

This Opinion is not a
Precedent of the TTAB

Mailed: May 18, 2020

UNITED STATES PATENT AND TRADEMARK OFFICE

TRADEMARK TRIAL AND APPEAL BOARD

Brew 4U, LLC

v.

Icon Design Group

Cancellation No. 92067639

LeAnthony D. Edwards, Jr. and April L. Besl of Dinsmore & Shohl LLP for
Petitioner, Brew 4U, LLC.

J. Scott Gerein of Dickenson Peatman & Fogarty for Respondent, Icon Design Group.

Before Zervas, Kuczma and Lynch,
Administrative Trademark Judges.

Opinion by Kuczma, Administrative Trademark Judge:

Brew 4U, LLC d/b/a Devil's Canyon Brewing Company ("Petitioner") filed a
Petition for Cancellation of Icon Design Group's ("Respondent"), Trademark
Registration No. 3055826 for the mark DEVIL'S CANYON VINEYARD (in standard
characters) for wine in International Class 33.¹

¹ Registration No. 3055826 issued on January 31, 2006 and was renewed. It was filed as
Application Serial No. 76366145, on January 31, 2002, based on Respondent's allegation of a

In the Amended Petition for Cancellation, Petitioner alleges that Respondent has abandoned its mark and committed fraud on the USPTO when obtaining and maintaining its registration and is not entitled to continued registration of its mark under Section 14 of the Trademark Act, 15 U.S.C. § 1064. Petitioner also alleges that it is the owner of Application Serial No. 87194835 for the mark DEVIL'S CANYON BREWING COMPANY which has been refused registration on the ground of likelihood of confusion with Respondent's registered mark.²

Respondent denies the allegations in the Answer to the Petition to Cancel except for its admissions concerning:

- its application for and ownership of the subject Registration No. 3055826 for the mark DEVIL'S CANYON VINEYARD;

bona fide intention to use the mark in commerce under Section 1(b) of the Trademark Act, 15 U.S.C. § 1051(b); the mark was subsequently registered based upon use of the mark in commerce under Section 1(a) of the Trademark Act, 15 U.S.C. § 1051(a), alleging October 27, 2005, as the date of first use and first use in commerce. "VINEYARD" is disclaimed. The mark depicted in Registration No. 3055826 was identified as a "typed" drawing. A mark depicted as a typed drawing is the legal equivalent of a standard character mark. Trademark Rule § 2.52, 37 C.F.R. § 2.52; TRADEMARK MANUAL OF EXAMINING PROCEDURE (TMEP) § 807.03(i) (Oct. 2018); *In re Viterra Inc.*, 671 F.3d 1358, 101 USPQ2d 1905, 1909 n.2 (Fed. Cir. 2012).

² Petitioner owns pending Application Serial No. 87194835 filed on October 6, 2016, for the mark DEVIL'S CANYON BREWING COMPANY for "beer"; "BREWING COMPANY" is disclaimed. Its Application has been suspended pending the outcome of this cancellation proceeding because this proceeding pertains to an issue that may affect whether Petitioner's mark can be registered. See December 24, 2017 Suspension Notice issued in connection with Serial No. 87194835 (10 TSDR 93-94).

Trademark Status & Document Retrieval ("TSDR") citations refer to the electronic file database for trademark applications and registrations. All citations to the TSDR database are to the downloadable .pdf version of the documents and, where applicable, include the electronic page number where the document(s) appears.

- that Respondent, a California corporation, is not a winery but a marketing company specializing in label and package designs for alcoholic beverages;
- the specimens it submitted to the USPTO for the Statement of Use on October 28, 2005, the Declaration of Use and Incontestability on January 31, 2012, and the Declaration of Use and Renewal filed on January 29, 2016, were intended by Respondent to be accepted as proof of use in interstate commerce by the USPTO.³

I. The Record

The record includes the pleadings and, by operation of Trademark Rule 2.122(b)(1), 37 C.F.R. § 2.122(b)(1), the file history for Respondent's Registration No. 3055826 which is the subject of this proceeding.

Additionally, the parties entered into a Stipulation to Produced Documents where the parties agreed that all documents produced by Respondent in response to Petitioner's First Set of Requests for the Production of Documents and Things in this proceeding are authentic pursuant to Trademark Rule 2.120(k)(3)(ii), 37 C.F.R. 2.120(k)(3)(ii), and the Federal Rules of Evidence, and such documents may be relied upon by the parties.⁴

The record also includes the following evidence submitted by Petitioner:

1. Notice of Reliance (10 TTABVUE):

³ See 8 TTABVUE.

Record citations are to TTABVUE, the Board's publically available docket history system. The number preceding TTABVUE corresponds to the docket entry number(s), and any number(s) following TTABVUE refer to the page number(s) of the docket entry where the cited materials appear.

⁴ See 9 TTABVUE.

- Exhibit 1: Articles of Incorporation of Icon Design Group (10 TTABVUE 2, 7-8);
 - Exhibit 2: Collection of works for Icon Design Group produced by Respondent in response to Petitioner's First Set of Requests for Production of Documents (10 TTABVUE 3, 9-13);
 - Exhibit 3: Wine bottle depicting a Devil's Canyon label produced by Respondent in Response to Petitioner's First Set of Requests for Production of Documents (10 TTABVUE 3, 14-15);
 - Exhibit 4: Printout of Respondent's website produced by Respondent in Response to Petitioner's First Set of Requests for Production of Documents (10 TTABVUE 3, 16-23);
 - Exhibit 5: Respondent's Responses to Petitioner's First Set of Requests for Admissions (with a copy of Petitioner's First Set of Requests for Admissions) (10 TTABVUE 3, 24-40);
 - Exhibit 6: Respondent's Responses to Petitioner's First Set of Requests for Production of Documents (with a copy of Petitioner's First Set of Requests for Production of Documents) (10 TTABVUE 3-4, 41-61);
 - Exhibit 7: Respondent's Responses to Petitioner's First Set of Interrogatories (with a copy of Petitioner's First Set of Interrogatories) (10 TTABVUE 4, 62-77);
 - Exhibit 8: Respondent's WHOIS domain registration from Network Solutions (produced by Respondent) (10 TTABVUE 4, 78-87); and
 - Exhibit 9: File history and TSDR records for Petitioner's Application Serial No. 87194835 (10 TTABVUE 4, 88-236).
2. Declaration of Chris Garrett, the founder and owner of Petitioner, with Exhibits A-U (11 TTABVUE):
- Exhibit A: Internet search results from the Alcohol and Tobacco Tax and Trade Bureau (TTB) Certification/Exemption of Label/Bottle Approval (COLA) registry for DEVIL'S CANYON VINEYARD filed during period of December 2004 through December 21, 2017 (11 TTABVUE 7-8);

- Exhibit B: search results from the TTB COLA registry for a wine record under the name DEVIL'S CANYON for filings during the period of December 2004 through December 21, 2017 (11 TTABVUE 9-10);
- Exhibits C-H: search results for searches of the websites of Cellular Tracker, Wine-Searcher, Wine Pages, Wines.com, Wine.com and Total Wine for Respondent's DEVIL'S CANYON VINEYARD branded wine (11 TTABVUE 11-26);
- Exhibits I-O: search results for searches of the websites of Cellular, Tracker, Wine-Searcher, Wine Pages, Wines.com, Wine.com and Total Wine for DEVIL'S CANYON branded wine, including a reference for "Calcareous Syrah Devil's Canyon" wine by Calcareous Vineyard (11 TTABVUE 27-45); and
- Exhibits P-U: search results for searches of the websites of Cellular, Tracker, Wine-Searcher, Wine Pages, Wines.com, Wine.com and Total Wine for any wine sold by Respondent (11 TTABVUE 46-59).

