

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Universal Technologies, Inc.

v.

Jillson & Roberts, Inc.

Cancellation No. 23,288

Steven E. Dicke of Nawrocki, Rooney & Sivertson, P.A. for
Universal Technologies, Inc.

Sunny Tamaoki and Ben J. Yorks of Blakely Sokoloff Taylor &
Zafman for Jillson & Roberts, Inc.

Before Hohein, Hairston and Walters, Administrative Trademark
Judges.

Opinion by Hohein, Administrative Trademark Judge:

Universal Technologies, Inc. has petitioned to cancel
the registration owned by Jillson & Roberts, Inc. for the mark
"ZIP-WRAP" for "pre-wrapped mailers."¹ As its grounds for
cancellation, petitioner alleges that prior to both the filing
date of the underlying application for registration of such mark

¹ Reg. No. 1,812,908, issued on December 21, 1993 from an intent-to-use
application filed on July 22, 1992, which sets forth dates of first use of
November 20, 1992.

and respondent's claimed dates of first use thereof, petitioner adopted and used the mark "ZIPWRAP" for wrapping materials, including boxes, wrapping paper, tissue paper, gift cards and bows; that, in addition thereto, petitioner has filed an application to register the mark "ZIPWRAP" for "gift wrap";² that respondent's mark "is nearly identical to" petitioner's mark; that the respective goods of the parties "are nearly identical and are so related as to be used concurrently, or interchangeably"; that petitioner's application to register its mark has been refused under Section 2(d) of the Trademark Act in light of respondent's registration for its mark; and that contemporaneous use of the parties' marks in connection with their respective goods is likely to cause confusion, mistake or deception.

Respondent, in its answer, has denied the salient allegations of the petition to cancel.

The record consists of the pleadings; the file of the involved registration; the declaration, with exhibits, of petitioner's president, Ronald D. Hendren, which petitioner filed as its case-in-chief pursuant to a stipulation by the parties; the declaration, with exhibits, of respondent's former executive vice president and secretary, Kenneth L. Jillson, which respondent submitted as part of its case-in-chief pursuant to a stipulation by the parties; and the notice of reliance on

² Ser. No. 74/392,813, filed on May 20, 1993, which alleges dates of first use of June 29, 1991 for the mark "ZIPWRAP" and design.

petitioner's answer to respondent's Interrogatory No. 6,³ which respondent furnished as the remainder of its case-in-chief.

Briefs have been filed, but an oral hearing was not requested.

The issues to be decided in this proceeding are priority of use and likelihood of confusion.

According to the record, petitioner's president and owner, Ronald D. Hendren, came up with a product idea in 1990 for wrapping gifts more expeditiously and received a patent in 1994 on his gift wrapping product. Basically, such product consists of a pre-cut sheet of gift wrapping paper with adhesive strips on the back of the sheet. Mr. Hendren, in March 1991, selected the mark "ZIPWRAP" for use in connection with selling such a product through petitioner and developed a sales package, consisting of samples of the gift wrapping and informational materials bearing the mark "ZIP WRAP,"⁴ for use in marketing the product to sellers of gift wrapping products, including manufacturers and retailers of gift wrappings. Subsequently, on May 20, 1993, petitioner

³ Respondent states in such notice that the answer is relied upon "to show that Petitioner's alleged use of the mark did not amount to establishing priority rights in the mark over the Registrant."

⁴ The testimony in Mr. Hendren's declaration refers to petitioner's mark by the single term "ZIPWRAP" even though many of the exhibits referred to show use of the two-word mark "ZIP WRAP," especially with respect to the earliest documented uses thereof. Nevertheless, since there is no question that the mark "ZIP WRAP" is the legal equivalent of, or indistinguishable from, the mark "ZIPWRAP," petitioner can tack its earlier use of the mark "ZIP WRAP" to its later use of the mark "ZIPWRAP". See, e.g., *Van Dyne-Crotty Inc. v. Wear-Guard Corp.*, 926 F.2d 1156, 17 USPQ2d 1866, 1868 (Fed. Cir. 1991) and *Jimlar Corp. v. Army & Air Force Exchange Service*, 24 USPQ2d 1216, 1221 (TTAB 1992). Purchasers and potential buyers of petitioner's gift wrapping would plainly consider "ZIP WRAP" and "ZIPWRAP" to be the same mark since, for all practical purposes, they project the same continuing commercial impression.

filed an application to register the mark "ZIPWRAP" and design, as reproduced below, for "gift wrap," claiming dates of first use of June 29, 1991, which was refused registration under Section 2(d) of the Trademark Act in light of respondent's registration.



