ESTTA Tracking number: **ESTTA154881**
Filing date: **08/03/2007**

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

Proceeding	92044697
Party	Plaintiff ACM ENTERPRISES, INC.
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Date	08/03/2007
Attachments	2007-08-03_ACM_MSJ_filing.pdf (21 pages)(59540 bytes) 2007-08-03_declaration_dh_msj.pdf (9 pages)(28213 bytes) 2007-08-03_EXH_A-Pleading_Amd.pdf (3 pages)(12110 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE

THE TRADEMARK TRIAL AND APPEAL BOARD

ACM Enterprises, Inc., Petitioner, - against - Martello, Jeannette, M.D. Respondent.	Cancellation No.: 92044697 Filed: July 1, 2005

PETITIONER'S MOTION FOR SUMMARY JUDGMENT AND FOR AMENDMENT OF THE PLEADINGS

Respondent JEANNETTE MARTELLO (hereinafter "Martello") received a Feb. 21, 2003 Thomson & Thomson company search report for the terms SKIN DEEP before filing her application for the instant registration for SKIN DEEP. This Thomson search report listed several third party users of the mark SKIN DEEP with use prior to the Respondent for the same or similar services. Respondent failed to disclose this Feb. 21, 2003 search report of third party users during her trademark prosecution.

Respondent's failure to disclose her search report findings prevented the Examiner from reviewing material information for the SKIN DEEP trademark application. In addition, because Respondent had no good faith basis for not knowing these third party users were materially relevant to her trademark examination and yet still submitted a service mark application, Respondent committed fraud upon the Trademark Office.

Respondent failed to submit the proper Verified Statement pursuant to TMEP 804 in her 76581387 application for the mark "SKIN DEEP".

Under FRCP Rule 15(a) and Trademark Rules of Practice 37 CFR 2.115, Petitioner ACM ENTERPRISES, INC. (hereinafter "ACM") respectfully submits this motion for amendment of the pleadings. Under FRCP Rule 56(a) and Trademark Rules of Practice 37 CFR 2.127, Petitioner concurrently submits this motion for summary judgment. ACM respectfully requests that the Board grant this motion for the Petition for Cancellation. There are no genuine issues of material fact, and Petitioner ACM Enterprises, Inc. is entitled to judgment as a matter of law. Please also see the Declaration of David Hong in Support of this Motion and the attached exhibit pages 1-216 and Exhibit A (proposed additional paragraphs for Petition for Cancellation).

I. FACTUAL BACKGROUND

On July 1, 2005, Petitioner ACM Enterprises, Inc. filed a Petition for Cancellation against Respondent's U.S. Registration No. 2932593 (Serial No. 76581387 (hereinafter '387), filed March 15, 2004), for the mark "SKIN DEEP" in class 044 for medical services; healthspa services, namely cosmetic body care services; cosmetician services; physician services.

Petitioner ACM Enterprises, Inc. is a California Corporation and does business as Skin Deep Laser Med Spa, a Medical Corporation at 425 S. Fair Oaks Ave., Suite B, Pasadena, CA 91105 and provides cosmetic medical treatments, which are all supervised by licensed medical staff. (Decl. Hong Exh. Page 1 and U.S. Serial No. 78569772 (Decl. Hong Exh. Page 12-14)).

Respondent Jeannette Martello, M.D. conducts business as: Jeannette Martello, M.D., a Professional Corporation, 701 Fremont Avenue, Pasadena, California 91030. (See Respondent's Responses to Petitioner's First Set of Interrogatories; Dec. 9, 2005; Interrog. No. 1 (Decl. Hong Exh. Page 3)). In her Jan. 18, 2006 deposition, Respondent stated that she is a plastic surgeon and provides medical, health and spa services. (Martello Depo., Jan. 18, 2006, Page 7, lines 1-5 (Decl. Hong Exh. Page 9)).

Respondent Martello has claimed first use in commerce on Feb. 28, 2004 and first use anywhere on April 20, 2002 in her '387 application. This mark for "SKIN DEEP" was registered on the Principal Register on March 15, 2005 as Reg. No. 2932593. In response to discovery interrogatories, Respondent stated a March 2001 date of first use of the mark (See Respondent's Response to Petitioner's Interrogatory No. 4; Decl. Hong Exh. Page 5)).

Petitioner has extensively used and promoted the SKIN DEEP marks in the United States since at least as early as January 23, 2004 in interstate commerce and prior to the filing date of Respondent's application (March 15, 2005). (See Petitioner's Supplemental Response to Special Interrogatories; June 21, 2006; Interrog. No. 9 (Decl. Hong Exh. Page 10-11)). Petitioner has also filed its own trademark application for "SKIN DEEP LASER MED SPA" (Serial No. 78569772 on Feb. 17, 2005; Decl. Hong Exh. Page 12-14)) for Class 44: providing cosmetic medical treatments namely laser hair removal, wrinkle correction therapies, removal of birthmarks, spider veins, tattoos, hand and facial skin rejuvenation, acne treatments all supervised by licensed medical staff since Sept. 1, 2003 in California and since Jan. 23, 2004 in interstate commerce.

As grounds for Cancellation, Petitioner alleges priority of use and likelihood of confusion under Section 2(d) of the Trademark Act, 15 U.S.C. §1052(d); in addition, Petitioner also alleges that (1) Respondent did not use the mark "Skin Deep" in commerce as listed on its trademark application (Serial No. 76581387); (2) Respondent did not use the mark "Skin Deep" prior to Application or Registration; (3) Respondent's registration for "Skin Deep" was obtained fraudulently in that the Respondent failed to use the mark in commerce as applied in the following applications: (a) U.S. Serial No. 76581387 for the mark "SKIN DEEP" in class 044; (b) U.S. Serial No. 76579565 for "Skin Deep Laser MEDSPA" in class 044; (c) U.S. Serial No. 76581391 for "Skin Deep Laser" in class 044. (See 7-1-2005 Petition for Cancellation. ¶¶5-13).