Respondent submitted no evidence. Only Petitioner submitted a trial brief.⁵

II. Standing

Standing is a threshold issue that must be proven by the plaintiff in every *inter partes* case. See *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014); *John W. Carson Found. v. Toilets.com Inc.*, 94 USPQ2d 1942, 1945 (TTAB 2010) (citing *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999)). Our primary reviewing court, the U.S. Court of Appeals for the Federal Circuit, has enunciated a liberal threshold for determining

⁵ The filing of a brief on the case is optional, not mandatory, for a party in the position of defendant. 37 C.F.R. § 2.128(a)(1). See also *Yazhong Investing Ltd. v. Multi-Media Tech. Ventures, Ltd.*, 126 USPQ2d 1526, 1531 n.13 (TTAB 2018) (as defendant in cancellation, respondent not required to submit evidence or a brief, so failure to do so not treated as concession of case). TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE ("TBMP") § 801.02(b) (2019).

standing, namely that a plaintiff must demonstrate that it possesses a “real interest” in a proceeding beyond that of a mere intermeddler, and “a reasonable basis for his belief of damage.” *Empresa Cubana Del Tabaco v. Gen. Cigar*, 111 USPQ2d at 1062; *Ritchie v. Simpson*, 50 USPQ2d at 1025; *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). A “real interest” is a “direct and personal stake” in the outcome of the proceeding. *Ritchie v. Simpson*, 50 USPQ2d at 1026. A belief in likely damage can be shown by establishing a direct commercial interest. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000).

Standing may be established through evidence that a petitioner’s trademark application has been refused due to a likelihood of confusion with the mark in the subject registration. *See, e.g., Yazhong Investing Ltd. v. Multi-Media Tech. Ventures, Ltd.*, 126 USPQ2d 1526, 1532 (TTAB 2018) (standing shown where petitioner filed five intent-to-use trademark applications with the USPTO that were subject to refusals to register based on likelihood of confusion with respondent’s registrations); *ShutEmDown Sports Inc. v. Lacy*, 102 USPQ2d 1036, 1043 (TTAB 2012) (standing shown by evidence that petitioner’s application was refused registration in view of respondent’s registration); *Toufigh v. Persona Parfum, Inc.*, 95 USPQ2d 1872, 1874 (TTAB 2010) (petitioner showed a reasonable belief that respondent’s registration would hinder petitioner in registering his mark). Petitioner has introduced a copy of the application file for its Application Serial No. 87194835 showing its application was refused registration due to Respondent’s Registration which is the subject of this

cancellation.⁶ Thus, Petitioner has shown that it has a reasonable belief of damage and a real interest in this proceeding; therefore, it is not a mere intermeddler, and has established standing.

III. Statement of Facts

Respondent, a California corporation⁷, is a brand development and package design company based in Napa, California serving clients in the wine industry. It provides label and packaging design and other brand creation and design. Respondent is not a winery or a seller or re-seller of wine as it does not manufacture, produce or distribute wine.⁸ However, Respondent's principal "has wine produced and bottled that is given to others to promote [Respondent's] business."⁹

⁶ File history for Petitioner's Application Serial No. 87194835, Petitioner's Notice of Reliance Exhibit 9 (10 TTABVUE 4, 88-236).

⁷ See Respondent's Responses to Petitioner's First Set of Requests for Admissions Nos. 5 and 21, Petitioner's Notice of Reliance Exhibit 5 (10 TTABVUE 26-27), *see also* Petitioner's First Set of Requests for Admissions, Petitioner's Notice of Reliance Exhibit 5 (10 TTABVUE 34-35); Respondent's Response to Petitioner Brew 4U, LLC's First Set of Interrogatories Nos. 1 and 4, Petitioner's Notice of Reliance Exhibit 7 (10 TTABVUE 64-65). Although Respondent was registered as a corporation with the State of California on February 22, 2001, Respondent stated that "[t]he status of [its] registration with the State of California is FTB SUSPENDED." Respondent's Responses to Petitioner's First Set of Requests for Admissions No. 7, Petitioner's Notice of Reliance Exhibit 5 (10 TTABVUE 26), *see also* Petitioner's First Set of Requests for Admissions No. 7, Petitioner's Notice of Reliance Exhibit 5 (10 TTABVUE 34).

⁸ See Respondent's Responses to Petitioner's First Set of Requests for Admissions Nos. 22-31, 36, 38-40, 48-49, 66-70, Petitioner's Notice of Reliance Exhibit 5 (10 TTABVUE 27-29), *see also* Petitioner's First Set of Requests for Admissions Nos. 22-31, 36, 38-40, 48-49, 66-70, Petitioner's Notice of Reliance Exhibit 5 (10 TTABVUE 35-38).

⁹ See Respondent's Response to Petitioner's First Set of Interrogatories No. 1, Notice of Reliance Exhibit 7 (10 TTABVUE 64), *see also* Petitioner Brew 4U, LLC's First Set of Interrogatories Notice of Reliance Exhibit 7 (10 TTABVUE 72).

Respondent registered the mark DEVIL'S CANYON VINEYARD on January 31, 2006 after the filing of its proof of use on October 28, 2005. It subsequently filed a Declaration of Use and Incontestability on January 31, 2012, and Renewal maintenance documents on January 29, 2016, with specimens showing use of the mark DEVIL'S CANYON which were accepted by the USPTO.¹⁰ When these use and maintenance documents were filed Respondent was not making, selling, re-selling, manufacturing, or licensing wine or operating a winery under the DEVIL'S CANYON or DEVIL'S CANYON WINERY marks.¹¹

Petitioner is a craft brewery operating out of California's Bay Area for over 17 years and has used its DEVIL'S CANYON BREWING COMPANY mark continuously since 2001, in connection with beer and brewery services.¹² Petitioner first learned of Respondent after filing its application to register its mark DEVIL'S CANYON

¹⁰ See USPTO File History for Respondent's Reg. No. 3055826, October 28, 2005 Statement of Use (TSDR 1-4); January 31, 2012 Combined Declaration of Use and Incontestability under Sections 8 & 15 (TSDR 1-6); January 29, 2016 Combined Declaration of Use and Application for Renewal of Registration of a Mark under Sections 8 & 9 (TSDR 1-6).

