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

Proceeding	91226185
Party	Defendant Kind Distribution LLC
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**IN THE U.S. PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

TWENTIETH CENTURY FOX FILM
CORPORATION,

Opposer,

v.

KIND DISTRIBUTION LLC,

Applicant.

E-FILING

Opposition No.: 91226185

Application No.: 86603079

**APPLICANT’S MOTION TO DISMISS UNDER FRCP 12(B)(6) AND
MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF**

In the matter of the above-identified Opposition No. 91226185, Kind Distribution LLC (“Applicant”) hereby moves the Trademark Trial and Appeal Board to dismiss Twentieth Century Fox Film Corporation (“Opposer”)’s facially insufficient claim of *res judicata* pursuant to Rule 12(b)(6) of the Federal Rules of Civil Procedure for failure to state a claim upon which relief can be granted.¹

I. INTRODUCTION

Applicant has applied to register the mark PLANET OF THE VAPES in association with “grinders for smoking herbs; storage containers for smoking herbs” and “direct to consumer and online retail store services featuring vaporizer accessories, smokeless inhalers, herbal storage containers, vaporizable concentrate storage, vaporizers and herbal grinders.” Opposer filed a Notice of Opposition to registration of the mark based upon Opposer’s alleged use and registration of PLANET OF THE APES marks in association with motion picture films and

¹ Applicant has filed the present Motion to Dismiss for Failure to State a Claim in lieu of filing an Answer. *TBMP* § 503.01 (citing *Hollowform, Inc. v. AEH*, 180 USPQ 284 (TTAB 1973)).

ancillary products.

An initial Trademark Trial and Appeal Board (“Board”) Order was mailed February 4, 2016 setting Answer, Discovery, and Testimony dates.

II. OPPOSER’S ALLEGATIONS

In the Notice of Opposition, Opposer alleges *inter alia* that “Applicant is precluded from registering Applicant’s PLANET OF THE VAPES mark under the doctrine of res judicata or claim preclusion.” *Not. of Opp’n* ¶ 38. In support of this claim, Opposer alleges that: (1) on January 18, 2012, Opposer filed Opposition No. 91203417 against the PLANET OF THE VAPES (highly stylized) mark of Application Serial No. 86603079 owned by Applicant’s predecessor company; and (2) on April 27, 2012, the Board issued a default judgment sustaining the opposition. *Id.* ¶¶ 39-40.

To the extent that the above quoted language, or any other allegations in the Notice of Opposition, constitutes an attempt to assert a claim of res judicata based on the prior default judgment, Opposer has failed to state a claim upon which relief may be granted.

III. ARGUMENT

A. Standard for Dismissal Pursuant to Rule 12(b)(6)

An Applicant may file a motion to dismiss a Notice of Opposition, or one or more claims of the Notice of Opposition, under Fed. R. Civ. P. 12(b)(6), where the Opposer has failed to allege a claim upon which relief may be granted. *See TBMP* § 503.02; *Wellcome Foundation Ltd. v. Merck & Co.*, 46 USPQ2d 1478, 1479 (TTAB 1998); *see also e.g. Libertyville Saddle Shop Inc. v. E. Jeffries & Sons Ltd.*, 22 USPQ2d 1994 (TTAB 1992).

A motion to dismiss an opposition, or one or more claims of an opposition, for failure to state a claim should be granted where the Opposer has failed to allege facts that would, if proved,

establish that a valid ground exists for refusing registration of the application. *See Kelly Services Inc. v. Greene's Temporaries Inc.*, 25 USPQ2d 1460, 1462 (TTAB 1992) (citing *Lipton Industries, Inc. v. Ralston Purina Co.*, 213 USPQ 185 (CCPA 1982)).

