

THIS OPINION IS NOT A
PRECEDENT OF THE TTAB

Oral Hearing June 12, 2024

Mailed: February 14, 2025

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board
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Sung Hwan E&B Co. Ltd. d/b/a SHEnB Co. Ltd.

v.

Aesthetics Biomedical, Inc.
—

Cancellation No. 92074719
—

Scott W. Johnston and Brent E. Routman for Merchant & Gould P.C.
for Sung Hwan E&B Co. Ltd. d/b/a SHEnB Co.

Laura J. Zeman-Mullen of Zeman-Mullen & Ford, LLP
for Aesthetics Biomedical, Inc.

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Before Wellington, Goodman, and Cohen,
Administrative Trademark Judges.

Opinion by Goodman, Administrative Trademark Judge:

Aesthetics Biomedical, Inc. (Respondent or ABM) owns Principal Register registrations (in standard characters) for the marks VIVACE, identifying “radio frequency microneedling device” in International Class 10¹ and THE VIVACE

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¹ Registration No. 5317218 issued October 24, 2017, claiming May 27, 2016 as a date of first use and first use in commerce, Section 8 accepted.

EXPERIENCE² for “providing personalized beauty spa services, namely, cosmetic body care and microneedle services” in International Class 44.

Sung Hwan E&B Co. Ltd. d/b/a SHEnB Co. (Petitioner or SHEnB) seeks cancellation of the VIVACE and THE VIVACE EXPERIENCE registrations under Trademark Act, Section 1, 15 U.S.C. § 1051, on the ground that the registrations are void ab initio due to non-ownership, under Trademark Act Section 2(d), 15 U.S.C. § 1052(d), on the ground of likelihood of confusion, and under Trademark Act Section 14, 15 U.S.C. § 1064, on the ground of fraud. Petitioner alleges use of the mark VIVACE in connection with “radio frequency micro-needling devices.” Petition to cancel paragraph 2, 1 TTABVUE. Petitioner also alleges ownership of application Serial No. 90051979 for the mark VIVACE for “radio frequency micro-needling devices.” *Id.* at paragraph 3.

Respondent filed an answer, subsequently amended, denying salient allegations, and also raising affirmative defenses.³

The citation form in this decision is in a form provided in the TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE (TBMP) § 101.03 (2024). For decisions of the Board, this order employs citation to the Lexis database.

² Registration No. 5317219 issued October 24, 2017, alleging September 9, 2016 as a date of first use and first use in commerce, Section 8 accepted.

³ By way of Board order, Respondent filed a second amended answer alleging affirmative defenses of waiver, estoppel, laches, acquiescence and abandonment, which the Board accepted as the operative defenses. 56, 57 and 58 TTABVUE. Respondent only addresses equitable estoppel/acquiescence, and abandonment, also acknowledging that equitable defenses are unavailable against the fraud claim. 86 TTABVUE 32-39, 36. *Fuji Med. Instruments Mfg. Co. v. Am. Crocodile Int'l Grp., Inc.*, 2021 TTAB LEXIS 270, at *16 (TTAB 2021). We deem the waiver and laches defenses forfeited or waived. *See JNF LLC v. Harwood Int'l Inc.*, 2022 TTAB LEXIS 328, at *4 n.8 (TTAB 2022) (finding asserted defenses not pursued either waived or forfeited).

Petitioner bears the burden of proving its entitlement to a statutory cause of action and its ownership and Section 2(d) claims by a preponderance of the evidence. *Shenzhen IVPS Tech. Co. v. Fancy Pants Prods., LLC*, 2022 TTAB LEXIS 383, at *3-6 (TTAB 2022) (Section 2(d)); *Wonderbread 5 v. Gilles*, 2015 TTAB LEXIS 261, at *20 (TTAB 2015) (ownership). Petitioner bears the burden of proving the fraud claim by clear and convincing evidence. *In re Bose Corp.*, 580 F.3d 1240, 1243 (Fed. Cir. 2009) (quoting *Smith Int'l, Inc. v. Olin Corp.*, 1981 TTAB LEXIS 47, at *27 (TTAB 1981)).

I. The Record

The record includes the pleadings and, by operation of Trademark Rule 2.122(b), 37 C.F.R. § 2.122(b), the file of the involved registrations.

The parties stipulated that declarations and evidence used in connection with an earlier filed summary judgment motion, 26 TTABVUE and 49 TTABVUE, may be submitted as testimonial declarations and evidence as if filed during the testimony period. 53 TTABVUE.⁴ The stipulation was approved by the Board. 56 TTABVUE.

Petitioner's testimonial evidence:

Petitioner's summary judgment declarations and exhibits as per the parties' stipulation, first notice of reliance, 54 TTABVUE:

- Kachi Enyinna, MSc., Managing Director and Principal Consultant of 510K Technology Group, LLC, 39 TTABVUE;

⁴ The parties' utilized notices of reliance to provide notice of their reliance on the previously filed summary judgment declarations at trial. Although not the preferred approach, the use of the notice of reliance for this purpose is of no consequence. *See Ricardo Media Inc. v. Inventive Software, LLC*, 2019 TTAB LEXIS 283, at *7 (TTAB 2019) (opposer's submission of a testimonial declaration under a notice of reliance was unnecessary, and not the preferred approach, but harmless) (citation omitted). According to the parties' stipulation, the purpose of the notice was to allow time for setting a deadline for witness cross-examination.

- Steven Hwang, Senior Consultant at Medikan Co. Ltd., 40 TTABVUE (confidential declaration and exhibits 44 TTABVUE);
- Scott W. Johnston, Attorney at Merchant & Gould, P.C., 41 TTABVUE (confidential declaration and exhibits 45 TTABVUE);
- Sun Young Kang, Chief Executive Officer (CEO) of Petitioner, 42 TTABVUE (confidential declaration and exhibits 46 TTABVUE);
- Testimony declaration of GukJeong ('Greg') Moon, YMS Consulting, 59 TTABVUE⁵;
- Supplemental testimony declaration of Sun Young Kang, 60 TTABVUE⁶;
- Portions of June 14, 2022 30(b)(6) discovery deposition of Respondent's witness Chief Executive Officer (CEO) MaryAnn Guerra, 61 TTABVUE (confidential exhibits 62 TTABVUE);
- Testimony deposition of Emil Tanghetti (cross-examination), 82 and 84 TTABVUE (confidential deposition testimony at 83 TTABVUE).⁷

Petitioner notice of reliance evidence:

Petitioner's first notice of reliance, 54 TTABVUE,

- on declarations and exhibits from the earlier filed summary judgment motion as per the parties' stipulation, listed as declaration testimony above;

Petitioner's second notice of reliance, 61 TTABVUE:⁸

⁵ The declaration, filed on July 27, 2023, was dated March 31, 2023, obtained during Petitioner's testimony period and before the Board had suspended proceedings to consider Respondent's motion for leave to amend. The Board later reset the testimony period to end on July 27, 2023. 49, 55, and 56 TTABVUE.

⁶ The declaration, filed July 27, 2023, was dated April 3, 2023 and obtained during the Petitioner's earlier testimony period before the Board suspended proceedings to consider Respondent's motion for leave to amend the answer. The Board later reset the testimony period to end on July 27, 2023. 49, 55, and 56 TTABVUE.

⁷ 84 TTABVUE appears to be a duplicate submission.

⁸ The notice of reliance also references the declaration of GukJeong ('Greg') Moon, of YMS Consulting and the supplemental declaration of Sun Young Kang, both filed separately from the notice of reliance.

- Respondent's discovery responses (requests for admissions, interrogatory responses⁹ and requests for production¹⁰);
- Trademark records for VIVACE marks filed by Respondent and file history for Petitioner's pleaded application Serial No. 90051979 for VIVACE;
- Portions of the 30(b)(6) discovery deposition of Respondent's CEO, listed above as testimony.

Petitioner's third notice of reliance, 81 TTABVUE,

- on petitions to cancellations for other VIVACE marks owned by Respondent.

Respondent's testimonial evidence:

- Summary judgment declaration of Respondent's CEO MaryAnn Guerra, 36 TTABVUE (as per the parties' stipulation);
- October 5, 2023 testimonial deposition transcript (cross examination) of Petitioner's CEO Sun Young Kang, 70 TTABVUE (confidential deposition testimony 71 TTABVUE);
- Declaration of Dr. Emil A. Tanghetti, Board certified dermatologist, 72 TTABVUE;
- Declaration of David Vasily, Board certified dermatologist, 72 TTABVUE;
- Declaration of Shaun Wootten, Respondent's Research and Development Manager and Service Manager Director, 73 TTABVUE;
- July 20, 2022 30(b)(6) discovery deposition of Petitioner's CEO Sun Young Kang, and exhibits 75 TTABVUE (confidential portion at 74 TTABVUE);

⁹ The responses were signed by the attorney but not verified. "[U]nverified answers to interrogatories are not competent evidence." *Daniel J. Quirk, Inc. v. Village Car Co.*, 2016 TTAB LEXIS 474, at *19 n.28 (TTAB 2016) (citing *Cabales v. U.S.*, 51 F.R.D. 498, 499 (S.D.N.Y. 1970), *aff'd*, 447 F.2d 1358 (2d Cir. 1971).

¹⁰ Responses to document requests are admissible solely for purposes of showing that a party has stated that there are no responsive documents. *See City Nat'l Bank v. OPGI Mgmt.*, 2013 TTAB LEXIS 189, at *16 n.10 (TTAB 2013).

- Excerpts of June 14, 2022, 30(b)(6) discovery deposition of Respondent's CEO MaryAnn Guerra, 76 TTABVUE (confidential portion at 77 TTABVUE);
- "Supplementary" declaration of Respondent's CEO MaryAnn Guerra, 79 TTABVUE.

Respondent's notices of reliance:

- First notice of reliance upon the July 20, 2022 30(b)(6) discovery deposition of Petitioners' CEO Sun Young Kang, listed above as testimony, 75 TTABVUE;
- Second notice of reliance upon excerpts of June 14, 2022 30(b)(6) discovery deposition of MaryAnn Guerra, listed above as testimony, 76 TTABVUE;¹¹
- Third notice of reliance upon Respondent's summary judgment declaration of MaryAnn Guerra, listed above as testimony, and Petitioner's discovery responses (admissions)¹², 78 TTABVUE.

II. Statutory Entitlement

In every inter partes case, the plaintiff must establish its statutory entitlement to bring an opposition or cancellation proceeding. To establish entitlement to a statutory cause of action, a plaintiff must demonstrate: (i) an interest falling within the zone of interests protected by the statute and (ii) proximate causation. *Corcamore, LLC v. SFM, LLC*, 978 F.3d 1298, 1303, 1305 (Fed. Cir. 2020). Demonstrating a real interest

¹¹ Petitioner provided portions of the 30(b)(6) discovery deposition transcript of Respondent's CEO MaryAnn Guerra under notice of reliance. Respondent provided additional portions of the deposition transcript and exhibits as provided for under Trademark Rule 2.120(k)(4), 37 C.F.R. § 2.120(k)(4).

