

ESTTA Tracking number: **ESTTA616278**

Filing date: **07/17/2014**

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

## Petition for Cancellation

Notice is hereby given that the following party requests to cancel indicated registration.

### Petitioner Information

Name	Financial Gravity, Inc.		
Entity	a Texas corporation	Citizenship	Texas
Address	800 N. Watters Road, Suite 120 Allen, TX 75013 UNITED STATES		

Attorney information	Scott L. Harper Harper Washam LLP 1700 Pacific Avenue, Suite 3600 Dallas, TX 75201 UNITED STATES trademarks@harperwasham.com, lisa.cast@harperwasham.com Phone:214-389-8985
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### Registrations Subject to Cancellation

Registration No	3589694	Registration date	03/17/2009
Registrant	TAXMASTERS, INC. 900 TOWN AND COUNTRY LANE SUITE 400 HOUSTON, TX 77024 UNITED STATES		

### Goods/Services Subject to Cancellation

Class 035. First Use: 2001/00/00 First Use In Commerce: 2001/00/00 All goods and services in the class are cancelled, namely: tax consulting, tax preparation, tax advisory services, tax auditing services, tax advocacy services, tax information services, tax consultancy services
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### Grounds for Cancellation

Abandonment	Trademark Act section 14		
Registration No	3833620	Registration date	08/17/2010
Registrant	TaxMasters, Inc. 900 Town and Country Lane, Suite 400 Houston, TX 77024 UNITED STATES		

### Goods/Services Subject to Cancellation

Class 035. First Use: 2001/00/00 First Use In Commerce: 2001/00/00 All goods and services in the class are cancelled, namely: Audit support services, namely, review and analysis of a company's sales, as well as the preparation, organization and presentation of the documents and data requested by a government body, and advice on government audit processes, policies and strategy; Income tax consultation; Income tax preparation; Tax advisory services; Tax
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and taxation planning, advice, information and consultancy services; Tax consultation; Tax lien management services; Tax preparation

### Grounds for Cancellation

Abandonment	Trademark Act section 14		
Registration No	3833621	Registration date	08/17/2010
Registrant	TaxMasters, Inc. 900 Town and Country Lane, Suite 400 Houston, TX 77024 UNITED STATES		

### Goods/Services Subject to Cancellation

Class 035. First Use: 2001/00/00 First Use In Commerce: 2001/00/00  
All goods and services in the class are cancelled, namely: Audit support services, namely, review and analysis of a company's sales, as well as the preparation, organization and presentation of the documents and data requested by a government body, and advice on government audit processes, policies and strategy; Income tax consultation; Income tax preparation; Tax advisory services; Tax and taxation planning, advice, information and consultancy services; Tax consultation; Tax lien management services; Tax preparation

### Grounds for Cancellation

Abandonment	Trademark Act section 14		
Registration No	3833646	Registration date	08/17/2010
Registrant	TaxMasters, Inc. 900 Town and Country Lane, Suite 400 Houston, TX 77024 UNITED STATES		

### Goods/Services Subject to Cancellation

Class 035. First Use: 2001/00/00 First Use In Commerce: 2001/00/00  
All goods and services in the class are cancelled, namely: Audit support services, namely, review and analysis of a company's sales, as well as the preparation, organization and presentation of the documents and data requested by a government body, and advice on government audit processes, policies and strategy; Income tax consultation; Income tax preparation; Tax advisory services; Tax and taxation planning, advice, information and consultancy services; Tax consultation; Tax lien management services; Tax preparation

### Grounds for Cancellation

Abandonment	Trademark Act section 14
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Attachments	Consolidated Petition to Cancel.pdf(602793 bytes ) Exhibit A.pdf(2200611 bytes )
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### Certificate of Service

The undersigned hereby certifies that a copy of this paper has been served upon all parties, at their address record by First Class Mail on this date.

