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

Proceeding	92060707
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Guess? I.P. Holder, Inc.,

Petitioner

v.

Knowluxe LLC,

Respondent.

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

**RESPONDENT’S MOTION TO DISMISS PETITION TO CANCEL FOR FAILURE
TO STATE A CLAIM**

I. Introduction

This proceeding hinges on a single question: can a purported trademark owner monopolize the shape of an equilateral triangle for use on all types of wearable goods? Both common sense and precedent indicate that the answer is a resounding “no.” Respondent Knowluxe LLC (“Respondent”) has invested significant time, money, and sweat into building a viable luxury-goods business. Respondent has sought to protect that investment by seeking and obtaining U.S. Trademark Registration No. 4,624,401 (the “Challenged Registration”) for its trademark (the “Knowluxe Mark”). No Office action was issued in Respondent’s application to register the Knowluxe Mark, and no opposition to the application was filed by Guess? IP Holder L.P. (“Petitioner”) or any other party.

Petitioner now claims that the Challenged Registration should be cancelled solely because both parties’ trademarks have the overall shape of an inverted triangle. Despite that the Challenged Registration claims only “caps” and “t-shirts,” Petitioner parades before the Board a number of mark registrations covering products as varied as jeans (Pet. Ex. ¶ 2), backpacks and wallets (Pet Ex. ¶ 3), perfume (Pet. Ex. ¶ 5), and watches (Pet. Ex. ¶ 6). Some of Petitioner’s marks appear not to have been used in commerce for years. Nonetheless, Petitioner urges the Board to cancel a

registration (1) that is entitled to a presumption of validity and (2) that covers a mark used in connection with fashionable attire sold at a dramatically higher price point than Petitioner's apparel. Petitioner bases the request on overlapping material in the parties' marks that consists solely of a triangle—a shape that, incidentally, appears in countless other registrations not challenged by Petitioner. Precedential decisions by the Board and by courts make it clear that such overlap, as a matter of law, is insufficient to create a likelihood of confusion or dilution that would justify the cancellation of the Challenged Registration. Therefore, the Board should rule that Petition has failed to state a claim upon which relief may be granted.

II. Factual Background

The Knowlux Mark has the shape of an inverted equilateral triangle. Each edge of the triangle is a thick line. Each of said thick lines contains thinner, ornamental lines that give the corresponding edge the appearance of a three-dimensional beam.

Having forgone the opportunity to challenge the Knowlux Mark in an opposition, Petitioner now alleges that the Knowlux Mark is likely to cause confusion or dilution with respect to each of seven registrations owned by Petitioner (each an "Asserted Registration"). Each of the Asserted Registrations covers a mark owned by Petitioner (a "Guess Mark"). The first four Asserted Registrations are:

1. U.S. Trademark Registration No. 1,858,982 ("the '982 registration") (Pet. Ex. 1);
2. U.S. Trademark Registration No. 2,306,943 ("the '943 registration") (Pet. Ex. 2);
3. U.S. Trademark Registration No. 2,322,937 ("the '937 registration") (Pet. Ex. 3); and
4. U.S. Trademark Registration No. 3,046,488 ("the '488 registration") (Pet. Ex. 4).

The remaining three Asserted Registrations are:

5. U.S. Trademark Registration No. 1,546,993 ("the '993 registration") (Pet. Ex. 5);
6. U.S. Trademark Registration No. 1,465,363 ("the '363 registration") (Pet. Ex. 6); and

7. U.S. Trademark Registration No. 1,271,896 (“the ’896 registration”) (Pet. Ex. 7).

These last three registrations claim the same graphical design as a mark, though each registration claims a distinct set of goods and services.

