

2003

## 2002 Trademark Law Decisions of the Federal Circuit

Robert Penchina

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## 2002 Trademark Law Decisions of the Federal Circuit

## 2002 TRADEMARK LAW DECISIONS OF THE FEDERAL CIRCUIT

ROBERT PENCHINA\*

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## INTRODUCTION

In 2002, the Federal Circuit delivered nine opinions addressing substantive trademark issues.<sup>1</sup> The court also addressed, albeit briefly, procedural issues in two cases.<sup>2</sup> For the most part, the 2002 cases are unremarkable and present no grand departures from prior precedent. Rather, the cases represent continued application and modest refinement of prior Federal Circuit law.

The substantive issues addressed by the Federal Circuit in 2002 include the likelihood of confusion,<sup>3</sup> functionality,<sup>4</sup> priority of use,<sup>5</sup> and descriptiveness.<sup>6</sup> The court considered two procedural issues;

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1. See *Thompson v. Haynes*, 305 F.3d 1369, 64 U.S.P.Q.2d (BNA) 1650 (Fed. Cir. 2002) (affirming the District Court's finding of likelihood of confusion between the marks at issue); *Herbko Int'l, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 64 U.S.P.Q.2d (BNA) 1375 (Fed. Cir. 2002) (holding that the Trademark Trial and Appeal Board ("the Board") erred in determining that Kappa's prior use created proprietary rights); *Bose Corp. v. QSC Audio Prods., Inc.*, 293 F.3d 1367, 63 U.S.P.Q.2d (BNA) 1303 (Fed. Cir. 2002) (holding that the Board erred by concluding that there was no likelihood of confusion between the marks at issue); *Transclean Corp. v. Bridgewood Servs., Inc.*, 290 F.3d 1364, 62 U.S.P.Q.2d (BNA) 1865 (Fed. Cir. 2002) (holding that Transclean failed to raise a genuine issue of material fact regarding the nondescriptive usage of its marks to prevent summary judgment in its trademark infringement action); *In re Galbreath*, No. 01-1620, 2002 U.S. App. LEXIS 9702 (Fed. Cir. May 9, 2002) (concluding that the trademark application at issue was merely descriptive of a product, and therefore was properly denied); *PC Club v. Primex Techs.*, No. 01-1220, 2002 U.S. App. LEXIS 4892 (Fed. Cir. Mar. 22, 2002) (holding that the Board correctly concluded there was little likelihood of confusion between the marks at issue); *Royal Appliance Mfg. Co. v. Minuteman Int'l, Inc.*, No. 01-1555, 2002 U.S. App. LEXIS 4381 (Fed. Cir. Mar. 7, 2002) (affirming the Board's decision to deny a trademark for domestic and industrial vacuum cleaners based on likelihood of confusion); *Hewlett-Packard Co. v. Packard Press, Inc.*, 281 F.3d 1261, 62 U.S.P.Q.2d (BNA) 1001 (Fed. Cir. 2002) (reversing the Board's decision that the marks at issue were not sufficiently related to support a finding of likelihood of confusion); *Valu Eng'g, Inc. v. Rexnord Corp.*, 278 F.3d 1268, 61 U.S.P.Q.2d (BNA) 1422 (Fed. Cir. 2002) (holding that applicant's cross-sectional designs were de jure functional, and therefore not subject to trademark protection).

2. See *Golan v. Pingel Enter., Inc.*, 310 F.3d 1360, 64 U.S.P.Q.2d (BNA) 1911 (Fed. Cir. 2002) (remanding the case for a determination of the proper choice of law with respect to the trademark infringement issues); *Boyle v. Barclays Global Investors, N.A.*, No. 02-1357, 2002 U.S. App. LEXIS 24098 (Fed. Cir. Nov. 1, 2002) (dismissing Boyle's appeal from a decision of the Trademark Trial and Appeal Board as untimely).

3. See *infra* Part I.A (summarizing the five Federal Circuit cases delivered in 2002 that focused on the issue of likelihood of confusion).

4. See *infra* Part I.B (analyzing the 2002 Federal Circuit case that addressed the trademarking of functional designs).

5. See *infra* Part I.C (detailing the 2002 Federal Circuit case that dealt with the issue of the priority of use of a trademark).

6. See *infra* Part I.D (summarizing the two Federal Circuit cases issued in 2002 that examined the issue of trademarks for descriptions of goods and services).

choice of law<sup>7</sup> and timeliness of appeal.<sup>8</sup> Of the eight trademark cases that reached the Federal Circuit from the Trademark Trial and Appeal Board (“the Board”)<sup>9</sup> in 2002, the Federal Circuit reversed the Board three times,<sup>10</sup> affirmed the Board on four occasions,<sup>11</sup> and dismissed the appeal in another.<sup>12</sup> Addressing appeals from trademark decisions of lower federal courts in 2002, the Federal Circuit affirmed the lower court holding on the trademark claims in one case,<sup>13</sup> reversed in one case,<sup>14</sup> and affirmed in part and reversed in part in another.<sup>15</sup>

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7. See *infra* Part II.A (discussing the 2002 Federal Circuit decision that concerned the determination of whether state or federal law applies to a particular trademark infringement suit).

8. See *infra* Part II.B (summarizing the Federal Circuit decision delivered in 2002 that addressed the timeliness of a notice of appeal).

9. The Federal Circuit has jurisdiction to review appeals from the Board pursuant to 15 U.S.C. § 1071 (a) (2000).

10. See *Herbko Int’l, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 64 U.S.P.Q.2d (BNA) 1650 (Fed. Cir. 2002) (reversing the Board’s holding that Kappa’s prior use created proprietary rights); *Bose Corp. v. QSC Audio Prods., Inc.*, 293 F.3d 1367, 63 U.S.P.Q.2d (BNA) 1303 (Fed. Cir. 2002) (reversing the Board’s conclusion that there was no likelihood of confusion between the marks in this suit); *Hewlett-Packard Co. v. Packard Press, Inc.*, 281 F.3d 1261, 62 U.S.P.Q.2d (BNA) 1001 (Fed. Cir. 2002) (reversing the Board’s conclusion that the parties’ marks were not sufficiently related to support a finding of likelihood of confusion).

11. See *Galbreath*, 2002 U.S. App. LEXIS 9702, at \*1 (affirming the Board’s refusal to register a trademark because it was merely descriptive of the product); *PC Club*, 2002 U.S. App. LEXIS 4982, at \*1 (affirming the Board’s conclusion that there was little likelihood of confusion between the marks at issue in this action); *Royal Appliance Mfg. Co. v. Minuteman Int’l, Inc.*, No. 01-1555, 2002 U.S. App. LEXIS 4381, at \*1 (Fed. Cir. Mar. 7, 2002) (affirming the Board’s denial to issue a trademark for domestic and industrial vacuum cleaners based on likelihood of confusion); *Valu Eng’g, Inc. v. Rexnord Corp.*, 278 F.3d 1268, 61 U.S.P.Q.2d (BNA) 1422 (Fed. Cir. 2002) (affirming the Board’s refusal to register Valu’s designs because they were de jure functional).

12. See *Boyle v. Barclays Global Investors, N.A.*, No. 02-1357, 2002 U.S. App. LEXIS 24098, at \*1 (Fed. Cir. Nov. 1, 2002) (dismissing Boyle’s appeal for failure to file a timely notice of appeal).

13. See *Transclean Corp. v. Bridgwood Servs., Inc.*, 290 F.3d 1364, 62 U.S.P.Q.2d (BNA) 1865 (Fed. Cir. 2002) (affirming the district court’s grant of summary judgment in favor of defendant on the trademark claims because Transclean failed to present a relevant genuine issue of material fact).

14. See *Golan v. Pingel Enter., Inc.*, 310 F.3d 1360, 64 U.S.P.Q.2d (BNA) 1911 (Fed. Cir. 2002) (reversing the district court and remanding for a determination of the proper choice of law).

15. See *Thompson v. Haynes*, 305 F.3d 1369, 64 U.S.P.Q.2d (BNA) 1650 (Fed. Cir. 2002) (affirming the district court’s finding of likelihood of confusion, but reversing the lower court’s treatment of damages).

## I. SUBSTANTIVE TRADEMARK ISSUES

A. *Likelihood of Confusion*

In March 2002 alone, the Federal Circuit issued three opinions, only one of which was published, addressing the likelihood of confusion posed by the marks at issue.<sup>16</sup> The court turned to the issue twice more during the year, in June<sup>17</sup> and September.<sup>18</sup>

1. *Hewlett-Packard Co. v. Packard Press, Inc.*

The first of the March 2002 trilogy of likelihood of confusion cases featured the return of *Hewlett-Packard Co. v. Packard Press, Inc.*,<sup>19</sup> a dispute that previously reached the Federal Circuit in 2000.<sup>20</sup> This case arose in connection with Hewlett-Packard Company's ("HP") opposition to Packard Press, Inc.'s ("Packard Press") application to register, on an intent-to-use basis, the mark PACKARD TECHNOLOGIES "for data and information processing, electronic transmission of data and documents via computer terminals, and electronic transmission of messages and data."<sup>21</sup> Packard Press also sought registration of the mark for "data and digital information (media duplication of) and conversion from one media form to another media (document data transfer and physical)."<sup>22</sup>

Packard Press is a commercial printer specializing in the legal, municipal, and financial industry market.<sup>23</sup> Prior to filing the intent-to-use application at issue, Packard Press obtained federal trademark registrations of two similar marks for use in connection with printing services.<sup>24</sup>

HP owns multiple federal trademark registrations for the marks HEWLETT PACKARD for use in connection with such goods as "computers, data processing and data storage systems, data acquisition systems, printers and printer accessories, facsimile machines, computer software, and publications regarding data

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16. See *Galbreath*, 2002 U.S. App. LEXIS 9702, at \*1; *PC Club*, 2002 U.S. App. LEXIS 4982, at \*1; *Royal Appliance*, 2002 U.S. App. LEXIS 4381, at \*1; *Valu Eng'g*, 278 F.3d at 1268, 61 U.S.P.Q.2d (BNA) at 1422.

