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

Proceeding	92053854
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Registration No. 3,523,399

Mark: TH

Registration Date: October 28, 2008

SERINE-CANNONAU VINEYARD, INC.,
DBA TERRY HOAGE VINEYARDS,

Petitioner,

v.

VIÑA UNDURRAGA S.A.,

Registrant.

Cancellation No. 92053854

PETITIONER'S TRIAL BRIEF

PETITIONER'S TRIAL BRIEF

Pursuant to 37 C.F.R. § 2.128, Petitioner Serine-Cannonau Vineyard, Inc. dba Terry Hoage Vineyards ("Terry Hoage Vineyards") hereby submits this brief in support of Terry Hoage Vineyards' Petition to Cancel U.S. Registration No. 3,523,399 for the mark TH, issued October 28, 2008 to Registrant Viña Undurraga S.A., a Chilean corporation ("Viña Undurraga").

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I. INTRODUCTION



Terry Hoage Vineyards has been using the marks TH VINEYARDS and  (“TH Stylized”), respectively (the “Terry Hoage Marks”), since at least as early as November 8, 2004. Since that time, Terry Hoage Vineyards has consistently and continuously introduced numerous new wines under the Terry Hoage Marks, expanding from a small boutique California winery to a well-known nationwide wine label.

Terry Hoage Vineyards filed two applications to register the TH Vineyards and TH Stylized marks, for “wine” in International Class 33 on March 11 and 12, 2010, with the United States Patent and Trademark Office (the “USPTO”). The applications were assigned Serial Nos. 77/957,129 and 77/957,906, respectively (the “Terry Hoage Applications”).

The USPTO refused registration of the Terry Hoage Applications, pursuant to Section 2(d) of the Lanham Act, 15 U.S.C. § 1052(d), based on a likelihood of confusion with Viña Undurruga’s mark TH, U.S. Registration No. 3,523,399 (the “Cited TH Registration”). Viña Undurruga applied to register the Cited TH Registration with the USPTO on October 2, 2007, based on Section 44(D) of the Lanham Act. Viña Undurruga has not alleged use of the mark in commerce in the U.S.

On April 6, 2011, Terry Hoage Vineyards filed a Petition to Cancel the Cited TH Registration on the grounds of prior use of an identical or nearly identical mark, for identical goods; or in the alternative based on non-use by Viña Undurruga of the Cited TH Registration in

the U.S. Despite claiming no use of the TH mark in the U.S., Viña Undurraga filed an answer on May 17, 2011 to Terry Hoage Vineyards' Petition to Cancel, claiming: Terry Hoage Vineyards failed to state a claim; Terry Hoage Vineyards' claims are barred by acquiescence and/or equitable estoppel; and Terry Hoage Vineyards abandoned its rights in the Terry Hoage Marks.

Through the testimony deposition of Terrell Lee Hoage, including Exhibits 1-32 (hereinafter "Terry Hoage Deposition") and the testimony deposition of Rachel Dumas Rey, including Exhibits 1-15 (hereinafter "Rachel Dumas Rey Deposition"), Terry Hoage Vineyards has provided a multitude of evidence establishing Terry Hoage Vineyards' first use of the Terry Hoage Marks in interstate commerce in the U.S. since at least as early as 2004, and continuous use since then.

Viña Undurraga has submitted no evidence in the record. Viña Undurraga has submitted no evidence to establish that it has prior rights to the TH mark. Viña Undurraga has submitted no evidence to establish that Terry Hoage Vineyards' claims are barred by acquiescence or equitable estoppel. Viña Undurraga has submitted no evidence to prove that Terry Hoage Vineyards has abandoned its rights in the Terry Hoage Marks.

Accordingly, Terry Hoage Vineyards' Petition to Cancel the Cited TH Registration should be sustained, and Viña Undurraga's TH mark, U.S. Registration No. 3,523,399 should be cancelled on the grounds of prior use of an identical or nearly identical mark, for identical goods; or, in the alternative based on non-use by Viña Undurraga of the Cited TH Registration in the U.S.

