

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: RIPPLE LABS INC.
Mark: SWELL
Application No.: 87/502,590
Filed: June 23, 2017
Examining Attorney: Laura Dawn Golden
Law Office: 103

RESPONSE TO OFFICE ACTION
DATED AUGUST 23, 2017

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

The following amendments and remarks are submitted in response to the Office Action dated August 23, 2017.

I. REMARKS

A. Amendment to the Services in Classes 36 and 41

The Office Action accepts the identification of services for Class 36 and requests a clarifying amendment to the identification of services in Class 41. Applicant submits the following clarifying amendments for Classes 36 and Class 41:

- Class 36: Providing information in the field of finance, **namely, information regarding blockchain financial transactions and related digital assets, all of the foregoing excluding financial management and investment services for others; ~~financial information; providing financial information~~**

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- Class 41: Educational services, namely, conducting classes, seminars, conferences ~~or~~ **and** workshops in the field of **blockchain** financial transactions **and related digital assets**, and distribution of educational materials in connection therewith; educational services, namely, conducting programs in the field of **blockchain** financial transactions **and related digital assets**; providing educational **classes, seminars, conferences and workshops** in the field of **blockchain** finance, **all of the foregoing excluding financial management and investment services for others**

Applicant respectfully asserts that the foregoing amendments satisfy the Office Action request to clarify the services in Class 41.

B. Response To Refusal Under Section 2(d)

The Examining Attorney preliminarily refuses registration of the applied-for mark under Section 2(d) of the Trademark Act which bars registration of a mark which so resembles a registered mark that it is likely a potential consumer would be confused or mistaken or deceived as to the source of the goods and/or services of the applicant and registration. Specifically, the applied-for mark has been rejected in light of the following registered trademark:

Registration No. 4,928,672, for SWELL, in Class 36 for “financial services in the nature of an investment security; advice relating to investments; investment consultation; investment management; investment advisory services; investment advice; fund investment; fund investment consultation; management of securities portfolios; management of portfolios comprising securities; financial portfolio management; mutual fund advisory services; mutual fund analysis services; mutual fund development services; mutual fund investment; mutual funds and capital investment; financial and investment services, namely, asset and investment acquisition, consultation, advisory and development; advising business and individuals on issues of portfolio planning and investment planning; providing investors with financial information; financial and investment services, namely, management and brokerage in the fields of stocks, bonds, options, commodities, futures and other securities, and the investment of funds of others financial services, namely, investment advice, investment management, investment consultation and investment of funds for others, including private and public equity and debt investment services; investment of funds for others.”

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Applicant respectfully asserts that there is no likelihood of confusion between the applied-for mark in this Application and the mark in the above-identified registration. Applicant respectfully presents the following remarks explaining why there is no likelihood of confusion and requests that this Section 2(d) rejection be withdrawn.

Pursuant to *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 U.S.P.Q. 563 (C.C.P.A. 1973), the examining attorney must analyze a likelihood of confusion under two initial steps. First, the examining attorney must look at the marks themselves for similarities in appearance, sound, connotation and commercial impression. *Id.* Second, the examining attorney must compare the goods or 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); *In re International Telephone and Telegraph Corp.*, 197 USPQ 910 (TTAB 1978); *Guardian Products Co. v. Scott Paper Co.*, 200 USPQ 738 (TTAB 1978). Finally, *In re E.I. du Pont*, identifies a number of other relevant factors that should be considered, including, the conditions under which and buyers to whom sales are made (*i.e.* impulse vs. careful or sophisticated purchasing). *In re E.I. du Pont*, 476 F.2d at 1361. Applicant respectfully submits that when all relevant factors are considered, there is no confusion between the applied-for mark and cited registration.