On July 6, 2006, the Board instituted this proceeding, and during discovery, Respondent produced a Thomson & Thomson trademark search report dated Feb. 21, 2003. This Feb. 21, 2003 trademark search report included many references to other third party users of the mark, including but not limited to:

(a) SKIN DEEP INC. Michigan (RFA 86; (Decl. Hong Exh. Page 79);

(b) Skin Deep, the Body Spa in Huntington Beach, CA (RFA 81; Decl. Hong Exh. Page 70);

(c) SKIN DEEP, Santa Barbara, CA (RFA 79; Decl. Hong Exh. Page 70).

Based on this newly discovered information, Petitioner issued requests for admissions on Jan. 5, 2007 to which Respondent responded Feb. 20, 2007. The Feb. 21, 2003 trademark search report (Decl. Hong Exh. Page 15-144) and the Feb. 20, 2007 responses to Petitioner's Request for Admissions (Decl. Hong Exh. Page 145-153) presented three new causes of action for the Cancellation Petition:

1. Failure to Include a Verified Statement pursuant to 15 USC §1051; TMEP 804.02;

2. Prior Third Party Users of the Mark (15 USC §1052);

3. Fraud – Respondent Martello failed to disclose her knowledge of third party users of the mark SKIN DEEP in this search report during her registration's prosecution.

II. LAW

Fed. R. Civ. P. 15(a) states: "a party may amend the party's pleading only by leave of court or by written consent of the adverse party; and leave shall be freely given when justice so requires."

37 CFR 2.115 Amendment of pleadings in a cancellation proceeding. Pleadings in a cancellation proceeding may be amended in the same manner and to the same extent as in a civil action in a United States district court.

Pursuant to Federal Rule of Civil Procedure 56(a), summary judgment in favor of the moving party is appropriate when the moving party has supported its motion with evidence, demonstrating that no material facts are in dispute and that the moving party is entitled to judgment as a matter of law and when the adverse party fails to establish a genuine issue of material fact in dispute. Fed. R. Civ. Pro. 56; see Celotex Corp. v. Catrett, 477 U.S. 317 (1987).

III. ARGUMENT

A. Respondent Failed to Provide Required 15 USC §1051 Verified Statement.

Respondent failed to submit the required Verified Statement, pursuant to 15 USC §1051 and TMEP 804 in her application for "SKIN DEEP" (Serial No. 76581387 or

"'387); in particular, there is no verified statement as to truth of facts recited, ownership, and entitlement to use the mark in the '387 application.

15 USC §1051 requires the applicant to submit a verified statement that specifies:

> "(A) the person making the verification believes that he or she, or the juristic person in whose behalf he or she makes the verification, to be the owner of the mark sought to be registered;
>
> (B) to the best of the verifier's knowledge and belief, the facts recited in the application are accurate;
>
> (C) the mark is in use in commerce; and
>
> (D) to the best of the verifier's knowledge and belief, no other person has the right to use such mark in commerce either in the identical form thereof or in such near resemblance thereto as to be likely, when used on or in connection with the goods of such other person, to cause confusion, or to cause mistake, or to deceive…" 15 USC §1051. (emphasis added).

TMEP 804.02 states:

> *Truth of Facts Recited.* Under 15 U.S.C. §§1051(a)(3)(B) and 1051(b)(3)(C), the verification of an application for registration must include an allegation that "to the best of the verifier's knowledge and belief, the facts recited in the application are accurate." The language in 37 C.F.R. §2.20 that "all statements made of [the verifier's] own knowledge are true, and all statements made on information and belief are believed to be true" satisfies this requirement.
>
> *Ownership or Entitlement to Use*. In an application based on §1(a), the verified statement must allege that the verifier *believes the applicant to be the owner of the mark* and that no one else, to the best of his or her knowledge and belief, has the right to use the mark in commerce, either in the identical form or in such near resemblance as to be likely, when applied to the goods or services of the other person, to cause confusion or mistake, or to deceive. 15 U.S.C. §1051(a)(3)(A); 37 C.F.R. §2.33(b)(1).

After the Respondent produced her Feb. 21, 2003 trademark search report during discovery, other issues of prior third party users of the mark and fraud (non-disclosure of material information by the Respondent during trademark examination) arose. Since this

new fraud basis arises from the applicant's 15 USC §1051 verified statement, the Petitioner again reviewed the '387 file history and noticed that there was no 15 USC §1051 verified statement and declaration in the '387 application's file.

Upon inspection of the '387 file history, it appears the Respondent printed out a screen shot from the TEAS application form, but apparently did not also printout, sign, and include the required verified statement in her application. See Decl. Hong Exh. Page 154-162.

Also, looking at Respondent's two other related trademark applications: U.S. Serial No. 76579565 for "Skin Deep Laser MEDSPA" in class 044 (hereinafter '565) and U.S. Serial No. 76581391 for "Skin Deep Laser" in class 044 (hereinafter '391), there are no proper 15 USC §1051 verified statements or declarations filed in those applications. See Decl. Hong Exh. Page 163-173 for the '565 application; Page 174-182 for '391 appl.

Since 15 USC §1051 and TMEP 804.02 require a verified statement in the application and since a substitute declaration was not provided during the application's prosecution, the Petitioner respectfully requests the Board to allow amendment of the Petition for Cancellation to include this new cause of action and for the Respondent registration be canceled for failure to comply with 15 USC §1051 and TMEP 804.02.

B. Prior Use by Others Precludes Allowance of Registration (15 USC §1052(d))

If the Board does not find the Respondent's registration 2932593 invalid for lacking a proper 15 USC §1051 verified statement, Respondent Martello still does not right to register the SKIN DEEP mark for the listed medical, physician, cosmetician, and

physician services because there are third parties using the mark SKIN DEEP in the same or similar services with earlier dates of interstate commerce use.

15 USC §1052(d) states: "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…." [emphasis added].

Respondent's Thomson trademark search report clearly listed several third parties, who were using the mark SKIN DEEP in the same or similar services as listed on Respondent's description of services. These third party users were for the same mark as Respondent's marks in the same or similar services.

