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

MBA

Mailed: February 12, 2009

Cancellation No. 92046037

Bryan Corporation

v.

Novatech SA

**Before Bucher, Kuhlke and Bergsman, Administrative Trademark
Judges**

By the Board:

This case now comes up for consideration of respondent's motion for summary judgment, filed November 30, 2007, and petitioner's motion for sanctions, filed October 14, 2008. Both motions are fully briefed.

Background

In its petition for cancellation, petitioner alleges that respondent's registration of the mark STERITALC for certain pharmaceutical products¹ should be cancelled because

¹ Registration No. 3093389, issued May 16, 2006 under Section 66(a), for "Pharmaceutical products containing talcum powder, namely, pharmaceutical preparations containing talcum powder for the treatment of malignant pleural effusions, pneumothorax, mesothelioma, skin disorders, cancer, and gout; sanitary products containing talcum powder, namely, sanitary pads, sanitary napkins, and sanitary preparations for medical use all containing talcum powder; talcum powder for medical use, namely, medicated talcum powder."

it was procured by fraud. According to petitioner, respondent declared in its Section 66(a) application for registration of STERITALC that it "believes it is entitled to use" the mark in commerce, but, petitioner alleges, respondent "did not then and still has not obtained [the allegedly required] approval from [the U.S. Food and Drug Administration ("FDA")] to distribute its product in commerce or to use the name STERITALC." Petitioner further alleges that respondent's mark STERITALC is likely to be confused with petitioner's alleged mark STERILE TALC POWDER used in connection with "sclerosing agent for the prevention of recurrent malignant pleural effusion using talc powder as the active ingredient," that petitioner has priority of use and that petitioner would be damaged by the continued registration of respondent's mark. Respondent denies the salient allegations in the petition for cancellation, and asserts as affirmative defenses that "Petitioner lacks standing" and "Petitioner has no ownership rights in any trademark because the Petitioner is merely a domestic distributor of the product which is manufactured by the Registrant in France"

On August 29, 2008, the Board issued an order granting petitioner's motion for discovery which it alleged was necessary to respond to respondent's motion for summary judgment, pursuant to Fed. R. Civ. P. 56(f). Specifically,

the Board ordered respondent to respond to petitioner's Second Set of Interrogatories No. 5 (the "Interrogatory"), which was the second time the Board ordered respondent to fully respond to the Interrogatory.² Respondent served its supplemental response to the Interrogatory on September 15, 2008.

Petitioner's Motion for Sanctions

By this motion, petitioner seeks judgment in its favor on its fraud claim as a sanction for respondent's alleged violation of the Board's order of August 29, 2008.

Specifically, while petitioner concedes that respondent timely served a substantive response to the Interrogatory, the answer "is wholly inadequate because the 'verification' that accompanied the Company witness's signature ... was not under oath as is expressly required by Fed. R. Civ. P.

33(b)(3)." The verification, signed by respondent's Executive Director, reads as follows:

I, Bruno Ferreyrol, officer for Registrant Novatech SA, hereby declare that I have read the foregoing Registrant's Second Supplemental Response to Petitioner's Second Set of Interrogatories (Nos. 1 to 16), and know the contents thereof; that said responses were prepared with the assistance and advice of counsel, upon which I have relied; that the responses set forth herein, subject to inadvertent or undiscovered errors, are based on and

² The Board first ordered respondent to answer the Interrogatory in its order of October 3, 2007, which granted petitioner's motion to compel.

therefore necessarily limited by the records and information still in existence, presently recollected, and thus far discovered in the course of the preparation of the responses; that consequently, Registrant reserves the right to make any changes in its responses if it appears at any time that omissions or errors have been made therein or that more accurate information is available; and that based upon the foregoing, the undersigned declares that to the best of his knowledge, information and belief, the foregoing answers are true and correct.

Petitioner does not otherwise explain the basis for its allegation that the verification violates Fed. R. Civ. P. 33(b)(3).

In its opposition to the motion for sanctions, respondent claims that "[p]etitioner has waived its right to object to any alleged deficiencies in Registrant's Verification to its Second Supplemental Response to Interrogatories by failing to bring this procedural objection up after any of the previous verifications that contain the exact same language were served." In addition, "not once has Registrant received a phone call, or any other correspondence, related to the alleged deficiency in Registrant's verification." Finally, respondent argues that "the Board should use its inherent authority to enter sanctions against Petitioner for making this, and other, frivolous arguments."

