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

Proceeding	92051170
Party	Plaintiff O2Micro International Limited
Correspondence Address	Teresa C. Tucker Grossman Tucker Perreault & Pflieger PLLC 55 South Commercial Street Manchester, NH 03101 UNITED STATES ttucker@gtp.com
Submission	Motion to Amend Pleading/Amended Pleading
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Date	06/24/2010
Attachments	Petitioner's Mot. to Amend Petition.6.24.10.pdf (4 pages)(319840 bytes) First Amended Petition for Cancellation.6.24.10.pdf (8 pages)(649480 bytes)

would not be unduly prejudicial to Respondent. Submitted herewith is an Amended Petition for Cancellation.

DISCUSSION

The Federal Rules of Civil Procedure strongly favor granting leave to amend pleadings. Fed. R. Civ. P. 15(a)(2); *see also*, 37 C.F.R. §2.107 (“Pleadings in an opposition proceeding...may be amended in the same manner and to the same extent as in a civil action in a United States district court.”). The Supreme Court has indicated that “[if] the underlying facts or circumstances relied upon by a [moving party] may be a proper subject for relief, he ought to be afforded an opportunity to test his claim on the merits.” *Foman v. Davis*, 371 U.S. 178, 182 (1962). In that spirit, the TTAB “liberally grants leave to amend pleadings at any stage of a proceeding when justice so requires, unless entry of the proposed amendment would violate settled law or be prejudicial to the rights of the adverse party or parties.” T.B.M.P. §507.02. In this case, as shown below, Petitioner’s proposed amendment does not violate settled law and is not prejudicial to the rights or Respondent. As a result, and based on the foregoing precedent, Petitioner respectfully submits that leave to amend should be granted.

Petitioner filed the above identified Petition for Cancellation on June 29, 2009 based on fraud on the Trademark Office and on abandonment as a result of at least three years of non use of the subject trademark without an intent to resume use. Petitioner’s proposed amendment is based on facts that Respondent has abandoned any rights it may have had in the O2 mark by permitting a third party to use the mark in the United States without exercising any control or supervision over such use. Section 45 of the Trademark Act provides that a mark is deemed to be abandoned when the course of conduct of the owner of the mark causes

the mark to lose its significance as an indication of origin. 15 U.S.C. § 1127. In this case, Respondent has stated in its own briefing on motions that it relied on its licensee's word that the mark was in use when, in fact, Respondent had no knowledge of such use, nor had Respondent seen any evidence of such use. Respondent has expressed its own surprise at being informed there was a possibility the subject trademark had not been used by its alleged licensee for many years. Even an extremely low level of quality control would reveal lack of use by a licensee. Accordingly, amendment to the petition to specifically identify naked licensing as a basis of abandonment should be permitted.

Petitioner also seeks leave to amend the Petition to specifically identify the invalid transfer of trademark rights by an assignment in gross as a further basis for the abandonment ground for cancellation. In addition to the foregoing discussion regarding Respondent's lack of awareness of its alleged licensee's use, Petitioner's investigation shows the alleged licensee discontinued use of the trademark as early as 2002. Accordingly, a 2007 assignment forms a basis for an allegation of abandonment by way of an assignment in gross, and amendment to the petition to specifically identify this as a basis of abandonment should be permitted.

Petitioner submits that Respondent will not be prejudiced by the foregoing requested amendment since the Petition as filed contained an assertion of abandonment. Furthermore, Respondent will suffer no undue prejudice should Petitioner's motion be granted, as there has as yet been no discovery in this proceeding and Respondent will have an opportunity to take discovery on these matters once the discovery period opens. Furthermore, Respondent has offered in its Response to Petitioner's Motion for Summary Judgment to provide, during discovery, information about its license with SGI and the nature of SGI's use.

CONCLUSION

Petitioner respectfully requests that it be granted leave to amend the Petition for Cancellation and that the proposed Amended Petition as attached hereto, be accepted for filing.

Date: June 24, 2010

O2MICRO INTERNATIONAL LIMITED

By Teresa C. Tucker

Teresa C. Tucker

Attorney for Petitioner

Grossman, Tucker, Perreault & Pflieger, PLLC

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CERTIFICATE OF SERVICE

It is hereby certified that a true and complete copy of the subject Petitioner's Motion for Leave to Amend Petition for Cancellation was served upon the Respondent via First Class mail, postage prepaid, this 24th day of June, 2010 to the following address:

Linda Kurth
Baker & Rannells PA
575 Route 28, Suite 102
Raritan NJ 08869

By Teresa C. Tucker

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

In Re Trademark Reg. No. 2231093)
Dated: March 9, 1999)
Mark: O2)
Class: INT. 9)

O2Micro International Limited)
 Petitioner) Cancellation No. 92051170
))
 v.))
O2 Holdings Limited))
 Respondent))
 *)

FIRST AMENDED PETITION FOR CANCELLATION

O2Micro International Limited, a Cayman Islands corporation having a principal place of business at 11F, No. 54, Sec. 4, Min-Sheng E. Road, Taipei City, Taiwan 105, believes that it is being or will be damaged by the continued registration of the mark “O2” shown in Registration No. 2231093 dated March 9, 1999 (hereinafter the “O2 Registration”), by O2 Holdings Limited (hereinafter referred to as Respondent), and hereby petitions to cancel same.

