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

Proceeding	91176065
Party	Defendant H. Co. Computer Products
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
TRADEMARK TRIAL AND APPEAL BOARD**

Lenovo (Singapore) PTE Ltd. Opposer, v. H. Co. Computer Products Applicant.	Opposition No. 91176065
AND RELATED COUNTERCLAIM	

OPPOSITION TO MOTION TO DISMISS COUNTERCLAIM

I. INTRODUCTION

Lenovo (Singapore) PTE Ltd. ("Lenovo") previously challenged H. Co. Computer Products' ("HCCP") counterclaim by filing a motion for a more definite statement. In ruling on the motion, the Board determined that, at best, only a couple of minor points of clarification needed to be made in the counterclaim to allow this matter to proceed. HCCP subsequently filed an amended counterclaim to correct these relatively minor deficiencies.

Now, Lenovo again challenges HCCP's counterclaim by filing a motion to dismiss for failure to state a claim upon which relief can be granted. In that motion, Lenovo raises purported defects in HCCP's pleadings that the Board previously disregarded in ruling on Lenovo's motion for a more definite statement as well as several additional grounds regarding a supposed lack of clarity in the counterclaim.

Lenovo's motion is, however, baseless because HCCP is only required to plead sufficient

facts which, if proved, would entitle HCCP to relief. HCCP has done so, and as a result, Lenovo's motion to dismiss should be denied.

II. HCCP HAS SUFFICIENTLY PLEADED ITS CLAIMS

A valid petition to cancel must meet the requirements of 37 C.F.R. § 2.112(a). This section provides that "[t]he petition for cancellation must set forth a short and plain statement showing why the petitioner believes he, she or it is or will be damaged by the registration [and] state the ground for cancellation . . ." 37 C.F.R. § 2.112(a). This section has been uniformly interpreted to mandate two requirements for a valid petition for cancellation. The petition must allege that (1) the plaintiff has standing to maintain the proceeding and (2) a valid ground exists for canceling the subject registration. TBMP § 503.02; *Kelly Services, Inc. v. Greene's Temporaries, Inc.*, 25 U.S.P.Q. 2d 1460 (T.T.A.B. 1992) ("a petition for cancellation need only allege such facts as would, if proved, establish (1) the petitioner has standing to maintain the proceeding, and (2) a valid ground exists for cancelling the subject registration.") (citing *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024 (C.C.P.A. 1982)).

In meeting these requirements, a party's pleadings need only give fair notice of the claims asserted. See *Harsco Corp. v. Elec. Scis., Inc.*, 9 U.S.P.Q. 2d 1570, 1571 (T.T.A.B. 1998) (since the function of pleadings is to give fair notice of a claim, a party is allowed reasonable latitude in its statement of its claims); *Ohio State Univ. v. Ohio Univ.*, 51 U.S.P.Q. 2d 1289, 1292 (T.T.A.B. 1999) (since the purpose of pleadings is to give fair notice of the claims, the Board may in its discretion decline to strike even objectionable pleadings where their inclusion will not prejudice the adverse party but rather will provide fuller notice of basis for claim).

Moreover, it is well settled that, "[f]or purposes of determining a motion to dismiss for failure to state a claim upon which relief can be granted, all of plaintiff's well-pleaded allegations

must be accepted as true, and the complaint must be construed in the light most favorable to the plaintiff." TBMP § 503.02 (emphasis added); *Ritchie v. Simpson*, 170 F.3d 1092, 1097 (Fed. Cir. 1999); *Young v. AGB Corp.*, 152 F.3d 1377, 1379 (Fed. Cir. 1998). Thus, "[d]ismissal for insufficiency is appropriate *only if* it appears *certain* that the plaintiff is entitled to no relief under any set of facts that could be proved in support of its claim." TBMP § 503.02 (emphasis added); *Young*, 152 F.3d at 1379.

As a result, HCCP does not need to respond by submitting proofs in support of its pleadings, and the determination of whether HCCP can actually prove its allegations is a matter to be decided not upon Lenovo's motion to dismiss but rather at a final hearing or upon summary judgment, after the parties have had an opportunity to submit evidence in support of their respective positions. *See* TBMP § 503.02. Because HCCP's petition to cancel alleges sufficient facts that, if taken as true, establish a claim for likelihood of confusion the Board should deny Lenovo's motion to dismiss.