Petitioner claims in its reply brief that Fed. R. Civ. P. 33 "requires that responses to interrogatories be given under oath separately signed by the party making the response ... [and] must be sworn before a proper official such as a notary or contain specific language subjecting the declarant to penalties of perjury." Petitioner asserts that it is not "in a position to waive [the] requirements" of the Rule, and that because the response is allegedly unverified, it "cannot be used as summary judgment evidence or evidence for trial."

"If a party fails to comply with an order of the [Board] relating to discovery ... the Board may make any appropriate order, including any of the orders provided in Rule 37(b)(2) of the Federal Rules of Civil Procedure" Trademark Rule 2.120(g)(1); *see also*, *M.C.I. Foods Inc. v. Bunte*, 86 USPQ2d 1044, 1047 (TTAB 2008); *HighBeam Marketing LLC v. Highbeam Research LLC*, 85 USPQ2d 1902, 1904 (TTAB 2008). We find that respondent did not violate the Board's order of August 29, 2008.

The Board's order granted petitioner's motion under Fed. R. Civ. P. 56(f), ordered respondent to answer the Interrogatory, which had already been the subject of an earlier motion to compel, and allowed for the filing of a motion for sanctions if respondent did not comply. In view of respondent's substantive answer to the Interrogatory, for

purposes of this motion, we find the answer sufficient despite any deficiencies that may exist in the verification (but see discussion below regarding the use of the interrogatory answers at trial). Thus, respondent's response is not in violation of the Board's order and therefore not subject to sanction.³ Accordingly, petitioner's motion for sanctions is **DENIED**.

However, to the extent the responses are not in compliance with Fed. R. Civ. P. 33(b)(3) and in order to address petitioner's alleged concern with using the Interrogatory response "as summary judgment evidence or evidence for trial," the Board orders that respondent is bound by its interrogatory answers and petitioner may rely on the interrogatory responses as summary judgment or trial evidence.

Respondent's Motion for Summary Judgment

By its motion, respondent seeks summary judgment in its favor on petitioner's claims of likelihood of confusion and fraud, and thus dismissal of the petition for cancellation with prejudice. Specifically, respondent argues that: (1) petitioner's allegation of standing is based solely on its alleged proprietary rights in the term STERILE TALC POWDER,

³ While respondent's verification includes a number of qualifications, these are consistent with respondent's duty to supplement its response if it "learns that in some material respect the ... response is incomplete or incorrect." Fed. R. Civ. P. 26(e)(1)(A).

and because there is no genuine issue of material fact that STERILE TALC POWDER is generic for petitioner's goods, petitioner lacks standing because petitioner cannot have a proprietary right in a generic term; (2) "it is impossible for there to be a likelihood of confusion" between the mark shown in respondent's registration and petitioner's alleged mark, because petitioner's alleged mark is generic; and (3) there is no genuine issue of material fact with respect to petitioner's fraud claim, because petitioner "can offer no evidence" that respondent procured its registration by "false means" or engaged in "intentional deceit."

In its response to the motion for summary judgment, petitioner claims that its "ability to challenge [respondent's] registration in this cancellation action is not dependent on the distinctiveness of [petitioner's] own mark." Rather, respondent's "potential marketing and sale of a similar product under the confusingly similar STERITALC mark directly threatens [petitioner's] sales, and instills in [petitioner] a reasonable belief of damage. For standing purposes this is sufficient." Furthermore, petitioner claims that its alleged mark is not generic, takes issue with the dictionary definitions upon which respondent relies for its claim of genericness and introduces declaration testimony from two witnesses who claim that certain members of the public associate STERILE TALC POWDER with petitioner.

