

**UNITED STATES PATENT AND TRADEMARK
OFFICE**
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

Butler

Mailed: March 16, 2006

Cancellation No. 92045173

Glenn Danzig

v.

Cyclopiian Music, Inc.

Before Quinn, Hohein and Rogers, Administrative Trademark Judges.

By the Board:

Petitioner seeks to cancel three of respondent's registrations. The first registration is for the mark MISFITS for "brooches, charms, costume jewelry, earrings, jewelry lapel pins, ornamental pins, and tie pins."¹ The second registration is also for the mark MISFITS and is for "musical sound recordings; and, pre-recorded audio tapes and videotapes featuring recorded musical performances and music videos," "book covers; bumper stickers; comic books; fan magazines namely, musical group fan magazines; graphic art reproductions; posters; publications, namely, biographical and autobiographical books and magazines about the members of the musical group; souvenir pamphlets about musical groups; and, trading cards," and "musical entertainment, namely, live performances by a rock group; arranging and conducting rock concerts; rock music fan club

¹ Registration No. 2793533 for the mark MISFITS, issued December 16, 2003.

services; providing musical entertainment programs for television and for the internet; and musical entertainment services, namely, providing rock music programming via television and the internet."² The third registration is for the mark MISFITS (stylized) for "musical sound recordings; and, pre-recorded audio tapes and videotapes featuring recorded musical performances and music videos" and "book covers; bumper stickers; comic books; fan magazines, namely, musical group fan magazines; graphic art reproductions; posters; publications, namely, biographical and autobiographical books and magazines about the members of the musical group; souvenir pamphlets about musical groups; and, trading cards."³

As grounds for the cancellation, petitioner alleges the following:

- 1) Petitioner was a founding member and lead vocalist of the world famous musical group the MISFITS.
- 2) Cycloplan Music, Inc. ("Registrant"), the owner of the subject registrations, is comprised of Mr. Gerard Caiafa and Mr. Paul Caiafa, two other members of the musical group the MISFITS.
- 3) Pursuant to a Settlement Agreement dated December 31, 1994, between Petitioner, Mr. Gerard Caiafa and Mr. Paul Caiafa, as well as Frank Licata and Julio Valverde (the other two remaining members of the MISFITS), Petitioner is a co-owner of the name and trademark the MISFITS and all artwork and logos associated therewith. Specifically, Paragraph 5 of the Agreement states, "The parties shall be co-owners of the name and trademarks of the Misfits and all logo(s) and artwork (including all artwork used on Misfits releases for Slash,

² Registration No. 2634215 for the mark MISFITS, issued October 15, 2002.

³ Registration No. 2735848 for the mark MISFITS (stylized), issued July 15, 2003.

Caroling or Plan 9 Records) previously associated therewith.

- 4) In the registrations that are the subject of this proceeding, Registrant has claimed ownership of the exclusive rights in the marks MISFITS and MISFITS (stylized) for the various goods and services set forth in those registrations.
- 5) The registrations that are the subject of this proceeding are invalid and were obtained fraudulently by Registrant, who falsely represented that it was the exclusive owner of the subject marks for the various goods and services contained therein.
- 6) Section 1(a) of the Lanham Act requires that the "owner" of a mark be the one to file the application to register it. Registrant is not the exclusive owner of the subject marks, but rather the principals of Registrant are merely co-owners of the subject marks. Accordingly, it was improper for Registrant to seek registration of the subject marks in its name and the registrations that were issued on the basis of the underlying applications filed by Registrant are void.
- 7) If Registrant is allowed to maintain its registrations of the marks the MISFITS and MISFITS (stylized), it will create a false impression that Registrant is the exclusive owner of the subject marks, which it is not.
- 8) The registrations owned by Registrant are therefore inconsistent with Petitioner's ownership interest in and to the MISFITS and MISFITS (stylized) marks in connection with the goods and services set forth in the subject registrations. Accordingly, Petitioner is likely to be damaged by the continued maintenance of the registrations at issue in the proceeding.

This case now comes up on respondent's fully-briefed motion, filed January 3, 2006 in lieu of an answer, to dismiss the proceeding for failure to state a claim upon which relief can be granted.

In support of its motion, respondent argues that petitioner's apparent claims of fraud in procuring the registrations and lack of exclusive ownership of the marks are

fatally deficient. Respondent argues that petitioner has failed to plead the required elements of fraud and the circumstances constituting fraud with particularity. It is respondent's position that petitioner is required to specify the statements in the verified declarations that are part of the subject applications that supposedly are false and to specify that any such false statements were material representations, as well as describe the specific circumstances by which respondent supposedly knew that such statements were false. Respondent further contends that petitioner is required to plead the circumstances by alleging when and where the statements were made, the explicit content of such statements, why the involved statements are fraudulent, and what was obtained or given up as a consequence of the fraud. In addition, respondent argues petitioner is required to allege that there was another use of the same or confusingly similar mark at the time the oath was signed, that the other user had superior rights, that respondent (as applicant) knew the other user had superior rights and believed that a likelihood of confusion would result, and that respondent (as applicant) failed to disclose such facts to the USPTO with the intent to procure a registration to which it was not entitled. With respect to ownership, respondent argues that petitioner has failed to adequately plead that respondent is not the exclusive owner of the marks for the goods and services covered by the registrations or that petitioner even uses the marks for such goods and services. According to respondent,

petitioner fails to allege that the marks for the goods and services covered by the registrations are the trademarks of the Misfits group as described in the 1994 Settlement Agreement, and that petitioner possesses a claim of any rights to the marks for the goods and services covered by the registrations.

