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OF THE TTAB

Hearing:
October 9, 2003

Mailed: April 8, 2004
Paper No. 33
BAC

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Chicago Mercantile Exchange, Inc., successor in interest to P-M-T Limited Partnership[1]
v.
Globix Corporation, by change of name from Bell Technology Group, Ltd.[2]

Opposition Nos. 91117543, 91117620 and 91123117

John T. Gabrielides and Christopher N. Bolinger of Brinks Hofer Gilson & Lione PC for Chicago Mercantile Exchange, Inc.

Amy J. Benjamin of Darby & Darby PC for Globix Corporation.

Before Simms, Chapman and Bottorff, Administrative Trademark Judges.

Opinion by Chapman, Administrative Trademark Judge:

Chicago Mercantile Exchange, Inc. (a Delaware corporation), successor in interest to P-M-T Limited

[1] The records of the Assignment Branch of the USPTO show that opposer's pleaded registrations are now owned by Chicago Mercantile Exchange, Inc. (See Reel 2410, Frame 0641.) Accordingly, Chicago Mercantile Exchange, Inc. is added to the plaintiff portion of the caption of this proceeding.
[2] Applicant's change of name was noted in the Board order dated May 30, 2002.

Partnership (hereinafter opposer or CME) has opposed three applications filed on April 28, 1998, all seeking registration on the Principal Register; all owned by Globix Corporation (a Delaware corporation) (by change of name from Bell Technology Group, Ltd.) (hereinafter applicant); and all based on applicant's assertion of a bona fide intention to use the mark in commerce in connection with the identified services.

Application Serial No. 75475753 (the subject of Opposition No. 91117543) is for the mark GLOBIX COMMUNICATIONS. Applicant disclaimed the word "communications."

Application Serial No. 75475505 (the subject of Opposition No. 91117620) is for the mark GLOBIX CORPORATION. Applicant disclaimed the word "corporation."

Application Serial No. 75476115 (the subject of Opposition No. 91123117) is for the mark GLOBIX.

All three applications are for the following services:

> "wholesale distributorships, retail store services and on-line retail store services featuring computer hardware" in International Class 35;
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> "leasing of office space, namely, leasing space for computer hardware used by others in hosting websites" in International Class 36;
>
> "training in the use of computer hardware and software in connection with global computer network access" in International Class 41; and

> "providing multiple user access to a global computer information network for the transfer and dissemination of a wide range of information; hosting the websites of server for a global computer network; leasing computer facilities, namely, leasing space for computer hardware used by others in hosting websites; and support services in connection with computer hardware, software and global computer network access, namely, computer consulting, installation of computer software and technical support services, namely, troubleshooting of computer hardware and software problems via telephone, e-mail and in person" in International Class 42.

Application Serial No. 75476115, for the mark GLOBIX, includes the above four classes of services plus one additional class of services identified as follows:

> "support services in connection with computer hardware, software and global computer network access, namely, computer installation and repair, installation of computer networks and installation of computer systems" in International Class 37.

As grounds for opposition, opposer made essentially the same allegations in its three notices of opposition, namely, that it owns Registration Nos. 1,576,888 and 2,448,961, both for the mark GLOBEX, for "conducting courses, seminars and computerized training in trading contracts for securities, commodities, and monetary and financial instruments on a

futures exchange" in International Class 41,[3] and "conducting commodities, securities, monetary and financial instruments futures and options exchange services" in International Class 36[4]; that opposer and its predecessors in interest have continuously used the GLOBEX mark for the educational services since June 1988 and for the exchange services since 1992; and that applicant's mark, when used in connection with its services, so resembles opposer's previously used and registered mark GLOBEX, as to be likely to cause confusion, mistake, or deception in contravention of Section 2(d) of the Trademark Act.[5]

Opposer specifically describes its business in the notices of opposition (paragraphs 7-8) as follows:

> 7. In 1988, [CME] began offering the Educational Services in preparation for the launch of the GLOBEX Exchange Services. [CME] operates a futures and options exchange offering inter alia currency, interest rate and equity index-based futures and options contracts traded on the floor of the [CME] by open outcry during defined trading hours. The Opposer offers

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[3] Registration No. 1,576,888, issued January 9, 1990, Section 8 affidavit accepted, Section 15 affidavit acknowledged, renewed.

[4] Registration No. 2,448,961, issued May 8, 2001. (Opposer pled this as the application it was at the time opposer filed the notices of opposition.)

[5] Opposer also pled a claim of dilution under Section 43(c) of the Trademark Act, 15 U.S.C. §1125(c), in each of the oppositions. These three opposition proceedings were consolidated by the Board in its order dated May 30, 2002. In opposer's brief on the consolidated case, opposer stated that it is "no longer relying on dilution as a basis for opposing to [sic] the applications." (Brief, footnote 1.) Accordingly, the Board will not further consider opposer's claim of dilution under Section 43(c) of the Trademark Act.

> GLOBEX Exchange Services for trading futures and options electronically during hours when the [CME] trading floor is closed and during other defined hours creating a "virtual trading floor."
>
> 8. GLOBEX Educational Services provide training in the use of software and hardware to trade electronically on the GLOBEX exchange. GLOBEX Exchange Services may be accessed by users through a choice of software interfaces provided by the [CME] which link proprietary software of member firms or the software of independent vendors to an electronic trading system.

