

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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CME

Mailed: January 11, 2016

Opposition No. 91222461

Victoria Kheel

v.

Lions Gate Entertainment Inc.

By the Trademark Trial and Appeal Board:

On August 6, 2015, Opposer filed an amended notice of opposition as a matter of course pursuant to Fed. R. Civ. P. 15(a)(1)(B). This case now comes up on Applicant's motion to dismiss the fraud claim in Opposer's amended notice of opposition and Applicant's motion for judicial notice, both filed September 8, 2015.

The motions are fully briefed.¹

¹ Opposer's deadline to respond to Applicant's motions was September 28, 2015. *See* Trademark Rules 2.119(c) and 2.127(a). Accordingly, Opposer's response briefs filed through ESTTA on September 29, 2015 are untimely. Opposer, however, timely filed what appear to be identical copies of its briefs via mail with a certificate of mailing dated September 28, 2015. Because Opposer's response briefs filed via mail are timely, the Board has considered them.

Opposer may have filed copies of its briefs via mail with a certificate of mailing because it realized that its response briefs filed through ESTTA were untimely. Counsel for the parties, who are both located in California, are reminded that Eastern Time controls filings made through ESTTA. *See* Trademark Rule 2.195(a)(2) and TBMP § 110.09 (2015). In addition, Opposer is advised to avoid filing duplicate copies of papers.

In its reply brief, Applicant asserts that Opposer's brief in response to the motion to dismiss is "procedurally improper" because "substantial portions of Opposer's legal arguments are single-spaced" and "Opposer's text appears to be smaller than 11-point type." Reply, p. 1

The Board has carefully considered all of the parties' arguments and presumes the parties' familiarity with the factual bases for their filings, and does not recount the facts or arguments here, except as necessary to explain the decisions herein.

The Board first addresses Applicant's motion for judicial notice and Applicant's argument that in determining the motion to dismiss the Board should consider Applicant's Office action response upon which Opposer's claim of fraud is based. In a recent decision, the Board explained that "while a court may not normally consider matters outside the pleadings on a motion to dismiss, consideration may be given to matter of public record." *Nike, Inc. v. Palm Beach Crossfit Inc.*, 116 USPQ2d 1025, 1029 (TTAB 2015). In further explanation, the Board cited to the Federal Practice and Procedure treatise by Charles Alan Wright and Arthur R. Miller, which recognizes that on a motion to dismiss, a court may consider items subject to judicial notice, matters of public record, and items appearing in the record of a case. 5B Charles A. Wright & Arthur R. Miller, *Federal Practice and Procedure* § 1357 (3d ed. 2015).

Applicant requests that in determining the motion to dismiss, the Board take judicial notice of the word "poppy" in the Merriam-Webster online dictionary and

and n.1 The Board finds that Opposer's use of single-spaced text was not excessive. In addition, Opposer used 11-point font in compliance with Trademark Rule 2.126(b). Opposer, however, should be mindful of the Board's rules regarding page limitations and font size, and should edit filings, as necessary, to comply with these rules. To this end, the Board notes that Opposer repeated certain statements in its brief, e.g. Opposer repeatedly quoted the same text from *Caymus Vineyards v. Caymus Medical Inc.*, 107 USPQ2d 1519, 1524 (TTAB 2013) and *Swiss Watch Int'l Inc. v. Fed'n of the Swiss Watch Indus.*, 101 USQ2d 1731, 1746 (TTAB 2012). If Opposer had edited its brief to delete repetitive statements, it would have substantially reduced the number of pages in its brief.

the lack of a definition for the term “popi” in the Merriam-Webster online dictionary. The Board may take judicial notice of dictionary definitions, and in some cases, has taken judicial notice of the absence of a definition from a dictionary. *See Rocket Trademarks Pty Ltd. v. Phard S.p.A.*, 98 USPQ2d 1066, 1075 n.17 (TTAB 2011) (recognizing that the Board may take judicial notice of dictionary definitions). Accordingly, Applicant’s motion for judicial notice is **GRANTED**, and the Board considers the dictionary definition of the word “poppy” and the lack of a dictionary definition for the term “popi” for the limited purpose of determining whether Opposer’s allegations of fraud are plausible.