II. ISSUES PRESENTED

- A. Whether Terry Hoage Vineyards' first commercial use of the Terry Hoage Marks in the U.S. occurred prior to Viña Undurraga's claimed priority date of September 14, 2007?
- B. Whether the Cited TH Registration is similar to the Terry Hoage Marks, which depict the letters "TH," in sight, sound, and meaning, and is likely to confuse or mislead consumers to believe that the Cited TH Registration is owned by or affiliated with Terry Hoage Vineyards?
- C. Whether Viña Undurraga has used the Cited TH Registration in the U.S.?
- D. Whether Terry Hoage Vineyards' Petition for Cancellation states a claim against Viña Undurraga upon which relief can be granted?
- E. Whether Terry Hoage Vineyards' claims are barred by acquiescence and/or equitable estoppel?
- F. Whether Terry Hoage Vineyards has abandoned its rights in the Terry Hoage Marks?

III. SUMMARY OF EVIDENCE IN THE RECORD

The evidence of record consists of: the pleadings in this proceeding and the file history of the Cited TH Registration, Registration No. 3,523,399, and the Terry Hoage Marks, Serial Nos. 77/957,129 and 77/957,906; the Terry Hoage Testimony Deposition and Exhibits; and the Rachel Dumas Rey Testimony Deposition and Exhibits.

IV. STATEMENT OF FACTS

A. Petitioner Serine-Cannonau Vineyard, Inc. dba Terry Hoage Vineyards

Terry Hoage Vineyards was founded by and is still owned by Terrell Lee Hoage (“Terry Hoage”) and his wife, Jennifer Hoage. (Terry Hoage Deposition 76: 12-16.) Terry Hoage Vineyards is a 100% organically farmed estate in Westside Paso Robles that produces and distributes an assortment of wines. (Terry Hoage Deposition Exh. 22.)

Before entering the winemaking business, Terry Hoage created a name for himself as a well-known NFL football player. (Terry Hoage Deposition 12: 8-16 & Exhs. 22, 24-25.) In 1984, Terry Hoage was drafted by the New Orleans Saints right out of college. (Terry Hoage Deposition 12: 8-11 & Exhs. 22, 24-25.) Terry Hoage continuously played football for the NFL from 1984-1996, during which time he won a Super bowl and played for numerous NFL teams, including: the Philadelphia Eagles; the Washington Redskins; the San Francisco 49ers; the Houston Oilers; and the Arizona Cardinals. (Terry Hoage Deposition 12: 8-16 & Exhs. 22, 24-25.)

After retiring from the NFL, Terry Hoage created Terry Hoage Vineyards in 2002, where he began producing wine under the Terry Hoage Marks. (Terry Hoage Deposition 12: 20-22.) Terry Hoage was able to quickly establish a strong well-known reputation for Terry Hoage Vineyards as a preeminent vineyard, through use of his well-known name as a prior NFL football player and initials, “TH,” in the Terry Hoage Marks.

In 2004, Terry Hoage Vineyards made their first sale of a Terry Hoage Vineyards produced wine under the Terry Hoage Marks to a central California wine distributor, J and L Wines. (Terry Hoage Deposition 13: 12-22 & Exh. 5.) Since 2004, Terry Hoage Vineyards has continuously and extensively produced and distributed a variety of wines under the Terry Hoage Marks. (Terry Hoage Deposition Exh. 22.) This is proven by a record of sales (kept in the ordinary course of business, as testified to by Terry Hoage). (Terry Hoage Deposition 40: 8-12, 16-25, 41: 6-22, 42: 1-12, 18-25 & Exh. 18.)

Terry Hoage Vineyards has continuously marketed the Terry Hoage Marks through advertisements, publications and articles, events and social media. In 2010, the *Wine Spectator* pronounced Terry Hoage Vineyards the “Top New California Wine Producers.” (Terry Hoage Deposition Exh. 22.) Throughout the years, Terry Hoage Vineyards has been published, quoted, and featured in numerous other publications and articles, including: *Atlanta Journal-Constitution* in October, 2004; *North County Life* in September, 2004; *Napa Valley Winery Exchange* in 2006; *Paso Robles Wine Country* in 2007 and 2008; *J and L Wines*; *California Wine Club* in 2009; *Sportsuncorked.com website*; *Grape-Nutz Wine Journal* in 2010; *Sports Illustrated* in 2007; and *Wine Spectator* in 2007, 2008, 2009, and 2011. (Terry Hoage Deposition 50: 22-25, 51: 1-23, 52: 8-23, 54: 2-16, 21-25, 55: 11-17, 56: 22-24, 57: 3-8, 58: 5-11, 59: 16-25, 60: 1 & Exhs. 23-31.) Terry Hoage Vineyards also hosts and participates in a number of wine-related events and services, including winemaker charity events, wine tours, wine-tastings and annual winemaker dinners. (Terry Hoage Deposition Exh. 22.)

