SERVICE MARK

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant:	The Travelers Indemnity Company		
Serial No:	77/651,978		
Filed:	January 19, 2009	Law Office: 116	
Mark:	OCEAN EXPRESS	Trademark Attorney: Ellen Awrich	
Docket No:	41/2109		

RESPONSE TO OFFICE ACTION

This is in response to the Office Action mailed July 8, 2009 in connection with the referenced application.

REMARKS

The Examining Attorney refused registration under the Trademark Act Section 2(d), 15 U.S.C. § 1052(d), on the grounds that Applicant's mark, when used on or in connection with the identified services, is likely to be confused with U.S. Registration Nos. 3652794 and 3652793, for the marks OCEAN EXPRESS and OCEANEXPRESS respectively. The marks are both registered on the Supplemental Register and are owned by NACA Logistics (USA), Inc. Registration No. 3652794 is used in connection with "shipping agency services, namely, freight deconsolidation services, namely, unloading of freight containers, parceling and transport of freight to designee; supply chain, logistics and reverse logistics services, namely, storage, transportation and delivery of documents, packages, raw materials, and other freight for others by air, rail, ship or truck; warehousing services, namely, storage, distribution, pick-up, and packing for shipment of documents, packages, raw materials, and other freight for others; shipping services, namely, shipping of goods; line haul services, namely, transport of goods by air, rail, ship or truck; marine transport services; surface transport services, namely, shipment of goods via truck or rail." Reg. No. 3652793 is used in connection with the same services as Reg. No. 3652794, while also including "shipping agency services, namely, freight on forwarding services." Applicant requests that the § 2(d) objection be withdrawn because the cited marks are not confusingly similar to Applicant's mark.

The Examining Attorney has identified two steps for determining whether there is a likelihood of confusion. The first step is to determine whether the marks are similar. *In re E.I. DuPont de Nemours & Co.*, 476 F.2d 1357 (CCPA 1973). The second step is to compare the goods and services to determine if they are related or if the activities surrounding their marketing are such that confusion as to origin is likely. *In re August Storck KG*, 218 USPQ 823 (TTAB 1983). Applicant agrees that the marks at issue are virtually identical. Nonetheless, consumer confusion is unlikely because (1) Registrant's marks are descriptive and only weakly enforceable; (2) the services associated with the marks differ; and most importantly (3) the sophisticated consumers who purchase the services would not expect them to emanate from the same source.

1. The terms OCEAN and EXPRESS are descriptive so their use in Applicant's marks is unlikely to cause consumer confusion.

Confusion is unlikely to result simply due to the marks' similarity because the cited registered marks are descriptive of the registered services. It is well established that consumer confusion is unlikely even where a subsequent user has incorporated the prior user's mark if the common portion is weak or descriptive. 3 McCarthy on Trademarks at § 23.50 at 23-109 to 110 (4th ed. 1998); *see also* 2 McCarthy on Trademarks at § 11.76 (4th ed. 1998) ("[t]he weaker a mark, the fewer junior uses that will trigger a likelihood of customer confusion"); *Sure-Fit Prods. Co. v. Saltzson Drapery Company*, 254 F2d. 158, 117 USPQ 295, 297 (CCPA 1958) ("Where a party chooses a weak mark, his competitors may come closer to his mark than would be the case with a strong mark without violating his rights."). If the only words common to two marks are descriptive, or even highly suggestive, a likelihood of confusion is rarely found. *See In Re Radical Athletic Designs, Inc.*, 1997 WL 750800 (TTAB 1997) (reversing 2(d) refusal to register for "highly suggestive" mark despite the fact that the applicant's goods and registrant's goods were identical); *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 13 (2d Cir.1976) (owner of a mark with some descriptive qualities "cannot altogether exclude some kinds of competing uses even when the mark is properly on the register"); *Tektronix, Inc. v. Daktronics, Inc.*, 534 F.2d 915, 189 USPQ 693, 694 (CCPA 1976) ("the mere presence of a common, descriptive portion is usually insufficient to support a finding of likelihood of confusion"). The Federal Circuit has stated: "Where consumers are faced with various usages of

descriptive words, our experience tells that we and other consumers distinguish between these usages." *In re National Data Corporation*, 753 F.2d 1056, 224 USPQ 749 (Fed. Cir. 1985).

It is important to note Registrant's marks are registered on the Supplemental, rather than Principal Register. *See Quaker State Oil Refining Corp. v. Quaker Oil Corp.*, 453 F.2d 1296, 1299, 172 USPQ 361, 363 (CCPA 1972) (an application for Supplemental Registration is an admission of descriptiveness); *In re Smith and Mehaffey*, 31 USPQ2d 1531 (TTAB 1994). Registrant's marks consist of wording that is descriptive when used in connection with its ocean shipping and logistics services. Thus, due to the weakness of the marks, consumers do not rely merely on the name when making a decision about the offered services. Applicant believes consumer confusion is unlikely in this case given the difference in services offered in connection with the marks and the sophistication of the consumers and high cost involved.

