

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

In the Matter of Registration No. 3,974,726

Registered June 7, 2011

Mark: OSCAR

# 85211681

ACADEMY OF MOTION PICTURE )  
ARTS AND SCIENCES, )

Cancellation No. 92055081

Petitioner, )

v. )

**RESPONDENT'S MOTION AND**  
**BRIEF TO DISMISS FOR FAILURE TO**  
**STATE A CLAIM FOR WHICH RELIEF CAN**  
**BE GRANTED**

ALLIANCE OF PROFESSIONALS & )  
CONSULTANTS, INC. )

Respondent. )

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TO THE COMMISSIONER FOR TRADEMARKS:

NOW COMES Respondent, Alliance of Professionals & Consultants, Inc. ("Respondent APC") pursuant to Fed. R. Civ. P. 12(b)(6) and Trademark Board Manual of Procedure §§502.02(b), 503, and moves the Trademark Trial and Appeal Board ("TTAB") to dismiss the dilution claim of the Academy of Motion Picture Arts and Sciences ("Petitioner"). APC's ownership of Registration No. 3,974,726 for the mark OSCAR is an absolute and complete defense to the Petitioner's dilution claim. In support of its Motion, Respondent APC shows the TTAB the following.

STANDARD OF REVIEW

1. A dismissal under Fed. R. Civ. P. 12(b)(6) must be correct as a matter of law when the allegations of the complaint are taken as true. *Advanced Cardiovascular Systems, Inc. v.*



03-05-2012

*Scimed Life Systems, Inc.* 988 F.2d 1157, 1160 (Fed. Cir. 1993). The purpose of the rule is “allow the court to eliminate actions that are fatally flawed in their legal premise and destined to fail . . . .” *Id.*; See also *Bayer Consumer Care Ag v. Belmora LLC*, 90 USPQ2d 1587, 1590 (TTAB 2009), quoting *Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536,, 1538 (TTAB 2007).

2. Dismissal is proper when a complaint is not plausible on its face. See generally *Ashcroft v. Iqbal*, 556 U.S. --, 129 S.Ct. 1937 (2009); see also *Muscogee (Creek) Nation v. Pruitt*, 11-7005 (FED10)(2012). “Indeed, a plaintiff must offer specific factual allegations to support each claim”. *Id.* Only a complaint that states a plausible claim for relief can survive a motion to dismiss.” *Id.* The Merriam-Webster dictionary defines “plausible”, in part, as something that is seemingly fair or reasonable.

3. Petitioner has filed a Petition for Cancellation to cancel Respondent APC’s Registration No. 3,974,726 of the mark OSCAR alleging, in part, that Petitioner will continue to be damaged by Respondent’s registration on the basis that it dilutes the distinctive and famous quality of the Petitioner’s OSCAR marks (Petition for Cancellation ¶¶ 22). However, Petitioner’s dilution claim must fail because the Petition for Cancellation does not state a plausible claim for relief that can survive Respondent APC’s Motion to Dismiss.

#### FACTUAL ALLEGATIONS

4. In support of its dilution claim, Petitioner alleges the following: Petitioner’s OSCAR Marks were famous at least as of, and long before March 13, 2009 (Petition for Cancellation ¶¶ 3, 13). Petitioner’s OSCAR Marks were distinctive long before March 13, 2009. (Petition for Cancellation ¶ 14). The Petitioner is the current listed owner of Registration No. 1,096,990 for the designation OSCAR in connection with “[e]ntertainment and education

service-namely, telecasts in connection with the recognition of distinguished achievement in the motion picture industry; library and reference services; theatrical exhibitions of motion pictures” in International Class 41. (Petition for Cancellation ¶ 8). Respondent APC filed its application for registration of the OSCAR mark on January 6, 2011 (Petition for Cancellation ¶ 3, 13, 14, 18). APC obtained registration of the OSCAR mark on June 7, 2011, and is the current listed owner of Registration No. 3,974,726 for the designation OSCAR in connection with “[p]roviding recognition and incentives by the way of awards and contests to demonstrate excellence in the field of business consultation and information technology,” in International Class 41. (Petition for Cancellation ¶16). Petitioner seeks to cancel APC’s registered OSCAR mark pursuant to Section 14(1) of the Trademark Act of 1946, as amended (the “Lanham Act”), 15 U.S.C. Section 1064(1). (Petition for Cancellation).

