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# THE TRADEMARK OFFICE COMES TO CALIFORNIA

## Priority and Tacking Third Party Marks

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# **PRIORITY and TACKING**



## ***“PRIORITY” DEFINED***

- **Coming earlier in time**
- **Superior right by order of importance**



## ***FRIENDLY'S LAW***

**“The concept of priority in the law of trademarks is applied not in its calendar sense but on the basis of the equities involved.”**

Chandon Champagne Corp. v. San Marino Wine Corp., 335 F.2d 531,  
142 USPQ 239 (2<sup>nd</sup> Cir.1964)

## ***USE IN COMMERCE***

Bona fide use in the ordinary course of trade,  
and not made merely to reserve a right in the  
mark.



## ***USE IN COMMERCE***

**Trademark: Goods sold or transported in  
commerce**

**Service Mark: Services rendered in  
commerce**

Section 45 (“use in commerce”) 15 USC 1127

***METHOD OF USE***  
***“Technical” Use***

**Trademark used on**

- the goods
- containers
- associated displays
- associated documents

**Service Mark used on**

- advertising of the services

Section 45 (“use in commerce”) 15 USC 1127. TMEP 905

## ***TRADITIONAL RULES OF PRIORITY***

First to use distinctive mark wins.<sup>1</sup>

- A single bona fide commercial transaction may suffice
- Use need not be extensive
- Use need not result in:
  - deep market penetration
  - widespread recognition<sup>2</sup>

<sup>1</sup> Allard Enterprises v. Advanced Programming Resources, 146 F.3d 350, 56 USPQ2d 1865, 1868 (6th Cir. 1998)

<sup>2</sup> National Chemsearch Corp. v. Chemtek Corp., 170 USPQ 110 (TTAB 1971); Brookfield Communications v. West Coast Entertainment, 174 F.3d 1036, 1047, 50 USPQ2d 1545 (9th Cir. 1999)





**Preparing to do business under a mark  
*usually* does not confer right of priority.**

**The following do not:**

- **reserving a corporate name<sup>1</sup>**
- **reserving a domain name<sup>2</sup>**

**No trade, no trademark<sup>3</sup>**

<sup>1</sup> Brookfield Communications v. West Coast Entertainment, 174 F.3d 1036, 1051, 50 USPQ2d 1545 (9th Cir. 1999)

<sup>2</sup> Bellanca Aircraft Corp. v. Bellanca Aircraft Engineering, 190 USPQ 158, 169 (TTAB 1976)

<sup>3</sup> Signature Guardian Sys. v. Lee, 209 USPQ 81, 87 (TTAB 1980)



***PRIORITY***

***LUCENT INFORMATION MANAGEMENT, INC.  
v. LUCENT TECHNOLOGIES, INC.***

186 F.3d 311, 51 U.S.P.Q.2d 1545 (3<sup>rd</sup> Cir. 1999)



## ***PRIORITY***

### **Lucent (3d Cir.)**

An effective first use of a mark must be sufficiently public to identify source in “an appropriate segment of the public mind.”



# ***PRIORITY***

## **Lucent (3d Cir.)**

Priority factors:

1. Sales volume
2. Growth trends
3. Ratio of actual purchasers and potential purchasers
4. Advertising volume



# ***PRIORITY***

## **Lucent (3d Cir.)**

Dissent: Priority factors were derived from territorial rights analysis.



## ***INTRA-STATE USE***

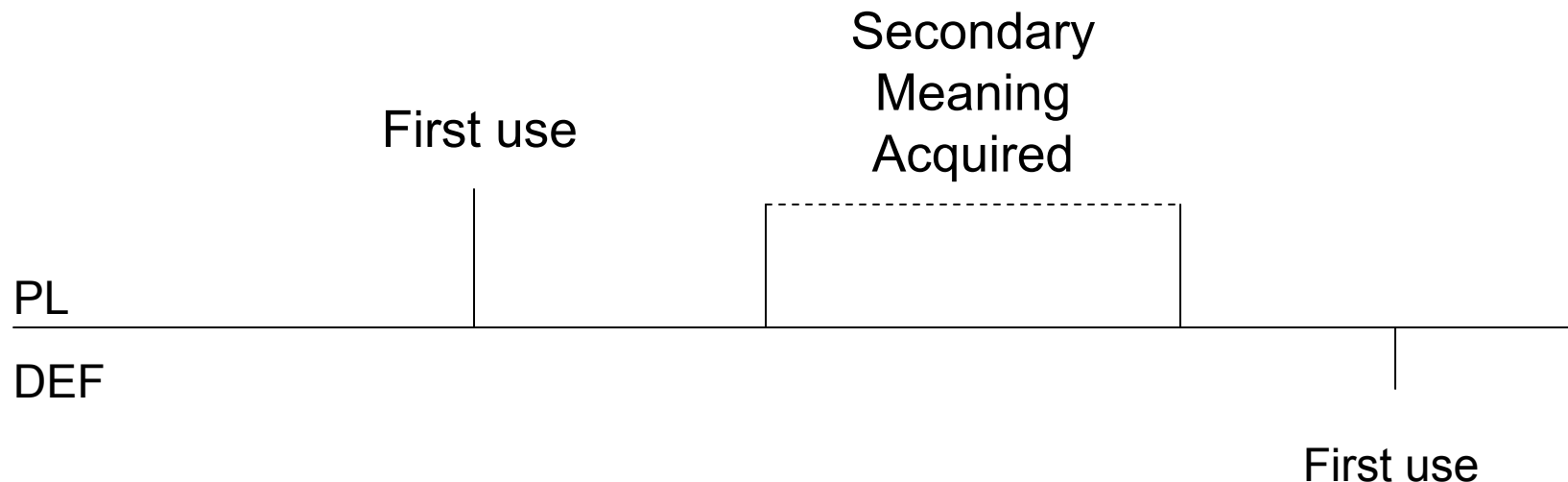
**Prior intra-state use (“in the United States”) beats interstate use.**

Section 2(d), 15 USC 1052 (d)

National Cable Television v. American Cinema Editors, 937 F.2d 1572, 19 USPQ2d 1424, 1429 n.4 (Fed. Cir. 1991)



***PRIOR SECONDARY MEANING  
REQUIRED FOR DESCRIPTIVE TERM***



Perma Ceram Enterprises v. Preco Industries, 23 USPQ2d 1134 (TTAB 1992)

