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

Proceeding	91212861
Party	Plaintiff Fairmont Holdings, Inc.
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Submission	Motion to Dismiss - Rule 12(b)
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**IN THE UNITED STATES PATENT AND TRADEMARK
OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

FAIRMONT HOLDINGS, INC.,
a Florida Corporation,

Opposer,

vs.

Opposition No. 91212861
Application Serial No.: 85859951
Word Mark: DEWAR'S LIVE TRUE

BACARDI & COMPANY LIMITED,
a Liechtenstein Company,

Applicant.

**OPPOSER'S RESPONSE TO APPLICANT'S MOTION TO DISMISS, MOTION TO
STRIKE AND MOTION TO SUSPEND**

Opposer, FAIRMONT HOLDINGS, INC., a Florida Corporation, by and through its undersigned counsel, hereby files this Response to Applicant's Motion to Dismiss Opposer's Section 2 (a) Claim and To Strike Certain Pleadings and Motion To Suspend Proceedings Pending Disposition of Motion.

ARGUMENT

A. **Opposer Has Properly Alleged A Claim For Deceptiveness Under Section 2(a) Of
The Trademark Act**

In its Motion To Dismiss, Applicant BACARDI & COMPANY LIMITED alleges that Opposer fails to state a claim for false suggestion of a connection under Section 2(a) of the Trademark Act. More specifically, Applicant claims that "Opposer asserts in Paragraph 12b of the Notice of Opposition that registration of Applicant's mark 'would falsely suggest a connection with Opposer.'" Motion To Dismiss, p.2. That is not what paragraph 12.b. of the Amended Notice of Opposition ("Opposition") states. Paragraph 12.b. actually states:

12. Opposer will be damaged in violation of Section 2(a) and 2(d) of the Trademark Act, public policy and otherwise if Applicant is granted registration of the Opposed Mark, as it is:

- b. likely to deceive or mislead consumers into mistakenly believing that Opposer and Applicant, and their trademarks, marketing campaign and/or brand are affiliated or associated, thereby deceiving or *leaving a consumer to draw the false conclusion* that Opposer's goods sold under its LIVE TRUE trademark, campaign and brand are a mass produced product of good quality, rather than highly specialized, hand crafted, premium quality;...

Accordingly, Applicant's argument is misguided. This is not a claim for false suggestion of a connection under Section 2(a) of the Trademark Act.¹ Instead, the claim is for deceptiveness under Section 2(a) of the Trademark Act.²

To state a claim of deceptiveness under Section 2(a), an opposer need only allege facts from which it may be inferred that opposer has a reasonable belief that it would be damaged by use of applicant's allegedly deceptive mark and facts that, if proved, would establish that purchasers would be deceived in a way that would affect materially their decision to purchase applicant's services. An opposer asserting such a claim need not allege prior use, or any use at all, of a mark or trade name similar to applicant's mark.

Further more, a proper pleading of "deceptiveness" under Section 2(a) requires the plaintiff to do more than parrot the language of Section 2(d). The latter provision of the Trademark Act prohibits registration of marks which are likely to deceive a consumer as to the source or origin of goods or services. By contrast, Section 2(a) of the Act prohibits registration of marks which lead a consumer to draw a false conclusion about the nature or quality of goods or services *under circumstances where such a conclusion will be material to the consumer's deliberations regarding purchase of the goods or services.*

¹ Opposer acknowledges that the facts necessary for alleging a claim for false suggestion of a connection pursuant to Section 2(a) of the Trademark Act were insufficient in the initial Notice Of Opposition, and Opposer has abandoned the claim for false suggestion of a connection.

² Section 2(a) of the Lanham Act prohibits registration of a mark that: "[c]onsists of or comprises immoral, deceptive, or scandalous matter..." 15 U.S.C. § 1052(a).

Interlocutory Attorney, George Pologeorgis, Order dated January 22, 2014, p.3-4 (pursuant to telephonic discovery conference) (emphasis added), *citing Consorzio del Prosciutto di Parma v. Parma Sausage Products Inc.*, 23 USPQ2d 1894 (TTAB 1992).

At paragraph 12.b. of the Amended Opposition, Opposer virtually mimics the elements recited by Mr. Pologeorgis in his Order. Opposer alleges that the Applicant's mark is *likely to deceive or mislead consumers into mistakenly believing that Opposer and Applicant, and their trademarks, marketing campaign and/or brand are affiliated or associated, and mislead consumers to draw a false conclusion (not a false connection)*³ about the nature or quality of goods or services under circumstances where such a conclusion will be material to the consumer's deliberations regarding purchase of the goods or services – namely deceiving or misleading the consumers into mistakenly believing that Opposer's goods are the same as the Applicant's mass produced product, rather than a more highly specialized, hand crafted, small batch product.