17. *Bose Corp. v. QSC Audio Prods., Inc.*, 293 F.3d 1367, 63 U.S.P.Q.2d (BNA) 1303 (Fed. Cir. 2002).

18. *Herbko Int'l, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 64 U.S.P.Q.2d (BNA) 1375 (Fed. Cir. 2002).

19. 281 F.3d 1261, 62 U.S.P.Q.2d (BNA) 1001 (Fed. Cir. 2002).

20. *Packard Press, Inc. v. Hewlett-Packard Co.*, 227 F.3d 1352, 56 U.S.P.Q.2d (BNA) 1351 (Fed. Cir. 2000).

21. *Hewlett-Packard*, 281 F.3d at 1264, 62 U.S.P.Q.2d (BNA) at 1002.

22. *Id.*, 62 U.S.P.Q.2d (BNA) at 1002 (internal quotations omitted).

23. *Id.*, 62 U.S.P.Q.2d (BNA) at 1002.

24. *Id.*, 62 U.S.P.Q.2d (BNA) at 1002.

processing products.”<sup>25</sup> HP’s registrations also cover services including “consulting services for data processing products, rental and leasing services for data processing equipment, maintenance and repair of data processing equipment, and retail mail and telephone order services for data processing products.”<sup>26</sup> HP filed an opposition to the registration of the PACKARD TECHNOLOGIES mark on the ground that the applied-for mark was confusingly similar to thirteen of HP’s previously registered HEWLETT PACKARD marks.<sup>27</sup>

Initially, the Board sustained HP’s opposition, finding that the PACKARD TECHNOLOGIES mark created a likelihood of confusion with HP’s marks.<sup>28</sup> However, on September 25, 2000, the Federal Circuit vacated and remanded the Board’s decision, holding that the Board incorrectly dissected the marks at issue and failed to clarify, in the record, whether it applied a proper legal test to assess the relatedness of the parties’ respective goods and services.<sup>29</sup> On remand, the Board found no likelihood of confusion between the PACKARD TECHNOLOGIES mark and the HEWLETT PACKARD marks, and dismissed HP’s opposition.<sup>30</sup> The Federal Circuit, on March 1, 2002, reversed the Board’s subsequent determination that there was no likelihood of confusion between the marks.<sup>31</sup>

To assess whether an applied-for mark is likely to cause confusion with a previously registered mark, the Federal Circuit considers a series of factors, usually referred to as the “*DuPont*” factors, that were set forth in *In re E.I. DuPont DeNemours & Co.*<sup>32</sup> The Federal Circuit’s analysis of Packard Press’s PACKARD TECHNOLOGIES mark

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25. *Id.* at 1263-64, 62 U.S.P.Q.2d (BNA) at 1002.

26. *Id.* at 1264, 62 U.S.P.Q.2d (BNA) at 1002.

27. *Id.*, 62 U.S.P.Q.2d (BNA) at 1002.

28. *Id.*, 62 U.S.P.Q.2d (BNA) at 1002.

29. *Id.*, 62 U.S.P.Q.2d (BNA) at 1002.

30. *Id.*, 62 U.S.P.Q.2d (BNA) at 1002.

31. *Id.* at 1268, 62 U.S.P.Q.2d (BNA) at 1005.

32. 476 F.2d 1357, 177 U.S.P.Q. (BNA) 563 (C.C.P.A. 1973). The thirteen *DuPont* 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 described in the application or registration of the mark, 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 the buyers to whom sales are made; (5) the fame of the prior mark; (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 the conditions under which there has been concurrent use without evidence of actual confusion; (9) the variety of goods on which a mark is or is not used; (10) the market interface between applicant and the owner of a prior mark; (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; and (13) any other established fact probative of the effect of use. *Id.* at 1361, 177 U.S.P.Q.2d (BNA) at 567.

focussed on two of these factors; namely, the similarity or dissimilarity of the marks in their entireties, and the similarities or dissimilarities and nature of the goods or services as described in the parties' application and registrations.<sup>33</sup>

Addressing the *DuPont* factors, the court indicated that "the 'similarity or dissimilarity of the marks in their entireties' is a predominant inquiry."<sup>34</sup> Answering this inquiry, the court agreed with the Board's finding that the similarities in the marks at issue outweighed the differences.<sup>35</sup> In reaching this conclusion, the court noted that although some differences existed in the appearance and pronunciation of the marks, "the marks convey a similar commercial impression."<sup>36</sup>

The court noted the obvious differences between the marks at issue. Specifically, in HP's mark, the term "Packard" is "the second word in a mark consisting of two separate words" while in Packard Press's mark it is "the first word."<sup>37</sup> Also, the word "Hewlett," which is the first word in HP's mark, does not appear in Packard Press's mark.<sup>38</sup> Lastly, the word "Technologies" does not appear in HP's mark.<sup>39</sup> Notwithstanding those differences, the court agreed with the Board's conclusion that "the dominant portion of Packard Press's mark is identical to a prominent portion of HP's HEWLETT PACKARD marks."<sup>40</sup> Moreover, the court found that the similarities of the marks were enhanced by HP's significant involvement in technology, increasing the likelihood that "consumers familiar with the HEWLETT PACKARD marks and HP's technology-based goods and services would . . . associate the PACKARD TECHNOLOGIES mark in some way with HP."<sup>41</sup>

Turning to the second *DuPont* factor at issue, the similarity or dissimilarity and nature of the parties' goods and services, the court disagreed with the Board's conclusion that the goods and services at issue were not related enough to support a finding of likelihood of confusion.<sup>42</sup> The Board based its conclusion on HP's failure to present evidence of relatedness beyond the descriptions appearing in

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33. *Hewlett-Packard*, 281 F.3d at 1265-68, 62 U.S.P.Q.2d (BNA) at 1003-05.

34. *Id.* at 1265, 62 U.S.P.Q.2d (BNA) at 1003 (quoting *DuPont*, 476 F.2d at 1361, 177 U.S.P.Q. (BNA) at 567).

35. *Id.* at 1266-67, 62 U.S.P.Q.2d (BNA) at 1003-04.

36. *Id.* at 1266, 62 U.S.P.Q.2d (BNA) at 1004.

37. *Id.*, 62 U.S.P.Q.2d (BNA) at 1003.

38. *Id.*, 62 U.S.P.Q.2d (BNA) at 1003-04.

39. *Id.*, 62 U.S.P.Q.2d (BNA) at 1004.

40. *Id.*, 62 U.S.P.Q.2d (BNA) at 1004.

41. *Id.*, 62 U.S.P.Q.2d (BNA) at 1004.

42. *Id.* at 1267-68, 62 U.S.P.Q.2d (BNA) at 1004-05.

the relevant application and registrations.<sup>43</sup> However, the Federal Circuit took issue with the Board's determination that HP needed to provide further evidence of relatedness, holding that the Board "erred when it declined to compare the services described in Packard Press's application with the goods and services described in HP's registration."<sup>44</sup>

Rather, the court observed that HP's registrations included goods and services that related closely to the services broadly described in Packard Press's application for the PACKARD TECHNOLOGIES mark.<sup>45</sup> Based on that evidence, the court concluded that "consumers may well find the goods and services of the parties related enough to make confusion likely," and thus "[s]ubstantial evidence does not support the Board's finding that the goods and services are not sufficiently related to maintain a finding of a likelihood of confusion."<sup>46</sup>

Having previously noted that "[t]he likelihood of confusion analysis considers all *DuPont* factors for which there is evidence of record but 'may focus . . . on dispositive factors such as similarity of the marks and relatedness of the goods,'"<sup>47</sup> the Federal Circuit held that "[a]s a matter of law, there is a likelihood of confusion between the marks."<sup>48</sup>

## 2. Royal Appliance Manufacturing Co. v. Minuteman International, Inc.

Just six days after publishing its opinion in *Hewlett-Packard*, the Federal Circuit issued an unpublished decision addressing the issue of likelihood of confusion in *Royal Appliance Manufacturing Co. v. Minuteman International, Inc.*<sup>49</sup> In this case, the court affirmed the Board's decision to sustain an opposition based on a finding of likelihood of confusion.<sup>50</sup>

In *Royal Appliance*, the Federal Circuit addressed the same two *DuPont* factors that were addressed in *Hewlett-Packard*, as well as a third *DuPont* factor, the "similarity or dissimilarity of established,

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43. *Id.* at 1267, 62 U.S.P.Q.2d (BNA) at 1004.

44. *Id.*, 62 U.S.P.Q.2d (BNA) at 1004.

45. *Id.* at 1268, 62 U.S.P.Q.2d (BNA) at 1005.

46. *Id.*, 62 U.S.P.Q.2d (BNA) at 1005.

47. *Id.* at 1265, 62 U.S.P.Q.2d (BNA) at 1003 (quoting *Han Beauty, Inc. v. Alberto-Culver Co.*, 236 F.3d 1333, 1336, 57 U.S.P.Q.2d (BNA) 1557, 1559 (Fed. Cir. 2001)).

