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

Proceeding	92052146
Party	Defendant Juan E. Rodriguez
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the matter of trademark Registration No. 3542236
Registered (Supplemental): December 2, 2008
Mark: PINAR DEL RIO

CORPORACION HABANOS, S.A. and	§	
EMPRESA CUBANA DEL TABACO,	§	
d.b.a. CUBATABACO,	§	
	§	
Petitioners,	§	
	§	
v.	§	Cancellation No. 92052146
	§	
RODRIGUEZ, JUAN E.,	§	
	§	
Registrant.	§	

**REGISTRANT’S REPLY TO PETITIONERS’ OPPOSITION TO
MOTION TO DISMISS**

Registrant, Juan E. Rodriguez, by it attorneys, respectfully submits this Reply to the Petitioners’ response brief, filed June 24, 2010, in opposition to Registrant’s Motion to Dismiss Under Rule 12(b)(1) and 12(b)(6) and Memorandum in Support of Motion, as follows:

I. No Standing

Contrary to Petitioners’ assertions, Registrant has in no way conceded that Petitioners have standing in this matter, and therefore the issuance of a specific license by the Treasury Department’s Office of Foreign Assets Control (“OFAC”) would *not* require denial of this motion. *See* Petitioners’ Brief filed June 24, 2010 in Opposition to Motion to Dismiss (“Petitioners’ Br. in Opposition”) at 1, 5. As set forth in Registrant’s Motion to Dismiss Under Rule 12(b)(1) and 12(b)(6) and Memorandum in Support of Motion (“Registrant’s Motion and Mem.”), Registrant seeks dismissal on the grounds that Petitioners “do not have the authority”

from OFAC and “do not have standing to file and prosecute the Petition for Cancellation” of the instant case. *See* Registrant’s Motion and Mem. at 1-2, 6-7, 9-10. Accordingly, Petitioners’ argument that “Registrant seeks dismissal *exclusively* on the ground that OFAC has not authorized Petitioners to prosecute the instant cancellation petition” is wrong. Petitioners’ Br. in Opposition at 1, 5, 7 (emphasis added).

To succeed in their Petition for Cancellation, Petitioners must prove that they have standing to maintain the proceeding before the Trademark Trial and Appeal Board (“TTAB”). *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 945 (Fed. Cir. 2000). However, based upon the pleadings, Petitioners do not have standing in the instant matter, since they conspicuously “have *not* cited any U.S. trademark registrations as a basis for their cancellation” (Registrant’s Motion and Mem. at 2), since “Registrant’s mark PINAR DEL RIO has *not* been cited as grounds for denying Cubatabaco’s application for HABANOS” (Registrant’s Motion and Mem. at 7), and since Petitioners now admit that “[t]he proposed cancellation petition(s) are *not* related to the registration or renewal by Habanos or Cubatabaco of the trademark PINAR DEL RIO or PINAR, or any other trademark in the USPTO, and is *not* related to the protection of a trademark in which Cuba or a Cuban national has an interest.” Petitioners’ Br. in Opposition at 10 (emphasis in original).

The Federal Courts and the TTAB have fashioned a two-part test to determine whether a party has standing to petition a trademark registration. To establish standing, Petitioners must show that Petitioners (1) have a “real interest” in the proceeding such that Petitioners have a direct and personal stake in the outcome, and (2) have a reasonable basis for believing that Petitioners will be damaged by the registration. *See Ritchie v. Simpson*, 170 F.3d 1092, 1095, 50 USPQ2d 1023, 1025-26 (Fed. Cir. 1999); *General Motors Corp. v. Aristide & Co., Antiquaire de*

Marques, 2008 WL 1808554, p.5 (T.T.A.B. April 21, 2008). The “real interest” requirement stems from a “policy of preventing ‘mere intermeddlers’ who do not raise a real controversy from bringing opposition or cancellation proceedings in the PTO.” *Ritchie*, 170 F.3d at 1025 (citing *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 1028). The “damage” requirement is not satisfied if the damages are speculative or remote; the damages must be “likely.” *Cunningham v. Laser Golf Corp.*, 222 F.3d 943 (Fed. Cir. 2000).

