

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

Lykos

Mailed: May 17, 2005

Opposition No. 91160956

Tequila Centinela, S.A.
de C.V.

v.

Bacardi & Company Limited

Before Seeherman, Walters, and Kuhlke, Administrative
Trademark Judges.

By the Board:

On July 31, 2002, Bacardi & Co. Ltd. ("applicant")
applied to register the mark displayed below¹



for "alcoholic beverages, namely tequila" in International
Class 33.² Tequila Centinela, S.A. de C.V. ("opposer")
filed a notice of opposition on June 21, 2004. The notice

¹ The wording displayed in the design mark is "TEQUILA CAZADORES
REPOSADO ETC."

of opposition includes the following allegations:

3. Opposer has used, and is now using Opposer's CABRITO & Design trademark (hereinafter sometimes referred to as "Opposer's Mark") in connection with the tequila and other alcoholic beverages distributed and sold by Opposer in commerce.

4. Since at least as early as 1996, Opposer has used in commerce Opposer's CABRITO & Design mark for tequila and other alcoholic beverages....

6. In Opposition No. 91/125,436, Applicant has asserted, *inter alia*, that Opposer's aforesaid CABRITO & Design trademark, presently the subject of Application Serial No. 76/112,825, when used in connection with Opposer's goods, is likely to cause confusion with, and is likely to dilute, Applicant's TEQUILA CAZADORES REPOSADO ETC. & Design mark when used in connection with Applicant's goods.

7. In Opposition No. 91/125,436, applicant's ownership rights in its alleged TEQUILA CAZADORES REPOSADO ETC. & Design mark, as well as the CAZADORES mark of U.S. Trademark Registration No. 1,863,882, had been called into question. Applicant's purported rights [sic] ownership rights in these marks remain unresolved.

8. Should the instant application for TEQUILA CAZADORES REPOSADO ETC. & Design issue as a registration, applicant can use it in Opposition No. 91/125,436 as evidence of its asserted rights in its mark, to the damage of Opposer.

9. WHEREFORE, this Opposer, TEQUILA CENTINLA, S.A. de C.V., believes and avers that it is being and will continue to be damaged by registration of the TEQUILA CAZADORES REPOSADO ETC. & Design trademark as aforesaid, and prays that said Application Serial No. 78/149,334 be rejected, that no registration be issued thereon to Applicant, and that this Opposition be sustained in favor of Opposer.

² Application Serial No. 78149334, filed July 31, 2002, alleging 1986 as the date of first use anywhere and in commerce, with a disclaimer of the wording TEQUILA and REPOSADO. The English translation of CAZADORES is "light infantry" and REPOSADO is "rested."

On July 29, 2004, applicant filed a motion to dismiss for failure to state a claim pursuant to Fed. R. Civ. P. 12(b)(6) concurrently with its answer.

In response to applicant's motion to dismiss, on August 18, 2004, opposer filed a short responsive brief as well as a motion for leave to file an amended notice of opposition. Opposer's amended notice of opposition includes the following new allegations:

4. Beginning prior to the filing date of Applicant's application, Opposer has used Opposer's CABRITO & Design mark for tequila and other alcoholic beverages.

6. On information and belief, Opposer has earlier rights in the trademark CABRITO & Design in the United States than can be asserted by Applicant for its trademark TEQUILA & CAZADORES REPOSADO ETC. & Design as a result of Opposer's use of its trademark and the filing date of Opposer's Application Serial No. 76/112,825.

7. The goods identified in Application Serial No. 78/149,334 are identical or closely related to the goods that Opposer previously and continuously has used in connection with Opposer's Mark, that is identified in Opposer's prior filed Application Serial No. 76/112,825.

8. If, as alleged by Bacardi & Company Limited in Opposition No. 91/125,436, there is a likelihood that the use of CABRITO & Design would cause a likelihood of confusion with the use of the marks CAZADORES and/or CAZADORES & Design, it follows that the use of applicant's trademark CAZADORES REPOSADO ETC. & Design would cause confusion with Opposer's trademark CABRITO & Design.

9. If, hypothetically, the likelihood of confusion alleged in paragraph 8 exists, the registration of the mark TEQUILA & Design of Application Serial No. 78/149,334 would damage Opposer and would be in derogation of Trademark Act Section 2(d), 15 USC §1052(d).

On September 3, 2004, applicant filed a second motion to dismiss, again contending that opposer's amended notice

of opposition failed to state a claim upon which relief can be granted. Opposer filed a responsive brief on September 22, 2004. The parties subsequently filed supplemental papers bringing to the attention of the Board new developments in Opposition No. 91125436, which was referenced by opposer in its pleading.³

In its motion to dismiss, applicant argues that opposer fails to allege facts which if proven would establish priority of use insofar as applicant's stated date of first use in its application is 1986, but opposer's stated first use date for its pleaded mark is 1995. In addition, applicant essentially challenges opposer's standing to bring this opposition by contending that because opposer only refers to applicant's allegations of likelihood of confusion in Opposition No. 91125436, opposer has not stated any basis for damages.

