

This Opinion is Not a
Precedent of the TTAB

Hearing: April 19, 2017

Mailed: July 14, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Merchant & Gould P.C.

v.

MG-IP Law, P.C.

Cancellation No. 92057850

John A. Clifford and Rachel Zimmerman Scobie of Merchant & Gould P.C.,
for Merchant & Gould P.C.

Janice Housey of Symbus Law Group, LLC and P. Jay Hines of MG-IP Law, P.C.,
for MG-IP Law, P.C.

Before Kuhlke, Hightower, and Lynch,
Administrative Trademark Judges.

Opinion by Hightower, Administrative Trademark Judge:

Merchant & Gould P.C. petitions to cancel MG-IP Law, P.C.'s registration for the mark MG-IP in standard characters for "attorney services; legal services" in International Class 45.¹ Petitioner asserts priority and a likelihood of confusion with its mark M&G, also for legal services, under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d). We grant the petition to cancel.

¹ Registration No. 4202232, issued September 4, 2012.

I. Evidentiary Objections and Record

At the outset, we note that Petitioner did not cite to the evidence in the trial record by referencing TTABVUE docket entry numbers in its opening brief, and neither party cited to TTABVUE page numbers in any of their briefs. As explained in *Turdin v. Trilobite, Ltd.*, 109 USPQ2d 1473, 1476 n.6 (TTAB 2014):

Because the Board primarily uses TTABVUE in reviewing evidence, the Board prefers that citations to material or testimony in the record that has not been designated confidential include the TTABVUE docket entry number and the TTABVUE page number. For material or testimony that has been designated confidential and which does not appear on TTABVUE, the TTABVUE docket entry number where such material or testimony is located should be included in any citation.

See also Trademark Trial and Appeal Board Manual of Procedure (TBMP) § 801.01 & n.3 (June 2017) (“When referring to the record in an inter partes proceeding, parties should reference evidence by citation to the Board’s TTABVUE docket electronic database by the entry and page number (e.g., 1 TTABVUE 2) to allow the reader to easily locate the cited material.”); *cf.* Trademark Rule of Practice 2.142(b)(3), 37 C.F.R. § 2.142(b)(3) (“Citation to evidence in briefs should be to the documents in the electronic application record by date, the name of the paper under which the evidence was submitted, and the page number in the electronic record.”).

Petitioner, moreover, did not include parallel citations to The United States Patents Quarterly (USPQ) for cases cited in its brief appearing in that reporter. *Lebanon Seaboard Corp. v. R&R Turf Supply Inc.*, 101 USPQ2d 1826, 1830 n.11 (TTAB 2012) (“When cases are cited in a brief, the case citation should include a citation to the USPQ if the case has appeared in that reporter.”); *In re Carlson*, 91

USPQ2d 1198, 1199 n.2 (TTAB 2009) (same); TBMP §§ 101.03 (“Any cited decision of the Board or another court, which appears in the USPQ, should include a citation to the USPQ, in addition to any citation to an official reporter (if any), such as the Federal Reporter or Federal Supplement.”), 801.03 (June 2017).

Parties are encouraged to adopt the preferred formats for citations to evidence and decisional law, which facilitate efficient presentation of cases to the Board.

A. Respondent’s Objections

Respondent objects to Petitioner’s rebuttal evidence and moves to strike it from the record in its entirety. Petitioner’s proffered rebuttal evidence consists of status and title copies of its five pleaded registrations, which were submitted by notice of reliance, and a testimony deposition of William Schultz, Petitioner’s marketing partner, with one lengthy exhibit. 75 and 78 TTABVUE.

Respondent argues that the pleaded registrations should have been submitted with the petition pursuant to Trademark Rule 2.122(d)(1), 37 C.F.R. § 2.122(d)(1), or during Petitioner’s main testimony period, and that the rebuttal testimony of Mr. Schultz is improper as beyond the scope of Respondent’s direct testimony. Petitioner responds that it entered its pleaded registrations into evidence through the deposition of Brian Batzli taken during its main testimony period, and “[t]he status and title copies of Petitioner’s registrations introduced during Petitioner’s rebuttal period merely confirmed what had already been introduced through Mr. Batzli’s testimony.” Reply Brief at 2, 89 TTABVUE 7. Petitioner further argues that Respondent will not be prejudiced by admission of the registrations because Respondent has been on notice of them since the pleading phase of the case. As to the

rebuttal deposition and exhibit, Petitioner argues that it is proper because it addresses issues concerning Petitioner's use of its mark and the proximity of the parties' marks that were raised in the testimony deposition of Respondent's witness, Martin Geissler.

We grant Respondent's objection to the copies of the pleaded registrations and strike Petitioner's rebuttal notice of reliance. It is well-established that proof of ownership and status of Petitioner's pleaded registrations is part of its case in chief. Trademark Rule 2.122(d)(2) provides that:

A registration owned by any party to a proceeding may be made of record in the proceeding by that party by appropriate identification and introduction during the taking of testimony or by filing a notice of reliance in accordance with paragraph (g) of this section, which shall be accompanied by a copy (original or photocopy) of the registration prepared and issued by the Office showing both the current status of and current title to the registration, or by a current copy of information from the electronic database records of the Office showing the current status and title of the registration. *The notice of reliance shall be filed during the testimony period of the party that files the notice.* (emphasis added).

Petitioner's filing of the pleaded registrations by notice of reliance during rebuttal therefore constitutes improper rebuttal. *See, e.g., Sprague Elec. Co. v. Elec. Utils. Co.*, 209 USPQ 88, 93, 95 (TTAB 1980); *Jacobsen Mfg. Co. v. Auto. Assocs., Inc.*, 149 USPQ 651, 652-53 (TTAB 1966).

