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OF THE TTAB

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

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Mailed: September 13, 2010

Cancellation No. 92050734

Real Estate Channel Corporation

v.

IV-Media, LLC

Before Grendel, Walsh and Mermelstein, Administrative Trademark
Judges.

By the Board:

Petitioner Real Estate Channel Corporation ("RECC") seeks to cancel the registration of respondent IV-Media, LLC ("IV") for the mark THEREALESTATECHANNEL in standard characters for "providing information in the field of real estate by means of linking the web site to other web sites featuring real estate information" (the "Registration")¹ on the grounds of fraud, mere descriptiveness and wrongful ownership of the involved mark. This case now comes before the Board on RECC's motion for summary judgment (filed October 29, 2009) on its claims of fraud and mere

¹ Registration No. 3270964, filed September 27, 2006, and issued July 31, 2007, under Section 2(f), based on a date of first use in commerce of December 26, 1997.

descriptiveness and IV's cross-motion for summary judgment on the fraud claim.

In support of its motion for summary judgment, RECC asserts that the Registration is based on a fraudulent claim of acquired distinctiveness. Specifically, RECC alleges that at the time IV made its Section 2(f) claim of substantially exclusive and continuous use of the mark in commerce for at least the five years immediately prior to the date such claim was made, IV had full knowledge of RECC's Registration No. 2572275 on the Supplemental Register for REAL ESTATE CHANNEL in typed form.² According to RECC, IV nonetheless knowingly made a claim of substantially exclusive use "while a legally equivalent mark owned and registered by Petitioner was alive." *RECC's Motion*, p. 10. RECC adds that IV did not use the mark continuously in commerce as evidenced in printouts from the Wayback Machine (an Internet archiving site) which purportedly show that the website on which IV's mark is used, i.e., www.therealestatechannel.com, was not in use in 2005, the year immediately preceding the filing of the involved registration. As such, RECC claims that IV's 2(f) statement constitutes a false representation of a

² Filed December 3, 1999, under Section 1(a) for "real estate services, namely, providing information to buyers and sellers of real estate, in the fields of home listings, how to set and negotiate prices, preparing and showing a home for sale, mortgage lenders, the closing process, appraisal services, and all information, content, services, broadcasting, programming and other commercial transactions relating to the real estate industry which are available via various media such as the Internet, telephone systems, cable television systems or wireless broadcasting systems" in International Class 36 with a date of first use in commerce of November 15 1999. The mark was registered with a disclaimer of "REAL ESTATE" on the Supplemental Register on May 21, 2002, but subsequently cancelled under Section 8 on February 28, 2009.

material fact that IV knew was false, and that IV's filing of such a statement demonstrates the requisite fraudulent intent "to induce the PTO to act in reliance and result in the issuance of a registration." *RECC's Motion*, p. 11. As to the claim of mere descriptiveness, RECC argues that IV has conceded that its mark is merely descriptive by virtue of IV's claim of acquired distinctiveness³ and that IV's mark should have been refused as such but for IV's fraudulent 2(f) claim. *RECC's Motion*, p. 14.

In response, IV argues that there was no fraud in making its 2(f) claim in that its use of the mark THEREALESTATECHANNEL was continuous as said use was not limited to its website at www.therealestatechannel.com. Instead, IV claims use on 15 of its other websites and which continuous use over the course of the five years attested to under its 2(f) claim is evidenced by printouts from the Wayback Machine website. IV further argues that the "fact that the Wayback Machine did not archive a record for the therealestatechannel.com domain name does not mean that IV-Media, LLC did not use the Mark on that website during the relevant period." *IV's Memorandum in Response*, p. 19.

IV also asserts that it believed its use to be exclusive, arguing that as late as September 22, 2006, RECC's "web site did not provide any real estate information nor did it provide any

³ To bolster its claim that IV's mark is not inherently distinctive, RECC points to five previously filed third-party applications for marks containing the terms REAL ESTATE CHANNEL that were all rejected by the Office and ultimately abandoned as well as its own previously cancelled registration on the Supplemental Register.

real estate information by linking its web sites to other web sites featuring real estate information" therefore IV's claim of exclusive use was accurate. *Id.* at p. 20. Accordingly, at the time of filing, IV "believed that the 2(f) statement was correct" and that IV's "subjective intent was to provide accurate information to the PTO [without] any deceptive or willful intent to deceive the PTO." *Id.* at p. 21. In view thereof, IV argues that RECC cannot meet the clear and convincing standard for fraud and moves for summary judgment on the fraud claim.

In response to the claim of mere descriptiveness, IV notes that its certificate of registration is *prima facie* evidence of the validity of its mark, that RECC "has the burden of proof on its Motion and must introduce sufficient evidence to rebut the presumption" of validity and that RECC has ultimately failed to rebut this presumption. *Id.* at pp. 22-24.

Decision

Summary judgment is an appropriate method of disposing of cases in which there are no genuine issues of material fact in dispute and the moving party is entitled to judgment as a matter of law. *See* Fed. R. Civ. P. 56(c). The party moving for summary judgment bears the initial burden of demonstrating the absence of any genuine issue of material fact and that it is entitled to judgment as a matter of law. *See Celotex Corp. v. Catrett*, 477 U.S. 317 (1986). 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, 23 USPQ2d 1471, 1472 (Fed. Cir. 1992); *Olde Tyme Foods, Inc. v. Roundy's, Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1544 (Fed. Cir. 1992).