¹² Respondent also includes its responses to interrogatories which has been submitted by Petitioner. See note 9. There is no provision in the Trademark Rules that allows for introduction by notice of reliance of one's own interrogatory responses, except to the extent necessary to make the responses not misleading. Trademark Rule 2.120(k)(5), 37 C.F.R. § 2.120(k)(5)). Since the complete responses were provided by Petitioner, it was unnecessary for Respondent to submit the same responses under notice of reliance.

in cancelling registration of a mark satisfies the zone-of-interests requirement, and demonstrating a reasonable belief in damage by the maintenance of a mark demonstrates damage proximately caused by registration of the mark. *Id.* at 1305-06; *Australian Therapeutic Supplies Pty. Ltd. v. Naked TM, LLC*, 965 F.3d 1370, 1374-75 (Fed. Cir. 2020).

Petitioner's CEO Kang testified that Petitioner SHEnB invented and developed an advanced radio frequency (RF) micro-needling device for aesthetic treatment of the skin, named it VIVACE, expanded its use in the United States by completing clinical trials, securing FDA approval, and entering into an agreement with Respondent ABM as its exclusive United States distributor and licensee. Kang declaration paragraphs 2-20, 42 TTABVUE. This testimony evidences Petitioner's proprietary and commercial interest which is sufficient to establish Petitioner's entitlement to a statutory cause of action on the ownership ground. *See UVeritech, Inc. v. Amax Lighting, Inc.*, 2015 TTAB LEXIS 242, at *10 (TTAB 2015) (a dispute over ownership of a mark establishes entitlement to bring a statutory cause of action); *Syngenta Crop Protection, Inc. v. Bio-Chek, LLC*, 2009 TTAB LEXIS 70, at *16 (TTAB 2009) (witness testimony that opposer uses a similar mark in connection with a temperature sensing device sufficient to establish entitlement).

Once Petitioner has established entitlement on one pleaded ground, it has established its entitlement for any other ground. *Coach Servs. Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 1377 (Fed. Cir. 2012).

Respondent does not dispute Petitioner's entitlement to a statutory cause of action, or address the issue in its brief.

III. Background - Parties

Petitioner SHEnB is a South Korean company that develops, markets and sells "various innovative products related to skin aesthetics and obesity based on radiofrequency (RF) technologies." Kang declaration paragraph 2, 42 TTABVUE; supplemental Kang declaration, paragraph 2, 61 TTABVUE 2.

Respondent ABM is a company that sells some of its own aesthetics products to physicians and distributes aesthetics products and devices made by others. Guerra 30(b)(6) discovery deposition 61 TTABVUE 174. Respondent helps identify important aesthetic technology and devices and brings them to market. Supplementary Guerra declaration, paragraphs 5 and 6, 79 TTABVUE. Respondent entered into an exclusive distributorship agreement with Petitioner in February 2016 to sell and market the VIVACE micro-needle device and disposable tips in the United States. Guerra declaration paragraphs 2 & 4, 36 TTABVUE; supplementary Guerra declaration paragraphs 6 & 7, 79 TTABVUE.

IV. Facts

Petitioner invented and developed VIVACE, an advanced Radio Frequency (RF) micro-needling device (hereinafter, "the VIVACE device") for aesthetic treatment of the skin. Kang declaration paragraphs 3 & 4, 42 TTABVUE. In 2013, Petitioner sought to market the VIVACE device to the United States. Kang declaration paragraph 5, 42 TTABVUE. In order to market the VIVACE device in the United States, Petitioner asserts it had to make a premarket 510(k) submission to the Food

and Drug Administration (FDA) ... “to demonstrate that the device to be marketed was as safe and effective,” or substantially equivalent, “to a legally marketed device.” Enyinna declaration, paragraph 6, 39 TTABVUE; Hwang declaration paragraph 5, 40 TTABVUE. The FDA rejected Petitioner’s August 2013 510(k) submission and indicated clinical trials were “highly recommended” to collect clinical data to show the effectiveness of the VIVACE device. Enyinna, declaration paragraph 6, 39 TTABVUE; Kang declaration paragraph 15, 42 TTABVUE; Hwang declaration paragraph 10, 40 TTABVUE.

A. Petitioner’s Pre-market Activities

a. Clinical Trials

Before February 24, 2014, Petitioner shipped a VIVACE RF micro-needling device to Dr. Steven Gitt in Arizona to conduct the clinical trials required by the FDA. Kang declaration paragraphs 10, 14, & 16, 42 TTABVUE; Enyinna declaration, paragraph 9, 39 TTABVUE; Hwang declaration paragraph 14, 40 TTABVUE; Moon declaration, paragraph 7, 59 TTABVUE. Dr. Gitt conducted his first clinical trial on 32 patients in March 2014 and provided the results to the FDA. Kang declaration paragraph 14, 42 TTABVUE; Enyinna declaration paragraphs 9 & 10, 39 TTABVUE; Hwang declaration paragraphs 11 & 13, 40 TTABVUE. The FDA rejected the submission in May 2014. Kang declaration paragraph 14, 42 TTABVUE; Enyinna declaration, paragraphs 9 & 10, 39 TTABVUE; Hwang declaration paragraphs 11 & 13, 40 TTABVUE. Dr. Gitt conducted a second clinical trial in December 2014 on 33 patients and submitted the results to the FDA in February 2015. Enyinna declaration, paragraphs 11 & 12, 39 TTABVUE; Hwang declaration, paragraphs 16 & 18, 40

TTABVUE. The FDA rejected the submission. Enyinna declaration, paragraphs 11 & 12, 39 TTABVUE; Hwang declaration paragraphs 16 & 18, 40 TTABVUE. Petitioner then shipped an additional VIVACE labeled device to Dr. Farhan Taghizadeh in Albuquerque, New Mexico, to complete a clinical trial between October and November 2015 on 30 additional patients. Enyinna declaration paragraph 13, 39 TTABVUE; Kang declaration paragraph 17, 42 TTABVUE; Hwang declaration paragraph 19, 40 TTABVUE; Guerra 30(b)(6) discovery deposition 61 TTABVUE 184.

Petitioner provided the results of the third clinical trial to the FDA on November 29, 2015. Enyinna declaration paragraphs 13 & 14, and exhibit B, 39 TTABVUE; Hwang declaration paragraphs 19 & 20, 40 TTABVUE. On January 15, 2016, the FDA provided clearance for Petitioner to market the VIVACE device in the United States. Enyinna declaration paragraphs 13 & 14, and exhibit B; 39 TTABVUE. Hwang declaration paragraphs 19 & 20, 40 TTABVUE.

b. Activity Before FDA Clearance

During the time Petitioner sought FDA clearance of the device, in September 2013 and June 2014, agents of Petitioner (YMS Consulting, in conjunction with Medi-Khan, Inc.) paid for two VIVACE devices manufactured by SHEnB to be shipped to California from Seoul, Korea for display and exhibition to United States customers, distributors, doctors and others. Hwang declaration, paragraphs 7 & 8, 40 TTABVUE; Moon declaration paragraphs 5 & 6, 59 TTABVUE; Kang declaration paragraphs 6, 12 & 13, 42 TTABVUE.

Petitioner displayed and exhibited the VIVACE RF micro-needling device at many conferences and events and trade shows between 2013 through 2015. Kang

declaration, paragraphs 6, 12 & 13, 42 TTABVUE; Hwang declaration paragraphs 7 & 8, 40 TTABVUE; Moon declaration paragraphs 5 & 6, 59 TTABVUE; Kang declaration paragraphs 6, 12 & 13, 42 TTABVUE.

At these conferences, meetings, events and trade shows, Petitioner's RF micro-needling device displayed the VIVACE marks prominently on the front of the device, on the LCD panel user interface (UI) display, on the serial plate, and on the instruction manual that shipped with the device. Kang declaration paragraph 13 & 15, 42 TTABVUE; Moon declaration paragraph 5, 59 TTABVUE; supplemental Kang declaration paragraph 5, 60 TTABVUE. At these events, Powerpoints with images of the device displaying the VIVACE mark and the SHEnB name/mark also were provided. Kang declaration paragraph 13, 42 TTABVUE. The repair manual for the VIVACE micro-needling device contained both the VIVACE and SHEnB name/mark. Kang declaration paragraph 15, 42 TTABVUE. The VIVACE device also displayed the SHEnB mark on the front of the device, on the LCD panel UI display, on the serial number plate and the user manual. Kang declaration paragraph 13, 42 TTABVUE.

During this time, Petitioner's agent and consultant promoted the VIVACE device on YouTube. Hwang declaration paragraphs 8, 9, 21 & 22, 40 TTABVUE; Moon declaration, paragraph 9, 59 TTABVUE. Petitioner's agent and consultant also sent hundreds of emails to doctors, dealers, and sales representatives to raise awareness of the VIVACE device and generate interest and demand. Hwang declaration paragraphs 8, 9, 21 & 22, 40 TTABVUE; Moon declaration paragraph 9, 59 TTABVUE.

c. Distribution Agreement

After market clearance of the VIVACE device by the FDA, Petitioner, on February 2, 2016, entered into a three-year exclusive United States distribution agreement with Respondent to sell the VIVACE device and needle cartridges (needle tips). Kang declaration paragraph 18, 42 TTABVUE; supplemental Kang declaration, paragraph 6, 60 TTABVUE; Guerra 30(b)(6) discovery deposition 61 TTABVUE 209-210 and confidential exhibits 62 TTABVUE.¹³ The distribution agreement required Respondent to bear all advertising costs for marketing the VIVACE devices. Kang declaration paragraph 18, 42 TTABVUE; supplemental Kang declaration paragraph 6, 60 TTABVUE; Guerra 30(b)(6) discovery deposition 61 TTABVUE 226 and confidential exhibits 62 TTABVUE. In July 2017, the parties amended their distribution agreement (effective date July 12, 2017) to identify Respondent as the exclusive licensee to distribute the VIVACE device and needle tips. Kang declaration, paragraphs 18, 20, & 22, 42 TTABVUE, and confidential exhibits 62 TTABVUE; supplemental Kang declaration paragraphs 7, 8 & 9, 60 TTABVUE. The amended distribution agreement provided Respondent with a five-year term and an option to renew. Kang declaration paragraphs 18, 20, & 22, 42 TTABVUE; Kang declaration paragraph 18, 42 TTABVUE; supplemental Kang declaration paragraph 7, 8 & 9, 60 TTABVUE; supplementary Guerra declaration paragraphs 21 & 22, 79 TTABVUE; Guerra 30(b)(6) discovery deposition 61 TTABVUE 239 and confidential exhibits 62

¹³ Although the parties' distribution agreements are confidential, the witnesses discussed certain provisions of the parties' agreement in declaration and deposition testimony that was not filed under seal, and therefore making these provisions public.

TTABVUE. The amended distribution agreement also identified ABM as the sole importer for purposes of FDA regulatory reporting, oversight and clearance. Supplementary Guerra declaration paragraph 22, 79 TTABVUE 6; supplemental Kang declaration paragraph 10, 60 TTABVUE; Guerra 30(b)(6) discovery deposition 61 TTABVUE 251 and confidential exhibit 62 TTABVUE.

