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HRW

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U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Duck Head Apparel Company, Inc.

v.

Domestic Industries, Inc.

Opposition No. 105,122
to application Serial No. 75/078,218
filed on March 25, 1996

Warren E. Olson of Fitzpatrick, Cella, Harper & Scinto
for Duck Head Apparel Company.

Larry L. Coats of Rhodes, Coats & Bennett, LLP
for Domestic Industries, Inc.

Before Simms, Seeherman and Wendel, Administrative Trademark
Judges.

Opinion by Wendel, Administrative Trademark Judge:

Domestic Industries, Inc. filed an application to
register the mark HEALTH-MESH for "knitted fabrics made of
cotton and of cotton and polyolefins." ¹

¹ Serial No. 75/078,218, filed March 25, 1996, based on an
assertion of a bona fide intention to use the mark in commerce.

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Duck Head Apparel Company, Inc. filed an opposition to registration of the mark under Section 2(d) of the Trademark Act. Opposer alleges that long prior to March 25, 1996 opposer and its predecessors have used the mark HEALTHKNIT for various items of wearing apparel and have owned registrations therefor;² that applicant's knit fabric goods are intended to be sold to manufacturers of wearing apparel; that applicant's mark is intended to be applied to wearing apparel to identify the source of the knit fabric goods and this apparel would then be distributed in similar channels of trade and to the same class of purchasers as opposer's wearing apparel; and that there is the likelihood that applicant's use of the mark HEALTH-KNIT on its goods will lead to confusion or the erroneous belief on the part of purchasers in the apparel trade or the public at large that applicant's goods originate from or are associated with opposer.

Applicant, in its answer, denied the salient allegations of the notice of opposition, except for admitting that applicant's goods were intended to be sold to manufacturers of wearing apparel and that its HEALTH-MESH

² Reg. No. 644,790 for the mark HEALTHKNIT and design, issued April 30, 1957, for men's, boys' and children's underwear; mens' and boys' T-shirts, polo shirts, and sweatshirts (as amended); Section 2(f) as to HEALTHKNIT; second renewal April 30, 1997.

Reg. No. 1,955,069 for the mark HEALTHKNIT, issued February 6, 1996, for T-shirts, Henley shirts, briefs, sweatshirts, thermal underwear, rib-knit sport shirts and socks.

mark "may on certain occasions be attached to the goods of such wearing apparel manufacturers." [Answer, par. 11].

The Record

The record consists of the file of the involved application; the trial testimony, with exhibits, taken by opposer of Steven A. Upchurch, vice-president of sales for Delta Apparel Marketing Company Consolidated, a division of opposer; the status and title copies of opposer's pleaded registrations, dictionary definitions and third-party applications and registrations introduced by means of opposer's notice of reliance;³ the trial testimony, with exhibits, taken by applicant of Fred E. Hunneke, president of applicant; and the dictionary definitions and responses by opposer to certain of applicant's interrogatories and requests for documents introduced by applicant's notice of reliance.⁴

³ Opposer also submitted as Exhibit D to the notice of reliance a copy of a registration owned by applicant for the mark WICK A 'WAY for "knitted, netted and textile fabrics used in making underwear, diapers, sweatshirts, pants and shirts," as being illustrative of the type of goods currently being sold by applicant. Applicant objected to the exhibit on the basis that the registration is irrelevant to the issues in this case.

We agree and accordingly, Exhibit D has been stricken from the record. On the other hand, applicant's objections on the ground of relevance to Exhibit E, the third-party registrations which are claimed to show the use of the formative "mesh" in marks used with knit fabrics or clothing, are overruled. While the registrations may be of limited evidentiary value, we find no basis for striking Exhibit E from the record.

