

UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trademark Office

MARK : VENTURE
APPLICANT : Dexter & Chaney, Inc.
SERIAL NO. : 85/349125
APPLICATION DATE : June 17, 2011

To: Commissioner for Trademarks
P.O. Box 1451
Alexandria, VA 22313-1451

**ARGUMENT IN RESPONSE TO OFFICE ACTION, INCLUDING
SECTION 2(D) LIKELIHOOD OF CONFUSION REFUSAL**

In the Office Action of October 5, 2011, the examining attorney refused registration of Applicant's mark VENTURE on the grounds that it is confusingly similar to a registration for VEnTuRE & Design, Reg. No. 3,161,818. As both products involved here are very specialized software, a more detailed explanation of Applicant's software than normal is relevant. This response addresses a goods and services identification issue in Section I, presents a detailed discussion of the Applicant's Venture software in Section II, and finally in Sections III and IV, discusses the Section 2(d) refusal and a potential Section 2(d) refusal using the *Du Pont* factors.

I. Identification and Classification of Goods and Services.

Given the specialized nature of its VENTURE product, Applicant believes the current goods and services identification limiting the product to "bid management and project management" related to construction adequately describes the type and function of its product. However, it is open to further suggestions from the examining attorney on how to more appropriately describe its Venture product in the goods and services identification, if the examining attorney believes the current identification is still not adequate after reviewing the discussion of product functionality in Section II below.

II. Background on Applicant's Software

The purpose of Applicant's VENTURE software is to assist general contractors and developers in managing the subcontractors involved with a large construction project, particularly during the bidding process. Decl. of Ulacia. For any large commercial or industrial building project, a general contractor may utilize 15-20 subcontractors or more. *Id.* For each subcontractor they actually use, they may solicit bids from five or more subcontractors of similar expertise. *Id.* This means that during the bidding process for a large construction project, the general contractor may need to obtain bids from 100 or more different subcontractors. *Id.*

In order to submit its "sub-bid," each subcontractor needs access to the detailed plans for the building; plus the architect's specifications for the components that go into that building, such as lighting, doors, structural steel, and windows; plus various other important information. *Id.* Such plans, specifications and information are changing from time to time during the bidding process, as the architect works with the landowner to finalize construction drawing sets. *Id.* All of the potential subcontractors need prompt access to the updated materials and need to know if and when the materials were changed. *Id.* They also need access to any "clarifications" that the architect or owner may send out to provide additional detail regarding the existing plans and specifications. *Id.*

In addition, the general contractor has to collect and manage information about each subcontractor. *Id.* It needs their contact information, key personnel, relevant experience, and references. *Id.* It has to track which subcontractors are planning to submit a bid and when they are planning to submit it, to help ensure it has enough sub-bids of the right types by the right time in order to effectively make its bid for the overall project. *Id.*

This process means that an immense amount of information must be managed during the bidding process for a large commercial or industrial project. The VENTURE software license product assists general contractors and developers in managing the subcontractor bidding and interactions. *Id.* It is specifically designed for the construction industry. *Id.* The VENTURE software is unique in the

marketplace, and it is particularly useful with regard to collaboration with the subcontractors and managing the flow of detailed information related to the bid. *Id.*

For example, it helps create the bid information for subcontractors to view (previously kept on paper in a single location in large "bid rooms"). *Id.* It sends invitations to subcontractors to review the materials and tracks their responses. *Id.* It stores the plans and specification documents and assigns them a version control number. *Id.* It also highlights modifications. It stores subcontractor qualifications, references and information such as union status; maintains a database of available subcontractors based on publicly-available information; and notifies subcontractors and the general contractor's own personnel of changes to plans and specifications. *Id.*

The VENTURE software does not, however, prepare bid calculations or otherwise handle accounting information or calculate any type of financial data. *Id.* There are various other programs on the market that handle that task. *Id.* Also, Applicant's VENTURE product is completely separate and distinct from Applicant's SPECTRUM construction software that the examining attorney apparently reviewed while drafting the Office Action. *Id.* Although Applicant's two software products overlap in the broadest sense in that they are sold to construction companies, the software license products are completely independent and are used for totally different functions. *Id.* They are developed by separate development groups within Applicant's business. *Id.* It is anticipated that the VENTURE product will be purchased by a different segment of the construction industry: due to the nature and retail cost of its Venture software, Applicant expects that it will only be used by larger, well-established construction companies and developers who need to manage involved and complicated bidding processes for multi-million-dollar commercial and industrial buildings. *Id.*

III. Discussion of Section 2(d) Refusal Regarding Cited Registration

The likelihood of confusion refusal should be withdrawn here, because a thorough analysis of the *DuPont* factors demonstrates that there is no likelihood of confusion with the cited registration.

