

**THIS OPINION IS NOT A
PRECEDENT OF THE TTAB**

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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Bio-One, Inc.

v.

A.L.E.G., Inc.

Cancellation No. 92052195

Robert S. Salter of Salter & Michaelson for Bio-One, Inc.

Wendy B. Mills of Law Office of Wendy B. Mills for A.L.E.G., Inc.

Before Seeherman, Cataldo and Wellington, Administrative
Trademark Judges.

Opinion by Seeherman, Administrative Trademark Judge:

Bio-One, Inc. (petitioner) has petitioned to cancel
Registration No. 3397476, owned by A.L.E.G., Inc.
(respondent) for the mark BIO1ONE, in standard character
form, for "fertilizers and soil amendments for agricultural
use." This registration issued on March 18, 2008, from an
application that was filed on April 18, 2007. The grounds
listed in the petition for cancellation are likelihood of

confusion and fraud.¹ In the petition for cancellation petitioner has combined allegations of fact with arguments of law, but, essentially, petitioner has alleged that since 1992 petitioner has used the mark BIO-ONE in connection with liquid organic fertilizer and soil amendments to promote plant growth; that petitioner has superior common law rights in the mark BIO-ONE based on prior use; that petitioner's and respondent's goods are identical, and the parties' marks are nearly identical; and that respondent's use of the mark BIO1ONE is likely to cause confusion, deception and mistake within the meaning of Section 2(d) of the Trademark Act; that petitioner has filed application Serial Nos. 77320110 for BIO-ONE and this application was refused registration based on respondent's registration; that in 2002 petitioner entered into a wholesale distribution agreement and in 2006 entered into an exclusive distribution agreement with a company petitioner has variously described as respondent and a parent company of respondent, namely AsiaLink Enterprise Group Corp.; that upon petitioner's discovery of respondent's filing of the application which matured into the registration that is the subject of this cancellation

¹ We note that in the ESTTA form that comprises part of the electronic filing of a petition for cancellation petitioner listed, in addition to the grounds of likelihood of confusion and fraud, deceptiveness and false suggestion of a connection under Section 2(a). Petitioner did not allege any facts in the petition that would give rise to these grounds, nor did it make

proceeding, petitioner terminated its business relationship with respondent and its affiliates. With respect to the ground of fraud, petitioner has alleged that the subject registration is "riddled with fraud" since in its original application it stated that the date of first use was 1988, and that it was not until petitioner sent a cease and desist letter that respondent sought to amend the date of first use to 2004; that respondent knew or should have known that at the time it made the initial declaration that it was false.

In its answer respondent has denied all of the salient allegations in the petition for cancellation. It also made various affirmative statements, including that it is not affiliated with AsiaLink Enterprise Group Corp. as a subsidiary, division or otherwise, although it also stated that a default judgment petitioner obtained against that company was obtained without proper service, and that the judgment was being opposed by that company. Respondent also stated that it believed that it had the right to file the application for BIO1ONE "in accordance with numerous verbal discussions and agreements with Petitioner prior to filing for registration." ¶ 19.

By operation of the rules, the record includes the pleadings and the file of the subject registration. Petitioner has also submitted the testimony, with exhibits,

any argument about them in its brief, and therefore we have not

of Aydemir Arapoglu, petitioner's president and CEO, and two notices of reliance. By the notices of reliance, petitioner has made of record documents from its trademark application Serial Nos. 77320110 and 7730124; petitioner's and respondent's articles of incorporation; and papers in two civil actions in the District Court Dallas, Texas between petitioner and Asia Link Enterprise Group Corp., in one of which petitioner was the plaintiff and in one of which petitioner was the defendant.² Included in the notice of reliance are some documents that are not appropriate for submission by notice of reliance, such as distributor agreements and various correspondence. However, because these documents were also identified and made of record as exhibits to Mr. Arapoglu's deposition, they have been considered.

Respondent did not submit any evidence. Only petitioner filed a brief.

Standing

The evidence shows that petitioner's two applications, Serial No. 77320110 for BIO-ONE and Serial No. 77320124 for BIO1ONE, have been refused registration on the basis of the instant registration. In view thereof, petitioner has

given these claims any consideration.