⁴ The Thomson and Thomson search report with respect to the use of "Health" in marks for fabrics and apparel which applicant introduced in this notice of reliance has been objected to by

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Opposer has made additional objections to portions of the testimony deposition of Mr. Hunneke and to Exhibits 1 and 3 which were introduced during his testimony. In the portions of the testimony being challenged, Mr. Hunneke described a former company of which he was one of the founders and an officer, Domestic Lace, Inc. (Domestic Lace), which manufactured knitted fabrics between 1955 and 1983 and which used the mark HEALTH-MESH on its goods from 1958 until 1983. He further testified that during this period Domestic Lace sold fabric goods under the mark to Standard Knitting Mills, Inc. (Standard Knitting), a predecessor of opposer. Domestic Lace was sold to Oneita Industries in 1983, and the mark was transferred as well, but was later abandoned. Exhibit 1 is a copy of the registration on the Supplemental Register for the mark HEALTH-MESH which was issued to Domestic Lace in 1961,⁵ but which applicant admits is no longer active.

Opposer argues that all testimony concerning use of the mark HEALTH-MESH by other entities is irrelevant and immaterial to this opposition. Opposer further contends

opposer. The objection is well taken; a trademark search report does not qualify under 37 CFR 2.122(d) as either an "official record" or a "printed publication." See *Weyerhaeuser Co. v. Katz*, 24 USPQ 1230 (TTAB 1992). Accordingly, Exhibit 1 has been stricken from the record.

⁵ Reg. No. 720,793, issued August 29, 1961 for the mark HEALTH-MESH for use on "knitted fabrics of cotton and of cotton and synthetics," claiming first use on Nov. 15, 1958.

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that applicant failed to identify the existence of the other entities or any use of the mark HEALTH-MESH during discovery and in fact applicant only produced one document, a search report, as its total discovery responses, and thus applicant should be prohibited from introducing testimony with respect to such use of HEALTH-MESH.⁶ For these same reasons, opposer objects to Exhibit 3, a sample of a mesh material, which was introduced by Mr. Hunneke as "the type of fabric that is contemplated by Domestic Industries to be made under the mark Health-Mesh." [FEH 39:14-17].

Applicant argues that opposer never made any discovery requests directed to this prior relationship and that in fact opposer should have been aware of the relationships of its predecessor; that Exhibit 1 was introduced only to corroborate the testimony with respect to prior use of the mark by Domestic Lace; and that Exhibit 3 was only introduced "to shed light on the meaning and commercial impression of HEALTH-MESH in the context of a fabric," in that goods have not yet been manufactured or sold under the mark. (Brief p. 4).

⁶ At the oral hearing opposer requested a further ruling by the Board on applicant's bona fide intention to use its mark, in view of applicant's failure to produce any documents with respect to intended use during discovery. This issue was never pleaded by opposer, however, nor do we find that the issue was tried by the implied or express consent of the parties, as is required for the pleadings to be amended under FRCP 15(b). Accordingly, we have not considered this issue.

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It is true that if information is withheld during discovery, even after the propounding party has sought to obtain this information by means of a motion to compel, or if a party states that no such information is available, a party may be precluded from later introducing information of this nature as evidence in its behalf during its testimony period, if the propounding party raises objections thereto. See *Johnston Pump/General Valve Inc. v. Chromalloy American Corp.*, 10 USPQ2d 1671 (TTAB 1989). The problem here is that we do not have opposer's discovery requests before us; only applicant's responses have been made of record. Nor did opposer file a motion to compel. Thus, we have no basis upon which to determine whether applicant improperly withheld information from opposer as to prior companies or use of the mark HEALTH-MESH by these companies. Accordingly, we will not entertain opposer's objections to Mr. Hunneke's testimony or Exhibit 1. In addition, we note that opposer has relied upon this testimony in its own arguments, which clearly contradicts any objection based on irrelevancy.

As for Exhibit 3, we find that applicant has switched its tactics as to the purpose for introducing the sample since Mr. Hunneke's testimony was taken. Moreover, because applicant's discovery responses alone are adequate to determine that applicant provided no documents or

information during discovery as to intended use, we find the introduction of a sample of this type during testimony to be improper. Accordingly, opposer's objection to Exhibit 3 is upheld and the exhibit is stricken from the record.

The Opposition

Priority is not an issue here, in view of opposer's introduction by means of a notice of reliance of status and title copies of its pleaded registrations. King Candy Co., Inc. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974).