Applicant’s Office action response is of record in this proceeding because it is part of the involved application file. Trademark Rule 2.122(b). Accordingly, the Board also considers Applicant’s Office action response, but again, only for the limited purpose of ascertaining the plausibility of Opposer’s fraud claim. *Nike*, 116 USPQ2d at 1029.

Turning to Applicant’s motion to dismiss under Rule 12(b)(6), such a motion is a test of the sufficiency of the complaint or counterclaim. To survive a motion to dismiss, a claimant need only allege sufficient factual matter as would, if proved, establish that: (1) she has standing to maintain the claims; and (2) a valid ground exists for opposing the mark. *See Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 187 (CCPA 1982). Specifically, a complaint or counterclaim “must contain sufficient factual matter, accepted as true, to ‘state a claim to relief that is plausible on its face.’” *Ashcroft v. Iqbal*, 556 U.S. 662, 678(2009) (quoting *Bell*

At. Corp. v. Twombly, 550 U.S. 544, 570 (2007)). In particular, the claimant must allege well-pleaded factual matter and more than “[t]hreadbare recitals of the elements of a cause of action, supported by mere conclusory statements,” to state a claim plausible on its face. *Id.* (citing *Twombly*, 550 U.S. at 555). “For purposes of determining the motion, all of [the opposer’s] well-pleaded allegations must be accepted as true, and the [claims] must be construed in the light most favorable to [the opposer]. The pleading must be construed so as to do justice, as required by Fed. R. Civ. P. 8(e).” *Petroleos Mexicanos v. Intermix SA*, 97 USPQ2d 1403, 1405 (TTAB 2010).

Opposer has sufficiently pleaded its standing and a plausible claim for priority and likelihood of confusion by pleading use and prior registration of the mark POPPY’s for soaps for personal use, among other goods,² and that Applicant’s mark is likely to cause confusion therewith. Amended Notice of Opposition, ¶¶ 1, 69-79; *see also Barbara’s Bakery Inc. v. Landesman*, 82 USPQ2d 1283, 1285 and n.10 (TTAB 2007). Applicant does not contest these points, but argues that Opposer has failed to adequately plead a claim of fraud.

Fraud in procuring a trademark registration occurs when an applicant for registration knowingly makes a specific false, material representation of fact in connection with an application to register, with the intent of obtaining a registration to which it is otherwise not entitled. *See In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1939 (Fed. Cir. 2009); *Qualcomm Inc. v. FLO Corp.*, 93 USPQ2d 1768, 1770 (TTAB 2010). A claim of fraud must set forth all elements of

² Registration No. 4537279; filed October 12, 2013; issued May 27, 2014.

the claim with a heightened degree of particularity in compliance with Fed. R. Civ. P. 9(b), and “allegations made on ‘information and belief’ must be accompanied by a statement of facts upon which the belief is founded.” *Asian and W. Classics B.V. v. Selkow*, 92 USPQ2d 1478, 1478-79 (TTAB 2009). Intent to deceive the USPTO is a specific element of a fraud claim, and must be sufficiently pleaded. *In re Bose*, 91 USPQ2d at 1939-1940; *Asian and W. Classics*, 92 USPQ2d at 1479. “Deliberately omitting relevant information ... may be treated as the equivalent of a false statement in its effect and also, under certain circumstances, show the necessary element of intent.” *Caymus Vineyards v. Caymus Medical Inc.*, 107 USPQ2d 1519, 1524 (TTAB 2013); *Swiss Watch Int’l Inc. v. Fed’n of the Swiss Watch Indus.*, 101 USQ2d 1731, 1746 (TTAB 2012).

In her amended notice of opposition, Opposer alleges that:

- the examining attorney refused registration of Applicant’s involved mark based on a likelihood of confusion with Opposer’s pleaded mark; Amended Notice of Opposition, ¶ 6-9.
- in responding to the Office action, Applicant suppressed three facts, namely that: (1) through its licensee, Applicant promotes its products as all natural, green and environmentally friend, as does Opposer, *id.* at ¶¶ 13-19, and 26; (2) through its licensee, Applicant promotes its products as made by a mom, as does Opposer, *id.* at ¶¶ 23-24, 26 and 29; and (3) “next to each and every individual soap [that Applicant’s licensee] advertises” Applicant’s licensee

displays its mark as POPI (pronounced ‘poppy’) or POPI (‘poppy’), *id.* at ¶¶ 36 (emphasis omitted), 41-42, 46 and 52-53;