Signature	/scott l. harper/
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Name	Scott L. Harper
Date	07/17/2014

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

In the matter of Registration No. 3,833,621  
Registered: August 17, 2010  
Register: Principal  
Class: 35

Registration No. 3,833,620  
Registered: August 17, 2010  
Register: Principal  
Class: 35

Registration No. 3,833,646  
Registered: August 17, 2010  
Register: Principal  
Class: 35

Registration No. 3,589,694  
Registered: March 17, 2009  
Register: Principal  
Class 35

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FINANCIAL GRAVITY, INC.,

Petitioner,

v.

TAXMASTERS, INC.

Respondent.

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Cancellation No. \_\_\_\_\_  
Mark: TAX MASTERS, et al

Commissioner for Trademarks  
P. O. Box 1451  
Alexandria, VA 22313-1451

**CONSOLIDATED PETITION TO CANCEL REGISTRATION NOS. 3,833,621,  
3,833,620, 3,833,646 and 3,589,694**

Financial Gravity, Inc., a Texas corporation, located and doing business at 800 N. Watters Road, Suite 120, Allen, TX 75013 believes that it is or will be damaged by Registration No. 3,833,621 for the mark TAX MASTERS for “audit support services, namely, review and analysis of a company’s sales, as well as the preparation, organization and presentation of the documents and data requested by a government body, and advice on consultation; income tax preparation; tax advisory services; tax and taxation planning, advice, information and consultancy services; tax consultation; tax lien management services; tax preparation” in Class 35; Registration No. 3,833,620 for the mark TAXMASTERS for “audit support services, namely, review and analysis of a company’s sales, as well as the preparation, organization and presentation of the documents and data requested by a government body, and advice on government audit processes, policies and strategy; income tax consultation; income tax preparation; tax advisory services; tax and taxation planning, advice, information and consultancy services; tax consultation; tax lien management services; tax preparation” in Class 35; Registration No. 3,833,646 for the stylized mark  for “audit support services, namely, review and analysis of a company’s sales, as well as the preparation, organization and presentation of the documents and data requested by a government body, and advice on government audit processes, policies and strategy; income tax consultation; income tax preparation; tax advisory services; tax and taxation planning, advice, information and consultancy services; tax consultation; tax lien management services; tax preparation” in Class 35; and, Registration No. 3,589,694 for the stylized



mark  for “tax consulting, tax preparation, tax advisory services, tax auditing services, tax advocacy services, tax information services, tax consultancy services” in Class 35 (collectively the “Tax Masters Registrations”) and all of which are owned by Respondent, Tax Masters, Inc., a Nevada Corporation, with an address of 900 Town and Country Lane, Suite 400, Houston, Texas 77024. Petitioner hereby petitions to cancel the Tax Masters Registrations. As grounds for this Petition, it is alleged that:

1. Petitioner Financial Gravity, Inc. is the owner of U.S. application Serial No. 86/193,225, filed on February 13, 2014, for the mark CERTIFIED TAX MASTER for use in connection with “tax planning, tax systems and tax strategy services.”

2. On May 27, 2014, the United States Patent & Trademark Office (“PTO”) issued a first, non-final office action rejecting Petitioner’s application for CERTIFIED TAX MASTER under Section 2(d) in view of the Tax Masters Registrations.

3. Upon information and belief, Petitioner alleges that Respondent went into bankruptcy in 2012, has discontinued its use of the Tax Masters marks in the ordinary course of trade, and has no intent to resume use of the Tax Masters marks. *See Exhibit A.* Consequently, the Tax Masters marks stand abandoned.

4. Respondent’s Tax Masters Registrations are therefore subject to cancellation under Section 14 of the U.S. Trademark Act because of Respondent’s abandonment of the Tax Masters marks.

5. The Tax Master Registrations are blocking Petitioner’s trademark application for CERTIFIED TAX MASTER. Petitioner’s legal use and registration of CERTIFIED TAX MASTERS will be impaired by the continued registration of the Tax

Masters marks and thus, Petitioner believes it will be damaged by the continuing existence of the Tax Masters Registrations on the Principal Register.

WHEREFORE, Petitioner prays that this Petition to Cancel U.S. Registration Nos. 3,833,621, 3,833,620, 3,833,646, and 3,589,694 be granted and that this cancellation be sustained in favor of Petitioner.

