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

Proceeding	91153683
Party	Plaintiff UNIVERSAL CITY STUDIOS, INC.
Correspondence Address	CHRISTOPHER C. LARKIN SEYFARTH SHAW 2029 CENTURY PARK EAST SUITE 3300 LOS ANGELES, CA 90067-3063
Submission	Opposer's Reply Brief On Its Motion For Summary Judgment; Declaration Of Christopher C. Larkin In Support Of Opposer's Motion For Summary Judgment
Filer's Name	Christopher C. Larkin
Filer's e-mail	clarkin@seyfarth.com, kelko@seyfarth.com
Signature	/Christopher C. Larkin/
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Attachments	Opposer's Reply Brief.pdf (10 pages) Reply Declaration of C. Larkin.pdf (4 pages)

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

In the Matter of Application Serial No. 76/295,515
Published in the Official Gazette of June 18, 2002

UNIVERSAL CITY STUDIOS LLLP,

Opposer,

v.

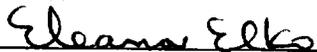
VALEN BROST,

Applicant.

Opposition No. 91153683

CERTIFICATE OF ONLINE FILING

I hereby certify that on June 7, 2004, this paper is being filed online with the U.S. Patent and Trademark Office before the Trademark Trial and Appeal Board .


Eleanor Elko

OPPOSER'S REPLY BRIEF ON ITS MOTION FOR SUMMARY JUDGMENT

INTRODUCTION

Contrary to the claimed need for discovery asserted in Applicant's opposition to Opposer's motion to amend, in Applicant's opposition to Opposer's motion for summary judgment, he has made no request for discovery pursuant to Rule 56(f) of the Federal Rules of Civil Procedure. Instead, he offers three short paragraphs directed to the three new bases for refusal that Opposer seeks to add by amendment. This testimony does nothing more than contradict Applicant's prior deposition testimony on the issues of use in commerce and ownership, and offer self-serving generalities on the issue of fraud. For the reasons discussed below, Applicant's testimony is insufficient to create a genuine issue of material fact on any of the grounds advanced by Opposer, and Opposer is thus entitled to judgment as a matter of law.

ARGUMENT

I.

THERE IS NO GENUINE ISSUE OF MATERIAL FACT THAT NO USE OF THE SUBJECT MARK IN COMMERCE HAD BEEN MADE AS OF THE FILING DATE OF THE OPPOSED APPLICATION.

Applicant's claim that there is a genuine issue of material fact as to whether there was sufficient pre-filing use in commerce is based upon a single sentence in his declaration that "I shipped samples of finished product that I referred to at page 56, line (sic) 2-4 of my deposition transcript to key customers including Toys R Us and Zany Brainy at the time I sent out brochures bearing the UNIVERSAL TOYS mark on or about July 31, 2001." Brost Decl. ¶ 4.¹ He offers this testimony "[i]n clarification of my deposition transcript." Brost Decl. ¶ 4. In reality, this testimony does not "clarify" his testimony, but contradicts it with respect to his claimed pre-filing use in commerce. This portion of Applicant's declaration should be excluded because Applicant cannot create a genuine issue of material fact on the basis of his own conflicting testimony.

When asked at his deposition exactly what constituted his pre-filing use in commerce, Applicant testified that it was the "solicitation for sales of a product bearing the trademark" taking the form of "brochures." Brost Tr. 47:6-11. He made no mention of also mailing samples even though he referred to the existence of samples elsewhere in his testimony. He testified that

¹As a fallback position, Applicant argues that his mailing of brochures constituted use in commerce for purposes of federal trademark registration because "interstate advertising and solicitation are considered commerce for purposes of the Lanham Act . . ." Opp. at 4. But the authorities that he cites, *Shatel Corp. v. Mao Ta Lumber and Yacht Corp.*, 697 F.2d 1352 (11th Cir. 1983) and *Mother Waddles Perpetual Mission, Inc. v. Frazier*, 904 F. Supp. 603, 37 USPQ2d 1184 (E.D. Mich. 1995), are completely inapposite. Neither case had anything to do with pre-filing use of a mark in commerce for purposes of registration, as both dealt with the issue of subject matter jurisdiction, in a civil infringement and unfair competition action, over a defendant's use of its mark in commerce. It is well-settled that mere advertising and solicitation of sales do not constitute technical trademark use for purposes of registration. *See, e.g.*, TMEP § 904.05.

