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

Proceeding	91191056
Party	Defendant Franciscan Vineyards, Inc.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
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-----X
White Rock Distilleries, Inc.

Opposer

v.

Franciscan Vineyards, Inc.

Applicant
-----X

Opposition No. 91191056

Mark: PINNACLES RANCHES

Serial No.: 77/598674

**APPLICANT'S MOTION TO DISMISS COUNTS I AND III OF THE NOTICE OF
OPPOSITION FOR FAILURE TO STATE A CLAIM UPON WHICH RELIEF CAN BE
GRANTED
AND MOTION TO SUSPEND APPLICANT'S TIME TO ANSWER OR OTHERWISE
RESPOND TO THE NOTICE OF OPPOSITION**

Applicant, Franciscan Vineyards, Inc., Inc. ("Opposer"), through its undersigned attorneys, respectfully moves this Honorable Board (1) to dismiss Counts I and III of the Notice of Opposition for failure to fully state a claim upon which relief may be granted, and (2) requests that Applicant's time in which to answer or otherwise respond to the Notice of Opposition be suspended until this motion is decided by the Board.

ARGUMENT

***1. Count III (Fraud under 15 U.S.C. §1064(3)) of The Notice of Opposition
Should be Dismissed for Failure to State a Claim upon which Relief may be Granted.***

Opposer's fraud claim (Count III) is based upon Opposer's assertion that Applicant had an obligation to disclose that the mark in issue was "Primarily Geographically Descriptive" – There is no such obligation.

In cases that permit a pleading of fraud, the claim must be tied to a “misrepresentation” made in the actual declaration signed by a party at the time of the filing. See, e.g., *Bart Schwartz International Textiles, Ltd. v. The Federal Trade Commission v.*, 129 USPQ 258 (CCPA 1961).

Nowhere in Count III of the Notice of Opposition does the Opposer claim that Applicant made a “misrepresentation” to the Trademark Office. The claim is deficient in that regard.

There was no misrepresentation

Count III of the Notice of Opposition is also deficient as Applicant had no obligation or duty to disclose to the Examining Attorney some little known geographic significance to its mark.

As stated in the above cited *Bart Schwarz* case, at p. 260 - 261:

The position of the Trademark Trial and Appeal Board is fallacious in that it is based on the assumption that registrant had a “duty” to disclose to the Patent Office that the Italian word “fiocco” meant staple rayon. No authority is cited by the board for this proposition. Any “duty” owed by an applicant for trademark registration must arise out of the statutory requirements of the Lanham Act, particularly those found in Section 1(a) (1). This section requires merely that an applicant for registration verify a statement that “no other person, firm, corporation, or association, to the best of his knowledge and belief, has the right to use such mark in commerce, either in the identical form thereof or in such near resemblance thereto as might be calculated to deceive.”

The obligation which the Lanham Act imposes on an applicant is that he will not make *knowingly* inaccurate or *knowingly* misleading statements in the verified declaration forming a part of the application for registration.

The mere withholding of information as to the meaning of the Italian word “fiocco” is not such a fraudulent withholding of information as to warrant cancellation of the mark. . . .

Moreover, it is settled that there can be no fraud by reason of a party’s failure to disclose the asserted rights of another person . . . unless that person is known to possess a superior or a clearly established right to use See, *SCOA Industries, Inc. v. Kennedy & Cohen, Inc.*, 188 USPQ 411 (TTAB 1975) [and other cases].

See also, McCarthy on Trademarks and Unfair Competition, §31:69:

But allegations of fraud based on a partially untrue representation and on a failure to disclose relating to the “descriptive” or “misdescriptive” nature of a mark have been rejected on the merits.

In what *McCarthy* calls an “aberrational decision,” a district court in Maryland held that one has a duty to disclose a good-place association of designation with a source “famous” for the relevant goods – *Daesang Corp. v. Rhee Bros. Inc.*, 77 USPQ2d 1753, 1760-62 (D. Md. 2005) (finding fraud for failure to disclose to the PTO that the geographic term in the mark referred to a region in Korea “famous” for the type of goods (hot bean paste) recited in the application/registration). The case is not precedent before the TTAB and is distinguishable by virtue of the term in issue (SOON CHANG) being a well-known region famous for the recited goods – clearly evidencing a good-place association of the designation with a source noted for the goods.

In further response to the above aberrational decision, the mark in issue here, PINNACLES RANCHES, certainly does not primarily identify a well-known region famous for wine, and the Opposer has made no such claim.