Mr. Hendren asserts in particular that petitioner adopted and used the mark "ZIPWRAP" in connection with various wrapping materials, including boxes, wrapping paper, tissue paper, gift cards and bows, from a time prior to both the November 20, 1992 dates of first use stated in respondent's registration and the July 22, 1992 filing date of the application which matured into such registration. Specifically, commencing in March 1991, Mr. Hendren began contacting on behalf of petitioner various companies, located throughout the United States, engaged in the gift wrap business. In each instance, after initially offering its gift wrapping products for sale, Mr. Hendren would follow up by sending a letter with an accompanying copy of the sales package he had developed. Typically, the

samples or prototypes of petitioner's gift wrapping contained therein prominently featured the mark "ZIP WRAP" on the back of the sheets along with instructions for using the product. Many of the informational materials included in the sales package, such as product literature, marketing analyses and earnings projections, also prominently displayed the mark "ZIP WRAP".

Among the companies solicited in such manner by Mr. Hendren, and the documented dates sales packages were mailed to them, were Hallmark Cards, Inc. on March 20, 1991; Gibson Greetings, Inc. on April 12, 1991; Current, Inc. on June 1, 1991; Sangamon, Inc. on June 19, 1991; Burgoyne, Inc. on June 20, 1991; Glitterwrap, Inc. on September 3, 1991; Walker & Royston on October 5, 1991; Interstate Packaging Company on April 1, 1992; Atlas Packaging, Inc. on May 10, 1992; Peacock Papers, Inc. on May 28, 1992; and Paperplains, Inc. on August 15, 1992. The letters accompanying the sales packages make clear, however, that when copies of such promotional materials were sent, petitioner generally had only preliminary samples or prototypes of its gift wrapping and gift box products and was seeking someone to manufacture and/or further develop and promote its ideas or concepts for such products, which had yet to reach the retail marketplace in terms of any commercially significant amounts of sales.

Nevertheless, Mr. Hendren also testified that on June 29, 1991, petitioner first sold gift wrapping with the "ZIPWRAP" mark to Jerry Ruzicka and Associates. A copy of the handwritten invoice for such sale, which is "Invoice No. 0001" and bears a

"6/29/91" date, reflects a shipment of "10" units of "Small - Zip Wrap" at a price of "2.50" each, for a total amount of \$25.00. (Petitioner's exhibit 29.) According to an "estimate" by Mr. Hendren, petitioner's sales of its "ZIPWRAP" gift wrapping products have "steadily increased annually," totaling \$25.00 in 1991; \$500.00 in 1992; \$1,600.00 in 1993; and \$50,000.00 in 1994, the last full year for which such figures were provided. (Hendren declaration at 10, ¶34.) Mr. Hendren also noted that since 1991, petitioner has "spent a significant amount of money" on the advertising and design of its "ZIPWRAP gift wrapping packaging, ZIPWRAP advertisements and ZIPWRAP gift wrapping displays." (Id., ¶32.) The sole example of the results of such efforts, a header used in 1992 for petitioner's "ZIPWRAP" gift wrapping packages, is reproduced in illustrative part below:



In addition, by November 20, 1992, Mr. Hendren had hired a sales representative, Lori Leahy, on behalf of petitioner to advertise and sell its "ZIPWRAP" gift wrapping. Ms. Leahy, in

turn, hired several other sales representatives to sell such product in their respective geographical marketing areas of the United States. Petitioner has also offered its "ZIPWRAP" gift wrapping products for sale at national trade shows, including the New York International Gift Fair, held in the city of New York in February 1993, and the California Gift Show, held in the city of Los Angeles in July 1993. Moreover, although none of the companies solicited by petitioner in the manner previously described elected to manufacture petitioner's patented gift wrapping and/or take a license to use its "ZIPWRAP" mark, petitioner ultimately was successful, beginning in January 1994, in licensing such mark to R.J. Lachmann Company for use in connection with petitioner's patented gift wrapping.

