

THIS ORDER IS A
PRECEDENT OF THE TTAB

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451
General Contact Number: 571-272-8500

wbc

Mailed: September 20, 2017

Opposition No. 91226056

Sun Hee Jung

v.

Magic Snow, LLC

Before Taylor, Masiello and Hightower,
Administrative Trademark Judges.

By the Board:

This case now comes before the Board on Applicant's motion to dismiss the second amended notice of opposition for failure to state a claim as to the asserted claims of likelihood of confusion and non-use in commerce. The motion was filed in lieu of an answer and is fully briefed.¹

A motion to dismiss under Fed. R. Civ. P. 12(b)(6) is a test of the sufficiency of a complaint. *See Advanced Cardiovascular Sys. Inc. v. SciMed Life Sys. Inc.*, 988 F.2d 1157, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993); and additional authorities collected in Trademark Trial and Appeal Board Manual of Procedure ("TBMP") § 503.01 (June 2017). To survive such a motion, a plaintiff need only allege sufficient factual matter as would, if proved, establish that (1) the plaintiff has standing to maintain the

¹ Applicant's Appearance of Counsel and Change of Correspondence Address are noted. 22 TTABVUE; 23 TTABVUE.

proceeding, and (2) a valid ground exists for opposing or cancelling the registration of the mark. *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 187 (CCPA 1982). Specifically, “a complaint must contain sufficient factual matter, accepted as true, to state a claim to relief that is plausible on its face.” *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). In the context of *inter partes* proceedings before the Board, a claim has facial plausibility when a plaintiff pleads factual content that allows the Board to draw a reasonable inference that the party has standing and that a valid ground for refusing or cancelling the registration exists. *See Twombly*, 550 U.S. at 570. “Threadbare recitals of the elements of a cause of action, supported by mere conclusory statements, do not suffice.” *Iqbal*, 556 U.S. at 678 (citing *Twombly*, 550 U.S. at 555).

Likelihood of Confusion

We first address Opposer’s claim of likelihood of confusion. Trademark Act Section 2(d) states that a mark must be refused registration if it “so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive.” 15 U.S.C. § 1052(d) (emphasis added). As noted in the Board’s August 29, 2016 order, Opposer adequately pleaded her standing to bring such a claim and adequately pleaded that Applicant’s mark is likely to be confused with her

mark. Those same allegations have been repeated in Opposer's second amended notice of opposition.

Because the express statutory language of Section 2(d) requires prior use of a mark in the United States by the Opposer, we first turn to the sufficiency of Opposer's pleading of priority.

Opposer has not alleged use in the United States. She has alleged that she has filed applications with the USPTO, under Section 1(b) or Section 66(a) of the Trademark Act, 15 U.S.C. §§ 1051(b) and 1141f, for marks including the term SULBING and based on an intent to use the marks in United States commerce;² that “[p]rior to the filing of Applicant’s Application, Opposer’s SULBING marks have been exposed to people in the United States by her website and via various social media such as social networking sites (FACEBOOK, INSTAGRAM, YOUTUBE etc.)”; that “information obtained from people travelling to and from Korea” has caused her marks to “become famous to the relevant sector of the population of the United States, namely, the Korean-Americans in the United States”; and that “[p]rior to the filing of

² Opposer's pleaded applications were all filed subsequent to Applicant's application. Opposer's application Serial No. 79157509 was filed August 20, 2014; application Serial No. 86739365 was filed August 27, 2015; and application Serial No. 86739405 was filed August 27, 2015. Accordingly, Opposer cannot rely on the filing dates of its pleaded applications to establish priority. *See, e.g., Spirits Int'l B.V. v. S. S. Taris Zeytin Ve Zeytinyagi Tarim Satis Kooperatifleri Birliđi*, 99 USPQ2d 1545, 1549 (TTAB 2011); *Larami Corp. v. Talk To Me Programs Inc.*, 36 USPQ2d 1840, 1844 (TTAB 1995).

Applicant's Application³, Opposer's SULBING marks had acquired secondary meaning in the United States."⁴ 16 TTABVUE 5-6.

