

ESTTA Tracking number: **ESTTA206868**

Filing date: **04/23/2008**

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

Proceeding	91182692
Party	Plaintiff Comite Interprofessionel du Vin de Champagne, INSTITUT NATIONAL DE L'ORIGINE ET DE LA QUALITE
Correspondence Address	Peter M. Brody Ropes & Gray One Metro Center, 700 12th Street, NW, Suite 900 Washington, DC 20005-3948 UNITED STATES peter.brody@ropesgray.com, erin.dugan@ropesgray.com
Submission	Other Motions/Papers
Filer's Name	Peter M. Brody, Esq.
Filer's e-mail	peter.brody@ropesgray.com, marina.len@ropesgray.com, erin.dugan@ropesgray.com
Signature	/peter brody/
Date	04/23/2008
Attachments	CIVD-008 BRIEF.pdf (10 pages)(417659 bytes)

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

COMITÉ INTERPROFESSIONEL DU VIN DE CHAMPAGNE)	
)	
and)	
)	
INSTITUT NATIONAL DE L'ORIGINE ET DE LA QUALITE,)	Opposition No. 91182692
)	
Opposers,)	Application Serial No. 77/180,209
)	
v.)	Published in the Official Gazette of October 30, 2007
Y.Z.Y., Inc.)	
)	
Applicant.)	

OPPOSERS' BRIEF IN OPPOSITION TO MOTION TO DISMISS

The applicant, Y.Z.Y., Inc. ("Applicant"), seeks to register the mark "VIVE LE CHAMPAGNE" in connection with eau de cologne, perfumes, eau de perfume, and eau de toilette (Application Serial No. 77/180,209). The opposers, Institut National de l'Origine et de la Qualité (hereinafter "INOQ") and the Comité Interprofessionel du Vin de Champagne (hereinafter "CIVC"; collectively "Opposers"), have opposed the current application for registration on four separate grounds under Section 2 of the Trademark Act, 15 U.S.C. § 1052. Applicant has filed a motion to dismiss the opposition ("Motion"), contending that Opposers lack standing to oppose the subject mark and that Opposers have failed to state a claim upon which relief can be granted.

Applicant is mistaken on both counts, and the Board should deny the Motion.¹

I. STATEMENT OF FACTS

“For purposes of determining a motion to dismiss for failure to state a claim upon which relief can be granted, all of the plaintiff’s well-pleaded allegations must be accepted as true, and the complaint must be construed in the light most favorable to the plaintiff.” Trademark Trial and Appeal Board Manual of Procedure [TBMP] § 503.02 (2d ed. 2003, rev. 2004).

As pleaded in the Notice of Opposition filed on February 27, 2008 (“Opp.”), “CHAMPAGNE” is a well-known French *appellation d’origine contrôlée* (“AOC”), or controlled appellation of origin, for certain sparkling wines produced in the Champagne region of France, in accordance with methods and limitations set forth in French law. Opp. ¶ 1. An “appellation of origin” is a geographical designation (country, region, or locality) that designates a product originating therein, the quality and characteristics of which are due exclusively or primarily to the geographic environment, including natural and human factors. Opp. ¶ 2. Certain French products, including wines and spirits, bear a controlled appellations of origin, or AOC. Each French AOC is recognized by a decree which delimits the specific area to which the appellation pertains but also specifies, in the case of wines, the grape variety or varieties, and methods of planting, harvesting, and production to be used. Opp. ¶ 2.

¹ This is actually Applicant’s second attempt to register the subject mark. Applicant previously applied to register the mark in connection with identical and closely related goods (Application Serial No. 78/718,812). Opposers opposed this application (Opposition No. 91173228), and Applicant did not contest the matter. The Trademark Trial and Appeal Board therefore entered judgment by default sustaining the opposition and refusing registration of the subject mark on February 1, 2007. Applicant now apparently seeks a “do-over.”