The grounds for cancellation of said registration are as follows:

1. Petitioner is the owner of a family of trademarks comprising the term “O2Micro” as shown in the following Federal Trademark Registrations (hereinafter the “O2Micro Registrations”).

TRADEMARK	REGISTRATION NUMBER	DATE OF REGISTRATION
O2MICRO	2575266	June 4, 2002
O2MICRO SMART CARD ENABLED plus design	2730567	June 24, 2003
O2MICRO BREATHING LIFE INTO MOBILITY plus design	2710421	April 29, 2003
O2MICRO plus design	2812901	February 20, 2004
O2MICRO	2786406	November 25, 2003

2. Petitioner has been using the marks shown in the O2Micro Registrations in commerce, in connection with the goods identified in said Registrations, since at least as early as May, 1995 including as a house mark for a full line of integrated circuits for computers.

3. Petitioner and Respondent currently are parties to trademark opposition proceedings in other countries with respect to trademarks comprising "O2."

4. On information and belief, on September 19, 1996 Respondent's predecessor in interest, Silicon Graphics, Inc., filed an Application with the United States Patent and Trademark Office for "O2" assigned Serial No. 75168580 in Class 9, for "computer hardware and computer operating system software, and instructional manuals therefore sold as a unit therewith," based on intent to use the mark under Section 1(b) and later based on a claim of use in commerce since

September 28, 1996. Said Application subsequently matured to registration as the O2 Registration.

5. On information and belief, an assignment of the O2 Registration to Respondent dated October 29, 2007, was recorded with the U.S. Trademark Office at Reel 3649, Frame 0527.

6. On information and belief, on March 9, 2009 Respondent filed a Combined Declaration of Use in Commerce & Application for Renewal of Registration of a Mark under Sections 8 & 9 (hereinafter the Renewal Application) with the United States Patent and Trademark Office and claimed use of the mark in commerce in connection with all of the goods recited in the O2 Registration. Said filing included image files described as “Digital image of Applicant’s website showing goods and information on how to order goods” and comprising a copy of Respondent’s predecessor in interest’s “Silicon Graphics O2 Visual Workstation” datasheet, including the copyright notice “© 2000 Silicon Graphics, Inc.,” and a copy of pages at the web site at Respondent’s predecessor in interest, particularly the page shown at www.sgi.com/products/legacy/mips/html comprising photos of products that were no longer manufactured or sold,¹ and hyperlinks to download owner’s guides therefore.

7. Shortly before commencing this cancellation action, Petitioner engaged the services of a private investigator to determine whether Respondent has used the “O2” mark in the United States in connection with all of the goods referenced in the Renewal Application.

¹ The page shown at www.sgi.com/products/legacy is the page which provides a link to the specimen page, and it includes the heading “here you will find information for products that are no longer manufactured or sold by SGI.” Thus, the user would first find this statement and then be able to link to the page which Respondent submitted as a specimen of use in its Renewal Application.

8. The investigator conducted an online search of Respondent's predecessor in interest's website, www.sgi.com, and found the products identified under the "O2" mark on a page of the website which is headed by the title "Legacy Products" and states that the page contains information for products which are "no longer manufactured or sold by SGI."

9. Following conducting an online search, the investigator contacted a representative for Respondent's predecessor in interest and learned that Respondent's predecessor in interest was no longer offering for sale in the United States any products under the "O2" mark. The investigator further learned that Respondent's predecessor in interest had discontinued use of the "O2" mark at least seven years ago, if not longer.

10. On information and belief, and upon the results of the investigation commissioned by Petitioner, at the time the Renewal Application was filed Respondent and/or its predecessor in interest had terminated use of the mark "O2" for at least the goods identified in the O2 Registration as "computer hardware and computer operating system software" prior to the filing date of the Renewal Application and for as many as seven years prior thereto.

11. On information and belief, and upon the results of the investigation commissioned by Petitioner, Respondent filed a knowingly fraudulent Renewal Application.

12. Based on the foregoing, the Renewal of the O2 Registration was obtained fraudulently by claiming use of the mark with goods not actually produced or marketed by Respondent and Respondent knew such goods were no longer manufactured or sold.