Although Respondent's registered mark is DEVIL'S CANYON VINEYARD, the specimens filed in support of its application, as well as those filed in connection with its 8 & 15 Declaration and Renewal application, display the mark as DEVIL'S CANYON. Respondent's Answer to First Set of Requests for Admissions Request Nos. 10-11, 13-14, 16-17 (10 TTABVUE 27), *see also* Petitioner's First Set of Requests for Admissions Nos. 10-11, 13-14, 16-17 (10 TTABVUE 34-35).

Additionally, it is noted that Requests for Admission Nos. 10-11 seek admissions regarding "the specimen submitted on October 28, 2015." However, Respondent's Statement of Use and supporting specimen were filed on October 28, 2005. Inasmuch as Respondent admitted Request Nos. 10-11, the year "2015" is considered to be a typographical error.

¹¹ See Respondent's Responses to Petitioner's First Set of Requests for Admissions Nos. 22-31, 36-39, Petitioner's Notice of Reliance Exhibit 5 (10 TTABVUE 35-36), *see also* Petitioner's First Set of Requests for Admissions, Notice of Reliance Exhibit 5 (10 TTABVUE 35-36).

¹² Declaration of Chris Garrett ¶¶ 4, 6 (11 TTABVUE 2-3).

BREWING COMPANY on October 6, 2016 under § 1(a) of the Trademark Act. Its application was refused registration under § 2(d) based on a potential likelihood of confusion with Respondent's registered mark.¹³ Despite the geographic proximity of their businesses, Petitioner had never encountered any wine sold by Respondent under the names DEVIL'S CANYON VINEYARD or DEVIL'S CANYON.¹⁴ This is consistent with Respondent's statement that its "[g]oods are directly delivered to others."¹⁵ Petitioner had not heard of Respondent until its trademark application was refused registration based on Respondent's pre-existing registration.¹⁶

After learning of Respondent's registration, Petitioner investigated Respondent's use of the marks DEVIL'S CANYON and DEVIL'S CANYON VINEYARD for wine and did not locate any references to either mark that supports Respondent's use of its mark in connection with the sale of wine in interstate commerce or otherwise.¹⁷ Its investigation included a search of the Alcohol and Tobacco Tax and Trade Bureau's (TTB) Certification/Exemption of Label/Bottle Approval (COLA) registry which revealed no filings for DEVIL'S CANYON VINEYARD or DEVIL'S CANYON by Respondent.¹⁸ Respondent admits that it does not hold any COLA permits or

¹³ *Id.* at ¶ 6 (11 TTABVUE 3); File History for Petitioner's Application Serial No. 87194835, Exhibit 9 to Notice of Reliance (10 TTABVUE 93-94, 109-111, 203-208).

¹⁴ Garrett Decl. ¶¶ 7-8 (11 TTABVUE 3).

¹⁵ Respondent's Responses to Petitioner's First Set of Interrogatories No. 2 (10 TTABVUE 64).

¹⁶ Garrett Decl. ¶ 6 (11 TTABVUE 3).

¹⁷ *Id.* at ¶¶ 10-22 (11 TTABVUE 3-4).

¹⁸ *Id.* at ¶¶ 12-15, Exhibits A-B (11 TTABVUE 3-4, 7-10). We take judicial notice of The Alcohol and Tobacco Tax and Trade Bureau, or TTB, which is part of the U.S. Treasury Department. It "collects alcohol, tobacco, firearms, and ammunition excise taxes that are

licenses for wine goods.¹⁹ However, Respondent's lack of a COLA permit or license does not show that it failed to transport wine in commerce under its mark particularly when there has been no showing that such a permit or license is required in the circumstances under which Respondent distributes its wine to promote its business.²⁰

Additionally, Petitioner searched the websites of several established online alcohol retailers which it contends are "reliable sources to find and purchase wines being sold throughout the country," including Cellar Tracker, Wine-Searcher, Wine Pages, Wines.com, Wine.com, and Total Wine, for DEVIL'S CANYON VINEYARD and DEVIL's CANYON branded wine. None of them referenced DEVIL'S CANYON VINEYARD wine, or any other wines offered by Respondent.²¹ Petitioner's search did find DEVIL'S CANYON wine references on Cellar Tracker's website. However, the references were for "Calcareous Syrah Devil's Canyon" by Calcareous Vineyard so it was not Respondent's wine.²²

rightfully due; to protect the consumer of alcohol beverages through compliance programs that are based upon education and enforcement of the industry to ensure an effectively regulated marketplace; and to assist industry members to understand and comply with Federal tax, product, and marketing requirements associated with the commodities it regulates." 2/11/2020 <https://www.ttb.gov/who-we-are/about-us/our-history>; *see also* 27 U.S.C. § 203.

¹⁹ *See* Exhibit 5 to Notice of Reliance, Respondent's Response to Petitioner's First Set of Requests for Admissions Nos. 42-47 (10 TTABVUE 28), *see also* Petitioner's First Set of Requests for Admissions Nos. 42-47 (10 TTABVUE 36-37).

²⁰ 27 U.S.C. § 203. Petitioner's argument that "Respondent has no COLA registrations with the TTB, corresponding to Respondent's Mark or otherwise, to support the sale of alcoholic beverages in interstate commerce as required by 27 U.S.C. § 203(a)," even if true, assumes that Respondent is engaged in activities to which it has not admitted and is not supported by any evidence. *See* Petitioner's Brief p. 13 (12 TTABVUE 18).

²¹ Garrett Decl. ¶¶ 16-22, Exhibits C-O (11 TTABVUE 11-45).

²² *Id.* at ¶ 20 and Exhibits I and O: Cellar Tracker wines 1/25/2019 <<https://www.cellartracker.com/list.asp?fInStock=0&Table=List&iUserOverride=0&szSearch=%22devil%27s+c>

While Respondent admits that it has no invoices for the sale of wine,²³ never manufactured or sold wine under its mark, or obtained TTB COLA permits or registrations for the production, distribution or sale of wine,²⁴ does not operate any wineries and has not licensed its mark to any third parties, Respondent maintains that it has used DEVIL'S CANYON as a trademark for wine.²⁵ Respondent "has wine produced and bottled that is given to others to promote [its] business," has made "[deliveries of] wine featuring the mark to consumers within the preceding three years," and shipped its wine featuring the mark in interstate commerce.²⁶ Although Respondent admits that "it no longer has records related to the 'deliveries' of wine

anyon%22#selected%3DW3095835_1_K...>; 2016 Calcareous Syrah Devil's Canyon 1/25 /2019 <https://www.cellartracker.com/wine.asp?iWine=3095835&searchId=6AEB01C2%23selected%253DW3095835_1_Kd2b90b6263dbc26dfc9ecba815f70...> (11 TTABVUE 28, 44).