To cancel a mark registration, a challenger must overcome the presumption of validity that accompanies the registration. *Cold War Museum, Inc. v. Cold War Air Museum, Inc.*, 586 F.3d 1352, 1358 (Fed. Cir. 2009) (noting the absence of a presumption of validity in opposition proceedings); *Am. Hosp. Supply Corp. v. Adv. Health Sys., Inc.*, No. 78 C 82, 1980 U.S. Dist. LEXIS 14455, *4–5 (N.D. Ill. Sep. 18, 1980) (“Registration carries with it a strong presumption of validity and doubts should be resolved in favor of the trademark owner”) (internal quotation marks omitted). Aside from a single mention of “resembl[ance]” between the Knowluxe Mark and the Guess Marks, Petitioner makes no allegation concerning the nature of any purported similarity between the marks. (Pet. ¶ 13.) While Petitioner has attached the Asserted Registrations as exhibits for the petition, Petitioner presents no specimen of any product whose use of the Knowluxe Mark supposedly creates a likelihood of confusion with any Guess Mark or Guess-branded product. Petitioner also presents no specimen showing the use of any Guess Mark on Petitioner’s products. Without additional explanation from Petitioner as to how the Knowluxe Mark creates a likelihood of confusion or dilution with any Guess Mark, Petitioner has advanced no plausible claim for relief.

III. Petitioner has not Plausibly Alleged a Likelihood of Confusion

A. Use of the Same Basic Shape is Insufficient to Create a Likelihood of Confusion

Petitioner appears to base its petition for cancellation solely on the presence of triangles in the Knowluxe Mark and the Guess Marks. Mere presence of the same basic shape in two marks is not sufficient to create a likelihood of confusion between the marks. *Guess ?, Inc. v. Nationwide Time, Inc.*, 16 U.S.P.Q.2d (BNA) 1804, 1806 (T.T.A.B. 1990) (involving Petitioner’s assertion of ’363 registration from the present petition against a challenged mark). In *Nationwide Time*, Petitioner

argued that a mark featuring a “triangle or pyramid design” created a likelihood of confusion with the Guess Mark in Petitioner’s ’363 registration. *Id.* at 1806. The Board found the presence of an equilateral triangle in the challenged mark to be insufficient to create a likelihood of confusion with Petitioner’s asserted mark. *Id.* at 1806 (“there is no likelihood of confusion inasmuch as the only similarity between them [Petitioner’s mark and the challenged mark] is a common basic shape, namely, an equilateral triangle”).

The Board has consistently followed the rule that basic shapes do not create a likelihood of confusion. *E.g., Hupp Corp. v. AER Corp.*, 157 U.S.P.Q. (BNA) 537 (T.T.A.B. 1968). Like the present case, *Hupp* involved an alleged likelihood of confusion arising from the use of triangular marks. *Id.* at 539 (summarizing the challenger’s argument that the disputed marks were “strikingly similar equilateral triangular designs”). The Board found that use of “common basic shapes” in an existing mark could not create a bar against the use of such shapes in subsequent marks. *Id.* at 540 (describing common shapes to include “circles, diamonds, triangles, squares, ovals, arrows, and the like”).

Where basic shapes are combined other elements in a mark, the presence of such additional elements weighs against any likelihood of confusion. *See In re Sela Products, LLC*, 107 U.S.P.Q.2d (BNA) 1580, 1588 (T.T.A.B. 2013) (noting that “in general words dominate over designs”). In *Hupp*, the challenged mark contained the word “PERFECTION” in addition to the triangular graphical element. *Hupp*, 157 U.S.P.Q. (BNA) at 540. The Board found the presence of the word to “registrably distinguish” the challenged mark from the asserted mark. *Id.* at 540.

Because the sharing of basic shapes by two marks does not in itself create a likelihood of confusion between the marks, Petitioner’s allegations concerning the presence of triangles in the Guess Marks and the Knowluxe Mark do not establish a viable legal basis for any remedy from the Board.

B. Petitioner’s Allegations do not Plausibly Satisfy the *Du Pont* Standard for Likelihood of Confusion

In any event, Petitioner’s allegations do not explain how the Knowlux Mark satisfies the *Du Pont* standard for likelihood of confusion. *In re E. I. Du Pont de Nemours & Co.*, 476 F.2d 1357 (C.C.P.A. 1973). In deciding whether a challenged mark creates a likelihood of confusion, the Board need not consider every factor of the *Du Pont* standard. *E.g.*, *Citigroup Inc. v. Capital City Bank Group Inc.*, 637 F.3d 1344, 1355 (Fed. Cir. 2011). Rather, a single factor may be dispositive. *Id.* at 1355.