Like petitioner, the record shows that respondent is in the business of selling gift wrappings. Respondent's order forms, advertising and invoices for its "ZIP-WRAP" pre-wrapped mailers all prominently feature the logo depicted below and reveal that such goods are for use as gift wrappings:



Respondent promotes its goods with the slogans "THE FUN NEW WAY TO SEND A GIFT!" and "ADD A BOW & RIBBON & IT'S READY FOR

GIVIN'!" Respondent offers its pre-wrapped mailers in a variety of styles, including Christmas and other special occasion designs, just as petitioner does for its gift wrapping products. Each of respondent's goods comes with an enclosed to-and-from mailing label and, as is the case with petitioner's gift wrapping, is self-sealing, with no tape or staples being necessary.

According to the testimony of Kenneth L. Jillson, who was executive vice president and secretary of respondent from March 19, 1974 to February 15, 1994, he invented the pre-wrapped mailing envelope marketed by respondent and received a patent thereon from an application filed on November 2, 1992. Mr. Jillson, in February 1992, also conceived the mark "ZIP-WRAP" for use in connection with his patented product. After a trademark search report requested from the firm of Thompson & Thompson on June 26, 1992 and received on July 2, 1992 revealed no similar or identical marks, respondent filed an application on July 22, 1992 which matured on December 23, 1993 into the registration involved in this proceeding. Moreover, Mr. Jillson's own experience in the consumer paper products field confirmed the relevant findings of the search report since, during his attendance at many trade shows throughout the United States in 1991 and 1992, he "never saw another product named ZIP-WRAP". (Jillson declaration at 3, ¶9).

In July 1992, Mr. Jillson commenced efforts on behalf of respondent to market its "ZIP-WRAP" pre-wrapped mailers by exhibiting such goods at national trade shows in such cities as

New York, Los Angeles, Chicago, Atlanta, San Francisco and Dallas. Invoices made of record and Mr. Jillson's testimony with respect thereto indicate that the first orders for respondent's "ZIP-WRAP" pre-wrapped mailing envelopes were taken as early as September 1992 and that the goods so ordered were first shipped on November 20, 1992. By September 1992, respondent had also had printed brochures advertising the various styles in which its "ZIP-WRAP" pre-wrapped mailers were available.

Respondent's approximate annual sales during the four-year period since the introduction of its "ZIP-WRAP" pre-wrapped mailers have amounted to \$50,000.00 in 1992; \$100,000.00 in 1993; \$180,000.00 in 1994; and \$370,000.00 in 1995. Since 1992, it has spent approximately \$5,000.00 annually on promotion of its "ZIP-WRAP" goods.

Turning first to the issue of which party has priority of use of its mark, it is clear that the earliest date upon which respondent can rely is the July 22, 1992 filing date of the intent-to-use application which matured into its involved registration for the mark "ZIP-WRAP" for "pre-wrapped mailers". Inasmuch as such date is prior to the May 20, 1993 filing date of petitioner's use-based application to register the mark "ZIPWRAP" and design for "gift wrap,"⁵ it is incumbent upon petitioner, in order to establish priority of use, to demonstrate prior

⁵ See, e.g., *Hilson Research Inc. v. Society for Human Resource Management*, 27 USPQ2d 1423, 1428-29 (TTAB 1993) at n. 13; and *American Standard Inc. v. AQM Corp.*, 208 USPQ 840, 841-42 (TTAB 1980).

recognition in the trade of rights in the mark "ZIPWRAP" for gift wrapping products. Petitioner may do so by proving that on or before July 22, 1992, it had made either technical trademark use of its mark in connection with an ongoing commercial trade in its goods or use of such mark which is analogous to trademark use. See, e.g., Shalom Children's Wear Inc. v. In-Wear A/S, 26 USQP2d 1516, 1519 (TTAB 1993).

