UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, Virginia 22202-3513

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Mailed: August 16, 2007

Cancellation No. 92045710

Auto Acuity, LLC

v.

Linda Rodman

Before Quinn, Holtzman, and Mermelstein, Administrative Trademark Judges.

By the Board:

This case comes before the Board on respondent's motion to dismiss for failure to state a claim, filed in lieu of an answer on May 30, 2006, based on petitioner's lack of standing to bring this petition to cancel. The motion has been fully briefed.[1]

On April 14, 2006, Auto Acuity, LLC filed a petition to cancel Registration No. 2737029 for the mark DUBS for "land vehicle parts, namely wheels" on the grounds that the term is generic as applied to the goods, the registration was

[1] On July 3, 2006, the Board suspended proceedings pending the outcome of the motion to dismiss. The delay in acting upon this matter is regretted.

obtained by fraud, and respondent has not used the registered term as a trademark, the latter two claims also based on petitioner's allegation that the term DUBS is generic as applied to the goods. With respect to standing, the petition to cancel alleges (¶4) "Petitioner has a pending application for the mark GET DUBS (Serial No. 78589728) for 'automobile parts and accessories' in Class 12."

In its motion to dismiss the petition to cancel for failure to state a claim, respondent asserts that petitioner has failed to plead facts sufficient to show a personal interest in the outcome of this proceeding beyond that of the general public, that petitioner's application has not been refused based on respondent's registration, and that petitioner lacks standing to bring this petition.[2]

With respect to standing, Section 14 of the Trademark Act provides:

> A verified petition to cancel a registration of a mark, stating the grounds relied upon, may ... be filed by any person who believes he is or will be damaged by the registration of a mark on the principal register established by this Act...

[2] Respondent also contends that petitioner cannot prove that the term DUBS is generic. This contention is irrelevant in deciding a motion grounded on the sufficiency of the pleadings. A motion to dismiss under Rule 12(b)(6) challenges the legal theory of the complaint, not the sufficiency of any evidence that might be adduced. *See Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc.*, 988 F.2d 1157, 26 USPQ 2d 1038, 1041 (Fed. Cir. 1993).

"For purposes of ruling on a motion to dismiss for want of standing, a reviewing court must accept as true all well-pled and material allegations of the complaint, and must construe the complaint in favor of the complaining party." *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1027 (Fed. Cir. 1999). A plaintiff must also satisfy two judicially-created requirements in order to have standing: the petitioner (1) must have a "real interest" in the proceedings, and (2) must have a "reasonable" basis for his belief of damage. *McDermott v. San Francisco Womens Motorcycle Contingent*, 81 USPQ2d 1212 (TTAB 2006), *aff'd* __ USPQ2d __ (Fed. Cir. 2007), *citing Ritchie v. Simpson*, at 1027.

How these two prongs are satisfied varies with the claims brought by a plaintiff. See *Otto Roth & Co., Inc. v. Universal Foods Corp.,* 640 F.2d 1317, 209 USPQ 40, 42 (CCPA 1981). In descriptiveness and genericness cases, "the plaintiff may establish its standing by pleading and then proving that it is engaged in the manufacture or sale of the same or related products or that the product in question is within the normal expansion of the plaintiff's business." *Eastman Kodak Co. v. Bell & Howell Document Management Products Co.*, 23 USPQ2d 1878, 1880 (TTAB 1992); J. Thomas McCarthy, 3 McCarthy on Trademarks and Unfair Competition, §20:50 (4th ed. 2001).

The Board turns to the question of whether petitioner has alleged a sufficient interest in using the term "dubs" in an automotive parts and accessories business. As set forth above, the petition to cancel includes an allegation that petitioner has a pending application for the mark GET DUBS covering automobile parts and accessories. Every complete trademark application must include a verified statement, depending on the basis for the application, that the owner of the mark is using or has a bona fide intent to use, the mark in commerce with the listed goods and/or services. See Trademark Act Sections 1(a) and (b), 44(d)(2), and 66(a); 15 USC §§ 1051(a) and (b), 1126(e), and 1141(a).

