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

In the matter of Application
Serial No. 76/156,933

Published in the Official Gazette
on September 17, 2002

MICROSOFT CORPORATION,)
)
 Opposer,)
)
 v.)
)
 VALVERDE INVESTMENTS, INC.,)
)
 Applicant.)
 _____)

Opposition No. 91154797



04-16-2004

U.S. Patent & TMOfc/TM Mail Rcpt Dt. #22

**APPLICANT'S RESPONSE TO OPPOSER'S MOTION FOR SUMMARY
JUDGMENT AND ANSWER TO AMENDED NOTICE OF OPPOSITION
AND MEMORANDUM IN SUPPORT**

Opposer Microsoft Corporation, (hereinafter, "Microsoft") filed a motion in this opposition proceeding for summary judgment filed March 12, 2004. Microsoft filed its summary judgment motion on the grounds that there are no disputed material facts, based on Microsoft's allegation that the Applicant, Valverde Investment, Inc. (hereinafter "Valverde") assigned its intent-to-use application and BACKPAGE mark without complying with the requirements of 15 U.S.C. § 1060. Additionally, Microsoft filed a motion for leave to amend the notice of opposition based on the additional ground of Applicant's alleged assignment of the rights in its intent-to-use application in violation of 15 U.S.C. §1060. [See paragraph 15 of Amended Notice of Opposition].

APPLICANT'S ANSWER TO AMENDED NOTICE OF OPPOSITION

Applicant, Valverde, hereby answers the amended notice of opposition as follows:

1. As to paragraph 1; admitted.
2. As to paragraphs 2, 3, 4, 5, 6, 7, 8 and 9; denied.
3. As to paragraphs 10, 11 and 12; admitted.
4. As to paragraphs 13, 14, 15, and 16; denied.

Valverde respectfully opposes Microsoft's motion for summary judgment and makes the following arguments and rebuts errors in Microsoft's arguments in the following Memorandum in support of Applicant's opposition to Opposer's Motion for Summary Judgment and Amended Notice of Opposition.

**MEMORANDUM IN SUPPORT OF APPLICANT'S OPPOSITION TO
OPPOSER'S MOTION FOR SUMMARY JUDGMENT AND
ANSWER TO AMENDED NOTICE OF OPPOSITION**

Applicant, Valverde hereby submits this memorandum in support of its opposition to Microsoft's Motion for Summary Judgment.

**I. SUMMARY JUDGMENT IS INAPPROPRIATE
WHERE THERE ARE MATERIAL FACTS IN DISPUTE**

A summary judgment is an appropriate method of disposing of a case in which there are no genuine issues of material fact in dispute, leaving the case to be resolved as a matter of law. See F. R. Civ. P. 56(c). It is the moving party's burden of demonstrating that there are no genuine issues of material facts. Celotex Corp. v. Catrett, 477 U.S. 317 (1986). If based on the evidence of record, a reasonable finder of fact could resolve the matter in favor of the non-moving party, a genuine issue of material fact in dispute exists

and a summary judgment is not appropriate. Opryland USA Inc. v. Great American Music Show, Inc. 970 F.2d 847, 23 USPQ2d 200 (Fed. Cir. 1992). Upon viewing the evidence, the court must view the evidence in a light most favorable to the non-movant, and all justifiable inferences are to be drawn in the non-movant's favor. Lloyd's Food Products, Inc. v. Eli's Inc., 987 F.2d 766 (Fed. Cir. 1993).

With these Federal Rules and Case Law firmly in mind, Valverde asserts that Microsoft has failed to meet its burden of demonstrating that there are no genuine issues of material facts in dispute.

A. DISPUTED FACTS

The following disputed fact supports Valverde's Opposition to Microsoft's Summary Judgment motion.

1. The Conectron Assignment does sell or otherwise transfer the portion of Valverde's business associated with the BACKPAGE mark to Conectron. [Please see Valverde and Ibarra Declarations., paragraph 4, Attached as Exhibits A and B].

1.Valverde's Assignment of its BACKPAGE Mark and Application

Does Not Violate Section 1060 of the Trademark Act and Is Valid.

Microsoft erroneously interprets Valverde's Assignment Agreement to fail to transfer to Conectron the portion of Valverde's business to which the mark relates. The statute cited by Microsoft is 15 U.S.C. §1060 (a)(1)-(2), which states:

“A registered mark or a mark for which application to register has been filed shall be assignable with the good will of the business in which the mark is used, or with that part of the good will of the business connected with the use of and symbolized by

the mark. Notwithstanding the preceding sentence, no application to register a mark under section 1051(b) of this title shall be assignable prior to the filing of an amendment under section 1051(c) of this title to bring the application in conformity with section 1051(a) of this title or the filing of the verified statement of use under section 1051(d) of this title, except for an assignment to a successor to the business of the applicant, or portion thereof, to which the mark pertains, if that business is ongoing and existing.”