The pleading requirements for a Notice of Opposition claim require a statement that: (1) sets forth the elements of the claim plainly and succinctly; and, (2) provides sufficient detail to give the defendant a clear idea of plaintiff's complaint and the legal basis for recovery. *McDonnell Douglas Corp. v. National Data Corp.*, 228 USPQ 45, 47 (TTAB 1985). Moreover, it is a well accepted principle that "[a]t the motion to dismiss stage, all well-pleaded facts are accepted as true, and the reasonable inferences therefrom are construed in the light most favorable to the plaintiff." *Bryant v.*

³ Merriam-Webster Dictionary (2014 ed.) defines "conclusion" as: a final decision or judgment; an opinion or decision that is formed after a period of thought or research. Merriam-Webster Dictionary (2014 ed.) defines "connection" as: something that joins or connects two or more things; a situation in which two or more things have the same cause, origin, goal, etc. These are two highly distinct words with very different meanings.

Avado Brands, Inc., 187 F.3d 1271, 1273 n. 1 (11th Cir.1999); *Hawthorne v. Mac Adjustment, Inc.*, 140 F.3d 1367, 1370 (11th Cir.1998). A complaint may not be dismissed unless it appears beyond doubt that the plaintiff can prove no set of facts in support of his claim which would entitle him to relief.” *Slagle v. ITT Hartford*, 102 F.3d 494, 497 (11th Cir.1996) quoting *Conley v. Gibson*, 355 U.S. 41, 45 (1957) and citing *Hartford Fire Ins. Co. v. California*, 509 U.S. 764, 811 (1993).

Drawing all reasonable inferences in the light most favorable to the Opposer, Opposer has sufficiently alleged a claim for relief pursuant to Section 2(a) of the Trademark Act for deceptiveness. Applicant’s Motion to Dismiss should be denied.

B. Oppose’s Allegations Relating To Application Serial No. 79/135543 Are Highly Relevant To This Proceeding And Should Not Be Stricken

As its bases for it’s Motion To Strike, Applicant claims that: “Oppose has sought to include another application filed by Applicant into the subject opposition. However, no application can be the subject of an opposition until the same is published for opposition.” Motion To Strike, p. 5.

Applicant is referring to Opposer’s references in its Opposition to Applicant’s pending Application Serial No. 79/135543 seeking to register LIVE TRUE (without the DEWAR’s moniker). It is abundantly clear that this Application is not the “subject” of this Opposition. The caption, the opening paragraph and the prayer for relief in this Opposition all clearly reference *only* Application Serial No. 85859951 for DEWAR’S LIVE TRUE. Instead, the reference to LIVE TRUE (without the DEWAR’s moniker) is raised merely as a *fact relevant to* the opposition against the DEWAR’S LIVE TRUE . This fact is alleged just as any other fact relevant to a case would be alleged. Applicant cites no case law or statute that prohibits a party from “referencing” other applications or registrations as factual support for a claim in an opposition pleading.

On the other hand, Section 2(d) of the Trademark Act provides that an Applicant must be denied registration of a mark if the mark “... so resembles a mark registered in the USPTO as to be likely, when used on the identified goods, to cause confusion, or to cause mistake, or to deceive.” 15 U.S.C. §1052. And, it is a general rule that “... likelihood of confusion is not avoided between otherwise confusingly similar marks merely by adding or deleting a house mark or matter that is descriptive or suggestive of the named goods or services.” TMEP §1207.01(b)(iii). *See, In re Riddle*, 225 USPQ 630 (TTAB 1985) (RICHARD PETTY'S ACCU TUNE and design for automotive service stations held likely to be confused with ACCUTUNE for automotive testing equipment); *also see, In re Apparel Ventures, Inc.*, 229 USPQ 225 (TTAB 1986) (SPARKS BY SASSAFRAS (stylized) for clothing held likely to be confused with SPARKS (stylized) for footwear); *In re The U.S. Shoe Corp.*, 229 USPQ 707 (TTAB 1985) (CAREER IMAGE (stylized) for clothing held likely to be confused with CREST CAREER IMAGES (stylized) for uniforms).