1. SKIN DEEP INC., Bloomfield, MI 48301-1775; Sales Vol: $1,400,000 Estimate; Record # Source: 162243963-D&B; 'Plastic Surgeon,'" on Page 213 of the Common Law/Business Name Report (Search No. 94660311; Analyst: SEBASTIEN BRUNG). (MAR 0324 of Respondent's provided documents; Request for Admission No. 86; *see Decl. Hong Exh. Page 79 and 149-150*).

From the detailed information listed on the Thomson Search Report, Petitioner's attorney did a simple Internet Search to track down a website for this business at www.anewyou.com; see PDF searches on Google and Yahoo Yellow pages based on zip code listed in the Thomson listing and also the business name "skin deep". A search of the free Michigan State corporate entity database shows this listing:

http://www.dleg.state.mi.us/bcs_corp/dt_corp.asp?id_nbr=22606A&name_entity=SKIN%20DEEP,%20INC. See Decl. Hong Exh. Page 183-188.

The Internet Wayback Machine at www.archive.org lists an Internet library of web sites since 1996. A search for www.anewyou.com at www.archive.org reveals a search result with an earliest date of Dec. 2, 1998. When one clicks on this Dec. 2, 1998 listing, the Archive brings up a webpage showing the mark SKIN DEEP. See Decl. Hong Exh. Page 190-194.

a. Third Party Has an Earlier Date of First Use in Interstate Commerce.

Internet Web Site use of the mark can be used to determine date of first use in interstate commerce. TMEP 710.01(b) states: articles downloaded from the Internet are admissible as evidence of information available to the general public, and of the way in which a term is being used by the public. TMEP 904.06(b) allows use of Internet Web Sites showing the mark as proper specimens for trademarks.

Based on when an Internet Web Site is published on the Internet, this date can be claimed as a date of interstate commerce use. For this Michigan third party user (Skin Deep Inc.), there seems to be a first date of interstate commerce use of Dec. 2, 1998, which is prior to Registrant's '387 application date of first use in interstate commerce of Feb. 28, 2004.

b. Similar Services and Similar Mark

As shown on Pages 192-193 of the Exhibits to the Declaration of David Hong, Skin Deep Inc. uses the mark "SKIN DEEP" prominently and next to advertising for

services for "Cosmetic procedures and surgery, to non-invasive procedures and skin care products…" and "Power Peel, Hair Removal, Body Wrap, Glycolic Acid, Oxy Facial, Supra Peel."

Based on this Internet Web Page use (www.anewyou.com), Skin Deep Inc. is using the mark SKIN DEEP for the same or similar services as listed in Registrant's '387 application and has an earlier date of first use in interstate commerce. See Decl. Hong Exh. Page 190-104. Per 15 USC §1052, if aware of this information during examination, the '387 Trademark Examiner would have not granted allowance of this application in light of the likelihood of confusion between the Registrant's mark and this prior and senior third party user (Skin Deep Inc.).

2. SKIN DEEP THE BODY SPA, Huntington Beach, CA 92647-7318, 714-841-3313; Sales Vol: 300,000 ESTIMATE; Record # Source: 798262531-D&B; 'Facial Salons; Electrolysis and Epilatory Services; Massage Parlor,'" on Page 204 of the Common Law/Business Name Report (Search No. 94660311; Analyst: SEBASTIEN BRUNG). See MAR 0315 of Respondent's provided documents and RFA No. 81. *See Decl. Hong Exh. Page 70 and 148-149*

This Huntington Beach, CA third party was also identified in the Feb. 21, 2003 Thomson search report. With this third party information, a simple search on Yahoo Yellow Pages and Google for "skin deep" and "Huntington beach" uncovered a web site: www.e-skindeep.com. A search on www.archive.org for www.e-skindeep.com finds a search result with an earliest date listing of March 2, 2001 (date of first use in interstate commerce). *See Decl. Hong Exh. Page 195-202.*

a. Third Party User No. 2 Has an Earlier Date of Interstate Commerce Use:

Petitioner challenges Respondent's claim to a March 2001 date of first use in interstate commerce. During discovery, Respondent produced a Dec. 14, 2005 Assignment from Ms. Sara Herrick to Dr. Jeannette Martello for the mark SKIN DEEP SKIN CARE, INC. This assignment claims that Ms. Herrick is the owner of the common law rights to SKIN DEEP as used in connection with her medical, spa and skin care business entitled SKIN DEEP Skin Care, Inc. *See Decl. Hong Exh. Page 211-216.*

However, Respondent Martello cannot claim priority to alleged use of another party's service mark if she did not indeed own that third party's (Ms. Sara Herrick) mark at the time of filing her application or March 15, 2004. Ms. Herrick's assignment to Dr. Martello is dated Dec. 14, 2005, which is after the Respondent's '387 application March 15, 2004 filing date.

TMEP 1201.02(b) states that an application must be filed by the party who is the owner of (or is entitled to use) the mark as of the application filing date. *See* TMEP §1201). TMEP 803.01 states: an application to register a mark must be filed by the owner of the mark or, in the case of an intent-to-use application under 15 U.S.C. §1051(b), by the person who is entitled to use the mark in commerce).

TMEP 803.06 states: if the application was filed in the name of a party who had no basis for his or her assertion of ownership of (or entitlement to use) the mark as of the filing date, the application is *void,* and registration must be refused. 37 C.F.R. §2.71(d); TMEP §1201.02(b). Huang v. Tzu Wei Chen Food Co. Ltd., 849 F.2d 1458, 7 USPQ2d 1335 (Fed. Cir. 1988)).

As a result, Martello cannot rely on Herrick's alleged use to obtain an earlier date of interstate commerce use, and we must look to the listed Feb. 28, 2004 date of interstate commerce use. This Huntington Beach third party reference has a March 2, 2001 date of interstate commerce use (Internet Web Site: www.e-skindeep.com), which is prior to Martello's Feb. 28, 2004 date.

b. Similar Services and Mark

Looking to *Decl. Hong Exh. Page 195-202*, this third party user (Skin Deep, the Body Spa) uses the identical mark (SKIN DEEP) on a Web Page that lists: facials, spa services, and skin care products. Since the third party user not only has an earlier date of interstate commerce use, but also uses the same mark with similar services as listed on Registrant's '387 application, Respondent's registration should be canceled for violating 15 USC Sec. 1052.