48. *Id.* at 1268, 62 U.S.P.Q.2d (BNA) at 1005.

49. *Royal Appliance Mfg. Co. v. Minuteman Int'l, Inc.*, No. 01-1555, 2002 U.S. App. LEXIS 4381, at \*1 (Fed. Cir. Mar. 7, 2002).

50. *Id.* at \*1.

likely to continue, trade channels.”<sup>51</sup> At issue was an intent-to-use application filed in November 1994 by Royal Appliance Manufacturing Company (“Royal”), seeking to register the mark MVP for use in connection with “electrical vacuum cleaners for both domestic and industrial use.”<sup>52</sup>

Minuteman International Inc. (“Minuteman”) is a manufacturer of commercial and industrial vacuum cleaners, which have been marketed under the mark MPV since October 1994.<sup>53</sup> On November 21, 1995, the United States Patent and Trademark Office (“PTO”) issued a registration for the MPV mark to Minuteman.<sup>54</sup> Following publication of Royal’s application, Minuteman filed an opposition alleging that Royal’s MVP mark was confusingly similar to its own MPV mark.<sup>55</sup> The Board sustained Minuteman’s opposition.<sup>56</sup>

On appeal to the Federal Circuit, Royal argued, *inter alia*, that the overall commercial impressions of MPV and MVP are not substantially similar, that the Board misapplied the factor addressing similarity or dissimilarity of the goods, and that the channels of trade for its products and those of Minuteman do not overlap.<sup>57</sup> The Federal Circuit rejected all of Royal’s arguments.<sup>58</sup>

Addressing Royal’s first argument, the court reiterated the principle that “[a] determination of similarity or dissimilarity under *DuPont* requires an examination of the marks in their entirety; the Board, and [the Federal Circuit], must consider all relevant factors pertaining to the marks’ appearance, sound and connotation.”<sup>59</sup> Royal had asserted that the letters “MVP” are a common acronym for “most valuable player” and, thus, in its view, the Board should not have compared MVP and MPV “as two unpronounceable letter combinations that are inherently difficult to remember.”<sup>60</sup> Rather, Royal contended, “the Board should have analyzed MVP as a mark that evokes an attribute of [Royal’s] goods.”<sup>61</sup> Rejecting Royal’s argument, the court observed that Royal focused solely on the mark’s

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51. *Id.* at \*4 (quoting *In re E.I. Dupont DeNemours & Co.*, 476 F.2d 1357, 1361, 177 U.S.P.Q. (BNA) 563, 567 (C.C.P.A. 1973)).

52. *Id.* at \*1 (internal quotations omitted).

53. *Id.*

54. *Id.*

55. *Id.*

56. *See id.* (sustaining the opposition because of the likelihood of confusion between the opposing marks).

57. *Id.* at \*3-5.

58. *Id.*

59. *Id.* at \*3.

60. *Id.*

61. *Id.*

connotation, but ignored the obvious similarities between the marks' appearance and sound.<sup>62</sup>

Royal's challenge to the Board's application of the *DuPont* factor addressing similarity or dissimilarity of the goods was based on the Board's refusal to permit Royal to modify its description of goods in the application at issue.<sup>63</sup> More than a month after Minuteman's testimony period in the opposition proceeding had closed, Royal filed a motion to modify its identification of goods from "electrical vacuum cleaners for both domestic and industrial use" to "electrical vacuum cleaners for domestic use."<sup>64</sup> The Board denied Royal's motion.<sup>65</sup> Subsequently, the Federal Circuit rejected Royal's challenge to that denial, declaring that "[t]he Board's decision to deny [Royal's] motion is not reviewable by the court."<sup>66</sup> Because the "law is clear that, in determining likelihood of confusion, the Board must look to the description of the goods contained in the opposer's registration and the applicant's application rather than to the goods' actual use,"<sup>67</sup> once the Board's refusal to amend Royal's description of goods was sustained, the court easily sustained the Board's finding that the parties' goods overlapped.<sup>68</sup>

The court similarly rejected Royal's challenge to the Board's analysis of the parties' channels of trade.<sup>69</sup> As was true with respect to the analysis of the previous *DuPont* factor, the contents of the parties' respective application and registration was significant to the analysis of the channels of trade. The court noted that, "[i]t is well settled that absent restrictions in the application and registration, goods and services are presumed to travel in all appropriate trade channels to all potential purchasers of such goods."<sup>70</sup> The court affirmed the Board's finding that the channels of trade for the parties' goods overlapped because janitorial supply stores sold both domestic and

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62. *See id.* (noting that "the two marks consist of the same three letters, and they both begin with an 'M.' Moreover, the last two letters in Royals's mark, 'VP,' are a transposition of the remaining letters in Minuteman's 'PV,' and the marks sound alike when said aloud.").

63. *Id.* at \*4.

64. *Id.*

65. *Id.*

66. *Id.* The court stated that "the question of whether the board abused its discretion in denying such a motion, filed after the testimony period, is a matter to be determined by the Commissioner of Patents and Trademarks, not by this court." *Id.*

67. *Id.*

68. *See id.* (recognizing that the identification of goods and services will be determinative of the question of registrability of the mark, regardless of revelations in the record).

69. *Id.* at \*5.

70. *Id.* at \*5 n.1.

commercial vacuum cleaners.<sup>71</sup> Thus, having rejected all of Royal's arguments, the Federal Circuit affirmed the Board's finding of a likelihood of confusion.

### 3. PC Club v. Primex Technologies, Inc.

The Federal Circuit issued another unpublished decision addressing the likelihood of confusion on March 22, 2002 in *PC Club v. Primex Technologies, Inc.*<sup>72</sup> At issue in *PC Club* were two applications made by Primex Technologies, Inc. ("Primex") to register the marks EMPOWER, and EMPOWER and design, for use in connection with "electrical power supplies to provide an in-seat power supply in transportation vehicles, namely, aircraft, automobiles, boats, buses, trains and vans."<sup>73</sup> Essentially, Primex's product supplies a source of power for airline passengers' laptop computers.<sup>74</sup>

PC Club is a manufacturer, wholesaler, and retailer of computers, computer parts, and peripherals that PC Club marketed under the trademark ENPOWER.<sup>75</sup> PC Club's ENPOWER mark is registered for use in connection with computers and various computer peripherals.<sup>76</sup> Based on that registration, PC Club filed oppositions to each of Primex's applications on the ground that Primex's EMPOWER mark created a likelihood of confusion with PC Club's ENPOWER mark.<sup>77</sup> The Board dismissed PC Club's opposition, finding that any likelihood of confusion between the parties' marks was de minimis.<sup>78</sup>

In affirming the Board's decision, the Federal Circuit addressed three of the *DuPont* factors: the relatedness of the parties' goods, the channels of trade, and the conditions under which and to whom sales are made.<sup>79</sup> Addressing the relatedness of the parties' goods, the court instructed that "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."<sup>80</sup> The Board concluded, and the Federal Circuit agreed, that the parties' products were not

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71. *Id.* at \*5.

72. 2002 U.S. App. LEXIS 4982, at \*1.

73. *Id.* (internal quotations omitted).

74. *Id.*

75. *Id.*

76. *Id.*

77. *Id.*

78. *Id.*

79. *See id.* (quoting *In re E.I. Dupont DeNemours & Co.*, 476 F.2d 1357, 1361, 177 U.S.P.Q. (BNA) 563, 567 (C.C.P.A. 1973)).

80. *Id.* at \*2.

competitive with each other.<sup>81</sup> The court adopted the Board's conclusion that "PC Club and Primex sell very different products under their respective marks. Primex sells a system that provides airlines passengers a source of power for their laptop computers. PC Club, on the other hand, sells computers, computer parts and peripherals."<sup>82</sup> While it seems less than clear, based on this explanation provided by the court, that no relationship exists between the parties' goods,<sup>83</sup> the court concluded that "substantial evidence supports the Board's decision on this issue."<sup>84</sup>

Next, the court examined the channels of trade for the parties' products. The Board determined that "there was a dissimilarity in the channels of trade because PC Club sells its products at wholesale or retail to average consumers, whereas Primex's system is not the type of item that would be sold at retail."<sup>85</sup> The court agreed that "there is not more than a theoretical possibility that Primex's goods would be purchased by general consumers at retail."<sup>86</sup>

The last *DuPont* factor considered by the court in *PC Club* was the factor encompassing the conditions under which and buyers to whom sales are made. The court explained that the risk of likelihood of confusion increases when products are inexpensive and the consumer uses less care in his/her purchase.<sup>87</sup> In this case, the court found that, "[g]iven the amount of money it costs to install Primex's EMPOWER system, it is clear that a purchaser of Primex's system will exercise, at a minimum, some degree of care," and "[t]his is also true of PC Club's product."<sup>88</sup> Thus, this factor militated against a finding of a likelihood of confusion. Viewing all of the issues before it, the Federal Circuit affirmed the Board's dismissal of PC Club's oppositions.<sup>89</sup>

#### 4. Bose Corp. v. QSC Audio Products, Inc.

The Federal Circuit returned to the issue of likelihood of confusion on June 14, 2002, in *Bose Corp. v. QSC Audio Products, Inc.*<sup>90</sup>

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81. *Id.* at \*3.

82. *Id.* (internal citations omitted).

83. For example, it does not seem far-fetched that the trademark of a manufacturer of computers and peripherals would appear in connection with a power source designed specifically to power those devices.

84. *PC Club*, 2002 U.S. App. LEXIS 4982, at \*1.

85. *Id.*

86. *Id.*

87. *Id.*

88. *Id.* at \*4.

