

ESTTA Tracking number: **ESTTA193821**

Filing date: **02/20/2008**

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

Proceeding	91177036
Party	Plaintiff Nationstar Mortgage LLC
Correspondence Address	Bryce J. Maynard Buchanan Ingersoll & Rooney PC 1737 King Street Suite 500 Alexandria, VA 22314 UNITED STATES bryce.maynard@bipc.com
Submission	Opposition/Response to Motion
Filer's Name	Bryce J. Maynard
Filer's e-mail	bryce.maynard@bipc.com
Signature	/Bryce J. Maynard/
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Attachments	opposition to motion to amend.pdf ( 5 pages )(165571 bytes )



in commerce, and a likelihood of confusion. In the Notice of Opposition, Opposer alleged that Applicant had knowingly made false statements of fact in the Application regarding Applicant's alleged use of the NATIONSTAR mark in commerce and Applicant's alleged date of first use of the NATIONSTAR mark with the intent to procure a registration to which he was not entitled.

Applicant is now seeking to amend the '376 Application to remove the Section 1(a) basis, on which Opposer's fraud claim is based, and substitute a Section 1(b) intent-to-use basis. This attempt to cure Applicant's blatant fraud should not be allowed, and the Board has specifically prohibited the amendment of applications to cure fraud. Therefore, Applicant's Motion must be denied.

### ARGUMENT

Applicant misleadingly argues that an Applicant may amend his application to substitute a Section 1(b) basis at any time "so long as he has a continuing valid basis for registration." Applicant's Motion, at 2. Applicant cites TMEP § 806.03 for this argument. However, this section clearly states that it applies only "in an application that is **not** the subject of an *inter partes* proceeding before the Trademark Trial and Appeal Board. . . . Amendment of an application that is the subject of an *inter partes* proceeding before the [TTAB] is governed by 37 C.F.R. § 2.133(a)." TMEP § 806.03(a) (emphasis added).

Under Rule 2.133(a), an application involved in a proceeding before the Board may not be amended except with the consent of the other party or upon motion to the Board. Applicant has not requested Opposer's consent to the proposed amendment at issue in Applicant's Motion. Therefore, the decision on whether to allow amendment in this case is solely at the discretion of the Board. TBMP § 514.03.

The Board must use its discretion to deny Applicant's Motion, since the sole purpose of Applicant's proposed amendment is to cure his blatant fraud in alleging use in the initial application. The Board has made it clear in recent years that it is adopting a 'zero tolerance' policy with respect to fraudulent allegations of use. *See, e.g., Medinol Ltd. v. Neuro Vasx, Inc.*, 67 USPQ2d 1205 (TTAB 2003); *Standard Knitting, Ltd. v. Toyota Jidosha Kabushiki Kaisha*, 77 USPQ2d 1917 (TTAB 2006); *J.E.M. Int'l, Inc. v. Happy Rompers Creation Corp.*, 74 USPQ2d 1526 (TTAB 2005).

The Board's policy on fraud also extends to attempts to cure fraud by changing the basis of an application. In *Hurley Int'l LLC v. Volta*, Opposition No. 91158304 (TTAB Jan. 23, 2007), the Board found that the Applicant had made fraudulent statements regarding its use of the mark in connection with some of the services listed in the application. The applicant attempted to avoid this finding by amending the basis of the application to Section 44(e). However, the Board found that although the applicant could have originally filed the application under Section 44 instead of Section 1(a), the "proposed amendment does not serve to cure a fraud that was committed." *Id.* at 23. Thus, the amendment was refused.

The Board has also refused to allow amendments to cure fraud in situations in which an applicant or registrant has attempted to delete certain goods from a registration or a Statement of Use to avoid a finding of fraud. *See Medinol Ltd. v. Neuro Vasx, Inc.*, 67 USPQ2d 1205 (TTAB 2003) ("Most importantly, however, deletion of the goods upon which the mark has not yet been used does not remedy an alleged fraud upon the Office.").

The reasoning of the Board in *Hurley* is controlling in the present case. Although Applicant could have based the NATIONSTAR application on intent-to-use, Applicant instead chose to deliberately mislead the PTO and based the application on a false allegation of use.

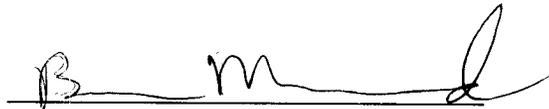
Applicant should not now be allowed to cure his fraud by amending the application to rely on Section 1(b).<sup>1</sup> The granting of Applicant's Motion would be contrary to established law and policy and would encourage future applicants to base their applications on fraudulent allegations of use in order to secure a priority date earlier than that to which they are entitled, knowing that if anyone challenged their fraud, they would simply be able to amend their application to rely on intent-to-use.

### CONCLUSION

For the above stated reasons, the Board should deny Applicant's Motion to Amend the Filing Basis.

Respectfully submitted,

NATIONSTAR MORTGAGE LLC



Bassam N. Ibrahim  
S. Lloyd Smith  
Bryce J. Maynard  
Attorneys for Applicant  
Buchanan Ingersoll & Rooney, P.C.  
P.O. Box 1404  
Alexandria, Virginia 22314  
(703)836-6620

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<sup>1</sup> Opposer notes that even if the Motion is granted, the amendment of Applicant's filing basis to Section 1(b) does not defeat Opposer's fraud claim. *See Sinclair Oil Corp. v. Kendrick*, 85 USPQ2d 1032, 1033 (TTAB 2007) ("[A]mending the filing basis of the involved application to Section 1(b) does not protect the application from a fraud claim").

**CERTIFICATE OF SERVICE**

I hereby certify that a true copy of the foregoing OPPOSER'S OPPOSITION TO APPLICANT'S MOTION TO AMEND APPLICATION FILING BASIS was served this 20th day of February, 2008 by first-class mail, postage prepaid, on:

Stephanie Carmody  
Steptoe & Johnson  
1330 Connecticut Avenue, N.W.  
Washington, D.C. 20036

A handwritten signature in cursive script, reading "Michelle A. Jackson", written over a horizontal line.

Michelle A. Jackson