Valverde’s assignment of its BACKPAGE intent-to-use application and mark to Conectron, Inc. included the appropriate language in compliance with 15 U.S.C. § 1060. More specifically, the Assignment states: “assigns and transfers to Conectron, Inc. all right, title, interest and goodwill in and to the Mark and the pending Application therefore, together with the goodwill of that portion of Valverde Investments, Inc.’s business in connection with which it has a bona fide intention to use the Mark”. Valverde contends that this language is in accordance with the requirements of § 1060. The appropriate language need only state in some form that the Assignor is conveying to the successor that portion of the business to which the mark pertains”

There are a number of cases that hold that no particular forms of words are necessary to affect the transfer of the trademark. See Holly Hill Citrus Growers’ Ass’n v. Holly Hill Fruit Products, Inc., 75 F.2d 13 (5th Cir. 1935); May v. Goodyear Tire & Rubber Co., 10 F.Supp. 249 (D.C. Mass 1935); Woodward v. White Satin Mills Corp., 42 F.2d 987 (8th Cir. 1930). Therefore, the language need not be exact and is open to interpretation, however, the basic requirement remains that the language to convey the basic idea that the

portion of the business to which the mark is associated also be transferred in the assignment.

The portion of the business relating to the mark, BACKPAGE was specifically written into the Assignment Agreement and transferred in the Valverde Assignment Agreement. In fact the corporation, Conectron, Inc. was created for the sole purpose of developing the goods associated with the BACKPAGE mark and marketing those goods under the BACKPAGE mark; and therefore, the portion of the business to which the mark is associated was transferred in the Assignment Agreement. Furthermore, Valverde first became aware of Microsoft's objection to Valverde's use of the mark BACKPAGE in marketing its product when Microsoft sent a threatening letter to one of Valverde's licensee's of the BACKPAGE mark, thus thwarting a potential client of Valverde. Therefore, Valverde maintains that Microsoft's threatening letter to the licensee to which an agreement pertaining to the BACKPAGE mark was already entered into, in fact harmed Valverde's portion of the Valverde business in connection with its use of the Mark BACKPAGE.

Clearly, Valverde intended to through the creation of a written agreement and in fact, did by the execution and recordation of that agreement with the United States Patent and Trademark Office, transfer that portion of Valverde's ongoing and existing business to which the BACKPAGE mark pertains. [Please see Attached Declaration of Dr. Fernando Valverde and Rudy Ibarra, attached as Exhibits A & B].

II. MICROSOFT HAS NOT PROVEN ITS CASE

1. Microsoft submits only the Declaration of Katherine Drakos in support of its motion for summary judgment. This Declaration is not proper and should be stricken.

2. Drakos attempts to testify in her affidavit as to the Assignment to which she was neither a party to, nor present in the formation of, or knowledgeable about the circumstances surrounding the Assignment Agreement. Her statements are merely conclusory legal arguments, not statements of facts. The relevant section of this Declaration, Paragraph 6, states in part:

“The Conectron Assignment does not sell or otherwise transfer any portion of Applicant’s business associated with the BACKPAGE mark to Conectron.”

A. SELF SERVING AND CONCLUSORY STATEMENTS

WHICH MAY BE CONTRADICTED ARE INSUFFICIENT

TO SUPPORT SUMMARY JUDGEMENT

12. An Affidavit of an interested party does not support a summary judgment motion if the statements contained therein are either unclear or may be contradicted. C & G. Corp. v. Baron Homes, Inc. 183 USPQ 60 (TTAB 1974); and 4U Co. of America, Inc. v. Naas Foods, Inc., 175 U.S.P.Q. 251 (TTAB 1972). The statements made by Katherine Drakos in her declaration, paragraph 6, are merely conclusory legal interpretations of the effect of the assignment and are inappropriate legal conclusions, which are not statements of fact appropriate for affidavits and declarations. Furthermore, these same statements are open to many legal interpretations and may be contradicted by the attached declarations attached herewith in this response. [Please see attached Exhibits A & B].

