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

Proceeding	92049973
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

ABBYY SOFTWARE LTD.

Cancellation No. 92049973

Petitioner,

v.

Mark: LINGVOSOFT Reg. No. 3,015,325

ECTACO INC.

Reg. Date: November 15, 2005

Registrant.

REGISTRANT'S REPLY BRIEF IN RESPONSE TO PETITIONER'S MAIN BRIEF

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I. STATEMENT OF FACTS A. ECTACO AND LINGVOSOFT

Ectaco Inc. (hereinafter "Ectaco" or "Registrant") is a developer and manufacturer of electronic dictionaries, pocket electronic dictionaries, including the world-renowned Language Teacher and Partner dictionary line, talking dictionaries and universal translators for speech-to-speech interpretation, electronic translators, linguistic software, software for language training and handheld electronic training devices, software for speech recognition and handheld electronic speech recognition devices and other goods for training and study in linguistics. Affidavit of David Lubinitsky (hereinafter "Lubinitsky Aff.") at ¶9.1

Over the past 20 years Ectaco Inc. has grown into one of the most influential linguistic support developers, producers and designers in the world. Providing foreign language management solutions for personal and business use, Ectaco has received commissions and commendations from government and industry sources alike. Ectaco remains at the forefront of innovation thanks to its extraordinary team of international managers, linguists, designers and programmers. This intellectual capital combined with a real commitment to customer needs and satisfaction has made Ectaco one of the most respected and recognized names in the industry. Id. at ¶10-11.

LingvoSoft, Ectaco's software division, has launched in 2004 and now provides linguistic utilities and applications for a full range of computing devices currently available to consumers, including, Windows Mobile Pocket PC, Windows, Palm OS and Symbian OS for mobile phones. Id. at ¶12.

¹ Petitioner objected to Mr. Lubinitsky's use of the words "world-renowned" in his Affidavit. First, as the CEO and founder of Ectaco, Mr. Lubinitsky is in the best position to know the fame of a particular product

Trademark LINGVOSOFT was first used by Ectaco in the first half of 2004, and in March 2004, Ectaco has registered the domain name lingvosoft.com. Id. at ¶14. In June 2004, Ectaco started offering translation software at lingvosoft.com under the mark LINGVOSOFT. See, Exhs. 4 and 8. In May 2004, translation software bearing the mark LINGVOSOFT was offered at Ectaco's Lingvobit stores, the first of which was opened in New York in September of 1999. Exh. 26. Although invoices for sale of LINGVOSOFT products in May 2004 were not found during the discovery stage, an invoice for the month of November 2004 is included as part of Confidential Exhibit 1. It is not unusual that the invoices for May-October were not found given the fact that LINGVOSOFT software is often distributed as a bonus added to other products. Such bonuses are not always listed on invoices. Lubinitsky Aff. at ¶16. On July 30, 2004, Ectaco applied for federal trademark application for the mark LINGVOSOFT. See, Exh. 32. LINGVOSOFT was allowed by the U.S. Patent and Trademark Office ("USPTO"), a Notice of Publication of the mark was issued by the USPTO on August 3, 2005, and the mark was published for opposition on August 23, 2005. See, Exh. 9. Trademark Registration Certificate No. 3,015,325 for LINGVOSOFT was issued by the USPTO on November 15, 2005. See, Exh. 7.

Since 2004, Ectaco has used the mark LINGVOSOFT on various linguistic products, including software suites, dictionaries, electronic flash cards, electronic phrase books, language teaching/learning software, machine translators, picture dictionaries, speech interpreters, travel software, language support software, software bundles and handheld emulators. See, Exh. 4. Language learning and translation software sold under

of his company. Second, it is, at the very least, disingenuous for the Petitioner to make this objection when its own testimonies are filled with phrases like "very well known" or "famous."

the LINGVOSOFT mark is often distributed as a bonus added to other products, for example, handheld dictionaries and translators. See, Exh. 4. Since 2004, Ectaco's mark LINGVOSOFT has been continuously and exclusively used to identify translation software, language learning software, electronic voice interpreters and electronic handheld dictionaries. See, Exh. 11. Petitioner has misrepresented the record by stating that Ectaco's sales of LINGVOSOFT products have been "sporadic and scarce." Petitioner's Main Brief at 23. In fact, Petitioner's attorney has agreed to receive sample invoices for years 2004 through 2009 to alleviate the burden on the Registrant. Accordingly, Registrant produced sample invoices, as well as a Report (prepared at the insistence of Petitioner's counsel) summarizing the number of units of LingvoSoft software sold between 2004 and November 2009. See, Conf. Exh. 1 at LS003216. When this evidence is combined, revenue for each year is easily calculated. For 2005, for example, Registrant sold 42,968 units of software. Given an average price of software of approximately \$49.95 (as can be ascertained from Exh. 11), Registrant has generated an approximate revenue of \$2,146,251.60. This is hardly "sporadic" or "scarce."

Ectaco's linguistic products sold under the mark LINGVOSOFT have been subjects of numerous trade awards. A complete list of such awards is listed in the Affidavit of David Lubinitsky at paragraph 24. See also, Exh. 10.

B. ABBYY AND LINGVO

Petitioner is a developer and manufacturer of linguistic, document recognition, document conversion and data capture software products. See, Exh. 2. In addition to its translation/dictionary software Lingvo, Petitioner manufactures optical recognition software FineReader, PDF transformation software PDF Transformer, business cards

recognition application Business Card Reader and other software products. Id. Nothing in the documents produced by the Petitioner or found by the Registrant indicates that Petitioner has ever manufactured handheld electronic dictionaries or handheld electronic translators. On September 16, 1992, Russian company Фирма БИТ² ("Firma BIT" in Latin transliteration) filed a trademark application Serial No. 166031 requesting registration of the term LINGVO for, inter alia, computer software and computer interfaces in Class 9, programming and software development in Class 42 and various services in Classes 35 and 36. See, Exh. 21. In the resulting Trademark Registration No. 129737 (hereinafter, "the first Russian LINGVO mark") issued on July 24, 1995, however, Russian Trademark Office (also referred to as "Rospatent") excluded Class 9 goods in their entirety and at least software and programming services of Class 42. See, Exh. 21. Thus, the first Russian LINGVO mark was never registered for use on any linguistic product or service, including, any linguistic software. Nevertheless, BIT has marked its translation software Lingvo with a symbol ®. See, Exh. 23. According to the records of the Russian Trademark Office, Firma BIT has changed its name to Аби Программное Обеспечение ("Abi Programmnoye Obyespyechyeniye" in Latin transliteration), a company of Moscow, Russia. On April 12, 2000, Russian Trademark Office recorded change of ownership for the first Russian LINGVO mark from Abi Programmnoye Obyespyechyeniye to Аби Софтвер Хаус ("Abi Software House"), also a company of Moscow, Russia. Finally, on December 25, 2002, Russian Trademark Office recorded change of ownership for the same mark from Abi Software House to НЛС Текнолоджис ЛТД ("NLS Technologies Ltd"), a Cyprus company. See, Exh. 21.

