IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

ICON SOLUTIONS, INC.	:	CIVIL ACTION
v.	:	
IKON OFFICE SOLUTIONS, INC.	:	NO. 97-4178

MEMORANDUM AND ORDER

HUTTON, J. June 12, 1998

Presently before the Court are the parties' cross motions for summary judgment on the issue of trademark priority. For the reasons that follow, Defendant's Motion is denied, and Plaintiff's Cross-Motion is granted in part and denied in part.

I. BACKGROUND

Plaintiff ICON Solutions, Inc. charges Defendant IKON Office Solutions, Inc. with trademark infringement and unfair competition under the Lanham Act, 15 U.S.C. §§ 1114 & 1125(a) (1994), and corresponding Pennsylvania law. It claims that Defendant's use of the name and mark "IKON Office Solutions" in connection with computer-related goods and services infringes on Plaintiff's prior rights in the mark "ICON Solutions," and seeks an order permanently enjoining Defendant from doing business under that name. Defendant counterclaims that it has priority in the name due its recent acquisition of a computer hardware company named the Ikon Corporation ("Ikon Corp."), and that to the extent

an infringement has occurred, it is Plaintiff who is the infringer.[1]

A. Plaintiff's Business

In May 1990, John Louchheim, now Plaintiff's Chief Executive Officer, began conducting a computer software business out of Conshohocken, Pennsylvania, under the name and mark "ICON Solutions." On September 17, 1990, Louchheim registered the mark "ICON Solutions" with Pennsylvania's Secretary of State under the Pennsylvania Fictitious Names Act, 54 Pa. Cons. Stat. Ann §§ 311 (1997).

For the first two years of its existence, ICON Solutions was a sole proprietorship engaged in the creation of custom computer software for business applications, systems integration and network integration. (Pl.'s Mem. of Law in Supp. of its Cross Mot. for Summ. J. at 3). On December 22, 1992, Louchheim incorporated Plaintiff ICON Solutions, Inc. as a Pennsylvania business corporation, and transferred to it all of the assets of the ICON Solutions sole proprietorship, including the business name, service mark and associated good will. In corporate form, Plaintiff resumed the sole proprietorship's existing business, and expanded it to provide additional services, including: "the development, installation and maintenance of computer networks; the

[1] The Court uses the terms "tradename," "trademark," "service mark," and "mark" interchangeably, as there is no legal distinction between them for purposes of this case. See Country Floors v. Partnership of Gepner and Ford, 930 F.2d 1056, 1064 n.2 (3d Cir. 1991) (noting that § 43(a) of the Lanham Act applies the same legal standard to any source identifier).

provision and installation of computer hardware and systems; and various other computer related services." (Id.).

In the seven years between its founding and the filing of this lawsuit, Plaintiff expanded from a one-man business, operating exclusively in the Philadelphia area, to a 150 person corporation operating from five offices along the mid-Atlantic states and Florida. In 1990, Plaintiff made approximately $200,000 in sales, all within the Delaware Valley--defined to include Philadelphia, southern New Jersey and Delaware. (Id. at 4). In 1991 and 1992, Plaintiff's sales revenues increased to approximately $600,000 and $1,200,000, respectively, as the business expanded its geographic scope to include eastern Pennsylvania and the greater Harrisburg metropolitan area. (Id.).

In 1993, Plaintiff opened its second office in Harrisburg. That year its annual sales revenues increased to $2,724,120, 75% of which was attributable to eastern Pennsylvania and the Delaware Valley, and 25% of which was attributable to expansion in the New York City metropolitan area--defined to include Long Island and Connecticut. (Id.).

In 1994, Plaintiff opened its third and fourth offices in New York City and St. Petersburg, Florida, respectively. That year, its annual sales revenues increased to $5,206,110, 60% of which was attributable to the Delaware Valley market, and 40% of which was attributable to the New York City metropolitan area. (Id. at 5). In 1995, its annual sales revenues increased to $8,220,855, with 50% in the Delaware Valley, and the remainder in

the New York City metropolitan area, northern New Jersey, and the Maryland--D.C.--northern Virginia area. (Id.).

