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

Proceeding	91215542
Party	Defendant Biosensory, Inc.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
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CONSEAL INTERNATIONAL INCORPORATED,	)	
	)	Opposition No. 91215542
Opposer,	)	
	)	Application Serial No. 86/051,702
v.	)	
	)	Mark: CONCEAL
BIOSENSORY, INC.	)	
	)	
Applicant	)	
	)	

MOTION TO DISMISS FOR FAILURE TO STATE A CLAIM

BioSensory, Inc. ("Applicant"), by and through counsel and pursuant to Fed. R. Civ. P. 12(b)(6) and TMEP § 503 *et seq.*, hereby files this Motion to Dismiss for Failure to State a Claim against the Notice of Opposition ("Opposition") by ConSeal International Incorporated ("Opposer"). In bringing its Opposition, Opposer completely ignored Applicant's preexisting incontestable registration for the CONCEAL mark with nearly identical goods and services. Because the Opposition fails to address Applicant's prior registration that bars Opposer's relief, this Board should grant Applicant's Motion and circumvent the waste of resources in litigating a baseless claim.

I. STATEMENT OF FACTS

Applicant filed Application Serial No. 86/051,702 (the "CONCEAL Application") on August 29, 2013. The CONCEAL Application is for a standard character mark, CONCEAL, applied for in connection with the following: "insect inhibitor in candle form." The Application alleges a date of first use of May 30, 2000 and was published on January 21, 2014.

The CONCEAL Application is not the Applicant's only mark. In addition, Applicant is the owner of United States Trademark Registration No. 3,292,890 (the "CONCEAL

Registration") (collectively, the CONCEAL Application and the CONCEAL Registration are the "CONCEAL Marks"). The mark governed by the CONCEAL Registration is a standard character mark, CONCEAL, registered in connection with "candles" on September 18, 2007. The registration now has incontestable status. The Opposition does not reference Applicant's ownership of the CONCEAL Registration.

In its Opposition, Opposer notes that it owns United States Trademark Registration Nos. 3,371,348 and 3,433,690 (collectively, the "CONSEAL Registrations"). Opposer alleges in its Opposition that:

> Opposer has sold and/or provided the following goods and/or services, among other things: insecticides, pesticides, water-based sealants for use in concrete and masonry applications, nutritional and dietary supplements, fuel additive products, and research and development in the fields of chemistry.

Opposition at ¶ 3.

However, the CONSEAL Registrations describe a very different and narrower use of the mark CONSEAL by Opposer. Opposer's '348 Registration provides use in connection with only the following services:

> Research and development and consultation related thereto in the fields of chemistry; research and development of chemical compositions used in chemical and nutritional supplement products for custom manufacturing and private labeling; scientific and technical consulting and research services relating to chemicals and dietary supplements.

Opposer's '690 Registration provides use only in connection with the following goods:

> Water-based sealants for use in concrete and masonry applications such as manholes, concrete vaults, septic tanks, concrete pipe, box culverts, utility vaults, burial vaults, vertical panel structures, walls, floors, bridges, decks, and docks.

The Opposition does not include or reference Opposer's registered goods and services for the CONSEAL Registrations. Rather, the Opposition states broadly that it owns the "CONSEAL Mark," without connecting that term to the CONSEAL Registrations.

II. ARGUMENT

This Court should dismiss the Opposition for its failure to state a claim, namely, its failure to plead Applicant's ownership of a substantially identical mark. Because Applicant owns the CONCEAL Registration for substantially identical goods as the CONCEAL Application, the Opposition cannot succeed and should be dismissed. *See Morehouse Mfg. Corp. v. Strickland & Co*., 407 F.2d 881, 160 USPQ 715 (CCPA 1969).