samples had been shown to “[f]riends, family, relatives, [and] graphic artists,” but not to any prospective customers, before he sent out the brochures on July 31, 2001. Brost Tr. 50:21-51:4. He also testified that he believed that there were records and cover letters associated with the sending of the brochure that reflected “who it was sent to and what was said,” Brost Tr. 48:6-16; 54:17-22, but he offers no such records in support of his new recollection that he sent samples as well.² He testified that the first shipment of an actual box bearing the “UNIVERSAL TOYS” mark took place some time in the late fall of 2001 or early 2002. Brost. Tr. 54:24-55:2.

Applicant’s declaration in opposition to this motion thus contradicts his deposition testimony regarding what activities constituted his claimed pre-filing use in commerce. The authority is legion from federal court decisions applying Rule 56 of the Federal Rules of Civil Procedure that Applicant cannot create a genuine issue of material fact on this motion “by submitting an affidavit disputing his own prior sworn testimony.” *Rosner v. Codata Corp.*, 917 F. Supp. 1009, 1019 (S.D.N.Y. 1996); *see also Anderson v. F.J. Little Mach. Co.*, 68 F.3d 1113, 1115 (8th Cir. 1995) (“merely contradicting one’s earlier testimony will not create an issue of fact to stave off summary judgment where there is no indication that the damaging testimony was the result of mistake or confusion”); *Radobenko v. Automated Equipment Corp.*, 520 F.2d 540, 544 (9th Cir. 1975) (“If a party who has been examined at length on deposition could raise an issue of fact simply by submitting an affidavit contradicting his own earlier testimony, this would greatly diminish the utility of summary judgment as a procedure for screening out sham issues of fact.”); *Perma Research & Development Co. v. The Singer Co.*, 410 F.2d 572, 578 (2d Cir. 1969) (same); *Gerber Optical v. National Optronics*, 1993 U.S. Dist. LEXIS 19722 (W.D.

²Applicant reviewed corporate records following his deposition to develop evidence supporting his opposition to this motion, Brost Decl. ¶ 3, but he offers no documentary evidence--even though he testified in his deposition that it existed--substantiating his new claim that he shipped samples as well as brochures.

Va. 1993) (“Under Rule 56, attempts by counsel to improve on prior deposition evidence and establish genuine issues of fact by the use of a later acquired affidavit which contradicts prior testimony or which constitutes nothing more than conclusory remarks is not an acceptable practice”); *see also* 10 C. Wright, A. Miller & M. Kane, Federal Practice and Procedure § 2712 (1983) (The very purpose of summary judgment under Rule 56 is to prevent “the assertion of unfounded claims or the interposition of specious denials or sham defenses”).

Applicant’s declaration testimony contradicts his deposition testimony, and it should be disregarded in its entirety. Because this single sentence of testimony is the only evidence offered by Applicant to rebut Opposer’s showing of no pre-filing use in commerce, Applicant has failed to raise a general issue of material fact on this claim, and Opposer’s motion for summary judgment should be granted.

II.

THERE IS NO GENUINE ISSUE OF MATERIAL FACT THAT APPLICANT WAS NOT THE OWNER OF THE MARK SHOWN IN THE OPPOSED APPLICATION AS OF THE DATE OF FILING.

