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

Proceeding	92058956
Party	Plaintiff SoCal Maico
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Attachments	OPPOSITION TO MOTION for judgement on the pleadings.pdf(73258 bytes)

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

4 In Re Registration Number : 4,156,487
5 Opposition Filing Date : March 4, 2015
6 Opposition Number : 92/058956
7 Registered Marks : MAICO DESIGN MARK

8 J. GARY KORTZ }
9 }
10 } Petitioner, } **PETITIONERS OPPOSITION TO**
11 } **RESPONDENT'S MOTION FOR**
12 } **JUDGMENT ON THE**
13 } **PLEADINGS**
14 }
15 }
16 } v. }
17 }
18 } 578539 B.C. LTD, }
19 }
20 } Respondent, }
21 }
22 }
23 }
24 }

25 **BACKGROUND**

26 Petitioner has been forced to file this opposition as the Respondent has been granted a
27 Federally Registered Trademark for a Mark that has been in continuous use since 1926 by
28 various owners and myriads of other people, and is used by the Petitioner, prior to use the
29 claimed use by Respondent. Respondent's actions are not only detrimental and potentially
30 devastating to those like the Petitioner who have built a business around the MAICO motorcycle
31 name and Marks but to the MAICO motorcycle parts industry as a whole.

32 Respondent is attempting to persuade this Board that an allegedly abandoned trademark
33 can be registered by the Respondent even though Petitioner and others have superior rights based
34 on use.

35 Petitioner filed the initial opposition in pro per with the basic understanding that one can
36 not register a Trademark that one does not own or have superior rights thereto. The Original
37 Petition was not in proper form but rather than filing a Motion to Dismiss, the Respondent filed
38 an answer. Though the Petition may have some rough edges, we urge the Board to understand

1 the legal naivety and see that the Petitioner brings the elements necessary for this cancellation to
2 move into the discovery phase where proper legal positions can be ferreted out and the truth of
3 the matter ascertained.

4 LEGAL STANDARDS

5 Any person who believes that he would be damaged by the registration of a mark may
6 file an opposition thereto under Section 12(a) of the Act 15 USC 1062(a). The Opposer must set
7 forth a short and plain statement showing why the Opposer believes he or she or it would be
8 damaged by the Mark, state the grounds for the cancellation under 37 CFR 2.112(a).

9 Any person who believes he or she is or will be damaged by registration of a mark, can
10 show a "real interest" in the proceeding, and has a "reasonable basis for its belief of damage" has
11 standing to file an opposition or cancellation proceeding. *Ritchie v. Simpson*, 170 F.3d 1092,
1095, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999) and *Lipton Industries, Inc. v. Ralston Purina Co.*,
670 F.2d 1024, 1028, 213 USPQ 185, 189 (CCPA 1982); Lanham Act Sections 13 and 14, 15
U.S.C. §§1063 and 1064, and TBMP §303(b).

12 Furthermore, Petitioner has the right to use the contested Mark as he has established
13 rights based on prior use. Section 7(c) of the U.S. Trademark (Lanham) Act, 15 U.S.C. §
14 1057(c), defines that which is “contingent on the registration of a mark on the principal register
15 provided by this chapter, the filing of the application to register such mark shall constitute
16 constructive use of the mark, conferring a right of priority, nationwide in effect, on or in
17 connection with the goods or services specified in the registration against any other person
except for a person whose mark has not been abandoned and who, prior to such filing has used
the mark”

18 Furthermore, Section 2(d) of the Act 15 USC 1052(d) states that grounds for cancellation
19 is valid when the Mark so resembles a Mark or Trade Name previously used in the United States
20 by another and not abandoned, as to be likely, when used on or in connection with the goods or
21 services of the defendant, to cause confusion or to cause mistake, or to deceive. (*Opryland USA
Inc v The Great American Music Show Inc*, 970 F.2d 847, 23 USPQ2d 1471, 1473 (Fed Cir 1992)

22 Additionally, the opposer has the right to contest the Mark of the respondent, when the
23 Respondent has falsely claimed that he was the rightful owner of the Mark. (*General Foods
Corp. v Ito Yokado CO. Ltd* 219 USPQ 822, 825 (TTAB 1983)).

