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

Proceeding	91175589
Party	Plaintiff HVL Cyberweb Solutions, Inc. HVL Cyberweb Solutions, Inc. ,
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Attachments	Opposition to applicant's motion to dismiss.pdf (13 pages)(439846 bytes)

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

In the matter of service mark application Serial No. 78851360

Filed: March 31, 2006

For the mark PETER NORTH

Published in the Official Gazette on December 12, 2006

Date: June 8, 2007

HVL CYBERWEB SOLUTIONS, INC.,

OPPOSER,

v.

ALDEN J. BROWN,

APPLICANT.

Opposition No. 91175589

**OPPOSITION TO APPLICANT'S MOTION TO DISMISS FOR FAILURE TO
STATE A CLAIM AND FOR FAILURE TO ESTABLISH STANDING**

**TO THE TRADEMARK TRIAL AND APPEAL BOARD, APPLICANT
AND APPLICANT'S ATTORNEYS OF RECORD:**

Opposer, HVL CYBERWEB SOLUTIONS, INC. ("HVL"), submits the following Opposition to Applicant's Motion to Dismiss For Failure to State a Claim and for Failure to Establish Standing ("Applicant's Motion to Dismiss"). This Opposition is based on the attached Memorandum of Points and Authorities and the following reasons:

1. HVL sets forth sufficient facts in its First Amended Notice of Opposition to establish standing;

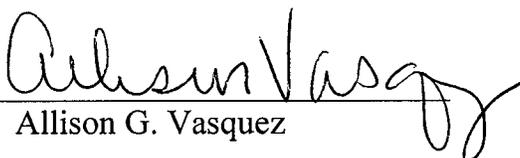
2. HVL sets forth sufficient facts in its First Amended Notice of Opposition to show Applicant committed fraud and therefore, his service mark application should be rejected; and

3. HVL sets forth sufficient facts in its First Amended Notice of Opposition to establish its prior use of the mark PETER NORTH and a genuine likelihood of consumer confusion if Applicant is allowed to register the subject mark.

For these reasons, HVL respectfully requests that the Trademark Trial and Appeal Board deny Applicant's Motion to Dismiss in its entirety. In the alternative, HVL respectfully requests leave to amend its First Amended Notice of Opposition.

Dated: June 8, 2007

WALLER LANSDEN DORTCH & DAVIS, LLP

By: 
Allison G. Vasquez

Attorneys for Opposer HVL CYBERWEB
SOLUTIONS, INC.

MEMORANDUM OF POINTS AND AUTHORITIES

I. SUMMARY OF FACTS

On March 31, 2006, Alden Brown (“Brown”) filed an application with the United States Patent and Trademark Office attempting to register the service mark “PETER NORTH.” (See ¶ 3 of First Amended Notice of Opposition (“FANO”).) Brown seeks to register the service mark “PETER NORTH” for its use in “entertainment services, namely, providing an Internet web site featuring sexually explicit adult content videos, film clips, and photographs.” (See ¶ 4 of FANO.)

Several years prior to Brown’s service mark application, Brown, through his company, North Pole Enterprises, Inc. (“North Pole”) entered into a Memorandum of Agreement (“Agreement”) with HVL. (See ¶ 7 of FANO.) The Agreement granted HVL a lifetime license in content featuring adult entertainment star Brown (a/k/a “Peter North”). (*Id.*) The Agreement also granted HVL a perpetual license to use this Peter North content on Internet websites developed by HVL. (See ¶ 8 of FANO.) The Agreement additionally stated that, even after the Agreement’s termination, HVL would “continue to use and shall have the right to continue to exploit, for commercial profit, the Web Content it has already edited and compressed.” (*Id.*)

Pursuant to the terms of the Agreement, HVL developed a number of original adult entertainment websites featuring the name, pictures and video footage of “Peter North.” (See ¶ 9 of FANO.) Since approximately 2002, HVL has maintained and continues to maintain these and several other websites, each of which allow consumers to purchase sexually explicit adult videos containing the Peter North name and featuring

Peter North. (See ¶ 10 of FANO.) HVL was the first entity to effectively commercially exploit the Peter North name in connection with web-based adult entertainment. (*Id.*)