Through marketing and advertising and continued extensive use, the Terry Hoage Marks have become associated with Terry Hoage Vineyards and Terry Hoage Vineyards'. Under Terry and Jennifer Hoage's supervision and leadership, Terry Hoage Vineyards has significantly grown at a rapid pace over time, and built a national reputation as a preeminent award-winning vineyard.

B. Registrant Viña Undurraga S.A.

Viña Undurraga is a Chilean corporation, with a mailing address of Avenida Vitacura 2939, Piso 21, Las Condes, Santiago, Chile. Viña Undurraga owns the Cited TH Registration, which was issued on October 28, 2008 and identifies "wines" in International Class 33. Viña Undurraga applied for the Cited TH Registration on October 2, 2007 based on the priority filing date of a foreign Chilean application. The Cited TH Registration claims a priority date of September 14, 2007, the filing date of an application claimed to have been filed by Viña Undurraga in Chile, Serial No. 789,034, and claimed to have been registered in Chile, Registration No. 814,456. The Cited TH Registration claims no use of the TH mark in the U.S. and Viña Undurraga has submitted no evidence of use of the TH mark in the U.S. to the USPTO or in any evidence in this case.

V. ARGUMENT

A. PRELIMINARY MATTER- Terry Hoage Vineyards has Standing to Petition to Cancel the Cited TH Registration

Standing is a threshold inquiry as to whether a petitioner has a real commercial interest in the proceeding, as opposed to being a mere intermeddler. *Golden Gate Salami Co. v. Gulf States Paper Corp.*, 141 U.S.P.Q. 661 (C.C.P.A. 1994). Standing is established if the party petitioning

to cancel a registration has a good faith belief that it will be damaged by the registered mark it has petitioned to cancel. 15 U.S.C. § 1064.

Terry Hoage Vineyards has been using the Terry Hoage Marks for wine since at least 2004. Terry Hoage Vineyards filed two applications to register the Terry Hoage Marks with the USPTO. Registration of the two applications was refused, pursuant to Section 2(d) of the Lanham Act, 15 U.S.C. § 1052(d), based on a likelihood of confusion with the Cited TH Registration. Terry Hoage Vineyards, as the senior user, seeks to cancel the identical mark, “TH,” for identical goods, in the Cited TH Registration. Terry Hoage Vineyards has a good faith belief that if the Cited TH Registration is not cancelled, Viña Undurraga will own the *prima facie* exclusive right to use the mark TH in connection with wine and to the continuing damage of Terry Hoage Vineyards.

Terry Hoage Vineyards has standing.

B. RIGHT OF PRIORITY- Terry Hoage Vineyards’ First Commercial Use of the TH in the U.S. Occurred Prior to Viña Undurraga’s Earliest Basis of Rights in the U.S.

Terry Hoage Vineyards bases its cancellation petition on priority use and likelihood of confusion. Each party bears the burden of first establishing its priority by a preponderance of the evidence. *Central Garden & Pet Co. v. Doskocil Manufacturing Co., Inc.*, 108 U.S.P.Q.2d 1134 (T.T.A.B. 2013). The TTAB has concluded that no one piece of evidence is determinative in establishing prior use, rather the TTAB looks to see if the evidence as a whole establishes prior use by a preponderance of the evidence. *West Fla. Seafood v. Jet Restaurants*, 31 F.3d 1122, 31 U.S.P.Q.2d 1660 (Fed. Cir. 1994).

A party may rely on the filing date of a trademark application or registration to establish priority. *Central Garden & Pet Co.*, 108 U.S.P.Q.2d at 1134. However, the claimed date of first use in an application for registration, or in a registration, is not by itself competent evidence to prove prior use. *Id.* A petitioner may establish priority based on a claimed date of first use through oral testimony and/or business records proving first use of the goods in commerce. *Id.* Prior use and continuous use may be established by oral testimony when the testimony is given by a witness with knowledge of the facts, and the testimony is clear, convincing, consistent and sufficiently circumstantial to convince the Board of its probative value. *Liqwacon Corp. v. Browning-Ferris Industries, Inc.*, 203 U.S.P.Q. 305, 316 (T.T.A.B. 1979).