1. The Guess Marks and the Knowlux Mark Have no Meaningful Similarity

Partial overlap between the features of two marks is insufficient to create a likelihood of confusion when the overlapping features have no source-indicating significance. *See, e.g.*, *Swatch AG (Swatch SA) (Swatch Ltd.) v. M. Z. Berger & Co., Inc.*, 108 U.S.P.Q.2d (BNA) 1463 (T.T.A.B. 2013). In *Swatch*, the Board found a challenged mark, “IWATCH,” not to create a likelihood of confusion with “SWATCH.” *Id.* at 1470. Although the marks differed only in one letter, the Board found no likelihood of confusion because “WATCH” was not an indicator of source. *Id.* at 1470 (“ ‘Watch’ is not, however, merely descriptive or suggestive; it is a generic term for the parties’ watches. The incorporation of this term into both parties’ marks is not a sufficient basis for finding likelihood of confusion.”).

The Board has consistently discounted the effect of features lacking source-indicating significance in considering the likelihood of confusion. *E.g.*, *Citigroup Inc. v. Capital City Bank Group, Inc.*, 94 U.S.P.Q.2d (BNA) 1645 (T.T.A.B. 2010), *aff’d*, 637 F.3d 1344 (Fed. Cir. 2011). In *Citigroup*, the Board found “CAPITAL CITY BANK” not to create a likelihood of confusion with “CITIBANK.” *Id.* at 1664. The Board noted that “CITY BANK” frequently appeared in connection with banking services and therefore had little source-indicating significance. *Id.* at 1664 (“The frequent adoption and third-party use of the term ‘City Bank’ suggests that third parties use

the word ‘Bank’ in the term ‘City Bank’ as a generic designation for banking services while the word ‘City’ is used as part of a geographic name”). In a similar vein, the Board has declined to find a likelihood of confusion where the “overlap” of two marks consists solely of visual similarity of one mark to another. See *Boston Red Sox Baseball Club LP v. Sherman*, 88 U.S.P.Q.2d (BNA) 1581 (T.T.A.B. 2008). In *Red Sox*, the Board found a challenged mark, “SEX ROD,” not to create a likelihood of confusion with “RED SOX” despite that both marks featured similar typefaces and layout of the letters. *Id.* at 1592.

Courts have similarly discounted commonly used elements in considering the likelihood of confusion. E.g., *Entrepreneur Media, Inc. v. Smith*, 279 F.3d 1135 (9th Cir. 2002) (finding no likelihood of confusion between several marks featuring “ENTREPRENEUR” as a prominent element); *Gruner + Jabr USA Publishing v. Meredith Corp.*, 991 F.2d 1072, 1078 (2d Cir. 1993) (emphasizing that a registration protected a stylized rendition of the word *parents*, not the word *parents* itself).

2. Numerous Third Parties Use Triangles in Their Marks

A relevant consideration in the *Du Pont* analysis is the use of a particular element by third parties. Where an element is used by numerous third parties, the element’s source-identifying power is limited, and the likelihood of confusion with respect to that element is correspondingly low. E.g., *Anthony’s Pizzeria & Pasta Int’l Inc. v. Anthony’s Pizzeria Holding Co.*, 95 U.S.P.Q.2d 1271 (T.T.A.B. 2009), *aff’d*, 415 F. App’x 222 (Fed. Cir. 2010). In *Anthony’s Pizzeria*, an Italian restaurant attempted to obtain an exclusive right to use “ANTHONY’S” in connection with serving Italian food. The Board found that “the name ‘Anthony’s’ ha[d] been extensively adopted, registered and used as a trademark for restaurant services, in particular for Italian restaurants and pizzerias.” *Id.* at 1278. The Board warned that a right for “ANTHONY’S” could not be “entitled to such a broad scope of protection that it is a bar to the registration of every mark comprising, in whole or in part, the name ‘Anthony’s.’ ” *Id.* at 1278. Rather, action against an accused mark was appropriate only if the