B. The Necessary Elements of a Claim of Res Judicata or Claim Preclusion

Under the doctrine of res judicata or claim preclusion, “a judgment on the merits in a prior suit bars a second suit involving the same parties or their privies based on the same cause of action.” *Parklane Hosiery Co. v. Shore*, 439 U.S. 322, 326 n.5 (1979). The U.S. Court of Appeals for the Federal Circuit has outlined three elements that must be satisfied for a claim of res judicata to succeed: “(1) there is identity of parties (or their privies); (2) there has been an earlier final judgment on the merits of a claim; and (3) the second claim is based on the same set of transactional facts as the first.” *Jet, Inc. v. Sewage Aeration Sys.*, 223 F.3d 1360, 1362 (Fed. Cir. 2000). When considering whether claim preclusion applies, “At a minimum, the issues on which preclusion is sought must be common to both cases, and the claims or defenses of the two allegedly equivalent parties (earlier litigant, present litigant) must be the same.” *Verband der Zuechter des Oldenburger Pferdes e.V. v. Int'l Sporthorse Registry Inc.*, 55 USPQ2d 1550, 1999 WL 33109652, at *11 (N.D. Ill. Dec. 10, 1999).

Although a “default judgment can operate as res judicata in appropriate circumstances” . . . ‘res judicata is not readily extended to claims that were not before the court, and precedent weighs heavily against denying litigants a day in court unless there is a clear and persuasive basis for that denial.’” *Sharp Kabushiki Kaisha v. Thinksharp, Inc.*, 448 F.3d 1368, 1372 (Fed. Cir. 2006) (quoting *Kearns v. Gen. Motors Corp.*, 94 F.3d 1553, 1557 (Fed. Cir. 1996). “Restraint is particularly warranted when the prior action was dismissed on procedural grounds.” *Kearns*, 94 F.3d at 1556.

C. Opposer's Failure to Plead the Necessary Elements of Res Judicata or Claim Preclusion

Applicant is entitled to dismissal of Opposer's claim of res judicata or claim preclusion because Opposer has failed to allege facts upon which the Board could determine that the claims and transactional facts involved in the two opposition proceedings are the same. "If different trademark formats or different goods or services are involved, there should be no res judicata." 6 McCarthy on Trademarks and Unfair Competition § 32:104 (4th ed.).

"[T]he Board [has] defined the 'claims' involved, for res judicata purposes, as the applicants' claims, as asserted in their applications, of entitlement to registration of their marks." *Institut National Des Appellations d'Origine v. Brown-Forman Corp.*, 47 USPQ2d 1875, 1894 (TTAB 1998) (internal quotation omitted). When considering whether the marks are the same, the Board considers "[1] whether the mark involved in the first proceeding is the same mark, in terms of commercial impression, as the mark involved in the second proceeding, and [2] whether the evidence of likelihood of confusion between the opposer's mark and the applicant's first mark would be identical to the evidence of likelihood of confusion between the opposer's mark and the applicant's second mark. *Be Sport, Inc.*, 115 USPQ2d 1765 (TTAB 2015). The "same commercial impression" inquiry for res judicata is more exacting than the "similarity of commercial impression" analysis for likelihood of confusion. *Institut Nat'l Des Appellations D'origine*, 47 USPQ2d 1875 (TTAB 1998). For purposes of claim preclusion, two marks only have the same commercial impression if they are "legal equivalents." *Id.* (finding that marks MIST AND COGNAC and CANADIAN MIST AND COGNAC have a different commercial impression). "The previous mark must be indistinguishable from the mark in question; the consumer should consider both as the same mark; and they must create the same, continuing commercial impression." *Richemont Int'l S.A.*, 91164542, 2006 WL 1126223, at *5 (TTAB Apr.

25, 2006) (internal quotation omitted).

Here, the two marks at issue—a highly styled mark and a standard character mark—do not, as a matter of law, create the same commercial impression and Opposer has not advanced such an untenable argument. Where the mark at issue in one proceeding is a standard word mark and the mark in the second proceeding is a highly stylized word mark, the Board consistently has determined that the respective marks do not have the same commercial impression. *See Polaroid Corp. v. C & E Vision Servs. Inc.*, 52 USPQ2d 1954, 1957 (TTAB 1999) (no claim preclusion because POLOREX word mark and “highly stylized” POLAREX mark created different commercial impression); *Metromedia Steakhouses Inc.*, 28 USPQ2d 1205 (TTAB 1993) (no preclusion between RANCH STEAK & SEAFOOD word mark and RANCH STEAK & SEAFOOD word and design mark because the marks created a different commercial impression); *but see Annie Sloan Interiors, Ltd.*, 91208788, 2015 WL 9906321, at *5 (TTAB June 15, 2015) (finding that word and design marks had same commercial impression where “the font is only minimally stylized--unless one were to examine it carefully it would appear to be only block capital letters”).