In applicant's answers filed in each of the three oppositions, applicant denies the salient allegations of the notices of opposition. There is one exception. Opposer pled in paragraph 5 of each notice of opposition, inter alia, that its mark is inherently distinctive; and that each of applicant's marks are "similar visually, phonetically and connotatively insofar as it is believed that the Applicant's mark is derived from the phrase 'Global Internet Exchange' just as Opposer's mark is derived from 'Global Exchange.'" Applicant denied the allegations of this paragraph in Opposition Nos. 91117543 (GLOBIX COMMUNICATIONS) and 91123117 (GLOBIX). However, in Opposition No. 91117620 (GLOBIX CORPORATION) applicant "admits that in creating the trademark GLOBIX, Globix considered the words 'global internet exchange' because of its significance as a forum whereby parties 'peer' or undertake to share their

respective networks with one another," and applicant otherwise denied the remaining allegations of that paragraph.[6]

As noted above, opposer's consented motion to consolidate the three oppositions was granted, and the Board consolidated the three oppositions in a May 30, 2002 order. Both parties filed briefs on the consolidated case, and both parties were represented at an oral hearing held before the Board on October 9, 2003.[7]

The record consists of the pleadings (in all three oppositions); the files of the three opposed applications; opposer's notice of reliance under Trademark Rule 2.122(e) on (i) status and title copies of its pleaded registrations

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[6] Applicant pled certain "affirmative defenses." However, these "defenses" are generally more in the nature of further explanation of applicant's denials of opposer's likelihood of confusion and dilution claims.

However, the Board notes that applicant alleged mere descriptiveness as an affirmative defense. Specifically, in paragraph 13 of each of its three answers applicant stated that "Opposer's GLOBEX mark is merely descriptive of Opposer's services, has not acquired secondary meaning and, therefore, is not entitled to protection." Inasmuch as such an allegation constitutes a collateral attack on the validity of opposer's pleaded registrations, it is required to be raised by way of a counterclaim petition to cancel, which applicant has not done. See Trademark Rule 2.106(b)(2)(ii), and TBMP §313 (2d ed. June 2003). In the present case, we note that opposer's Registration No. 1,576,888 is over five years old and, thus, mere descriptiveness is not available as a ground for cancellation. See Section 14(1) of the Trademark Act, 15 U.S.C. §1064(1). Applicant's allegations, when viewed in the context of the other "affirmative defenses" in the answers, are being construed as an assertion that opposer's registered mark, GLOBEX, is highly suggestive and hence is a weak mark.

[7] The oral hearing included not only these three consolidated oppositions, but also a fourth related opposition between these

parties (No. 91122818). That case was separately briefed and a separate decision is being issued therein.

under Trademark Rule 2.122(d), and (ii) photocopies of excerpted articles retrieved from the Nexis database; applicant's notice of reliance under Trademark Rule 2.122(e) on (i) photocopies of articles from magazines and printouts of excerpted stories retrieved from the Nexis database, and (ii) photocopies of dictionary definitions of the word "exchange"; and the testimonies, with exhibits, of the following two witnesses:

(1) Ms. Arman Falsafi, opposer's managing director of global electronic trading and data (one deposition taken by opposer on September 4, 2002 and one taken by applicant on November 1, 2002); and

(2) Mr. Mitchell S. Moore, applicant's director of marketing (one deposition taken by opposer on October 9, 2002 and one taken by applicant on December 11, 2002).[8]

Preliminary Matter

In the briefs on the case (and at the oral hearing) the parties disagreed as to whether opposer pled and/or proved common law rights in its mark GLOBEX for services in addition to those recited in opposer's two pleaded registrations. This issue arose through opposer referring

[8] Both testimonies of Mr. Moore were submitted as "confidential."

in its brief to providing various means of access to the GLOBEX electronic trading exchange system and providing "additional support services to its GLOBEX customers" (opposer's brief, p. 6, see also, p. 12), to which applicant countered that the Board could consider only the identifications of services set forth in opposer's two pleaded registrations, and that even if opposer does provide various means of access to its electronic trading exchange system as well as "additional support services," they are all merely incidental to opposer's GLOBEX futures trading service, and are not separate services subject to trademark protection (applicant's brief, pp. 4-7). Finally, in its reply brief, opposer specifically asserted that it is entitled to rely on any unregistered usage of the mark GLOBEX which it can prove (opposer's reply brief, pp. 3-4).

In our review of the notices of opposititon, it is clear that opposer did not plead common law rights in the mark GLOBEX for any additional services. However, it is also clear that this issue was tried with the implied consent of applicant, as applicant made no objection to Ms. Arman Falsafi's testimony or exhibits insofar as the testimony addresses opposer's additional services. See Fossil Inc. v. Fossil Group, 49 USPQ2d 1451 (TTAB 1998). Accordingly, we hold that the notices of opposition are considered amended under Fed. R. Civ. P. 15(b) to conform to

the evidence, specifically, to include a claim of common law rights in the mark GLOBEX for additional services.

Whether opposer proved any common law rights in the mark GLOBEX for services other than those set forth in its two pleaded registrations is fully discussed later herein.

Parties

The Chicago Mercantile Exchange was founded in 1898, and is currently the largest futures exchange in the United States. The products opposer trades are futures and options on interest rates, equities, equity index products, commodities, and foreign exchange.

In 1987, CME announced plans to develop a worldwide after-hours electronic trading system; and in 1992 that system was launched as the GLOBEX system. In its first year, trading volume averaged under 1000 contracts per day, and by 2002 the average daily volume was over 500,000 contracts per day.

Opposer's customers include institutional groups such as banks, pension funds and hedge funds, as well as individuals. An individual customer must have an account with a futures brokerage firm in order to trade on opposer's GLOBEX system. The majority of opposer's top customers are institutional.