In the case of the former, since petitioner's actual use of the mark "ZIPWRAP" for its goods must be bona fide and not merely to reserve a right therein, it is settled that:

Trademark rights are not created by sporadic, casual, and nominal [sales or] shipments of goods bearing a mark. There must be a trade in the goods sold under the mark or at least an active and public attempt to establish such a trade. Absent these elements, no trademark can be created or exist.

Clairol Inc. v. Holland Hall Products, Inc., 165 USPQ 214, 217

(TTAB 1970). See also *La Societe Anonyme des Parfums le Galion v. Jean Patou, Inc.*, 495 F.2d 1265, 181 USPQ 545, 548 (2d Cir. 1974) ["[t]o prove bona fide usage, the proponent of the trademark must demonstrate that his use of the mark has been deliberate and continuous, not sporadic, casual or transitory"]. In the latter instance, petitioner must show use of the term "ZIPWRAP" in connection with its gift wrapping products which "is of such a nature and extent as to create public identification of the ... term with the [petitioner's] product[s]". *T.A.B. Systems v. PacTel Teletrac*, 77 F.3d 1372, 37 USPQ2d 1879, 1881 (Fed. Cir. 1996). Such an association requires that "activities claimed to constitute analogous use must have substantial impact on the purchasing public." 37 USPQ2d at 1882.

Respondent, in its brief, points to the following language from *Prince Dog & Cat Food Co. v. Central Nebraska Packing Co.*, 305 F.2d 904, 134 USPQ 366, 369 (CCPA 1962), in which the court stated that:

Cancellation of a valuable registration around which a valuable business good will has been built should be granted with "due caution and after a most careful study of all the facts". *Sleepmaster Products Co., Inc. v. American Auto-Felt Corp.*, ... 241 F.2d 738, 113 USPQ 63 [(CCPA 1957)]. Petitioner, to sustain its burden of proof, must leave nothing to conjecture.

Such an approach, in essence, requires that a tribunal weigh or balance the equities of a particular case in determining which party has priority. See, e.g., *P.A.B. Products et Appareils de Beaute v. Satinine Societa In Nome Collecttivo di S.A. e.M.*

Usellini, 570 F.2d 328, 196 USPQ 801, 806 (CCPA 1978) ["it is important to note that the *balance* of equities plays an important role in determining whether registrant's use is sufficient to preserve its registration"] and Interstate Brands Corp. v. Way Baking Co., 199 USPQ 317, 319 (Mich. Ct. Apps. 1977) ["[w]hat constitutes sufficient bona fide use can only be determined on a case by case basis because the equities of each situation must be carefully balanced"].

Following this approach, we agree with respondent that petitioner's activities on or before July 22, 1992 do not suffice to establish priority in petitioner. Petitioner's activities, except for a single, nominal sale of gift wrapping on June 29, 1991, consisted only of soliciting various companies in the gift wrapping materials trade. However, we cannot determine, with any degree of confidence, the extent to which petitioner had attempted to canvass the trade for interest in producing and/or marketing its "ZIPWRAP" gift wrapping products in light of the absence from the record of information as to the approximate number of companies which were then engaged in the design, manufacture and/or distribution of gift wrapping materials. Moreover, as of July 22, 1992, only two of the letters petitioner submitted as exhibits specifically mentioned its mark,⁶ although the mark "ZIP WRAP" did appear on many of the accompanying

⁶ The letters are an August 26, 1991 memo by petitioner's president to Hallmark Cards on the subject of "market information on Zip Wrap" and an October 5, 1991 letter from petitioner's president to Walker & Royston regarding "the current status of ZIP WRAP." (Petitioner's exhibits 7 and 21.)

materials included with petitioner's sales package,⁷ and just one of the rejection letters respondent submitted as exhibits to its notice of reliance explicitly referred to the mark "ZIP WRAP".⁸ Furthermore, as respondent points out, petitioner's solicitation letters repeatedly make references to its various goods as being merely a "product idea," a "product concept," product "samples" or, most tellingly, product "prototype samples," which phrases tend to indicate that, at best, petitioner had only rudimentary

