

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451
General Contact Number: 571-272-8500

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Mailed: May 1, 2016

Opposition No. 91224436

Joan Herlong

v.

Sharon Wilson

By the Board:

Now before the Board is Applicant's motion (filed January 15, 2016) to dismiss the Amended Notice of Opposition for failure to state a claim upon which relief can be granted under Fed. R. Civ. P. 12(b)(6). Applicant filed a brief in opposition thereto.

Motion to Dismiss

A motion to dismiss for failure to state a claim is a test solely of the legal sufficiency of the complaint. To withstand a motion to dismiss for failure to state a claim in a Board opposition proceeding, the opposer need only allege such facts in the notice of opposition as would, if proved, establish that (1) she has standing, and (2) a valid ground exists for opposing the subject application. *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 187 (CCPA 1982). Specifically, "a complaint 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, 129 S. Ct. 1937, 1949 (2009), quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007). In particular, a plaintiff need only allege “enough factual matter ... to suggest that [a claim is plausible]” and “raise a right to relief above the speculative level.” *Totes-Isotoner Corp. v. U.S.*, 594 F.3d 1346, 1354 (Fed. Cir. 2010).

For purposes of determining Applicant’s the motion, the Amended Notice of Opposition must be examined in its entirety, construing the allegations therein liberally, as required by Fed. R. Civ. P. 8(e). All of Opposer’s well-pleaded allegations must be accepted as true, and the claims must be construed in the light most favorable to Opposer. See *Advanced Cardiovascular Sys. Inc. v. SciMed Life Sys. Inc.*, 988 F.2d 1157, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993).

Standing

Applicant does not challenge Opposer’s standing. Indeed, the Board finds Opposer has sufficiently alleged her standing inasmuch as she alleges that she engages in the same services as Applicant and that she is viewed as the premier real estate agent in the same market where Applicant also provides real estate services. See Am’d Not. of Opp., paras. 1-3 and 16. Thus, Opposer has sufficiently alleged that she possesses a real interest in this proceeding beyond that of a mere intermeddler and a reasonable basis for her belief of damage. See *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999); *Lipton Indus.*, *supra*.

Valid ground

Although the Amended Notice of Opposition uses the term “deceptively misdescriptive” (para. 15), it also alleges materiality (para. 13) and cites to only a single statutory provision, namely, Trademark Act Section 2(a) (para. 18). Similarly, Opposer’s brief in opposition to the motion to dismiss uses the terms “deceptive misdescription” (pp. 4 and 5), but also discusses materiality (p. 5).

There is a difference between deceptive misdescriptiveness and deceptiveness. Marks that are deceptive under Section 2(a) are unregistrable, whereas marks that are deceptively misdescriptive under Section 2(e)(1) may be registrable on the Principal Register with a showing of acquired distinctiveness under Section 2(f). See TMEP § 1203.02(c) (April 2016).

To sufficiently plead a claim under Section 2(e)(1) that the mark at issue is deceptively misdescriptive of the identified services, Opposer must allege that (1) the subject mark NUMBER ON IN THE NEIGHBORHOOD misdescribes the services, and that (2) the purchaser is likely to believe the misrepresentation. *See In re Shniberg*, 79 USPQ2d 1309, 1311 (TTAB 2006) (*citing Glendale Int’l Corp. v. U.S. Patent and Trademark Office*, 374 F. Supp.2d 479, 75 USPQ2d 1139, 1143 (E.D. Va. 2005)). *See also In re Phillips-Van Heusen Corp.*, 63 USPQ2d 1047, 1048 (TTAB 2002); *In re Quady Winery, Inc.*, 221 USPQ 1213 (TTAB 1984). To sufficiently plead a claim under Section 2(a) that the mark at issue is deceptive of the identified services, Opposer must allege that (1) the subject mark NUMBER ON IN THE NEIGHBORHOOD misdescribes the services, (2) purchasers are likely to believe the

misrepresentation, and (3)¹ the misdescription likely to affect a significant portion of the relevant consumers' decision to purchase. See *In re Spirits Int'l, N.V.*, 563 F.3d 1347, 90 USPQ2d 1489 (Fed. Cir. 2009); *In re Budge Mfg. Co.*, 857 F.2d 773, 775, 8 USPQ2d 1259, 1260 (Fed. Cir. 1988), *aff'g* 8 USPQ2d 1790 (TTAB 1987).

