Mailed:
29 September 2005

UNITED STATES PATENT AND TRADEMARK OFFICE

_____

Trademark Trial and Appeal Board

_____

In re Peavey Electronics Corporation

_____

Serial No. 76181237

_____

W. Whitaker Rayner of Watkins Ludlam Winter & Stennis, P.A. for Peavey Electronics Corporation.

Carolyn Pendelton Cataldo, Trademark Examining Attorney, Law Office 103 (Michael Hamilton, Managing Attorney).

_____

Before Seeherman, Bucher, and Drost, Administrative Trademark Judges.

Opinion by Drost, Administrative Trademark Judge:

On December 15, 2000, Peavey Electronics Corporation (applicant) applied to register the mark DIGITOOL in typed or standard character form on the Principal Register for goods ultimately identified as “audio processors, mixers, mixer/processors, crossovers, crossover/processors, loudspeakers, powered loudspeakers, dynamics processors, switchers for use by sound technicians in auditoriums, coliseums, houses of worship, stadiums and other public

venues" in Class 9. Serial No. 76181237. The application is based on applicant's allegation of a bona fide intention to use the mark in commerce.

The examining attorney has refused to register applicant's mark under Section 2(d) of the Trademark Act (15 U.S.C. § 1052(d)) because of a registration (No. 2,733,638 issued July 8, 2003) for the mark DIGITOOLS, in typed or standard form, for the following goods in Class 9:

> apparatus and instruments for viewing, recording, transmission, processing and reproduction of sound or images, namely, video-audio enhancers, color processors, signal switchers, signal distributors, rf processors, special effects generators, video encoders and decoders, video standard converters, video time base correctors, computer genlock equipment, computer-controlled video equipment, namely, video matrix and processing control, computer interface products, namely, ttl (transistor-transistor logic) analogue encoders, ttl (transistor-transistor logic) to analogue converters, ttl (transistor-transistor logic) audio visual signal distributors, ttl (transistor-transistor logic) genlock/encoder cards, audio signal defect correctors, video line amplifiers, video screen splitters and video time base signal delay correctors, blank magnetic data carriers; and blank recording discs.

The examining attorney argues that "only the letter 's' stands between the two marks." Brief at 3. Regarding the goods, the examining attorney acknowledged applicant's amendment to its goods that limited their use to stadiums, coliseums, houses of worship, auditoriums, and other public venues. However, regarding registrant's goods, the

examining attorney noted that "[n]o industry or scope of use is specified, and it is therefore very likely that the registrant could use its goods in the same industry/field as the applicant's goods." Brief at 5. The examining attorney also asserts that "because the fact that purchasers are sophisticated or knowledgeable in a particular field does not necessarily mean that they are sophisticated or knowledgeable in the field of trademarks or immune from source confusion." Brief at 6.

Applicant, on the other hand, maintains that "the narrow, limited channels of trade in which Applicant's goods travel are separate and distinct from the channels in which the cited Registrant's goods travel." Reply Brief at 1. Furthermore, applicant argues that it "has shown through the affidavit of Mr. Peavey [Applicant's Chief Executive Officer] that its goods are both expensive, and purchased by a very specialized class of consumers." Reply Brief at 3. Finally, applicant asserts that "the mark 'digitool' mark is used by a wide variety of manufacturers, indicating entitlement to only limited protection with[in] a narrow subfield of the electronics industry." Reply Brief at 4-5.

In a case involving a refusal under Section 2(d), we analyze the facts as they relate to the relevant factors

set out in In re Majestic Distilling Co., 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). See also In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973); and Recot, Inc. v. Becton, 214 F.3d 1322, 54 USPQ2d 1894, 1896 (Fed. Cir. 2000). In considering the evidence of record on these factors, we must 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 differences in the marks." Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976).

The first factor we consider is the similarities and dissimilarities of the marks in the application and registration. In this case, the marks are DIGITOOL and DIGITOOLS, both in standard character form. As the examining attorney pointed out, the only difference between the marks is the presence of the letter "s" at the end of registrant's mark. We believe that this minor difference between the marks is not significant and the marks are otherwise identical inasmuch as they are both for the same underlying term "Digitool."

Regarding the term "Digitool," we note that applicant describes its goods as "digital audio processors." Peavey affidavit at 1. Applicant has submitted a response from

registrant during the prosecution of its underlying application in which registrant points out that its mark originates "from 'digital.'" See Registrant's Amendment at 5. Applicant has also submitted an Internet website for Ex Libris DigiTool that indicates its product is used for "building digital collections." In addition, we take judicial notice of the meaning of the term "digital" itself: "of, having or using digits; using digits rather than a dial to display measurements; of or pertaining to a digital computer or digital recording." Webster's English Dictionary for Home, School or Office (2003). The full term, digital, would not be an arbitrary term when used in the fields of digital audio recording and video production. Therefore, when the shortened term "digi-" or "digit-" and the term "tool" are combined or telescoped, the resulting term cannot be considered arbitrary or unusual.

