

**THIS DISPOSITION IS NOT
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Mailed:
December 5, 2005

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Softel Communications, Inc.

v.

Isoftel, Inc.

Opposition No. 91152350 to application Serial No. 76017963
filed on April 5, 2000

Jane Osborne McKnight of Jane Osborne McKnight, PLC, for
Softel Communications, Inc.

Joseph T. Leone of Dewitt Ross & Stevens, S.C. for Isoftel,
Inc.

Before Holtzman, Drost and Zervas, Administrative Trademark
Judges.

Opinion by Zervas, Administrative Trademark Judge:

Applicant, Isoftel, Inc., seeks registration on the
Principal Register of the mark ISOFTEL¹ (in standard
character form) for the following services, as amended:

"telecommunication billing, sales volume tracking,
and bill settlement services for telecommunication
companies; computerized tracking and tracing of
packages in transit" in International Class 35;

¹ Application Serial No. 76017963, filed April 5, 2000.

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"telecommunications pre-pay and post-pay calling card services" in International Class 36;

"telecommunication dial-around access services, interstate telephone communications services; telecommunication tandem switching services, cellular telephone services; telephone communication services; international call-back services; cellular telephone voice messaging services" in International Class 38; and

"computer programming for others; settlement negotiation services for telecommunication companies; computer programming services for others in the field of telecommunication applications" in International Class 42.

The application contains an allegation of a date of first use and first use in commerce of April 1, 2000.

Opposer, Softel Communications, Inc., filed a timely notice of opposition to registration of applicant's mark. In the notice of opposition, opposer pleads that it is the owner of a registration for the mark SOFTEL for "installation of telecommunication speech recognition and computer networking products" in International Class 37, and "product development and consultation in the field of telecommunications" in International Class 42, i.e., Registration No. 2424860.² Further, opposer alleges that applicant's mark, as applied to the services identified in the application, so resembles opposer's previously-used and registered mark and trade name SOFTEL as to be likely to

² Registration No. 2424860 issued January 30, 2001.

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cause confusion, to cause mistake, or to deceive. Trademark Act Section 2(d), 15 U.S.C. §1052(d).

Applicant answered the notice of opposition by denying the salient allegations thereof.³

Applicant did not take any testimony or submit any evidence in this proceeding, and did not file a main brief.

Neither party requested an oral hearing.

The Record

The record consists of the pleadings; the file of the involved application; the trial testimony, with related exhibits, taken by opposer, of Devi Momot, Chief Operating Officer of Twinstare Voice Data Video, Inc. ("Twinstare") and John Cognata, President of Softel Communications, Inc.⁴ Also, pursuant to opposer's notices of reliance, opposer has introduced the following into evidence: a status and title copy of opposer's Registration No. 2424860 showing opposer as the owner of record for Registration No. 2424860 and that the registration is subsisting; a copy of applicant's response to opposer's first set of interrogatories; and

³ Applicant also counterclaimed for cancellation of the International Class 42 services in their entirety in Registration No. 2424860, alleging priority and likelihood of confusion, or, in the alternative, that a restriction of the International Class 42 services was in order. On January 24, 2005, the Board granted opposer's motion for judgment on the counterclaim under Trademark Rule 2.132(a) in view of applicant's failure to take any testimony or offer any evidence on its counterclaim, and denied the counterclaim with prejudice.

⁴ Although he had been informed of Mr. Cognata's testimonial deposition, applicant's attorney did not appear at Mr. Cognata's deposition. (Cognata Dep. at p. 6.)

documents evidencing the formation and merger of applicant's predecessors.

Factual Findings

Opposer Softel Communications, Inc. is a Canadian corporation which offers consulting services, "systems integration services" and application development services in the telecommunications field. "Systems integration" involves taking telecommunications software and hardware and customizing them to meet a specific requirement for a specific customer. The telecommunications solutions offered by opposer depends on the customer's business, but would include receiving calls, transferring calls, integrating calls to data, transferring voice communications over data networks and integrating data to billing systems. Opposer has installed Interactive Voice Recognition ("IVR") systems and modified existing IVR systems. For example, opposer may assist an airline that seeks a voice application system which allows its customers to make reservations using the telephone and to speak to an automated system to book a reservation.

Opposer takes the position that its first use of its mark was in 1994 in connection with the installation of an interactive voicemail system that opposer had installed for one of its customers, i.e., Twinstare (in New York). According to its trial witnesses, Twinstare had an agreement

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to provide, inter alia, an interactive voicemail system for one of its customers, an insurance company in Montpelier, Vermont. "Twinstare won the business with Opposer's proposal ... and Opposer was given a contract." (Cognata Dep. at pp. 20 - 22.)

Opposer has advertised under its SOFTEL mark in telecommunications magazines, industry directories, and on various web sites, and has engaged in direct marketing by email. Opposer has participated in various trade shows and has spent about twenty percent of its revenues for marketing.

