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

Proceeding	91221590
Party	Defendant S.C. ION MOS S.R.L.
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

EMERSON ELECTRIC CO.,)	
)	
Opposer,)	
)	Opposition No. 91221590
v.)	Application No. 79138965
)	Mark: EMERSON TECHNIK & DESIGN
S.C. ION MOS S.R.L.,)	
)	
Applicant.)	
_____	/	

**APPLICANT’S OPPOSITION TO OPPOSER’S MOTION FOR LEAVE TO FILE SECOND
AMENDED NOTICE OF OPPOSITION AND REQUEST FOR SUSPENSION PENDING
DISPOSITION OF ACTIONS TO CANCEL INTERNATIONAL AND BASIC REGISTRATIONS**

Applicant S.C. Ion Mos S.R.L., through its undersigned counsel, hereby opposes Opposer’s *Motion for Leave to File Second Amended Notice of Opposition and Request for Suspension Pending Disposition of Actions to Cancel International and Basic Registrations*.

INTRODUCTION

Opposer instituted this proceeding on April 21, 2015. On May 30, 2015, Applicant filed a consented motion to extend the deadline to answer the opposition to June 30, 2015. On June 30, 2015, Applicant moved to dismiss two counts in the notice of opposition, Count II for deceptiveness pursuant to §2(a) of the Trademark Act and Count III for false suggestion of a connection pursuant to §2(a) of the Trademark Act, on the ground that such counts failed to state claims upon which relief can be granted.

On July 21, 2015, Opposer filed *Opposer’s First Amended Notice of Opposition*, deleting Count III for false suggestion of a connection and revising its Count II claim of deceptiveness. Applicant acknowledged that Count III had been deleted, and that the *Opposer’s First Amended Notice of Opposition* was the operative pleading in this proceeding. On August 3, 2015, Applicant filed a motion to dismiss amended Count II for deceptiveness in *Opposer’s First Amended Notice of Opposition*, on the basis that Opposer still failed to state a claim upon which relief could be granted.

On August 24, 2015, Opposer filed its *Motion for Leave to File Second Amended Notice of Opposition and Request for Suspension Pending Disposition of Actions to Cancel International and Basic Registrations*. Applicant hereby opposes this motion on the ground it is legally futile and the request for suspension on the basis it is improper.

ARGUMENT

1. OPPOSER'S MOTION FOR LEAVE TO FILE SECOND AMENDED NOTICE OF OPPOSITION SHOULD BE DENIED.

Applicant acknowledges that Fed.R.Civ.P. 15(a)(2) and TBMP § 507.02 state that leave to amend must be freely given when justice so requires. In the instant case, justice does not so require. As the Board noted in *Be Sport, Inc. v. Al-Jazeera Satellite Channel*, 115 U.S.P.Q.2d 1765 at 1766-7 (TTAB 2015):

Under Fed. R. Civ. P. 15(a), Applicant may amend its answer only with Opposer's written consent or leave of the Board; and leave must be freely given when justice so requires. *See* Fed. R. Civ. P. 15(a); TBMP § 507.02 (2015). The Board liberally grants leave to amend pleadings at any stage of a proceeding, but will deny addition of a claim or defense that is legally "futile." *See generally Foman v. Davis*, 371 U.S. 178, 183 (1962) ("futility of amendment" is a reason to deny a Rule 15(a) motion); *see also, American Express Mktg. & Dev. Corp. v. Gilad Dev. Corp.*, 94 USPQ2d 1294, 1297, 1300 (TTAB 2010) (leave to amend answer denied where proposed additional defense was futile); and *Leatherwood Scopes Int'l Inc. v. Leatherwood*, 63 USPQ2d 1699, 1702 (TTAB 2002) (denying leave to amend where proposed amendment would be futile).

See also, Pure Gold, Inc. v. Syntex (U.S.A.) Inc., 221 U.S.P.Q. 151, 154 (TTAB 1983), *aff'd*, 739 F.2d 624, 222 U.S.P.Q. 741 (Fed. Cir. 1984).

Granting Opposer the requested leave to submit its *Second Amended Notice of Opposition* would serve no useful purpose as Opposer's Count II *deceptiveness* claim is legally futile. Opposer's *deceptiveness* claim in its original *Notice of Opposition*, in its *First Amended Notice of Opposition* and in the proposed *Second Amended Notice of Opposition* is nothing more than a likelihood of confusion claim dressed up as a *deceptiveness* claim. The opposition already contains a count for likelihood of confusion, and Applicant has not asserted that this claim has been improperly or insufficiently pled.

