THIS OPINION IS NOT A PRECEDENT OF THE TTAB

Hearing: January 26, 2021 Mailed: March 2, 2021

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Kudos Inc.

v.

Kudo, Inc. dba Kudo Technologies

Opposition No. 91240097

Benjamin Ashurov and Neil A. Smith, of KB Ash Law Group P.C., for Kudos, Inc.

Jacqueline M. Lesser of Baker & Hostetler LLP, for Kudo, Inc. dba Kudo Technologies.

Before Wolfson, Heasley, and Coggins, Administrative Trademark Judges.

Opinion by Wolfson, Administrative Trademark Judge:

Applicant, Kudo, Inc. dba Kudo Technologies, seeks registration on the Principal Register of the standard character mark KUDO for "Downloadable software for enabling online conferencing in multiple languages" in International Class 9 and "Software as a service (SAAS) services featuring software for enabling online conferencing in multiple languages" in International Class 42.1

Opposer, Kudos Inc., has opposed registration of Applicant's mark under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), claiming priority and likelihood of confusion with its standard character mark KUDOS, which is the subject of five pleaded registrations:²

Reg. No. 4190212 for "Internet-based social networking services" in International Class 45;³

Reg. No. 4224053 for "Software as a Service (SaaS) services featuring peer-to-peer software in the field of an employee recognition and reward system that incorporates the allocation and collection of points that are associated to messages that recognize individuals achievements. efforts attitudes as well and asdemonstrated skills that are in alignment with corporate objectives to enhance communication, collaboration and employee engagement to drive corporate performance" in International Class 42;4

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¹ Application Serial No. 87430346 was filed on April 28, 2017, based upon Applicant's allegation of first use of its mark and first use in commerce at least as early as April 12, 2017 on or in connection with the Class 9 goods under Section 1(a) of the Trademark Act, 15 U.S.C. § 1051(a), and based on Applicant's bona fide intention to use the mark in commerce in association with the Class 42 services under Section 1(b) of the Trademark Act, 15 U.S.C. § 1051(b).

² Reg. Nos. 5870820 and 5870821 were pleaded as pending applications, Serial Nos. 87680112 and 87680157, 16 TTABVUE. They issued October 1, 2019, prior to trial. Accordingly, amendment of the notice of opposition is not necessary, as pleading the applications provided sufficient notice to Applicant. *UMG Recordings Inc. v. O'Rourke*, 92 USPQ2d 1042, 1045 n.12 (TTAB 2009).

Page references to the application record are to the downloadable .pdf version of the USPTO's Trademark Status & Document Retrieval (TSDR) system. References to the briefs and orders on appeal are to the Board's TTABVUE docket system.

³ Issued August 14, 2012; Sections 8 and 15 combined declaration accepted and acknowledged.

⁴ Issued October 16, 2012; Sections 8 and 15 combined declaration accepted and acknowledged.

Reg. No. 4641604 for "Computer application software for mobile phones, portable media players, handheld computers, namely, software for use in the provision of recognition, feedback, and review of employee, enterprise, product, and business performances" in International Class 9;⁵

Reg. No. 5870820 for "Computer application software for mobile phones, handheld computer and portable media devices, namely, software for use in group collaboration in connection with an online social network; Computer application software for mobile phones, handheld computer and portable media devices, namely, software for use in uploading and sharing of digital files, user directories, photographs, images, videos, messages, emojis, and stickers in connection with an online social network; Computer application software for mobile phones, handheld computer and portable media devices, namely, software for use in preparing and publishing digital content in the form of user profiles, blogs, image galleries, newsletters, public announcements, and invitations in connection with an online network; Computer application software for mobile phones, handheld computer and portable media devices, namely, software for use in preparing and publishing digital leader boards in connection with an online social network; Computer application software for mobile phones, handheld computer and portable media devices, namely, software for use in generating, tracking, and reporting information, analytics and statistics relating to employee performance, activity and engagement" in International Class 9;6 and

Reg. No. 5870821 for "Software as a service (SAAS) services featuring software for use in group collaboration in connection with an online social network; Software as a service (SAAS) services featuring software for use in uploading and sharing of digital files, user directories, photographs, images, videos, messages, emojis, and stickers in connection with an online social network; Software as a service (SAAS) services featuring software for use in in preparing and publishing digital content in the form of user profiles, blogs, image galleries, newsletters,

⁵ Issued November 18, 2014.

⁶ Issued October 1, 2019.

public announcements, and invitations in connection with an online social network; Software as a service (SAAS) services featuring software for use in preparing and publishing digital leader boards in connection with an online social network; Software as a service (SAAS) services featuring software for use ingenerating [sic], tracking, and reporting information, analytics and statistics relating to employee performance, activity and engagement" in International Class 42.7

Opposer also alleges that Applicant was not using the subject KUDO mark in commerce on the Class 9 goods at the time Applicant filed its involved application, as required under Trademark Act Section 1(a), 15 U.S.C. § 1051(a).8

Applicant, in its Answer, denied the salient allegations of the Notice of Opposition.⁹ The matter is fully briefed. An oral hearing was held on January 26, 2021.