1
2 **ISSUES TO BE DECIDED**

- 3 1) What Issues can be brought before this Board?
4 2) Does the Respondent have the right to register a Mark that is allegedly abandoned with
5 large amounts of goodwill associated therewith without reserve?
6 3) Is Respondent's Mark Deceptive causing a likelihood of confusion?
7 4) Has the Respondent perpetrated a fraud upon the Office by registering a Mark in which
8 he does not possess ownership rights?

9 **1) WHAT ISSUES CAN BE BROUGHT BEFORE THIS BOARD**

10 Respondent's moving papers tend to attempt to have this Board act in a vacuum without
11 the opportunity to see the real world in claiming that the Board can only cancel a registration on
12 the limited grounds of section 17, 18, 20 and 24 of the Lantham Act. (Motion, Pg 6 Ln 23- Pg 7
13 Ln 1) Contrary to this view, the Lantham act in Section 14 clearly defines the scope of a
14 cancellation petition. If within five years from the date of registration of the Mark, the
15 cancellation can be filed by any person who believes that he is or will be damaged including as a
16 result of dilution under section 43(c).

17 *For marks that have been registered less than five years, a petitioner may base the
18 Petition for Cancellation on essentially all of the statutory grounds found in the Lanham
19 Act, including, descriptiveness, functionality, deceptiveness, genericness, that
20 respondent's mark is primarily merely a surname; that respondent is not the owner of the
21 registered mark, that there was no bona fide use of respondent's mark in commerce to
22 support the original registration, that the mark causes dilution and/or that the
23 registration was obtained and/or maintained through fraud. TBMP §309.03(c).*

24 Petitioner will show through discovery of invoices, shipping receipts and other
documents and through disposition testimony, that Respondent is not the owner of the Mark and
that he knew of others prior use of the Mark. Furthermore, surveys will be done to show that the
consumer will be mislead and deceived to believe that goods bearing the Mark are associated
solely with the Respondent and that Respondent's goods are inferior to those expected to be
bearing the MAICO Mark.

Respondent stresses that the Board has no jurisdiction to consider use claims (Motion Pg
6 line 20 – Pg 7 line 17) and that Petitioner is crying over spilled milk. Priority of rights and
likelihood of confusion under Lanham Act Section 2(d), 15 U.S.C. §1052(d), are the most

1 common statutory ground presented to the Board for opposition or cancellation. In *In re E. I. du*
2 *Pont de Nemours & Co.*, 476 F.2d 1357, 1361, 177 USPQ 563, 567 (C.C.P.A. 1973),

3 *the Court of Customs and Patent Appeals discussed the following factors relevant*
4 *to a determination of likelihood of confusion: the similarity or dissimilarity of the marks*
5 *in their entireties; the similarity or dissimilarity of and nature of the goods or services;*
6 *the similarity or dissimilarity of established, likely-to-continue trade channels; the*
7 *conditions under which and buyers to whom sales are made; the fame of the prior mark*
8 *(sales, advertising, length of use); the number and nature of similar marks in use on*
9 *similar goods; the nature and extent of any actual confusion; the length of time during*
10 *and conditions under which there has been concurrent use without evidence of actual*
11 *confusion; the variety of goods on which a mark is or is not used (house mark, "family"*
12 *mark, product mark); the market interface between the applicant and the owner of a*
13 *prior mark; the extent to which applicant has a right to exclude others from use of its*
14 *mark on its goods; the extent of potential confusion, i.e., whether de minimis or*
15 *substantial; any other established fact probative of the effect of use.*

16 This Board does have the jurisdiction to cancel this registration based on many of the
17 DuPont Factors which include several of the complaints lodged by the Petitioner in his original
18 pleading including right to exclude by prior use, fame of prior mark and consumer confusion as
19 to source and quality of goods bearing the Mark.