² Petitioner's Main Brief identifies this company as BIT Software. However, the company is recorded at the Russian Patent Office as Firma BIT. This is just one example of the discrepancies in the names of the

None of the products labeled with the LINGVO mark and produced between 2002 and 2006 ever identified NLS Technologies as its manufacturer. In fact, LINGVO products sold in 2002 identified "ABBYY Software House" of Moscow, Russia, as its manufacturer; LINGVO products sold in 2003 identified "ABBYY Software" of Moscow, Russia, as its manufacturer; LINGVO products sold in 2004 and 2005 identified "Аби Софтвер" of Moscow, Russia, as its manufacturer; and LINGVO products sold in 2006 identified "ABBYY OOO Аби" of Moscow, Russia, as its manufacturer. See, Exh. 25. The first Russian LINGVO mark expired on September 16, 2002. See, Exh. 21.

Russian Trademark Registration No. 224996 for the second LINGVO mark issued on October 17, 2002 naming Аби Софтвер Хаус ("Abi Software House") of Moscow, Russia as its owner. On October 10, 2003, ownership of the second Russian LINGVO mark was transferred to NLS Technologies Ltd of Cyprus. Finally, on March 28, 2006, ownership of the second Russian LINGVO mark was transferred to Аби Софтвер Лтд. ("Abi Software Ltd."), a Cyprus company. However, Аби Софтвер Лтд. ("Abi Software Ltd.") is not registered in Cyprus. Instead, ABBYY Software Ltd., i.e., the Petitioner, is registered as a Cyprus company under Registration No. 130876. See, Exh. 27. There is no record in the Russian Trademark Office with respect to the second Russian LINGVO mark that Аби Софтвер Лтд. ("Abi Software Ltd.") and ABBYY Software Ltd. is the same entity. See, Exh. 27. Registrant has found no record in Cyprus Department of Registrar of Companies and Official Receiver that Аби Софтвер Лтд. ("Abi Software Ltd.") and ABBYY Software Ltd. is the same entity. ³

companies which the Petitioner views as its predecessors in interest.

³ Petitioner has also objected to Mr. Lubinitsky's transliterations offered in his Affidavit. Petitioner states that Mr. Lubinitsky is not a linguist and cannot offer an opinion as to transliteration. However, the international standard ISO 9:1995 clearly outlines the guidelines for transliteration. A person does not need

In 2007, Petitioner applied for federal registrations for marks LINGVO and ABBYY LINGVO with the USPTO. See, Exhs. 34 and 35. Both applications were initially rejected and are now suspended pending the outcome of the present proceeding. Petitioner instituted the present cancellation proceeding in 2008 seeking cancellation of Ectaco's LINGVOSOFT mark and alleging, inter alia, that continuous registration of this mark causes injury to the Petitioner. See, Exh. 3.

II. LEGAL DISCUSSION

A. PETITIONER DOES NOT HAVE A PRIORITY IN USING THE TERM LINGVO IN THE UNITED STATES

1. The Territoriality Principle

Petitioner seeks to cancel Registrant's Registration for LINGVOSOFT "based upon Lingvo being a famous and well known mark". See, Petitioner's Main Brief at 4. To support its position, Petitioner offers evidence of LINGVO's famousness in Russia and other "Russian-speaking countries." See, Id. at 9. In this, Petitioner urges the Board to ignore the basic principle of territoriality.

The principle of territoriality is basic to American trademark law. See *American Circuit Breaker Corp. v. Or. Breakers, Inc.*, 406 F.3d 577, 581 (9th Cir. 2005); *Kos Pharms., Inc. v. Andrx Corp.*, 369 F.3d 700, 714 (3d Cir.2004); *Buti v. Impressa Perosa*, S.R.L., 139 F.3d 98, 103 (2d Cir.1998); *Person's Co. v. Christman*, 900 F.2d 1565, 1568-69 (Fed.Cir.1990). As Judge Leval, has explained, this principle recognizes that

a trademark has a separate legal existence under each country's laws, and that its proper lawful function is not necessarily to specify the origin or manufacture of a good (although it may incidentally do that), but rather to symbolize the domestic goodwill of the domestic markholder so that the consuming public may rely with an expectation of consistency on the domestic reputation earned for the mark by its owner, and the owner of the mark may be confident that his goodwill and reputation (the value of the mark) will not be injured through use of the mark by others in domestic commerce.

Osawa & Co. v. B & H Photo, 589 F.Supp. 1163, 1171-72 (S.D.N.Y.1984).

Precisely because a trademark has a separate legal existence under each country's laws, ownership of a mark in one country does not automatically confer upon the owner the exclusive right to use that mark in another country. Rather, a mark owner must take the proper steps to ensure that its rights to that mark are recognized in any country in which it seeks to assert them. Cf. *Barcelona.com, Inc. v. Excelentisimo Ayuntamiento De Barcelona*, 330 F.3d 617, 628 (4th Cir.2003) ("United States courts do not entertain actions seeking to enforce trademark rights that exist only under foreign law."); *E. Remy Martin & Co., S.A. v. Shaw-Ross Int'l Imports, Inc.*, 756 F.2d 1525, 1531 (11th Cir.1985) ("Our concern must be the business and goodwill attached to United States trademarks, not French trademark rights under French law." (internal quotation marks omitted)).

It is true that United States trademark rights are acquired by, and dependent upon, priority of use, however, the territoriality principle requires the use to be in the United States for the owner to assert priority rights to the mark under the Lanham Act. See *Buti* supra at 103 (noting that "Impressa's registration and use of the Fashion Café name in Italy has not, given the territorial nature of trademark rights, secured it any rights in the name under the Lanham Act"); see also *Le Blume Import Co. v. Coty*, 293 F. 344, 350 (2d Cir.1923) (observing that "the protection of a trade-mark in the United States is not to be

defeated by showing a prior use of a like trademark in France, or in some other foreign country" so long as "the one claiming protection is able to show that he was first to use it in this country"); cf. Grupo Gigante S.A. De C.V. v. Dallo & Co., 391 F.3d 1088, 1093 (9th Cir.2004) (stating general proposition that "priority of trademark rights in the United States depends solely upon priority of use in the United States, not on priority of use anywhere in the world," (quoting McCarthy on Trademarks and Unfair Competition §29:2)). Thus, absent some use of its mark in the United States, a foreign mark holder generally may not assert priority rights under federal law, even if a United States competitor has knowingly appropriated that mark for his own use. See Person's Co. v. Christman, 900 F.2d at 1569-70 (holding that foreign use is not sufficient to establish priority rights even over a United States competitor who took mark in bad faith).

Thus, the only relevant evidence of Petitioner's alleged priority of use of the term "Lingvo" is its use in the United States.

2. Registrant's Use of The Term "Lingvo" Predates That of The Petitioner

Petitioner alleges that it had "significant, regular and continuous sales of Lingvo in the U.S. since at least as early as 1994." Petitioner's Main Brief at 10. However, the earliest invoice produced by Petitioner is dated February 1995. Moreover, the quantity of Lingvo products sold by its distributor IBT Inc. can be summarized as follows:

YEAR	MONTH	QUANTITY ⁴
1995	February	1
	April	1
	May	3

⁴ The data is summarized from Petitioner's Confidential Exhibits

	July	2
	August	2
	October	1
Total For the Year		10
1996	January	1
	March	4
	April	1
	July	4
	September	3
Total For the Year		13
1997	July	2
	October	2
Total For the Year		4

The above sales activity is neither significant nor regular nor continuous.

