

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

BUO

Mailed: May 5, 2016

Opposition No. 91222728;
Cancellation No. 92061796

Spansion LLC

v.

Kingston Technology Corporation

By the Trademark Trial and Appeal Board:

The proceedings involved herein – Opposition No. 91222728 (“the ’728 opposition”) and Cancellation No. 92061796 (“the ’796 cancellation”) – were previously consolidated by the Board’s December 9, 2015 order, with Opposition No. 91218100. However, the present order relates only to the ’728 opposition and the ’796 cancellation proceedings, and therefore, will only be reflected in the records of those two proceedings.

This case comes up on Kingston Technology Corp.’s (“KTC”) motions filed in both proceedings on January 6, 2016, to dismiss: 1) Counts I and II of the second amended notice of opposition filed by Spansion LLC (“SL”) in the ’728 opposition; and 2) the

second amended petition to cancel filed by SL in the '796 cancellation. Each of the separate motions filed in the opposition and cancellation proceedings is similar, and all allege that SL's amended claims "also [do] not state grounds upon which relief can be granted ..., fatally failing to allege sufficient facts to support standing." 13 TTABVUE 2 and 14 TTABVUE 2 ('728 opposition); 15 TTABVUE 2 ('796 cancellation). SL filed a single combined response to each of the motions filed by KTC, arguing that KTC "wholly ignores relevant allegations from [SL's] Second Amended Pleadings, misreads material portions of the Board's Order, and (again) improperly attempts to argue the merits." 15 TTABVUE 3.¹ All of the motions are fully briefed.

The Board has considered the parties' submissions and presumes the parties' familiarity with the arguments made therein. The parties' arguments will not be summarized herein except as necessary to explain the Board's decision.

Motion to Dismiss

By way of background, SL seeks registration of the mark HYPERRAM, in standard character format, for "volatile memory devices, namely, random-access memory semiconductor chips; applications and utility software for functions associated with random-access volatile memory devices, namely, code and data management software and random-access memory semiconductor chip drivers."²

¹ For ease of reference, and because SL filed identical briefs in both the opposition and cancellation proceedings, citations will be to the brief filed in the '728 opposition.

² Application Serial No. 86189104 ("the '104 application"), filed February 10, 2014, asserting SL's intent to use the mark in commerce under Trademark Act Section 1(b), 15 U.S.C. § 1051(b).

Meanwhile, KTC is seeking registration of the marks HYPERX,³ in standard characters, for “headphones, headsets and related accessories, namely, detachable microphone, microphone plug, earphone cushions, audio cable, splitter cable, extension cable, airplane headphone adapter, and mesh bag for headsets; mousepads,” in International Class 9; and “headphones, headsets and related accessories for playing video games, namely, detachable microphone, microphone plug, earphone cushions, audio cable, splitter cable, extension cable, airplane headphone adapter, and mesh bag for headsets,” in International Class 28; and HYPERX BLITZ,⁴ in standard characters, for “mouse pads,” in International Class 9. On August 28, 2014, KTC filed its notice of opposition against SL’s ’104 application on the grounds of: (i) likelihood of confusion under Trademark Act Section 2(d), 15 U.S.C. § 1052(d); and (ii) descriptiveness or genericness under Section 2(e)(1), 15 U.S.C. § 1052(e)(1).⁵

On February 12, 2015, following several extensions of the trial schedule, SL filed its answer to KTC’s notice of opposition denying the salient allegations of the notice, except that SL admitted that the “United States Patent and Trademark Office records indicate that [KTC] owns the [pleaded] registrations ..., with the listed registration dates.” 14 TTABVUE 4. Additionally, SL advanced counterclaims to cancel two of

³ Application Serial No. 86462159 (“the ’159 application”), filed November 22, 2014, asserting KTC’s current use of the mark in commerce under Section 1(a), 15 U.S.C. § 1051(a). KTC asserts January 6, 2014, as both the date of first use of the mark anywhere and as the date of its first use in commerce.

⁴ Application Serial No. 86418063 (“the ’063 application”), filed October 8, 2014, asserting KTC’s intent to use the mark in commerce under Section 1(b).

⁵ The initial notice of opposition filed in Opposition No. 91218100 was amended under Fed. R. Civ. P. 15(a)(1) on September 23, 2014, removing the likelihood of confusion claim.

KTC's pleaded registrations – Registration Nos. 4162334 and 4316905, and for restriction of its third pleaded registration – Registration No. 4452249, all based upon claims of descriptiveness or genericness.

On July 24, 2015, the Board granted KTC's first motion to dismiss the counterclaims. However, the Board allowed SL until August 25, 2015, to file amended counterclaims properly pleading descriptiveness or genericness and properly pleading a Section 18 restriction.

