

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

APPLICANT:	Clearwater Compliance LLC
SERIAL NO.:	88/013,160
MARK:	CLEARWATER (with design)
OFFICE ACTION MAILING DATE:	10/03/2018

**RESPONSE**

In the October 3, 2018 Office Action, the Examining Attorney has refused registration of Applicant's CLEARWATER mark and design ("Applicant's Mark") on the grounds of likelihood of confusion with U.S. Registration Nos. 3448426, 3511046, 4160477,<sup>1</sup> and 5207610, all for CLEARWATER (the "Cited Marks" or the "Cited Registrations"). The Examining Attorney specifically bases the refusal on similarity of Applicant's Mark to the Cited Marks and similarity of the services associated with the respective marks. Applicant respectfully argues that there is no likelihood of confusion because the services are not sufficiently related and Applicant's Mark is distinguishable from the Cited Marks.

**ARGUMENT**

In the October 3, 2018 Office Action, the Examining Attorney states that there is a likelihood of confusion between Applicant's Mark and the Cited Marks. The Court of Appeals for the Federal Circuit has provided guidance for evaluating marks, stating that "likelihood of confusion cannot be predicated on dissection of a mark, that is, on only part of a mark." *In re Nat'l Data Corp.*, 753 F.2d 1056, 1058, 224 USPQ 749, 750-51 (Fed. Cir. 1985).

In addition to other factors not relevant here, a determination of likelihood of confusion is based on the following:

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<sup>1</sup> As further explained below, this Registration was cancelled on January 25, 2019 and no longer presents a barrier to Applicant's Mark.

- the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation, and commercial impression; and
- relatedness of the goods or services as described in the application and registration.

*In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (C.C.P.A. 1973); *see also In re Might Leaf Tea*, 601 F.3d 1342, 1346, 94 USPQ2d 1257, 1259 (Fed. Cir. 2010) (“Not all of the DuPont factors are relevant to every case, and only factors of significance to the particular mark need be considered.”). The significance of a particular factor may differ from case to case. *See du Pont*, 476 F.2d at 1361-62, 177 USPQ at 567-58.

Applicant respectfully submits that Applicant’s Mark and the Cited Marks are not likely to be confused when taking into account these factors. Not only does Applicant’s Mark include a design element, but more importantly Applicant’s Mark is for use in connection with healthcare services, including “Business consulting services in the fields of cyber risk management, HIPAA, HIPAA risk analysis, compliance with security, privacy, and breach notification statutes and regulations, and information security; Business risk assessment services; Third party risk assessment services; Cyber risk strategic advisory services, regulatory advisory services” in Int’l Class 035, and “software as a service (SAAS) services featuring software for HIPAA compliance, cyber risk assessment and management, information risk management and reporting, risk analytics, maintenance of historical records, and documentation of actions relating to risk management; Software as a service (SAAS) services featuring software for HIPAA compliance, including workflow automation, regulatory compliance, and reporting, and documentation of actions related to compliance remediation; Electronic data back-up services; Virtual CISO services, namely, advisory services in the field of planning, design and

management of information security, privacy and cyber risk management; Testing of information system security” in Int’l Class 042.<sup>2</sup>

In contrast, each of the Cited Marks is registered for use in connection with financial and investment-related services, including:

- Registration No. 3448426 is for “Investment monitoring and reporting services” in Int’l Class 036;
- Registration No. 3511046 is for “Investment advisory services” in Int’l Class 036;
- Registration No. 4160477 is for “Computerized accounting services” in Int’l Class 035 and “Software as a service (SAAS) services featuring software for accounting, investment compliance, investment portfolio risk and performance analytics” in Int’l Class 042; and
- Registration No. 5207610 is for “Advice, consultancy and research services in connection with the financial aspects of mergers and acquisitions, the financial aspects of company and business disposals, capital raisings, private equity and debt, the valuation of companies, businesses and shareholdings” in Int’l Class 036.