89. *Id.*

90. 293 F.3d 1367, 63 U.S.P.Q.2d (BNA) 1303 (Fed. Cir. 2002).

This case, in which the court discussed four of the *DuPont* factors,<sup>91</sup> resulted in the Federal Circuit's reversal of the Board's decision to dismiss an opposition to an application for a trademark registration.<sup>92</sup>

At issue in *Bose* was an application filed by QSC Audio Products, Inc. ("QSC") to register the mark POWERWAVE for use in connection with "[e]lectronic audio and video signal processing equipment, namely, amplifiers and power amplifiers."<sup>93</sup> Bose Corporation ("Bose"), which owned the marks ACOUSTIC WAVE and WAVE, opposed that application.<sup>94</sup> Bose's ACOUSTIC WAVE mark was registered for use in connection with "loudspeaker systems and music systems consisting of a loudspeaker system and amplifier and at least one of a radio tuner, compact disc player and audio tape cassette player."<sup>95</sup> The Bose WAVE mark was registered "for goods including radios, clock radios, audio tape recorders and players, portable radio and cassette recorder combinations, compact stereo systems and portable compact disc players."<sup>96</sup>

The Board dismissed Bose's opposition, finding that there was no likelihood of confusion between the parties' marks.<sup>97</sup> Although it found commonality between the channels of trade for the parties' products, the Board concluded that Bose's marks were not famous, the parties' goods were not sufficiently related, and the marks themselves were distinctly dissimilar.<sup>98</sup> Addressing the Board's decision on appeal, the court indicated that if fame of a mark exists, "it plays a dominant role in the process of balancing the *DuPont* factors."<sup>99</sup> The court concluded that the Bose marks ACOUSTIC WAVE and WAVE deserved protection because they are famous.<sup>100</sup> Before reaching that conclusion, however, the court engaged in a lengthy and informative discussion of this fame factor.

First, the court considered the evidence presented by Bose to demonstrate the fame of its marks. Bose sought to prove the fame of

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91. The four factors discussed in *Bose* are: (i) fame of the opposer's mark or marks; (ii) similarity or relatedness of the goods; (iii) commonality of the channels of trade; and (iv) comparison of the marks. *Id.* at 1370, 63 U.S.P.Q.2d (BNA) at 1305 (quoting *In re E.I. Dupont DeNemours & Co.*, 476 F.2d 1357, 1361, 177 U.S.P.Q. (BNA) 563, 567 (C.C.P.A. 1973)).

92. *Id.* at 1378, 63 U.S.P.Q.2d (BNA) at 1311-12.

93. *Id.* at 1369, 63 U.S.P.Q.2d (BNA) at 1304 (internal quotations omitted).

94. *Id.*, 63 U.S.P.Q.2d (BNA) at 1304.

95. *Id.*, 63 U.S.P.Q.2d (BNA) at 1304 (internal quotations omitted).

96. *Id.*, 63 U.S.P.Q.2d (BNA) at 1304.

97. *Id.*, 63 U.S.P.Q.2d (BNA) at 1305.

98. *Id.*, 63 U.S.P.Q.2d (BNA) at 1305.

99. *Id.* at 1371, 63 U.S.P.Q.2d at 1305 (quoting *Recot Inc. v. Becton*, 214 F.3d 1322, 1327, 54 U.S.P.Q.2d (BNA) 1894, 1894 (Fed. Cir. 2000)).

100. *Id.*, 63 U.S.P.Q.2d (BNA) at 1309.

its marks by presenting evidence of sales volume and cost of advertising for its products.<sup>101</sup> Although the volume demonstrated by Bose appeared to be substantial,<sup>102</sup> the Board had “discounted the sales and advertising evidence for the product marks, standing alone, because those indicia of fame had not been placed in any context ‘from which to determine how substantial the figures are for these types of products.’”<sup>103</sup>

Considering the issue, the court examined its own past decisions and instructed that:

Direct evidence of fame, for example from widespread consumer polls, rarely appears in contests over likelihood of confusion. Instead, our cases teach that the fame of a mark may be measured indirectly, among other things, by the volume of sales and advertising expenditures of the goods traveling under the mark and by the length of time those indicia of commercial awareness have been evident. . . . [W]e have consistently accepted statistics of sales and advertising as indicia of fame: when the numbers are large, we have tended to accept them without any further supporting proof.<sup>104</sup>

Given its existing precedents on the issue, the court was unwilling to uphold the Board’s conclusion that Bose’s marks lacked the requisite fame simply because “Bose had not introduced any direct evidence of consumer recognition of the fame of the marks.”<sup>105</sup>

Although the Federal Circuit rejected the Board’s conclusion in this case, the court seemed sympathetic to the Board’s analysis, giving the impression that perhaps mere sales and advertising figures, which for so long have been relied upon to demonstrate fame, might not be sufficient in the future.<sup>106</sup> For example, the court indicated with respect to consumer surveys that “such direct evidence of consumer awareness of products and the marks they bear is preferable to indirect evidence of consumer recognition, from which inferences necessarily have to be drawn.”<sup>107</sup> Similarly, the court observed that:

[r]aw numbers of product sales and advertising expenses may have sufficed in the past to prove fame of a mark, but raw numbers in

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101. *Id.*, 63 U.S.P.Q.2d (BNA) at 1306.

102. *See id.* at 1372-73, 63 U.S.P.Q.2d (BNA) at 1306 (highlighting the seventeen years of use on the products covered by the mark, with “annual sales of over \$50 million . . . [and] more than \$5 million annually to advertise” for ACOUSTIC WAVE; and the “current annual sales of \$100 million . . . [with] [c]urrent annual advertising expenses over \$30 million” for WAVE).

103. *Id.* at 1374, 63 U.S.P.Q.2d (BNA) at 1308.

104. *Id.* at 1371, 63 U.S.P.Q.2d (BNA) at 1305.

105. *Id.* at 1373, 63 U.S.P.Q.2d (BNA) at 1308.

106. *Id.* at 1375, 63 U.S.P.Q.2d (BNA) at 1309.

107. *Id.* at 1374-75, 63 U.S.P.Q.2d (BNA) at 1308-09.

today's world may be misleading. For example, a 30-second spot commercial shown during a Super Bowl football game may cost a vast sum, but the expenditure may have little if any impact on how the public reacts to the commercial message.<sup>108</sup>

Thus, the court clearly has signaled that presentation of raw sales and advertising figures, which were sufficient to demonstrate the fame of Bose's marks in this case, may not be enough to prevail in a different context.

Second, the court analyzed whether the marks at issue possessed fame distinct from the famous BOSE house mark with which ACOUSTIC WAVE and WAVE frequently are coupled. Earlier, the Board concluded that "[a]bsent additional evidence regarding the nature and extent of promotion or consumer perception of the marks WAVE and ACOUSTIC WAVE apart from the admittedly famous BOSE mark, we cannot conclude that this evidence establishes the fame of these pleaded marks."<sup>109</sup> Once again, the Federal Circuit disagreed with but was sympathetic to the Board's finding. Noting that "the issue of fame for product marks that travel with famous house marks is new to this court,"<sup>110</sup> the court did not "fault the Board for its insistence that Bose produce evidence that the product marks can properly be seen as independent of the famous house marks."<sup>111</sup> The court found "overwhelming evidence of the independent trademark significance of the product marks"<sup>112</sup> in the form of advertising and sales literature and third-party reviews of the products which "decouple[s] the product marks from the famous house marks."<sup>113</sup> Accordingly, the court held that the fame of the product marks stand apart from Bose's house marks, and therefore should be afforded protection.<sup>114</sup>

Turning to another *DuPont* factor, the court found that the Board erred by concluding that the parties' goods were unrelated. The Board had concluded that QSC's application "identified component parts, 'amplifiers and power amplifiers,' while the Bose . . . marks are registered and used for stand-alone systems."<sup>115</sup> Agreeing with the Board that the products were not identical, the court held, however, that a "conclusion of relatedness is inescapable."<sup>116</sup> Bose's registration

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108. *Id.* at 1375, 63 U.S.P.Q.2d (BNA) at 1309.

109. *Id.* at 1374, 63 U.S.P.Q.2d (BNA) at 1308 (internal quotes omitted).

110. *Id.*, 63 U.S.P.Q.2d (BNA) at 1308.

111. *Id.*, 63 U.S.P.Q.2d (BNA) at 1308.

112. *Id.* at 1375, 63 U.S.P.Q.2d (BNA) at 1309.

113. *Id.*, 63 U.S.P.Q.2d (BNA) at 1308-09.

114. *Id.*, 63 U.S.P.Q.2d (BNA) at 1309.

115. *Id.* at 1376, 63 U.S.P.Q.2d (BNA) at 1309.

116. *Id.*, 63 U.S.P.Q.2d (BNA) at 1310.

describes its product “as including an amplifier,” and “consumers who purchase the Bose product cannot ignore the fact that it, like the QSC product, amplifies via an amplifier.”<sup>117</sup> Thus, in contrast to the Board, the court determined that the factor of relatedness weighed in favor of a likelihood of confusion.