In general, standing to challenge the registration of a mark is found to exist where the opposer itself holds a mark registered with the USPTO with which the applied-for mark will interfere. See, e.g., *Bass Pro Trademarks, L.L.C. v. Sportsmans Warehouse, Inc.*, 2008 WL 927726 (T.T.A.B. April 4, 2008)(finding standing to cancel a registration where petitioner, claiming ownership and prior use, attached to the original petition for cancellation two certified copies of its pleaded U.S. trademark registration showing status of the registration and title in the petitioner); *General Motors Corp. v. Aristide & Co., Antiquaire de Marques*, 2008 WL 1808554, p.2 (T.T.A.B. April 21, 2008)(finding that opposer had an interest beyond that of the general public and therefore had standing because opposer had alleged that it was the owner of the mark and opposer had used the mark in the U.S. for vehicles and opposer presently licensed the mark in the U.S.). In the instant case, Petitioners have failed to allege any certain trademark registered with the USPTO with which Registrant’s mark PINAR DEL RIO will interfere. Further, Petitioners have not alleged that Petitioners market their products within the United States under the mark PINAR DEL RIO. Moreover, Petitioners have not even alleged that Petitioners intend to market their products within the United States under the mark PINAR DEL RIO as soon as U.S. law permits.

“Standing is a threshold inquiry directed solely to establishing a plaintiff’s interest in a proceeding.” *Havana Club Holding, S.A. v. Jimmy Buffet*, 2003 WL 1423117 (T.T.A.B. March 13, 2007). In Petitioners’ Br. in Opposition, Petitioners fully admit that “[t]he proposed cancellation petition(s) are *not* related to the registration or renewal by Habanos or Cubatabaco of the trademark PINAR DEL RIO or PINAR, or any other trademark in the USPTO, and is *not* related to the protection of a trademark in which Cuba or a Cuban national has an interest.” Petitioners’ Br. in Opposition at 10.

Petitioners have not alleged direct damage to Petitioners from Registrant’s registration of the mark PINAR DEL RIO. Petitioners have merely alleged that registration of Registrant’s PINAR DEL RIO mark upon the Supplemental Register “will damage and has damaged the **reputation** that genuine Cuba-origin **cigars** have in the United States.” Petitioners’ Br. in Opposition at 4. Further, “they allege damage in that such registration and use will deceive and have deceived **consumers**.” *Id.* Such allegations, even if true, do not demonstrate damage to **Petitioners**. Finally, Petitioners “allege that their **success** in marketing and selling 100% Cuba-origin cigars made from tobacco from Pinar del Rio to U.S. consumers **as soon as U.S. law permits** will be and has been damaged.” *Id.* This too fails as a matter of law because “any competitive injury plaintiffs will suffer based upon their intent to enter the U.S. market once the embargo is lifted is simply too remote and uncertain to provide them with standing.” *Havana Club Holdings, S.A. v. Galleon S.A.*, 203 F.3d 116, 122 (2nd Cir. 2000). Allegations consisting of such speculative and conjectural harm are not sufficient grounds to confer standing in these proceedings, as they do not satisfy the requirement that damage from the pending registration is “likely.” Furthermore, Petitioners cannot demonstrate “[a] ...direct commercial interest” in the outcome of these proceedings given the current prohibition of the embargo. *Cunningham v.*

Laser Golf Corp., 222 F.3d 943 (Fed. Cir. 2000)(belief in likely damage may be shown through allegation of direct commercial interest).

In a similar case, in *Havana Club Holding, S.A. v. Jimmy Buffet*, 2003 WL 1423117 (T.T.A.B. March 13, 2007),¹ the TTAB determined that a Cuban company lacked standing to oppose a trademark registration by a U.S. applicant where the only damage alleged was the remote and contingent threat posed by the applicant's use of the mark should the Cuban embargo be lifted. In *Havana Club*, the TTAB provided, in pertinent part:

With regard to opposer's claim, under Section 2(e)(3) of the Trademark Act, that applicant's mark "HAVANAS AND BANANAS" is primarily geographically deceptively misdescriptive of rum drinks not originating from Cuba, it is clear that opposer has no standing to pursue this claim just as it had no standing to pursue its false designation of origin claim under Section 43(a) in *Galleon V*. The Second Circuit [in *Galleon V*] affirmed the District Court's holding that opposer had no standing because the Cuban embargo prevented opposer from selling its rum in the United States, and thereby from suffering commercial injury because of Bacardi's actions; and quoted the District Court as saying: 'Any competitive injury plaintiffs will suffer based upon their intent to enter the U.S. market once the embargo is lifted is simply too remote and uncertain to provide them with standing.' *Galleon V* at 122; cf. *The Joint Stock Society v. UDV North America*, 266 F.3d 164, 60 USPQ2d 1258 (3rd Cir. 2001).