Applicant’s opposition to that portion of Opposer’s motion regarding his lack of ownership of the mark when the opposed application was filed in his name is based entirely on his claim that “on July 31, 2001 I was operating Universal Toys in my own name as a sole proprietorship.” Brost Decl. ¶ 3. On the basis of this single line of testimony, Applicant’s counsel argues that “[a]t the time of filing the federal application, the Applicant was the lawful owner of the mark and sold its (sic) goods under his sole proprietorship called Universal Toys” and that “[t]he claimed use of the ‘Universal Toys’ mark on Applicant’s federal trademark application was based on use by the Applicant, through his sole proprietorship, Universal Toys.” Br. at 5. But like Applicant’s testimony regarding the alleged pre-filing use in commerce, his

declaration testimony regarding this alleged “sole proprietorship” flatly contradicts his prior deposition testimony on this point, and should be disregarded.

Applicant was examined at some length in his deposition about the nature of the business that sells toy rockets under the “UNIVERSAL TOYS” mark shown in the opposed application. Applicant testified that to the extent that he personally had ever conducted business as a sole proprietor, it was in connection with “a business that received royalties or commissions from my marketing efforts for a toy product that I helped a company distribute, generating sales.” Brost Tr. 18:7-10. The company for whom he provided marketing and distribution services was D&L Company of Porterville, California, a company totally unrelated to Applicant or the Nevada corporations. Applicant testified that he ceased doing business as a sole proprietor in 2001 when “the revenue stopped coming in” from D&L. Brost Tr. 17:4-18:2; 21:11-22:3.³ Applicant testified that he believed that he still had a bank account as a sole proprietor, Brost Tr. 18:2-3, but he offers no evidence of the deposit of any proceeds of his sales, as a sole proprietor, of toy rockets bearing the “UNIVERSAL TOYS” mark. The absence of such evidence is fully consistent with his deposition testimony that all such sales were made through corporations.

In a letter to the Patent and Trademark Office covering the opposed application, Applicant identified a Universal Toys “division.” He confirmed the common-sense notion that individual persons do not have “divisions” in his deposition testimony that this was a reference to a new division of Universal Games Company, a Nevada corporation that was in existence when the opposed application was filed. Brost. Tr. 39:19-40:22; Ex. 9. The new division “was meant to be a sister company” to Universal Games Company, which he testified had sold some

³Copies of pages 21-22 from Applicant’s deposition transcript, which are first referred to in this reply brief, are attached as Exhibit 1 to the Larkin Reply Declaration.

toy rockets for D&L. Brost Tr. 40:9-22. He testified that he “realized the importance of having a sister company to handle more of the toys that were coming about.” Brost Tr. 40:21-22.

Applicant testified that all sales of the products at issue in this case, including the first shipments made in the late fall of 2001 or early 2002, Brost Tr. 54:23-55:2, before the formation of Universal Toys Company in April, 2002, were by Universal Games Corporation or Universal Toys Corporation. Brost Tr. 22:4-9. Indeed, when asked specifically whether he had ever filed a document stating that he was doing business as or under the names “Universal Games” or “Universal Toys,” Applicant replied “No, I have not. *It’s a corporation. I think that would be inappropriate.*” Brost Tr. 60:25-61:5 (emphasis added).

As discussed at pp. 3-4, *supra*, Applicant cannot create a genuine issue of fact as to the identity of the owner of the “UNIVERSAL TOYS” mark when the opposed application was filed by offering declaration testimony that contradicts his deposition testimony. A use-based application filed by someone other than the “owner” of the mark is void *ab initio*. 15 U.S.C. § 1051(a); *Chien Ming Huang v. Tzu Wei Chen Food Co., Ltd.*, 849 F.2d 1458, 7 USPQ2d 1335, 1336 (Fed. Cir. 1988). Applicant’s deposition testimony makes it clear that Universal Games Corporation, and not Applicant personally, was the entity that was identified by the “UNIVERSAL TOYS” mark on the brochure that constituted the specimen of use when the opposed application was filed. Because Applicant’s self-contradictory declaration testimony must be excluded, he has failed to create a genuine issue of material fact regarding ownership, and Opposer is entitled to judgment as a matter of law that the opposed application was void *ab*

initio. Dunleavy v. Koppel Steel Prods., Inc., 114 USPQ 43 (Comm'r Patents 1957); *Richardson Corp. v. Richardson*, 51 USPQ 144 (Comm'r Patents 1957).⁴

III.

