

In Re: Application Serial Number 88/366,293
For the Mark, WAVETECH

Remarks In Support of Applicant's Reply
to the Office Action dated December 19, 2019

SECTION 2(d) REFUSAL

In the Official Action dated December 19, 2019, the Office refused registration of the Applicant's mark, WAVETECH, under Section 2(d) of the Act. In making said refusal, the Office cited the mark in U.S. Registration No. 5,784,265, for WAVETEC in standard character form.

Applicant acknowledges that both of the marks under consideration are in International Classification 035; however, as will be discussed in greater detail hereinbelow with regard to various *du Pont* factors, Applicant respectfully urges that its WAVETECH mark is distinguishable and registerable at least on the basis of Applicant's services offered in association with its said mark. Accordingly, reconsideration of the Section 2(d) refusal is respectfully requested.

The cited WAVETEC mark has been registered in International Classification 035 (and other classifications) for the following enumerated services:

Business management, business administration, commercial or industrial management assistance, business management consultancy; business services being the marketing of goods, namely wrapping, packing and packaging machinery, machines for plastic working, machines for processing plastics, machinery for shaping plastic material, machines for manufacturing packaging materials, machines for the application of plastic packaging to goods, machines for application of product and beverage carriers, machines to enable multi-packing of goods, moulds being parts of machines for processing plastics, packaging apparatus, rollers being components of machines, and tools for the application of packaging; online retail store services and retail services through direct solicitation by salespersons and distributors directed to end users featuring wrapping, packing and packaging machinery, machines for plastic working, machines for processing plastics, machinery for shaping plastic material, machines for manufacturing packaging materials, machines for the application of plastic packaging to goods, machines for application of product and beverage carriers, machines to enable multi-packing of goods, moulds being parts of machines for processing plastics, packaging apparatus, rollers being components of machines, and tools for the application of packaging; advisory, information and consultancy services for the aforesaid

(Emphasis added via the underlined portions above.)

In order to better differentiate the WAVETECH Applicant's services from the WAVETEC Registrant's services, Applicant has amended its Identification/ Description of Services to read, as follows:

Franchise services, namely, offering business management assistance in the establishment and operation of therapeutic acoustic sound wave treatment facilities for activation of connective tissue, and for pain reduction and improved blood supply; Franchising, namely, consultation and assistance in business management, organization and promotion of therapeutic acoustic sound wave treatment facilities for activation of connective tissue, and for pain reduction and improved blood supply

(Revisions indicated via the underlined portions above.)

For at least the following reasons, Applicant respectfully requests reconsideration and withdrawal of the Section 2(d) refusal:

The case of *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973), articulated twelve factors to be considered in making a determination under Section 2(d) of the Act. Those factors are:

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; and,
 13. Any other established fact probative of the effect of use.

Id., 476 F.2d at 1361.

No one factor is dispositive; rather, the Office and the Courts are required to balance these factors in order to reach an equitable determination regarding the rights of the parties in their respective marks.

In its below remarks, Applicant discusses several of these factors; however, it is noted that other factors may also be relevant to the analysis. Accordingly, Applicant reserves its right to raise additional, other, and further arguments, and to present additional, other, and further evidence, regarding any and all of the *du Pont* factors, now and hereafter.

Turning now to the *du Pont* factors:

Inherent in the first *du Pont* factor (the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression) is the legal requirement that a mark, such as Applicant's WAVETECH mark, must be evaluated in its entirety; that is, it cannot be dissected into component parts for purposes of the *du Pont* analysis. Rather, the overall appearance, sound, connotation, and commercial impression must be evaluated.

"The basic principle in determining confusion between marks is that marks must be compared in their entireties and must be considered in connection with the particular goods or services for which they are used. It follows from that principle 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) (footnotes omitted) (citations omitted).

As discussed in greater detail hereinbelow, the respective consumers for the services offered under these marks are sophisticated, careful purchasers. It is to be expected that such consumers are mindful of, and that they understand the differences and distinctions in spelling of these respective marks, as associated with the costly services they are seeking to purchase thereunder.

Although Applicant acknowledges that the marks sound identical, in view of the sophistication of the consumers for the services under each mark, Applicant respectfully asserts that said consumers recognize the difference in spelling between WAVETECH and WAVETEC; and that, further in view of the significant and material differences in the parties' respective services offered under said respective marks, that said consumers would not be confused by the marks, nor would either party's sales be diverted by consumer confusion.

The marks as a whole present different visual impressions. Each mark conveys a specific commercial impression, connotation, and perhaps context. The inherent "visual" in one's mind is drawn to a different picture and association, depending upon the mark under consideration. Taken together, with due consideration as to these differences between the marks, it is clear that the marks are not likely to be confused in the marketplace, because they differ at least in appearance (sight), as well as in overall commercial impression in view of the respective services of the parties.

To this latter point, the services offered under each respective mark are in separate and distinct channels of trade. Applicant's services primarily are directed to franchise services in association with therapeutic acoustic sound wave treatment facilities for activation of connective tissue, and for pain reduction and improved blood supply. On the other hand, Registrant's services primarily are directed to wrapping, packing and packaging machinery, machines for plastic working, machines for processing plastics, machinery for shaping plastic material, machines for manufacturing packaging materials, machines for the application of plastic packaging to goods, machines for application of product and beverage carriers, machines to enable multi-packing of goods, moulds being parts of machines for processing plastics, packaging apparatus, rollers being components of machines, and tools for the application of packaging. It is clear that the target consumer of these respective services is and will remain very different. As well, it is clear that these respective businesses operate in very separate and different vertical markets, with different channels of trade, advertising, and distribution. Under these conditions, sophisticated consumers would not be confused by the marks, nor would either party's sales be diverted by consumer confusion.