² In its petition for cancellation petitioner alleged that it had filed suit against respondent in state district court in Texas and a final default judgment against respondent was entered

demonstrated its standing. Life Zone Inc. v. Middleman Group Inc., 87 USPQ2d 1953 (TTAB 2008).

Fraud

In the petition for cancellation, as noted above, petitioner asserted a ground of fraud on the basis of a false statement of the date of use that was made in respondent's application, alleging in paragraph 12 that respondent's registration

is riddled with fraud since it stems from the deliberate submission of a false and misleading declaration. Registrant represented under penalty of perjury in its application that the date of first use in commerce was 1988. It was not until Applicant demanded that Registrant cease and desist all use of the marks BIO1ONE and BIO-ONE on September 13, 2007 that a post publication amendment was filed with the UPTO by Registrant amending the date of first use to 2004. As such, Registrant knew, or should have known, at the time of making the initial Declaration, that it was false.

In order to prove fraud, a plaintiff must prove three elements: that the statement was false, that it was material, and that it was made with the intention to persuade the USPTO to issue a registration which, were it not for the falsity of the statement, the Office would not issue. See *Torres v. Cantine Torresella S.r.l.*, 808 F.2d 46, 1 USPQ2d 1483, 1484 (Fed. Cir. 1986), quoted with approval in *In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1939 (Fed. Cir. 2009): "Fraud in procuring a trademark

in that case on June 5, 2008. It appears that this allegation

registration or renewal occurs when an applicant knowingly makes false, material representations of fact in connection with his application." Petitioner's claim of fraud in the petition for cancellation is based on the assertion that respondent falsely stated its date of first use. However, a false claim in a date of use is not material so long as the mark was in use in commerce at the time the application was filed, if the application was based on use in commerce (Section 1(a) of the Trademark Act), or at the time the Statement of Use was filed, if the application was based on intent-to-use (Section 1(b) of the Act). See *L. & J.G. Stickly Inc. v. Cosser*, 81 USPQ2d 1956, 1970 n. 17 (TTAB 2007) (inaccurate information regarding claimed dates of first use does not, by itself, constitute fraud); *Western Worldwide Enterprises Group Inc. v. Qinqdao Brewery*, 17 USPQ2d 1137, 1141 (TTAB 1990) ("The Board repeatedly has held that the fact that a party has set forth an erroneous date of first use does not constitute fraud unless, inter alia, there was no valid use of the mark until after the filing of the [Section 1(a)] application"). Petitioner does not allege, nor has it proven, that respondent did not make use of its mark as of the filing date of the application in 2007. Thus, petitioner's claim of fraud, even if the allegations were taken as true, does not state a ground of

pertains to these civil actions.

fraud because it fails to allege that the supposed false statement was material. Further, petitioner has failed to prove that respondent did not make use of its mark prior to the filing date of its application.

In its appeal brief petitioner appears to change the basis for the ground of fraud, contending that the declaration in respondent's underlying application was fraudulent because it failed to disclose use by others, and specifically that it failed to disclose use of the mark by petitioner when respondent knew that petitioner had superior rights in the mark. This contention was not pleaded, nor can we say that it was tried by consent of the parties. Accordingly, we can give no consideration to the ground of fraud based on material false misstatements in the declaration of the underlying application. The petition on the ground of fraud must be dismissed.

Likelihood of confusion

There are two elements to the ground of likelihood of confusion, priority and likelihood of confusion. With respect to the issue of priority, the record shows that petitioner was established as a Texas corporation in August 1992. It manufactures and sells a liquid biological organic product comprised of natural living soil microorganisms which aid in improvement of soil fertility. The testimony of Aydemir Arapoglu, petitioner's president, CEO and current

owner, is that petitioner has used the mark Bio-One continuously since 1992 for this product. Because respondent has not submitted any evidence, the earliest date of use on which it can rely is the April 18, 2007 filing date of the application which issued into the registration that is the subject of this proceeding. Thus, petitioner has established its priority.