In 1996, Plaintiff opened its fifth office in Baltimore, Maryland, and its annual sales revenues again increased to $11,492,825. Of this amount, $4,510,316 was attributable to the Delaware Valley, $3,305,182 to the New York City metropolitan area, $1,124,214 to northern New Jersey, and $281,840 to the Maryland--D.C.--northern Virginia area. (Id.).

In 1997, Plaintiff opened its sixth office in northern New Jersey, but closed its Baltimore office, reducing its total number of offices to five. That year annual sales revenues again increased to $20,106,130, with $8,663,102 in the Delaware Valley and eastern Pennsylvania, $3,305,182 in the New York City metropolitan area, $1,126,249 in northern New Jersey, and $1,583,358 in the Maryland--D.C.--northern Virginia area. (Id. at 6).

Throughout this seven-year period, Plaintiff has continuously operated and promoted its business in the above defined geographic market--which it labels the Mid-Atlantic region--under the name and mark "ICON Solutions" It obtains its business primarily through word-of-mouth referrals: from software vendors, and from employees and former employees of present and former customers. (Id. at 7). Plaintiff also actively promotes its services by appearing at trade shows and conventions, participating in industry seminars, making presentations to potential customers, placing advertisements in appropriate print media, cold calling by

sales staff, telephone marketing, and networking from its existing base of customer and referral sources. (Id. at 7-8). Plaintiff targets its promotional activities primarily towards Fortune 1000 corporations that have significant operations within 100 miles of one of its five offices, and estimates the potential market for its goods and services in the Mid-Atlantic region to be worth over $1 billion annually.

B. Defendant's Business

Defendant IKON Office Solutions, Inc., previously known as the Alco Standard Corporation ("Alco Standard"), is a publicly-held corporation based in Wayne, Pennsylvania, with assets worth over $10 billion. Defendant's precedessor, Alco Standard, was one of the nation's largest distributors of copying and reprographic hardware and supplies, and also one of its largest operators of copy centers. Before 1996, Alco Standard operated an unincorporated division known as Alco Office Products ("Alco Office") that conducted all of Alco Standard's business operations except those relating to office paper products.

In 1996, as part of a strategy to reshape and modernize the company, Alco Office expanded its business into office-related computer software, hardware, and technology consulting services. To reflect this change, in February 1996, Alco Standard changed Alco Office's name to the technologically allusive "IKON Office Solutions." A year later, in January 1997, Alco Standard

officially changed its corporate name to "IKON Office Solutions, Inc."

Since 1996, Defendant has engaged in a campaign of acquiring system integration, software development and high-tech education companies, to add to its digital capabilities. (See Def.'s Mem. of Law in Supp. of Mot. for Summ. J. Ex. C). Since 1996, and especially since January 1997, Defendant has positioned itself as a national high-technology company that provides "a broad range of comprehensive 'office solutions,' including computer systems integration, hardware and software interface solutions and other products and services designed to assist in the transition of the office environment from analog to digital." (Id. at 5).

C. History of Dispute

Plaintiff first became aware of Defendant's use of the mark "IKON Office Solutions" at some point in June 1996. (See Pl.'s Compl. ¶ 20). On June 24, Plaintiff sent Alco Standard a letter advising it that its use of the mark would create confusion in Plaintiff's field of business, and requesting that Alco Standard cease its use immediately. Defendant did not respond to the letter. Instead, upon changing its corporate name in January 1997, Defendant launched a fifty million dollar national advertising campaign promoting its services, and those of its affiliates, under the name and mark "IKON Office Solutions." This campaign included advertising in the geographic markets already served by Plaintiff under its name and mark "ICON Solutions." Defendant has continued

to operate and promote its business under the name IKON Office Solutions in the sixteen months since January 1997.