As previously noted, Section 2(a) of the Trademark Act, 15 U.S.C. §1052(a), states, in relevant part:

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—

(a) Consists of or comprises immoral, deceptive, or scandalous matter...

The Court of Appeals for the Federal Circuit has articulated the following test for whether a mark consists of or comprises deceptive matter:

1. Is the term misdescriptive of the character, quality, function, composition or use of the goods?
2. If so, are prospective purchasers likely to believe that the description actually describes the goods?
3. If so, is the misdescription likely to affect a significant portion of the relevant consumers' decision to purchase?

In re Budge Mfg. Co. Inc., 8 U.S.P.Q.2d 1259, 1260 (Fed. Cir. 1988), *aff'g.*, 8 U.S.P.Q.2d 1790 (TTAB 1987). See also TMEP §1203.02(b).

The Board has long recognized the distinct elements and purposes of Section 2(d) versus Section 2(a) deceptiveness claims. As the Board stated in *Miller Brewing Co. v. Anheuser-Busch, Inc.*, 27 U.S.P.Q. 2d 1711, 1712 (TTAB 1993):

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. See, e.g. *Consorzio del Prosciutto di Parma v. Parma Sausage Products Inc.*, 23 USPQ2d 1894 (TTAB 1992) (issue was whether use of PARMA for meat products not made in Parma, Italy deceived consumers in regard to geographic origin of goods); *U.S. West Inc. v. Bell South Corp.*, 18 USPQ2d 1307 (TTAB 1990) (issue was whether use of THE REAL YELLOW PAGES for telephone directories deceived consumers by suggesting that competitive directories were somehow invalid, inaccurate or incomplete); *American Speech-Language-Hearing Association v. National Hearing Aid Society*, 224 USPQ 798 (TTAB 1984) (issue was whether use of phrase CERTIFIED HEARING AID AUDIOLOGIST as part of a collective membership mark deceived consumers into believing that hearing aid dealers possessed training and education of audiologists); and *Tanners' Council of America, Inc. v. Samsonite Corporation*, 204 USPQ 150 (TTAB 1979) (issue was whether use of SOFTHIDE for imitation leather material deceived consumers by leading them to conclude goods were made of real leather).

When a plaintiff's allegation is that consumers are "deceived into" buying defendant's goods under the mistaken belief that they originate from the same source as plaintiff's, or vice versa, the sort of deception at issue is the basis for a Section 2(d), not a Section 2(a), claim. (Emphasis added.)

See also, J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* §11:58 (4th ed. 2011); *Springs Indus., Inc. v. Bumblebee Di Stefano Ottina et.al*, 222 U.S.P.Q. 512, 515 (dismissing Section 2(a) claim based on alleged source of origin deceptiveness because such deception “is the basis for a Section 2(d), but not a Section 2(a) ... claim”).

Count I of *Opposer's First Amended Notice of Opposition* alleges that Applicant's Mark is likely to be confused with Opposer's EMERSON formative marks, a claim made under Section 2(d) of the Trademark Act. Section 2(d) states, in relevant part, as follows:

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—

(d) Consists of or comprises 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) (emphasis added).

Count II of *Opposer's Second Amended Notice of Opposition* alleges:

14. When an adjective such as “EMERSON” is used with a noun such as “TECHNOLOGY,” the terms, when used together, are misdescriptive of a character, quality or function of Applicant's Goods.

15. Prospective purchasers of Applicant's Goods are likely to believe mistakenly that the “technology” or “techniques” used in connection with the manufacture of Applicant's Goods describe or include the sophisticated technology or techniques used by Opposer, that is, include or incorporate the “Emerson technology” or “Emerson technique.”

16. Use of the misdescriptive term EMERSON TECHNIK is likely to affect materially, a significant portion of the relevant consumers' decision to purchase Applicant's Goods.

17. Applicant's “EMERSON TECHNIK” Mark is likely to deceive consumers and consumers are likely to believe mistakenly that Applicant's Goods have been developed and manufactured consistent with the highly respected technology and “techniques” employed by Emerson in the manufacture of its machinery and various machinery parts

used in, but not limited to, the food industry and materially affect consumers' decision to purchase Applicant's Goods.

18. Were Applicant to produce, market, and distribute Applicant's Goods under the challenged EMERSON TECHNIK mark, those products would be promoted and marketed to Emerson's customers for, and would be distributed in the same and/or similar channels of trade as, many of the EMERSON Goods offered under the EMERSON Marks. Accordingly, persons familiar with Opposer's EMERSON Marks are likely to be deceived into purchasing and using Applicant's Goods offered under Applicant's Mark in the mistaken belief that those goods were produced utilizing manufacturing techniques and include a character, quality or function similar to those employed by Opposer when in fact they do not and be a material part in consumers' purchasing decision within the meaning of Section 2(a) of the Trademark Act, 15 U.S.C. 1052(a).