Moreover, at least for 1995 and a portion of 1996, the product is identified as "LINGVO Program Shell + CONCISE English-Russian Dictionary." Thus, it is unclear whether the product was sold under the name LINGVO or under the name CONCISE. Further, besides self-serving statements in the Affidavit of Vladimir Kovalev, Petitioner presented no evidence of any sales of any Lingvo product between October 1997 and August 2000. In August of 2000, a company identified as ABBYY USA Software House Inc. sold one copy of the product "Lingovo 6.0." See, Petitioner's Confidential Exhibit 1 at P00304. The first substantial sale of any Lingvo product occurred on November 7, 2000 when ABBYY USA Software House Inc. sold 500 units of "Lingvo 6.5." See, Petitioner's Confidential Exhibit 1.

To establish priority, a prior user must show sufficient usage to create an association of the term with the user's goods. *Malcolm Nicol & Co. Inc. v. Witco Corp.*, 881 F.2d 1063, 11 U.S.P.Q.2d 1638 (Fed. Cir. 1989). Registrant respectfully submits that selling 27 units of Lingvo software in three years and discontinuing any sales for the following three years is not a "sufficient usage." Thus, the Petitioner's earliest priority

date with respect to the term "Lingvo" is November 2000 (or, at the very earliest, August 2000).

While Registrant has not begun to use the mark LINGVOSOFT until 2004, it has used the term "Lingvo" since at least September 1999, when it opened its first Lingvobit store in New York and when it created www.lingvobit.com, where Ectaco continuously sold its translation software, handheld dictionaries and other linguistic products, including products sold under the LINGVOSOFT brand (starting from 2004). See, Lubinitsky Aff. at ¶28; Exh. 26.

Accordingly, Registrant's use of the term "Lingvo" predates that of the Petitioner.

B. CANCELLATION BASED ON LANHAM ACT 2(d).

1. LINGVO is not a distinctive mark

"Distinctive" has a special meaning in trademark law. If a designation is not "distinctive," it is not a "mark." McCarthy on Trademarks and Unfair Competition §11:2.

Petitioner's Main Brief asserts that Petitioner is entitled to the cancellation regardless of whether or not Lingvo is a valid mark. However, as the United States Court of Customs and Patent Appeals held in *Otto Roth & Co., Inc. v. Universal Foods Corp.*, one who opposes registration under section 2(d) of the Lanham Act is attempting to protect his individual rights, as the owner of some means of identifying the source of his goods. 640 F. 2d 1317, 209 U.S.P.Q. 40 (CCPA 1981). Accordingly, a party opposing of a trademark due to a likelihood of confusion with his own unregistered term cannot prevail unless he shows that his term is distinctive of his goods. Id.

a. The Doctrine of Foreign Equivalents

Under the doctrine of foreign equivalents, foreign words are translated into English and then tested for genericness or descriptiveness. *Rosenblum v. George Willsher & Co.*, 161 U.S.P.Q. 492 (T.T.A.B. 1969).

In holding KABA for coffee as the generic equivalent of "coffee" from the word "kava" meaning coffee in Serbian and Ukrainian, the Trademark Appeal Board stated:

There is no doubt, as applicant's expert indicated, that to the average American KABA will have no particular significance other than as a trademark for applicant's goods. However, we must concern ourselves with that segment of the purchasing public which is familiar with the Cyrillic writing system and/or with Serbian, Ukrainian, or other slavic languages using this system, ...[T]o these persons, KABA, as applied to applicant's goods which include coffee, will have no other meaning. *In re Hag Aktiengesellschaft*, 155 U.S.P.Q. 598 (T.T.A.B. 1967).

The doctrine of foreign equivalents applies when the word designates the product in a language other than English. This extension rests on the assumption that there are (or someday will be) customers in the United States who speak that foreign language.

Because of the diversity of the population of the United States, coupled with temporary visitors, all of whom are part of the United States marketplace, commerce in the United States utilizes innumerable foreign languages. No merchant may obtain the exclusive right over a trademark designation if that exclusivity would prevent competitors from designating a product as what it is in the foreign language their customers know best.

Otokoyama Co. Ltd. v. Wine of Japan Import, Inc., 175 F. 3d 266, 50 U.S.P.Q.2d 1626 (2d Cir. 1999)

Petitioner alleges in its Main Brief that Esperanto is a dead or obscure language.

Petitioner's Main Brief at 25-26. Contrary to this assertion, evidence presented by

Registrant clearly shows that Esperanto is the most widely spoken constructed international auxiliary language. See, Exhs. 13 and 18. Its name derives from Doktoro Esperanto, the pseudonym under which L. L. Zamenhof published the first book detailing Esperanto, the Unua Libro, in 1887. The word "esperanto" means "one who hopes" in the language itself. The language's original name was "La Internacia Lingvo." See, Id. Zamenhof's goal was to create an easy to learn and politically neutral language that would serve as a universal second language to foster peace and international understanding. According to an article found at http://en.wikipedia.org/wiki/Esperanto, Esperanto has approximately one thousand native speakers, i.e. people who learned Esperanto as one of their native languages from their parents. The number of people who are fluent in Esperanto ranges from 10,000 to as high as two million (or even 20 million as stated, for example, at http://interes.yugsegodnya.ru/content/view/1168/). The users are spread in about 115 countries, including the United States. See, http://www.uea.org/info/angle/an ghisdatigo.html Although no country has adopted the language officially, Esperanto was officially recognized by UNESCO in 1954. See, Exh. 18 at LS003017-LS003026. Today, Esperanto is employed in world travel, correspondence, cultural exchange, conventions, literature, language instruction, television, movies, and radio broadcasting. The first international Esperanto congress was organized in France, Boulogne-sur-Mer, in 1905. Since then international conferences and meetings have been organized around the world with Esperanto every year. Id. At least one major search engine, Google, offers searching of Esperanto-related websites via an Esperanto portal. Recent Google search produced 5,450,000 hits in response to the search term "Lingvo Esperanto" and 274,000 hits in response to the search term "Lingvo

Internacia." See, Exh. 13 at LS003031 and LS000074. Finally, Wikipedia lists 121,946 articles written in Esperanto. See, Exh. 13 at LS003329.

b. "Lingvo" Means "Language" Or "Linguistic Communication" In Esperanto

The term "LINGVO" is translated to mean "language" or "linguistic communication" in the Esperanto language. See, Exh. 5. Petitioner argues that Lingvo's meaning in Esperanto is unclear. Petitioner's Main Brief at 24. This is another attempt by the Petitioner to misrepresent the evidence. Specifically, multiple Esperanto dictionaries produced by Registrant in this proceeding unequivocally show that the term "Lingvo" is translated into English as "language" or "linguistic communication." Exh. 5. Moreover,

Internet evidence used by the Examining Attorney of the Trademark Office confirms

Registrant's translation of the term "lingvo". See, Exh. 6 at LS000087.

