

ESTTA Tracking number: **ESTTA438576**

Filing date: **10/31/2011**

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

Proceeding	91196926
Party	Defendant Dorfman-Pacific Co.
Correspondence Address	MICHAEL JAMES CRONEN ZIMMERMAN & CRONEN LLP 1330 BROADWAY, SUITE 710 OAKLAND, CA 94612-2506 UNITED STATES mcronen@zimpatent.com
Submission	Opposition/Response to Motion
Filer's Name	Michael James Cronen, Esq.
Filer's e-mail	mcronen@zimpatent.com
Signature	/s/Michael James Cronen
Date	10/31/2011
Attachments	DORFMANPleadMemo2ndOppnMotDismissTTAB-10-31-2011.pdf ( 9 pages ) (68558 bytes )

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

GMA ACCESSORIES, INC.,	)	
	)	
Opposer,	)	Opposition No.:91196926
	)	
v.	)	Application No.: 77/965,616
	)	
DORFMAN-PACIFIC CO.,	)	Mark: CAPPELLI STRAWORLD
	)	
Applicant.	)	
_____	)	

**DORFMAN-PACIFIC'S MEMORANDUM IN OPPOSITION  
TO MOTION TO DISMISS SECOND AMENDED COUNTERCLAIM  
[Fed. R. Civ. P. Rule 12(b)(6)]**

## I. DESCRIPTION OF THE RECORD

Opposer GMA Accessories (“GMA”) filed its Notice of Opposition on October 14, 2010. Dorfman-Pacific Co. (“Dorfman”) filed its Amended Counterclaim on December 10, 2010.

On December 7, 2010, “GMA” filed a “motion for summary judgment based on res judicata”. The Board “DENIED” Opposer’s motion for summary judgment on April 4, 2011 and resumed these proceedings. Order, page 8. On April 18, 2011, opposer filed a Request For Reconsideration of the Board’s Order Denying Summary Judgment.

On June 1, 2011, before the Board rendered its decision on GMA’s Motion For Reconsideration, GMA filed suit against Applicant in the U.S. District Court for the Southern District of New York in the case *GMA Accessories v. Dorfman-Pacific Co., Inc.*, Case No. 11-CV-3731 (RJH) (THK), in which GMA makes the same allegations and seeks the same (and additional) relief it seeks here.

On August 26, 2011, the TTAB denied GMA’s Motion To Reconsider and resumed these proceedings. On September 15, 2011, Applicant filed its Motion To Suspend in view of the lawsuit GMA filed in federal district court. GMA has opposed the motion and the suspension request is now pending before the Board.

Applicant thereafter received GMA’s present Notice Of Motion on or about October 21, 2011. GMA’s Notice and other moving papers did not include any Certificate Of Service or any other proof of service as required under Board Rules. GMA’s Notice of Motion is dated “October 17, 2011”, but its Brief In Support Of Motion is dated “October 10, 2011”, so its failure to provide proper certification and proof of service not only violates Board rules, it has made it impossible for Applicant to properly calculate the appropriate deadline for responding to GMA’s

Motion To Dismiss. The Board should, therefore, summarily deny GMA's motion for failing to comply with appropriate notice/service requirements of the Board.

## **II. STATEMENT OF THE ISSUES**

1.) The Board should deny opposer's Motion To Dismiss Applicant's Counterclaims for fraud and abandonment where Applicant amended the allegations of its Counterclaim in conformity with the prior Order of the Board, where the amended allegations regarding GMA's fraudulent registration and trademark abandonment substantially mirror the allegations set forth in GMA's Notice of Opposition in this matter, and where GMA violated Board rules by failing to provide proper proof of service of its Notice Of Motion and Motion.

## **III. RECITATION OF FACTS**

### **A. Applicant Is Senior User**

"Opposer's Notice of Opposition alleges that Opposer is 'current title owner' of the following United States Trademark Registration Nos.: 3,241,182; 3,241,184; 3,246,017; 3,248,875; 3,258,734; 3,273,451; 3,322,312, for the designation "CAPELLI". Counterclaim, ¶2. The earliest first use date alleged in these registrations is December, 1991. Id.

Decades earlier, applicant's predecessor (Assignor) first used the name and mark CAPPELLI STRAWORLD, INC.®, which is also the subject of applicant's incontestible U.S. Trademark Registration No. 2,326,188 (issued in 2000). Counterclaim ¶7.

As set forth in opposer's Counterclaim, "therefore, Opposer cannot be considered as having senior rights to the name and mark CAPPELLI, and any likelihood of confusion, as alleged by Opposer, impairs Applicant's right to registration, and Applicant's continued and legal use of its said mark and should result in the cancellation of Opposer's asserted U.S. Trademark

Registrations.” Counterclaim ¶7.