A. Standard of Review

The purpose of a Rule 12(b)(6) motion is to allow for the elimination of "actions that are fatally flawed in their legal premises and destined to fail, and thus to spare litigants the burdens of unnecessary pretrial and trial activity." *Advanced Cardiovascular Sys. Inc. v. SciMed Life Sys. Inc.*, 988 F.2d 1157, 1160 (Fed. Cir. 1993). All of Opposer's well-pleaded allegations must be accepted as true and the Opposition must be construed in the light most favorable to Opposer. *Id.* at 1160-61. However, where an Opposer's allegations contradict the records of the Patent & Trademark Office, the Board is under no obligation to accept such allegations as true. *Compagnie Gervais Danone v. Precision Formulations, LLC*, Opposition No. 91179589 & 91184174 (TTAB 2009). Further, the Board may rely on the public records of the Office – such as registrations – in adjudicating a motion to dismiss without converting it to a motion for summary judgment. *Id.*

B. The Opposition Fails to Recognize Applicant's Prior Registration for CONCEAL

The Opposition fails to state a claim because it does not acknowledge that Applicant owns an unchallenged and substantially identical registration for the CONCEAL mark. Opposer also fails to plead that the CONCEAL Application is distinct from the long-standing CONCEAL Registration or that the Application somehow causes more harm than the Registration. As a result, this prior registration mandates that the Board should dismiss the Opposition. *See Morehouse*, 160 USPQ at 715.

The *Morehouse* defense provides that an opposition cannot succeed where an applicant owns an existing registration for the same or a substantially identical mark and the same or substantially identical goods and services as the challenged application. *O-M Bread, Inc. v. United States Olympic Committee*, 65 F.3d 933, 36 USPQ2d 1041 (Fed. Cir. 1995). The underlying theory is that "the opposer cannot be further injured [by registration of the application] because there already exists an injurious registration." *Id.* at 1045.

Here, there is no question that the CONCEAL Application and the CONCEAL Registration feature the same marks. Further, the marks relate to substantially identical goods and services. The CONCEAL Registration is for candles while the CONCEAL Application is for an even narrower class of goods: insect inhibitors in the form of candles.[1] Because Opposer cannot show a greater injury from this second application and because Opposer has never challenged the CONCEAL Registration, its Opposition must be dismissed. *See Morehouse*, 160

[1] The Board can look at the facts of the various registrations, even if not pled, in determining a motion to dismiss. *Compagnie Gervais Danone*, Opposition No. 91179589 & 91184174 ("the Board may look to Office records for such facts to determine if a party's allegations are well-pleaded").

USPQ at 715; *Place for Vision, Inc. v. Pearle Vision Center, Inc*., 218 USPQ 1022 (TTAB 1983).

1. The CONCEAL Registration and CONCEAL Application are Literally Identical

Applicant's two marks meet the first factor under *Morehouse* because "they project the same image and symbolize a single and continuing commercial impression." *S&L Acquisition Co. v. Helen Arpels, Inc.*, 9 USPQ2d 1221, 1226 (TTAB 1987). There can be no dispute that the CONCEAL Registration and CONCEAL Application are identical standard character marks with the same literal elements. Because the CONCEAL mark in the application and registration are identical, the rights obtained by virtue of the CONCEAL Registration should inure to the benefit of the pending application. *See Humble Oil & Refining Co. v. Seksui Chem. Co., Ltd. of Japan*, 165 USPQ 597, 603 (TTAB 1970).

2. The Goods and Services for the CONCEAL Registration and CONCEAL Application are Substantially Identical

As a matter of law, Opposer cannot be damaged by the issuance of a second registration to Applicant given that Applicant already owns an existing, unchallenged registration of the same mark for substantially identical goods. *O-M Bread*, 36 USPQ2d at 1045. Whether the goods listed in the CONCEAL Application and the CONCEAL Registration are "identical, substantially the same, or so related so as to represent in law a distinction without a difference" can be determined by a simple review of the CONCEAL Application and the CONCEAL Registration. *Aquion Partners Ltd. P'ship v. Envirogard Prods. Ltd.*, 43 USPQ2d 1371, 1373 (TTAB 1997); *Amerisure Mut. Ins. Co. v. Ind. Blue Cross*, CANCELLATION 9204107, 2004 WL 950913, at *3 (TTAB Apr. 29, 2004) (not precedent). The goods in the CONCEAL Registration (candles) and the goods in the CONCEAL Application (insect inhibitors in the form of candles) are nearly identical. Further, because the goods of the CONCEAL Application are

even narrower than the CONCEAL Registration, Opposer is unable to allege that it faces greater harm from the registration of the CONCEAL Application than it did from the CONCEAL Registration. The Board should sustain the *Morehouse* defense because registering the CONCEAL Application will not add to any injury caused by the CONCEAL Registration. *O-M Bread*, 36 USPQ2d at 1045.

