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August 10, 2006
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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re NexGen Resources Corporation

Serial No. 76334331

Serial No. 76334334

Lynn P. Hendrix of Holme Roberts & Owen LLP for NexGen Resources Corporation.

Susan E. Billheimer, Trademark Examining Attorney, Law Office 101 (Ronald R. Sussman, Managing Attorney).

Before Hohein, Hairston and Grendel, Administrative Trademark Judges.

Opinion by Hohein, Administrative Trademark Judge:

NexGen Resources Corporation has filed applications to register on the Principal Register the mark "NEXGEN" and design,¹ as reproduced below,

NEXGEN

and the mark "NEXGEN,"² in standard character form, for in each instance the services of "procurement, namely, purchasing of coal

¹ Ser. No. 76334331, filed on November 6, 2001, which is based on an allegation of a date of first use anywhere and in commerce for the services in each class of November 1996.

² Ser. No. 76334334, filed on November 6, 2001, which is based on an allegation of a date of first use anywhere and in commerce for the services in each class of November 1996.

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for others" in International Class 35, "transportation of coal by train; delivery of coal by train; and storage of coal" in International Class 39 and "processing of coal, namely, providing operating personnel and support services" in International Class 40.

Registration has been finally refused in each case under Section 2(d) of the Trademark Act, 15 U.S.C. §1052(d), on the ground that applicant's marks, when applied to its services, so resemble the following marks, which are owned by different registrants for the services indicated below, as to be likely to cause confusion, mistake or deception:

(i) the mark "NEXGEN," which is registered on the Principal Register, in standard character form, for both "utility services, namely, the transmission, distribution and supply of electricity" in International Class 39³ and "generation of electricity" in International Class 40;⁴ and

(ii) the mark "NEXGEN FUELING," which is registered on the Principal Register, in standard character form, for among other things "installation of gas or liquefied gas distribution systems including installation of metal tubing, vacuum insulated pipe, metal pipe fittings, cryogenic pumps, and electrical controllers, and metal fluid storage tanks, namely, tanks for bulk storage of gasses and liquefied gasses" in International Class 37 and "design for others in the field of gas or liquefied gas systems" in International Class 42.⁵

³ Reg. No. 2,837,580, issued on May 4, 2004 to Dale Vince (a citizen of the United Kingdom), which is based on European Community Reg. No. 1377670, which issued on January 9, 2001.

⁴ Reg. No. 2,754,804, issued on August 26, 2003 to Dale Vince (a citizen of the United Kingdom), which is based on European Community Reg. No. 1377670, which issued on January 9, 2001.

⁵ Reg. No. 2,737,770, issued on July 15, 2003 to Chart Inc., which sets forth a date of first use anywhere and in commerce for the services in

Applicant, in each case, has appealed. Briefs have been filed, but an oral hearing was not requested. Due to the similarity of the record and issue of likelihood of confusion in each instance, the appeals have been consolidated as requested by the Examining Attorney. We reverse the refusal to register in each case.

Our determination under Section 2(d) is based on an analysis of all of the facts in evidence which are relevant to the factors bearing on the issue of whether there is a likelihood of confusion. In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563, 568 (CCPA 1973). However, as indicated in Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976), in any likelihood of confusion analysis, two key considerations are the similarity of the goods or services and the similarity of the marks.⁶ Moreover, due to the nature of the services at issue herein, another significant factor is the conditions under which and buyers to whom sales are made, i.e., "impulse" versus careful, sophisticated purchasing.

each class of January 2001. The word "FUELING" is disclaimed. While such registration also covers "metal tubing; metal pipe featuring vacuum insulation; metal pipe fittings; [and] metal fluid storage tanks, namely, tanks for bulk storage of gasses and liquefied gasses" in International Class 6 and "trailers, namely, tankers for the transport of liquefied gasses" in International Class 12, it is assumed that the refusal to register is limited to the services in International Classes 37 and 42 inasmuch as the Examining Attorney has made no argument that confusion is likely from contemporaneous use of applicant's mark for its services and use of the mark "NEXGEN FUELING" for the goods in International Classes 6 and 12.

⁶ The court, in particular, pointed out that: "The fundamental inquiry mandated by §2(d) goes to the cumulative effect of differences in the essential characteristics of the goods [or services] and differences in the marks."

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Turning first to consideration of the respective marks, there is no question that applicant's marks are the same as or substantially identical to the registrants' marks in sound, appearance, connotation and commercial impression due to the shared term "NEXGEN." Applicant, in fact, does not contend otherwise. Instead, applicant argues in its briefs that there is no likelihood of confusion because its marks are "part of a family of registered NEXGEN and NEXGEN and design marks used in connection with coal related goods and services (namely, mining and mineral exploration and production services, and mining equipment), none of which have created a likelihood of confusion with the marks shown in the Cited Registrations."

