Hearing: Paper No. 39
July 8, 1997 ejs

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE TTAB JUNE 16,98

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

JBL Incorporated

v.

Sound Effects Communications Corp.

Opposition No. 95,479
to application Serial No. 74/468,464
filed on December 10, 1993

Theodore R. Scott of Jones, Day, Reavis & Pogue for JBL Incorporated

Bennett David Krasner for Sound Effects Communications Corp.

Before Cissel, Seeherman and Hanak, Administrative Trademark Judges.

Opinion by Seeherman, Administrative Trademark Judge:

Sound Effects Communications Corp. has applied to register SOUND EFFECTS for "automotive, commercial and residential sound equipment, namely, speakers and

antennas."[1] This application was filed on December 10, 1993, and claimed first use of the mark on the goods and first use in interstate commerce on March 1, 1982.

As grounds for opposition, opposer has alleged that it manufactures and sells automotive, commercial and residential audio systems; that beginning in June 1993 opposer started using the descriptive term "SoundEffects" in connection with a home theater speaker system which it was preparing to market under the mark JBL; that other manufacturers of audio systems and equipment have used the descriptive words "sound effects" in advertising their products which create sound effects; and that no single vendor of audio systems or components which create or produce sound effects is entitled to obtain a registration purporting to give it the exclusive right to use the words "sound effects" in connection with such products. In effect, opposer has asserted that the registration of SOUND EFFECTS would be contrary to the provisions of Section 2(e)(1) of the Trademark Act, in that this term is merely descriptive of applicant's goods.

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[1] The application originally also included, in the identification of goods, "radios, stereos, amplifiers, tape decks, video and compact disc players, and mobile telephones." The circumstances under which the identification was restricted will be discussed infra.

In its answer applicant has denied the salient allegations of the notice of opposition.

The record includes the pleadings; the file of the opposed application; and the testimony, with exhibits, of Mark R. Friedman, Michael Glickman, Felix Romano, Cindy Stuart, Eli David Harary, Tom C. Shields, Frank Meredith and Gina Harman.[2] Opposer has also submitted, under a notice of reliance, its requests for admission which, because applicant never responded to them, opposer asserts should be deemed admitted; and an Office action, with attachments, which the Office issued in connection with opposer's application Serial No. 74/427,179.[3]

The case has been fully briefed, and the parties were represented at an oral hearing before the Board.

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[2] The parties stipulated that discovery depositions could be submitted as testimony depositions, and both parties have done so.

[3] During its testimony period applicant submitted a "notice of reliance" in which it stated that it "gives notice of its reliance on the following documents." However, applicant did not submit any documents with the notice of reliance, as required by Trademark Rules 2.120(j)(3)(i) and 2.122(e). Accordingly, the file of opposer's application Serial No. 74/427,179 and opposer's responses to applicant's interrogatories and "notice to produce," which were listed in the notice of reliance, were never properly made of record. (Further, if the notice to produce refers to a request for the production of documents, it should be noted that documents produced in response to such a request may not be made of record pursuant to a notice of reliance.) However, the various depositions which were referred to in the notice of reliance, and which were submitted several months later on February 5, 1997, are of record because the parties stipulated that the discovery depositions could be treated as testimony depositions, and the rules require only that testimony depositions be filed "promptly" with the Trademark Trial and Appeal Board. Trademark Rule 2.125(c).

Before turning to a discussion of the issues in this case, it is first necessary to determine just what those issues are. As indicated above, opposer brought this proceeding on the ground that applicant's mark is merely descriptive of its goods. However, in its brief on the case, opposer asserted that applicant had admitted (by its failure to respond to opposer's request for admission) that it had not used the mark on six of the eight types of goods identified in the application. As a result, opposer claimed that the application should be rejected as "a blatant effort to perpetrate a fraud on the Patent & Trademark Office." Brief, p. 4.

Subsequent to the filing of opposer's brief, applicant filed a motion to amend its application to delete the six categories of goods referred to by opposer in its brief. Applicant stated in that motion that applicant had "communicated orally on several occasions that it would move to amend its application to restrict the identification of goods," and that

> during the course of the first deposition Applicant realized that it was in error to apply for a trademark in the goods identified as "Automotive, commercial and residential sound equipment, namely, stereos, amplifiers, tape decks, video and compact disc players and mobile telephones". Unfortunately, due to an oversight, the amendment is request[ed] at this time.

Opposer consented to the amendment, but argued that applicant's motion constituted an admission that applicant's president made a false oath when he swore that applicant had used the mark on all the identified goods since 1982, and constituted a confession that applicant attempted to perpetrate a fraud on the Patent and Trademark Office when it sought to obtain a registration of the mark for six categories of goods on which the mark had never been used. Opposer did acknowledge that applicant's attorney had stated, "on a number of occasions," that applicant would amend its application to restrict the identification, but that applicant had not done so as of the time opposer had filed its brief.

