

TTAB

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

PIONEER KABUSHIKI KAISHA d/b/a)
PIONEER CORPORATION,)
Opposer,)
v.)
NISSEI SANGYO AMERICA, LTD. n/k/a)
HITACHI HIGH TECHNOLOGIES AMERICA,)
INC.,)
Applicant.)

Opposition No. 125,458
Mark: SUPERSCAN ELITE
Serial No.: 76/208,230
Published: March 19, 2002

**APPLICANT'S RESPONSE TO PIONEER'S
MOTION TO FILE AN AMENDED NOTICE OF OPPOSITION**

Opposer seeks leave to file an Amended Notice of Opposition. The



three new claims to the original Notice:

03-10-2003

U.S. Patent & TMO/c/TM Mail Rcpt Dt. #77

- 1) that Applicant's intended use of SUPERSCAN ELITE will cause dilution of Opposer's mark ELITE, under §43(c) (see, Amended Notice, ¶¶ 21-24);
- 2) that Applicant had no bona fide intention to use the SUPERSCAN ELITE mark at the time of filing its application (Amended Notice, ¶¶ 15-17); and
- 3) that Applicant has abandoned its prior registration (Reg. No. 1,888,264) for the mark SUPERSCAN ELITE (Amended Notice, ¶¶ 18-20).

TRADEMARK TRIAL AND APPEAL BOARD
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While leave to amend is liberally given under Fed. Rule Civ. P. 15(a), the Board will normally deny leave to amend when the proposed pleading is legally insufficient. *Trek Bicycle Corp. v. Style Trek Ltd.*, Opp. No. 118,613, 2001 TTAB Lexis 841 (T.T.A.B. 2001). In addition, leave to amend can also be denied where an Opposer has unduly delayed in filing a motion for leave to amend. *International Finance Corp. v. Bravo Co.*, Opp. No. 111,276, 2002 TTAB Lexis 348 (T.T.A.B. 2002). In *Foman v. Davis*, 371 U.S. 178, 182 (1962), the Supreme Court noted that leave

to amend under Rule 15 should be freely given, except in situations such as "futility of amendment" or "undue delay."

Undue Delay

The original Notice of Opposition was filed on April 16, 2002. Now, almost a year later, Opposer seeks to add new grounds to the proceedings. "A motion for leave to amend should be filed as soon as any ground for such amendment becomes apparent." *International Finance, supra*, at *24.

Opposer has provided no convincing explanation why it did not raise these claims earlier. Any potential claim that SUPERSCAN ELITE dilutes ELITE should have been known to Opposer as soon as it learned of the SUPERSCAN ELITE mark. Opposer points to nothing that has arisen in the course of discovery that would give rise to a dilution claim that did not already exist when Opposer filed its initial Notice of Opposition. If Applicant's intended use of SUPERSCAN ELITE on video and audio products lessens the capacity of ELITE "as a famous mark to identify and distinguish the goods" (Amended Notice, ¶24), that certainly was known to Opposer when it filed its initial Notice in April, 2002.

As to the bona fide intent claim, Opposer's Memorandum (p. 7) indicates that the claim is based on Applicant's discovery responses dated September 11, 2002. Nevertheless, it waited over five months to file a motion to amend.

The "abandonment" claim, which it claims to have learned about on January 31, 2003, is irrelevant, as discussed below.

Neither the proposed Amended Notice nor Opposer's Memorandum provides any facts which

would justify the late filing of this motion. Inasmuch as these theories appear to be simply an afterthought to make this proceeding more complex, leave to amend should be denied. See *International Finance, supra*, at *25 ("More troubling, however, is opposer's delay in filing its motion. . . . Opposer offers no explanation why it failed to raise its dilution claim earlier").

Futility of the Dilution Claim

The proposed dilution amendment is futile because it is insufficiently pleaded in several respects. On several occasions, the Board has denied leave to add dilution claims because they were insufficient. See, e.g., *Trek Bicycle, supra*; *Enterprise Rent-a-Car Co. v. Advantage Rent-a-Car Inc.*, 62 U.S.P.Q.2d 1857 (TTAB 2002).

The case of *Toro Company v. Torohead, Inc.*, 61 U.S.P.Q.2d 1164 (TTAB 2001) sets forth the guiding principles concerning dilution in an opposition proceeding. That case makes it exceedingly clear that Opposer has not stated and cannot state a claim for dilution of its ELITE trademark.

1. Opposer has not alleged that its mark became famous before the constructive use date

Section 43(c) of the Lanham Act, 15 U.S.C. §1125(c) provides a claim against a diluting use only "if such use begins after the mark has become famous." The *Toro* case makes it clear that where an intent-to-use application is opposed on dilution grounds, the opposer must show that its mark was famous prior to the constructive use date. *Toro, supra*, 61 U.S.P.Q.2d at 1174. A dilution amendment that does not allege fame prior to constructive use is legally insufficient. *Trek Bicycle, supra*, at *7-8.

