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

Proceeding	91163527
Party	Plaintiff Yoshida & Company, Ltd. Yoshida & Company, Ltd. 17-6 Higashikanda, 1-chome Chiyoda-ku, Tokyo, 100-8385 JAPAN
Correspondence Address	Alan W. Kowalchyk, Todd S. Werner Merchant & Gould P.C. P.O. Box 2910 Minneapolis, MN 55402-0910 UNITED STATES akowalchyk@merchant-gould.com, twerner@merchant-gould.com, rfirner@merchant-gould.com
Submission	Other Motions/Papers
Filer's Name	Alan W. Kowalchyk
Filer's e-mail	akowalchyk@merchant-gould.com, twerner@merchant-gould.com, rfirner@merchant-gould.com
Signature	/alan kowalchyk/
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UNITED STATES PATENT AND TRADEMARK OFFICE
TRADEMARK TRIAL AND APPEAL BOARD

_____)	
YOSHIDA & COMPANY, LTD.)	Opposition No. 91163527
)	Cancellation No. 92044091
Opposer/Petitioner,)	Cancellation No. 92044257
)	
v.)	
)	
PORTER INTERNATIONAL CO., LTD.)	
)	
Applicant/Registrant.)	
_____)	

**PETITIONER’S MOTION FOR JUDGMENT ON THE PLEADINGS
OF REGISTRANT’S AFFIRMATIVE DEFENSES PURSUANT TO
FED. R. CIV. P. 12(c) AND 37 C.F.R. § 2.127**

I. INTRODUCTION

Petitioner Yoshida & Company, Ltd. (hereinafter, “Yoshida” or “Petitioner”) hereby moves pursuant to Fed. R. Civ. P. 12(c) and 37 C.F.R. § 2.127 for judgment on the pleadings with respect to paragraphs 19 and 20 Registrant’s (“Porter International’s”) Answers¹ to Yoshida’s Petitions to Cancel and paragraphs 15 and 18 [sic] in Porter International’s Answer to Yoshida’s Notice of Opposition on the grounds that the affirmative defenses set forth in those paragraphs (laches and acquiescence) are insufficient as a matter of law, and because Porter International failed to allege a single fact in support of these defenses. Alternatively, Yoshida moves for a more definite statement of facts in support of these affirmative defenses pursuant to Rule 12(e).²

¹ In the Board’s order of March 13, 2006, the Board ordered that Cancellation Nos. 92044091 and 92044257 consolidated with Opposition No. 91163527. Porter International raised the affirmative defenses in all three proceedings, and this motion seeks the dismissal of these affirmative defenses in all three proceedings.

² Yoshida would alternatively move to strike the unsupported affirmative defenses of Porter International’s Answers, however, such a motion would be untimely. Fed. R. Civ. P. 12(f). Nonetheless, Rule 12(f) permits the Board to strike pleadings at any stage in the proceeding and Yoshida hereby urges the Board to exercise this authority with respect to Porter’s unsupported affirmative defenses. *Id.* (stating that the “[Board] may order stricken from any pleading any insufficient defense or any redundant, immaterial, impertinent, or scandalous matter,” “upon the [Board’s] own initiative any time.”)

II. DISCUSSION OF APPLICABLE LAW

Under Federal Rules of Civil Procedure 12(c) and 12(h)(2) the Board can dismiss all claims and defenses that lack any factual support in the pleadings.³ The standard applied by the Board in a motion under Rule 12(c) is the same as that employed in a motion under Rule 12(b)(6) for failure to state a claim for which relief can be granted. *Christy v. We The People Forms And Serv. Ctrs., USA, Inc.*, 213 F.R.D. 235, 238 (D.N.J. 2003) (stating that “this interpretation [of the Rules] is further supported by Rule 12(h)(2), which permits courts to rule on 12(b) motions as motions for judgment on the pleadings.”); *see also Western Worldwide Enter. Group. Inc. v. Qinqdao Brewery*, 17 U.S.P.Q.2d 1137 at 1140 (TTAB 1990). Accordingly, the Board should grant a motion to dismiss whenever the facts plead by a party would not entitle that party to the relief it has requested. *See Rickson Gracie, LLC v. Gracie*, 67 U.S.P.Q.2d 1702, at 1703 (TTAB 2003). The Board should presume the truthfulness of all of the factual allegations alleged in support of a claim or defense, and resolve all inferences in favor of the non-moving party. *Christy*, 213 F.R.D. at 238. The Board cannot, however, assume the plaintiff can prove any facts that it did not allege. *Id.*

“[A]ffirmative defenses, like any pleading, must give the other party fair notice of the nature of the claim.” *Fleet Bus. Credit Corp. v. Nat’l City Leasing Corp.*, 191 F.R.D. 568, 570 (N.D. Ill. 1999). Moreover, “bare legal conclusions are insufficient to plead either claims or defenses under Rule 8.” *U.S. v. Pennock Hosp.*, No. 01-292, 2003 U.S. Dist. LEXIS 937, at *6 (W.D. Mich. Jan. 21, 2003) (Werner Decl., Ex. A.).

