The Examiner has refused registration under Trademark Act Section 2(e)(1) – Merely Descriptive Refusal – in the alternative.

<u>Trademark Act Section 2(e)(1) – Merely Descriptive Refusal</u>

It is uncontested that the distinctiveness of words in a mark cannot be determined in the abstract, but can only be determined by reference to the goods or services upon or with which the mark is used or is intended to be used. See J. McCarthy, McCarthy on Trademarks and Unfair Competition, §11:64 (2003). As McCarthy notes, the hypothetical mark BRILLIANT may be "descriptive" on diamonds, "suggestive" on furniture polish, and "arbitrary" on canned applesauce. Moreover, what constitutes a "descriptive" mark and a "suggestive" mark is often difficult to ascertain. "Suggestive" marks are the middle ground between fanciful marks and descriptive marks, and have been described as follows:

Between these two extremes lies a middle ground wherein terms of mingled qualities are found. It cannot be said that they are primarily descriptive or that they are purely arbitrary or fanciful without any indication of the nature of the goods which they denominate. Such terms may shed some light upon the characteristics of the goods, but so applied they involve an element of incongruity, and in order to be understood as descriptive, they must be taken in a suggestive or figurative sense through an effort of the imagination on the part of the observer. *General Shoe Corp. v. Rosen*, 111 F.2d 95, 45 USPQ 196 (4th Cir. 1940), reh'g denied, 112 F.2d 561, 45 USPQ 590 (5th Cir. 1940).

In contrast, a descriptive term directly and clearly conveys information about the ingredients, qualities, or characteristics of a product or service. See, e.g., *Educational Div. Corp. v. Economy Co.*, 562 F.2d 26, 196 USPQ 482 (10th Cir. 1977). A suggestive word only indirectly suggests such things. *Id.* If one must "exercise mature thought or follow a multi-stage reasoning process" in order to determine the attributes of a product or service, the term is suggestive and not descriptive. *In re Tennis in the Round Inc.*, 199 USPQ 496 (TTAB 1978). Utilizing this "imagination test" it is not difficult to conclude that Applicant's mark -- SMARTDRILL - is at best suggestive, and not merely descriptive, of the goods on which the Applicant's mark is used.

Thus, for the above reasons, the Applicant's Mark should be allowed and placed on the Supplemental Register.

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