With respect to the proffered rebuttal testimony from Mr. Schulz, which concerns Petitioner's advertising and marketing, we find that it has no discernible relationship to the testimony Petitioner asserts it is intended to rebut, that is, the testimony of Respondent's witness Martin R. Geissler at 129:6-146:16, 72 TTABVUE 130-47. *See*

Reply Brief at 3-4, 89 TTABVUE 8-9. This testimony from Mr. Schulz properly belonged in Petitioner's case-in-chief. Therefore, we grant Respondent's motion to strike the rebuttal testimony of Mr. Schulz and accompanying exhibit and have given it no consideration.

The record in this case comprises the evidence summarized below. The record consists of the pleadings and, without any action by the parties, the file of the involved registration. Trademark Rule 2.122(b)(1), 37 C.F.R. § 2.122(b)(1).

B. Petitioner's Evidence

Subject to the limitations discussed *supra*, Petitioner made of record transcripts of testimony depositions, with exhibits, of the following witnesses:

- John D. Gould, name partner of Petitioner, 56 TTABVUE;²
- Leon B. Kaplan, who conducted a likelihood of confusion survey for Petitioner, 59 TTABVUE;
- Julie Daulton, a partner with Petitioner, 60 TTABVUE;
- William Schultz, Petitioner's marketing partner, 61 and 62 (confidential) TTABVUE; and
- Brian Batzli, Petitioner's CEO, managing director, and chairman of the board, 63 and 64 (confidential) TTABVUE.

Petitioner also made of record one notice of reliance submitting Respondent's answers to certain of Petitioner's interrogatories. 57 TTABVUE.

C. Respondent's Evidence

Respondent submitted the transcript of the testimony deposition of its shareholder and founder Martin R. Geissler, with exhibits, 72 and 73 (confidential)

² The deposition of Mr. Gould was taken in May 2014, before his death the following year, to preserve his testimony. Petitioner's Brief at 2 n.1, 81 TTABVUE 8.

TTABVUE. Respondent also filed seven notices of reliance submitting Internet printouts, copies of third-party registrations, and Petitioner's answers to certain of Respondent's interrogatories, 65-71 TTABVUE.

Some of the evidence proffered by both parties has been designated confidential and filed under seal. We have discussed only in general terms the relevant evidence submitted under seal.

II. Petitioner's Standing

Standing is a threshold issue that must be proven by the plaintiff in every *inter partes* case. See *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014); *John W. Carson Found. v. Toilets.com Inc.*, 94 USPQ2d 1942, 1945 (TTAB 2010). Any person who believes it is or will be damaged by registration of a mark has standing to file a petition to cancel. Trademark Act Section 14, 15 U.S.C. § 1064.

Our primary reviewing court has enunciated a liberal threshold for determining standing. "A petitioner is authorized by statute to seek cancellation of a mark where it has both a real interest in the proceedings as well as a reasonable basis for its belief of damage." *Empresa Cubana*, 111 USPQ2d at 1062 (Fed. Cir. 2014) (quotations omitted). A "real interest" is a "direct and personal stake" in the outcome of the proceeding. *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1026 (Fed. Cir. 1999). A claim of likelihood of confusion that "is not wholly without merit," including prior use of a confusingly similar mark, may be sufficient to "establish a reasonable basis for a belief that one is damaged by the registration sought to be cancelled."

Lipton Indus., Inc. v. Ralston Purina Co., 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

Standing may be established by entry into the record of a petitioner's pleaded registrations, if they are shown to be valid, subsisting, and owned by the petitioner. *See, e.g., Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Otter Prods. LLC v. BaseOneLabs LLC*, 105 USPQ2d 1252, 1254 (TTAB 2012). In this proceeding, Petitioner pleaded ownership of five registrations. It did not, however, properly make them of record through any of the methods identified in Trademark Rule 2.122(d).

As mentioned *supra*, Petitioner attempted to introduce plain copies of the registrations through the testimony of its witness Brian Batzli. Mr. Batzli testified as to the ownership of the registrations, but did not testify directly as to their validity or status.³ Respondent argued that this testimony was deficient, *see* Respondent's Brief at 1, 88 TTABVUE 7, and we find it insufficient to satisfy the Rule 2.122(d)(2) requirement of "appropriate identification" of the registrations. *Cadence Indus. Corp. v. Kerr*, 225 USPQ 331, 332 n.2 (TTAB 1985) (stating that, although registration was introduced through testimony establishing opposer as the owner, "the current status of the registration was not apparent from the certificate and the testimony was silent with respect thereto. Consequently, the registration has no probative value herein.").

Nor do we find sufficient to establish that the pleaded registrations are valid and subsisting Respondent's admission at 3 ¶ 6 of its Answer, 15 TTABVUE 4, that,

³ Batzli Tr. at 44:10-47:12, 63 TTABVUE 45-48.

“according to the PTO’s TESS database, Petitioner is the listed owner of record” of the registrations. *Cf. Hewlett-Packard Co. v. Olympus Corp.*, 931 F.2d 1551, 18 USPQ2d 1710, 1713 (Fed. Cir. 1991) (dismissing opposition in which applicant admitted only that pleaded registrations “issued to [opposer] on the dates indicated”).

Nonetheless, there is record evidence discussed *infra* that Petitioner has made common-law use of the mark M&G in association with the provision of legal services. This evidence supports a finding that Petitioner has a “real interest” in this proceeding, and that its claim of priority and likelihood of confusion “is not wholly without merit.” We find that Petitioner has established its standing.

III. Priority

A party claiming prior use of a mark may petition to cancel a registration on the basis of such prior use pursuant to Section 14 of the Trademark Act, 15 U.S.C. § 1064. In a cancellation proceeding, priority must be established by the petitioner. *See Brewski Beer Co. v. Brewski Bros. Inc.*, 47 USPQ2d 1281, 1284 (TTAB 1998). To establish priority on its likelihood of confusion claim under Section 2(d) of the Trademark Act, Petitioner must prove that, vis-à-vis Respondent, it owns “a mark or trade name previously used in the United States . . . and not abandoned.” Trademark Act § 2(d).

While Petitioner contends that its “[p]riority cannot be disputed” in this case, Petitioner’s Brief at 1, 81 TTABVUE 7, Respondent argues that Petitioner has not established its priority. Respondent’s Brief at 7, 88 TTABVUE 13.