D. The Ikon Corporation

In 1997, Ikon Corp. was a closely-held Washington corporation based in Seattle, Washington. (See Pl.'s Mem. of Law Ex. N ¶ 2). Incorporated on November 12, 1970 as the Northwest Communication Control Corporation, Ikon Corp. received its name by amendment of its Articles of Incorporation on August 14, 1973. (See Def.'s Mem. of Law Ex. D-6).

Since at least the early 1980's, Ikon Corp. specialized in the design and manufacture of a type of computer hardware, known as a "board level interface device," that is purchased by original equipment manufacturers ("OEMS") and incorporated in to their ultimate commercial products. Ikon Corp. specialized in interface devices that allowed computers to communicate with various hardcopy output devices, such as electrostatic plotters and printers, laser printers, color copiers, and impact printers, and also designed computer software to accompany and implement its hardware products. (See Def.'s Answer and Countercl. ¶ 56).

At some point in 1996 or early 1997, Defendant announced its name change and began advertising itself in the Seattle area as "IKON Office Solutions." (See Pl.'s Mem. of Law Ex. O ¶ 29). At some point after IKON Office Solution's entry into the Washington market, Ikon Corp. became aware that its customers and vendors were experiencing confusion between the two companies. (See id. ¶ 30).

Accordingly, on April 15, 1997, Ikon Corp. sent IKON Office Solutions a letter informing it that its new name infringed on Ikon Corp.'s mark, and threatening suit if IKON Office Solutions did not immediately cease using its infringing name.

In response, on April 29, 1997, IKON Office Solutions filed an action for a declaratory judgment in the Eastern District of Pennsylvania, seeking an Order declaring that it did not infringe on any valid trademark rights of Ikon Corp. (See id. Ex. N ¶ 17). In turn, Ikon Corp. filed a counterclaim of trademark infringement. (See id. Ex. O ¶¶ 25-54).

On September 19, 1997, the parties reached a settlement under which IKON Office Solutions resolved the claims between them by acquiring Ikon Corp. (See Def.'s Answer and Countercl. ¶ 55). The two companies completed the merger of Ikon Corp. into Defendant on September 30, 1997. Today the assets of Ikon Corp. are in an unincorporated division of Defendant called "Ikon Corporation." This division has the same employees, and produces the same products as Ikon Corp. did before the merger. (See Pl.'s Mem. of Law at 13).

II. DISCUSSION

A. Summary Judgment Standard

A court may grant summary judgment where "the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled

to a judgment as a matter of law." Fed. R. Civ. P. 56(c). In considering the motion, the court must draw all inferences in the light most favorable to the nonmovant. Big Apple BMW, Inc. v. BMW of N. Am., Inc., 974 F.2d 1358, 1363 (3d Cir. 1992), cert. denied, 507 U.S. 912 (1993). Under the Rule 56 framework, the moving party bears the initial burden of proving that there exists no triable issue of material fact. Celotex Corp. v. Catrett, 477 U.S. 317, 323 (1986). Where it has done so, the burden shifts, and the nonmovant must present affirmative proof that triable issues remain or else face summary judgment. Fed. R. Civ. P. 56(e). The non-movant cannot survive summary judgment merely by insisting on its interpretation of the facts, or by relying on unsubstantiated allegations, general denials, or vague statements. Id.; Trap Rock Indus., Inc. v. Local 825, 982 F.2d 884, 890 (3d Cir. 1992).

B. The Cross Motions for Summary Judgment on Priority

Plaintiff has not registered its mark with the United States Patent and Trademark Office. Instead, it asserts an infringement claim based upon common law trademark rights under § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a). Section 1125(a)(1) states:

> Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof ... which (A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by

> another person ... shall be liable in a civil action by any such person who believes that he or she is or is likely to be damaged by such act.

To make out a claim of infringement, a Lanham Act plaintiff must prove: (1) that the mark is valid and legally predictable, (2) the mark is owned by the plaintiff, and (3) the defendant's use of the mark to identify goods or services is likely to create confusion among consumers regarding the origin of the goods or services. See Fisons Horticulture, Inc. v. Vigoro Indus., Inc., 30 F.3d 466, 472 (3d Cir. 1994); Ford Motor Co. v. Summit Motor Products, Inc., 930 F.2d 277, 291 (3d Cir. 1991), cert. denied, 502 U.S. 939 (1991).

