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

Proceeding	91208639
Party	Plaintiff Boston Red Sox Baseball Club Limited Partnership
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INTRODUCTION

As alleged in Opposer's Notice of Opposition (the "Opposition"), Opposer is the owner of the renowned BOSTON RED SOX MAJOR LEAGUE BASEBALL club (the "Club"). (Opposition ¶ 1). Opposer has asserted that it owns and uses the names or marks WALLY, WALLY THE GREEN MONSTER, and other WALLY-formative marks such as WALLY'S WORLD, and/or various depictions of the Club's mascot WALLY THE GREEN MONSTER, alone or with other word, letter and/or design elements ("Opposer's WALLY Marks"), in connection with baseball game and exhibition services and mascot services, and a wide variety of goods and services, including, but not limited to, books, posters, photographs, lithographs, pictures and prints, booklets, educational materials and services, apparel, toys and dolls. (Opposition ¶ 2).

Opposer has alleged that Opposer's WALLY Marks have been used by Opposer, its predecessors, and their affiliated and related entities, licensees and/or sponsors in commerce in connection with a wide variety of goods and services, including, without limitation, goods and services that are closely related to the goods covered in Applicant's opposed Application, since long prior to June 20, 2011, Applicant's constructive first use date. (Opposition ¶¶ 2, 4, 7). Further, the Opposition alleges that as a result of the sales and promotion of goods and services bearing or offered in connection with Opposer's WALLY Marks, Opposer has built up highly valuable goodwill in such marks, which have become closely and uniquely associated and identified with Opposer. (Opposition ¶ 5).

Opposer has further alleged that Applicant filed the Application on June 20, 2011 for the mark WALLY and design as shown below ("Applicant's Mark") in International Class 16 for

“Brochures, booklets, and teaching materials to instruct citizens and provided [sic] safety information regarding shelter in place and chemical release.”



(Opposition ¶ 6). As shown above and set forth in the Application’s description of Applicant’s Mark, Applicant’s Mark includes a claim of rights to the word “Wally,” which appears on the collar of the depicted character.

The Opposition alleges that Applicant’s Mark, which is for a mascot character named WALLY, the same name and mark used to designate Opposer’s mascot character, so resembles Opposer’s WALLY Marks as to be likely, when used in connection with Applicant’s goods, to cause confusion, to cause mistake, and to deceive the trade and public, who are likely to believe that Applicant’s goods have their origin with Opposer and/or that such goods are approved, endorsed or sponsored by Opposer or associated in some way with Opposer. (Opposition ¶8). The Opposition specifically supports this claimed likelihood of confusion by alleging that both parties’ marks are for mascot characters named “Wally” and they are used in connection with closely related goods and/or services. *Id.* ¶¶ 7-8.

As discussed below, since Opposer has properly pled the elements of its fact-intensive claim, and since Applicant does not, and legally cannot, establish that such ground is insufficient to state a claim, Applicant’s Motion must be denied.

PROCEDURAL BACKGROUND

On August 2, 2012, Opposer timely filed an extension of time to file a Notice of Opposition, which was granted that same date. On October 23, 2012, Opposer timely filed an additional extension of time to file a Notice of Opposition, which was granted that same day. On December 27, 2012, Opposer timely filed a Notice of Opposition against the Application. On June 4, 2013, Applicant filed a Motion to Dismiss the Opposition in its entirety pursuant to Fed. R. Civ. P. 12(b)(6) for failing to state a claim for which relief may be granted.

ARGUMENT

“Motions to dismiss are viewed with disfavor and are rarely granted.” *Test Masters Educ. Servs., Inc. v. Singh*, 428 F.3d 559, 570 (5th Cir. 2005). A motion to dismiss for failure to state a claim upon which relief may be granted is a test solely of the legal sufficiency of the pleading. *See Advanced Cardiovascular Sys. V. SciMed Life Sys. Inc.*, 988 F.2d 1157 (Fed. Cir. 1993). To withstand a motion to dismiss, a notice of opposition need only allege facts that, if proven, would establish that the opposer is entitled to the relief sought, namely that: (1) opposer has standing to challenge the application, and (2) a valid ground exists for seeking to oppose registration. *Young v. AGB Corp.*, 152 F.3d 1377 (Fed. Cir. 1998); *Lipton Industries, Inc. v. Ralston Purina Company*, 213 U.S.P.Q. 185, 187 (C.C.P.A. 1982); *Order Sons of Italy in Am. v. Profumi Fratelli Nostra AG*, 36 U.S.P.Q.2d 1221, 1222 (T.T.A.B. 1995).