Because Petitioner did not properly make its pleaded registrations of record, it must prove prior proprietary rights based on prior common-law use.

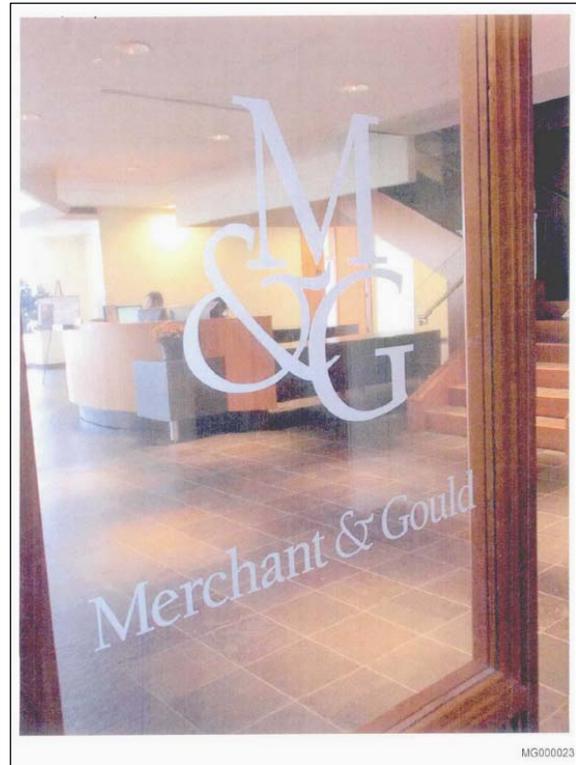
To establish priority, the petitioner must show proprietary rights in the mark that produces a likelihood of confusion. *Otto Roth & Co. v. Universal Foods Corp.*, 640 F.2d 1317, 1320, 209 USPQ 40, 43 (CCPA 1981). These proprietary rights may arise from . . . prior trademark or service mark use, prior use as a trade name, prior use analogous to trademark or service mark use, or any other use sufficient to establish proprietary rights.

Herbko Int'l Inc. v. Kappa Books Inc., 308 F.3d 1156, 64 USPQ2d 1375, 1378 (Fed. Cir. 2002). A party challenging registration of a trademark due to a likelihood of confusion with its own unregistered term cannot prevail unless it shows that its term is distinctive of its services, whether inherently, through the acquisition of secondary meaning, or through “whatever other type of use may have developed a trade identity.” *Towers v. Advent Software Inc.*, 913 F.2d 942, 16 USPQ2d 1039, 1041 (Fed. Cir. 1990) (quoting *Otto Roth*, 209 USPQ at 43). Thus, in order to prevail, Petitioner must establish that its M&G mark is distinctive, either inherently or through acquired distinctiveness, and that its use and acquisition of distinctiveness predates Respondent’s acquisition of proprietary rights.

Respondent applied to register the mark MG-IP in 2012, but its founder testified that the firm began using the name MG-IP Law, PLLC when it was started in April 2006.⁴ Petitioner does not dispute that Respondent’s priority date is in 2006. *See* Petitioner’s Brief at 9-10, 81 TTABVUE 15-16.

⁴ Geissler Tr. at 20:10-23:20 & Exhibit 2, 72 TTABVUE 21-24, 214. The name was changed to MG-IP Law, P.C. in 2013. *Id.* at 22:9-23:20 & Exhibit 2, 72 TTABVUE 23-24, 215.

Petitioner made of record evidence establishing its use of the mark M&G in association with legal services before Respondent's 2006 priority date. This includes testimony that the firm has used M&G as a mark since at least 1994;⁵ evidence that the stylized M&G logo has been displayed in association with legal services on the firm's doors, as shown in the photo at right from the Minneapolis office, since at least 2002;⁶ and evidence that the stylized M&G logo has been used as a watermark on the firm's letterhead since circa 1988⁷ and on marketing materials since at least 1999.⁸



From this evidence, we find that Petitioner has established priority of use of the M&G mark and logo at common law. We also find that, because the degree of stylization in the M&G logo as used by Petitioner is minimal, the logo makes essentially the same commercial impression as the letters M&G alone.

⁵ Daulton Tr. at 5:20-21, 9:9-17, 60 TTABVUE 6, 10.

⁶ Schultz Tr. at 13:16-16:20 & Exhibit 5, 61 TTABVUE 15-18, 137-39. Whether or not this example of use would suffice as a specimen of use to support registration, it supports a showing of prior proprietary rights.

⁷ Batzli Tr. at 22:16-25:19 & Exhibit 29, 63 TTABVUE 23-26, 134.

⁸ *Id.* at 53:7-19 & Exhibit 46, 63 TTABVUE 54, 166-68; *see also id.* at 63:2-64:7 & Exhibit 52, 63 TTABVUE 64-65, 192-96 (showing use of stylized M&G mark on party invitation in 2000).

IV. Likelihood of Confusion

A presumption of validity attaches to a service mark registration, and the party seeking cancellation must rebut this presumption by a preponderance of the evidence. *West Fla. Seafood Inc. v. Jet Rests. Inc.*, 31 F.3d 1122, 31 USPQ2d 1660, 1662 (Fed. Cir. 1994). Section 14(1) of the Trademark Act, 15 U.S.C. § 1064(1), provides that a cancellation action may be brought on the ground of likelihood of confusion before a registration is five years old. As noted, the petition before us was filed on September 12, 2013, within five years from the date the subject registration issued on September 4, 2012.

Our determination under Trademark Act Section 2(d) is based on an analysis of all probative facts in evidence that are relevant to the factors bearing on the issue of likelihood of confusion. *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973); *see also In re Majestic Distilling Co.*, 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). In any likelihood of confusion analysis, however, key considerations include the similarities between the marks and the similarities between the goods or services, the first two *du Pont* factors. *See Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976) (“The fundamental inquiry mandated by § 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks.”).