2. The services offered in connection with the marks differ and consumers would not expect Applicant's services to emanate from a shipping company, nor vice versa.

The mere fact that both Applicant's and Registrant's services involve the shipping industry in some capacity does not mean that confusion would result from simultaneous registration and use of the marks. In determining whether services are closely related, "It is not enough that the products may be classified in the same category or that a term can be found that describes the products." *Signature Brands, Inc. Substituted for Health O Meter, Inc. v. Dallas Technologies Corporation*, 1998 WL 80140 (TTAB 1998); *see also In re Cotter and Company*, 179 USPQ 828 (TTAB 1973) and *In re The Barash Company, Inc.*, 132 USPQ 548 (TTAB 1962). Here, Applicant's proprietary online rate quotation system and ocean cargo insurance services are significantly different than Registrant's shipping and logistics services. Additionally, while it may be true that companies exist which offer both shipping, logistics, and insurance services, the insurance services offered by shipping and logistics companies that the Examining Attorney has cited differ from the insurance services that Applicant offers.

Travelers contracted agents may obtain quotes for ocean cargo insurance and luxury yacht insurance through Travelers' proprietary Ocean Express online system, which is not available for public use. *See* Declaration of George C. Butler ("Decl.") at 6. The Ocean Express system is contained within Travelers' larger AgentHQ online system which allows Travelers

agents to obtain account data, download applications, etc. *Id.* In order to access the Ocean Express system, Travelers agents must first log onto the proprietary section of the AgentHQ system with a User ID and password. *Id.* Only Travelers contracted agents and employees may access the Ocean Express system and the proprietary section of the AgentHQ system, which are not available for public use. *Id.* Furthermore, insurance agents, such as those using Travelers Ocean Express system are not consumers of shipping and logistics services, and especially in light of the fact that ordinary consumers may not access the system, it could not possibly be confused with Registrant's services. *Id.* at 13.

Similarly, Applicant believes that the Examining Attorney has not met the burden of proving that Applicant's insurance services and Registrant's shipping and logistics services are sufficiently related that confusion is likely to result. See 3 McCarthy on Trademarks at § 19:128. Here, the Examiner supplied registrations from the Trademark Office's X-search database which show the same parties providing shipping, transportation, supply chain, logistics, and insurance services, as evidence that Applicant's and Registrant's services are related. This evidence is *not conclusive* in establishing that Applicant's insurance services and Registrant's shipping and logistics services are related. *In re Platinum Services, Inc.*, Ser. No. 77181654 (TTAB Sept. 8, 2009) (emphasis added). In *In re Platinum Services, Inc.*, the applicant applied to register the mark "Platinum Insurance" for "insurance agency services, namely providing insurance services in the fields of home, accident, fire, auto, life, medical, and marine insurance to individuals and businesses," but was refused in view of the mark "Platinum Underwriters Reinsurance, Inc." for "reinsurance services, namely, property and casualty reinsurance underwriting and reinsurance claims handling services." Reversing a 2(d) refusal, the Board stated that, "While the examining attorney's third-party registration evidence if probative of the fact that the involved services may emanate from the same source, it does not establish that such services travel in the same channels of trade and are bought by the same purchasers.

Furthermore, while it may be true that companies exist which offer both shipping, logistics and insurance services, the insurance services offered by shipping and logistics companies cited by the Examining Attorney differ from the insurance services that Applicant offers. Decl. at 12. Applicant's insurance services are designed specifically for each purchaser by a Travelers insurance agent, and offer control over costs, coverage, and the insurance company used. *Id.* In contrast, logistics or freight forwarding companies such as those cited by

the Examining Attorney *do not* offer insurance in the form of a cost-sensitive, ongoing policy that is tailored to meet the long-term needs of each purchaser. *Id.* Also, Applicant's Ocean Express policies differ because, unlike policies offered by logistics or freight-forwarding companies, its policies cover *all* of a customer's shipments of new merchandise without the need for the customer to individually insure each new shipment. *Id.* Therefore, consumers would not expect Applicant's expensive and individually-designed insurance services to emanate from the same source as a shipping company offering both logistics and insurance services.

Here, not only are Applicant's proprietary online rate quotation system and ocean cargo insurance services significantly different than Registrant's shipping and logistics services, but Applicant's services are purchased by sophisticated business consumers who investigate them carefully and are not likely to be confused, as discussed further below.

3. Confusion is unlikely because Applicant's proprietary system is used only by its own agents and employees, and professional buyers purchase its cargo insurance with deliberation.

It is unlikely that users of Applicant's proprietary online system or purchasers of Applicant's sophisticated insurance services will believe that Applicant's and Registrant's services derive from a common source. Applicant's Ocean Express system is only available to its own contracted independent agents and employees, so consumer confusion is virtually impossible. Additionally, it is unlikely that purchasers of Applicant's insurance services will believe that Applicant's and Registrant's services derive from a common source because they are sophisticated business consumers and the purchasing decision is made with great care.

