

THIS OPINION IS NOT  
CITABLE AS PRECEDENT  
OF THE TTAB

UNITED STATES PATENT AND TRADEMARK OFFICE  
Trademark Trial and Appeal Board  
P.O. Box 1451  
Alexandria, VA 22313-1451

Skoro

Mailed: November 29, 2006

Opposition No. 91165519

Corporacion Habanos, S.A.

v.

Anncas, Inc.

Before Quinn, Hairston and Kuhlke,  
Administrative Trademark Judges.

By the Board:

#### Background

Anncas, Inc. filed an application to register the mark HAVANA CLUB for "cigars made from Cuban seed tobacco" in Class 34 on February 5, 2004.<sup>1</sup> On June 10, 2005 Corporacion Habanos, S.A. (Habanos, S.A.) opposed the registration sought, claiming ownership of Reg. No. 2177837 for HABANOS UNICOS DESDE 1492 and DESIGN for "cigars" in Class 34.<sup>2</sup> As grounds for the opposition, opposer alleged that applicant's

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<sup>1</sup> Serial No. 78363024, filed February 5, 2004, "Havana" has been disclaimed, and claiming a bona fide intention to use the mark in commerce.

<sup>2</sup> U.S. Reg. No. 2177837 issued on August 4, 1998 under Section 44(e) based on Cuban Registration No. 121,980 for "raw tobacco, cigars, cigarettes, cut tobacco rappee, matches, tobacco, tobacco pipes; pipe-holders; ashtrays; match boxes; cigar cases and humidors" in Class 34. The mark translates to "Unique Havana Cigars since 1492". Section 8 affidavit accepted March 23, 2004.

mark was primarily geographically deceptively  
misdescriptive; deceptive under Section 2(a) of the Act; and  
that applicant committed fraud upon the Office.<sup>3</sup>

Applicant filed its answer together with a counterclaim on  
August 3, 2005, seeking to cancel opposer's registration on  
the ground of abandonment.

#### Cross-Motions for Summary Judgment

This case now comes before the Board for consideration  
of opposer's motion for summary judgment filed August 4,  
2006; and applicant's cross-motion for summary judgment  
filed August 7, 2006. In addition, opposer's brief exceeded  
the page limit for briefs in support of motions and opposer  
filed a motion to exceed the page limit on September 22,  
2006. Applicant has objected.<sup>4</sup>

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<sup>3</sup> Opposer specifically alleges: "Applicant knew that it made a  
false, material misrepresentation to the USPTO when it authorized  
amendment of its identification of goods from "cigars" to "cigars  
made from Cuban seed tobacco," in response to the USPTO's  
September 1, 2004 Office Action refusing registration of the mark  
as primarily geographically deceptively misdescriptive." Notice  
of Opposition at ¶ 56. Both parties have characterized this  
allegation as a claim of fraud.

<sup>4</sup> Also, on May 10, 2006 the parties filed a stipulation to  
withdraw an extension of time request filed April 14, 2006. That  
stipulation is noted and the extension of time will be given no  
consideration. Further, the parties stipulated to withdrawing a  
motion to quash opposer's notice of deposition filed April 21,  
2006. That motion is considered withdrawn. Additionally,  
defendant's withdrawal and dismissal with prejudice of its third  
affirmative defense (lack of goods/place association) in its  
answer to the notice of opposition is noted and its third  
affirmative defense is hereby stricken. It is also noted that  
the parties filed a stipulated protective agreement on May 11,  
2006 and a stipulation to reset the dates to enable each party to

Leave to File Over-length Brief

Trademark Rule 2.127(a) provides, in relevant part, as follows: "The brief in support of a motion and the brief in response to the motion shall not exceed twenty-five pages in length, and a reply brief shall not exceed ten pages in length." Trademark Rule 2.127(a) does not require an index of cases. However, should a party elect to include such information as a table of contents and an index of cases and authorities in its brief, the additional pages are considered in the page count. See *Saint-Gobain v. Minnesota Mining and Manufacturing Company*, 66 USPQ2d 1220 (TTAB 2003).