Opposer has alleged that her pleaded marks were recognized in the United States prior to the filing of Applicant's application but she has not alleged *use* prior to that date in commerce that may be regulated by the U.S. Congress. Section 2(d) of the Trademark Act, under which Opposer brings her claim, expressly requires a showing of either a mark registered in the USPTO or "a mark or trade name previously used in the United States...." In the amended notice of opposition, Opposer largely relies on the asserted fame of her mark in Korea and recognition of her mark in the United States due to her efforts in Korea. In short, Opposer is relying on what has come to be known as the "well known mark" doctrine. "Under the 'well known mark' doctrine ... a party asserts that its mark, while as yet unused in the United States, has become so well known here that it may not be registered by another." *Fiat Grp. Autos. S.p.A. v. ISM Inc.*, 94 USPQ2d 1111, 1113 (TTAB 2010) (citing *Franpovi SA v. Wessin*, 89 USPQ2d 1637, 1638 n.3 (TTAB 2009)). However, the "well known mark" doctrine provides no basis for a Section 2(d) ground for opposition because it does not establish use of the mark in the United States as required by the statutory language of that section. *Bayer Consumer Care AG v. Belmora LLC*, 90 USPQ2d 1587, 1592 n.4 (TTAB 2009), *mark cancelled*, *Bayer Consumer Care AG v. Belmora LLC*, 110 USPQ2d 1623

³ The filing date of application Serial No. 86357240 is August 5, 2014.

⁴ In view of our decision *infra*, dismissing the Section 2(d) claim, we need not address the contentions that the relevant class of consumers would constitute only Korean-Americans or that priority of acquisition of secondary meaning, to the extent that is an assertion of Opposer, would be relevant if the claim were sufficiently pled.

(TTAB 2014), *rev'd*, *Belmora LLC v. Bayer Consumer Care AG*, 84 F.Supp.3d 490 (E.D. Va. 2015) *vacated and remanded*, *Belmora LLC v. Bayer Consumer Care AG*, 819 F.3d 697 (4th Cir. 2016).

Recognition in the United States is not the same as use in the United States and, accordingly, Opposer's pleading of priority under Section 2(d) is insufficient. The Board noted in its August 29, 2016 order that it "does not recognize [the well known mark doctrine] as [an independent] basis for establishing priority in its *inter partes* proceedings." 14 TTABVUE 6. *See Bayer Consumer Care*, 90 USPQ2d at 1591; *Green Spot (Thailand) Ltd. v. Vitasoy Int'l Holdings Ltd.*, 86 USPQ2d 1283, 1284-85 (TTAB 2008) (the fact that a mark is well-known in other countries "cannot establish priority in the United States"); *see also ITC Ltd. v. Punchgini*, 482 F.3d 135, 82 USPQ2d 1414 (2d Cir. 2007) (well-known mark doctrine rejected as a basis for asserting priority).

This is Opposer's second attempt to plead priority and, based on the allegations before us, we can perceive no theory by which the recited facts could plausibly allege priority of use in the United States. *See, e.g., Dragon Bleu (SARL) v. VENM, LLC* 112 USPQ2d 1925, 1929 n.10 (TTAB 2014); *Bayer Consumer Care*, 90 USPQ2d at 1590-91; *McDonnell Douglas Corp. v. Nat'l Data Corp.*, 228 USPQ 45, 48 (TTAB 1985). The motion to dismiss the Section 2(d) claim is **granted** and the claim is **dismissed with prejudice**. We decline to provide any further opportunity for Opposer to replead her likelihood of confusion claim, as it appears that further efforts to plead the claim would be futile. *See, e.g., Embarcadero Techs., Inc. v. Delphix Corp.*, 117 USPQ2d 1518, 1523 (TTAB 2016); *Dragon Bleu (SARL)*, 112 USPQ2d at 1929 n.10; *Institut*

National des Appellations d'Origine v. Brown-Forman Corp., 47 USPQ2d 1875, 1896 (TTAB 1998).

United States-Korea Free Trade Agreement

In her second amended notice of opposition, Opposer for the first time, refers to the United States-Korea Free Trade Agreement (“KORUS”). It is unclear whether these allegations are meant to assert an independent cause of action or are a part of Opposer’s claim of priority and likelihood of confusion under the “well known mark” doctrine. In any case, this Agreement is not self-executing,⁵ and therefore does not afford Opposer an independent cause of action. To the extent that the KORUS refers to or incorporates provisions of the Paris Convention, we note that the Paris Convention, too, is not self-executing and does not afford an independent cause of action in Board proceedings. *In re Rath*, 402 F.3d 1207, 74 USPQ2d 1174, 1175 (Fed. Cir. 2005; *Bayer Consumer Care*, 90 USPQ2d at 1591 (citing *Int’l Fin. Corp. v. Bravo Co.*, 64 USPQ2d 1597, 1603 (TTAB 2002)). The United States implements the trademark protection and registration provisions of these international agreements under the relevant provisions of the Trademark Act, including Sections 1, 2, 43, 44, and 66. If the reference to KORUS was intended to support Opposer’s 2(d) ground, it fails for the same reasons discussed above because any reliance on KORUS does not establish use in the United States sufficient for Section 2(d) priority.