This Petition is accompanied by a payment in the amount of \$1,200.00 for payment of the required fee.

July 17, 2014

Respectfully submitted,

By: 

Scott L. Harper  
Texas State Bar No. 00795038  
**Harper Washam LLP**  
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E: [scott.harper@harperwasham.com](mailto:scott.harper@harperwasham.com)

**Attorneys for Petitioner**

## CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Petition to Cancel was served upon the following parties on July 17, 2014, via first-class United States mail addressed to the Registrant/Respondent as follows:

TaxMasters, Inc.  
900 Town and Country Lane, Suite 400  
Houston, Texas 77024



Scott L. Harper

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# TaxMasters Files for Bankruptcy

March 19, 2012

By MATTHEW MOSK via WORLD NEWS

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TaxMasters Inc. has filed for bankruptcy.

ABC News

NEXT VIDEO >>  
TaxMasters: 'We Can Get You Down To... Next To Nothing'

The well-known and controversial tax advisory firm **TaxMasters** Inc., filed for bankruptcy this morning, just as it was preparing to head to court to defend itself from charges of deceptive practices leveled by the Texas attorney general.

The Houston-based company, best known for a national advertising campaign that made company's bearded, red-haired founder Patrick Cox a recognizable figure, was the subject of an ABC News investigation in April, in which customers had alleged that the company persuaded them to pay large upfront fees, but never delivered on promises of helping them resolve their tax problems. The commercials boast that the company's staff of former IRS agents and tax professionals "have helped many good people just like you."

**READ the original ABC News report on TaxMasters.**

**WATCH the original ABC News report on TaxMasters.**

**WATCH KTRK's visit to TaxMasters' Texas headquarters on Monday.**

But Texas Attorney General Greg Abbott said the ads have been misleading. He filed a multi-count civil case against TaxMasters, accusing it of deceiving its customers and violating the state's debt collection laws.

"In the midst of a national economic downturn, TaxMasters used a nationwide marketing campaign to offer services for distressed taxpayers who needed help dealing with the IRS," Abbott said. "A state investigation and nearly 1,000 customer complaints indicate that the defendants routinely misled customers about the nature of their tax resolution service agreements – and worse, attempted to enforce those improper agreements through unlawful

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debt collection tactics."

ABC News made repeated attempts to contact the company and its founder last week, as word began circulating that it was in financial distress. TaxMasters' customers had reported to KTRK, the owned-and-operated ABC News station in Houston, that they were not able to get responses when calling about their tax filings, and one described visiting the company's office, only to find the doors locked. A telephone sales agent told an ABC News reporter that the company "was not taking any new sales," but would not discuss the company's dire finances any further.



Within the past month, the landlord that owns the building where the company is headquartered sued alleging that Taxmasters failed to pay its January rent. A contracting firm handling construction work at the office also sued the company alleging it had not been paying its bills. Videos on the company's website displaying the well known TaxMasters advertisements featuring Cox were no longer working. Recent filings with the Securities and Exchange Commission carry a warning that the company's earlier financial statements are being amended and should no longer be relied upon.

A spokesman for the Texas Attorney General told ABC News the state was preparing to head to court this morning in its civil case, but had not heard anything specific about TaxMasters' financial status. Court papers filed Monday morning indicate that TaxMasters has filed for bankruptcy with between \$1 million and \$10 million in liabilities.

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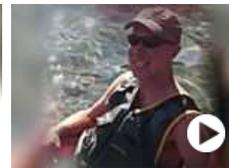
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taxrep44 · 2 years ago

I am in the taxpayer representation industry and must advise all of you that the blanket statements being made in this article and the following comments are incorrect. There are a few companies in this industry who take advantage of taxpayers that need help. However, just like every other business industry, there are some who DO provide help and who DO the work promised. I am shocked that an Attorney General would take the viewpoint that paying a company up-front for services to be performed is unreasonable. We represent taxpayers and small businesses that owe anywhere from \$25,000 to \$10 million dollars in UNPAID TAXES. If we did the work for our clients and didn't receive payment upfront to cover the expenses associated, we would be out of business! Please recognize that all companies are not in operation with the intention to take advantage of people.