In the meantime, on July 8, 2015, SL filed a combined notice of opposition against KTC's '159 and '063 applications. SL alleges, similar to the allegations advanced by KTC in its opposition of SL's '104 application, that the term HYPERX is descriptive, and therefore the '159 application should not register and the '063 application should be limited by a disclaimer of the term HYPERX. Additionally, on the same day SL filed a petition to cancel Registration No. 4721431, owned by KTC, for the mark HYPERX SKYN in standard characters.⁶ Similar to its opposition of KTC's pending applications, SL asserts that the term HYPERX is descriptive of the goods covered by the mark, and therefore seeks a restriction of the registration under Section 18 to enter a disclaimer of the term.

The present motions follow the Board's grant of leave to replead a claim found to be deficiently pleaded in the December 9, 2015 order. Specifically the Board found that SL failed to sufficiently plead its standing to bring the opposition and cancellation proceedings, but that its standing to bring the counterclaim in

⁶ Issued April 14, 2015, from an application filed March 11, 2014, for "computer accessories, namely, mouse pads for use with electronic and online gaming," in International Class 9.

Opposition No. 91218100 was inherent from its position as defendant in the main proceeding and that its claim of descriptiveness had been sufficiently pleaded. These motions represent the second set of motions to dismiss the amended pleadings in these two proceedings.

In particular, KTC argues that “[t]he Kingston registered trademark[s] ... [are] simply of no personal concern to [SL], [are] not competition therewith,” and “[t]here are no definitive allegations to the contrary” in the second iteration of the amended pleadings, therefore SL lacks the personal stake necessary to support a claim of standing. 13 TTABVUE 3 and 14 TTABVUE 3 (’728 opposition); 15 TTABVUE 3 (’796 cancellation). Further, KTC avers that SL’s “allegations of damage do not establish a reasonable belief that [SL] has been or is being damaged.” 13 TTABVUE 10 and 14 TTABVUE 11 (’728 opposition); 15 TTABVUE 11 (’796 cancellation).

To withstand a motion to dismiss for failure to state a claim upon which relief can be granted, a plaintiff need only allege sufficient factual content that, if proved, would allow the Board to conclude, or to draw a reasonable inference, that (1) the plaintiff has standing to maintain the proceeding, and (2) a valid ground exists for opposing or cancelling the registration. *Doyle v. Al Johnson’s Swedish Restaurant & Butik Inc.*, 101 USPQ2d 1780 (TTAB 2012) (citing *Young v. AGB Corp.*, 152 F.3d 1377, 47 USPQ2d 1752, 1754 (Fed. Cir. 1998)); *Order of Sons of Italy in Am. v. Profumi Fratelli Nostra AG*, 36 USPQ2d 1221, 1222 (TTAB 1995); and TBMP § 503.02. Specifically, 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, 678 (2009)

(quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). In particular, the claimant 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.” *Iqbal*, 556 U.S. 662 (citing *Twombly*, 550 U.S. at 555).

However, the plaintiff is not under a burden to prove its case in its notice of opposition or petition to cancel. *Enbridge, Inc. v. Excelerate Energy Ltd. P’ship*, 92 USPQ2d 1537, 1543 n.10 (TTAB 2009).

A. Standing

The doctrine of standing is broad by its terms, requiring only that a party have a belief that it would suffer some kind of damage if the subject mark is registered. *See Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999). In its amended pleadings, SL has added allegations that:

- In the field of consumer electronics, [SL’s] products are incorporated by its customers into a variety of consumer products that compete with and/or are related to [KTC’s] products at issue.⁷
- [W]here [SL’s] embedded systems are incorporated into a third-party end product, [SL] will generally provide a license that allows the third party to use [SL’s] trademarks in connection with the third party’s end product ... including the ... mark[s] at issue herein.⁸
- [SL] and/or its customers are competitors of [KTC] with respect to the sale of computer and electronics products generally. [SL] products are incorporated by its customers into a variety of consumer electronics products that

⁷ 12 TTABVUE 3, ¶ 2 (’728 opposition); 14 TTABVUE 3, ¶ 2 (’796 cancellation).

⁸ *Id.* at 4, ¶ 5; *Id.* at 4, ¶ 5.

compete with and/or are directly related to [KTC's] products at issue as set forth in Paragraphs 2-4 herein.⁹

- In the alternative, the [KTC] products at issue in this proceeding are within the natural expansion of the business of [SL] and/or its customers.¹⁰
- [SL] and/or its customers currently use HYPER-based terms in connection with the marketing and sale of their products, and have an interest in continuing to do so. Thus, [SL] and its customers are damaged by [KTC's] attempt to register the HYPERX-based marks at issue in this proceeding.¹¹
- [KTC's] creation and expansion of a family of "HYPERX" marks potentially will expand the strength and scope of protection provided to such marks.¹²

In addition to these allegations, SL also advances substantial discussion of the merits of its claims, citing exhibits attached to the amended pleading. However, SL is reminded that with two exceptions not applicable here, exhibits attached to pleadings are not evidence on behalf of the party to whose pleading the exhibits are attached. Trademark Rule 2.122. Therefore, the exhibits have been given no consideration.¹³ Moreover, the pleadings are not an appropriate medium for argument of the merits of the proceeding. SL is not under a burden to prove its case in its notice of opposition or petition to cancel. *See Enbridge, Inc.*, 92 USPQ2d at 1543 n.10.