The court also disagreed with the Board’s analysis of the similarity or dissimilarity of the marks. The Board believed that the term POWER in QSC’s mark POWERWAVE “leads to a different connotation, as well as a different appearance, than either of opposer’s marks.”<sup>118</sup> But, the Federal Circuit concluded that “[t]he presence of the root element WAVE . . . introduces a strong similarity in all three marks.”<sup>119</sup> Moreover, the court found that “[w]hatever additional distinction may be introduced by the element POWER . . . is severely limited by the fact that the mark is applied to acoustic equipment.”<sup>120</sup> Based on these rulings, the court reversed the Board’s decision and denied QSC’s registration of the POWERWAVE mark.<sup>121</sup>

##### 5. Thompson v. Haynes

The Federal Circuit returned to the issue of confusion one more time on September 30, 2002, albeit in a different context. In *Thompson v. Haynes*,<sup>122</sup> the court reviewed a decision of U.S. District Court for the Northern District of Oklahoma<sup>123</sup> involving claims under the Lanham Act,<sup>124</sup> among other things.<sup>125</sup>

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117. *Id.*, 63 U.S.P.Q.2d (BNA) at 1310.

118. *Id.* at 1377-78, 63 U.S.P.Q.2d (BNA) at 1311.

119. *Id.* at 1378, 63 U.S.P.Q.2d (BNA) at 1311.

120. *Id.*, 63 U.S.P.Q.2d (BNA) at 1311.

121. The court also addressed the *DuPont* factor relating to the similarity of trade channels. *Id.* at 1377, 63 U.S.P.Q.2d (BNA) at 1310. The court agreed with the Board’s ruling that this factor leaned in favor of finding a likelihood of confusion based upon the lack of language limiting channels of trade in QSC’s application. *Id.*, 63 U.S.P.Q.2d (BNA) at 1311.

122. 305 F.3d 1369, 64 U.S.P.Q.2d (BNA) 1650 (Fed. Cir. 2002).

123. The Federal Circuit enjoys exclusive jurisdiction over appeals of decisions involving claims arising under the federal patent laws. 28 U.S.C. § 1295(a)(4) (1982). In cases involving both patent and non-patent claims, appeals relating to the non-patent issues may also fall within the Federal Circuit’s jurisdiction. *See, e.g.*, *Bandag, Inc. v. Al Boser’s Tire Stores, Inc.*, 750 F.2d 903, 909, 223 U.S.P.Q. (BNA) 982, 986 (Fed. Cir. 1984).

124. *See* 15 U.S.C. § 1125(a) (2000) (prohibiting the false or misleading representation of a fact that is likely to cause confusion with respect to the origin, sponsorship, or approval of any goods or services).

125. The case initially was brought by Thompson seeking a declaration of patent non-infringement, and recovery of unpaid royalties. *Thompson*, 305 F.3d at 1372, 64 U.S.P.Q.2d (BNA) at 1652. Fluid Controls responded with counterclaims under the patent laws, as well as for violations of the Lanham Act. *Id.*, 64 U.S.P.Q.2d (BNA) at 1652.

*Thompson* involved the sale of “fluid conducting swivel devices” that were manufactured and distributed under a patent royalty agreement between Earl E. Thompson, Fluid Controls, Inc. (“Fluid Controls”), and Fluid Controls’ president Henry T. Haynes.<sup>126</sup> At first, Thompson acted as the distributor of swivels manufactured by Fluid Controls.<sup>127</sup> Following disputes between the parties concerning royalties, Thompson began to produce and sell his own swivels.<sup>128</sup>

Before selling his own swivels, Thompson applied the designation “SW-343” on Fluid Controls’ swivels that he distributed.<sup>129</sup> Subsequently, upon receiving an order for swivels from a prior Fluid Controls customer, Thompson supplied his own swivels, which bore the designation “SW-343-D.”<sup>130</sup> When Thompson’s customer then had trouble installing Thompson’s swivels, the customer contacted Fluid Controls for assistance.<sup>131</sup>

Fluid Controls claimed that Thompson’s actions amounted to a violation of Section 43 of the Lanham Act.<sup>132</sup> Finding that Thompson’s substitution of swivels created a likelihood of confusion, the district court found that Thompson’s acts “constituted a false designation of origin, a false or misleading description of fact, and a false or misleading misrepresentation of fact in violation of Section 43 of the Lanham Act.”<sup>133</sup>

The Federal Circuit affirmed the district court’s holding with respect to Lanham Act liability.<sup>134</sup> To do so, the Federal Circuit applied Tenth Circuit law.<sup>135</sup> To determine whether a likelihood of confusion exists, the Tenth Circuit, like the Federal Circuit, applies a series of factors.<sup>136</sup> Except for the factor relating to the degree of care

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126. *Id.*, 64 U.S.P.Q.2d (BNA) at 1652.

127. *Id.* at 1373, 64 U.S.P.Q.2d (BNA) at 1652.

128. *Id.*, 64 U.S.P.Q.2d (BNA) at 1652.

129. *Id.* at 1376, 64 U.S.P.Q.2d (BNA) at 1654.

130. *Id.*, 64 U.S.P.Q.2d (BNA) at 1654.

131. *Id.* at 1373, 64 U.S.P.Q.2d (BNA) at 1652.

132. *Id.* at 1373, 64 U.S.P.Q.2d (BNA) at 1652.

133. *Id.* at 1378, 64 U.S.P.Q.2d (BNA) at 1656 (internal quotations omitted).

134. *Id.*, 64 U.S.P.Q.2d (BNA) at 1656. The Federal Circuit, however, reversed the district court’s treatment of damages.

135. When reviewing patent issues, the Federal Circuit applies its own law, “but with respect to nonpatent issues [it] generally appl[ies] the law of the circuit in which the district court sits.” *Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1359, 50 U.S.P.Q.2d (BNA) 1672, 1675 (Fed. Cir. 1999).

136. The factors considered in the Tenth Circuit to analyze the existence of a likelihood of confusion are: (i) the degree of similarity between the marks; (ii) the strength or weakness of the plaintiff’s mark; (iii) the intent of the alleged infringer in adopting its mark; (iv) the similarities and differences of the parties’ goods, services and marketing strategies; (v) the degree of care likely to be exercised by purchasers of the goods or services involved; and (vi) evidence of actual confusion, if any. *Heartsprings, Inc. v. Heartspring, Inc.*, 143 F.3d 550, 554, 46 U.S.P.Q.2d (BNA) 1481,

exercised by consumers, the district court found, and the Federal Circuit agreed, that the “factors all support a finding of likelihood of confusion.”<sup>137</sup>

The court deemed Fluid Controls’ evidence of actual confusion particularly important to the establishment of a likelihood of confusion.<sup>138</sup> Fluid Controls’ evidence established that “a representative of the consumer of the swivels, made an ‘incorrect mental association between the involved . . . producers’”<sup>139</sup> when he contacted Fluid Controls about swivels made by Thompson.<sup>140</sup>

While it affirmed the district court’s finding that a likelihood of confusion existed and thus a violation of the Lanham Act occurred, the Federal Circuit disagreed with the lower court’s treatment of damages.<sup>141</sup> The trial court added Thompson’s profits, Fluid Controls’ lost sales, and Fluid Controls’ costs to run corrective advertising, and awarded three times the sum to Fluid Controls.<sup>142</sup> The Federal Circuit held that such an award is not authorized by 15 U.S.C. § 1117(a), which sets out damage provisions for violations of the Lanham Act.<sup>143</sup>

The Federal Circuit explained that the statute requires that damages and profits be treated as separate issues.<sup>144</sup> Courts are permitted to award treble damages, but are disallowed from awarding three times the proven profit amount.<sup>145</sup> Rather, in terms of profits, “the court is constrained to award the amount proved, subject only to an adjustment, up or down, where the recovery would be otherwise unjust.”<sup>146</sup> Although it could be argued that the trebling of profits by the district court was such a permissible adjustment, the Federal Circuit made clear that “[t]he court may not, as it did here, simply lump profits together with damages and apply the same measure of enhancement to both.”<sup>147</sup> Accordingly, the Federal Circuit reversed and remanded for further consideration the damage award.<sup>148</sup>

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1483 (10th Cir. 1998).

137. *Thompson*, 305 F.3d at 1377, 64 U.S.P.Q.2d (BNA) at 1655.

138. *Id.*, 64 U.S.P.Q.2d (BNA) at 1655.

139. *Id.* at 1376, 64 U.S.P.Q.2d (BNA) at 1655.

140. *See id.* at 1377, 64 U.S.P.Q.2d (BNA) at 1655 (stating that after Fluid Controls presented this evidence, Thompson bore the burden of rebutting this demonstration of actual confusion).

141. *Id.* at 1378, 1380, 64 U.S.P.Q.2d (BNA) at 1656-57.

142. *Id.* at 1380, 64 U.S.P.Q.2d (BNA) at 1657.

143. *Id.*, 64 U.S.P.Q.2d (BNA) at 1657.

144. *Id.*, 64 U.S.P.Q.2d (BNA) at 1658.

145. *Id.*, 64 U.S.P.Q.2d (BNA) at 1658.

146. *Id.*, 64 U.S.P.Q.2d (BNA) at 1658.

147. *Id.*, 64 U.S.P.Q.2d (BNA) at 1658.

148. *Id.*, 64 U.S.P.Q.2d (BNA) at 1658.