CME advertises its GLOBEX services on billboards, in newspapers and magazines (e.g., The Wall Street Journal, Financial Times, Investor's Business Daily, Barron's), and through direct mailings as well as seminars and conferences. Opposer also participates in commodities and financial industry trade shows such as Futures and Options World (FOW) and Futures Industry Association (FIA).

Opposer's worldwide marketing and advertising expenses have totaled about $15.6 million for the years 1995-2002, about 90% of which was for the United States. The worldwide electronic trading direct revenues for 1995 to 2001 totaled about $139 million, about 80-90% of which is for the United States.[9]

Opposer has in the past provided space for computer equipment for one customer as a special service. Opposer does not provide Internet services such as hosting services for third-party web sites, or retail store services for the sale or leasing of computers. (First Falsafi dep., pp. 43-45.) The Chicago Mercantile Exchange provides "side-by-side trading" by which opposer means that there are computer terminals around the pit that enable customers to trade

[9] Opposer's witness, Ms. Falsafi, did not define or explain exactly what the term "revenue" means. (That is, are these "revenue" figures opposer's general profit, or trading fees paid to opposer, or the total dollar value of the commodities and securities traded?)

products both electronically and in the traditional manner in the pit. (First Falsafi dep., p. 48). Opposer owns all of the computer terminals in the pit, but some are assigned to members who can then trade on the floor by accessing computer terminals around any given pit and they can trade on that terminal using the GLOBEX system or they can execute paper orders in the pit. Some of these computer terminals are assigned to individuals who pay a monthly fee therefor and other computer terminals can be used by any members on the floor on a first-come, first-serve basis.

Opposer is not aware of any instances of actual confusion.

Opposer's witness, Ms. Arman Falsafi, as Chicago Mercantile Exchange, Inc.'s managing director of global electronic trading and data, testified that she is responsible for CME's electronic trading business (that is, GLOBEX), its information products business, and its international offices. As she explained, GLOBEX from the functional perspective is a fully electronic marketplace where buyers and sellers interested in CME's trading products are able to execute orders and take positions in those products through an all electronic processing exchange; and from a practical perspective GLOBEX is a "whole slew of software and hardware and networks and servers and routers and all sorts of technology that has to

kind of come together to enable market participants to come together and transact electronically." (First Falsafi dep., pp. 8-9.)

The GLOBEX electronic trading system consists of a host computer (mainframe), a network (communication lines and a series of "concentrator" computers linking the host to all users, and terminals (workstations through which users access the GLOBEX system to trade and perform related functions). (See e.g., First Falsafi dep., Exhibit Nos. 4, p. 3 and 6, p. 5) Opposer will directly provide software, called GLOBEX Trader software or they will provide a tool kit, called API (application programming interface) to connect through one's own system to the GLOBEX system. Some customers use both. Most of opposer's GLOBEX trading business comes through the use of the API program which is used to build front-ends that talk to GLOBEX. (First Falsafi dep., p. 38-39, second Falsafi dep., p. 7 and 11.)[10]

Opposer also provides a GLOBEX Control Center which is "our customer support, help desk function that provides market support for our customers" (e.g., status of an order,

[10] Opposer's registrations for the mark GLOBEX for exchange services and for conducting courses thereon are not limited to electronic exchange services or training thereon. However, with regard to opposer's assertion of common law rights in the mark GLOBEX for additional services, the record is clear that GLOBEX refers only to an electronic trading exchange service (and the training therefor).

status of the network, report systems issues). (First Falsafi dep., p. 10.)

Opposer interacts with a customer's IT staff in order to have opposer's contractors (e.g., AT&T) install the lines and telecommunications equipment necessary for use of the GLOBEX trading software. (First Falsafi dep., pp. 50-51.) Customers can use the GLOBEX Trading software on a workstation provided by opposer or on their own workstation.

However, customers (i.e., Morgan Stanley) can also access opposer's GLOBEX system through their own software that speaks to the GLOBEX system via opposer's tool kit (API--application programming interface).

During the second deposition of Ms. Falsafi (second Falsafi dep., pp. 28-39) the witness was asked by applicant's attorney to look at seven of applicant's brochures, each on a different service offered by applicant, and the witness was asked if opposer provided such a service. Her responses were as follows: (1) with regard to applicant's "complex hosting solutions" (providing a facility for customers to run their Internet applications and provide access to them from the Internet), she stated "no"; (2) with regard to "dedicated connectivity" (managing a company's connection to the Internet), she stated "no"; (3) with regard to "data centers" (physical facilities that house, inter alia, technical, executive and administrative

staff), she stated that opposer does provide some of the services such as call management, incident tracking, electricity and air conditioning, storing third-party equipment, secure facility[11]; (4) with regard to "streaming media," she stated that opposer does stream GLOBEX seminars and GLOBEX data to customers; (5) with regard to "Earth Cache™ CDN service" (a content management service that enhances delivery of web content to end users), she stated that opposer offers web content to its customers, but not a service that provides third-party delivery of web content; (6) with regard to "hosted exchange" (hosting services for things such as e-mail), she stated "no"; and (7) with regard to "managed services" (monitoring, reporting and technical care "to keep your hosting environment running at peak performance"), she responded that she had difficulty understanding what this one is, but she guesses it would be hosting services on top of the hosting service already discussed.

Applicant, Globix Corporation, is a provider of managed Internet services (ISP), and thus, it offers services such as complex Internet hosting, network services, advanced Internet applications, web conferencing, e-mail and messaging services, Internet security, computer facility

[11] Ms. Falsafi testified that these services were provided to European customers through opposer's GLOBEX London hub (second

leasing to third parties. Applicant has offered its services since July 1998. (Applicant's Exhibit No. 46.)

