

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

MBA

Mailed: August 6, 2009

Cancellation No. 92050998

Oscar Urbina, Jr.

v.

Aguila Records, Inc.

**Before Walters, Drost and Cataldo, Administrative Trademark
Judges**

By the Board:

This case now comes up for consideration of respondent's motion to dismiss the petition for cancellation for failure to state a claim upon which relief may be granted, filed June 22, 2009. The motion is fully briefed.

Background

Respondent owns a registration of the mark ALACRANES MUSICAL, in standard characters, for "Prerecorded compact disks, audio and video disks and cassettes, all featuring Spanish language musical recordings of the Durango genre" (the "Registration").¹ Petitioner seeks to cancel the Registration, alleging in his petition for cancellation that

¹ Registration No. 3170684, issued November 14, 2006, with MUSICAL disclaimed, based on a date of first use in commerce of December 31, 2001.

he "is an original member and owner of the musical group known as the 'Alacranes Musical' and one of the truthful owners of the 'Alacranes Musical' trademark." Petition for Cancellation ¶ 1. Petitioner further alleges that he "first began making musical recordings" under the mark ALACRANES MUSICAL in 1999, and that use of respondent's mark is likely to cause confusion with petitioner's mark. Id. ¶ 1, 10. According to petitioner, "Respondent is not the owner of the trademark but was allowed to use the mark by Petitioner in connection with the sale of musical recordings pursuant to a written contract dated September 9, 2003." Id. ¶ 2. More specifically, petitioner alleges that "Respondent is now falsely claiming ownership" of the mark and "obtained the registration of the trademark by breaching his fiduciary duties owed to Petitioner," id. ¶ 6, which we construe as an allegation of fraud. Petitioner specifically alleges that respondent "committed fraud on the United States Patent and Trademark Office by: a) misrepresenting its date of first use as 'at least as early as 12/31/2001;' and b) submitting false specimens of use, such as copies of recordings shown in support of its application that do not belong to Respondent, but in fact were pictures of CD covers of recordings made by Petitioners" for a nonparty. Id. ¶ 12.

Respondent's Motion and Petitioner's Response

Respondent argues that petitioner has not adequately alleged his standing and that the petition for cancellation should therefore be dismissed. Specifically, respondent claims that "Petitioner has previously signed a document as the legal representative on behalf of the unincorporated legal association Alacranes Musical," and that "[a]s the legal representative, not the company, Petitioner does not have personal standing to cancel Respondent's mark."

Respondent bases this argument on a copy of an unauthenticated purported contract between Alacranes Musical and respondent which is attached to respondent's motion, in which petitioner is identified as a "legal representative of Alacranes Musical."

In his response to the motion, petitioner argues that the allegation that petitioner is the prior user of the mark ALACRANES MUSICAL sufficiently alleges a real interest in this proceeding. Petitioner further argues that by alleging likelihood of confusion, he has sufficiently pled that he "has a reasonable basis for his belief that he would be damaged by Respondent's continued use and registration of the mark." Finally, petitioner moves to strike the purported "contract" attached to respondent's motion, because it is outside the pleadings.

In its reply brief, respondent claims that "Petitioner's statements that he allegedly 'owns' a musical

group ALACRANES MUSICAL are lacking any factual detail and are plainly insufficient." Furthermore, even if petitioner alleged facts sufficient to establish standing for the group Alacranes Musical, "Petitioner has failed to plead facts sufficient to establish standing for himself, as an individual," because "the petition fails to show a direct use by the Petitioner and is deficient of facts to support the Petitioner's claim of ownership." In other words, according to respondent, "[t]he petition must fail as conclusory because although Petitioner attempts to assert previous use of an identical mark, he fails to plead facts that connect the Petitioner with the use of the mark in a way that demonstrates a real interest." Similarly, respondent argues that petitioner's allegation of a likelihood of confusion "is a formulaic recitation of the elements of a cause of action" and is based on "bald assertions." Finally, respondent claims that the "contract" attached to its original motion should not be stricken because "Petitioner cannot divorce [himself] from binding admissions that foreclose Petitioner's ability to pursue any remedy here by claiming that such statements must be disregarded at the pleading stage."