This is due in large part to the specialized function of the respective products, and the complete and total lack of overlap in users and target markets.

A. Goods Are Dissimilar and the Users Are Mutually Exclusive.

One of the key factors in the *Du Pont* analysis is the similarity of the goods and services identified in the application and the cited registration. *In re E.I. DuPont de Nemours & Co.*, 476 F.2d 1357 (CCPA 1973). The wording of the goods and services identification in the application and the cited registration controls, not extraneous evidence such as specimens or website printouts. *See Paula Payne Products v. Johnson Publishing Co.*, 473 F.2d 901, 177 U.S.P.Q. 76, 77 (CCPA 1973) ("Trademark cases involving the issue of likelihood of confusion must be decided on the basis of the respective descriptions of goods [or services].").

Here, Applicant seeks registration of its mark for software and software services "for bid management and project management for the construction industry for use during pre-construction and live construction operations."¹ The cited registration, Reg. No. 3,161,818, covers the design mark VEnTuRE for a completely different field of use: "computer software for use in order entry/processing and related business processes, namely ecommerce, purchasing, accounting, customer relationship management, data management/reporting, and application/system integration." The examining attorney refused to register Applicant's mark in light of this registration because "the parties specify closely related software that appears to be used for similar purposes, such as accounting." This is incorrect.

Merely because both uses of the respective marks, in the abstract, may fall into a general category does not make them competitive or related. *The Pep Boys Manny, Moe & Jack of California v. Kent G. Anderson*, Opposition No. 91157538 et al., 2008 WL 3873420 (TTAB 2008, non-precedential) ("[W]e are mindful that there is no per se rule that products and services sold in the same field or industry are similar or related for purposes of likelihood of confusion"); *accord Toro Co. v.*

¹ This wording may be further narrowed regarding the functions of the software, as discussed in Section I above.

Torohead, 61 U.S.P.Q.2d 1164, 1168 (TTAB 2001) and *In re Opus One*, 60 U.S.P.Q.2d 1812, 1813-14 (TTAB 2001). Just because two marks are used on software does not mean the goods/services are related. See e.g., *Elec. Data Sys. Corp. v. EDSA Micro Corp.*, 23 U.S.P.Q.2d 1460 (TTAB 1992) (no likelihood of confusion between EDS and EDS- prefixed marks for use in connection with “computer programming services including the design, implementation and management of electronic data processing programs” and related goods and services, and the mark EDSA for use in connection with computer software programs that are used in the design and simulation of electrical power distribution systems, notwithstanding that both marks were used in connection with computer programs).

Here, as described in detail above, Applicant's product is specialized software for construction bid management and project management for large contractors. By contrast, the cited VEnTuRE design mark owned by Kelly Supply Company covers only "computer software for order entry/processing and related business processes" This is essentially e-commerce software, used by retailers to receive customer orders, process the related customer data, track order inventory levels, handle payment information, and similar. Per the cited registration's restriction to "order entry/processing and related business processes," the registration on its face is limited to tasks taking place in the context of customer order entry and processing of retail orders. Pages from the VEnTuRE website confirm this description, indicating that the software is focused on order entry and processing and related processes, mainly involving e-commerce; and that the main target market is apparently online retailers. See five website pages attached to Decl. of Ulacia..

The target markets and users of Applicant's product and the cited registrant's product are not only unrelated, they are mutually exclusive. There is no way that an e-commerce retailer, or indeed any kind of retailer, would find Applicant's construction bid management software even remotely useful in handling retail customer orders, or performing related tasks such as tracking inventory. Similarly, a construction general contractor who was seeking to streamline its bid management process would have absolutely no use for a retail customer order entry software like VEnTuRE e-commerce

product, or indeed any sort of order entry/processing software, to handle architectural plans or provide project specifications for, say, a 40-story office building to one hundred subcontractors. Decl. of Ulacia. Each product simply cannot handle the specialized tasks for which the other is used. *Id.*

The respective products here appeal to completely different target audiences and serve entirely different purposes, and there is no overlap between them whatsoever. This factor alone should dispose of the Section 2(d) refusal.

