

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, Virginia 22202-3513

GOODMAN

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PAT. & T.M. OFFICE

Opposition No. 124,871

Jeremy Brand, d/b/a
Smackdown

v.

World Wrestling
Entertainment, Inc.¹

Before Cissel, Walters and Rogers, Administrative Trademark
Judges.

By the Board:

Opposer, Jeremy Brand d/b/a Smackdown, has filed a
Notice of Opposition to prevent registration of World
Wrestling Entertainment Inc.'s application Serial No.
78/051,337 for the mark SMACKDOWN for a full line of
clothing, namely headwear and footwear in International
Class 25.² Opposer alleged, as grounds for the opposition,

¹ The title of this proceeding is changed to reflect the change
of name of applicant from World Wrestling Federation
Entertainment, Inc. as indicated by applicant's submission of
change of name information in its July 9, 2002 reply brief on its
motion to dismiss. Applicant is advised that recordation of its
change of name with the Assignment Branch of the USPTO is
required if applicant prevails in this proceeding and desires to
have its registration issue in its new name. See TBMP Section
512.02.

² Applicant filed this application on March 5, 2001 alleging a
bona fide intention to use its mark in commerce.

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reverse hijacking, various torts, and a first amendment violation.

On February 14, 2002, applicant filed a motion to dismiss for failure of opposer to state a claim. In response, opposer filed, on February 27, 2002, its amended notice of opposition alleging six grounds for the opposition: 1) likelihood of confusion under 15 U.S.C. § 1052(d) of the Trademark Act 2) functionality under 15 U.S.C. § 1052(e)(5) of the Trademark Act, 3) fraudulent misrepresentations to the USPTO under 15 U.S.C. § 1051(b)(3) of the Trademark Act and civil liability for fraudulent misrepresentation under 15 U.S.C. § 1120 of the Trademark Act, 4) failure to function as a mark for clothing under 15 U.S.C. § 1127 of the Trademark Act, 5) trademark misuse under 15 U.S.C. § 1114(2)(D)(iv) of the Trademark Act, and 6) reverse hijacking under 15 U.S.C. § 1114(2)(D)(v) of the Trademark Act.

This case now comes up on applicant's renewed motion to dismiss the amended notice of opposition, filed March 19, 2002.³ The motion is fully briefed.

In support of its motion, applicant argues that opposer has failed to "successfully allege statutory grounds that

³ The Board, in its order of June 6, 2002, construed applicant's reply to its original motion to dismiss as a renewed motion to dismiss opposer's amended notice of opposition.

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negate applicant's entitlement to registration"; that the Board does not have jurisdiction over the alleged grounds of "reverse hijacking" and "trademark misuse"; that neither Section 32(2)(D)(iv) nor 32(2)(D)(v) of the Trademark Act, 15 U.S.C. § 1114(2)(D)(iv) and (v), provides a basis for refusal of registration with regard to opposer's claim of reverse hijacking; that functionality cannot be the basis for a refusal to register in this case; that additionally, opposer's allegation of decorative use of applicant's mark is not a basis for the opposition because "opposer's allegations regarding how applicant will apply its mark to the goods identified in the application are merely speculation" and "ornamentation is not a basis of refusal in an intent-to-use application"; and that opposer does not have standing since "opposer's alleged use does not establish his trademark rights and priority."

In response, opposer argues, with respect to the ground of likelihood of confusion ("Count I"), that he has sufficiently set forth a claim of likelihood of confusion by alleging: 1) previous and senior use in commerce of SMACKDOWN as a mark or trade name 2) non-abandonment of pre-existing rights in SMACKDOWN for clothing products, other merchandise, or publishing, 3) injury to opposer from applicant's proposed use of SMACKDOWN for headwear and footwear and 4) likelihood of confusion in the marketplace

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from applicant's use of SMACKDOWN. With respect to the allegations regarding the ground of functionality ("Count II"), opposer asserts the cause of action is based on applicant's merely decorative use on clothing and that dismissal on the ground of functionality would be premature before factual development of this issue. In regard to the claim applicant made fraudulent misrepresentations to the USPTO ("Count III"), opposer asserts this claim is set forth in sufficient detail in the notice of opposition so that dismissal is unwarranted. Opposer also asserts that the ground that the proposed mark "does not constitute a bona fide trademark" ("Count IV") is based on the theory that what applicant has applied for is not a trademark and dismissal of this ground would be premature before further factual development of this issue. Finally, opposer argues that the grounds of trademark misuse and reverse hijacking ("Counts V and VI") are causes of action which the Board should recognize on a provisional basis until the facts are fully developed through discovery.

