

In Re:	)	
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Applicant: Laird Technologies, Inc.	)	Examiner: Elissa Garber Kon
	)	
Mark: STERLING	)	Law Office: 106
	)	
Application Serial No. 87/239,245	)	
	)	
Filed: November 16, 2016	)	

**RESPONSE TO OFFICE ACTION**

Applicant acknowledges receipt of an Office Action dated February 23, 2017, in this matter and notes the existence of two issues (i.e., Section 2(d) Likelihood of Confusion and Identification of Goods), serving as the bases for refusal of its application to federally register its STERLING trademark. Applicant respectfully addresses these bases for refusal as follows:

**I. Amendment of Filing Basis**

This application was originally filed on an intent-to-use basis. Use of the mark in commerce has actually commenced and thus the filing basis of this application has been amended to show that it is a use-based application in accordance with the requirements of the United States Patent and Trademark Office.

**II. Identification of Goods**

As requested, Applicant hereby amends the identification of goods in the subject application to clarify the nature of the goods sold under the subject mark as follows:

Class 9: *intercommunication apparatus, namely, wireless data exchange modules*

This identification of goods is identical to the description that was approved by the Office in Applicant’s U.S. Trademark Application No. 87239237 for the mark SABLE-X. See *Examiner’s Amendment* for U.S. Trademark Application No. 87239237 (amending the goods to “Class 9: intercommunication apparatus, namely, wireless data exchange modules”). Applicant’s SABLE-X mark covers intercommunication module products that, for all practical purposes, are identical to the module covered by Applicant’s proposed mark in the current case. Thus, Applicant requests that the proposed amendment of goods for the STERLING application also be approved by the Office.

**III. Section 2(d) Likelihood of Confusion; Applicant’s Reply Summarized**

Applicant respectfully submits that there is *no* likelihood of confusion between Applicant’s mark and the mark covered by U.S. Trademark Registration Nos. 50232499 for STERLING, 3535461 for STERLING AUDIO, and 3568607 for STERLING AUDIO, for a host of reasons as detailed below:

- A. Applicant's goods are inherently different from the goods covered by the three cited trademark registrations.
- B. The channels of trade and consumers of Applicant's products are vastly different and distinct from those of the three cited trademark registrations.
- C. Applicant's proposed mark has peacefully coexisted with Registrant's marks for almost a year. There is no likelihood of confusion between Applicant's mark and the cited registrations.

#### **IV. Section 2(d) Likelihood of Confusion; Applicant's Detailed Reply**

##### **A. Applicant's goods are inherently different from the goods covered by the three cited trademark registrations.**

Applicant respectfully disagrees with the assertion that the goods covered by Applicant's proposed mark encompass the goods of three cited registrations and are likely to cause confusion. Applicant submits that the nature of the goods are readily and discernibly different, especially taking into consideration the clarification of the goods that Applicant has proposed above, which narrows the scope of the goods to *intercommunication apparatus, namely, wireless data exchange modules*.

Applicant's mark covers chip modules for wireless data exchange via both wireless local area networks and wireless technology standards. Because it is an electrical component, a chip module *must* be connected to other modules in an electric circuit in order to function and thus has no use when it is not connected. This distinguishes Applicant's goods from Registrant's. All the goods covered under the cited registrations, such as *microphones, audio amplifiers, audio cables, and audio systems*, are end product audio devices that can be used right out of the box. On the other hand, Applicant's goods cannot be used right out of the box and must first be connected to other modules in an electrical circuit. Additionally, unlike the electronic components covered by Applicant's mark, Registrant's audio devices can be used by themselves, have practical uses, and are ready for use within the audio industry.

Applicant respectfully submits that STERLING branded products are *not* similar in the slightest to the goods covered by Registrant's marks. Applicant's *intercommunication modules* encompass a wide range of applications, including for use in security and building automation, wireless security systems, internet of things, M2M connectivity, and Smart Gateways. These modules are not used in connection with audio technology and are not audio apparatuses or modules – unlike the goods covered by Registrant's marks, which *only* apply to the audio industry and are used in connection with activities such as the recording of music performances and for amplifying audio signals.