B. OBJECTION TO AFFIDAVIT/NO PERSONAL KNOWLEDGE

13. Katherine Drakos makes a number of conclusory statements with no personal knowledge. True, she in a conclusory manner claims to have personal knowledge. However, such personal knowledge must be established by more than conclusory statement of personal knowledge. According to both the Federal Rules of Civil Procedure 56(e) and the Trademark Trial and Appeal Board Section 528.05(b) to support a motion for summary judgment declarations must be made (1) on personal knowledge; (2) set forth such facts as would be admissible in evidence; and (3) show affirmatively that the affiant is competent to testify to the matters stated therein.

Valverde contends that the Declaration of Katherine Drakos does not meet any of these requirements. The statements of Katherine Drakos in Paragraph six were not made on her own personal knowledge, nor is she competent to testify to these matters. Katherine Drakos has no relationship with either the business pertaining to the trademark in question, nor the formation of the actual Assignment Agreement. Nor are her statements in her declaration facts which would be admissible in evidence, rather they are conclusory legal arguments open to various interpretations regarding the affect of the transfer of the trademark in the Assignment Agreement in question.

15. Katherine Drakos affidavit must therefore be stricken since there is no basis for personal knowledge affirmatively shown.

C. CASE CITED BY MICROSOFT DOES NOT SUPPORT

MICROSOFT'S MOTION FOR SUMMARY JUDGMENT

Applicant asserts that the case cited by Microsoft, Clorox Co. vs. Chemical Bank 40 U.S.C 1098 TTAB. (1996) is not remotely on point. This case relates to a trademark assignment by Clorox to a bank as a security interest to obtain money. The business related to the trademark clearly stayed with Clorox while the trademark and goodwill were technically assigned to Chemical Bank. This violated 15 U. S. C. 1060 because no statement of use had been previously filed and the bank in turn licensed the trademark back to the business. Summary judgment was appropriate because there were no issues of material facts in dispute as to the security transaction and the full assignment of the trademark to the bank without the business. The bank had no intent to ever use the mark. The present case is completely different. There was no security interest assigned. The business followed the mark and is ongoing. Ironically Microsoft's attorneys are the reason that a statement of use has not been filed because they sent a letter threatening infringement litigation to Applicant's only potential customer Terremark who terminated a software licensing and sublicensing agreement.

III. ALL DOUBTS RESOLVED IN FAVOR OF NON-MOVANTS

It is not the purpose of summary judgment to provide for trial by affidavit, but rather to provide an efficient and time-saving end to a case when the movant has shown that there are no questions of material fact and only questions of law. If differing inferences may reasonably be drawn from summary judgment evidence, summary judgment should not be granted. In a summary judgment, credibility determinations may

not be made, and the evidence must be viewed favorably to the non-movant, with doubts resolved and reasonable inferences drawn in the non-movant's favor. Wanlass v. Fedders Corp., 145 F.3d 1461, 1463, 47 USPQ2D 1097, 1099 (Fed. Cir. 1998).

IV. CONCLUSION

The Trademark Trial and Appeal Board should deny the summary judgment motion requested by Microsoft. Microsoft has not proven that it is entitled to summary judgment or met its burden of proving that there are no genuine issues of material facts in dispute. In short, the question of a violation of § 1060 is an issue of material fact, given the possibility that there may be various interpretations of the language of the Valverde Assignment presently at issue and differing inferences may be reasonably drawn from the summary judgment evidence. Such varying interpretations of the language of a contract are clearly genuine issues of material fact which remain in dispute and require the examination and consideration of further evidence beyond that which is already available in the present motion for summary judgment. Therefore, a motion for summary judgment would be both inappropriate and highly prejudicial to the Valverde without further evidentiary presentation which may lead a rational trier of fact to find for the non-moving party.

WHEREFORE, it is respectfully requested that Microsoft's Motion for Summary Judgment be denied.

Respectfully submitted,

Date: 4/16/04



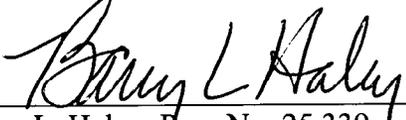
Barry L. Haley, Reg. No. 25,389
MALIN, HALEY & DiMAGGIO, P.A.
1936 South Andrews Ave.
Ft. Lauderdale, FL 33316
Tel: (954) 763-3303
Fax: (954) 522-6507

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original of the foregoing: **APPLICANT'S RESPONSE TO OPPOSER'S MOTION FOR SUMMARY JUDGMENT AND ANSWER TO AMENDED NOTICE OF OPPOSITION AND MEMORANDUM IN SUPPORT** in Opposition No. 91154797 is being deposited with the United States Postal Service as Express Mail No. EV 338411318 US, addressed to: Box TTAB No Fee, Assistant Commissioner for Trademarks, 2900 Crystal Drive, Arlington, Virginia 22202-3514; and a true and correct copy of the same deposited with the United States Postal Service in a postage-paid envelope addressed to attorneys for Opposer:

William O. Ferron, Jr., Esq.
Attorney for Opposer
SEED Intellectual Property Law Group PLLC
701 Fifth Avenue, Suite 6300
Seattle, WA 98104-7092
Tel: (206) 622-4900
Fax: (206) 682-6033

this 16th day of April, 2004.