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## ***PRIORITY***



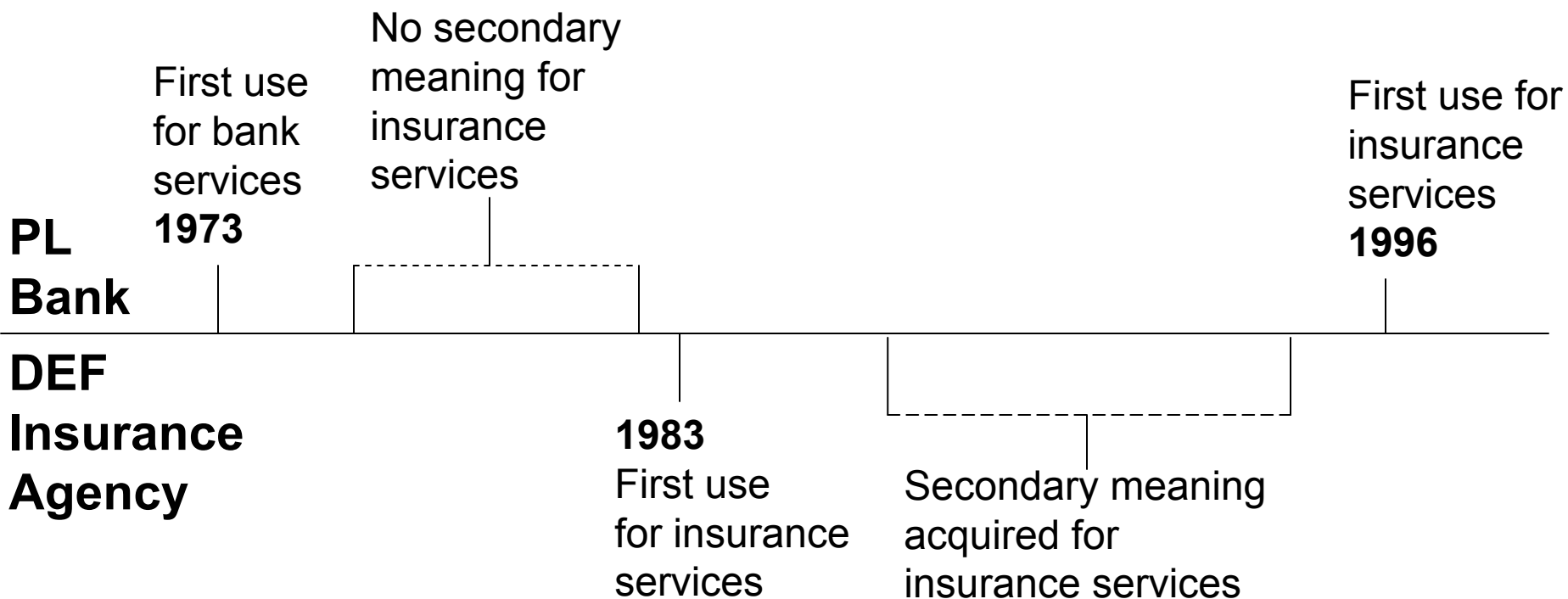
*for banking and insurance services*

Commerce National Insurance Services v. Commerce Insurance Agency, 214 F.3d 432, 55 USPQ2d 1098 (3d Cir. 2000)

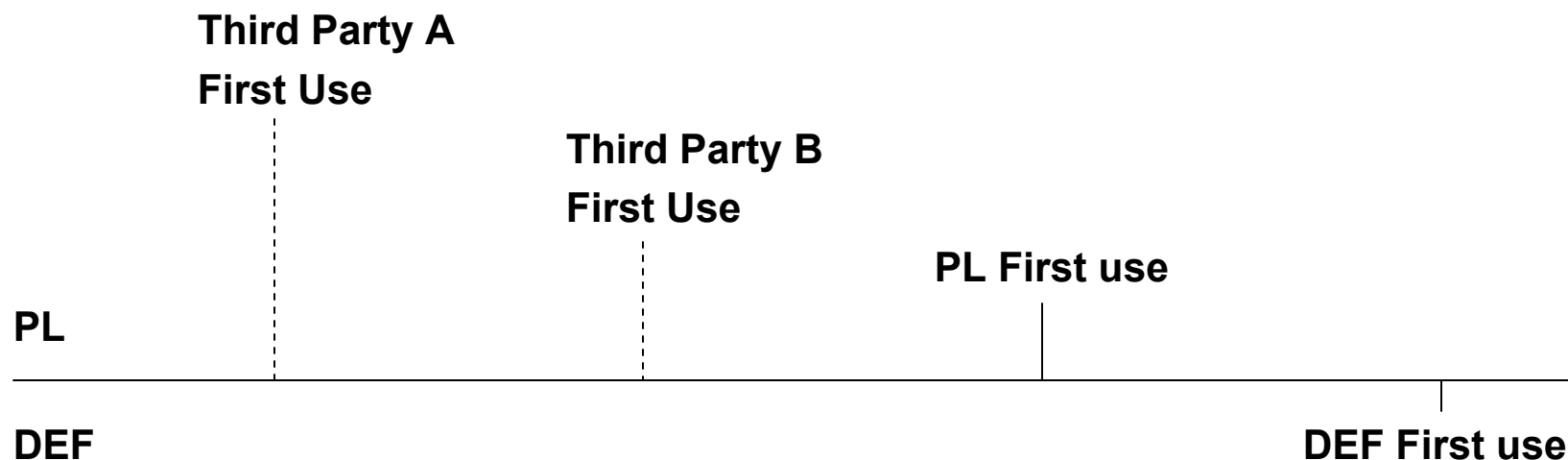


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## *PRIORITY TIMELINE* COMMERCE NATIONAL



***THIRD PARTY PRIORITY  
NOT A DEFENSE***



**Third party marks may be**

- **relevant to strength of senior mark**
- **relevant to secondary meaning**

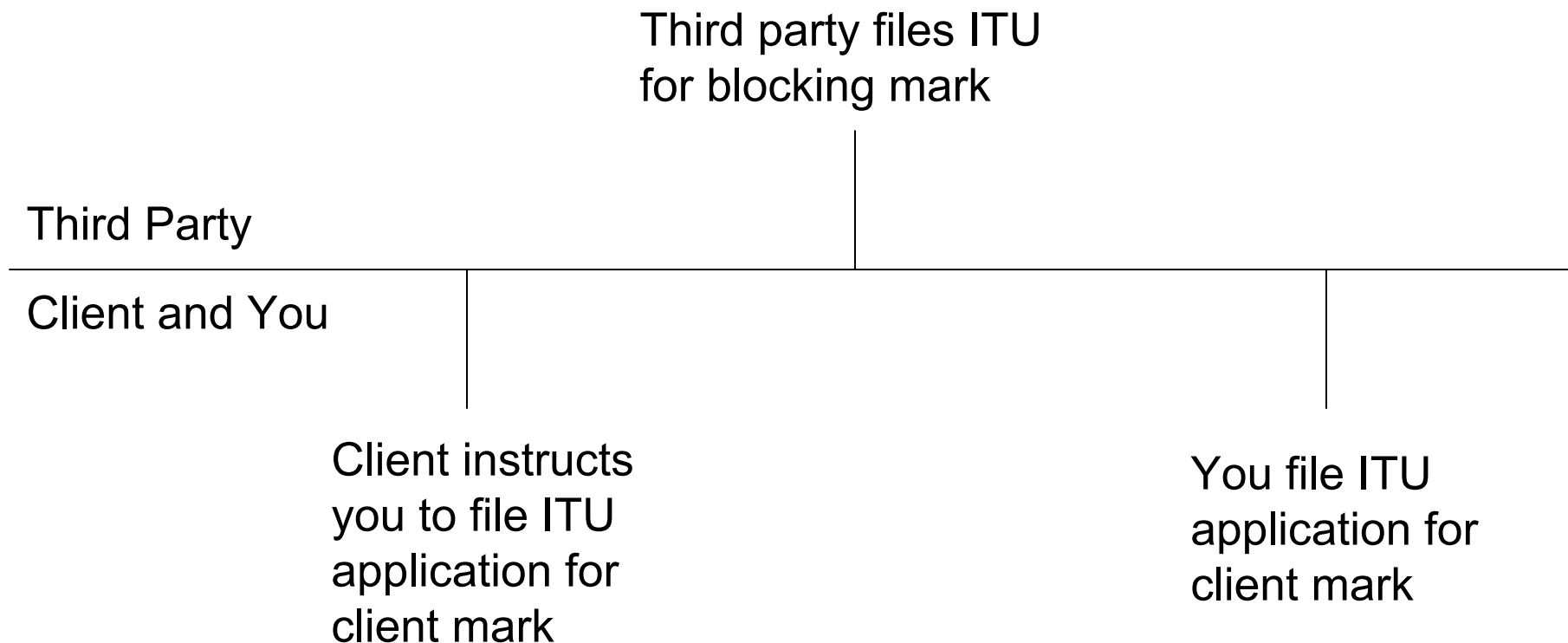
Stock Pot Restaurant v. Stockpot, 737 F.2d 1576, 222 USPQ 665 (Fed. Cir. 1984).