Terry Hoage Vineyards filed the Terry Hoage Applications on March 11 and 12, 2010, and claims a first use date of at least as early as November 8, 2004. Terry Hoage Vineyards has provided both oral testimony and business records that prove its November 8, 2004 date of first use. Terry Hoage Vineyards' evidence proves use of the Terry Hoage Marks in the U.S. prior to the Cited TH Registration. (Terry Hoage Deposition 34: 13-21, 37: 16-22, 43: 7-22, 44: 12-21 & Exh. 4, Exhs. 7-15, Exhs. 19-20.)

By contrast, the Cited TH Registration was filed on October 2, 2007, and registered on October 28, 2008 based on Section 44(d) of the Lanham Act. The Cited TH Registration claims a priority date of September 14, 2007, the filing date of the foreign Chilean registration, Registration No. 814,456, the Cited TH Registration is based on. The Cited TH Registration claims no use of the TH mark in the U.S., and Viña Undurraga has provided no oral testimony,

business records and/or other evidence to show use of the TH mark in the U.S. or to establish a priority date prior to October 2, 2007. Moreover, there are no label approvals for Viña Undurraga TH wines in the U.S. Such label approvals are a prerequisite to legal wine sales in the U.S. (Rachel Dumas Rey Deposition 9: 2-4, 10-15.) Therefore, Viña Undurraga could not have been selling TH wines in the U.S. (Rachel Dumas Rey Deposition 9: 2-4, 10-15.)

Terry Hoage Vineyards provided oral testimony concerning prior use of the Terry Hoage Marks from its founder and current owner, Terry Hoage, who testified that he established Terry Hoage Vineyards in 2002 and has been continuously producing wine as Terry Hoage Vineyards since 2002. (Terry Hoage Deposition 12: 20-22.) Terry Hoage has been doing the accounting and bookkeeping for Terry Hoage Vineyards since its inception, providing him with personal knowledge of Terry Hoage Vineyards business practices and sales in relation to the Terry Hoage Marks. (Terry Hoage Deposition 40: 16-25.) Terry Hoage Vineyards began selling wine under the Terry Hoage Marks in 2004, selling first to individuals and a retail customer in April of 2004 and then making its first wholesale market sale on November 8, 2004. (Terry Hoage Deposition 13: 10-22, 93: 6-12 & Exh. 5.) Terry Hoage Vineyards has submitted an invoice record of its first wholesale market sale to the central California wine distributor, J and L wines, dated November 8, 2004. (Terry Hoage Deposition 13: 10-22 & Exh. 5.)

Terry Hoage Vineyards' has continuously used the Terry Hoage Marks for all its labels since 2004. (Terry Hoage Deposition 34:17-21.) Terry Hoage generated a sales report showing Terry Hoage Vineyards' continuous distribution sales into the market throughout the U.S. from 2004 to 2014. (Terry Hoage Deposition 42: 16-25 & Exh. 18.) Terry Hoage Vineyards has also

provided the Court with yearly “Applications for and Certification/Exemption of Label/Bottle Approval (“COLA”)” documents depicting the label approvals for Terry Hoage Vineyards’ wines bearing the Terry Hoage Marks from 2004-2014. (Terry Hoage Deposition Exhs. 4, 6-15.) These label approvals are a pre-condition to offer wines for sale in the U.S. (Rachel Dumas Rey Deposition 9: 2-4, 10-15.)

Terry Hoage Vineyards also provided oral testimony concerning prior use of the Terry Hoage Marks from the founder and president of Compli Compliance Services and Software (“Compli”), Rachel Dumas Rey. Compli is a consulting services and outsourced management firm for the alcohol beverage industry. Terry Hoage Vineyards is one of its clients. (Rachel Dumas Rey Deposition 6: 19-25, 7: 1-3, 8: 24-25, 9: 1.) Although Compli does business with the alcohol beverage industry as a whole, it specializes in the wine industry with about 85% of its business being in the wine industry. (Rachel Dumas Rey Deposition 8: 13-15.)

Compli produced COLA documents, showing that it has been doing business with Terry Hoage Vineyards since 2004. (Rachel Dumas Rey Deposition 10: 20-25, 11: 1-22 & Exh. 3.) Specifically, Compli produced a 2004 COLA document it obtained from Terry Hoage Vineyards, depicting a Terry Hoage Vineyards wine label bearing the Terry Hoage Marks, signed by Rachel Dumas Rey. (Rachel Dumas Rey Deposition 10: 20-25, 11: 1-22 & Exh. 3.) Compli also produced COLA documents for Terry Hoage Vineyards, each depicting a Terry Hoage Vineyards wine label bearing the Terry Hoage Marks, from the years 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, and 2014. (Rachel Dumas Rey Deposition Exhs. 4-12.) As long as Rachel Dumas Rey, the president and founder of Compli, has done business with Terry Hoage

Vineyards she has always known “TH” to be the Terry Hoage Vineyards’ brand. (Rachel Dumas Rey deposition 14: 22-23.)