⁹ *Id.* at 8, ¶ 24; *Id.* at 7, ¶ 21.

¹⁰ *Id.*

¹¹ *Id.* at 9, ¶ 26; *Id.* at 8, ¶ 23.

¹² *Id.*, ¶ 27; *Id.*, ¶ 24.

¹³ In order for the exhibits to be considered SL must identify and introduce the exhibits in connection with an appropriate motion or during the period for the taking of testimony. Trademark Rule 2.122.

The allegations contained in paragraphs 2, 5, 24 and 26-27 in the second amended notice of opposition and paragraphs 2, 5, 21 and 23-24 of the second amended petition to cancel allege that SL and/or its licensees/customers, including SL's parent company, are competitors of KTC, that these parties are currently using marks that are allegedly similar to the involved marks, at least to the extent that these marks include the term "HYPER," and these parties have a continuing interest in their use, and finally, the expansion of Opposer's zone of protection around the term "HYPER" would impede their use. In cases involving claims of descriptiveness or genericness, a plaintiff may plead (and later prove) its standing by alleging that it is engaged in the sale of the same or related products or services (or that the product or service in question is within the normal expansion of plaintiff's business) and that the plaintiff has an interest in using the term descriptively in its business. (That is, plaintiff may plead that it is a competitor.) *Target Brands Inc. v. Hughes*, 85 USPQ2d 1676, 1679 (TTAB 2007) (standing based on opposer's privity relationship with company that has competitive right to use mark descriptively); *Kellogg Co. v. General Mills Inc.*, 82 USPQ2d 1766, 1767 (TTAB 2007) (commercial interest in allegedly descriptive term). Indeed, this competitive interest can be sufficiently pleaded through allegations that a company or its privies are competitors with the defendant. *See Target Brands*, 85 USPQ2d at 1679; *Southwire Co. v. Kaiser Aluminum & Chem. Corp.*, 196 USPQ 566 (TTAB 1977) ("it is not necessary that opposer make a showing of actual use to establish damage ... [i]t is sufficient to show that it is engaged in the same or a similar

business as applicant, and that damage to it will ensue if fair use of the term by it or its customers to describe their goods will be denied by the registration sought.”).

SL’s allegations, when taken together with the remaining allegations contained in each of the separate amended pleadings, allege sufficient factual background to give [KTC] fair notice of the underpinnings of SL’s claim of standing. That is, these allegations taken as true demonstrate that SL is not “a mere intermeddler.” *Jansen Enters. Inc. v. Rind*, 85 USPQ2d 1104, 1107 (TTAB 2007).¹⁴

KTC’s arguments for dismissal of the proceedings do not overcome these findings. Accordingly, KTC’s motion to dismiss for failure to state a claim upon which relief may be granted is **DENIED** with respect to SL’s second amended notice of opposition filed in Opposition No. 91222728 and second amended petition to cancel filed in Cancellation No. 92061796. KTC is allowed until **May 20, 2016**, to file an answer to the amended pleadings. KTC is reminded that the answers should be filed in the separate proceedings and not in the parent case. Thereafter, the parties should only file a single copy of all submissions in the parent case as directed in the Board’s December 9, 2015 order.

Schedule

The proceeding is **RESUMED**. The remaining conferencing, disclosure, discovery, and trial dates are reset as follows:

¹⁴ KTC does not argue, and the Board does not find that SL’s descriptiveness claims have been insufficiently pleaded. Indeed, inasmuch as the descriptiveness claims advanced in the subject proceedings mirror the descriptiveness claim asserted in the counterclaim in Opposition No. 91218100, which was found to be sufficiently pleaded in the Board’s December 9, 2015 order, the Board finds the claims to be sufficiently pleaded here.

Deadline for Discovery Conference	June 10, 2016
Discovery Opens	June 10, 2016
Initial Disclosures Due	July 10, 2016
Expert Disclosures Due	November 7, 2016
Discovery Closes	December 7, 2016
Plaintiff's Pretrial Disclosures	January 21, 2017
30-Day Testimony Period for Plaintiff's testimony to Close	March 7, 2017
Defendant/Counterclaim Plaintiff's Pretrial Disclosures	March 22, 2017
30-Day Testimony Period for Defendant and Plaintiff in the Counterclaim to Close	May 6, 2017
Counterclaim Defendant's and Plaintiff's Rebuttal Disclosures Due	May 21, 2017
30-Day Testimony Period for Defendant in the Counterclaim and Rebuttal Testimony for Plaintiff to Close	July 5, 2017
Counterclaim Plaintiff's Rebuttal Disclosures Due	July 20, 2017
15-Day Rebuttal Period for Plaintiff in the Counterclaim to Close	August 19, 2017
Brief for Plaintiff Due	October 18, 2017
Brief for Defendant and Plaintiff in the Counterclaim Due	November 17, 2017
Brief for Defendant in the Counterclaim and Reply Brief, if any, for Plaintiff Due	December 17, 2017
Reply Brief, if any, for Plaintiff in the Counterclaim Due	January 1, 2018

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.