Decision

Before addressing the merits of respondent's motion to dismiss, we must first address petitioner's motion to strike

the purported "contract" attached to respondent's motion. In addition to being unauthenticated, the purported "contract" is irrelevant to respondent's motion to dismiss, which requires us to examine only petitioner's pleading to determine whether it states a claim upon which relief may be granted. Petitioner's motion to strike the purported "contract" is therefore **GRANTED**, to the extent that the "contract" will be given no consideration in our determination herein. There is therefore no need to treat applicant's motion as one for summary judgment. Wellcome Foundation Ltd. v. Merck & Co., 46 USPQ2d 1478, 1479 n. 2 (TTAB 1998); Internet Inc. v. Corporation for National Research Initiatives, 38 USPQ2d 1435, 1436 (TTAB 1996).²

Turning to the merits of respondent's motion, the Board recently set forth the standard governing motions to dismiss under Fed. R. Civ. P. 12(b)(6):

In order to withstand a motion to dismiss for failure to state a claim, a plaintiff need only allege such facts as would, if proved, establish that (1) the plaintiff has standing to maintain the proceedings, and (2) a valid ground exists for opposing the mark. The pleading must be examined in its entirety, construing the allegations therein liberally, as required by Fed. R. Civ. P. 8(f), to determine whether it contains any allegations which, if

² In any event, because the parties have yet to exchange initial disclosures, a motion for summary judgment would be premature. Trademark Rule 2.127(e)(1). At the appropriate time, respondent will have the opportunity to seek summary judgment that petitioner does not have standing.

proved, would entitle plaintiff to the relief, sought. See Lipton Industries, Inc. v. Ralston Purina Co., 670 F.2d 1024, 213 USPQ 185 (CCPA 1982); Kelly Services Inc. v. Greene's Temporaries Inc., 25 USPQ2d 1460 (TTAB 1992); and TBMP §503.02 (2d. ed. rev. 2004). For purposes of determining a motion to dismiss for failure to state a claim upon which relief can be granted, all of plaintiff's well-pleaded allegations must be accepted as true, and the complaint must be construed in the light most favorable to plaintiff. See Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc., 988 F.2d 1157, 26 USPQ2d 1038 (Fed. Cir. 1993); see also 5A Wright & Miller, Federal Practice And Procedure: Civil 2d §1357 (1990). ... The purpose of a Rule 12(b)(6) motion is to challenge "the legal theory of the complaint, not the sufficiency of any evidence that might be adduced" and "to eliminate actions that are fatally flawed in their legal premises and destined to fail ..." Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc., supra at 26 USPQ2d 1041.

Fair Indigo LLC v. Style Conscience, 85 USPQ2d 1536, 1538 (TTAB 2007); see also, Young v. AGB Corp., 152 F.3d 1377, 47 USPQ2d 1752, 1754 (Fed. Cir. 1998).

Under this standard, we find that petitioner's claims are sufficient, at least at this stage of the proceeding, under the "simplified notice pleading" regime of the Federal Rules of Civil Procedure. Scotch Whiskey Assoc. v. United States Distilled Products Co., 952 F.2d 1317, 21 USPQ2d 1145, 1147 (Fed. Cir. 1991); see also, Trademark Rule 2.112(a). Specifically, petitioner alleges that he owns and

uses the mark ALACRANES MUSICAL and asserts a claim of priority and likelihood of confusion with the mark in respondent's involved registration, which is a sufficient allegation of his real interest in this proceeding and a reasonable belief in damage, and therefore, sufficiently alleges petitioner's standing. Giersch v. Scripps Networks, Inc., 90 USPQ2d 1020, 1022 (TTAB 2009) ("Petitioner has established his common-law rights in the mark DESIGNED2SELL, and has thereby established his standing to bring this proceeding."); Syngenta Crop Protection, Inc. v. Bio-Chek, LLC, 90 USPQ2d 1112, 1118 (TTAB 2009) (testimony that opposer uses its mark "is sufficient to support opposer's allegations of a reasonable belief that it would be damaged ..." where opposer alleged likelihood of confusion).