## ***ACTUAL AND CONSTRUCTIVE USE***

- **Prior actual use beats subsequent ITU filing date**
- **Prior ITU filing date beats subsequent actual use**

Section 7(c), 15 USC 1057(c)

## ***RISK MANAGEMENT TIMELINE***



***APPLICANT MAY RELY ON  
FILING DATE AS FIRST USE***

Pleaded first use

Proved first use

Opposer

Applicant

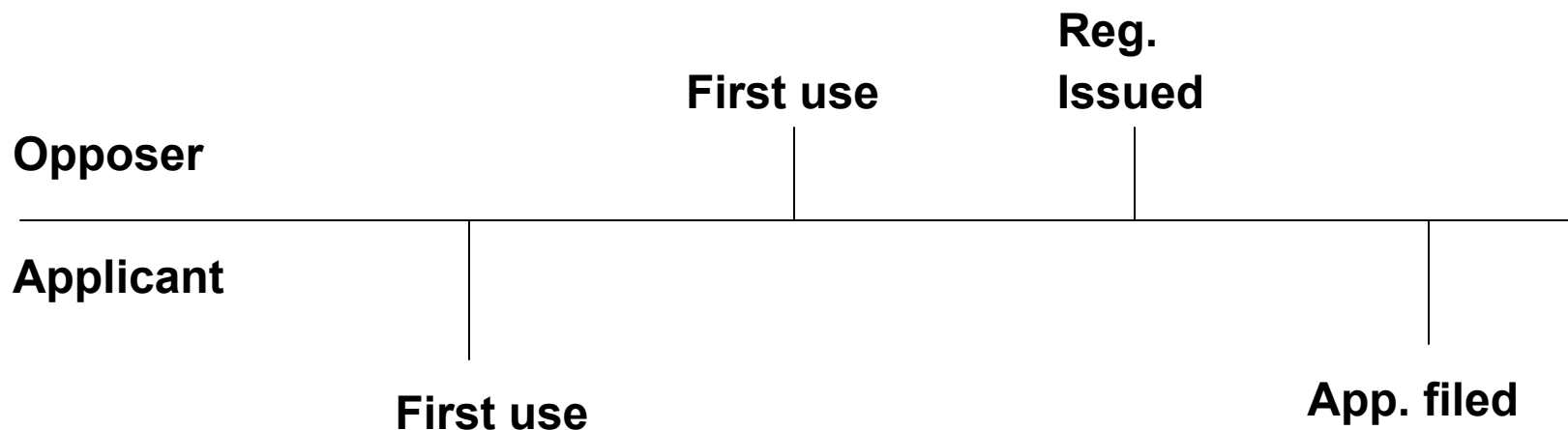
Claimed first use

Application filed

Levi Strauss & Co. v. Josephs Sportswear, 36 USPQ2d 1328, 1322 (TTAB 1995)



***REGISTRATION MAY BLOCK  
SENIOR MARK; APPLICANT MUST  
COUNTERCLAIM***



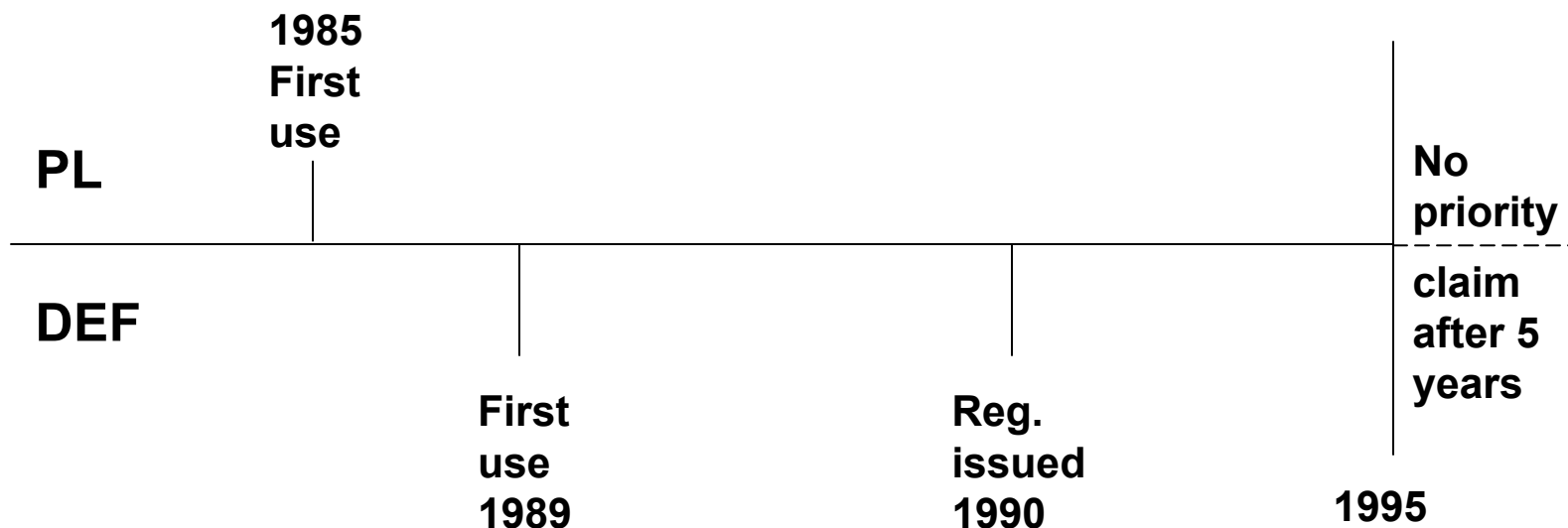
Section 2(d), 15 USC 1052 (d)