*B. Functionality: Valu Engineering, Inc. v. Rexnord Corp.*

In *Valu Engineering, Inc. v. Rexnord Corp.*,<sup>149</sup> the Federal Circuit addressed the issue of functionality.<sup>150</sup> Generally, the law has long provided that product designs that are functional cannot serve as trademarks. As the Supreme Court has explained:

The functionality doctrine prevents trademark law, which seeks to promote competition by protecting a firm's reputation, from instead inhibiting legitimate competition by allowing a producer to control a useful product feature. It is the province of patent law, not trademark law, to encourage invention by granting inventors a monopoly over new product designs or functions for a limited time.<sup>151</sup>

Thus, the Federal Circuit's predecessor established a series of factors, the "*Morton-Norwich* factors," to assess whether a particular product feature is functional, and hence unable to serve as a mark.<sup>152</sup>

The Supreme Court repeatedly has addressed the issue of functionality, most recently in the 2001 case *Traffix Devices, Inc. v. Marketing Displays, Inc.*<sup>153</sup> *Valu Engineering* presented the Federal Circuit with an opportunity to rule on whether the Supreme Court's recent holding in *Traffix* changed the *Morton-Norwich* factors for determining functionality.<sup>154</sup> The case also presented an issue of first impression, for both the Board and the Federal Circuit, relating to whether the analysis of functionality properly may focus on a single narrow use for the design at issue, as opposed to the full range of uses that may be made of that design.<sup>155</sup>

Valu Engineering, Inc. ("Valu"), a producer of conveyors, filed three applications in 1993 seeking to register as trademarks "conveyor guide rail configurations in ROUND, FLAT and TEE cross-sectional designs."<sup>156</sup> Valu's application indicated that the applied-for marks

149. 278 F.3d 1268, 61 U.S.P.Q.2d (BNA) 1422 (Fed. Cir. 2002).

150. *Id.* at 1273, 61 U.S.P.Q.2d (BNA) at 1426.

151. *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164, 34 U.S.P.Q.2d (BNA) 1161, 1163 (1995).

152. *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1340-41, 213 U.S.P.Q. (BNA) 9, 15-16 (C.C.P.A. 1982). The *Morton-Norwich* factors are: (i) the existence of a utility patent disclosing the design's utilitarian benefits; (ii) advertising materials in which the design's creator promotes the design's utilitarian benefits; (iii) the availability to competitors of functionally equivalent designs; and (iv) facts indicating that the design yields a relatively uncomplicated and low cost way of manufacturing the product. *Id.*, 213 U.S.P.Q. (BNA) at 15-16.

153. 532 U.S. 23, 58 U.S.P.Q.2d (BNA) 1001 (2001).

154. *Valu Eng'g*, 278 F.3d at 1274, 61 U.S.P.Q.2d (BNA) at 1427.

155. *Id.* at 1277, 61 U.S.P.Q.2d (BNA) at 1428.

156. *Id.* at 1271, 61 U.S.P.Q.2d (BNA) at 1423. "Conveyor guide rails are rails positioned along the length of the sides of a conveyor to keep containers or objects that are traveling on the conveyor from falling off the conveyor." *Id.*, 61 U.S.P.Q.2d

were used in connection with “Conveyor Guide Rails.”<sup>157</sup> Rexnord Corporation (“Rexnord”) filed oppositions to Valu’s applications on the ground that the subject designs were functional.<sup>158</sup> The Board sustained Rexnord’s opposition.<sup>159</sup>

Before turning to the issue of first impression, the court analyzed whether the manner in which the Board had applied the *Morton-Norwich* factors was rendered inappropriate by *TrafFix*.<sup>160</sup> Of concern was the third factor, relating to the availability to competitors of functionally equivalent designs.<sup>161</sup> In *TrafFix*, the Supreme Court found that a dual-spring feature of a traffic sign stand for which a party had sought trade dress protection was functional.<sup>162</sup> Reaching this conclusion, the Supreme Court rejected rulings of the U.S. Court of Appeals for the Sixth Circuit that the “appropriate question is whether the particular product configuration is a competitive necessity,”<sup>163</sup> and thus “[e]xclusive use of a feature must ‘put competitors at a *significant* non-reputation related disadvantage’ before trade dress protection is denied on functionality grounds.”<sup>164</sup> Instead, the Supreme Court applied the “traditional” rule that “a product feature is functional . . . if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.”<sup>165</sup> The Supreme Court also instructed that, once a product is found to be functional under the traditional rule, “there is no need to proceed further to consider if there is a competitive necessity for the feature,”<sup>166</sup> and, therefore, “no need . . . to engage . . . in speculation about other design possibilities.”<sup>167</sup>

In *Valu Engineering*, the Federal Circuit considered whether that pronouncement by the Supreme Court rendered unnecessary the

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(BNA) at 1423.

157. *Id.* at 1271-72, 61 U.S.P.Q.2d (BNA) at 1424.

158. *Id.* at 1271, 61 U.S.P.Q.2d (BNA) at 1424.

159. *Id.* at 1272, 61 U.S.P.Q.2d (BNA) at 1424.

160. *Id.* at 1276, 61 U.S.P.Q.2d (BNA) at 1427.

161. *Id.*, 61 U.S.P.Q.2d (BNA) at 1427.

162. *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 58 U.S.P.Q.2d (BNA) 1001 (2001).

163. *Mktg. Displays, Inc. v. TrafFix Devices, Inc.*, 200 F.3d 929, 940, 53 U.S.P.Q.2d (BNA) 1335, 1343 (6th Cir. 1999).

164. *Id.*, 53 U.S.P.Q.2d (BNA) at 1344 (quoting *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 165, 34 U.S.P.Q.2d (BNA) 1161, 1164 (1995)).

165. *TrafFix Devices*, 532 U.S. at 32, 58 U.S.P.Q.2d (BNA) at 1006 (quoting *Inwood Labs., Inc. v. Inves Labs., Inc.*, 456 U.S. 844, 850 n.10, 214 U.S.P.Q. (BNA) 1, 4 n.10 (1982) (internal quotations omitted)).

166. *Id.* at 33, 58 U.S.P.Q.2d (BNA) at 1006.

167. *Id.*, 58 U.S.P.Q.2d (BNA) at 1007.

*Morton-Norwich* factor addressing availability of equivalent designs.<sup>168</sup> The Federal Circuit concluded that it did not, explaining that:

Nothing in *Traffix* suggests that consideration of alternative designs is not properly part of the overall mix, and we do not read the Court's observations in *Traffix* as rendering the availability of alternative designs irrelevant. Rather, we conclude that the Court merely noted that once a product feature is found functional based on other considerations, there is no need to consider the availability of alternative designs, because the feature cannot be given trade dress protection merely because there are alternative designs available.<sup>169</sup>

According to the Federal Circuit, this “does not mean that the availability of alternative designs cannot be a legitimate source of evidence to determine whether a feature is functional in the first place.”<sup>170</sup> Thus, the Federal Circuit stated that it “do[es] not understand the Supreme Court’s decision in *Traffix* to have altered the *Morton-Norwich* analysis.”<sup>171</sup>

The Federal Circuit next turned to the main issue in *Valu Engineering* of whether the Board incorrectly narrowed its scope to a single application of the designs at issue.<sup>172</sup> *Valu Engineering*’s designs were cross-sections of conveyer belt guide rails.<sup>173</sup> As the court explained, “the Board focused primarily on the utilitarian advantages of *Valu*’s designs in a particular, competitively-significant application, namely, as they are used in the wet areas of bottling and canning plants.”<sup>174</sup> The Board had limited its analysis to this specific application instead of taking into account all potential uses for *Valu Engineering*’s designs.<sup>175</sup>

The Federal Circuit agreed with the Board’s approach, and concluded that “[r]equiring the Board to review the ‘entire universe’ of potential uses of a contested mark in the recited identification of goods would seriously undermine the goals of the functionality doctrine.”<sup>176</sup> Rather, the court found that when a design is functional in just “a single competitively significant application,” the design must be considered functional and may not be protected as a mark

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168. *Valu Eng’g, Inc. v. Rexnord Corp.*, 278 F.3d 1268, 1276, 61 U.S.P.Q.2d (BNA) 1422, 1427 (Fed. Cir. 2002).

169. *Id.*, 61 U.S.P.Q.2d (BNA) at 1427.

170. *Id.*, 61 U.S.P.Q.2d (BNA) at 1427.

171. *Id.*, 61 U.S.P.Q.2d (BNA) at 1427.

172. *Id.* at 1276-77, 61 U.S.P.Q.2d (BNA) at 1427.

173. *Id.* at 1271, 61 U.S.P.Q.2d (BNA) at 1423.

174. *Id.* at 1277, 61 U.S.P.Q.2d (BNA) at 1427.

175. *Id.*, 61 U.S.P.Q.2d (BNA) at 1427.

176. *Id.*, 61 U.S.P.Q.2d (BNA) at 1428.

“even if there is no anticompetitive effect in any other areas of use.”<sup>177</sup> The rationale for the court’s conclusion was that, irrespective of how many areas exist in which the design may be utilized in a non-functional way, once there is a single significant area in which the design is functional, protection of the design as a mark would confer a monopoly over a useful product feature—something that is the province of the patent laws.<sup>178</sup> Accordingly, the court held that the Board’s decision to limit its functionality analysis to the wet area of plants while ignoring all other actual or potential uses of the design was permissible.<sup>179</sup>

C. *Priority*: *Herbko International v. Kappa Books, Inc.*

In *Herbko International v. Kappa Books, Inc.*<sup>180</sup> the Federal Circuit addressed the issue of priority of use of a mark. Generally, the party that makes first use of a mark in commerce enjoys prior rights over parties that subsequently adopt the same mark for use with the same or related goods or services.<sup>181</sup> *Herbko* presented the court with an opportunity to consider application of the general rule of priority in the context of book titles. *Herbko* involved a cancellation proceeding in which the Board granted summary judgment canceling *Herbko International, Inc.*’s (“*Herbko*”) registration for the mark CROSSWORD COMPANION on the basis that *Kappa Books, Inc.* (“*Kappa*”) had shown prior use of that mark as a title of a book.<sup>182</sup> On appeal, the Federal Circuit reversed the Board’s grant of summary judgment.<sup>183</sup>

*Herbko* filed an intent-to-use application in June 1994 seeking to register the mark CROSSWORD COMPANION and design in connection with a “crossword puzzle system, namely paper crossword puzzle rolls and hand held puzzle roll scrolling device sold as a unit and crossword puzzle replacement rolls sold separately.”<sup>184</sup> *Herbko*’s application subsequently ripened into a registration based upon a declaration of September 22, 1994 as the date of first use in

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177. *Id.*, 61 U.S.P.Q.2d (BNA) at 1428.