#### ARGUMENT

##### **A. Respondent APC’s Ownership of a Valid Federal Registration of the OSCAR Mark is an Absolute and Complete Defense to Petitioner’s Dilution Claim.**

5. The Trademark Dilution Revision Act (“TDRA”) applies to dilution by blurring and dilution by tarnishment claims. 15 U.S.C. § 1125 (c)(2006). The TDRA was enacted by Congress in 2006 to repeal the Federal Trademark Dilution Act of 1995 (“FTDA”). 15 U.S.C. §1125(c). In repealing the FTDA, the TDRA replaced the “actual dilution” standard applied by the U.S. Supreme Court with the “likelihood of dilution” standard.<sup>1</sup> More importantly, the TDRA expanded the scope of the federal registration defense to owners of valid registered marks as follows: The ownership by a person of a valid registration under the Act of March 3, 1881, or

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<sup>1</sup> See *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418, 432-433 (2003)(holding that the text of the FTDA “unambiguously requires a showing of actual dilution, rather than a likelihood of dilution”).

the Act of February 20, 1905, or on the principal register under this chapter *shall be a complete bar* to an action against that person, with respect to that mark, that – (A) (i) is brought by another person under the common law or statute of a State; and (ii) seeks to prevent dilution by blurring or dilution by tarnishment; or (B) *asserts any claim of actual or likely damage or harm to the distinctiveness or reputation of a mark, label, or form of advertisement.* (emphasis added). 15 U.S.C. § 1125 (c)(6)(2006).

6. Under the former FTDA, a person was already prohibited from bringing a dilution claim against the owner of a valid registration in connection with a state or common law claim for dilution. Section 43 (c)(3) of the U.S. Trademark (Lanham) Act, 15 U.S.C. § 1125 (c)(3). The 2006 TDRA repealed the FTDA, and enacted an additional provision to the existing state law defense against dilution claims. The additional provision prohibited a person from bringing “*any claim of actual or likely damage or harm to the distinctiveness or reputation of a mark . . .*” against an owner of a valid trademark registration. 15 U.S.C. § 1125 (c)(6)(B).

7. The TDRA provides a mandatory absolute and complete defense under federal law to an owner of a valid registration involving “*actual or likely damage or harm to the distinctiveness or reputation of a mark*” – or dilution by blurring or dilution by tarnishment. 15 U.S.C. § 1125 (c)(B)(6). Specifically, the definition of distinction by blurring is an association arising from the similarity between a mark or trade name and a famous mark that “*impairs the distinctiveness of the famous mark*” [dilution by blurring]. 15 U.S.C. (c)(2)(B). The definition of distinction by tarnishment is an association arising from the similarity between a mark or trade name and a famous mark that “*harms the reputation of the famous mark*” [dilution by tarnishment]. 15 U.S.C. §1125 (c)(2)(C).

8. The U.S. Supreme Court has held that the meaning of a statute must, in the first instance, be sought in the language in which the act is framed, and if that is plain, and if the law is within the constitutional authority of the lawmaking body which passed it, the sole function of the courts is to enforce it according to its terms. *Caminetti v. United States*, 242 U.S. 470, 485 (1917). The duty of interpretation does not arise where the language of a statute is plain and admits of no more than one meaning. *Id.*

9. Moreover, a court must always presume that a legislature says in a statute what it means and means in a statute what it says there. *Connecticut National Bank v. Germain*, 503 U.S. 249, 253-254 (1992). When the words are unambiguous . . . “judicial inquiry is complete”. *Connecticut National Bank, supra* at 254; see also *Zuni Public School District No. 89 et al. v. Department of Education*, 550 U.S. 81, 93 (2007).

10. In the instant case, the Congress enacted TDRA provides an absolute and complete defense to an owner of a validly registered mark against “any claim of actual or likely damage or harm to the distinctiveness or reputation of a mark . . . .” – dilution by blurring and dilution by tarnishment.

11. The TDRA’s enactment of the additional and mandatory phrase that the “ownership by a person of a valid registration . . . shall be a complete bar to an action against that person . . .” [for] “any claim” for dilution is unambiguous with the plain meaning that owners of a valid registration have an absolute and complete defense against “any claim” brought against them for dilution, including those asserted under federal law.

12. The Respondent APC is the current listed owner of Registration No. 3,974,726 for the designation OSCAR in connection with “[p]roviding recognition and incentives by the way of

awards and contests to demonstrate excellence in the field of business consultation and information technology,” in International Class 41. (Petition for Cancellation ¶ 16).