In 2018, Respondent executed a non-manufacturing agreement with Petitioner, agreeing not to manufacture RF micro-needling devices in the United States without express approval and consent of Petitioner. Kang declaration paragraph 18, 42 TTABVUE and Petitioner's second notice of reliance, confidential exhibits 62 TTABVUE. The 2018 agreement also assigned to Respondent the responsibility of first year warranty repairs and labor costs.¹⁴ Kang declaration paragraph 18, 42 TTABVUE, Petitioner's second notice of reliance, confidential exhibit 62 TTABVUE.

Between February 2016 through July 2022, Respondent acted as Petitioner's exclusive licensed distributor for the VIVACE device and needle tips. Kang declaration paragraph 20, 42 TTABVUE; supplementary Guerra declaration paragraph 34, 79 TTABVUE. The agreement between the parties expired in July 2022 and was not renewed. Kang declaration paragraph 18, 20, & 22, 42 TTABVUE; supplementary Guerra declaration paragraph 34, 79 TTABVUE.

¹⁴ A fully executed agreement was never provided to Respondent, but Petitioner operated as if the agreement was in place. Guerra 30(b)(6) discovery deposition 61 TTABVUE 205.

B. The Parties' Activities Under the Agreement

Petitioner was the exclusive manufacturer of the VIVACE device and exercised control over the nature and quality of the device. Kang declaration paragraph 5, 42 TTABVUE.

a. Labeling

When Petitioner's agents displayed the VIVACE device at conferences and trade shows (2013-2015), and supplied the device for clinical trials (2014 and 2015), the RF micro-needling device displayed the VIVACE and SHEnB mark prominently on the front of the device, on the LCD UI panel display, and on the serial plate, see below. Kang declaration paragraphs 13 & 15, 42 TTABVUE; Moon declaration paragraph 5, 59 TTABVUE; supplemental Kang declaration paragraph 5, 60 TTABVUE.

When Petitioner provided the VIVACE device to Respondent in 2016, it was labeled with the VIVACE and SHEnB names on the front, the LCD panel UI screen, and on the serial plate. Guerra 30(b)(6) discovery deposition, 61 TTABVUE 218-219; Kang testimonial deposition (cross-examination) 70 TTABVUE 9 & 12; Kang 30(b)(6) discovery deposition 75 TTABVUE 39, 40 & 82. However, Respondent sold the VIVACE device with a label/sticker covering the SHEnB logo on the front of the device, replacing it with the Aesthetics Biomedical name (ABM). Kang 30(b)(6) discovery deposition 75 TTABVUE 72-73; Guerra 30(b)(6) discovery deposition, 61 TTABVUE 218 & 221; Kang testimonial deposition (cross examination) 70 TTABVUE 9, 12.

In 2016, Respondent requested that Petitioner remove the SHEnB name on the front of the device and replace it with the Aesthetics Biomedical name to support

sales of the device. Kang 30(b)(6) discovery deposition, 75 TTABVUE 21-22, 35-37; Guerra 30(b)(6) discovery deposition 61 TTABVUE 218-219; Kang testimonial deposition (cross-examination) 70 TTABVUE 12; Guerra declaration paragraph 5, 36 TTABVUE; supplementary Guerra declaration paragraph 17, 79 TTABVUE. In June 2016, Petitioner agreed to replace the SHEnB name on the front of the device to Aesthetics Biomedical. Supplementary Guerra declaration paragraph 17, 79 TTABVUE. Beginning in February 2017, Petitioner installed an acrylic plate with the Aesthetics Biomedical name on the front of the device prior to shipping the device to Respondent, as shown below. Kang 30(b)(6) discovery deposition 75 TTABVUE 21-22, 35-37, 72-73 (confidential 74 TTABVUE); Guerra 30(b)(6) discovery deposition, 61 TTABVUE 218; Guerra declaration paragraph 5, 36 TTABVUE; Kang testimonial deposition (cross-examination) 70 TTABVUE 12; supplementary Guerra declaration paragraph 17, 79 TTABVUE. Respondent also requested that the LCD panel UI screen name on the VIVACE device be changed to ABM, but Petitioner did not agree. Kang 30(b)(6) discovery deposition, 75 TTABVUE 75. The SHEnB name remained on the serial plate on the back of the VIVACE device and on the LCD panel UI screen. Kang 30(b)(6) discovery deposition 75 TTABVUE 72-73, 75; Kang testimonial deposition (cross-examination) 70 TTABVUE 9, 13.

Images of the device with either SHEnB and ABM labeling is shown below:



Kang declaration, 42 TTABVUE 66; Tanghetti declaration 72 TTABVUE 31.

Petitioner shipped devices with the ABM branding until July 2022 when the parties' distributorship agreement ended. Supplementary Guerra declaration paragraph 34, 79 TTABVUE; Kang testimonial deposition (cross-examination) 70 TTABVUE 12, 13, 15, 16 & 17.

b. Packaging

Petitioner's name was on the box of the shipped VIVACE device. Kang 30(b)(6) discovery deposition, 75 TTABVUE 27. After the distributorship agreement ended, the ABM name no longer was attached to the device. Kang testimonial deposition (cross-examination) 70 TTABVUE 12, 13, & 16.

There was no testimony relating to whether SHEnB's name remained on the packaging after the parties' entered into the 2017 amended distribution agreement, although Petitioner's witness testified that SHEnB's name was prominently on the packaging prior to that time. Kang 30(b)(6) discovery deposition 75 TTABVUE 27, 40.

c. User Manual

Between February 2016 to January 2017, the user manual that shipped with the VIVACE device showed the name SHEnB on the pages. Kang 30(b)(6) discovery deposition 75 TTABVUE 41; Guerra 30(b)(6) discovery deposition 61 TTABVUE 219, 220. Respondent asked if the user manuals could be changed to show the Aesthetics Biomedical name; Petitioner agreed. Kang 30(b)(6) discovery deposition 75 TTABVUE 41. During the time of the parties' 2017 amended distribution agreement, from February 2017 going forward, user manuals showed Aesthetic Biomedical on the pages rather than SHEnB's name; the content otherwise remained the same. Kang 30(b)(6) discovery deposition, 75 TTABVUE 41. The revised manual showing the Aesthetics Biomedical name on the pages was provided with the VIVACE device starting in February 2017 going forward. Guerra declaration paragraph 5, 36 TTABVUE 3; Kang 30(b)(6) discovery deposition, 75 TTABVUE 27. There still remained two locations in the manual where Petitioner's company name "Sung Hwan E&B Co. Ltd." was listed. Kang testimonial deposition (cross-examination) 70 TTABVUE 13 & 14. Additionally, in the user manual, the SHEnB logo was displayed in some of the pictures of the VIVACE device. Kang testimonial deposition (cross-examination) 70 TTABVUE 15, 44-74, exhibit B. Images of the front page of the manuals with either SHEnB or Aesthetics Biomedical shown below:



Kang declaration 42 TTABVUE 68 (exhibit S), Supplementary Guerra declaration 79 TTABVUE 18 (exhibit FF).

d. Advertising

Under the parties' distributorship agreements, Petitioner contributed nothing (neither monies nor materials) to advertising and did not separately market the device in the United States. Guerra 30(b)(6) discovery deposition 61 TTABVUE 226, 236, & 303; Kang 30(b)(6) discovery deposition 75 TTABVUE 31, 32, & 68. Respondent paid 100% of all costs related to brand development, advertising, and marketing materials, spending considerable sums. Guerra declaration paragraph 20, 36 TTABVUE; supplementary Guerra declaration paragraphs 20, 28 & 29, 79 TTABVUE; Kang 30(b)(6) discovery deposition 75 TTABVUE 31 & 32.

Respondent hired a Chief Marketing Officer who maintains Respondent's website relating to the VIVACE device. Supplementary Guerra declaration paragraph 28, 79 TTABVUE. Respondent also employed a social media marketing manager to manage

Respondent's social media presence with regard to the VIVACE device which includes Facebook, Instagram, LinkedIn, Pinterest, TikTok, and Youtube. Supplementary Guerra declaration paragraph 28, 79 TTABVUE.

e. Training

Petitioner provided the initial training to Respondent's employees on the VIVACE device through its agent. Kang 30(b)(6) discovery deposition 75 TTABVUE 54, (74 confidential). Petitioner created training materials prior to entering into the distribution agreement with Respondent but did not get involved in training materials after the parties' entered into a distributorship agreement. Kang testimonial deposition (cross-examination) 70 TTABVUE 23.

Respondent had the responsibility to train US customers on the VIVACE device. Kang 30(b)(6) discovery deposition, 75 TTABVUE 54; Guerra 30(b)(6) discovery deposition 61 TTABVUE 270; supplementary Guerra declaration paragraph 30, 79 TTABVUE. Respondent hired a full-time aesthetician and contracted outside representatives and nurses to perform the training. Supplementary Guerra declaration paragraph 30, 79 TTABVUE 8. Petitioner had no control over the training materials used by Respondent. Supplementary Guerra declaration paragraphs 30 & 31, 79 TTABVUE. Respondent created and provided all training materials to U.S. customers on the VIVACE device. Supplementary Guerra declaration paragraph 30, 79 TTABVUE.

f. Warranty Service

The warranty language in the sales documents (purchase agreement) always identified Respondent as the entity providing a one-year warranty for the VIVACE

device and stated that repairs would be made by Respondent ABM or ABM subcontractors.¹⁵ Supplementary Guerra declaration paragraph 9, 79 TTABVUE; Respondent's second notice of reliance 77 TTABVUE (confidential); Tanghetti declaration paragraph 7 & 12, 72 TTABVUE; Respondent's second notice of reliance, 77 TTABVUE (confidential exhibit, Guerra 30(b)(6) discovery deposition); Vasily declaration paragraph 11, 72 TTABVUE.

However, when the parties' distributorship agreement began, Petitioner performed the first-year warranty work through Petitioner's agent in Korea and Petitioner's agent in the United States between 2016 through 2017. Guerra 30(b)(6) discovery deposition 61 TTABVUE 227-229. During 2016 and 2017, when Petitioner handled the warranty service, Respondent worked with the customer to ensure the device was repaired and returned to the customer. Supplementary Guerra declaration paragraph 11, 79 TTABVUE. When warranty repairs were initially handled by Petitioner in 2016 and 2017, all communications relating to warranty and service for the device took place directly with Respondent. Supplementary Guerra declaration paragraph 10, 79 TTABVUE; Tanghetti declaration paragraph 12, 72 TTABVUE; Vasily declaration paragraph 11, 72 TTABVUE.

Respondent's customers never communicated directly with Petitioner or its agents for service. Wootten declaration paragraph 7, 73 TTABVUE; Vasily declaration paragraph 11, 72 TTABVUE. Respondent provided shipping labels to

¹⁵ Although the purchase agreement was filed as confidential with redacted invoices, the purchase agreement was provided to all purchasers and itself is not confidential.

customers to ship the devices to Korea or to the U.S. agent for warranty repair. Wootten declaration paragraph 7, 73 TTABVUE.

