



namely, whether Opposer has engaged in any bona fide use of the trademark HYPERSONIC, or whether, as indicated by Applicant's investigation to date, Opposer is simply in the business of using the HYPERSONIC mark and other marks to obtain onerous settlements from trademark applicants such as Applicant. Opposer first sought to prevent inquiry on this issue when it moved to strike from Applicant's answer the affirmative defense of abandonment. On July 24, 2002, the Board determined that although the allegation of abandonment should have been asserted as a counterclaim rather than an affirmative defense, Applicant should be permitted to file the counterclaim, which it noted Applicant already had submitted in connection with its response to Opposer's motion. On August 9, 2002, Applicant perfected its counterclaim by submitting the required fee as directed by the Board, and Opposer responded with the instant motion.<sup>1</sup>

Opposer's motion is meritless. Opposer asserts that its mark has become incontestable pursuant to Section 15 of the Lanham Act, and recites TBMP § 503 and Rule 12(b)(6) of the Federal Rules of Civil Procedure, but otherwise provides no particulars at all regarding the supposed defects in the counterclaim. Instead, the

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<sup>1</sup> Although Opposer's motion is dated August 21, 2002, claims to have been deposited in first class mail on that date, and was delivered in an envelope bearing what appears to be a label with a postage meter stamp bearing that date, it did not arrive at the office of Applicant's counsel until September 3, 2002 -- thirteen days later.

substance of the motion consists solely of the conclusory statement, repeated separately with respect to each of the four paragraphs constituting Applicant's counterclaim, that the Board "must as a matter of law strike" the relevant paragraphs "for failure to state a claim upon which relief can be granted as a counter claim [sic] in this proceeding." Whatever the imagined basis for Opposer's motion, the motion must be rejected because Applicant has easily satisfied the requirement that it plead facts which, if proved, would entitle it to cancellation of the Opposer's registration.

To begin, Opposer's assertion that its mark has become incontestable pursuant to Section 15 is irrelevant. Section 15 explicitly provides that the incontestability it confers does not preclude a cancellation claim based upon any of the grounds set forth in Section 14(3) and (5), which include abandonment. See 15 U.S.C. §§ 1064, 1065. Opposer's Section 15 affidavit therefore is not a bar to Applicant's counterclaim.

Opposer's reliance on Rule 12(b)(6) and TBMP § 503 is equally unavailing. In order to withstand the motion to dismiss the cancellation counterclaim for failure to state a claim, Opposer need only allege such facts as would, if proved, establish "(1) standing or a commercial interest in the outcome of the proceedings, and (2) abandonment of the mark . . . as the result of nonuse or other conduct by the registrant." DAK Industries, Inc.

v. Daiichi Koshio Co., Ltd., 35 U.S.P.Q.2d 1434, 1995 WL 454108, at \*4 (T.T.A.B. 1995). "The pleading must be examined in its entirety, construing the allegations therein liberally, as required by Fed. R. Civ. P. 8(f), to determine whether it contains any allegations which, if proved, would entitle [Opposer] to the relief sought." Cineplex Odeon Corp. v. Fred Wehrenberg Circuit of Theatres, Inc., Canc. No. 28,872, 2000 WL 1509986 (TTAB Sept. 20, 2000) (citations omitted). "Dismissal for insufficiency is appropriate only if it appears certain that the [Opposer] is entitled to no relief under any set of facts which could be proved in support of its claim." TBMP § 503.02 (citations omitted). As set forth below, Applicant has alleged facts which if proved will entitle it to judgment on the counterclaim.

There can be no dispute that as a defendant in the instant opposition proceeding, Applicant has a "real interest" in the proceeding and therefore has standing to seek cancellation of Opposer's registration. See General Mills, Inc. v. Nature's Way Products, Inc., 202 U.S.P.Q. 840, 841 (T.T.A.B. 1979) (holding that "where . . . a counterclaim to cancel an opposer's pleaded registration is filed in an opposition which itself was based upon opposer's allegation of likelihood of confusion between applicant's mark and the mark in opposer's pleaded registration, it is clear from the counterclaimant's position as defendant in the opposition that he has a personal stake in the controversy").