The oral testimony of Terry Hoage and Rachel Dumas Rey, and the business documents (such as, the yearly COLA documents, the wholesale market sale invoice and sales report) Terry Hoage Vineyards has submitted into evidence prove that Terry Hoage Vineyards has been continuously using the Terry Hoage Marks in commerce since November 8, 2004. On the other hand, Viña Undurraga has provided no evidence, either in the form of oral testimony, business records and/or other evidence, to show use of the TH mark in the Cited TH Registration in the U.S. or to establish a priority date prior to its October 2, 2007 filing date.

Accordingly, Terry Hoage Vineyards has a right of priority in the TH mark, due to its prior and continuous use of the Terry Hoage Marks. Therefore, the Court should sustain Terry Hoage Vineyards’ petition to cancel the Cited TH Registration.

C. LIKELIHOOD OF CONFUSION- The Cited TH Registration is Identical to the TH Mark, which Depicts the Letters “TH,” and is Likely to Confuse or Mislead Consumers that the Cited TH Registration is Owned by or Affiliated with Terry Hoage Vineyards

In determining likelihood of confusion, the Board should consider evidence relating to the thirteen factors set forth in *In re E.I. du Pont de Nemours & Co.*, 177 U.S.P.Q. 563, 567 (C.C.P.A. 1973). The Board need not consider each and every *DuPont* factor. *Han Beauty, Inc. v. Alberto-Culver Co.*, 57 U.S.P.Q.2d 1557, 1559 (Fed. Cir. 2001). Rather, the Board is required to consider only those factors that are most relevant to a particular case. *Id.*

In this proceeding, the most relevant factors are: (1) the similarity of the nature of goods described in the Cited TH Registration and the Terry Hoage Applications; (2) the similarity between the TH mark in the Cited TH Registration and the Terry Hoage Marks in their entireties as to appearance, sound connotation and commercial impression; and (3) any other established relevant factors, including the Examining Attorney's conclusion in refusing registration of the Terry Hoage Applications, that there is a likelihood of confusion between the Terry Hoage Marks and the Cited TH Registration.

1. The Cited TH Registration and the Terry Hoage Marks and Goods are Identical

"It is well settled that the issue of likelihood of confusion between applied for and registered marks must be determined on the basis of the goods as they are identified in the involved application and registration." See *Ocotocom Systems, Inc. v. Houston Computer Services, Inc.*, 16 U.S.P.Q.2d 1783 (Fed. Cir. 1990); *In re Elbaum*, 211 U.S.P.Q. 639, 640 (T.T.A.B.). When the marks at issue are identical in nature, the relationship between the goods and/or services identified in the registration(s) and/or application(s) need not be as close in proximity as in a situation where the marks at issue are not identical or substantially similar. *In re Shell Oil Co.*, 922 F.2d 1204, 26 U.S.P.Q.2d 1687, 1689 (Fed. Cir. 1993).

The Cited TH Registration is for the mark "TH" in the same International Class, 33, for the same identification of goods, "wines," as the Terry Hoage Applications. The Cited TH registration is also identical in nature to the mark depicted in the Terry Hoage Application, Serial No. 77/957,906, for the mark "TH," and substantially similar to the mark depicted in the Terry Hoage Application, Serial No. 77/957,129, for the mark "TH VINEYARDS."

The “TH” mark in the Cited TH Registration is identical or substantially similar and applies to the same goods in the same International Class as the marks in the Terry Hoage Applications. Therefore, it follows that a likelihood of confusion exists between the mark in the Cited TH Registration and the Terry Hoage Marks.

2. The TH Mark in the Cited TH Registration is Identical to the TH Mark in Appearance, Sound Connotation and Commercial Impression

“Where as in the present case, the marks would appear on legally identical goods, the degree of similarity between the marks which is necessary to support a finding of likelihood of confusion declines.” *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 877 (Fed. Cir. 1992).