A. HCCP Has Pleaded Standing

"Any person who believes it is or will be damaged by registration of a mark has standing to file a complaint." TBMP § 309.03(b); 15 U.S.C. § 1064(a). At the pleading stage, all that is required is that a plaintiff allege facts sufficient to show a "real interest" in the proceeding, and a "reasonable basis for its belief of damage." TBMP § 309.03(b); *Ritchie v. Simpson*, 170 F.3d 1092, 1095 (Fed. Cir. 1999). To plead a "real interest," HCCP must allege a "direct and personal stake" in the outcome of the proceeding. TBMP § 309.03(b); *Ritchie*, 170 F.3d at 1095.

A real interest in the proceeding and a reasonable belief of damage may be found, for example, where plaintiff pleads (and later proves) a claim of likelihood of confusion. *Selva & Sons, Inc. v. Nina Footwear, Inc.*, 705 F.2d 1316, 1326 (Fed. Cir. 1983). Additionally, "[a]

counterclaimant's standing to cancel a pleaded registration is inherent in its position as defendant in the original proceeding." TBMP § 309.03(b); *see also Ohio State University v. Ohio University*, 51 U.S.P.Q. 2d 1289, 1293 (T.T.A.B. 1999), citing *General Mills, Inc. v. Nature's Way Products, Inc.*, 202 U.S.P.Q. 840, 841 (T.T.A.B. 1979) ("It is clear from the counterclaimant's position as defendant in the opposition that he has a personal stake in the controversy, and it is unnecessary for him to allege likelihood of confusion.").

HCCP has alleged that the "continuous registration of Lenovo's Marks is causing injury to HCCP's business plans, is impairing HCCP's rights in HCCP's Marks, is inconsistent with HCCP's rights, and will continue to cause injury to HCCP until Lenovo's Registrations are cancelled." (Counterclaim ¶ 13.) HCCP bases this allegation of damage on its likelihood of confusion claim, which is detailed in paragraphs 9-12 of the counterclaim. This claim, which is discussed in greater detail below, sufficiently establishes HCCP's standing in and of itself.

Additionally, despite Lenovo's assertion to the contrary, the fact that HCCP is the defendant in this controversy where in Lenovo has relied on Lenovo's registrations provides HCCP with a sufficient stake in the controversy so as to have standing to petition to cancel Lenovo's asserted registrations. As such, HCCP has standing to bring its counterclaim.

B. HCCP Has Sufficiently Pleaded Priority

Lenovo asserts that HCCP has failed to plead priority because Paragraph 10 of HCCP's counterclaim is purportedly vague as to HCCP's priority dates in its marks. The Board, however, does not even need to consider this paragraph because HCCP has alleged sufficient facts elsewhere in its counterclaim to properly plead priority. As such, Lenovo's motion to dismiss should be denied with respect to HCCP's priority claim.

To properly assert priority, a HCCP need only allege facts showing proprietary rights in

its pleaded mark that are prior to defendant's rights in the challenged mark. TBMP § 309.03(c). It is well settled that in so doing, a party in HCCP's position need only plead sufficient facts that, if later proved, would show that HCCP's rights are prior to Lenovo's. *See Kelly Services*, 25 U.S.P.Q. 2d 1460 ("a petition for cancellation need only allege such facts as would, if proved, establish (1) the petitioner has standing to maintain the proceeding, and (2) a valid ground exists for cancelling the subject registration").

All of Lenovo's registrations¹ that are the subject of HCCP's counterclaim were filed as intent-to-use applications under Section 1(b) of the Trademark Act, and, with one exception (Reg. No. 2,633,094)², the date of first use in commerce for each registration occurred after the respective filing date of each registration. As such, the presumptive priority date for all of these registrations is their filing date. 15 U.S.C. § 1051(b). HCCP has alleged that "[s]ince prior to the filing date in Lenovo's Registrations, HCCP has been using HCCP's Marks in connection with HCCP's goods." (Counterclaim 9.) HCCP has also alleged that it has been using its marks on its goods since at least as early as 1996, which is three years prior to the earliest priority date for any of Lenovo's registrations, including Registration No. 2,633,094. (*Cf.* Counterclaim ¶ 8 with Motion to Dismiss p. 5.)

