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

Proceeding	92060707
Party	Defendant Knowluxe
Correspondence Address	YIN HUANG CHARLES COLMAN LAW PLLC 419 LAFAYETTE STREET, 6TH FLOOR NEW YORK, NY 10003 UNITED STATES yh@charlescolmanlaw.com
Submission	Other Motions/Papers
Filer's Name	Yin Huang
Filer's e-mail	yh@charlescolmanlaw.com
Signature	/ Yin Huang /
Date	07/28/2015
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

Guess? IP Holder L.P.,

Petitioner

v.

Knowlux LLC,

Respondent.

Cancellation No. 92060707
Registration No. 4,624,401
Application Serial No. 86-224,067

**MOTION FOR RECONSIDERATION OF MOTION TO DISMISS UNDER RULE
12(b)(6) OF THE FEDERAL RULES OF CIVIL PROCEDURE**

I. Introduction

Knowlux LLC (“Respondent”) is the owner of U.S. Trademark Registration No. 4,624,401 (the “Challenged Registration”). Guess? IP Holder L.P. (“Petitioner”) filed a cancellation petition against the Challenged Registration on January 16, 2015. Respondent filed a motion to dismiss the petition for failure to state a claim under Rule 12(b)(6) of the Federal Rules of Civil Procedure (the “Motion”) on March 2, 2015. The Motion was fully briefed as of March 19, 2015.

On July 13, 2015, the Trademark Trial and Appeal Board (the “Board”) issued a decision denying the Motion. Because the Board appears not to have engaged with potentially dispositive arguments presented by Respondent in favor of the Motion, Respondent hereby requests for the Board to reconsider the Motion and to provide Respondent with a definite ruling on said potentially dispositive arguments.

II. Factual and Procedural Background

A. The Parties’ Respective Marks

The Challenged Registration covers a mark having the shape of an inverted triangle (the “Knowlux Mark”). (Pet. at 1.) Petitioner seeks cancellation of the Knowlux Mark because

Petitioner believes the Knowlux Mark to be confusingly similar to certain marks owned by Petitioner (collectively the “Guess Marks”). (Pet. at 1–4.) Each of the Guess Marks also has the general shape of an inverted triangle. According to Petitioner, the mere presence of an inverted triangle in the Knowlux Mark and the Guess Marks supports cancellation of the Challenged Registration.

B. Respondent’s Arguments in Favor of the Motion

Respondent believes that the purported trademark rights asserted by Petitioner are overly broad and argued as much in the Motion. Among other arguments, Respondent argued (a) that Petitioner was improperly seeking a right in gross for triangles (Resp’t Br. for Mot. at 7, 11) and (b) that Petitioner’s position conflicted with the doctrine of aesthetic functionality by attempting to monopolize the use of a basic design element (Resp’t Br. for Mot. at 14). Had Respondent prevailed on either argument, such argument would likely have disposed of the Motion and the proceeding in Respondent’s favor.

C. The Board’s Decision on the Motion

The Board’s decision on the Motion contains no discussion of these potentially dispositive arguments. Indeed, the decision mentions neither rights in gross nor aesthetic functionality. The Board appears to have decided the Motion solely on the theory that a likelihood of confusion was plausibly alleged. The Board’s approach, however, disregards that likelihood of confusion is irrelevant if the purported trademark rights asserted by Petitioner are non-cognizable for being rights in gross or for conflicting with the doctrine of aesthetic functionality. Because the Board did not consider the potential effect of these outcomes, the Board deprived Respondent of a possible resolution of the dispute. Respondent therefore respectfully disagrees with the Board’s view that “Respondent’s arguments have no place in a motion to dismiss.” (Op. on Mot. at 5.)

III. Argument

A. Standard for Granting Reconsideration

Decisions by the Board may be reconsidered. 37 C.F.R. § 2.127(b) (2014). Reconsideration is appropriate where the Board “err[s] in a decision it issued.” See *In re Sovena U.S.A. Inc.*, Application No. 76-599,644, 2009 TTAB LEXIS 686, at *3 (T.T.A.B. Dec. 8, 2009) (non-precedential opinion) (citing TMBP § 518).¹ In particular, the Board may use reconsideration to ensure that a party receives a fair opportunity to be heard. See *Arden Savoy Partners LLC v. Savoy Hotel Ltd.*, Cancellation No. 92040406, 2003 TTAB LEXIS 337 (T.T.A.B. Jul. 10, 2003) (non-precedential opinion); *Maui Visitors Bureau v. Moreland*, Opposition No. 91123641, 2003 TTAB LEXIS 592 (T.T.A.B. Dec. 18, 2003) (non-precedential opinion).² In *Arden Savoy*, the Board reconsidered a ruling because the ruling failed to specify a deadline by which a respondent should file pleadings. *Arden Savoy* at *6. In *Maui Visitor Bureau*, the Board reconsidered a ruling because the ruling failed to address arguments that were timely filed by an opposer. *Maui Visitor Bureau* at *14–15.