⁷ Respondent, citing such cases as *Old Swiss House, Inc. v. Anheuser-Busch, Inc.*, 569 F.2d 1130, 196 USPQ 808, 810 (CCPA 1978) and *Computer Food Stores Inc. v. Corner Store Franchises, Inc.*, 176 USPQ 535, 538 (TTAB 1973), notes correctly that, in order to establish rights in a mark, the use thereof must, among other things, be an open and notorious public use directed to the relevant purchasing public. Focusing on the fact that some of the documentary exhibits introduced by petitioner bear the legend "Confidential" or otherwise were submitted in confidence, respondent maintains that the solicitation letters mailed by petitioner do not constitute an open and notorious use, particularly since "[t]he very nature of this negotiating process indicates a 'secret' and undisclosed use." However, to the extent that the relevant purchasing public may be said to include designers, manufacturers and/or distributors of gift wrapping materials (and thus is not limited to retailers and, ultimately, members of the general public), the fact that petitioner's submissions were often made pursuant to confidential disclosure agreements as a precondition to consideration of its gift wrapping concepts does not prevent such activities from being treated as an open and public use for purposes of analogous trademark use. This is because the record reveals that requiring a the existence of a signed confidential disclosure agreement prior to a company's evaluating any concept submitted to it is simply a common industry practice.

⁸ In particular, in a letter from Walker & Royston to petitioner's president dated November 4, 1991, the writer mentions that he has "talked at length to several people regarding zip wrap," but that "[f]or various and sundry reasons no one seems to be interested at this time." (Page 15 of exhibits attached to respondent's notice of reliance.)

ideas for its gift wrapping materials rather than finished products ready for commercial sale or production.⁹

Thus, as of July 22, 1992, it is clear that the first and only sale by petitioner of its "ZIPWRAP" gift wrapping was to an entity known as Jerry Ruzicka and Associates. Aside from the fact that the record contains no other information about the sale, we note that even if it is assumed that the transaction was an arms-length, bona fide commercial sale of a product to a retailer for resale to its customers or to an ultimate purchaser for the buyer's own use, such sale amounted only to \$25.00 and, in light of Mr. Hendren's "estimate" of petitioner's sales, was the sole sale made by petitioner during 1991. This single, minuscule sale was followed by other sales in 1992 amounting to \$500.00, but even aside from their being nominal, there is no indication as to when such sales occurred and, thus, whether petitioner's additional sales of its "ZIPWRAP" gift wrapping products took place on or before July 22, 1992. Sales continued to remain at a meager level in 1993, amounting to a total of only \$1,600.00. Not until petitioner finally secured a licensee in January 1994 did sales of its "ZIPWRAP" gift wrapping materials reach the amount of \$50,000.00, which is the same level of sales

⁹ For instance, a May 28, 1991 letter by petitioner's president to a representative of Peacock Papers, Inc. refers to petitioner's "concepts" for, and its enclosed "proto-types" of, three designs for gift wrapped boxes, while a June 2, 1991 follow-up memo on the subject of "3 Prototypes" notes, as stated therein by petitioner's president, that "one prototype has thinner tape, because I ran out of the larger size." (Petitioner's exhibits 22 and 23.)

enjoyed by respondent in 1992, the year it introduced its "ZIP-WRAP" pre-wrapped mailers.

Petitioner argues, however, that because its solicitation letters included product samples, the mailing of such items constituted shipments of its goods in commerce. The record reveals that such "shipments" involved only preliminary versions or prototypes of its "ZIPWRAP" gift wrapping materials and not a finished product ready for commercial sale. In particular, we observe that, notwithstanding its June 29, 1991 sale of "ZIPWRAP" gift wrapping to Jerry Ruzicka and Associates, petitioner's ideas or concepts for its gift wrapping materials were still not commercially available as of the fall of 1991¹⁰ and that, as late as both the summer and fall of 1992, petitioner still did not have a product available for sale or shipment in commercially significant amounts.¹¹

¹⁰ Petitioner's president, in his October 5, 1991 letter to Walker & Royston concerning "the current status of ZIP WRAP," states that "[h]ad I known about you ... earlier, I believe the product would now be on the market, perhaps even with Hallmark [Cards, Inc.] given your expertise." Mr. Hendren also notably states that "I really feel your expertise will be the key to successfully advancing this product to the retail market." (Petitioner's exhibit 21.)