Specifically, Applicant argues that: (1) Applicant’s services and the Cited Registrations’ services are not closely related; and (2) Applicant’s Mark and the Cited Marks differ in sight and appearance. Moreover, with this Response Applicant has amended the description of its Mark, amended its services in Int’l Classes 035 and 042, and added services in Int’l Class 045, all as suggested by the Examining Attorney. Applicant will not, however, amend its Application to

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<sup>2</sup> Applicant’s Mark is also for use in connection with “Education services, namely, providing non-downloadable webinars in the fields of HIPAA, privacy, security, and information risk management; Education services, namely, HIPAA training provided through classes, seminars, and non-downloadable webinars” in Int’l Class 041. The Office Action, however, did not find issue with this class of services.

include any services in Int'l Class 036 as suggested by the Examining Attorney because, as more clearly explained below, Applicant does *not* provide financial or investment services.

**A. The Evidence Does Not Support a Finding that Applicant's Services and the Cited Registrations' Services are Closely Related.**

An examining attorney must provide evidence showing that the goods and/or services are related to support a finding of likelihood of confusion. *See, e.g., In re White Rock Distilleries Inc.*, 92 USPQ2d 1282, 1285 (TTAB 2009) (finding Office had failed to establish that wine and vodka infused with caffeine are related goods because there was no evidence that vodka and wine emanate from a single source under a single mark or that such goods are complementary products that would be bought and used together). Evidence of relatedness might include news articles and/or evidence from computer databases showing that the relevant goods and/or services are used together or used by the same purchasers; advertisements showing that the relevant goods and/or services are advertised together or sold by the same manufacturer or dealer; and/or copies of prior use-based registrations of the same mark for both applicant's goods and/or services and the goods and/or services listed in the cited registration. *See, e.g., In re Davia*, 110 USPQ2d 1810, 1817 (TTAB 2014) (finding pepper sauce and agave related where evidence showed both were used for the same purpose in the same recipes and thus consumers were likely to purchase the products at the same time and in the same stores).

“The degree of ‘relatedness’ must be viewed in the context of all the factors, in determining whether the services are sufficiently related that a reasonable consumer would be confused as to source or sponsorship.” *In re Shell Oil Co.*, 992 F.2d 1204, 1207, 26 USPQ2d 1687, 1689 (Fed. Cir. 1993). 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, then, even if the marks are

identical, confusion is not likely. See, e.g., *Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 1371, 101 USPQ2d 1713, 1723 (Fed. Cir. 2012) (affirming the Board’s dismissal of opposer’s likelihood-of-confusion claim, noting “there is nothing in the record to suggest that a purchaser of test preparation materials who also purchases a luxury handbag would consider the goods to emanate from the same source” though both were offered under the COACH mark); *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); *Quartz Radiation Corp. v. Comm/Scope Co.*, 1 USPQ2d 1668, 1669 (TTAB 1986) (holding QR for coaxial cable and QR for various apparatus used in connection with photocopying, drafting, and blueprint machines not likely to cause confusion because of the differences between the parties’ respective goods in terms of their nature and purpose, how they are promoted, and who they are purchased by).

In cases where the terminology in an identification is unclear or undefined, the Trademark Trial and Appeal Board has permitted an applicant to provide extrinsic evidence to show that the registrant’s identification has a specific meaning to members of the trade. See,

*e.g., In re Thor Tech, Inc.*, 90 USPQ2d 1634, 1638 & n.10 (TTAB 2009) (noting that, although extrinsic evidence may not be used to limit or restrict the identified goods, it is nonetheless proper to consider extrinsic evidence in the nature of dictionary entries to define the terminology used to describe the goods); *In re Trackmobile Inc.*, 15 USPQ2d 1152, 1154 (TTAB 1990) (noting that, “when the description of goods for a cited registration is somewhat unclear . . . it is improper to simply consider that description in a vacuum and attach all possible interpretations to it when the applicant has presented extrinsic evidence showing that the description of goods has a specific meaning to members of the trade.”)