Finally, it is the USPTO (not Applicant) that has the burden of establishing [during the application process] a *prima facie* case that a mark is unregistrable because it is “primarily geographically descriptive.” See, In re Consolidated Specialty Restaurants, Inc., 71 USPQ2d 1921 (TTAB 2004). See also, McCarthy on Trademarks and Unfair Competition, §31:69

An applicant has no burden to disclose facts that may help show that the designation is barred under §2(e) . . . It is the burden of the PTO Examining Attorney to prove that the mark is [barred under 2(e)].

For, *inter alia*, the above reasons, Count III of the Notice of Opposition, (i.e., Opposer's fraud claim) should be denied.

2. Count I of Opposer's Notice of Opposition Fails to Set Forth the Required Elements for a Claim that the Mark is Primarily Geographically Descriptive and also Count III of Opposer's Notice of Opposition Fails to Set Forth the Required Elements for a Fraud Claim Concerning Geographical Descriptiveness.

In order to state a proper claim upon which relief may be granted on Counts I and III of Opposer's Notice of Opposition, Opposer is required to set forth and aver a cognizable claim for each required element of its cause of action. Regarding the fraud claim in Count III, and as discussed in Section 1 above, Applicant had NO legal obligation to disclose information concerning geographical significance of its mark.

With regard to Count I, and Opposer's claim that the mark in issue is "primarily geographically descriptive, in order to establish a *prima facie* case for refusal to register a mark as primarily geographically descriptive the examining attorney (or third party) must show that:

- (1) the primary significance of the mark is a generally known geographic location;
- (2) the goods or services originate in the place identified in the mark; and
- (3) purchasers would be likely to believe that the goods or services originate in the geographic place identified in the mark (i.e., show a goods/place association).

See, TMEP at Section 1210, et seq, and the cases therein.

As demonstrated below, the Opposer has failed to plead all the required elements of the claim.

Nowhere in the Opposer's pleading does the Opposer specifically assert that the "primary" significance of the mark PINNACLES RANCHES is a "generally known" geographic location. The assertions set forth in the Opposer's pleading refer to the back label on Applicant's PINNACLES RANCHES wines which states: "Our Pinnacles Ranches are near Monterrey's

Pacific coast . . .” along with a map showing the location of Applicant’s referenced ranch/vineyard. The Applicant naming its own vineyard as “Pinnacles Ranches” cannot possibly support a claim that the “primary” significance of the mark in issue is a “generally known” geographic location.

The fact that there is a little known national park somewhat near Applicant’s vineyards that contains the term “Pinnacles” in its name (“Pinnacles National Monument”) to describe the rock formations in the park cannot support a claim that the “primary” significance of the mark PINNACLES RANCHES is a “generally known” geographic location or that consumers would make a good/place association with PINNACLES RANCHES.

Again, nowhere in its pleading does the Opposer assert that the “primary significance” of the mark “PINNACLES RANCHES” is a “generally known” geographic location – a required element for a claim under Section 2(e) that a mark is primarily geographically descriptive. The Opposer does not identify in its pleading the existence of a single map, gazetteer, encyclopedia, or geographic dictionary listing that refers to “PINNACLES RANCHES” as a geographic location, and certainly not as one that is “generally known.”

Accordingly, the Opposer has failed to fully allege a claim upon which relief may be granted as to Counts I and III of the Notice of Opposition and the same should be dismissed.

Respectfully submitted,

Baker and Rannells PA

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CERTIFICATE OF SERVICE

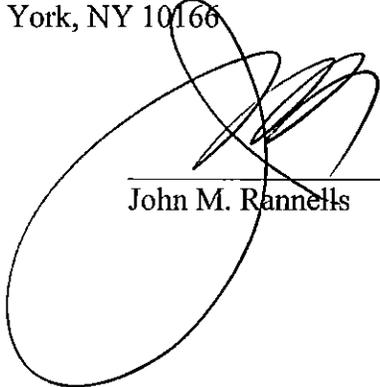
The undersigned hereby certifies that a true and correct copy of the foregoing

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has been served via first class mail, postage prepaid, this 17th day of August, 2009 upon Opposer
at the following address of its counsel of record:

Daniel I. Schloss
Greenberg Traurig, LLP
200 Park Avenue, 34th Floor
New York, NY 10166

Dated: August 17, 2009



John M. Rannells