Petitioner further argues that STERILE TALC POWDER and STERITALC are confusingly similar, because they create similar overall commercial impressions and the parties' goods and channels of trade are similar. Petitioner argues with respect to its fraud claim that it need not establish willfulness or intentional deceit.⁴

Summary judgment is only appropriate where there are no genuine issues of material fact in dispute, thus allowing the case to be resolved as a matter of law. Fed. R. Civ. P. 56(c). Respondent, as the party seeking summary judgment, bears the initial burden of demonstrating the absence of any genuine issue of material fact. *See, Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986); *Sweats Fashions, Inc. v. Pannill Knitting Co. Inc.*, 833 F.2d 1560, 1563, 4 USPQ2d 1793, 1796 (Fed. Cir. 1987). A factual dispute is genuine if, on the evidence of record, a reasonable fact finder could resolve the matter in favor of the non-moving party. *See, Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 850, 23 USPQ2d 1471, 1472 (Fed. Cir. 1992); *Olde Tyme Foods, Inc. v. Roundy's, Inc.*, 961 F.2d 200, 202, 22 USPQ2d 1542, 1544 (Fed. Cir. 1992).

The evidence on summary judgment must be viewed in a light most favorable to the non-movant, in this case

⁴ Respondent filed a reply brief which essentially restates the arguments in its motion for summary judgment and opposition to petitioner's motion for sanctions.

petitioner, and all justifiable inferences are to be drawn in the non-movant's favor. *Lloyd's Food Products, Inc. v. Eli's, Inc.*, 987 F.2d 766, 767, 25 USPQ2d 2027, 2029 (Fed. Cir. 1993); *Opryland USA Inc.*, 23 USPQ2d at 1472. The Board may not resolve issues of material fact; it may only ascertain whether issues of material fact exist. See, *Lloyd's Food Products*, 25 USPQ2d at 2029; *Olde Tyme Foods*, 22 USPQ2d at 1542.

Standing, Priority and Likelihood of Confusion

We turn first to respondent's motion for summary judgment on petitioner's standing, and claim of priority and likelihood of confusion. Respondent's motion on these issues is based entirely on its claim that petitioner's mark is generic. In support of its assertion, respondent relies on a variety of evidence, including, but not limited to, the following:

- A printout from the National Cancer Institute's online "Dictionary of Cancer Terms," which defines "sterile talc powder" as "A mineral, usually used in a powdered form. In cancer treatment, sterile talc powder is used to prevent pleural effusions ... Sterile talc powder is inserted into the space, causing it to close up, so fluid cannot collect there. Also called talc." Declaration of Kevin S. Wilson ("Wilson Dec.") Ex. 2;

- Definitions from *Stedman's Medical Dictionary* (27th ed. 2000), which defines "sterile" as "Relating to or characterized by sterility," "talc" as "Native hydrous magnesium silicate, sometimes containing small proportions of aluminum silicate, purified by boiling powdered t. with hydrochloric acid in water; used in pharmacy as a filter aid, as a dusting powder, and in cosmetic preparations," and "powder" as: (1) "A dry mass of minute separate particles of any substance;" (2) "In pharmaceuticals, a homogenous dispersion of finely divided, relatively dry, particulate matter consisting of one or more substances; the degree of fineness of a p. is related to passage of the material through standard sieves;" (3) "A single dose of a powdered drug, enclosed in an envelope of folded paper;" and (4) "To reduce a solid substance to a state of very fine division." *Id.* Ex. 4;
- A copy of a description of talc from *AHFS [American Society of Health-System Pharmacists] Drug Information* (2007) which indicates that talc is a "sclerosing agent to prevent the recurrence of malignant pleural effusions in symptomatic patients with advanced stages of metastatic tumors." In addition, the publication identifies "Sterile Talc Powder, Bryan," i.e. petitioner, as the "powder" preparation of "talc." *Id.* Ex. 5;

- A copy of Henri G. Colt et. al., "A comparison of thoracoscopic Talc insufflation, slurry, and mechanical abrasion pleurodesis," Chest 111 (1997), which identifies "TTI using 4 g of asbestos-free United States Pharmacopocia (USP)-approved sterile talc powder administered by pneumatic atomizer (Richard Wolf Co.)" as a "pleurodesis technique;" *Id.* Ex. 9;
- A printout from the FDA's Center for Drug Evaluation and Research online "Oncology Tools Product Label Details in Conventional Order for talc," which identifies "sterile talc powder" as a "Generic Drug Name," apparently for sclerosal intrapleural aerosol, which is distributed by petitioner. *Id.* Ex. 12;
- A copy of *The NDA Pipeline* (17th ed. 1998), which identifies "Sterile talc powder" as a generic name for petitioner's Sclerosol Intrapleural aerosol, which is used for "Treatment of malignant pleural effusion," and "Sterile talc" as a generic name for respondent's Steritalc, also used for "Treatment of malignant pleural effusion." *Id.* Ex. 13; and
- A copy of the FDA's Center for Drug Evaluation and Research *Report to the Nation* (2003), which appears to identify "Sterile talc powder" as a generic name, and "Sterile Talc Powder" as a trade name,

