Hearing:
January 23, 1997
THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE TTAB

Paper No. 24 PTH

SEPT 4, 97

U.S. DEPARTMENT OF COMMERCE PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Ellesse U.S.A.

v.

Shannon International Corp., by change of name from Shannon Cosmetics, Inc.

Opposition No. 96,228 to application Serial No. 74/460,947 filed on November 22, 1993

Nora E. Garrote of Piper & Marbury L.L.P. for Ellesse U.S.A.

Herbert Dubno of The Law of Karl F. Ross, P.C. for Shannon International Corp.

Before Rice, Quinn and Hairston, Administrative Trademark Judges.

Opinion by Hairston, Administrative Trademark Judge:

Shannon International Corp. seeks to register the mark



for "bleaching salts, bleaching soda, blueing, glaze, starch, wax and detergents, all for laundry use; oil for cleaning purposes, scouring powder, polishing cream, abrasive powder for cleaning purposes; beauty masks, greases for cosmetic purposes; cosmetics, namely, essential oils for personal use, perfumes, toilet water, dusting powder, talcum powder, cologne, skin cleansing milk, face creams, face make-up, make-up removers, face powder, cold cream, nail polish, nail-polish removers, blusher, lipstick, eye shadow, eye liner, mascara, dentifrices, hand, facial and bath soaps."

Registration has been opposed by Ellesse U.S.A.² under Section 2(d) of the Trademark Act on the ground of likelihood of confusion between applicant's mark and opposer's previously used and registered marks. Opposer is the owner of the following valid and subsisting registered marks: ELLESSE for spectacles and sunglasses; wallets, purses, key cases, business card cases and credit card cases; shirts, t-shirts, sweaters, cardigans, jackets, waistcoats, coats, raincoats, caps, hats, gloves, trousers,

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¹Application Serial No. 74/480,947, filed November 22, 1993, alleging a bona fide intention to use the mark in commerce. The application was filed by Shannon Cosmetics which, during the course of this proceeding, changed its name to Shannon International Corp.

²On May 7, 1997, well after the oral hearing in this case, E. Acqusition Corp. filed a revocation of power of attorney, indicating that it is the assignee of opposer Ellesse U.S.A. However, in the absence of a copy of the pertinent assignment document, the power of attorney may not be entered. A courtesy copy of this decision will be forwarded to Lawrence C. Apozolon, counsel for E. Acquistion Corp.

shorts, dresses, overalls and suits, skirts, bathing suits, socks, stockings, belts, shoes and boots, foulards and neckties; diving wet suits; pipes, cigarette cases, pipe holders, and lighters; and

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for jewels, trinkets, clocks and watches; all purpose sport bags, attache cases, travelling bags and umbrellas; towels and bathrobes and eye shades⁴; toilet soaps, perfumes and after shave⁵; and sails and surfing boards.⁶

Applicant, in its answer, denied the salient allegations in the notice of opposition.

The record consists of the pleadings; the file of the involved application; trial testimony (with exhibits) taken by both parties; and inter alia, certified copies of opposer's pleaded registrations; copies of approximately 150 articles taken from the NEXIS database in which opposer is mentioned; and dictionary excerpts evidencing no entry for the term "elleese;" all made of record by way of opposer's notices of reliance.

 $^{^{3}}$ Registration No. 1,266,977 issued February 14, 1994; Sections 8 & 15 affidavit filed.

 $^{^4}$ Registration No. 1,213,859 issued October 26, 1982; Sections 8 & 15 affidavit filed.

⁵Registration No. 1,221,362 issued December 28, 1982; Section 8 affidavit filed.

 $^{^6}$ Registration No. 1,196,276 issued May 25, 1982; Sections 8 & 15 affidavit filed.

The parties have fully briefed the case, and were represented by counsel at an oral hearing before the Board.