Non-use in commerce

⁵ See Section 102(a) of the United States-Korea Free Trade Agreement Implementation Act, 125 Stat. 428, Pub. L. 112-41 (October 21, 2011).

Section 1 of the Trademark Act requires use in commerce either at the time a use-based application is filed, or, for an application filed under the intent-to-use provision of Section 1(b), at the time applicant's allegation of use is filed. Trademark Act Section 1; 15 U.S.C. § 1051. Therefore, an application may be opposed if, at the time of filing the use-based application or allegation of use, the mark was not in use in commerce on the identified goods or services.

The Lanham Act extends to all commerce which Congress may regulate. *Christian Faith Fellowship Church v. adidas AG*, 841 F.3d 986, 120 USPQ2d 1640, 1646 (Fed. Cir. 2016) (citing *Larry Harmon Pictures Corp. v. Williams Rest. Corp.*, 929 F.2d 662, 18 USPQ2d 1292, 1295 (Fed. Cir. 1991)). “[O]ne need not direct goods across state lines for Congress to regulate the activity under the Commerce Clause, there is likewise no such per se condition for satisfying the Lanham Act’s ‘use in commerce’ requirement.” *Christian Faith Fellowship Church*, 120 USPQ2d at 1647. Further, “[i]t is not required that such services be rendered in more than one state to satisfy the use in commerce requirement.” *Larry Harmon Pictures Corp.*, 18 USPQ2d at 1295 (citing *In re Gastown, Inc.*, 326 F.2d 780, 140 USPQ 216, 217-18 (CCPA 1964).

Opposer alleges that Applicant, at the time it filed its amendment to allege use, had but one store location in Ashburn, Virginia “which is remote from any interstate highways”; that Applicant’s sales “were made in person to purchasers at Applicant’s store in Ashburn, Virginia”; and that therefore, Applicant’s use was not use in regulable commerce.⁶ 16 TTABVUE 12-13. In short, Opposer has alleged that

⁶ As used in the Trademark Act, “commerce” means “all commerce which may lawfully be regulated by Congress.” 15 U.S.C. § 1127.

Applicant's mark was limited to intrastate use at the time it filed its amendment to allege use and that such use was not use in "commerce" as defined by the Trademark Act.

Although Opposer has included allegations arguing Applicant's services are limited to intrastate commerce, Opposer has not alleged that Applicant's rendering of its services, in the aggregate, does not have an effect on commerce that is regulable by Congress. *See Christian Faith Fellowship Church*, 120 USPQ2d at 1646-47; *Larry Harmon Pictures Corp.*, 18 USPQ2d at 1295. Accordingly, Opposer has not adequately pleaded non-use in commerce. In view thereof, the motion to dismiss this claim is **granted**.

Proceedings Resumed; Dates Reset

Opposer is allowed until **October 10, 2017** in which to file an amended pleading to properly plead a claim of non-use, failing which this opposition may be dismissed. Applicant is allowed until **November 10, 2017** in which to file its answer or otherwise respond to the amended pleading, if one is filed.

The proceeding is resumed. The remaining dates are reset as follows:

Time to Answer	11/10/2017
Deadline for Discovery Conference	12/10/2017
Discovery Opens	12/10/2017
Initial Disclosures Due	1/9/2018
Expert Disclosures Due	5/9/2018
Discovery Closes	6/8/2018
Plaintiff's Pretrial Disclosures	7/23/2018
Plaintiff's 30-day Trial Period Ends	9/6/2018
Defendant's Pretrial Disclosures	9/21/2018
Defendant's 30-day Trial Period Ends	11/5/2018
Plaintiff's Rebuttal Disclosures	11/20/2018

Plaintiff's 15-day Rebuttal Period Ends

12/20/2018

In each instance, a copy of the transcript of any oral testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of taking of that testimony. Trademark Rule 2.125.

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