²³ Notice of Reliance Exhibit 6, Respondent's Response to Petitioner's First Set of Requests for Production of Documents Nos. 46-47 (10 TTABVUE 45); *see also* Petitioner's First Set of Requests for Production of Documents Nos. 46-47 (10 TTABVUE 57).

²⁴ Notice of Reliance Exhibit 5, Respondent's Response to Petitioner's First Set of Requests for Admissions Response Nos. 42-47 p. 4, Notice of Reliance Exhibit 5 p. 28, (10 TTABVUE 28); *see also* Petitioner's First Set of Requests for Admissions Nos. 42-47 (10 TTABVUE 36-37); Exhibit 7, Respondent's Response No. 12 (10 TTABVUE 65).

²⁵ *See* Notice of Reliance Exhibit 5, Respondent's Response to Petitioner's First Set of Requests for Admissions Nos. 22-31, 36-40, 42-47, 51-52 (10 TTABVUE 27-28), *see also* Petitioner's First Set of Requests for Admissions Nos. 22-31, 36-40, 42-47, 51-52 (10 TTABVUE 35-37); Notice of Reliance Exhibit 7, Respondent's Response to Petitioner's First Set of Interrogatories Response Nos. 3, 5 and 7 (10 TTABVUE 64-65), *see also* Petitioner's First Set of Interrogatories Nos. 3, 5 and 7 (10 TTABVUE 72-73).

²⁶ *See* Notice of Reliance Exhibit 7, Respondent's Responses to Petitioner's First Set of Interrogatories Nos. 1, 9-11 (10 TTABVUE 64-65), *see also* Petitioner's First Set of Interrogatories Nos. 1, 9-11 (10 TTABVUE 72, 74).

labeled with the mark,” Respondent named nine individuals to whom it delivered its DEVIL’S CANYON wine in support of its use of the mark in January, 2016.²⁷

IV. Grounds of Cancellation

There are two claims in this proceeding: whether Respondent abandoned the mark DEVIL’S CANYON VINEYARD by failing to use the mark in the United States in connection with the goods listed in its Registration for at least three years prior to the institution of this proceeding without an intent to resume or start use, and whether Respondent’s Registration should be cancelled on the ground of fraud in the procurement and maintenance of the Registration due to Respondent’s alleged knowing non-use of the mark at the time Respondent submitted its initial statement of use and subsequent maintenance documents intending the USPTO to accept the alleged false statements as true. We look first to the issue of abandonment.

A. Abandonment

Because the Petition for Cancellation of Respondent’s Registration was filed more than five years after the date the Registration issued,²⁸ the Trademark Act provides limited grounds for cancellation. *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 899 F.2d 1575, 14 USPQ2d 1390, 1392 (Fed. Cir. 1990); *Wallpaper Mfrs., Ltd. v. Crown Wallcovering Corp.*, 680 F.2d 755, 214 USPQ 327, 332 (CCPA 1982). One basis that

²⁷ Notice of Reliance Exhibit 7, Respondent’s Responses to Petitioner’s First Set of Interrogatories No. 16 (10 TTABVUE 66), *see also* Petitioner’s First Set of Interrogatories No. 16 (10 TTABVUE 76).

²⁸ Respondent’s Registration issued on January 31, 2006 and the Petition for Cancellation was filed more than ten years later on December 21, 2017.

continues after the five-year period is abandonment of the registered mark. As provided in § 14(3) of the Trademark Act, 15 U.S.C. § 1064(3), abandonment is a basis for cancellation “at any time.” *Imperial Tobacco v. Philip Morris*, 14 USPQ2d at 1392. Thus, Respondent’s registration may be cancelled on the ground of abandonment of the mark DEVIL’S CANYON VINEYARD.

Under § 45 of the Trademark Act, 15 U.S.C. § 1127, a mark is considered “abandoned” if the following occurs:

- (1) When its use has been discontinued with intent not to resume such use. Intent not to resume may be inferred from circumstances. Nonuse for 3 consecutive years shall be prima facie evidence of abandonment. “Use” of a mark means the bona fide use of such mark made in the ordinary course of trade, and not made merely to reserve a right in a mark.

15 U.S.C. § 1127.

Petitioner bears the burden of proving a *prima facie* case of abandonment by a preponderance of the evidence because registrations are presumed valid under the law. *See On-Line Inc. v. Am. Online Inc.*, 229 F.3d 1080, 56 USPQ2d 1471, 1476 (Fed. Cir. 2000); *Cerveceria Centroamericana S.A. v. Cerveceria India Inc.*, 892 F.2d 1021, 13 USPQ2d 1307, 1309 (Fed. Cir. 1989); *Exec. Coach Builders, Inc. v. SPV Coach Co.*, 123 USPQ2d 1175, 1180-81 (TTAB 2016). Introduction of evidence of nonuse of a mark for three consecutive years constitutes a *prima facie* showing of abandonment and triggers a rebuttable presumption that a mark was abandoned without intent to resume use. *Rivard v. Linville*, 133 F.3d 1446, 45 USPQ2d 1374, 1376 (Fed. Cir. 1998); 15 U.S.C. § 1127. If Petitioner presents a prima facie case of abandonment, the burden of production, i.e., going forward, then shifts to Respondent, the party

contesting the abandonment, to produce evidence of either (1) use of the mark during the statutory period, or (2) an intent to resume use. *Cerveceria Centroamericana v. Cerveceria India*, 13 USPQ2d at 1312.

Petitioner argues that Respondent does not manufacture or sell wine.²⁹ In Respondent's own words, "Respondent is a design company that services clients in the wine industry by providing label and packaging design and other brand creation and design."³⁰ Turning to the evidence, Respondent admits that it: is not currently making, selling, reselling or manufacturing wine under its registered mark;³¹ was not selling or manufacturing wine, under its mark or otherwise, as of October 27 or 28, 2005, i.e., the dates it alleged use in commerce and the filing date of its application, January 31, 2012, the filing date of its Declaration of Use and Incontestability, and January 29, 2016, the date it filed its maintenance documents in support of the renewal of its Registration;³² and has never sold wine under Respondent's mark in interstate commerce.³³ Respondent does not operate a winery and has not entered

²⁹ Petitioner's Trial Brief p. 6 (12 TTABVUE 11) citing to its Notice of Reliance, Exhibit 7 Respondent's Response to Petitioner's First Set of Interrogatories, Response No. 1 (10 TTABVUE 64).

³⁰ Notice of Reliance, Exhibit 7 Notice of Reliance, Respondent's Response to Petitioner's First Set of Interrogatories, Interrogatory No. 1 (10 TTABVUE 64), see also Petitioner's First Set of Interrogatories, Interrogatory No. 1 (10 TTABVUE 72).

³¹ Notice of Reliance Exhibit 5, Respondent's Response to Petitioner's First Set of Requests for Admissions, Request Nos. 22-23, 38, 67-68 (10 TTABVUE 27-29), see also Petitioner's First Set of Requests for Admissions Nos. 22-23, 38, 67-68 (10 TTABVUE 35-36, 38).