Generally applicant's customers are entities of all types and sizes who want to be present on the Internet, but cannot or do not want to do it themselves. One of applicant's customers is an online brokerage firm. (First Moore dep., p. 13, applicant's Exhibit No. 2.) Applicant has attended Internet industry trade shows such as ComNet and Internet World. Applicant advertises in newspapers and magazines (e.g., The Wall Street Journal, The New York Times, Internet World, Information Week); and it sends direct mailings focused on specific product campaigns. Applicant has a web site advertising its services thereon, but it does not otherwise place advertisements on the Internet. However, if a customer wishes it be known that they are on the GLOBIX network or they are hosted at a GLOBIX facility, they are permitted to use a "Powered by GLOBIX" identifier.

Applicant conducts case studies (descriptions of customer successes) and applicant puts out a newsletter approximately monthly.

Applicant's recent monthly marketing expenses are generally in the six figures and its recent monthly revenues are in the seven figures.

Falsafi dep., p. 32-33, and opposer's Exhibit No. 19); and that

Standing

Opposer's two pleaded registrations have been properly made of record; and applicant did not contest opposer's standing. We find that opposer has established its standing.

Priority

With regard to the issue of priority in relation to the services set forth in opposer's pleaded registrations, to the extent that opposer owns valid and subsisting registrations of its pleaded mark, the issue of priority does not arise. See King Candy Company v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974); and Carl Karcher Enterprises Inc. v. Stars Restaurants Corp., 35 USPQ2d 1125 (TTAB 1995).

In these consolidated proceedings, opposer also asserts common law rights in the mark GLOBEX for "additional support services" (brief, pp. 5-6 and the chart p. 12). Opposer specified these services as follows (reply brief, p. 4):

> (1) providing GLOBEX Trading software to access the GLOBEX electronic trading system via the Internet or direct access;
>
> (2) providing access to the GLOBEX system via direct connection to CME's trading floors;

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opposer is discussing plans to do so in Chicago in 2003.

> (3) providing a computer network connection and telecommunications equipment, together with requisite computer hardware and software, including dedicated PC workstations, to enable access to the GLOBEX system from a customer's site;
>
> (4) providing access to the GLOBEX system through leased computer terminals on CME's trading floors;
>
> (5) storage of customers' telecommunications hardware and network equipment at opposer's facilities (under development in the United States);
>
> (6) providing system support and workstation assistance via CME's GLOBEX Control Center; and
>
> (7) computerized training in the use of software and hardware to electronically trade on the GLOBEX system.[12]

A party asserting a claim under Section 2(d) of the Trademark Act must establish prior use of a trademark or service mark, or trade name or other indication of origin. As stated by the Court of Appeals for the Federal Circuit in the case of Towers v. Advent Software Inc., 913 F.2d 942, 16 USPQ2d 1039, 1041 (Fed. Cir. 1990):

> Under the rule of *Otto Roth* [Otto Roth & Co. v. Universal Foods Corp., 640 F.2d 1317, 209 USPQ 40 (CCPA

[12] Opposer's claim of common law rights in the mark GLOBEX for this particular "additional" service, is unnecessary because opposer pled and proved ownership of a registration for the mark GLOBEX for "conducting courses, seminars and computerized training in trading contracts for securities, commodities, and monetary and financial instruments on a futures exchange." Thus, opposer need not rely on common law rights therein, and the Board will not further consider this particular "additional" service in the context of common law rights.

> 1981)], a party opposing registration of a trademark due to a likelihood of confusion with his own unregistered term cannot prevail unless he shows that his term is distinctive of his goods, whether inherently, or through the acquisition of secondary meaning or through "whatever other type of use may have developed a trade identity." *Otto Roth,* 640 F.2d at 1320, 209 USPQ at 43.

That is, with regard to priority as to opposer's common law rights in the mark GLOBEX, opposer must show that its mark is distinctive of its services, either inherently, or through acquired distinctiveness, and opposer must then prove prior use of the mark with regard to the additional services.

We find opposer's mark GLOBEX to be inherently distinctive, albeit suggestive of a trading exchange which can be carried out worldwide. In the context of the specific additional services for which opposer asserts common law rights, we also find the mark GLOBEX to be inherently distinctive.

However, the record is very ambiguous and vague about opposer's additional services relating to access of opposer's GLOBEX electronic trading exchange system (as set forth above), both as to (i) whether these are actually separate services or whether they are ancillary or incidental to opposer's electronic trading exchange services, and (ii) the specific dates of first use of the mark in connection with the access services. See Martahus v. Video Duplication Services Inc., 3 F.3d 417, 27 USPQ2d

1846 (Fed. Cir. 1993). See also, 3 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition §§20:17 and 20:18 (4th ed. 2001).

Simply stated, the evidence does not establish common law rights for opposer in its GLOBEX mark for these various access methods. That is, aside from its common law rights in the mark GLOBEX for "help desk" services, opposer has failed to prove common law rights in its mark for any of the access services. Opposer explains in its brief (p. 5) that "customers have a number of different ways of accessing CME's GLOBEX electronic trading services, depending on the customers' hardware and circuitry needs and capabilities." And opposer refers to these as "access options" or "access alternatives." Opposer then sets forth five different ways of accessing its electronic trading services, specifically (i) through the Internet or direct data connection, (ii) through direct connection to opposer's trading floor, (iii) through opposer's installing a computer network connection and telecommunications equipment (with the required hardware and software) enabling access from a customer's site, (iv) through leased computer terminals on opposer's trading floors, and (v) an access option available in Europe is opposer's storage of customers' telecommunications hardware and network equipment at opposer's facilities, with direct connections to opposer's trading floors.