Ultra Tan Suntanning Centers v. UltraTan International, 49 USPQ2d 1313 (TTAB 1998);

Cosmetically Yours v. Clairol, 424 F.2d 1385, 165 USPQ 515 (CCPA 1970)



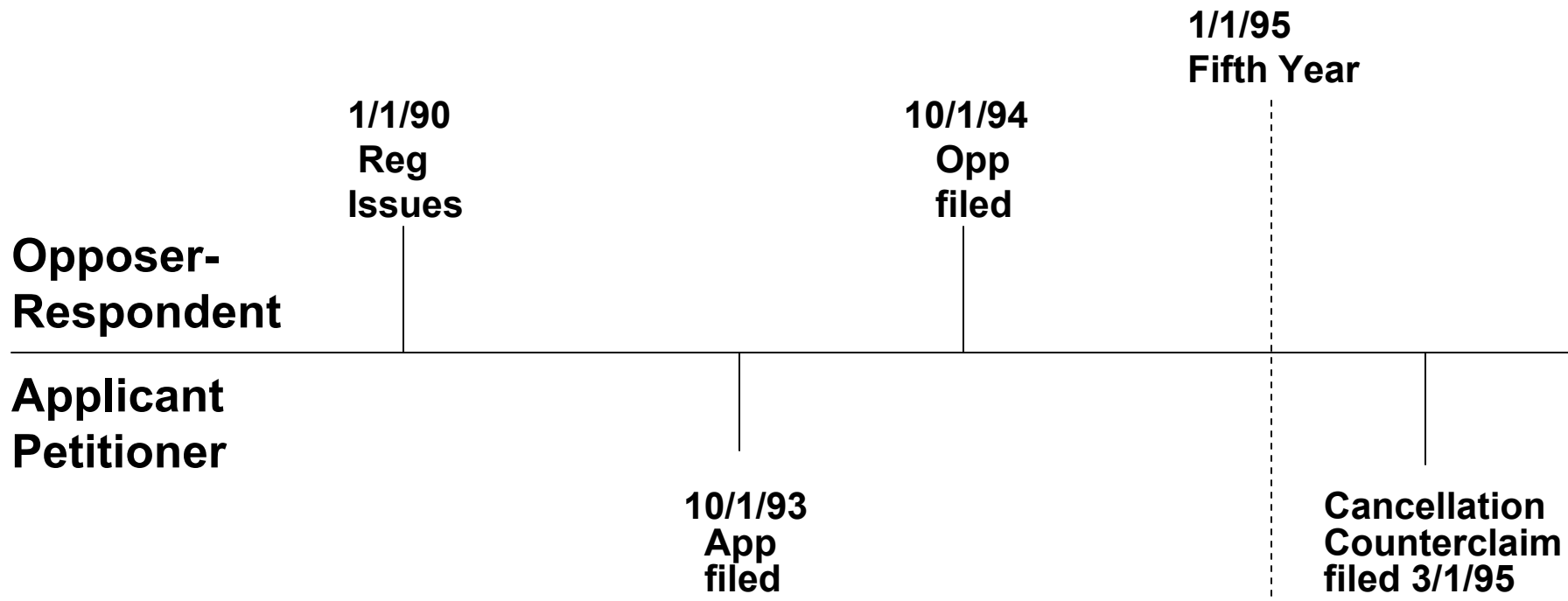
# ***STATUTE OF LIMITATIONS*** ***Petition to Cancel***



Section 14, 15 USC 1064, limitation is independent of Section 15 declaration. TBMP 308.02(b)

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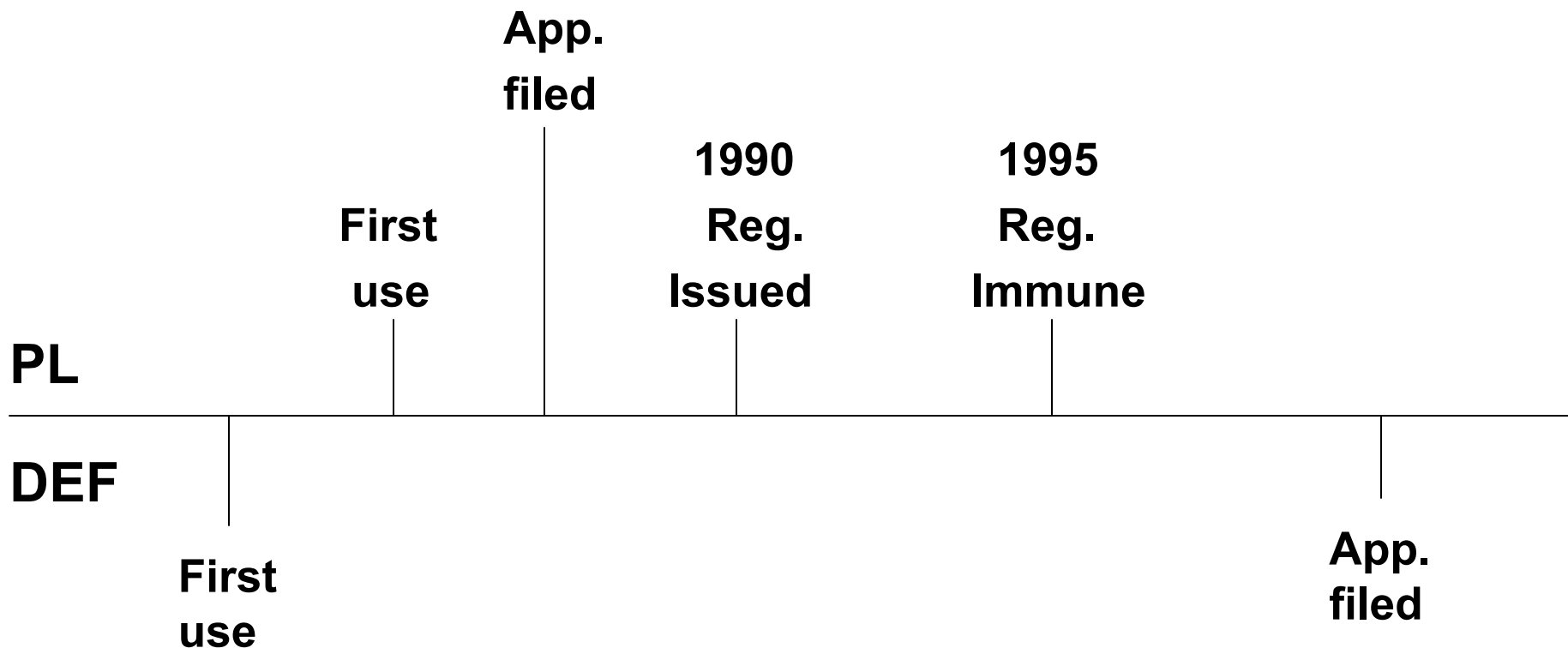
## *TOLLING THE STATUTE*