Respondent's arguments to the contrary are unavailing. First, while respondent appears to imply that the Supreme Court's decision in Bell Atlantic Corp. v. Twombly, 550 U.S. 544 (2007) heightened the pleading standards of the Federal Rules of Civil Procedure, our primary reviewing court has found otherwise. McZeal v. Sprint Nextel Corp., 501 F.3d 1354, 84 USPQ2d 1315, 1318 n. 4 (Fed. Cir. 2007). More importantly, respondent's contention that petitioner's standing allegations are "deficient of facts" and "conclusory" is inaccurate, as petitioner did not merely allege use in a conclusory fashion, but specifically pleads

that his use of ALACRANES MUSICAL is in connection with "musical recordings." Second, respondent's reliance on Societe Civile Des Domaines Dourthe Freres v. S.A. Consortium Vinicole De Bordeaux Et De La Gironde, 6 USPQ2d 1205 (TTAB 1988) is misplaced because that case considered whether an individual established his standing at trial, not at the pleading stage. At this stage of this proceeding, petitioner need only plead standing sufficiently, not prove it. Fair Indigo, 85 USPQ2d at 1538. Third, Compuclean Marketing and Design v. Berkshire Products Inc., 1 USPQ2d 1323 (TTAB 1986) is inapposite, because in that case there was no proof of a relationship between the opposer and the user(s) of the mark upon which opposer relied, whereas here petitioner alleges that he is the owner and user of the mark upon which he relies.

Conclusion

For all of these reasons, respondent's motion to dismiss is hereby **DENIED**.³ Respondent is allowed until

³ Petitioner should be aware that to the extent he bases his fraud claim on respondent's allegedly "misrepresenting its date of first use," the relevant question is whether respondent's mark was in use as of the filing date of its application. "That is, if the mark was in use in commerce as of the filing date, then the claimed date of first use, even if false, does not constitute fraud because the first use date is not material to the Office's decision to approve a mark for publication." Hiraga v. Arena, 90 USPQ2d 1102, 1107 (TTAB 2009); Standard Knitting, Ltd. V. Toyota Jidosha Kabushiki Kaisha, 77 USPQ2d 1917, 1926 (TTAB 2006). Furthermore, to the extent that petitioner's fraud claim is based on respondent's specimens of use, we construe this as a mere amplification of his claim that respondent is not the true owner of the mark. See, General Mills Inc. v. Health Valley Foods, 24

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September 7, 2009 to answer the petition for cancellation.

Proceedings herein are resumed, and disclosure, conferencing, discovery and trial dates are reset as follows:

Time to Answer	September 7, 2009
Deadline for Discovery Conference	October 7, 2009
Discovery Opens	October 7, 2009
Initial Disclosures Due	November 6, 2009
Expert Disclosures Due	March 6, 2010
Discovery Closes	April 5, 2010
Plaintiff's Pretrial Disclosures	May 20, 2010
Plaintiff's 30-day Trial Period Ends	July 4, 2010
Defendant's Pretrial Disclosures	July 19, 2010
Defendant's 30-day Trial Period Ends	September 2, 2010
Plaintiff's Rebuttal Disclosures	September 17, 2010
Plaintiff's 15-day Rebuttal Period Ends	October 17, 2010

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

USPQ2d 1270, 1273 n. 6 (TTAB 1992); Century 21 Real Estate Corp. v. Century Life of America, 10 USPQ2d 2034, 2035 (TTAB 1989).

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