20 **2) DOES THE RESPONDENT HAVE THE RIGHT TO REGISTER A MARK**
21 **THAT IS ALLEGEDLY ABANDONED WITH LARGE AMOUNTS OF**
22 **CURRENT USE AND GOODWILL ASSOCIATED THEREWITH WITHOUT**
23 **RESERVE?**

24 Respondent believes that simply once a Mark is abandoned, it is available for adoption by
a third party without any reserve (Motion, Pg 7, Line 20-23). And corollary to that line of
thought is that Respondent should be able to trade upon the goodwill that exists today, said
goodwill only existing through the use of the Mark and its famous brand by others. Respondent
relies on General Motor Case to show abandonment (*General Motors Corp. v. Aristide & Co.,*
Antiquaire de Marques, 87 USPQ2d 1179 (TTAB 2008) but this reliance is misplaced as General
Motors was attempting to assert ownership over the Mark as the original owner over a third
party, where in this case at hand, is the exact opposite matter. The LaSalle Mark in the GM case
was not constantly used in commerce and the original owner is currently in business and had
decided not to continue to use the Mark. In the current case, the MAICO Mark has been used

1 continually in commerce in parts, accessories, race sponsorship, and promotional materials since
2 1926 where LaSalle was discontinued three years after it was introduced.

3 Case Law provides that this statement is not a true reflection of the current law and that it
4 is simply not a cut and dry case upon which a Motion for Judgment on the Pleadings is
5 premature without discovery to support the complaint as drafted.

6 US trademark practice presumes that marks are abandoned if they are not used for a
7 period of time ; this period being three years. This presumption of nonuse is rebuttable and may
8 be countered with contrary evidence. As in the current matter, most commonly "special
9 circumstances" cases involve products that are no longer in active manufacture, but continue to
10 be present in the marketplace. The Court and this Board weighs that the marks' owners could
11 point to several facts to support the lasting goodwill of the marks, in addition to simple but
12 lasting public fame, and these facts were deemed sufficient by the courts to warrant findings of
13 nonabandonment. *Seidemann Yachts, Inc. v. Pace Yacht Corp.*, 14 U.S.P.Q.2d 1497 (D. Md.
14 1989), *aff'd*, 898 F.2d 147 (4th Cir. 1990). *Sterling Brewers, Inc. v. Schenley Indus., Inc.*, 441
15 F.2d 675 (C.C.P.A. 1971).

16 FERRARI is the case that is directly on point with the MAICO Motorcycle Marks
17 (*Ferrari S.p.A. Esercizio Fabbriche Automobili e Corse v. Mc Burnie*, 11 U.S.P.Q.2d 1843 (S.D.
18 Cal. 1989)) as the case details where the trademark owner produced no evidence of intent to
19 resume manufacturing the auto body design at issue, but the district court nevertheless found the
20 mark had not been abandoned. The court cited the following facts to support its view: Ferrari and
21 others continued to manufacture and sell parts for the car; Ferrari's cars continued to be driven
22 extensively, thus keeping the trademark in the public eye; and resales of the cars continued and
23 received much publicity.

24 Another case directly on point is the RAMBLER case. (*American Motors Corp. v.*
Action-Age, Inc., 178 U.S.P.Q. 377 (T.T.A.B. 1973)) where continued reservoir of goodwill for
RAMBLER evidenced by the large number of cars still on the road, plaintiff's continuing to
supply parts, dealers continuing to use RAMBLER in their trade names, and dealers continuing
to post signs with RAMBLER on it.

MAICO Motorcycles and thus the MAICO Marks exist in the public eye continually
since 1926. A simple google search brings up more than 1,880,000 hits on the term MAICO

1 with countless resellers of parts, services and accessories, with Petitioner (SoCal MAICO) being
2 one of them, who sell products under the MAICO name keeping the MAICO name in the public
3 eye since 1926.

4 Under the Case Law of *Seidlemann Yachts, Sterling Brewers, Ferrari and American*
5 *Motors*, continual use in the streams of commerce precludes a finding of abandonment of Marks
6 for products not production but independently supported by other. Respondent can not trade on
7 others goodwill and reputation into gaining a Mark that does not belong to him nor has not been
8 abandoned. . Monopolization of an existing Mark will destroy the Petitioner’s business along
9 with countless others.