Where a plaintiff has federally registered its mark, and the mark has become "incontestible" under 15 U.S.C. §§ 1058 and 1065, the mark's ownership and validity is established as a matter of law. See Fisons, 30 F.3d at 472. Where a plaintiff has not registered its mark, however, the plaintiff must establish its ownership of rights in the mark by affirmative proof. See id. To prove ownership, a § 43(a) plaintiff must show that it was the first to adopt the mark and use it in commerce, and that it has used the mark continuously since. See Ford, 930 F.2d at 292.

In its Answer to Plaintiff's Complaint and Counterclaims, Defendant raises as its Eleventh Affirmative Defense that "Plaintiff's claims are barred because of Defendant's acquired trademark rights and first use of the mark at issue." (Def.'s

Answer and Countercl. ¶ 53).[2] This defense is predicated on the assumption that Defendant has trademark priority, by virtue of its acquisition of Ikon Corp. Defendant now moves for summary judgment on the issue of priority. Plaintiff opposes Defendant's Motion, and cross moves that Defendant's acquisition of Ikon Corp. does not confer it with trademark priority, and further, that Plaintiff has established its own priority in the mark and name "ICON Solutions" as a matter of law.

1. <u>Defendant's Motion</u>

The parties do not dispute that as of the date Plaintiff filed this action, June 20, 1997, Plaintiff was the first between them to use its name in the mid-Atlantic region in connection with computer-related goods and services. Neither do they dispute that as between Plaintiff and Defendant's acquiree, Ikon Corp., Ikon Corp.--which began its existence as such in 1973--was the first to use its name in commerce.[3] Instead, Defendant's First Motion for Summary Judgment presents the pure question of law of whether,

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[2] Defendant also filed a counterclaim of trademark infringement and dilution under § 43(a) and (c) of the Lanham Act, 15 U.S.C. §§ 1125 (a) & (c), and unfair competition under Pennsylvania law. However, On June 8, 1998 the parties signed a voluntary stipulation dismissing Defendant's counterclaim without prejudice.

[3] Although the parties do dispute the scope of both Ikon Corp.'s geographic and product markets, the Court's resolution of the tacking issue renders this difference immaterial.

may "tack" its acquiree's period of use onto its own for purposes of establishing the priority of the mark "IKON Office Solutions."[4]

Trademark tacking is permitted only in rare instances. See Van Dyne-Crotty, Inc. v. Wear-Guard Corp., 926 F.2d 1156, 1160 (Fed. Cir. 1991); 1 Jerome Gilson & Jeffrey M. Samuels, Trademark Protection and Practice § 3.03[2][g] (1997).[5] To be entitled to tack on the rights of an acquired or predecessor mark, the owner must meet a very rigorous standard of similarity between the two marks: "The previously used mark must be the legal equivalent of the mark in question or indistinguishable therefrom, and the

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[4] Defendant also appears to claim that by virtue of its acquisition of Ikon Corp., it has stepped into Ikon Corp.'s shoes and may enforce Ikon Corp.'s trademark rights directly against Plaintiff. (See Def.'s Answer and Countercl. ¶¶ 53-71; Def.'s Mem. of Law at 4). This is different from Defendant's principal argument in support of the mark "IKON Office Solutions." The principal position relies on Defendant's acquisition of Ikon Corp. to shore up its rights in the mark "IKON Office Solutions." This second position involves Defendant's direct enforcement of Ikon Corp.'s rights as its successor-in-interest. Defendant, however, does not pursue this second theory in its briefs. Therefore, the Court will address only the principal argument.

