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

Proceeding	91195327
Party	Defendant Hard Candy, LLC
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Attachments	Hard Candy Reply in Support of Motion to Dismiss.pdf (5 pages)(202021 bytes)

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

Hard Candy Cases, LLC,

Opposer,

vs.

Hard Candy, LLC,

Applicant

_____/

In Re: TM application Serial No. 77700559
For the Mark: Hard Candy
Published in the Official Gazette: 02/16/09

Opposition No. 91195327

APPLICANT'S REPLY IN SUPPORT OF ITS MOTION TO DISMISS

Hard Candy, LLC, located and doing business in Hollywood, Florida ("Hard Candy" or "Applicant"), by and through undersigned counsel, hereby submits this reply in support of its Motion to Dismiss Opposer's "Second Ground" of its Notice of Opposition ("Motion").

Introduction

Applicant Hard Candy, LLC, owns various US trademark registrations for the HARD CANDY marks, or some variation or abbreviation thereof. On March 27, 2009, Hard Candy filed a Section 1(b), intent to use application with the USPTO for the HARD CANDY mark under international class 009 consumer electronics, Serial no. 77/917,147. The application is part of a now ongoing effort to use the HARD CANDY mark in Class 009 in commerce, as described in the application. Ten (10) months after Applicant filed this application, Opposer filed its own Section 1(b) application with the USPTO for the almost identical mark HARD CANDY CASES, also under international class 009, Serial no. 77/917,147. After the Office issued a Non-Final Action citing Applicant's prior pending applications, the USPTO suspended Opposer's application until one of Hard Candy's "earlier filed applications" mature into a

registration – at which point Opposer's application would be refused. For this reason, Opposer filed a meritless Notice of Opposition alleging – with no factual basis – that (1) Applicant had no bona fide intent to use the mark at the time it filed the application at issue, and (2) Applicant committed fraud on the Office because Madonna had released a music album in 2008 entitled "Hard Candy." Applicant filed and Answer and Affirmative Defenses as to the First Ground, and filed the Motion to Dismiss at issue regarding the Second Ground.

In the Motion to Dismiss, Applicant argued that the Second Ground of the Notice of Opposition must be dismissed as a matter of law pursuant to Rule 12(b)(6) ad 9(b). More specifically, Applicant argued, in part, that (1) that Opposer's fraud allegations are inadequate as a matter of law, as Opposer did not, and could not, plead two of the four elements required to plead a fraud in the procurement claim, in addition to failing to plead the claim with any of the requisite specificity; and (2) that Opposer cannot plead a fraud claim based on the existence of a "single creative work" which is not registrable and has not proven to be deserving of any protection under the Lanham Act.

Opposer's Response in Opposition Fails to Address Main Issues Raised by Motion

Tellingly, Opposer does not address the key arguments presented in Applicant's Motion to Dismiss. Instead, Opposer presents two inconsequential, unpersuasive and incomplete points. So as not to duplicate the arguments made in the Motion to Dismiss, Applicant will only address the two (2) brief points made by Opposer.

First, Opposer erroneously and baldly argues in its Opposition that "upon a showing of acquired secondary meaning, titles of 'single works' can be registered." (Resp. at 3.) This is not the case. Courts have uniformly held that titles of single works are not registrable; however, single works "may be protected [from unfair competition] under Section 43(a) of the Lanham

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Act upon a showing of secondary meaning." *Herbko Intern., Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 1163 (Fed. Cir. 2002).

Notwithstanding, Opposer makes no allegation in the Notice of Opposition that the title of Madonna's 2008 album "Hard Candy" – in which Opposer has no rights – has even acquired secondary meaning presumably entitling it unfair competition protection under the Lanham Act. In fact, Opposer would have no standing or ability to make such an argument. Even assuming *arguendo* that Madonna's "Hard Candy" record has gained secondary meaning, this would not make Applicant's declaration fraudulent because the owner of the Madonna "Hard Candy" album's rights under §43(a) are not "clearly established." *See Space Base, Inc. v. Stadis Corp.*, 17 USPQ 2d 1216, 1218-19 (TTAB 1990) ("[I]t is settled that there can be no fraud by reason of a party's failure to disclose the asserted rights of another person, including a prior applicant, unless that person is known to possess a superior or a ***clearly established right to use***...").

Moreover, other than the existence of the "Hardy Candy" album (which does not by itself establish fraud), Opposer fails to allege a single fact in support of its fraud claim against Hard Candy. Opposer does not even address this issue in its Response. Instead, Opposer misconstrues Applicant's reliance on *International House of Pancakes, Inc. v. Elca Corp.*, 216 USPQ 521, 524 (TTAB 1982), which Applicant merely cites to explain that "the alleged fraudulent misconduct must be accompanied by some element of willfulness or bad faith" *Id.* (citing *Reynolds Metals Company v. Aluminum Company of America, et. al.*, 198 USPQ 529 (D.C., N.D. Indiana, South Bend Div. 1978). Since "fraud upon the Patent and Trademark Office involves a ***willful*** withholding of ***material*** information on the part of an applicant or registrant which, had it been disclosed to the Examining Attorney, would have caused said attorney to refuse the registration sought," Opposer must allege that Hard Candy willfully withheld information and that such

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information was material. *Id.* (citing *Cool-Ray, Inc. v. Eye Care Inc.*, 183 USPQ 619 (TTAB 1974). It does neither. This clearly falls short of the standard set forth by Fed. R. Civ. P. 9(b) and Trademark Rule 2.116(a), which require fraud to be pled with particularity in an "explicit rather than implied expression of the circumstances constituting fraud." *King Automotive, Inc. v. Speedy Muffler King, Inc.*, 667 F.2d 1008, 212 USPQ 801 (CCPA 1981). Opposer's claim should be dismissed because it fails to allege any "explicit" facts to establish two of the four elements needed to plead fraud, i.e., that applicant knew that Madonna had rights in a mark superior to Applicant's and that Applicant intended to procure a registration to which it was not entitled.

For the foregoing reasons. and for those reasons stated in the Motion to Dismiss, the Second Ground (Fraud Involving Oath in Application) must be dismissed as a matter of law.

Respectfully submitted,

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CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that a true and correct copy of the foregoing was served on this 26th day of August, 2010, by United States mail and, as a courtesy, via facsimile upon

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