Opposer's brief in support of its motion for summary judgment is 43 pages in length (and does not include any associated tables provided in main briefs on a case) and, thus, far exceeds the twenty-five page limit for briefs in support of motions before the Board. Further, the rule requires that if a party believes it is necessary to file an over-length brief, the preferred practice is to file a timely motion for leave to exceed the page limit prior to filing the brief. See TBMP § 537 (2d ed. rev. 2004). Opposer did not file its motion for leave until September 22, 2006, almost two months after its brief was filed. In

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file a motion for summary judgment. Those motions are also noted and granted.

its motion for leave, opposer states it "inadvertently failed to file a motion" for excess pages and in its reply states "the failure to file was an oversight committed during the finalization and filing of Opposer's summary judgment motion, declarations and exhibits<sup>5</sup>, in which filing of the motion for leave was simply overlooked." (reply at 1). Applicant has objected to the over-length brief stating it should be stricken and, if not stricken, the brief will prejudice applicant by it having less space to elaborate on its arguments.

The page limitation for briefs on motions is for the convenience of the Board and is intended to prevent the filing of unduly long briefs. This limitation cannot be waived by action, inaction or consent of the parties. See *Saint-Gobain, supra*. Cf. *United Foods Inc. v. United Air Lines Inc.*, 33 USPQ2d 1542 (TTAB 1994). As the basis for its request to exceed the page limit, opposer argues that it needed to address numerous separate and distinct legal issues, including applicant's counterclaim. Applicant responds that it was able to address those same issues in

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<sup>5</sup> It is noted that opposer submitted over 900 pages in declarations and exhibits in support of its motion for summary judgment. Both parties are advised of Trademark Rules 2.123(g)(2) and 2.126 that govern how exhibits are to be filed. Given the volume of documents submitted as exhibits in this matter, the exhibits should have been indexed and described to enable the Board to consider them. Cf. *Tampa Rico Inc. v. Puros Indios Cigars Inc.*, 56 USPQ2d 1382, 1384 (TTAB 2000). See also TBMP § 703.01.

its motion for summary judgment and in response to opposer's motion, all within the page limit.

Accordingly, we find that opposer's brief in support of its motion for summary judgment is procedurally improper and in violation of Board rules regarding page limitations of briefs on motions. In consequence thereof, opposer's motion for summary judgment will not receive any further consideration.

Applicant's Motion for Summary Judgment

Applicant alleges that the primary meaning of its mark, HAVANA CLUB, is inherently distinctive and not geographic; that it "conjures up images of Caribbean nightlife and the fame surrounding that designation with regards to rum"; that the public will not be deceived by the mark in that they "would not reasonably believe its goods originate in Cuba due to... [the Cuban embargo]"; and alternatively, that through its use of Cuban-seed tobacco, "its goods have a legitimate and material connection with Cuba and thus, neither misdescribes the goods nor would deceive consumers who make a goods/place association"; that applicant "denies any misrepresentation to the PTO examiner"; and finally, as to applicant's counterclaim for cancellation, opposer has abandoned its mark due to nonuse in commerce over the eight years since its registration issued and should be cancelled. In support of its motion, applicant has submitted the

declaration of its president, Mr. William Bock, and over 500 pages of exhibits.<sup>6</sup>

In response, opposer contends that applicant has not provided evidence to support its argument that Cuban seed has "any relevant connection to Havana or Cuba"; that contrary to applicant's arguments, the primary significance of applicant's composite HAVANNA mark identifies a geographic location and it is not inherently distinctive; that there is no evidence to refute a goods/place association; and that if there is a "remote genetic descent from Cuban tobacco seeds", applicant has not provided any evidence to overcome sections 2(a) and 2(e) of the Act. As to applicant's counterclaim to cancel opposer's registration based on abandonment, opposer submitted evidence<sup>7</sup> of its excusable nonuse due to the Cuban Embargo; its use of the mark in advertising around the world and of its intent to resume use in the U.S. when permitted.

The burden is on the party moving for summary judgment to demonstrate the absence of any genuine issue of material fact, and that it is entitled to summary judgment as a matter of law. Fed. R. Civ. P. 56(c). See also *Celotex*

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<sup>6</sup> These exhibits are also not indexed or described sufficiently pursuant to Trademark Rules 2.123(g)(2) and 2.126.