While the Examining Attorney has failed to address such argument in her briefs, suffice it to say that applicant's contention that there can be no likelihood of confusion because the marks which it seeks to register are part of its family of "NEXGEN" and NEXGEN" and design marks fails for a number of reasons, both factual as well as legal. According to applicant, its asserted "family of marks include[s] the following registered [service marks and] trademarks: NEXGEN (Registration No. 2,792,274); NEXGEN and design (Registration No. 2,792,273); NEXGEN (Registration No. 2,787,140); and NEXGEN and design (Registration No. 2,787,141)." Information concerning such registrations was made of record by applicant with its request for reconsideration of the final refusal in each of these appeals and shows, *inter alia*, that the registrations respectively are

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for the following services and goods: "mining and mineral exploration services" in International Class 42; "mining and mineral exploration and production services" in International Class 42; "mining equipment, namely, machines for the extraction of minerals and other substances of value from the earth" in International Class 7; and, likewise, "mining equipment, namely, machines for the extraction of minerals and other substances of value from the earth" in International Class 7. Although no other information was provided concerning its alleged family of marks, applicant nonetheless contends that:

Applicant has spent significant amounts in advertising and promotions of its goods and services containing these marks and, as a result, has firmly established the brand and consumer recognition of its marks within the relevant industry. This extensive public recognition of Applicant's family of marks associated with mining and mineral related goods and services has resulted in vast public recognition of Applicant, its marks and its products within the relevant industry. This recognition results in the public distinguishing between the [Applicant's] Mark[s] and the marks contained in the Cited Registrations.

As explained in *J & J Snack Foods Corp. v. McDonald's Corp.*, 932 F.2d 1460, 18 USPQ2d 1889, 1891-92 (Fed. Cir. 1991):

A family of marks is a group of marks having a recognizable common characteristic, wherein the marks are composed and used in such a way that the public associates not only the individual marks, but the common characteristic of the family, with the trademark owner. Simply using a series of similar marks does not of itself establish the existence of a family. There must be a recognition among the purchasing public that the common characteristic is indicative of a common origin of the goods.

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Recognition of the family is achieved when the pattern of usage of the common element is sufficient to be indicative of the origin of the family. It is thus necessary to consider the use, advertisement, and distinctiveness of the marks, including assessment of the contribution of the common feature to the recognition of the marks as of common origin.

The record herein, however, is devoid of any evidence showing that applicant has in fact developed a family of marks containing the term "NEXGEN" as the common characteristic or "family" feature thereof.

Specifically, as explained in *Land-O-Nod Co. v. Paulison*, 220 USPQ 61, 65-66 (TTAB 1983), in order to establish the existence of a family of marks:

[I]t must be shown by competent evidence, first, that ... the marks containing the claimed "family" feature, or at least a substantial number of them, were used and promoted together ... in such a manner as to create public recognition coupled with an association of common origin predicated on the "family" feature; and second, that the "family" feature is distinctive (i.e., not descriptive or highly suggestive or so commonly used in the trade that it cannot function as a distinguishing feature of any party's mark).

Here, applicant has not submitted any evidence concerning its sales or advertising and promotional expenditures under its "NEXGEN" and "NEXGEN" and design marks, much less that it has promoted such marks together in such a way as to create a family of marks. All that applicant has done, instead, is merely to present information that it owns four subsisting registrations for the marks "NEXGEN" and "NEXGEN" and design. Such a showing is an insufficient basis on which to predicate the existence of a

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family of marks. See, e.g., *Hester Industries, Inc. v. Tyson Foods, Inc.*, 2 USPQ2d 1646, 1647 (TTAB 1987); *Consolidated Foods Corp. v. Sherwood Medical Industries Inc.*, 177 USPQ 279, 282 (TTAB 1973); *Polaroid Corp. v. American Screen Process Equipment Co.*, 166 USPQ 151, 154 (TTAB 1970); and *Polaroid Corp. v. Richard Mfg. Co.*, 341 F.2d 150, 144 USPQ 419, 421 (CCPA 1965).

Moreover, and in any event, it is pointed out that the sole issue before us is whether the "NEXGEN" and "NEXGEN" and design marks which applicant seeks to register for coal procurement services, coal train transportation and delivery services, coal storage services and coal processing services so resemble either or both of the registrants' "NEXGEN" and "NEXGEN FURLING" marks for, respectively, electric utility and generation services and installation and design services for others of gas or liquefied gas systems that confusion is likely. Consequently, even if applicant were to demonstrate that it has established a family of marks characterized by the term "NEXGEN," such would not aid or otherwise entitle applicant to the registrations which it seeks. See, e.g., *Hornblower & Weeks Inc. v. Hornblower & Weeks Inc.*, 60 USPQ2d 1733, 1737 (TTAB 2001); *Baroid Drilling Fluids Inc. v. Sun Drilling Products*, 24 USPQ2d 1048, 1052 (TTAB 1992); and *In re Lar Mor Int'l, Inc.*, 221 USPQ 180, 183 (TTAB 1983).