Before filing the service mark application, Brown and North Pole began breaching the terms of the Agreement by among other things, refusing to provide HVL with the documentation necessary to permit HVL to continue to use certain Web Content previously supplied by North Pole and Brown. (See ¶ 17 of FANO.) [Under the Federal Labeling and Record-Keeping Law (also known as 18 U.S.C. § 2257), producers of sexually explicit matter must maintain certain records proving the age of performers to prove the all actors used in sexually explicit material are adults.] (*Id.*) When North Pole failed to comply with the provisions of the Agreement, HVL filed a lawsuit in the Orange County Superior Court (Case Number 06CC04997) against Brown and North Pole. (See ¶ 18 of FANO.) HVL later amended its lawsuit by filing an Amended Complaint (“HVL Lawsuit”). (*Id.*)

Subsequently, Brown and North Pole filed a Cross Complaint in the HVL Lawsuit. (See ¶ 19 of FANO.) Brown’s Cross Complaint seeks to prohibit HVL from ever using “Peter North’s name or content in any capacity” despite the clear language of the Agreement that affords HVL a perpetual license to content using Peter North’s name and images. (*Id.*) Both Brown’s Cross Complaint and his application for registration of the name “PETER NORTH” are part of a common scheme to defraud HVL, and divest HVL of its rights under the Agreement. (*Id.*)

In the Cross Complaint, Brown acknowledges that HVL operates several adult entertainment websites and that HVL entered into the Agreement with North Pole for

purposes of developing Peter North related websites. (See ¶ 20 of FANO.) Brown's Cross Complaint accuses HVL of unfairly competing with Brown and North Pole and intentionally trying to destroy Brown's "name, reputation, web presences, fan base and credibility in the adult entertainment industry." (*Id.*) As a result of this alleged conduct, Brown seeks damages for "loss of reputation, loss of credibility, loss of customers, loss of fan base, loss of members, loss of interest, loss of business, loss of goodwill, loss of future revenue" and "loss of future business." (*Id.*)

Despite Brown's clear awareness of HVL's rights and HVL's "Peter North" websites, Brown submitted a Specimen to illustrate the use of the mark "PETER NORTH," which reads: "PETER NORTH ... WELCOME TO THE ONE & ONLY PETER NORTH OFFICIAL WEBSITE." (See ¶ 12 of FANO.) Brown also submitted the following Declaration Signature in support of the service mark application:

The undersigned, being hereby warned that willful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. § 1001, and that such willful false statements may jeopardize the validity of the application or any resulting registration, declares that he/she is properly authorized to execute this application on behalf of the applicant ... **to the best of his/her knowledge and belief no other person, firm, corporation, or association has the right to use the mark in commerce, either in the identical form thereof or in such near resemblance thereto as to be likely, when used on or in connection with the goods/services of such other person, to cause confusion, or to cause mistake, or to deceive**

(See ¶ 14 of FANO.)

II. ARGUMENT

“A motion to dismiss should be granted only where it ‘appears beyond doubt that the plaintiff can prove no set of facts in support of [its] claim that would entitle [it] to relief.’ ” *Utendahl v. IRS/Treasury Dep’t*, 2003 U.S. Dist. LEXIS 21615 (D.N.Y. 2003). Further, “Plaintiff’s factual allegations must be accepted as true [internal citations omitted] and the court must draw all inferences in favor of plaintiff.” *Id.*

A. HVL alleges sufficient facts to establish standing to challenge Applicant’s service mark application.

The Trademark Trial and Appeal Board (“TTAB”) should deny Applicant’s Motion to Dismiss because HVL alleges sufficient facts to establish standing to challenge Applicant’s service mark application. Pursuant to 15 U.S.C. § 1063(a), “any person who believes that he would be damaged by the registration of a mark upon the principal register may, upon payment of the prescribed fee, file an opposition in the Patent and Trademark Office, stating the grounds thereof . . .” An opposer “need not have exclusive rights in a mark in order to oppose its registration to another . . . the issue is not whether [the opposer] owns the mark in issue or is entitled to register it, but whether it is likely that he would be damaged if a registration of the mark were granted to appellant.” *Wilson v. Delaunay*, 44 C.C.P.A. 1019, 1021 (C.C.P.A. 1957). “Control over the mark or name relied upon is not determinative of standing to oppose. [Internal citations omitted] Standing, within the meaning of § 13. . . is found when the opposer establishes a real interest in the proceeding.” *Universal Oil Products Co. v. Rexall Drug & Chemical Co.*, 59 C.C.P.A. 1120, 1123 (C.C.P.A. 1972). Having a pecuniary interest in the mark