accused mark was “striking enough to cause one seeing it to assume that there is some connection” between the asserted “ANTHONY’S” mark and the accused mark. *Id.* at 1278. The Board has consistently limited protection for non-distinctive elements within marks. See *Steve’s Ice Cream Inc. v. Steve’s Famous Hot Dogs*, 3 U.S.P.Q.2d 1477 (T.T.A.B. 1987) (similarly limiting protection for “STEVE’S”); *In re Broadway Chicken, Inc.*, 38 U.S.P.Q.2D (BNA) 1559 (finding no likelihood of confusion between asserted marks “BROADWAY PIZZA” and “BROADWAY BAR & PIZZA” and challenged mark “BROADWAY CHICKEN”).

C. Petitioner Wants to Own Triangles in General, not a Particular Triangular Mark

Crucially, Petitioner does not seek to vindicate the right to display a triangle in any *particular* mark. Rather, Petitioner wants to obtain from the Board an approval to control the use of triangular shapes for *any source-indicating purpose whatsoever* within the fashion industry. Petitioner’s goal is revealed by the fact that the only meaningful commonality between the Guess Marks and the Knowluxe Mark—and among the Guess Marks themselves—is the presence of an overall triangular shape. (Pet. Exs. 1–7.) Petitioner asserts this purported right to monopolize triangles without regard to the fact that the triangles in each Guess Mark differ as to shading (Pet. Exs. 1, 4) and the content within their borders (Pet. Exs. 1, 3). In other words, Petitioner wants to own a general, contextless *idea* of using triangles as a source-indicating device.

That Petitioner wants an unqualified right to use triangular marks is supported by Petitioner’s ownership of a number of now-expired U.S. Design Patents:

1. U.S. Design Patent No. D308,634 (covering a triangular bottle);
2. U.S. Design Patent No. D337,193 (covering a triangular ornament on clothing);
3. U.S. Design Patent No. D328,432 (covering a triangular bottle);
4. U.S. Design Patent No. D313,143 (covering a triangular bottle);

5. U.S. Design Patent No. D358,929 (covering a shoe with triangular elements on the sole);
and
6. U.S. Design Patent No. D341,481 (covering a shoe with triangular elements on the sole).

Though the products covered by each of these design patents contain triangular features, none of the triangular features have any similarity, aside from the basic fact of being a triangle, to one another. It therefore appears that Petitioner wants to associate its brand with all triangles, not just a single, triangle-based design that would constitute a valid trademark.

Petitioner's desire for an unqualified, *per se* right to use triangles in marks is contrary to decisions by the Board and by the courts. A triangle, devoid of context, is unlikely to prompt any connection between itself and a company in the mind of an ordinary consumer. With no immediate connotations, a triangle in isolation is essentially the graphical equivalent of a non-distinctive word. *See Citigroup*, 94 U.S.P.Q.2d (BNA); *Entrepreneur Media, Inc. v. Smith*, 279 F.3d; *Gruner + Jahr*, 991 F.2d. Since Petitioner alleges no similarity between the Guess Marks and the Knowluxe Mark beyond the presence of a triangular shape, Petitioner has not alleged facts that satisfy the *Du Pont* standard. Furthermore, Petitioner's alleged right is constrained by the existence of numerous third parties that have registered marks having a triangular shape. A few examples of such marks are:

1. U.S. Trademark Registration No. 4,214,853 (inverted triangle mark for clothing);
2. U.S. Trademark Registration No. 4,296,122 (mark for clothing containing an inverted triangle);
3. U.S. Trademark Registration No. 4,407,891 (mark for clothing containing an inverted triangle); and
4. U.S. Trademark Registration No. 4,514,037 (mark for clothing containing an inverted triangle).

Based on the contents of the petition, Petitioner's arguments would appear to apply against an inordinate number of other mark registrations. Petitioner, however, provides no explanation as to how such a broad attack could be plausible, either legally or practically.