I. The Record

The record comprises the pleadings, the file of Applicant's opposed Application under Trademark Rule 2.122(b), 37 C.F.R. § 2.122(b), and the following:

Opposer's Evidence

- Declaration of Tom Short, Opposer's cofounder and current Chief Customer Officer. 41 TTABVUE.
- Declaration of Muni Boga, Opposer's Chief Executive Officer, and

⁷ Issued October 1, 2019.

⁸ Notice of Opposition, 1 TTABVUE, as amended to assert nonuse, 16 TTABVUE. The Board concluded that Opposer's allegations of nonuse were sufficient with respect to Applicant's Class 9 goods only, finding the claim that the entire application is void due to nonuse to be futile.

⁹ Answer, 6 TTABVUE, as amended 34 TTABVUE. The Board deemed Applicant's answer to include a specific denial of Opposer's nonuse claim in the Board order granting Opposer's motion to amend its Notice of Opposition. 33 TTABVUE.

- accompanying Exhibits. 42 TTABVUE, confidential version 39 TTABVUE.
- First Notice of Reliance on Opposer's pleaded registrations and official documents. 45 TTABVUE.
- Second Notice of Reliance on Applicant's written discovery responses; excerpts from discovery depositions taken of Fardad Zabetian and Ewandro Magalhaes; Internet materials; and Applicant's marketing materials. 46 TTABVUE, confidential version 47 TTABVUE.
- Third Notice of Reliance on Opposer's website materials. 48 TTABVUE.
- Fourth Notice of Reliance on dictionary definitions; Internet excerpts; and examples of third-party uses and registrations. 49 TTABVUE.

Applicant's Evidence

- Declaration of Fardad Zabetian, Applicant's founder, and accompanying Exhibits. 50 TTABVUE, confidential version 52 TTABVUE.
- Testimonial Declaration of Ewandro Magalhaes, Applicant's co-founder and Vice President of Communications, and accompanying Exhibits. 51 TTABVUE, confidential version 53 TTABVUE.
- First Notice of Reliance on Opposer's written discovery responses; Opposer's marketing materials; and Internet materials. 54 TTABVUE.

Opposer's Rebuttal Evidence

- Rebuttal Declaration of Muni Boga, and accompanying Exhibits.
 61 TTABVUE.
- Rebuttal Declaration of Tom Short. 62 TTABVUE.
- Fifth Notice of Reliance on official records; Internet materials; a dictionary definition; and further excerpts from Zabetian's discovery deposition. 63 TTABVUE.

II. Evidentiary Objections

Opposer objects to a number of statements made by Applicant's witnesses and to the introduction of material from the Internet. 69 TTABVUE 55-6. As none of the evidence on which Opposer bases its objections is outcome-determinative, we decline to address the objections individually. Suffice it to say we have given the witnesses' statements due consideration as warranted, bearing in mind that we do not consider legal conclusions or the opinions of lay witnesses. See, e.g., Interstate Brands Corp. v. Celestial Seasonings, Inc., 576 F.2d 926, 198 USPQ 151, 153-54 (CCPA 1978) (likelihood of confusion is a legal conclusion; "under no circumstances may a party's opinion . . . relieve the decision maker of the burden of reaching [its] own ultimate conclusion on the entire record"); Harco Labs., Inc. v. Decca Navigator Co., 150 USPQ 813, 814 n.2 (TTAB 1966) (the Board cannot rely on admissions stating legal conclusions). The Internet evidence is considered for what it shows on its face. Spiritline Cruises LLC v. Tour Mgmt. Servs., 2020 USPQ2d 48324, *2 (TTAB 2020) ("[W]e consider Internet printouts and other materials properly introduced under a notice of reliance without supporting testimony only for what they show on their face rather than for the truth of the matters asserted therein.") (citing Safer, Inc. v. OMS Invs., Inc., 94 USPQ2d 1031, 1039 (TTAB 2010). See also Trademark Rule 2.122(e)(2), 37 C.F.R. § 2.122(e)(2).

III. Entitlement to a Statutory Cause of Action

A plaintiff's entitlement to a statutory cause of action, formerly referred to as "standing," is a threshold issue in every inter partes case. *See Corcamore, LLC v. SFM, LLC*, 978 F.3d 1298, 2020 USPQ2d 11277 (Fed. Cir. 2020); *Australian*

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¹⁰ Our decisions have previously analyzed the requirements of §§ 1063 and 1064 under the rubric of "standing." We now refer to this inquiry as entitlement to a statutory cause of action. Despite the change in nomenclature, our prior decisions and those of the Federal Circuit interpreting "standing" under §§ 1063 and 1064 remain applicable.