Taking this assertion as true, as it must be on a motion to dismiss, HCCP has alleged facts that, if proved, would sufficiently support a claim for priority. As such, the Board should

1. In ruling on a motion to dismiss, it is appropriate to consider documents whose contents are alleged in a pleading, and whose authenticity no party questions, but which are not physically attached to the pleadings. *See, e.g., Anderson v. Clow (In re Stac Elecs. Securities Litig.)*, 89 F.3d 1399, 1405, n.4 (9th Cir. 1996). Such considerations do not convert the motion to dismiss into a motion for summary judgment. *Id.* It is therefore appropriate to consider the contents of the registrations at issue in ruling on Lenovo's motion to dismiss.

2. The date of first use for this registration was February 20, 2001, which is its presumptive priority date.

deny Lenovo's motion to dismiss with respect to HCCP's claim for priority.

C. HCCP Has Sufficiently Pleaded Likelihood of Confusion

It is unclear from Lenovo's motion whether Lenovo asserts that HCCP has failed to properly plead likelihood of confusion because, although Lenovo touches on this topic, it only does so in its argument regarding standing. Nevertheless, HCCP addresses this claim here for the sake of prudence.

Lenovo argues that HCCP's claim for likelihood of confusion is deficient because the twenty-nine common law marks HCCP asserts are purportedly not similar to Lenovo's registered marks. Lenovo argues that because the marks all "merely share a common element of THINK," they are not necessarily similar. (Motion p. 4.) To win this argument on a motion to dismiss, Lenovo must show that the marks cannot be similar under any set of facts that can be proved. Lenovo cannot meet this burden, particularly in light of the fact that it has already admitted that marks can be similar to one another simply because they both contain the word THINK.

Lenovo has based its opposition to HCCP's THINKCP mark on the allegation that THINKCP is similar to Lenovo's registered marks. (Amended Opposition ¶ 6.) The only common element between THINKCP and Lenovo's asserted marks is the word THINK. Lenovo cannot plead in its notice of opposition that HCCP's THINKCP mark is similar to Lenovo's asserted marks merely because of the common word THINK and then assert in its motion to dismiss that two marks cannot be similar because they "merely share a common element of THINK." Lenovo is permitted to allege alternative theories but not alternative facts. *See, e.g., Reddy v. Litton Indus.*, 912 F.2d 291, 296-97 (9th Cir. 1990) (amended complaint containing inconsistent facts barred); *United States v. Lence*, 466 F.3d 721, 726 (9th Cir. 2006) (discussing judicial estoppel as a bar to a party making factual assertions that contradict previous factual

assertions). The marks are either similar because of the common word THINK, or they are not. Lenovo cannot have it both ways, despite the fact that it has alleged contradictory facts in its motion to dismiss and in its amended notice of opposition.

Lenovo further argues that the sole allegation in HCCP's counterclaim regarding likelihood of confusion is HCCP's statement in paragraph 12 of the counterclaim that "Lenovo's marks so resemble HCCP's Marks as to be likely to cause confusion, or to cause mistake, or to deceive when used in connection with Lenovo's goods," and that this allegation in itself is not sufficient to support a claim for likelihood of confusion. (Motion p. 3.) Lenovo is mistaken.

In addition to the fact that HCCP has asserted that it has owns twenty-nine common law marks that are similar to Lenovo's registered marks, HCCP has also alleged that HCCP and Lenovo use their respective marks on identical or closely related goods (Counterclaim ¶ 11), and that consumers will be confused by this practice. (Counterclaim ¶ 12.) These assertions, if proved, would support a claim for likelihood of confusion. As a result, HCCP has sufficiently pleaded its claim so as to be able to survive a motion to dismiss.

Given the previously alleged similarity of the marks at issue as well a HCCP's allegations that Lenovo uses its marks on goods identical or closely related to those on which HCCP uses its marks, and given HCCP's allegation that such use is likely to cause consumer confusion, HCCP has sufficiently pleaded a likelihood of confusion. As such, Lenovo's motion to dismiss with respect to this claim should be denied.