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Attorney for Applicant
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A

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MICROSOFT CORPORATION,)

Opposition No. 91154797

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v.)

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2900 Crystal Drive
Arlington, VA 22202-3514

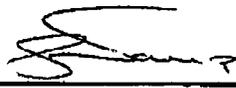
DECLARATION OF FERNANDO VALVERDE

1. I, Dr. Fernando Valverde, state that I am a founder, shareholder and officer of Conectron, Inc., the current owner of the trademark BACKPAGE.
2. I further state that I am a shareholder and officer of Valverde Investments, Inc.
3. I also state that the trademark BACKPAGE was assigned to Conectron, Inc. by the Applicant Valverde Investments, Inc.; and said Trademark Assignment was subsequently recorded with the United States Trademark Office [Reel/Frame: 2780/0790].
4. I further state that the portion of the Valverde Investment, Inc. business to which the BACKPAGE mark pertains was transferred in the Assignment Agreement.

5. That portion of the Valverde Investment, Inc. business to which the BACKPAGE mark pertains has been continuously ongoing prior to and since the transfer of that portion of the business to Conectron, Inc.

6. I further declare that all statements made herein of my own knowledge are true and accurate, and that all statements made on information and belief are believed to be true, and further, that these statements were made with the knowledge that willful false statements and the like so made would constitute perjury, and are punishable by fine or imprisonment, or both under Section 1001 of title 18 of the United States Code.

Date: 4/16/04



Dr. Fernando Valverde

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

B

In the matter of Application
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| Opposer, |) | |
| |) | |
| v. |) | |
| |) | |
| VALVERDE INVESTMENTS, INC., |) | |
| |) | |
| Applicant. |) | |
| _____ |) | |

Trademark Trial and Appeal Board
Commissioner for Trademarks
2900 Crystal Drive
Arlington, VA 22202-3514

DECLARATION OF RUDY IBARRA

- I, Rudy Ibarra, state that I am a founder, shareholder and officer of Conectron, Inc., the current owner of the trademark BACKPAGE.
- I also state that the trademark BACKPAGE was assigned to Conectron, Inc. by the Applicant Valverde Investments, Inc.; and said Trademark Assignment was subsequently recorded with the United States Trademark Office [Reel/Frame: 2780/0790].
- I further state that the portion of the Valverde Investment, Inc. business to which the BACKPAGE mark pertains was transferred in the Assignment Agreement.

APR. 15. 2004

3:52PM

MALIN HALLY

4. That portion of the Valverde Investment, Inc. business to which the BACKPAGE mark pertains, has been continuously ongoing prior to and since the transfer of that portion of the business to Conextron, Inc.

5. I further declare that all statements made herein of my own knowledge are true and accurate, and that all statements made on information and belief are believed to be true, and further, that these statements were made with the knowledge that willful false statements and the like so made would constitute perjury, and are punishable by fine or imprisonment, or both under Section 1001 of title 18 of the United States Code.

Date:

4-15-04

Rudy Ibarra, Officer
Conextron, Inc.

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Opposition No. 91154797

Our File Number: 10195.3917

CERTIFICATE OF EXPRESS MAIL

I HEREBY CERTIFY that the following correspondence: **APPLICANT'S RESPONSE TO OPPOSER'S MOTION FOR SUMMARY JUDGMENT AND ANSWER TO AMENDED NOTICE OF OPPOSITION AND MEMORANDUM IN SUPPORT** (in Opposition No. 91154797); **AND A RETURN POSTCARD FOR CONFIRMATION OF RECEIPT**, is being deposited with the United States Postal Service as Express Mail No. EV 338411318 US, addressed to: Box TTAB No Fee, Assistant Commissioner for Trademarks, 2900 Crystal Drive, Arlington, Virginia 22202-3514, this 16th day of April, 2004.

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code.

Any additional charges, including extension of time, please bill our Account No. 13-1130.


Lisa M. Kerkorian, Paralegal

Date: Friday, April 16, 2004

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04-16-2004
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