for an orphan drug "indicated for administering intrapleurally via chest-tube as a sclerosing agent to decrease the recurrence of malignant pleural effusions in symptomatic patients." *Id.* Ex. 14.

In arguing that STERILE TALC POWDER is not generic, petitioner claims that "dictionary definitions cannot be conclusive of genericness." Furthermore, petitioner claims that because no other manufacturer sells a product comparable to petitioner's, and petitioner's product is relatively new, "it is not surprising that someone might mistakenly incorporate components of [petitioner's] mark into a product definition." Petitioner also relies on two declarations, the first from its President, who testifies that "when consumers hear, see, or use the term STERILE TALC POWDER, they understand and expect that term to refer exclusively to a Bryan product," and "within the medical and pharmaceutical trade, I believe the mark STERILE TALC POWDER™ means talc product made by Bryan." Declaration of Bryan Abrano ("Abrano Dec.") ¶¶ 13-14. In the second declaration, an independent drug sales representative testifies that he comes "into contact with pharmaceutical product consumers, including doctors, nurses, hospital pharmacists and other medical staff. These consumers commonly ask for [petitioner's] STERILE TALC POWDER™ talc

product by name." Declaration of James Dodds ("Dodd Dec.")

¶ 6. Mr. Dodd further testifies that "[i]t is common practice among [medical industry] professionals to use STERILE TALC POWDER™ to identify the source of [petitioner's] talc product," and "when consumers hear, see, or use the term STERILE TALC POWDER, they understand and expect that term to refer exclusively to a Bryan product." Id. ¶¶ 7, 10.

A mark is a generic name if it refers to the class, genus or category of goods and/or services on or in connection with which it is used. *In re Dial-A-Mattress Operating Corp.*, 240 F.3d 1341, 57 USPQ2d 1807 (Fed. Cir. 2001), citing *H. Marvin Ginn Corp. v. International Association of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528 (Fed. Cir. 1986); see also, *In re Outdoor Recreation Group*, 81 USPQ2d 1392, 1397 (TTAB 2006). The test for determining whether a mark is generic is its primary significance to the relevant public. Section 14(3) of the Act; *In re American Fertility Society*, 188 F.3d 1341, 51 USPQ2d 1832 (Fed. Cir. 1999); *Magic Wand Inc. v. RDB Inc.*, 940 F.2d 638, 19 USPQ2d 1551, 1553 (Fed. Cir. 1991). Respondent bears the burden of establishing that petitioner's mark is generic. See, *Magic Wand*, 940 F.2d 638, 19 USPQ2d at 1554; *Tea Board of India v. Republic of Tea Inc.*, 80 USPQ2d 1881, 1887 (TTAB 2006). Evidence of the relevant public's understanding of a term

may be obtained from any competent source, including testimony, surveys, dictionaries, trade journals, newspapers, and other publications. *In re Northland Aluminum Products, Inc.*, 777 F.2d 1556, 227 USPQ 961 (Fed. Cir. 1985).

While respondent has submitted evidence that supports the proposition that STERILE TALC POWDER may be generic, at this point in the proceeding we cannot say that there is no genuine issue of material fact as to whether the mark is generic. Indeed, while there are dictionary definitions, medical journal articles and FDA publications which identify "sterile talc powder" as a generic name for petitioner's product, there is enough evidence to the contrary to establish that a genuine issue of fact remains for trial. For example, *AHFS Drug Information* (2007) arguably identifies "Sterile Talc Powder" as petitioner's product, and the FDA's Center for Drug Evaluation and Research *Report to the Nation* (2003) identifies Sterile Talc Powder as both a trade name and generic name. See, *In re Montrachet S.A.*, 878 F.2d 375, 11 USPQ2d 1393, 1395 (Fed. Cir. 1989) (quoting 15 U.S.C. § 1064(3), and stating "A registered mark shall not be deemed to be the common descriptive name of goods or services solely because such mark is also used as a name of or to identify a unique product or service."). Finally, the Abrano and Dodd Declarations state, albeit in conclusory and

identical language, that the relevant public understands STERILE TALC POWDER to refer to petitioner's product.