Because of warranty repair delays by Petitioner's agents, Respondent ultimately took over the first-year warranty repair in 2018. Wootten declaration paragraph 4 & 11, 73 TTABVUE. To reflect this change, the parties' modified their distribution agreement assigning all responsibility for first-year warranty services to Respondent sometime in 2018. Guerra 30(b)(6) discovery deposition 61 TTABVUE 231; supplementary Guerra declaration paragraph 13, 79 TTABVUE. Respondent also offered an extended warranty to customers and provided the repair work for the extended warranty. Wootten declaration paragraph 12, 73 TTABVUE; Guerra 30(b)(6) discovery deposition, 61 TTABVUE 263; supplementary Guerra declaration paragraph 14, 79 TTABVUE. Petitioner provided replacement parts to Respondent for repairs of the VIVACE device. Kang 30(b)(6) discovery deposition 75 TTABVUE 67-68 (74 TTABVUE confidential); Guerra 30(b)(6) discovery deposition 61 TTABVUE 235.

g. Technical Questions, Complaints and Recalls

Prior to entering into the distributorship agreement (2013-2015), Petitioner's consultant Greg Moon responded to questions and provided technical advice relating to the VIVACE device. Kang testimonial deposition (cross-examination) 70 TTABVUE 19.

When Respondent became the distributor of the VIVACE device in 2016, Petitioner's consultant continued to answer questions and provide technical advice to consumers. Kang testimonial deposition (cross-examination) 70 TTABVUE 19. In

2016, complaints, questions, or warranty service requests were initially taken in by Respondent and forwarded to Petitioner for response from Petitioner's consultant Greg Moon. Wootten declaration paragraphs 6, 7 & 8, 73 TTABVUE; Kang testimonial deposition (cross-examination) 70 TTABVUE 19; supplementary Guerra declaration paragraph 32, 79 TTABVUE.

The parties agreed that starting in November 2017 Respondent would directly handle complaints and questions for servicing. Kang testimonial deposition (cross-examination) 70 TTABVUE 19. Respondent created a device hotline for questions, complaints, and service requests.¹⁶ Wootten declaration paragraph 13, 73 TTABVUE; Kang testimonial deposition (cross-examination) 70 TTABVUE 19. After 2017, a purchaser could register on the SHEnB website regarding questions or complaints, and this information would then be given to Respondent. Kang testimonial deposition (cross-examination) 70 TTABVUE 20. Respondent also issued a recall for US devices in March/April 2020. Supplementary Guerra declaration paragraph 26, 79 TTABVUE; Vasily declaration paragraph 12, 72 TTABVUE. Respondent provided total quality control records for the FDA and provided them to Petitioner. Supplementary Guerra declaration paragraph 32, 79 TTABVUE.

h. Creation of THE VIVACE EXPERIENCE Mark and Services Offered Under the Mark

Respondent created THE VIVACE EXPERIENCE mark. Guerra 30(b)(6) discovery deposition 61 TTABVUE 211 & 282. Services identified under the mark as

¹⁶ Declarant Dr. Vasily testified that Respondent provided training and technical support and answered questions. Vasily declaration paragraph 12, 72 TTABVUE; Declarant Tanghetti testified similarly. Tanghetti declaration paragraph 7 & 12, 72 TTABVUE.

“body care and microneedling services ... really relate[] to RF microneedling and the use of the VIVACE device.” Guerra 30(b)(6) discovery deposition 61 TTABVUE 293-294. Respondent trains others to use the VIVACE micro-needling device but does not offer paid body care or micro-needling services related to the VIVACE device. Guerra 30(b)(6) discovery deposition 61 TTABVUE 296. Respondent’s CEO explained that the first center offering micro-needling and body care services in connection with THE VIVACE EXPERIENCE mark had to be physician owned (51 percent) in Arizona. Guerra 30(b)(6) discovery deposition 61 TTABVUE 296 & 322. To address the physician ownership issue, Respondent had to create a separate entity; these entities are in the form of care centers in physician’s offices. Guerra 30(b)(6) discovery deposition 61 TTABVUE 296 & 322. Respondent allows purchasers to use THE VIVACE EXPERIENCE mark under the terms and conditions offered through purchase of a VIVACE device and the continued purchase of treatment supplies. Guerra 30(b)(6) discovery deposition 61 TTABVUE 298. Although Respondent’s CEO is not certain of the date for the first patient for THE VIVACE EXPERIENCE, she believes that it was sometime in March 2017, through physician Dr. Farhan Taghizadeh (Dr. T). Guerra 30(b)(6) discovery deposition 61 TTABVUE 323.

i. Trademark Application and Registration

Petitioner created the VIVACE mark. Kang testimonial deposition (cross-examination), 70 TTABVUE 26; Guerra 30(b)(6) discovery deposition, 61 TTABVUE 212 & 282-283. As Petitioner’s distributor, Respondent sold the first VIVACE device in May 2016. Guerra 30(b)(6) discovery deposition 61 TTABVUE 196.

The parties' initial distribution agreement and the subsequent amended exclusive license to distribute agreement do not address trademark use, ownership or assignment of the VIVACE marks. Guerra 30(b)(6) discovery deposition 61 TTABVUE 202-203, 211 & 222; Kang 30(b)(6) discovery deposition 75 TTABVUE 74 (confidential 74 TTABVUE); Kang declaration paragraph 18, 42 TTABVUE.

Respondent filed the trademark applications for the involved marks on May 11, 2017. Respondent did not ask permission to file the trademark applications. Guerra 30(b)(6) discovery deposition 61 TTABVUE 236. The registrations issued on October 24, 2017.

After learning of the trademark registrations in 2018, Petitioner promptly requested their return by assignment when Respondent's CEO MaryAnn Guerra visited Korea in September 2018. Kang testimonial deposition (cross-examination) 70 TTABVUE 11, 21; supplementary Guerra declaration paragraph 23, 79 TTABVUE; Kang declaration paragraph 21, 42 TTABVUE 8. Petitioner's consultant Peter Jung also talked to Respondent's CEO and requested the assignment of the trademarks. Kang 30(b)(6) discovery deposition 75 TTABVUE 78 (confidential 74 TTABVUE). Petitioner also made the request by email that the marks be assigned to Petitioner. Kang 30(b)(6) discovery deposition 75 TTABVUE 78 (confidential 74 TTABVUE); Kang testimonial deposition (cross-examination) 70 TTABVUE 11, 21 & 22.

Respondent's CEO advised Petitioner that Respondent's Board did not support the assignment or return of the trademark to Petitioner. Supplementary Guerra declaration paragraph 23, 79 TTABVUE; Guerra 30(b)(6) discovery deposition 61

TTABVUE 236-237; Kang declaration paragraph 11, 42 TTABVUE. Respondent's CEO also disputes that she ever communicated to Petitioner that Respondent would assign the rights in the VIVACE mark to Petitioner. Supplementary Guerra declaration paragraph 23, 79 TTABVUE. Petitioner filed a petition to cancel to reclaim ownership of the VIVACE marks on July 14, 2020. Kang testimonial deposition (cross-examination) 70 TTABVUE 26.

C. Whether the Parties' 2017 Amended Distribution Agreement Involves Trademark Rights

The Board may consider the terms of a contract, and the meaning and interpretation of the contract may be resolved by the Board to decide matters within its jurisdiction. *Selva & Sons, Inc. v. Nina Footwear, Inc.*, 705 F.2d 1316, 1324 (Fed. Cir. 1983). The interpretation of an agreement must be based, not on the subjective intention of the parties, but on the objective words of their agreement. *See Novamedix Ltd. v. NDM Acquisition Corp.*, 166 F.3d 1177, 1180 (Fed. Cir. 1999).

The 2017 amended agreement, titled an "exclusive license to distribute" identifies Respondent as a licensee. Petitioner's position is that Respondent's status as a "trademark licensee," is reflected in the agreement, allowing use of the VIVACE marks, but no assignment of ownership or right to register VIVACE trademarks. Supplemental Kang declaration paragraphs 7 & 8, 60 TTABVUE; Petitioner's brief, 85 TTABVUE 20.

Respondent counters this argument by pointing out that the 2017 amended distribution agreement contains no language that Respondent is licensing any marks and that a separate trademark agreement would have been required. Respondent's

brief, 86 TTABVUE 30. Respondent submits that Petitioner is “contractually estopped” by the terms of the agreement from asserting such a trademark license. Respondent’s brief, 86 TTABVUE 30.

The parties amended distribution agreement executed in July 2017, titled as an “exclusive license to distribute,” identifies ABM as a licensee. The agreement provided Respondent with an exclusive license to distribute Petitioner’s VIVACE RF micro-needling device and needle tips for a five-year term and included an option to renew.¹⁷ As set forth in the parties’ agreement, the “exclusive license” grants the distributor exclusive rights to distribute assets (the VIVACE device and needle tips) in a specified territory for a specified time period. No other distributor may be licensed to distribute those assets (the VIVACE device and needle tips) while the exclusive license is in effect. *Cf. Cayago Tec GMBH v. iAqua PR LLC*, No. 21-1212 (FAB), 2021 U.S. Dist. LEXIS 216194, at *13 (D.P.R. Nov. 8, 2021) (“A party with the exclusive authority to distribute or sell a patented product is considered an ‘exclusive licensee.’) (citation omitted).

Respondent’s CEO testified that the agreement does not include a trademark provision:

... no clauses that deal with trademark, use of trademark, any of that in any of the agreements. So it doesn’t say we get to use the Vivace mark, and it doesn’t say, you know, that they own it, or it doesn't say we can’t do it. So it’s silent. Guerra 30(b)(6) discovery deposition 61 TTABVUE 203.

And our contract obviously didn’t have anything about trademarks. Never did. Was never amended to do so. Guerra 30(b)(6) discovery deposition 61 TTABVUE 200.

¹⁷ The parties’ 2016 agreement was titled an “exclusive distributorship agreement.”

SHEnB never exhibited any control over ABM's use of the VIVACE marks, nor did the Agreements between ABM and SHEnB include any provisions for SHEnB to do so. Guerra supplementary declaration paragraph 29, 79 TTABVUE.

Also, our contract with SHENB did not address the issue of trademark ownership and therefore ABM felt comfortable in paying 100% of all costs related to brand development and marketing materials. Guerra supplementary declaration paragraph 5, 79 TTABVUE.

Petitioner's CEO agreed:

[The Agreement] ... never assigned ownership rights to SHEnB's VIVACE mark or device to ABM. Nor did it grant ABM the right to register the VIVACE mark, or any mark that contains the VIVACE mark ... in the U.S. or any other country. Supplemental Kang declaration paragraph 8, 60 TTABVUE.

Clear and unambiguous language would be necessary to license or assign trademarks rights. In this case, there is nothing in the text of the exclusive distributorship agreement addressing trademark rights or suggesting that the right to register the VIVACE trademark (and formatives) was granted to Respondent. In particular, there is no language discussing ownership of the VIVACE (and formatives) trademarks, whether Respondent has a right to register VIVACE (and formatives) marks, and whether Petitioner may challenge those registrations. This type of language is simply not present in the parties' agreement, and we reject Petitioner's argument that the title of the amended distribution agreement: "license to distribute" encompasses VIVACE (and formatives) marks and trademark rights.

Therefore, we find the parties' 2017 amended agreement contains no discussion of trademark rights for the VIVACE (and formatives) marks.