According to Beth McCarthy, director of advertising and promotion for Ellesse U.S.A., opposer's business was originated in Italy in 1959 by Leonardo Servadio. Mr. Servadio coined the mark ELLESSE for use on a wide variety of goods associated with his business. The Italian company expanded to the United States in late 1979, incorporated as Ellesse U.S.A., and began doing business here in 1980. In 1988 Reebok International became the owner of opposer, and Reebok retained ownership until early 1993 when Homer and Carol Altice acquired the company. In the United States, opposer primarily sells footwear and men's and women's clothing under the ELLESSE mark. Although this is opposer's core business, opposer also sells sunglasses, purses, sails, jewels, trinkets, attache cases, umbrellas, and eyeshades. Opposer's products are sold in over 700 retail stores in the United States from high-end department stores to local chain stores and close-out stores. Opposer promotes its products by way of newspaper advertisements, catalogs, brochures, and point of sale displays. In addition to its sponsorship of athletic and charity events, opposer has been involved with celebrity endorsements with athletes such as Chris Evert and Boris Becker. Opposer has also used the ELLESSE mark on promotional items such as key chains, water bottles, visors and candy. Opposer and its products have been mentioned in numerous publications as evidenced by the approximately 150

Nexis excerpts. For the period 1988 to 1995 opposer's advertising and promotional expenses have totalled in excess of \$15 million, and its gross sales were in excess of \$265 million.

Although filed as an intent to use application, applicant's president, Chae Lee, testified that the ELEESE mark is presently used on cosmetics, such as lip pencil, nail polish, lipstick, nail clippers, and nail files. Applicant primarily sells its products to wholesalers, although Mr. Lee testified that there were some sales to retailers. According to Mr. Lee, applicant's cosmetics are primarily sold to the "Korean market." (Deposition, p. 8). Although applicant has appeared at some trade shows, it mainly promotes its goods in The Beauty Times, a monthly trade newspaper. Applicant's advertising budget for 1995 was \$40,000 and its sales for the same year were \$1.2 million. According to Mr. Lee, the ELEESE mark is derived from his surname, Lee. He decided to add an extra "e" at the beginning and an "se" at the end. Mr. Lee testified that he added the stylization to the letters to provide a feeling of continuity.

Inasmuch as certified copies of opposer's registrations are of record, there is no issue with respect to opposer's priority. King Candy Co., Inc. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974).

This brings us to the issue of likelihood of confusion. Our determination of likelihood of confusion

must be based on our analysis of the probative facts in evidence that are relevant to the factors bearing on this issue. In re E. I. duPont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). The factors deemed pertinent in this case are the similarity of the marks, the strength of opposer's marks, the relatedness of the parties' goods, and the fact that a number of the parties' goods are "impulse" items.

At the outset, we note that opposer's witness Ms. McCarthy testified that the ELLESSE mark was not currently being used on toilet soaps, perfumes and after shaves, the goods listed in Registration No. 1,221,362. Also, opposer, in its brief on the case indicated that the ELLESSE mark had not been used on such goods since early 1993 when the Altices acquired ownership of the company. Applicant contends that, in view of this admission, the registration "is clearly a nullity because of abandonment by non-use." (Brief, p. 10). Opposer, however, in its reply brief, maintains that applicant's argument is misplaced since applicant has not sought to cancel the registration by way of a counterclaim and no evidence has been introduced on the issue of abandonment. We agree with opposer that applicant's argument is without merit in the absence of a counterclaim for cancellation of the registration, and since there is no record of a voluntary surrender of the registration or evidence that opposer has abandoned the mark for these goods. As indicated in note 5, supra, a Section 8 affidavit was filed in connection with the registration.

Thus, for our purposes, it is a valid and subsisting registration upon which opposer is entitled to rely and the mark and goods listed therein will be considered in our likelihood of confusion determination.