¹¹ Mr. Hendren, in petitioner's August 15, 1992 letter to Paperplains, Inc., refers to an enclosed "prototype sample" of its "new gift wrap product," which is described as "a pre-formed gift wrap which could be offered in a number of standard sizes for corresponding gift box sizes." Petitioner's president adds that "[i]t appears that a quick wrap which would result in an attractively wrapped container with or without the inclusion of decorative items such as ribbons and bows would be very saleable [sic]," noting that such a product "will open a new market in the industry." (Petitioner's exhibit 24.) An October 21, 1992 letter from CPS Corporation to Mr. Hendren indicates with respect to petitioner's "pre-formed gift wrap called ZIP WRAP" that "[t]his product idea is essentially the same as the product that we have already marketed under the trademark FAST WRAP" and that, in consequence thereof, "we would be unable to use your idea at this time" and "have returned both prototype samples and all of the

By contrast, since July 22, 1992, respondent has made bona fide commercial use of its mark in commerce.¹² Following its good faith adoption and in tandem with the filing of its application to register its "ZIP-WRAP" mark for its pre-wrapped mailers, respondent in July 1992 began exhibiting such product at industry trade shows in six major cities; by September 1992, it had received the first orders for the product and had had printed advertising brochures for the product which contained information as to various styles in which the product was currently available for sale; and by November 20, 1992, it had shipped an order for seven dozen of its pre-wrapped mailers to Social Expressions in Atlanta, Georgia at a total price of \$110.75, followed on November 23, 1992 by a further shipment of eight dozen of its goods to Hot Spot, Inc. in Arlington, Virginia at a total cost of \$126.63.¹³ In all, respondent's sales for 1992 amounted to \$50,000.00 and basically doubled every year thereafter, rising to \$100,000.00 in 1993, \$180,000.00 in 1994 and \$370,000.00 in 1995.

It is clear, therefore, that on balance the equities in this proceeding strongly favor respondent rather than petitioner. Specifically, in contrast to petitioner's nominal and single sale in 1991 and its limited sales in 1992 and 1993, respondent had

information you supplied." (Page 16 of exhibits attached to respondent's notice of reliance.)

¹² Section 45 of the Trademark Act, 15 U.S.C. §1127, defines the term "use in commerce" to mean "the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark."

¹³ (Respondent's exhibits 4 and 5, respectively.)

established a commercially significant volume of business in its "ZIP-WRAP" pre-wrapped mailers, amounting to sales of \$50,000.00, by the end of 1992. Such a level of sales was not reached by petitioner until after it ultimately licensed the use of its "ZIPWRAP" mark for its gift wrapping materials starting in January 1994. Nothing in the record indicates that petitioner, who bears the burden of proof in this matter, had at any time a factory or other means at its disposal for production of its "ZIPWRAP" gift wrapping materials in commercial quantities or that it had anything approaching an ongoing business in marketing gift wrapping materials. See, e.g., *Pet Inc. v. Bassetti*, 219 USPQ 911, 914 (TTAB 1983) and *Liqwacn Corp. v. Browning-Ferris Industries, Inc.*, 203 USPQ 305, 316-17 (TTAB 1979). Instead, the "shipments" of goods made by petitioner to companies in the business of manufacturing, producing and/or distributing gift wrapping materials appear to have been restricted to mere prototype samples for the purpose of gauging each company's interest in manufacturing and/or marketing a product for, or under license from, petitioner and which was not yet on the market in any kind of commercial quantities. The record simply does not support, as petitioner argues in its initial brief, that "[p]etitioner has extensive evidence showing long term use of the mark ZIP WRAP in connection with Petitioner's ZIP WRAP product" prior to July 22, 1992.