At the pleading stage, a plaintiff need only “state a claim to relief that is plausible on its face.” *Bell Atlantic Corp. v. Twombly*, 550 U.S. 554, 570 (2007); *see also Ashcroft v. Iqbal*, 556 U.S. 662 (2009). Opposer is not under a burden to prove its case in its notice of opposition. *Enbridge, Inc. v. Excelebrate Energy Ltd.*, 92 U.S.P.Q.2d 1537, 1543 n. 10 (T.T.A.B. 2009). Moreover, the allegations in the pleading must be construed liberally under Fed. R. Civ. P. 8.

Here, as discussed below, Opposer has clearly met these standards in pleading a viable claim under Section 2(d) of the Lanham Act. In seeking to dismiss Opposer's properly pleaded claim, Applicant has ignored the salient allegations in the Opposition and misconstrued the mark at issue and the marks pled by Opposer, which relate to use of the name and mark WALLY in connection with mascot characters and their respected related goods and services, instead, erroneously, focusing on the design element of the parties' respective mascot characters. Since Opposer has sufficiently pled its ground for relief pursuant to Section 2(d) of the Lanham Act, Applicant's Motion must be denied in its entirety.

I. THE OPPOSITION SUFFICIENTLY ALLEGES FACTS THAT ESTABLISH OPPOSER'S STANDING

Standing is a threshold inquiry directed solely to establishing interest of the party. *See Lipton*, 213 U.S.P.Q. at 188. Any person who believes it is or will be damaged by registration of a mark has standing to file a complaint. *See* 15 U.S.C. §§ 1063 and 1064, and TBMP § 303. To prove an opposer has standing in an opposition proceeding, an opposer must show it has a "real interest" in the case by pleading facts sufficient to allege that opposer has a "direct and personal stake" in the outcome of the proceeding, and a reasonable basis for its belief that it will be damaged. *See Ritchie v. Simpson*, 170 F.3d 1092, 50 U.S.P.Q.2d 1023, 1027 (Fed. Cir. 1999); TBMP § 309.03(b)(2d ed. rev. 2004). The purpose of requiring allegations that demonstrate standing is to preclude meddlesome parties from instituting proceedings as self-appointed guardians of the purity of the Register. *See Lipton*, 213 U.S.P.Q. at 188 (*citing Norac Co. v. Occidental Petroleum Corp.*, 197 U.S.P.Q. 306 (T.T.A.B. 1977)). There is a low threshold for a plaintiff to go from being a mere intermeddler to one with an interest in the proceeding. *See, e.g., Ritchie*, 50 U.S.P.Q.2d at 1027.

Opposer has easily satisfied this low threshold by alleging common law rights in Opposer's WALLY Marks, which, as pled, include various WALLY-formative marks and depictions of Opposer's WALLY mascot characters, and Opposer's priority of use of such marks in connection with closely related goods and services to those goods covered in the Application for Applicant's Mark, WALLY and Design. (Opposition ¶¶ 2-5, 7-8). Opposer's case is clearly based on the likelihood of confusion between the two respective mascot characters named WALLY used by the parties in connection with closely related goods and/or services. Accordingly, Opposer has unequivocally demonstrated that it has a real interest in the proceeding, and that it has a reasonable basis for its belief that it would be damaged by the registration of Applicant's Mark given the similarity of the parties' marks and goods and/or services. *See, e.g., Cunningham v. Laser Golf Corp.*, 222 F.3d 943 (Fed. Cir. 2000); *Giersch v. Scripps Networks Inc.*, 90 U.S.P.Q.2d 1020, 1022 (T.T.A.B. 2009).