Applicant further argues in its briefs that confusion is not likely because of the distinct differences in the services at issue herein, asserting that:

Similar to Applicant's other registered marks, the [marks NEXGEN and NEXGEN and design are] ... used in connection with coal related ... services, as opposed to the (i) liquefied gas and gas storage ... services (in the case of Registration No. 2,737,770), (ii) utility services for the transmission, supply and distribution of electricity (in the case of Registration No. 2,837,580), or (iii) electricity generation services (in the case of Registration No. 2,754,804) with which the marks shown in the Cited Registrations are used. These products are vastly different and consumers within the relevant industries are not likely to confuse the source of these products, as evidenced by the declarations submitted by Applicant. Further, the facts that the trade channels used by Applicant and the Registrants, and the purchasing environment surrounding the sale of the different products containing the [Applicant's] Mark[s] and the marks contained in the Cited Registrations are significantly different also establishes that there will be no likelihood of confusion between Applicant's Mark[s] and Registrant's [sic] Mark[s].

In particular, applicant insists that:

The fact that these differences in the ... services will not cause confusion is demonstrated by (i) the Cited Registrations themselves in that the USPTO, who first granted registration of the [NEXGEN FUELING] mark contained in Registration No. 2,737,770 ... for use with goods and services in the energy utility sector, subsequently granted registration of the [NEXGEN] marks contained in Registration Nos. 2,754,804 and 2,837,580 ... also for use in connection with ... services in the energy utility sector, (ii) the fact that the USPTO has granted Applicant's prior registrations for its ... [NEXGEN and NEXGEN and design] marks despite the existence of [two of the three] Cited Registrations, and (iii) the fact that there have been no known instances of actual confusion. Further, the relevant purchasers within the "energy utility sector" are sufficiently able to distinguish between Applicant's services and the ... services with which the marks contained in the Cited

Registrations are used. This is evidenced by the declarations from members within the relevant industries attached to Applicant's most recent Response to Office Action. The services ... with which the Mark[s] and the marks in the Cited Registrations are used are vastly different and, as a result, consumers within the relevant industries are not likely to confuse the source of these services

In addition, applicant maintains that confusion is unlikely because the services at issue move in distinct channels of trade and are purchased with care. According to applicant:

Applicant's distinct services move through separate channels of trade that are markedly different from those channels in which ... services bearing the marks ... in the Cited Registration normally move The ... services identified by Registration No. 2,737,770 are used by customers with gas and liquefied gas storage needs and would travel in the normal channels of trade for ... gas storage related goods and services. The services identified by Registration Nos. 2,754,804 and 2,837,580 are used by the general public and other customers who need to consume electricity. In contrast, Applicant's services are marketed only to large corporate customers who desire to purchase coal services rather than directly to the general public or to customers with specialized gas and liquefied gas needs. These distribution channels used by the target customers of Applicant and the owners of the marks in the Cited Registrations are markedly different. As a result, there will be no confusion ... since any actual purchaser would not encounter the marks in the same channels of commerce.

.... As explained in Applicant's various responses, the purchasing environments surrounding purchasers of the services bearing the [Applicant's] Mark[s] and ... the marks contained in the Cited Registrations are also dissimilar. The services sold by Applicant are carefully purchased. Applicant's services are out-of-the-ordinary, expensive purchases made by large corporate customers who need assistance

with obtaining coal. These purchases are deliberately made by sophisticated corporate customers who typically negotiate such purchases through long term contracts. Presumably, the purchasers of the gas and liquefied gas storage ... services sold by the owner of the [NEXGEN FUELING] mark ... in Registration No. 2,737,770 are similarly sophisticated purchasers who carefully select these ... services. When there is care involved in making a decision to purchase ..., there is less likelihood of confusion. *Electronic Design & Sales Inc. v. Electronic Data Sys. Corp.*, 21 U.S.P.Q.2d 1388, 1393 (Fed. Cir. 1992). The purchasers of Applicant's coal related services are conscientious and sophisticated and exercise extra care and regard to purchasing such services and unquestionably know the source of such products. As a result, purchasers of Applicant's services would not likely confuse Applicant's services with the ... services of the owners of the Cited Registrations. *In re N.A.D. Inc.*, 224 U.S.P.Q. 969, 971 (Fed. Cir. 1985); *In re Ship. [sic]*, 4 U.S.P.Q.2d 1174, 1176 (TTAB 1987).

