

**THIS OPINION IS NOT A
PRECEDENT OF THE T.T.A.B.**

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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Automated Solutions Corporation
v.
Paragon Data Systems, Inc.

Opposition No. 91171739
to application Serial No. 78564411
filed on February 10, 2005

David A. Kunselman of Goodman Weiss Miller LLP for Automated
Solutions Corporation.

Cynthia S. Murphy of Renner, Otto, Boisselle & Sklar, LLP
for Paragon Data Systems, Inc.

Before Quinn, Hairston and Bergsman, Administrative
Trademark Judges.

Opinion by Bergsman, Administrative Trademark Judge:

Paragon Data Systems, Inc. filed an intent-to-use application for the mark SCDS, in standard character format, for goods ultimately identified as a "distribution system for unit by unit distribution and composed of computer hardware, barcode scanners, bar code readers, and other indicia marking devices, namely, laser writers, and the associated computer software for operating the distribution system," in Class 9 (Serial No. 78564411).

Automated Solutions Corporation opposed the registration of applicant's mark on the ground of priority of use and likelihood of confusion under Section 2(d) of the Trademark Act of 1946, 15 U.S.C. §1052(d). Opposer alleged that it has been using the mark SCDS in commerce since April 30, 2001 in connection with computer software for "improving efficiency and accuracy of planning, distribution, collection, and electronic signature capture of deliverable items, namely, periodical publications and supplies; software for mobile, client, and server computers to allow accessing, creating, editing, managing, and processing sales and field service data; communications software, namely, system applications and operating software for transferring data to and from databases, computer programs, and computer files via public and private telecommunications and computer networks; software interfaces for automatically exchanging data with circulation management and accounting software; software for managing security of electronic communication; software to automate logistics, analyze, and present sales and field service data; computer devices, computer peripherals, and accessories used for sales and field service; downloadable computer programs and files, electronic documents, and electronically distributable marketing and training materials for sales and field service," and therefore applicant's use of SCDS, in

connection with applicant's goods, is likely to cause confusion with opposer's use of SCDS, in connection with opposer's goods.¹

In its answer, applicant admitted that the marks of the parties are identical, that the goods of the parties are identical or closely related, and that the prospective purchasers of the parties' goods are the same, but denied the remaining allegations in the notice of opposition.

The parties stipulated that testimony could be introduced through affidavits.

Only opposer introduced testimony and filed a brief.

The Record

By operation of Trademark Rule 2.122, 37 CFR §2.122, the record includes the pleadings and the application file for applicant's mark. The record also includes the affidavit of Richard Petcher, opposer's CEO, with attached exhibits.

Standing

Richard Petcher testified that opposer first licensed its "distribution system for unit by unit distribution of newspapers, magazines, and periodicals in the newspaper,

¹ Opposer also alleged fraud, a false suggestion of a connection under Section 2(a) of the Trademark Act of 1946, 15 U.S.C. §1052(a), and dilution. In its brief, opposer only argued its likelihood of confusion claim, and therefore we deem opposer to have waived its other claims, and we have given them no consideration.

magazine, and publications fields which is composed of computer hardware, networking and telecommunications devices, namely, computer servers, desktop computers, handheld computers, bar code scanners and readers, dial-up modems, LAN cards, mobile printers, and associated computer software for operating the distribution system" under the SCDS mark to the *Chicago Tribune* on August 21, 2001.² This is sufficient to demonstrate that opposer has a real interest in this proceeding, and therefore has standing. *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

Priority

The earliest date on which applicant can rely is the filing date of its application, February 10, 2005. As indicated above, Mr. Petcher testified that opposer first licensed its distribution system and software displaying the SCDS mark on August 21, 2001. Mr. Petcher's testimony was clear, convincing, consistent and uncontradicted. See *Powermatics, Inc. v. Globe Roofing Products Co.*, 341 F.2d 127, 144 USPQ 430, 432 (CCPA 1965) ("Oral testimony, if sufficiently probative, is normally satisfactory to establish priority of use in a trademark proceeding"). See