Opposer is aware of instances of actual confusion between opposer's and applicant's marks, and has introduced documentary evidence into the record of actual confusion. Mr. Cognata testified that opposer has received misdirected phone calls, and occasionally emails, from bill collectors regarding expenses incurred at trade shows by applicant which opposer had not attended or for recruiting advertisements which opposer had not placed; that he feared that the unpaid bill for a trade show by applicant would affect opposer's ability to attend that trade show the following year; and that various persons responding to applicant's advertisements for employment have contacted opposer rather than applicant.

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Additionally, opposer introduced into the record a copy of a misdirected email received by Mr. Cognata from SBS, a supplier of software and equipment in the telecommunications area. (Exhibit 18 to Cognata Dep.) The email threatened litigation against applicant due to applicant's failure to pay for certain equipment acquired from SBS. According to Mr. Cognata, the source confusion has impacted opposer's potential for "establishing a relationship with this supplier ... and the ability to generate any revenue from them [by] utilizing them as a channel." (Cognata Dep. at p. 82.)

Standing/Priority

As noted, opposer has submitted at trial a status and title copy of Registration No. 2424860. The registration is extant and is owned by opposer. Because of opposer's proof of ownership of its registration, and also because of the evidence of record regarding opposer's use of its registered mark, we find that opposer has established its standing to oppose registration of applicant's mark. See, e.g., *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842 (Fed. Cir. 2000); and *Lipton Industries, Inc. v. Ralston Purina Company*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982). Also, because opposer's pleaded registration is of record, Section 2(d) priority of use is not an issue in this case as to the mark and services covered by opposer's registration.

See King Candy Co. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974).

Likelihood of Confusion

Our determination under Section 2(d) 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 Co., Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003). In considering the evidence of record on these factors, we keep in mind that "[t]he fundamental inquiry mandated by §2(d) goes to the cumulative effect of differences in the essential characteristics of the goods [and/or services] and differences in the marks." *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24 (CCPA 1976).

The salient question to be determined is not whether the involved services of the parties are likely to be confused, but rather whether there is a likelihood that the relevant purchasing public will be misled to believe that the services offered under the involved marks originate from a common source. See *J.C. Hall Company v. Hallmark Cards, Incorporated*, 340 F.2d 960, 144 USPQ 435 (CCPA 1965); and *The State Historical Society of Wisconsin v. Ringling Bros.-*

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Barnum & Bailey Combined Shows, Inc., 190 USPQ 25 (TTAB 1976).

The Marks

When we compare marks, we must examine "the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression." *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772*, 396 F.3d 1369, 73 USPQ2d 1689 (Fed. Cir. 2005) (internal quotation marks omitted).

Applicant's mark consists of opposer's mark with the addition of the letter "I" as the first letter of the mark. Applicant's mark may be pronounced as "eye sof tel," which we find is highly similar to the pronunciation of applicant's mark, i.e., "sof tel." Further, as noted above, applicant's mark is in typed form, thus, in actual use, it may be depicted in any number of formats or fonts, including, of course, the format shown in the specimen of use duplicated below, with the letter "I" in lowercase letters and smaller than the remaining letters in the mark, thus playing a subordinate role in the appearance of the mark:



See *Phillips Petroleum Co. v. C.J. Webb, Inc.*, 442 F.2d 1376, 170 USPQ 35 (CCPA 1971); and *INB National Bank v.*

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Metrohost Inc., 22 USPQ2d 1585 (TTAB 1992) (when an applicant seeks a typed registration of its word mark, then the Board must consider all reasonable manners in which those words could be depicted, and in particular, the Board should give special consideration to the manners in which the applicant has actually depicted its mark). Thus, when considering the marks in their entireties, we find that the marks are highly similar, differing only by one letter at the beginning of the applicant's mark. Overall, we find the marks to be more similar than dissimilar in their appearance.

The connotations of the marks are also similar. Opposer's mark, SOFTEL, appears to consist of two words "soft" and "tel" telescoped into a single term SOFTEL, with "tel" as an abbreviation of "telephone." The addition of the letter "I" in applicant's mark does not change the connotation of the mark as including a combination of these two words. This is particularly true when the "I" appears in a different font and smaller letter size than the remaining letters in applicant's mark, as is the case in applicant's specimen.

Also, Mr. Cognata testified that the letter "I" "could be utilized as a term of art, but it could also stand for interactive" or "could be information"; and that it could be "blended with other words." (Cognata Dep. at pp. 52 - 53.)

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He also added that "we have seen the I utilized elsewhere before and there are many organizations that have a name and - say ABC and they have changed their name to IABC. During a period of time it was common practice for companies to do that." (Cognata Dep. at p. 53.)

The commercial impressions of the marks are also highly similar for the reasons set forth above regarding the similarity of the marks in sound, connotation and meaning.

In view of the foregoing, and because the minor differences between applicant's mark and opposer's mark are not likely to be recalled by purchasers seeing the marks at separate times, we find that the parties' marks are highly similar in sound, appearance, connotation and commercial impressions. This *du Pont* factor hence is resolved in opposer's favor.

The Services

Of course, the identifications of services of opposer's registration are limited to the telecommunications field. Several, if not all, of applicant's services set forth in its identification of services are also expressly limited to the telecommunication field.