As further alleged, opposer INOQ is a public body, under the aegis of the Ministry of Agriculture, which was established by decree-law of the French Republic dated July 30, 1935. Opp. ¶ 2. The INOQ's principal functions include defining and recognizing French AOCs and the products entitled to bear those appellations. In addition, the INOQ, in conjunction with the various *interprofessionels*, including the CIVC, which are responsible for the protection of specific AOCs, protects French appellations of origin from misuse and misappropriation in France and abroad. Opp. ¶ 2. The INOQ receives funds listed in the budget of the Ministry of Agriculture, the amount of which generally reflects a portion of the proceeds of a special tax paid by producers of French appellation of origin products, and which is based on the volume of such products produced and sold under this system. Opp. ¶ 2.

As also set forth in the Notice of Opposition, Opposer CIVC is a quasi-regulatory organization dedicated to the defense and the promotion of the Champagne AOC. Opp. ¶ 3. CIVC is made up of representatives of all Champagne houses and growers, as well as the government. Among other functions, CIVC, in conjunction with Opposer INOQ, participates in the creation or broadening of laws and regulations that protect the Champagne appellation and in legal actions against all forms of abuse, detected in all major markets as part of a systematic surveillance operation. Opp. ¶ 3.

As Opposers state, "CHAMPAGNE" is among the particular AOCs for wines recognized and protected under French law. Opp. ¶ 4. By decree law of June 29, 1936, France has restricted the use of this AOC to products produced in a specified area within the Champagne region of France, and in accordance with conditions specified in and pursuant to the AOC laws. Opp. ¶ 4. Use of this AOC constitutes an assurance to customers by the INOQ, the French regulatory authority specifically charged with safeguarding the integrity of this important French

designation, that the products bearing that designation have been produced in accordance with these strict standards. Opp. ¶ 4.

Opposers also aver that the AOC “CHAMPAGNE” denotes, and is understood to denote, a specific regional origin. Opp. ¶ 6. Products qualifying for this AOC have been validly and continuously sold in the United States for a period beginning long before the filing date of Applicant's application, and continuing to the present. Opp. ¶ 6. The AOC “CHAMPAGNE” is symbolic of the good will and consumer recognition built up through the efforts and investments of the INOQ and CIVC in the appellation of origin system and its AOCs, including that specific AOC, and through the promotion and sales of these quality products by those certified by the INOQ to use this AOC. Opp. ¶ 6.

Opposers assert four separate grounds of opposition under Section 2 of the Trademark Act.²

First, Opposers alleged that the use of the AOC “CHAMPAGNE” is controlled by a certifier (the INOQ) and is limited to products meeting the certifier's standards of regional origin, and as such, qualifies for protection as a certification mark. Opp. ¶ 5. Further, Applicant's mark so resembles this certification mark as to be likely, when applied to the goods of the Applicant, to cause confusion, or to cause mistake, or to deceive as to the source, sponsorship, or affiliation of Applicant's products within the meaning of Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d). Opp. ¶ 9.

² Opp. ¶¶ 9-13. Opposers have discovered several typographical errors in this portion of the Notice of Opposition and intend to file an amended Notice upon denial of Applicant's motion to dismiss.

Second, Opposers aver that the AOC “CHAMPAGNE” is, and for many years prior to the filing of the subject application has been, a famous mark within the meaning of Section 43(c) of the Lanham Act, 15 U.S.C. § 1125(c). Opp. ¶ 7. Further, Opposers allege that Applicant’s mark, when used in connection with the goods identified in the subject application, would cause dilution within the meaning of Section 13(a) of the Trademark Act of 1946, 15 U.S.C. § 1063. Opp. ¶ 11.

Third, Opposers allege that Applicant’s purported mark is deceptively misdescriptive of Applicant’s goods within the meaning of Section 2(e)(1) of the Trademark Act of 1946, 15 U.S.C. § 1052(e)(1). Opp. ¶ 12.

Fourth, Opposers assert that Applicant’s purported mark is primarily geographically deceptively misdescriptive of those goods within the meaning of Section 2(e)(3) of the Trademark Act of 1946, 15 U.S.C. § 1052(e)(3). Opp. ¶ 13.