178. *Id.*, 61 U.S.P.Q.2d (BNA) at 1428.

179. *Id.* at 1279, 61 U.S.P.Q.2d (BNA) at 1429.

180. 308 F.3d 1156, 64 U.S.P.Q.2d (BNA) 1375 (Fed. Cir. 2002).

181. *See, e.g.*, Trade-Mark Cases, 100 U.S. 82, 94 (1879) (stating that “[t]he trademark may be, and generally is, the adoption of something already in existence as the distinctive symbol of the party using it . . . [i]t is simply founded on priority of appropriation.”).

182. *Herbko Int’l*, 308 F.3d at 1159-60, 64 U.S.P.Q.2d (BNA) at 1376.

183. *Id.*, 64 U.S.P.Q.2d (BNA) at 1381.

184. *Id.* at 1160, 64 U.S.P.Q.2d (BNA) at 1376.

commerce.<sup>185</sup> In June 1997, Kappa filed a petition seeking the cancellation of Herbko's registration on the grounds that Kappa had made prior use of the CROSSWORD COMPANION mark, and Herbko's subsequent use was likely to cause confusion.<sup>186</sup> The Board found no questions of fact concerning either priority of use or the likelihood of confusion, and granted summary judgment to Kappa.<sup>187</sup> The basis for the Board's decision was that, in 1993, Kappa sold over one million copies of a crossword puzzle book under the name CROSSWORD COMPANION.<sup>188</sup> Kappa published a second volume of the book in 1995, and sold over 900,000 CROSSWORD COMPANION books from 1995 to 1997.<sup>189</sup> However, Kappa made "no significant sales" of the books in 1994.<sup>190</sup>

To establish priority, a party "must show proprietary rights in the mark that produce a likelihood of confusion."<sup>191</sup> As the Federal Circuit explained, "[t]hese proprietary rights may arise from a prior registration, prior trademark or service mark use, prior use as a trade name, prior use analogous to trademark or service mark use, or any other use sufficient to establish proprietary rights."<sup>192</sup> Rejecting the Board's decision in *Herbko*, the court determined that Kappa's prior use of the CROSSWORD COMPANION title did not amount to any use from which proprietary rights may arise.

Rather, as stated by the court, "[b]efore a prior use becomes an analogous use sufficient to create proprietary rights, the petitioner must show prior use sufficient to create an association in the minds of the purchasing public between the mark and the petitioner's goods."<sup>193</sup> The court interpreted its own precedent in declaring that "the publication of a single book cannot create, as a matter of law, an association between the book's title (the alleged mark) and the source of the book (the publisher)."<sup>194</sup> The combination of these two principles compelled the court to find that Kappa's use of the CROSSWORD COMPANION title in 1993 did not establish priority over Herbko's 1994 intent-to-use application.

In overturning the Board's decision, the court rejected the Board's finding that when Kappa produced its second CROSSWORD

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185. *Id.*, 64 U.S.P.Q.2d (BNA) at 1376.

186. *Id.*, 64 U.S.P.Q.2d (BNA) at 1377.

187. *Id.* at 1160-61, 64 U.S.P.Q.2d (BNA) at 1377.

188. *Id.* at 1160, 64 U.S.P.Q.2d (BNA) at 1377.

189. *Id.*, 64 U.S.P.Q.2d (BNA) at 1377.

190. *Id.*, 64 U.S.P.Q.2d (BNA) at 1377.

191. *Id.* at 1162, 64 U.S.P.Q.2d (BNA) at 1378.

192. *Id.*, 64 U.S.P.Q.2d (BNA) at 1378.

193. *Id.*, 64 U.S.P.Q.2d (BNA) at 1378 (emphasis added).

194. *Id.* at 1163, 64 U.S.P.Q.2d (BNA) at 1378 (emphasis added).

COMPANION book in 1995, it “perfected” the use that had begun with publication of the first volume in 1993.<sup>195</sup> Instead, the court explained that:

If a later party uses or applies for a trademark before the creation of a series (*i.e.*, before the publication of a second volume), the proprietary rights for the series title date back to the first volume of the series *only* if the second volume is published within a reasonable time with a requisite association in the public mind.

That association requires more than publication of a single book.<sup>196</sup>

Since Kappa failed to prove publication of a second volume prior to Herbko’s 1994 intent-to-use application, the court determined that the Board erred in its conclusion that Kappa possessed priority to the mark.<sup>197</sup> Accordingly, the court reversed the cancellation of Herbko’s mark.

#### D. Descriptiveness

In May 2002, the Federal Circuit twice examined the issue of descriptiveness.<sup>198</sup> Generally, a mark is not entitled to protection and may not be registered if the mark “is merely descriptive” of the goods or services in connection with which it is used unless it can be shown that the mark has developed secondary meaning.<sup>199</sup>

195. *Id.* at 1162, 64 U.S.P.Q.2d (BNA) at 1379.

196. *Id.*, 64 U.S.P.Q.2d (BNA) at 1378-79 (emphasis added).

197. *Id.*, 64 U.S.P.Q.2d (BNA) at 1379. The court also reviewed and agreed with the Board’s determination that “Herbko’s CROSSWORD COMPANION mark is sufficiently similar to Kappa’s mark, when applied to the goods at issue, that purchasers would likely believe those goods were associated with a single source.” *Id.* at 1166, 64 U.S.P.Q.2d (BNA) at 1381. The court’s ruling with respect to priority, however, compelled reversal of the grant of summary judgment for Kappa. *Id.*, 64 U.S.P.Q.2d (BNA) at 1381.

198. *In re Galbreath*, No. 01-1620, 2002 U.S. App. LEXIS 9702 (Fed. Cir. May 9, 2002); *Transclean Corp. v. Bridgewood Servs., Inc.*, 209 F.3d 1364, 62 U.S.P.Q.2d (BNA) 1865 (Fed. Cir. 2002).

199. 15 U.S.C. § 1052(e) (2000). The statute provides:

[n]o 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: [c]onsists of a mark which (1) when used on or in connection with the goods of the applicant is merely descriptive or deceptively misdescriptive of them, (2) when used on or in connection with the goods of the applicant is primarily geographically descriptive of them, except as indications of regional origin may be registrable under section 1054 of this title, (3) when used on or in connection with the goods of the applicant is primarily geographically deceptively misdescriptive of them, (4) is primarily merely a surname, or (5) comprises any matter that, as a whole, is functional.

*Id.* See also *In re Nett Designs, Inc.*, 236 F.3d 1339, 1341, 57 U.S.P.Q.2d (BNA) 1564, 1565 (Fed. Cir. 2001) (stating that “[a] merely descriptive mark qualifies for registration only if the applicant shows that it has acquired secondary meaning.”) (citing *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 769 (1992)).

### 1. *In re Galbreath*

The Federal Circuit first addressed descriptiveness in *In re Galbreath*, an unpublished decision issued on May 9, 2002.<sup>200</sup> In *Galbreath*, the court affirmed the Board's refusal to register the mark SAFE-T-BUCKLE applied for by John A. Galbreath ("Galbreath") for use in connection with "plastic buckle fasteners for use in child strollers, high chairs, child carriers, changing stations, shopping cart restraint systems and similar articles."<sup>201</sup> The Board found Galbreath's mark merely descriptive of his products.<sup>202</sup>

The Federal Circuit agreed, indicating that "[a] mark qualifies for registration if it 'requires imagination, thought and perception to arrive at the qualities or characteristics of the goods.'"<sup>203</sup> In contrast, the court found that Galbreath's mark "immediately describes a safety buckle"—the relevant goods.<sup>204</sup>

The court was not swayed by Galbreath's identification of other marks with the prefix "Safe-T" that had been approved and registered, such as "Safe-T-Belt" for back braces and "Safe-T-Strap" for support lines for construction workers.<sup>205</sup> Rather, the court instructed that "[t]he Patent and Trademark Office must decide each case on its own merits; and third party registrations of other marks using the same terms do not conclusively rebut a finding of descriptiveness."<sup>206</sup> Distinguishing the third-party marks identified by Galbreath, the court found that those marks "do not immediately describe the relevant goods, but are suggestive and require a mental step to relate the marks to the goods."<sup>207</sup> In contrast, the court found that by consulting the dictionary definitions of "safety" and "buckle," it was clear that Galbreath's mark "immediately convey[s] to the public that the product is a fastener used for safety purposes."<sup>208</sup> Accordingly, the court agreed with the Board's decision affirming the Patent and Trademark Office's refusal to register SAFE-T-BUCKLE.

### 2. *Transclean Corp. v. Bridgewood Servs., Inc.*

The Federal Circuit briefly turned its attention again to the issue of descriptiveness on May 21, 2002, when it issued an opinion in

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200. *Galbreath*, 2002 U.S. App. LEXIS 9702, at \*1.

201. *Id.*

202. *Id.*

203. *Id.* at \*2.