In response, applicant argues that Count I, likelihood of confusion, fails to state a cause of action since "opposer incorrectly relies upon his domain name registration as a ground for asserting likelihood of confusion"; that Count II, functionality, cannot be a basis for refusal to register since "applicant applied to register

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a word mark, not a product or a product feature"; that Count III, fraudulent misrepresentation, based on Sections 1 and 38 of the Trademark Act, is not a basis for refusal to register a trademark by the USPTO in ex parte examination; that Count IV, i.e., the assertion that applicant's proposed mark "does not constitute a bona fide trademark," fails to state a cause of action because Section 45 is not a basis for refusal of registration by the USPTO in ex parte examination; and that Counts V and VI, trademark misuse and reverse hijacking, fail to state a cause of action since the Board does not have jurisdiction to consider these claims under the Trademark Act.

To withstand a motion to dismiss for failure to state a claim, a plaintiff need only allege such facts as would, if proven, establish that (1) the plaintiff has standing to maintain the proceedings, and (2) a valid ground exists for opposing the mark to be registered. The pleading must be examined in its entirety, with the allegations construed liberally to determine whether the pleading contains any allegations which, if proven, would entitle plaintiff to the relief sought. See Fed. R. Civ. P. 8(f); *Stanspec Co. v. American Chain and Cable Co., Inc.*, 531 F.2d 563, 189 USPQ 420, 422 (CCPA 1976); *Space Base Inc. v. Stadis Corp.*, 17 USPQ2d 1216, 1218 (TTAB 1990).

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We will first consider opposer's allegations of standing. A party must plead that a plaintiff has a "real interest" in the outcome of a proceeding--that is, a plaintiff must have a direct and personal stake in the outcome of the opposition. See *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999).

In the instant case, opposer has alleged prior adoption and use of a similar SMACKDOWN mark and/or trade name in connection with clothing products and with a website and has alleged that that he will suffer injury as a result of a likelihood of confusion between the parties' marks, if applicant's SMACKDOWN mark for headwear and footwear is registered. We believe that these alleged facts, if proven, are sufficient to show opposer's real interest in the proceeding, and therefore, that opposer has sufficiently pled its standing.

We now turn to consideration of opposer's various grounds for opposition.

Neither Count II⁴ (functionality-decorative purpose) nor Count IV⁵ ("lack of bona fide intent to

⁴ Count II of the amended notice of opposition alleges in part that ". . . the only intention of the WWF all along has been only to refer to certain television entertainment service as "SMACKDOWN", and then to use the logo of the T.V. series (the design of which was stolen from the opposer) for the purely functional and decorative purpose of making the clothing articles prettier. If WWF proceeds to sell its infringing clothing articles, but its only intent is to use the logos decoratively, then 15 U.S.C. Section 1052(e)(5) prohibits registration of the proposed mark."

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use as a mark") of opposer's amended pleading is clearly pled. With respect to Count II, opposer appears to be claiming that the term SMACKDOWN, as intended to be used on applicant's goods, will be ornamental⁶ and with respect to Count IV, opposer appears to be claiming that the term SMACKDOWN, as intended to be used on applicant's goods, will fail to function as a mark because it will be used in a decorative manner. Opposer is essentially arguing the same claim in both Counts II and IV, specifically, that the term SMACKDOWN will fail to function as a mark because it will be ornamental.

Ornamentation is an available ground for opposition under Sections 1, 2 and 45 of the Trademark Act, 15 U.S.C. §§ 1127, 1051, and 1052. See e.g., *Bausch & Lomb Inc. v.*

⁵ Opposer alleges that "[t]he subject of the WWF's application (a future "intent" to decorate clothing with the name and logo of a television program), does not constitute a bona fide "trademark" as that term is defined in the Lanham Trademark Act -or brand of clothing subject to registration."