We address in turn each of the *du Pont* factors for which the parties submitted evidence or argument.

A. Similarity of the Services, Customers, and Channels of Trade

We begin with the second and third *du Pont* factors, assessing the similarity or dissimilarity of the parties' services and their established, likely-to-continue trade channels. The services identified in the subject registration are "attorney services; legal services." Respondent does not dispute that Petitioner, an intellectual property law firm, also provides, at minimum, legal services in the field of intellectual property. Moreover, the record establishes that Respondent also provides intellectual property legal services. Because Respondent's identified "attorney services; legal services" encompass Petitioner's intellectual property legal services, we find that the parties' services are identical.

Turning to *du Pont* factor three, because Respondent's and Petitioner's services are identical, we must presume that the services move in the same channels of trade and are available to the same classes of customers for such services. *See Am. Lebanese Syrian Assoc. Charities Inc. v. Child Health Research Inst.*, 101 USPQ2d 1022, 1028 (TTAB 2011); *see also In re Viterra Inc.*, 671 F.3d 1358, 101 USPQ2d 1905, 1908 (Fed. Cir. 2012) (finding Board entitled to rely on this presumption).

The second and third *du Pont* factors strongly support a finding of a likelihood of confusion.

B. Strength of Petitioner's Mark

Before comparing the marks, we analyze the strength of Petitioner's mark in order to evaluate the scope of protection to which it is entitled.

In determining strength of a mark, we consider both inherent strength, based on the nature of the mark itself, and fame or commercial strength. *Couch/Braunsdorf*

Affinity, Inc. v. 12 Interactive, LLC, 110 USPQ2d 1458, 1476 (TTAB 2014); *see also In re Chippendales USA Inc.*, 622 F.3d 1346, 96 USPQ2d 1681, 1686 (Fed. Cir. 2010) (“A mark’s strength is measured both by its conceptual strength (distinctiveness) and its marketplace strength (secondary meaning).”).

When assessing the inherent strength of a mark, third-party registrations may be relevant to show the sense in which a mark is used in ordinary parlance; that is, an element common to both parties’ marks may have a normally understood and well-recognized descriptive or suggestive meaning, leading to the conclusion that that segment is relatively weak. *Jack Wolfskin Ausrüstung Fur Draussen GmbH & Co. KGAA v. New Millennium Sports, S.L.U.*, 797 F.3d 1363, 116 USPQ2d 1129, 1136 (Fed. Cir. 2015), *cert. denied*, 136 S. Ct. 982 (2016).

Petitioner’s mark M&G is an initialism created from its firm name, which consists of the surnames “Merchant” and “Gould” joined with an ampersand. There is no evidence that M&G has a descriptive or suggestive meaning. Therefore, we find that Petitioner’s mark is inherently distinctive and, as such, has conceptual strength.

Gauging the commercial strength of Petitioner’s mark, the fifth *du Pont* factor is the “fame of the prior mark (sales, advertising, length of use).” *Id.*, 177 USPQ at 567. As the Court of Appeals for the Federal Circuit stated in *Joseph Phelps Vineyards, LLC v. Fairmont Holdings, LLC*, 857 F.3d 1323, 122 USPQ2d 1733, 1734 (Fed. Cir. 2017), fame in the likelihood of confusion analysis varies along a spectrum from very strong to very weak, and the proper standard is a mark’s renown within a specific market.

Petitioner argues that its mark is strong within the legal services market, and Respondent does not dispute the commercial strength of the M&G mark; Respondent does contend that Petitioner's mark is diluted, which we address in the next section. As discussed *supra*, Petitioner introduced evidence that it has used the M&G mark since at least the 1980s, including on a variety of "swag" and other advertising and marketing materials.⁹ Petitioner submitted under seal evidence of significant annual gross revenues and marketing expenditures from 2006 through 2013, although the data is for the firm as a whole and not attributed solely to the M&G mark.¹⁰ Based on sales, advertising, and length of use, we find that Petitioner has proven its M&G mark to be at least somewhat commercially strong in the legal services market.

C. Third-Party Use

The sixth *du Pont* factor is the number and nature of similar marks in use for similar goods or services. Respondent contends that this factor is key in this case, and that third-party use of similar marks renders Petitioner's mark weak and entitled to only a narrow scope of protection. *See* Respondent's Brief at 8, 88 TTABVUE 14.

⁹ *See, e.g.*, Schultz Tr. at 43:3-23 & Exhibit 16, 61 TTABVUE 45, 339-56.

¹⁰ Batzli Tr. at 34:17-35:21 & Exhibit 34, 64 TTABVUE 6-7, 15 (confidential); Schultz Tr. at 36:24-38:22 & Exhibit 13, 62 TTABVUE 9-11, 20 (confidential).

In support of its argument, Respondent relies on third-party registrations for legal

services for the marks MGGM,  McKERNAN • GODSEY • MARTIN L.L.C., and  .¹¹

The probative value of these three registrations is limited because they are few in number; each contains matter that distinguishes it from Petitioner's M&G mark; and Respondent submitted no evidence of their use in commerce. *Cf., e.g., Jack Wolfskin*, 116 USPQ2d at 1136 (noting that third-party registrations were accompanied by evidence of the marks in use in Internet commerce); *Juice Generation, Inc. v. GS Enters. LLC*, 794 F.3d 1334, 115 USPQ2d 1671, 1674 (Fed. Cir. 2015) (acknowledging testimony of applicant's founder concerning third-party use of similar marks).

Respondent also asserts, in a single sentence, that it “has offered incontrovertible evidence that there are at least twenty-eight (28) M and G marks and names in use in the legal services field.” Respondent's Brief at 8, 88 TTABVUE 14. Respondent does not identify the 28 uses on which it relies, but merely cites its first and seventh notices of reliance (69 and 71 TTABVUE), attaching website printouts.