Petitioner presented an English language Webster dictionary as an alleged proof that the term "lingvo" was not found in such dictionary. See, Petitioner's Response to Office Action for Proceeding Serial No. 77/357,275 filed on October 18, 2008 However, by definition, an English dictionary contains terms in English, not in Esperanto.

Therefore, looking for a term "lingvo" in such a dictionary is the same as looking for a term "language" in a French-to-English or an Italian-to-English dictionary: it simply cannot be there. Additionally, Petitioner allegedly tried to find the term "lingvo" in Sonja Dictionary. See, Id. However, Sonja Dictionary is a two-part dictionary, the first part contains 650 most common Esperanto words, the second part includes other, less common Esperanto words. Petitioner looked for the term "lingvo" in the second part of Sonja Dictionary. See, Id. The term "lingvo," however, is easily found in the first part of the same dictionary. See, Exh. 5. Finally, Petitioner argues that the term "lingvo" is

translated into English as "tongue." Petitioner, here, is trying to represent "lingvo" as an anatomic tongue. However, the Esperanto term for the anatomic "tongue" is "lango." (this translation can be easily located at

http://www.dicts.info/ud.php?11=esperanto&12=russian by entering the Russian or English word for "tongue").

Petitioner's own website states that the name of its Lingvo software was derived from the Esperanto term "lingvo" which means "language." See Exh. 1 (Petitioner's statement at its website that "lingvo" means "language" in Esperanto, and screen shots from Petitioner's own software translating "lingvo" as "язык" in Russian, i.e., "language" in English). Accordingly, there is no doubt that the term "lingvo" is translated into English as "language" or "linguistic communication."

c. "Lingvo" Is A Generic Term When Used On Goods Related To Linguistics

The function of a mark is to identify and distinguish the goods or services of one seller from those sold by all others. McCarthy on Trademarks and Unfair Competition Sec. 3:4-3:7. A generic term is the name of the genus or class of which the individual product or service is a member. *Park 'N Fly v. Dollar Park and Fly, Inc.*, 469 U.S. 189, 194, 224 U.S.P.Q. 327, 329 (1985). It denotes the basic nature of the product or, perhaps, a prime or distinguishing ingredient of the product.

Translation or language learning software is a linguistic product. The prime or distinguishing characteristic of such products is language. Accordingly, when used on linguistic products, the term "language" is a generic term, and is not capable of distinguishing the source of one product from another. One seller cannot appropriate a previously used generic name of a thing and claim exclusive right in it as a "trademark"

for that thing. McCarthy on Trademarks and Unfair Competition §12:11. Generic names are in the public domain. *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169, 41 L.Ed. 118, 16 S. Ct. 1002 (1896). To grant an exclusive right to one firm of use of the generic name of a product would be equivalent to creating a monopoly in that particular product, something that the trademark laws were never intended to accomplish. *Car-Freshner Corp. v. Auto Aid Mfg. Corp.*, 461 F. Supp. 1055, 201 U.S.P.Q. 233 (N.D.N.Y. 1978).

A generic designation can include a word that names some distinctive characteristic of that genus of products. The Board has previously said that a term which does not directly name a product but names the most important purpose of the product is a type of "generic adjective" which is a generic name. Applying this rule, "Perma Press" was held to be a name for a type of garment and as well as a generic name for a stain remover specifically designed for perma press garments. *In re Reckitt & Colman, Inc.*, 18 U.S.P.Q.2d 1389 (T.T.A.B. 1991) (a generic name of a product is also a generic name of a cleaning preparation designed to clean that product). Similarly, the Board held that "attic" was a generic adjective for automatic sprinklers used in attics because "the term ATTIC directly names the most important or central aspect or purpose of applicant's goods, ... this term is generic and should be freely available for use by competitors." *In re Central Sprinkler Co.*, 49 U.S.P.Q.2d 1194, 1998 WL 929628 (T.T.A.B. 1998).

Similarly, to the cases listed above, the term "linguistic communication" is a generic adjective for linguistic products including translation and language learning software. No manufacturer of linguistic products can take out of the language the word "linguistic," which has a generic meaning as to the entire category of linguistic products and appropriate it for its own trademark use.

As shown above, the term "Lingvo" is simply an Esperanto equivalent of the English terms "language" and/or "linguistic communication." As such, "Lingvo" is a generic term, utilized by numerous providers of linguistic services and producers of linguistic products, and cannot be appropriated by the Petitioner for its exclusive use.

Further, international comity demands that generic names in a foreign language should not be viewed as trademarks in the United States. *In re Le Sorbet, Inc.*, 228 U.S.P.Q. 27, 30 (T.T.A.B. 1985). For example, no one should be permitted to register as a mark in Brazil or Romania or Egypt the English language generic words "personal computer", "software," "laptop," or "modem". An American company that shipped into these countries and found its goods stopped at the border for trademark infringement would be understandably upset. Similarly, an entity (for example, an entity producing electronic dictionaries shown in Registrant's Exh. 17) which produces and sends its electronic dictionaries for Esperanto language into the United States should not be precluded from labeling their goods "Lingvo Esperanto," "Angla Lingvo Esperanto" or "Franca Lingvo Esperanto."

Finally, under International Standard ISO 832:1994, Information And Documentation Bibliographic Description And References Rules For The Abbreviation Of Bibliographic Terms, root "lingv" and its morph "ling" have long been accepted as standardized abbreviations of the fundamental terms of a linguistic subject area, i.e., "linguistic" or "linguistics," in 19 European languages: Italian, Latin, Portuguese, English, Spanish, Albanian, French, German, Romanian, Serbo-Croation, Slovene, Czech, Finnish, Danish, Norwegian, Swedish, Bulgarian, Macedonian, Polish. See, ISO 832:1994.

Therefore, the term "lingvo" is generic when used in connection with translation or language learning software.

d. Term "Lingvo" Is Merely Descriptive Without Secondary Meaning

Even if the term "Lingvo" is not generic, it is merely descriptive when used on linguistic products.

When used to describe a product, descriptive terms do not inherently identify a particular source, and hence cannot be protected. *Two Pesos, Inc. v. Taco Cabana, Inc.* 505 U.S. 763, 120 L.Ed. 2d 615, 112 S. Ct. 2753, 2757, 23 U.S.P.Q.2d 1081, 1083 (1992), *reh'g denied*, 505 U.S. 1244, 120 L. Ed. 2d 947, 113 S. Ct. 20 (1992). A mark is merely descriptive under Trademark Act Section 2(e)(1), 15 U.S.C. §1052(e)(1), if it describes an ingredient, quality, characteristic, function, feature, purpose or use of the relevant goods and/or services. *In re Gyulay*, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987); *In re Bed & Breakfast Registry*, 791 F.2d 157, 229 USPQ 818 (Fed. Cir. 1986); *In re MetPath Inc.*, 223 USPQ 88 (TTAB 1984); *In re Bright Crest, Ltd.*, 204 USPQ 591 (TTAB 1979); TMEP §1209.01(b). A mark that describes an intended user of a product or service is also merely descriptive within the meaning of Section 2(e)(1). *Hunter Publishing Co. v. Caulfield Publishing Ltd.*, 1 USPQ2d 1996 (TTAB 1986); *In re Camel Mfg. Co., Inc.*, 222 USPQ 1031 (TTAB 1984); *In re Gentex Corp.*, 151 USPQ 435 (TTAB 1966).