Applicant's argument that Opposer has not sufficiently pled the standing element is based on an erroneous interpretation of the standing requirement and a misreading of Opposer's pleading. The issue of standing does not involve a determination of the ultimate merits of the likelihood of confusion issue. *See Federated Foods, Inc. v. Fort Howard Paper Company*, 192 U.S.P.Q. 24 (C.C.P.A. 1976) ("A party who demonstrates a real interest in a proceeding has standing to litigate even though ultimately its allegation that he is or will be damaged is refuted."). To prove standing, a plaintiff merely needs to plead "a claim of likelihood of confusion that is not wholly without merit." TBMP 309.03(b); *see Lipton*, 213 U.S.P.Q. at 189; *Metromedia Steakhouses, Inc. v. Pondco II Inc.*, 28 U.S.P.Q.2d 1205, 1209 (T.T.A.B. 1993) (finding that "[b]ecause the claim of likelihood of confusion is not wholly without merit under the circumstances set forth by opposer, we must consider opposer's pleading to be a sufficient

allegation of its standing.”). Opposer has easily satisfied that minimal requirement at this stage by pleading priority in WALLY-formative marks for a mascot character and use in connection with a wide variety of goods and services, including, without limitation, the same type of goods that the Application covers, namely booklets, educational materials and services.

In arguing to the contrary, Applicant fails to cite a single case in support of its misguided contention that standing is lacking. Moreover, Applicant completely mischaracterizes Opposer’s claim in its Notice of Opposition – which relates to, among other things, common law use of the mark WALLY on related goods and/or services – instead characterizing Opposer’s rights as solely based on Opposer’s pleaded registrations in Classes 25 and 41 for the design of Opposer’s WALLY mascot character. Such a reading of the Notice of Opposition is wholly unsupportable and simply ignores Opposer’s allegations of common law rights in various WALLY-formative marks in connection with goods that would be classified within Class 16 for registration purposes as well as goods and services that are clearly related to the type of goods claimed in the Application, such as “books, posters, photographs, lithographs, pictures and prints, booklets and educational materials.” Opposition ¶ 2. There is no basis for framing Opposer’s claims solely on the basis of its registrations without regard to its allegations of prior common law rights in connection with similar goods and, accordingly, Applicant’s Motion to Dismiss is based on a faulty premise.

Second, Applicant’s argument fails to recognize that likelihood of confusion does not depend upon the classes for which registration is sought, but rather whether the goods or services involved are sufficiently related such that a likelihood of confusion exists among consumers. TMEP § 1207.01(d)(v) (“The classification of goods and services has no bearing on the question of likelihood of confusion.”); *see also Jean Patou, Inc. v. Theon Inc.*, 9 F.3d 971, 975, 29

USPQ2d 1771, 1774 (Fed. Cir. 1993); *DC Comics v. Onetech Computer Consulting Inc.*, 76 USPQ2d 1472 (TTAB 2005); *Nat'l Football League v. Jasper Alliance Corp.*, 16 USPQ2d 1212, 1216, n.5 (TTAB 1990). Accordingly, the Board has not hesitated to find the kind of Class 16 goods for which Applicant seeks registration to be sufficiently related to goods and services with other classes, including, without limitation, to Class 41 services, to establish a likelihood of confusion. *See, e.g., In re The Navigators*, Ser. No. 77498531 (T.T.A.B. July 21, 2010) (registrant's Class 41 educational services are complimentary to applicant's Class 16 printed publication goods and also serve the same purpose of disseminating information); *In re Tami Mack*, Ser. No. 78515955 (T.T.A.B. March 2, 2007) ("Contrary to applicants' contention, the fact that applicants intend to use their SPEEDFIT mark on goods, while the cited registration covers services, does not preclude a finding of likelihood of confusion.... We further find that the purchasers for these respective goods and services are likely to be the same, i.e., persons desiring resources and information, both in printed form and via live instruction, pertaining to health, fitness and exercise.").

