

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

Faint

Mailed: October 7, 2015

Cancellation No. 92059244

Garan Services Corp.

v.

Newman

By the Trademark Trial and Appeal Board:

Now before the Board is Respondent's combined motion, filed August 17, 2015, to reopen its time to file an answer or otherwise respond to the petition to cancel, and to dismiss pursuant to Fed. R. Civ. P. 12(b)(6).

Although Petitioner did not file a response to the motion, the Board exercises its discretion to consider the motion on the merits, rather than grant it as conceded.

Motion to Reopen

By way of background, the Board issued an order on July 29, 2015 setting aside Respondent's technical default and allowing Respondent until August 7, 2015 to file an answer. Respondent's counsel argues the order was not mailed via United States mail by the Board until August 5, 2015, and did not arrive in her office until August 14, 2015.

The Board notes that counsel/domestic representative for Respondent does have an email address entered into the record as of March 20, 2015, and email communications are normally sent when the Board issues an order.

The Board may, in its discretion, permit a party to reopen an expired time period where the failure to act is shown to be due to excusable neglect. See Fed. R. Civ. P. 6(b). Such a determination is an equitable one that must take into account all relevant circumstances surrounding the party's omission including, but not limited to, 1) the danger of prejudice to the nonmovant, 2) the length of the delay and its potential impact on judicial proceedings, 3) the reason for the delay, including whether it was within the reasonable control of the movant, and 4) whether the movant acted in good faith. *Pumpkin Ltd. v. The Seed Corps*, 43 USPQ2d 1582, 1586 (TTAB 1997)(citing *Pioneer Inv. Svcs. Co. v. Brunswick Assocs. Ltd. P'ship*, 507 U.S. 380 (1993)).

In evaluating the existence of excusable neglect in light of the factors set forth in *Pioneer*, and taking into account all relevant circumstances, the Board finds that Respondent has demonstrated excusable neglect so as to justify reopening its time to answer or otherwise plead.

There is not significant prejudice to Petitioner. The length of the delay here is not significant, particularly in light of the relatively short time that has passed since the extended due date for the answer. There are no allegations of bad faith. Further it appears Respondent did not receive the Board's order prior to the due date. Thus all relevant circumstances being

considered, the Board finds that the time should be reopened. *See Pumpkin* at 1586.

Accordingly, the motion to reopen the time for Respondent to file its response to the petition to cancel is **granted**.

Motion to Dismiss

Turning next to Respondent's motion to dismiss, Respondent argues Petitioner has failed to set forth any facts which establish that Petitioner has standing to bring the petition.

At the pleading stage, a complaint "must contain sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face.'" *Doyle v. Al Johnson's Swedish Rest. & Butik, Inc.*, 101 USPQ2d 1780, 1782 (TTAB 2012) *citing Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). In the context of inter partes proceedings before the Board, the claimant must plead factual content that allows the Board to draw a reasonable inference that the Petitioner has standing and that a valid ground for cancellation exists *Young v. AGB Corp.*, 152 F.3d 1377, 47 USPQ2d 1752, 1754 (Fed. Cir. 1998); TBMP § 503.02. In the context of inter partes proceedings before the Board, a claim has facial plausibility when the plaintiff pleads factual content that allows the Board to draw a reasonable inference that the plaintiff has standing and that a valid ground for the opposition or cancellation exists. *Cf. Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 556 (2007). The elements of each claim should be stated concisely and directly, with enough detail to give the

defendant fair notice thereof. *Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1538 (TTAAB 2007); citing Fed. R. Civ. P. 8(e)(1).

A review of the ESTTA cover sheet shows that Petitioner alleges fraud and abandonment.

When determining the sufficiency of a petitioner's pleading of standing, the Board must decide whether the petition for cancellation alleges sufficient facts to show petitioner has a real interest in the outcome of the proceeding. *See Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999); and *Jewelers Vigilance Committee, Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021, 2023 (Fed. Cir. 1987) (in pleading stage of proceeding plaintiff must plead facts sufficient to show a real interest in proceedings).

In the attached pleading, Petitioner identifies itself as a corporation, but does not allege ownership of any conflicting mark, or that it is a competitor of Respondent. While Petitioner alleges “damage” nowhere does Petitioner provide any facts that would adequately allege a reasonable basis in fact to support a claim of standing. *See Doyle*, 101 USPQ2d at 1782.