The filing of the opposition tolls, during the pendency of the proceeding, the running of the five year period for purposes of determining the grounds upon which a counterclaim may be based.  
TBMP 308.02(c)



***5 YEAR-PLUS REGISTRANT  
CHALLENGING A PRIOR USER***



# ***POSSIBLE ATTACKS ON 5 YEAR OLD REGISTRATIONS***

- **abandonment, fraud, etc.<sup>1</sup>**
- **restriction under Section 18<sup>2</sup>**
- **concurrent use<sup>3</sup>**

<sup>1</sup> Section 14, 15 USC 1064 (incorporating Section 2 (a), (b) & (c))

<sup>2</sup> Section 18, 15 USC 1068; Eurostar v. “Eurostar” Reitmoden GmbH,  
34 USPQ2d 1266, 1270 (TTAB 1994)

<sup>3</sup> TBMP 1104

## ***DUELING REGISTRATIONS***



Compare *Hilson Research v. Society for Human Resource Mgm.*, 27 USPQ2d 1423, 1428, n.13 (TTAB 1993) and *American Standard v. AQM Corp.*, 208 USPQ 840, 841- 42 (TTAB 1980)

with *Brewski Beer v. Brewski Bros.*, 47 USPQ2d 1281, 1284 (TTAB 1998) and *Pamex Foods v. Clover Club Foods*, 201 USPQ 308, 313 (TTAB 1978)



## ***TACKING***

**Proving an earlier date of use in order to achieve priority over an intervening user.**

- **earlier version of mark**
- **earlier period of use**



## ***PRIORITY WILD CARD***

**Owner may offer proof of actual use earlier than the dates claimed in the application.**

**Proof must be “clear and convincing.”**

Hydro-Dynamics v. George Putnam, 81 F.2d 1470, 1 USPQ2d 1772, 1773-74 (Fed. Cir. 1987)

**“The use requirements necessary prove priority are not as stringent as those for establishing a right to register.”<sup>1</sup>**

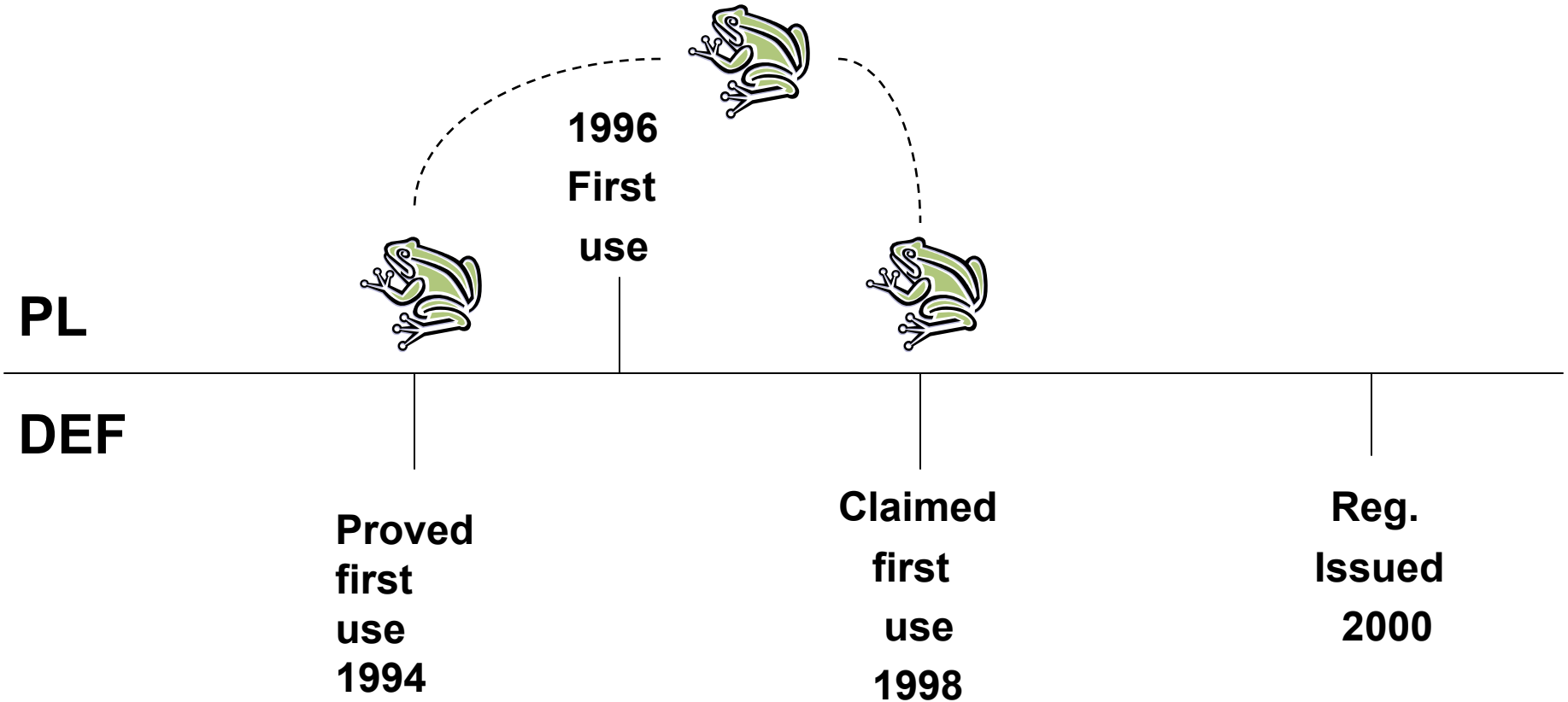
**E.g., prior use of trade name may beat trademark or service mark.<sup>2</sup>**

<sup>1</sup> Oromeccanica v. Ottmar Botzenhardt GmbH, 223 USPQ 59, 64 (TTAB 1983)

<sup>2</sup> Peopleware Systems v. Peopleware Inc., 226 USPQ 320, 324 (TTAB 1985)