The record does not establish that these various ways to access opposer's GLOBEX trading system are separate services offered by opposer under the mark GLOBEX, nor that they would be recognized as such by purchasers. In fact, to the contrary, opposer's own marketing brochures (e.g., Exhibit Nos. 3 at page 3, 4 at page 3, and 6 at page 5 -- dated 1994, 1995 and 1992, respectively) refer to these various features or methods of access as "the GLOBEX system's primary components." Opposer uses a contractor (AT&T) for its wide area network connection installations (First Falsafi dep., p. 50; Second Falsafi dep., p. 21); and opposer is not responsible for the Internet connections of its customers (First Falsafi dep., p. 38). The fifth listed method of access (storage of the customers' telecommunication hardware and network equipment at opposer's facilities) is not offered in the United States. (Second Falsafi dep., pp. 32-33).

The record falls far short of establishing that the various (5) methods of accessing opposer's GLOBEX electronic trading system are separate services offered to customers and that customers understand that they could purchase not only use of opposer's electronic trading exchange system, but, in addition and as a separate service, the method of access thereto.

In any event, all of the various methods of access are not "related services" as argued by opposer, but rather are incidental to opposer's GLOBEX electronic trading exchange system. Customers could not electronically trade in an exchange environment without some type of access to the electronic system. See In re Dr Pepper Co., 836 F.2d 508, 5 USPQ2d 1207 (Fed. Cir. 1987).

Even if these access methods were in fact separate services and so perceived by consumers (which has not been established herein), the record is vague as to specific dates of first use for any of these asserted separate access methods.

Based on the foregoing, opposer has not established common law rights in its mark for these five asserted access services.

Turning to opposer's claim of common law rights in the mark GLOBEX for the service of providing system support and workstation assistance through its GLOBEX Control Center, we find that opposer has established common law rights in the mark for this service. Ms. Falsafi testified that the GLOBEX Control Center is "our customer support, help desk function that provides market support for our customers"; and that this is "a help desk facility that customers call into for anything from wanting to know the status of an order to the status of the system, if there are any systems

issues, to the status of the network, so anything and everything to do with GLOBEX production support they would call into the GLOBEX Control Center." (First Falsafi dep., p. 10.)

Opposer's first use of the mark GLOBEX in connection with these services is 1992. Opposer's marketing brochure, published and distributed in 1992, refers to "GLOBEX CONTROL CENTER/INFORMATION & ASSISTANCE … GCC staff also assists users with technical difficulties and in the operation of terminals and with trading inquiries." (Exhibit No. 6, at page 15.)

In sum, we find that priority does not arise as an issue with regard to the services identified in opposer's two registrations; that opposer has established common law rights in its mark only in connection with its "help desk" GLOBEX Control Center functions; and that opposer has proven common law rights in its GLOBEX mark for this service prior to the earliest date on which applicant can rely for its marks, GLOBIX COMMUNICATIONS, GLOBIX CORPORATION and GLOBIX, which is the filing date of its applications, April 28, 1998. (The record shows that applicant's earliest first use of its three GLOBIX marks in connection with its various services is July 20, 1998. See second Mitchell Moore dep., p. 39; Exhibit No. 46, applicant's advertisement in Crain's New York Business, July 20, 1998.)

Likelihood of Confusion

Our determination of likelihood of confusion is based on an analysis of all of the facts in evidence that are relevant to the factors bearing on the issue of likelihood of confusion. In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also, In re Majestic Distilling Company, Inc., 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003). Based on the record before us, we find that confusion is not likely.

Opposer argues the following du Pont factors:

> the marks are similar in sound, appearance, connotation and commercial impression;
>
> opposer's mark is a strong, well-known mark as used in connection with opposer's trading services, and is entitled to a broad scope of protection;[13]
>
> the parties' respective services are closely related as applicant's identifications of services are broad and encompass services that opposer performs in connection with its electronic trading services, or that are related to those services;
>
> the parties' respective services are offered through similar channels of trade;
>
> applicant markets its services to a broad range of consumers including consumers in the finance and banking industries and even in the online financial trading industry;
>
> applicant exaggerates the sophistication of the relevant consumers; and

[13] Opposer does not contend that its mark is famous under the du Pont factors.

> the absence of instances of actual confusion is entitled to little, if any, weight as the test is likelihood of confusion, not actual confusion.[14]

Applicant argues the following du Pont factors:

> the parties' respective services differ significantly and are not related;
>
> the parties' respective services are marketed through different trade channels to different purchasers;
>
> the relevant consumers are highly sophisticated, and the parties' respective services are not purchased on impulse;
>
> the marks are dissimilar;
>
> there is no evidence of actual confusion despite over five years of co-existence; and
>
> there is only a de minimis possibility of confusion.

The first du Pont factor we consider is the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.

Opposer contends that its mark GLOBEX and applicant's mark GLOBIX are similar varying by only one letter; that the differing letters are both vowels; and that the addition of the descriptive, if not generic, words COMMUNICATIONS and CORPORATION to two of applicant's marks, does not distinguish those marks from opposer's mark.

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[14] Opposer also argues the legal principles that (i) applicant did not meet its duty to select a mark that avoids the likelihood of confusion; and (ii) any doubt on the issue of likelihood of confusion is resolved in favor of opposer, the senior user.