Where the relevant products are expensive, or the buyer class consists of sophisticated or professional purchasers, courts have generally not found Lanham Act violations. *Versa Prods. Co. v. Bifold Co. (Mfg.)*, 50 F.3d 189, 204 (3d Cir. 1995) ("The more important the use of the product, the more care that must be exercised in its selection."). "Where the relevant buyer class is composed solely of professional, or commercial purchasers, it is reasonable to set a higher standard of care than exists for consumers." *Id.* at § 23:101; see also *Ford Motor Co. v. Summit Motor Prods.*, 930 F.2d 277, 293 (3d Cir. 1991) ("Professional buyers, or consumers of very expensive goods, will be held to a higher standard of care."); *Perini Corp. v. Perini Constr., Inc.*, 915 F.2d 121, 128 (4th Cir. 1990) ("[I]n a market with extremely sophisticated buyers, the likelihood of consumer confusion cannot be presumed on the basis of the similarity in trade

name alone."); *Oreck Corp. v. U.S. Floor Sys., Inc.*, 803 F.2d 166, 173-74 (5th Cir. 1986) (business purchasers of expensive products not likely to confuse goods with similar marks). When consumers exercise heightened care in evaluating the relevant products or services before making purchasing decisions there is not a likelihood of confusion. *Electronic Design & Sales v. Electronic Data Systems*, 954 F.2d 713, 21 USPQ2d 1388, 1392 (Fed. Cir. 1992) ("there is always less likelihood of confusion where goods are ... purchased after careful consideration.") An important factor in determining whether there is a likelihood of confusion is the sophistication of the reasonably prudent buyer of the products or services at issue. See 3 McCarthy on Trademarks and Unfair Competition § 23:91 at 23-180 (4th ed. 1996).

Here, the purchasers of Applicant's ocean cargo insurance services are sophisticated business professionals such as Chief Financial Officers and Traffic Managers. Decl. at 10. The purchasers of Applicant's services clearly do not purchase the services on impulse, but rather apply a careful decision making process that can take place over a lengthy period of time, from weeks to months, and usually involves numerous contacts with Applicant's sales force. *Id.* The sales force is highly-knowledgeable, and makes individualized sales presentations to customers via telephone, e-mail, and/or in-person. Decl. at 9. The presentations use detailed sales materials that indicate Travelers as the source of the Ocean Express policies (a sample "Ocean Express Quote" is attached to the Declaration). *Id.* The business professionals must closely evaluate the insurance policies and ask specific technical questions to determine whether the policies fit their needs. *Id.* Overall, the selection of Applicant's services is made at a high level by highly knowledgeable purchasers.

The care with which Applicant's customers make their decisions is heightened by the fact that Applicant's insurance services are costly. Ocean Express cargo insurance premiums begin at approximately $1,000.00 per year, and may reach as high as $18,939.00 per year. Decl. at 8. *See In Re Garmin Corporation*, 1998 WL 44592 (TTAB 1998) (reversing refusal to register, in part because of the "deliberation involved in determining the suitability of particular electronic receivers for use in connection with the Global Positioning System"). These sophisticated purchasers are unlikely to become confused, especially in light of the deliberative purchasing process they perform. In *In Re Spinergy Inc.*, 1997 WL 699192 (TTAB 1997), the Board reversed a refusal to register REV-X for bicycle wheels despite the registration of REV for "bicycle parts and accessories - namely, handlebar pads, frame bar pads, single stem pads,

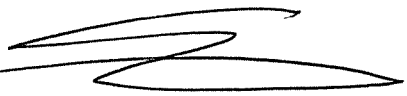
double stem pads and seat covers," noting the carbon fiber bicycle wheels at issue cost $300 to $600 per wheel, and "there is always less likelihood of confusion where goods are expensive." Indeed, as a leading treatise notes, "the price level of the goods or services is an important factor in determining the amount of care the reasonably prudent buyer will use. If the goods or services are relatively expensive, more care is taken and buyers are less likely to be confused as to source or affiliation." 3 McCarthy on Trademarks, §23:95.

Accordingly, Applicant's services would never be the subject of an impulsive buying decision. Purchasers of Applicant's services take great care in making purchasing decisions and it is essentially impossible that these sophisticated businesspeople will be confused as to the source of Applicant's and Registrant's services. Overall, consumer confusion is unlikely because Registrant's marks are descriptive and only weakly enforceable, the services associated with the marks differ, and the sophisticated consumers who select, purchase and use Applicant's services would not expect Applicant's online quoting services and expensive and individually-designed insurance services to emanate from a shipping company, even one that offers both logistics and insurance services.

CONCLUSION

All issues raised by the Examining Attorney having been addressed, it is believed the application is in condition for publication. Favorable action is therefore requested.

Respectfully submitted,



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