THERE IS NO GENUINE ISSUE OF MATERIAL FACT THAT APPLICANT COMMITTED FRAUD ON THE TRADEMARK OFFICE WHEN HE FILED THE OPPOSED APPLICATION.

Applicant's opposition to Opposer's motion on its fraud claim relies one line from his deposition transcript that he conducted a trademark search himself and one sentence in his declaration that "[a]t no time, either in filing the UNIVERSAL TOYS trademark application of (sic) otherwise did I ever intend to mislead, misrepresent or commit fraud on the U.S. Patent and Trademark Office or anyone else." Brost Decl. ¶ 5. Applicant's declaration testimony regarding his intent is a textbook example of the type of "mere allegations or denials of the adverse party's pleadings" that are insufficient under Rule 56(e) to avoid summary judgment.

In *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 899 F.2d 1575, 14 USPQ2d 1390, 1394 (Fed. Cir. 1990), the Federal Circuit rejected the notion that a registrant's subjective claim of a lack of intent to resume use of a mark was sufficient evidence in an abandonment case to negate a prima facie case of abandonment through non-use, stating that "[i]n every contested abandonment case, the respondent denies an intention to abandon its mark; otherwise there would be no contest. Under Fed. R. Civ. P. 56, . . . one must, however, proffer more than conclusory testimony or affidavits. An averment of no intent to abandon is little more than a denial in pleading." In *Medinol Ltd. v. Neuro-Vasx, Inc.*, 2003 TTAB LEXIS 227 (TTAB 2003), the Board found the *Imperial Tobacco* court's discussion of intent to be relevant in a fraud case

⁴Applicant's declaration is completely silent regarding the nature of his relationship with Universal Games Company at the time of filing of the opposed application. He has thus failed to offer any evidence supporting his right to claim ownership of the mark personally when the application was filed under the "single entity" authorities cited at pages 4-5 in his brief.

as well. *Id. at* *15. “The appropriate inquiry is therefore not into the [applicant’s] subjective intent, but rather into the objective manifestations of that intent.” *Id.*

Applicant and his counsel totally ignore “the objective manifestations of [his] intent.” Applicant’s counsel argues the existence of “Applicant’s good faith belief that his trademark registration application contained only accurate information,” Br. at 7, but Applicant nowhere testifies that he even had such a belief, much less sets forth the circumstances surrounding the filing of the opposed application that form the basis for any claimed good faith belief. There is no testimony, for example, regarding the reasons why he believed at the time of filing that he owned the mark, or why he believed at the time of filing that sending a sales sheet constituted use in commerce.

Opposer’s opening papers showed that the only reasonable inference to be drawn from the circumstances surrounding the filing of the opposed application was that Applicant intended to deceive the Patent and Trademark Office to secure a registration to which Applicant was not entitled. Applicant has offered nothing more than a conclusory denial in rebuttal of that showing, and has thus failed to demonstrate the existence of a genuine issue of material fact on the fraud claim. Summary judgment should be entered in favor of Opposer.

CONCLUSION

For all of the foregoing reasons and for the reasons set forth in Opposer's opening papers, Opposer's motion for summary judgment should be granted in its entirety.

Dated: June 7, 2004

Respectfully submitted,

SEYFARTH SHAW LLP

By: 

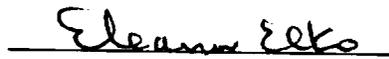
Christopher C. Larkin
Attorneys for Opposer
UNIVERSAL CITY STUDIOS LLLP

2029 Century Park East, Suite 3300
Los Angeles, CA 90067-3063
Telephone: (310) 277-7200
Facsimile: (310) 201-5219

CERTIFICATE OF SERVICE

I hereby certify that on June 7, 2004, I served the foregoing Opposer's Reply Brief on Its Motion for Summary Judgment on the applicant by depositing a true copy thereof in a sealed envelope, postage prepaid, in First-Class U.S. mail addressed to applicant's counsel as follows:

Kenneth R. Caldwell, Esq.
Watson Rounds
5371 Kietzke Lane
Reno, NV 89511-1448



Eleanor Elko

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

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UNIVERSAL CITY STUDIOS LLLP,

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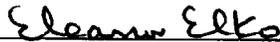
VALEN BROST,

Applicant.