This is true because consumers often tend to simplify or abbreviate marks. Applicant's filing of an application for LIVE TRUE (without the family mark) makes it particularly clear that, not only does Applicant intend to shorten or abbreviate its mark to LIVE TRUE (without the family mark), but that it anticipates and expects consumers to recognize and refer to it's DEWAR'S LIVE TRUE mark by a shortened or abbreviated LIVE TRUE mark, without the DEWAR's house mark. “The fact that purchasers are sophisticated or knowledgeable in a particular field does not necessarily mean that they are immune from this type of source confusion. *See In re Decombe*, 9 USPQ2d 1812 (TTAB 1988); *In re Pellerin Milnor Corp.*, 221 USPQ 558 (TTAB 1983).” TMEP §1207.01(d)(vii); particularly where the facts suggest that the Applicant foresees the consumer dropping the house mark. Undoubtedly, Applicant's projection that it will need to protect LIVE TRUE (without the

DEWAR'S moniker) is a highly relevant allegation of likelihood of confusion in this Opposition against the DEWAR'S LIVE TRUE application.

In its Motion, Applicant also makes a cursory claim that: i) it would be unduly burdened through discovery if the references to the LIVE TRUE (without the DEWAR'S moniker) are not stricken; and, ii) it may "potentially" be prejudiced if the references to the LIVE TRUE (without the DEWAR'S moniker) are not stricken. Neither assertion is compelling. Opposer is most certainly entitled under the discovery rules to obtain discovery on this matter⁴ and Opposer *would be prejudiced* if it were restricted from raising and then obtaining discovery on these highly relevant allegations. TBMP §402.01; Fed. R. Civ. P. 26(b)(1).

Accordingly, Opposer's references to Applicant's LIVE TRUE (without the DEWAR's house mark) application are relevant facts to Opposer's claims against the DEWAR'S LIVE TRUE application; therefore, Applicant's Motion To Strike these references should be denied.

C. **Suspending This Proceeding Will Prejudice The Opposer**

Opposer objects to Applicant's Motion To Suspend this proceeding until the Trademark Trial And Appeal Board rules on Applicant's Motion To Dismiss and Motion To Strike. Suspending this proceeding will:

⁴ TBMP §402.01 states that "[u]nless otherwise limited by court order, the scope of discovery is as follows: Parties may obtain discovery regarding any non-privileged matter that is relevant to any party's claim or defense — including the existence, description, nature, custody, condition, and location of any documents or other tangible things and the identity and location of persons who know of any discoverable matter. For good cause, the court may order discovery of any matter relevant to the subject matter involved in the action. Relevant information need not be admissible at the trial if the discovery appears reasonably calculated to lead to the discovery of admissible evidence." TBMP §402.01.

i) delay a final ruling on this Opposition, all the while the Applicant continues to use its trademarks in commerce, resulting in continued and on-going damage to Opposer; and,

ii) potentially, unfairly, strengthen Applicant's argument regarding the length of time during which there has been concurrent use of the parties' marks without evidence of actual confusion as an element relevant to proving likelihood of confusion (as enunciated *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 1361, 177 USPQ 563, 567 (CCPA 1973)).⁵

“Whenever there is pending before the Board both a motion to suspend and a motion which is potentially dispositive of the case, the potentially dispositive motion may be decided before the question of suspension is considered regardless of the order in which the motions were filed.” 37 CFR §2.117(b).

Accordingly, Oppose requests that Applicant's Motion To Suspend this matter be denied and the pending suspension on this matter be lifted so that this proceedings may continue to trial as promptly as possible.

CONCLUSION

For the foregoing reasons, Opposer respectfully requests that:

- A. Applicant's Motion To Dismiss be denied;
- B. Applicant's Motion To Strike be denied;

⁵ In the seminal case regarding the likelihood of confusion issue, *In re E.I. du Pont de Nemours & Co.*, the Court of Customs and Patents Appeals (“CCPA”) held that, when relevant, the following elements must be considered in determining the likelihood of confusion under §2(d) of the Trademark Act: ... (8) The length of time during and conditions under which there has been concurrent use without evidence of actual confusion. *In re E.I. du Pont*, 476 F.2d at 1361, 177 USPQ at 567.

C. Applicant's Motion To Suspend be denied and the suspension on this matter be lifted without the resetting of discovery or trial dates; and,

D. for any further relief that the Trademark Trial And Appeal Board deems appropriate.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing is being submitted electronically, via the Electronic Filing System, with the Trademark Trial And Appeal Board, on March 6, 2014. I further certify that a true and correct copy of the above and foregoing was served electronically (per agreement) on March 6, 2014 upon Janice Housey, Symbus Law Group, PO Box 11085, McLean, VA 22102-7985, jhousey@symbus.com.

Respectfully submitted,
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By: /s/ Kim Kolback
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