Where the Board fails to adequately state a legal basis for a ruling, such failure may constitute an abuse of discretion. See *Selva & Sons, Inc. v. Nina Footwear, Inc.*, 705 F.2d 1316 (Fed. Cir. 1983). In *Selva*, the Board abused its discretion by deciding a motion to dismiss without explaining the legal basis for its decision. *Id.* at 1321 (“The [B]oard did not specify whether its dismissal of the petition to cancel rested on ground (1) [fraud] or on ground (3) [lack of harm] above, or on both”). As a result, the *Selva* Board’s treatment of the motion effectively converted the motion from one for dismissal to one for summary judgment. *Id.* at 1322 (“the [B]oard proceeded to a complete resolution of the merits of the case as though it were deciding a motion for summary judgment”). The decision was procedurally improper because the Board effectively “surprised” the parties by

¹ *Sovena* is available on TTABVue as proceeding No. 76599644. Under TBMP § 801.03, provision of a copy of the decision is unnecessary.

² *Arden Savoy* is available on TTABVue as proceeding No. 92040406. *Maui Visitors Bureau* is available on TTABVue as proceeding No. 91123641. Under TBMP § 801.03, provision of separate copies of these decisions is unnecessary.

deviating from the normal process for deciding a motion to dismiss. *Id.* at 1322 (“We hold that appellant had the right to know on what procedural theory the board was acting.”).

B. The Motion Should be Reconsidered

Here, the Board appears to have decided the Motion without addressing key arguments presented by Respondent. In particular, the Board was entirely silent as to Respondent’s arguments that Petitioner’s purported trademark rights amount to an impermissible right in gross or an impermissible conflict with the doctrine of aesthetic functionality. Because either finding would immediately have rendered the Guess Marks non-cognizable as trademarks, these arguments were potentially dispositive.

In declining to address the arguments, the Board has left Respondent with an incomplete legal basis for the Board’s decision on the Motion. Respondent is effectively left to guess whether the Board’s silence amounts to a tacit rejection of the arguments on substantive grounds, a tacit ruling that the arguments are procedurally improper, or some other meaning. Like the parties in *Arden Savoy* and *Maui Visitor Bureau*, the Board has deprived Respondent of a fair opportunity to present relevant arguments for consideration. Like the parties in *Selva*, Respondent has been surprised by a ruling of unclear procedural posture.

IV. Conclusion

For the foregoing reasons, Respondent respectfully requests for the Board to reconsider the Motion in light of the arguments presented by Respondent.

Respectfully submitted,

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CHARLES COLMAN LAW, PLLC

/ Yin Huang /

Yin Huang
Counsel
Charles Colman Law, PLLC
419 Lafayette Street, 6th Floor
New York, NY 10003
212-960-8949 (main)
212-960-8969 (fax)
yh@charlescolmanlaw.com

CERTIFICATE OF ELECTRONIC FILING

I hereby certify that the foregoing reply brief was filed in the United States Patent and Trademark Office via the Electronic System for Trademark Trials and Appeals on July 28, 2015.

/ Yin Huang /

Yin Huang
Counsel
Charles Colman Law, PLLC
419 Lafayette Street, 6th Floor
New York, NY 10003
212-960-8949 (main)
212-960-8969 (fax)
yh@charlescolmanlaw.com

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing reply brief has been served on Gary J. Nelson of Christie, Parker & Hale, LLP by mailing said copy on July 28, 2015, via First

Class Mail to:

Gary J. Nelson
Christie, Parker & Hale, LLP
P.O. Box 29001
Glendale, CA 91209-9001

/ Yin Huang /

Yin Huang
Counsel
Charles Colman Law, PLLC
419 Lafayette Street, 6th Floor
New York, NY 10003
212-960-8949 (main)
212-960-8949 (fax)
yh@charlescolmanlaw.com