V. Affirmative Defenses

While acknowledging that equitable defenses are not available against fraud claims, Respondent argues the affirmative defenses of equitable estoppel and

estoppel by acquiescence are available in connection with the likelihood of confusion claim. Respondent's brief, 86 TTABVUE 36. We also consider these defenses in connection with the ownership claim.

As applied in trademark opposition or cancellation proceedings, defenses must be tied to a party's *registration* of a mark, not to a party's use of the mark. *Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes, Inc.*, 971 F.2d 732, 734 (Fed. Cir. 1992) citing *Nat'l Cable TV Ass'n v. Am. Cinema Editors, Inc.*, 937 F.2d 1572, 1581 (Fed. Cir. 1991) ("In an opposition or cancellation proceeding the objection is to the rights which flow from registration of the mark"); *Coach House Rest. Inc. v. Coach & Six Rests., Inc.*, 934 F.2d 1551, 1558 (11th Cir. 1991); *see also In re Wella, A.G.*, 787 F.2d 1549, 1554 (Fed. Cir. 1986) (Nies, J., additional views) (right to use and right to register are "separate and distinct"). Respondent filed the trademark applications for VIVACE and THE VIVACE EXPERIENCE on May 11, 2017, with the registrations issuing on October 24, 2017. Petitioner filed the petition to cancel on July 14, 2020.

Both the equitable estoppel defense and acquiescence defense rely on the same set of facts. Respondent identifies the following conduct as the basis for the equitable estoppel and acquiescence claims: Petitioner removed its name from the front of the VIVACE device and replaced it with Respondent's name in February 2017; it allowed Respondent to remove Petitioner's name from the user manual and replace it with Respondent's name in February 2017; Respondent was the contact for inquiries, customer complaints, and replacement of the VIVACE device; Respondent provided its name on the warranties and took over warranty services and repair in January

2018; and Respondent sent out the recall notice due to non-clearance by the FDA of the 2mhz setting on the VIVACE device in March/April 2020. Respondent's brief, 86 TTABVUE 39. Respondent also points to Respondent's sole importer designation in the parties' distribution agreement, and Petitioner's conduct "encouraging consumers to identify Respondent as the source" resulting in Respondent spending significant amounts of money on distribution, promotion, advertisement and sales of goods and services offered, developing training systems and systems for customer complaints and technical support, and continuing to ship VIVACE devices with Respondent's name on the VIVACE device and user manual until the parties ended their relationship in July 2022. Respondent's brief, 86 TTABVUE 38, 39.

Petitioner argues that it objected to Respondent's ownership of the VIVACE registrations ever since Petitioner learned of them and never suggested it consented to Respondent's ownership of the registrations or that it would abandon them. Petitioner's reply brief, 87 TTABVUE 18. Petitioner argues that "[g]iven Petitioner's consistent objection, it is unreasonable for Respondent to believe it should own the VIVACE mark or any mark that includes the VIVACE mark for goods or services related to RF micro-needling." Petitioner's reply brief, 87 TTABVUE 18.

A. Equitable Estoppel

The elements required to establish the defense of equitable estoppel are (1) misleading conduct, which may include not only statements and action but silence and inaction, leading another to reasonably infer that rights will not be asserted against it; (2) reliance upon this conduct; and (3) due to this reliance, material prejudice if the delayed assertion of such rights is permitted. *See Lincoln Logs*, 971

F.2d at 734. “The equitable estoppel defense must be tied to a party’s registration of a mark, not to a party’s use of the mark.” *Id.*

None of the above-described actions by Petitioner could be considered to have misled Respondent into believing that Petitioner would not object to *registration* of the VIVACE marks nor file a cancellation action. This is so even if we consider that Petitioner’s actions were active representations that Respondent could use the VIVACE (and formatives) marks. The evidence shows that Petitioner objected to the VIVACE (and formatives) registrations and requested Respondent assign the trademarks once it learned about them. When Petitioner refused to assign the trademarks, Petitioner ultimately initiated a cancellation action. We find that the conduct described by Respondent does not constitute affirmatively misleading conduct in the form of either misrepresentations or frequent communications or actions regarding whether Petitioner would object to Respondent’s registration of the VIVACE and THE VIVACE EXPERIENCE trademarks.

Because the evidence does not support a finding that Petitioner engaged in misleading conduct as to registration of the VIVACE and THE VIVACE EXPERIENCE marks – a required element of equitable estoppel – there is no need to address the other elements of this defense. *Lincoln Logs*, 971 F.2d at 735 (asserted defense of equitable estoppel fails as a matter of law by reason of applicant’s failure to establish a necessary element of the defense); *Coach House*, 934 F.2d at 1559 (“the absence of one element of the acquiescence case is sufficient to deny the equitable relief requested”). Respondent’s equitable estoppel defense fails.

B. Acquiescence

“Acquiescence is a type of estoppel that is based upon the plaintiff’s conduct that expressly or by clear implication consents to, encourages, or furthers the activities of the defendant, that is not objected to.” *Christian Broad. Network, Inc. v. ABS-CBN Int’l*, 2007 TTAB LEXIS 72, at *45 (TTAB 2007). Acquiescence requires proof of three elements: (1) that plaintiff actively represented that it would not assert a right or a claim; (2) that the delay between the active representation and assertion of the right or claim was not excusable; and (3) that the delay caused defendant undue prejudice. *Coach House Rest.*, 934 F.2d at 1558. To establish the defense of acquiescence, defendant must prove that plaintiff’s conduct amounted to “an assurance by the plaintiff to the defendant, either express or implied, that plaintiff will not assert his trademark rights against the defendant.” *CBS Inc. v. Man’s Day Publ. Co.*, 1980 TTAB LEXIS 2, at *13 (TTAB 1980). The acquiescence defense must be tied to a party’s registration of a mark, not to a party’s use of the mark. *Lincoln Logs Ltd.*, 971 F.2d 734; *Nat’l Cable TV Ass’n.*, 937 F.2d at 1581 (“Moreover, an objection to registration does not legally equate with an objection to use, that is, a charge of infringement”).

Respondent argues that by the above-described conduct Petitioner acquiesced to Respondent’s VIVACE (and formatives) registrations. However, we do not find Petitioner’s actions support such a finding. Even if we consider that Petitioner’s actions were active representations that Respondent could *use* the VIVACE (and formatives) marks, those actions cannot be viewed as actively representing or implying that Petitioner recognized Respondent as the owner or was allowing

Respondent *to register* the VIVACE and THE VIVACE EXPERIENCE trademarks. *See Coach House Rest.*, 934 F.2d at 1558 (“Although petitioner actively represented that the registrant could use its logo, petitioner did not represent or imply that it would allow registrant to register the petitioner’s service mark on the federal Principal Register.”). We find there was no active representation that Petitioner would not object to Respondent’s registration of the VIVACE and THE VIVACE EXPERIENCE marks.

The absence of one element of the acquiescence defense is sufficient to deny the equitable relief requested. *Coach House Rest.*, 934 F.2d at 1559. Because we find there was no active permission to register the VIVACE marks, the acquiescence defense fails.

VI. Likelihood of Confusion

A. Priority

“[I]n any controversy involving ownership of a particular mark or priority therein, the right thereto accrues to the party first to use the mark in trade and not to the first adopter but subsequent user in trade. In sum, trademark rights arise from use and not mere adoption.” *La Maur, Inc. v. Int’l Pharm. Corp.*, 1978 TTAB LEXIS 57, at *14-15 (TTAB 1978).

Petitioner does not own an existing registration and relies on prior common law rights in the VIVACE mark.¹⁸

¹⁸ Analogous use must be pleaded. *Cent. Garden & Pet Co. v. Doskocil Mfg. Co.*, 2013 TTAB LEXIS 439, at *19 (TTAB 2013) (citation omitted), Petitioner’s analogous use argument can be considered if we find that the issue has been tried by implied consent (there was clearly no express consent). In this case, Petitioner introduced evidence without objection from

In order for Petitioner to prevail on a claim of likelihood of confusion based on its ownership of common-law rights in the mark, the mark must be distinctive, inherently or by acquired distinctiveness, and Petitioner must show priority of use. *See Otto Roth & Co. v. Universal Foods Corp.*, 640 F.2d 1317, 1321 (CCPA 1981). There is no evidence or argument in the record showing that VIVACE is not distinctive and so we find VIVACE is a distinctive mark. *Wet Seal, Inc. v. FD Mgmt.*, 2007 TTAB LEXIS 21, at *14 (TTAB 2007).

To establish priority on a likelihood of confusion claim brought under Trademark Act §2(d), a party must prove that, vis-à-vis the other party, it owns “a mark or trade name previously used in the United States ... and not abandoned...” Trademark Act Section 2, 15 U.S.C. §1052. A party may establish its own prior proprietary rights in a mark through ownership of a prior registration, actual use, trade name use, or through use analogous to trademark use, such as use in advertising which creates a public awareness of the designation as a trademark identifying the party as a source. See Trademark Act §§2(d) and 45, 15 U.S.C. §§ 1052(d) & 1127; *T.A.B. Sys. v. PacTel Teletrac*, 77 F.3d 1372, 1375 (Fed. Cir. 1996); *Herbko Int’l Inc. v. Kappa Books Inc.*, 308 F.3d 1156, 1162 (Fed. Cir. 2002); *Giersch v. Scripps Networks Inc.*, 2009 TTAB LEXIS 72 at *7-8 (TTAB 2009). We “look at the evidence as a whole, as if each piece

Respondent as to pre-sales activity and Respondent addressed the evidence in its brief. Therefore, we consider the analogous use issue to have been tried by implied consent. *Id.* and Fed. R. Civ. P. 15(b). *In re Cedar Point, Inc.*, 1983 TTAB LEXIS 15, at *7 (TTAB 1983) (applicant or registrant may rely on analogous use in an inter parties proceeding). However, since we find actual use in commerce, we find it unnecessary to address the analogous use issue.

of evidence were part of a puzzle which, when fitted together, establishes prior use.”
W. Fla. Seafood, Inc. v. Jet Rests., Inc., 31 F.3d 1122, 1125-26 (Fed. Cir. 1994).

In order for Petitioner to establish priority, it must prove by a preponderance of the evidence that it has a proprietary interest in the mark VIVACE and that the interest was obtained prior to the earliest of either Respondent’s constructive use date (application filing date for the registration) or any earlier date on which Respondent can rely. *Hydro-Dynamics Inc. v. George Putnam & Co.*, 811 F.2d 1470, 1472 (Fed. Cir. 1987); *Cent. Garden & Pet Co.*, 2013 TTAB LEXIS 439 at *13 (“when an application or registration is of record, the party may rely on the filing date of the application for registration, i.e., its constructive use date”).

a. Respondent’s Priority Date

Respondent’s filing date of its applications for registration in this case is May 11, 2017 which Respondent may rely on as its priority date. Respondent has not sought to rely on an earlier use date.

b. Petitioner’s Priority Date

Petitioner seeks to establish a priority date based on shipments of the VIVACE RF micro-needling device to doctor Steven Gitt and Dr. Farhan Taghizadeh for clinical trials. Petitioner’s brief, 85 TTABVUE 25-27. Based on witness testimony, discussed above, we find that Petitioner has proven priority with a priority date at least as early as February 23, 2014 based on its shipment of the VIVACE device to Dr. Gitt (and later to Dr. Taghizadeh) for clinical trials for purposes of the premarket 510(k) submission to the FDA. *Cf. Alfacell Corp. v. Anticancer, Inc.*, 2004 TTAB LEXIS 441, at *5-6 (TTAB 2004) (the term “use in commerce” encompasses shipments

of Pharmaceuticals for pre-clinical trials in this country and for clinical trials abroad prior to receiving FDA approval as a reflection of common industry practice).

