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

Proceeding	91184290
Party	Plaintiff AEG LIVE LLC
Correspondence Address	Christopher C. Larkin Seyfarth Shaw LLP 2029 Century Park East, Suite 3300 Los Angeles, CA 90067 UNITED STATES clarkin@seyfarth.com, jlarkin@seyfarth.com, kelko@seyfarth.com
Submission	Other Motions/Papers
Filer's Name	Christopher C. Larkin
Filer's e-mail	clarkin@seyfarth.com, jlarkin@seyfarth.com, kelko@seyfarth.com
Signature	/Christopher C. Larkin/
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Application Serial No. 76/673,638  
Published in the Official Gazette of November 27, 2007

AEG LIVE LLC,

Opposer,

v.

CFRI-NCA PALLADIUM VENTURE, LLC,

Applicant.

Opposition No. 91184290

**OPPOSER'S OPPOSITION TO APPLICANT'S MOTION TO DISMISS  
OPPOSER'S NOTICE OF OPPOSITION FOR FAILURE TO STATE A CLAIM  
UPON WHICH RELIEF MAY BE GRANTED**

**INTRODUCTION**

The Rule 12(b)(6) motion of applicant CFRI-NCA Palladium Venture, LLC ("Applicant") to dismiss the Notice of Opposition filed by opposer AEG Live LLC ("Opposer"), without leave to re-plead, is frivolous. As shown below, under settled law, Opposer has standing to oppose Applicant's application, and a reasonable belief that it may be damaged by registration of the mark shown therein, because the opposed application has been asserted by Applicant against Opposer in another opposition between the parties, and Opposer has stated a proper ground for opposition on the basis of its claim that Applicant lacked a bona fide intention to use the mark that was originally shown in the drawing in the opposed application when it was filed.

**SUMMARY OF PERTINENT ALLEGATIONS**

Opposer's Notice of Opposition ("Not. of Opp.") pleads facts regarding the prosecution of Applicant's Application Serial No. 76/673,638 (the "Opposed Application"), which is the subject of this opposition, including Applicant's amendment of the drawing of the mark from

“HOLLYWOOD PALLADIUM BALLROOM,” the mark shown in the Opposed Application when it was filed on March 6, 2007, to “HOLLYWOOD PALLADIUM.” Not. of Opp. ¶¶ 3, 6. The Notice of Opposition further alleges that the Opposed Application, together with a registration and another pending application owned by Applicant, has been asserted by Applicant as plaintiff in Opposition No. 91178842<sup>1</sup> against Opposer’s Application Serial No. 76/668,281 on its claim for relief under § 2(d) of the Trademark Act.,<sup>2</sup> and that registration of the mark shown in the Opposed Application may damage Opposer because it may prevent registration of Opposer’s mark. Not. of Opp. ¶ 5. Finally, the Notice of Opposition alleges that Applicant lacked a bona fide intention to use the mark “HOLLYWOOD PALLADIUM BALLROOM” shown in the Opposed Application when it was filed in connection with each of the services identified therein, and that as a result the Opposed Application was and is void *ab initio*. Not. of Opp. ¶ 9.

### ARGUMENT

The standards on a motion under Rule 12(b)(6) are well known to the Board and will not be discussed at length. It is sufficient to reiterate the rules that the Notice of Opposition must be construed in the light most favorable to Opposer, that all well-pleaded allegations must be accepted as true, that it is the duty of the Board to examine the Notice of Opposition 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 Opposer to the relief sought, and that the Notice of Opposition may be dismissed only if it appears certain that

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<sup>1</sup>Opposition No. 91178842 is currently in suspension pending the Board’s decision on Opposer’s motion to dismiss certain claims in Applicant’s notice of opposition in that proceeding.

<sup>2</sup>As noted by Applicant, Opposer’s Application Serial No. 76/668,281 is misidentified in Opposer’s Notice of Opposition as Serial No. 76/668,821. Opposer regrets this typographical error.

Opposer is entitled to no relief under any set of facts that could be proven in support of its claim. TBMP § 503.02 at 500-21. Opposer's Notice of Opposition easily passes muster under these standards.