Therapeutic Supplies Pty. Ltd. v. Naked TM, LLC, 965 F.3d 1370, 2020 USPQ2d 10837 (Fed. Cir. 2020); Empresa Cubana Del Tabaco v. Gen. Cigar Co., 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014). To establish entitlement to a statutory cause of action, a plaintiff must demonstrate: (i) an interest falling within the zone of interests protected by the statute and (ii) proximate causation. Corcamore, 2020 USPQ2d 11277 at *4. See also Empresa Cubana, 111 USPQ2d at 1062; Ritchie v. Simpson, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999); Lipton Indus., Inc. v. Ralston Purina Co., 670 F.2d 1024, 213 USPQ 185, 189 (TTAB 1982).

Because Opposer has properly introduced into evidence copies of its pleaded registrations showing the current status of and title to the registrations, ¹¹ Opposer has established its entitlement to a statutory cause of action. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Primrose Ret. Cmtys.*, *LLC v. Edward Rose Senior Living*, *LLC*, 122 USPQ2d 1030, 1032 (TTAB 2016) (entitlement established based on pleaded registration made of record).

Once a plaintiff has established its entitlement to a statutory cause of action for one ground, it has the right to assert any other grounds. Because Opposer has established its entitlement to assert a Section 2(d) claim, it may assert its nonuse claim. See Sock It To Me, Inc. v. Aiping Fan, 2020 USPQ2d 10611, *1 (TTAB 2020); Corporacion Habanos SA v. Rodriguez, 99 USPQ2d 1873, 1877 (TTAB 2011); Enbridge, Inc. v. Excelerate Energy LP, 92 USPQ2d 1537, 1543 n.10 (TTAB 2009).

¹¹ Notice of Reliance, 45 TTABVUE 5-43.

Applicant does not dispute Opposer's entitlement to a statutory cause of action or its right to assert its nonuse claim.

IV. Priority

Opposer's pleaded registrations are of record, and Applicant did not counterclaim to cancel any one of them. Thus, priority is not at issue as to the mark and goods and services covered by the registrations. *King Candy Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108, 110 (CCPA 1974); *L'Oreal S.A. v. Marcon*, 102 USPQ2d 1434, 1436 n.7 (TTAB 2012).

V. Likelihood of Confusion

We base our determination of likelihood of confusion under Section 2(d) on an analysis of all of the probative facts of record. *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973) ("*DuPont*"). In assessing likelihood of confusion, we consider each *DuPont* factor for which there is evidence and argument. *In re Guild Mortg. Co.*, 912 F.3d 1376, 129 USPQ2d 1160, 1161-62 (Fed. Cir. 2019). "Not all of the *DuPont* factors are relevant to every case, and only factors of significance to the particular mark need be considered." *Cai v. Diamond Hong, Inc.*, 901 F.3d 1367, 127 USPQ2d 1797, 1800 (Fed. Cir. 2018) (quoting *In re Mighty Leaf Tea*, 601 F.3d 1342, 94 USPQ2d 1257, 1259 (Fed. Cir. 2010)).

Varying weights may be assigned to each *DuPont* factor depending on the evidence presented in a particular case. *See Citigroup Inc. v. Capital City Bank Grp. Inc.*, 637 F.3d 1344, 98 USPQ2d 1253, 1261 (Fed. Cir. 2011); *In re Shell Oil Co.*, 992 F.2d 1204, 26 USPQ2d 1687, 1688 (Fed. Cir. 1993) ("the various evidentiary factors may play more or less weighty roles in any particular determination"). "In any likelihood of

confusion analysis, two key considerations are the similarities between the marks and the similarities between the goods and services." *In re Chatam Int'l Inc.*, 380 F.3d 1340, 71 USPQ2d 1944, 1945 (Fed. Cir. 2004), *cited in Ricardo Media Inc. v. Inventive Software*, *LLC*, 2019 USPQ2d 311355, *5 (TTAB 2019).

We focus our analysis, as have the parties, on Opposer's KUDOS mark as registered for "Internet-based social networking services." If likelihood of confusion is found as to this mark, it is unnecessary to consider Opposer's mark as used on other, less related, goods and services. *In re I-Coat Co., LLC*, 126 USPQ2d 1730, 1734 (TTAB 2018) (citing *In re Max Capital Grp. Ltd.*, 93 USPQ2d 1243, 1245 (TTAB 2010)).

A. Strength of Opposer's Mark

In determining the strength of a mark, we consider both its inherent strength based on the nature of the mark itself and its commercial strength, based on the marketplace recognition value of the mark. See In re Chippendales USA, Inc., 622 F.3d 1346, 96 USPQ2d 1681, 1686 (Fed. Cir. 2010) ("A mark's strength is measured both by its conceptual strength (distinctiveness) and its marketplace strength (secondary meaning)."); Tea Bd. of India v. Republic of Tea Inc., 80 USPQ2d 1881, 1899 (TTAB 2006).