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## ***PRIORITY LEAPFROG***



## ***ANALOGOUS USE***

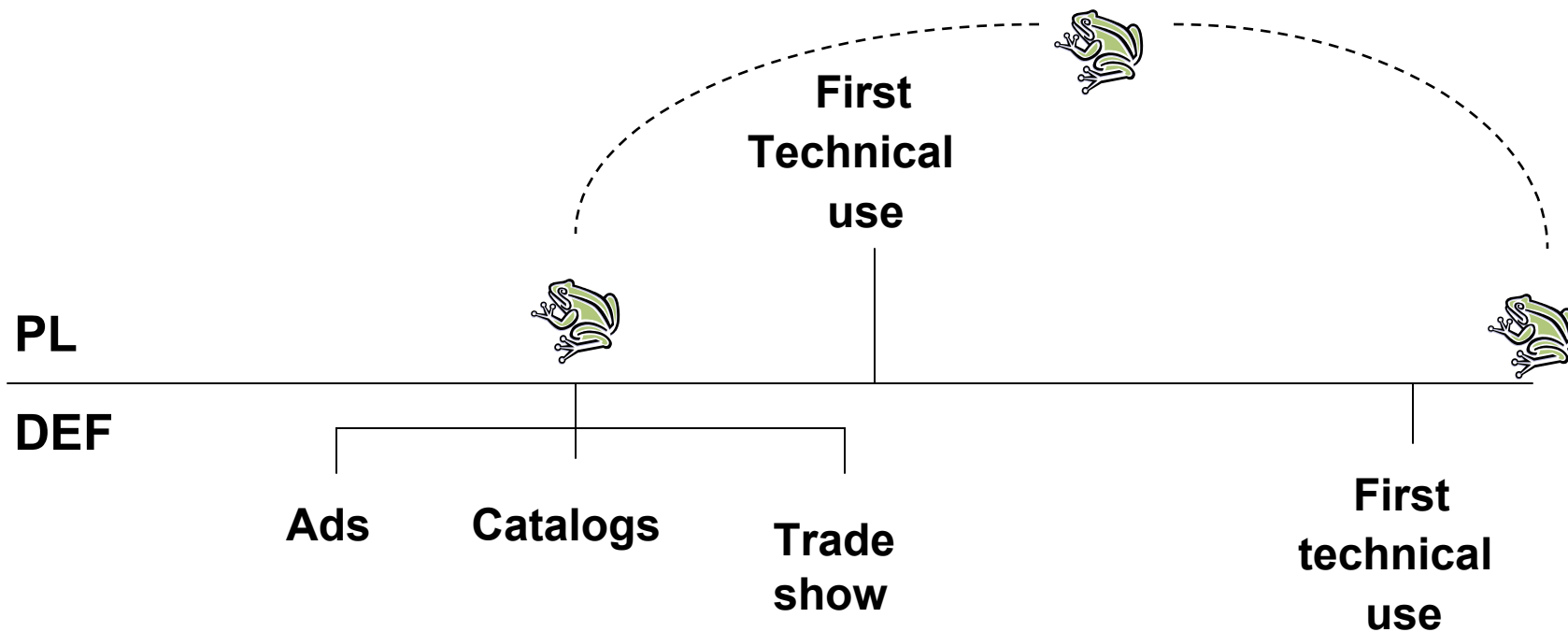
**Use analogous to trademark use is non-technical use of a trademark in connection with the promotion or sale of a product under circumstances which do not provide a basis for an application to register.**

Shalom Children's Wear Inc. v. In-Wear A/S, 26 USPQ2d 1516, 1519  
(TTAB 1993)



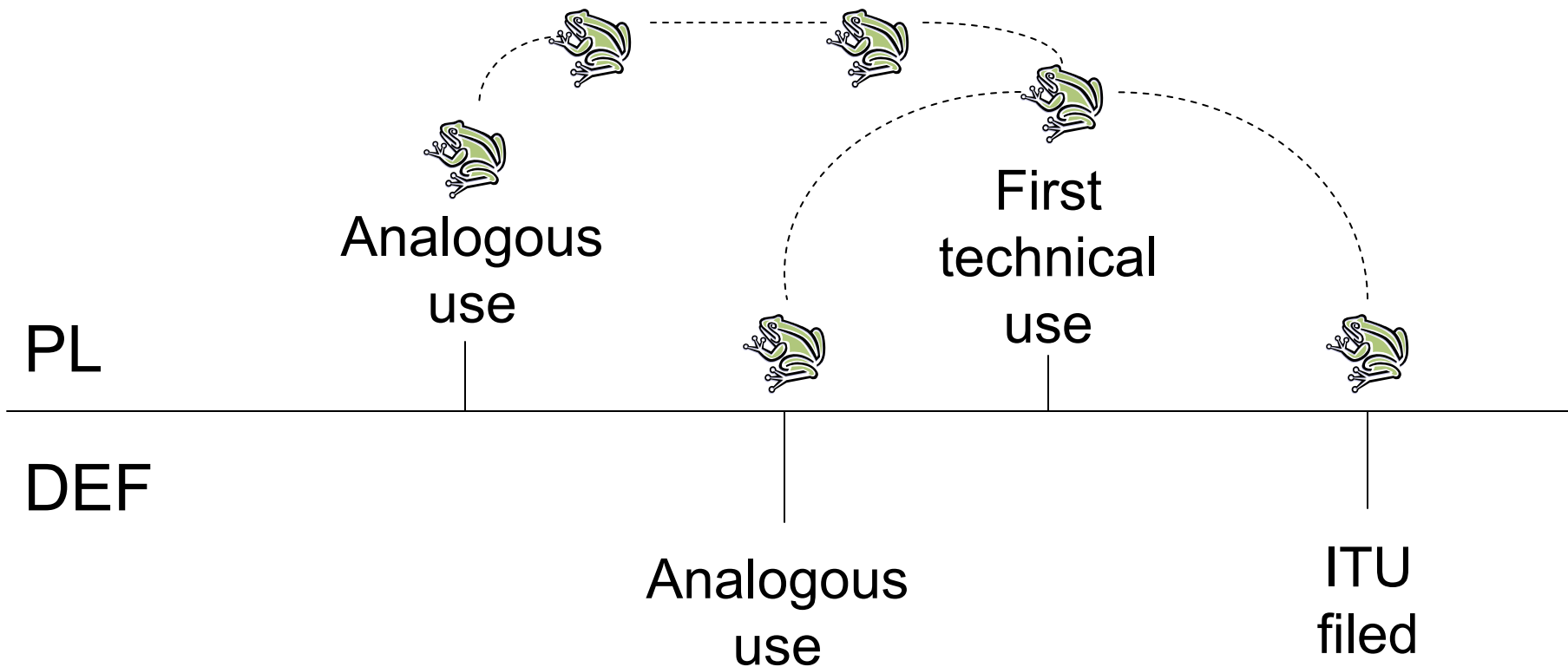
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## ***PRIOR ANALOGOUS USE BEATS SUBSEQUENT TECHNICAL USE***



Jimlar v. Army and Airforce Exchange Service, 24 USPQ2d 1216, 1220-21 (TTAB 1992)

# ***PRIOR ANALOGOUS USE*** ***ITU DATE***



Dyneer v. Automotive Products, 37 USPQ2d 1251, 1256-57 (TTAB 1995)

**Prior analogous use may be tacked  
if the applicant had a continuing  
“intent to cultivate an association of  
the Mark with itself and its goods  
*and ... such an association was created.*”**

McCarthy on Trademarks § 20:28

## ***PRE-SALES ANALOGOUS USE***

- **Mark must make “substantial impact” on a “substantial” number of potential customers.**
- **Mark must be “popularized” in the public mind.**
- **Publicity must be “clear, widespread and repetitive.”**

T.A.B. Systems v. Pactel Teletrac, 77 F.3d 1372, 37 USPQ2d 1879  
(Fed. Cir. 1996)

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## ***PRIORITY TIMELINE*** **MOVIEBUFF**

First use of MOVIEBUFF for  
Internet information database

1997

**PL**

**DEF**

2/96

Domain name  
registration of  
“moviebuff.com”