The persuasive value of this evidence is severely undermined by Respondent's laconic presentation. Without the benefit of further explanation, we are able to identify from the record evidence not 28 but 16 apparent uses of the initials “MG,”

¹¹ Registrations No. 4617148, 4566737, and 4215967, respectively. Respondent's Third Notice of Reliance, Exhibits A-B & D, 65 TTABVUE 2-11, 17-23. A fourth registration, No. 3686198 for the mark **BBMG**, was cancelled in 2016. *Id.*, Exhibit C, 65 TTABVUE 12-16.

alone or joined by an ampersand, as a service mark in association with the offer of legal services on websites and Facebook pages relating to U.S. law firms.¹² Respondent has provided no other evidence beyond these printouts to establish whether such use is widespread, including the duration or scope of use of the marks, or the extent to which consumers may be aware of them. *See, e.g., Couch/Braunsdorf Affinity*, 110 USPQ2d at 1476 (finding sixth *du Pont* factor neutral where third-party websites were not accompanied by any other evidence indicating length of time the marks had been in use, their degree of exposure, or popularity of the marks vis-a-vis the relevant purchasing public).

Internet evidence is admissible by notice of reliance only to show what has been printed, not the truth of what has been printed. *Safer Inc. v. OMS Investments Inc.*, 94 USPQ2d 1031, 1040 (TTAB 2010). Nonetheless, we give some weight to these printouts as evidence of similar marks in use for legal services. Based on the limited amount of information on the face of the printouts, however, only one of the third parties appears to list among its practice areas intellectual property, the legal specialty of both parties.¹³

¹² *See* First Notice of Reliance, Exhibits A, D-F, H-K, and R, 69 TTABVUE 9-16, 25-32, 36-52, 72-74; Seventh Notice of Reliance, Exhibits A-D, F, and L-M, 71 TTABVUE 8-25, 29-30, 46-52. Exhibit J to the Seventh Notice of Reliance appears to refer to the same law firm as Exhibit J to the First Notice of Reliance: MG Law Group, PLLC, in Seattle. *See* 69 TTABVUE 43-47; 71 TTABVUE 40-42. We do not find probative otherwise potentially relevant proffered printouts from which it is unclear whether the firm is located in the United States, nor those consisting of unclaimed profiles on Manta.com.

¹³ That is Merolla & Gold, LLP of Atlanta. A logo incorporating M&G  appears on the website printouts, and intellectual property litigation and trademark and copyright law are listed on the printouts among the several practice areas in which the firm specializes. Exhibit A to Respondent's Seventh Notice of Reliance, 71 TTABVUE 8-18.

In sum, considering the conceptual and commercial strength of Petitioner's mark and the relatively weak evidence of similar marks in use for legal services under the fifth and sixth *du Pont* factors, we accord Petitioner's mark the normal scope of protection to which inherently distinctive marks are entitled.

D. Similarity of the Marks

We next consider the first *du Pont* factor, the similarity of the parties' marks. In a likelihood of confusion analysis, we compare the marks in their entireties for similarities and dissimilarities in appearance, sound, connotation and commercial impression. *Palm Bay Imps. Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689, 1691 (Fed. Cir. 2005). "The proper test is not a side-by-side comparison of the marks, but instead whether the marks are sufficiently similar in terms of their commercial impression such that persons who encounter the marks would be likely to assume a connection between the parties." *Coach Servs. Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1721 (Fed. Cir. 2012) (quotation omitted).

Where, as here, the marks are used in association with identical services, the degree of similarity between the marks necessary to support a determination that confusion is likely declines. *Bridgestone Ams. Tire Operations, LLC v. Fed. Corp.*, 673 F.3d 1330, 102 USPQ2d 1061, 1064 (Fed. Cir. 2012); *Century 21 Real Estate Corp. v. Century Life of Am.*, 970 F.2d 874, 23 USPQ2d 1698, 1701 (Fed. Cir. 1992).

Petitioner has established prior common-law rights in the mark M&G. Punctuation marks generally have little impact on a mark's commercial impression, and we find that the ampersand in Petitioner's mark does little to differentiate it from

Respondent's mark. *Cf., e.g., In re White Swan Ltd.*, 8 USPQ2d 1534, 1535 (TTAB 1988) (finding SHAKE SCATTER & GROW confusingly similar to SHAKE-N-GROW).

The other difference between the parties' marks is the addition of -IP to Respondent's mark MG-IP. Respondent submitted evidence that the "IP" portion of its mark stands for "intellectual property," and that MG-IP is an intellectual property law firm.¹⁴ Petitioner also is an intellectual property law firm, and often displays the terms "intellectual property" and "IP" in conjunction with its M&G mark.¹⁵ Therefore, although the two appended letters slightly distinguish Respondent's mark from Petitioner's mark in sound and appearance, the term "IP" is highly descriptive in association with both parties' services, and we accord it less weight in our comparison of the marks. *See, e.g., Hewlett-Packard Co. v. Packard Press Inc.*, 281 F.3d 1261, 62 USPQ2d 1001, 1003 (Fed. Cir. 2002) (stating that a commonly accepted rationale for giving less weight to a portion of a mark is that the feature is descriptive or generic); *Cunningham*, 55 USPQ2d at 1846 ("Regarding descriptive terms, this court has noted that the descriptive component of a mark may be given little weight in reaching a conclusion on the likelihood of confusion.") (quotation omitted).

The dominant – and only distinctive – portions of the parties' respective marks are very similar in appearance and sound: MG vs. M&G.

¹⁴ Respondent's Brief at 4, 88 TTABVUE 10 (citing Geissler Tr. at 11:7-10, 19:18-21, 72 TTABVUE 12, 20).

¹⁵ Gould Tr. at 8:12-14, 56 TTABVUE 9; *see also, e.g.*, Exhibits 28-29, 31-33, 36 & 46 to Batzli Tr., 63 TTABVUE 101, 134, 139-42, 149, 166-68.

Considered as a whole, the marks look and sound similar. As to meaning, the subject registration is for MG-IP alone. Its meaning is not limited to connoting Respondent's full name and it may be considered to be arbitrary or connote the same meaning as Petitioner's mark M&G when used with its full name Merchant & Gould.