Opposition No. 91153,683

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I hereby certify that on June 7, 2004, this paper is being filed online with the U.S. Patent and Trademark Office before the Trademark Trial and Appeal Board.


Eleanor Elko

**REPLY DECLARATION OF CHRISTOPHER C. LARKIN IN SUPPORT OF
OPPOSER'S MOTION FOR SUMMARY JUDGMENT**

I, CHRISTOPHER C. LARKIN, hereby declare:

1. I am an attorney licensed to practice in the States of New York and California and am a member of the firm of Seyfarth Shaw LLP, counsel for opposer Universal City Studios LLLP ("Opposer"). I make this declaration on the basis of my own personal knowledge and in support of Opposer's motion for summary judgment.

2. Attached hereto as Exhibit 1 are true and correct copies of pages 21 and 22 from the transcript of the March 15, 2004 discovery deposition of Applicant. These pages are cited in Opposer's reply brief on its motion for summary judgment.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 7th day of June, 2004 at Los Angeles, California.


CHRISTOPHER C. LARKIN

1 A Space-opoly.

2 Q And that was a board game?

3 A Yes.

4 Q Never sold any toy products?

5 A Again, I may have billed a few stomp rockets
6 through sales through customers in that company where
7 they would sell me the product at a cheaper price and I
8 would sell it at a higher price.

9 Q Since the formation of the second Universal
10 Games Corporation, have you ever operated -- strike that.

11 Since the formation of the second Universal
12 Games Company, have you ever sold any toys as Valen
13 Brost, Sole Proprietor?

14 A Yes. It would have been the stomp rocket
15 toys.

16 Q And when did that occur?

17 A You mean under Valen Brost Marketing? I
18 don't have any documents with me, but when the D&L
19 Company was first getting started, they didn't have the
20 capital to carry all of the sales that were occurring.
21 So what happened is I bought some product from them for
22 immediate cash, and then I sold them to customers who
23 wanted the product and then carried the accounts
24 receivable for, you know, 60, 90 days, whatever it took.
25 So I did that to help them handle the increase of

EXHIBIT 1

2

1 business. And I believe I may have some invoices where
2 I'd done that through both Valen Brost Marketing, Valen
3 Brost Game Company, and Universal Games.

4 Q Other than those instances, and let's focus
5 on the toy rockets that are the issue in this opposition,
6 have all of those products been sold by either the
7 Universal Game Corporation or the Universal Toy
8 Corporation?

9 A Yes.

10 Q And have they all been sold by Universal Toys
11 as opposed to Universal Games?

12 A Most have been sold through Universal Toys.
13 Some have been sold through Universal Games because
14 that's the way the account was established with the
15 retailer and the retailer perhaps didn't want to do the
16 paperwork and just threw in a purchase order identifying
17 Universal Games as the manufacturer.

18 Q Okay. Is it correct that with the exception
19 of those possible situations, the Universal Toys company
20 has been the company that's billed the customer and has
21 received payment?

22 A Yes.

23 Q Turn back to Exhibit 5, which I put before
24 you a few minutes ago. Let's spend a few moments on
25 that.

EXHIBIT 1

3

CERTIFICATE OF SERVICE

I hereby certify that on June 7, 2004, I served the foregoing Reply Declaration of Christopher C. Larkin in Support of Opposer's Motion for Summary Judgment on the applicant by depositing a true copy thereof in a sealed envelope, postage prepaid, in First-Class U.S. mail addressed to applicant's counsel as follows:

Kenneth R. Caldwell, Esq.
Watson Rounds
5371 Kietzke Lane
Reno, NV 89511-1448



Eleanor Elko