Turning then to the parties' marks, we find that ELLEESE and ELEESE are virtually identical in appearance and create essentially the same commercial impression. Further, although applicant maintains that ELLESSE and ELESSE are and would be pronounced differently by individuals, it has been consistently held that there is no such thing as a correct pronunciation of a trademark. See Frances Denney Inc. v. ViVe Parfums, Ltd., 190 USPQ 302 (TTAB 1976) and cases cited therein. In this case, it is clear that ELLESSE and ELESSE could be pronounced in a similar manner because they are coined terms with a foreign flavor. See Jules Berman & Associates, Inc. v. Consolidated Distilled Products, Inc., 202 USPQ 67 (TTAB 1979). As to applicant's argument that, upon a side-by-side comparison, the marks are distinguishable, we would point out that a side-by-side comparison of marks is not the proper test to be used in resolving the issue of likelihood of confusion since it is not the ordinary way that a prospective customer will be exposed to the marks. See See Envirotech Corp. v. Solaron Corp., 211 USPQ 724, 733 (TTAB 1981). Also, while applicant's mark and one of opposer's marks are in stylized

form, the differences in stylization are slight and do not serve to distinguish the marks.

Further, in this case, the record establishes that opposer has had substantial sales of its goods under the ELLESSE mark for a number of years, and that it has expended significant outlays for advertising and promotion of its mark. As applicant has conceded in its brief, ELLEESE products are consequently a well recognized brand and a strong mark which is entitled to a correspondingly broad scope of protection.

Turning then to a consideration of the parties' goods, as noted above, we have considered the goods in opposer's Registration No. 1,221,362, i.e. soaps, perfumes and aftershave, in our likelihood of confusion determination. Such goods are identical and otherwise closely related to applicant's cosmetics and cleaning products. With respect to the goods on which the parties have focused their arguments, namely opposer's footwear, clothing and related accessories on the one hand and applicant's cosmetics, on the other hand, these products fall within the broad category of fashion aids. Numerous cases have been decided wherein it was recognized that wearing apparel and cosmetics or toiletries are related products. See, e.g. Villager Industries, Inc. v. Merle Norman Cosmetics, Inc., 164 USPQ 215 (TTAB 1969); The All England Lawn Tennis Club (Wimbledon) Limited v. Creations Aromatiques, Inc., 220 USPQ 1069 (TTAB 1983); David Crystal, Inc. v. Estee Lauder Inc.,

167 USPQ 411 (TTAB 1970); and Faberge, Inc. v. Madison Shirt Corp, 192 USPQ 223 (TTAB 1976).

As to applicant's argument that the trade channels and purchasers for the parties' goods are different, i.e., applicant primarily markets its products to wholesalers and to the Korean market, it is well settled that when evaluating likelihood of confusion in proceedings concerning the registrability of marks, the Board must consider the identification of goods set forth in the relevant application and/or registrations(s), regardless of what the record may reveal as to the particular nature of the channels of trade and the class of purchasers to which their sale is, in fact, directed. See Canadian Imperial Bank of Commerce, N.A. v. Wells Fargo Bank, 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987). In this case, since neither the goods of opposer or applicant are restricted as to purchasers, they must be presumed to be sold to the same class of purchasers. Moreover, the goods of both parties do in fact, travel in the same channels of trade as applicant's president testified that some of its goods are sold to retailers.

A final factor in this case is that a number of the parties' goods are impulse items, e.g. opposer's toilet soap, aftershave and trinkets and applicant's lipstick, nail polish and soaps. Purchasers of such items do not exercise a high degree of care or deliberation, and thus are more likley to be confused as to the source of the goods.

See Helene Curtis Industries Inc. Suave Shoe Corp, 13 USPQ2d 1618 (TTAB 1989).

We conclude, therefore, that consumers familiar with opposer's cosmetics, footwear, clothing and related accessories sold under the well known marks ELLESSE and

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would be likely to believe, upon encountering applicant's mark

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for cosmetics and cleaning products, that the respective products originated with or were somehow associated with the same entity.

Decision: The opposition is sustained and registration to applicant is refused.

- J. E. Rice
- T. J. Quinn
- P. T. Hairston Administrative Trademark Judges, Trademark Trial and Appeal Board