STATEMENT IN RESPONSE TO OFFICE ACTION
U.S. APPLICATION SERIAL NO. 88829678

REPLY TO LIKELIHOOD OF CONFUSION REFUSAL

I. APPLICANT SHOULD BE PERMITTED TO REGISTER THE MARK AS APPLIED FOR.

Relevant Facts

- Applicant owns the following registrations and trademark filings:

Word Mark	**LILA GRACE**
Goods and Services	IC 003. US 001 004 006 050 051 052. G & S: Antibacterial soap; Bar soap; Hand lotions; Hand soaps; Reeds and scented oils sold as a unit for use in room scent diffusers. FIRST USE: 20110523. FIRST USE IN COMMERCE: 20110523
Registration Number	4214519
International Registration Number	1254750
Registration Date	September 25, 2012

Word Mark	**LILA GRACE**
Goods and Services	IC 021. US 002 013 023 029 030 033 040 050. G & S: Bath products, namely, loofah sponges. FIRST USE: 20130915. FIRST USE IN COMMERCE: 20130915
Registration Number	5789738
Registration Date	June 25, 2019

Word Mark	**LILA GRACE**
Goods and Services	IC 025. US 022 039. G & S: Bathrobes. FIRST USE: 20140902. FIRST USE IN COMMERCE: 20140902
Registration Number	4731637
Registration Date	May 5, 2015

Word Mark	**LILA GRACE**
Goods and Services	IC 021. US 002 013 023 029 030 033 040 050. G & S: Drinking cups; drinking cups sold with lids therefor; mugs. FIRST USE: 20130913. FIRST USE IN COMMERCE: 20130913
Registration Number	5699009
Registration Date	March 12, 2019

Word Mark	**LILA GRACE**
Goods and Services	IC 016. US 002 005 022 023 029 037 038 050. G & S: Agendas; Notepads; Photo albums; Stationery; Blank journals. FIRST USE: 20181123. FIRST USE IN COMMERCE: 20181123
Registration Number	5752522
Registration Date	May 14, 2019

Word Mark	**LILA GRACE**
Goods and Services	IC 016. US 002 005 022 023 029 037 038 050. G & S: Blank journals; Brag books. FIRST USE: 20091012. FIRST USE IN COMMERCE: 20091012
Registration Number	3878858
International Registration Number	1239502
Registration Date	November 23, 2010

Applicant's following registration has a filing date that precedes the filing date of the registration identified by the examining attorney in his refusal to register pursuant to Section 2(d) Likelihood of Confusion:

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Argument

A. <u>Legal Standard.</u>

As correctly noted by the examining attorney, as federal trademark law evolved, the various factors for determining if confusion between two marks would be likely has been set forth in the decision *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). In this decision, the Court noted that a purpose of the Lanham Act was to make registrations more liberal and conform the trademark statues to legitimate present-day business practices. The basic goal of the Act was twofold:

1. To protect trademarks and their owner's rights in the goodwill such marks represent, and

2. To protect the public against spurious and falsely-marked goods.

Lanham Act § 2, 15 U.S.C.S. § 1052, reads as follows:

> No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it -
>
> (d) consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive . . .

Consistent with the Lanham Act § 2, the *DuPont* Court pointed out that pursuant to the Act no trademark is to be refused registration "on account of its nature"; this question of "nature" relates not to the nature of the mark but rather to its effect on the marketplace. The "likelihood of confusion" prohibition is not a mental exercise said the Court, but must be based upon all of the known circumstances surrounding use of the mark. In testing for likelihood of confusion, therefore, the court said that the following factors must be considered:

1. The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.
2. The similarity or dissimilarity, and nature, of the goods or services as described in an application or registration or in connection with which a prior mark is in use.
3. The similarity or dissimilarity of established, likely to continue trade channels.
4. The conditions under which, and buyers to whom, sales are made, i.e., "impulse" vs. careful, sophisticated purchasing.
5. The fame of the prior mark (sales, advertising, length of use).
6. The number and nature of similar marks in use on similar goods.
7. The nature and extent of any actual confusion.