³² Notice of Reliance Exhibit 5, Respondent's Response to Petitioner's First Set of Requests for Admissions, Request Nos. 24-31 (10 TTABVUE 27), see also Petitioner's First Set of Requests for Admissions Nos. 24-31 (10 TTABVUE 35-36).

³³ Notice of Reliance Exhibit 5, Respondent's Response to Petitioner's First Set of Requests for Admissions, Request Nos. 39-40. (10 TTABVUE 28); see also Petitioner's First Set of Requests for Admissions Nos. 39-40 (10 TTABVUE 36).

into any license or other agreements with third-parties in connection with its goods.³⁴ Respondent has no TTB COLA registrations corresponding to Respondent's mark to support the sale of alcoholic beverages in interstate commerce as required by 27 U.S.C. § 203(a).³⁵ Respondent has no invoices or other evidence of sale to support sales of wine bearing Respondent's Mark.³⁶

Based on the foregoing, Petitioner contends that the evidence of record conclusively establishes that Respondent has abandoned its mark since there is no evidence of any bona fide use of Respondent's mark for wine³⁷ because Respondent admittedly has not made or sold any wine under the mark.³⁸

³⁴ Notice of Reliance Exhibit 5, Respondent's Response to Petitioner's First Set of Requests for Admissions, Request Nos. 36-37, 58 (10 TTABVUE 27-28), *see also* Petitioner's First Set of Requests for Admissions, Request Nos. 36-37, 58 (10 TTABVUE 36, 38).

³⁵ Notice of Reliance Exhibit 5, Respondent's Response to Petitioner's First Set of Requests for Admissions, Request Nos. 42-47 (10 TTABVUE 28), *see also* Petitioner's First Set of Requests for Admissions, Request Nos. 42-47 (10 TTABVUE 36-37).

³⁶ Notice of Reliance Exhibit 5, Respondent's Response to Petitioner's First Set of Requests for Admissions, Request Nos. 51-52 (10 TTABVUE 28), *see also* Petitioner's First Set of Requests for Admissions, Request Nos. 51-52 (10 TTABVUE 37).

³⁷ Petitioner's Trial Brief p. 10 (12 TTABVUE 15).

³⁸ Petitioner's Trial Brief p. 17 (12 TTABVUE 22) citing Notice of Reliance, Exhibit 5 Respondent's Response to Petitioner's First Set of Requests for Admissions Nos. 22-31, 36-40 (10 TTABVUE 27-28), *see also* Petitioner's First Set of Requests for Admissions Nos. 22-31, 36-40 (10 TTABVUE 35-36); and Exhibit 7 Respondent's Response to Petitioner's First Set of Interrogatories No. 5 (10 TTABVUE 65), *see also* Petitioner's First Set of Interrogatories No. 5 (10 TTABVUE 73).

Petitioner also argues that Respondent does not possess any TTB (Alcohol and Tobacco Tax and Trade Bureau) COLA (Certificate of Label Approval/Exemption) licenses or registrations that allow it to sell or distribute wine legally. Petitioner's Trial Brief p. 17 (12 TTABVUE 22). *See* Respondent's Response to Petitioner's First Set of Requests for Admissions Nos. 42-47 (10 TTABVUE 28), *see also* Petitioner's First Set of Request for Admissions No. 42-47 (10 TTABVUE 36-37); and Respondent's Response to Petitioner's First Set of Interrogatories Response No. 12 (10 TTABVUE 65).

However, the TTB has no authority to make determinations as to trademark registrability under the Trademark Act. Trademark Rule 2.69, 37 C.F.R. §2.69 provides:

Respondent does not contest Petitioner's argument that it does not own a winery or other physical location for the sale of wine, is not in the business of selling, making or manufacturing wine, or licensing its mark for production of wine under the mark.³⁹ Although the foregoing facts are undisputed, Petitioner ignores, or gives short shrift to, some of the other evidence of record including Respondent's responses to discovery requests propounded by Petitioner.⁴⁰ While Respondent admits that its goods "are not sold continuously and consistently,"⁴¹ Respondent "has wine produced and bottled that is given to others to promote Registrant's business"⁴² which is labeled with

When the sale or transportation of any product for which registration of a trademark is sought is regulated under an Act of Congress, the Patent and Trademark Office may make appropriate inquiry as to compliance with such Act for the sole purpose of determining lawfulness of the commerce recited in the application.

Section 907 of the Trademark Manual of Examining Procedure (October 2018) explains that "the USPTO does not routinely solicit information regarding label approval under the Federal Alcohol Administration Act or similar acts. However, if the record indicates that the mark itself or the goods or services violate federal law, an inquiry or refusal must be made."

³⁹ Notice of Reliance, Exhibit 5, Respondent's Response to Petitioner's First Set of Requests for Admissions, Nos. 22-31, 36-40, 48-49 (10 TTABVUE 27-28); Petitioner's First Set of Requests for Admissions, Nos. 22-31, 36-40, 48-49 (10 TTABVUE 35-37).

⁴⁰ Petitioner has made of record Respondent's Responses to Petitioner's First Sets of Requests for Admission and Interrogatories. Notice of Reliance, Exhibits 5, 7 (10 TTABVUE 3-4, 24-37, 62-77). When an interrogatory answer, or an admission, has been made of record by one party in accordance with 37 C.F.R. § 2.120(k), it may be referred to by any party for any purpose permitted by the Federal Rules of Evidence. *Beecham Inc. v. Helene Curtis Indus., Inc.*, 189 USPQ 647, 647 (TTAB 1976) (where party relies on all of adversary's answers to interrogatories, the adversary need not file its own notice of reliance thereon); 15 CFR 2.120(k)(3)(i) and(7); TBMP § 704.10.

⁴¹ Notice of Reliance, Exhibit 5, Respondent's Response to Petitioner's First Set of Requests for Admissions, No. 53 (10 TTABVUE 28); Petitioner's First Set of Requests for Admissions, No. 53 (10 TTABVUE 37).

⁴² Notice of Reliance, Exhibit 7, Respondent's Response to Petitioner's First Set of Interrogatories, No. 1 (10 TTABVUE 64).

Respondent's mark. Respondent also confirmed that wine labeled with the mark was delivered to third parties on or about October 27, 2005, and that "wine featuring the mark had been shipped in interstate commerce" on January 31, 2012 and January 29, 2016 (the dates that its Declaration of Use under § 8 and its § 9 Renewal application were filed), providing the names of nine individuals who Respondent delivered wine to in January 2016,⁴³ has "delivered wine featuring [Respondent's Mark] within the preceding three years,"⁴⁴ and that it "currently" delivers its wine "direct to consumer delivery."⁴⁵

Thus, wine featuring Respondent's mark has been shipped in interstate commerce and Respondent has delivered wine featuring the mark to third parties within the preceding three years (as of the October 15, 2018 date of its interrogatory responses). Respondent also identifies nine people who received wine labeled with Respondent's mark, which was shipped to them in interstate commerce as of January 29, 2016.⁴⁶

Respondent's responses to Petitioner's interrogatories and requests for admission, while not conclusive, are evidential admissions to be considered in connection with

⁴³ Notice of Reliance, Exhibit 7, Respondent's Response to Petitioner's First Set of Interrogatories, Nos. 3, 5, 15, 16 (10 TTABVUE 64-65, 66); Petitioner's First Set of Interrogatories Nos. 3, 5, 15, 16 (10 TTABVUE 72-73, 76).