Applicant contends that each of applicant's marks must be compared to opposer's mark; that the marks must be considered in their entities and not dissected; that there is no evidence that the suffix "ix" is pronounced the same as the suffix "ex"; and that the parties' marks, when each is considered as a whole, are not similar.

It is well settled that marks must be considered in their entireties because the commercial impression of a mark on an ordinary consumer is created by the mark as a whole, not by its component parts. This principle is based on the common sense observation that the overall impression is created by the purchaser's cursory reaction to a mark in the marketplace, not from a meticulous comparison of one mark to another to assess possible legal differences or similarities. See 3 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition, §23:41 (4th ed. 2001). See also, Puma-Sportschuhfabriken Rudolf Dassler KG v. Roller Derby Skate Corporation, 206 USPQ 255 (TTAB 1980).

Applicant acknowledges that the terms GLOBEX and GLOBIX are the dominant elements of both party's mark(s). (Brief, p. 14.) See In re National Data Corp., 753 F.2d 1056, 224 USPQ 749 (Fed. Cir. 1985). However, as the Board stated in the case of Sports Authority Michigan Inc. v. PC Authority Inc., 63 USPQ2d 1782, at 1792 (TTAB 2002):

> It need not automatically follow, however, that, merely because marks

> have the same dominant element, they are pronounced the same, look the same or present the same overall commercial impression.

In this case, we acknowledge that, when spoken, the marks sound similar. However, when considered in their entireties, opposer's mark and each of applicant's marks do not look the same. While they share the first four letters in common, the suffix is not the same, and two of applicant's marks also include additional words ("communications" and "corporation"). We find the marks are dissimilar in appearance.

In terms of connotation, opposer's mark ends in "ex" and relates to the term "globe," whereas applicant's marks (consisting of or including the word GLOBIX) could relate to the idea of "glo" in the sense of "glow" with a suffix of "bix." Even if one assumes that the public will perceive applicant's GLOBIX mark as consisting of the syllable "glob" in the sense of "globe" and the suffix "ix," the record does not include evidence that the suffixes "ex" and "ix" share the same or similar meaning. Applicant put into the record the Merriam-Webster's Collegiate Dictionary definition of "exchange" as "…**5**: a place where things or services are exchanged: as **a:** an organized market or center for trading in securities or commodities." The suffix "ex" would be perceived by purchasers in relation to opposer's trading exchange services as exactly that, a trading exchange,

presumably either available from or involving securities and commodities from around the world. As pleaded by opposer and admitted by applicant in one of the three opposition proceedings, the suffix "ix" in applicant's mark relates to "Internet exchange" in the context of applicant's services. In fact, applicant almost universally uses the words "The Global Internet Exchange" with the mark GLOBIX. Thus, purchasers would perceive applicant's mark as relating to the Internet.

We find that opposer's mark GLOBEX and applicant's three marks GLOBIX, GLOBIX COMMUNICATIONS and GLOBIX CORPORATION are not similar in appearance, connotation or overall commercial impression. See In re Hearst Corp., 982 F.2d 493, 25 USPQ2d 1238 (Fed. Cir. 1992); Swatch Watch, S.A. v. Taxor Inc., 785 F.2d 956, 229 USPQ 391 (11th Cir. 1986); In re Digirad Corp., 45 USPQ2d 1841 (TTAB 1998); and Burns Philip Food Inc. v. Modern Products Inc., 24 USPQ2d 1157 (TTAB 1992), aff'd unpub'd, but appearing at 1 F.3d 1252, 28 USPQ2d 1687 (Fed. Cir. 1993).

Opposer contends that its mark is "strong and entitled to broad legal protection" (brief, p. 10), deriving its strength from both its inherent distinctiveness and opposer's extensive use and promotion of its mark in the marketplace.

Applicant contends that even if opposer has a strong mark (which applicant does not concede has been proven by opposer -- applicant's brief, p. 15), the strength of opposer's mark in these consolidated oppositions does not reach the same level as the fame found for the mark PLAY-DOH in the case of Kenner Parker Toys, Inc. Rose Art Industries Inc., 963 F.2d 350, 22 USPQ2d 1453 (Fed. Cir. 1992); and that, in any event, here the alleged strength of opposer's mark should not be a single dispositive factor.

While the Chicago Mercantile Exchange was founded over 100 years ago and opposer, CME, is currently the largest futures exchange in the United States, that does not establish that its mark for its electronic trading exchange system, GLOBEX, is well-known to purchasers or potential purchasers. Opposer has used its GLOBEX mark for its electronic trading exchange services since 1992, and has spent approximately $1.8 million per year from January 1995 to August 2002 on advertising and promotion in the United States, receiving revenues of approximately $119,000,000 total from 1995-2001 in the United States. (As explained previously, the term "revenue" is not defined or explained by opposer, i.e., whether it refers to the total value of the commodities, securities, options and the like which are traded, or if it refers to fees paid to opposer, or if it refers to opposer's general profit.)

Opposer submitted a notice of reliance on the entire set of excerpted stories retrieved from the Nexis database from opposer's search of "globex w/25 chicago mercantile exchange or cme and date aft 1991," resulting in 876 excerpted stories. A review of these stories shows that many are from foreign publications, many are repeats of the same story, some are too cursory to understand the context, and many are not particularly convincing uses of GLOBEX as opposer's service mark. While we acknowledge that there are clearly many uses within these 876 excepted stories which are in U.S. publications and which clearly refer to opposer's electronic trading exchange system, nonetheless, we do not find that this type of evidence is particularly convincing that there is widespread attention to and fame of opposer's GLOBEX mark for its services. As the Court of Appeals for the Federal Circuit said in a slightly different context, in In re Societe Generale des Eaux Minerales de Vittel S.A., 824 F.2d 957, 3 USPQ2d 1450, 1451 (Fed. Cir. 1987), "It is indeed remarkable to see the thoroughness with which NEXIS can regurgitate a placename casually mentioned in the news."