Applicant respectfully disagrees with the Examining Attorney’s conclusion that Applicant’s services and the Cited Registrations’ services present a likelihood of confusion. First, Registration No. 4160477 for use in connection with “computerized accounting services” in Int’l Class 035 and “software as a service (SAAS) services featuring software for accounting, investment compliance, investment portfolio risk and performance analytics” in Int’l Class 042 was cancelled on January 25, 2019. A copy of the TSDR information is attached hereto as Exhibit 1. Therefore, this Cited Registration is of no consequence to Applicant’s ability to proceed with Applicant’s Mark, specifically in Int’l Class 042.

Second, Applicant’s listed services are detailed and unique to Applicant and are not related or similar to the services in the Cited Registrations, as Applicant’s services are in cyber risk management and Health Insurance Portability Accountability and Accountability Act (“HIPAA”) risk analysis (*and not related to financial and investment services*) whereas the Cited Registrations focus on financial and investment services, which broadly encompass risk *associated with financial and investment services*. Because of the Examining Attorney’s apparent focus on “risk management” as a financial- and investment-related term when that is not

Applicant's focus of "risk management," Applicant believes extrinsic evidence will help provide better context to the difference in services provided by Applicant and Registrants.

Clearwater Analytics, LLC ("Analytics"), the owner of Registration No. 3448426 and former owner of abandoned Registration No. 4160477, focuses on managing investments. *See* screenshots from [www.clearwater-analytics.com](http://www.clearwater-analytics.com), taken on February 18, 2019, attached hereto as Exhibit 2. Clearwater Advisors, LLC ("Advisors"), the owner of Registration No. 3511046, is also focused on investment management. *See* screenshots from [www.clearwateradvisors.com](http://www.clearwateradvisors.com), taken on February 18, 2019, attached hereto as Exhibit 3. Finally, Colmore LLP ("Colmore"), based out of the United Kingdom, owns Registration No. 5207610. Colmore entered into a consent agreement with both Analytics and Advisors to overcome a refusal of Colmore's application based on likelihood of confusion with the registrations held by Analytics and Advisors. The Consent Agreement, attached hereto as Exhibit 4, further defines Registrants' services and states that

(1) The Parties [Colmore, Analytics, and Advisors] believe there is no likelihood of confusion based upon the below listed factors:

(a) the Parties use their marks in connection with distinct financial services which are targeted to very distinct consumers; Colmore's services are targeted to entities involved with the sale and acquisition of entire companies, whereas Analytics' services are targeted to customers that utilize Analytics' software to monitor and prepare reports on the status of the customers' individual investments and Advisors' services are targeted to providing fixed income investment management services. In this way, the marks as used with the respective services will not be confused as the services, while related to finance, are quite distinct in purpose and serve distinct potential customers; and

(b) the Parties use their marks in association with their respective services through distinct marketing and distribution channels utilizing different logos and trade dresses.

Here, Applicant's focus is on cybersecurity and risk management in healthcare, including HIPAA compliance and cyber risk management. *See* screenshots from Applicant's website,

www.clearwatercompliance.com, taken on February 18, 2019, attached hereto as Exhibit 5. In fact, Applicant provides on its website that Applicant is “the leading provider of cyber risk management and HIPAA compliance solutions for healthcare providers and their partners, delivering privacy and security solutions to more than 400 customers since its founding in 2009.” *Id.* Applicant’s Mark is not used in connection with financial services like the Cited Registrations, and specifically Applicant’s Mark is not used in connection with the “sale and acquisition of entire companies” like Colmore; or “customers that utilize [its] software to monitor and prepare reports on the status of the customers’ individual investments” like Analytics; or “providing fixed income investment management services” like Advisors. *See* Consent Agreement, attached hereto as Exhibit 4, Therefore, Applicant’s Mark and the Cited Marks are not related or marketed in such a way that they would be encountered by the same persons in situations that would create the assumption that they originate from the same source. *See, e.g., Coach Servs., Inc.*, 668 F.3d at 1371, 101 USPQ2d at 1723. Thus, even though Applicant’s Mark may be phonetically identical to the Marks, this is not likely to lead to confusion in view of the unrelated nature of the services provided under Applicant’s Mark with respect to the services provided under the Cited Marks.