Next, we look at whether the goods are related. Applicant's goods are: audio processors, mixers, mixer/processors, crossovers, crossover/processors, loudspeakers, powered loudspeakers, dynamics processors, switchers for use by sound technicians in auditoriums, coliseums, houses of worship, stadiums and other public venues." We understand applicant's identification of goods to limit the goods to use by sound technicians.

Applicant's CEO has submitted an affidavit (pp. 1-2) that explains that its products are:

> highly sophisticated digital audio processors and related equipment… [and] they are expensive items, retailing for over $1,200 per unit. Items bearing the DIGITOOL mark are marketed to architects of such facilities and highly trained sound consultants and contractors. In my expertise, equipment of this sort does not travel in the same channels of trade as video production equipment.

We accept applicant's arguments that its goods are expensive. In addition, when we consider applicant's goods, we must view them in light of the limitation that applicant's goods are for use by sound technicians in public venues and, therefore, they are not ordinary consumer products that may be less expensive.

Registrant's goods are generally identified as apparatus and instruments for viewing, recording, transmission, processing and reproduction of sound or images and generally include computer controlled video equipment and other video products. Applicant's affiant has stated that this video production equipment does not travel in the same channels of trade as applicant's digital audio equipment. There is no evidence that registrant's identified goods are the same as applicant's goods or that they would be used by sound technicians in stadiums, houses of worship, auditoriums, or other public venues. The

examining attorney argues that "[a]ny goods or services in the registrant's normal field of expansion must also be considered." Brief at 6. However, we have no basis to conclude that it would be natural for companies selling the goods identified in the cited registration to expand into selling the goods identified in applicant's application.

Based on the foregoing, we conclude that registrant's and applicant's goods are different and not related. Applicant's goods are directed to sound technicians who use the equipment in auditoriums, coliseums, houses of worship, stadiums and other public venues. We agree with applicant that this is a very narrow field. Furthermore, we have no evidence that registrant's goods are used in this narrow field, nor is it apparent that registrant's identified goods would be used in applicant's field. In other words, on this record, we have no basis on which to conclude that registrant's goods would be used in auditoriums, coliseums, houses of worship, stadiums and other public venues by sound technicians.

However, we are aware that registrant's goods include "blank recording discs." While it is possible that these goods may also be used by sound technicians and architects that purchase applicant's digital audio processors and related equipment, we are left to speculate as to whether

they would assume that these discs come from or are associated with the source of applicant's goods.

Another factor that we take into consideration is the sophistication of applicant's purchasers. Applicant's goods are expensive and its CEO submitted an affidavit (p.1) that its goods are marketed to "architects of such facilities and highly trained sound consultants and contractors." We note that registrant, during the prosecution of its application, advised the examining attorney that "the level of consumer sophistication" was a factor that indicated that there was no confusion with registrant's mark and another mark. Amendment at 8. We agree that registrant's goods would not generally be purchased by ordinary purchasers.

We agree with the examining attorney that merely because purchasers are sophisticated "does not necessarily mean that they are sophisticated or knowledgeable in the field of trademarks and immune from source confusion." However, these sophisticated purchasers are likely to be confused where the "marks are applied to related products." In re Hester Industries, Inc., 231 USPQ 881, 883 (TTAB 1986). Here, we have found the goods are not related. We find that the following quotation from Electronic Design & Sales Inc. v. Electronic Data Systems Corp., 954 F.2d 713,

21 USPQ2d 1388, 1392 (Fed. Cir. 1988) particularly relevant: "[T]here is always less likelihood of confusion where goods are expensive and purchased after careful consideration. Just from the record description of goods and services here one would expect that nearly all of opposer's and applicant's purchasers would be highly sophisticated. Nothing in the record is to the contrary" (Internal citation omitted). We also add that, to the extent purchasers of registrant's goods are not sophisticated, it has not been shown that they would be purchasers of applicant's goods.

As we indicated above, while the marks are virtually the same, they are not arbitrary or unique. In addition, the goods in this case are different. Furthermore, the purchasers of applicant's goods and most of registrant's goods are sophisticated. It certainly is far from clear that both applicant's and registrant's goods would even be purchased by the same purchasers. "If likelihood of confusion exists, it must be based on the confusion of some relevant person; *i.e.,* a customer or purchaser." Astra Pharmaceutical Prods. v. Beckman Instruments, 718 F.2d 1201, 220 USPQ 786, 790 (1st Cir. 1983). In this case, any potential overlap "appears at best *de minimis*." Electronic Design & Sales, 21 USPQ2d at 1392-93 (Opposer's argument

that “persons who use opposer's data processing and telecommunications services at work and who buy batteries at retail stores would be confused as to source” rejected).

Therefore, in this case, “the potential for confusion appears a mere possibility not a probability.” Electronic Design & Sales, 21 USPQ2d at 1393.

Decision: The examining attorney’s refusal to register applicant’s mark under Section 2(d) of the Trademark Act is reversed.