Based on the record before us, we find that opposer's mark has achieved at least some renown, but the renown of marks is relative, not absolute, and opposer's mark GLOBEX is not on a par with marks such as PLAY-DOH. See Sports

Authority v. PC Authority, supra, 63 USPQ2d at 1796. Opposer has not established that its mark is entitled to a broad scope of protection.

Turning to the du Pont factor of the similarity or dissimilarity and nature of the services, we first consider each of applicant's services (in International Classes 35, 36, 37, 41 and 42) and opposer's registered services (International Classes 36 and 41). With regard to these services, in Board proceedings, the issue of likelihood of confusion must be determined in light of the goods or services as identified in the involved application(s) and registration(s). See Octocom Systems Inc. v. Houston Computers Services Inc., 918 F.2d 937, 16 USPQ2d 1783 (Fed. Cir. 1990); and Canadian Imperial Bank of Commerce, N. A. v. Wells Fargo Bank, 811 F.2d 490, 1 USPQ2d 1813, 1815 (Fed. Cir. 1987). It is not necessary that the goods or services be identical or even competitive; rather, it is sufficient that the goods or services are related in some manner and that the circumstances surrounding their marketing are such that they would likely be encountered by the same persons under circumstances that could give rise to the mistaken belief that the goods or services emanate from or are associated with the same source. See In re Peebles Inc., 23 USPQ2d 1795, 1796 (TTAB 1992); and In re International

Telephone and Telegraph Corporation, 197 USPQ 910 (TTAB 1978).

As previously stated applicant's services are identified as follows:

> "wholesale distributorships, retail store services and on-line retail store services featuring computer hardware" in International Class 35;
>
> "leasing of office space, namely, leasing space for computer hardware used by others in hosting websites" in International Class 36;
>
> "support services in connection with computer hardware, software and global computer network access, namely, computer installation and repair, installation of computer networks and installation of computer systems" in International Class 37.
>
> "training in the use of computer hardware and software in connection with global computer network access" in International Class 41; and
>
> "providing multiple user access to a global computer information network for the transfer and dissemination of a wide range of information; hosting the websites of server for a global computer network; leasing computer facilities, namely, leasing space for computer hardware used by others in hosting websites; and support services in connection with computer hardware, software and global computer network access, namely, computer consulting, installation of computer software and technical support services, namely, troubleshooting of computer hardware and software problems via telephone, e-mail and in person" in International Class 42.

Opposer's services, as identified in its registrations, are as follows:

> "conducting commodities, securities, monetary and financial instruments futures and options exchange services" in International Class 36; and
>
> "conducting courses, seminars and computerized training in trading contracts for securities, commodities, and monetary and financial instruments on a futures exchange" in International Class 41.

Upon careful analysis of the parties' respective identified services, we disagree with opposer's argument that applicant's identifications of services are so broadly worded as to encompass opposer's educational services and trading exchange services. To the contrary, applicant offers the services such as selling wholesale distributorships and retail store services featuring computer hardware; leasing space for computer hardware used by others in hosting websites; installing computer network and systems in relation to Internet access; training in the use of computer hardware and software for gaining Internet access; and providing multiple user access to the Internet, hosting websites of servers for the Internet, and support services in connection with computer software and hardware and Internet access. Opposer, on the other hand, offers a trading exchange service specifically involving trading of commodities, futures, options, securities, and monetary and

financial instruments; and courses in conducting such trades.

In our view, giving a reasonable reading of these identifications of services, applicant's services simply do not encompass opposer's services. The relationship of opposer's and applicant's respective identified services is extremely tangential at best. Ms. Falsafi testified that opposer does not provide Internet access or support therefor; lease space for customers' computer hardware; provide hosting services such as e-mail; provide hosting services for customers' web sites; provide retail store services for computer products; train others in third-party computer hardware or software. (Second Falsafi dep., pp. 29, 30, 33, 38, 39.) Moreover, the record does not include evidence that the parties' respective services are offered by the same entity, which could make consumers more likely to assume the same source.

Of course, opposer is correct that it is entitled to rely on common law rights in its mark for additional services in connection with which it has established priority. As explained previously herein, the only additional service in connection with which opposer has established common law rights in its mark is its "help desk" functions offered through its GLOBEX Control Center. Opposer contends that these services are similar to

applicant's "support services in connection with computer hardware and software." (Brief, p. 12.) However, opposer did not include applicant's entire identification, which is "support services in connection with computer hardware, software *and global computer network access*, namely [e.g., installation and repair]. (Emphasis added.) Opposer neglects the fact that applicant's identified services relate to Internet access, whereas opposer's own services (both as registered and its common law rights in its mark for opposer's "help desk" functions), relate to trading exchange services and teaching customers regarding such trading, and answering questions customers have regarding opposer's electronic trading exchange system. Inasmuch as computers are ubiquitous in virtually all fields of commerce and business, the mere fact that all of the parties' respective services may in some manner involve or relate to computers, does not make them related such that consumers would believe they emanate from the same source. See Electronic Data Systems Corp. v. EDSA Micro Corp., 23 USPQ2d 1460, 1463 (TTAB 1992); and Reynolds & Reynolds Co. v. I.E. Systems Inc., 5 USPQ2d 1749, 1751 (TTAB 1985).