Under the first step of the analysis, mark similarities are evaluated. Here, the marks at issue are both comprised of the word SWELL; however, this fact alone is not determinative. *See* TMEP 1207.01 (“[T]here is no mechanical test for determining likelihood of confusion and each case must be decided on its own facts . . . In some cases, a determination that there is no likelihood of confusion may be appropriate, even where the marks are similar and the goods/services are related, because these factors are outweighed by other factors.”) (citations omitted). As discussed

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below, the significant differences in the services and high degree of consumer care outweighs any potential for confusion.

Under the second step of the analysis, similarities of the services are evaluated. Even where marks are identical, a likelihood of confusion does not exist, “if the goods or services in question are not related or marketed in such a way that they would be encountered by the same persons in situations that would create the incorrect assumption that they originate from the same source.” TMEP § 1207.01(a)(i); *see also Shen Mfg. Co. v. Ritz Hotel Ltd.*, 393 F.3d 1238, 1244-45, 73 USPQ2d 1350, 1356 (Fed. Cir. 2004) (reversing TTAB’s holding that contemporaneous use of RITZ for cooking and wine selection classes and RITZ for kitchen textiles is likely to cause confusion, because the relatedness of the respective goods and services was not supported by substantial evidence); *In re Thor Tech, Inc.*, 113 USPQ2d 1546, 1551 (TTAB 2015) (finding use of identical marks for towable trailers and trucks not likely to cause confusion given the difference in the nature of the goods and their channels of trade and the high degree of consumer care likely to be exercised by the relevant consumers); *Local Trademarks, Inc. v. Handy Boys Inc.*, 16 USPQ2d 1156, 1158 (TTAB 1990) (finding liquid drain opener and advertising services in the plumbing field to be such different goods and services that confusion as to their source is unlikely even if they are offered under the same marks). Moreover, “when the relatedness of the goods and services is not evident, well known, or generally recognized, ‘something more’ than the mere fact that the goods and services are used together must be shown.” TMEP 1207.01(a)(ii).

The Office Action asserts the services in Classes 36 and 41 of the application are related to the services in Class 36 in the cited registration because “Applicant provides information and educational services in the field of finance, while registrant provides various financial services. It

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is common for those that provide services to also provide information and education services in the same field.”

As set forth above, Applicant submits clarifying amendments to its services in Class 36 and 41. These amendments make clear that Applicant’s educational and informational services in Class 36 and 41 pertain to blockchain financial transactions. Applicant’s clarifying amendments further exclude financial management and investment services for others.

The cited registration, in contrast, is limited to financial management and investment services for others, which are traditional financial services. In particular, the cited registration is for financial services related to “investments,” “management of portfolios,” “mutual funds,” and “investment of funds of others.” Thus, the financial services in the cited registration are specifically defined as related to investments, portfolio management, and investment of funds of others, along with specific types of investments such as mutual funds. For convenience of the Examining Attorney, the services in the cited registration as shown below with highlighting for emphasis.

Financial services in the nature of an **investment** security; advice relating to **investments**; **investment** consultation; **investment** management; **investment** advisory services; **investment** advice; fund **investment**; fund **investment** consultation; **management of securities portfolios**; **management of portfolios** comprising securities; financial **portfolio management**; **mutual fund** advisory services; **mutual fund** analysis services; **mutual fund** development services; **mutual fund** investment; **mutual funds** and capital investment; financial and **investment** services, namely, asset and **investment** acquisition, consultation, advisory and development; advising business and individuals on issues of **portfolio** planning and **investment** planning; providing investors with financial information; financial and **investment** services, namely, management and brokerage in the fields of stocks, bonds, options, commodities, futures and other securities, and the **investment of funds of others** financial services, namely, **investment** advice, **investment** management, **investment** consultation and **investment of funds for others**, including private and public equity and debt **investment** services; **investment of funds for others**