3. SKIN DEEP, Santa Barbara, CA 93105-2625, 805-687-9497; Sales Vol: $1,200,000 Actual; Record # Source: 103055927 D&B; 'Toiletries, Cosmetics, and Perfumes'; 'Cosmetology and Personal Hygiene Salons'" on Page 204 of the Common Law/Business Name Report (Search No. 94660311; Analyst: SEBASTIEN BRUNG). See MAR 0315 of Respondent's provided documents and RFA No. 79; *See Decl. Hong Exh. Page 203-209.*

This Santa Barbara, CA third party was also identified in the Feb. 21, 2003 Thomson search report. With this third party information, a simple search on Yahoo Yellow Pages and Google for "skin deep" and "93105" uncovered a web site:

www.skindeepsalon. A search on www.archive.org for www.skindeepsalon.com finds a search result with an earliest date listing of July 21, 2001. *See Decl. Hong Exh. Page 203-209.*

Taking July 21, 2001 (Internet Web Site – date of publication) as the date of first use in interstate commerce, this third party user has an earlier date of interstate commerce use than the Respondent. In the photo of the web page (www.skindeepsalon.com), there is listed the mark "SKIN DEEP" with the terms: beauty products, hair, skin, body, makeup, and nails. *See Decl. Hong Exh. Page 207-208.* With an earlier date of interstate commerce use of the same mark SKIN DEEP with similar or related services as Respondent, Respondent's registration should be canceled pursuant to 15 USC Sec. 1052.

4. DUPAGE MEDICAL GROUP in Illinois (www.dupagemedicalgroup.com), which has a listing of medical articles about dermatology from Spring 2001 at their web site. *See Decl. Hong Exh. Page 210.*

Since the above third party information was found via the Respondent's Feb. 21, 2003 Trademark Search report, the Petitioner requests the Board's leave to amend the Petition to Cancel for this 15 USC §1052 violation. See Exhibit A (proposed amendment to petition). Based on the above evidence of prior third party users of the mark with the same or similar services and an earlier date of interstate commerce use than Respondent, Respondents registration should be canceled.

C. FRAUD - MOTION TO AMEND THE PLEADINGS

Petitioner ACM Enterprises, Inc. requests permission to amend the Petition for Cancellation to include another fraud claim based on failure to disclose third party users

of the mark SKIN DEEP with same or similar services (in violation of the verified statement pursuant to 15 USC §1051).

As stated above, Petitioner did not discover Respondent's Feb. 21, 2003 search report until after discovery commenced. The inquiry into prior third party users of the mark also opened up the following questions: what the Respondent knew; the quality of information that she knew; and what information of these third party users was disclosed to the '387 Trademark Examiner during prosecution.

Respondent will not suffer any prejudice since Respondent was in possession of the Feb. 21, 2003 search report and aware of its contents. It is in the interest of the public to allow amendment of the Petition to allow this new cause of action for fraud.

D. FRAUD - MOTION FOR SUMMARY JUDGMENT

Respondent's registration for "SKIN DEEP" should be canceled for fraud in violation of the 15 USC §1051 verified applicant's statement because in light of the Feb. 21, 2003 trademark search report for SKIN DEEP, (1) there was in fact another use of the same or a confusingly similar mark at the time the oath was signed; (2) the other user had legal rights superior to applicant's rights; (3) Respondent/applicant knew that the other user had rights in the mark superior to applicant's, and either believed that a likelihood of confusion would result from applicant's use of its mark or had no reasonable basis for believing otherwise; and (4) Respondent/applicant, in failing to disclose these facts to the Patent and Trademark Office, intended to procure a registration to which applicant was not entitled.

1. Failure to Disclose Use by Others

"When a party claims that the declaration in another's application for registration was executed fraudulently in that there was another use of the same or confusingly similar mark at the time the declaration was signed, the party must allege particular facts which, if proven, would establish that:

(1) there was in fact another use of the same or a confusingly similar mark at the time the oath was signed;

(2) the other user had legal rights superior to applicant's rights;

(3) applicant knew that the other user had rights in the mark superior to [*12] applicant's, and either believed that a likelihood of confusion would result from applicant's use of its mark or had no reasonable basis for believing otherwise; and

(4) applicant, in failing to disclose these facts to the Patent and Trademark Office, intended to procure a registration to which applicant was not entitled." Ohio State University v. Ohio University, 51 USPQ2d 1289 (TTAB 1999); see also Intellimedia Sport Inc. v. Intellimedia Corp., 43 USPQ2d 1203, 1206 (TTAB 1997).

Applying Parts 1 and 2 of the Ohio State fraud analysis and as evidenced above in the arguments for prior third party users of the mark (SKIN DEEP INC (Michigan); Skin Deep, the Body Spa (Huntington Beach, CA); Skin Deep (Santa Barbara, CA)) (*See Decl. Hong Exh. Page 79 and 70)*, there are other third party users at the time of the Respondent's '387 application filing and signing (March 15, 2004), who (a) used the same mark SKIN DEEP with the same or similar services as the Respondent's application listing and (b) had a earlier date of first use in interstate commerce and superior legal rights to the Respondent.