10 **3) RESPONDENT’S USE OF ANOTHER’S FAMILIAR MARK IS DECEPTIVE**
11 **AND THUS CAUSES A LIKELIHOOD OF CONFUSION**

12 Adopting a fondly remembered mark from the past can provide a marketing boost, giving
13 a sizable advantage over those with competing products. But if the original owner of the mark
14 remains in the streams of commerce, an unrelated party's introduction of the old product
15 identified by the old mark can create the very sort of consumer confusion—indeed deception—
16 that trademark law aims to prevent. Where goodwill after 80 years of continuous presence in
17 the marketplace remains, consumers' familiarity with the mark may well lead them to connect the
18 new product to the original, not the current, producer. *Yet because the original manufacturer has*
19 *no connection to the new product and no control over its quality, consumers cannot rely on the*
20 *new mark as a symbol of goodwill.* Seemingly familiar in its current incarnation, the new product
21 bears no connection to its past, raising the possibility of consumer confusion, if not outright
22 deception. Loss of control is the very essence of irreparable harm. (*J. Thomas McCarthy,*
23 *McCarthy on Trademarks and Unfair Competition, § 17.03[a], at 17-17 (3d ed. 1993, .J.*
24 *Canfield Co. v. Vess Beverage, Inc., 796 F.2d 903 (7th Cir. 1986); Church of Scientology Int'l v.*
Elmira Mission of the Church of Scientology, 794 F.2d 38, 43 (2d Cir. 1986)).

25 Respondent’s use of the familiar MAICO Mark is clearly deceptive. A case in point is
26 the Twiggy Jeans Case (*Lesley Hornby a/k/a Lesley Lawson a/k/a Twiggy v. TJX Companies,*
27 *Inc., 87 USPQ2d 1411 (TTAB 2008)* where a famous Mark, that is not currently used by the
28 owner, can not be suddenly “owned” by another simply if the Mark has been abandoned as this
29 Board found that the consumer would be confused as to the source of the goods.

1 Case law is replete with cases not allowing for the “ownership” of a Mark solely because
2 the original owner has allegedly abandoned the Mark. Respondent can not trade on the goodwill
3 that has built up by the 80 years of continual use in the stream of commerce of the MAICO
4 Mark. Respondent has not argued the merits of this matter. Petitioner has clearly presented a
5 case for consumer confusion and deceptive use by the Respondent, as supported by case law and
6 TTAB decisions. Respondent mere misplaced statement that he had the right to register the
7 Mark is not sufficient grounds for a Motion for Judgment on the Pleadings.

8 a) Petitioner has also pled the elements of the Budge Mfg deceptiveness test.

9 The test to determine whether a mark consists of or comprises deceptive matter:

- 10 *1) Is the term misdescriptive of a character, quality, function, composition, or use*
- 11 *of the goods?;*
- 12 *2) Are prospective purchasers likely to believe that the misdescription applies to*
- 13 *the goods?; and*
- 14 *3) Is the misdescription likely to affect a significant portion of the relevant*
- 15 *consumers’ decision to purchase the goods?*

16 *In re Budge Mfg. Co. Inc., 857 F.2d 773, 775, 8 USPQ2d 1259, 1260 (Fed. Cir. 1988), aff’g 8*
17 *USPQ2d 1790 (TTAB 1987).* The first prong of the Budge test is met if the ingredient/attribute at
18 issue is not or will not be present in the applicant’s goods. Respondent’s currently manufactured
19 parts are inferior in quality and discovery will force Respondent to produce his quality
20 manufactured parts as evidence of a continuing quality use of the Mark, which he will be unable
21 to do. Evidence that the ingredient/attribute is actually available in the marketplace satisfies the
22 second prong by showing that consumers would likely believe that the goods contain the key
23 ingredient/attribute, if it is part of the mark. MAICO parts have been continually in the stream
24 of commerce since 1926 using the Respondent’s Mark. The third prong is generally met through
evidence that a significant portion of the relevant consumers believe that the ingredient/attribute
is a significant enough characteristic to affect their purchasing decision. Surveys of MAICO
buyers will show that the use of the MAICO Mark solely by the Respondent will show that a part
bearing the Mark has a perceived quality and value.