⁶ Opposer has made an incorrect reference to Section 2(e)(5) of the Trademark Act, 15 U.S.C. § 1052(e)(5) as the statutory basis for its apparent allegation that the proposed mark will, in fact, be merely ornamental. See TMEP Section 1202.02(a)(iii)(C) (3rd Ed.). This ground is only available for product configurations or packaging which are the subject matter of a trademark application, not a word mark as is the case herein. See e.g., *In re Ennco Display Systems Inc.*, 56 USPQ2d 1279, 1282 (TTAB 2000). The appropriate statutory references for the ornamentation ground asserted by opposer would be Sections 1, 2 and 45 of the Trademark Act, 15 U.S.C. §§ 1127, 1051, and 1052.

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Leupold & Stevens Inc., 6 USPQ2d 1475 (TTAB 1988). With regard to this ground, the determinative factor as far as registrability is concerned is the manner in which the mark is actually used, once use commences.

Applicant has argued that allowing an ornamentation claim to proceed in this opposition against its intent to use application is premature because no statement of use has been filed, citing *Eastman Kodak Co. v. Bell & Howell Document Management Products Co.*, 23 USPQ2d 1878 (TTAB 1992), *aff'd*, 994 F.2d 1569, 26 USPQ2d 1912 (Fed. Cir. 1993) as support for its position. Opposer argues, on the other hand, that "it is only a small subset of cases (not all of them) in which it may be prudent for the Board to dismiss some oppositions as premature" and that dismissal of this claim would be improper before evidentiary development.

Upon consideration of the parties' arguments, we agree with applicant that opposer's ornamentation claim is premature even if opposer were able to develop and present some evidence of ornamental use by applicant.⁷ This is so because some evidence of ornamental use does not preclude applicant from making better use at a later date, because applicant may also be able to demonstrate that even with

⁷ The present case is distinguishable on its claims and substantive facts from *Eastman Kodak Co. v. Bell & Howell Document Management Products Co.*, 23 USPQ2d 1878 (TAB 1992), *aff'd* 994 F.2d 1569, 26 USPQ2d 1912 (Fed. Cir. 1993) and *Michael S. Sachs Inc. v. Cordon Art B.V.*, 56 USPQ2d 1132 (TTAB 2000).

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ornamental use, the proposed mark serves as an identifier of secondary source, and because applicant is not required to show use at this time since no notice of allowance has issued by the Office. Lastly, it is more appropriate for the issue of ornamentation to be considered by the Office on second examination after the notice of allowance is issued and after applicant has had an opportunity to submit to the Office what it believes to be appropriate use of the proposed mark rather than require applicant to rebut some evidence of ornamental use within the context of an opposition proceeding prior to applicant's submission of its Statement of Use.⁸ Inasmuch as opposer's claim of ornamental use is premature, the opposition must be dismissed as to these claims, without prejudice as to the filing of a petition to cancel the registration after a Statement of Use is filed. See *Michael S. Sachs Inc.*, 56 USPQ2d at 1135; *Eastman Kodak Co.* 23 USPQ2d at 1878, *aff'd*, 994 F.2d at 1571, 26 USPQ2d at 1914.

⁸ This result would be consistent with the intended framework for processing intent to use applications (with respect to issues involving failure to function as a mark) in which the Examining Attorney will have the opportunity to revisit the issue of registrability upon the examination of the Statement of Use with specimens and will issue a refusal in appropriate circumstances; and applicant will be required to rebut a refusal in second examination. See S. Rep. No. 515 32, 34, 1988 U.S.C.C.A.N. 5595, 5596. To allow otherwise would result in prematurely placing the burden of proof on applicant with regard to registrability in the opposition.

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Accordingly, Counts II and IV of opposer's amended pleading are hereby stricken.

We turn next to Count III, fraudulent misrepresentation.⁹ Fraud, of course, is an available ground for an opposition proceeding. See e.g., *Bausch & Lomb Inc. v. Leupold & Stevens Inc.*, 1 USPQ2d 1497 (TTAB 1986); see also TBMP Section 312.03. The sufficiency of opposer's pleading of its fraud claim in this case is governed by Fed. R. Civ. P. 9(b). See Trademark Rule 2.116(a); e.g., *Intellimedia Sports Inc. v. Intellimedia Corp.*, 43 USPQ2d 1203, 1205 (TTAB 1997).¹⁰

We find first that opposer's reference in Count III to civil liability for fraudulent misrepresentation pursuant to Section 38 of the Trademark Act, 15 U.S.C. § 1120, is

⁹ Opposer alleges that "The WWF has lied to the U.S.P.T.O. It has never had any bona fide intention to sell Smackdown-brand clothing (as opposed to clothing merely decorated with the name of a television show). By telling the U.S.P.T.O. otherwise (primarily as a pretext to secure a trademark registration, which WWF wanted to use to "reverse hijack" opposer's internet domain name) the WWF deliberately made numerous fraudulent misrepresentations to the U.S.P.T.O. These misrepresentations by WWF constitute another basis for denying WWF's application."