To determine if the marks are confusingly similar, the Board examines the similarities and differences of the marks in their appearance, sound, meaning and commercial impression. *Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 73 U.S.P.Q.2d 1689 (Fed. Cir. 2005). Although the marks must be considered in their entirety and not dissected into their component parts, it is proper to give extra weight to the dominant feature of a mark, which is the part most likely to create a lasting impression upon prospective purchasers. *Nordica di Franco e Giovanni Vaccari & C. S.A.S. v. Nordica Sport Ltd.*, 202 U.S.P.Q. 860, 863 (T.T.A.B. 1979) (holding that the words NORDIC SPORT formed the dominant feature of applicant’s composite mark as it most likely would be remembered by the purchasing public in indicating the source of the goods).

The Cited TH Registration is for the mark “TH” and the Terry Hoage Applications are for the marks “TH” and TH VINEYARDS.” The TH mark in the Cited TH Registration is identical in spelling, sound connotation and commercial impression to the TH mark in the Terry Hoage Application, Serial No. 77/957,906.

The Terry Hoage Application, Serial No. 77/957,129, depicts the mark “TH VINEYARDS,” in which “TH” is the dominant feature of the mark. The “TH” is the dominant feature of the mark because it is consistent, unifying name across both the Terry Hoage Marks, and because it is the first word of the TH VINEYARDS mark. *See Nordica*, 202 U.S.P.Q. at 863; *See also Nina Ricci, S.A.R.I. v. E.T.F. Enters., Inc.*, 889 F.2d 1070, 1073 (Fed. Cir. 1989) (Court found VITTORIO RICCI similar in sound, appearance and connotation to NINA RICCI because the surname RICCI “is unifying name in opposer’s marks and is the dominant and significant part of opposer’s marks in identifying its goods”); *see also Palm Bay Imports*, 73 U.S.P.Q.2d at 1692 (Court found “veuve” to be the most prominent part of the mark VEUVE CLICQUOT because “veuve” was the first word in the mark and the first word to appear on the label).

Similar to consumer’s recognition of the name “Ricci,” as described in the *Nina Ricci* case above, consumers in the U.S. associate Terry Hoage’s initials (“TH”) with the Terry Hoage Vineyards brand, and they identify the initials with the excellence and goodwill associated with Terry Hoage Vineyards products. Also, similar to the *Palm Bay Imports* case above, the “TH” is the most prominent part of the TH VINEYARDS mark because “TH” is the first word depicted in the TH VINEYARDS mark.

The TH mark in the Cited TH Registration is similar in sight, sound and commercial impression to the Terry Hoage Marks. *Nina Ricci, S.A.R.I.*, 889 F.2d at 1073; and *Palm Bay Imports Inc.*, 73 U.S.P.Q.2d at 1692. Accordingly, a likelihood of confusion exists between Terry Hoage Vineyards' Terry Hoage Marks and the Cited TH Registration.

3. The USPTO Examining Attorney Refused Registration of the TH Application, Pursuant to Section 2(d) of the Lanham Act, Based on a Likelihood of Confusion with the Cited TH Registration

The USPTO Examining Attorney found that a likelihood of confusion existed between the Cited TH Registration and the Terry Hoage Applications. In making this determination, the Examining Attorney relied heavily on the similarity of the marks, similarity of the goods and similarity of the trade channels of the goods.

In finding that the goods are identical, the Examining Attorney cited the proposition that, "if the goods of the respective parties are similar in kind and/or closely related, the degree of similarity between the marks required to support a finding of likelihood of confusion is not as great as would be required with diverse goods." *In re J.M. Originals Inc.*, 6 U.S.P.Q.2d 1393, 1394 (T.T.A.B. 1987); see *Shen Mfg. Co. v. Ritz Hotel Ltd.*, 393 F.3d 1238, 1242, 73 U.S.P.Q.2d 1350, 1354 (Fed. Cir. 2004); TMEP § 1207.01(b). The Examining Attorney also found that the marks were similar because the literal element in Terry Hoage Vineyards' TH mark is identical to the TH mark in the Cited TH Registration, noting that the stylization in Terry Hoage Vineyards' TH mark does not prevent a likelihood of confusion because the TH mark in the Cited TH Registration is in standard characters. In making this determination the Examining Attorney relied on the fact that, "a mark in typed or standard characters may be displayed in any

lettering style; the rights reside in the wording or other literal element itself and not in any particular display.” TMEP § 1207.01(c)(iii); *see* 37 C.F.R. § 2.52(a).