[5] Trademark litigants invoke the tacking doctrine in two basic situations: (1) where the litigant has modified its own mark's language or physical presentation, and argues its first use of the modified mark should relate back to that of the predecessor mark, see, e.g., Corporate Fitness Programs Inc. v. Weider Health and Fitness, Inc., 2 U.S.P.Q.2d 1682, 1687 (T.T.A.B. 1987) (denying registration applicant's bid to tack "SHAPE" to its own prior use of "SHAPE UP"); and (2) where the litigant has acquired a mark similar to its own, seeking to protect its present mark with the acquired mark's asserted priority, see, e.g., Van Dyne-Crotty, 926 F.2d at 1158 (denying applicant's bid to tack priority of acquired mark "CLOTHES THAT WORK. FOR THE WORK YOU DO" to its mark "CLOTHES THAT WORK"). The present case falls within the second category. After a careful review of the cases Defendant cites in support of its position--and many others, the Court could identify only one in which a party was permitted to tack under this second--and applicable--circumstance. See Viking Boat Co., Inc. v. Viking Camper Supply, Inc., 191 U.S.P.Q. 297, 300-301 (T.T.A.B. 1976) (permitting tacking of "VI-KING" to "VIKING"). But in Viking the applicant appears to have acquired the predecessor corporation and its mark years before the litigation, and the opinion does not clarify whether the successor changed the mark immediately upon acquisition, or continued to use the predecessor mark for some time. See id. at 300. If the applicant used the mark some time before modifying it, the case would fall into the first category of cases instead of the second. Therefore, the Court has found no case that permits the kind of tacking Defendant seeks here.

consumer should consider both as the same mark." Van Dyne-Crotty, 926 F.2d at 1159 (citing Compania Insular Tabacalera v. Camacho Cigars, Inc., 167 U.S.P.Q. 229, 303-304 (T.T.A.B. 1970)) (emphasis added); Ilco Corp. v. Ideal Security Hardware Corp., 527 F.2d 1221, 1224 (C.C.P.A. 1976). The test has also been phrased as requiring that the marks "create the same, continuing commercial impression." Ilco, 527 F.2d at 1224. This standard is far higher than the likelihood of confusion standard applicable to the underlying trademark infringement dispute. See Van Dyne-Crotty, 926 F.2d at 1159; American Paging, Inc. v. American Mobilphone, Inc., 13 U.S.P.Q.2d 2036, 2038 (T.T.A.B. 1989) (citing Compania Insular Tabacalera, 167 U.S.P.Q. at 303), aff'd, 17 U.S.P.Q.2d 1726 (Fed. Cir. 1990). Therefore, it is perfectly consistent for the same two marks to be held confusingly similar, but not legally equivalent. See American Paging, 13 U.S.P.Q.2d at 2038.

The analysis of whether two marks are legal equivalents must focus on both marks in their entirety. See Van Dyne-Crotty, 926 F.2d at 1160 (citing American Paging, 13 U.S.P.Q.2d at 2309). "Tacking is occasionally permitted where two marks, though differing in their literal meaning or grammatical presentation, nevertheless possess the same connotation in context." Id. This analysis is exemplified in Ilco, 527 F.2d at 1224-25.

In Ilco, the parties disputed the right to use the mark "HOME PROTECTION CENTER" on display racks for locks, intended for placement in retail hardware stores. See id. at 1223. Ilco filed a petition to cancel Ideal's registration, based on Ilco's claimed

prior use of the mark. The Trademark Trial and Appeal Board sustained Ideal's registration based on Ideal's still earlier use of the mark "HOME PROTECTION HARDWARE" on the display racks, on the theory that tacking is permitted where the "distinguishing feature" of the two marks is the same. See id. at 1225.

