

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451
General Contact Number: 571-272-8500

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Mailed: March 30, 2016

Cancellation No. 92058956

SoCal Maico

v.

578539 B.C. Ltd. TA Canadian Maico

By the Trademark Trial and Appeal Board:

This case comes up on Respondent's motion, filed December 12, 2015, for judgment on the pleadings inasmuch as the petition to cancel fails to state a claim upon which relief can be granted. The motion is fully briefed.

578539 B.C. Ltd. TA Canadian Maico, a corporation of Canada, owns Registration No. 4156487 which issued June 12, 2012 for the mark shown below for "motorcycles for motocross."



Registration No. 4156487 claims use anywhere and in commerce since December 1, 2002.

On April 4, 2016, Petitioner, a sole proprietorship of California acting pro se, filed a petition to cancel Registration No. 4156487 comprising an ESTTA petition to cancel which lists the grounds for cancellation as deceptiveness, false suggestion of a connection; genericness, and fraud, and a single sheet with unnumbered allegations. Petitioner alleges that it has used the MAICO mark for motorcycle parts since 2009; that the mark MAICO belonged to the German motorcycle company Maicowerk A.G. which made motorcycles from 1926 to 1986; that Maicowerk A.G. was well known for its MAICO motorcycle parts; that Maicowerk A.G. no longer exists; that many MAICO parts manufactured by Maicowerk A.G. are available from many resellers; that motorcycle part resellers such as Petitioner consider the MAICO mark to be in the public domain; that Respondent “is deceiving the public and falsely suggesting a connection to the original MAICO”; and that Respondent is using his registration to extort licensing and royalty fees from Petitioner. Respondent’s answer denied the salient allegations of the petition to cancel and pleaded various affirmative defenses.

Before the deadline for the parties’ discovery conference, Respondent filed a motion to suspend this proceeding pending the disposition of the civil action between the parties. On July 4, 2014, the Board granted the motion and suspended proceedings. On August 14, 2015, after the parties informed the Board that the civil action had been dismissed by agreement of the parties, and the Board resumed proceedings.

If a defendant files a motion for judgment on the pleadings under Fed. R. Civ. P. 12(c) that is based on the assertion that the complaint fails to state a claim upon

which relief can be granted, as is the case here, the standard for adjudicating the motion is the same as that of a motion filed under Fed. R. Civ. P. 12(b)(6). *See Western Worldwide Enters. Group Inc. v. Qinqdao Brewery*, 17 USPQ2d 1137, 1139 (TTAB 1990). A complaint “must contain sufficient factual matter, accepted as true, to ‘state a claim to relief that is plausible on its face.’” *Ashcroft v. Iqbal*, 556 U.S. 662 (2009) (quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). In particular, a plaintiff must allege well-pleaded factual matter and more than “[t]hreadbare recitals of the elements of a cause of action, supported by mere conclusory statements,” to state a claim plausible on its face. *Iqbal*, 556 U.S. 662 (citing *Twombly*, 550 U.S. at 555).

Accordingly, the Board considers whether Petitioner has alleged such facts as would, if proven at trial or on summary judgment, establish that Petitioner has standing to petition for the cancellation of the registered mark and that a statutory ground exists for canceling the registration. *See Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000).¹ Although Petitioner’s standing is not disputed between the parties, the Board notes that the petition to cancel alleges Petitioner is engaged in the sale of goods which are related to those identified in the subject registration, and has indicated its use of the mark MAICO in connection with those goods. Clearly, Petitioner has demonstrated an interest in the proceedings

¹ The Board will not address those arguments of Respondent urging the Board not to “act in a vacuum without the opportunity to see the real world. *See Guess? IP Holder LP v. Knowluxe LLC*, 116 USPQ2d 2018, 2019 (TTAB 2015) (“While the Board carefully considers all arguments made by the parties in connection with a motion, there is no requirement that the Board’s order repeat or discuss irrelevant arguments.”).

beyond that of a mere intermeddler. *See American Vitamin Products Inc. v. DowBrands Inc.*, 22 USPQ2d 1313, 1315 (TTAB 1992).

Respondent's motion for judgment on the pleadings contends that Petitioner fails to plead any legally sufficient claims for cancellation. Petitioner's response to the motion essentially concedes that the petition to cancel, which was filed without benefit of counsel, is deficient in several respects.