Applicant argues that Opposer's mark KUDOS is conceptually weak because the function of the KUDOS platform is to provide compliments or praise within each network of users. As further support, Applicant submitted evidence of another business using the term "kudos" for employee recognition software. See 54 TTABVUE 41, Exhibit F. Opposer responds that its platform provides more than a rewards

solution: "The Kudos Platform is a social network, a social and culture engagement platform, a performance management system, and a centralized collaboration and communication hub" Boga Rebuttal Decl., 61 TTABVUE 6.

Taking into account the evidence as a whole, we find the primary significance of the term KUDOS as applied to Opposer's KUDOS platform is to designate a social networking tool that allows users to "give kudos" to one another. See, e.g., Short Decl., 41 TTABVUE 3 ("From the time Kudos was founded, the goal with regard to Kudos's internet-based social networking platform . . . has been to create and deliver a social networking tool that uses the capabilities of modern internet connectivity, . . . to help workforces stay engaged, united, and interested."); see also Opposer's marketing materials at 54 TTABVUE 46, Exhibit H ("Kudos is the easy to use recognition and communication system that takes employee engagement to a new level. In its simplest form, Kudos is a secure Corporate Social Network that has a recognition platform at its core. Kudos enhances individual and company performance by allowing team members, managers and leadership to connect, communicate and collaborate. Kudos supports and reinforces corporate goals and values by allowing the entire team to recognize one another for the great things they do each day.").

The mark is thus highly suggestive of Opposer's social networking services.

As to commercial strength, Opposer argues that KUDOS "has become well-known in the U.S." as a result of its use and promotion of the software. 42 TTABVUE 17. Opposer has provided sales and marketing figures under seal that show a fairly sizable income for 2019 and a reasonable amount of expense in advertising. 42 TTABVUE 17-18 (confidential 43 TTABVUE 17-18). Opposer regularly attends trade

shows in the United States and has engaged in proceedings before the USPTO and in one federal lawsuit to protect its KUDOS mark. *Id.* However, Opposer has not shown in even approximate terms its position in the relevant market or its share thereof. According to the Capterra review submitted by Applicant, there are at least 115 enterprises in the field of employee recognition software.¹²

Fame, or strength of an Opposer's mark, is not "an all-or-nothing factor." *Phelps Vineyards, LLC v. Fairmont Holdings, LLC*, 857 F.3d 1323, 122 USPQ2d 1733, 1734 (Fed. Cir. 2017). Rather, we must place Opposer's mark "along a spectrum from very strong to very weak." *Id.* (quoting *Palm Bay Imps. v. Veuve Clicquot Ponsardin Masion Fondee En 1772*, 396 F.3d 1369, 73 USPQ2d 1689, 1694 (Fed. Cir. 2005)). In doing so, we must consider Opposer's pleaded marks from the perspective of "the class of customers and potential customers" of the relevant products, in this case consumers and potential consumers of social networking software and services. *Palm Bay*, 73 USPQ2d at 1695 ("[A] mark's renown within a specific product market is the proper standard."). Given the suggestive nature of Opposer's mark, and the paucity of evidence showing Opposer's ranking within the social networking field, we accord Opposer's mark an ordinary scope of protection. The fifth and sixth *DuPont* factors are neutral.

B. Similarity of the Marks

Under the first *DuPont* factor, we determine the similarity or dissimilarity of the

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¹² A Capterra review of the "most popular" employee recognition software listed 115 businesses, including Opposer. *See* "Best Employee Recognition Software/2019 Reviews of the Most Popular Systems," at http://www.capterra.com, 54 TTABVUE 102-144 (the businesses were not listed in any particular order).

marks in their entireties, taking into account their appearance, sound, connotation and commercial impression. *DuPont*, 177 USPQ at 567; *Palm Bay*, 73 USPQ2d at 1692. "Similarity in any one of these elements may be sufficient to find the marks confusingly similar." *In re Davia*, 110 USPQ2d 1810, 1812 (TTAB 2014). "The proper test is not a side-by-side comparison of the marks, but instead 'whether the marks are sufficiently similar in terms of their commercial impression' such that persons who encounter the marks would be likely to assume a connection between the parties." *Brooklyn Brewery Corp. v. Brooklyn Brew Shop, LLC*, 2020 USPQ2d 10914, *18 (TTAB 2020) (citing *Coach Servs. Inc. v. Triumph, Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1721 (Fed. Cir. 2012)).

Applicant's mark is the term "KUDO." Opposer's mark is the plural of KUDO, i.e., "KUDOS." "It is well established that trademarks and/or service marks consisting of the singular and plural forms of the same term are essentially the same mark." Weider Publ'ns, LLC v. D&D Beauty Care Co., 109 USPQ2d 1347, 1355 (TTAB 2014); see also Wilson v. Delaunay, 245 F.2d 877, 114 USPQ 339, 341 (CCPA 1957) (finding no material difference between the singular and plural forms of ZOMBIE such that the marks were considered the same mark); In re Pix of Am., Inc., 225 USPQ 691, 692 (TTAB 1985) (finding NEWPORTS for shoes and NEWPORT for outer shirts "almost totally insignificant" in terms of likelihood of confusion among purchasers).

