

**THIS DISPOSITION
IS NOT CITABLE AS PRECEDENT
OF THE T.T.A.B.**

Paper No. 42
RLS/ks

8/31/00

UNITED STATES PATENT AND TRADEMARK OFFICE

—
Trademark Trial and Appeal Board
—

Seagate Technology, Inc.

v.

SeaGate Office Products, Inc.

—
Cancellation No. 24,354
—

Robert B. Chickering and David J. Brezner of Flehr Hohbach
Test Albritton & Herbert for Seagate Technology, Inc.

Joseph P. Lavelle of Howrey & Simon and Robert M. Leonardi
for SeaGate Office Products, Inc.

—
Before Simms, Cissel and Rogers, Administrative Trademark
Judges.

Opinion by Simms, Administrative Trademark Judge:

Seagate Technology, Inc. (petitioner) seeks
cancellation of the registration of the mark shown below

owned by SeaGate Office Products, Inc. (respondent).¹ The

—
¹ Registration No. 1,610,228, issued August 14, 1990. The
registration indicates that the design element of the mark
represents the stylized letters "S" and "G." Also, respondent

registration covers the following services:

retail store and distributorship services in the field of office supplies, equipment and furniture; interior design services emphasizing office layout and custom furniture design.

In the petition, petitioner asserts that, since at least December 1980, prior to any date of first use by respondent, it has used the marks SEAGATE, SEAGATE TECHNOLOGY and a stylized S design for computer disc drive apparatus, and has used the trade name Seagate Technology, Inc. in the field of computer-related products; that it owns registrations of the marks SEAGATE, SEAGATE TECHNOLOGY and a stylized S design, all for magnetic disc drive apparatus for use in data storage;² that these marks are well known and famous in the computer industry; that it has filed intent-to-use applications to register some of its marks for computer software products; that respondent adopted its registered mark with full knowledge of petitioner's prior use of its marks; and that respondent's mark so resembles petitioner's previously used and registered marks as to be likely to cause confusion, to cause mistake or to deceive. In addition, petitioner alleges that respondent's registration was obtained fraudulently because respondent

has disclaimed the words "Office Products" apart from the mark as shown.

² Registration No. 1,269,032, issued March 6, 1984; Registration No. 1,238,123, issued May 17, 1983; and Registration No. 1,224,002, issued January 18, 1983.

Cancellation No. 24354

asserted that it used its mark in connection with retail store services when respondent knew that it had never used its mark for those services. Petitioner also asserts that the registration was fraudulently maintained because respondent stated in a combined declaration under Sections 8 and 15 of the Trademark Act that the registered mark has been in continuous use in commerce for retail store services when it knew that this mark had never been used for those services. However, petitioner has not pressed any claim of fraud in its brief. Accordingly, we shall not further consider these allegations of fraud.

In its answer, respondent denies many of the allegations in the petition for cancellation, but admitted that petitioner is in the business of selling magnetic disc drives for use in data storage and admitted that petitioner is the owner of the pleaded registrations and its intent-to-use applications. Respondent has also asserted, as an affirmative defense, that petitioner has been aware of the existence of respondent's registration since at least one month after the May 22, 1990, publication of respondent's application, and that petitioner has therefore acquiesced in the existence of that registration and is prevented by the doctrines of laches and estoppel from seeking to cancel its registration.

Aside from respondent's registration, the record in this case consists of testimony (and exhibits) taken by both parties, discovery depositions and discovery responses, relied upon by notices of reliance of both parties, and a printed publication, introduced by petitioner by notice of reliance. In addition, respondent has filed a notice of reliance on material obtained from the Internet, but petitioner has moved to strike this. The parties have filed briefs. Petitioner requested an oral hearing, but subsequently withdrew that request.

Petitioner's Motion to Strike and Evidentiary Ruling

Petitioner has moved to strike a business directory listing which respondent obtained from the Internet. This business directory lists 125 businesses other than petitioner which have "Seagate" in their names. Petitioner asserts that respondent failed to produce this document during discovery and for that reason should not be able to rely upon it. Petitioner indicates that it asked respondent during discovery to identify any third parties known to respondent with SEAGATE, SEAGATE OFFICE or SEAGATE OFFICE PRODUCTS in their names, or variations thereof, and to produce any documents it had in support of its answer. The business directory was not identified or produced by respondent.