Furthermore, the foreign equivalent of a merely descriptive English word is also considered merely descriptive. *In re Oriental Daily News, Inc.*, 230 USPQ 637 (TTAB 1986); *In re Geo. A. Hormel & Co.*, 227 USPQ 813 (TTAB 1985); *In re Optica International*, 196 USPQ 775 (TTAB 1977); TMEP §1209.03(g).

Here, the term "LINGVO" is translated to mean "language" in the Esperanto language. See Exh. 5. The word "language" is merely descriptive of the Petitioner's goods and services. For example, Petitioner uses its trade name in connection with software featuring instruction in languages, language dictionaries, and language translation services. Based on the goods and services identified in the Petitioner's materials, language is a feature of these goods and services.

As evidenced by the evidence of record, Petitioner is providing goods and services featuring languages. The term LINGVO is then the foreign equivalent of a merely descriptive English word, and this term merely describes a main feature of the Petitioner's goods.

A panel of experts retained by the Registrant found that the term "lingvo" is highly descriptive, when used on linguistic products. See, Exh. 15. To save time and ink, Registrant will not reiterate the panel's findings in this Brief. However, Registrant respectfully directs the Board's attention to the panel's conclusions.

Descriptive marks may acquire the distinctiveness which will allow them to be protected under the Lanham Act. This acquired distinctiveness is generally called "secondary meaning."

The prime element of secondary meaning is a mental association in buyers' minds between the alleged mark and a single source of the product. *National Shoe Stores Co. v. National Shoes of New York, Inc.*, 213 Md. 328, 131 A. 2d 909, 113 U.S.P.Q. 380 (1957); *Carter-Wallace, Inc. v. Procter & Gamble Co.*, 434 F.2d 784, 167 U.S.P.Q. 713 (9th Cir. 1970).

To support its conclusion that Lingvo name is well known to U.S. consumers, Petitioner argues that U.S. based companies such as P.C. Magazine, PC World Magazine and Softtool have consistently and repeatedly recognized Lingvo as being the best software in relevant categories. Petitioner's Main Brief at 9-10. However, the evidence presented by the Petitioner in support of the above argument shows that Lingvo was recognized only by Russian branches of the above named U.S. companies. For example, the award from PC World Magazine is in Russian language, shows the name of the magazine as "Mup IIK," and lists Aleksey Orlov as the editor-in-chief of the magazine. See, Petitioner's Exh. 4 at P00063. Similarly, the Certificate from P.C. Magazine clearly states that it is awarded by the "Russian Edition" of the magazine. See, Id. at P00062 and P00437. Finally, Softool is a yearly information technology exhibition held in Moscow, as can be seen at www.softool.ru. Incidentally, "RAS" at the top of the certificate offered by the Petitioner in evidence stands for Russian Academy of Science. Thus, none of the evidence submitted by the Petitioner under its Exhibit 4 show that Lingvo is well known to U.S. consumers.

Further, Petitioner submits that "almost all of the primary search results produced by an internet search for "Lingvo" on various major U.S. based Internet search engines, such as Yahoo, Bing and Google, are for the Lingvo software." Petitioner's Main Brief at 10. However, in modern Internet search engines, a high rank in search results is achieved by sophisticated search optimization techniques and by purchasing specific search terms from a particular search engine. Accordingly, this evidence presented by the Petitioner is, at best, inconclusive.

Finally, Petitioner did present evidence of its advertising activity. However, there is no indication of how much of this activity was done in the United States or, more importantly, which portion of this advertising activity is attributable to Lingvo products and which portion is contributable to Petitioner's other produces, e.g., ABBYY FineReader or ABBYY PDF Transformer.

Accordingly, there is no evidence that Petitioner has acquired any secondary meaning in the term "Lingvo."

e. LINGVOSOFT Is a Distinctive Term

Petitioner argues that it "would be disingenuous for Registrant to take the position that Lingvo cannot be a valid mark because of its descriptiveness" given that Registrant's mark includes the same descriptive term "Lingvo" in combination with the term "soft," which the Petitioner argues to be descriptive when used on software. Petitioner's Main Brief at 25.

It is a well-settled principle of trademark law that marks should be considered in their entireties and not dissected into their components. *Union Carbide Corp. v. Ever-Ready Inc.* 531 F.2d 366, 379, 188 U.S.P.Q. 623 (7th Cir.), *cert. denied*, 429 U.S. 830, 191 U.S.P.Q. 416 (1976). LINGVOSOFT, as a whole, is a fanciful or, at worst, suggestive term not found in any dictionary. Joining two descriptive words may yield a mark that is, as a whole, nondescriptive. Id. (holding that words which could not individually become a trademark may become one when taken together); see also, *Scania Down Corp. v. Euroquilt, Inc.* 772 F.2d 1423, 1431, 227 U.S.P.Q. 138, 143 (7th Cir. 1985). Thus, even if each of the two parts of the mark LINGVOSOFT is descriptive, an eye of an ordinary consumer sees them in combination as a unitary distinctive term.

LINGVOSOFT has acquired such substantial secondary meaning and good will and has become well-known among the relevant trade and public as designating Ectaco as the exclusive source of the goods set forth in Registration No. 3,015,325. For example, Smartphone magazine identified LingvoSoft Picture Dictionaries as a new product for June 2007, LingvoSoft Flash Cards for PocketPC as a new product for May 2005. See, Exh. 10. LIngvoSoft products have been subjects of numerous awards and recognition certificates. See, Id. Further, as shown in Registrant's Confidential Exhibit 1, Registrant has spent over \$2,500,000 between 2004 and 2009 on LingvoSoft advertising.

Accordingly, not only LINGVOSOFT is a distinctive mark, it has acquired substantial secondary meaning.

2. Likelihood Of Confusion

In testing for likelihood of confusion under Sec. 2(d), therefore, the following, when of record, must be considered:

- (1) The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.
- (2) The similarity or dissimilarity and nature of the goods or services as described in an application or registration or in connection with which a prior mark is in use.
- (3) The similarity or dissimilarity of established, likely-to-continue trade channels.
- (4) The conditions under which and buyers to whom sales are made, i. e. "impulse" vs. careful, sophisticated purchasing.
 - (5) The fame of the prior mark (sales, advertising, length of use).
 - (6) The number and nature of similar marks in use on similar goods.

- (7) The nature and extent of any actual confusion.
- (8) The length of time during and conditions under which there has been concurrent use without evidence of actual confusion.
- (9) The variety of goods on which a mark is or is not used (house mark, "family" mark, product mark).
 - (10) The market interface between applicant and the owner of a prior mark:
 - (a) a mere "consent" to register or use.
- (b) agreement provisions designed to preclude confusion, i. e. limitations on continued use of the marks by each party.
- (c) assignment of mark, application, registration and good will of the related business.
- (d) laches and estoppel attributable to owner of prior mark and indicative of lack of confusion.
- (11) The extent to which applicant has a right to exclude others from use of its mark on its goods.
 - (12) The extent of potential confusion, i. e., whether de minimis or substantial.
- (13) Any other established fact probative of the effect of use. *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 U.S.P.Q. 563 (CCPA 1973).