Additionally, and in contracts, Registrant only sells professional audio equipment and accessories in association with the three cited marks, according to its official website (<http://sterlingaudio.net/>). Although some of the end products it sells does include the wireless transmission of audio data, Registrant does not sell chip modules or any electronic components

for wireless data exchange. Registrant sells its product at retail, whereas Applicant's products can *only* be purchased by manufacturers and cannot be purchased at retail. Furthermore, most professional audio equipment operates in the UHF frequency band (470–698 MHz) to avoid interference, whereas the modules Applicant sells operates in 2.4 GHz, the band for Bluetooth and WLAN technologies. Thus, there is no likelihood of confusion between Registrant's end product audio equipment and Applicant's chip modules.

**B. The channels of trade and consumers of Applicant's goods are vastly different from that of the three cited trademark registrations.**

The products covered under Applicant's proposed mark and under the three cited registrations are marketed towards mutually distinct customers. Applicant's chip modules are marketed towards manufacturers of automation devices, internet of things products, and mobile smart devices, among other manufacturers. The end product audio devices covered by the cited registrations are marketed towards audio equipment retailers and consumers, such as musicians and music recording studios. Chip modules are not the conventional products that audio equipment retailers or consumers would buy, especially when the modules operate in 2.4 GHz, a band that professional audio devices with wireless transmission don't operate in. It is unlikely that there would be an opportunity for confusion as Applicant and Registrant do not have an overlapping customer base.

Further, Registrant's products, such as microphones, can cost upwards of \$1,000. Thus, their customer base is made up of sophisticated consumers who will more likely than not take several things into consideration before making their final purchasing decision. Most people do not purchase a product that is upwards of \$1,000 on an impulse but rather look into the manufacturer of the product and conduct research into whether they are buying a quality product.

Additionally, the goods covered under the subject mark are marketed in different channels of trade than the goods of the cited registrations are. Applicant's chip modules are sold via online electronic component suppliers such as Arrow, Avnet, Digi-Key, and others. See *Exhibit A*, a screenshot taken of Applicant's website. Registrant's goods are sold via online audio equipment suppliers such as *Guitar Center*, *Musician's Friend*, *Music & Arts*, etc. See *Exhibit B*, a screenshot taken of Registrant's website. Thus, the respective distributors of Applicant and Registrant engage business within completely different industries and the marks will not cause confusion among buyers.

**C. Applicant's proposed mark has peacefully coexisted with Registrant's marks for almost a year. There is *no likelihood of confusion* between Applicant's mark and the cited registrations.**

Applicant has amended its filing basis for this application and has provided a date of first use of the mark in commerce. In view of this amendment, Applicant's mark and Registrant's marks have peacefully coexisted in United States commerce for almost a year. Applicant thus maintains that the *likelihood of confusion* test for determining whether a problem may arise between two or more marks is a legal construct designed to protect consumers against the

prospect of confusion in situations where, unlike here, the subject marks have not actually been tested in commerce.

Applicant maintains that *no likelihood of confusion* exists between the cited registrations and the application for STERLING.

### **CONCLUSION**

Applicant has amended the basis for filing its application to show that the mark has been in use in commerce for nearly a year. Applicant has also clarified the nature of the goods that it promotes and sells under its mark as *intercommunication apparatus, namely, wireless data exchange modules*. Applicant also respectfully submits its proposed mark is not likely to cause confusion with use of the marks in the three cited registrations. For all these many reasons adduced above, Applicant respectfully requests reconsideration of the refusal to federally register its STERLING trademark and requests prompt allowance of Applicant's application. The Examining Attorney is respectfully requested to contact the undersigned by telephone or e-mail if any issues are thought to remain.