Because of the shared element KUDO, the marks are similar in sight and sound. Applicant argues that "the marks carry different commercial impressions," 71 TTABVUE 29, in that KUDO is a word in a number of foreign languages such as Greek, Japanese, and in particular, "is Albanian for 'everywhere, anywhere, all

around, at every turn, throughout the land," 50 TTABVUE 17. The record does not support a finding that prospective consumers would be aware of the various meanings of the word KUDO. The dictionary evidence submitted by Opposer supports a finding that both KUDO and KUDOS have essentially the same meaning. KUDOS means "praise given for achievement; fame and renown resulting from an act or achievement; prestige." KUDO means "award, honor, compliment, praise." And while "[s]ome commentators hold that since *kudos* is a singular word it cannot be used as a plural and that the word *kudo* is impossible,

kudo does exist; it is simply one of the most recent words created by back-formation from another word misunderstood as a plural. Kudos was introduced into English in the 19th century; it was used in contexts where a reader unfamiliar with Greek could not be sure whether it was singular or plural. By the 1920s it began to appear as a plural, and about 25 years later kudo began to appear. It may have begun as a misunderstanding, but then so did cherry and pea.

At https://www.merriam-webster.com/dictionary/kudo, Opposer's Fourth Notice of Reliance, 49 TTABVUE 10.

While there is no explicit rule that we must automatically find marks similar when one party's mark incorporates the entirety of the other party's mark, the fact that Opposer's mark does incorporate Applicant's mark increases the similarity between them. See In re Mighty Leaf Tea, 601 F.3d 1342, 94 USPQ2d 1257, 1260 (Fed. Cir. 2010) (applicant's mark ML is similar to registrant's mark ML MARK LEES);

¹³ Definition of Kudos by MERRIAM-WEBSTER online dictionary at https://www.merriam-webster.com/dictionary/kudos, Opposer's Fourth Notice of Reliance, 49 TTABVUE 12.

¹⁴ Definition of Kudo by MERRIAM-WEBSTER online dictionary at https://www.merriam-webster.com/dictionary/kudo, Opposer's Fourth Notice of Reliance, 49 TTABVUE 8.

China Healthways Inst. Inc. v. Xiaoming Wang, 491 F.3d 1337, 83 USPQ2d 1123, 1125 (Fed. Cir. 2007) (applicant's mark CHI PLUS is similar to opposer's mark CHI both for electric massagers); In re Toshiba Med. Sys. Corp., 91 USPQ2d 1266, 1271 (TTAB 2009) (applicant's mark VANTAGE TITAN for medical magnetic resonance imaging diagnostic apparatus confusingly similar to TITAN for medical ultrasound diagnostic apparatus).

The first *DuPont* factor favors a finding of likelihood of confusion. We find the marks are similar in their entireties as to appearance, sound, connotation and commercial impression.

C. Similarity of the Goods and Services

The second *DuPont* factor concerns the similarity or dissimilarity and nature of the goods or services as described in Applicant's application and Opposer's registrations. *See Stone Lion Capital Partners, LP v. Lion Capital LLP*, 746 F.3d 1317, 110 USPQ2d 1157, 1159 (Fed. Cir. 2014). This factor considers whether "the consuming public may perceive [the respective goods and services of the parties] as related enough to cause confusion about the source or origin of the goods and services." *In re St. Helena Hosp.*, 774 F.3d 747, 113 USPQ2d 1082, 1086 (Fed. Cir. 2014) (quoting *Hewlett-Packard Co. v. Packard Press, Inc.*, 281 F.3d 1261, 62 USPQ2d 1001, 1004 (Fed. Cir. 2002) ("Even if the goods and services in question are not identical, the consuming public may perceive them as related enough to cause confusion about the source or origin of the goods and services.")).

"The goods [and/or services] need only be sufficiently related that consumers would be likely to assume, upon encountering the goods under similar marks, that

the goods originate from, are sponsored or authorized by, or are otherwise connected to the same source." *In re Davia*, 110 USPQ2d 1810, 1815 (TTAB 2014) (citing *Coach Servs. v. Triumph Learning*, 101 USPQ2d at 1722). Where, as here, the involved marks are virtually identical, it is necessary only that there be a viable relationship between the goods and services to support a finding of likelihood of confusion. *See Shell Oil*, 26 USPQ2d at 1689; *Mini Melts, Inc. v. Reckitt Benckiser LLC*, 118 USPQ2d 1464, 1471 (TTAB 2016).

