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

Proceeding	91179197
Party	Defendant BioWare Corp.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
Before the Trademark Trial and Appeal Board

IN RE: VUTEK, INC. v. BIOWARE CORP.

Trademark: BIOWARE CORP.

Opposer: VUTEk, Inc.

Applicant: BioWare Corp..

Opposition No. 91179197
Serial No. 76636906

United States Patent and Trademark Office
Trademark Trial and Appeal Board
P.O. Box 1451
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APPLICANT BIOWARE CORP.'S MOTION TO DISMISS PURSUANT TO FED.R.CIV.P. 12 (B)(6)

Pursuant to TBMP § 503 and Fed. R. Civ. P. 12(b)(6) ., Applicant BioWare Corp. (hereafter, "BioWare") brings the instant motion to dismiss the opposition to its pending application (the "Opposition") brought by Opposer VUTEk, Inc. (hereafter, "VUTEk") for the reasons set forth herein.

I. Introduction

BioWare brings its motion to dismiss VUTEk's opposition on two separate grounds: (1) Opposer VUTEk fails to assert a legally-cognizable ground upon which BioWare's registration may

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3. J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition, § 20:13 (4th ed.
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be denied and, as such fails to state a claim, and (2) VUTEk lacks standing to oppose BioWare's registration.[1]

II. Argument

"The purpose of a motion to dismiss under Fed.R.Civ.P. 12(b)(6) is to test the formal sufficiency of the statement of the claim for relief." *Hartwell Co. v. Shane*, 17 U.S.P.Q.2D (BNA) 1569, 1570 (TTAB 1990). In order to survive a motion to dismiss, VUTEk must plead facts showing (1) that VUTEk has standing and (2) a valid ground for denying the registration. *Young v. AGB Corp.*, 47 U.S.P.Q.2D (BNA) 1752, 1754 (TTAB 1998). As discussed, *infra*, VUTEk has failed to do either.

The sole facts pled by Opposer are stated in Paragraphs 7 through 9 of the Opposition:

> 7. BioWare is opposing VUTEk's application for the mark BIOWARE in International Class 2 based on BioWare's ownership of registrations of the mark BIOWARE in International Classes 9, 16, and 41. That opposition is currently pending before the Board, Opposition No. 91174133. In that opposition, BioWare has asserted a likelihood of confusion between its BIOWARE registrations in International Classes 9, 16, and 41, and VUTEk's application for the mark BIOWARE in International Class 2.

[1] This is yet the latest of what are, apparently, serial oppositions filed by Opposer in an effort to harass Applicant. The instant opposition is a virtually a verbatim duplicate of an opposition it filed in Opposition No. 9117790. Opposer's "rationale" for its opposition in that proceeding is identical to the one recited here and, of course, has been opposed by Applicant on the same grounds.

8. If Applicant's application for the BIOWARE CORP. mark at issue here is registered, BioWare will likely argue that there is a likelihood of confusion between that mark and VUTEk's application for the BIOWARE mark in International Class 2. Any such action by Applicant could prejudice VUTEk's application for the BIOWARE mark in International Class 2.

9. Based on BioWare's actions, including its opposition to VUTEk's application, VUTEk will be damaged if the BIOWARE CORP. mark is registered. Accordingly, VUTEk opposes the registration.

Opposition, p. 2.

In summary, VUTEk's facts pled in support of standing and grounds for denial of BioWare's application are:

1. BioWare filed an opposition against VUTEk's application for the mark, "BIOWARE."

2. VUTEk believes that BioWare would assert the mark that is the subject of the instant proceeding, "BIOWARE CORP." if registered, against VUTEk in the other proceeding.

3. VUTEk believes that it will be damaged if that happens.

VUTEk alleges no likelihood of confusion, no concern for dilution, in fact, no pecuniary interest whatsoever. Indeed, it cannot as such a position would be inconsistent with resisting BioWare's Opposition to its own efforts to register the "BIOWARE" mark for itself. Indeed, VUTEk expressly pleads that there is no likelihood of consumer confusion and no dilution that would result if it is allowed to register "BIOWARE" for itself. *See,* Vutek's Answer to Notice of Opposition, Opp.No. 91174133, Affirmative Defenses, ¶ 2, a true and correct copy of which is

attached hereto as Exhibit "A" ("There is no likelihood of confusion under all applicable facts and criteria required by U.S. trademark law.").

Instead, VUTEk attempts to argue what is, essentially, some sort of procedural disadvantage with respect to the other proceeding. As a matter of law, this does not constitute a basis for denying registration, nor does an allegation of a naked and factually unsupported "belief" that it would be so disadvantaged confer standing to oppose.