II. ARGUMENT

A. Opposers Have Standing

As Applicant apprehends, each Opposer filed this opposition in its representational capacity. Applicant correctly states the test for “representational standing” in this proceeding: (a) those persons represented by Opposers “would otherwise have standing to sue in their own right”; (2) the interest Opposers seek to protect “are germane to the organization’s purpose”; and (3) “neither the claim asserted nor the relief requested requires the participation of individual” represented entities. *Institut Nat’l des Appellations d’Origine v. Vinters Int’l Co.*, 958 F.2d 1574, 1579-80 (Fed. Cir. 1992) (*quoting Int’l Union v. Brock*, 477 U.S. 274, 282 (1986)).

Applicant acknowledges that in *Institut Nat'l des Appellations d'Origine v. Vinters Int'l Co.*, the Board found that the INOQ (known until 2006 as the Institut National des Appellations d'Origine) satisfied all three prongs of this test. Likewise, in this proceeding, Applicant concedes that INOQ, as well as CIVC, at least satisfy the first and third prongs. With respect to the second prong, Applicant's argument is as follows:

As alleged in the Opposition, the purpose of the Opposers is to protect the French appellations of origin, as they relate to certain products, namely, wines and spirits. (Opp., ¶¶1-4). The Opposers' alleged purpose is not to protect the appellations of origin as they might pertain to fragrances (Eau de Cologne, Eau de Perfume, Perfumes, and Eau de Toilette, the goods identified in the subject pending application for VIVE LE CHAMPAGNE). Because the Opposers have not alleged any interest in protecting perfumeries under the term "Champagne," and because Opposers cannot truthfully assert that the French appellation of origin for "Champagne" in any way is connected with, or known for, fragrances, they do not meet the second *International Union* test, and therefore lack standing to oppose the pending application.

Applicant's argument is frivolous. As alleged in the Notice of Opposition, and as Applicant does not dispute, Opposers' purposes include the protection of French controlled appellations of origin "from misuse and misappropriation in France and abroad," including through oppositions filed in the U.S. Patent & Trademark Office. Opp. ¶ 2; *see also Institut Nat'l des Appellations d'Origine*, 958 F.2d, at 1579-80 ("[O]ne of IN[OQ]'s purposes is to oppose the registration of trademarks in the United States if it deems it necessary to protect an appellation of origin. This function would reasonably include routine participation in trademark registration proceedings affecting appellations of origin.").

The fact that Opposers do not have an interest in protecting *perfumeries* against misuse of the AOC "CHAMPAGNE" is entirely beside the point. The issue is whether Opposers' purposes include protecting their represented constituents (namely, growers and producers of AOC

“CHAMPAGNE” wines) against the use or registration by any third party, including perfumeries, of a mark that is potentially harmful to the constituents’ interest in the AOC “CHAMPAGNE.” As alleged in the Notice of Opposition, Applicant’s registration of the mark “VIVE LE CHAMPAGNE” threatens just such harm. Indeed, as Applicant admits in conceding the first prong of the test for representational standing, the constituents themselves *would* have standing to oppose Applicant’s mark, because of that threat of harm. Therefore, Opposers, which lawfully represent those constituents, also have standing.

B. Opposers Have Stated Multiple Claims Upon Which Relief May Be Granted

Dismissal under Federal Rule of Civil Procedure 12(b)(6) for failure to state a claim “is appropriate only if it appears certain that the plaintiff is entitled to no relief under any set of facts that could be proved in support of its claim.” TBMP § 503.02; *accord, e.g., Advanced Cardiovascular Sys., Inc. v. SciMed Life Sys., Inc.*, 988 F.2d 1157, 1160-61 (Fed. Cir. 1993) (“Such a motion, which cuts off a claimant at the threshold, must be denied ‘unless it appears beyond doubt that the plaintiff can prove no set of facts in support of his claim which would entitle him to relief.’ . . . Thus, to the extent that factual questions are raised and are material to the result, dismissal is improper unless there is no reasonable view of the facts which could support the claim.”) (*quoting* *Conley v. Gibson*, 355 U.S. 41,45-46 (1957)).

Applicant makes no attempt to demonstrate that the specific facts pleaded in the Notice of Opposition are insufficient to establish any of the grounds of opposition asserted by Opposers. To the contrary, those pleaded facts, if proved, plainly would entitle Opposers to a judgment in their favor on all four asserted grounds of opposition.