The Examining Attorney also relied on the fact that the Terry Hoage Applications and the Cited TH Registration both describe the goods broadly as “wine” or “wines,” with no limitations as to their nature, type, channels or trade or classes of purchasers. The Examining Attorney therefore found that it is presumed that the Terry Hoage Applications and the Cited TH Registration encompass all goods of the type described, that the goods move in all normal channels of trade and are all available to potential consumers. *See In re Thor Tech, Inc.*, 90 U.S.P.Q.2d 1634, 1638-39 (T.T.A.B. 2009); *In re Jump Designs LLC*, 80 U.S.P.Q.2d 1370, 1374 (T.T.A.B. 2006); *In re Elbaum*, 211 U.S.P.Q. 639, 640 (T.T.A.B. 1981); TMEP § 1207(a)(iii).

The USPTO Examining Attorney’s conclusion that a likelihood of confusion exists between the Cited TH Registration and the Terry Hoage Applications supports a finding of likelihood of confusion between the Cited TH Registration and the Terry Hoage Applications. Accordingly, the Court should find that a likelihood of confusion exists between the Cited TH Registration and the Terry Hoage Applications.

D. ANSWER TO AFFIRMATIVE DEFENSES- Viña Undurraga’s Affirmative Defenses Have No Merit

Viña Undurraga alleged the following defenses in its answer to Terry Hoage Vineyards’ Petition to Cancel: (1) failure to state a claim upon which relief can be granted; (2) acquiescence and/or equitable estoppel; and (3) abandonment.

Viña Undurraga's affirmative defenses have no merit.

1. Affirmative Defense of Failure to State a Claim Has No Merit

The Trademark Trial and Appeal Board has adapted its rules from the Federal Rules of Civil Procedure ("F.R.C.P."). Trademark Trial and Appeal Board Manual of Procedure ("TBMP") § 101.01. The Federal Rules of Civil Procedure require only notice pleading, which requires only "a short and plain statement of the claim showing that the pleader is entitled to relief," in order to "give the defendant fair notice of what the . . . claim is and the grounds upon which it rests." *See*, Fed. R. Civ. Proc. 8(a)(2); *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 555 (U.S. 2007) ("*Twombly*"); *RDF Media Ltd. v. Fox Broad. Co.*, 74 U.S.P.Q.2d 1769, 372 F. Supp.2d 556, 560 (C.D. Cal. 2005) ("*RDF Media*"). A complaint, or, as in this instance, a Petition to Cancel, does not need detailed factual allegations to properly state a claim. *Twombly*, 550 U.S. at 555. Rather, the factual allegations must merely be "enough to raise a right to relief above the speculative level." *Id.* The Petition to Cancel meets that standard.

Dismissal pursuant to a failure to state a claim defense is only appropriate when it is clear that no relief could be granted under any set of facts that could be proven consistent with the allegations set forth in the Petition to Cancel. *See, Twombly*. (internal citations omitted).

The TBMP § 503.02 states that "dismissal for failure to state a claim upon which relief can be granted is a test solely of the legal sufficiency of a complaint." In order to withstand such a claim, a Petition to Cancel must allege such facts as would, if proved, establish that the Petitioner is entitled to the relief sought. TBMP § 503.02. Specifically, the Petitioner must

allege facts that: (1) the Petitioner has standing to maintain the proceeding; and (2) a valid ground exists for cancelling the subject registration. *Id.* (internal citations omitted).

To survive a failure to state a claim defense, a complaint must make factual allegations for “all the material elements necessary to sustain recovery under some viable legal theory.” *See*, Fed. R. Civ. Proc. 8(a); *Twombly*, 550 U.S. at 562. To survive a failure to state a claim defense, a complaint, or in this instance, a Petition to Cancel, must “state a claim to relief that is plausible on its face.” *Twombly*, 550 U.S. at 570; *see also*, *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (U.S. 2009).

The facts plead by Terry Hoage Vineyards in its Petition to Cancel sufficiently state a claim for cancellation of the Cited TH Registration based on prior use of an identical or nearly identical mark, for identical goods; or, in the alternative based on non-use of the Cited TH Registration by Vina Undurraga in the U.S. Terry Hoage Vineyards has alleged facts that would, if proven, establish that Terry Hoage Vineyards has standing to maintain this proceeding, and that valid grounds exist for cancelling the Cited TH Registration. TBMP § 503.02. Accordingly, Terry Hoage Vineyards has stated a claim that is “plausible on its face,” and therefore Viña Undurraga’s failure to state a claim defense has no merit. *Twombly*, 550 U.S. at 570.