13. On information and belief, and upon the results of the investigation commissioned by Petitioner, Respondent committed fraud on the Patent and Trademark Office in the

procurement of renewal of the O2 Registration by making material representations of fact in its declarations which it knew or should have known to be false.

14. On information and belief, and upon the results of the investigation commissioned by Petitioner, Respondent deliberately attempted to mislead the United States Patent and Trademark Office into renewing the O2 Registration by making a false declaration stating the mark was in use in commerce in connection with all of the goods identified in the Registration.

15. On information and belief, and upon the results of the investigation commissioned by Petitioner, Renewal was granted for the O2 Registration based on Respondent's intentionally deceptive statements and declarations fraudulently made to procure renewal.

16. On information and belief, and upon the results of an investigation commissioned by Petitioner, Registrant submitted a letter (hereinafter the Subsequent Letter) to the United States Patent and Trademark Office dated September 8, 2009, subsequent to filing its Renewal Application, containing a substitute declaration of use and specimen of use (hereinafter the Substitute Specimen).

17. On information and belief, and upon the results of an investigation commissioned by Petitioner, the Substitute Specimen shows the "O2" mark on a SIM card bearing the web address www.O2.co.uk/blueroom.com.

18. On information and belief, and upon the results of an investigation commissioned by Petitioner, the SIM card shown in the Substitute Specimen was not offered for sale in the United States at the time that either the Renewal Application or the Subsequent Letter was filed.

19. On information and belief, and upon the results of an investigation commissioned by Petitioner, the Subsequent Letter and Substitute Specimen were submitted by Registrant in an effort to cure the fraudulent statements made in the Renewal Application.

20. On information and belief, and upon the results of an investigation commissioned by Petitioner, Registrant made further material representations of fact in its declaration submitted with its Subsequent Letter which it knew or should have known to be false in an effort to procure renewal.

21. On information and belief, and upon the results of the investigation commissioned by Petitioner, the mark shown in the O2 Registration has not been used by Respondent or its predecessor in interest for more than three years and neither Respondent nor its predecessor in interest had an intent to resume use of the mark during that period. As a result, the mark has been abandoned.

22. On information and belief, on October 29, 2007, Silicon Graphics, Inc. executed a document intended to assign its entire interest in the O2 Registration, and rights in the "O2" mark, to Registrant.

23. On information and belief, and upon the results of the investigation commissioned by Petitioner, the "O2" mark had been abandoned by Silicon Graphics, Inc. at least three years prior to the date of the assignment of the "O2" mark. Due to this abandonment, there was no goodwill associated with the "O2" mark at the time the assignment was executed. As a result, the assignment was in gross and therefore invalid.

24. On information and belief, and based on Registrant's own statements, Registrant has licensed to Silicon Graphics, Inc. rights to use the "O2" mark in connection with the sale of goods identified in the O2 Registration.

25. On information and belief, Registrant does not supervise or have any involvement regarding the quality of the goods produced or sold by Silicon Graphics, Inc. under the "O2" mark. This lack of quality control has created a naked license resulting in Registrant's abandonment of the "O2" mark.

26. On information and belief, and based on Registrant's own statements as well as the results of an investigation commissioned by Petitioner, Registrant unreasonably and intentionally chose to rely on its Licensee, Silicon Graphics, Inc., to inform Registrant when it discontinued sale of products under the "O2" mark and did not inquire into its Licensee's use or sales under the mark at the time the Renewal Application was filed although the specimen submitted by Registrant in the Renewal Application had a copyright notice date of 2000 and was found on a page depicting discontinued products.

27. On information and belief, and based on Registrant's own statements as well as the results of an investigation commissioned by Petitioner, Registrant's intentional uncontrolled licensing and willful blindness as to its Licensee's activities was done in an effort to escape its burden of supplying truthful information with its Renewal Application and thereby fraudulently procure Renewal.

28. Petitioner has been or will continue to be damaged by the existence of the O2 Registration because Petitioner has used its O2Micro trademarks since prior to the date of first

use claimed in the O2 Registration and the O2 Registration could pose an economic threat to
Petitioner, its customers, assigns, since it would make possible harassment by litigation.

WHEREFORE, Petitioner prays that Registration No. 2231093 be cancelled, and that this
Petition be granted in favor of Petitioner.

RESPECTFULLY SUBMITTED this 24th day of June, 2010.

O2Micro International Limited

By 
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CERTIFICATE OF SERVICE

It is hereby certified that a true and complete copy of the subject Petition for Cancellation
was served upon the Respondent via First Class mail, postage prepaid, this 24th day of June, 2010
to the following address:

Linda Kurth
Baker & Rannells PA
575 Route 28, Suite 102
Raritan NJ 08869

By 