Respondent argues that “even if Petitioner establishes prior common law use rights to the VIVACE mark, it failed to maintain continuous use of the mark in a way that customers would identify Petitioner as the source of the VIVACE devices and as the party that stands behind the VIVACE devices.” Respondent’s brief, 86 TTABVUE 16. However, continuous use is not required to establish Petitioner’s priority. *Kemi Organics, LLC v. Gupta*, 2018 TTAB LEXIS 149, at *22 (TTAB 2018) (“Section 2(d) ‘does not speak of ‘continuous use,’ but rather of whether the mark or trade name has been ‘previously used in the United States by another and not abandoned.’”).

1. Whether the sole importer effected an assignment of the VIVACE marks and resulted in abandonment?

Respondent argues abandonment based on the assignment of “sole importer” authority to Respondent in the parties’ July 12, 2017 amended distribution agreement.¹⁹ Respondent’s brief, 86 TTABVUE 35.

The parties’ amended agreement includes a clause that states:

The LICENSEE, as sole importer, is considered US manufacturing by the FDA and responsible for regulatory reporting and oversight. Therefore, the COMPANY assigns the LICENSEE irrevocable authority

¹⁹ Respondent argues that even if Respondent was not entitled to register the marks at issue on the date it filed the trademark applications, Petitioner subsequently abandoned any rights it may have had in the VIVACE marks by effectively assigning away its trademark rights in the parties’ July 2017 amended distribution agreement. Respondent’s brief, 86 TTABVUE 32. However, if this were so, any purported assignment would have occurred in July 2017 *after* the filing of the involved trademark applications, meaning that Respondent would not have been assigned the rights at the time of the May 2017 application filing date, rendering the applications void ab initio. *See Huang v. Tzu Wei Chen Food Co. Ltd.*, 849 F.2d 1458, 1459, 1460 (Fed. Cir. 1988) (affirming Board’s holding that an application was void ab initio because the applicant was not the owner of the mark on the filing date).

to act as the “Sole Importer” for the FDA, Canadian and Mexican market clearance purposes. Petitioner’s second notice of reliance, confidential, 62 TTABVUE.

Respondent argues that “the provision in the [parties’ 2017 amended] agreement that irrevocably assigns sole importer rights to Respondent in effect functions as an assignment of the rights in the mark because the agreement does not separate out trademark rights from the device itself.” Respondent’s brief, 86 TTABVUE 35. Respondent submits that since only Respondent can import the device, Petitioner has abandoned its rights to the VIVACE device and its use of the VIVACE mark on the device.²⁰ Respondent’s brief, 86 TTABVUE 35.

Petitioner responds that “this type of [sole importer] provision is a hallmark of a typical agreement between a foreign manufacturer and domestic distributor and is in no way indicative of intent to assign trademark rights in a device presently manufactured and sold by Petitioner under the VIVACE mark throughout the world.” Petitioner’s reply brief, 87 TTABVUE 12. Petitioner submits that the “sole importer” clause of the parties’ agreement does not mention the VIVACE mark and that “[a]ssigning a right to import a device is very different than assigning a trademark.” Petitioner’s reply brief, 87 TTABVUE 13 & 14. Petitioner contends that “the agreement was never understood by either party to assign any trademark rights” and Respondent’s interpretation contradicts the testimony of Respondent’s CEO that no trademark rights were addressed. Petitioner’s reply brief, 87 TTABVUE 14.

²⁰ The distribution agreement between the parties has since ended.

As to the assignment of the sole importer authority, Petitioner's witness explained:

The above [sole importer] term did not assign any trademark rights to ABM. It only gave ABM authority to interact with the FDA for clearance purposes.

Supplemental Kang declaration paragraph 10, 60 TTABVUE.

The sole importer assignment was "just to manage what was already approved by the FDA regarding the regulations. So this is totally unrelated to assigning the authority of trademark." Kang testimonial declaration (cross-examination), 70 TTABVUE 24.

Respondent's witness testified:

So we wanted to tighten up our regulatory, and that's where we put "The sole importer is considered U.S. manufacturer by the FDA, responsible for regulatory reporting and oversight." We thought it was important that it be clear that we're responsible 100 percent for everything that happened in the United States. And then the company assigned the licensed "irrevocable authority to act as the sole importer for the FDA Canadian-Mexican market clearance processes." ... therefore, that strengthened that – you know, as far as we've been assigned that. So irrevocable. So, I mean, I look at that and thought that was good because I don't see how anybody could distribute the Vivace when we've been assigned the sole importer role irrevocably. Guerra 30(b)(6) discovery deposition 61 TTABVUE 224-225.

Q ... So by the amended agreement, you – ABM took a license from SHEnB to the Vivace product? Is that – is that accurate?

A. Right. You could read it as that.

Guerra 30(b)(6) discovery deposition, 61 TTABVUE 226.

Q. And it also does not say that the mark is assigned from one party to the other?

A. No. The only thing that was assigned was the irrevocable license for us to act as the regulatory – as the sole importer in Canada, United States, and Mexico. That was the only thing that was assigned under the agreement.

Guerra 30(b)(6) discovery deposition, 61 TTABVUE 203; 61 TTABVUE 203.

A. ... we're assigned the regulatory rights.

Guerra 30(b)(6) discovery deposition 61 TTABVUE 214.

I specifically requested that this [sole importer] language be added to the Agreement so that ABM would have full control over the VIVACE devices purchased by customers, especially those in the U.S. ... Additionally, the new agreement included an automatic 5-year renewal therefore we felt our request for the assignment made sense in light of the time frame ABM would be distributing the device. Guerra Supplementary declaration paragraph 6, 79 TTABVUE.

The agreement assigned Respondent with “irrevocable authority to act” as the “Sole Importer” for FDA regulatory reporting, oversight, and market clearance, but this authority did not extend to an assignment of trademark rights. The plain meaning of this provision has to do with regulatory rights to work with and communicate to the FDA. The witnesses’ testimony is consistent with this interpretation. As the parties’ witnesses testified, the sole importer assignment was limited to regulatory matters with the U.S. FDA, Canada and Mexico. Because this authority relates to regulatory rights and not trademark rights, we find no assignment of VIVACE trademark rights from this provision in the parties’ agreement.

As discussed below, we also find no abandonment by Petitioner of the VIVACE mark under the “sole importer” clause in the parties’ agreement.

2. Whether under the sole importer provision the device and the mark are inseparable?

Respondent argues that the sole importer provision effects an abandonment because of the inseparability of the mark and the product:²¹

Because of that provision, no one but Respondent can import the VIVACE device into the U.S. Therefore, since Petitioner is unable to give anyone else, including itself, the right to import the VIVACE device into the U.S., Petitioner has abandoned its rights to the VIVACE device and its use of the mark on the device.

Respondent's brief, 86 TTABVUE 35.

It appears that Respondent is arguing something akin to the “[a]nti-assignment-in-gross rule” “that good will always go with the trademark.” 2 McCarthy on Trademarks and Unfair Competition § 18:3 (5th ed. November 24, 2024 update). “The law’s requirement that good will always go with the trademark is a way of insuring that the assignee’s use of the mark will not be deceptive, and will not break the continuity of the thing symbolized by the assigned mark.” *Id.*

However, since this provision in the parties’ agreement relates to the assignment of regulatory reporting, oversight, and market clearance and has nothing to do with assignment of trademarks, this argument fails.

3. Has the sole importer provision terminated?

We also find that the sole importer provision has now been terminated.

The parties’ 2017 amended exclusive distribution agreement provided for a five-year term, with options to renew and extend. Petitioner had the ability to terminate the amended agreement under certain conditions by 30-days written notice. Although the term “irrevocable” is used in connection with the sole importer designation, no

²¹ This argument is unelaborated.

other provisions of the parties' agreement indicate that the parties plainly contracted for the sole importer authority to be applicable after the agreement ended.

In the Duration & Termination section of the parties' amended distribution agreement, no provisions indicate that the parties contracted for Respondent's sole importer authority to be applicable after the agreement ceased to be in force. Nor does the agreement contain a survival clause as to the assignment of Respondent's authority as "sole importer" once the agreement terminates.

The exclusive license to distribute is not a right which by its nature survives termination, and the sole importer authority goes hand in hand with the exclusive distribution/license agreement. Reading the agreement as a whole, it would be inconsistent to allow the sole importer designation to survive the termination of the exclusive license to distribute provided for in the agreement.²² We find the assignment of the sole importer authority is subject to reversion upon termination. *See Powlus v. Chelsey Direct, LLC*, No. 09-cv-10461, 2011 U.S. Dist. LEXIS 3287, at *6 (S.D.N.Y. Jan. 10, 2011) (contract's grant of "irrevocable" license was "inconsistent with an intended right to rescind for non-payment"); *cf. Major-Prodotti Dentari-Societa in Nome Collettivo di Renaldo Giovanni & Figli v Shimer*, 1968 TTAB LEXIS 208 at *3-4 (TTAB 1968) ("In view of the express provisions of the contract governing the relationships between petitioner and respondent, it is clear that when the agreement expired, any rights which respondent may have had in the mark during the life of the agency immediately reverted to petitioner.").

²² If Respondent is no longer distributing the goods, it is unclear how Respondent would be the proper authority to respond to any regulatory action by the FDA.

In this case, Respondent terminated its agreement with Respondent at the end of the 5-year period in July 2022. Guerra supplementary declaration paragraph 34, 79 TTABVUE; Kang declaration paragraph 20, 42 TTABVUE. Therefore, the sole importer provision of the parties' agreement ceased to be in force and did not result in abandonment of the VIVACE trademark.

4. Whether Petitioner lacked control over use of the VIVACE mark?

Although as discussed, the parties' distribution agreement does not address trademark rights, Respondent also argues that the parties' exclusive distributorship agreement omits any provision in which Petitioner maintains control over the use of the VIVACE mark. 86 TTABVUE 15-16. We construe this argument also to be directed to abandonment.

We find that Respondent cannot argue abandonment based on lack of licensor control. Under the doctrine of licensee estoppel, during the time that a license is in force, a licensee cannot challenge the validity of the mark based on facts that occurred during the time of the license. *Fuji Med.*, 2021 TTAB LEXIS 270, at *19; *Estate of Biro v. Bic Corp.*, 1991 TTAB LEXIS 65, at *17 (TTAB 1991) ("Inasmuch as applicant is challenging the agreement based on facts which occurred during the time frame of the 'license', we find that applicant is estopped under the doctrine of licensee estoppel.").

B. Conclusion as to Priority

We find that Petitioner has priority with respect to the VIVACE mark.