Applicant has applied to register the mark KUDO for "downloadable software for enabling online conferencing in multiple languages" and "software as a service (SAAS) services featuring software for enabling online conferencing in multiple languages." As noted, in determining whether Applicant's goods and services are related to Opposer's goods and services, we focus on Opposer's registration for "Internet-based social networking services." As Opposer explains, this recitation covers its primary product, an "internet-based social networking, collaboration, and communication platform." Opposer's Brief, 69 TTABVUE 9. Opposer argues that Applicant's software "for enabling online conferencing in multiple languages" and its services featuring such software fall within the scope of Opposer's social networking services "because online conferencing is one of the key means used to conduct the 'networking' element of social networking software." *Id.*

Applicant disagrees, noting that Applicant's KUDO technology, the subject of a pending published patent application, 26 TTABVUE 2-22, is directed to "specific types of conferences and meetings where multilanguage simultaneous translation services are necessary." Applicant's Brief, 70 TTABVUE 13. Applicant's product

exists in "the field of conference interpretation," utilizing "over 5,014 simultaneous interpreters who have completed the KUDO onboarding seminar," 70 TTABVUE 14, and is purchased by such multinational organizations as the United Nations General Assembly, the International Monetary Fund, and the World Bank. *Id.* at 15-16. Accordingly, Applicant contends, the goods and services are disparate.

In rebuttal, Opposer asserts that Applicant's software does more than deliver simultaneous language translation at widely attended multinational conferences. Opposer argues that Applicant's software could be used "for things like business meetings, presentations, and employee training." 72 TTABVUE 5. Opposer points to Applicant's public announcement that its integration of the KUDO platform with Microsoft Teams "will make it easy for multinational partners on Microsoft Teams to reach out to global coworkers and partners." (citing Opposer's January 23, 2020 press release, 48 TTABVUE 362). Opposer contends this underscores that the KUDO platform also provides a means for online intrabusiness communications, which forms the core of Opposer's KUDOS platform.

Opposer further asserts that its KUDOS software is used for "web-conferencing in multiple languages." Boga Decl., 42 TTABVUE 12. It "is made available now in 9 languages that include French, Spanish, Portuguese, Greek, Czech, Arabic, Farsi, Japanese and English." *Id.* Although the KUDOS platform "currently does not offer translation of text-based messages," 69 TTABVUE 22, it "formerly featured a button that when clicked performed automated translation of text-based messages." 61 TTABVUE 11. Opposer asserts, "We expect to reinstate this feature in the near future using improved technology." *Id.*

"The authority is legion that the question of registrability of an applicant's mark must be decided on the basis of the identification of goods set forth in the application[,] regardless of what the record may reveal as to the particular nature of an applicant's goods " Real Foods Pty Ltd. v. Frito-Lay N. Am., Inc., 906 F.3d 965, 981, 128 USPQ2d 1370, 1379 (Fed. Cir. 2018) (citing In re Cordua Rest., 823 F.3d 594, 602, 118 USPQ2d 1632 (Fed. Cir. 2016) (internal quotation marks and citation omitted); see also Stone Lion, 110 USPQ2d at 1161-62 ("the question of registrability of an applicant's mark must be decided on the basis of the identification of goods set forth in the application"); In re La Peregrina Ltd., 86 USPQ2d 1645, 1647 (TTAB 2008) ("it is the identification of goods that controls, not what extrinsic evidence may show about the specific nature of the goods."). The wording "online conferencing in multiple languages" is broad enough to cover a program where multiple languages are supported although not translated. Thus, Applicant's software and SAAS services featuring such software overlap with Opposer's social networking services allowing online conferences to be conducted in different languages.

To the extent "online conferencing in multiple languages" is construed as limited to providing simultaneous language translation, Opposer contends that such services are related to translators provided by social networking platforms such as Skype and Microsoft Teams. "Opposer submitted a screenshot of its mobile application and desktop user home page that shows the KUDOS interface includes an integration with Skype." 61 TTABVUE 15-16. Opposer "understand[s] that Skype has recently introduced Skype Translator, which could enable translation of Skype calls initiated from within the Kudos Platform." *Id.* at 15. Opposer supports its understanding with

a copy of a page from Skype's website, at www.skype.com, advertising a "voice translator" that purportedly can "translate conversations in 10 languages," and a "text translator" that is purportedly available "in more than 60 languages." 63 TTABVUE 71. With regard to Microsoft Teams, the Internet materials submitted by Opposer include a copy of a page from the website that invites users to "learn how to ... turn on language translation, and share files." At www.microsoft.com/en-us/microsoft-365/microsoft-teams/group-chat-software, 63 TTABVUE 88.

The Internet materials are unsupported by testimony attesting to the translation claims made in the web pages. Thus, with regard to the actual translation capabilities of Skype or Microsoft Teams, we do not view this evidence for the truth of the matter stated therein. Its limited probative value does show that the public has been exposed to advertising from social networking sites that tout their ability to translate messages within the network, including online conferencing. The evidence is insufficient, however, to show that these websites approximate Applicant's highly technical simultaneous translation software and related SAAS services, even in a rudimentary way. Opposer has not shown that its social networking platform is related to software or SAAS services that enable simultaneous language translation of online conferences.