Regarding Part 3 of the Ohio State fraud analysis, Respondent knew that the other user had rights in the mark superior to Respondent, and had no reasonable basis for believing otherwise. Respondent Martello ordered and received the Thomson & Thomson trademark search report, dated Feb. 21, 2003. Respondent admitted in request for admissions as to the identity and the amount of information in this Thomson trademark search report. See Request for Admissions 74-89; *See Decl. Hong Exh. Page145-153.*

The Thomson trademark search report listing is very detailed and included: company name, city, state, zip codes, sales volume estimate, and the type of business or service provided. *See Decl. Hong Exh. Page 79 and 70.*

For example, looking at Page 213 of the Respondent's Common Law/Business Name Report for SKIN DEEP, INC.: Company Name: SKIN DEEP INC., Bloomfield, MI 48301-1775; Sales Vol: $1,400,000 Estimate; Record # Source: 162243963-D&B; 'Plastic Surgeon.'" *See Decl. Hong Exh. Page 79.*

Looking at Page 213 of the Respondent's Common Law/Business Name Report for SKIN DEEP (Santa Barbara): "Company Name: SKIN DEEP, Santa Barbara, CA 93105-2625, 805-687-9497; Sales Vol: $1,200,000 Actual; Record # Source: 103055927 D&B; 'Toiletries, Cosmetics, and Perfumes'; 'Cosmetology and Personal Hygiene Salons'". *See Decl. Hong Exh. Page 70.*

Looking at Page 204 of the Respondent's Common Law/Business Name Report for SKIN DEEP, the Body Spa (Huntington Beach, CA): "Company Name: SKIN DEEP THE BODY SPA, Huntington Beach, CA 92647-7318, 714-841-3313; Sales Vol:

300,000 ESTIMATE; Record # Source: 798262531-D&B; 'Facial Salons; Electrolysis and Epilatory Services; Massage Parlor….'" *See Decl. Hong Exh. Page 70.*

Regarding fraud and good faith belief, "the Board frequently has held that an applicant's failure to disclose to the PTO the asserted rights of another person is not fraudulent unless such other person was known by applicant to possess a superior or clearly established right to use the same or a substantially identical mark for the same or substantially identical goods or services as those in connection with which registration is sought." Intellimedia Sport Inc. v. Intellimedia Corp., 43 USPQ2d 1203, 1206 (TTAB 1997).

Considering the detailed information in the Thomson search report alone (company name, location, telephone number, estimated sales), no reasonable person could have a good faith belief that they had superior rights to the above third parties without doing further investigation.

Regarding Part 4 of the Ohio State fraud test: Respondent as the '387 applicant failed to disclose the Feb. 21, 2003 search report to the Trademark Office and intended to procure a registration in which she was not entitled.

A trademark applicant commits fraud in procuring a registration when it makes material representations of fact in its declaration which it knows or should know to be false or misleading. Mendinol Ltd. v. Neuro Vasx Inc., 67 USPQ2d 1205 (2003) citing: Torres v. Canine Torresella S.r.l., 808 F.2d 46 (Fed. Cir. 1986).

"It is well established that an applicant for a registration of a trademark has a duty of candor in his communications with the PTO." Daesang Corp. v. Rhee Bros, Inc., 77 USPQ2d 1753 (2005) citing: T.A.D. Avanti, Inc. v. Phone-Mate, Inc., 199 U.S.P.Q. 648,

655 (C.D. Cal. 1978). In Daesang, the Court stated: "[f]raud arises, therefore not only where the applicant makes false statement…, but also where the applicant fails to make full disclosure of all material facts…." Daesang Corp., 77 USPQ2d at 1760. In Daesang, the applicant failed to disclose the geographic significance of the application's goods (fermented soybeans) and the significance to the targeted consumer audience (Korean Americans).

In the '387 application, for the resulting registration to be valid, there must be a proper 15 USC §1051 verified statement. Petitioner claims that the '387 application lacks this statement. Even if there was a proper §1051 verified statement, Respondent Martello would have had to make an affirmative statement as to no third party users of the mark with superior rights. Martello did indeed have knowledge of third parties with use of the mark SKIN DEEP with the same or similar services in her application.

Martello only had knowledge of third party users of the mark SKIN DEEP, but she had a very high quality and quantity of information, such that a reasonable person would have conducted further investigation before filing for federal registration. If she had done some simple and free Internet investigation, she would have easily found information, which showed that these third parties had superior legal rights to the Respondent (i.e., earlier date of first use in interstate commerce) and the type of goods/services being offered with the SKIN DEEP mark.

Respondent Martello failed to disclose the Feb. 21, 2003 Thomson trademark search report to the Trademark Office. This search report contained material information as to common law third party users of the mark, including identity, location (city, state, zip code), telephone number, types of sales, and sales volume estimate.

Money Store v. Harriscorp Finance, Inc., 689 F.2d 666, 216 USPQ 11, 16 (7th Cir. 1982), the Trademark Board discussed: "whether the plaintiff can be found to have acted fraudulently because of the knowledge it did possess at the time its representative signed the statutory oath." In Money Store, the plaintiff used the mark MONEY STORE with money-lending services; prior to filing for federal registration, plaintiff did obtain a trademark search, which disclosed a pending application for federal registration for the mark MONEY STORE for advertising and public relation services (Class 101) and also several state registrations for the mark with financial and insurance services. Money Store, 216 USPQ at 16.

In Money Store, the District Court focused on whether the plaintiff can be found to have acted fraudulently because of the knowledge it did possess at the time its representative signed the statutory oath and did not conduct a further investigation as to a common law user of the mark. The Court compared the common law user of the mark (Class 101 for advertising services) with the Plaintiff's money-lending services and concluded that the common law user in Class 101 for advertising services gave no prior rights in the mark for money-lending services (Plaintiff). Money Store, 216 USPQ at 16-17.

Doing the same comparison in this proceeding, SKIN DEEP, INC. (Michigan) uses the exact same mark with the same or similar services as the Respondent. Since the Thomson search report listing for SKIN DEEP, INC. (Michigan) was of such detail, esp. the estimated sales dollar amount of $1.4 million, any reasonable person would have conducted further investigation.

Please note that the Money Store case was decided in 1982, and most likely, the parties did not have Internet access like one would have in 2003. If the Money Store case was decided in 2003 or today 2007, a reasonable person could have done same simple investigation through the Internet as done by Petitioner's attorney and found the same detailed information regarding use of the mark and the type of services or goods used with the mark. *See Decl. Hong Exh. Page183-210.*

Looking at SKIN DEEP (Santa Barbara, CA), there is an estimate of sales volume of $1.2 million. Looking at SKIN DEEP THE BODY SPA (Huntington Beach, CA), there is an estimate of sales volume of $300,000. Considering these large sales estimates, and considering the Respondent conducts business in Pasadena, CA, a reasonable person could have driven from Pasadena, CA to Huntington Beach, CA (approx. 42 mi.) or to Santa Barbara, CA (approx. 98 mi.) or simply telephoned each business and asked basic questions as to how long the business operated, advertising, and services/goods offered.

