

## Third-Party Trademark Usage and Likelihood of Confusion



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When examining trademark applications, the U.S. Patent and Trademark Office (USPTO) assesses whether the applied-for trademark presents a likelihood of confusion among consumers as compared to other registered U.S. trademarks. In making this determination, the USPTO considers a list of factors first laid out in *In re E. I. du Pont de Nemours & Co.* 476 F.2d 1357 (C.C.P.A. 1973), commonly referred to as the *Du Pont* factors.



One of the *Du Pont* factors is the number and nature of similar marks in use by third parties on similar goods or services. *Id.* at 1361. This article examines the significance of third-party usage evidence to a likelihood of confusion analysis.

## The Relevance of Third-Party Use to the Strength of a Trademark

Evidence of third-party use bears on the strength or weakness of a trademark. See <u>Juice Generation, Inc. v. GS Enterprises LLC</u>, 794 F.3d 1334, 1338 (Fed. Cir. 2015). The "weaker" that a cited registration is, the closer an applicant's mark can come without causing a likelihood of confusion. *Id.* In other words, a weaker trademark is afforded a comparatively narrower scope of protection. *Id.* One reason for this narrowed scope of protection is that substantial third-party use of similar marks may reflect that consumers have been educated to distinguish between different marks on the basis of small differences. *Id.* The extent of third-party use may also reflect the degree to which a term has become common parlance in an industry. *Id.* at 1339; see also <u>Jack Wolfskin Ausrustung Fur Draussen GmbH & Co. KGAA v. New Millenium Sports, S.L.U.</u>, 797 F.3d 1363, 1373-74 (Fed. Cir. 2015). Use of a term as part of common industry parlance likewise contributes to a narrow scope of protection of marks incorporating such term, which allows for a greater number of trademark registrations incorporating that term. This is because likelihood of confusion risk is minimized because, as a commonly used term, consumers are not looking to the term for source-identifying significance.

Such diminished risk of consumer confusion, however, does not imply elimination of such risk. Rather, even where a mark is deemed weak due to extensive third-party use, it is still entitled to some degree of protection from registration of confusingly similar marks. *See King Candy Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 1401 (CCPA 1974). The bar for establishing such likelihood of consumer confusion is higher though. *Palm Bay Imps., Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772*, 396 F.3d 1369, 1373 (Fed. Cir. 2005). For example, where a mark is deemed weak due to extensive third-party use, the similarity of the marks and the relatedness of the goods/services (two other *Du Pont* factors) may need to be exceptionally high in order to support a likelihood of confusion finding.

## The Quality of Third-Party Use Evidence Matters More than the Quantity

Evidence of third-party use is assessed based on the quality not just the quantity of evidence. In *In re Copeland-Smith*, the U.S. Court of Appeals for the Federal Circuit affirmed the Trademark Trial and Appeal Board's (TTAB) upholding of a rejection of the mark BEAST MODE SOCCER for t-shirts and soccer balls based on a likelihood of confusion with BEAST MODE for t-shirts and other types of clothing. 791 F. App'x 898, 905 (Fed. Cir. Nov. 12, 2019). The Court determined that Appellant had not established that the cited mark BEAST MODE was a weak

mark entitled to a narrow scope of protection. *Id.* at 903. This despite Appellant having submitted evidence reflecting 31 third-party uses, three third-party registrations, and 15 third-party applications. *Id.* The Court found that the applications had no probative value for determining whether the mark was strong because they had not yet been registered. *Id.* The Court further found that none of the seven third-party registrations were for clothing. *Id.* The Court further held, with regard to the evidence of third-party uses, that foreign uses are not relevant. *Id.* at 904. Finally, with regard to third-party uses in the U.S., the Court found that only ten such uses involved clothing and that ten third-party uses did not constitute sufficient evidence to render the BEAST MODE mark weak under case law precedent. *Id.* The discussion in *In re Copeland-Smith* provides helpful insight into the nature and magnitude of the burden when attempting to overcome a likelihood of confusion rejection based on evidence of third-party use.

In *In Re: JS ADL, LLC*, the Federal Circuit affirmed the TTAB's refusal to register the mark ARTISAN\*NY. 777 F. App'x 991, 996 (Fed. Cir. 2019). In so holding, the Court declined to characterize the cited registration for ARTESANO NEW YORK CITY as a weak mark based on evidence of third-party use. *Id.* Specifically, the Court refused to give significant weight to evidence showing third-party use of marks that included either NEW YORK or ARTISAN. *Id.* at 994. On this point, the Court reaffirmed the principle that marks need to be compared in their entireties. *Id.* Also noteworthy, the Court took the position that evidence of third-party registrations is decidedly weaker evidence than showing actual third-party use. *See id.* 

Further, evidence of third-party use should be directed to uses that are for goods or services that are the same or highly similar to those of the cited registration. As the Federal Circuit held in *Omaha Steaks*, "[w]hen the marks featuring 'Omaha' on unrelated goods are properly understood as having no real probative value ... the evidentiary universe is much smaller." *Omaha Steaks Int'l, Inc. v. Greater Omaha Packing Co., Inc.*, 908 F.3d 1315, 1326 (Fed. Cir. 2018). In the same opinion, the Court characterized evidence of third-party use on unrelated goods as "meaningless." *Id.* at 1325 ("third-party use outside the relevant market is meaningless"). It cannot be stressed enough, therefore, that when corralling evidence of third-party use, the focus should be on uses for the same or highly similar goods or services compared to those with which the cited mark(s) are used.

## Leveraging Third-party Use Evidence to Overcome a Likelihood of Confusion Rejection

When faced with a Section 2(d) refusal for a likelihood of confusion during the trademark examination process, one potentially helpful strategy may be to argue that the cited mark is a

"weak" trademark deserving only a narrow scope of protection. If this argument is accepted, then, with a narrow scope of protection, the applied-for mark may designate goods or services that are more closely related to those designated for the cited mark. Evidence of third-party use may be used to support an argument that a cited mark is weak.

When identifying and collecting evidence of third-party trademark usage, the focus should be on obtaining high quality evidence and not merely pulling together all references that may resemble the cited mark. Evidence of actual third-party use is generally accorded greater weight than evidence of third-party trademark registrations. And it is important that evidence of actual third-party use be for use in the United States and not foreign counties. Third-party trademark applications, particularly intent-to-use applications, are generally not helpful. Further, even where evidence of actual use in the U.S. is obtained, it is critical that such third-party use be for the same or highly related goods or services than those with which the cited mark is used.

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