In support thereof, as indicated above, applicant has made of record with its request for reconsideration of the final refusal in each of these appeals the declarations, with exhibits, of Bill Schafer, Jon E. Kelly and Marcus A. Wiley. Such persons, applicant asserts, are "experts from within the relevant industries who are familiar with Applicant's services and the relevant ... services identified by the marks shown in the Cited Registrations, the distinct channels of trade, and the relevant consumers." The declaration of Bill Schafer, for instance, provides in relevant part that he is "currently the Vice President and General Manager of NexGen Highwall Mining Systems, LLC, an affiliate of NexGen Resources Corporation ('NexGen') that markets, distributes and manufactures highwall mining systems";

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that he has held such position "since March, 2001"; that formerly he was "the Manager of Energy Services for IES Utilities, Inc. ('IES'), a company that (i) generates, transmits, distributes and sells electric energy, [and] (ii) purchases, distributes, transmits and sells natural gas"; that in such capacity, he "was responsible for overseeing all fuel purchasing for virtually all of IES's generating stations"; that as part of those responsibilities, he "arranged for the purchase and the transportation of both coal and natural gas" and thus he is "familiar with all of the major producers of gas and coal" as well as "all of the major transporters of each of these commodities"; that as a result of his position at IES, he is "also familiar with the marketing, distribution and purchasers of electricity"; that formerly he was also "the Manager of Coal Sales for ARCO Coal Company ('ARCO'), a company that provides coal to customers across the United States and overseas"; that he was "responsible for marketing ARCO's coal products" and thus he is "familiar with coal purchasers" as well as "the procurement, processing, transportation and sale of coal"; that formerly he was additionally "the Director of Energy Services for Vitol Gas & Electric ('Vitol'), an electric utility company located in Boulder, Colorado," that in such capacity he "structured transactions that involved coal, natural gas, and power" and "worked closely with both providers and purchasers of each of these commodities"; that as a result thereof, he is "very familiar with the electric utilities industry"; and that he is

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also "familiar with the procurement, supply, storage and transportation of both coal and natural gas."

In consequence of his "education, training and employment, during the past twenty-five years," Mr. Schafer further states that he has "become familiar with all aspects of the (i) coal industry and, specifically with the procurement, processing and transportation of coal, and with the purchasers of these services, (ii) electric power utility industry including the transmission, distribution and supply of electricity, and (iii) natural gas utility industry including the purchase, storage, distribution, transmission/transportation ... and sale of natural gas"; that the owner of the cited registration for the mark "NEXGEN FUELING," namely, "Chart, Inc. ('Chart')," uses such mark "in connection with the sale and installation of equipment for the storage, transportation and handling of gasses"; that "Chart's products are metal pipes, fittings, trailer tanks and storage tanks for gasses and liquefied gasses including cryogenically liquefied gasses which are commonly known as to be liquid oxygen, liquid nitrogen, and carbon dioxide"; that "[g]as and liquefied gas are very different products from coal"; that "[s]ince coal is a solid fuel, its handling and transportation has little in common with the methods employed with liquids and gasses"; that "[c]oal is generally transported via rail or barge and rarely by truck and never in gas storage trailers"; that "[c]oal is never stored in gas storage tanks like those sold by Chart, and the metal tubing, pipes, and fittings that are sold by Chart and other suppliers are not used with coal"; that given his

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"experience with and knowledge of the coal and utility industries," he knows that "the purchasers of NexGen's coal procurement, processing and transportation services are very different than the purchasers of Chart's products and services," who "are liquefied natural gas ('LNG') fuel stations, and bus, truck and engine manufacturers" and thus "are not also potential purchasers of NexGen's coal procurement, processing and transportation services"; that "Chart does not provide purchasing and logistical delivery management of coal as a service to industrial and utility coal consumers and, as a result, these coal customers would never encounter Chart, its trademarks or its goods or services that relate to gas and liquefied gas"; and that, "[s]imilarly, NexGen's services do not relate, in any way, to gas or liquefied gas products or services and, as a result, the LNG gas fuel stations, the bus truck and engine manufacturers, and other purchasers of Chart's gas related goods and services would never encounter NexGen's coal services or NexGen."

In addition, Mr. Schafer states that, given his "specific knowledge of the electric power utility industry," the owner of the cited registration for the mark "NEXGEN," namely, "Dale Vince ('Vince')," uses his mark "in connection with the generation, transmission, distribution and supply of electricity"; that, "presumably, these services are sold to electricity producers and consumers"; that "NexGen has never generated electricity and its [coal] services are not sold or marketed to electricity consumers"; that while "NexGen procures,

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processes and transports coal as a fuel to industrial and utility coal companies," "[c]oal is widely used as an industrial fuel in applications involving no electrical generation"; that "[a]lthough coal is supplied to companies that generate electricity, electricity is bought and sold in entirely different markets and channels of trade than coal"; that "[t]he sale of electricity necessarily uses different vendors, methods and marketing strategies to attract electricity users than those employed in the sale of coal to industrial companies"; that "the services provided using the Vince mark are entirely different than the services provided by NexGen and the customers of the respective services are entirely different with no overlap"; and that "the services identified by the NexGen marks are as different from the ... services identified by the Vince and Chart marks as the ... services identified by the Vince and Chart marks are from each other."