Because Opposer's allegations easily satisfy the minimal threshold required to establish standing, Applicant's unsupported motion to dismiss based on lack of standing should be denied.

II. THE OPPOSITION SUFFICIENTLY ALLEGES A STATUTORY GROUND FOR OPPOSITION, NAMELY THAT THE FACTS, IF PROVEN, WOULD ESTABLISH THAT APPLICANT'S MARK CREATES A LIKELIHOOD OF CONFUSION WITH OPPOSER'S WALLY MARKS.

Section 2(d) of the Lanham Act bars registration of a mark "which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive." 15 U.S.C. §

1052(d). Accordingly, Opposer has unequivocally alleged a valid statutory ground under this Section.

A. Opposer Has Alleged Prior Common Law Rights in its WALLY Word and Design Marks.

As the Opposition clearly alleges, Opposer has prior rights in Opposer's WALLY Marks, including the name and designs of Opposer's WALLY mascot character, and Applicant's Mark, which includes use of the identical name "Wally" for Applicant's own mascot character, is likely, when used in connection with Applicant's goods, to cause confusion, to cause mistake, and to deceive the trade and public, who are likely to believe that Applicant's goods have their origin with Opposer and/or that such goods are approved, endorsed or sponsored by Opposer or associated in some way with Opposer. (Opposition ¶¶ 2-8). As such, Opposer has clearly alleged a statutory ground for relief under Section 2(d). *See, e.g., DC Comics*, 76 U.S.P.Q.2d at 1474 (denying motion to dismiss where notice of opposition set forth sufficient facts which would, if proven, show that opposers have a real interest in the proceeding and a statutory ground for denial of registration under Section 2(d)).

Applicant's argument once again depends upon the misconception that the scope of Opposer's claimed rights in this proceeding is defined exclusively by the registrations Opposer owns for design marks incorporating Opposer's mascot character. However, as set forth above, the Opposition very clearly alleges that Opposer has prior use of, and accordingly prior rights in, not only depictions of Opposer's WALLY mascot character, but "the names or marks WALLY, WALLY THE GREEN MONSTER and other WALLY-formative marks such as WALLY'S WORLD, ... alone or with other word, letter and/or design elements" Opposition ¶ 2. Thus, contrary to Applicant's argument, Opposer asserts rights in the word mark WALLY as well as a number of WALLY-formative word marks not "via its design marks" that are the subject of

Opposer's pleaded registrations (see Applicant's Brief at 4), but rather by virtue of Opposer's common law rights in such WALLY-formative marks stemming from Opposer's use long prior to Applicant's constructive first use date. Prior common law use is indisputably an available ground on which to base an opposition. *See, e.g., University of Southern California v. The University of South Carolina*, 2008 TTAB LEXIS 754, at *18 n. 10 (T.T.A.B. Aug. 1, 2008), aff'd, 367 Fed. Appx. 129 (Fed. Cir. 2010) ("California's common law rights in its mark are separate from, in addition to, and not delimited by the terms of its '953 registration. Such prior common law rights, to the extent that they are proven, serve as an independent basis for California's Section 2(d) claim regardless of whether California relies on, or even owns, a registration"). Accordingly, Applicant's position that Opposer has not provided any "legal basis" on which to claim rights in WALLY word marks (Applicant's Brief at 4) is unfounded.

B. There is an Adequate Basis to Support a Likelihood of Confusion Under the DuPont Factors

Applicant's analysis of the relevant *DuPont* factors and their application is also misguided. Opposer has adequately alleged facts that are more than sufficient to support a claim of likelihood of confusion under the controlling standards.

1. Similarity of the Parties' Marks

Applicant claims that there is no similarity between the parties' design marks, but once again, this analysis is flawed as it simply ignores Opposer's claim of rights extending to WALLY-formative word marks and moreover use of those word marks in connection with mascot characters and related goods and services. The fact that both Opposer and Applicant have mascot characters sharing the name WALLY and used in connection with brochures, educational materials and other related goods and services renders them sufficiently similar to support a claim of likelihood of confusion.