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The applied-for mark, however, is related to blockchain financial transactions and not investment advice, portfolio management, investment of funds of others, or mutual fund services as provided for in the cited registration. In fact, Applicant specifically excludes financial management and investment services for others for its services. Blockchain financial transactions are the antithesis of traditional banking services in that it is decentralized, unregulated, and operates online in the context of cryptocurrencies (*e.g.*, bitcoin). See Attachment A, Blockchain Wikipedia Article. Blockchain financial transactions and the investment advice, portfolio management, investment of funds of others, and mutual fund services recited in the cited registration are highly distinguishable. Moreover, there is no evidence that blockchain financial transactions, as recited in the application, and the financial management and investment services for others in the cited registration are the kind of services known to emanate from a single source. TMEP 1207.01(a)(ii). (“[W]hen the relatedness of the goods and services is not evident, well known, or generally recognized, ‘something more’ than the mere fact that the goods and services are used together must be shown.”). The foregoing demonstrates a clear distinction between blockchain financial transactions of the Applicant and the investment advice, portfolio management, investment of funds of others, and mutual fund services of the registrant. These services are not related nor are they known to emanate from a single source. On this basis, there is no likelihood of confusion between Applicant’s applied-for mark and the mark in the cited registration.

Other relevant factors are also considered under the analysis. Here, the factor examining the conditions under which and buyers to whom sales are made (*i.e.*, impulse vs. careful or sophisticated purchasing) is highly relevant. See *In re E.I. Du Pont*, 476 F.2d at 1362-63. The services at issue—traditional financial management and investment services for others including

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investment advice, portfolio management, investment of funds of others, and mutual funds as opposed to blockchain financial transactions—are highly specialized in nature and marketed to discerning and distinguishable customers. Consumers seeking conventional financial management and investment services are looking for a trusted and regulated source to hold and/or invest their hard-earned money. These discerning consumers will exercise a high degree of care in evaluating and selecting the source of these services. The choice to utilize financial management and investment services for investment advice, portfolio management, investment of funds, and mutual fund services is not a casual or impulse decision. *See Magnaflux Corp. v. Sonoflux Corp.*, 43 C.C.P.A. 868, 231 F.2d 669, 671 (1956) (confusion is less likely where goods are expensive and are purchased after careful consideration than when they are purchased casually).

The consumer seeking blockchain financial transactions is also a discerning and careful consumer. However, consumers of blockchain financial transactions are looking for an alternative to traditional financial management and investment services. Indeed, the emergence of blockchain financial services is a unique and innovative industry that attracts those seeking non-traditional methods for investment. *See Homeowners Group, Inc. v. Home Marketing Specialists, Inc.*, 931 F.2d 1100, 1109 (6th Cir. 1991) (“when services are expensive or unusual, the buyer can be expected to exercise greater care in her purchases. When services are sold to such buyers, other things being equal, there is less likelihood of confusion.”). Because consumers of blockchain financial transactions are expending their hard-earned money to purchase cryptocurrency, they will carefully research and evaluate the different blockchain options and services available to them. These consumers will not be confused between a provider of conventional investment advice, portfolio management, investment of funds of others, and mutual fund information and a provider of information and education in the field of blockchain financial transactions. Given the

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specialized nature of the services at issue, the high degree of care that will be exercised by consumers, and the differences between consumers of traditional financial management and investment services and blockchain financial transactions, there is no likelihood of consumer confusion under Section 2(d).

The foregoing demonstrates that there is no confusion between the applied-for mark and cited registration. While the marks at issue are identical, the services and target consumers negate any likelihood of confusion. Accordingly, Applicant respectfully asserts that there is no likelihood of confusion between Applicant's applied-for mark and the mark in the cited registration.

II. CONCLUSION

The Applicant respectfully asserts that the above information overcomes the Office Action rejections. Accordingly, Applicant respectfully requests the Application for the mark SWELL be promptly allowed for publication.

If the Examining Attorney finds any remaining impediments to a prompt allowance of this Application, the Examining Attorney is encouraged to contact the undersigned attorney of record at 435-252-1360.

Respectfully submitted,

Dated: February 23, 2018

By: /Richard C. Gilmore/

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