¹⁰ "[F]raud upon the Patent and Trademark Office . . . signifies a willful withholding from the Office by an applicant or registrant of material information, which if transmitted and disclosed to the Examiner, would have resulted in the disallowance of the registration sought . . ." There is, however, a material legal distinction between a "false" representation and a "fraudulent" one, the later involving an intent to deceive, whereas the former may be occasioned by a misunderstanding, an inadvertence, a mere negligent omission, or the like." *Kemin Industries, Inc. v. Watkins Products, Inc.*, 192 USPQ 327, 329 (TTAB 1976).

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inappropriate inasmuch as this proceeding is not a "civil action" and the Board does not have jurisdiction to award monetary damages. See e.g., *Luehrmann v. Kwik Kopy Corp.*, 2 USPQ2d 1303 n. 4 (TTAB 1987) citing *Fisons Limited v. Capability Brown Limited*, 209 USPQ 167 (TTAB 1980) ("the Board has no authority to award monetary relief"). Accordingly, opposer's reference to Section 38 of the Trademark Act, 15 U.S.C. § 1120 is hereby stricken.

With respect to the claim in Count III of opposer's amended pleading, we find that although the claim of fraudulent misrepresentation is pled with sufficient specificity, this claim is specifically tied to applicant's alleged ornamental use as set forth in Counts II and IV of the amended pleading. Inasmuch as those claims have been stricken and will not be heard in this proceeding, opposer's fraud claim also cannot stand, and therefore, Count III of the amended notice of opposition is hereby stricken. We note, moreover, that any fraud claim based on applicant's asserted intent to use SMACKDOWN solely as ornamentation would fail because opposer would not be able to prove that applicant received a benefit from the Office to which it was not entitled. Specifically, if applicant only makes ornamental use, as opposer contends it will, then the specimens submitted with any Statement of Use will lead to issuance of a refusal of registration. On the other hand,

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if applicant makes proper trademark use and submits specimens showing such use, then it will be entitled to a registration. Either way, there will be no fraud on the Office.

Turning to Counts V¹¹ and VI¹², trademark misuse and reverse hijacking, we find that the Board cannot entertain an opposition (or for that matter, a cancellation petition) on either of these grounds because the Board does not have jurisdiction under the Trademark Act to entertain either of these claims. The Board's jurisdiction is limited to determining the registrability of a mark in connection with specific goods and/or services.

¹¹ Opposer alleges in part that "[a]s more fully set forth below in the Recital of Facts, the World Wrestling Federation has deliberately misused the U.S.P.T.O.'s initial action of publication for opposition (challenged in this opposition) for completely unlawful, improper, and fraudulent purposes, in order to obtain (through trickery, intimidation and coercion) an advantage from the opposer to which the WWF is not legally and never has legally been entitled. Inter-parties proceedings require application of principles of equity, and the unjust and improper misuse by the WWF of the initial allowance, warrants and justifies a swift refusal to permit the putative "mark" to be registered."

Opposer alleges in part that "[t]he improper and extra-legal objective that the WWF sought to obtain by misusing its "trademark" and by making deliberate misrepresentations about the law to an unrepresented person, in violation of canons of legal ethics, was to trick and intimidate the opposer into transferring valuable internet addressing rights--that WWF coveted--to the control of WWF. The Lanham Trademark Act specifically and statutorily recognizes "reverse hijacking" as a cognizable form of injury and the WWF's application should not be allowed because the WWF has clearly attempted to engage in improper and unlawful reverse hijacking."

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Trademark misuse is properly asserted only by a defendant as an affirmative defense--in a civil action for trademark infringement. Because Count V is essentially an unfair competition cause of action, as articulated by opposer, it is not appropriate in a Board proceeding pertaining to registrability. See *Dunn Computer Corp. v. Loudcloud Inc.*, 133 F.Supp. 2d. 823, 830, 57 USPQ2d 1626, 1633 (E.Va. 2001) ("trademark misuse is not an independent cause of action, but is, instead, only an affirmative defense to a trademark infringement claim"). *Babson Bros. Co. v. Surge Power Corp.* 39 USPQ2d 1953, 1955 (TTAB 1996) ("The Trademark Act provides several causes of action which the Board cannot entertain in opposition and/or cancellation proceedings. These include, inter alia, questions of infringement and unfair competition.")