I.

**OPPOSER HAS ADEQUATELY PLEADED ITS STANDING AND A REASONABLE BELIEF OF DAMAGE FROM REGISTRATION OF THE MARK SHOWN IN THE OPPOSED APPLICATION.**

Applicant's motion is hard to decipher, but it first appears to challenge Opposer's standing to oppose the Opposed Application and the reasonableness of Opposer's belief that it will be damaged by registration of the mark shown in the Opposed Application. Applicant's primary argument seems to be that Opposer's Notice of Opposition should be dismissed because Opposer has used the wrong words in pleading its standing and belief of damage in its Notice of Opposition: "To oppose an application, the opposer must allege how it **would** be damaged by registration—not how it **may** be damaged, how it **might** be damaged, or how it **could** be damaged if a series of other circumstances occurred." Mot. at 5 (emphasis in original). This argument is nonsense.

As Applicant acknowledges, "[a]t the pleading stage, all that is required is that the opposer allege facts sufficient to show a 'real interest' in the proceeding, and a 'reasonable basis for its belief of damage.' 'To plead a 'real interest,' Opposer must allege a 'direct and personal stake' in the outcome of the proceeding." Mot. at 3, citing TBMP § 309.03(b). Applicant argues that "Opposer's Notice of Opposition does not suitably include these requirements," *id.*, but the very same section of the TBMP cited by Applicant shows that its argument is precluded by settled law that Applicant either missed or chose to ignore:

“[A] real interest in the proceeding and a reasonable belief of damage may be found, for example, *where plaintiff pleads (and later proves) . . . Defendant has relied on its ownership of its application . . . in another proceeding between the parties, or defendant has asserted a likelihood of confusion in another proceeding between the parties involving the same marks.*”

TBMP § 309.03(b) at 300-41 (emphasis added).

Opposer’s Notice of Opposition pleads that the Opposed Application has been relied on by Applicant on its § 2(d) claim as the plaintiff in Opposition No. 91178842. Not. of Opp. ¶ 5. If the Opposed Application matured into a registration, Applicant would get all of the benefits of that registration on its § 2(d) claim in Opp. No. 91178842, including the removal of priority as an issue, *see King Candy Co. v. Eunice King’s Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974), which would damage Opposer as the defendant in that proceeding. Just as an applicant’s standing to petition to cancel a registration that has been asserted against it in an opposition inheres in its status as the defendant, TBMP § 309.03(b) at 300-41, n.125, Opposer’s “real interest in the proceeding” and the reasonableness of its belief that it will be damaged by registration of the mark shown in the Opposed Application inhere in its position as the defendant in Opp. No. 91178842. TBMP § 309.03(b); *see also Salacuse v. Ginger Spirits, Inc.*, 44 USPQ2d 1415 (TTAB 1997) (defendant against whom pending applications had been asserted in opposition entitled to challenge validity of applications on the basis of allegations that plaintiff lacked a bona fide intention to use marks shown in applications). No “magic words” or anything else is required at the pleading stage to establish Opposer’s right to oppose.

## II.

**OPPOSER HAS STATED A SUFFICIENT GROUND FOR OPPOSITION ON THE BASIS OF ITS CLAIM THAT APPLICANT LACKED A BONA FIDE INTENTION TO USE THE MARK SHOWN IN THE OPPOSED APPLICATION WHEN IT WAS FILED.**

Applicant next argues that Opposer’s Notice of Opposition fails to state a claim upon which relief can be granted because “even if Applicant was not going to be using the word

'BALLROOM' in the Opposed Application, the non-use of this word is not relevant because the word was dropped from the Opposed Application prior to publication of the trademark, and because the commercial impression of the trademark remains the same for services consisting of 'providing ballroom facilities.'" Mot. at 5. This "claim" is a straw man, as it appears nowhere in Opposer's Notice of Opposition. The claim *actually* pleaded by Opposer is that Applicant lacked a bona fide intention to use the mark "HOLLYWOOD PALLADIUM BALLROOM" when it filed the Opposed Application. Not. of Opp. § 9. That claim is clearly legally sufficient.