Opposer argues that the "line between social networking and videoconferencing has been blurred significantly over the past several years;" that a number of social networks have incorporated videoconferencing capability; and that adding video translation capabilities "performed by machines and/or humans" would "be squarely on the path of the natural and logical expansion of the Kudos Platform." 69

TTABVUE 23-24. "As communications technologies expand, so will the communications methods that are incorporated into and used by the Kudos Platform." Boga Rebuttal Decl., 61 TTABVUE 8.

"Under the doctrine of natural expansion, the first user of a mark in connection with particular goods or services possesses superior rights in the mark not only as against subsequent users of the same or similar mark for the same or similar goods or services, but also as against subsequent users of the same or similar mark for any goods or services which purchasers might reasonably expect to emanate from it in the normal expansion of its business under the mark." *Mason Eng'g and Design Corp. v. Mateson Chem. Corp.*, 225 USPQ 956, 962 (TTAB 1985). The application of the doctrine is strictly limited to those cases where the expansion, whether actual or potential, is "natural," that is, where the goods or services of the subsequent user, on the one hand, and the goods or services as to which the first user has prior use, on the other, are of such nature that purchasers would generally expect them to emanate from the same source. *Mason Eng'g*, 225 USPQ at 962 (citing *Sheller-Globe Co. v. Scott Paper Co.*, 204 USPQ 329 (TTAB 1979)).

Among the factors to be considered in determining whether an expansion is natural are:

- (1) whether the second area of business (that is, the subsequent user's area of business, into which the first user has or potentially may expand) is a distinct departure from the first area of business (of the prior user), thereby requiring a new technology or know-how, or whether it is merely an extension of the technology involved in the first area of business;
- (2) the nature and purpose of the goods or services in each area;

- (3) whether the channels of trade and classes of customers for the two areas of business are the same, so that the goodwill established by the prior user in its first area of business would carry over into the second area; and
- (4) whether other companies have expanded from one area to the other.

Mason Eng'g, 225 USPQ at 962.

Although Opposer has shown that some social networking services offer textmessaging translation, none offer simultaneous translation of videoconferences. Applicant has shown that to do so requires a significant investment in human capital, requiring trained bilingual interpreters, who must take "an average of two years of hard work to expand their vocabulary and master the skills necessary to become a conference interpreter." Magalhaes Decl., 51 TTABVUE 8. Traditionally, the technology requires "sophisticated hardware installation to enable clear multichannel audio distribution including digital conference microphones, digital infrared receivers, and ISO-standard equipment for interpreters with soundproof booths." *Id.* Today, using cloud-based videoconferencing, "[t]he KUDO solution still requires expert-level skills and coordination services that command a high premium compared to regular videoconferencing platforms." *Id.* In contrast, the "multilingual capabilities of the Kudos Platform include providing users with the ability to translate the entire user interface of the platform into one of the nine supported languages." 69 TTABVUE 22. Being able to modify the user interface so that the viewer sees it in

one of nine different languages is a far cry from having a user speak in his or her own language and have the recipient hear it in a different language. 15

Although Opposer has not shown that expansion into Applicant's business would be considered a natural extension of knowledge, expertise, or technology Opposer currently possesses, Opposer has shown that social networking platforms enable online conferencing and that some platforms are capable of translating text messages. There is thus a viable relationship between social networking services and Applicant's goods and SAAS services of enabling "online conferences in multiple languages."

The second *DuPont* factor, the similarity of the goods and services, favors a finding of likelihood of confusion.

D. Trade Channels and Classes of Customers

The third *DuPont* factor considers "[t]he similarity or dissimilarity of established, likely-to-continue trade channels." *DuPont*, 177 USPQ at 567. Like the second factor, the third factor "must be evaluated with an eye toward the channels specified in the application and registration, not those as they exist in the real world." *In re Detroit Ath. Co.*, 903 F.3d 1297, 128 USPQ2d 1047, 1052 (Fed. Cir. 2018) (citing *i.am.symbolic*, *llc*, 866 F.3d 1315, 123 USPQ2d 1744, 1749 (Fed. Cir. 2017)).

¹⁵ Opposer contends that its KUDOS platform "formerly featured a button that enabled automated translation of text-based messages" but that the feature was "temporarily disabled because the technology behind it was unreliable." Boga Rebuttal Decl., 61 TTABVUE 11. Opposer did not submit evidence to support its assertions, or that such capability was normal for social network platforms in general. Opposer also stated that it "expects to reinstate this feature in the near future." *Id.* Even if demonstrated, we do not consider an ability to translate text-based messages akin to a showing that Opposer could bridge the gap to the field of simultaneous translation services.