The declaration of Jon E. Kelly similarly provides in relevant part that he currently is "a mining engineer and mineral economist and ... the Vice President of TUCCO, Inc., a company in Amarillo, Texas that procures, stores and transports coal"; that as a result of his "education and employment in the coal and mining industries for the past thirty-eight years," he is "an expert in these industries" due to his "expertise in coal mining operations, oil sand mining and planning, industrial engineering and cost estimation"; that during his career he has "negotiated and administered many coal procurement contracts and coal transportation contracts"; that he additionally has "specific

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knowledge about the oil and gas industry and about the energy industry"; and that, in particular, due to his work "on projects involving the Utah oil sand deposits," he "know[s] about the procurement, storage, transportation, use and customers of oil and gas" and, due to his work "on various energy projects in the United States" and elsewhere, he has "specific knowledge about the generation and distribution of electricity and about electricity customers."

Mr. Kelly further declares that due to his "expertise in [the] energy sector," he "know[s] that this industry is segmented into a large number of industries"; that "[t]he coal industry is vastly different from the oil and gas industry and vastly different from the electric power industry"; that "[t]here are a great number of separate industries that comprise the general energy sector including the coal industry, alternative energy industry, natural gas utilities industry, electric power utilities industry, oil and gas industry, nuclear power industry and others"; that "[t]he differences between the sectors are considerable and include differences in the (i) commodities, (ii) procurement of the ... commodities, (iii) storage of the ... commodities, (iv) transportation of the commodities, (v) marketing of the ... commodities, (vi) customers of the ... commodities and the services or equipment related to these commodities, (vii) means of transforming the ... commodities into energy, and (viii) non-energy uses for the various commodities"; that "[a]s a result of these differences, the companies involved in the various aspects of these industries (*i.e.*, the mining or

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procurement companies, the storage and transportation companies, the equipment producers and the purchaser[s]) tend to specialize within their given industry"; that, in particular, "[c]oal is a vastly different commodity from gasses or electricity"; that "[c]oal is provided and procured using different methods than the methods used to procure gas"; that "[c]oal is stored in a different manner and using different storage devices than those used with the storage of gas and the storage of electricity"; and that "[t]he transportation and handling methods and equipment used with coal, gas and electricity are all significantly different."

Mr. Kelly additionally states that he is "aware that a company called Chart, Inc. ('Chart') ... owns a ... registration for [the mark] NexGen Fueling ... and that Chart purportedly uses this trademark with the sale of gas storage tanks and fittings and certain gas transportation equipment used to transport gasses by truck"; that he is "also aware that an individual named Dale Vince ('Vince') owns ... registrations for [the mark] NexGen ... for use with the generation, transmission, distribution and supply of electricity"; that as a result of his "expertise and experience in the energy industry," he "believe[s] that the relevant purchasers of NexGen Resources Corporation's ('NexGen's') coal related services, Chart's gas related ... services, and Vince's electricity services" are "all different"; that "NexGen does not sell its coal services to the LNG fuel stations, bus, truck or engine manufacturers or any other purchasers of gas storage products and the purchasers of NexGen's

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coal services do not purchase gas storage tanks and equipment"; that "NexGen does not sell its coal services to the ultimate end users of electricity (such as, businesses and individuals) who purchase the services provided in connection with the use of Vince's ... [services] and these end users of electricity do not purchase NexGen's coal services"; and that, "[j]ust as the coal, gas and electricity industries are separate and distinct, so are the markets and consumers of these industries' different ... services."

The declaration of Marcus A. Wiley states in pertinent part that, among other things, he is "currently the Manager of Wiley Consulting, LLC, a mining consulting company," as well as "the General Manager and part owner of Madison Coal, LLC[,] a company that acquired an interest in a small West Virginia coal mine operation"; that he has "considerable knowledge about the energy industry and, specifically[,] about the coal mining industry, due to ... thirty-three years of experience" therein; that he is "aware of NexGen Resources Corporation's coal procurement, processing and transportation services and its ... NexGen and NexGen and design" marks; that he has also "learned that there is a company that manufactures gas storage tanks, gas transportation equipment and fittings named Chart, Inc. ('Chart') that uses the trademark NexGen Fueling, and that there is a trademark ... NexGen that is owned by a man named Dale Vince for use in connection with the generation, transmission, distribution and supply of energy"; that "the customers of the kind of coal procurement, transportation and processing services offered by

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NexGen Resources Corporation are not the same as the customers of Chart's gas storage products or the customers who produce or purchase electricity"; that "[c]oal and coal services are typically sold to large specialized industrial corporate clients such as power plants, iron and steel manufacturers and corporations with industrial process heating needs," who "would not have any exposure to the gas storage products sold by Chart and[,] even if this were hypothetically possible, these are sophisticated purchasers and would understand that Chart's gas storage products were from a different source than NexGen Resources Corporation"; that "purchases of the coal services provided by NexGen Resources Corporation result from lengthy negotiations and formal service contracts that cause the purchasers of these coal services to know the service provider intimately"; that "although these coal service consumers would likely have a need to use electricity, ... these coal service consumers are sophisticated corporations and would understand that NexGen Resources Corporation is not the source of electricity"; that "customers who purchase gas storage equipment are not the types of customers who purchase coal procurement, coal transportation or coal processing services" because "[t]hese markets are distinct"; and that, "[l]ikewise, purchasers of electricity do not purchase coal mining services, coal transportation services or coal processing services."