In response, respondent contends that this business directory is, in effect, a printed publication and can be relied upon under Trademark Rule 2.122(e), which may be introduced for the limited purpose of showing what the document indicates on its face. Respondent argues that the cases petitioner has pointed to in support of its motion to strike relate to documents which were sought to be introduced by means of a testimony deposition. Essentially, respondent appears to contend that these documents need not have been produced pursuant to the discovery requests of petitioner.

With respect to respondent's contention, we have stated that Internet printouts do not have the element of self-authentication that is essential to qualification under Trademark Rule 2.122(e). *Raccioppi v. Apogee Inc.*, 47 USPQ2d 1368, 1370 (TTAB 1998). Accordingly, and while it does not appear to us that respondent has attempted to avoid answering legitimate discovery requests, we must exclude this document because it is not appropriate material for a notice of reliance. Rather, this material from the Internet could have been introduced by way of testimony or stipulated affidavit under Rule 2.123(b). In any event, we should note that the material sought to be introduced by respondent does not prove that the trade names listed therein are in use or that the public is actually exposed to them in the

marketplace. Accordingly, even if we had considered the listing, it would have little, if any, probative value.

Petitioner has also objected to some of the other evidence in this case. Petitioner objects to respondent's attempted reliance upon evidence which either was apparently not the subject of a notice of reliance by respondent or is contained in a discovery deposition taken of respondent's officers and introduced only by petitioner.

With respect to these objections, suffice it to say that if material is of record, either party may refer to it in support of its case. See Trademark Rule 2.120(j)(7). However, if any discovery response or discovery deposition is not the subject of any notice of reliance of either party, it is not of record and may not aid either party in this case.

Petitioner's Business

Founded in California in 1979, petitioner is now among the 500 largest industrial corporations in the world. Petitioner is the world's largest manufacturer of disc drives and a leader in tape drives and computer software. According to the testimony of Philip Detwiler, petitioner's senior vice president of corporate marketing, petitioner began selling its hard disc drives, which are storage devices of data, around 1980. Petitioner later expanded by producing tape backup drives, computer software (since at

least 1995), storage supplies and office supplies such as pens and paper. Mr. Detwiler and other witnesses testified that petitioner sells such other computer-related equipment and supplies as data cassettes and tape cartridges under the mark SEAGATE. According to the testimony, petitioner sells a variety of software, including information management and storage management software. Petitioner's goods are sold to original equipment manufacturers for incorporation into computers or subsystems, and to distributors such as resellers, dealers (retail outlets), catalogue wholesalers and direct marketers. Petitioner advertises its goods in magazines, newspapers, at trade shows, by direct mail and on its Web site. Petitioner targets both businesses and the home office user.

Domestic sales have grown from approximately \$24 million in 1982 to over \$3.4 billion in the 1998-99 fiscal year. In that fiscal year, petitioner expended around \$30 million in advertising.

A 1998 independent telephone survey of subscribers to several magazines showed that petitioner had both the highest unaided and aided brand awareness amongst both businesses (33% and 71%, respectively) and resellers (52% and 79%, respectively). A 1992 survey of random subscribers of various publications conducted by petitioner's advertising agency showed that petitioner was rated very

highly in terms of quality and reliability for storage products.

Petitioner's record also includes status and title copies of its pleaded registrations. These include registrations covering the marks SEAGATE, SEAGATE TECHNOLOGY and petitioner's S design mark, all for magnetic disc drive apparatus for use in data storage.³ Petitioner has also made of record its registrations covering the mark SEAFONE for the computer consulting service of providing technical information by telephone concerning computer disc drive products; the mark SEAFAX for similar computer consulting services whereby the technical information is delivered by facsimile; and the mark SEABOARD, for the same services provided by computer bulletin board.⁴

Petitioner's record also includes admissions of respondent that petitioner has used the mark SEAGATE TECHNOLOGY in connection with computer hardware and computer software.

According to the testimony of Ms. Teresa Lou King, petitioner's promotional catalogue program manager, petitioner has used the mark SEAGATE and its S design

³ Registration No. 1,269,032, issued March 6, 1984; Registration No. 1,238,123, issued May 17, 1983; and Registration No. 1,224,002, issued January 18, 1983. Sections 8 and 15 affidavits have been accepted and acknowledged for these registrations.