19. Emerson has been in existence since at least as early as September 24, 1890 and is known for its high quality manufacturing processes and techniques. As a result of Applicant's misdescriptive use of the mark EMERSON TECHNIK as further described above, Opposer would be injured by the registration of Applicant's Mark.

20. Applicant's Mark falsely suggests a connection between Applicant's Goods and Emerson. EMERSON was and is a well-known name for Opposer of sufficient fame or reputation such that with any use of Applicant's EMERSON TECHNIK mark for Applicant's Goods, a connection with Emerson would be assumed, resulting in injury to Opposer.

These allegations, while avoiding typical likelihood of confusion verbiage, are still likelihood of confusion allegations. Paragraph 15 states that “[p]rospective purchasers of Applicant's Goods are likely to believe mistakenly that the “technology” or “techniques” used in connection with the manufacture of Applicant's Goods describe or include the sophisticated technology or techniques used by Opposer, that is, include or incorporate the “Emerson technology” or “Emerson technique.” In other words, Opposer is alleging that the use of EMERSON in conjunction with this technology and these techniques uniquely indicate Opposer as their source. This is likelihood of confusion.

Paragraph 16 states that “[u]se of the misdescriptive term EMERSON TECHNIK is likely to affect materially, a significant portion of the relevant consumers' decision to purchase Applicant's Goods.” Why is EMERSON TECHNIK allegedly misdescriptive and why will this affect consumers' purchasing decisions? Because consumers will believe the goods originate with Opposer or that Applicant is affiliated with Opposer, and purchase the goods based on this belief. This is likelihood of confusion.

Paragraph 17 states that *“Applicant’s “EMERSON TECHNIK” Mark is likely to deceive consumers and consumers are likely to believe mistakenly that Applicant’s Goods have been developed and manufactured consistent with the highly respected technology and “techniques” employed by Emerson in the manufacture of its machinery and various machinery parts used in, but not limited to, the food industry and materially affect consumers’ decision to purchase Applicant’s Goods.”* Why will consumers allegedly be likely to believe that Applicant’s Goods have been developed and manufactured consistent with the highly respected technology and “techniques” employed by Emerson? Because this technology and these techniques are uniquely associated with Opposer. This is likelihood of confusion.

Paragraph 18 states that *“[w]ere Applicant to produce, market, and distribute Applicant’s Goods under the challenged EMERSON TECHNIK mark, those products would be promoted and marketed to Emerson’s customers for, and would be distributed in the same and/or similar channels of trade as, many of the EMERSON Goods offered under the EMERSON Marks.”* Similarity or dissimilarity of established, likely-to-continue trade channels is one of the *DuPont* factors, and is not relevant to a deceptiveness inquiry. This paragraph also states *“persons familiar with Opposer’s EMERSON Marks are likely to be deceived into purchasing and using Applicant’s Goods offered under Applicant’s Mark in the mistaken belief that those goods were produced utilizing manufacturing techniques and include a character, quality or function similar to those employed by Opposer.”* Deception as to the source of goods or services is likelihood of confusion.

Paragraph 19 states that *“Emerson has been in existence since at least as early as September 24, 1890 and is known for its high quality manufacturing processes and techniques.”* The strength of Opposer’s marks, and the fame and reputation of Opposer’s marks are relevant to a likelihood of confusion analysis, not a deceptiveness analysis.

Paragraph 20 states that *“Applicant’s Mark falsely suggests a connection between Applicant’s Goods and Emerson. EMERSON was and is a well-known name for Opposer of sufficient fame or reputation such that with any use of Applicant’s EMERSON TECHNIK mark for Applicant’s Goods, a*

connection with Emerson would be assumed, resulting in injury to Opposer.” This is likelihood of confusion, plain and simple.

Deceptiveness as to source is likelihood of confusion under Section 2(d). Deceptiveness under Section 2(a) does not relate to confusion as to source. It relates to a mark being misleading as to the “character, quality, function, composition or use of the goods.” Standing to bring this claim is not predicated on an opposer’s or petitioner’s prior trademark rights and potential damage to those rights. As the Board stated in *Corporacion Habanos SA v. Rodriguez*, 99 U.S.P.Q.2d 1873, 1876 (TTAB 2011):

[W]here, as here, the pleaded ground is that the mark sought to be cancelled is deceptive under Section 2(a), or primarily geographically deceptively misdescriptive under Section 2(e)(3), petitioners do not need to own a pending application for the mark, do not have to be using the term as a mark, or even use the term at all, in order to establish their standing.