Regarding the second *du Pont* factor (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), and as has been discussed hereinabove, Applicant's services primarily are directed to franchise services in association with therapeutic acoustic sound wave treatment facilities for activation of connective tissue, and for pain reduction and improved blood supply. On the other hand, Registrant's services primarily are directed to business management and marketing of goods for wrapping, packing and packaging machinery, machines for plastic working, machines for processing plastics, machinery for shaping plastic material, machines for manufacturing packaging materials, machines for the application of plastic packaging to goods, machines for application of product and beverage carriers, machines to enable multi-packing of goods, moulds being parts of machines for processing plastics, packaging apparatus, rollers being components of machines, and tools for the application of packaging.

The Office reasonably must acknowledge that Applicant's services related to franchising of therapeutic acoustic sound wave treatment facilities under the WAVETECH mark are materially different from the Registrant's services related to business management and marketing of plastics -related machinery under the WAVETEC mark. As noted elsewhere herein, the target consumers are different; the market verticals are different; and the channels of trade, advertising, and distribution are different. Under these conditions, sophisticated consumers would not be confused by the marks, nor would either party's sales be diverted by consumer confusion.

Regarding the third *du Pont* factor (the similarity or dissimilarity of established, likely to continue trade channels), the target consumers for Applicant's services related to franchising of therapeutic acoustic sound wave treatment facilities under the WAVETECH mark are materially different from the target consumers for Registrant's business management and marketing of plastics -related machinery under the WAVETEC mark; the associated market verticals are different; and the associated channels of trade, advertising, and distribution are different for each party's respective services. Under these conditions, sophisticated consumers would not be confused by the marks, nor would either party's sales be diverted by consumer confusion.

Regarding the fourth *du Pont* factor (the conditions under which, and buyers to whom, sales are made; *i.e.*, "impulse" vs. careful, sophisticated purchasing), the *du Pont* analysis allows consideration of the respective services and consumer purchasing patterns in connection with use of the marks under consideration. Although, without a doubt, the respective marks and the respective services all fall within International Classification 035, the nature and expense of the respective services dictate careful, sophisticated purchasing patterns, rather than "impulse buying."

It cannot be denied that a purchaser's investment in, on the one hand, a therapeutic treatment franchise is---by nature and necessity---a careful determination. Such a purchaser (often with the assistance of legal counsel) examines various state and federally -mandated franchise offering disclosure documents. There is a period of legal and financial due diligence. The prospective franchisee is required to execute sophisticated legal franchise instruments, often reviewed and negotiated by legal counsel. The financial investment certainly is not trivial, either.

On the other hand, it also cannot be denied that a purchaser's investment in plastics -related machinery, and those ancillary services related thereto, is---by nature and necessity---a similarly careful determination. Doubtless, there are a variety of legal contract documents to be examined and negotiated. There must be a careful due diligence process around technical capacity, capability, and related specifications. Certainly, such purchasing decisions are related to a company's core capital manufacturing, packaging, and related equipment requirements and budgets, none of which can possibly be considered impulsively.

Accordingly, the respective consumers of services under these marks are not likely to be confused between these respective marks; rather, such consumers are careful, deliberate, and sophisticated in their purchasing decisions.

Finally, Applicant turns now to consideration of the twelfth *du Pont* factor (the extent of potential confusion; *i.e.*, whether *de minimus* or substantial). Any potential confusion must, by nature of the respective services offered under these marks, be *de minimus*. This is true because the services of both Applicant and Registrant are separate, distinctive, and markedly different from each other. Were a purchaser to make a mistake and call either company, the mistake would be immediately identified and rectified. The services of one company would not, and could not, be substituted for those of the other company. As pointed out in greater detail hereinabove, the consumer inquiries, requirements, and expected services to be delivered are vastly different; the documentation and due diligence processes associated with each respective company's services are intricate and vastly different; the financial impact on the purchaser is likely to be non-trivial; and, the channels of trade, advertising, and distribution are separate and distinct.

Accordingly, the respective consumers of services under these marks are not likely to be confused between these respective marks; rather, such consumers are careful, deliberate, and sophisticated in their purchasing decisions. Any possible instance of confusion would be *de minimus* and easily rectified.

While the USPTO may focus its analysis on, "dispositive factors, such as similarity of the marks and relatedness of the goods," it is required that those factors, in fact, be *dispositive*. Given the various *du Pont* factors and the related discussion set forth hereinabove, the USPTO should not refuse registration of the Applicant's WAVETECH mark.

Applicant respectfully urges that the factors and circumstances within its above remarks strongly support a finding that there is no confusing similarity and there is no likelihood of confusion within the meaning of Section 2(d) of the Act. The *mere possibility* that relevant purchasers might relate the two different marks does not meet the statutorily established test of likelihood of confusion. *See, e.g., In re Hughes Aircraft Company*, 222 U.S.P.Q. 263, 264 (TTAB 1984) ("the Trademark Act does not preclude registration of a mark where there is a possibility of confusion as to source or origin, only where such confusion is likely.") (emphasis added).

For at least these reasons, Applicant respectfully requests reconsideration and withdrawal of the Section 2(d) Refusal.

(Signature follows next page.)

In Re: Application Serial Number 88/366,293
For the Mark, WAVETECH

Most respectfully submitted, this 19th day of June, 2020,

/Barry E. Kaplan/

Barry E. Kaplan

Attorney of Record for Applicant

Georgia Bar Member No. 406805, USPTO Reg. No. 38934