Petitioner, now represented by counsel, argues that it should be allowed to replead the claims of deceptiveness and fraud enumerated on the original petition, and to add claims of likelihood of confusion and non-ownership which were implicit in the allegations of the petition to cancel, but not listed on the ESTTA form.² With its reply brief, Respondent contends that allowing amendment would be futile, as Petitioner lacks support for any statutory claim for cancellation. *See Institut National des Appellations d'Origine v. Brown-Forman Corp.*, 47 USPQ2d 1875, 1896 (TTAB 1998) (amendment would be futile because opposers cannot prevail on claim as a matter of law).³

² Because it is not clear if Petitioner did not offer to replead its claims of false suggestion of a connection and genericness because Petitioner is no longer interested in those claims or believes them to be adequate as originally pleaded, the Board addresses the sufficiency of all the pleaded claims.

³ The Board notes Petitioner's arguments (17 TTABVUE 2) that another of Respondent's competitors acting pro se also filed a petition to cancel Registration No. 4156487 (Cancellation No. 92060994), that the claims of false association, deceptiveness, fraud and likelihood of confusion in that petition to cancel were dismissed as insufficient, and the claims herein "should meet the same fate."

To the extent that Petitioner contends that the Board should summarily dismiss Respondent's claims, the Board notes that the petitions in the two proceedings were not identical. Moreover, where the Board finds that the complaint fails to state a claim upon which relief can be granted, the Board generally will allow the plaintiff an opportunity to file an amended pleading. *See Trademark Trial and Appeal Board Manual of Procedure (TBMP) §503.03 (October 2015) and cases cited therein.* In fact, in Cancellation No. 92060994, the

a. False Suggestion of a Connection

A plaintiff asserting a claim that a mark falsely suggests a connection with persons living or dead, or institutions, must plead (i) that the defendant's mark is the same or a close approximation of plaintiff's previously used name or identity; (ii) that the mark would be recognized as such; (iii) that the plaintiff is not connected with the activities performed by the defendant under the mark; and (iv) that the plaintiff's name or identity is of sufficient fame or reputation that when the defendant's mark is used on the goods or services, a connection with the plaintiff would be presumed. *Association pour la Defense et la Promotion de l'oeuvre de Marc Chagall Dite Comite Marc Chagall v. Bondarchuk*, 82 USPQ2d 1838, 1842 (TTAB 2007)(citations omitted). The second factor has been construed to require that “the name claimed to be appropriated by the defendant must point uniquely to the plaintiff.” *Lesley Hornby a/k/a Lesley Lawson a/k/a Twiggy v. TJX Companies, Inc.*, 87 USPQ2d 1411, 1424 (TTAB 2008).

The petition to cancel alleges that Respondent's mark falsely suggests a connection to “the original Maico, which was well known for producing motorcycle parts.” Although it is not clear if this use of MAICO refers to an abbreviation of the name of the German manufacturer Maicowerk A.G. or its trademark, it makes little difference. The claim requires the false suggestion to connect defendant with the plaintiff, and not with a third party, and so the claim is fatally defective. Petitioner's opposition to the motion for judgment on the pleadings does not address false

Board did grant Petitioner leave to amend, and the dismissal of Petitioner's claims addressed the sufficiency of the amended petition to cancel.

suggestion of a connection. Inasmuch as the Board finds that amendment would be futile, Petitioner may not amend this claim.

b. Genericness

Generic terms are terms that the relevant purchasing public understands primarily as the common or class name for the goods or services. *In re Dial-A-Mattress Operating Corp.*, 240 F.3d 1341, 57 USPQ2d 1807, 1811 (Fed. Cir. 2001). The test for determining whether a mark is generic involves a two-step inquiry. First, what is the genus (category or class) of goods or services at issue? Second, is the term sought to be registered understood by the relevant public primarily to refer to that genus (category or class) of goods or services? *Marvin Ginn Corp. v. International Association of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528, 530 (Fed. Cir. 1986). Except for the listing on the ESTTA cover sheet, the term “generic” does not appear in the petition to cancel or the attached allegations, and Petitioner’s opposition to the motion for judgment on the pleadings does not address genericness. Inasmuch as it appears that the reference to genericness in the petition to cancel was inadvertent, Petitioner may not amend this claim.