Further, the services in applicant's identification of services are highly related to opposer's International Class 42 services, i.e., "product development and consultation in the field of telecommunications." This broadly worded

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identification is presumed to encompass product development and consultation in connection with a whole host of areas, including telecommunication billing and sales volume tracking for telecommunications companies in International Class 35; pre-pay and post-pay calling cards in International Class 36; dial-around access, interstate telephone communications, telecommunication tandem switching, cellular telephone services, telephone communications services, international telephone call-back services and cellular telephone voice messaging in International Class 38; and computer programming in the field of telecommunications applications and services in the nature of settlement negotiations for telecommunication companies in International Class 42. Additionally, Mr. Cognata has testified that opposer provides each of the services identified in applicant's identification of services.⁵ (Cognata Dep. pp. 34 - 41.)

It is not necessary that the respective services be identical or even competitive in order to support a finding of likelihood of confusion. Rather, it is sufficient that the services are related in some manner, or that the

⁵ Opposer has not introduced evidence as to when opposer commenced each of the services it maintains it provides or has provided which are listed in applicant's identification of services. Mr. Cognata only testified that opposer has provided or does provide such services. Thus, we focus on the services specified in the identification of services in opposer's registration for purposes of our analysis of any relationship between the parties' services.

circumstances surrounding their marketing are such, that they would be likely to be encountered by the same persons in situations that would give rise, because of the marks used thereon, to a mistaken belief that they originate from or are in some way associated with the same source or that there is an association or connection between the sources of the respective services. See *In re Martin's Famous Pastry Shoppe, Inc.*, 748 F.2d 1565, 223 USPQ 1289 (Fed. Cir. 1984); *In re Melville Corp.*, 18 USPQ2d 1386 (TTAB 1991); and *In re International Telephone & Telegraph Corp.*, 197 USPQ2d 910 (TTAB 1978).

In view of the foregoing, and based on the evidence of record and identifications of services of the parties, we find that the parties' services are related and resolve this factor, too, in opposer's favor.

Trade Channels

Inasmuch as the identifications of services in both the registration and the application do not include any limitations with respect to trade channels, and because the respective services are at least in part highly related, we assume that both parties' services move through the same and/or similar trade channels, namely all trade channels normal for services of this type in the telecommunications field. *In re Elbaum*, 211 USPQ 639 (TTAB 1981). These trade channels include, at a minimum, trade shows and the

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Internet. Further, as noted above, opposer first learned of applicant at a telecommunications trade show in Los Angeles, where both applicant and opposer were participating and where applicant was demonstrating interactive voice response applications. (Cognata Dep. at pp. 42 - 43.) Also, applicant stated that it uses its mark "extensively in trade shows." (Applicant's response to Interrogatory No. 9.) Thus, we resolve this factor in opposer's favor.

Actual Confusion

According to opposer, there have been instances of actual confusion between SOFTEL and ISOFTTEL, namely, opposer "has received employment applications intended for Applicant, one approach by a potential customer of telephone solutions, and ... a 'barrage' of dunning communications from Applicant's vendors." (Brief at p. 28.)

Certainly, actual confusion among purchasers and potential purchasers of opposer's goods is relevant to the likelihood of confusion analysis. However, the "approach by a potential customer of telephone solutions," is the only instance of actual confusion by a potential customer cited by applicant. Thus, opposer's showing of actual confusion, even if considered in conjunction with its showing of non-purchaser confusion, is not sufficiently persuasive for us to resolve this factor in opposer's favor. Accordingly, the *du Pont* factor regarding actual confusion is neutral.

Intent

Opposer argues that applicant adopted its mark in bad faith. According to opposer, applicant had been using the mark SOFTEL; had agreed to cease and desist using SOFTEL "after several exchanges of formal correspondence between trademark attorneys"; and then "chose merely to add the letter 'i' to the mark [and] brazenly sought registration of the iSOFTEL mark, despite Opposer's priority, the identity of their goods and services, the actual confusion experienced, and that they marketed in the same channels of distribution" (Brief at p. 23.)

Exhibit 15 to Mr. Cognata's testimonial deposition is a letter from applicant's counsel responding to opposer's allegations of infringement and demands to cease and desist using the mark "iSoftel." Therein, applicant's counsel contends that "its actions in the relevant market niches where it operates do not present any likelihood of confusion"; that there are "large number[s] of pre-existing companies operating under the name 'Softel'" and there is a "dearth of companies doing business under iSoftel."

Opposer's proofs fall short of proving bad faith adoption and, thus, this factor is neutral in our analysis. However, we hasten to add that in view of the manner in which we have resolved the *du Pont* factors listed above, opposer hardly needs to rely on bad faith adoption in

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support of its allegation that there is a likelihood of confusion between the two marks.

Conclusion

We conclude, based on a preponderance of the evidence, and particularly in view of the similarities between the marks and the services recited in the identifications of services, that there is a likelihood of confusion when the marks SOFTEL and ISOFTEL are contemporaneously used on the parties' respective services.

DECISION: The opposition is sustained and registration to applicant of its mark in International Classes 35, 36, 38 and 42 is refused.