The Board, in a decision dated January 6, 1997, allowed the amendment to the identification because opposer had consented thereto (and because the amendment limited the original identification). The Board also denied what it characterized as opposer's motion for judgment because opposer had neither pleaded fraud as a ground for opposition nor moved to amend the pleading to include a claim of fraud.

At the oral hearing opposer acknowledged that fraud was not an issue in this proceeding. Therefore, we confirm that we have not considered this ground.[4]

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[4] We would also point out that the issue of fraud was not tried, and therefore that this case is not amenable to a finding that the pleadings should be deemed amended pursuant to Fed. R. Civ.

The second unpleaded issue discussed by opposer in its brief is that applicant never produced any credible evidence that it has made trademark use of its mark on the goods, i.e., speakers and antennas. Opposer asserts that applicant never proved that it had made use of SOUND EFFECTS as a trademark for its goods, as opposed to a service mark for its store services. Opposer states that an applicant must submit with its application specimens of the mark as used; that applicant has failed to file specimens which show use of the mark on the goods; and that "applicant's failure to file such specimens, showing the manner in which SOUND EFFECTS has allegedly been used by it on speakers or antennas, cannot be cured by the uncorroborated testimony of its president that SOUND EFFECTS has been used as a mark on those goods." Reply brief, pp. 3-4.

We should point out that, unless an applicant's use of its mark has been put in issue, an applicant does not have to affirmatively prove, during an opposition proceeding, that it has used its mark on the goods identified in the application. Moreover, the question of the acceptability of the specimens submitted with an application (as opposed to

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P. 15(b). Applicant's repeated statements to opposer, from the time of the discovery phase of this proceeding, that it would make the necessary amendment to the identification, showed that it was unaware that fraud was an issue in the proceeding, or that it was required to defend against such a ground.

whether applicant used its mark in commerce) is not a proper ground for opposition. See **Century 21 Real Estate Corp. v. Century Life of America**, 10 USPQ2d 2034 (TTAB 1989), reversed on other grounds, 970 F.2d 874, 23 USPQ2d 1698 (Fed. Cir. 1992). Thus, before we can consider whether applicant has made proper use of its mark on its goods, we must determine whether this unpleaded issue was tried, such that the pleadings should be deemed amended pursuant to Fed. R. Civ. P. 15(b).

After reviewing the record, we find that this issue was not tried by consent of the parties. The depositions taken by opposer, although the parties stipulated they could be used as testimony, were discovery depositions which are, by their very nature, far-reaching. The fact that opposer asked about the types of labels used by applicant did not give applicant notice that the question of whether applicant had used SOUND EFFECTS as a trademark for speakers and antennas was in issue. The statements made in applicant's brief show that, if it had been aware that there was a need to do so, it would have provided photographs showing the use of its mark on its goods. In general, the Board disfavors the practice of parties' waiting until their final briefs to assert unpleaded grounds. In this particular case, we find no excuse for opposer, which had obtained during discovery the information upon which it based the two unpleaded

grounds raised in its brief, not to have moved to amend its pleadings prior to the trial stage of this proceeding if it wished to assert these grounds.

This brings us to a consideration of the single ground pleaded in the notice of opposition: Is SOUND EFFECTS merely descriptive of "automotive, commercial and residential sound equipment, namely, speakers and antennas"? Opposer's evidence and argument on this point has been, to say the least, minimal. The only evidence opposer has submitted on this point is an Office action which opposer received when opposer itself attempted to register SOUNDEFFECTS as a trademark for loudspeakers and loudspeaker systems. Opposer had at one point taken the position that SOUNDEFFECTS was an acceptable trademark, using a "TM" symbol with the term on its own promotional materials and packaging, and had filed an application for this mark in the Patent and Trademark Office in 1993. In the first Office action the Trademark Examining Attorney refused registration on the ground that the mark was merely descriptive of opposer's goods, and attached to that action excerpts taken from the NEXIS database. Opposer decided not to contest that refusal, and the application was abandoned. It is these NEXIS excerpts which we must now consider in determining whether opposer has proved that applicant's mark SOUND EFFECTS is merely descriptive.