³ Trademark Rule 2.116(a), 37 C.F.R. § 2.116(a), incorporates the Federal Rules of Civil Procedure in the procedure and practice in *inter partes* proceedings before the Trademark Trial and Appeal Board.

III. ARGUMENT

A. **PORTER INTERNATIONAL'S PLEADINGS CONCERNING ITS ALLEGED AFFIRMATIVE DEFENSES ARE COMPLETELY DEVOID OF REQUIRED FACTUAL SUPPORT.**

Porter International's Answers do not include a single allegation of affirmative fact, rather, Porter International merely denies the facts recited by Yoshida in the Petitions to Cancel and Notice of Opposition. Nonetheless, Porter International's Answers claim Yoshida's Petitions to Cancel and Notice of Opposition should be denied on the basis of two affirmative, equitable defenses: laches and acquiescence. Lacking any factual support in the pleadings, these affirmative defenses cannot be maintained and should be dismissed through judgment on the pleadings. *See Pennock Hosp.*, 2003 U.S. Dist. LEXIS 937 at *6 (striking defendant's affirmative defenses in response to plaintiff's motion for judgment on the pleadings because the defendant "failed to plead any factual basis for the affirmative defenses, Defendant has merely made the scant legal conclusion that these defenses apply."); *Fleet*, 191 F.R.D. at 569-70 (ruling that defendant's bare bones pleadings for its affirmative defenses of laches, waiver, and estoppel were insufficiently plead).

1. **Porter International Has Not Alleged Any Facts Supporting Its Laches Defense.**

Porter International's conclusory pleading of laches is insufficient to serve as the basis for a viable defense. As such, judgment on the pleadings should be granted and the affirmative defenses should be dismissed. In order to make out the affirmative defense of laches, Porter International must demonstrate that (1) Yoshida unreasonably delayed in asserting its rights, (2) and that such unreasonable delay prejudiced Porter International. *Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes, Inc.*, 971 F.2d 732, 734 (Fed. Cir.

1992); *Citibank, N.A., v. Citibanc Group, Inc.*, 724 F.2d 1540, 1546 (11th Cir. 1984).

For both cancellations and oppositions, the earliest time that laches can begin to run is from the date that an application for registration is published for opposition. *Nat'l Cable Tele. Assoc., Inc. v. Amer. Cinema Editors, Inc.*, 937 F.2d 1572, 1581-82 (Fed. Cir. 1991) (dismissing registrant's affirmative defenses of laches and acquiescence). There is no obligation for a party to challenge another party's use of a trademark until the latter seeks registration of the mark. *Id.*

Porter International did not alleged a single fact to support either of the elements required for a showing of laches. Nowhere in the pleadings is there an allegation that Yoshida unreasonably delayed in asserting its rights in the PORTER mark. The pleadings also lack any factual allegations demonstrating that Porter International suffered any prejudice as a result of any delay. Rather, Porter International simply plead that the “[c]laims in the petition are barred by the doctrine of laches.”⁴ (Porter International's Answer, ¶ 19.) Lacking any factual support in the pleadings, Porter International's defense of laches should be dismissed. At the very least, Porter International should be required to plead affirmative facts in support of this defense so that Yoshida is provided with notice of the basis for this defense as required by Rule 8.

Moreover, at least with respect to the opposition proceeding, Yoshida could not even challenge Porter International's registration of the mark until it was published for opposition. Yoshida filed its Notice of Opposition within the time period set forth in the extension of time granted by the Board. Since there was no delay by Yoshida, Porter International's laches defense fails as a matter of law.

⁴ Likewise, Porter International's pleading in its Answer to the Notice of Opposition was that the “[c]laims in the Notice are barred by the doctrine of laches. (Answer, ¶ 15.)

2. Porter International Has Not Alleged Any Facts Supporting Its Acquiescence Defense.

Even if all of Porter International's factual pleadings, to the extent its Answer contains any, were accepted as true, the pleading would lack any evidence of acquiescence on the part of Yoshida. As with its laches defense, Porter International made the groundless and conclusory pleading that the "[c]laims in the petition are barred by the doctrine of acquiescence."⁵ (Porter' International's Answer, ¶ 20.) Thus, the Board should grant judgment on the pleadings in Yoshida's favor and dismiss Porter International's affirmative defenses. The elements for the defense of laches include "(1) the senior user actively represented that it would not assert a right or claim; (2) the delay between the active representation and assertion of the right or claim was not excusable; and (3) the delay caused the defendant undue prejudice." *Infor. Superhighway, Inc. v. Talk-America, Inc.*, 274 F. Supp. 2d 466, 471-72 (S.D.N.Y. 2003) (ruling that plaintiff's silence did not amount to active consent necessary to support a finding of acquiescence). There must have been affirmative conduct on the part of the plaintiff indicating the plaintiff would not assert its trademark rights against the defendant. *Id.*

As with its laches defense, Porter International fails to allege a single fact to support its defense of acquiescence. Lacking any factual support in the pleadings, the defense of acquiescence should be dismissed. If nothing else, Porter International should be required to provide a more definite statement of facts to support this defense.