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taxrep44 · 2 years ago

In this article, it states: "When you pay these upfront, advanced fees, now you're signed up, you're stuck, and the promised help doesn't materialize," per Attorney General Swanson. I am in the taxpayer representation industry and must advise that you HAVE to secure a retainer to cover your expenses before doing work for people who owe money to the Internal Revenue Service or other taxing authorities. To accept an "IOU" to represent someone that owes money to the Federal or State Governments would be irresponsible and would cause any firm to go out of business quickly. Please do not lump ethical and responsible tax representatives in with the criminals in our industry by making blanket statements. Thank you

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Donovan Moore taxrep44 · 6 months ago

Lawyers never work on a contingency basis, ROFL.

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tlkjr51 · 2 years ago

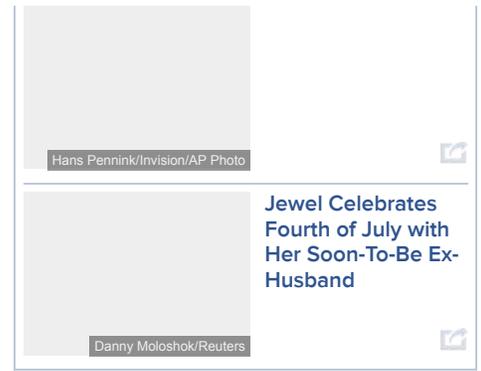
Thanks TAX MASTERS you got me for \$8000.00 Dollars. I was on active duty in THE US ARMY and now you could say I am a WOUNDED WARRIOR. Hope you had a good time with the money you got from me.

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ggkb1011 · 2 years ago

I almost got involved with TAX-MASTERS last year and eventually decided not to. Boy am I glad I followed my Radar Mind!

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johnlockesghost · 2 years ago

Filed for bankruptcy in a down economy. Imagine that!

^ | v · Reply · Share ›



MB4363 · 2 years ago

My husband and I paid close to 3,000.00 to TAXMASTERS in May of last year to help us with a tax debt. For months we never heard anything from them. Not until the IRS put another levee on our bank account and took what monies. We again contacted them and they apologized and admitted they dropped the ball us. Still to this day we owe the IRS and just found out that Taxmasters is under investigation for not doing the job they are hired for.

^ | v · Reply · Share ›



Weallhaveone · 2 years ago

This should be no surprise, bottom feeders always come out in bad times.

^ | v · Reply · Share ›



TheLoyalOpposition11 · 2 years ago

CND FOX 3:23 PM EDT ----- More propaganda.....WHO is the friend of the middle class?? -- The administration that shoves Obamacare down our throats (HIGHER premiums to the middle class)? -- The administration that instructs the EPA to punish energy providers (higher energy costs to the middle class)? -- The administration that put a moratorium on oil exploration (100,000 middle class employees laid off)? -- The administration that wont authorize a pipeline (20,00 middle-class jobs not created)? -- The administration that places crazy legislation on employers (who will then not hire the middle-class)? -- The administration that increases discretionary spending 23% and increases the deficit to record numbers (making the middle-class dollar bill worth less)? -- The administration that passes a FAILED \$830 B stimulus plan (that wastes middle-class taxes and inflates the dollar)? -- -- Gosh.... you would think the middle class would be anticipating getting rid of these buffoons in November..... (and they will)!!!

^ | v · Reply · Share ›



waldeje1 · 2 years ago

Couldn't happen to a nicer bag of bottom-feeding slugs!

^ | v · Reply · Share ›



pksk531 · 2 years ago

People who are desperate will believe any thing promised to help them. If anyone has a tax problem, the FIRST place to go is the IRS!

^ | v · Reply · Share ›



Phil-in-Oregon · 2 years ago

Before I ever heard his first commercial, I had been to the IRS website, and knew he could not do what he said. It amazes me that, under the guise of the Free Speech provisions in the Constitution he could lie right in our face for so long. All I gotta say is, you better check the water before you dive in!