Third, the Examining Attorney has provided insufficient evidence showing the relatedness of the services provided by Applicant and the Cited Registrations. Instead, the Examining Attorney provided screenshots from three (3) websites and made a summary conclusion that the websites show “applicant’s business services being provided under registrants’ financial and investment advisory services, indicating these services frequently emanate from a common source” (again showing an incorrect focus on investment and financial risk). However, GrantThornton’s website makes absolutely no mention of HIPAA compliance.



In fact, healthcare is not even listed as one of GrantThornton's industries. Further, the Examining Attorney's inclusion of the "Diligence" page from GrantThornton's website is confusing to Applicant, as the seven (7) areas discussed, including the "risks" of the seven (7) areas, has nothing to do with Applicant's stated purposes of HIPAA compliance and cyber risk management.

Applicant is similarly confused by the Examining Attorney's inclusion of the BDO's "Investment Management" page, as Applicant's listed services do not relate to investment, and make no reference to "investment." Yes, Applicant does provide a service related to risk management; that service, however, is a different type of risk management, namely information risk management or risks related to maintaining the confidentiality, integrity, and availability of patient information maintained by a healthcare organization. Simply because the word "risk" appears on a third-party website does not mean that the services provided are the same as Applicant's. For example, BDO's "Investment Management" page mentioning that BDO will "recommend appropriate investments according to risk tolerance" does not connote the same kind of cyber and HIPAA risk management and analysis services provided by Applicant.

Finally, the Examining Attorney's evidence of GEN Capital is similar to GrantThornton and BDO in that it provides financial planning advice, including insurance and risk management advice; yet, that is not the same as Applicant's services. In fact, GEN Capital mentions "risk management" under the financial planning heading and *not* under the business advisory heading. While this might appear as a minor detail, it further demonstrates the distinction between Applicant's "business consulting services in the fields of cyber risk management, HIPAA, HIPAA risk analysis, compliance with security, privacy, and breach notification statutes and regulations, and information security; [b]usiness risk assessment services; [t]hird party risk

assessment services; [c]yber risk strategic advisory services, regulatory advisory services” and the Cited Registrations’ focus on financial-related services.

The extrinsic evidence presented by Applicant further defines the industry-specific terminology so as to make clear the lack of relatedness between the services of Applicant and the services of Registrants without limiting Registrants’ services. In fact, “it is improper to simply consider [Registrants’ description of services] in a vacuum and attach all possible interpretations to it when [Applicant] has presented extrinsic evidence showing that the description of [services] has a specific meaning to members of the trade.” *In re Trackmobile Inc.*, 15 USPQ2d at 1154. It would be improper to assume that Applicant’s services *must* be related to Registrants’ services simply because they both provide various and unrelated versions of risk management. The difference in the unrelated versions of risk management is key; the reasonable consumer would be not confused to the source or sponsorship of the services provided by Applicant or Registrants.

Therefore, Applicant respectfully asserts that the Examining Attorney’s evidence is weak; that the Examining Attorney’s conclusion that Applicant’s services are sufficiently related to Registrants’ services to sustain a likelihood of confusion is not supported by the evidence of record or pertinent case law, and in fact is disproved by extrinsic evidence; and that consumers would not encounter Applicant’s Mark and the Cited Marks under circumstances leading them to mistakenly believe the services originate from the same source. Thus, the Examining Attorney has not met the burden of proof necessary to maintain this refusal.