establishes a real interest in the proceedings and thus standing to oppose the application. *Id.* Further, the *Universal* Court recognized that the standing statute is liberally construed. *Id.* In this case, HVL has a lifetime right to use content featuring the name, pictures and video footage of “Peter North.” Pursuant to this right, HVL developed and continues to operate a number of internet websites displaying “Peter North” content and using the “Peter North” name. HVL derives pecuniary benefit from this use by profits it receives from consumers who purchase sexually explicit adult videos featuring Peter North’s from HVL’s websites. Brown seeks to register the “PETER NORTH” mark so that he may use it exclusively for “entertainment services, namely, providing an Internet web site featuring sexually explicit adult content videos, film clips, and photographs.” (See ¶ 4 of FANO.) If allowed to register this mark, HVL risks losing the ability to continue to sell “PETER NORTH” content and the profits associated with those sales. For these reasons, HVL sufficiently establishes that it has a real interest and will be damaged if Brown is allowed to register the “PETER NORTH” mark. Thus, HVL has standing to oppose Brown’s service mark application.

B. HVL sufficiently pleads facts establishing fraud and a basis for the denial of Applicant’s service mark application.

The TTAB should dismiss Applicant’s Motion to Dismiss because HVL alleges sufficient facts to show that Brown acted fraudulently and in bad faith when he applied for registration of the service mark “PETER NORTH.” Fraud, in an applicant’s application for registration, is ground for opposition to that application. *Universal Overall Company v. Stonecutter Mills Corporation*, 54 C.C.P.A. 1541, 1543-1544

(C.C.P.A. 1967). Fraud must be determined by considering the application papers as they appear when the mark is published. *Id.* In support of his Application as published, Brown submitted the following Declaration Signature:

The undersigned, being hereby warned that willful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. § 1001, and that such willful false statements may jeopardize the validity of the application or any resulting registration, declares that he/she is properly authorized to execute this application on behalf of the applicant ... **to the best of his/her knowledge and belief no other person, firm, corporation, or association has the right to use the mark in commerce, either in the identical form thereof or in such near resemblance thereto as to be likely, when used on or in connection with the goods/services of such other person, to cause confusion, or to cause mistake, or to deceive** (emphasis added).

Brown signed this declaration even though he had previously granted HVL the right to use the name “Peter North” in connection with HVL’s websites. The Agreement between HVL, North Pole and Brown and Brown’s Cross Complaint against HVL clearly evidence Brown’s knowledge of HVL’s rights. (See ¶¶ 8, 20 of FANO.) Further, and contrary to Applicant’s argument, the TTAB may consider contracts between the parties where the issue involved is whether an applicant should be estopped from securing the registration it seeks. *California Packing Corp. v. Sun-Maid Raisin Growers of California*, 20 C.C.P.A. 968 (C.C.P.A. 1933). Despite his knowledge to the contrary, Brown declared **“no other person, firm, corporation, or association has the right to use the mark in commerce.”** Brown’s attempt to register the name “Peter North” is nothing other than part of his common scheme to defraud HVL, and to divest HVL of its rights under the

Agreement as highlighted by his Cross Complaint, which seeks to prohibit HVL from ever using “Peter North’s name or content in any capacity”. (See ¶ 19 of FANO.) Brown’s declaration of false statements to the contrary, submitted in support of his Application, constituted fraud and should result in denial of his Application. For these reasons, the TTAB should deny Applicant’s Motion to Dismiss.

C. HVL sets forth sufficient facts to establish its prior use of the mark PETER NORTH and a genuine likelihood of consumer confusion if Applicant is allowed to register the subject mark.