D. Differences Between Particular Guess Marks and the Knowlux Mark

The similarities and differences between an asserted mark and a challenged mark, as well as the nature of the goods and services covered by the respective marks, are considerations under *Du Pont*. See *Du Pont*, 476 F.2d at 1361. None of the Guess Marks have meaningful similarities to the Knowlux Mark once the use of a triangular shape is discounted. Additionally, several of the Asserted Registrations are for products completely unrelated to those covered by the Challenged Registration. Accordingly, Petitioner's allegations do not plausibly establish a likelihood of confusion between the Knowlux Mark and any Guess Mark.

1. The '982 Registration

The '982 registration shows a mark ("the '982 mark") consisting of an equilateral triangle with a prominent question mark centered within its borders. (Pet. Ex. 1.) Because the triangle within the '982 mark is a basic shape, the presence of a triangle in the Knowlux Mark does not create a likelihood of confusion under *Hupp*. There are few commonalities between the marks once the use of a triangle is discounted. The Knowlux Mark plainly lacks the question mark present within the '982 mark. The triangle of the '982 mark lacks the three-dimensional appearance of the Knowlux Mark. Since the '982 mark and the Knowlux Mark lack any commonality aside from the use of a triangular shape, Petitioner has alleged no plausible basis for confusion between '982 mark and the Knowlux Mark. Furthermore, the '982 registration and the Challenged Registration cover entirely unrelated commercial activities. The '982 registration covers "retail store services" in the field of apparel and personal accessories" (Pet. Ex. 1) whereas the Challenged Registration covers no such service. This significant difference tends to prevent, not create, a likelihood of confusion.

2. The '943 Registration

The '943 registration shows a mark (“the '943 mark”) consisting of an unornamented equilateral triangle placed on the rear pocket of a pair of jeans. (Pet. Ex. 2.) The '943 mark contains no elements other than the triangle itself, which does not support a likelihood of confusion under *Hupp*. Furthermore, the '943 registration covers neither caps nor t-shirts, which are the products claimed by the Challenged Registration. In light of the differences between the respective marks and the covered products, Petitioner has alleged no plausible basis for confusion between the '943 mark and the Knowluxe Mark.

3. The '937 Registration

The '937 registration shows a mark (“the '937 mark”) consisting of an equilateral triangle with thick borders. (Pet. Ex. 3.) The thick borders are ornamented with numerous thin, vertical lines. *Id.* Under *Hupp*, the triangle itself creates no likelihood of confusion. The only remaining feature of the '937 mark is the collection of vertical ornamental lines. Since the Knowluxe Mark plainly lacks such lines, Petitioner has alleged no plausible basis for confusion between the '937 mark and the Knowluxe Mark.

4. The '488 Registration

The '488 registration shows a mark (“the '488 mark”) consisting of a shaded equilateral triangle. (Pet. Ex. 4.) The specified color for the shading is red. *Id.* Aside from the triangle itself and the designated color, the '488 mark has no other features. Under *Hupp*, the triangle itself creates no likelihood of confusion. Furthermore, the Knowluxe Mark does not purport to use any particular color. Petitioner has therefore alleged no plausible basis for confusion between the '488 mark and the Knowluxe Mark.

5. The '993, '363, and '896 Registrations

The '993 registration, the '363 registration, and the '896 registration cover the same mark (“the '993 mark”), though each registration claims different kinds of products. (Pet. Exs. 5–7.) The '993 registration covers solely perfume. (Pet. Ex. 5.) The '363 registration covers clocks and watches. (Pet. Ex. 6.) With respect to the '993 and '363 registrations, the products are plainly unrelated to those covered by the Challenged Registration. The '896 registration covers various kinds of clothing. (Pet. Ex. 7.) The '993 mark consists of an equilateral triangle with the word “GUESS” and a question mark centered within its borders, with “GUESS” appearing above the question mark. (Pet. Exs. 5–7.)

The Knowlux Mark contains no such wording. The only feature shared by the '993 mark and the Knowlux Mark is the triangular shape, which does not support a likelihood of confusion under *Hupp*. Since the '993 mark plainly contains wording absent from the Knowlux Mark, the difference precludes confusion between the marks. *See Sela*, 107 U.S.P.Q.2d (BNA). Petitioner has therefore alleged no plausible basis for confusion between the '993 mark and the Knowlux Mark.