Construing this evidence in a light most favorable to petitioner, and drawing all justifiable inferences in petitioner's favor, we must conclude that on the current record, there is a genuine issue of material fact regarding whether STERILE TALC POWDER is generic. As this is the only basis upon which respondent moves for summary judgment on standing and the likelihood of confusion claim, respondent's motion for summary judgment on petitioner's standing and claim of priority and likelihood of confusion is hereby **DENIED**.

Fraud

Turning next to respondent's motion for summary judgment on petitioner's fraud claim, there is no dispute that respondent's application for registration of STERITALC was filed under Section 66(a) of the Act. Petition for Cancellation ¶ 10. As a result, respondent was not required to establish use of the mark in commerce in the U.S. prior to the registration issuing. 15 U.S.C. §§ 1141f(b) and 1057(c); *see also, In re Right-On Co., Ltd.*, 87 USPQ2d 1152, 1156 (TTAB 2008). Furthermore, it appears that respondent has not yet used its mark in commerce in the U.S., and more importantly, respondent has not submitted any declaration or affidavit to the Office attesting to any use of the mark in

commerce in the U.S. The declaration upon which petitioner's fraud claim is based includes averments both as to "intent to use" and "use" to accommodate the various bases upon which an applicant may seek registration. In this context, the phrase in question merely avers that respondent is "entitled to use" the mark, with actual use apparently to commence at some point in the future, perhaps after obtaining regulatory approval.

Without deciding whether the declaration could form the basis for a fraud claim if respondent's application were use-based, we find that the declaration cannot form the basis of a fraud claim arising out of respondent's Section 66(a) application in this case, because respondent's mark was not actually in use in U.S. commerce. Without use of the mark, respondent's declaration that it is "entitled to use" the mark could only refer to a potential, future event, and petitioner's fraud claim is merely speculative and non-justiciable at this time. Accordingly, respondent's motion for summary judgment on petitioner's fraud claim is hereby **GRANTED**, and petitioner's claim of fraud is hereby **DISMISSED WITH PREJUDICE**.

Conclusion

Respondent's motion for summary judgment is granted with respect to petitioner's fraud claim and otherwise denied. Petitioner's motion for sanctions is denied.

Proceedings herein are resumed and trial dates are reset as follows:

Discovery to Close:	CLOSED
30-day testimony period for party in position of plaintiff to close:	April 16, 2009
30-day testimony period for party in position of defendant to close:	June 15, 2009
15-day rebuttal testimony period to close:	July 30, 2009

News from the TTAB

The USPTO published a notice of final rulemaking in the Federal Register on August 1, 2007, at 72 F.R. 42242. By this notice, various rules governing Trademark Trial and Appeal Board inter partes proceedings are amended. Certain amendments have an effective date of August 31, 2007, while most have an effective date of November 1, 2007. For further information, the parties are referred to a reprint of the final rule and a chart summarizing the affected rules, their changes, and effective dates, both viewable on the USPTO website via these web addresses:

<http://www.uspto.gov/web/offices/com/sol/notices/72fr42242.pdf>

http://www.uspto.gov/web/offices/com/sol/notices/72fr42242_FinalRuleChart.pdf

By one rule change effective August 31, 2007, the Board's standard protective order is made applicable to all TTAB inter partes cases, whether already pending or commenced on or after that date. However, as explained in the final rule and chart, this change will not affect any case in which any protective order has already been approved or imposed by the Board. Further, as explained in the final rule, parties are free to agree to a substitute protective order or to supplement or amend the standard order even after August 31, 2007, subject to Board approval. The standard protective order can be viewed using the following web address:

<http://www.uspto.gov/web/offices/dcom/ttab/tbmp/stndagmnt.htm>

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Cancellation No. 92046037