⁴⁴ Notice of Reliance, Exhibit 7, Respondent's Response to Petitioner's First Set of Interrogatories, Nos. 9-10 (10 TTABVUE 65); Petitioner's First Set of Interrogatories, Nos. 9-10 (10 TTABVUE 74).

⁴⁵ Notice of Reliance, Exhibit 7, Respondent's Response to Petitioner's First Set of Interrogatories, No. 6 (10 TTABVUE 65); Petitioner's First Set of Interrogatories, No. 6 (10 TTABVUE 73).

⁴⁶ Notice of Reliance, Exhibit 7, Respondent's Response to Petitioner's First Set of Interrogatories Response Nos. 1, 3, 5, 9, 11, 15-16 dated October 15, 2018 (10 TTABVUE 64-66).

any other relevant evidence.⁴⁷ See *Tzu Wei Chen Food Co. v. Chia-Chi Enters. Inc.*, 73 F.3d 379, 38 USPQ2d 1932, 1936 (Fed. Cir. 1995) (table decision) (“Conclusive admissions are binding on the party making them, and preclude the admitting party from offering proof to refute the admission. In contrast, evidential admissions are not binding; instead, they merely constitute admissible evidence to be considered in combination with all other relevant evidence. The great weight of authority holds that responses to interrogatories are not conclusive admissions, and we see no reason to resist that authority in this case.”) (citations omitted); see also *Daniel J. Quirk, Inc. v. Village Car Co.*, 120 USPQ2d 1146, 1151 fn 27 (TTAB 2016) (“We note that where ordinarily inadmissible hearsay evidence is admitted into evidence without objection, it may be considered for whatever probative value the finder of fact chooses to give it. See e.g., *Sunnen Products Co. v. Sunex Int’l Inc.*, 1 USPQ2d 1744, 1746 n.9 (TTAB 1987); *Flowers Indus. Inc. v. Interstate Brands Corp.*, 5 USPQ2d 1580, 1582 n.4 (TTAB 1987)”).

The record contains limited documentary evidence to corroborate Respondent’s discovery responses. The record includes copies of pages from Respondent’s publication entitled “ICON, Art of the Wine Label, A Collection of Work by Jeffrey Caldewey and Chuck House” showing a photograph of a bottle of wine bearing a

⁴⁷ When an interrogatory answer, or an admission, has been made of record by one party in accordance with 37 C.F.R. § 2.120(k)(3), it may be referred to by any party for any purpose permitted by the Federal Rules of Evidence. 37 C.F.R. 2.120(k)(7). See *Henry Siegel Co. v. M & R International Manufacturing Co.*, 4 USPQ2d 1154, 1155 n.5 (TTAB 1987); *Beecham Inc. v. Helene Curtis Industries, Inc.*, 189 USPQ 647, 647 (TTAB 1976) (where party relies on all of adversary’s answers to interrogatories, the adversary need not file its own notice of reliance thereon); TBMP § 704.10.

DEVIL'S CANYON label; a page with an image of the label with information regarding the designer of the label and a brief description of the artistic qualities of the label (i.e., "Crow quill pen & ink, blow-torch") referencing page 124 a page captioned "DEVIL'S CANYON" which describes the derivation of that name and the label's graphics.⁴⁸ Also, a copy of portions of Respondent's website identify its business as "Brand Development and Package Design" and lists its "Projects" including "Devil's Canyon" wine, showing a photograph of a bottle of DEVIL'S CANYON wine.⁴⁹ Although these Exhibits do not establish how long they have been in use, they are consistent with Respondent's use of its mark.

Petitioner argues even assuming that Respondent indeed gifted a small quantity of bottles of wine bearing Respondent's mark over the years, such activity is insufficient to confer trademark rights in connection with wine as it is not the type of commercial uses typical in the wine industry and does not rise to bona fide trademark use for wine, citing the Board's decision in *Tao Licensing, LLC v. Bender Consulting Ltd.*, 125 USPQ2d 1043 (TTAB 2017), and its non-precedential decision in *Modern House Wines LLC v. Hidden Wineries Inc.*, 2017 WL 3718268, 2017 TTAB LEXIS 290 (TTAB 2017), as instructive on this point.⁵⁰

⁴⁸ See Petitioner's Notice of Reliance, Exhibit 2 (10 TTABVUE 9-15).

Pursuant to the Stipulation to Produced Documents entered into between the parties, which is cited in Petitioner's Notice of Reliance, all documents Respondent produced in response to Petitioner's First Set of Requests for the Production of Documents and Things are stipulated as authentic "and both parties may rely on such documents" (9 TTABVUE 2; 10 TTABVUE 2).

⁴⁹ Petitioner's Notice of Reliance, Exhibit 4, <<http://icondesigngroup.net/content/?id=109>> dated 10/15/2018 (10 TTABVUE 16-23).

⁵⁰ Petitioner's Trial Brief p. 11 (12 TTABVUE 16).

In *Tao Licensing*, the petitioner sought to cancel the respondent's registration for the mark TAO VODKA on the basis of nonuse under § 1(a) of the Trademark Act. *Tao Licensing*, 125 USPQ2d at 1046. At issue was whether the importation or distribution of free samples of vodka to an investor, a restaurant, and a distributor, before any actual sales were made, constituted use of the mark in commerce. *Id.* at 1051. Ultimately, the Board determined the samples were insufficient to confer trademark rights for use on vodka because the record as a whole demonstrated that respondent was not "using or even ready to use the mark in the ordinary course of trade" especially in light of the fact that there were no sales for more than two years following respondent's sample-related activities. *Id.* at 1055.⁵¹

Petitioner also cites *Modern House Wines LLC v. Hidden Wineries Inc.*, 2017 WL 3718268, 2017 TTAB LEXIS 290 (TTAB 2017) a non-precedential decision,⁵² where

⁵¹ The respondent claimed it had distributed two to three complimentary sample bottles of TAO VODKA to three parties to allow them to evaluate the product. *Id.* at 1050-52. However, "this activity was preliminary and exploratory, and Respondent was not yet ready to introduce the product in the ordinary course of trade." *Id.* at 1054. The Board noted that "[t]he presence of business records would strengthen the case that these transactions occurred in the ordinary course of trade, and the absence of such records does the opposite." *Id.* at 1053. The Board concluded the record as a whole reflected that the respondent was not yet using or even ready to use the mark in the ordinary course of trade, but was merely exploring such use at some point in the future. *Id.* at 1055.