The problem in this case is that, in deciding whether or not petitioner has sufficiently pleaded standing, the Board is confined to the four corners of the petition to cancel. Thus, the Board will not go beyond the pleading and examine the pleaded trademark application to determine whether petitioner has perfected its basis for filing with a verified statement that the owner of the mark is using or has a bona fide intent to use the mark in commerce in a competing business so as to sufficiently allege a real interest in the proceeding and a reasonable basis for its belief of damage. Pursuant to Trademark Rule 2.21(a), a trademark application is not required to specify the basis

for registration or to provide a declaration to receive a filing date. Moreover, while Trademark Rule 2.21(a) requires the applicant to list the goods or services, the Office will not deny a filing date if the applicant uses the language of an international class heading to designate its goods or services or indicates that the mark is used on all goods or services in a certain class. Trademark Manual of Examining Procedure § 1402.02 (4th ed. 2005)("TMEP"). The Board, being confined to the pleading, has no way of knowing whether petitioner's application, upon which its standing solely rests, includes an allegation of a bona fide intention to use and/or actual use in a competing business. We are reluctant to simply assume that the pleaded application includes the necessary allegation(s).

Accordingly, petitioner's mere allegation that it owns a pending application, without a corresponding allegation that it either uses its mark or intends to use its mark in respondent's field of business, falls short for purposes of a sufficient pleading of standing. Therefore, those two elements of the underlying application – the use or intent to use basis and that the goods and/or services listed therein compete with respondent's goods and/or services - must be affirmatively pleaded with the allegation that petitioner owns a pending trademark application.

With a corresponding allegation that petitioner's application is based on petitioner's intent to use or actual use with competing goods and/or services, petitioner's allegation of ownership of a pending trademark application fits squarely within those cases where a competitor using the contested term in connection with the sale of the same goods and/or services has standing to bring a claim that the mark is merely descriptive or generic. *DeWalt, Inc. v. Magna Power Tool Corp.*, 289 F.2d 656, 129 USPQ 275, 280 (CCPA 1961)("We find that Magna has a long established right to use 'power shop' descriptively and prominently in connection with the sale of woodworking saws and it would be inconsistent to register 'Power Shop' to DeWalt for those wares…"). *See also The Hartwell Co. v. Shane*, 17 USPQ2d 1569, 1570 (TTAB 1990)("In view of the recent amendments to the Trademark Act providing for the acceptance and examination of applications based solely on a bona fide intent to use, we believe that an allegation of a petitioner's ownership of an application based solely on a bona fide intent to use, when coupled with an allegation of a reasonable basis for petitioner's belief that it would be damaged by the continued existence of the registration(s) sought to be cancelled [such as a belief of likelihood of confusion that is not wholly without merit], is a legally sufficient pleading of standing, that is, of petitioner's

real interest in the proceeding beyond that of the general public.”).

Finally, we note that at the appropriate trial period, or on any motion for summary judgment it files, petitioner’s allegations regarding standing also will have to be proven. *Lipton Industries, Inc. v. Ralston Purina Company*, 213 USPQ 185, 189 (“The facts regarding standing, we hold, are part of a petitioner's case and must be affirmatively proved.”). Petitioner will have to submit evidence that it is using the mark in the competing field or, if petitioner has not begun use, evidence of activities it has undertaken which demonstrate its bona fide intent to use the mark in a competing business.

Of course, at trial, or on motion for summary judgment, respondent also may rebut petitioner’s allegations of standing based on ownership of a pending application. If the application has been abandoned, or if many years have passed since the filing of the application with neither use of the mark nor any activities by petitioner demonstrating intent to use in a competing business, respondent may offer evidence that petitioner no longer has a bona fide intent to use the mark in the competing field and, thus, lacks standing.[3]

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[3] With an allegation that the application is based on petitioner’s bona fide intent to use the mark in commerce with competing goods and/or services, we would find standing because

We find that petitioner has not sufficiently pleaded its standing. While the petition to cancel specifies that the pending application lists competing "automobile parts and accessories", it does not specify whether the pending application is based on petitioner's use or bona fide intent to use the mark in commerce. Accordingly, respondent's motion to dismiss for failure to state a claim based on petitioner's lack of standing is granted to the extent that petitioner is allowed until thirty days from the mailing date of this order to file an amended petition to cancel which sufficiently pleads petitioner's standing.

If petitioner files an amended petition to cancel, respondent is allowed until thirty days from the date of service to file its answer or otherwise respond to the amended petition.[4]

Discovery and trial dates are reset as follows:

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the pending application represents both an averment of intent to use the mark for goods and/or services in the same field as respondent's business, as set forth in the verified statement required by the application, and a specific action taken in connection with that intent, namely, the filing of the trademark application.

[4] If petitioner fails to file an amended pleading within the time allowed, the proceeding will be dismissed.

DISCOVERY PERIOD TO CLOSE:	**December 15, 2007**
Thirty-day testimony period for party in position of plaintiff to close:	**March 14, 2008**
Thirty-day testimony period for party in position of defendant to close:	**May 13, 2008**
Fifteen-day rebuttal testimony period to close:	**June 27, 2008**

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.l25.

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