c. Deceptiveness

A claim that a mark is deceptive must allege that (1) the term is misdescriptive of the character, quality, function, composition or use of the goods or services; (2) that prospective purchasers are likely to believe that the misdescription actually describes the goods or services; and (3) that the misdescription is likely to affect the decision to purchase. *In re Budge Manufacturing Co., Inc.*, 857 F.2d 773, 8 USPQ2d 1259, 1260

(Fed. Cir. 1988). Petitioner argues that the arbitrary term MAICO is recognized as a source indicator for high quality motorcycle parts, and, as a result, the term MAICO is misdescriptive as applied to Respondent's purported lower quality motorcycle parts. Petitioner's allegation that MAICO is recognized as a source indicator for motorcycle parts contradicts, and is not a basis for, the allegation that MAICO is misdescriptive as applied to motorcycle parts. Because there is no assertion that the term MAICO is misdescriptive as applied to the goods, the deceptiveness claim fails. Inasmuch as the Board finds that amendment would be futile, Petitioner may not amend this claim.

d. Fraud

Fraud in procuring a trademark registration occurs when an applicant knowingly makes false, material representations of fact in connection with its application with the intent to deceive the USPTO. *In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1939 (Fed. Cir. 2009) (*Bose*). When a party claims that the oath or declaration in another's application for registration was signed fraudulently in that there was another legitimate use of the mark at the time of the signing, the party must allege particular facts which, if proven, would establish that:

- (1) there was in fact another use of the same or a confusingly similar mark at the time the oath was signed;
- (2) the other user had legal rights superior to applicant's rights;
- (3) applicant knew that the other user had rights in the mark superior to applicant's, and either believed that a likelihood of confusion would result from applicant's use of its mark or had no reasonable basis for believing otherwise;
- and
- (4) applicant, in failing to disclose these facts to the Patent and Trademark Office, intended to procure a registration to which applicant was not entitled

Intellimedia Sports Inc. v. Intellimedia Corp., 43 USPQ2d 1203, 1205 (TTAB 1997).
Accord Qualcomm Incorporated v. FLO Corporation, 93 USPQ2d 1768, 1770 (TTAB 2010); *Bayer Consumer Care AG v. Belmora LLC*, 90 USPQ2d 1587, 1593 (TTAB 2009); *Ohio State University v. Ohio University*, 51 USPQ2d 1289 (TTAB 1999).

A fraud claim based on a false oath regarding the rights of others to use the mark only lies where the other party's rights were clearly established, as by a prior agreement between the rights or a court decree. In other words, for the purpose of fraud, knowledge of another party's use of the mark is not equivalent to knowledge of another party's superior rights to the mark. *See Metro Traffic Control v. Shadow Network Inc.*, 41 USPQ2d 1369 (Fed. Cir. 1997) (because "the complex factual situation in this case apparently left Mr. Schwartz with an unclear understanding of the legal implications of his statement ... Mr. Schwartz's misstatements did not represent a 'conscious effort to obtain for his business a registration to which he knew it was not entitled.'"); *Maids to Order of Ohio Inc. v. Maid-to-Order Inc.*, 78 USPQ2d 1899, 1909 (TTAB 2006) ("fact that [defendant], subsequent to filing its application, offered to purchase whatever rights [plaintiff] had in the MAID TO ORDER mark is not evidence that that [defendant]knew that [plaintiff] had prior or superior rights"); *Intellimedia Sports Inc. v. Intellimedia Corp.*, 43 USPQ2d at 1207 ("if the other person's rights in the mark, vis-a-vis the applicant's rights, are not known by applicant to be superior or clearly established, e.g., by court decree or prior agreement of the parties, then the applicant has a reasonable basis for believing that no one else

has the right to use the mark in commerce, and the applicant's averment of that reasonable belief in its application declaration or oath is not fraudulent.”).