8. The length of time during and conditions under which there has been concurrent use without evidence of actual confusion.
9. The variety of goods on which the mark is or is not used (house mark, "family" mark, product mark).
10. The market interface between applicant and the owner of a prior mark: (a) a mere "consent" to register or use; (b) agreement provisions designed to preclude confusion, i.e., limitations on continued use of the marks by each party; (c) assignment of mark, application, registration and goodwill of the related business; (d) laches and estoppel attributable to the owner of prior mark and indicative of lack of confusion.
11. The extent to which applicant has a right to exclude others from use of its mark on its goods.
12. The extent of potential confusion, i.e., whether de minimus or substantial.
13. Any other established fact probative of the effect of use.

All evidence concerning or relevant to the question of likelihood of confusion must be considered. While differing weights may be accorded the specific evidentiary elements in particular cases, there is no warrant, in the statute or elsewhere, for ignoring or discarding any such evidence said the *DuPont* Court. The *possibility of confusion* is insufficient to find a likelihood of confusion; rather, consumer *confusion must be probable*. *See Estee Lauder Inc. v. The Gap, Inc.,* 108 F.3d 1503, 1510 (2d Cir.1997) (quoting 3 J. McCarthy, *McCarthy on Trademarks and Unfair Competition* § 23:2, at 23-10 to -11 (1996)).

The similarity of marks, for purpose of testing for likelihood of confusion in trademark registration case, is determined by focusing on the marks in their entireties as to appearance, sound, connotation, and commercial impression. Lanham Act, § 2(d), 15 U.S.C.A. § 1052(d). In conducting likelihood of confusion analysis in trademark case, proper test is not side-by-side comparison of marks, but instead whether marks are sufficiently similar in terms of their commercial impression, such that persons who encounter marks would be likely to assume connection between parties. Lanham Act, § 2(d), 15 U.S.C.A. § 1052(d); see also *Coach Services, Inc. v. Triumph Learning LLC*, 668 F.3d 1356 (Fed. Cir.,2012).

B. <u>Applicant's registration for LILA GRACE in Class 3 in connection with antibacterial soap, bar soap, hand lotions, hand soaps, and reeds and scented oils sold as a unit for use in room scent diffusers closely relates to the present application for essential oils in class 3.</u>

It is a well-established principle of trademark law that a party, in defense of its right of registration and, in particular, in support of an allegation of superior rights, can rely upon the prior and continuous use of another mark which is, in essence, the legal equivalent of the mark in question or indistinguishable therefrom, and would be considered by purchasers as the same mark. See: *Humble Oil & Refining Company v. Sekisui Chemical Company Ltd. of Japan*, 165 USPQ 597 (TT&A Bd., 1970), and cases cited therein; and that, as a corollary thereto, a party in defense of its right of registration can rely upon ownership of an existing registration for the same or a substantially identical mark for like or similar goods on the theory that the party in position of plaintiff cannot be damaged by the registration presently sought by applicant so long as the other is outstanding. See: *Artichoke Industries, Inc. v. Regina Grape Products Co*., 138 USPQ 687 (TT&A Bd., 1963), and cases cited therein; and *Morehouse Manufacturing Corporation v. J. Strickland and Company*, 160 USPQ 715 (CCPA, 1969).

As per the examining attorney "jewelry" is closely related to "essential oils" because the same goods are sold in the same channel of distribution. Jewelry and essential oils, however, are not commonly sold together and, respectfully, not commonly produced by the same entities as suggested. Essential oils are actually frequently sold together with bath & body products (such as those included in Applicant's Registration No. 4214519) in sets and on the same shelves in stores (*see* attached). Essential oils and bath & body products are actually used together. The truth is that consumers are likely to associate a mark used with bath & body products and essential oils more so than with jewelry and essential oils. Essential oils are a natural extension. See *Van Dyne-Crotty, Inc. v. Wear-Guard Corp.,* 926 F.2d 1156, 17 USPQ2d 1866, 1868 (Fed. Cir. 1991), *citing Compania Insular Tabacaleria v. Comacho Cigars, Inc.,* 167 USPQ 299,

300-304 (TTAB 1970) (the test of legal equivalence is whether the mark should be recognized as one and the same mark).