Thus, we turn to the issue of likelihood of confusion and to those of the du Pont factors⁷ which we find relevant under the circumstances.

With respect to the marks involved, while there is a degree of similarity in appearance between the marks HEALTHKNIT and HEALTH-MESH, as argued by opposer, the greater similarity is in the connotations or commercial impressions conveyed by the marks. From the dictionary definitions made of record by both parties, it is clear that a "mesh" may be viewed as one type of knitted material or

⁷ In re E.I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973).

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"knit."⁸ We are aware that applicant's witness refused to concur with the statement of opposer's witness that any mesh would be considered a knit, although not every knit a mesh, and elaborated on technical differences involved in the manufacture of "mesh" fabrics. Nonetheless, we believe the overall impression of the marks would be similar, a "healthful" type of knit fabric, albeit a "knit" in general, HEALTHKNIT, or a "mesh" in particular, HEALTH-MESH.

Insofar as the respective goods of the parties are concerned, we recognize the obvious differences asserted by applicant between opposer's knit wearing apparel and applicant's knitted fabric, as identified in the registration and application. Opposer's goods are finished products for consumer use and applicant's goods are materials which may be used in the manufacture of these finished products. When questioned as to potential uses for applicant's particular knitted fabrics, Mr. Hunneke testified that the fabrics could be used for everything from the netting for playpens to laundry or fruit bags to blankets or linings for jackets. Mr. Hunneke stated that, although applicant had not yet begun to use its mark, the planned uses for the knitted mesh fabrics at this time were in the government, medical and industrial fields, and to a

⁸ We note in particular the definition of "mesh" in *Merriam-Webster's Collegiate Dictionary* (10th Ed. 1993) as "a woven, knit or knotted material of open texture with evenly spaced holes."

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limited extent in the apparel trade. [FEH 17:10-22]. Thus, as earlier noted, the relationship which can be drawn between the goods of the parties is one of fabric to final product when the knitted fabrics are used in the manufacture of knitted wearing apparel.

A significant factor to be considered in this case is the similarity or dissimilarity of the channels of trade for the respective goods. Mr. Hunneke testified that the normal channels of trade for the knitted fabrics with which applicant intends to use its mark are sales either to converters or jobbers who finish the fabrics before selling it to their trade or directly to a manufacturer, but never sales to retail consumers or to the over-the-counter market.

Opposer argues, however, that these are merely allegations of intended trade channels, applicant having not yet begun using its mark, and that, in view of the unrestricted identification of goods in the application, all normal channels of trade must be taken under consideration. Opposer contends that, even though applicant may not intend to market its fabrics directly to retail consumers, we "must assume" that there is the possibility that knitted apparel could be sold to these consumers bearing hang tags which advertise the fabric of which the garments are made as a HEALTH-MESH fabric.

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It is well established, and applicant acknowledges as much, that, in the absence of any restrictions in the identification of goods in the application, applicant's knitted fabrics must be presumed to travel in all the normal channels of trade for such goods. See *Kangol Ltd. v. KangaROOS U.S.A.*, 974 F.2d 161, 23 USPQ2d 1945 (Fed. Cir. 1992). But it is equally true, as argued by applicant, that opposer has the burden of proof as to what constitutes the normal channels of trade and of presenting evidence to demonstrate that the marketing conditions for the products of the respective parties are such that the goods would be likely to be encountered by the same persons under circumstances which could, because of the similarity of the marks used thereon, give rise to the mistaken belief that the goods are in some way associated with the same producer. See *Chase Brass & Copper Co., Inc. v. Special Springs, Inc.*, 199 USPQ 243 (TTAB 1978).