The evidence must be viewed in a light most favorable to the non-moving party, and all reasonable inferences are to be drawn in the non-movant's favor. *Lloyd's Food Products, Inc. v. Eli's, Inc.*, 987 F.2d 766, 25 USPQ2d 2027, 2029 (Fed. Cir. 1993); *Opryland USA, supra*. The Board may not resolve issues of material fact; it may only ascertain whether issues of material fact exist. See, *Lloyd's Food Products*, 987 F.2d at 766, 25 USPQ2d at 2029; *Olde Tyme Foods*, 961 F.2d at 200, 22 USPQ2d at 1542.

We turn first to the fraud claim and in doing so, we are compelled to point out that RECC's assertion that subjective intent in a fraud inquiry "is irrelevant" is a clear misstatement of the law. The U.S. Court of Appeals for the Federal Circuit held in *In re Bose Corp.*, 580 F.3d 1240, 1245, 91 USPQ 2d 1938, 1941 (Fed. Cir. 2009), that "[s]ubjective intent to deceive ... is an indispensable element" in a fraud analysis that must be proven through clear and convincing evidence. Such evidence of intent can be either direct or inferred. See also *Enbridge, Inc. v. Excelerate Energy LP*, 92

USPQ 2d 1537, fn. 4 (TTAB 2009). Here, RECC has failed to provide any evidence probative of IV's subjective intent. Merely arguing that IV could not possibly claim substantially exclusive and continuous use of RECC's mark because IV had actual knowledge of RECC's registration⁴ and because there allegedly were gaps in IV's use of its mark during the five years immediately prior to the date IV made its 2(f) claim is insufficient, as a matter of law, to demonstrate fraud. Cf. *Star Scientific, Inc. v. R.J. Reynolds Tobacco Co.*, 537 F.3d 1357, 88 USPQ2d 1001, 1007 (Fed. Cir. 2008) (indirect and circumstantial evidence of deceptive intent must be clear and convincing). That is not to say that RECC could not or would otherwise be unable to present evidence of IV's intent at trial under any circumstance such that summary judgment in favor of IV is warranted on the fraud claim. The current record is not so cut and dried. Genuine issues of material fact exist as to IV's subjective intent. Indeed, the Board's primary reviewing court has observed that "the factual question of intent is particularly unsuited to disposition on summary judgment." *Copelands' Enterprises Inc. v. CNV Inc.*, 945 F.2d 1563, 20 USPQ2d 1295, 1299 (Fed. Cir. 1991). In view thereof, RECC's motion for summary judgment and IV's cross-motion for summary judgment on the claim of fraud are **DENIED**.

⁴ Indeed, even if IV knew of RECC's registration, that is not necessarily the same as knowledge of RECC's use.

As to RECC's inartfully stated claim of "mere descriptiveness," that IV's mark is not inherently distinctive has already been established by virtue of IV seeking registration under Section 2(f). See *Yamaha International Corp. v. Hoshino Gakki Co. Ltd.*, 840 F.2d 1572, 6 USPQ2d 1001, 1005 (Fed. Cir. 1988). Upon review of the petition for cancellation, however, it is apparent that the claim of "mere descriptiveness" is more properly stated as a claim that IV's mark is merely descriptive AND lacks acquired distinctiveness and it is under this theory that we proceed.

Acquired distinctiveness is a question of fact. See *Hoover Co. v. Royal Appliance Mfg. Co.*, 238 F.3d 1357, 57 USPQ2d 1720 (Fed. Cir. 2001). In order to prevail on summary judgment, RECC must establish that there is no genuine factual dispute that IV's mark has not acquired distinctiveness. In this regard, RECC appears to allege that IV's mark should have been refused registration but for the allegedly false 2(f) claim made by IV in its application. This argument misses the point. The issue is not what the examining attorney should or would have done had the "false" IV claim not been made but rather whether IV's mark has or has not acquired distinctiveness. As there remains a genuine issue of material fact on the question of acquired

distinctiveness, RECC's motion for summary judgment on this issue is also **DENIED**.⁵

Proceedings herein are resumed in accordance with the following schedule:

Expert Disclosures Due	10/11/2010
Discovery Closes	11/10/2010
Plaintiff's Pretrial Disclosures Due	12/25/2010
Plaintiff's 30-day Trial Period Ends	2/8/2011
Defendant's Pretrial Disclosures Due	2/23/2011
Defendant's 30-day Trial Period Ends	4/9/2011
Plaintiff's Rebuttal Disclosures Due	4/24/2011
Plaintiff's 15-day Rebuttal Period Ends	5/24/2011

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 taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rule 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

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⁵ The parties should note that the evidence submitted in connection with the motion for summary judgment is of record only for consideration of that motion. To be considered at final hearing, any such evidence must be properly introduced in evidence during the appropriate trial period. See *Levi Strauss & Co. v. R. Josephs Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993); *Pet Inc. v. Bassetti*, 219 USPQ 911 (TTAB 1983); *American Meat Institute v. Horace W. Longacre, Inc.*, 211 USPQ 712 (TTAB 1981).