Mid 1996

moviebuff.com  
emails to  
lawyers and a few  
customers

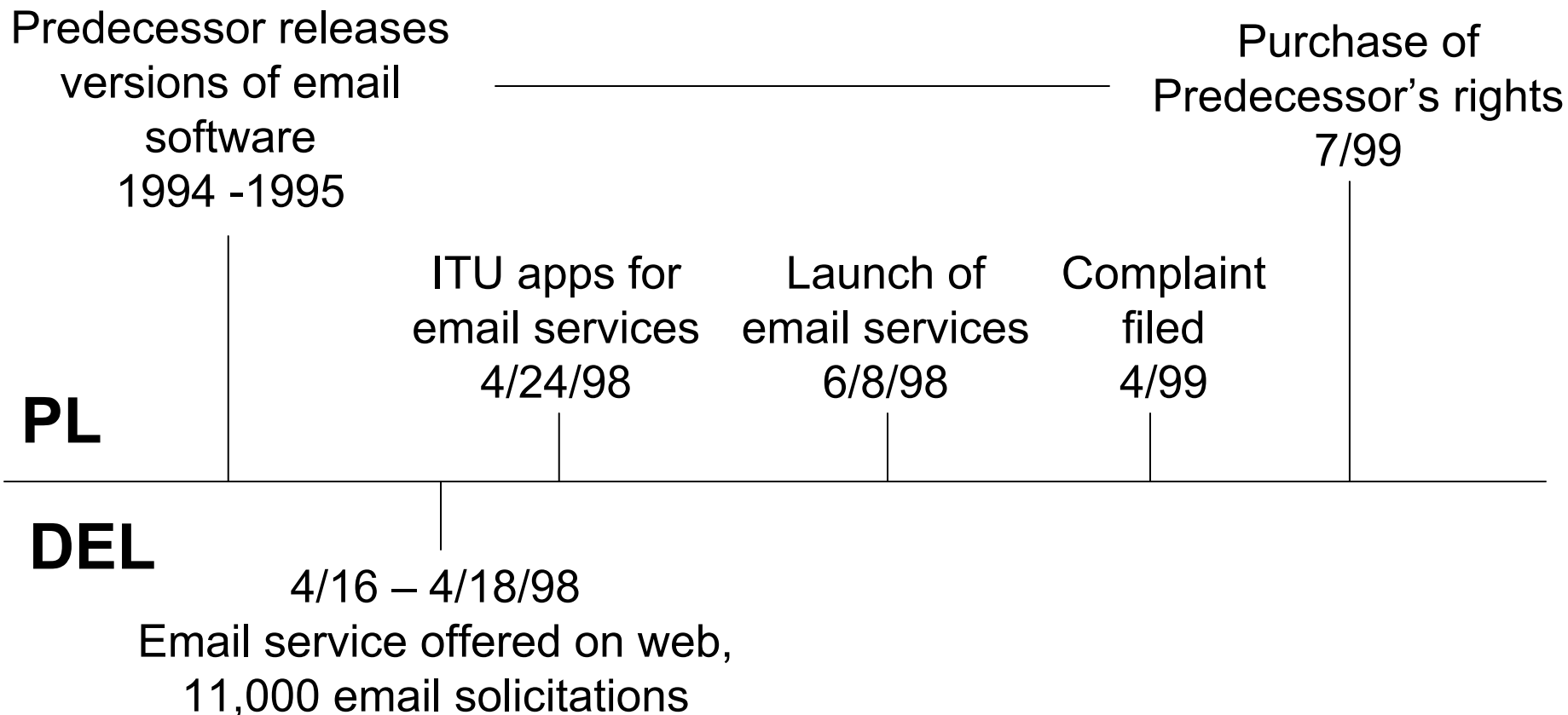
1998

First use of moviebuff.com  
by widespread public  
announcement about  
imminent launch of website

Brookfield Communications v. West Coast Entertainment, 174 F.3d 1036, 50 USPQ2d 1545  
(9<sup>th</sup> cir. 1999)



# ACQUIRING PRIORITY



## **Techplosion**

**“Appellants do not contest the validity of the assignment from Predecessor, nor do they dispute that in purchasing rights to Predecessor’s goods Plaintiff succeeded to all rights possessed by Predecessor.”**

Planetary Motion v. Techplosion, 261 F.3d 1188, 59 USPQ2d 1894 (11<sup>th</sup> Cir. 2001)



## ***TRADEMARK APPLICATION***

- **Use through Predecessor**

**If the claimed first use was made by Applicant's predecessor in title and the use inures to Applicant's benefit, Applicant "may" (TMRP) or "should" so state (TMEP).**

TMRP 2.38 (a); TMEP 903.06



## ***TRADEMARK TACKLING***

CLOTHING THAT WORKS

CLOTHES THAT WORK HARD

**PL**  
**Wear Guard**  
**Corp.**

1983

**DEF**  
**Van Dyne**  
**Crotty, Inc.**

1974

CLOTHES THAT  
WORK, FOR THE  
WORK YOU DO

1985

CLOTHES  
THAT WORK



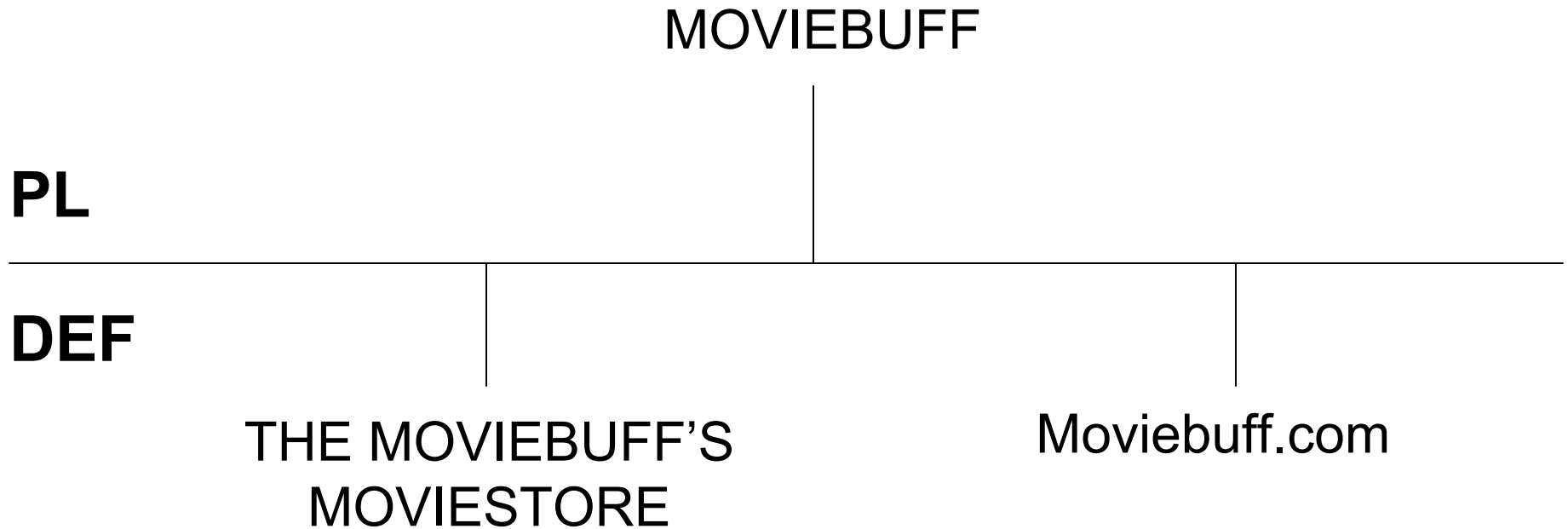
## ***TRADEMARK TACKING***

### **Van Dyne (Fed. Cir.)**

- **Tacking is “occasionally permitted”**
- **Tacking standards are “stringent”**
- **Marks must be “legal equivalents”**
- **Confusing similarity not sufficient**