IV. Petitioner has not Plausibly Alleged a Likelihood of Dilution

A. Finding Dilution Would Create an Impermissible Right in Gross

A trademark is not a right in gross. *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 97 (1918). Accordingly, trademark dilution cannot be used to create a right in gross. *See Toro Co. v. ToroHead, Inc.*, 61 U.S.P.Q.2d (BNA) 1164, 1174 (I.T.A.B. 2001). Such a right, however, is precisely what Petitioner seeks to obtain through its theory on dilution. (Pet. ¶¶ 14–18.) Petitioner essentially argues for an unqualified right to use equilateral triangles in branding goods and services. Since such a right would be indeterminate in scope and would remove a basic graphical element from the realm of possible marks, it is effectively an impermissible right in gross.

B. Petitioner has not Plausibly Alleged Fame under the Standard for Dilution

1. Petitioner's Allegations do not Address the Heightened Standard for Dilution Fame

To establish dilution, a mark owner must first show that the allegedly diluted mark is famous. 15 U.S.C. § 1125(c) (2013) (stating the requirement of fame for diluted marks). “Fame” in the context of dilution (“dilution fame”) is distinct from “fame” in the context of confusion (“confusion fame”). See *Weider Pubs., LLC v. D & D Beauty Care Co., LLC*, 109 U.S.P.Q.2D (BNA) 1347, 1354 (T.T.A.B. 2014); see also *Palm Bay Imps. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 1375 (Fed. Cir. 2005) (noting a “higher and more rigorous standard for dilution fame”). Confusion fame is a factor in the *Du Pont* standard, whereas dilution fame is defined by statute. See 15 U.S.C. § 1125(c) (2013) (requiring a mark in a dilution claim to be “famous”).

To establish dilution fame, it is not enough merely to show that an allegedly diluted mark is recognized by the public, even if the degree of recognition is appreciable. Rather, the owner of the mark must “demonstrate that the common or proper noun uses of the term and third-party uses of the mark are now eclipsed by the owner’s use of the mark.” *Toro Co. v. ToroHead, Inc.*, 61 U.S.P.Q.2D 1164, 1180 (T.T.A.B. 2001); see also *McDonald’s Corp. v. McSweet, LLC*, 112 U.S.P.Q.2D (BNA) 1268, 1286 (T.T.A.B. 2014) (finding the “Mc” prefix to have become famous as a signifier of McDonald’s products). Non-distinctive elements generally do not qualify for dilution fame. See *Advantage Rent-A-Car, Inc. v. Enterprise Rent-A-Car Co.*, 238 F.3d 378, 381 (5th Cir. 2001) (finding that “common, descriptive words as ‘we’ll pick you up’ should be given monopoly protection in favor of an early user any more than such words as ‘we deliver’ or ‘we pay the postage.’”). In the words of the Federal Circuit, “[i]t is well-established that dilution fame is difficult to prove.” *Coach Servs. v. Triumph Learning LLC*, 668 F.3d 1356, 1373 (Fed. Cir. 2012).

Aside from a single reference to the alleged dilution fame of the Guess Marks (Pet. ¶ 16), the petition alleges no circumstances that would explain how any Guess Mark has achieved dilution

fame. Petitioner has made no allegation that any Guess Mark has grown to overshadow a generic term or symbols in meaning. Petitioner alleges only that the Guess Marks have appeared on social media and through other media channels. (Pet. ¶ 1.) Media exposure in itself, however, is insufficient to establish dilution fame. *See I.P. Lund Trading ApS v. Kobler Co.*, 163 F.3d 27, 47 (1st Cir. 1998) (finding that although a faucet with a purportedly famous design had been “featured and advertised in national magazines and displayed in museums,” the issue of dilution fame was nonetheless “far from clear”). That the Guess Mark may be readily recognizable in *some* contexts does not establish dilution fame. Such “niche fame” is not “fame” for dilution purposes. *Coach Servs. v. Triumph Learning LLC*, 668 F.3d 1356, 1372 (Fed. Cir. 2012).