² Petcher Affidavit, ¶¶6 and 8. Mr. Petcher testified that opposer first began advertising and marketing the SCDS distribution system and hardware on March 21, 2000, and has continuously used the mark since that date. Petcher Affidavit, ¶¶6 and 10.

also *National Bank Book Co. v. Leather Crafted Products, Inc.*, 218 USPQ 826, 828 (TTAB 1993) (oral testimony may be sufficient to prove the first use of a party's mark when it is based on personal knowledge, it is clear and convincing, and it has not be contradicted); *Liqwacon Corp. v. Browning-Ferris Industries, Inc.*, 203 USPQ 305, 316 (TTAB 1979) (oral testimony may be sufficient to establish both prior use and continuous use when the testimony is proffered by a witness with knowledge of the facts and the testimony is clear, convincing, consistent, and sufficiently circumstantial to convince the Board of its probative value); *GAF Corp. v. Anatox Analytical Services, Inc.*, 192 USPQ 576, 577 (TTAB 1976) (oral testimony may establish prior use when the testimony is clear, consistent, convincing, and uncontradicted). In view of the foregoing, we find that opposer has established priority of use.

Likelihood of Confusion

Our determination under Section 2(d) is based on an analysis of all of the 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 Company, Inc.*, 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). In any likelihood of confusion analysis, two key considerations are the similarities or

dissimilarities between the marks and the similarities or dissimilarities between the goods. 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").

- A. The similarity or dissimilarity of the marks in their entirety as to appearance, sound, connotation and commercial impression.

The marks are identical.

- B. The similarity or dissimilarity and nature of the services.

Applicant is seeking to register the mark SCDS for a "distribution system for unit by unit distribution and composed of computer hardware, barcode scanners, bar code readers, and other indicia marking devices, namely, laser writers, and the associated computer software for operating the distribution system." Opposer is using the mark SCDS for a "distribution system for unit by unit distribution of newspapers, magazines, and periodicals in the newspaper, magazine, and publications fields which is composed of computer hardware, networking and telecommunications devices, namely, computer servers, desktop computers, handheld computers, bar code scanners and readers, dial-up modems, LAN cards, mobile printers, and associated computer

software for operating the distribution system.”³ There are no restrictions in applicant’s description of goods; therefore, we must consider applicant’s distribution system as if it incorporates opposer’s distribution system in the field of newspapers, magazines and publications. *Canadian Imperial Bank of Commerce v. Wells Fargo Bank*, 811 F.2d 1490, 1 USPQ2d 1813, 1815 (Fed. Cir. 1987); *Toys R Us v. Lamps R Us*, 219 USPQ 340, 343 (TTAB 1983). Moreover, applicant has admitted the goods of the parties are identical or closely related.⁴ Accordingly, we find that the goods are essentially identical.

C. The similarity or dissimilarity of established, likely-to-continue trade channels and classes of consumers.

Because we have found that the distribution systems and associated software of the parties are essentially identical, we must presume that the channels of trade and classes of purchasers are the same. *Genesco Inc. v. Martz*, 66 USPQ2d 1260, 1268 (TTAB 2003) (“Given the in-part (sic) identical and in-part (sic) related nature of the parties’ goods, and the lack of any restrictions in the identifications thereof as to trade channels and purchasers, these clothing items could be offered and sold to the same classes of purchasers through the same channels of trade”); *In re Smith and Mehaffey*, 31 USPQ2d 1531, 1532 (TTAB 1994)

³ Petcher Affidavit, ¶6.

⁴ Answer ¶19.

("Because the goods are legally identical, they must be presumed to travel in the same channels of trade, and be sold to the same class of purchasers"). Moreover, we note that applicant has admitted that the prospective purchasers of the parties' goods are the same.⁵ Accordingly, we find that the channels of trade and classes of consumers are the same.

D. Balancing the factors.

Having found that the marks are identical, that applicant's goods are essentially identical to opposer's goods, and that the goods of the parties move in the same channels of trade and are sold to the same classes of consumers, we conclude that applicant's mark SCDS for the goods set forth in its application, is likely to cause confusion with opposer's mark SCDS used in connection with opposer's distribution system and associated software.

Decision: The opposition is sustained and registration to applicant is refused.

⁵ Answer ¶21.