Respondent argues that consumers of legal services are accustomed to distinguishing among law firms based on minor differences in their names. *See* Respondent's Brief at 11-14, 88 TTABVUE 17-20. Respondent submitted evidence that some third-party law firms use and have registered elements similar to those used and registered by other firms, such as, e.g., Foley Hoag LLP vs. Foley & Lardner LLP,¹⁶ while others use "Merchant" in their names like Petitioner.¹⁷

Even accepting that these arguments reflect a principle that is generally true in the legal services field, it has been stated many times that we must decide each case on its own facts. *See In re Nett Designs Inc.*, 236 F.3d 1339, 57 USPQ2d 1564, 1566 (Fed. Cir. 2001). The record in this case pertaining to the marks at hand, M&G and MG-IP, does not persuade us that consumers of legal services have been conditioned to distinguish between them based on their minor differences.

For all of these reasons, we find the marks MG-IP and M&G to be highly similar in appearance, sound, meaning and overall commercial impression when considered as a whole. The first *du Pont* factor weighs in favor of a finding that confusion is

¹⁶ *See* Respondent's Second Notice of Reliance, Exhibit A, 70 TTABVUE 8-24; Respondent's Fourth Notice of Reliance, Exhibit B, 66 TTABVUE 106-09, 113-15.

¹⁷ Respondent's First Notice of Reliance, Exhibits L-O, 69 TTABVUE 53-64.

likely, particularly given that both of the parties' marks are used in conjunction with identical intellectual property legal services.

E. Conditions of Purchase and Consumer Sophistication

Du Pont factor four assesses the “conditions under which and buyers to whom sales are made (i.e., ‘impulse’ vs. careful, sophisticated purchasing).” *Id.*, 177 USPQ at 567. Respondent argues that consumers of intellectual property legal services are sophisticated and unlikely to be confused as to which firm is representing them. *See* Respondent’s Brief at 18-19, 88 TTABVUE 24-25. Petitioner, in turn, contends that such services are marketed to a variety of consumers, including individuals and small businesses with little knowledge of the legal services market. Petitioner’s Brief at 17, 81 TTABVUE 23.

The evidence supports Petitioner’s contention. Respondent’s founder testified:

- Q. . . . Who are consumers [of] intellectual property legal services, to your knowledge?
- A. General consumers or from the firm?
- Q. In general, first. Who would need an intellectual property lawyer?
- A. Corporations or individuals.¹⁸

Respondent responded in part to an interrogatory that it “advertises, markets and provides its services to businesses, partnerships, other entity types, and individuals.”¹⁹ Similarly, Petitioner’s marketing partner testified that the firm’s U.S.

¹⁸ Geissler Tr. at 151:21-152:6 and errata sheet (correcting capitalized wording to lower case), 72 TTABVUE 152-53, 190.

¹⁹ Petitioner’s First Notice of Reliance, Response to Interrogatory No. 26, 57 TTABVUE 21.

clients “may be individuals. They may be companies. Depending on what you’re looking at, they could be a corporation, stockholder type corporation, they could be a limited liability company, or various different organizations depending on who they are.”²⁰ We must base our decision on the least sophisticated potential purchasers. *Stone Lion Capital Partners, LP v. Lion Capital LLP*, 746 F.3d 1317, 110 USPQ2d 1157, 1163 (Fed. Cir. 2014).

Respondent submitted evidence under seal that its legal services are expensive, suggesting that they are likely to be purchased with care.²¹ It is well-settled, however, that even sophisticated consumers are not immune from source confusion, especially in cases like this one involving similar marks and identical services:

That the relevant class of buyers may exercise care does not necessarily impose on that class the responsibility of distinguishing between similar trademarks for similar goods. “Human memories even of discriminating purchasers . . . are not infallible.” *Carlisle Chemical Works, Inc. v. Hardman & Holden Ltd.*, 434 F.2d 1403, 1406, 168 USPQ 110, 112 (CCPA 1970). Sophistication of buyers and purchaser care are relevant considerations, but are not controlling on this factual record.

In re Research & Trading Corp., 793 F.2d 1276, 230 USPQ 49, 50 (Fed. Cir. 1986).

While the parties’ services are not limited to sophisticated buyers, those services are costly. On balance, we find the fourth *du Pont* factor to be neutral.

²⁰ Schultz Tr. at 107:19-108:18, 61 TTABVUE 109-10; *see also* Exhibit A to Respondent’s Fifth Notice of Reliance, Petitioner’s Response to Respondent’s Interrogatories No. 8 and 9, 67 TTABVUE 10-11 (stating that Petitioner provides and has marketed its services to the general public).

²¹ Geissler Tr. at 174:2-175:1, 73 TTABVUE 20-21 (confidential).

F. Actual Confusion

The seventh *du Pont* factor is the nature and extent of any actual confusion, while the eighth factor is the length of time and conditions under which there has been concurrent use without evidence of actual confusion.

Proof of actual confusion is not necessary to show a likelihood of confusion. *See Weiss Assocs. Inc. v. HRL Assocs. Inc.*, 902 F.2d 1546, 14 USPQ2d 1840, 1843 (Fed. Cir. 1990). A showing of actual confusion may be highly probative, if not conclusive, of a likelihood of confusion. Yet the opposite is not true; an absence of evidence of actual confusion carries little weight. *See J. C. Hall Co. v. Hallmark Cards, Inc.*, 340 F.2d 960, 144 USPQ 435, 438 (CCPA 1965). The issue before us is the *likelihood* of confusion, not actual confusion. *Herbko*, 64 USPQ2d at 1380. Furthermore, it has often been recognized that such evidence is difficult to obtain. *Lebanon Seaboard*, 101 USPQ2d at 1834. The absence of actual confusion is not probative unless it is accompanied by evidence demonstrating that in light of the parties' actual business activities, confusion, if likely, would have occurred. *See Cunningham*, 55 USPQ2d at 1847.