In summary, petitioner has failed to show that the initial sale of its gift wrapping on June 29, 1991 and subsequent sales and/or "shipments" of gift wrapping materials in 1992 and

1993 were anything other than nominal and sporadic or that it had the capacity to engage in the trade for such goods as of July 22, 1992. Petitioner has not established that by such date it had made technical trademark use of its "ZIPWRAP" mark in connection with an ongoing commercial-scale trade in its goods. Moreover, to the extent that petitioner's solicitation letters and its subsequent trade show exhibitions nevertheless evidence a continuing intent to develop a trade in its goods under the term "ZIPWRAP, it still remains the case that petitioner has not demonstrated that, as of July 22, 1992, it had made use of such term which qualifies as use analogous to trademark use. This is because petitioner has not shown on this record that its activities with respect to its attempts to market its ideas for gift wrapping products were of such a nature and extent as have had a substantial impact on the purchasing public so as to create thereby a public identification of the term with petitioner's goods.¹⁴ Accordingly, while petitioner has established that its application to register the mark "ZIPWRAP" for "gift wrap" was rejected in light of respondent's involved registration and thus has proven its standing¹⁵ to seek cancellation thereof on the ground of priority of use and likelihood of confusion, petitioner

¹⁴ In this regard, while we have previously noted Mr. Hendren's testimony that petitioner has "spent a significant amount of money" (Hendren declaration at 10, ¶32) in connection with the development and promotion of its products, such testimony, unlike the advertising expenditures of approximately \$5,000.00 per year testified to by Mr. Jillson, is simply too vague and imprecise to be meaningful in proving use analogous to trademark use.

¹⁵ See, e.g., *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

has failed to present sufficient proof that it, rather than respondent, has priority of use. Petitioner, therefore, cannot prevail in this proceeding. See, e.g., *Tessaro v. Miller*, 153 USPQ 860, 861 (TTAB 1967).

Nevertheless, in the event that on appeal it is ultimately determined that petitioner has satisfactorily proven priority of use, we now turn to the remaining issue of likelihood of confusion. Consideration of the pertinent factors set forth in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973), for determining whether a likelihood of confusion exists convinces us that, contrary to respondent's assertions, confusion as to source or sponsorship of the parties' goods is likely to occur.

Petitioner's "ZIPWRAP" mark and respondent's "ZIP-WRAP" mark are virtually the same in appearance and are identical in sound, connotation and overall commercial impression. Moreover, the marks are respectively used in connection with fungible gift wrapping products. The record clearly reveals that, like petitioner's gift wrapping, respondent's pre-wrapped mailers are usable as gift wrapping materials and in fact are marketed for such purposes. Both parties' products come in a variety of styles, including Christmas and other special occasion designs, and are self-sealing, with no tape or staples being required. Such products plainly are competing gift wrapping materials which would be sold through the same channels of trade, such as gift shops, department stores and mass merchandisers, to the same classes of purchasers, including members of the general public,

for the purpose of quickly wrapping presents.¹⁶ Contemporaneous use of the marks "ZIPWRAP" and "ZIP-WRAP," in connection with goods which fundamentally serve the same functional purpose of providing an attractive means for quickly wrapping gifts, is accordingly likely to cause confusion, mistake or deception as to the origin or affiliation of the parties' products.

Decision: While confusion is likely, inasmuch as it is respondent, rather than petitioner, who has priority of use, the petition to cancel is denied.

G. D. Hohein

P. T. Hairston

C. E. Walters
Administrative Trademark Judges,
Trademark Trial and Appeal Board

¹⁶ Although, unlike petitioner's products, respondent's goods may also be used to mail gifts, the record indicates that the to-and-from mailing label supplied with each of respondent's goods is not be affixed thereto and thus can be discarded. In addition, while respondent's goods, unlike those offered by petitioner, may serve to cushion and protect the gifts enclosed therein, it remains the case that a principal use of respondent's goods is that of an instant gift wrap, which is the purpose behind petitioner's products.