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

Proceeding	91201703
Party	Defendant Istituto Italiano Sicurezza dei Giocattoli S.r.l.
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

MICHAEL BRANDT FAMILY TRUST  
d/b/a ECO-SAFE OF DALLAS,

Opposer,

v.

ISTITUTO ITALIANO SICUREZZA  
DEI GIOCATTOLE S.R.L.

Opposition No. 91201703

**APPLICANT’S REPLY TO OPPOSITION TO MOTION TO DISMISS FOR FAILURE  
TO STATE A FRAUD CLAIM AND A CLAIM ASSERTING THAT APPLICANT’S  
APPLICATION IS VOID *AB INITIO*, AND ALTERNATIVE MOTION FOR MORE  
DEFINITE STATEMENT REGARDING THE VOID *AB INITIO* CLAIM**

Applicant Istituto Italiano Sicurezza Dei Giocattoli S.R.L. (“Sicurezza”) replies to Opposer Michael Brandt Family Trust’s (“MBFT”) brief in opposition to Sicurezza’s Motion to Dismiss and Alternative Motion for More Definite Statement as follows.

As a preliminary matter, Applicant notes that the exhibits and purported evidence attached to Opposer’s brief in opposition, and any and all factual allegations in Opposer’s brief, should be categorically ignored. Applicant’s Motion to Dismiss is a test of the sufficiency of Opposer’s pleading. Applicant’s Motion is not a test of the evidence that Opposer may be able to marshal in support of what it wishes it had alleged in its pleading, and/or the evidence of what it believes are the relevant and admissible facts. Applicant did not present matters outside the pleadings in its motion to dismiss. It is therefore improper for Opposer to respond to the motion with any matters outside the pleadings. The motion is not a motion for summary judgment and cannot be converted to a motion for summary judgment merely because Opposer submitted

evidence. The only relevant considerations are the allegations made in Opposer's First Amended Notice of Opposition and other evidence that may be properly considered on a Motion to Dismiss such Applicant's application file.

### **The Fraud Claim**

Contrary to the introductory paragraph of the Opposer's Brief in Opposition, Applicant's Motion *does* dispute that the FAN has stated all elements of a claim for fraud on the United States Patent and Trademark Office. Indeed, that dispute is precisely the point of Applicant's Motion. It is immaterial that the FAN may *mention* "knowledge" and "intent" because such mentioning does not constitute facts from which one could find that there actually was knowledge and intent.

Opposer's brief attempts to clarify the deficient pleading of its fraud claim by arguing that the crucial knowledge and intent elements of fraud can be found in the inferences that can be drawn from the allegations in its pleading. Opposer's entire point regarding the sufficiency of its fraud pleading seems to be that Applicant's mark is in reality a certification mark and that from this allegation alone one can infer that Applicant therefore knew the mark is certification mark and, with such knowledge, knowingly deceived the Office to obtain a non-certification registration despite this knowledge of the true nature of the mark.

The fact here is that Applicant appropriately made an application for U.S. registration of a regular, non-certification mark based on a foreign registration that is also for a regular, non-certification mark. Opposer alleges that the services applicant provides, and which Applicant stated it provides in its foreign registration, in its U.S. application, and in its Answer to the Notice of Opposition, constitutes certification services. This is facially incorrect because in none

of these did Applicant ever state that its trademark was used other parties to indicate certification. A mark used for certification services is not the same as a certification mark, which requires use by others. This is, however, neither here nor there because Opposer's allegation is that Applicant's stated services constitute certification services and that Applicant's mark is therefore in fact a certification mark, and all allegations must be taken as true for purposes of the sufficiency of a pleading.

The question is, assuming that Applicant's services do constitute certifications services as alleged by Opposer, and that Applicant's mark therefore is a certification mark, is it legally permissible to infer from this, and nothing more, that Applicant *knew* its services were certification services and that its mark is a certification mark. The Federal Circuit's recent case *In re BP Lubricants USA Inc.*, 637 F.3d 1307 (Fed. Cir. 2011), which was decided in light of the Supreme Court's recent prescriptions in *Ashcroft v. Iqbal*, 129 S. Ct. 1937, 1954, 173 L. Ed. 2d 868 (2009), requires that it is not permissible to make such an inference.

What does Opposer point to for the allegation that Applicant *knew* its services were certification services and *knew* that its mark was a certification mark? Opposer does not point to any previous determination by any U.S. or foreign counsel, or any U.S. or foreign trademark examiner. This would be impossible because no such determination was ever made. Neither does Opposer point to any other U.S. or foreign application or registration wherein the mark is characterized as a certification mark. Indeed, despite the many related U.S. and foreign registrations, Opposer can point to none of these as evidence that Applicant *knew* its mark was a certification mark, because none of these *are* applications or registrations for certification marks. The only thing Opposer points to is its allegations that the mark is in fact a certification mark.