Accordingly, the allegation that Respondent knew of prior use of the mark by others, without an allegation that Respondent knew those rights to be clearly established as superior, is insufficient to plead fraud. Inasmuch as the Board finds that amendment would be futile, Petitioner may not amend this claim.

e. non-ownership

An application based on use in commerce must be filed by the party which owns the mark on the application filing date. Trademark Act Sec. 1(a). “The primary function of a trademark is to identify and distinguish the goods or services of one source from those sold by all others” *BellSouth Corp. v. DataNational Corp.*, 60 F.3d 1565, 35 USPQ2d 1554, 1557 (Fed. Cir. 1995); *see also Johnson & Johnson v. E. I. du Pont de Nemours and Co., Inc.*, 181 USPQ 790, 791 (TTAB 1974) (“It is settled that the function of a trademark is to identify a single, albeit anonymous, source of commercial sponsorship of the goods to which it pertains.”). When the person designated as the applicant is not the person with a bona fide intention to use the mark in commerce, the application is void. *Huang v. Tzu Wei Chen Food Co. Ltd.*, 7 USPQ2d 1335, 1336 (Fed. Cir. 1988)

The petition to cancel vaguely alludes to Respondent not being entitled to the goodwill associated with the original MAICO mark for motorcycle parts. This is insufficient to allege that Respondent was not the owner of the mark when the underlying application was filed. In its opposition to the motion for judgment on the

pleadings, Petitioner asserts that Respondent falsely claimed to be the owner of the mark, but fails to allege whether Respondent is not the owner based on the existence of a legal successor to the original owner of the MAICO mark (who is entitled to any continuing good will created by the original owner), or whether Respondent is not the owner based on Petitioner or a third party having adopted the abandoned MAICO mark prior to Respondent. Petitioner also fails to allege what relationship Petitioner has with any legal successor or third party adopter which would allow Petitioner to assert their rights in this proceeding. Thus, only insofar as Petitioner is able to plead allegations in support of Respondent's lack of ownership, Petitioner is allowed leave to amend this claim.

f. likelihood of confusion

A claim of likelihood of confusion requires the plaintiff to plead that it has prior proprietary rights in a mark, and that contemporaneous use with Respondent's mark in connection with their respective goods would be likely to cause confusion or mistake or to deceive consumers.⁴ See *Hornblower & Weeks, Inc. v. Hornblower & Weeks, Inc.*, 60 USPQ2d 1733, 1735 (TTAB 2001). Use "analogous" to trademark use means use of a nature and extent such as to create an association of the term with the user's goods. See *Malcolm Nicol & Co. v. Witco Corp.*, 881 F.2d 1063, 11 USPQ2d

⁴ The Board allow claims in the alternative to be pleaded. See Fed. R. Civ. P. 8(d)(2) ("A party may set out 2 or more statements of a claim or defense alternatively or hypothetically, either in a single count or defense or in separate ones. If a party makes alternative statements, the pleading is sufficient if any one of them is sufficient."). While Petitioner's amended non-ownership claim may allege that a third party, and not Respondent, is owner of the MAICO mark, this does not bar Petitioner from also pleading that its own right to the mark is superior to all others in support of its likelihood of confusion claim.

1638, 1639 (Fed. Cir. 1989). The petition to cancel asserts that Petitioner has been using “this logo” since 2009, prior to Respondent’s adoption in 2012, and that both parties sell motorcycle parts. In its opposition to the motion for judgment on the pleadings, Petitioner asserts that it has rights established by its prior use of the mark, and that use of the mark by both Petitioner and Respondent on the same goods is likely to cause confusion.

Respondent’s motion for judgment on the pleadings is GRANTED inasmuch as Petitioner is allowed until FIFTEEN DAYS from the mailing date of this order to file an amended petition to cancel with legally sufficient claims of non-ownership and likelihood of confusion, failing which the petition to cancel will be dismissed with prejudice.

With respect to any amended pleading, Petitioner and its counsel are reminded that under Rule 11 of the Federal Rules of Civil Procedure, they are certifying that all claims and other legal contentions asserted therein are warranted by existing law or by a nonfrivolous argument for the extension, modification, or reversal of existing law. See Fed. R. Civ. P. 11.

Respondent is allowed until FIFTEEN DAYS from the date of service of any amended petition to cancel to file its answer.

Proceedings herein are resumed, and dates are reset below.

Deadline for Discovery Conference	5/20/2016
Discovery Opens	5/20/2016
Initial Disclosures Due	6/19/2016
Expert Disclosures Due	10/17/2016
Discovery Closes	11/16/2016
Plaintiff’s Pretrial Disclosures	12/31/2016

Plaintiff's 30-day Trial Period Ends	2/14/2017
Defendant's Pretrial Disclosures	3/1/2017
Defendant's 30-day Trial Period Ends	4/15/2017
Plaintiff's Rebuttal Disclosures	4/30/2017
Plaintiff's 15-day Rebuttal Period Ends	5/30/2017

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.