⁴ Registration No. 1,862,888, issued November 15, 1994, Registration No. 1,860,117, issued October 25, 1994, and Registration No. 1,901,011, issued June 20, 1995. Sections 8 and 15 affidavits have been filed for the first two registrations.

trademark in connection with such promotional items and office supplies as pens, pencils, paper weights, note pads, desk pads, clocks, calculators, business card holders and mouse pads. Since at least the mid-1980s, these items have been sold or given away to office professionals in order to promote petitioner's computer disc drives.

Petitioner has also offered testimony that such office product retail stores as Office Max, Office Depot and Staples have sold petitioner's computer disc drives as well as its tape backup drives. These stores, according to petitioner's record, have also sold such other computer equipment as computers, monitors, keyboards, printers, mice, modems, data and tape cartridges, computer software, fax machines and computer furniture. Also, these retail stores offer for sale under their own store brand various office supplies such as paper of various types, pads, pens, tape, notebooks, staplers, clipboards and calendars.

Mr. Detwiler testified that he believes that consumers who see respondent's mark in connection with office supply products will believe that those products are licensed by or otherwise authorized by petitioner.

Petitioner is aware of no instances of actual confusion.

Petitioner first became aware of respondent's mark as a result of a July 1992 search. In 1995, petitioner learned

that respondent was offering for sale computers and computer peripheral goods.

Respondent's Business

Respondent, unaware of petitioner's marks, began using its service mark in 1984. Located in Toledo, Ohio, respondent has advertised and sold such computer hardware and accessories as computers, computer discs, diskettes, tape drives and cartridges, mice, mousepads, computer printers, computer printer and toner cartridges, monitors, keyboards, computer cables, fax machines and computer software. According to the discovery depositions of respondent's witnesses, respondent also sells office supplies and office furniture. According to respondent's officers, respondent's customers are primarily businesses and governmental entities. These customers include corporations, insurance companies, manufacturers, chemical and automotive companies, hospitals and law firms. However, purchases of some of the goods respondent sells are made without a great deal of thought. Constance Leonardi discovery dep., 30. Respondent is not aware of any instances of actual confusion although, in 1996, someone made a phone inquiry to respondent asking about petitioner.

Respondent's witnesses also testified that other office supply companies sell computer equipment such as computer software, computer disc drives, tape drives and computer

discs. Respondent's witnesses testified that respondent sells its goods in different channels of trade and to different consumers than petitioner.

Arguments of the Parties

While petitioner argues that respondent is limited to the filing date of its application as respondent's effective date of first use, petitioner does appear to concede, in its reply brief, 8, that respondent's first use in commerce established by this record is 1988. Nonetheless, petitioner argues that since its marks have been used and registered in connection with hard drives and tape drives before respondent's use and registration, there is no question that petitioner has priority.

With respect to the marks, petitioner argues that greater weight may be given to the dominant features of the marks. Also, in view of sales in the billions of dollars and advertising in the tens of millions, as well as the survey which showed petitioner's mark to have the highest unaided brand awareness for computer storage products, its mark is famous, petitioner argues. Because its famous mark is more likely to be remembered and associated with petitioner and because less care may be used by consumers purchasing products bearing a famous mark, the likelihood of confusion is increased, according to petitioner.

Cancellation No. 24354

Concerning the goods, petitioner maintains that the issue of likelihood of confusion must be resolved on the basis of the goods or services identified in the registration sought to be cancelled. Petitioner contends that its goods are available at office product stores, as well as computer retail stores, and that goods competitive to petitioner's are in fact offered for sale in respondent's catalogue. Also, respondent offers computer-related goods such as disc drives, data cassettes and cartridges and drive cleaning kits, goods closely related to petitioner's goods. Petitioner also contends that it sells or gives away goods as promotional office supply items of the very type which are also found in respondent's catalogues and would be available for purchase in respondent's stores. The record establishes, according to petitioner, that petitioner sells its goods in office supply retail stores such as Office Depot and Office Max, competitors of respondent. Petitioner maintains that when the marks of the parties are very similar, the relationship between the goods and/or the services need not be as close in order for there to be a likelihood of confusion. Further, petitioner contends that it sells its goods bearing the mark to small and large businesses as well as to ordinary, unsophisticated purchasers. Given respondent's limited geographic area of use, petitioner argues that there has been no meaningful

opportunity for actual confusion. Petitioner also asks us to resolve any doubts in its favor.

With respect to the question of laches, petitioner argues that the mere delay in asserting a right does not constitute laches, but that respondent must show, for example, that it has built up valuable business in connection with the involved mark in reliance on petitioner's silence. However, petitioner maintains that respondent introduced no evidence of prejudice that it expanded its business because of petitioner's silence.