The Examining Attorney, however, properly contends that likelihood of confusion is determined on the basis of the services as respectively identified in the application and cited

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registrations, citing *Hewlett-Packard Co. v. Packard Press Inc.*, 281 F.3d 1261, 62 USPQ2d 1001, 1004 (Fed. Cir. 2002), and *In re Shell Oil Co.*, 992 F.2d 1204, 26 USPQ2d 1687, 1689 (Fed. Cir. 1993). She maintains in her briefs that, in view thereof, an applicant may not restrict the scope of its services or those in the cited registrations "by extrinsic argument or evidence" and thus:

[I]n the present case, evidence and/or argument relating to the position that applicant's purchasers are sophisticated corporate buyers, unlike registrants' purchasers, must be disregarded since there is no restriction in the application[s] or registrations limiting the services to particular trade channels or classes of customers. The evidence submitted in applicant's declarations must also be disregarded because it focuses on the nature of the services that both registrants currently provide, and not on registrants' actual rights to use their marks based on the identification[s] in the registrations.

With respect to the cited "NEXGEN" registrations, she insists that applicant's "coal purchasing, processing, transportation, delivery, and storage services are highly similar to" the registrant's "utility services, namely, the transmission, distribution and supply of electricity" and the "generation of electricity," thereby engendering a likelihood of confusion from contemporaneous use by applicant of marks which are the same as or substantially identical to the registrant's mark due to the shared term "NEXGEN." According to the Examining Attorney:

Applicant provides coal services to utility companies that use coal to generate electricity. These services include services that otherwise would be performed in-house by utility companies. For example, applicant's

marketing brochure states that utility companies benefit from applicant's services because utility companies can use applicant's services to "out-source non-generating functions" and "concentrate on the core business of generating electricity." See Applicant's specimen submitted June 12, 2003 ("Specimen"). Registrant's mark is identified for use with the "generation of electricity."

Applicant markets itself as an upstream substitute service provider to these companies that provide electricity generation services. See Specimen (enclosing press release announcing purchase of coal company by applicant's affiliate in a deal favorable to a local utility company). The [respective] marks are therefore found in close proximity to each other in the electricity provision trade channel.

The Examining Attorney further argues that, "[e]ven if applicant does not actually supply coal to registrant, ... applicant's proposed service mark[s] would give rise to the likelihood that consumers of registrant's services would believe that applicant's coal services were the source of or associated with registrant's utility generation and transmission services." According to the Examining Attorney:

"Likelihood of confusion is not limited to purchasers ... but may occur at any stage of the distribution process." *In re Decombe*, 9 USPQ2d 1812, 1815 (TTAB 1988). This encompasses all those who may come into contact with the NEXGEN marks, for example[,] someone who sees applicant's mark[s] on applicant's trains. If that person has a negative impression of the mark[s] based on applicant's use of the mark[s] in commerce, this may carry over into their decision to purchase registrant's utility services. Permitting registration of identical marks for similar services found in the same trade channels gives rise to the danger that the good will of the owner [of] a registered mark will be harmed by possible negative

impressions associated with the other mark in the marketplace. See *Scarves by Vera, Inc. v. Todo Imports, Ltd.* [,] 544 F.2d 1167, 1172 (2d. Cir. 1976).

As to the cited "NEXGEN FUELING" registration, the Examining Attorney urges that confusion is likely with applicant's "NEXGEN" marks because:

Registrant's identified [services of the] installation of gas or liquefied gas distribution systems and design for others in the field of gas or liquefied gas travel in the same trade channels as applicant's identified coal-related services. Even if the technical aspects of the provision of raw materials to utility companies differ, they both compete for utility companies' business. See Evidence from February 24, 2005 Office Action ("... there are basically two options for every new power plant: burn natural gas or burn coal"). Applicant's submitted marketing materials even state that it provides utility companies with the ability to "receive coal (like gas) at the burner tip." See Specimen.

....

Both marks are associated with the distribution of the raw materials used in energy production. Registrant's mark is identified for use with [the services of] designing and installation of gas distribution systems. Applicant's coal purchasing, processing, transportation, delivery, and storage services also address the logistics of delivering raw materials used in energy production to utility companies.

Applicant's Specimen includes a press release quoting the President of NexGen Resources as describing applicant as "a natural resource management and development firm that capitalizes on its expertise in the energy and minerals industry." See Specimen. Purchasers are therefore likely to believe applicant's services are related to [the cited registrant's NEXGEN FUELING] ... services because applicant does not

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distinguish between coal and gas in marketing materials supplied to potential purchasers.

Contrary, however, to the immediately preceding assertion by the Examining Attorney, applicant in the brochure submitted as its specimen of use in each of its applications does in fact "distinguish between coal and gas in marketing materials supplied to potential purchasers" by stating, in the section entitled "A Word from the President" of applicant, that: "We are 'coal people' who believe in coal for energy" and "[t]he NexGen Coal Services Group can provide a source of innovation and cost-reducing measures s they relate to your coal-supply needs." Based, therefore, upon the evidence presented and careful consideration of the arguments advanced, we find that on this record confusion is not likely.