- based on these omissions of fact, Applicant argued that its mark was distinguishable from Opposer’s mark in appearance, sound, connotation, and commercial impression and that its products “are not marketed in such a way that they would be encountered by the same persons in situations that would create the incorrect assumption that they originate from the same source,” *id.* at ¶¶ 13, 21-22, 25, 31, and 44;
- the facts that Applicant suppressed and the arguments predicated thereon were material to the examining attorney’s decision to withdraw the 2(d) refusal and approve Applicant’s mark for publication, *id.* at ¶¶ 12, 34-35, 37, 49-50, 55-59 and 65; and
- Applicant knowingly suppressed the material facts and made misleading arguments based on its factual omissions with the intent to deceive the USPTO. *Id.* at ¶¶ 12, 22, 25, 28, 30, 35, 40-41, 45, 51, 55.

These allegations, if proven, would establish a claim of fraud. *See Caymus Vineyards*, 107 USPQ2d at 1524 (deliberate omission of relevant facts may be treated as the equivalent of a false statement); *Swiss Watch Int’l*, 101 USQ2d at 1746; *Compare Dragon Bleu* (counterclaim dismissed as implausible where alleged false statements on their face were not false). Accordingly, Opposer has pleaded a plausible claim for fraud upon which relief can be granted.³

³ The arguments in Applicant’s motion include that: (1) its alleged false statements are not statements of fact upon which a claim of fraud may lie, but rather are attorney argument,

In view of the foregoing, Applicant's motion to dismiss Opposer's fraud claim is **DENIED**. Proceedings are resumed, and Applicant is allowed until **February 3, 2016** to file an answer to Opposer's amended notice of opposition. Dates are reset as follows:

Time to Answer	2/3/2016
Deadline for Discovery Conference	3/4/2016
Discovery Opens	3/4/2016
Initial Disclosures Due	4/3/2016
Expert Disclosures Due	8/1/2016
Discovery Closes	8/31/2016
Plaintiff's Pretrial Disclosures Due	10/15/2016
Plaintiff's 30-day Trial Period Ends	11/29/2016
Defendant's Pretrial Disclosures Due	12/14/2016
Defendant's 30-day Trial Period Ends	1/28/2017
Plaintiff's Rebuttal Disclosures Due	2/12/2017
Plaintiff's 15-day Rebuttal Period Ends	3/14/2017

see Motion, pp. 5-6; (2) the connotations of the parties' marks are in fact distinguishable as demonstrated by the dictionary definition of "poppy" and the lack of a dictionary definition for the term "popi," *id.* at n.1; (3) in response to the Office action, it submitted pages from its licensee's website such that "the Office could have easily obtained" the purportedly withheld information, *id.* at p. 6; (4) the fact that it provided the Office with pages from its licensee's website "is only evidence that Applicant had no intention to mislead the Office," *id.* at p. 11; and (5) certain of its allegedly false statements "could not have been material to the Office's decision to publish the application." *Id.* These arguments concern whether Opposer can *prove* a claim of fraud, which is a matter to be determined not upon motion to dismiss, but rather at final hearing or upon summary judgment, after the parties have had an opportunity to submit evidence in support of their respective positions. *See Advanced Cardiovascular Sys. Inc. v. SciMed Life Sys. Inc.*, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993) ("A motion made under Rule 12(b)(6) challenges the legal theory of the complaint, not the sufficiency of any evidence that might be adduced."); TBMP § 503.02.

The parties should note that "[a] party making a fraud claim is under a heavy burden because fraud must be proven to the hilt by clear and convincing evidence, leaving nothing to speculation, conjecture, or surmise...." *Asian and W. Classics*, 92 USPQ2d at 1480 (internal quotations omitted). Moreover, the factual question of intent, which is an element of a fraud claim, "is particularly unsuited to disposition on summary judgment." *Copelands' Enters. Inc. v. CNV Inc.*, 945 F.2d 1563, 20 USPQ2d 1295, 1299 (Fed. Cir. 1991); *see also Asian and W. Classics*, 92 USPQ2d at 1480.

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.