⁵² The Board permits, but does not encourage, the citation of non-precedential final decisions. A decision that is not designated as precedential is not binding on the Board, but may be cited for whatever persuasive value it might have. If a non-precedential decision does not appear in the USPQ or TTABVUE, the citing party should append a copy of the decision to the motion or brief in which the decision is cited. *Corporacion Habanos SA v. Rodriguez*, 99 USPQ2d 1873, 1875 n.5 (TTAB 2011) (although parties may cite to non-precedential cases, the Board does not encourage the practice); *In re Fiat Grp. Mktg. & Corp. Comm'ns S.p.A.*, 109 USPQ2d 1593, 1596 n.6 (TTAB 2014) (non-precedential decisions are not binding on the Board, but may be cited to and considered for whatever persuasive value they may hold); see also TBMP §§ 101.03 and 801.03. A copy of the decision in *Modern House Wines LLC v. Hidden Wineries Inc.* was submitted with Petitioner's brief.

the Board found that the respondent's lack of wine sales evidenced a lack of use of the mark. There, the petitioner sought to cancel a registration for THANK YOU for various wine goods on the basis of abandonment. The Board noted that despite the respondent's claim of use of its mark on wine, there was no evidence of any sales. *Id.* at *6. In light of the foregoing, the Board found the record demonstrated a prima facie abandonment by respondent un rebutted by any evidence supporting its use of the mark determining that the record demonstrated sufficient cause to cancel the registration. *Id.* at *7.

Petitioner contends the facts of this case closely mirror those in *Tao Licensing* and *Modern House Wines*, noting there is no evidence that Respondent has ever manufactured or sold wine, whether under Respondent's mark or otherwise.⁵³ This case differs from *Tao Licensing* and *Modern House Wine* which were based on the respondents' failure to use their marks in connection with the sale of goods. Here, the evidence supports Respondent's use of its mark on wine distributed as a promotional item in connection with its brand development and package design services. Petitioner has not established that such use is not in the ordinary course of trade.

Under the Trademark Act, a mark is "used in commerce" when it is placed on the goods and the goods are either "sold or transported in commerce." 15 U.S.C. § 1127. The broad interpretation of what constitutes use in commerce under the Trademark

⁵³ Petitioner's Notice of Reliance, Exhibit 5, Respondent's Response to Petitioner's First Set of Requests for Admissions Nos. 22-31, 36-39, 42-47 (10 TTABVUE 27-28); *see also* Petitioner's First Set of Requests for Admissions, Request Nos. 22-31, 36-39, 42-47 (10 TTABVUE 35-37).

Act “reflect[s] the broad scope of Congress’s Commerce Clause powers.” *Christian Faith Fellowship Church v. Adidas AG*, 120 USPQ2d 1640, 1644 (Fed. Cir. 2016). As the Board recognized in *Lutz Superdyne, Inc. v. Arthur Brown & Bro., Inc.*, 221 USPQ 354, 362 (TTAB 1984):

.... Further, it has also been held that a party need not be a manufacturer of goods in order to own and register a trademark. As stated by the Board in *In re Expo ‘74*, 189 USPQ 48 (1975),

There is no question but that a party need not be a manufacturer of goods to own and register a trademark. In fact, any person in the normal channels of distribution including a manufacturer, a contract purchaser who has the goods manufactured for him, and a retailer or merchant ... can be the owner of a trademark “in commerce” if he applies or has someone in his behalf apply his own trademark to goods to which he has acquired ownership and title and sells or merely transports such goods in commerce as his own product with the mark, as applied thereto, serving to identify the particular product as emanating from the shipper or seller in his own capacity.

(TTAB 1978); *Amica Mutual Insur. Co. v. R. H. Cosmetics Corp.*, 204 USPQ 155 (TTAB 1979); and cases cited therein.

Thus, Respondent may be using its mark when that mark is applied to goods at its instruction. For example, if a party contracts with a manufacturer to have its goods produced for it, instructing the manufacturer to place the mark on the goods, that is the equivalent of the party itself placing the mark on its own goods. *See e.g., Target Stores, Inc. v. Trupp*, 158 USPQ 614, 614-15 (TTAB 1968).

Here, Respondent obtains wine bearing its mark which it then delivers as a gift to “others” to promote its business. Promotional gifts, such as Respondent’s bottles of

wine marked with its mark, may qualify as a “transportation” under the Trademark Act. See *Paramount Pictures Corp. v. White*, 31 USPQ2d 1768, 1773 (TTAB 1994) (“the mere fact that a collateral product serves the purpose of promoting a party’s primary goods or services does not necessarily mean that the collateral product is not a good in trade, where it is readily recognizable as a product of its type (as would be the case with T-shirts, for example), *aff’d without published opinion*, *White v. Paramount Pictures Corp.*, 108 F.3d 1392 (Fed. Cir. 1997) (Table), (opinion available at 1997 WL 76957), and is sold or transported in commerce)); *McDonald’s Corp. v. McKinley*, 13 USPQ2d 1895, 1898 n. 6 (TTAB 1989) (the fact that McDonald’s restaurants give away millions of toys as promotional items in connection with its restaurant services does not detract from the validity of its mark as used on such give-away promotional items. . . . “[I]t is well settled that goods do not have to be sold in commerce in order to come within the ambit of the statute. The statute states that a mark is ‘used in commerce’ when it is placed on the goods and the goods are either ‘sold or transported in commerce.’”); *Amica Mutual Ins. Co. v. R. H. Cosmetics Corp.*, 204 USPQ 155 (TTAB 1979) (AMICA insurance company used its corporate name and mark on various give-away promotional items, such as pens, plastic rulers and briefcases. “These items therefore constitute goods in trade....[T]he mark AMICA serves as a trademark for the promotional items distributed in commerce which also serve to advertise AMICA insurance services.”); *In re Snap-On Tools Corp.*, 159 USPQ 254 (TTAB 1968) (ball point pens which are used to promote applicant’s tools, but which possess utilitarian function and purpose, and have been sold to applicant’s

franchised dealers and transported in commerce under mark, constitute goods in trade); *In re United Merchants & Manufs., Inc.*, 154 USPQ 625 (TTAB 1967) (calendar which is used as advertising device to promote applicant's plastic film, but which possesses, in and of itself, a utilitarian function and purpose, and has been regularly distributed in commerce for several years, constitutes goods in trade); 3 J. Thomas McCarthy, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 19:118 (5th ed. March 2020 update); *see also Tao Licensing*, 125 USPQ2d at 1053 ("Depending on the particular facts and industry practice, some types of promotional activities, such as distributing samples, may qualify as use in commerce."). In other words, a for-profit sale of goods is not required for a statutory use of a mark in commerce. *See Capital Speakers Inc. v. Capital Speakers Club of Washington D.C. Inc.*, 41 USPQ2d 1030, 1034 n.3 (TTAB 1996).