The law summarized in the TBMP once again precludes Applicant's argument. A claim that Applicant "did not have a bona fide intention to use the mark in connection with the identified goods/services as of the filing date of the application" is a valid ground for opposition. TBMP § 309.03(c)(6) at 300-44, n.143; *Commodore Electronics Ltd. v. CBM Kabushiki Kaisha*, 26 USPQ2d 1503 (TTAB 1993).<sup>3</sup> Because an "applicant's intention to use an involved mark must remain 'bona fide' at every stage of the registration process," *E.R. Squibb & Sons, Inc. v. DeRoyal Indus., Inc.*, 1997 TTAB LEXIS 411, \*6 (TTAB September 2, 1997),<sup>4</sup> Opposer's allegation that Applicant's alleged predecessor-in-interest did not have a bona fide intention to use the mark "HOLLYWOOD PALLADIUM BALLROOM" when the Opposed Application was filed states a claim for relief even though Applicant amended the mark to delete

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<sup>3</sup>The single case cited by Applicant in its motion, *Young v. AGB Corp.*, 152 F.3d 1377, 47 USPQ2d 1752 (Fed. Cir. 1998), is inapposite because it does not address the legal sufficiency of the claim of a lack of a bona fide intention to use the subject mark. Equally irrelevant is Applicant's argument that "it is absurd to suggest that Applicant had no bona fide intention to use the trademark [because] Applicant, through its predecessors-in-interest, has been using the Opposed Application since October 31, 1940 [and] Applicant could not have lacked a bona fide intention to use a trademark that it has been using for 67 years," Mot. at 5, because Applicant's motion to dismiss tests only the legal sufficiency of Opposer's claim, not whether Opposer will prevail on it at trial. TBMP § 503.02 at 500-20-500-21.

<sup>4</sup>A copy of this unreported decision is attached hereto in an appendix.

“BALLROOM” prior to publication of the Opposed Application. *Id.* (ordering to trial a claim that the applicant lacked a bona fide intention to use the originally applied-for mark “CALGISORB” following amendment of mark to “KALGISORB”).

**CONCLUSION**

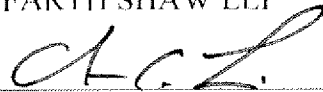
For all of the foregoing reasons, Applicant’s motion to dismiss Opposer’s Notice of Opposition should be denied in its entirety. If Opposer’s Notice of Opposition is found to be deficient in any respect, which Opposer denies, Opposer should be granted leave to re-plead pursuant to Fed. R. Civ. P. 15(a) and the authorities set forth in TBMP § 503.03.

Respectfully submitted,

SEYFARTH SHAW LLP

Dated: July 11, 2008

By: \_\_\_\_\_



Christopher C. Larkin  
Joan Kupersmith Larkin  
Attorneys for Opposer  
AEG LIVE LLC

# **APPENDIX**

Service: **Get by LEXSEE®**  
Citation: **1997 TTAB LEXIS 411**

1997 TTAB LEXIS 411, \*

E.R. Squibb & Sons, Inc. v. DeRoyal Industries, Inc.

Opposition No. 99,503

Trademark Trial and Appeal Board

1997 TTAB LEXIS 411

September 2, 1997

**CORE TERMS:** opposer, bona fide, applied-for, intent to use, summary judgment, register, registration, verification, abandoned, deleted, void, applicant filed, void ab initio, substituted, trademark, genuine, Trademark Act, genuine issue of material fact, issues of material fact, intent-to-use, non-movant, stricken, notice, materially different, time of filing, de facto, substituting, requisite, discovery, commerce

**JUDGES: [\*1]**

Before Cissel, Seeherman and Hanak, Administrative Trademark Judges.

**OPINION:**

THIS DISPOSITION IS NOT CITABLE AS PRECEDENT OF THE T.T.A.B.