The TTAB should deny Applicant’s Motion to Dismiss because HVL alleges sufficient facts to establish its prior use of the mark “PETER NORTH” and a likelihood that registration of the service mark will create confusion, mistake and/or deception of consumers, as contemplated by 15 U.S.C. § 1052(d). HVL was the first entity to effectively commercially exploit the Peter North name in connection with web-based adult entertainment. Since approximately 2002, HVL has maintained and continues to maintain several websites that each allow consumers to purchase sexually explicit adult videos containing the Peter North name and featuring Peter North.

Brown, an adult entertainment star, granted HVL a perpetual license to use Peter North content on Internet websites developed by HVL. Brown also agreed that, even after the termination of the Agreement between HVL, Brown and North Pole, HVL would “continue to use and shall have the right to continue to exploit, for commercial profit, the Web Content it has already edited and compressed.” Pursuant to the terms of this Agreement, HVL developed a number of original adult entertainment websites featuring

the name, pictures and video footage of “Peter North.” These websites contained the first effective commercial use of the name “Peter North” in connection with web-based adult entertainment materials. Accordingly, HVL has priority of use of the name Peter North.

Brown’s registration of the name “Peter North” for the exclusive purpose of using it in internet websites featuring sexually explicit adult content videos will directly interfere with HVL’s existing contractual and common law trademark and ownership rights. HVL is entitled to certain rights in the name “Peter North.” If Brown is granted a mark in the name “Peter North,” consumers will be confused, and are likely to mistakenly believe that HVL’s content is unauthorized, and/or that Brown’s use of the name “Peter North” and/or images of Peter North are somehow superior in right to that of HVL. The Specimen Brown submitted in support of his service mark application highlights this likelihood of confusion. That Specimen reads “PETER NORTH ... WELCOME TO THE ONE & ONLY PETER NORTH OFFICIAL WEBSITE.” HVL has ownership and/or other rights in the name “Peter North” and in content containing the Peter North image on its websites; if Brown is permitted to go forward with his proposed registration, an internet-user will likely become confused by the “Peter North” name as used in both HVL’s context and in Brown’s proposed context. For this reason, HVL alleges sufficient facts establishing a statutory basis for the rejection of Brown on the basis that registration of a likelihood of confusion exists and Brown’s applicant should be denied.

D. CONCLUSION

For the foregoing reasons, HVL respectfully requests that the Trademark Trial and Appeal Board dismiss Applicant's Motion to Dismiss. In the alternative, HVL respectfully requests leave to amend its First Amended Notice of Opposition.

Dated: June 8, 2007

WALLER LANSDEN DORTCH & DAVIS, LLP

By: 
Allison G. Vasquez

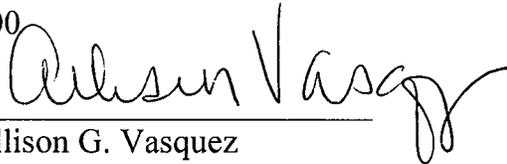
Attorneys for Opposer HVL CYBERWEB
SOLUTIONS, INC.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 8th day of June 2007 a true and accurate copy of the foregoing was served via first class mail to:

Kevin P. Steinman, Esq.
Vip Bhola, Esq.
Law Offices of Vip Bhola
5429 Cahuenga Blvd.
North Hollywood, CA 91601
(818) 508-1500

Date: June 8, 2007

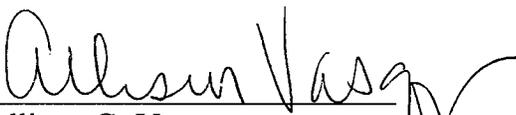


Allison G. Vasquez

CERTIFICATE OF E-FILING

I hereby certify that this OPPOSITION TO APPLICANT'S MOTION TO DISMISS FOR FAILURE TO STATE A CLAIM AND FOR FAILURE TO ESTABLISH STANDING is being e-filed through the TTAB-On Line System of the Trademark Trial and Appeal Board, U.S. Patent and Trademark Office, P.O. Box 1451, Alexandria, VA 22313-1451 on the 8th day of June 2007.

Date: June 8, 2007


Allison G. Vasquez