In addition, with respect to the Notice of Opposition, Yoshida could not have challenged Porter International's registration of the PORTER mark until Porter International's application had been published for opposition. Yoshida filed its Notice of

⁵ Likewise, Porter International's pleading in its Answer to the Notice of Opposition was that the "[c]laims in the Notice are barred by the doctrine of acquiescence." (Answer, ¶ 18 [sic].)

Opposition within the appropriate time and it did not delay. For this reason as well, Porter International's defense of acquiescence should be dismissed. *See Nat'l Cable*, 937 F.2d at 1581-82.

B. THE EQUITABLE DEFENSES OF LACHES AND ACQUIESCENCE CANNOT DEFEAT A PETITION TO CANCEL OR A NOTICE OF OPPOSITION BASED UPON FRAUD OR ABANDONMENT.

Equitable defenses such as laches and acquiescence are inapplicable to claims of fraud and abandonment. *Saint-Gobain Abrasives, Inc. v. Unova Indus. Automation Sys., Inc.*, 66 U.S.P.Q.2d 1355, 1359 (TTAB 2003) ("It is well established that the equitable defenses of laches and acquiescence are not available against claims of genericness, fraud, and abandonment); *Rooiboos Ltd. v. Forever Young Ltd.*, Cancellation No. 25,676, 2003 TTAB LEXIS 65, at * (TTAB Feb. 13, 2003) (Werner Decl., Ex. B) (stating that the affirmative defense of laches may not be asserted against claims of genericness and fraud). The public interest in having fraudulently obtained and/or abandoned registrations stricken from the federal register outweighs any delay on the part of a third party in challenging such registrations, "no matter how long such delay persists." *Saint-Gobain*, 66 U.S.P.Q.2d at 1359. In other words, the public is best served by canceling all marks that were obtained through fraud or were abandoned, regardless of the actions of a third party. *Id.*

Yoshida's Petitions to Cancel and Notice of Opposition are based, in part, upon Gallant's (the party that originally registered the mark in dispute and Yoshida's former licensee) and Porter International's fraudulent registration of the PORTER marks, and the fraudulent and bad faith assignment of the marks to Porter International. (*See* Petitions to Cancel at ¶ 8; Notice of Opposition at ¶¶ 4-5). In addition, Yoshida has plead that Porter

International has abandoned the PORTER marks to the extent that it has not lawfully used the marks since the licensing agreement between Yoshida and Gallant was terminated. (See Petitions to Cancel, ¶ 17). Accordingly, the equitable defenses of laches and estoppel are not available against these claimed grounds for cancellation and opposition. Since there are no set of facts that Porter International could plead, let alone prove, to support its equitable defenses, they should be dismissed.

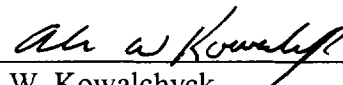
III. CONCLUSION

Porter International's affirmative defenses are insufficient as a matter of law and lack any factual support. Thus, judgment on the pleadings should be granted and the Board should dismiss Porter International's affirmative defenses in each of the consolidated cancellation and opposition proceedings. At the very least, the Board should order Porter International to provide a more definite statement of facts supporting the affirmative defenses plead in paragraphs 19 and 20 of its answer in the Cancellations and paragraphs 15 and 18 [sic] in the Opposition.

Yoshida & Company, Ltd.

By its Attorneys,

Date: March 17, 2006

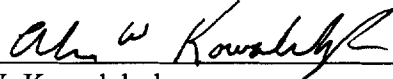


Alan W. Kowalchyck
Todd S. Werner
MERCHANT & GOULD P.C.
80 South Eighth Street, Suite 3200
Minneapolis, Minnesota 55402-2215
(612) 332-5300

Attorneys for Petitioner

CERTIFICATE OF SERVICE


I hereby certify that a true and correct copy of the foregoing PETITIONER'S MOTION FOR JUDGMENT ON THE PLEADINGS OF REGISTRANT'S AFFIRMATIVE DEFENSES PURSUANT TO FED. R. CIV. P. 12(c) AND 37 C.F.R. § 2.127 was served upon the following attorney of record for Registrant by First Class Mail, postage prepaid, this 17th day of March, 2006:



Alan W. Kowalchyk

CERTIFICATE OF FILING

I hereby certify that the foregoing PETITIONER'S MOTION FOR JUDGMENT ON THE PLEADINGS OF REGISTRANT'S AFFIRMATIVE DEFENSES PURSUANT TO FED. R. CIV. P. 12(c) AND 37 C.F.R. § 2.127 is being filed electronically with the United States Patent and Trademark Office's Electronic System for Trademark Trials and Appeals (ESTTA) on this 17th day of March, 2006.



Alan W. Kowalchyk