The Respondent failed to submit vital and material information to the Trademark Examiner during the '387 prosecution. This is fraud.

IV. CONCLUSION

For the reasons stated above, Petitioner respectfully requests that the Board grant Petitioner's motion to amend the pleadings and motion for summary judgment.

DATED: Aug. 3, 2007

By: /david hong/
David Hong, Esq.
(CA SBN 195795, Reg. No. 45,704)
Attorney for Petitioner,
ACM ENTERPRISES, INC.

Certificate of Transmission:
I hereby certify that this correspondence with the accompanying Exhibit A; Declaration of David Hong; and Exhibits (Pages 1-216), was electronically transmitted to the USPTO via the ESTTA system on Aug. 3, 2007.
/david hong #45704/
David Hong, #45704

Certificate of Service

I hereby certify that I am not a party to this case and a true and complete copy of the following document(s):

1. PETITIONER'S MOTION FOR SUMMARY JUDGMENT AND FOR AMENDMENT OF THE PLEADINGS;
2. DECLARATION OF DAVID HONG IN SUPPORT OF PETITIONER'S MOTION FOR SUMMARY JUDGMENT AND FOR AMENDMENT OF THE PLEADINGS (including Exhibit Pages 1-216);
3. EXHIBIT A – PETITIONER'S PROPOSED AMENDMENT TERMS,

were served by electronic mail and first class U.S. Mail (postage prepaid) in an envelope addressed to:
Mr. Brandon Tesser, Esq.
TESSER & RUTTENBERG, 12100 Wilshire Blvd., Suite 220, Los Angeles, CA 90025
E-Mail: btesser@tesser-ruttenberg.com, Attorney for Respondent, Jeannette Martello,
ON AUGUST 3, 2007.
By: /david hong, reg #45704/
David Hong (Reg. No. 45,704)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE

THE TRADEMARK TRIAL AND APPEAL BOARD

ACM Enterprises, Inc., Petitioner, - against - Martello, Jeannette, M.D. Respondent.	Cancellation No.: 92044697 Filed: July 1, 2005

DECLARATION OF DAVID HONG IN SUPPORT OF PETITIONER'S MOTION FOR SUMMARY JUDGMENT AND FOR AMENDMENT OF THE PLEADINGS

1. My name is David Hong, Esq., and I am the Attorney for the Petitioner ACM ENTERPRISES, INC. My business address is P.O. Box 2111, Santa Clarita, CA 91386-2111. I am fully competent to make this declaration, and I have personal knowledge of the facts stated in this declaration. To my knowledge, all of the facts stated in this declaration are true and correct.

2. On Aug. 3, 2007, I conducted an Internet Search at the Medical Board of California's database for Fictitious Name Permit for "SKIN DEEP", and I printed out and created a PDF (one page) for "SKIN DEEP LASER MED SPA A MEDICAL CORPORATION, FNP31957" listing; the website address:

http://www2.dca.ca.gov/pls/wllpub/WLLQRYNA$LCEV2.QueryView?P_LICENSE_NUMBER=31957&P...". (Decl. Hong Exh. Page 1). See TBMP 528.05(e) and FRCP 56(e) regarding Internet evidence.

3. On Aug. 3, 2007, I conducted an Internet Search at the Internet Website for the Secretary of State of California, Business Name Search for "ACM Enterprises"; and I printed out and created a PDF (1 page) for "ACM ENTERPRISES, INC."; the website address is: http://kepler.sos.ca.gov/corpdata/ShowAllList?QueryCorpNumber=C1804232&printer=yes. (Decl. Hong Exh. Page 2).

4. On Aug. 3, 2007, I printed out pages 1-3 from Respondent's Responses to Petitioner's First Set of Interrogatories, dated Dec. 9, 2005 (Decl. Hong Exh. Page 3-5).

5. On Aug. 3, 2007, I printed a PDF (1 page) from the CA Secretary of State Internet Website: http://kepler.sos.ca.gov/corpdata/ShowAllList?QueryCorpNumber=C2131384&printer=yes for JEANNETTE MARTELLO, M.D., A PROFESSIONAL CORPORATION, C2131384 (Decl. Hong Exh. Page 6).

6. On Aug. 3, 2007, I printed out the first page and pages 6-7 from a certified copy of the Jan. 18, 2006 Deposition of Jeannette Martello. (Decl. Hong Exh. Page 7-9).

7. I included two pages from Petitioner's Supplemental Response to Special Interrogatories, dated June 21, 2006 (Decl. Hong Exh. Page 10-11).

8. On Aug. 3, 2007, at the USPTO Website, I printed out a three page TARR printout and PDF for U.S. Trademark Appl. Serial No. 78569772; http://tarr.uspto.gov/servlet/tarr?regser=serial&entry=78569772 (Decl. Hong Exh. Page 12-14).

9. On Aug. 3, 2007, I printed out parts of the Feb. 21, 2003 Thomson & Thomson Search Report ordered by Jeannette Martello; this search report was provided in response to Petitioner's Document Request dated Oct. 31, 2005. These documents are marked MAR0028, MAR0085, MAR0097, and MAR0263 to MAR0389. ((Decl. Hong Exh. Page 15-144).

10. Regarding admissibility of these search report documents, Petitioner submitted a request for admission for genuineness for these produced documents, and Respondent replied: "Martello admits that documents marked MAR 0028 to MAR 0388 are true and correct copies of materials produced to ACM's counsel in this proceeding." See Request for Admission No. 90 in Respondent's Feb. 20, 2007 Response to Respondent's Petitioner's Third Request for Admissions. (Decl. Hong Exh. Page 145-153, see Page 151).