C. <u>There is no requisite similarity of trade channels.</u>

A channel of trade is the path followed by a product as it travels from the manufacturer to the ultimate consumer or user. Normally this path will involve distributors, wholesalers, and retailers. The issue of likelihood of confusion must be decided on the basis of the respective descriptions of goods. *Paula Payne Products Co. v. Johnson Publishing Co., Inc.,* 473 F.3d 901, 177 USPQ 76, 77 (CCPA 1973). *See also CBS Inc. v. Morrow,* 708 F.2d 1579, 218 USPQ 198, 199 (Fed. Cir. 1983) (the issue of likelihood of confusion "must be resolved on the basis of not only a comparison of the involved marks, but also on consideration of the goods named in the application and . . . on consideration of the normal and usual channels of trade and methods of distribution."). Citing, *In Re Allegheny Wood Products, Inc.*, 2013 WL 4397024 July 17, 2013; see also, *San Fernando Electric Manufacturing Co. v. JFD Electronics Components Corp.,* 565 F.2d 683, 196 USPQ 1, 2 (CCPA 1977) ("[I]n the absence of specific limitations in the registration, [the issue of likelihood of confusion is resolved] on the basis of all normal and usual channels of trade and methods of distribution"); and *Genesco Inc. v. Martz,* 66 USPQ2d 1260, 1268 (TTAB 2003)

When considering the channels of trade through which goods or services designated by two marks are being offered, it is necessary to establish what purchasers reasonably might believe. While convergent marketing channels will increase the likelihood of confusion, modern marketing methods tend to unify widely different types of products in the same retail outlets or distribution networks. For that reason, there is some reluctance to conclude that confusion would be based entirely on similarities in channels of trade. The test in this area is not what a manufacturer or other skilled user of trade channels believes to be convergence, but rather what purchases reasonably might believe when encountering the marks being considered in a commercial environment. As a specific example, the well-known entertainer Johnny Carson, whose name has been used as a mark on men's apparel and entertainment services, was denied injunctive relief against the use of "Here's Johnny" for portable toilets because of the dissimilarities between the channels of trade and products involved.

Moreover, conducting business in the same industry does not, by itself, establish similarity of trade channels or overlap of customers. *Astra Pharmaceutical Prods. v. Beckman Instruments,* 718 F.2d 1201, 220 USPQ 786, 790 (1st Cir.1983). The likelihood of confusion must be shown to exist not in a purchasing *institution,* but in "a customer or purchaser." *Id.,* at 1206, 220 USPQ at 790.

There is no question that essential oils are sold in completely separate channels of trade from jewelry. One can't imagine walking into a jewelry store and find essential oils for sale. In fact, the goods are so disparate there is little to no possibility such goods will be in the same selling areas or even (except for large department stores or the mass market) in the same stores.

D. <u>There is no requisite similarity of the goods.</u>

The "relatedness of the goods" factor compares the goods in the applicant's application with the goods in the opposer's registrations. *CBS, Inc. v. Morrow,* 708 F.2d 1579, 1581, 218 USPQ 198, 199 (Fed.Cir.1983). Even if it is determined that the parties' goods are not related to each other in kind, the goods could still be related in the mind of the consuming public as to their origin. *Packard Press, Inc. v. Hewlett-Packard Co.,* 227 F.3d 1352, 1358, 56 USPQ2d 1351, 1354 (Fed.Cir.2000). Goods are not related because they coexist in the same broad industry, "but are related if [they] are marketed and consumed such that buyers are likely to believe that the [goods] come from the same source, or are somehow connected with or sponsored by a common company." *Homeowners Group, Inc. v. Home Mktg. Specialists, Inc.,* 931 F.2d 1100, 1109 (6th Cir.1991). Therefore, the question that must be considered is whether the goods are so related that they are likely to be connected in the mind of a prospective purchaser. *Id.*

As noted above, there is no question that jewelry is sold in completely separate channels of trade from essential oils. As mentioned, the reason is that the goods are decidedly disparate. The truth is essential oils have absolutely no relationship to jewelry as to the use or purpose of the products.

REPLY TO NAME INQUIRY

The name shown in the mark does not identify a particular living individual.