2. Affirmative Defense of Acquiescence and/or Equitable Estoppel Have No Merit

Equitable defenses are not available under certain ground in cancellation proceedings. 9-300 Gilson on Trademarks 311. The availability of the defense of acquiescence is severely limited in cancellation proceedings. *Id.* For instance, the defense of acquiescence may not be

available against a likelihood of confusion claim if it is determined in the case that confusion is inevitable. TBMP § 311.02(b).

The defense of acquiescence refers to a petitioner's express or implied assurance that it will not assert its rights against the registrant. 9-300 Gilson on Trademarks 311. To prove acquiescence a registrant must prove three elements: (1) the petitioner actively represented that it would not assert its right or claim against the registrant; (2) that active representation and the assertion of the right or claim was not excusable; and (3) the delay caused the registrant undue prejudice. Application of Defense of Laches in Action to Cancel Trademark, 64 A.L.R. Fed.2d 255.

Similarly to prove equitable estoppel a registrant must prove three elements: (1) misleading conduct by the petitioner leading the registrant to reasonably infer that rights will not be asserted against it; (2) the registrant's reliance upon this conduct; and (3) due to this reliance, material prejudice if the delayed assertion of such rights is permitted. *Lincoln Logs Ltd. V. Lincoln Pre-Cut Log Homes Inc.*, 23 U.S.P.Q.2d 1701, 1703 (Fed. Cir. 1992).

Neither the affirmative defense of acquiescence and/or equitable estoppel applies in this case. Terry Hoage Vineyards did not represent to Viña Undurraga that it would not assert its right or claim against Viña Undurraga, nor did Terry Hoage Vineyards mislead Viña Undurraga into believing that its rights would not be asserted against Viña Undurraga. Furthermore, one of the claims at hand is a likelihood of confusion claim, and if the Court determines that confusion is inevitable, the defense of acquiescence is not available. TBMP § 311.02(b). Accordingly,

Terry Hoage Vineyards' claims are not barred by acquiescence and/or equitable estoppel in this case.

3. Affirmative Defense of Abandonment Has No Merit

Terry Hoage Vineyards has not abandoned its rights in the Terry Hoage Marks. Terry Hoage Vineyards has consistently and continuously used the Terry Hoage Marks for wines in the U.S. since at least as early as November 8, 2004.

Terry Hoage Vineyards has produced evidence of prior and continuous use in the Terry Hoage Marks. Please refer to the section A of this brief on "Right of Priority," for evidence of Terry Hoage Vineyards' prior and continuous use of the Terry Hoage Marks in the U.S.

VI. CONCLUSION

For the foregoing reasoning, Terry Hoage Vineyards respectfully requests that judgment be entered sustaining its Petition to Cancel, Cancellation No. 92053854, so that Viña Undurraga's U.S. Registration No. 3,523,399 for the mark TH in International Class 33, respectively, is cancelled.

Respectfully submitted,

DONAHUE FITZGERALD, LLP

Dated: April 28, 2015

By: /s/ Anne Hiaring Hocking

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PROOF OF SERVICE BY MAIL

I am a citizen of the United States and employed in Marin County, California. I am over the age of eighteen years and not a party to the within-entitled action. My business address is 80 East Sir Francis Drake Boulevard, Suite 2M, Larkspur, California 94939-1709. I am readily familiar with this firm's practice for collection and processing of correspondence for mailing with the United States Postal Service. On April 28, 2015, I placed with this firm at the above address for deposit with the United States Postal Service a true and correct copy of the within document(s):

PETITIONER'S TRIAL BRIEF

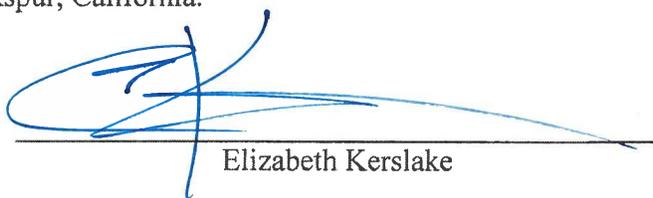
in a sealed envelope, postage fully paid, addressed as follows:

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Following ordinary business practices, the envelope was sealed and placed for collection and mailing on this date, and would, in the ordinary course of business, be deposited with the United States Postal Service on this date.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on April 28, 2015, at Larkspur, California.


Elizabeth Kerslake