2. Petitioner has Alleged no Date on which Dilution Fame was Established

To establish dilution, the owner of a mark must also show that an allegedly diluted mark became famous prior to the filing date of the registration for a challenged mark. *See, e.g., Coach Servs.*, 668 F.3d at 1373 (citing *Toro*, 61 U.S.P.Q.2d at 1174)). Aside from a single allegation that the Guess marks became famous “prior to Respondent’s date of first use . . . and/or earliest relevant priority date” (Pet. ¶ 16), Petitioner alleges no circumstances showing how the Guess Marks achieved *dilution fame* as opposed to mere recognition by the public. Without further explanation from Petitioner, the current allegations do not plausibly establish that the Guess Marks actually achieved dilution fame.

C. Partial Overlap of Features is not Sufficient to Create a Likelihood of Dilution

In any event, partial overlap of features between two marks is insufficient to create a likelihood of dilution. *Citigroup*, 94 U.S.P.Q.2d (BNA). In *Citigroup*, the Board found that frequent use of “City Bank” within the banking industry meant that “CITIBANK” was not likely to be diluted by “CAPITAL CITY BANK.” *Id.* at 1668–69 (noting “numerous third-party users of the term ‘City Bank,’” as weighing against a finding of dilution). The only commonality between each Guess Mark and the Knowluxe Mark is the presence of triangle. Since the triangle, like the phrase

“CITY BANK,” is not strongly indicative of any particular source, the Knowlux Mark does not dilute any Guess Mark.

D. Finding a Likelihood of Confusion or a Likelihood of Dilution would Conflict with the Doctrine of Aesthetic Functionality

Under the doctrine of aesthetic functionality, a mark cannot remove a design element from the public domain where the removal of such element would unfairly hamper other parties from competing with the mark’s user on grounds unrelated to reputation. *E.g., Traffix Devices v. Mktg. Displays*, 532 U.S. 23, 33 (2001) (“It is proper to inquire into a ‘significant non-reputation-related disadvantage’ in cases of aesthetic functionality”) (citing *Qualitex Co. v. Jacobson Prods. Co., Inc.*, 514 U.S. 159, 165 (1995)); *In re Florists’ Transworld Delivery, Inc.*, 106 U.S.P.Q.2D (BNA) 1784, 1787 (T.T.A.B. 2013) (applying the standard of “significant non-reputation related disadvantage”). In recognizing the doctrine of aesthetic functionality, the Supreme Court noted that a mark should not “significantly hinder competition.” *Qualitex*, 514 U.S. at 170 (citing Restatement (Third) of Unfair Competition § 17 cmt. c (1995)). The Court has additionally suggested that some form of functionality doctrine would be appropriate for addressing the anticompetitive effects of “color depletion” in the context of color-based marks. *Id.* at 169.

The Board has used aesthetic functionality to prevent the owner of a purported mark from monopolizing the use of black coloration on packaging. *Florists’ Transworld*, 106 U.S.P.Q.2d (BNA). In *Florists’ Transworld*, a company asserted trademark protection for a black box for packaging flowers. *Id.* at 1785 (noting that the “mark consists of the color black as applied to a substantial portion of the outside surface of a box”). The Board refused to recognize the purported mark. *Id.* at 1794 (affirming a refusal to register the mark). The Board found black coloration to serve purposes beyond identifying a vendor of flowers. Black “communicate[d] elegance or luxury.” *Id.* at 1790. Black also had “significance on somber occasions such as in the context of death.” *Id.* at 1791. Because granting an effective monopoly on black packaging would deprive competitors of the

ability to make use of such connotations, the Board refused to recognize the purported black-color mark. *Id.* at 1791 (“Competitors who, for example, want to offer flowers for bereavement purposes, Halloween or to imbue an element of elegance or luxury to their presentations through packaging therefor will be disadvantaged if they must avoid using the color black in such packaging.”).