The ultimate inquiry always is whether, considering all the circumstances, a likelihood exists that consumers will be confused about the source of the allegedly infringing product. See *Children's Factory, Inc. v. Benee's Toys, Inc.*, 160 F.3d 489, 496 (8th Cir.1998); *ConAgra, Inc. v. George A. Hormel, & Co.*, 990 F.2d 368, 369 (8th

Cir.1993); Mutual of Omaha Ins. Co. v. Novak, 836 F.2d 397, 399 (8th Cir.1987), cert. denied, 488 U.S. 933, 109 S.Ct. 326, 102 L.Ed.2d 344 (1988).

The relevant *du Pont* factors are analyzed below:

(1) Registrant's mark LINGVOSOFT and the Petitioner's trade name Lingvo include the same term, i.e., "lingvo." However, it is a well-settled law that generic and merely descriptive portions of marks are entitled to little weight in the likelihood-of-confusion analysis. See *In re National Data Corp.*, 753 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985). Precedential decisions, which have stated that a descriptive component of a mark may be given little weight in reaching a conclusion on likelihood of confusion reflect the reality of the market place. Where consumers are faced with various usages of descriptive words, our experience tells us that we and other consumers distinguish between these usages. Some usages will be recognized as ordinary descriptive speech. Where a descriptive term forms part of two or more marks for related products, as in the present case, the decisions recognize that the purchasing public has become conditioned to this frequent marketing situation and will not be diverted from selecting what is wanted unless the overall combinations have other commonality. In a sense, the public can be said to rely more on the non-descriptive portion of each mark. *Id* at 753.

It is true that the first six letters of the Registrant's mark are identical with the Petitioner's trade name "Lingvo." However, as explained in more detail above, the term "lingvo" is generic or, at least, merely descriptive when used on linguistic products. Since generic and merely descriptive portions of marks are entitled to little weight in the likelihood-of-confusion analysis, the identity of that part of the respective marks has little bearing on the question of the similarity of the marks.

It is a well-settled principle of trademark law that marks should be considered in their entireties and not dissected into their components. *Union Carbide*, supra at 379. LINGVOSOFT, as a whole, is a fanciful or, at worst, suggestive term not found in any dictionary. Thus, even if each of the two parts of the mark LINGVOSOFT is descriptive, an eye of an ordinary consumer sees them in combination as a unitary distinctive term.

The similarities between "Lingvo" and LINGVOSOFT are outweighed by their important differences in appearance, sound and cadence. The only element of the alleged mark LINGVO is the literal term "Lingvo" written in block letters of English or Latin alphabet and having no other distinctive design features. See, Exh. 20. Petitioner typically uses this term in combination with a number representing the numeric version of the software. See, Id.

LINGVOSOFT, on the other hand is a longer mark, typically used with a distinguished design, having a different spelling and pronunciation and creating a different association in the eyes of the consumers.

(2) In addition to using the mark LINGVOSOFT on translation and language learning software, Ectaco uses the mark on hand-held dictionaries and pocket translators. See, Exh. 4. Such stand-alone electronic devices allow their users to translate spoken language as well as the language typed into a device window. These devices are especially useful for business travelers, who do not need to carry their laptops (with the installed translation software) with them just to be understood.

Accordingly, despite the fact that some of Registrant's products indeed overlap with Petitioner's products sold under the trade name "Lingvo," some of the products are clearly different.

- (3) Registrant and Petitioner both sell their software products over the Internet. However, as indicated above, Registrant also sells its LINGVOSOFT products at its Lingvobit stores. Nothing in the record suggests that the Petitioner sells its product at conventional brick-and-mortar stores anywhere in the United States.
- (4) The consumers of Lingvo software products and LINGVOSOFT software products and hand-held devices place great importance on, and take great care in, purchasing these products. Petitioner's and Registrant's consumers exercise a heightened standard of care in their purchasing decisions because they need to ensure that translations they require in their day-to-day operations are accurate, and that the selected software is compatible with other programs installed on their computers. For many business customers, these software products are essential to their business needs. Further, as shown in Exhibit 11, some of Registrant's software bundles and hand-held dictionaries and translators are quite expensive. Buyers typically exercise more caution when purchasing expensive items. Because of the respective products' importance to their buyers' business needs and their high cost, consumers of Ectaco's software, hand-held dictionaries and translators are more likely to take care in making purchasing decisions and are not likely to be confused by the parties' similar marks.
- (5) While Petitioner argues that its mark is a strong one, this record does not support this contention. Petitioner's own evidence shows that Petitioner sold only a token amount of Lingvo software between 1995 and 1997 in U.S., and no products between 1997 and 2000. Also, Petitioner has not demonstrated its relative market position, or otherwise adequately demonstrated the strength of its mark. Additionally, it is not clear if the advertising figures Petitioner has made of record include the advertising for Lingvo

software and/or Petitioner's other software (e.g., FineReader or PDF Transformer) as well. Its recognition by customers in a survey conducted in Russia does not prove that this software is well-recognized among the relevant public in the United States.

Moreover, the survey presented by the Petitioner is not even relevant to the current proceeding because it was specifically designed and conducted to compare Petitioner's term "Lingvo" with the term "lingua." See, Petitioner's Exh. 5.

As examined above, Petitioner also argues that U.S. based companies such as P.C. Magazine, PC World Magazine and Softtool have consistently and repeatedly recognized Lingvo as being the best software in relevant categories. Petitioner's Main Brief at 9-10. However, the evidence presented by the Petitioner in support of the above argument shows that Lingvo was recognized only by Russian branches of the above named U.S. companies. Specifically, the award from PC World Magazine is in Russian language, shows the name of the magazine as "Mup IIK," and lists Aleksey Orlov as the editor-inchief of the magazine. See, Petitioner's Exh. 4 at P00063. Similarly, the Certificate from P.C. Magazine clearly states that it is awarded by the "Russian Edition" of the magazine. See, Id. at P00062 and P00437. Finally, Softool is a yearly information technology exhibition held in Moscow, and "RAS" at the top of the Softool Certificate stands for Russian Academy of Science. Thus, none of the evidence submitted by the Petitioner under its Exhibit 4 show that Lingvo is recognized by U.S. consumers. Registrant's own search for the term "lingvo" at the Smartphone and Pocket PC website produced no results. See, Exh. 12.

Additionally, as also explained above, the Internet search results for the term "Lingvo" on Yahoo, Bing and Google, do not prove recognition by U.S. consumers

because, in modern Internet search engines, a high rank is achieved by sophisticated search optimization techniques and by purchasing specific search terms from a particular search engine. In fact, when a wildcard expansion search term is used together with the term "lingvo" at Google, the search results represent a combination of Petitioner's products with Esperanto dictionaries and books. See, Exh. 18 at LS003027 and LS003375.

Accordingly, there is no direct evidence of consumer recognition of the Petitioner's trade name "Lingvo" in the United States.