We have carefully reviewed the NEXIS materials. Although several of the excerpts seem to be irrelevant (for, example, some were included in the Office action merely because the excerpt contained both the word "speaker" and "sound effects"[5]), the NEXIS evidence does include the following:

> Home theaters call for speakers that are equally suited to movie dialogue, sound effects and orchestral music. This apparent conflict is elegantly resolved in such models as the KEF Reference Series and the Infinity "Kappa" line.
> "The New York Times," April 4, 1993

> Headline: How to Get Great Sound Out of Small Speakers ... It contains a very high excursion, 10-inch driver, allowing it to reproduce explosive sound effects with ease.
> "The San Francisco Chronicle," February 21, 1990

> These surround-sound speakers aim to recreate the sound effects you hear at the movies—effects that put you in the midst of the action.
> "Consumer Reports," March 1992

> ... sound requires at least four separate speakers, two in front of the viewer and two in back. The rear speakers serve primarily to render sound effects and create a sense of aural ambiance for the scene being watched.
> "The New York Times," October 13, 1991

> ... with the appropriate decoding equipment it is possible to direct dialogue, sound effects and background music to various speakers in front, in back and at the sides of the viewing room. The subjective result is virtually equivalent to a theater presentation.

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[5] For example, an excerpt from the February 12, 1990 "Automotive Times" states, "Closed captions translate spoken dialogue into printed words on the screen, identify speakers and indicate other information such as sound effects and mood music."

"The New York Times," December 31, 1989

A mark is merely descriptive, and thus unregistrable under Section 2(e)(1) of the Trademark Act, if, as used in connection with the identified goods, it immediately conveys information about an ingredient, quality, characteristic, feature, etc. thereof, or if it directly conveys information regarding the nature, function, purpose, or use of the goods. See **In re Abcor Development Corp.**, 588 F.2d 811, 200 USPQ 215 (CCPA 1978).

The NEXIS excerpts quoted above show that SOUND EFFECTS, as applied to speakers, directly conveys information about a characteristic of those speakers, namely, that they are capable of and/or are suitable for reproducing sound effects. Thus, we find that SOUND EFFECTS is merely descriptive of, at least, residential and commercial speakers.

Applicant has argued that most of the NEXIS articles refer to "Surround Sound and Loudspeakers for Home Entertainment Systems", such as those on which opposer intended to use its mark, and not to speakers such as those sold by applicant. Brief, p. 7. However, applicant's identification is for "automotive, commercial and residential sound equipment, namely, speakers and antennas." As identified, applicant's goods must be deemed to include both commercial and residential sound equipment used for

"Surround Sound" and/or having speakers good at reproducing sound effects.

We have also taken note of applicant's argument that opposer has taken the position that applicant's mark is merely descriptive as a strategy:

> It is apparent that, but for Applicant's application, and prior use, Opposer thought itself entitled to the mark and found it "distinctive". Once Opposer determined that Applicant's use predated its own, Opposer decided it was strategically better to abandon its own application and file this Opposition. Opposer decided to acquiesce to the trademark Examiner's decision in response to Opposer's application to register the mark notwithstanding that the examiner's decision clearly stated, "Although the examining attorney has refused registration, the applicant may respond to the refusal to register by submitting evidence and arguments in support of registration." It is clear Opposer's motive, it's in Opposer's best interest to have the mark "SOUND EFFECTS" determined descriptive verse [sic] distinctive because of the pending infringement suit.
> Applicant's brief, p. 6.

We note that opposer abandoned its application after applicant had filed the present application, and that applicant's application claims a date of first use significantly earlier than the filing date of opposer's intent-to-use application. We also note that in much of its advertising material, opposer uses the term SoundEffects in the manner of a trademark. Indeed, if the only evidence on the issue of descriptiveness were opposer's assertedly descriptive use, the outcome in this case might well have been different. However, here the evidence, in the form of the NEXIS excerpts, shows that the term is merely

descriptive of sound equipment, namely speakers. Thus, whether or not opposer has taken the position that SOUND EFFECTS is merely descriptive of applicant's goods as a strategic move (and we make no finding on this point), our finding herein is based on the evidence of descriptiveness as shown by the entire record. Cf., **Levi Strauss & Co. v. R. Josephs Sportswear Inc.**, 28 USPQ2d 1464 (TTAB 1993), req. for recon. denied, 36 USPQ2d 1328 (TTAB 1994).

Finally, in response to another of applicant's arguments, we would point out that the issue is not whether "the consuming public refers to 'SOUND EFFECTS' as a distinctive mark" based on opposer's use. We are not concerned here with whether SOUND EFFECTS may have acquired distinctiveness as opposer's trademark, just whether applicant's mark is merely descriptive of its goods.[6]

In conclusion, because applicant's mark is found to be merely descriptive of one of the items listed in the identification of goods, registration must be refused.

[6] Similarly, the issue of whether applicant's mark has acquired distinctiveness as a result of its use is not before us either.

Decision: The opposition is sustained on the ground of mere descriptiveness.

R. F. Cissel

E. J. Seeherman

E. W. Hanak
Administrative Trademark Judges
Trademark Trial and Appeal Board