**B. Applicant’s Second Amended Counterclaim Alleges Opposer’s Alleged Registered Mark Is Merely Descriptive/Generic**

Applicant’s Counterclaim alleges that “Opposer’s alleged registered mark is merely descriptive in that said designation is an apt and common term used to describe goods of the nature described in said registrations.” Counterclaim, ¶3. The Counterclaim further alleges that “Opposer is not entitled to exclusive use of the designation in Opposer’s alleged trademark registrations, and Opposer’s alleged mark does not function to identify Opposer’s goods and distinguish them from those offered by others.” Counterclaim, ¶4. As a result of “Opposer’s alleged registrations” which “are for the common descriptive name of articles included in Opposer’s description of goods”, opposer’s registered mark has become the generic name of such goods”, including hair and hat products, such that its 6registration “is likely to ... damage[]” applicant “as this tends to impair Applicant’s right to legal use of said term.” Id. at ¶5.

**C. Applicant’s Second Amended Counterclaim Alleges Opposer Abandoned Its Alleged Registered Mark**

Applicant’s Second Amended Counterclaim further alleges that:

6. Opposer abandoned said registered marks by either discontinuing use or having never used such marks in the first place, in that Opposer prominently and consistently uses CAPELLINEWYORK and CAPELLI NEW YORK, in connection with all of its goods, including hats, tote bags and hand bags, which are the subject of Applicant’s application herein in, as well as its incontestible trademark registration. Applicant’s recent review of marketplace information shows Opposer has discontinued without any intent to use or resume use its pleaded mark in connection with, for example, hats, caps, berets, hoods, belts and its other apparel products (Registration No. 3,248,875); hair barrettes, hair Bobby pins, hair Bonnet pins, “Hair accessories, namely claw clips; Hair accessories, namely snap clips; Hair

accessories, namely twisters; Hair bands; Hair bows; Hair buckles; Hair clips; Hair curl clips; Hair ornaments; Hair pins; Hair ribbons; Hair scrunchies; Hat ornaments not of precious metals” (Registration No. 3,322,312); jewelry, clocks, chokers (Registration No. 3,241,182); cosmetics and perfumes, false nails and toothpaste, teeth cleaning preparations (Registration No. 3,258,734); and “linen sheets, towels” etc., cloth coasters, napkins, “Cotton fabric” Chenille fabric” “yarn”, curtains” “Fireproof upholstery fabrics”, “rubberized cloths” “Nylon fabric” (Registration No. 3,241,184), which tends to impair Applicant’s right to use and register its mark. Opposer was not using its registered mark in 2006 when it filed TTAB Cancellation No. 92044972, and it has not used such registered mark during the more than three (3) years since that date, and Opposer has an intent not to use or to resume use of its pleaded mark.

7. Opposer has opposed Applicant’s right to register its mark; however, the use of the name and mark CAPPELLI, including its common law usages, predates Opposer’s alleged use, and therefore, Opposer cannot be considered as having senior rights to the name and mark CAPPELLI, and any likelihood of confusion, as alleged by Opposer, impairs Applicant’s right to registration, and Applicant’s continued and legal use of its said mark and should result in the cancellation of Opposer’s asserted U.S. Trademark Registrations.

In the present case, the above allegations of abandonment not only comply with the Board’s prior Order, they substantially mirror the allegations of trademark abandonment set forth in GMA’s Notice of Opposition in this matter and, therefore GMA’s motion should be denied. The Board should also deny GMA’s motion for failing to comply with appropriate notice/service requirements of Board rules, as set forth above.

**D. Applicant’s Second Amended Counterclaim Alleges Opposer’s Alleged Trademark Registrations Were Fraudulently Obtained**

Applicant’s Counterclaim further alleges that “Opposer’s registrations were obtained fraudulently, as follows:

8. Opposer’s registrations were obtained fraudulently in that

Opposer never used its pleaded mark, that Opposer prominently and consistently uses CAPELLINEWYORK and CAPELLI NEW YORK, in connection with all of its goods, including hats, tote bags and hand bags, which are the subject of Applicant's application herein in, as well as Applicant's incontestible trademark registration. Opposer does not use its pleaded mark in connection with, for example, hats, caps, berets, hoods, belts and its other apparel products (Registration No. 3,248,875); hair barrettes, hair Bobby pins, hair Bonnet pins, "Hair accessories, namely claw clips; Hair accessories, namely snap clips; Hair accessories, namely twisters; Hair bands; Hair bows; Hair buckles; Hair clips; Hair curl clips; Hair ornaments; Hair pins; Hair ribbons; Hair scrunchies; Hat ornaments not of precious metals" (Registration No. 3,322,312); jewelry, clocks, chokers (Registration No. 3,241,182); cosmetics and perfumes false nails and toothpaste, teeth cleaning preparations (Registration No. 3,258,734); and "linen sheets, towels" etc., cloth coasters, napkins, "Cotton fabric" Chenille fabric" "yarn", curtains" "Fireproof upholstery fabrics", "rubberized cloths" "Nylon fabric" (Registration No. 3,241,184), which tends to impair Applicant's right to use and register its mark. Opposer was not using its registered mark in 2006 when it filed TTAB Cancellation No. 92044972, and it has not used such registered mark during the more than three (3) years since that date. Nevertheless, in the formal application papers filed by Opposer in connection with its pleaded registrations, including the applicant's declarations of use, and submitted "specimens of use" and/or "substituted specimens of use", Opposer alleged its pleaded mark was being used in association with Opposer's claimed goods when, in fact, Opposer knew the pleaded mark was not in use in association with such goods. Said knowingly false representation was made by an authorized agent of Opposer with the intent to induce authorized agents of the U.S. Trademark Office to grant such registrations and, reasonably relying upon the truth of said false statements, the U.S. Trademark Office did, in fact, grant said registrations. Applicant was damaged by said false statements and the registrations issued in reliance thereon, and Applicant's continued and legal use of its said mark will be impaired by the continued registrations of the alleged mark of Opposer.

Here again, the above allegations of fraudulent registration not only comply with the Board's prior Order, they substantially mirror the allegations of fraudulent registration set forth

in GMA's Notice of Opposition in this matter and, therefore GMA's motion should be denied. And again, the Board should also deny GMA's motion for failing to comply with appropriate notice/service requirements of the Board.

#### **IV. ARGUMENT**

##### **A. Legal Standard For The Grant Of A Motion To Dismiss**

Under Fed. R. Civ. P. Rule 12(b)(6), a motion to dismiss for "failure to state a claim upon which relief can be granted" challenges "the legal theory of the complaint, not the sufficiency of any evidence that might be adduced." *Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc.*, 988 F.2d 1157, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993). The motion cuts a petitioner off at an early stage and, therefore, the motion must be denied so long as the pleading "state[s] a claim to relief that is plausible on its face." *Bell Atlantic Corp. v. Twombly*, 550 U.S. 554, 570 (2007).

To withstand the motion, the challenged pleading need only allege such facts as would, if proved, establish that the claimant is entitled to the relief sought, i.e. that the claimant has standing and a valid ground exists for cancellation. *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024 (CCPA 1982). Section 14 of the Lanham Act, 15 U.S.C. §1064, sets forth the grounds upon which a petition to cancel a registration may be filed, including that the mark "has been abandoned" and that the "registration was obtained fraudulently".

In the present case, opposer's Motion To Dismiss should be denied because, as previously determined by the Board, Applicant has standing to maintain its counterclaim, and because applicant's counterclaim alleges valid, statutory grounds for canceling GMA's alleged trademark registrations. Applicant's amended allegations of trademark abandonment and fraudulent

registration both comply with the Board's prior Order and substantially mirror the allegations set forth in GMA's Notice of Opposition in this matter. The Board should, therefore, deny GMA's Motion To Dismiss. The Board should also deny GMA's motion for failing to comply with appropriate notice/service requirements of the Board, as set forth above.

**V. CONCLUSION**

For the foregoing reasons the Board should deny GMA's Motion To Dismiss under Fed. R. Civ. P. Rule 12(b)(6).

Respectfully submitted,

**Dated: October 31, 2011**

**By: /s/ Michael James Cronen  
Michael James Cronen**

Opposition No.:91196926  
Application No.: 77/965,616  
Mark: CAPPELLI STRAWORLD

**CERTIFICATE OF SERVICE**

I, Michael J. Cronen, hereby certify that this paper: **DORFMAN-PACIFIC'S MEMORANDUM IN OPPOSITION TO MOTION TO DISMISS SECOND AMENDED COUNTERCLAIM [Fed. R. Civ. P. Rule 12(b)(6)]** is being deposited with the United States Postal Service on October 31, 2011, postage pre-paid, addressed to the following:

John P. Bostany, Esq.  
Bostany Law Firm PLLC  
75 Wall Street - Suite 24F  
New York, New York 10005  
Attorney for Opposer

/s/Michael J. Cronen  
Michael J. Cronen