2. Relatedness of Goods and Services/Channels of Trade

The parties' goods or services do not have to be identical or even competitive in order for the Board to determine that there is a likelihood of confusion. The inquiry is whether the goods or services are related. *See Safety-Kleen Corp. v. Dresser Indus., Inc.*, 518 F.2d 1399, 1404, 186 U.S.P.Q. 476, 480 (C.C.P.A. 1975). It is sufficient that the goods or services of the applicant and the registrant are so related that the circumstances surrounding their marketing are such that they are likely to be encountered by the same persons under circumstances that would give rise to the mistaken belief that they originate from the same source. *See, e.g., On-line Careline Inc. v. America Online Inc.*, 229 F.3d 1080, 56 U.S.P.Q.2d 1471 (Fed. Cir. 2000).

As asserted in Paragraph 7 of the Opposition, the goods covered by the Application are closely related to the goods offered and services rendered in connection with Opposer's WALLY Marks, which is sufficient to allege a claim of likelihood of confusion. Opposer has alleged use of Opposer's WALLY Marks in connection with books, booklets and educational materials and services, which are all highly similar to the brochures, booklets and educational materials claimed in the Application. Moreover, although the Application only covers Class 16 goods, Applicant's Mark is clearly for a mascot-type character or design named WALLY, just like Opposer's WALLY Marks, as pled, for the word mark, name and design image of its WALLY character. Thus, the marks at issue, as well as the goods and/or services that they cover and the channels of trade in which they are distributed, are highly similar. These goods and services need not cover the exact same subject matter as Applicant's goods to support a likelihood of confusion. *See, e.g., In re Cornerstone Advocacy Service*, Serial No. 77/361,961 (T.T.A.B. Dec. 15, 2009) (applicant's educational services in field of violence prevention and registrant's

educational services concerning drug, alcohol and tobacco use prevention sufficiently related to support likelihood of confusion).

3. Other Factors

The other factors cited by Applicant fail to support a conclusion that the opposition should be dismissed. While Applicant states that there are no other known similar third party marks, this factor cuts in favor, not against, a likelihood of confusion. *See, e.g., In re Clinical Research Management, Inc.*, 2013 TTAB LEXIS 40, at *21 (T.T.A.B. Jan. 25, 2013) (absence of third party registrations or use shows registrant's mark is unique and customers thus not accustomed to distinguishing between marks based on other differences).

Although Opposer has not plead any evidence of actual confusion, it has not yet had an opportunity to take discovery on this issue. In any event, actual confusion is not required, as the test is whether there is a likelihood of confusion. *See, e.g., Giant Food, Inc. v. Nation's Foodservice, Inc.*, 710 F.2d 1565 (Fed. Cir. 1983). Similarly, while the Board may certainly consider fame as a factor in assessing likelihood of confusion, an opposer is not required to allege fame in its pleading or prove fame in order to prevail. *See, e.g., Fruit of the Loom, Inc. v. Riley*, Opposition No. 91182644 (T.T.A.B. May 7, 2012) (finding for Opposer on 2(d) claim despite finding its mark is not famous).

4. Balance of Factors

On a motion to dismiss, an opposer need only set forth a claim which, if proven, may entitle him to the relief sought. *See, e.g., Syndicat de la Parfumerie Francaise v. Scaglia*, 173 U.S.P.Q. 383, 383 (T.T.A.B. 1972). Opposer has clearly met this burden here where it has alleged that there is a likelihood of confusion between Opposer's and Applicant's mascot characters with the same name, WALLY, and used in connection with the same type of goods

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on September 23, 2013, I caused a true and correct copy of the foregoing Opposer's Memorandum of Law in Opposition to Applicant's Motion to Dismiss to be sent via First Class Mail, postage prepaid, to Applicant's Attorney, Robb D. Edmonds, Esq., Edmonds & Nolte PC, 2625 Bay Area Boulevard, Suite 530, Houston, Texas 77058.

/Lisa M. Willis/

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