Petitioner is ready to produce the evidence and urges the Board to let the discovery
process continue to prove the elements of deceptiveness and consumer confusion. A plaintiff
may plead likelihood of confusion directly or hypothetically. Fed. R. Civ. P. 8(d)(2) A

1 hypothetical pleading may consist of assertions that if, as the trademark examining attorney (or
2 the defendant) contends, plaintiff's mark so resembles defendant's mark as to be likely, when
3 applied to the goods and/or services of the plaintiff, to cause confusion, then plaintiff will be
4 damaged by the registration of defendant's mark. (*John T. Clark Co. v. Colgate-Palmolive Co.*,
5 *176 USPQ 93 (TTAB 1972)*)

6 Petitioner will lose a majority of his business is no longer allowed to use the MAICO
7 Mark. *The Petitioner has used the same Mark on decals, parts and accessories prior to*
8 *Respondents use of the Mark.* Furthermore, discovery will show that Petitioner and others have
9 actually sold that parts to the Respondent, where he is claiming actual used of the Mark! There
10 will be many others financially effected by not being allows to use the MAICO Mark as they
11 have freely done in the past.

12 Of course, in order to state a claim upon which relief can be granted, a hypothetical
13 pleading of likelihood of confusion must be coupled with a pleading of one or more grounds for
14 opposition or cancellation, such as, that plaintiff has priority of use (here, the hypothetical
15 pleading of likelihood of confusion serves both as a pleading of plaintiff's standing and as part of
16 the pleading of a ground under Trademark Act § 2(d), 15 U.S.C. § 1052(d)) (TTAB 309.03(c))

17 **4) HAS THE RESPONDENT PERPETRATED A FRAUD UPON THE OFFICE**
18 **BY REGISTERING A MARK IN WHICH HE DOES NOT POSSESS**
19 **OWNERSHIP RIGHTS?**

20 Petitioner asks this Board to deny that the application filed by the Respondent, signed
21 under the penalty of perjury, where he misrepresented that he was the owner of the Mark and that
22 he had superior rights to use and register the Mark. Respondent materially misled the Office
23 into believing the he was 1) the owner of the Mark and 2) that he did not know of any other prior
24 use of the Mark by others. Petitioner and others, including Eric Cook, mentioned in
Respondent's moving papers, have *sold accessories to the Respondent bearing the Mark*, so
proving willfulness through his conduct will be shown through discovery. Discovery will show
the myriad of invoice for parts that Respondent purchased from the Petitioner and others that
contain the Mark showing that Respondent had direct knowledge that the Mark was in use by
others.

1 Petitioner understands that the bar is set very high to prove fraud after In Re Bose
2 Corporation standard of willful, not merely negligent, deception for fraud to be proven with clear
3 and convincing evidence. Petitioner furthermore through the action of discovery and disposition
4 will lay out a clear path whereby the Respondent knowingly made false statements to the Office
5 in order to obtain registration. Evidence of Respondent purchasing parts, accessories and decals
6 from the Petitioner and others will be presented and disposition testimony will show that
7 Respondent was fully knowledgeable of the MAICO Marks and that he does not possess any
8 rights superior to anyone else. Willfulness will be shown by conduct if not through his own
9 words. Though the Federal Circuit has yet to define this new willfulness, as the Carnegie
10 Mellon, Halo and Stryker cases will be heard later this quarter, Federal Jury instructions state
11 that willfulness can be found through actions or inactions.