The constructive use date for Applicant's SUPERSCAN ELITE mark is February 9, 2001.

Nowhere in the Amended Notice does Opposer allege when its mark ELITE became famous or that it became famous prior to February 9, 2001. For that reason alone, the proposed amendment is legally insufficient and leave to amend should be denied.

Even an allegation that the mark was famous prior to the constructive use date would be insufficient however. As the Amended Notice indicates (¶7), in addition to the pending application for SUPERSCAN ELITE Applicant also owns a registration of SUPERSCAN ELITE for computer monitors with a first use date of July 22, 1993. To state a claim that SUPERSCAN ELITE dilutes ELITE, Opposer would have to allege that ELITE was famous prior to July 22, 1993. It has not alleged this, nor has it explained how there could be dilution after nine years of concurrent use.

2. Opposer has not alleged that its mark is distinctive

While Opposer alleges in conclusory fashion that its mark ELITE is famous, it does not allege that the mark is distinctive. Indeed, with such a common word as ELITE, it cannot allege distinctiveness. Thus, its dilution claim is legally insufficient and leave to amend should be denied.

To state a claim for dilution, Opposer must allege not only fame but also distinctiveness. The Board noted in *Toro* that “We apply a rigorous test to determine the fame and distinctiveness of a mark.” 61 U.S.P.Q.2d at 1176. The Federal Trademark Dilution Act (“FTDA”) applies “only to those marks which are both truly distinctive and famous....” S. Rep. No. 100-515, at 42. The simple distinctiveness required under 2(f) for registration on the Principal Register is not sufficient under § 43 (c). *Toro*, 61 U.S.P.Q.2d at 1176. More is required. “To be vulnerable to dilution, a mark must be not only famous, but also so distinctive that the public would associate the term with the owner of the famous mark even when it encounters the term apart from the owner’s goods or services, i.e., devoid of its trademark content.” *Toro*, 61 U.S.P.Q.2d at 1177. See also, *TCPIP Holding Co., Inc. v.*

Haar Communications, Inc., 244 F.3d 88, 98 (2d Cir. 2001) (Because plaintiff's mark "is descriptive, and thus, lacks inherent distinctiveness, it cannot qualify for the protection of the Dilution Act"); *Deere & Co. v. MTD Products, Inc.*, 2002 WL 1837402 (S.D. N.Y. 2002) (dilution complaint dismissed where allegedly famous mark was not inherently distinctive). As the Supreme Court recently noted when discussing the importance of distinctiveness in dilution cases, "the preservation of the uniqueness of a trademark should constitute the only rational basis for its protection" under a dilution theory. *Mosely v. V Secret Catalogue, Inc.*, 537 U.S. ____ (Slip Op. March 4, 2003) at p.10, quoting Schechter, Rational Basis of Trademark Protection, 40 Harv. L. Rev. 813, 831.

There is no allegation that the ELITE mark is distinctive at all, much less inherently distinctive. The reason for this is obvious. It would be ludicrous and contrary to basic principles of trademark law to allege that the common word ELITE is inherently distinctive.

St. Croix of Park Falls, Ltd. v. Maurice Sporting Goods, Inc., 2000 WL 1053961 (N.D. Ill. 2000) is particularly instructive as to the lack of inherent distinctiveness of the word "elite." In that case, the owner of the mark ELITE for fishing rods claimed that it was infringed by the mark LEGEND ELITE, also for fishing rods. In commenting on the weakness of the ELITE mark, the court stated the obvious: "...the term 'elite,' an everyday word signifying that something is of a high quality, is very commonly used as a trademark or part of a trademark. This extensive third-party use tends to weaken the mark." *Id.* at *5. The court noted that the term "elite" appeared in some 369 federally registered marks. *Id.* at *2.

Since Opposer has not alleged and cannot allege distinctiveness of the ELITE mark, the proposed amendment is legally insufficient and futile.

3. **Opposer has not alleged sufficient similarity between the marks.**

To support a claim for dilution under §43 (c), it is not enough to allege that the marks are confusingly similar. A party "must show that the marks are identical or 'very or substantially similar.'" *Toro*, 61 U.S.P.Q.2d at 1183, quoting *Nabisco, Inc. v. PF Brands Inc.*, 191 F.3d 208, 218 (2d Cir. 1999). Opposer has not alleged that ELITE and SUPERSCAN ELITE have the high degree of similarity necessary to state a claim for dilution. It cannot in good faith make such an allegation because of the presence of the term SUPERSCAN as the dominant part of Applicant's mark. Opposer's proposed amendment is futile.

Abandonment

Opposer seeks a ruling by the Board that Applicant has abandoned its SUPERSCAN ELITE mark, registered in 1995 for computer monitors as Reg. No. 1,888,264. The allegations of abandonment of the prior registration have no place in this proceeding, and leave to amend should be denied for two reasons: first, the registered mark is not the subject of this Opposition proceeding; and second, the purported abandonment has absolutely no relevance to this proceeding. The abandonment issue is nothing more than a chimerical argument used to multiply the proceedings.