Opposer has not established that applicant's services and opposer's services (registered and common law) are related within the meaning of the Trademark Act.

With regard to the channels of trade, applicant and opposer generally advertise and market through different trade shows, different printed publications and direct mailings to specific groups. However, opposer is correct that there are no limitations in either party's identifications of services as to trade channels and/or purchasers. Thus, we must assume that the parties' respective services could be offered through at least overlapping channels of trade.

We turn then to the du Pont factors involving the conditions of sale, the purchasers of these services, and their sophistication. Opposer contends that applicant sells its services to a broad range of consumers including those in the finance and banking industry, and even to those in the trading industry; that consumers could encounter both opposer's mark and applicant's marks in a "single Internet session" (brief, p. 13); and that "applicant improperly relies on extrinsic evidence" (reply brief, p. 5) regarding the "specialized technical services" directed to "sophisticated consumers" when the identifications are not so limited.[15]

[15] The parties' respective identifications of services intrinsically indicate that these are not simple general consumer services (e.g., dry cleaners, grocery stores), but involve complex services involving consumers' money and businesses. Moreover, both witnesses testified as to such matters.

Applicant contends that the parties' services are marketed in different ways to different consumers; that the consumers of the parties' respective services are sophisticated and knowledgeable regarding what they are purchasing; and that opposer's speculation that both parties' marks could be encountered in a single Internet session is just that--speculation, with no evidence thereof, and even if true, it would not make all goods and services available through the Internet related. Specifically, applicant points out that it attends only trade shows in its Internet industry, such as ComNet and Internet World, while opposer attends the Futures and Options World (FOW) and Futures Industry Association (FIA) trade shows; applicant advertises in Internet World, Information Week, while opposer advertises in Barron's, Financial Times, Investor's Business Daily;[16] and applicant generally sends direct mailings to medium-sized companies while opposer engages in direct mailings to banks, hedge funds, pension funds, and individual traders.

Inasmuch as applicant's services are not limited as to purchasers, we find that there are at least overlapping classes of purchasers.

However, key du Pont factors in this case, and which favor applicant, are the sophistication of the purchasers

[16] Both parties advertise in The Wall Street Journal.

and the conditions of sale of the services. Opposer must prove that there is a likelihood of confusion among the purchasers for the parties' respective services. See Electronic Design & Sales v. Electronic Data Systems, 954 F.2d 713, 21 USPQ2d 1388, 1391 (Fed. Cir. 1992). As the Court stated in the Electronic Design & Sales case, 21 USPQ2d at 1392: "Where the purchasers are the same, their sophistication is important and often dispositive because '[s]ophisticated consumers may be expected to exercise greater care.'"

The purchasers here are sophisticated and knowledgeable. Opposer's purchasers are either the personnel at institutions such as banks, hedge funds and pension funds, or the individual customers (who are required to have an account with a firm that provides futures brokerage services in order to obtain opposer's GLOBEX trading exchange service), all of whom desire to engage in the trading exchange at the CME on its GLOBEX system. Even opposer's witness Ms. Falsafi testified that it is in the best interest of their customers to be educated if they want to engage in such trading. (First Falsafi dep., p. 43.) Likewise, purchasers of applicant's various services (e.g., wholesale distributorships; hosting the web sites of servers; leasing space for computer hardware used by others for hosting web sites; and support services in connection

with Internet access) are customers who need web site hosting, data servers, and other Internet related capabilities. Applicant generally deals with the customer's IT (information technology) personnel.

We find the sophistication of the purchasers, and the complex nature of the respective services and the differing conditions of sale to be important factors in this consolidated case.

With regard to the du Pont factor relating to actual confusion, the parties have co-existed since 1998, with advertisements in media nationwide in scope (including in The Wall Street Journal), and with significant respective revenues indicating high sales volumes. Yet opposer is not aware of any instances of actual confusion. (First Falsafi dep., p. 43.) Considering the length of contemporaneous use and the relative success of the parties' sales of their respective services sold under their respective marks, it is noteworthy that there have been no reported instances of actual confusion involving potential purchasers or purchasers of the involved services. See Sports Authority Michigan Inc. v. PC Authority Inc., supra.

Although proof of actual confusion is not required to prove likelihood of confusion, in the circumstances of this consolidated case, we find that the lack of any instances of actual confusion favors applicant.

Finally, we consider the du Pont factor on the extent of potential confusion, i.e., whether *de minimis* or substantial. The record before us shows that there is at most a *de minimis* chance that consumers would confuse the source of opposer's and applicant's respective services.

There must be shown more than a mere possibility of confusion; instead, there must be demonstrated a probability or likelihood of confusion. See Electronic Design & Sales v. Electronic Data Systems, supra, 21 USPQ2d at 1391, quoting from Witco Chemical Co. v. Whitfield Chemical Co., 418 F.2d 1403, 164 USPQ 43, 44-45 (CCPA 1969) as follows: "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." See also, Triumph Machinery Company v. Kentmaster Manufacturing Company Inc., 1 USPQ2d 1826 (TTAB 1987). The Trademark Act does not speak in terms of remote possibilities of confusion, but rather, the likelihood of such confusion occurring in the marketplace. In this consolidated case, we find that the likelihood (or even the possibility) of confusion is remote.

Upon balancing all of the relevant du Pont factors in this consolidated case, and giving each relevant factor the appropriate weight, we hold that confusion is unlikely.

Decision: The three oppositions are each dismissed.