Similarly, with regard to its claim involving Section 2(a), opposer's attempts to assert that applicant's use of the HAVANAS AND BANANAS mark may disparage or falsely suggest a connection with opposer's persona or identity is ill founded [due to] Opposer's lack of proprietary rights to the HAVANA CLUB mark...

2003 WL 1423117 at p. 6-7, (TTAB March 13, 2007). In the instant case, Petitioners fail to allege any proprietary right in the mark PINAR DEL RIO in the United States, and further, have *not* even alleged that Petitioners intend to market their products within the United States under the mark PINAR DEL RIO as soon as U.S. law permits. Just as the Cuban company in *Havana*

¹ *Havana Club Holding, S.A. v. Jimmy Buffett*, 2003 WL 1423117 (T.T.A.B. March 13, 2007) is not citable as precedential authority of the TTAB. However, the analogy is rewardingly similar and the TTAB relies on the Second Circuit Court of Appeals in *Havana Club Holdings, S.A. v. Galleon S.A.*, 203 F.3d 116, 122 (2nd Cir. 2000).

Club lacked standing to maintain that opposition, in the instant matter, Petitioners lack standing to maintain the Petition for Cancellation.

In Petitioners' Br. in Opposition, Petitioners cite "two precedential decisions of the Board in favor of Petitioner Habanos, S.A." (Petitioners' Br. in Opposition at 3), where it was found in each case that Petitioners had standing, to likely draw upon an analogy and an inference of its standing in the instant case. However, Petitioners' reliance on *Corporacion Habanos, S.A. v. Anncas, Inc.*, 88 U.S.P.Q.2d 1785 (TTAB 2008) and on *Corporacion Habanos, S.A. v. Guantanamera Cigars Co.*, 86 U.S.P.Q.2d 1473 (TTAB 2008) for its standing in the instant case is misplaced.

In *Anncas*, applicant filed an application to register the mark HAVANA CLUB, and Corporacion Habanos, S.A. opposed registration, alleging that it is in the cigar business and "that it is the owner of HABANOS UNICOS DESDE 1492 and design." *Corporacion Habanos, S.A. v. Anncas, Inc.*, 88 U.S.P.Q.2d 1785 (TTAB 2008). In finding that Corporacion Habanos, S.A. had a "real interest" in the outcome of the proceeding and accordingly had established its standing to maintain the opposition, the TTAB relied upon the fact that Corporacion Habanos, S.A. had submitted a status and copy of its pleaded registration No. 2177837 for the related mark HABANOS UNICOS DESDE 1492 with the U.S. Patent and Trademark Office, a registered mark that it currently uses in the United States, and in view thereof reasoned that "these actions relate to the protection of a trademark" in which Corporacion Habanos, S.A. has an interest. However, in the instant case, Petitioners have failed to plead any registered trademarks related to Registrant's mark PINAR DEL RIO, and Petitioners admit that "these actions" of the instant Petition for Cancellation "are *not* related to the protection of a trademark in which" Petitioners have an interest. Petitioners' Br. in Opposition at 10. Petitioners further admit that "[t]he

proposed cancellation petition(s) are **not related** to the registration or renewal by Habanos or Cubatabaco of the trademark PINAR DEL RIO or PINAR, **or any other trademark in the USPTO.**” Petitioners’ Br. in Opposition at 10 (emphasis added). It is clear that Petitioners have no interest in the mark PINAR DEL RIO in the United States, and accordingly, Petitioners have no standing to maintain the instant Petition for Cancellation.