With respect to the issue of likelihood of confusion, petitioner has concentrated its arguments on its assertion that respondent was a distributor for petitioner, that petitioner is the owner of the mark BIO-ONE, and that respondent obtained the registration for BIO1ONE without petitioner's permission. However, the evidence submitted by petitioner shows that it had a manufacturer/distributor relationship with Asia Link Enterprise Group, not A.L.E.G., Inc., the respondent.

Petitioner's witness testified that he believes the name of the respondent, A.L.E.G., Inc. is an acronym for Asia Link Enterprise Group, and that respondent is the same or a related company to Asia Link Enterprise Group. And there is evidence showing some connections between respondent and Asia Link Enterprise Group, in that a paper filed with the Texas Secretary of State's office changing the name of Asia Link Enterprise Corporation was signed by Mark Ma as an officer, and Mark S. Ma is listed as the

director who filed a certification of formation for respondent, A.L.E.G. Inc. Also, on February 25, 2008, the registered office address for respondent was changed to 5005 St. Lawrence Ct., Plano TX, and on October 1, 2008 Zhi Ma filed a change of address for the registered office for American Asia Link Enterprise Group Corporation to the same address. In addition, Mark Ma signed checks from Asia Link to petitioner. However, this evidence is not sufficient to show that respondent and Asia Link Enterprise Group are the same company, or, as petitioner has alleged and respondent has denied in the pleadings, that Asia Link Enterprise Group is the parent company of respondent.

Accordingly, we do not analyze this case as one of a distributor of a trademarked product that has registered the trademark under which the product is sold. Rather, we analyze the issue in the normal manner for likelihood of confusion, determining likelihood of confusion based on all of the probative facts in evidence that are relevant to the factors set forth in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also, *In re Majestic Distilling Co., Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003).

The goods are identical. Petitioner has shown that its goods are a liquid biological organic product comprised of natural living soil microorganisms which aid in improvement

of soil fertility, and which fix nitrogen in the soil and provide plants and crops with nitrogen which is biologically fixed. Agro, pp. 6-7. Respondent's goods are identified as "fertilizers and soil amendments for agricultural use."

Although there is no specific testimony about petitioner's customers in order for us to determine the scope of its common law rights, because respondent's goods are legally identical to petitioner's, they must be deemed to travel in the same channels of trade in which petitioner's goods are sold. The du Pont factors of the similarity of the goods and the channels of trade favor petitioner.

With respect to the marks, when marks would appear on virtually identical goods or services, as they do here, the degree of similarity necessary to support a conclusion of likely confusion declines. Century 21 Real Estate Corp. v. Century Life of America, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992). Petitioner's mark is BIO-ONE, respondent's mark is BIO1ONE. The marks are identical in pronunciation and meaning, with the "1" in respondent's mark merely emphasizing the meaning of the word "ONE" in both marks. The marks are also extremely similar in appearance, both starting with the element "BIO" and ending with the word "ONE," with the only difference being that these two elements are separated by a hyphen in petitioner's mark and the number 1 in respondent's mark. This small difference is

not sufficient to distinguish the marks, particularly when the marks are used for identical goods. The commercial impressions of the marks are the same. This du Pont factor also favors a finding of likelihood of confusion.³

There has been no argument or evidence as to any of the remaining du Pont factors. We therefore treat them as neutral.

Considering the du Pont factors on which there has been argument or evidence, we find that petitioner has met its burden of proving likelihood of confusion. The petition to cancel is therefore granted on this ground.

Decision: The petition to cancel is granted.

³ As noted above, petitioner has also applied to register the mark BIO1ONE, which is identical to respondent's mark. However, it is not clear when petitioner began using this mark. Petitioner's witness testified that the mark was used "as early as 1996," p. 106, but when asked why petitioner filed the application based on intent-to-use, the question and answer was not entirely clear:

Q.: So on the filing basis 1(b) for Bio1One, that would be an intent to use application, I think you said earlier, and that was based on my client's use, et cetera, but you wouldn't be applying for an intent to use if you were actually using it; isn't that correct?

A.: I don't even know what you said. I completely lost you.

Because of the uncertainty as to whether petitioner made use of the BIO1ONE mark prior to the filing date of respondent's underlying application, and therefore has shown priority of use for this mark, we do not base our finding of likelihood of confusion on petitioner's rights in the BIO1ONE mark.