To state the obvious, the term shared by the marks at issue, namely, "NEXGEN," is highly suggestive of "next generation," which is indicative of the latest or most modern developments and innovations in the various services at issue herein. In fact, in applicant's brochure, applicant repeatedly touts its "NEXGEN" services as: "'The Next Generation of Coal Services.'" Referring, for instance, to "THE NEXGEN DIFFERENCE," such brochure states that (emphasis added):

Deregulation of the utility industry and the resulting competitive forces have caused power companies to reconsider their conventional ways of conducting business. They must now consider all options to reduce costs and redeploy capital.

In response to these changes facing utilities, the NexGen Coal Services Group provides a range of services encompassing

coal procurement, coal transportation and coal yard operations, which can include owning and operating your coal facilities.

....

NexGen can offer you such value-added coal supply services, which may make the difference during this era of deregulation and competition. **As our name implies, NexGen is providing "the Next Generation of Coal Services."**

While, to be sure, the term "NEXGEN" likewise conveys the same highly suggestive connotation when used in connection with, respectively, the registrants' "NEXGEN" utility services, namely, the generation, transmission, distribution and supply of electricity and "NEXGEN FUELING" installation and design services with respect to gas or liquefied gas distribution systems, the use of such term by applicant in connection with its "NEXGEN" marks does not necessarily result in a likelihood of confusion because consumers will not necessarily find applicant's various coal procurement, train transportation and delivery, storage, and processing services to be commercially related to the services of each of the registrants simply by the fact that the respective services are marketed and sold under marks that share such term. Stated otherwise, the fact that the registrants' "NEXGEN" and "NEXGEN FUELING" services can coexist on the Principal Register without a likelihood of confusion is some indication that applicant's "NEXGEN" specifically different services can likewise coexist.

It is of course well settled, as a general proposition, that services nonetheless need not be identical or even

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competitive in nature in order to support a finding of likelihood of confusion. Instead, it is sufficient that the services are related in some manner and/or that the circumstances surrounding their marketing are such that they would be likely to be encountered by the same persons under situations that would give rise, because of the marks employed in connection therewith, to the mistaken belief that they originate from or are in some way associated with the same entity or provider. See, e.g., Monsanto Co. v. Enviro-Chem Corp., 199 USPQ 590, 595-96 (TTAB 1978); and In re International Telephone & Telegraph Corp., 197 USPQ 910, 911 (TTAB 1978). In this case applicant has established, however, that contrary to the Examining Attorney's speculative contentions, the respective services typically will not be encountered by the same classes of purchasers under circumstances conducive to a likelihood of confusion.

In particular, as pointed out by applicant, the services at issue herein are specifically different and are often purchased exclusively by sophisticated and highly discriminating consumers. While, in the case of the "NEXGEN" utility services, namely, the generation, transmission, distribution and supply of electricity, offered by one of the registrants, the record confirms that electricity may be generated either by the burning of coal or natural gas, it is also clear that the procurement of coal, its transportation and delivery by train, the storage thereof, and various coal processing services have nothing in common with the supply of natural gas, including installation and design services with respect to natural gas or liquefied natural

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gas distribution systems. Thus, other than the fact that coal and natural gas are used as fuels to generate electricity, the sale and provision of such commodities have essentially nothing in common inasmuch as they move in different channels of trade and generally are not purchased by the same customers.

Specifically, as established by the declarations furnished by applicant, coal is generally a solid fuel which is transported by rail or barge; it is rarely transported by truck and is never shipped in gas storage trailers or stored in gas storage tanks of the kinds utilized in the gas and liquefied gas distribution systems designed and installed by registrant Chart Inc. under its "NEXGEN FUELING" mark. In fact, in the case of the latter's liquefied natural gas distribution systems, such systems are sold to fueling stations for operators of fleets of buses, trucks and refuse vehicles and to manufacturers of buses, trucks and engines, none of which would have any apparent need to utilize the coal purchasing, processing, train transportation, train delivery, and storage services provided by applicant under its "NEXGEN" and "NEXGEN" and design marks. Similarly, the declarations submitted by applicant demonstrate that services constituting the generation, transmission, distribution and supply of electricity, such as those rendered under the "NEXGEN" mark by registrant Dale Vince, are sold to electricity producers and other customers for electric power, such as businesses and ordinary consumers. Electricity, however, is purchased in entirely different markets and channels of trade than coal and, thus, the ultimate end-use customers of the services provided by

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registrant Dale Vince would usually not have any need for or otherwise encounter the coal purchasing, processing, train transportation, train delivery, and storage services rendered by applicant under its "NEXGEN" and "NEXGEN" and design marks.