In opposition to applicant's renewed motion to dismiss, opposer contends that it has properly pleaded a claim of hypothetical likelihood of confusion and has asserted priority of use of its pleaded mark. Opposer also maintains that it has alleged a reasonable belief of damage to its rights in its pleaded mark should applicant's mark proceed

³ Opposer's motion (filed December 9, 2004) to extend its time to respond to applicant's November 22, 2004 supplemental filing is granted as conceded. See Trademark Rule 2.127(a).

on to registration, and therefore has properly pleaded standing to maintain the opposition.

Before discussing the merits of applicant's motion to dismiss, we note that because applicant filed an answer concurrently with its motion to dismiss, opposer could not amend its notice of opposition as of right. See Fed. R. Civ. P. 15(a). Nonetheless, inasmuch as the parties have presented arguments as to opposer's amended notice of opposition, and because the Board is liberal in allowing amendments to pleadings, especially when, as here, the proceeding is in such an early stage, we will accept and consider opposer's amended complaint.

In order to withstand a motion to dismiss for failure to state a claim, a plaintiff need only allege such facts as would, if proved, establish that (1) the plaintiff has standing to maintain the proceeding, and (2) a valid ground exists for opposing the mark. The pleading must be examined in its entirety, construing the allegations therein liberally, as required by Fed. R. Civ. P. 8(f), to determine whether it contains any allegations which, if proved, would entitle plaintiff to the relief sought. See *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982); *Kelly Services Inc. v. Greene's Temporaries Inc.*, 25 USPQ2d 1460 (TTAB 1992); and TBMP § 503.02 (2d. ed. rev. 2004).

Considering first the issue of whether opposer has asserted valid grounds for opposing registration, based on our review of the amended notice of opposition, we find that opposer has sufficiently pleaded likelihood of confusion as a hypothetical and has sufficiently pleaded priority of use.

The Board expressly allows an opposer to make a hypothetical pleading of likelihood of confusion in cases similar to the one herein. As further elaborated in Section 309.03(c) of the TBMP (2d. ed. rev. 2004), "[A] plaintiff wishing to plead likelihood of confusion hypothetically in a proceeding based upon Section 2(d) might assert, for example, that if, as the Trademark Examining Attorney (or the defendant) contends, plaintiff's mark so resembles defendant's mark as to be likely, when applied to the goods and/or services of the plaintiff, to cause confusion, then the registration sought by defendant should be refused (or defendant's registration should be cancelled) because plaintiff has priority of use." See also Fed. R. Civ. P. 8(e)(2).

Here, opposer's allegations in Paragraph 8 sufficiently set forth a hypothetical pleading of likelihood of confusion. We note that in the supplemental filing applicant has brought to the Board's attention that in Opposition No. 91125436, (in which applicant opposed opposer's Application Serial No. 76112825), the Board

granted applicant's motion for summary judgment on the ground of fraud in connection with the filing of opposer's application. Applicant has argued that, as a result, the prior proceeding has no bearing on the instant case. It appears to be applicant's position that, because opposer based its pleading of hypothetical likelihood of confusion on the likelihood of confusion claim made in Opposition No. 91125436, now that that proceeding has been decided, opposer can no longer rely on that proceeding for its allegation of hypothetical likelihood of confusion.

Applicant's argument is not well taken. The fact that the Board entered judgment on the claim of fraud in the prior proceeding does not render moot applicant's assertion of a likelihood of confusion between the parties' marks, and therefore it does not render moot opposer's claim of likelihood of confusion in the hypothetical asserted herein. Opposer properly asserted the claim in this proceeding and may continue to do so.⁴

With respect to the pleading of priority of use, opposer's allegations contained in Paragraphs 4 and 6 of its amended notice of opposition are sufficient. Opposer has pleaded that it has used its pleaded mark prior to the

⁴ It is noted that opposer, in response to applicant's supplemental filing, has stated that it has filed a civil suit appealing the Board's decision in the U.S. District Court for the District of Columbia.

filing date of applicant's application. Although we understand applicant's argument that the date alleged in opposer's own application is 1995, and the date of first use claimed by applicant in its application is 1986, and therefore earlier than opposer's alleged first use, we advise applicant that "in the absence of proof of use, the filing date of the application, rather than the dates of use alleged in the application, is treated as the earliest use date on which the applicant may rely." *Levi Strauss & Co. v. R. Josephs Sportswear*, 28 USPQ2d 1464, 1467 (TTAB 1993).

We also find that opposer has sufficiently pleaded its standing to maintain this proceeding. The amended pleading contains allegations of fact that, if proved, demonstrate that opposer has a real interest, that is, a personal stake, in opposing the registration of applicant's mark. See *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999). Opposer's allegations in Paragraph 9, coupled with opposer's earlier allegations that it is the owner of a previously used mark, if proved, are sufficient to demonstrate that opposer has a real interest in the outcome of this proceeding.

In view of the foregoing, applicant's motions to dismiss are denied.

Finally, inasmuch as Opposition No. 91125436 involves common issues and may have a bearing on this case,

proceedings herein are suspended pending final resolution of the civil action appealing the decision in Opposition No. 91125436. Trademark Rule 2.117.

Within twenty days after the final determination in that proceeding, the interested party should notify the Board so that this case may be called up for appropriate action. During the suspension period the Board should be notified of any address changes for the parties or their attorneys.