Two portions of the evidence are relevant to the assessment of actual confusion: Petitioner's survey, and testimony from one of Petitioner's partners that she was confused by Respondent's mark.

First, Petitioner's partner testified that she was confused when she saw a job posting for Respondent's firm and thought it was for her own.²² We do not find

²² *See generally* Daulton Tr., with exhibits, 60 TTABVUE.

evidence in this context particularly relevant to our analysis of whether consumers of the parties' legal services are likely to be confused by the simultaneous use of their marks. Thus, we accord this evidence little to no probative weight.

The parties had used their marks concurrently for identical services for more than 10 years at the time of trial without evidence of actual confusion, even though both have offices in northern Virginia.²³ On this record, however, it is not clear how much opportunity there has been for confusion of the specific marks at issue, MG-IP and M&G. We find the eighth *du Pont* factor to be neutral.

Turning to the survey evidence, Petitioner's survey expert, Dr. Leon Kaplan, conducted a likelihood of confusion survey, ultimately concluding that 25.2% of

respondents were confused between the parties' logos  and .²⁴

In its brief, Respondent does not question the relevance of the survey results to the likelihood of confusion between Petitioner's mark and its subject mark MG-IP in standard characters, the form in which it is registered. Respondent does, however, level several other criticisms at the survey. Respondent contends that the survey universe was improper because it consisted of actual or prospective users of legal services, not purchasers of them, and because it excluded attorneys as well as persons

²³ Respondent also introduced evidence that both parties have appeared on the same lists of top IP law firms. To the extent they are legible, however, the parties have not been identified by the initialisms at issue here; Respondent has been listed in each instance under its d/b/a Muncy, Geissler, Olds & Lowe, while Petitioner has been listed as Merchant & Gould. *See* Geissler Tr. at 50:18-51:2 and Exhibits 9 & 10, 72 TTABVUE 51-52, 262-75; Respondent's Sixth Notice of Reliance, 68 TTABVUE.

²⁴ 59 TTABVUE.

from outside the United States even though both parties have foreign clients. Respondent also argues that the survey was biased, employing an improper control, leading questions, and an outsize representation of Respondent's logo. Finally, Respondent characterizes the overall results as low. *See* Respondent's Brief at 22-27, 88 TTABVUE 28-33.

In support of its arguments, Respondent offers no citation to any cases or scientific sources, instead relying solely on attorney argument.²⁵ The persuasive value of Respondent's critique is severely undermined by the lack of corroboration from objective authority.

Considering first the overall survey result, we find that it is within the range of results that have supported findings that confusion is likely, albeit at the lower end. *See, e.g., J & J Snack Foods Corp. v. McDonald's Corp.*, 932 F.2d 1460, 18 USPQ2d 1889, 1892 (Fed. Cir. 1991) (admitting and giving "appropriate weight" to consumer survey in which 30% of respondents thought product marked McPRETZEL originated with McDonald's); *Miles Labs. Inc. v. Naturally Vitamin Supplements Inc.*, 1 USPQ2d 1445, 1457 (TTAB 1986) ("There is no question, which compared to the results of surveys considered corroborative of likelihood of confusion holdings of other trial and reviewing tribunals, that a 29 percent level of confusion is significant."); 6 J. THOMAS

²⁵ Respondent disclosed, but submitted no trial evidence from, a rebuttal expert. *See* 51 TTABVUE. The facts of this case thus are distinguishable from *Princeton Vanguard, LLC v. Frito-Lay N. Am., Inc.*, 786 F.3d 960, 114 USPQ2d 1827, 1834 (Fed. Cir. 2015), in which each party offered an expert's critique of the opposing party's survey evidence. Respondent did cite Section 32:190 of the McCarthy treatise, but did not specify the edition or year. Respondent's Brief at 27, 88 TTABVUE 33. In the current edition of the treatise, the cited section pertains primarily to secondary meaning surveys.

MCCARTHY, MCCARTHY ON TRADEMARKS & UNFAIR COMPETITION § 32:188 (4th ed. 2017) (“MCCARTHY”) (“Generally, figures in the range of 25% to 50% have been viewed as solid support for a finding of a likelihood of confusion.”).

We do not find any of Respondent’s critiques of the survey universe to significantly impact its validity. With regard to the allegations of bias, we agree only that Respondent’s logo was presented in a larger rectangular carrier and so appeared somewhat bigger than the other “distractor” logos, although we recognize Dr. Kaplan’s explanation that the survey respondents (an Internet panel) could hover their cursors over and enlarge any of the logos.²⁶ We have no basis to conclude that the size difference impacted the results of the survey.

As to the allegation of “implicature,” see Respondent’s Brief at 25-26, 88 TTABVUE 31-32, Respondent appears to be making a veiled criticism of the survey on the basis that it followed what is known as the *Squirt* design format, named for the case *SquirtCo v. Seven-Up Co.*, 628 F.2d 1086, 207 USPQ 896 (8th Cir. 1980). When questioned at deposition, Dr. Kaplan testified that he did not view the parties’ marks as sufficiently famous to employ the other commonly used likelihood of confusion survey design (known as the *Eveready* format) and chose the *Squirt* format because the parties’ marks may appear in close proximity, for example, on the Internet.²⁷ In this particular survey, we do not agree with Respondent that the

²⁶ Kaplan Tr. at 73:19-74:10, 94:20-95:5, 59 TTABVUE 74-75, 95-96.

²⁷ *Id.* at 80:12-81:21, 59 TTABVUE 81-82. Dr. Kaplan also testified that his questions were not intrinsically leading, to his knowledge. *Id.* at 95:16-98:7, 59 TTABVUE 96-99.

questions are improperly leading.²⁸ *Cf. ProMark Brands Inc. v. GFA Brands, Inc.*, 114 USPQ2d 1232, 1248 (TTAB 2015) (finding questions in *Squirt* survey to be leading because they provided only two stimuli – the marks at issue in the proceeding – and no other options). We find Petitioner’s survey to be probative evidence that Respondent’s mark is likely to cause confusion with Petitioner’s mark.