A. VUTEk Fails to Plead Valid Grounds for Denying Registration

"A party opposing a registration pursuant to Section 13 of the Lanham Act must show . . . a statutory ground which negates the applicant's entitlement to registration." *Young v. AGB Corp., supra.* This requirement provides that a legally-cognizable infirmity be pled. *See, e.g.*, 3. J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition, § 20:13 (4th ed. 2007) ("By administrative and judicial interpretation, it has been held that once standing to oppose is shown, opposer may raise any legal defect or deficiency in the application.") VUTEk's Opposition fails to allege any legal basis upon which BioWare's pending application could or should be denied. VUTEk's only allegation is that it will be "damaged" because of its belief that BioWare might cite the pending registration in another proceeding.

As a matter of law, VUTEk's contention does not constitute "damage" providing a basis upon which relief may be sought. This specific question was addressed in *Morton Foods, Inc. v. The Frito Co.*, 50 C.C.P.A. 1105, 314 F.2d 822; 1963 CCPA LEXIS 389, 137 U.S.P.Q. (BNA) 58 (C.C.P.A. 1963). *Morton Foods* reviewed the granting of a motion to dismiss an opposition for failure to state a claim in which the opposer's sole ground for opposition was, for all intents and purposes, identical to that alleged by VUTEk in the instant action:

"In view of the infringement action against Opposer [by Applicant], based in part on the unregistered trademark 'CHEE-TOS', Opposer believes it would be damaged by the registration of such mark by reason of the advantages that would accrue to applicant as plaintiff in the infringement suit by having a Federal trademark registration for 'CHEE-TOS', such advantages, among others, being set forth in the Trademark Act of July 6, 1946, Sections 33(a) and 39; 15 U.S.C. 1115(a) and 1121."

Id.

The C.C.P.A., in reviewing the TTAB's granting of the applicant's 12(b)(6) motion, framed the question presented as follows: "Whether the specified procedural advantages which accrue to the owner of a registered mark, constitute, as a matter of law, such 'damage' to the defendant in an infringement action as to support an opposition brought under Sec. 13 of the Lanham Act?" *Id.* Relying on a series of decisions by the T.T.A.B[2], the C.C.P.A. held, "[T]he facts as are alleged here by opposer do not constitute a showing of damage within the meaning of Section 13 of the Lanham Act, supra." *Id.*

This Board, as well, has consistently denied such assertions of "damage" as a basis for opposition. For example, in *DeLuxe Reading Corp. v. Rexall Drug and Chemical Co.*, 147 U.S.P.Q. 54 (TTAB 1995), a cancellation proceeding, this Board held:

"It is clear from the pleading and from petitioner's response to the motion under consideration that [Opposer] De Luxe is predicating its right to cancel the registrations in question on the ground that it is being damaged thereby by virtue of the fact that in an opposition proceeding respondent relied on said registrations as a basis for opposing the registration of petitioner's trademark. It is well established, however, that the mere filing of

2 E.g., *Brown & Bigelow v. The International Silver Company*, 86 USPQ 460 (Commr., 1950) and *Conde Nast Publications, Inc. v. Swann*, 127 USPQ 85 (TT&A Bd., 1960)

an opposition against one's application to register a mark cannot be said to constitute legal injury within the meaning of sections 14 or 24 of the Act."

Id., citing, Sunbeam Corporation v. Duro Metal Products Co., 112 USPQ 403 (Comr., 1957); *Joseph Dixon Crucible Company v. Richard Best Pencil Company*, 99 USPQ 170 (Comr., 1953). *Cf. Morton Foods, Inc. v. The Frito Company*, 137 USPQ 58 (CCPA, 1963); *accord, FS Services, Inc. v. Feed Service Corp.*, 150 U.S.P.Q. (BNA) 201, 202 (TTAB 1956) ("[T]he mere filing of an opposition against the registration of a mark does not in and of itself constitute damage or legal injury." [citations omitted]).

"In order to establish probable damage because of the registration of a mark, it must be alleged and shown not only that the registration is invalid but that the presence of the mark is inconsistent with some right to use the same or a confusingly similar term for like goods which the petitioner possesses under the Trademark Act of 1946. That is to say, the petition must be sufficient in and of itself independently to state a valid cause of action notwithstanding that petitioner may have been charged with a violation of the registrant's trademark rights." *Richard Gregg Mfg. Co., Inc. v. La Maur, Inc.*, 166 U.S.P.Q. 568 (TTAB 1970). VUTEk has, clearly, failed to state on basis for denying BioWare's pending application for registration.

As in *Morton*, Opposer in the instant matter alleges as "damage" only that the procedural advantages that, it contends, would accrue to BioWare in another action, if the instant application matures into a registration. As in *Morton*, this does not constitute "damage" within the meaning of the law. As VUTEk fails to allege cognizable damage, its Opposition is insufficient as a matter of law and should, therefore, be dismissed pursuant to Fed. R. Civ. P. 12(b)(6).

B. VUTEk Lacks Standing to Assert an Opposition

As discussed, *supra*, VUTEk's Opposition fails to plead any legal ground under which BioWare's pending application may be denied. However, the Board need not even reach this

question, because VUTEk also lacks the fundamental requirement of standing to assert an Opposition in the first place.