On appeal, the Court of Customs and Patent Appeals reversed, finding that the Board had applied the wrong law. Applying the legal equivalents test, the court found that despite the marks' similarity, "HOME PROTECTION CENTER" and "HOME PROTECTION HARDWARE" created different commercial impressions. Id. at 1224. Noting that the product in question was the rack, not the locks, the court found that "HOME PROTECTION CENTER" signified "a unitary aggregation of goods related to home protection, the one place in the hardware store to go for home protection needs." Id. "HOME PROTECTION HARDWARE," on the other hand, suggested the hardware alone, without the additional connotation that the rack was the centralized point for all home protection needs. Id. at 1225. This difference in connotation was sufficient to deny the marks legal equivalence, and barred Ideal from achieving priority by tacking. Accordingly, the court held that Ilco had priority in the underlying dispute over the mark "HOME PROTECTION CENTER." See id.

Under the same reasoning, courts and the Trademark Trial and Appeal Board have denied tacking between the marks "PRO-KUT" and "PRO-CUTS," see Pro-Cuts v. Schilz-Price Enters. Inc., 27 U.S.P.Q.2d 1224, 1227 (T.T.A.B. 1993) (differences in spelling,

pluralization and design features), "CLOTHES THAT WORK. FOR THE WORK YOU DO" and "CLOTHES THAT WORK," see Van Dyne-Crotty, 926 F.2d at 1158 (purchasers would differentiate between them), "AMERICAN MOBILPHONE" and "AMERICAN MOBILPHONE PAGING," see American Mobilphone, 13 U.S.P.Q.2d at 2038-39 (additional term "paging" conveys more information to potential consumers), "SHAPE UP" and "SHAPE," see Corporate Fitness, 2 U.S.P.Q.2d at 1687 (verb and noun with different meanings), "EGO" and "ALTER EGO," see Viviane Woodward Corp. v. Roberts, 181 U.S.P.Q. 840, 841 (T.T.A.B. 1974) ("clearly" different), "ONION FUNIONS" and "FUNYUNS," see General Mills, Inc. v. Frito Lay, Inc., 176 U.S.P.Q. 148, 152 (T.T.A.B. 1972) (former emphasizes "onion" concept, latter "fun" concept), and "UNYUNS" and "ONYUMS," see id. (former emphasizes "onion" concept, latter "yummy" concept).

On the other hand, courts and the Trademark Board have only permitted tacking where the marks are virtually identical. See Viking, 191 U.S.P.Q. at 301 ("VI-KING" and "VIKING"); Hess's of Allentown, Inc. v. National Bellas Hess, Inc., 169 U.S.P.Q. 673, 677(T.T.A.B. 1971) ("HESS" and "HESS'S"). In one case, the Court of Customs and Patent Appeals permitted a bank to tack on its prior use of the mark "AMERICAN SECURITY" to the mark "AMERICAN SECURITY BANK." See American Security Bank v. American Security and Trust Co., 571 F.2d 564, 567 (C.C.P.A. 1978). There, the court held that the additional term "bank" had always been implicit because customers always understood that they had been dealing with a bank. See id. Subsequent decisions have refused to extend this

reasoning, however, and have limited it to situations where the additional term adds no new information for potential consumers. See American Mobilphone, 13 U.S.P.Q.2d at 2309.

Returning to the present case, Defendant IKON Office Solutions, Inc. seeks to tack on its acquiree's prior use of the marks "Ikon Corporation," or "Ikon." Because Defendant makes this claim as an affirmative defense, Defendant bears the burden of proving that these two marks are indistinguishable "legal equivalents." See e.g., Yeager Fuel, Inc. v. Pennsylvania Power & Light Co., 22 F.3d 1260, 1266 (3d Cir. 1994). But even if it did not, the Court would easily conclude that the two marks do not meet the rigorous standard of similarity required for tacking. Besides the obvious difference in appearance, the mark "Ikon Corporation" or "Ikon" has a very different connotation from the mark "IKON Office Solutions." While the former suggests a high-tech company--possibly specializing in computer technology, the latter suggests a whole range of office-related technical products and services. It is obvious that the additional terms "Office" and "Solutions" provide potential customers with new and different information about the Defendant's products and services. See American Mobilphone, 13 U.S.P.Q.2d at 2309. Indeed, this is why Defendant adopted those terms in its name. (See Pl.'s Mem. of Law Ex. F at 57). Accordingly, the Court finds that the marks are not legal

equivalents, and may not be tacked for trademark priority purposes.[6]

Because Defendant may not achieve priority by tacking, Defendant's first Motion for Summary Judgment is denied. Likewise, Plaintiff's first Cross Motion for Summary Judgment is granted as to Defendant's affirmative defense of first use. This defense is dismissed with prejudice.