Notwithstanding Applicant’s argument that the Examining Attorney has not met his burden of proof to show that Applicant’s services and Registrants’ services are related, Applicant will amend its Application to further define its listed services in Int’l Class 035, and 042, and

will add Int'l Class 045; Applicant will not add Int'l Class 036 as suggested by the Examining Attorney as such an addition does not accurately reflect Applicant's services and would defeat the purpose of Applicant's argument presented herein. *See* 37 C.F.R. § 2.173(e); TMEP § 1609.03.

**B. Applicant's Mark and the Cited Marks Differ in Sight and Meaning.**

Marks must be compared in their entireties, and not dissected, and compared in connection with the particular goods or services for which they are used. *See In re Nat'l Data Corp.*, 753 F.2d 1056, 1058, 224 USPQ 749, 750-51 (Fed. Cir. 1985); *see also In re Hearst Corp.*, 982 F.2d 493, 25 USPQ2d 1238 (Fed. Cir. 1992) (VARGA GIRL not similar to VARGAS, even when used for identical goods, due to addition of "GIRL"). Further, a composite mark consisting of a design element combined with words requires comparison on a case-by-case basis without reliance on mechanical rules of construction. *See, e.g., Jack Wolfskin Ausrustung Fur Draussen GmbH & Co. KGAA v. New Millennium Sports, S.L.U.*, 797 F.3d at 1371-72, 116 USPQ2d at 1134-35 (holding that Board finding lacked substantial evidence for minimizing the literal element in composite mark); *In re Covalinski*, 113 USPQ2d 1166 (TTAB 2014) (holding confusion unlikely between REDNECK RACEGIRL and design of large, double-letter RR configuration and registered mark RACEGIRL (in standard character format), even when used on in-part identical goods).

Determining whether there is a likelihood of confusion requires careful consideration of the nature of the common elements of the marks at issue, as well as the overall commercial impression created by each mark. TMEP § 1207.01(b)(iii). Applicant's Mark is readily distinguishable from the Cited Marks when one takes into account appearance of the marks. *See* TMEP § 1207.01(b) ("Under *In re E. I. du Pont de Nemours & Co.*, 476, F.2d 1357, 1361, 177

USPQ 563, 567 (C.C.P.A. 1973), the first factor requires examination of ‘the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.’”).

The similarity of appearance in Applicant’s Mark and the Cited Marks is not high even though the marks incorporate the same literal elements. Specifically, the Cited Marks<sup>3</sup> are standard character marks without claim to any particular size, style, or color, whereas Applicant’s Mark consists of a circular design formed by four stylized human figures holding hands with the term “CLEARWATER” to the right of the design.<sup>4</sup>



Under a “subjective eyeball” test, which is appropriate when considering the appearance of a mark, Applicant’s Mark and the Cited Marks are different. *See Miss World (UK) Ltd. v. Mrs. America Pageants, Inc.*, 856 F.2d 1445, 1451, 8 USPQ2d 1237 (9th Cir. 1988). The unique design elements of Applicant’s Mark reduce the degree of similarity between it and the Cited Marks. *See In re Coors Brewing Co.*, 343 F.3d 1340, 1345, 68 USPQ2d 1059, 1062 (Fed. Cir. 2003) (finding that the compared marks were readily distinguishable even though both marks incorporated a design element representing the Moon).

### CONCLUSION

After careful consideration of the relevant *du Pont* likelihood of confusion factors, especially the difference in services provided, Applicant asserts that there is no basis for finding a likelihood of confusion between Applicant’s Mark and the Cited Marks. Accordingly, Applicant respectfully requests that the Examining Attorney make such amendments to the

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<sup>3</sup> Applicant is excluding the cancelled Cited Mark, Registration No. 4160477.

<sup>4</sup> Applicant agrees to the Examining Attorney’s suggested amendment to the description of the Applicant’s Mark.

application as are set forth herein, withdraw his refusal based on likelihood of confusion, and approve Applicant's Mark for publication.

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