This Opposition proceeding, presumably brought under 15 USC §1063, is directed at application Serial No. 76/208230 for the mark SUPERSCAN ELITE, published for opposition on March 19, 2002. Applicant's prior registration of SUPERSCAN ELITE, registered in 1995 for computer monitors, is not the subject of this proceeding, and could not be. One cannot bring a §1063 opposition against a mark registered eight years ago. If Opposer wants Applicant's prior registration declared abandoned, Opposer would have to file a separate cancellation proceeding under §1064.

Whether Opposer has abandoned its registered mark SUPERSCAN ELITE for computer

monitors (it has not) is of absolutely no relevance to the present action. Applicant is seeking to register SUPERSCAN ELITE for video and audio products on the basis of intent to use. Opposer seeks to block this registration on the grounds that SUPERSCAN ELITE for video and audio products is confusingly similar to its ELITE registration. Applicant is not claiming priority, since this is an intent to use application. Applicant is not attempting to tack on to the use date of its prior registration. Thus, whether Applicant's prior registration is in full force and effect or abandoned has nothing to do with this Opposition. The only issue here is whether the mark which Applicant seeks to register is likely to cause confusion with Opposer's mark.

Opposer attempts to generate relevance by its repeated statements that Applicant is "relying on" its earlier registration. What exactly Opposer means by this is unclear. Opposer states that Applicant "relied on" the prior registration in its Answer (Opposer's Mem. P.6). But the only reference to the prior registration in the Answer is to admit Opposer's allegations that Applicant owns the registration. (Answer, ¶ 6). Opposer also argues that Applicant "specifically relies on" the prior registration in the pending application. (Amd. Not. ¶ 5). However, a review of the application shows no reference to the prior registration. The pending application is not dependent on the prior registration. Applicant has never "relied" on the prior registration in a way that would bring abandonment into issue.

Applicant will argue that it has used the mark SUPERSCAN ELITE on computer monitors for years concurrently with Opposer's use of its ELITE mark without any confusion. Interestingly, in paragraph 8 of the initial Notice, Opposer acknowledges that there was no confusion between ELITE and SUPERSCAN ELITE as used on computer monitors. (Perhaps realizing that this fact may undermine its case, Opposer has deleted this paragraph from its Amended Notice).

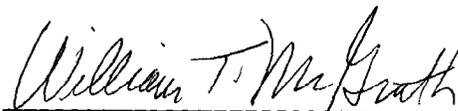
But this argument does not bring Applicant's prior registration or its purported abandonment into play. It does not warrant adding into this litigation all the difficult issues relating to abandonment, such as proof of non-use and intent not to resume use. To allow the proposed abandonment amendment to stand would in effect transform this matter into a cancellation proceeding. This is a straightforward 2(d) action on an intent to use application. There is simply no reason for the Board and the parties to undergo the added burden and expense entailed in seeking a declaration of abandonment.

Opposer's Memorandum raises a variety of arguments about discovery which are unfounded. Because the foregoing points demonstrate that the proposed amendments are improper regardless of the stage of discovery, Applicant will not respond to those arguments.

Conclusion

For all the foregoing reasons, Applicant respectfully requests that the motion for leave to amend be denied.

Respectfully submitted,

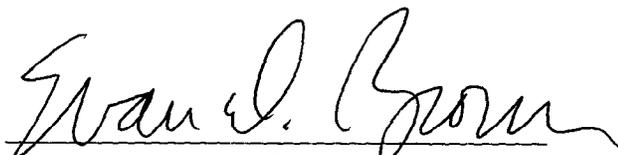


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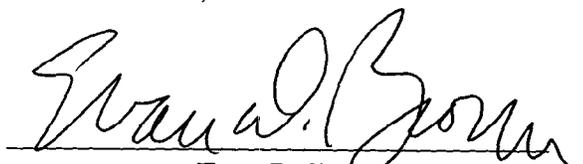
CERTIFICATE OF MAILING

I hereby certify that the foregoing APPLICANT'S RESPONSE TO PIONEER'S MOTION TO FILE AN AMENDED NOTICE OF OPPOSITION is being deposited with the United States Postal Service with sufficient postage as first class mail, in an envelope addressed to BOX TTAB NO FEE, Commissioner for Trademarks, 2900 Crystal Drive, Arlington, Virginia 22202-3513 on **March 7, 2003**.


Evan D. Brown

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing APPLICANT'S RESPONSE TO PIONEER'S MOTION TO FILE AN AMENDED NOTICE OF OPPOSITION is being transmitted by facsimile to 310-782-9579, and is being deposited with the United States Postal Service, first class postage prepaid, in an envelope addressed to Robert J. Skousen, Esq., SKOUSEN & SKOUSEN, 12400 Wilshire Blvd., Suite 900, Los Angeles, California 90025-1060 on **March 7, 2003**.


Evan D. Brown