By the Board:

DeRoyal Industries, Inc. ("applicant") seeks to register the mark KALGISORB (as amended from CALGISORB) for "medical wound dressing comprising absorbent fibrous material." n1 Registration has been opposed by E.R. Squibb & Sons, Inc. ("opposer") on the grounds of priority of use and likelihood of confusion. Opposer has also alleged that on September 14, 1994, applicant filed the involved intent-to-use application to register the mark CALGISORB; that applicant submitted an unverified amendment to the involved application which deleted CALGISORB as the applied-for mark and substituted therefor KALGISORB; that in light of that amendment, applicant, at the time it verified and signed the application, did not have a bona fide intent to use the trademark identified as CALGISORB and, thus, the application is void *ab initio*; that the amendment of the mark from CALGISORB to KALGISORB substantially changed the appearance and commercial impact of the applied-for mark; that the amendment did not contain a verification as required by 15 USC Section 1051(b) [\*2] n2 establishing applicant's intent to use KALGISORB and, therefore, the application is void n3; and that applicant deleted the applied-for trademark and therefore abandoned the application.

n1 Application Serial No. 74/573,370, filed September 14, 1994, alleging a bona fide intent to use CALGISORB in commerce. On January 23, 1995, applicant filed an amendment to its involved application to seek registration of the mark KALGISORB, which was subsequently

approved and made of record. Applicant did not file an amendment to allege use before the mark was approved for publication.

n2 Although opposer cited to 15 USC Section 1051(B), it is presumed that opposer intended to cite to 15 USC 1051(b), the intent to use provision.

n3 Opposer's allegation that the involved application is void because applicant did not file a verification of its bona fide intent to use the mark KALGISORB is not an appropriate ground for opposition under Section 13 of the Trademark Act. Whether a verification statement is sufficient is exclusively an examination issue and, accordingly, not appropriate for review in the context of an inter partes proceeding. See generally, *In re Avocet, Inc.*, 227 USPQ 566 (TTAB 1985); *In re AFG Industries Inc.*, 17 USPQ2d 1162 (TTAB 1990). Accordingly, paragraph 9 and the relevant portions of paragraphs 3 and 10 are hereby stricken from the notice of opposition. See Fed. R. Civ. P. 12(f); and TBMP sections 506.01 and 506.02 and the authorities cited therein. **[\*3]**

Applicant denied the essential allegations of the notice of opposition. Applicant also pleaded certain affirmative and other defenses, namely, the defenses of laches, acquiescence, estoppel, unclean hands, naked license and/or license, and that opposer did not have standing to bring this opposition.

This case now comes up for consideration of opposer's motion for summary judgment on the grounds that the involved application was void *ab initio* because applicant lacked the requisite bona fide intent to use the applied-for mark CALGISORB or, alternatively, that the application became abandoned when applicant deleted CALGISORB and substituted therefor KALGISORB, an alleged materially different mark. n4 Applicant filed a brief in opposition to the motion for summary judgment.

n4 As we explained in footnote no. 2 herein, opposer's claim that the involved application was void because applicant failed to submit a verification of its intent to use KALGISORB is not an appropriate ground for opposition, and has been stricken from the pleadings. Accordingly, we will not consider the parties' arguments regarding that issue. See FRCP 56(a) and 56(b); *Paramount Pictures Corp. v. White*, 31 USPQ2d 1768 (TTAB 1994). **[\*4]**

Summary judgment is an appropriate method of disposing of cases in which there are no genuine issues of material fact in dispute, thus leaving the case to be resolved as a matter of law. See Fed. R. Civ. P. 56(c). Opposer, as the party moving for summary judgment, has the initial burden of demonstrating the absence of any genuine issue of material fact. See *Celotex Corp. v. Catrett*, 477 U.S. 317 (1986); *Sweats Fashions Inc. v. Pannill Knitting Co. Inc.*, 833 F.2d 1560, 4 USPQ2d 1793 (Fed. Cir. 1987). A factual dispute is genuine if, on the evidence of record, a reasonable fact finder could resolve the matter in favor of the non-moving party. See *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992); *Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542 (Fed. Cir. 1992). The evidence must be viewed in a light most favorable to the non-movant, and all justifiable inferences are to be drawn in the non-movant's favor. *Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027 (Fed. Cir. 1993); **[\*5]** *Opryland USA, supra*.