^ | v · Reply · Share ›



Occams\_Razr · 2 years ago

I am shocked. TaxMasters seemed like such a reputable company. LOL. Really though, what I really want to know is who were the morons that called this company looking for help.

^ | v · Reply · Share ›



Reno\_Vince · 2 years ago

Sad how people get ripped off. Oddly enough the IRS is actually helpful if your upfront and honest about your ability to pay or if your in situation where you can't. As long as they know your making an effort, they can do reduce fines and work with you to resolve the issue. There is no magic bullet for debt.

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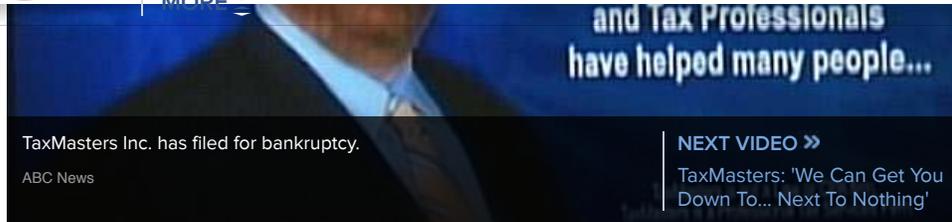
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# TaxMasters, Patrick Cox Hit With Nearly \$200 M Judgment

March 30, 2012

By MATTHEW MOSK and LEE FERRAN

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A Texas jury has found that the well-known and controversial tax advisory firm TaxMasters Inc., along with its bearded founder Patrick Cox, used deceptive practices in its bid to lure customers and has hit the company with a staggering \$195 million in civil penalties.

In a unanimous decision, jurors found that TaxMasters, its holding company TMIRS and Cox had violated the state's deceptive trade practices act more than 100,000 times by misleading customers in television ads and sales calls about upfront costs and confusing them about the services offered, according to Texas Attorney General Greg Abbott.

The Houston-based firm was the subject of an ABC News investigation in April 2011 after Texas and Minnesota accused it of using misleading and deceptive business practices. In one example of a sales call provided to ABC News by Minnesota Attorney General Lori Swanson, a TaxMasters salesperson tells a potential customer who owes \$19,000 they can get the payment down to "next to nothing" and says the company is 97 percent successful.

"Not true," Swanson said then. "This is a company, which is taking advantage of people, and unfortunately when people see it on TV, they do believe in it."

**READ: TaxMasters Accused of Fraud and Deception**

"Today's decision marks a significant victory for the Texans and TaxMasters customers nationwide who sought help from TaxMasters with their income tax debts and were taken advantage of in the midst of a national economic downturn," Texas Attorney General Greg Abbott said after the judgment came down. "While the TaxMasters CEO made hollow promises about fighting for taxpayers and their pocketbooks in television ads, the evidence proved that the firm didn't even

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bother to show up when it came time to fulfill those promises, but instead misled and defrauded their customers."

Just a day before testimony began in the case against them, TaxMasters filed for bankruptcy protection.

**READ: TaxMasters Files for Bankruptcy**

As part of the \$195 million judgment, Cox, the portly, red-bearded company CEO whose constant presence in TaxMasters' TV ads was parodied by "Saturday Night Live," is personally on the hook for nearly \$46 million.

TaxMasters signed a settlement with the Minnesota attorney general's office last August in which it did not admit wrongdoing, but agreed to abide by a long list of business practices in order to continue doing business in Minnesota. In addition to paying \$500,000 into a fund to be divvied up among former TaxMasters customers, the company agreed to record all its sales calls with Minnesota residents and hand them over to the attorney general's office, stop using the phrase "flat fee," stop referring to former IRS agents working for the firm except when warranted, and add no additional fees to customers' accounts except when authorized via writing or recorded phone call. The agreement also applies to any other tax resolution firm "controlled" by Cox. Failure to abide by the settlement would make TaxMasters and Cox ineligible to do business in Minnesota and trigger a \$400,000 penalty.

An attorney for TaxMasters declined to comment for this report.

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Diane Sawyer

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