(6) Further, the term "Lingvo" is in common use in the linguistic industry and is included in numerous trade names for translation products and services. For example, the term "lingvo" is used by: Translation Center Lingvocom to identify its website lingvo.com.ua offering online translation services; Mass-Lingvo - a company offering English language classes; Lingvo Express - a company offering translation services; LingvoStar to identify its website lingvostar.ru and to offer online translation services; Lingvoinfo - an online linguistic magazine found at lingvoinfo.com; Big Ben Lingvo Campus - a camp dedicated to learning foreign languages; and many others identified in Registrant's Exhibit 19.

Further, the term "Lingvo" has been used by multiple third parties in titles of books on Esperanto and linguistics, in titles of electronic software and in titles of various electronic and paper dictionaries. See, Exh. 17. Thus, the term "Lingvo" per se is weak, and purchasers will look to the other part of the Registrant's mark to distinguish them.

(7) Petitioner did not present any evidence that consumers actually are confused by Registrant's use of its LINGVOSOFT mark. Although evidence of actual confusion is

not necessary for a finding that a likelihood of confusion exists, it is perhaps the most effective way to prove a likelihood of confusion. See *Stuart Hall Co. v. Ampad Corp.*, 51 F.3d 780, 790-91 (8th Cir.1995); *Woodsmith Pub. Co. v. Meredith Corp.*, 904 F.2d 1244, 1249 (8th Cir.1990). Considering that Registrant has been using its mark for over six years, and has done so with Petitioner's constructive knowledge since at least August 2005, Petitioner's failure to present evidence of consumer confusion owing to Registrant's use of its LINGVOSOFT mark is telling.

- (8) Despite over six years of direct competition, at least with respect to selling translation software over the Internet, there is no evidence of actual confusion between Registrant's products sold under the mark LINGVOSOFT and Petitioner's products sold under the name "Lingvo."
- (10) As explained above, various entities, which the Petitioner claims to be its predecessors in interest, have repeatedly assigned the Russian trademark LINGVO and its associated good will. Petitioner refers to some of these companies as ABBYY Russia or simply ABBYY. However, there is no clear understanding from the record, which of these companies should be viewed by the consumer as the source of Lingvo products. Specifically, between 1995 and 1997, Lingvo software products were distributed in the United States by IBT, Inc., a distributor of Firma BIT. See, Petitioner's Conf. Exhs. 1 -2. After some further transfers, on December 25, 2002, Russian Trademark Office recorded change of ownership for the same mark from Abi Software House to НЛС Текнолоджис ЛТД ("NLS Technologies Ltd"), a Cyprus company, which, in turn, transferred its ownership in the second Russian LINGVO mark to Abi Software Ltd. (allegedly the Petitioner in the present proceeding), in May of 2006. See, Exh. 21.

None of the products labeled with the LINGVO mark and produced between 2002 and 2006 ever identified NLS Technologies as its manufacturer. In fact, LINGVO products sold in 2002 identified "ABBYY Software House" of Moscow, Russia, as its manufacturer; LINGVO products sold in 2003 identified "ABBYY Software" of Moscow, Russia, as its manufacturer; LINGVO products sold in 2004 and 2005 identified "Аби Софтвер" of Moscow, Russia, as its manufacturer; and LINGVO products sold in 2006 identified "ABBYY OOO Аби" of Moscow, Russia, as its manufacturer. See, Exh.

It is unclear how a consumer would be able to associate Lingvo products with a single source given this complicated assignment/ownership scheme, discrepancies in names and transliterations and different sources listed on the products themselves.

The issues of laches and estoppel are addressed in Sections II. F and II.G below.

Considering weakness of the term "lingvo," sophistication of the consumers exercising a substantial degree of care in selection of a translation software, absence of any evidence of an actual confusion, uncertainty as to the source of Lingvo products and Petitioner's inexcusable delay in bringing this proceeding, the respective marks are sufficiently different such that confusion or mistake is not likely.

C. CANCELLATION BECAUSE OF MISREPRESENTATION AS TO SOURCE

Contrary to the Petitioner's allegations, in selecting its LINGVOSOFT trademark, Registrant did not rely on the fame and recognition of the Petitioner's trade name Lingvo because, as explained above, Lingvo software was not known in the United States.

Instead, Registrant relied on the popularity of its own mark LINGVOBIT, which was first used in the United States to identify Registrant's store in New York and Registrant's website lingvobit.com.

Further, with regard to ABBYY's allegation of bad faith, Registrant respectfully submits that an allegation that Ectaco adopted its mark LINGVOSOFT with knowledge of ABBYY's foreign use of the term "Lingvo" is not sufficient to constitute bad faith inasmuch as, with few exceptions that do not apply here, mere knowledge of foreign use does not preclude good faith adoption and use in the United States. See *Person's Co.*, *Ltd.*, supra at 1480.

Finally, despite Petitioner's allegations, there is no relationship between the Registrant and the Russian company Ektako RD, Mr. Epifanov is simply a friend of Mr. Lubinitsky, and non of the alleged culpability of Ektako RD can be imputed to the Registrant.

D. CANCELLATION BECAUSE OF FRAUD OR BAD FAITH

A party alleging fraud must establish that a misrepresentation to the PTO was 1) material, and 2) made with culpable intent. See *Brittingham v. Jenkins*, 914 F.2d 447, 453, 16 U.S.P.Q. 1121, 1125 (4th Cir. 1990). Moreover, the alleged fraud must be established by clear and convincing evidence leaving nothing to speculation, conjecture, or surmise. Any doubt must be resolved against the party making the claim. See *Smith International, Inc. v. Olin Corporation*, 209 U.S.P.Q.1033 (TTAB 1981); see also, *Beer Nuts, Inc. v. Clover Club Foods Co.*, 711 F.2d 934, 221 U.S.P.Q. 209 (10th Cir. 1983) ("A court should not lightly undertake cancellation on the basis of fraud, ... and the burden of

proving fraudulent procurement of a registration is heavy ... Any deliberate attempt to mislead the Patent Office must be established by clear and convincing evidence.")

Petitioner alleges that Ectaco misrepresented its date of first use of the LINGVOSOFT mark. However, Registrant has repeatedly indicated to the Petitioner that it, indeed, started using the mark LINGVOSOFT on May 10, 2004. Lubinitsky Aff. at ¶16. Further, Petitioner has misrepresented to the Board the evidence produced by Ectaco. Specifically, the first found and produced invoice listing sale of a LINGVOSOFT product is dated November 16, 2004, not January 1, 2005, as stated in the Petitioner's Main Brief. See, Conf. Exh. 1 LS000204-LS000205. Moreover, just because no invoices were found for May - November of 2004, does not mean that the mark was not in use, given the fact that LINGVOSOFT software is often distributed as a bonus added to other products. Lubinitsky Aff. at ¶16.