Because there are no limitations as to channels of trade or classes of purchasers in the descriptions in either Applicant's application or Opposer's registrations, we must presume that the goods and services described therein move in all channels of trade normal for such goods and services and are available to all potential classes of consumers. *Tao Licensing, LLC v. Bender Consulting Ltd.*, 125 USPQ2d 1043, 1062 (TTAB 2017) ("We presume that because Respondent's and Petitioner's identifications contain no trade channel restrictions, their goods and services travel through all usual channels of trade therefor.") (citing *In re Viterra Inc.*, 671 F.3d 1358, 101 USPQ2d 1905, 1908 (Fed. Cir. 2012). According to the testimony, the parties' goods and services travel through similar trade channels.

Applicant's KUDO platform "is available through an app and an online browser solution." Zabetian Decl., 50 TTABVUE 8. Opposer's services are also available as a SAAS platform "accessible at Opposer's website," Boga Decl., 42 TTABVUE 13, "in the form of a downloadable app," *id.* at 15, and as an "integration with third-party software products and services," accessible "directly from within the third-party software." *Id.* at 15.

Opposer's customers "have included leading multinational and national organizations like Marriott Hotels, Shell, Meals-on-Wheels America, Kronos, Terminix, Phillips, YMCA, Ring Central, Lego, DHL, Make-A-Wish, and many others." 42 TTABVUE 17. Applicant's customers are "international governmental and quasigovernmental organizations, professional associations and corporations that span different continents, which require simultaneous translation services for web meetings, press announcements, general assemblies, global trainings, and annual

conferences." 50 TTABVUE 4. Applicant's "KUDO services may also be purchased via independent language service providers, event planners, and audiovisual rental and staging companies for hybrid events." Magalhaes Decl., 51 TTABVUE 10.

We find the parties' goods and services are offered via similar trade channels to the same classes of consumers. The fourth DuPont factor favors a finding of likelihood of confusion.

E. Purchaser Sophistication

Applicant argues that its customers are sophisticated. Using its KUDO software "requires expert-level skills and coordination services that command a high premium compared to regular videoconferencing platforms." 51 TTABVUE 9. Opposer does not dispute that Applicant's customers are sophisticated, but asserts that its customers are not, and that the Board must view the issue from the perspective of the "least sophisticated consumers," 69 TTABVUE 49 and 72 TTABVUE 26 (citing *Stone Lion*, 110 USPQ2d at 1163).

As noted, Opposer's consumers include "businesses, government agencies, educational institutions and other organizations that could benefit from implementing an intracompany social network." 42 TTABVUE 5. Within the subscribing organization, users of the KUDOS platform include "management, employees, and independent contractors." *Id.* at 6. These users must be at least somewhat discerning in order to use the software. *See* 54 TTABVUE 59, Ex. K. (Opposer's marketing materials instructing users that "to get started, you will receive an invitation from your Kudos Administrator. Follow the provided link and set your password. You can then sign in with your email address and new password and start

sending Kudos!"). Moreover, the costs of a subscription to Opposer's "basic" or "plus" service are not inexpensive. ¹⁶ Opposer's customers, "which consist primarily of large and often multinational enterprises," Short Rebuttal Decl., 62 TTABVUE 5, will typically incur a significant cost to implement the KUDOS platform. *See* 54 TTABVUE 103, Exhibit O ("We service clients that range from 100 to 20,000 users in over 80 countries and 30 verticals.").

Applicant's customers are clearly sophisticated. Opposer's customers are at the least discerning, careful purchasers. *DuPont* factor four, the conditions under which and buyers to whom sales are made, favors a finding of no likelihood of confusion.

F. Actual Confusion

Applicant argues that "[g]iven the differences in the products, the fact that there is no evidence of actual confusion, and no survey evidence of likely confusion should weigh in favor of Applicant." 70 TTABVUE 51. Opposer counters that the time period of coexistence here is short and that "the absence of evidence of actual confusion should not weigh against a likelihood of confusion." Neither party presented any evidence with regard to this issue.

Accordingly, the seventh and eighth *DuPont* factors—which concern the nature and extent of any actual confusion in light of the length of time and conditions under

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¹⁶ The actual cost for a subscription is determined by the number of users, on a monthly basis. One of Opposer's flyers states that the price is \$1/User/Month plus a \$49/month licensing fee. 54 TTABVUE 51. Another says it is \$3/user/month + set up fee for Basic; \$5/user/month + set up fee for Plus. 54 TTABVUE 70. This latter flyer is dated 2019. Either way, the cost is not insignificant for a large corporation.

which there has been contemporaneous use of the parties' subject marks—are neutral.

VI. Decision

When we consider the record, the relevant likelihood of confusion factors, and all of the parties' arguments and evidence relating thereto, we conclude that consumers familiar with Opposer's Internet-based social networking services offered under the KUDOS mark would be likely to believe, upon encountering Applicant's KUDO software and SAAS services, that the goods and services originated with or are associated with or sponsored by the same entity. There is therefore a likelihood of confusion under Section 2(d) of the Trademark Act. 15 U.S.C. § 1052(d).

The opposition to registration of Applicant's mark KUDO under Section 2(d) is sustained. Having sustained the opposition on this ground, we need not reach Opposer's nonuse claim.