<sup>7</sup> Although opposer's motion for summary judgment has been given no consideration, opposer incorporated its declarations and exhibits by reference in its response to applicant's motion for

*Corp. v. Catrett*, 477 U.S. 317 (1986). The evidence of record and any inferences, which may be drawn from the underlying undisputed facts, must be viewed in the light most favorable to the non-moving party. See *Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542 (Fed. Cir. 1992). In considering the propriety of summary judgment, the Board may not resolve issues of material fact against the non-moving party; it may only ascertain whether such issues are present. See *Opryland USA, Inc. v. Great American Music Show, Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1993); and *Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027 (Fed. Cir. 1993).

Having carefully considered the evidence and arguments submitted by the parties in connection with the motion, we find that there are genuine issues of material fact at least with regard to whether or not the mark is geographically deceptively misdescriptive, specifically, whether consumers will believe that applicant's goods are made from tobacco linked to Cuba.<sup>8</sup> Accordingly, applicant's motion for summary judgment is denied as to this ground.

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summary judgment. Accordingly, the Board has considered its evidence in support of excusable non-use.

<sup>8</sup> As to the fraud claim, applicant states in its motion for summary judgment that "summary judgment is an improper tool for addressing such issues as fraud upon the PTO... However, applicant denies Opposer's allegation that applicant misrepresented to the PTO Examiner that the cigars to be covered by its mark were to be of Cuban-seed." Applicant's motion at p. 16. Opposer responds that because applicant has provided no evidence on the fraud claim, it "cannot prevail on its fraud claim on this motion."

Summary Judgment as to Abandonment

On August 3, 2005 applicant filed a counterclaim to cancel opposer's U.S. Reg. No. 2177837 on the ground of abandonment. In the motion for summary judgment, applicant argues that opposer has not used its mark in the United States for eight years and has not established a bona fide intent to use the mark, and the mark is, therefore, abandoned. Opposer responds that it has excusable nonuse of the mark in the United States due to circumstances beyond its control, and, thus, has not abandoned its mark.

Abandonment of a mark is defined as "when its use has been discontinued with intent not to resume such use. Intent not to resume may be inferred from circumstances. Nonuse for 3 consecutive years shall be prima facie evidence of abandonment..." 15 U.S.C. § 1127(1). Once nonuse for three consecutive years has been shown, then the owner of the mark has the burden to demonstrate that circumstances do not justify the inference of intent not to resume. *See Imperial Tobacco Ltd. v. Philip Morris Inc.*, 899 F.2d 15475, 14 USPQ2d 1390 (Fed. Cir. 1990); and *Cerveceria Centroamericana, S.A. v. Cerveceria India, Inc.*, 892 F.2d 1021, 13 USPQ2d 1307 (Fed. Cir. 1989).

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Opposer's response at p. 16. Because fraud requires specific intent, and no evidence has been submitted on the issue, genuine issues remain as to this ground as well.

Additionally, as in this case, the Trademark Act allows for the registration of marks under Section 44(e) based on a mark registered in the country of origin of a foreign applicant. All registrants must file a Section 8 affidavit of continued use, or demonstrate excusable nonuse, between the fifth and sixth years in order for the registration to remain valid and subsisting.<sup>9</sup> Specifically, as to nonuse, Section 8 of the Statute (15 U.S.C. § 1058(b)(2)) requires that a timely affidavit be filed:

...setting forth those goods or services recited in the registration on or in connection with which the mark is not in use in commerce and showing that any such nonuse is due to special circumstances which excuse such nonuse and is not due to any intention to abandon the mark.

*See also* Trademark Rule 2.161(f)(2).

The Section 8 affidavit was designed to eliminate from the Register those marks whose nonuse has resulted from ordinary changes in social or economic conditions. The legislative history of the Lanham Act emphasizes the

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<sup>9</sup> It is noted that opposer's section 8 affidavit was filed and accepted by the Office on March 23, 2004 wherein it cites excusable nonuse of its mark due to the Cuban Assets Control Regulations, 31 CFR § 515. See Declaration of Mr. Goldstein, counsel for opposer, ¶ 5 and at pages 150-154, part 2 of 4 of electronic filing. Mr. Goldstein's declaration begins at page 114 in Part 2 of 4 of the exhibits submitted in support of opposer's motion for summary judgment. The page numbers correspond to the electronic page numbers.

requirement that excusable nonuse be attributable to outside causes.<sup>10</sup>

The Cuban Assets Control Regulations (31 CFR § 515) prohibit, *inter alia*, (i) the importation into the United States of merchandise from Cuba or merchandise of Cuban origin, and (ii) the use in U.S. commerce of any trademark in which Cuba or a Cuban national has, at any time since July 8, 1963, had any interest, direct or indirect. See 31 CFR §§ 515.201, 515.204 and 515.311, respectively.<sup>11</sup> These same regulations allow for, *inter alia*, the filing in the United States, applications for trademark registrations, prosecuting said applications, receiving registration certificates and renewal certificates, and recording any instrument affecting title to trademark registrations. See 31 CFR § 515.527.