In view of Opposer's citation to Section 2(a), her repeated reference to materiality, and her failure to allege or otherwise discuss acquired distinctiveness, it appears that Opposer bases her Amended Notice of Opposition on the sole ground of deceptiveness under Section 2(a). Although Opposer has not been careful with her language (in the complaint or brief), it is not a terminal flaw. The Board will review the Amended Notice of Opposition for deceptiveness under Section 2(a) only. See *O.C. Seacrets Inc. v. Hotelplan Italia S.p.A.*, 95 USPQ2d 1327 (TTAB 2010) (Board will not parse an asserted ground to see if elements might go to state a separate ground).

Opposer alleges that the mark NUMBER ON IN THE NEIGHBORHOOD misdescribes the real estate agency services identified in the subject application (paras. 9, 10, and 14), prospective clients are likely to believe the misrepresentation (paras. 11 and 12), and the misdescription is likely to affect a significant portion of the prospective relevant consumers' decision to use Applicant's services (para. 13). Opposer specifically and clearly explains why the subject mark is misdescriptive ("literally false" (para. 8)), explains why prospective relevant consumers would view the misdescription as material (*id.*), and provides specific examples thereof by way of

¹ This third element (materiality) is used to distinguish between marks that are deceptive under §2(a) and marks that are deceptively misdescriptive under §2(e)(1). *In re Quady Winery, Inc.*, 221 USPQ 1213, 1214 (TTAB 1984).

the three affidavits attached to the Amended Notice of Opposition.² Opposer has alleged enough factual matter to suggest that the claim of deceptiveness is plausible and raises a right to relief above the speculative level. *See Totes-Isotoner Corp. v. U.S.*, 594 F.3d at 1354.

Applicant's argument that Opposer "can show no factual or legal basis for assuming that the term NUMBER ONE refers to any of the metrics that she has suggested [in paragraph 8 of the Amended Notice of Opposition]" (motion, pp. 5-6) is flawed. Indeed, the materiality factor turns on this very question. In order to prove that Applicant's mark is deceptive under Section 2(a), Opposer will have to provide sufficient evidence that the misdescriptive quality or characteristic would be a material factor in the purchasing decision of a significant portion of the relevant consumers. She has properly alleged this factor in the Amended Notice of Opposition and has even provided specific examples thereof by way of the three affidavits attached thereto. Whether Opposer can prove the element is a matter for trial.³

² Although the affidavits are not in evidence, *see* Trademark Rule 2.122(c), the Board may consider the exhibits attached to the Amended Notice of Opposition for the purpose of ascertaining the plausibility of Opposer's allegations. *Caymus Vineyards v. Caymus Med. Inc.*, 107 USPQ2d 1519, 1522 (TTAB 2013) (*citing* Fed. R. Civ. P. 10(c) and *In re Bill of Lading Transmission and Processing System Patent Litigation*, 681 F.3d 1323, 103 USPQ2d 1045, 1055 (Fed. Cir. 2012) ("district court was required to analyze the facts plead in the amended complaints and all documents attached thereto with reference to the elements of a cause of action")).

³ To do so, Opposer must provide evidence that the misdescriptive quality or characteristic would make the service more appealing or desirable to prospective purchasers. *See In re White Jasmine LLC*, 106 USPQ2d 1385, 1392 (TTAB 2013). A service is usually more desirable because of objective standards or criteria that provide an objective inducement to purchase the services beyond that of mere personal preference.

Inasmuch as Opposer has sufficiently alleged her standing and a single ground for opposition, namely, that the mark is deceptive under Section 2(a), Applicant's motion to dismiss is **denied**. This proceeding will move forward under the sole ground of deceptiveness.

Schedule

Proceedings are **resumed**. Dates are **reset** on the following schedule.

Time to Answer	5/20/2016
Deadline for Discovery Conference	6/19/2016
Discovery Opens	6/19/2016
Initial Disclosures Due	7/19/2016
Expert Disclosures Due	11/16/2016
Discovery Closes	12/16/2016
Plaintiff's Pretrial Disclosures	1/30/2017
Plaintiff's 30-day Trial Period Ends	3/16/2017
Defendant's Pretrial Disclosures	3/31/2017
Defendant's 30-day Trial Period Ends	5/15/2017
Plaintiff's Rebuttal Disclosures	5/30/2017
Plaintiff's 15-day Rebuttal Period Ends	6/29/2017

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.