With respect to the claim of "reverse hijacking", this ground is being brought under Section 32 of the Trademark Act, 15 U.S.C. §§ 1114(2)(d)(iv) and (v), which provides for civil actions involving domain names and/or infringement of trademarks. The available relief for these types of actions is either injunctive relief or monetary damages. See Section 32 of the Trademark Act, 15 U.S.C. §§ 1114(2)(d)(iv) and (v). As stated previously, the Board does not have jurisdiction to hear infringement claims, including those involving domain names, nor does the Board have the

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authority to provide injunctive relief or to award damages. These claims are wholly irrelevant to the question before us which is registrability of the involved mark. See generally *Person's Co. v. Christman*, 900 F.2d 1565, 14 USPQ2d 1477 (Fed. Cir. 1990) (Board's function is to determine whether there is a right to secure or to maintain a registration); *Enterprise Rent-A-Car Co. v. Advantage Rent-A-Car Inc.*, 62 USPQ2d 1857, 1859 (TTAB 2002). Accordingly, the grounds of trademark misuse and reverse hijacking, Counts V and VI, are hereby stricken.

We now turn to Count I, likelihood of confusion.¹³

Opposer alleges that "Mr. Jeremy Brand d/b/a/ SMACKDOWN, has been the owner and publisher of the Internet Website www.Smackdown.com. Long prior to March 4, 2001 (the date of WWF's ITU filing), Mr. Brand d/b/a SMACKDOWN (and the www.Smackdown.com Website) offered (and for a considerable time has offered) SMACKDOWN-branded clothing and apparel to customers worldwide. . . . The word mark that is the subject of the World Wrestling Federation's intent to use ("ITU") application consists of the word "SMACKDOWN" affixed to infringing WWF clothing products (headwear, for example). The word mark SMACKDOWN is a mark or trade name previously used in the United States by another (namely, Jeremy Brand d/b/a/ Smackdown) . . . as a brand of SMACKDOWN clothing products and other merchandise offered and sold to customers in the United States Mr. Brand d/b/a/ Smackdown has not abandoned any pre-existing rights to ownership and use of the word mark SMACKDOWN for clothing products, other merchandise or publishing. If the WWF's ITU application is allowed, Mr. Brand d/b/a/ SMACKDOWN will be directly injured by way of the sale of infringing WWF clothing merchandise. By intentionally duplicating and plagiarizing not only the word mark SMACKDOWN, but also the original and creative logo artwork developed by Mr. Brand and featured on his website (long prior to any branding use by the WWF), the World Wrestling Federation has deliberately created a likelihood of causing confusion in the marketplace, or causing mistake, or a likelihood of deceiving people especially previous users of Mr. Brand's website. Such injury is necessarily triggered [by] any use by the WWF of the proposed mark in connection with any of the infringing WWF goods described in the WWF's ITU application."

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We find that opposer has alleged both prior use and likelihood of confusion between its mark and applicant's proposed mark in connection with the respectively identified goods. Therefore, opposer has pled sufficient facts to set forth a proper claim for relief under Section 2(d). See e.g., *Otto Roth & Co. v. Universal Foods Corp.* 640 F.2d 1317, 1320 209 USPQ 40, 43 (CCPA 1981). Accordingly, applicant's motion to dismiss is denied with respect to Count I of opposer's amended pleading.

In summary, applicant's motion to dismiss opposer's amended notice of opposition is granted to the extent that Counts II, III, IV, V and VI are hereby stricken. Applicant's motion to dismiss is denied with respect to Counts I of opposer's amended notice of opposition.

The opposition proceeding will go forward on Count I of opposer's amended notice of opposition.

Applicant has THIRTY DAYS from the mailing date of this order to file an answer or other response to the remaining claim, Count I, in the amended notice of opposition.

Proceedings are resumed. Discovery and trial dates are reset as follows:

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DISCOVERY PERIOD TO CLOSE: July 17, 2003

30-day testimony period for party in position of plaintiff to close: **October 15, 2003**

30-day testimony period for party in position of defendant to close: **December 14, 2003**

15-day rebuttal testimony period for party in position of plaintiff to close: **January 28, 2004**

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rule 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.