Applicant’s sole argument for dismissal is that, because the Board and Federal Circuit granted summary judgment to the applicant in *Institut Nat’l des Appellations d’Origine v. Vinters*

Int'l Co., “the principles of *stare decisis* and collateral estoppel (issue preclusion)” require dismissal of the present opposition under Rule 12(b)(6). Applicant’s argument is incorrect as a matter of the law of collateral estoppel and is, moreover, a complete *non sequitur*.

Collateral estoppel in the form of issue preclusion applies only when (i) the issue previously adjudicated is identical with that now presented, (ii) that issue was actually litigated in the prior case, (iii) the previous determination of that issue was necessary to the end-decision then made, and (iv) the party precluded was fully represented in the prior action. *Morgan v. Dep't of Energy*, 424 F.3d 1271, 1274-75 (Fed. Cir. 2005). This standard is not met here.

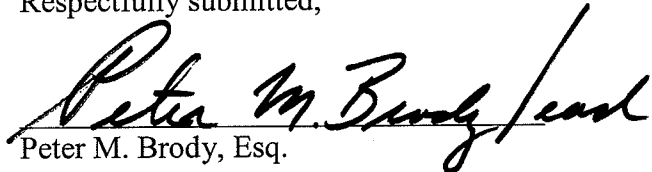
First, the parties to the present proceeding are not identical to the parties in *Institut Nat'l des Appellations d'Origine v. Vinters Int'l Co.* Although INOQ was a party in that prior case, Applicant was not, nor was opposer CIVC. Necessarily, CIVC was not represented in the prior action and cannot be bound by the decision.

Second, the issues in that prior case are not identical to the issues presented in this opposition. Among other things, the mark in question in the earlier case (“CHABLIS WITH A TWIST”) is not the mark at issue in this proceeding, and the applicant’s goods in that case are not the same as the applicant’s goods here. Moreover, only one ground of opposition (the subject mark is primarily geographically deceptively misdescriptive under Section 2(e)(3)) is common to both proceedings; three of the grounds for opposition asserted in the Notice of Opposition in the present proceeding were not at issue in the prior case. (Indeed, one of them – dilution – was not even available as a ground of opposition at that time.) Even with respect to that common ground of opposition, the differences in the marks and goods, along with the differences in the parties, render the doctrine of issue preclusion inapplicable as to INOQ.

III. CONCLUSION

Opposers have standing to Oppose this registration and have stated multiple claims upon which relief may be granted. The Board should deny Applicant's motion to dismiss the opposition.

Respectfully submitted,

A handwritten signature in black ink that reads "Peter M. Brody / Esq." The signature is written in a cursive style with a long horizontal stroke at the end.

Peter M. Brody, Esq.

ROPES & GRAY

One Metro Center

700 12th Street, N.W., Suite 900

Washington, D.C. 20005-3948

Phone: (202) 508- 4612

Facsimile: (202) 508-4650

Attorneys for the Comité Interprofessionel
du Vin de Champagne and the Institut National de
l'Origine et al Qualite

Dated: April 23, 2008

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

COMITÉ INTERPROFESSIONEL DU VIN DE CHAMPAGNE)	
)	
and)	
)	
INSTITUT NATIONAL DE L'ORIGINE ET DE LA QUALITE,)	
)	Opposition No. 91182692
)	
Potential Opposers,)	Application Serial No. 77/180,209
)	
v.)	Published in the Official Gazette of October 30, 2007
Y.Z.Y., Inc.)	
)	
Applicant.)	

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 23th day of April 2008, a true copy of this Notice of Opposition was served upon the following attorney of record for Applicant by first class mail, postage prepaid to:

Richard S. Ross, Esq.
4801 S. University Drive, Suite 237
Ft. Lauderdale, FL 33328-3836


Erin A. Dugan
Sr. Trademark Paralegal
ROPES & GRAY LLP
One International Place
Boston, MA 02110
Phone: (617) 951-7905
Facsimile: (617) 951-7050