2. Plaintiff's Cross Motion

Plaintiff next moves for an affirmative finding that it has established ownership of the mark "ICON Solutions" in its primary market region--the mid-Atlantic states--by virtue of its use of the mark there since 1990. Although Plaintiff has produced substantial evidence of the volume and growth of its business, the Court must deny the motion in view of Plaintiff's failure to demonstrate its "clear entitlement" to the mark. See Smith v. Ames Dept. Stores, Inc., 988 F. Supp. 827, 837 (D.N.J. 1997).

Because common law trademark rights can extend no farther than the mark's actual reputation and good will, a plaintiff must demonstrate that its mark has achieved sufficient market

[6] In addition, as an alternative ground, the Court finds that Defendant cannot assert whatever rights Ikon Corp. may have acquired in association with a narrow range of board-level interface devices--sold only in the input market to OEMS, to Defendant's broad range of technical office products and services--marketed nationally to businesses of all kinds, because the two product lines are not "substantially similar." See Pepsico, Inc. v. Grapette Co., 416 F.2d 285, 289 (8th Cir. 1969) ("Where a transferred trademark is to be used on a new and different product, any goodwill which the mark itself might represent cannot be legally assigned."); Clark & Freeman Corp. v. Heartland Co. LTD., 811 F. Supp. 137, 141 (S.D.N.Y. 1993) (women's pixie boots not substantially similar to mens shoes and hiking boots).

penetration in the relevant area to warrant protection. See Natural Footwear LTD v. Hart, Schaffner & Marx, 760 F.2d 1383, 1394 & 1398 (3d Cir.), cert. denied, 474 U.S. 920 (1985). In Natural Footwear, the Third Circuit adopted four factors to guide the market penetration analysis: (1) the volume of sales of the trademarked product; (2) the growth trends (both positive and negative) in the area; (3) the number of persons actually purchasing the product in relation to the potential number of customers; and (4) the amount of product advertising in the area. Id. at 1398-99. Before a court may find predictable rights, a plaintiff must "show a clear entitlement to protection of its mark in a particular market." Accu Personnel, Inc. v. Accustaff, Inc., 846 F. Supp. 1191, 1206 (D.Del. 1994) (quoting Natural Footwear, 760 F.2d at 1397) (emphasis added).

Although Plaintiff has produced ample information about its own dramatic growth, and impressive financial performance since its formation in 1990, it has not supplied the Court enough information about the characteristics of its product market to warrant partial summary judgment on this issue. Natural Footwear, however, requires a critical analysis of the trademarked product's sales volume and growth, in light of the nature of the plaintiff's business and customer base. See Natural Footwear, 760 F.2d at 1399. Without this information about the relevant product and service market, the Court is not in a position to grant summary judgment in Plaintiff's favor. Accordingly, the issue must be left for the finder of fact to determine at trial.

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

ICON SOLUTIONS, INC.	:	CIVIL ACTION
v.	:	
IKON OFFICE SOLUTIONS, INC.	:	NO. 97-4178

O R D E R

AND NOW, this day of June, 1998, upon consideration of Defendant's first Motion for Summary Judgment and Plaintiff's first Cross-Motion for Summary Judgment and in Opposition to Defendant's Motion for Summary Judgment, IT IS HEREBY ORDERED that:

(1) Defendant's Motion is **DENIED**; and

(2) Plaintiff's Motion is **GRANTED** as to Defendant's Eleventh Affirmative Defense of prior use, but **DENIED** as to establishing Plaintiff's ownership of the mark "Icon Solutions."

BY THE COURT:

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HERBERT J. HUTTON, J.