11. As part of this declaration's exhibits, I included a part of this proceeding's subject Registration's trademark file history (U.S. Serial No. 76521387) – specifically, the filing receipt and the application as filed as available off the USPTO Web Site (Decl. Hong Exh. Page 154-162).

12. As part of this declaration's exhibits, I included a partial file history of another of the Respondent's trademark applications (U.S. Serial No. 765579565) – specifically, the filing receipt and the application as filed as available off the USPTO Web Site (Decl. Hong Exh. Page 163-173).

13. As part of this declaration's exhibits, I included a partial file history of another of the Respondent's trademark applications (U.S. Serial No. 76581391) – specifically, the filing receipt and the application as filed as available off the USPTO Web Site (Decl. Hong Exh. Page 174-182).

14. On Feb. 27, 2007, based on the Respondent's Feb. 21, 2003 Thomson & Thomson search report, namely (SKIN DEEP INC., Bloomfield, MI 48301-1775; Sales Vol: $1,400,000 Estimate; Record # Source: 162243963-D&B; 'Plastic Surgeon,'" on Page 213 of the Common Law/Business Name Report (Search No. 94660311; Analyst: SEBASTIEN BRUNG). See MAR 0324), I conducted a Yahoo.com Yellow Pages search for "SKIN DEEP" and the Zip Code (48301):

http://yp.yahoo.com/py/ypResults.py?stx=skin+deep&stp=a&tab=B2C&city=Bloomfield+Hills&state=MI...., and I printed a PDF of the search pages. (Decl. Hong Exh. Page 183-184).

15. On Feb. 27, 2007, I continued my searching on www.google.com for zip code "48301" and name "skin deep": http://www.google.com/search?hl=en&q=48301+%22skin+deep%22+, and I printed out my search results, which listed www.anewyou.com at the top of the search results page. (Decl. Hong Exh. Page 185-186).

16. On Feb. 27, 2007, I continued my searching on www.google.com for zip code "48322" and name "skin deep": http://www.google.com/search?hl=en&q=48322+%22skin+deep%22, and I printed out my search results, which also listed www.anewyou.com at the top of the search results page. (Decl. Hong Exh. Page 187-188).

17. On Feb. 27, 2007, I continued my search to the State of Michigan's Department of Labor & Economic Growth at http://www.dleg.state.mi.us/bcs_corp/dt_corp.asp?id_nbr=22606A&name_entity=SKIN%20DEEP,%20INC, and I did a search at their database for "SKIN DEEP", and I printed out the search page result (Decl. Hong Exh. Page 189).

18. 17. On Feb. 27, 2007, I continued my search to the Internet Archive Wayback Machine at www.archive.org for "anewyou.com", and I printed out the search results

page (Decl. Hong Exh. Page 190), which listed dates of Internet publication, and I clicked on the Dec. 2, 1998 link, and I printed out the page that opened: http://web.archive.org/web/20010516222150/www.pminfosystems.com/anewyou/ ((Decl. Hong Exh. Page 192); when I clicked on the link to "Click here to enter SD", I got to another page, which I printed out (Decl. Hong Exh. Page 193). I also printed out the page "Click here to enter MCSC": (Decl. Hong Exh. Page 194).

19. On Feb. 27, 2007, based on the Respondent's Feb. 21, 2003 Thomson & Thomson search report, namely (SKIN DEEP THE BODY SPA, Huntington Beach, CA 92647-7318, 714-841-3313; Sales Vol: 300,000 ESTIMATE; Record # Source: 798262531-D&B; 'Facial Salons; Electrolysis and Epilatory Services; Massage Parlor,'" on Page 204 of the Common Law/Business Name Report (Search No. 94660311; Analyst: SEBASTIEN BRUNG); see MAR 0315, I conducted a Yahoo.com Yellow Pages search for "SKIN DEEP" and the Zip Code (92647), and I printed a PDF of the search pages. (Decl. Hong Exh. Page 195-196).

20. On Feb. 27, 2007, I continued my searching on www.google.com for "huntington beach" and name "skin deep", and I printed out my search results, which listed www.e-skindeep.com and "SKIN DEEP the BODY SPA" at the top of the search results page. (Decl. Hong Exh. Page 197-198).

21. On Feb. 27, 2007, I continued my search to the Internet Archive Wayback Machine at www.archive.org for www.e-skindeep.com, and I printed out the search results page

(Decl. Hong Exh. Page 199), which listed dates of Internet publication, and I clicked on the March 2, 2001 link, and I printed out the page that opened (Decl. Hong Exh. Page 200-201): web site address: http://web.archive.org/web/*/http://www.e-skindeep.com and http://web.archive.org/web/20010302053021/http://www.e-skindeep.com/.

22. On Feb. 22, 2007, I conducted an Internet Search at the Internet Website for the Secretary of State of California, Business Name Search for "SKIN DEEP"; and I printed out and created a PDF (1 page) for "DEBORAH WOODS' SKIN DEEP, INC"; web site address: http://kepler.ss.ca.gov/corpdata/ShowAllList?QueryCorpNumber=C2153041&printer=yes, (Decl. Hong Exh. Page 202).

23. On Feb. 27, 2007, based on the Respondent's Feb. 21, 2003 Thomson & Thomson search report, namely (SKIN DEEP, Santa Barbara, CA 93105-2625, 805-687-9497; Sales Vol: $1,200,000 Actual; Record # Source: 103055927 D&B; 'Toiletries, Cosmetics, and Perfumes'; 'Cosmetology and Personal Hygiene Salons'" on Page 204 of the Common Law/Business Name Report (Search No. 94660311; Analyst: SEBASTIEN BRUNG). See MAR 0315, I conducted a Yahoo.com Yellow Pages search for "SKIN DEEP" and the Zip Code (93105), and I printed a PDF of the search pages. (Decl. Hong Exh. Page 203-204).

24. On Feb. 27, 2007, I continued my searching on www.google.com for "santa barbara" and name "skin deep", and I printed out my search results, which listed

www.skindeepsalon.com and "Skin Deep: Beauty Supplies" at the top of the search results page. (Decl. Hong Exh. Page 205-206).