For its part, respondent admits that petitioner sold disc drives under its mark prior to respondent's use in 1985. However, respondent maintains that confusion is unlikely. Respondent contends that the marks are different, with the stylized "SG" being the largest and most dominant part of respondent's mark. Respondent contends that petitioner's marks are not famous and that SEAGATE is used by others. Also, it is respondent's position that the term "GATE" is a "commonly used generic term" in the computer industry.⁵

Concerning the goods, respondent argues that the parties have two different businesses, petitioner selling primarily disc and tape drives while respondent has a typical retail office product distribution business.

⁵ There is no evidence to support this contention.

Cancellation No. 24354

Respondent points out that its catalogue has over 23,000 items and that respondent's sales of disc drives, which are expensive items, are de minimis. Also, it is respondent's position that the parties have different and sophisticated business consumers who buy their products through different channels of trade. These marks have co-existed, according to respondent, for 15 years without actual confusion.

Finally, respondent argues that petitioner is guilty of laches, having brought this cancellation action more than five years after the publication for opposition of respondent's mark. Respondent argues that it is prejudiced because the records and testimony are not as readily available as they would have been.

Discussion and Opinion

We agree with petitioner that this record adequately establishes its priority in this case.

After careful consideration of this record and the arguments of the parties, we also believe that this record establishes that confusion is likely. First, while respondent's mark is specifically different from any of petitioner's marks, they have obvious similarities in sound and appearance. SEAGATE or SeaGate are prominent origin-indicating features of the marks. If used in connection with related goods or services, confusion will be likely.

Petitioner's computer-related products are closely related to some of the goods offered in respondent's catalogues and presumably sold in respondent's retail stores.⁶ Respondent offers disc and tape drives and other computer-related equipment in its catalogues, and petitioner's goods are sold in retail stores of respondent's competitors. We believe, therefore, that purchasers of petitioner's products could well be customers of respondent's services.

In addition, petitioner has established that its mark is a famous one in the computer storage product field. Of course, the fame of the prior mark plays an important role in cases involving this factor. *Kenner Parker Toys, Inc. v. Rose Art Industries, Inc.*, 963 F.2d 350, 22 USPQ2d 1453 (Fed. Cir. 1992). That is because a mark with extensive public recognition deserves and receives more legal protection than an obscure or weak mark. In this regard, respondent's attempt to prove the existence of third-party marks or trade names, as noted above, is unavailing. See *In re Hub Distributing, Inc.*, 218 USPQ 284 (TTAB 1983).

The fact that petitioner has sold or given away under its marks such products as pens, paper weights, note pads,

⁶ We are assuming, for the purpose of this decision, that respondent is offering retail office store services because those services are set forth in its registration. As petitioner has noted, we must, of course, decide this case on the basis of respondent's listed identification of services.

desk pads, clocks, calculators and business card holders, all of which are products also available in respondent's catalogues and presumably in respondent's retail office supply stores, also supports the conclusion that confusion is likely. *McDonald's Corp. v. McKinley*, 13 USPQ2d 1895, 1898 (TTAB 1989).

Accordingly, we believe that purchasers and potential purchasers, aware of petitioner's SEAGATE and SEAGATE TECHNOLOGY disc drives, tape drives and other computer- and office-related products, who encounter respondent's SeaGate Office Products and design office product retail store and distributorship services, are likely to believe that respondent's services emanate from or are sponsored by petitioner, or that respondent is a division, subsidiary or branch of petitioner. Of course, if we had any doubt in this case, that doubt should be resolved in favor of the prior user and prior registrant, especially when the prior mark is famous. *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 23 USPQ2d 1698, 1701 (Fed. Cir. 1992).

Finally, we agree with petitioner that respondent has failed to make out a case of laches. The reason recited by respondent in its brief for application of this doctrine--the possible unavailability at this time of testimony and records which may have been available before--is not a

Cancellation No. 24354

sufficient reason for the application of laches. Rather, respondent must establish delay coupled with a showing of prejudice in the nature of an expansion of its business in reliance on petitioner's silence.

Decision: The petition for cancellation is granted and respondent's registration will be cancelled in due course.

R. L. Simms

R. F. Cissel

G. F. Rogers
Administrative Trademark
Judges, Trademark Trial and
Appeal