III. HCCP HAS IDENTIFIED THE REGISTRATIONS AND CLASSES TO BE CANCELLED

Lenovo has twice now complained that HCCP has not sufficiently identified the classes and registrations that HCCP seeks to cancel in its counterclaim. Lenovo first raised this issue in

its previously filed motion for a more definite statement. During a telephonic hearing on that motion, the Board determined that it was sufficiently clear in the pleadings what classes and registrations HCCP sought to cancel and that the only potential deficiency in HCCP's pleading was some vagueness regarding the common law marks upon which HCCP was relying and a typographical error in Paragraph 13 of the counterclaim. This determination is reflected in the Board's August 21, 2008 order granting the motion to for a more definite statement in part and directing HCCP to correct these two deficiencies. As such, the Board has already determined that Lenovo's argument in this respect is without merit.

Still, even if the Board had not previously ruled on this issue, HCCP has identified which of Lenovo's registrations are at issue here (*see* Counterclaim ¶¶ 1-7), and, to the extent that Lenovo remains confused, the classes and registrations at issue are further identified in the cover sheet filed with HCCP's original June 7, 2007 pleading. If Lenovo is still unable to discern the classes and registrations at issue from all of this information, then it can easily serve an interrogatory directed at this information.

Finally, even if the Board were to determine that, despite its previous order, HCCP's pleading did not clearly set forth the classes and registrations sought to be cancelled, the correct remedy is not, as Lenovo contends, dismissal with prejudice and is instead leave to amend. As discussed above, the Board did not consider HCCP's identification of Lenovo's registrations deficient in its previous order. Thus, if the Board granted Lenovo's motion, this would be the first time HCCP's identification of the classes and registrations were found deficient, thus justifying amendment. *See* TBMP § 503.03. Moreover, in the case relied upon by Lenovo to justify dismissal, the Board twice allowed the petitioner to amend its pleadings, and it was only after granting the respondent's third motion to dismiss that the Board dismissed the claims with

prejudice. *McDonnell Douglas Corp. v. Nat'l Data Corp.*, 228 U.S.P.Q. 45 (T.T.A.B. 1985).

Such is undisputedly not the case here, where this is Lenovo's first motion to dismiss.

IV. IF HCCP HAS NOT SUFFICIENTLY PLEADED ITS CLAIMS, IT SHOULD BE GRANTED LEAVE TO AMEND

Even if the Board determines that HCCP's counterclaim fails to state a claim upon which relief can be granted, the Board generally will allow the opportunity to file an amended pleading. *See* TBMP §503.03; *see also, e.g., Intellimedia Sports Inc. v. Intellimedia Corp.*, 43 U.S.P.Q. 2d 1203, 1208 (T.T.A.B. 1997) (allowed time to perfect fraud claim). Lenovo has not established with certainty that HCCP is not entitled to relief under any set of facts that could be proved in support of HCCP's claim. Absent such circumstances, HCCP should be allowed to amend its counterclaim if the Board grants Lenovo's motion to dismiss. *See* TBMP § 503.02; *Young*, 152 F.3d at 1379.

V. CONCLUSION

HCCP has pleaded facts that, if taken as true as they must be on a motion to dismiss, establish both its standing and its substantive claims for relief. As a result, Lenovo's motion to dismiss should be denied.

Respectfully submitted,

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11/20/08

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TRADEMARK
Docket No. 110.2*2/H644
Opposition No. 91176065

CERTIFICATE OF TRANSMISSION AND SERVICE

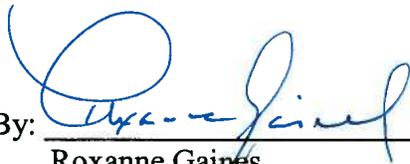
I certify that on November 20, 2008, the foregoing **OPPOSITION TO MOTION TO DISMISS COUNTERCLAIM** is being electronically filed with:

Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

It is further certified that on November 20, 2008, the foregoing **OPPOSITION TO MOTION TO DISMISS COUNTERCLAIM** is being served by mailing a copy thereof by first-class mail addressed to:

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