According to the provisions of Section 8, the affidavit must contain a "showing" of excusable nonuse. Under the judicial interpretation of the law and Office policy, abandonment does not occur when a party has not used a mark in the United States because such use is prohibited by U.S.

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<sup>10</sup> The original language for an affidavit of nonuse, which appeared in Section 11 of H.R. 11988, provided that "nonuse is due to special circumstances *beyond the control of the registrant.*" This intent has been interpreted by the Office to mean that excusable nonuse is a temporary nonuse that is "beyond the control of the registrant" or "forced by outside causes." See *In re Moorman Manufacturing Company*, 203 USPQ 712, 714 (Comm'r 1979).

law. In particular, the Office recognizes that nonuse is excusable where the owner of the registration is willing and able to continue use of the mark in commerce, but is unable to do so due to a trade embargo. See TMEP § 1604.11 (4<sup>th</sup> ed. 2005). In this case, opposer points to 31 CFR § 515.527(a) of the Cuban Assets Control Regulations that authorize Cuban nationals to protect their trademarks; a letter from the Department of the Treasury<sup>12</sup>, providing a license authorizing opposer to be represented and to file the opposition,<sup>13</sup> as well as evidence that the Office regularly accepts Section 8 affidavits, which show excusable nonuse due to the trade embargo, from Cuban nationals.<sup>14</sup>

Now specifically addressing opposer's excusable nonuse argument, applicant contends that opposer's Section 8 affidavit is insufficient to establish a bona fide intention to use the mark, in that more than "a hope" to be permitted to use the mark in the future is required; that opposer has not provided any evidence to establish an intent to use, such as a written business plan for a new product; and that

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<sup>11</sup> These regulations were promulgated pursuant to The Trading With the Enemy Act, 50 U.S.C. App. § 5(b).

<sup>12</sup> Letter dated June 10, 2005 from Mr. Robert Werner, Director of the Office of Foreign Assets Control.

<sup>13</sup> Goldstein dec. ¶ 4 and Part 2 of 4, p. 145 of the electronic record.

<sup>14</sup> Goldstein dec. ¶¶ 18-20 and Part 3 of 4, pp. 174-270.

the U.S. advertisements opposer has provided<sup>15</sup> are not connected to the identified goods and do not show use of the specific registered mark.

In the case before us, opposer's use of its mark has been prohibited in the United States throughout the life of the registration.<sup>16</sup> The record shows that for now, and for the entire relevant time frame, it is and has been legally impossible for opposer to use its mark in the United States in connection with the sale of its goods.<sup>17</sup> See Cuban

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<sup>15</sup> See declaration of Manuel Garcia Morejon, Commercial Vice President of Habanos S.A., ¶¶ 14 - 15, and Part 1 of 4 at pp. 168-222. Mr. Marejon's declaration starts at page 134 of the electronic record in Part 1 of 4.

<sup>16</sup> As noted above, opposer's registration issued on August 4, 1998. The embargo on Cuba was imposed in 1963 as reflected in the CACR, 31 CFR § 515.

