporation (manufacturer and distributor of fasteners for the small motor market-small appliances, commercial trailers), 30 years experience in the fastener industry, pp. 17, 23, 37-38.

Even opposer's president, Richard M. Wallace, acknowledged (reluctantly) that applicant runs primarily blue nylon locking elements and opposer runs primarily yellow. (Wallace dep., pp. 62-63)

Not surprisingly, applicant's witnesses (except the survey witness, and opposer's president) each testified that he or she associates a particular color with an individual processor, specifically including blue-colored nylon locking elements with applicant. Even after cross-examination where opposer's attorney pointed out there were some exceptions in that applicant had processed nylon elements in colors other than blue and that other companies had processed nylon elements in blue, applicant's witnesses' testimony essentially remained that they associated color with the manufacturer or processor, and specifically that blue identified applicant as the source of the goods.

Also, during rebuttal opposer took the testimony of four people involved in the business of making nylon collar ring inserts (full 360° circumference) for locknuts. Without a lengthy explanation, suffice it to say that these goods do not compete with nylon locking elements in patch, pellet or strip form. In fact, opposer's rebuttal witnesses testified that color is used to identify the source of nylon collar ring insert locknuts (yellow for Abbott Interfast, blue for Industrial Nut Corporation, green for Greer Stop Nut Incorporated, and purple for Continental Aero); that several of these companies have federal registrations for their claimed color for locknuts; and that nylon ring collar

inserts and nylon patch, pellet and strip elements do not compete as they are used for different situations.

Opposer has shown incredible perseverance, involving examination and scrutiny of thousands of individual orders, invoices and other documents, and taking the testimony of many witnesses, in its effort to show that blue-colored nylon locking elements have been ordered from companies other than applicant, and that applicant has produced nylon locking elements in colors other than blue. But these exceptions (both applicant's production of non-blue nylon locking elements, and other processors', including opposer's, production of blue nylon locking elements) clearly do not represent the general practice in the relevant industry; and in fact, each number is an insignificant fractional percentage of the total number of nylon locking elements involved.

Besides being very insignificant in total amount involved, many of the exceptions to applicant's production of non-blue colored nylon locking fasteners are fully understandable in the business world. For example, when applicant acquired Aerospace Nylok Corporation it then produced primarily red nylon elements through that company, and applicant continues to do so; and when applicant acquired Torkon Fastener Corporation it produced primarily

plum colored nylon elements for those customers for a few years until that was phased out.

Opposer's evidence that applicant produces different colored locking elements for other uses, e.g., a nylon locking element in the color orange (sold under the mark Nytemp) for applications where temperatures reach 450° Fahrenheit, Kel-F thermoplastic material, and a line of chemical adhesive coatings in different colors does not negate applicant's trademark in blue-colored nylon locking elements in patch, pellet and strip form. This is so because, as explained above, on the record before us it appears that the scientific properties and capabilities of nylon, chemical adhesives, Kel-F thermoplastic material, and other locking materials are not interchangeable and the industry and the customers are aware of that and will act accordingly. That is, different fasteners and different locking elements perform separate and distinct functions of which the relevant purchasers are aware, and, therefore, the various types of locking fasteners generally do not directly compete and are not confused in the marketplace.

Opposer, perhaps based on its fierce business competition with applicant, has simply researched hundreds if not thousands of individual orders, invoices, etc., in order to find the very few exceptions to applicant's use of blue for these goods. Opposer has shown that the paperwork

in the fastener processor business is not perfect, and that applicant, opposer and other processors have processed extremely small amounts of nylon locking element fasteners in colors other than the primary or traditional color provided by that company. Nonetheless, there is ample evidence (such as testimony of recognition by many witnesses, including some of opposer's own witnesses) that applicant's use of the color blue as described and as used on the specific goods identified in applicant's seven applications has been *substantially* exclusive, and that the color blue on these goods has acquired distinctiveness and is thus recognized as identifying the source of the goods.

In sum, applicant has established by a preponderance of the evidence (considered in its entirety) that it has had substantially exclusive and continuous use of the color blue for the patch, pellet, and strip nylon locking element on the involved fasteners for decades; that applicant's sales account for the vast majority of blue nylon locking elements on the market and in fact the amount not produced by applicant is but a fractional percentage; that applicant has expended substantial sums on advertising and promoting the color blue for nylon locking elements for decades; that it has accomplished huge sales both in terms of dollars and number of units; that the relevant purchasers, as well as competitors, recognize the color blue for these nylon

locking elements on these goods as identifying the source of the goods (and usually they specifically recognize blue as identifying applicant as the source); and that for the small segment of this market calling for compliance with the military specification, applicant has been assigned the color blue and, in the most recent revision, applicant is the sole company assigned the color blue. See Section 2(f) of the Trademark Act; and Yamaha v. Hoshino, supra.

Applicant has also submitted the testimony, as well as a report, from Sarah Parikh, applicant's survey expert. Opposer, through the testimony of its expert, Dr. Robert Sorensen, has criticized the survey as to the methodology, validity and reliability thereof. (For example, opposer's expert witness criticized the use of a telephone survey in the circumstances of this case, the identified companies used as the population, inadequate screening questions, leading questions, and faulty final calculations due to ambiguous wording.) Dr. Sorensen found the survey "cannot be relied upon as valid evidence in helping to resolve the issues of secondary meaning..." (Sorensen declaration, paragraph 54--opposer's exhibit No. 182); and he also stated "that [applicant's] survey seriously falls short of relevance and validity, and therefore cannot be relied upon in evaluating the claims of Nylok concerning blue as a trademark..." (Sorensen declaration, paragraph 64--opposer's

exhibit No. 182). In its brief on the case, opposer argues that the survey is fatally flawed and unreliable, and "[a]ccordingly, little or no weight should be given to [applicant's] survey, except to demonstrate that many in the industry are confused as to the meaning of the terms 'prevailing torque locking', 'patch', 'pellet', 'strip' and/or 'nylon'." While we agree with some of opposer's specific concerns about the design, implementation and interpretation of the survey, we need not reach this matter because we find that applicant has established secondary meaning for its seven involved marks without needing to rely on its survey.[33]

Finally, opposer's argument that it is entitled to prevail because applicant engaged in inappropriate conduct, including witness tampering, concealment of applicant's survey witness, and concealment of facts during the ex parte prosecution of the applications, is not supported by the evidence.

Decision: The oppositions are dismissed, and the

[33] Surveys are not required in Board proceedings. As the Board has noted: "We appreciate the significant financial cost of surveys. Moreover, we obviously recognize the limited jurisdictional nature of Board proceedings, wherein only rights to registrability, not use, are determined." See Hilson Research Inc. v. Society for Human Resource Management, 27 USPQ2d 1423, 1435-1436 (TTAB 1993).

applications will proceed to issuance under Section 2(f) of the Trademark Act.

E. W. Hanak

G. D. Hohein

B. A. Chapman
Administrative Trademark Judges, Trademark Trial and Appeal