Opposer has proffered no evidence to establish as normal channels of trade for applicant's knitted fabrics any other than those testified to by Mr. Hunneke. No evidence has been made of record in rebuttal to Mr. Hunneke's statement that applicant's goods would never be sold directly to retail consumers, and thus there is no evidence that retail fabric stores lie within the normal channels of trade. While opposer argues that we should assume the

possibility of applicant's fabric mark being found on hang tags used to identify the fabric used in the finished articles, the use of hang tags in this manner in the garment industry is clearly not a matter of which we may take judicial notice. The burden of proof lies with opposer. Although the use of hang tags for this purpose may be prevalent when highly advertised or well-known fabrics or fibers are involved, we cannot assume the use of hang tags to identify the source of the underlying fabric to be a widespread practice in the garment industry without competent evidence to this effect. See *In re Albert Trostel & Sons Co.*, 29 USPQ2d 1783 (TTAB 1993)[absence of convincing evidence that finished leather products commonly carry not only the mark of the manufacturer but also the mark of the producer of the leather from which they are made]. Cf. *E.I. du Pont de Nemours and Co. v. Sunlyra International Inc.*, 35 USPQ2d 1787 (TTAB 1995)[acknowledgment by applicant that opposer's LYCRA mark often appears on hang tags for the finished clothing].

Thus, we are led to the conclusion that applicant's knitted fabrics would travel in channels of trade distinct from those for opposer's wearing apparel. Moreover, while the average consumer would come in contact with opposer's HEALTHKNIT clothing, Mr. Hunneke has testified that the purchasers of applicant's HEALTH-MESH fabrics would be

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professional buyers for companies of the types previously described or one of the principals of a manufacturing firm, all of whom are discriminating purchasers, and that the sales themselves would run from a thousand to a hundred thousand dollars. [FEH 13:17 - 14:16]. Under these circumstances, there is less possibility that the purchasers of applicant's HEALTH-MESH fabrics would be confused as to the source of the goods, even though they may be aware of opposer's finished knitted clothing products being sold under the HEALTHKNIT mark.

Opposer also argues that the fame of its mark, as one which has been used since June 1955 and is known as an "old-line" brand across the country, must be taken into consideration. The sales figures introduced by Mr. Upchurch for the years 1992-1996 (although some were allegedly incomplete) could not, however, be realistically viewed as indicative of sales under a famous mark.⁹ Furthermore, he stated that there has been a change in recent years in the marketing of the apparel, in that it is now mainly sold "upon request" domestically and that the major markets for it are "offshore," or more specifically, in Japan. Although we agree with opposer that its mark is better known at the present time than applicant's, in that applicant's mark is not in use, we find no evidence that opposer's mark is

entitled to any expanded breadth of protection on the basis of alleged fame. On the other hand, neither can we concur with applicant's arguments that opposer's mark is extremely weak, in the absence of any evidence in the record of widespread use of similar marks for similar goods.

Finally, we have the factor of concurrent use by predecessors of both parties of the same marks for similar goods for a period of twenty-five years (1958-1983), which applicant claims occurred without any objections by opposer's predecessor and without any instances of actual confusion. The testimony of Mr. Hunneke, however, simply provides evidence that Standard Knitting purchased knitted fabrics from Domestic Lace during this period; that certain of these were HEALTH-MESH fabrics (the percentage of the latter being unclear); that Standard Knitting never objected to use by Domestic Lace of its HEALTH-MESH mark;¹⁰ and that the witness was not aware of any actual confusion during this period. While this evidence has been taken into consideration, we do not find this a convincing showing that the lack of actual confusion over a period of years is a strong factor in applicant's behalf.

⁹ The actual figures were introduced pursuant to the stipulated protective order as confidential material.

¹⁰ While opposer has strongly objected to applicant's alleged attempts to raise an estoppel issue or to "tack-on" prior use, applicant has made it clear that it raised the matter of prior use by predecessors solely for consideration in connection with the issue of likelihood of confusion.

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Upon reviewing all of the relevant factors, however, we find the balance to weigh in applicant's favor. Although the marks are highly similar in overall connotation and commercial impression and the goods share a certain relationship, we consider the distinctions in the channels of trade which must be drawn on the basis of the evidence of record, as well as the level of sophistication of the purchasers of applicant's goods, more than adequate to conclude that there is no likelihood of confusion.

Decision: The opposition is dismissed.

R. L. Simms

E. J. Seeherman

H. R. Wendel
Trademark Administrative Judges,
Trademark Trial and Appeal Board