"Section 13 of the Lanham Act establishes a broad class of persons who are proper opposers; by its terms the statute only requires that a person have a belief that he would suffer some kind of damage if the mark is registered. However, in addition to meeting the broad requirements of § 13, an opposer must meet two judicially-created requirements in order to have standing -- the opposer must have a 'real interest' in the proceedings and must have a 'reasonable' basis for his belief of damage." *Ritchie v. Simpson*, 170 F.3d 1092, 1095 (Fed. Cir. 1999). Here, Opposer has neither a real interest in the proceedings nor a reasonable basis for belief of damage.

As discussed, *supra*, an applicant's gain of a procedural advantage in a different proceeding does not constitute "damage" within the meaning of Section 13 of the Lanham Act. As a matter of law, this is insufficient to confer standing on VUTEk. *See, e.g., American Angus Ass'n v. Sysco Corp.*, 865 F. Supp. 1180, 1182 (D.N.C. 1993) ("The Court further notes that while an attack on the mark may give Defendants leverage in the underlying infringement action, that does not constitute 'belief in damage' so as to give Defendants standing to challenge the mark."), *citing, Morton Foods, Inc. v. Frito Co.*, 50 C.C.P.A. 1105, 314 F.2d 822, 823 (C.C.P.A. 1963).

Similarly, Opposer states only that it "believes" that "BioWare will assert a likelihood of confusion between this mark and VUTEk's application for the mark BIOWARE in International Class 2." There is absolutely no factual allegation supporting this purported "belief." BioWare has done nothing to suggest that it believes that Opposer's pending application is barred because of a likelihood of consumer confusion with the mark that is the subject of the instant application, or that it would assert the instant application against Opposer in the other proceeding and, indeed, Opposer alleges no facts whatsoever that would suggest its belief is, in any way, reasonable. Opposer has simply invented its "belief," without the slightest basis in reality, solely for the purpose of attempting

to satisfy the standing requirement for a trademark opposition. Such a subjective and unverified (and unverifiable) "belief" is insufficient to confer standing. *See, e.g.*, *Ritchie v. Simpson*, 170 F.3d 1092, 1097-1098 (Fed. Cir. 1999) ("[O]ur precedents suggest something more -- that the 'belief of damage' required by § 13 of the Lanham Act is more than a subjective belief. *See Universal Oil v. Rexall Drug & Chemical Co.*, 463 F.2d 1122, 1124, 174 U.S.P.Q. (BNA) at 459-60. ("The belief must have a 'reasonable basis in fact,' [emphasis added]"); *accord*, *Young v. AGB Corp.*, 47 U.S.P.Q.2D (BNA) 1752, 1754 (Fed. Cir. 1998) ("A party opposing a registration pursuant to Section 13 of the Lanham Act must show (1) that he has standing and (2) a statutory ground which negates the applicant's entitlement to registration. Moreover, an opposer must at the pleading stage allege facts in support of both, a conclusion that is fully consistent with the PTO's rules. See generally 37 C.F.R. Section 2.112(a) (1997) [emphasis added]).."

VUTEk has failed, utterly, to allege either a belief that it will suffer legally-cognizable damage, or any factual basis that would render such belief reasonable within the meaning of the statute. As such, VUTEk lacks standing to oppose the instant application, and its Opposition should be dismissed on this ground as well.

III. Conclusion

VUTEk's Opposition lacks the most fundamental requirements to be viable. VUTEk fails to allege any cognizable basis for denying BioWare's pending application. Moreover, VUTEk fails, completely, to assert any basis for standing -- it pleads no belief in cognizable damages nor a single fact that would render any such belief reasonable. As such, its Opposition pleading is fatally deficient. For the foregoing reasons, BioWare respectfully requests that VUTEk's Opposition be

dismissed pursuant to Fed. R. Civ. P. 12(b)(6) and TBMP § 503.

Dated: October 5, 2007

Respectfully submitted,

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CERTIFICATE OF FILING

The undersigned hereby certifies that the foregoing APPLICANT BIOWARE CORP.'S MOTION TO DISMISS PURSUANT TO FED.R.CIV.P. 12 (B)(6) was electronically filed with the U.S. Patent & Trademark Office Trademark Trial and Appeal Board, on this 5th day of October, 2007.

/s/Paul N. Tauger

CERTIFICATE OF SERVICE

I hereby certify that a true copy of APPLICANT BIOWARE CORP.'S MOTION TO DISMISS PURSUANT TO FED.R.CIV.P. 12 (B)(6) was served upon the Opposer Vutek, Inc. by mailing the same by first class mail to Opposer's counsel, Terence J. Clark, Esq., Greenberg, Traurig, 2450 Colorado Avenue, Suite 400E, Santa Monica, CA 90404, on the 5th day of October, 2007.

/s/Julie D. Fitzwater
Julie D. Fitzwater