As noted above, the analysis of whether goods are "substantially similar" typically depends on whether the later-registered goods expand upon or are broader than the earlier goods. If the Application's goods are related to the Registration's goods but are broader or more expansive, the *Morehouse* defense is typically inapplicable. *See Disney Enterprises, Inc. v. Ronica Holdings Ltd.*, Opposition No. 91218136 (TTAB 2015) (not precedent) (denying the *Morehouse* defense where the application had a "much broader listing of goods and services than the registration"); *The Crazy Horse Mem. Foundation v. Frank B. Spencer*, Opp. No. 9124980 (2014) (not precedent) ("although the online services and the exotic dancing services may fall under the broad umbrella of adult entertainment services, the present application includes services different from and additional to the ones listed in the registration"); *La Fara Importing Co. v. F Lle de Cecco di Filippo Fara S. Martino S.p.A.*, 8 USPQ2d 1143, 1147 (TTAB 1988) (*Morehouse* defense inapplicable where the registration related to "alimentary pastes" and the application included the same and "additional items such as coffee, sugar, rice, cakes and sauces"). The reasoning behind that distinction is that an opposer may not have been damaged by the narrow goods of the earlier registration but could conceivably be damaged by the broader application of the same mark. That is not the case here.

The only difference between the goods in the CONCEAL Registration and CONCEAL Application is that the CONCEAL Registration reflects all types of candles and the CONCEAL

Application reflects a specific type of candle. This is exactly the type of situation that the *Morehouse* defense covers, because, unlike the situations described above, the CONCEAL Application reflects a narrowing rather than a broadening of the goods from the CONCEAL Registration.[2]

Similarly, in *Joseph & Feiss Co. v. Sportempos, Inc.*, 451 F.2d 1402, 59 CCPA 742 (CCPA 1971), the Court of Customs and Patent Appeals affirmed the decision of this Board that the *Morehouse* defense applied. The applicant in *Joseph & Feiss* owned a prior registration for "ladies' suits, jackets, and skirts." The application, which featured the same standard character mark, sought registration for specific types of women's clothing: "suits, jackets, and skirts; trousers and slacks; outer shorts, coats, outer dresses and sport shirts, blouses, shells, with and without sleeves; sweaters, shifts; and caps, all for women, young women, and girls." The Court affirmed that, under *Morehouse*, the opposition could not stand because "the goods specified in applicant's registration and application **are in part identical and otherwise considered substantially the same**." *Id.* at 744.

As in *Joseph & Feiss*, the CONCEAL Registration broadly covers all candles; now Applicant only seeks registration for a specific type of candles. The goods and services in the Application are "encompassed" by the goods and services in the Registration, which permits application of *Morehouse*. *See DC Comics Inc. v. Scholastic Magazines, Inc.*, 210 USPQ 299, 301 (TTAB 1980).

[2] In addition, Opposer cannot credibly maintain any greater threat of harm or damages by a second CONCEAL registration where it does not own any competing trademark registrations in the area of or related to "insect inhibitors," which is the only changed element between the CONCEAL Registration and the CONCEAL Application.

Because Opposer never sought to procure the cancellation of the CONCEAL Registration, the relief sought by Applicant should be granted. *Morehouse*, 56 CCPA at 946. Thus, Opposer's failure to plead the existence of the CONCEAL Registration – and its inability to recover in light of the prior registration defense – warrants dismissal of the Opposition. Applicant should not be forced "to go to the expense of defending a lawsuit, when it already owns an unchallenged substantially identical registered mark for substantially identical goods." *Carl Karcher Enterprises, Inc. v. Gold Star Chili, Inc.*, 222 USPQ 727 (TTAB 1983).

III. CONCLUSION

WHEREFORE, Applicant respectfully requests that this Board dismiss the Opposition and approve the registration of Applicant's Mark.

Dated: August 24, 2015

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CERTIFICATE OF SERVICE

hereby certify that on August 24, 2015, the foregoing was filed electronically with the TTAB and mailed via U.S. first class mail and emailed per stipulation to the following:

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