204. *Id.*

205. *Id.*

206. *Id.*

207. *Id.*

208. *Id.*

*Transclean Corp. v. Bridgewood Servs., Inc.*,<sup>209</sup> an appeal from a decision of the United States District Court for the District of Minnesota.<sup>210</sup> In this case, Transclean Corporation (“Transclean”) alleged patent and trademark infringement claims against Bridgewood Services, Inc. (“Bridgewood”) arising in connection with Bridgewood’s sales of a device for changing automatic transmission fluid.<sup>211</sup> Transclean claimed that Bridgewood infringed Transclean’s unregistered marks TOTAL FLUID EXCHANGE and TOTAL FLUID X CHANGE.<sup>212</sup>

The district court granted summary judgment of non-infringement against Transclean on the ground that Transclean had not established protectable rights in the marks, specifically “that there was no genuine issue of material fact relating to Transclean’s actual usage of the marks in commerce.”<sup>213</sup> Reviewing the lower court’s decision, the Federal Circuit agreed that “Transclean failed to raise a genuine issue of material fact as to nondescriptive usage of the mark on the goods.”<sup>214</sup> As the court explained, in order to be eligible for protection, “the usage of the marks must be as a source identifier rather than a description of the goods’ qualities.”<sup>215</sup> The record on appeal showed that Transclean’s marks “were used in a purely descriptive manner, *e.g.*, ‘TFX TOTAL FLUID EXCHANGE SYSTEM FOR AUTOMATIC TRANSMISSIONS by Transclean Corp.’”<sup>216</sup> Accordingly, because the marks asserted by Transclean were merely descriptive, the Federal Circuit affirmed the lower court’s summary judgment of non-infringement.<sup>217</sup>

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209. 290 F.3d 1364, 62 U.S.P.Q.2d (BNA) 1865 (Fed. Cir. 2002).

210. *See* *Transclean Corp. v. Bridgewood Servs., Inc.*, 77 F. Supp. 2d 1045 (D. Minn. 1999) (holding that plaintiff did not hold a protected trademark), *aff’d in part and vacated in part*, 290 F.2d 1364 (Fed. Cir. 2002).

211. *Transclean*, 290 F.3d at 1369, 62 U.S.P.Q.2d (BNA) at 1868.

212. *Id.*, 62 U.S.P.Q.2d (BNA) at 1868.

213. *Id.* at 1380, 62 U.S.P.Q.2d (BNA) at 1876.

214. *Id.*, 62 U.S.P.Q.2d (BNA) at 1876.

215. *Id.*, 62 U.S.P.Q.2d (BNA) at 1876.

216. *Id.*, 62 U.S.P.Q.2d (BNA) at 1877.

217. *Id.*, 62 U.S.P.Q.2d (BNA) at 1876. In addition, the Federal Circuit affirmed dismissal of Transclean’s trademark infringement claims on the alternate ground that Transclean’s marks had not been used in commerce because the marks were not affixed to Transclean’s goods. Applying Eighth Circuit law, the Federal Circuit indicated that “[u]se of the mark on documents does not satisfy the usage requirement when the mark can be affixed to the goods themselves.” *Id.*, 62 U.S.P.Q.2d (BNA) at 1876. Transclean had not affixed the marks to its goods. *Id.*, 62 U.S.P.Q.2d (BNA) at 1876.

## II. PROCEDURAL ISSUES

A. *Choice of Law: Golan v. Pingel Enterprise, Inc.*

In *Golan v. Pingel Enterprise, Inc.*,<sup>218</sup> the Federal Circuit determined which law the district court should have applied to an assertion of trademark infringement. The United States District Court for the Central District of California, as well as the parties, “presumed that Federal Circuit law regarding bad faith governs [the party’s] assertions of trademark infringement.”<sup>219</sup> The Federal Circuit disagreed.

*Golan* involved a dispute between Ilan Golan and Pingel Enterprise, Inc. (“Pingel”), both of whom manufactured after-market products for motorcycles including a type of fuel valve known as a “petcock.”<sup>220</sup> In October 1998, after Golan began advertising its petcocks, Pingel’s attorney sent a cease and desist letter asserting that Golan’s production and sales of petcocks under the mark PEAK FLOW infringed various of Pingel’s patents as well as Pingel’s POWER-FLO mark for petcocks.<sup>221</sup> Pingel also sent letters to its own distributors to “alert” them that Pingel was taking “immediate action to halt the sale and production” of Golan’s petcock because it “infringes patents and a trademark held by Pingel.”<sup>222</sup> Five months later, Golan brought suit seeking declarations of non-infringement of the patents and trademark at issue.<sup>223</sup> Golan also asserted antitrust claims and unfair competition claims based upon Pingel’s communications to distributors about the alleged infringing nature of Golan’s products.<sup>224</sup> Pingel counterclaimed for infringement of its POWER-FLO mark.<sup>225</sup>

The district court resolved all of the parties’ claims—except for the trademark infringement claims—on summary judgment.<sup>226</sup> The parties subsequently stipulated to dismissal without prejudice Golan’s motion for declaratory judgment of non-infringement of Pingel’s trademark, as well as Pingel’s trademark counterclaims.<sup>227</sup> Nevertheless, issues of trademark law were addressed on appeal in the

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218. 310 F.3d 1360, 64 U.S.P.Q.2d (BNA) 1911 (Fed. Cir. 2002).

219. *Id.* at 1373, 64 U.S.P.Q.2d (BNA) at 1920.

220. *Id.* at 1362, 64 U.S.P.Q.2d (BNA) at 1912.

221. *Id.* at 1363-64, 64 U.S.P.Q.2d (BNA) at 1912.

222. *Id.* at 1364, 64 U.S.P.Q.2d (BNA) at 1913.

223. *Id.* at 1365, 64 U.S.P.Q.2d (BNA) at 1913.

224. *Id.*, 64 U.S.P.Q.2d (BNA) at 1913-14.

225. *Id.*, 64 U.S.P.Q.2d (BNA) at 1914.

226. *Id.* at 1366, 64 U.S.P.Q.2d (BNA) at 1914.

227. *Id.* at 1366 n.3, 64 U.S.P.Q.2d (BNA) at 1914 n.3.

analysis of Golan's claim for unfair competition based on Pingel's statements to distributors. The district court ruled that those statements were not actionable "because Golan provided insufficient evidence to rebut the presumption that Pingel made the claims [concerning alleged infringements by Golan] in good faith."<sup>228</sup>

In reaching that determination, the district court applied Federal Circuit trademark law.<sup>229</sup> On appeal, the Federal Circuit rejected application of its own law. Instead, the Federal Circuit reiterated the well-established rule that "[t]he law of the pertinent regional circuit governs the assertion of federally protected trademark rights."<sup>230</sup> The appellate court further explained,

If, however, Pingel had not federally registered the Power-Flo mark at the time he asserted infringement, the asserted trademark rights are entirely the creature of state or common law. If that is the case, no federal statute preempts or affects the remaining state claims. Rather, Ninth Circuit law applies to the federal Lanham Act claims predicated on the assertion of state trademark rights, and state law applies entirely to the California unfair competition and business tort claims predicated on the assertion of state trademark rights.<sup>231</sup>

Accordingly, the Federal Circuit "remand[ed] to the district court to ascertain the proper application of law with respect to the trademark infringement issues."<sup>232</sup>

*B. Timeliness of Appeal: Boyle v. Barclays Global Investors, N.A.*

In *Boyle v. Barclays Global Investors, N.A.*,<sup>233</sup> an unpublished decision, the Federal Circuit briefly addressed the timeliness of a notice of appeal. In this case, John C. Boyle sought to appeal from a decision of the Board that was issued on November 1, 2001. As the Federal Circuit explained, "[a]n appeal from a decision of the Board must be filed with the PTO within two months of the date of the Board's decision. In this case, the notice of appeal was due by January 2, 2002."<sup>234</sup> Although the appellant stated that "he mailed a notice of appeal to the court on November 30, 2001 and again on January 3, 2002,"<sup>235</sup> the "PTO received Boyle's notice of appeal on January 7,

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228. *Id.* at 1366, 64 U.S.P.Q.2d (BNA) at 1914.

229. *Id.* at 1373, 64 U.S.P.Q.2d (BNA) at 1920.

230. *Id.*, 64 U.S.P.Q.2d (BNA) at 1920 (citing *Al-Site Corp. v. VSI Int'l, Inc.*, 174 F.3d 1308, 1326, 50 U.S.P.Q.2d (BNA) 1161, 1172 (Fed. Cir. 1999)).

231. *Id.*, 64 U.S.P.Q.2d (BNA) at 1920.

232. *Id.* at 1374, 64 U.S.P.Q.2d (BNA) at 1920.

233. No. 02-1357, 2002 U.S. App. LEXIS 24098 (Fed. Cir. Nov. 1, 2002).

234. *Id.* at \*1.

235. *Id.*

2002.”<sup>236</sup> Because the PTO received the notice of appeal more than two months after the date of the Board’s decision, the Federal Circuit dismissed Boyle’s appeal for being untimely.<sup>237</sup>

#### CONCLUSION

The Federal Circuit’s 2002 opinions did not present any sweeping new interpretations or applications of trademark law. Rather, the court’s decisions continued to apply, and modestly refine, preexisting principles. Substantive issues predominated over procedural issues in trademark cases addressed by the Federal Circuit in 2002. In five different cases, the Federal Circuit addressed issues relating to whether a likelihood of confusion was demonstrated. Other substantive trademark issues addressed by the Federal Circuit in 2002 included functionality and priority of use. Although the 2002 trademark cases addressed by the Federal Circuit do not represent any shifts in the law, the cases do provide insight into the Federal Circuit’s approach to trademark law.

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236. *Id.*

237. *Id.*