C. Relevant *DuPont* Factors

Our determination under Trademark Act Section 2(d) is based on an analysis of all of the facts in evidence that are relevant to the factors bearing on the issue of likelihood of confusion. *In re E. I. DuPont de Nemours & Co.*, 476 F.2d 1357, 1361 (CCPA 1973) (setting forth factors to be considered, referred to as “*DuPont* factors”).

In any likelihood of confusion analysis, two key considerations are the similarities between the marks and the similarities between the goods or services. *See Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 1103 (CCPA 1976) (“The fundamental inquiry mandated by § 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods [or services] and differences in the marks.”).

We discuss the *DuPont* factors for which there is relevant argument and evidence.²³ *See In re Guild Mortg. Co.*, 912 F.3d 1376, 1379 (Fed. Cir. 2019); *see also Herbko*, 308 F.3d at 1164 (“The likelihood of confusion analysis considers all *DuPont* factors for which there is record evidence but ‘may focus ... on dispositive factors, such as similarity of the marks and relatedness of the goods [or services].’”).

We focus our analysis on Respondent’s THE VIVACE EXPERIENCE mark because this is the mark that Petitioner has addressed in connection with the likelihood of confusion claim.

²³ Petitioner only addresses the first and second *DuPont* factors in connection with THE VIVACE EXPERIENCE mark. 85 TTABVUE 38-40. Respondent did not address the likelihood of confusion claim except in the context of the defenses. 86 TTABVUE 36.

a. Similarity of the Marks

Under this *DuPont* factor, we compare the marks for similarities or dissimilarities in appearance, sound, connotation and commercial impression. *Palm Bay Imps. Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 1371 (Fed. Cir. 2005). Similarity in any one of these factors—appearance, sound, connotation and commercial impression—is sufficient to support a determination of likelihood of confusion. *See Krim-Ko Corp. v. Coca-Cola Co.*, 390 F.2d 728, 731 (CCPA 1968) (“It is sufficient if the similarity in either form, spelling or sound alone is likely to cause confusion.”); *In re White Swan Ltd.*, 1988 TTAB LEXIS 37, at *3 (TTAB 1988) (“In appropriate cases, a finding of similarity as to any one factor (sight, sound or meaning) alone ‘may be sufficient to support a holding that the marks are confusingly similar.’”) (citations omitted)).

We consider the marks in their entirety; the analysis cannot be predicated on dissecting the marks into their various components. *In re Nat’l Data Corp.*, 753 F.2d 1056, 1058 (Fed. Cir. 1985). The focus is on the recollection of the average purchaser, who normally retains a general rather than a specific impression of trademarks. *See Inter IKEA Sys. B.V. v. Akea, LLC*, 2014 TTAB LEXIS 166, at *17 (TTAB 2014); *Sealed Air Corp. v. Scott Paper Co.*, 1975 TTAB LEXIS 236, at *6 (TTAB 1975). The similarity or dissimilarity of marks “is not a binary factor but is a matter of degree.” *In re St. Helena Hosp.*, 774 F.3d 747, 752 (Fed. Cir. 2014) (internal quotation omitted)).

The test is not whether the marks can be distinguished when subjected to a side-by-side comparison, but rather, whether the marks are sufficiently similar in terms

of their overall commercial impression that confusion as to the source of the goods or services offered under the respective marks is likely to result. *See Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 1368 (Fed. Cir. 2012) (quoting *Leading Jewelers Guild, Inc. v. LJOW Holdings, LLC*, 2007 TTAB LEXIS 35, at * 14 (TTAB 2007)).

Petitioner's mark is VIVACE and Respondent's mark is THE VIVACE EXPERIENCE.

Respondent's mark is in standard characters. Petitioner's mark is based on its common law rights as actually used. *DowntownDC Bus. Improvement Dist. v. Clarke*, 2024 TTAB LEXIS 412, at *67 (TTAB 2024). Petitioner's VIVACE mark has been displayed on its goods and in its user information in simple block lettering in slightly stylized form, for example:



Kang declaration, 42 TTABVUE 22-23, 65, 66.

Respondent's mark is in standard characters, is not limited to any particular depiction (font style, size or color), and could conceivably be displayed in the same

font style, size or color as Petitioner's common law mark. *See In re Viterra Inc.*, 671 F.3d 1358, 1363-64 (Fed. Cir. 2012).

Respondent's mark THE VIVACE EXPERIENCE incorporates Petitioner's VIVACE mark in its entirety. "Marks have frequently been found to be similar where one mark incorporates the entirety of another mark, as is the case here." *TiVo Brands LLC v. Tivoli, LLC*, 2018 TTAB LEXIS 439, at *51-52 (TTAB 2018). *See also Coca-Cola Bottling Co. of Memphis, Tennessee, Inc. v. Joseph E. Seagram and Sons, Inc.*, 526 F.2d 556, 557 (CCPA 1975) (BENGAL for gin and BENGAL LANCER & Design for nonalcoholic club soda, quinine water and ginger ale similar); *Double Coin Holdings Ltd. v. Tru Dev.*, 2019 TTAB LEXIS 347, at *23 (TTAB 2019) (finding ROAD WARRIOR and WARRIOR similar); *In re Integrated Embedded*, 2016 TTAB LEXIS 470, at *31 (TTAB 2016) ("[L]ikelihood of confusion is often found where the entirety of one mark is incorporated within another") (finding BARR and BARR GROUP similar).

The definite article "the" in THE VIVACE EXPERIENCE does not have any trademark significance to distinguish the marks. *In re Thor Tech, Inc.*, 2009 TTAB LEXIS 253 at * 3 (TTAB 2009) ("[t]he addition of the word 'The' at the beginning of the registered mark does not have any trademark significance."). The term EXPERIENCE is defined as an "event or occurrence that leaves an impression on someone."²⁴ EXPERIENCE is suggestive of a desired encounter or result from

²⁴ RANDOM HOUSE UNABRIDGED DICTIONARY, dictionary.com. The Board may take judicial notice of dictionary definitions, *Univ. of Notre Dame du Lac v. J.C. Gourmet Food Imp. Co.*, 1982 TTAB LEXIS 146, at *7 (TTAB 1982), *aff'd*, 703 F.2d 1372 (Fed. Cir. 1983), including

Respondent's micro-needling and body care services. VIVACE is the arbitrary and more dominant term in THE VIVACE EXPERIENCE mark. *See In re M. Serman & Co.*, 1984 TTAB LEXIS 74, at *2-3 (TTAB 1984) (CITY found as more arbitrary and dominant for the marks CITY GIRL and CITY WOMAN, where the second term of each designation is highly suggestive, perhaps even descriptive of women's apparel).

VIVACE is an arbitrary term without any meaning in connection with the goods and services. Accordingly, as to connotation and commercial impression, VIVACE has the same arbitrary connotation and commercial impression as applied to micro-needling goods and services. In addition, the marks are similar in sound and appearance as to the term VIVACE.

When considered in their entireties, VIVACE and THE VIVACE EXPERIENCE are similar in appearance, sound, meaning and commercial impression. Although we acknowledge that Respondent's mark has some differences in appearance and pronunciation due to the inclusion of the other wording, these differences are not as significant as the similarities in sound and appearance created by the identical common shared term VIVACE. In Respondent's mark, VIVACE contributes more to the commercial impression of the mark than the suggestive term EXPERIENCE and the definite article THE. *See Palm Bay Imps.* 396 F.3d at 1372-73 (in the mark VEUVE ROYALE, the arbitrary term VEUVE contributes more to commercial impression of the product than ROYALE). The presence of the strong distinctive term

online dictionaries that exist in printed format or have regular fixed editions. *In re Red Bull GmbH*, 2006 TTAB LEXIS 136 at *9 (TTAB 2006).

VIVACE in each mark renders the marks similar in light of the suggestiveness of EXPERIENCE and the lack of trademark significance of the definite article THE. *Id.*

We find that, when compared in their entireties, the marks are similar, and that this *DuPont* factor favors a finding of likelihood of confusion.

b. Similarity or Dissimilarity of the Goods and Services

Under the second *DuPont* factor we consider the “similarity or dissimilarity and nature of the goods or services as described in an application or registration.” *DuPont*, 476 F.2d at 1361.

Where, as here, Petitioner is relying upon common law use of its mark, consideration of the question of likelihood of confusion must be confined to the specific goods or services on which the mark has been used. *DowntownDC Bus. Improvement Dist.*, 2024 TTAB LEXIS 412, at *71. Thus, we base our evaluation on the services as they are identified in Respondent’s registration and the goods Petitioner has established are in actual use in association with the VIVACE mark. *Hunter Indus., Inc. v. Toro Co.*, 2014 TTAB LEXIS 105, at *34 (TTAB 2014) (“Although opposer’s common law rights are limited to the actual goods and channels of trade for which it uses its mark, we must consider applicant’s goods to encompass all the goods as they are recited in the application.”) (citation omitted).

Respondent’s services for THE VIVACE EXPERIENCE are “providing personalized beauty spa services, namely, cosmetic body care and microneedle services.” Petitioner has shown use of its VIVACE mark on a microneedle device and needle tips.

Inherent relatedness often exists when the services in question include or focus on the sale of the particular goods in question. *See Hewlett-Packard Co. v. Packard Press Inc.*, 281 F.3d 1261, 1268 (Fed. Cir. 2002) (holding that a registration for “electronic transmission of data and documents via computer terminals” is very similar to a registration covering “facsimile machines, computers, and computer software”); *In re Hyper Shoppes (Ohio), Inc.*, 837 F.2d 463, 464 (Fed. Cir. 1988) (general merchandise store services which includes the sale of furniture is related to furniture); *In re Country Oven, Inc.*, 2019 TTAB LEXIS 381 at *16 (TTAB 2019) (finding bakery services and bread buns related noting “the relationship between baked goods, including bread buns, and bakeries is the opposite of obscure, unknown, or generally unrecognized”).

Respondent’s witness testified that THE VIVACE EXPERIENCE services are offered in conjunction with Petitioner’s VIVACE micro-needling device. Because Petitioner’s micro-needling device is used in conjunction with Respondent’s micro-needling services, we find the goods and services are related.

The second *DuPont* factor weighs in favor of likelihood of confusion.

D. Conclusion as to Likelihood of Confusion

The similarity of the marks, and the similarity of the goods and services weigh in favor likelihood of confusion. We find confusion with THE VIVACE EXPERIENCE mark likely based on Opposer’s common law VIVACE mark.

VII. Ownership

We next turn to Petitioner's claim that it is the owner of the VIVACE mark, and was the owner at the time Respondent filed its application that matured into the involved registration.²⁵

Only the owner of a mark may apply to register it. 15 U.S.C. § 1051(a). A use-based application filed by a person who does not own the mark at the time of filing is void ab initio. *Lyons v. Am. Coll. Of Veterinary Sports Med. & Rehab.*, 859 F.3d 1023, 1027 (Fed. Cir. 2017); *Huang v. Tzu Wei Chen Food Co. Ltd.*, 849 F.2d at 1460 (affirming Board's holding that an application was void ab initio because the applicant was not the owner of the mark on the filing date); *UVeritech*, 2015 TTAB LEXIS 242, at *7 n.6 & 26-27 ("[T]he fact that one party may own a federal trademark registration must be considered within this factual context; if the registrant was not the owner of the mark in the first place, the registration is void ab initio."); *see also* Trademark Rule 2.71(d), 37 C.F.R. § 2.71(d) ("An application filed in the name of an entity that did not own the mark as of the filing date of the application is void.").