In response, petitioner argues that the complaint contains factual allegations on its face which, if proven, would establish that respondent knowingly made false, material representations of fact in connection with its applications. Addressing respondent's arguments, petitioner contends that the "time, place and content" respondent argues must be present in the petition are provided through the allegations relating to the underlying applications, when such applications were filed, and the statement of exclusive ownership in the declaration, and are alleged at paragraph nos. 4 and 5; that the facts misrepresented, that respondent says must be pleaded, are the allegations relating to respondent's claim of exclusive ownership, and the reason why such ownership is not exclusive, that being petitioner's co-ownership of the marks, and these facts are alleged at paragraph nos. 3 and 5; and the identity of what was obtained as a consequence of the fraud, the registrations, is alleged at paragraph no. 5. Petitioner argues that respondent's position that petitioner has not alleged his own use to support his fraud claim is a "red herring" because petitioner is not seeking cancellation based on superior rights but on co-ownership of the marks, which gives petitioner co-equal rights. Petitioner

argues that the Settlement Agreement does not place limits on his co-ownership; that, even if the complaint does not specifically allege that the registered marks are the same as those involved in the Settlement Agreement, petitioner pleads that his co-ownership of the registered marks arises from the Settlement Agreement, thus putting respondent on notice that the registered marks are the same as those co-owned by petitioner; that petitioner has contractual ownership rights in the marks separate from any rights arising from use; that petitioner has been using the marks on apparel and other merchandise; and that, to the extent respondent is arguing that petitioner will be unable to establish any ownership interest in the marks at issue, such arguments go to the merits of the ownership claim and are not pertinent to determining the legal sufficiency of the pleading.

In reply, respondent argues that petitioner admits he is not using, and never has used, the involved marks for the goods and services covered by the registrations; and that the Settlement Agreement alone, without bona fide use of the marks in commerce, does not give petitioner any rights in the marks. Respondent notes that the pleadings are devoid of any allegations of petitioner's mentioned use on apparel and other merchandise; and that it is in his response, not his pleadings, that petitioner attempts to cure his deficient fraud allegations.

In order to withstand a motion to dismiss for failure to state a claim upon which relief can be granted, a pleading need only allege such facts as would, if proved, establish that the

plaintiff is entitled to the relief sought, that is, that (1) the plaintiff has standing to maintain the proceeding, and (2) a valid ground exists for canceling the registration (in the case of an cancellation proceeding). See *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982). For purposes of determining a motion to dismiss for failure to state a claim upon which relief can be granted, all of the plaintiff's well-pleaded allegations must be accepted as true, and the complaint must be construed in the light most favorable to the plaintiff. See *Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc.*, 988 F.2d 1157, 26 USPQ2d 1038 (Fed. Cir. 1993); Fed. R. Civ. P. 12(b)(6); and TBMP §503.02 (2d. ed. rev. 2004).

It is a fair and reasonable inference, in light of the allegation that the principals of respondent were parties to the settlement agreement along with petitioner and two others, that respondent--contrary to the settlement agreement--knowingly misrepresented that it was the exclusive owner of the subject marks. Moreover, because an application for trademark registration is assigned a filing date and maintained as a record, the "time, place and content" requirement for the elements of the fraud claim are met; petitioner has alleged the fact misrepresented; and "things" that were obtained by the purported false representation are the very registrations that are the subject matter of this proceeding. The Board notes, too, that "a registration may be cancelled if a petitioner can show

that the existence of the registration is inimical **to an equal** or superior right to use the same or similar term in connection with goods or services which are similar to or commercially related to those of respondent." (Emphasis added.) See *Girard Polly-Pig, Inc. v. Polly-Pig by Knapp, Inc.*, 217 USPQ 1338, 1344 (TTAB 1983). Accordingly, the pleading is sufficient to state a claim of fraud upon which relief can be granted.

In addition, petitioner proffered averments, including allegations about the Settlement Agreement and allocation of ownership of the name and mark, with respect to his claim that respondent is not the exclusive owner of marks. Accordingly, the pleading is sufficient to state a claim concerning the exclusive ownership of the marks.

In view thereof, respondent's motion to dismiss is denied.

Proceedings are now resumed. Respondent is allowed until **thirty days** from the mailing date of this order in which to file its answer to the petition to cancel.⁴ Discovery and trial dates are reset as indicated below:

THE PERIOD FOR DISCOVERY TO CLOSE:	October 1, 2006
30-day testimony period for party in position of plaintiff to close:	December 30, 2006
30-day testimony period for party in position of defendant to close:	February 28, 2007

⁴ The parties may be interested in considering alternative dispute resolution because a Settlement Agreement exists that may determine ownership rights. The parties are referred to <http://www.uspto.gov/web/offices/dcom/ttab/adr.doc> for more information. If the parties elect to seek alternative dispute resolution, they should notify the Board so that proceedings here may be suspended.

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15-day rebuttal testimony period
to close:

April 14, 2007

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.

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