12 *“The jury may be told that it may find or is permitted to find (or to draw an inference)*
13 *that the defendant had the required state of mind from certain evidence presented at trial,*
14 *but it must be clear that this is permissive and that the jury is not required to make that*
15 *finding or draw that inference. See, e.g., Sandstrom v. Montana, 42 U.S. 510 (1979);*
16 *United States v. United States Gypsum Co., 438 U.S. 422, 446 (1978). ., United States*
17 *v. Mendez–Zamora, 296 F.3d 1013, 1018 (10th Cir.2002) (“To suggest that a person’s*
18 *state of mind can be inferred from his omissions (as well as his acts) is merely to utter*
19 *common sense.*

20 Petitioner has a burden but a Motion on the Pleadings does not allow for the Petitioner to
21 meet and exceed that burden. The Motion should be defeated on this ground alone.

22 CONCLUSION

23 As Respondent stated “In order to survive Respondent’s motion, Petitioner must show
24 that there is at least one valid ground for cancelling the Registration (*Young v AGB Corp., 152*
F.3d 1377 (Fed Cir 1998)) Resp. Motion Pg 3 Ln13-14).

Petitioner/Opposer has plead sufficient facts to show that 1) Opposer has used the Mark
in commerce , 2) Opposer has shown that Respondent’s Mark is deceptive as it is the exact
same Mark that is used by the Opposer and many others for more than 70 continuous years in
the industry prior to Respondent’s alleged first date of use 3) Opposer has shown that
Respondent is attempting to trade in on the established goodwill of a continually Mark
attempting to confuse and deceive the public as to the ownership and quality of the Mark and 4)

1 Respondent is attempting to deceive the public by portraying that he is the “owner” of the Mark
2 and thus can try to extract royalty and licensing fees from those who have been using the Mark
3 prior to Respondent’s first date of use!

4 Furthermore, Petitioner can show through discovery that Respondent is trying to trade on
5 the goodwill of an established Mark which has not been abandoned. Additionally, Petitioner
6 will show through discovery that Respondent willfully misled the Trademark Office in his
7 statements under perjury to the Office.

8 Respondent’s Motions claims that relief is only available to the Petitioner if the Mark in
9 question is connected with the Petitioner (Motion pg3 ln 23 – pg 4 line 1) and that any false
10 claim must be relate to Plaintiff’s Mark. This supposition is not true, as “Any person who
11 believes that he would be damaged by the registration of a mark may file an opposition or
12 cancellation thereto under Section 12(a) of the Act 15 USC 1062(a). *Ritchie Ibid etal.*

13 It is *not Petitioner’s Mark* that will be damaged, but it is the deception and confusion of
14 the *MAICO Mark* that Petitioner and others for 80 years have used will be damaged if
15 Respondent is allowed to obtain a Mark through fraud or in the alternative, a Mark that he
16 should never have received as it was never abandoned and he was never the owner of any
17 MAICO marks. One cannot trade on the goodwill of others and receive ill-gotten gains.

18 THEREFORE, Petitioner respectfully requests that Respondents Motion for Judgment
19 on the Pleadings be denied or in the alternative, Petitioner requests that he be permitted to
20 Amend the Petition in accordance with proper format and alleged facts sufficient to permit this
21 matter to continue.

22 Respectfully submitted,

23 /Ken Dallara/

24 Ken Dallara, Esq,
Attorney for Petitioner, J. Gary Kortz

Dated : January 11, 2016

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CERTIFICATE OF SERVICE

1
2
3 1) I hereby certify that a copy of the PETITIONER OPPOSITION TO RESPONDENT'S
4 MOTION FOR JUDGMENT ON THE PLEADINGS was caused to be transmitted to the
Trademark Trial and Appeal Board via the ESTTA electronic filing system on 1/11/2015

5
6
7 2) I hereby certify that a copy of the PETITIONER OPPOSITION TO RESPONDENT'S
8 MOTION TO DISMISS was served upon aftmentioned counsel by depositing it with the United
9 States Post Office, postage prepaid, on 1/11/2016 via First Class Mail to the following
recipient:

10
11 Law Office of Paul W. Reidl
12 241 Eagle Trace Drive
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14
15
16
17 By : _____/Ken Dallara/_____
18 Ken Dallara, Esq - Attorney for Petitioner J. Gary Kortz