The situation was precisely the same in *In re BP Lubricants USA Inc.* In that case the plaintiff alleged that a patent owner was marking its products with an expired patent, which is essentially a statement to the world that the patent covers the product upon which it appears. The question was, for purposes of a claim sounding in fraud, whether this allegation can legally give rise to the inference that the patent owner *knew* that the patent was expired, and intended to deceive purchasers.

The Federal Circuit found that the plaintiff failed to state a claim because, even assuming that it was true that the patent has expired, there were no additional allegations, other than general allegations, that the patentee actually knew the patent was expired. The Federal Circuit emphasized the Plaintiff's failure to provide any facts from which any trier of fact could reasonably infer that the patent owner knew the patent had expired. *Id.* at 1311. The Federal Circuit criticized the district court for ignoring the fact that the knowledge allegation was not supported by any alleged facts and for relying on the rationale that the patentee "knew or should have known that the patent had expired." *Id.* In short, the Federal Circuit did not find it adequate to infer knowledge and intent merely from the allegations that 1) the patentee owned the patent, 2) the patent was expired, and 3) the patentee falsely represented via marking that the patent covered the marked products. Accordingly, as a matter of law, an allegation that a false statement was made, without more, cannot give rise to an inference that the statement was made with knowledge of its falsity. Here, Opposer alleges nothing more than that Applicant incorrectly represented that its mark was a regular mark. Opposer's fraud pleading is therefore inadequate.

### **The Void Ab Initio Claim**

Opposer's claim for voidance is not separately stated from its fraud claim. Moreover, the voidance claim appears to be based on at least two different grounds, on facts stated in the alternative (see paragraph 14 "in the alternative"), and on facts that are inconsistent with each other. The various potential grounds for the void ab initial claim are not set out separately. In short, the nature, scope, grounds, and rationale of the void ab initio claim is unintelligible. No amount of argument in Opposer's brief can correct the deficiencies in its pleading.

Regarding the first part of Section II of Opposer's brief, it is a simple and uncontroverted fact that Applicant's application is and always has been a regular application, not an application for a certification mark. Opposer does not dispute this and its Notice of Opposition does not allege otherwise. Opposer's Notice alleges that the true nature of Applicant's mark is a certification mark, and therefore Applicant *should have* filed a certification application. Contrary to Opposer's argument in its brief, Applicant is not attacking the veracity of Opposer's allegations on this point because Opposer does not allege that Applicant's application was anything other than a regular application. Opposer simply alleges that it was improperly characterized as a regular application.

Also, in a contest on the sufficiency of Opposer's pleading of a void *ab initio* claim, it is not Applicant's responsibility or obligation to "affirm" that Applicant would or would not be using its mark in any particular manner as suggested by Opposer in its brief. The realities of Applicant's use will ultimately be relevant in this case in a different context, but not in the context of a Motion to Dismiss. Opposer inherently acknowledges this because neither of the cases it cites for this point (*In re The Eyecare Foundation, Inc.*, 2011 TTAB Lexis 65, and *In Re DNI Holdings, Ltd.*, 77 USPQ2d 1435 (TTAB 2005) relate in any way to a motion to dismiss. Neither of these cases are even *inter parte* opposition proceeding.

If Opposer's void ab initio claim is based on an incorrect statement of intended use, then Opposer fails to state a claim because Applicant's application was for a regular application and Applicant's statement of intended use was that it would use the mark as a regular mark, *and Opposer does not appear to allege otherwise*. As noted previously, Opposer's allegation relates to the allegedly "true" nature of Applicant's mark and the "true" meaning of its statement of use, not the administrative categorization of its application, the facile meaning of its statement of use, or the subjective intent of Applicant.

Applicant disagrees with Opposer's characterization of paragraphs 9-10 and 14-15 of the FAN. These do not fairly or clearly allege that Applicant lacked a bona fide intent to use the mark on all goods and services listed in the application. Again, Opposer's allegations seem related to Applicant's mistakenly conceived intent, not to Applicant's subjective intent. Whether or not Opposer alleges that Applicant lacked a bona fide intent to use the mark on **all** good or service is outcome determinative of at least one possible basis for Opposer's void ab initial claim. Opposer characterizes the requirement regarding allegations covering **all** goods or services as "technical", suggesting that Opposer should not have to comply with it. The absurdity of this argument is apparent.

Opposer repeatedly mischaracterizes Applicant's Answer by arguing that Applicant has already answered the void ab initio claim, and that Applicant should not therefore be heard to argue that this claim is so ambiguous as to require a clearer statement. Applicant did not move to dismiss Opposer's likelihood of confusion claim, so it timely answered the confusion as it was required to do. In response to the fraud claim and the void ab initio claim, Applicant's Answer stated that it had filed a Motion to Dismiss addressing those paragraphs of the FAN and that no

answer was therefore required for these. Accordingly, Applicant's "answer" was merely a reference to its Motion to Dismiss and the express statement that it was not answering.

April 4, 2012

Respectfully submitted,

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**Certificate of Service**

I hereby certify that the within REPLY TO OPPOSITION TO MOTION TO DISMISS was served on this 4th day of April 2012 via U.S. mail, postage prepaid, to the below listed counsel of record for Applicant.

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