The Federal Circuit has likewise recognized aesthetic functionality as a valid basis for limiting trademark rights. *See Brunswick Corp. v. British Seagull Ltd.*, 35 F.3d 1527, 1529 (Fed. Cir. 1994) (applying aesthetic functionality under the former name of “*de jure* functional[ity]”). In *Brunswick*, the Federal Circuit found that aesthetic functionality precluded the use of black coloration as a trademark for boat motors. The Board found black to offer advantages beyond the indication of source, including “[c]olor compatibility and ability to decrease apparent motor size.” *Id.* at 1533. Only when a color does not unduly interfere with competition on non-reputational grounds does that color fall outside the scope of aesthetic functionality. *See In re Owens-Corning Fiberglass Corp.*, 774 F.2d 1116, 1122 (Fed. Cir. 1985) (finding the color pink, when used for home insulation, not to “deprive competitors of any reasonable right or competitive need”).

Aesthetic functionality encompasses shapes in as well as colors. *E.g.*, *Eco Mfg. LLC v. Honeywell Int’l, Inc.*, 295 F. Supp. 2d 854 (S. D. Ind. 2003). In *Eco*, the court found the round shape of a thermostat to be aesthetically functional. The court noted that the “aesthetic dimension of thermostats is well recognized in the business” and that round thermostats commanded significantly higher prices than rectangular ones.” *Id.* at 872. The advantage conferred by roundness was therefore “independent of any association between the shape and the source of the product” and therefore came within the scope of aesthetic functionality. *Id.* at 872. Multiple jurisdictions have reached similar results. *E.g.*, *W.T. Rogers Co. v. Keene*, 778 F.2d 334, (7th Cir. 1985) (declining to recognize a purported trademark consisting of a hexagonal shape for a tray); *Jay Franco & Sons, Inc. v.*

Frank, 615 F.3d 855 (7th Cir. 2010) (declining to recognize a purported trademark consisting of a circular shape for a towel).

To grant Petitioner's request for cancellation of the Knowluxe Mark would violate the doctrine of aesthetic functionality. Petitioner argues for a right to use triangles in *every* context involving fashion-related goods or services. In essence, Petitioner wants to monopolize the use of triangles to suggest luxury in general, not merely to use triangles to indicate Petitioner as a source of goods or services. Petitioner's position is contrary to *Florists' Transworld* and *Brunswick*. Just as the vendor in *Florists' Transworld* could not obtain a monopoly for the usage of black to connote luxury, Petitioner cannot obtain a monopoly for the use of triangles to achieve the same end. In the same way that aesthetically functional colors create a risk of "color depletion," Petitioner's proposed trademark right for triangles creates an analogous risk of "shape depletion."

Petitioner's position, if sustained by the Board, is likely to expose an indeterminate number of registered marks to cancellation, as Petitioner's dilution argument essentially asserts that *any* mark with a triangular shape is likely to dilute the Guess Marks. Such marks might include:

1. U.S. Trademark Registration No. 836,105 (for Citgo's petroleum-related services);
2. U.S. Trademark Registration No. 3,966,086 (for Apollinaris sparkling water);
3. U.S. Trademark Registration No. 4,623,389 (for the Princeton University Triangle Club);
4. U.S. Trademark Registration No. 4,388,114 (for the Department of the Army);
5. U.S. Trademark Registration No. 4,233,964 (for a provider of business analytics services);
6. U.S. Trademark Registration No. 4,347,513 (for a manager of irrigation projects);
7. U.S. Trademark Registration No. 4,146,721 (for a provider of educational services); and
8. U.S. Trademark Registration No. 4,298,953 (for a krav maga school).

The foregoing list merely provides a few examples of the kinds of marks that would be subject to attack if the Board recognizes Petitioner's theory. The total number of mark registrations that would be subject to similar attack is likely to be large and indeterminate.

V. Conclusion

For the foregoing reasons, Respondent moves for the Board to dismiss the petition to cancel the Challenged Registration.

Respectfully submitted,

Dated: March 2, 2015

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CERTIFICATE OF ELECTRONIC FILING

I hereby certify that the foregoing motion to dismiss was filed in the United States Patent and Trademark Office via the Electronic System for Trademark Trials and Appeals on March 2, 2015.

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CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing motion to dismiss for a failure to state a claim has been served on Gary J. Nelson of Christie, Parker, and Hale, LLP by mailing said copy on March 2, 2015, via Priority Mail Express to:

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