It is equally clear that Applicant has pled facts which, if proved, would warrant cancellation of the Opposer's registration. Pursuant to Section 45 of the Lanham Act, a mark is deemed abandoned "[w]hen its use has been discontinued with intent not to resume such use." 15 U.S.C. § 1127. Here, Applicant has explicitly alleged that "Opposer currently makes no use of its HYPERSONIC mark in commerce, has made no use of its HYPERSONIC mark in commerce for many years, and intends not to resume such use" (Answer and Counterclaim ¶ 40), and that, as a consequence, "Opposer has abandoned its HYPERSONIC mark" (Answer and Counterclaim ¶ 41). Applicant also has pled facts which, if proved, will establish that whatever use Opposer makes of the HYPERSONIC mark is merely "as a tactic in encouraging trademark applicants to agree to onerous settlements" (Answer and Counterclaim ¶ 38), and therefore does not constitute legitimate trademark "use," i.e., "the bona fide use of th[e] mark made in the ordinary course of trade, and not made merely to reserve a right in a mark." 15 U.S.C. § 1127.

Opposer's apparent belief that the allegations of the counterclaim are deficient is particularly ironic since Opposer has so far refused to respond substantively to any of Applicant's discovery requests, including those directed to the factual issues underlying the counterclaim. Opposer has not answered any of the twenty-eight interrogatories propounded by Applicant on November 5,

2001, asserting that they "exceed[] the limit" (but not explaining by what calculation Opposer's twenty-eight interrogatories might be transformed into something in excess of the limit of seventy-five set out in the TBMP). Opposer also has yet to produce a single document in response to Applicant's November 5, 2001 document request. Applicant is attempting in good faith to resolve the outstanding discovery issues with Opposer before seeking relief from the Board. Nonetheless, Opposer's silence in response to Applicant's discovery requests suggests a motive for Opposer's effort to obtain dismissal of the counterclaim.

Finally, Applicant urges the Board to reject Opposer's request that the Board suspend this proceeding - including Opposer's discovery obligations - pending disposition of the motion. Although Opposer presumably relies on Rule 2.127(d) in support of the suspension request, that rule only calls for suspension in the case of motions "which [are] potentially dispositive of a proceeding." TMBP § 2.127(d). Since this motion is dispositive only of Applicant's counterclaim and not of the entire proceeding, Rule 2.127(d) does not apply. See SDT, Inc. v. Patterson Dental Co., 1994 WL 237393, at \*1 (TTAB 1994) (holding that filing of motion did not implicate Rule 2.127(d) because "[w]hether [the] motion is granted or denied, the case at hand will not be disposed of"). Opposer's effort to further delay a substantive response to Applicant's long-pending discovery requests

should be rejected.

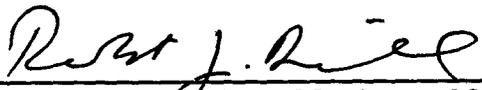
**CONCLUSION**

The allegations of Applicant's counterclaim clearly state a claim upon which relief can be granted. Applicant therefore respectfully requests that the instant motion be denied.

**Dated: New York, New York  
September 9, 2002**

**KAY & BOOSE LLP**

**By:**

  
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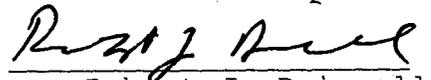
**Attorneys for Applicant  
Paramount Parks Inc.**

CERTIFICATE OF SERVICE

I, Robert J. Driscoll, certify that on September 9, 2002, I caused to be served via Express Mail, Label No. EV097821205US, a true and correct copy of the attached Applicant's Opposition To Opposer's Motion To Strike, upon Opposer, addressed as follows:

Central Mfg., Inc.  
Trademark & Licensing Department  
Att'n: Leo Stoller  
P.O. Box 35189  
Chicago, Illinois 60707-0189

Dated: New York, New York  
September 9, 2002

  
Robert J. Driscoll

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I, Robert J. Driscoll, hereby certify that this correspondence is addressed to Assistant Commissioner for Trademarks BOX TTAB, NO FEE, 2900 Crystal Drive, Arlington, VA 22202-3513, and is being deposited with the United States Postal Service "Express Mail Delivery" to Addressee on September 9, 2002.

*Robert J. Driscoll*  
Signature

September 9, 2002  
Date of Signature

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Re:            Applicant      Paramount Parks, Inc.  
                  Mark:            **HYPERSONIC**  
                  Serial No.:    76/103,447 and 76/103,448  
                  Published:    May 22, 2001 and April 24, 2001 respectively

Dear Sir/Madam:

On behalf of the applicant, Paramount Parks, Inc., we enclose the following:

- (1) Applicant's Opposition To Opposer's Motion To Dimiss;
- (2) Certificate of Service by Express Mail Label No. EV097821205US; and
- (3) Self-addressed, stamped postcard.

Please date-stamp and return the postcard to confirm your receipt of these documents, and please do not hesitate to call the undersigned if there are any questions in connection with the enclosed.

Yours truly,

*Robert J. Driscoll*

Robert J. Driscoll

Encls.

cc:    Mallory Levitt, Esq.  
      Lacy Koonce, III, Esq.