B. Level of Purchasing Care/Sophistication of Purchasers

Applicant's industry is highly-specialized, and the business consumers who purchase licenses to use Applicant's products exercise a high degree of care in making purchases. *Id.* Applicant's customers for the Venture product will be well-established construction companies, usually general contractors, that have the resources to handle large commercial or industrial construction projects. *Id.* Such clients are quite sophisticated, and they will make an extremely thorough analysis before licensing software to which they will trust the bidding process, such an important and key part of their business. *Id.*

Similarly, it can be expected that any company large enough to require specialized retail order entry/processing software is a relatively sophisticated retail business, and that it will similarly exercise due care and conduct detailed product research before choosing such software.

This factor weighs strongly against any likelihood of confusion.

C. The Parties' Respective Trade Channels are Dissimilar.

Applicant does not provide any software or services related to retail order entry and retail order processing, nor does it have any clients in the online retailing or any kind of retail or product distribution industries. *Id.* Applicant's Venture software is commercial software, and its source code is not made public. *Id.* Licenses to use it are sold directly through person-to-person sales. *Id.* All orders are placed and product distributed through direct contact between customers and Applicant's salespeople. *Id.* Although some sales of installed software are anticipated, the vast majority of users

will use the Venture software through an online, hosted software-as-a-service (SaaS) type of arrangement. *Id.*

By contrast, the cited registration for retail order processing software is apparently open source software, distributed mainly over the internet at no charge. *Id.* The complete source code is apparently available for download at www.venture.kdsi.net/downloads.html. *Id.* These two modes of distribution of software licenses are at the opposite ends of the spectrum and could not be more different.

It is nearly impossible that the same purchasers would encounter the respective marks under circumstances that could give rise to the mistaken belief that the products come from a common source, due to the respective parties' distinctive and completely separate trade channels. This *Du Pont* factor further supports the conclusion that there will be no likelihood of confusion between these marks.

D. Actual Confusion.

Although Applicant's Venture product has been on sale only since January 2012, it has garnered significant publicity in various construction-industry publications and even on the Marketwatch website. *Id.* It also won a prestigious and well-publicized construction industry award for most innovative construction-related software. Despite this publicity, Applicant is not aware of any instances of consumer or trade confusion regarding the trademark covered by the cited registration, or any other trademark for that matter. This factor also weighs in Applicant's favor.

E. Conclusion

Analysis of the *Du Pont* factors indicates that registration of Applicant's mark on the Principal Register will not create a likelihood of confusion with the cited registration. The cited registration is limited to retail order entry/processing and Applicant's product does not, will not, and cannot perform such functions. Applicant's software is limited to bid and project management in the construction industry and the goods of the cited registration do not overlap in any way. The target consumers are

mutually exclusive, and the products are marketed and sold in a way that consumers would never encounter them under similar circumstances. Applicant respectfully requests that the examining attorney withdraw his refusal based on the cited registration.

IV. Discussion of Potential Section 2(d) Refusal Regarding Prior Pending Application

The pending Office Action also noted a potential Section 2(d) refusal based on a prior pending application for AXEL SPRINGER VENTURE.

The AXEL SPRINGER VENTURE application was made under Section 66(a) and is based on a European trademark registration. It includes an enormous laundry list of goods and services phrased in very general wording. For example, the original version of the application included the wording "computer programs and software (recorded and/or downloadable)," without any further restriction on functions or purposes whatsoever. This wording has been narrowed in response to a first Office Action, but there is a final Office Action now pending for the application requiring further specificity.

The business of the application's owner, Axel Springer Venture GmbH of Berlin, Germany, appears to be mainly a venture capital fund providing finance to "new media" companies. See *www.axelspringer.de* ("Axel Springer Venture GmbH is Axel Springer's New Media holding company.") Indeed, as of January 6, 2012, the word "Venture" has now been disclaimed from the application as descriptive.

Given the completely different businesses and the disclaimer of "Venture" now in the prior pending application, Applicant believes that there is no likelihood of confusion between these two marks. This should be enough to dispose of the potential likelihood of confusion refusal now. Even if that is not the case, Applicant believes that Axel Springer Venture GmbH will need to further narrow its identification of goods and services in response to the pending second Office Action in such a way as to clarify that there is no overlap whatsoever between its software and Applicant's specialized construction software.

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Respectfully submitted,

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