In the present case, the mark in the earlier application was highly stylized, with a specialized font and layout, while the mark in the present application is a standard character mark. Opposer does not argue that the marks are indistinguishable or that they create the same commercial impression. Because Opposer does not and cannot allege that the marks are legal equivalents, claim preclusion cannot apply.

Moreover, even if marks were legally equivalent, which they are not, the Board still should dismiss Opposer’s res judicata claim because the goods and services identified in the second application are very different than the goods recited in the first application. In *The*

Chamberlain Grp., Inc., the Board refused to find that the applicant was precluded from applying for the mark LYNXMASTER for “metal garage door hardware” in international class 6 based on an opposition that was sustained for the mark LYNX MASTER in connection with “electric door openers; electric garage door openers; and remote controls for garage doors” in international class 9. 91174249, 2008 WL 10580001, at *2 (TTAB Oct. 17, 2008). The Board stated that “the decision in Opposition No. 91160673 does not establish preclusion for the specific items for which registration is sought and opposed in this proceeding.” *Id.*; see also *Prairie Island Indian Cmty., A Federally Recognized Indian Tribe, 1996*, 2008 WL 2385969, at *11 n.6 (TTAB May 15, 2008) (although the marks appeared to be the same, because “the hotel, restaurant, and bar services identified in Registration No. 2176004, are different from the goods and services listed for the marks in Cancellation Nos. 92028171 and 92028379 “the transactional facts are not the same”); *The William Carter Co., 1997*, 2004 WL 506139, at *6 (TTAB Feb. 27, 2004) (where none of the items in the prior application were the same as those in the current application, res judicata did not apply). In *La Fara Importing Co.*, the Board found that preclusion applied only for the goods that were the same in both applications. 8 USPQ2d 1143 (TTAB July 28, 1988).

Here, Opposer has not argued that the goods and services recited in the present application are identical to the goods recited in the earlier application. Indeed, the respective goods and services identified in the applications are widely divergent. The earlier application was directed to “smokeless cigarette vaporizer pipe; tobacco grinders; lighters for smokers; tobacco jars” in International Class 34. The present application does not include goods in International Class 34 that were recited in the earlier application (“smokeless cigarette vaporizer pipe” or “lighters for smokers”), and includes different goods in International Class 34 (“grinders for smoking herbs; storage containers for smoking herbs”). The present application also includes

services in International Class 35 (“direct to consumer and online retail store services featuring vaporizer accessories, smokeless inhalers, herbal storage containers, vaporizable concentrate storage, vaporizers and herbal grinders”), which were not covered by the earlier application. Accordingly, even if the Board finds that the marks are legally equivalent, res judicata cannot extend to the entire second application.

Because Opposer’s allegations are insufficient to constitute a claim of res judicata, and applicant will be prejudiced by inclusion of Opposer’s vague and facially insufficient claim of res judicata as a basis for the present opposition proceeding, this claim should be dismissed.

IV. CONCLUSION

For the foregoing reasons, Opposer has failed to state a claim for res judicata or claim preclusion. Applicant respectfully requests that the Board grant this Motion to Dismiss for Failure to State a claim upon which relief may be granted under Fed. R. Civ. P. 12(b)(6).

Respectfully submitted,

KIND DISTRIBUTION LLC

Dated: March 4, 2016

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CERTIFICATE OF SERVICE

I hereby certify that on this March 4, 2016, a true and correct copy of the foregoing APPLICANT'S MOTION TO DISMISS UNDER FRCP 12(B)(6) AND MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF was served on the following via first class mail:

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