G. Extent of Potential Confusion

Finally, Respondent argues that there is not a likelihood of confusion under the twelfth *du Pont* factor: “The extent of potential confusion, i.e., whether de minimis or substantial.” *Id.*, 177 USPQ at 567. The bases for Respondent’s argument are the lack of actual confusion (assessed *supra* under the seventh and eighth *du Pont* factors) and contentions that Petitioner uses its M&G mark in close proximity to its name Merchant & Gould, and further, that Petitioner uses the M&G mark primarily in ways that only its current clients are likely to see. *See* Respondent’s Brief at 27-28, 88 TTABVUE 33-34.

Petitioner responds in relevant part that it “has presented voluminous evidence of its trademark use of its M&G mark apart from any proximity to ‘Merchant & Gould.’” Reply Brief at 15, 89 TTABVUE 20. The evidence Petitioner cites, however, does not support its position.²⁹ In most of the cited examples, the M&G mark is

²⁸ Survey respondents were first shown Petitioner’s logo and then asked four unrelated “distracter” questions. Respondents then saw three law firm logos, including Respondent’s in the test cell, and asked: “If you have an opinion, as you look at these logos, do you or don’t you see a logo for the same firm you saw first?” Several additional questions followed, including an open-ended question asking what it was about the logo that made the respondent say it was for the same firm as the logo displayed first.

²⁹ I.e., Schultz Tr. Exhibits 5-6 and 16-19, 61 TTABVUE 137-43, 339-58; Gould Tr. Exhibit 4, 56 TTABVUE 75-97; Batzli Tr. Exhibit 28, 63 TTABVUE 100-33.

presented in close proximity to the Merchant & Gould name; many of the items where it is not – a coaster, a “Magic 8 Ball,” and baseball caps, for example – are merely some of Petitioner’s “swag” marketing giveaways.

While it may be that Petitioner often uses the M&G mark in association with the full Merchant & Gould name at common law, such use exposes consumers to the meaning of M&G, that is, the initials for Merchant & Gould. Respondent’s registration is for MG-IP alone, and consumers encountering MG-IP alone could perceive it as the initials for Merchant & Gould. This record does not reveal a lessening of the extent of potential confusion with Respondent’s mark for such uses under the twelfth *du Pont* factor.

V. Respondent’s Affirmative Defense of Laches

Respondent pleaded the affirmative defense of laches, arguing that Petitioner had actual or constructive notice of use of its mark since 2008 at the latest. Respondent’s Brief at 29, 88 TTABVue 35. The defense of laches in a trademark proceeding recognized under Section 19 of the Trademark Act, 15 U.S.C. § 1069, requires (1) a showing of undue delay in asserting rights against a claimant to a conflicting mark, and (2) resulting prejudice. *Bridgestone/Firestone Research Inc. v. Automobile Club de l’Ouest de la France*, 245 F.3d 1359, 58 USPQ2d 1460, 1462-63 (Fed. Cir. 2001); *Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes Inc.*, 971 F.2d 732, 23 USPQ2d 1701, 1703 (Fed. Cir. 1992). In an *inter partes* proceeding before the Board, the objection is to the rights which flow from registration of a mark. *Nat’l Cable Television Ass’n Inc. v. Am. Cinema Eds. Inc.*, 937 F.2d 1572, 19 USPQ2d 1424, 1432 (Fed. Cir. 1991). Therefore, in a cancellation proceeding, in the absence of evidence that the plaintiff

had actual notice before the close of the opposition period, the date of registration is the operative date for calculating laches. *Jansen Enters. Inc. v. Rind*, 85 USPQ2d 1104, 1114 (TTAB 2007). Where actual notice is shown, the date of publication for opposition is the operative date. *Nat'l Cable Television*, 19 USPQ2d at 1432.

Here, the subject registration issued on September 4, 2012, and the petition to cancel was filed approximately one year later, on September 12, 2013. Respondent argues that Petitioner had actual or constructive notice of Respondent's use of its mark since 2007 or 2008 because: "The parties both had offices in the same part of Virginia, both offer intellectual [sic] legal services, and the two parties are named in the same ranking lists, were members of the same professional organizations, and attended the same conferences." We do not find this sufficient to conclude that Petitioner had actual notice of Respondent's MG-IP mark before the opposition period closed, particularly since, as discussed *supra*, the firms were not listed by the initialisms at issue here on the ranking lists of record.

We find that Petitioner's delay of approximately one year in asserting its rights is not unreasonable. *See, e.g., Color Key Corp. v. Color 1 Assocs., Inc.*, 219 USPQ 936, 940-41 (TTAB 1983) (finding not unreasonable a delay of one year following actual notice and four months after publication); *Malter Int'l Corp. v. Bison Labs., Inc.*, 202 USPQ 188, 190-91 (TTAB 1979) ("In any event, we do not think that petitioner's delay of approximately eighteen months in moving against respondent was so prolonged and unconscionable as to preclude petitioner from obtaining a judgment in its favor if it is otherwise entitled thereto.").

Because we find that Petitioner did not unduly delay in asserting its rights, we need not address prejudice to Respondent, the second prong of a laches defense. The defense is not well-taken and fails.

VI. Conclusion

We have found that Petitioner's mark is entitled to the normal scope of protection for inherently distinctive marks; the parties' marks are highly similar; the services, customers, and channels of trade are identical; and Petitioner's survey is probative evidence that Respondent's mark MG-IP is likely to cause confusion with Petitioner's mark. These factors weigh heavily in favor of a conclusion that confusion is likely. The remaining *du Pont* factors are neutral.

Considering the record evidence as a whole as it pertains to the relevant *du Pont* factors, we find that Petitioner has carried its burden to establish by a preponderance of the evidence that Respondent's mark MG-IP is likely to cause consumer confusion with Petitioner's prior used mark M&G in association with legal services.

Decision: The petition to cancel Registration No. 4202232 is granted.