Further, the claim of a date of first use is not a material allegation as long as there was some use of the mark prior to the filing date of the trademark application. *Pony Express Courier Corporation of America v. Pony Express Delivery Corp. of America*, 872 F.2d 317, 10 U.S.P.Q.2d 1475, 1477 (9th Cir. 1989); *Aveda Corp. v. Evita Marketing, Inc.*, 706 F. Supp. 1419, 12 U.S.P.Q.2d 1091, 1096 (D. Minn. 1989). In the present case, Registrant filed the application in question on July 30, 2004. See, Exh. 7. However, at least as early as on June 4, 2010 (i.e., prior to the filing date of the application), Ectaco has used the LINGVOSOFT mark at its website www.lingvosoft.com, to mark downloadable translation and language learning software. See, Exh.4 at LS003326 (each line appearing below the LINGVOSOFT mark is a hyperlink to a particular downloadable software, the date of the website is verified by the

web.archive stamp at the bottom of the page). Petitioner, in fact, admitted in its brief that the mark LINGVOSOFT was used at www.lingvosoft.com in June of 2004. See, Petitioner's Main Brief at 23. Thus, the evidence presented by Petitioner is confusing, at best.

Finally, Petitioner did not present a shred of evidence proving that Ectaco had intended to mislead the PTO. Statements of honest, but perhaps incorrect, belief, innocently inaccurate statements or even knowing misstatements do not qualify under the Lanham Act as fraud warranting cancellation absent the requisite intent to mislead. *King Automotive, Inc. v. Speedy Muffler King., Inc.*, 667 F.2d 1008, 212 U.S.P.Q. 801 (CCPA 1981); *Five Platters, Inc. v. Purdie*, 419 F. Supp. 372, 384, 193 U.S.P.Q. 411 (D. Md. 1976).

Accordingly, Petitioner did not sustain its burden in showing by clear and convincing evidence that Registrant has committed fraud on the PTO.

E. NO FAMOUS FOREIGN MARK EXCEPTION

Petitioner argues that Board should recognize an exception to the territoriality principle for those foreign marks that, even if not used in the United States by their owners, have achieved a certain measure of fame within this country. See, Petitioner's Main Brief at 23. However, the Second Circuit Court of Appeals has recently ruled that the well-known marks doctrine does not have a basis in federal trademark law. *ITC Ltd.* v. Punchgini, Inc., 482 F. 3d 135 (2d Cir. 2007). Petitioner relies on Grupo Gigante S.A. De C.V. v. Dallo & Co. to support its position. However, to date, the Ninth Circuit Court of Appeals is the only federal appeals court to have given a limited recognition to the famous marks doctrine as a matter of federal law. See *International Bancorp*, LLC v.

Societe des Bains de Mer et du Cercle des Estrangers a Monaco, 329 F.3d at 389 n. 9 (Motz, J., dissenting) (noting that the famous marks doctrine has been applied so infrequently that its viability is uncertain).

F. LACHES

Registrant's long-standing use of the name LINGVOSOFT, combined with Petitioner's delay in bringing the case, calls for application of laches, an equitable defense that applies where there is (1) lack of diligence by the party against whom the defense is asserted, and (2) prejudice to the party asserting the defense, *Nat'l R.R. Passenger Corp. v. Morgan*, 536 U.S. 101, 121–22 (2002).

In *Pro-Football, Inc. v. Harjo*, the court held that a seven-year nine-month delay in bringing up an action of cancellation evinced a lack of diligence on petitioner's part. 567 F. Supp. 2d 46, 53-56 (D.D.C. 2008). In an opposition or cancellation proceeding, the determination of whether a period of delay is unreasonable is measured from the date the application for registration is published for opposition. *National Cable Television Association, Inc. v. American Cinema Editors, Inc.*, 937 F.2d 1572, 19 USPQ2d 1424 (Fed. Cir. 1991). Petitioner here waited for over three years after the Registrant's mark was published for opposition before petitioning to cancel the trademark in question. The delay here is similar to the delay in *Brittingham v. Jenkins*, where the court found delay of four years and four months to be unreasonable and inexcusable. 914 F.2d at 456. Likewise, outside the trademark infringement context, courts have found laches when faced with similar periods of delay. See, e.g. *CarrAmerica Realty Corp. v. Kaidanow*, 321 F.3d 165, 171-72 (D.C.Cir.2003) (two-year delay in action brought by minority shareholders is unreasonable).

In promoting and developing its business, Registrant actively developed its website lingvosoft.com and spent large sums in reliance upon its apparent immunity. Specifically, Registrant's advertising expenses for LINGVOSOFT gradually increased from \$243,987 in 2005 to \$783,628 in 2008, totaling \$1,756,134 for this time period. Moreover, the estoppel need not depend upon expenditure alone. When for three years one plans one's business on the assumption that one may use a mark, it is a grave dislocation of the business to stop its use.

Finally, the doctrine of laches applies here because confusion is not inevitable in this case.

Thus, Petitioner's Petition to cancel LINGVOSOFT should be denied under the doctrine of estoppel.

G. ESTOPPEL BASED ON UNCLEAN HANDS

Petitioner has engaged in continuous unfair competition conduct and thus should be estopped from getting the relief sought based on the doctrine of unclean hands.

Even though the record clearly shows that Petitioner knew that the term "lingvo" is translated into English as "language" (see, Exh. 1, Petitioner's statement at its website that "lingvo" means "language" in Esperanto, and screen shots from Petitioner's own software translating "lingvo" as "язык" in Russian, i.e., "language" in English), Petitioner has continuously tried to mislead the USPTO and this Board as to the meaning of this term.

In its attempt to usurp the term "language" (lingvo) and to receive a monopoly over the use of this term on linguistic products, the Petitioner:

- Lied to the Russian Trademark Office and the USPTO on its applications for the LINGVO mark stating that the verbal element LINGVO (language) is an artificially-formed word and does not have any meaning in any foreign language. Thus, the Petitioner deliberately tried to conceal the fact, that verbal element LINGVO has semantic value and is a straightforward translation of the word "language" in Esperanto.
- In its documents submitted in the present proceeding,

 Petitioner has repeatedly tried to mislead the Board with respect to the

 meaning of the term "lingvo" (for example, by implying that "lingvo"

 translates into English as an anatomic "tongue")
- Finally, without having any trademark registration in any country for the term "Lingvo" in International Class 9, Petitioner has marked its translation software products with the precautionary symbol ® to mislead the consumers and competitors.

Thus, Petitioner's Petition to cancel LINGVOSOFT should be denied under the doctrine of estoppel.

III. CONCLUSION

As discussed above, Petitioner lacks priority of use of the term "Lingvo" in the United States, there is no likelihood of confusion between the term "Lingvo" and mark LINGVOSOFT, and Petitioner is precluded from the relief it seeks by equitable doctrines of laches and estoppel.

Accordingly, Registrant respectfully submits that the Petition to Cancel should be denied.

Date: July 20, 2010

Anna Vishev, Esq. Attorney for Registrant

Anna Visher

CERTIFICATE OF SERVICE

It is hereby certified that a copy of the **REPLY BRIEF IN RESPONSE TO PETITIONER'S MAIN BRIEF,** was served upon counsel for Petitioner this 20th day of July, 2010, by e-mail and First-Class mail, postage prepaid, addressed as follows:

Roy Ching Merit Law Group PC 201 San Antonio Circle, Ste. 105 Mountain View CA 94040

Anna Vishev

and Hickory