25. On Feb. 27, 2007, I continued my search to the Internet Archive Wayback Machine at www.archive.org for www.skindeepsalon.com, and I printed out the search results page (Decl. Hong Exh. Page 207), which listed dates of Internet publication, and I clicked on the July 21, 2001 link, and I took a digital photograph of the screen that appeared, which I put into PDF format; website address: http://web.archive.org/web/20010721011043/http://www.skindeepsalon.com/ ((Decl. Hong Exh. Page 208).

26. On Feb. 22, 2007, I conducted an Internet Search at the Internet Website for the Secretary of State of California, Business Name Search for "SKIN DEEP"; and I printed out and created a PDF (1 page) for SKIN DEEP, C1229976 with a listed filing date of Oct. 26, 1983. (Decl. Hong Exh. Page 209); web site address: http://kepler.ss.ca.gov/corpdata/ShowAllList?QueryCorpNumber=C1229976&printer=yes.

27. Regarding admissibility of Internet evidence, please see TBMP 528.05(e) and TELEWIZJA POLSKA USA, INC. vs. ECHOSTAR SATELLITE CORPORATION, Case No. 02 C 3293 (N.D. Ill. Oct. 15, 2004), U.S. Dist. LEXIS 20845; 65 Fed. R. Evid. Serv. (Callaghan) 673; TMEP 904.06 and 710.01(b) discuss Internet based evidence.

28. On Feb. 27, 2007, I printed out a page from www.dupagemedicalgroup.com, which has a listing of medical articles about dermatology from Spring 2001 at their web site. *See Decl. Hong Exh. Page 210.*

29. Decl. Hong Exh. Page 211-216 shows a copy of the Dec. 14, 2005 assignment from Herrick to Martello re: SKIN DEEP; this document was produced in response to Petitioner's Oct. 29, 2005 Document Requests; this document is discussed and identified as Exhibit No. 4, Jan. 18, 2006 Deposition of Jeannette Martello, see page 139 of the Deposition Transcript).

I declare under penalty of perjury (28 U.S.C. 1746) that the foregoing is true and correct. The undersigned being warned that willful false statements and the like are punishable by fine or imprisonment, or both, under 18 U.S.C. 1001, and that such willful false statements and the like may jeopardize the validity of the application or document or any registration resulting therefrom, declares that all statements made of my own knowledge are true; and all statements made on information and belief are believed to be true.

Dated: Aug. 3, 2007

/david hong #45704/
David Hong, Esq., #45704
Attorney for Petitioner
ACM Enterprises, Inc.

Certificate of Transmission:
I hereby certify that this correspondence with the accompanying Exhibits (Pages 1-216), was electronically transmitted to the USPTO via the ESTTA system on Aug. 3, 2007.
/david hong #45704/
David Hong, #45704

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE

THE TRADEMARK TRIAL AND APPEAL BOARD

ACM Enterprises, Inc., Petitioner, - against - Martello, Jeannette, M.D. Respondent.	Cancellation No.: 92044697 Filed: July 1, 2005

EXHIBIT A – PETITIONER'S PROPOSED AMENDMENT TERMS

14. Count Four: Respondent failed to submit the required Verified Statement, pursuant to 15 USC §1051 and TMEP 804 in her '387 trademark application prosecution; in particular, there is no verified statement as to truth of facts recited, ownership, and entitlement to use the mark.

15. Count Five: 15 U.S.C. Sec. 1052(b) Violation: On information and belief, Petitioner alleges Respondent's trademark application for SKIN DEEP should not have been granted by the USPTO in view of Respondent's Feb. 21, 2003 Thomson & Thomson Trademark Search Report for SKIN DEEP, which disclosed at least one other third party user of the mark SKIN DEEP; upon information and belief, this at least one third party user has an earlier date of first use than Respondent's application date of first use. This Feb. 21, 2003 search report was within the possession of the Respondent Martello and

prior to her application filing date of March 15, 2005, and Respondent failed to disclose this search report to the Trademark Examiner.

16. Count Five: Fraud: On information and belief, Petitioner alleges Respondent's registration for "Skin Deep" was obtained fraudulently in that (a) the Respondent failed to submit her knowledge of third party interstate commerce users of the mark SKIN DEEP from her Feb. 21, 2003 Thomson & Thomson Trademark Search Report for SKIN DEEP, and (b) the Respondent violated her required verified statement in her trademark application by not disclosing said Feb. 21, 2003 search report to the Trademark Examiner. Said omission of material information (search report results of third party users of the mark SKIN DEEP) and applicant's declaration/oath was made by the Applicant and Respondent; with the Feb. 21, 2003 trademark search, Respondent had no good faith basis to state that no other person, firm, corporation, or association has the right to use the mark in commerce, either in identical form thereof or in such near resemblance thereto as to be likely, when used on or in connection with the goods/services of such other person, to cause confusion, or to cause mistake, or to deceive. See 15 USC Sec. 1064.

17. Respondent's registration for "SKIN DEEP" should be canceled for fraud in violation of the 15 USC 1051 verified applicant's statement because in light of the Feb. 21, 2003 trademark search report for SKIN DEEP, (1) there was in fact another use of the same or a confusingly similar mark at the time the oath was signed; (2) the other user had legal rights superior to applicant's rights; (3) Respondent/applicant knew that the other user

had rights in the mark superior to applicant's, and either believed that a likelihood of confusion would result from applicant's use of its mark or had no reasonable basis for believing otherwise; and (4) Respondent/applicant, in failing to disclose these facts to the Patent and Trademark Office, intended to procure a registration to which applicant was not entitled. The Feb. 21, 2003 trademark search report is material to the examination of the '387 application examination; Respondent failed to disclose this information to the Trademark Examiner with the intent to induce authorized agents of the U.S. Patent and Trademark Office to grant said registration; and Respondent cannot have any good faith basis to not disclose said trademark search report to the Trademark Examiner.

18. Petitioner was damaged by Respondent's alleged false statements and the registration issued. As a result, Petitioner respectfully requests that the Commissioner grant this Petition and cancel Registration No. 2932593.