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

Proceeding	91205376
Party	Plaintiff Financial Industry Regulatory Authority, Inc.
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

FINANCIAL INDUSTRY REGULATORY
AUTHORITY, INC.

Opposer / Counterclaim Respondent

v.

PROCTORU, INC.

Applicant / Counterclaim Petitioner.

Opposition No. 91205376

Mark: PROCTORU

REPLY IN SUPPORT OF MOTION TO DISMISS APPLICANT’S COUNTERCLAIM

Opposer / Counterclaim Respondent Financial Industry Regulatory Authority, Inc. (“FINRA”) hereby submits this reply in support of its motion to dismiss the counterclaim filed in this proceeding by Applicant / Counterclaim Petitioner ProctorU, Inc. (“Applicant”).

In its opposition to FINRA’s motion to dismiss, Applicant makes two arguments. First, Applicant argues that it should not have to satisfy the Board’s established rule that it must allege that the requested modification of the registrations will eliminate any likelihood of confusion because it supposedly “seeks to delete certain goods in their entirety” from FINRA’s PROCTOR® registrations. Second, Applicant argues that it should be allowed time to amend its counterclaims to allege that the partial cancellation of FINRA’s registrations would eliminate any likelihood of confusion. Both arguments are flatly contradicted by Applicant’s own allegations and admissions.

I. Applicant’s Requested Partial Cancellation of FINRA’s Registrations Fails Because it is Not Directed to Discrete Goods As Claimed and Would Not Eliminate the Likelihood of Confusion.

In its opposition, Applicant admits that it did not allege that partial cancellation would avoid a likelihood of confusion. *See* Opp. Brf. at p. 5. Applicant also admits, however, that its

petition for partial cancellation seeks to limit FINRA's registrations to those "for brokerage firms, and individual brokers," which Applicant itself describes as a "subclass of users." See Opp. Brf. at pp. 2, 7. These admissions, as well as Applicant's allegations in its counterclaim, confirm that Applicant's counterclaim must be dismissed because (1) it is not seeking cancellation as to discrete goods or services, but instead is seeking unspecified restrictions on the channels of trade and/or class of customer, and (2) it has not alleged facts to establish that likelihood of confusion would be avoided by the requested relief.

The Board has held that, under the facts here, a party seeking partial cancellation of a registration under Section 18 must plead and eventually prove that the limitation it seeks on the registration will prevent a likelihood of confusion between the parties' marks. In *Eurostar, Inc. v. "Euro-Star" Reitmoden GmbH & Co. KG*, 1994 TTAB LEXIS 29, 34 U.S.P.Q.2d 1266 (TTAB 1994), the petitioner sought partial cancellation of the registration to restrict the description of goods to conform to the particular channels of trade in which respondent had actually been using its mark. Specifically, petitioner asserted that the registrant had abandoned the mark with respect to all channels of trade except for catalog mail order sales and sales through retail establishments specializing in apparel, equipment and products for horses and for owners and/or riders of horses. *Id.* at 21. The Board held that to partially cancel a registration under Section 18 by restricting it to certain channels of trade, the petitioner must plead and later prove that such a restriction would prevent a likelihood of confusion between the marks at issue. *Id.* at 22-23.

Thus, the rule is abundantly clear that a party seeking partial cancellation of an opposer's registration must allege that the requested restriction on the registration would eliminate a likelihood of confusion between the parties' marks. *Id.*; *IdeasOne, Inc. v. Nationwide Better*

Health, Inc., 2009 TTAB LEXIS 86, at 4 (TTAB 2009). Otherwise, as the Board noted in *Eurostar*, every time an Examining Attorney cited an existing registration or a party opposed an application based on a likelihood of confusion with an existing registration, the applicant could petition to narrow a registration to the very specific items and methods of sale a registrant has made to date. “Not only would this overwhelm the Board with petitions for partial cancellation, but it would make most registrations subject to challenge because there always will be some way to specifically describe exactly how a registrant is using its mark.” *Eurostar*, 1994 TTAB LEXIS 29, at 15-16.

Applicant’s reliance on *Johnson & Johnson v. Obschestvo s Ogranitchennoy*, 2012 TTAB LEXIS 192 (TTAB 2012), to support its argument that the clear rule of *Eurostar* does not apply here is unavailing. In *Johnson & Johnson*, the counterclaimant sought partial cancellation of Johnson & Johnson’s registration as to three specific goods (skin powder, rouge and liquid foundation) on the grounds of abandonment. *Id.* at 1. The Board held that the counterclaim of abandonment of the registration in connection with specific enumerated goods or services could be brought properly under Section 14, which permits the Board to cancel part of a registration when use of a mark has been abandoned for specific goods or services listed in the identification, and would not implicate Section 18. *Id.* at 4-8. Because the counterclaimant did not seek partial cancellation under Section 18, it was not required to plead that the cancellation of the registration with the specific goods would eliminate a likelihood of confusion. *Id.* at 7-8.

Similarly, *DAK Industries, Inc. v. Daiichi Kosho Co.*, 1994 TTAB LEXIS 31, 35 U.S.P.Q.2d 1434 (TTAB 1995), directly contradicts Applicant’s argument that a claimant seeking to limit the goods or services in a registered mark based on the specific customers to whom registrant has sold its goods or services is not required to allege that there is no likelihood

of confusion between the parties' marks. In *DAK*, the counterclaimant sought to cancel the opposer's registrations with respect to specific goods listed in the identification of goods. After recognizing and reaffirming the Board's holding in *Eurostar*, the Board distinguished the issue from the one presented in *Eurostar*. The Board stated:

Applicant herein does not seek to have opposer's pleaded registrations restricted by addition of wording that identifies opposer's goods with greater particularity, in terms of type, use, customers, trade channels, etc. Rather, applicant seeks to have deleted from opposer's registrations one or more of the goods listed in the identification of goods, on the grounds that opposer is no longer using and has no intent to resume use of its mark on those goods -- notwithstanding type, use, customers, traded channels, etc.