Applicant nevertheless acknowledges, in the declaration of Marcus A. Wiley, that "[c]oal and coal services are typically sold to large specialized industrial corporate clients such as power plants, iron and steel manufacturers and corporations with industrial process heating needs" and that, not surprisingly, such customers "would likely have a need to use electricity." However, as applicant further points out in such declaration, "these coal service consumers are sophisticated corporations and would understand that NexGen Resources Corporation is not the source of electricity" given that "purchases of the coal services provided by NexGen Resources Corporation result from lengthy negotiations and formal service contracts that cause the purchasers of these coal services to know the service provider intimately." Although the Examining Attorney, citing *In re Decombe*, supra at 1814-15, properly notes in her briefs that "[t]he existence of sophisticated consumers in a particular field does not necessarily mean that they are sophisticated or knowledgeable in the field of trademarks or immune from source confusion," the declaration of Jon E. Kelly provides that, in this instance, the "energy sector" is not one field but many diverse fields. Specifically, according to Mr. Kelly, the energy sector "is segmented into a large number of industries," with the result that "[t]he coal industry is vastly different from the oil

and gas industry and vastly different from the electric power industry." Plainly, therefore, purchaser sophistication in each of such separate industries can serve to minimize, if not to preclude, any likelihood of confusion from occurring.

Moreover, there is nothing in the record which shows that the particular individuals who would be responsible for purchasing applicant's coal procurement services for power plants and other large, specialized industrial entities would also be the same group of buyers who would select and purchase services involving the generation, transmission, distribution and supply of electricity for those firms. As noted, for example, by our principal reviewing court in *Electronic Design & Sales Inc. v. Electronic Data Systems Corp.*, 954 F.2d 713, 21 USPQ2d 1388, 1391 (Fed. Cir. 1992), it is error to deny registration simply because an applicant markets and sells its services in one (or more) of the same fields (e.g., what the Examining Attorney has variously characterized in this appeal as "electricity provision" and "energy production"⁷) as those utilized by a registrant for its services without also determining who are the relevant purchasers in instances of common institutional customers. Here, the mere purchase by the same institutions of both (i) applicant's coal procurement services, namely, purchasing, train transportation

⁷ It is settled in this regard that while a term may be found which encompasses the services at issue, such does not mean that customers will view the respective services as commercially or otherwise closely related in the sense that they will assume that they emanate from or are associated with a common source. *See, e.g.*, *General Electric Co. v. Graham Magnetics Inc.*, 197 USPQ 690, 694 (TTAB 1977); and *Harvey Hubbell Inc. v. Tokyo Seimitsu Co., Ltd.*, 188 USPQ 517, 520 (TTAB 1975).

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and delivery, storage, and processing, under its "NEXGEN" and "NEXGEN" and design marks and (ii) registrant Dale Vince's utility services, namely, the generation, transmission, distribution and supply of electricity, under his "NEXGEN" mark, does not, of itself, establish similarity of trade channels or overlap of customers. Any likelihood of confusion must, instead, be shown to exist not in a purchasing institution but in a shared customer or purchaser. Thus, as our principal reviewing court has cautioned in this regard that:

We are not concerned with mere theoretical possibilities of confusion, deception, or mistake or with de minimis situations but with the practicalities of the commercial world, with which the trademark laws deal.

Id., quoting from *Witco Chemical Co. v. Whitfield Chemical Co.*, 418 F.2d 1403, 1405, 164 USPQ 43, 44-45 (CCPA 1969), *aff'g*, 153 USPQ 412 (TTAB 1967).

As set forth in *Astra Pharmaceutical Products, Inc. v. Beckman Instruments, Inc.*, 718 F.2d 1201, 220 USPQ 786, 791 (1st Cir. 1983), for a likelihood of confusion to exist, "it must be based on confusion of some relevant person; i.e., a customer or user, and there is always less likelihood of confusion where goods [or services] are expensive and purchased and used by highly specialized individuals after careful consideration." Here, the services at issue on their face are not only distinctly different, but they clearly are very expensive and would be bought, as indicated previously, only by highly knowledgeable, discriminating and sophisticated purchasers after thorough deliberation rather than on impulse. As our principal reviewing

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court has pointed out, such "sophistication is important and often dispositive because sophisticated end-users may be expected to exercise greater care." *Electronic Design & Sales Inc. v. Electronic Data Systems Corp.*, supra at 21 USPQ2d 1392.

In consequence of the above, we conclude that customers for applicant's procurement services, namely, the purchasing, train transportation and delivery, storage, and processing of coal, which are rendered under its "NEXGEN" and "NEXGEN and design marks, would not be likely to believe, if they were to encounter either registrant Dale Vince's services of the generation, transmission, distribution and supply of electricity, as provided under his "NEXGEN" mark, and/or registrant Chart Inc.'s services of the installation of gas or liquefied gas distribution systems and the design for others of gas or liquefied gas systems, as provided under its "NEXGEN FUELING" mark, that the respective services emanate from, or are sponsored by or associated with, the same source.

Decision: The refusal under Section 2(d) is reversed as to each application.