Ownership "must be determined on a case by case basis dependent on the particular facts adduced in each case." *In re Briggs*, 1986 TTAB LEXIS 139, at *5-6 (TTAB 1986). Our focus is on the parties' activities prior to the May 11, 2017 filing date of the VIVACE application which matured into a registration. *Global Maschinen GmbH v. Global Banking Sys.* 1985 TTAB LEXIS 41, at *7 (TTAB 1985); *see also* *Fuji*

²⁵ Respondent addresses both the VIVACE and THE VIVACE EXPERIENCE marks in respect to Petitioner's ownership claim; however, Petitioner's focus in the brief and evidence of record is in connection with the VIVACE mark. Petitioner's brief, 85 TTABVUE 8, 24-38.

Med. 2021 TTAB LEXIS 270, at *24 (determining ownership at the time of the filing of the application to register).

It has been held that ownership of the mark between the manufacturer of the mark and the exclusive distributor of the product to which the mark is applied is a matter of agreement and that in the absence of an agreement, there is a legal presumption that the manufacturer is the owner of the mark.²⁶ *Lutz Superdyne, Inc. v. Arthur Brown & Bro., Inc.*, 1984 TTAB LEXIS 186 at *26-27 (TTAB 1984) (citation omitted). The presumption that the manufacturer is the owner of a disputed mark may be rebutted. *UVeritech*, 2015 TTAB LEXIS 242, at *25 (citation omitted).

In *UVeritech* and *Fuji Med.*, the Board applied the factual frameworks adopted in *Sengoku Works Ltd. v. RMC Int'l, Ltd.*²⁷, and *Wrist-Rocket Mfg. Co. v. Saunders*,²⁸ to analyze whether the presumption of ownership between a manufacturer and an exclusive distributor was rebutted. The factors looked at included the following: (1) which party created and first affixed the mark to the product; (2) which party's name appeared with the trademark on packaging and promotional materials; (3) which party maintained the quality and uniformity of the product, including technical changes; (4) which party does the consuming public believe stands behind the product, e.g., to whom customers direct complaints and turn to for correction of

²⁶ Respondent has also argued it is not a related company, its use of the mark is not controlled by Petitioner, and therefore, the use does not inure to Petitioner's benefit. Respondent's brief, 84 TTABVUE 10. However, we need not apply the related company doctrine here as Petitioner did not advance this argument but relies on the traditional relationship between a foreign manufacturer and a distributor where there is a presumption that the manufacturer is the owner of the mark. Petitioner's brief, 85 TTABVUE 31.

²⁷ 96 F.3d 1217 (9th Cir. 1996), *modified on other grounds*, 97 F.3d 1460 (9th Cir. 1996)

²⁸ 379 F. Supp. 902 (D. Neb. 1974), *aff'd in part and rev'd in part*, 516 F.2d 846 (8th Cir. 1975).

defective products; (5) which party paid for advertising; and (6) what a party represents to others about the source or origin of the product.²⁹ *UVeritech*, 2015 TTAB LEXIS 242, at *26. *see also Fuji Med.*, 2021 TTAB LEXIS 270, at *24. No one factor in the framework is dispositive. *UVeritech*, 2015 TTAB LEXIS at *26.

Petitioner argues that “the *Fuji Medical* factors should not apply, and the prior use of the VIVACE mark established by Petitioner proves its rightful ownership of the VIVACE marks.” Petitioner’s brief, 85 TTABVUE 33. Petitioner alternatively argues that even under “*Fuji Medical* factors,” it is the owner of the mark. Petitioner’s brief, 85 TTABVUE 33. Respondent argues “even if Petitioner establishes prior common law use rights to the VIVACE mark, it failed to maintain continuous use of the mark in a way that customers would identify Petitioner as the source.” Respondent’s brief, 86 TTABVUE 16. Respondent urges application of the “*Fuji Medical* factors.” Respondent’s brief, 86 TTABVUE 17.

The Court of Appeals in *Wrist-Rocket Mfg.*, 516 F.2d at 850 (*Wrist-Rocket II*) explained that the factual framework to rebut the presumption that a manufacturer is the owner of a disputed mark is applicable to cases where the trademark was created *after* the formation of the business relationship between the manufacturer and distributor, as opposed to “a case where a distributor appropriates to its own use an existing trademark of the manufacturer.” *See also Sengoku*, 96 F.3d at 1221 (finding substantial evidence to support the jury’s finding that Sengoku owned the trademark two years before the parties’ distributorship agreement, was owner of the

²⁹ *Sengoku* is a modified framework, identifying four factors, combining factors 4 and 6 and eliminating factor 5. *Sengoku*, 96 F.3d at 1220.

mark, and had priority); *Global Maschinen*, 1985 TTAB LEXIS 41, at *18 (between foreign manufacturer and distributor, foreign manufacturer established ownership rights in the mark GLOBAL in the United States prior to the filing date of respondent's application for registration and the date of any sales by respondent by virtue of petitioner's independent sale of machines marked with its trademark GLOBAL in U.S. commerce). *See also CSL Silicones, Inc. v. Midsun Grp. Inc.*, 301 F. Supp. 3d 328, 350 (D. Conn. 2018) (*Wrist-Rocket* analysis does not apply because CSL was first to use the mark in the United States prior to any distribution agreement between the parties); *Honor Plastic Indus. Co. v. Lollicup USA, Inc.*, 462 F. Supp. 2d 1122, 1131 (E.D. Cal. 2006) (*Wrist-Rocket* factors not applied because the trademarks were created and used prior to the signing of the distributorship agreement and prior to the parties having contact).

In this case, Petitioner established first use of the VIVACE trademark at least as early as late February 2014, prior to entering into the distribution agreement between itself and Respondent, by its shipments in commerce of the devices to doctors for the clinical trials. Therefore, the factual framework applied in *Uveritech* and *Fuji Med.* is not applicable.

But even if we did analyze the ownership issue under the *Wrist-Rocket* and *Sengoku* factual framework, some factors support Petitioner, and some support Respondent.³⁰

³⁰ Petitioner argues that "Respondent repeatedly dodges providing relevant dates in its brief and lumping together all activity from 2017 into sweeping statements" and submits that the "proffered evidence artificially inflates the extent of its pre-filing use of the VIVACE mark"

Petitioner created and first affixed the VIVACE mark to the micro-needling device, and as the manufacturer controlled the manufacturing quality and uniformity of the goods.³¹ The factor relating to the labeling of the device, is a draw, and is neutral given the dual labeling on the goods after February 2017 as well as the 2016 period when ABM's name was not permanently affixed to the front of the goods and SHEnB's name was present on the user manual and packaging.³² The factor relating to advertising favors Respondent but this is not unusual for a domestic distributor that knows the market; this alone does not give rise to trademark rights.

As to which party the consuming public believe stands behind the product, e.g., to whom customers direct complaints and turn to for correction of defective products, between 2016 through November 2017, Petitioner's agents responded to queries and complaints forwarded by Respondent and repaired the devices. Respondent was the point of contact for the warranty service, questions, and complaints which were then sent to Petitioner's agents to address. The language of the purchase agreement

since many identified activities occur after the relevant May 11, 2017 date. Petitioner's reply brief, 87 TTABVUE 11.

³¹ Respondent's witness Dr. Tanghetti testified that Petitioner's machines were "very good reliable devices" and "well made." Tanghetti testimonial deposition (cross-examination) 84 TTABVUE 6, 10.

³² While it is true that apparently Respondent used a temporary label in 2016 to cover the SHEnB name, the more permanent acrylic label applied to the front of the device with ABM's name only began in February 2017; the user manual identified SHEnB in 2016 on the pages and ABM starting in February 2017. Thus, the acrylic label and user manual were in existence for no more than three months at the time of the filing of the trademark application. SHEnB continued to be identified as the manufacturer on the serial plate and shown on the LCD display UI screen. *See ARSA Distrib. v. Salud Nat. Mexicana S.A. De C.V.*, 2022 TTAB LEXIS 347, at *29 (TTAB 2022) (finding second factor favored the manufacturer where both parties' names appeared on packaging, with applicant identified as manufacturer which signaled to consumers who was responsible for the quality of the product).

identifies ABM as providing the warranty and warranty service. This factor weighs in favor of Respondent.

As to the public perception as to the source of the product, the evidence in the record is insufficient to determine public perception at the time of the filing of the VIVACE trademark application. Respondent provided two witness declarations on this point indicating they viewed Respondent as the source. One of the witnesses—Dr. Tanghetti—purchased the device in September 2017 *after* the relevant period; he also is on Respondent’s scientific advisory board and has stock options for Respondent.³³ Dr. Tanghetti also acknowledged on cross-examination that he knew Petitioner was the manufacturer of the device.³⁴ The other witness, Dr. Vasily, purchased the device on March 2017.³⁵ We find this factor neutral.³⁶

Considering the factual framework, the presumption that Petitioner, the manufacturer, owns the mark has not been rebutted or overcome. *See e.g., Tecnimed SRL v. Kidz-Med, Inc.*, 763 F. Supp. 2d 395, 404 (SDNY 2011).

It has been established that Petitioner is the owner of and was the first to use the VIVACE mark in the United States prior to any distribution agreement between the

³³ Tanghetti testimonial deposition (cross-examination) 84 TTABVUE 45-46; Tanghetti declaration paragraph 5, 72 TTABVUE; second notice of reliance (confidential) 77 TTABVUE. Dr. Tanghetti also indicated that his nurse operated the device and that he did not pay attention to the trademarks or the user manual showing the marks. Tanghetti testimonial deposition (cross-examination) 84 TTABVUE 24, 25, 29.

³⁴ Tanghetti declaration paragraph 12, 72 TTABVUE. While Dr. Tanghetti’s declaration indicates that he views Respondent as the source, he also indicated in cross-examination his awareness of Petitioner as the manufacturer. Tanghetti testimonial deposition (cross-examination) 84 TTABVUE 61.

³⁵ Vasily declaration paragraph 5, 72 TTABVUE.

³⁶ *See ARSA Distrib.*, 2022 TTAB LEXIS 347, at *29-30 (finding the sixth factor favored the manufacturer as the product packaging identified applicant as the manufacturing entity that stood behind the goods as the source).

parties. Because Respondent was not the owner at the time it filed its use-based application, the VIVACE registration is void ab initio. 15 U.S.C. § 1051(a).

Decision:

The petition to cancel is granted on the ownership ground as to the VIVACE mark (Registration No. 5317218); the petition to cancel is granted on the likelihood of confusion ground as to THE VIVACE EXPERIENCE mark (Registration No. 5317219).³⁷

³⁷ Because we have found for Petitioner on the likelihood of confusion and ownership grounds, we do not and need not reach the fraud claim for either mark. *Multisorb Techs. Inc. v. Pactiv Corp.*, 2013 TTAB LEXIS 616, at *3 (TTAB 2013).