A review of Petitioner’s fraud claim shows that it is insufficient. The Court of Appeals for the Federal Circuit has held that a trademark registration is obtained, or maintained, fraudulently only if a party knowingly makes a false, material representation with the intent to deceive the USPTO. *In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1941 (Fed.

Cir. 2009). Under Fed. R. Civ. P. 9(b), any allegations of fraud based upon “information and belief” must be accompanied by a statement of facts upon which the belief is founded. *Asian & Western Classics B.V. v. Selkow*, 92 USPQ2d 1478 (TTAB 2009).

In order to properly plead a claim of fraud in a trademark proceeding, a plaintiff must allege with particularity that the defendant knowingly made a false, material misrepresentation when applying for a trademark registration, with intent to deceive the USPTO. *Enbridge Inc. v. Excelebrate Energy LP*, 92 USPQ2d 1537, 1540 (TTAB 2009); *see also Torres v. Cantine Torresella S.r.l.*, 808 F.2d 46, 47, 1 USPQ2d 1483, 1483 (Fed. Cir. 1986). It is the preferred practice of the Board that the element of intent be pled specifically, but intent and knowledge, as conditions of mind of a person, may be averred generally. Fed. R. Civ. P. 9(b); *see also DaimlerChrysler Corp. v. American Motors Corp.*, 94 USPQ2d 1086, 1089 (TTAB 2010) (finding allegations of material misrepresentations knowingly made to procure registration constitute sufficient allegation of intent element for pleading fraud).

Here Petitioner has not alleged fraud in the body of the complaint. To the extent Petitioner seeks to allege nonuse as a separate ground, or lack of bona fide intent to use the mark, Petitioner has not clearly alleged these as separate counts in the pleading. *See* Fed. R. Civ. P. 8 and 9.

As to the abandonment claim, it is also insufficient. A pleading of abandonment requires an allegation that Respondent's mark has been abandoned as of a specific date with an intent not to resume use of the mark. Nonuse for three consecutive years, if shown, can be prima facie evidence of abandonment. *See Otto Int'l Inc. v. Otto Kern GmbH*, 83 USPQ2d 1861, 1863 (TTAB 2007) (plaintiff must allege ultimate facts pertaining to the alleged abandonment). Again it just is not clear here what the abandonment allegation is exactly, as nowhere does Petitioner allege abandonment as to a specific date, or nonuse of the mark without an intent to resume use.

In view of the foregoing, Respondent's motion to dismiss is **granted**.

Time to Amend Pleading

If Petitioner believes sufficient grounds exist to re-plead its claims, Petitioner is allowed until **THIRTY DAYS** from the mailing date of this order to file an amended petition to cancel which adequately alleges standing and grounds for relief, failing which the petition will be dismissed. *See Fed. R. Civ. P. 12(e)*.

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

Potential Consolidation

The Board notes that there are at least four other pending cancellation proceedings involving the same parties and similar marks.¹ If Petitioner files an amended petition to cancel, Petitioner should note in the cover letter the

¹ Cancellation Nos. 92059231, 92059248, 92059249 & 92059393.

other pending cancellations so that the Board may consider possible consolidation of the proceedings. *See Societe Des Produits Marnier Lapostolle v. Distillerie Moccia S.R.L.*, 10 USPQ2d 1241, 1242 (TTAB 1989) (consolidation ordered in view of identity of parties and similarity of issues); see also Board's order of May 23, 2014 at 4.²

Schedule

Proceedings are resumed. Dates are reset as follows:

Deadline for Discovery Conference	12/22/2015
Discovery Opens	12/22/2015
Initial Disclosures Due	1/21/2016
Expert Disclosures Due	5/20/2016
Discovery Closes	6/19/2016
Plaintiff's Pretrial Disclosures Due	8/3/2016
Plaintiff's 30-day Trial Period Ends	9/17/2016
Defendant's Pretrial Disclosures Due	10/2/2016
Defendant's 30-day Trial Period Ends	11/16/2016
Plaintiff's Rebuttal Disclosures Due	12/1/2016
Plaintiff's 15-day Rebuttal Period Ends	12/31/2016

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.

² 2 TTABVUE 4 (May 23, 2014).

Cancellation No. 92059244

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.