13. The Petitioner seeks to cancel APC’s OSCAR mark, in part, on the basis that the Petitioner is, and will continue to be, damaged by the registration because it dilutes the distinctiveness and famous quality of the Petitioner’s OSCAR Marks.

14. Since Respondent APC is and was the owner of Registration No. 3,974,726 for the OSCAR mark prior to the date of Petitioner’s cancellation petition, Respondent APC has a statutorily based absolute and complete defense against Petitioner’s federal dilution claim, which the TTAB must enforce according to the plain terms of the TDRA.

**B. Any Irreconcilable Conflict Between Two Statutes Must Be Resolved in Favor of A Later Enacted Statute**

15. It is a well settled principal of law that if two statutes are in irreconcilable conflict the more recent statute, as the latest expression of Congress governs. *See generally, Eisenberg v. Corning*, 179 F.2d 275, 277 (D.C. Cir. 1949)(finding that when two statutes are in conflict, the earlier permitting and the later prohibiting, the later statute supersedes the earlier); *see also Posadas v. National City Bank*, 296 U.S. 497, 503 (1936).

16. Petitioner seeks to cancel Respondent APC’s Registration No. 3,974,726, pursuant to Section 14(1) of the Trademark Act of 1946, as amended (the “Lanham Act”), 15 U.S.C. Section 1064 (1) and Trademark Board Manual of Procedure §303.01, in part, on the basis of Petitioner’s federal dilution claim.

17. The amendment to the Lanham Act was enacted in 1999, and gives a party the right to seek cancellation of a registered mark within five years from the date of the registration mark

where the party believes that he is or will be damaged, including as a result of dilution. 15 U.S.C. § 1064 (1).

18. Conversely, according to the plain terms of the TDRA, the owner of a valid registration of a mark has an absolute and complete defense against “any claim”, including a petition for cancellation, brought by a party for dilution under federal law. 15 U.S.C. § 1125 (c)(6)(B).

19. The TDRA was enacted in 2006.

20. The Lanham Act permits a party to assert a petition for cancellation against the owner of a federally registered mark on the basis of dilution by blurring or tarnishment within a certain period of time, while the TDRA provides an absolute and complete defense to owners of federally registered marks for such claims.

21. To the extent that an irreconcilable conflict exists between the two statutes, the conflict must be resolved in favor of the TDRA since its absolute and complete defense standard for owners of valid federal registrations was enacted in 2006, some seven years after the amendment to the Lanham Act.

22. Additionally, the TTAB’s policies and procedures under the Trademark Board Manual of Procedure § 303.01, which permits a party to cancel a registered marks, must comply with the TDRA as the governing federal law.

**C. The Trademark Trial and Appeal Board Is Required to Enforce a Statute According to its Plain Terms Despite Any Perception that Congress made a Drafting Error within the Statute.**

23. The U.S. Supreme Court has addressed the issue of perceived errors made by Congress in drafting a statute, and how to resolve such issues. According to the Court, any perceived

drafting errors made by Congress in a statute must be resolved nevertheless according to the plain terms of a statute. *Lamie v. United States Trustee*, 540 U.S. 526 (2004).

24. To the extent Petitioner believes that Congress made a drafting error in adding the complete defense standard against federal dilution claims in the TDRA, any such drafting error must be resolved in favor of enforcing the plain terms of the TDRA.

25. Furthermore, the U.S. Supreme Court has held that if Congress enacted into law something different from what it [Congress] intended, then it should amend the statute to conform to its intent. *Lamie v. United States*, 540 U.S. 526. 542 (2004). The Court went on to state that it is beyond the “province of the Court to rescue Congress from its drafting errors and to provide for what we [the Court] might think . . . is the preferred result.” *Id.*

26. While Respondent APC does not concede that the language in the TDRA is the result of a drafting error by Congress, to the extent the TTAB perceives that Congress made a drafting error in the TDRA, the TTAB should reject rescuing “Congress from its drafting errors,” by replacing the statutory language with what the TTAB might think is the preferred result.

27. Since Respondent APC owns a valid federal registration of OSCAR that acts as a mandatory absolute and complete defense against Petitioner’s dilution claim as discussed above, Petitioner’s dilution claim is not plausible and should not survive Respondent APC’s Motion To Dismiss.

WHEREFORE, Respondent APC respectfully prays for the following relief:

1. That the TTAB dismiss Petitioner's cancellation petition on the claim of dilution in its entirety with prejudice.

This the 5<sup>th</sup> day of March 2012.

By:



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**CERTIFICATE OF MAILING**

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This 5<sup>th</sup> day of March 2012

By:



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