Van Dyne-Crotty v. Wear-Guard Corp., 926 F.2d 1156, 17 USPQ2d 1866  
(Fed. Cir. 1991)

## ***TRADEMARK TACKLING***



# TRADEMARK TACKLING

AMERICAN  
PAGING

PL  
American  
Paging

DEF  
American  
Mobilphone



American Mobilphone v. American Paging, 17 USPQ2d 1726 (Fed. Cir. 1990)  
(unpub) aff'g 13 USPQ2d 2036 (TTAB 1989)



# ***TRADEMARK APPLICATION***

## ***Use in Another Form***

**Applicant “may” specify dates of first use in another form, but “must” also specify the dates of first use of the mark in the drawing.**

## ***PRIORITY LESSONS***

- Tacking an earlier *version* of a mark onto the current version becomes more problematic the more the two versions differ – even small differences may preclude tacking
- Tacking an earlier *use* of a mark becomes more problematic the more the use diverged from
  - common law methods of use
  - bona fide use in trade
- Advise client to investigate priority before protesting another mark
- Caution client beforehand about priority surprises and risk of counterattack
- When purchasing priority, get what you pay for
- Probe an adverse claim of priority acquired from a third party
- If your case depends on tacking, think about settling



# ***THIRD PARTY MARKS***

**based on**

***Likelihood of Confusion in Trademark Law,***  
**3.6 (Practising Law Institute, Rel #8, 10/02)**



# ***Strength of Plaintiff's Mark***

**= one factor of the Likelihood of Confusion analysis**



# ***STRENGTH***

- **inherent**
- **commercial**



## ***THIRD PARTY MARKS***

- **are relevant to the strength factor**
- **Proof that opposer's mark is "weak" indicates no likelihood of confusion.**



## ***THE ISSUE***

**The proper inquiry is whether the third party marks, which designate multiple sources, diminish consumers' attribution of the mark to a single source.**



## ***REGISTRATIONS***

**Third party trademark *registrations* have *no impact* on consumer perceptions, thus have no probative value, without evidence of *use* of the registered mark.**



**Registrations of third party marks may be probative of the inherent weakness of opposer's mark in the same way that the dictionary is used.**



## *THIRD PARTY MARKS*

\* \* \* \* \*

### **Sliding scales of probative value**

- **similarity of marks**
- **relatedness of products**



***THIRD PARTY MARKS***  
***DEGREE OF SIMILARITY OF MARKS***

**\* \* \* \* \***

**The third party marks should be as close to the marks in issue as the marks in issue are to each other.**

## ***TMS versus TMM***

***both for property maintenance software***

**\* \* \* \* \***

### **Third Party Marks**

**MMS**

**PMS**

**MTS**

**RMS**

**MCS**





***THIRD PARTY MARKS***

***DEGREE OF RELATEDNESS OF PRODUCTS***

**\* \* \* \* \***

**The third party products should be as related to the products in issue as the products in issue are related to each other.**



## **ECLIPSE versus ECLIPSE**

**both for software sold to the architectural,  
engineering and construction market**

**\* \* \* \* \***

## **ECLIPSE**

### **Third Party Products**

- **floor cleaner**
- **commercial laundry**
- **industrial process heating equipment**

# ***PROBATIVE THIRD PARTY MARKS for Products***

- **“in the same field” as the parties’**
- **“of the same general type” as the parties’**
- **“in the same market” as the parties’**



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MORNINGSIDE GROUP

*versus*



MORNINGSIDE  
CAPITAL GROUP L.L.C.

*both for investment services*



**Defendant proved there  
were hundreds of  
businesses under the  
name “Morningside.”**



## **Morningside (2d Cir.)**

- **“[A] mark’s strength is examined principally in the market in which it is used”**
- **“Here the relevant market is the relatively small world of financial investment professionals. But the district court did not limit itself to that market in its examination of third party users of the ‘Morningside’ mark – a faulty analysis...”**



## ***MIRACLESUIT (3<sup>RD</sup> CIRCUIT)***

**“Although the wide use of a term within the *market at issue* is more probative than the wide use of a term in *other markets*...**

**the extensive use of a term in other markets may also have a weakening effect on the strength of the mark.”**



# The Trademark Office Comes to California

A



B





# ***THIRD PARTY PETRO MARKS***

- **2700 businesses in U.S. (no restriction)**
- **117 federal registrations or applications**  
**63 for petroleum or fuel-related goods**

## ***BROADWAY CHICKEN***

- **ex parte**
- **Dun & Bradstreet  
company/business name database**
- **American Business Directory  
company names**
- **Thomson & Thomson  
white pages/yellow pages**



## ***TTAB DISCOVERY***

**Third party mark use and registration information discoverable if:**

- **for the same or similar marks**
- **for the same or closely related products**
- **responding party has actual knowledge thereof (without performing investigation)**

TBMP 419(9)

## ***TTAB DISCOVERY***

- **“Controversies” between responding party and third parties based on the involved mark are discoverable**
- **“Legal proceedings” are discoverable, limited to**
  - **Names of Parties**
  - **Jurisdiction**
  - **Proceeding number**
  - **Outcome**
  - **Citation of decision, if published**

## ***TTAB TRIAL EVIDENCE***

**Notice of reliance ok for third party**

- **registrations (“official records”)**
- **ads in “printed publications”**

**Not ok for**

- **promotional literature; catalogs**
- **search reports**

**Internet web pages?**

**Compare *Lucasfilm v. Mark Rose*, Opp. 112,743 (2002)  
and *Haggadone v. Cavanna*, Opp. 115,867 (2002)**

# ***THIRD PARTY MARK PROOFS***

## **Direct from Third Party**

- **survey**
- **sales volume**
- **advertising**

## **Indirect**

- **product purchase**
- **advertisements**
- **websites**
- **phone listings**
- **business directory listings**
- **telephone calls**

## **Registrations**

- **copy of certificate or USPTO printout**
- **not search report**



## ***THIRD PARTY MARK LESSONS***

- **Use third party registrations properly**
- **Be careful with your proofs of use**
- **Don't over-rely on small or remote uses; one swallow does not a summer make**
- **Focus on consumer perception rather than mere existence of third party marks**
- **Focus on the closer marks and closer goods**
- **Be careful about scope of admission of third party use**

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