Id. at 10. Thus, the Board explicitly recognized that the rule from *Eurostar* would apply to a situation, as is the case here, in which the applicant sought to restrict the goods or services identified in opposer's goods based on the customers to whom opposer has sold its goods and services, but did not apply where applicant sought to delete one or more identified goods entirely. *Id.*

In this proceeding, Applicant seeks partial cancellation of FINRA's registrations due to the alleged abandonment of the marks as used in connection with specific customers or channels of trade: securities markets, brokerage firms and individual brokers. For example, in connection with FINRA's Registration No. 1,768,263, which covers "training, educational testing certification of professional employment skills and abilities," Applicant alleges:

If FINRA was ever entitled to such a broad registration, they have long since abandoned their use of the mark for any market beyond brokerage firms and individual brokers. Extension of the services beyond FINRA's admittedly limited scope of services for securities markets, brokerage firms and individual brokers is overly broad and should be cancelled for services other than training, educational testing and certification of financial professionals and employment skills for brokerage firms and individual brokers.

Counterclaim ¶ 2. Thus, Applicant has not petitioned to cancel Registration No. 1,768,263 in connection with specific services listed in the registration, as was the case in *Johnson & Johnson*, but rather seeks to limit this registration to only a subset of customers. Similarly, Applicant seeks generally to limit FINRA's Registration Nos. 1,766,565, 1,920,891 and 1,797,000 to cover only goods or services provided to financial professionals, brokerage firms and individual brokers. *Id.* ¶¶ 3-5.

Because Applicant seeks to limit FINRA's registrations to the goods and services provided to specific consumers, the clear rule announced in *Eurostar* and reaffirmed in *DAK* applies. *Eurostar*, 1994 TTAB LEXIS 29, at 22-23; *DAK*, 1994 TTAB LEXIS 31, at 9. This is not a situation in which an applicant seeks to cancel a registration due to abandonment with respect to a specific set of goods or services, so *Johnson & Johnson* simply does not apply.

II. Allowing Applicant Additional Time to Amend its Counterclaim would be Futile.

Applicant argues that it should be permitted additional time to amend its counterclaim in the event the Board finds that it is required to allege that the requested relief will eliminate a likelihood of confusion. *Opp.* at 7. It would, however, be futile to allow Applicant to amend its counterclaims because limiting the goods and services identified in FINRA's registrations as Applicant has requested would not eliminate the likelihood of confusion between the parties' marks.

Applicant argues that, if partially cancelled, FINRA's registrations would be limited to a small subclass of users,¹ such that the difference in connotation and sound of Applicant's mark would be sufficient to prevent confusion among consumers. Opp. Brf. at p. 7. In making this argument, however, Applicant admits that FINRA is a potential customer of Applicant, underscoring the relatedness of the parties' goods and services. See Opp. Brf. at p. 7. Thus, even with Applicant's requested limitation of FINRA's registrations, both parties' marks would cover goods and services related to educational testing of securities brokers, because the services identified in Applicant's application, "online educational testing services in the field of distant learning, namely, administering standardized tests," do not exclude the field of financial services, securities brokers or the like. Because there are no limitations as to channels of trade or classes of purchasers in the recitation of services in Applicant's application, the Board must presume that Applicant's administration of standardized test services move in all channels of trade normal for those services, and that they are available to all classes of purchasers for those services, including securities brokers. See *In re Linkvest S.A.*, 24 USPQ2d 1716, 1716 (TTAB 1992). Thus, even if the partial cancellation it seeks is granted, Applicant cannot establish that there is no likelihood of confusion between the parties' marks.²

¹ While Applicant's allegations must be accepted as true for purposes of this motion, it must be noted that Applicant's allegation and argument in its opposition that FINRA's PROCTOR[®] products and services are limited to the "securities markets, brokerage firms and individual brokers" simply is not correct. FINRA's PROCTOR[®] products and services are provided to consumers in various other fields as well, including the mortgage industry, the banking industry and the futures investment industry. Thus, the likelihood of confusion is even greater, as the parties' marks are likely to collide across many industries and classes of customers.

² Applicant fails to address in its opposition the fact that it has not clearly specified the restriction that it is seeking. See Motion to Dismiss at pp. 1-3. Even if Applicant had addressed this issue, Applicant cannot allege facts sufficient to overcome the likelihood of confusion that will remain if FINRA's registrations are narrowed along the lines suggested in Applicant's counterclaim.

CONCLUSION

Because Applicant has not and cannot allege that restrictions on FINRA's PROCTOR® Registrations would eliminate the likelihood of confusion between the parties' marks, Applicant's counterclaim should be dismissed for failure to state a claim upon which relief can be granted, with prejudice. *Eurostar*, 1994 TTAB LEXIS 29, at 22-23.

Dated: October 12, 2012

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Reply in Support of Motion to Dismiss Applicant's Counterclaim has been sent via first class mail, postage prepaid, on this 12th day of September 2012 to:

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/s/ Jordana S. Rubel

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