As the Board stated in *Miller Brewing*, “[w]hen a plaintiff’s allegation is that consumers are “deceived into” buying defendant’s goods under the mistaken belief that they originate from the same source as plaintiff’s, or vice versa, the sort of deception at issue is the basis for a Section 2(d), not a Section 2(a), claim.” *Id.* at 1712.

None of the allegations in the *Notice of Opposition*, the *First Amended Notice of Opposition* or the *Second Amended Notice of Opposition* properly pleads the elements required for a finding that Applicant’s mark is deceptive under Section 2(a). This is Opposer’s third attempt to properly plead a deceptiveness claim. Paragraphs 11 – 20 in Opposer’s Count II for Deceptiveness are still nothing more than a likelihood of confusion claim peppered with deceptiveness claim buzzwords. There is no theory under which the recited facts could plausibly be alleged to constitute deceptiveness. Allowing Opposer an opportunity to further correct its defective pleading would serve no useful purpose as the deceptiveness claim is “legally futile.” Accordingly, Applicant respectfully requests that the Board deny Opposer’s motion for leave to amend, and grant Applicant’s motion to dismiss the Section 2(a) deceptiveness claim in the *First Amended Notice of Opposition*.

II. OPPOSER’S REQUEST FOR SUSPENSION PENDING DISPOSITION OF ACTIONS TO CANCEL INTERNATIONAL AND BASIC REGISTRATIONS SHOULD BE REFUSED.

Trademark Rule 2.117 provides in pertinent part:

(a) Whenever it shall come to the attention of the Trademark Trial and Appeal Board that a party or parties to a pending case are engaged in a civil action or another Board proceeding which may have a bearing on the case, proceedings before the Board may be suspended until termination of the civil action or the other Board proceeding.

(b) 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.

As the Board noted in *Boyd’s Collection Ltd. v. Herrington & Co.*, 65 U.S.P.Q.2d 2017, 2018-19 (TTAB 2003), “both the permissive language of Trademark Rule 2.117(a) (“proceedings ... may be suspended...”), and the explicit provisions of Trademark Rule 2.117(b) make clear that suspension is not the necessary result in all cases.” *Id.* at 2018. The Board also noted in this case that this discretion “developed to prevent a party served with a potentially dispositive motion from escaping the motion by filing a civil action and then moving to suspend before the Board has decided the potentially dispositive motion.” *Id.* at 2018-9. See also TBMP § 510.02(a).

Applicant’s potentially dispositive motion, its Motion to Dismiss Count II of Opposer’s First Amended Notice of Opposition is pending. Opposer’s should not now escape a decision on that motion by requesting suspension of the instant opposition pending the outcome of actions in Romania.

Moreover, TBMP § 510.03(a) also states that:

When a party to a Board proceeding files a motion which is potentially dispositive of the proceeding, such as a motion to dismiss, a motion for judgment on the pleadings, or a motion for summary judgment, the case will be suspended by the Board with respect to all matters not germane to the motion.

The situation is akin to that in *Pegasus Petroleum Corp. v. Mobil Oil Corp.*, 227 U.S.P.Q. 1040 (TTAB 1985), in which the opposer had requested suspension of the opposition pending the outcome of civil litigation, after the applicant had filed a motion for summary judgment. Inasmuch as the Board had

already suspended the opposition pending disposition of the motion, the opposer's request to suspend was denied. *Id.* at 1044 n. 7, cited in TBMP §510.03(a), n.12.

Applicant submits the same result is warranted in the instant case. Applicant's filing of a potentially dispositive motion suspends the opposition with regard to all matters not germane to the pending motion. For Opposer to subsequently request suspension of the proceeding on an entirely different basis is improper.

Accordingly, Applicant requests that the Board deny Opposer's *Motion for Leave to File Second Amended Notice of Opposition and Request for Suspension Pending Disposition of Actions to Cancel International and Basic Registrations*, and grant Applicant's *Motion to Dismiss Count II of Opposer's First Amended Notice of Opposition*.

Respectfully submitted,

Date August 31, 2015

s/Michelle L. Visser
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CERTIFICATE OF SERVICE

I hereby certify that I served the foregoing *Applicant's Opposition to Opposer's Motion for Leave to File Second Amended Notice of Opposition and Request for Suspension Pending Disposition of Actions to Cancel International and Basic Registrations* by causing a true and correct copy thereof to be sent via first class mail, postage prepaid to:

Lisabeth H. Coakley
Harness, Dickey & Pierce, P.L.C
5445 Corporate Dr, Suite 200
Troy, MI 48098

Date: August 31, 2015

s/Michelle L. Visser
Michelle L. Visser