In *Guantanamera*, Corporacion Habanos, S.A. opposed registration of applicant’s mark GUANTANAMERA. In its notice of opposition, Corporacion Habanos, S.A. had alleged that it already had a pending application to register the same mark GUANTANAMERA in the United States, and “that its ability to register the mark, and use the mark in the United States, will be impaired if applicant is allowed to register its mark.” *Corporacion Habanos, S.A. v. Guantanamera Cigars Co.*, 86 U.S.P.Q.2d 1473 (TTAB 2008). In finding that Corporacion Habanos, S.A. had a “real interest” in the outcome of the proceeding and accordingly had established its standing to maintain the opposition, the TTAB relied upon the fact that Corporacion Habanos, S.A. had an existing “application for the [same] mark GUANTANAMERA with the U.S. Patent and Trademark Office” and in view thereof reasoned that “these actions relate to the protection of a trademark” in which opposer has an interest. However, in the instant case, Petitioners have *not* alleged, in the Petition for Cancellation or in Petitioners’ Br. in Opposition, that Petitioners’ ability to register the mark PINAR DEL RIO or ability to use the mark PINAR DEL RIO in the United States would “be impaired” by Registrant’s existing registration of the mark PINAR DEL RIO in the United States. Further, Petitioners have not alleged ownership of any application for the same mark PINAR DEL RIO or any related mark. Rather, in Petitioners’ Br. in Opposition, Petitioners admit that “[t]he proposed cancellation petition(s) are *not* related to the registration or renewal by Habanos or Cubatabaco

of the trademark PINAR DEL RIO or PINAR, or any other trademark in the USPTO.” Petitioners’ Br. in Opposition at 10. Petitioners further admit that “[t]he proposed cancellation petition(s) ... are *not* related to the protection of a trademark in which Cuba or a Cuban national has an interest.” Petitioners’ Br. in Opposition at 10. Petitioners are Cuban nationals. Petitioners have no interest in the mark PINAR DEL RIO in the United States, and accordingly, Petitioners have no standing to maintain the instant Petition for Cancellation.

II. TTAB Should Disregard OFAC Letter and Amended OFAC License

A motion to dismiss is decided upon the pleadings, and standing is determined as of the date of filing of the petition or complaint, and the TTAB should not consider any events that unfolded after the filing of the Petition for Cancellation in order for Petitioners to establish their standing. *Wilbur v. Locke*, 423 F.3d 1101 (9th Cir. 2005). It is well settled that “standing is determined as of the date of the filing of the complaint” and “[t]he party invoking the jurisdiction of the court cannot rely on events that unfolded after the filing of the complaint.” *Kitty Hawk Aircargo, Inc. v. Chao*, 418 F.3d 453, 460 (5th Cir.2005). In the instant case, Petitioners enclosed with Petitioners’ Br. in Opposition a letter from OFAC dated June 23, 2010 and an amended OFAC license (License No. CU-78926-b) dated June 23, 2010. See Exhibit A to Petitioners’ Br. in Opposition. This OFAC letter dated June 23, 2010 and amended license dated June 23, 2010 unfolded well *after* the filing of the Petition for Cancellation on March 1, 2010. In deciding the motion to dismiss, the TTAB should disregard this June 23, 2010 OFAC letter and the June 23, 2010 amended OFAC license because Petitioners “cannot rely on events that unfolded after the filing of the complaint to establish standing.” *Kitty Hawk Aircargo, Inc. v. Chao*, 418 F.3d 453, 460 (5th Cir.2005).

CONCLUSION

Cubatabaco and Habanos indisputably lack standing to pursue this Petition for Cancellation. Petitioners' contrary position, based upon Specific License CU-78926-a or Specific License CU-78926-b, is mistaken. Thus, for the reasons stated herein, and on the pleadings had herein, Registrant's Motion to Dismiss Under Rule 12(b)(1) and 12(b)(6) should be granted, and Petitioners' Petition for Cancellation should be dismissed.

Dated: July 13, 2010

Respectfully submitted,

By: /Taylor M. Norton, Reg. No. 65,050/

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing REGISTRANT'S REPLY TO PETITIONERS' OPPOSITION TO MOTION TO DISMISS has been served on Petitioners' counsel of record, by mailing said copy on this 13th day of July, 2010, by first class mail, postage prepaid to:

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