<sup>17</sup> When a party has not used a mark in the U.S. because U.S. law prohibits such use, the party has not abandoned the mark within the meaning of Section 45 of the Act. See, e.g., *Chandon Champagne Corp. v. San Marino Wine Corp.*, 335 F.2d 531, 142 USPQ 239 (2<sup>nd</sup> Cir. 1964) ("plaintiff's forced wartime [WWII] withdrawal from the American market was not an abandonment of the mark"); *Cuban Cigar Brands N.V. v. Upmann International Inc.*, 457 F.Supp. 1090, 199 USPQ 193, 202 (S.D.N.Y. 1978) ("the fact that plaintiff was intervened by the Cuban government and thus prevented from exporting [its goods] to this country until recently [cigars made of non-Cuban tobacco shipped from the Canary Islands] does not constitute an abandonment of the mark"); *Menedez v. Faber, Coe & Gregg, Inc.*, 345 F.Supp. 527, 174 USPQ 80, 87 (S.D.N.Y. 1972) ("trademark rights are not destroyed by temporary suspension of the business to which they are appurtenant due to causes beyond the control of their owner."), modified in *Menendez v. Saks & Co.*, 485 F.2d 1355, 179 USPQ 513 (2<sup>nd</sup> Cir. 1973); *Haviland & Co., Inc. v. Johann Haviland China Corp.*, 269 F.Supp. 928, 154 USPQ 287, 306 (S.D.N.Y. 1967); and *F. Palicio Y Compania, S.A. v. Brush*, 256 F.Supp. 481, 150 USPQ 607, 616 (S.D.N.Y. 1966) ("there has been no claim that the former owners have abandoned the trademarks. Nor could such claim prevail."), *aff'd* 154 USPQ 75 (2<sup>nd</sup> Cir. 1967), *cert. den.* 389 U.S. 830 (1967). See also *Carl Zeiss Stiftung dba Carl Zeiss v. V.E.B. Carl Zeiss*, 293 F.Supp.

Assets Control Regulations (CACR), 31 CFR §§ 515.101-515.901 (1999).<sup>18</sup> Further, contrary to applicant's arguments about the need for opposer to establish a bona fide intent to use the mark in commerce, neither Section 8 of the statute nor Trademark Rule 2.161(f)(2) make such a requirement. Additionally, in accordance with the judicial interpretation of excusable nonuse, the Office recognizes that nonuse is excusable when it is the result of a trade embargo. See TMEP § 1604.11. Therefore, there is no genuine issue of fact that, under the Trademark Act, opposer's nonuse of the mark is excused.

Although finding a bona fide intent to use the mark is not necessary to our decision, in addressing applicant's arguments about its intent, opposer established that it uses the mark worldwide and intends to use the mark in the United States as soon as it is legally possible to do so. In fact, to keep opposer's mark in front of American consumers, opposer uses its mark in advertising in U.S. publications.<sup>19</sup> There are no genuine issues of material fact regarding the excusable nonuse of opposer's mark. Accordingly, we find,

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892, 160 USPQ 97 (SDNY 1968), modified 433 F.2d 686, 167 USPQ 641 (2<sup>nd</sup> Cir. 1970).

<sup>18</sup> Promulgated pursuant to section 5(b) of the Trading with the Enemy Act of 1917, 12 U.S.C. § 95(a) (TWEA).

<sup>19</sup> See footnote 7 infra.

as a matter of law, that there has been no abandonment of opposer's mark.

Accordingly, summary judgment is hereby granted in favor of the opposer as the non-moving party on the issue of abandonment. See 15 U.S.C. § 1058(b)(2); 37 CFR § 2.161(f)(2) and TMEP § 1604.11. Applicant's counterclaim for cancellation is hereby denied.<sup>20</sup>

In view of the foregoing, proceedings herein are resumed and trial dates are reset as indicated below.<sup>21</sup>

DISCOVERY PERIOD TO CLOSE:	<b>CLOSED</b>
30-day testimony period for party in position of plaintiff to close:	<b>1/15/2007</b>
30-day testimony period for party in position of defendant to close:	<b>3/16/2007</b>
15-day rebuttal testimony period to close:	<b>4/30/2007</b>

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits must be served on

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<sup>20</sup> The parties are reminded that our decision granting partial summary judgment is interlocutory in nature and may not be appealed until a final decision is rendered in the proceeding. *Copeland's Enterprises Inc. v. CNV Inc.*, 887 F.2d 1065, 12 USPQ2d 1562, 1565 (Fed. Cir. 1989).

<sup>21</sup> The parties will note that unless they stipulate otherwise, the evidence submitted in connection with their motions for summary judgment is of record only for those motions. Such evidence, to be considered at final hearing, must be properly introduced in evidence during their appropriate trial periods and presented in the appropriate form. See *Levi Strauss & Co. v. R. Josephs Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993).

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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.

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