Petitioner has shown that Respondent did not manufacture or sell wine. However, although Respondent did not take testimony or offer any other evidence at trial, and its answers to Petitioner's discovery requests admit that it has never manufactured or sold wine under its mark, they also reveal that Respondent used the mark on bottles of wine given to "third-party" "consumers" to promote Respondent's brand development and package design company in the wine industry including within the preceding three years. Petitioner has not introduced any testimony or evidence to cast doubt upon the accuracy of Respondent's assertions in its responses to Petitioner's discovery requests, nor has Petitioner shown that the nature of Respondent's use falls outside the ordinary course of trade.

Because registrations are presumed valid under 15 U.S.C. § 1057, Petitioner, the party seeking cancellation based on abandonment, bears the burden of proving a prima facie case. *Quality Candy Shoppes/Buddy Squirrel of Wisconsin Inc. v. Grande Foods*, 90 USPQ2d 1389, 1393 (TTAB 2007) citing *On-Line Careline Inc. v. America Online Inc.*, 229 F.3d 1080 , 56 USPQ2d 1471, 1476 (Fed. Cir. 2000) and *Cerveceria Centroamericana v. Cerveceria India*, 13 USPQ2d at 1309. Additionally, abandonment is a question of fact; thus, any inference of abandonment must be based on proven fact. *Quality Candy Shoppes v. Grande Foods*, 90 USPQ2d at 1393. If plaintiff can show three consecutive years of nonuse, it establishes a prima facie showing of abandonment, creating a rebuttable presumption that the registrant has abandoned the mark without intent to resume use. The burden of production, i.e., going forward, then shifts to the registrant to produce evidence that it has either used the mark, or intended to resume use. The burden of persuasion however, always remains with Petitioner, the party asserting abandonment, to prove it by a preponderance of the evidence. *See On-line Careline*, 56 USPQ2d at 1476; *Cerveceria Centroamericana v. Cerveceria India*, 13 USPQ2d at 1310; *Exec. Coach Builders v. SPV Coach*, 123 USPQ2d at 1180; *ShutEmDown Sports v. Lacy*, 102 USPQ2d at 1042.

Although the record includes only Respondent's responses to Petitioner's discovery requests, portions of its website and Respondent's "ICON, Art of the Wine Label, A Collection of Work" publication in support, it fails to establish that Respondent abandoned its mark. Rather, it shows that Respondent has used its mark and not abandoned use. Therefore, Petitioner has not proved abandonment by a

preponderance of the evidence and has failed to demonstrate sufficient cause to cancel Respondent's registration on the grounds of abandonment.

B. Fraud

We next consider Petitioner's fraud claim based on Respondent's alleged lack of use of its mark at the time of filing its Statement of Use, its Declaration of Use under § 8, and its Renewal application. Specifically, Petitioner argues that "Respondent by its own admission, **knew** that [it] was not selling or manufacturing wine" contending that Respondent knowingly represented to the USPTO that it was using its mark in interstate commerce with the intent to deceive the USPTO in order to secure and maintain its registration.⁵⁴

Fraud in procuring a trademark registration occurs when an applicant for registration knowingly makes a false, material representation of fact in connection with an application to register with the intent of obtaining a registration to which it is otherwise not entitled. *In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1939-40, (Fed. Cir. 2009) ("[W]e hold that a trademark is obtained fraudulently under the Lanham Act only if the applicant or registrant knowingly makes a false, material representation with the intent to deceive the PTO."); *Torres v. Cantine Torresella S.r.l.*, 808 F.2d 46, 1 USPQ2d 1483, 1484 (Fed. Cir. 1986); *Luxco, Inc. v. Consejo*

⁵⁴ Petitioner's Trial Brief p. 15 (12 TTABVUE 20) citing its Notice of Reliance, Exhibit 5, Respondent's Response to Request for Admissions Nos. 22-31, 36-40, 55, 57 (10 TTABVUE 27-28); *see also* Petitioner's First Set of Requests for Admissions Nos. 22-31, 36-40, 55, 57 (10 TTABVUE 35-38).

Regulador del Tequila, A.C., 121 USPQ2d 1477, 1501 (TTAB 2017); *Embarcadero Techs., Inc. v. Delphix Corp.*, 117 USPQ2d 1518, 1521 (TTAB 2016).

The relevant standard for proving fraud requires a showing of the following four elements:

- (1) registrant made a false representation to the USPTO;
- (2) the false representation is material to the registrability of the mark;
- (3) registrant had knowledge of the falsity of the representation; and
- (4) registrant made the representation with the intent to deceive the USPTO.

In re Bose, 91 USPQ2d at 1941.

Petitioner, as the party alleging fraud in Respondent's procurement of a registration, "bears the heavy burden of proving fraud with clear and convincing evidence." *In re Bose*, 91 USPQ2d at 1243 (quoting *Smith Int'l, Inc. v. Olin Corp.*, 209 USPQ 1033, 1044 (TTAB 1981)). See *Daniel J. Quirk v. Village Car*, 120 USPQ2d at 1148 (fraud must be proven "to the hilt" with clear and convincing evidence); *Enbridge, Inc. v. Excelerate Energy Ltd. Partnership*, 92 USPQ2d 1537, (TTAB 2009) ("[E]vidence of deceptive intent must be clear and convincing. The rigorous clear and convincing evidence standard is strictly applied.").

Based on Respondent's responses to the discovery requests it received from Petitioner stating that it used the mark DEVIL'S CANYON as of the filing date of its application and on the filing dates of its § 8 declaration and § 9 renewal application, Petitioner has not provided sufficient evidence to show that Respondent made a false

representation in obtaining or maintaining its Registration. Petitioner's fraud allegation also fails because there is no evidence of Respondent's intent to deceive the USPTO. Without evidence of intent to deceive the USPTO, Petitioner's allegations of fraud fail. Further, Petitioner did not provide conclusive evidence that Respondent made false statements or submitted false specimens in support of its application and subsequent registration and maintenance of the registration. In addition, even assuming Respondent's statements were false, Petitioner has not established that Respondent submitted any material statements to the USPTO with intent to defraud the USPTO. Accordingly, Petitioner has not met its burden of proof to show that Respondent committed fraud in the procurement and maintenance of its Registration.

V. Conclusion

Nonuse of a mark for three consecutive years is prima facie evidence of abandonment. Here, there is no proof of Respondent's non-use of the mark in connection with the goods recited in its Registration. Wine bottles bearing the mark were gifted to others in the ordinary course of trade to promote Respondent's business. Thus, Respondent has not abandoned the DEVIL'S CANYON VINEYARD mark and did not commit fraud in obtaining and maintaining its registration for the DEVIL'S CANYON VINEYARD mark.

Decision: The Petition to Cancel Registration No. 3055826 is dismissed on both grounds.