In support of its motion for summary judgment, opposer asserts that on September 14, 1994, applicant filed the involved intent-to-use application to register the mark CALGISORB, and that on January 19, 1995 [filed January 23, 1995], applicant submitted an amendment to the involved application which deleted CALGISORB as the applied-for mark and substituted therefor KALGISORB. Accordingly, opposer argues that applicant voided its involved application by deleting its applied-for mark and substituting a materially different mark; that

applicant did not have the required bona fide intent to use the applied-for mark and, thus, the application is void *ab initio*, or that the deletion of the applied-for mark resulted in an abandonment of the required intent; and that the amendment of the involved application is a de facto admission that either applicant never intended to use the CALGISORB mark or did not have a bona fide intent to use CALGISORB as a trademark at the time of filing its application or, if it had such intent, it was abandoned.

In opposing the motion for summary judgment, applicant argues that the amendment to the involved mark by replacing [\*6] the initial letter C with the phonetically equivalent letter K is not a material alteration thereof, and did not serve to void or abandon the application and, therefore, all of opposer's arguments are rendered moot.

Neither party buttressed its position with affidavits, declarations or other evidentiary materials.

An applicant seeking registration pursuant to Trademark Act Section 1(b) must have "a bona fide intention", under circumstances showing the good faith of such person, to use the applied-for mark in commerce. 15 USC Section 1051(b). An applicant's intention to use an involved mark must remain "bona fide" at every stage of the registration process. n5 Further, "[a]s a general rule, the factual question of intent is particularly unsuited to disposition on summary judgment." *Copelands' Enterprises, Inc. v. CNV Inc.*, 945 F.2d 1563, 20 USPQ2d 1295, 1299 (Fed. Cir. 1991).

n5 See *Commodore Electronics Ltd. v. CBM Kabushiki Kaisha*, 26 USPQ2d 1503 (TTAB 1993).

After a careful review of the record, we find that disposition by summary judgment is not appropriate in this case. While there is no genuine issue of material [\*7] fact that applicant amended its involved application by substituting KALGISORB for CALGISORB as the applied-for mark, we do not find that the amendment serves as a de facto admission that applicant either did not have the requisite bona fide intent or abandoned its bona fide intent to register the applied-for mark. Moreover, neither opposer nor applicant submitted any evidence and/or explanation as to why the change was made. See, e.g., *Dunkin' Donuts of America Inc. v. Metallurgical Exoproducts Corp.*, 6 USPQ2d 1026 (CAFC 1988).

In view thereof, at a minimum, there exist genuine issues of material fact as to what was applicant's bona fide intent regarding registration of the applied for mark, CALGISORB, at the time of filing the application, and whether that intent is commensurate to applicant's present intent to register KALGISORB. Accordingly, opposer's motion for summary judgment is denied. Trial dates, including the time for discovery, are reset in the accompanying order.

Trial dates, including the time for discovery, are reset as indicated below.

THE PERIOD FOR DISCOVERY TO CLOSE: October 29, 1997

Testimony period for party in  
position of plaintiff to close  
(opening thirty days prior thereto) December 28, 1997

Testimony period for party in  
position of defendant to close  
(opening thirty days prior thereto) February 26, 1998

Rebuttal testimony period to close  
(opening fifteen days prior thereto) April 12, 1998

[\*8]

IN EACH INSTANCE, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party WITHIN THIRTY DAYS after completion of the taking of testimony. Rule 2.125.

Briefs shall be filed in accordance with Rule 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Rule 2.129.

### Legal Topics:

For related research and practice materials, see the following legal topics:

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**CERTIFICATE OF SERVICE**

I hereby certify that on July 11, 2008, I served the foregoing Opposer's Opposition to Motion to Dismiss Notice of Opposition for Failure to State a Claim Upon Which Relief Can Be Granted on the applicant by mailing a copy thereof by First Class Mail, postage prepaid, addressed to applicant's correspondence address of record as follows:

Cheryl A. Withycombe, Esq.  
Allen Matkins Leck Gamble Mallory  
& Natsis LLP  
12348 High Bluff Drive, Suite 210  
San Diego, CA 92130

  
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Eleanor Elko