

THIS ORDER IS NOT 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

mbm

Mailed: June 19, 2018

Opposition No. 91235909

Intercontinental Exchange Holdings, Inc.

v.

New York Mercantile Exchange, Inc.

By the Trademark Trial and Appeal Board:

This proceeding now comes before the Board for consideration of Applicant's motion (filed February 12, 2018) to dismiss Opposer's claim of false suggestion of a connection of Opposer's January 22, 2018 amended notice of opposition for failure to state a claim pursuant to Fed. R. Civ. P. 12(b)(6). The motion is fully briefed.

I. Background

On January 2, 2018, the Board granted, in part, and denied, in part, Applicant's motion to dismiss Opposer's claims of likelihood of confusion, deceptiveness, dilution, and false suggestion of a connection, with leave to amend.¹ On January 22, 2018,

¹ The Board found that Opposer had sufficiently pleaded its standing and a claim of likelihood of confusion with respect to Opposer's BRENT and BRENT INDEX marks for use with "financial exchanges and clearing houses including the New York Stock Exchange," a "specific financial benchmark," and a Futures Contract "financial instrument." 9 TTABVue 3-4. The Board found, however, that Opposer's allegations of likelihood of confusion with respect to a "variety of financial products" or "financial" data were too vague to give Applicant fair notice of the goods or services for which Opposer may have been claiming common law use. *Id.*

Opposer filed a timely amended notice of opposition. On February 12, 2018, Applicant filed a motion to dismiss Opposer's amended claim of false suggestion of a connection pursuant to Section 2(a) of the Trademark Act, 15 U.S.C. § 1052(a).

II. Motion to Dismiss

To survive a motion to dismiss, “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, 663, 129 S. Ct. 1937, 1949 (2009), quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570, 127 S. Ct. 1955, 1974 (2007). A claim has facial plausibility when the plaintiff pleads factual content that allows the court to draw a reasonable inference that the defendant is liable for the misconduct alleged. See *Twombly*, 550 U.S. at 556-557. However, the plausibility standard does not require that a plaintiff set forth detailed factual allegations. *Id.* Rather, a plaintiff need only allege “enough factual matter...to suggest that [a claim is plausible]” and “raise a right to relief above the speculative level.” *Totes-Isotoner Corp. v. U.S.*, 594 F.3d 1346, 1354 (Fed. Cir. 2010). Moreover, it is well established that whether a plaintiff can actually prove its allegations is not a matter to be determined upon motion to dismiss, but rather at final hearing or upon summary judgment, after the parties have had an opportunity to submit evidence. See *Libertyville Saddle Shop Inc. v. E. Jeffries & Sons, Ltd.*, 22 USPQ2d 1594, 1597 (TTAB 1992) (“A motion to dismiss does not involve a determination of the merits of the case...”).

For purposes of determining such motion, 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. *See Advanced Cardiovascular Sys. Inc. v. SciMed Life Sys. Inc.*, 988 F.2d 1157, 1161, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993). As plaintiff, the claimant must plead factual content that allows the Board to draw a reasonable inference that it has standing and that a valid ground for cancellation exists. *Cf. Twombly*, 550 U.S. at 556. In particular, the claimant must allege well-pleaded factual matter and more than “[t]hreadbare recitals of the elements of a cause of action, supported by mere conclusory statements,” to state a claim plausible on its face. *Iqbal*, 129 S. Ct. at 1949 (*citing Twombly*, 550 U.S. at 555).

A. False Suggestion of a Connection

A claim of false suggestion of a connection under Section 2(a) of the Trademark Act embodies concepts of the rights of privacy and publicity, and as such, is distinct from a likelihood of confusion claim under Section 2(d) of the Trademark Act where the issue is whether there is a likelihood of confusion as to the source of goods or services. *See Univ. of Notre Dame du Lac v. J.C. Gourmet Food Imports Co., Inc.*, 703 F.2d 1372, 217 USPQ 505, 508 (Fed. Cir. 1983) (explaining that the purpose of the false suggestion of a connection language of Section 2(a) is to protect “the name of an individual or institution which [i]s not a ‘technical’ trademark or ‘trade name’ upon which an objection could be made under Section 2(d)”).

To adequately plead a claim of false suggestion of a connection, a plaintiff must allege that:

- (1) Applicant’s involved mark is the same as, or a close approximation of, the name or identity previously used by another person or institution;

- (2) Applicant's involved mark would be recognized as such, in that it points uniquely and unmistakably to that person or institution;
- (3) That person or institution is not connected with the goods sold or services performed by applicant under the mark; and
- (4) The fame or reputation of the named person or institution is of such a nature that a connection with such person or institution would be presumed when applicant's mark is used on its goods and/or services.

Petróleos Mexicanos v. Intermix SA, 97 USPQ2d 1403, 1405 (TTAB 2010), (citing *Univ. of Notre Dame du Lac*, 217 USPQ at 508-10); *Buffet v. Chi-Chi's, Inc.*, 226 USPQ 428, 429 (TTAB 1985).

Here, in its amended notice of opposition, Opposer pleads that NYMEX BRENT is a close approximation of BRENT and BRENT INDEX and that BRENT and BRENT INDEX are "perceived by the relevant public ... as an alternate entity name for Opposer." Amended notice of opposition ¶¶ 18-19. Thus, Opposer has sufficiently pleaded the first element of a false suggestion of a connection claim. Although Opposer's amended notice of opposition refers both to Opposer's identity and Opposer's marks, Opposer has pleaded **both** a claim of likelihood of confusion pursuant to Section 2(d) of the Trademark Act and false suggestion of a connection pursuant to Section 2(a) of the Trademark Act. Thus, it is consistent with its claims for Opposer to alternatively refer either to Opposer's marks or that BRENT is Opposer's identity, irrespective of any trademark rights in the name.²

² Applicant's complaint that Opposer fails to allege ownership of a registration or application for its claimed marks and/or name is inapposite to the determination of whether Opposer has properly pleaded a claim of false suggestion of a connection, insofar as Opposer need not allege a proprietary interest in a mark to assert a claim of false suggestion of a connection. *Petróleos Mexicanos v. Intermix SA*, 97 USPQ2d 1403, 1406 n.2 (TTAB 2010).

Opposer also alleges that “Opposer is of sufficient reputation that when Applicant’s mark is used in connection with financial exchange services a connection with Opposer would be presumed.” Amended notice of opposition paragraph D. Thus, Opposer has sufficiently pleaded the fourth element of a false suggestion of a connection claim. Applicant argues that Opposer’s claim fails because Opposer has not pleaded that it is “famous.” 12 TTABVUE 15. However, in order to plead a claim of false suggestion of a connection, a plaintiff need only prove that the “fame or reputation of the named person or institution is of such a nature that a connection with such person or institution would be presumed... .” *Petróleos Mexicanos*, 97 USPQ2d at 1405 (emphasis added). Applicant also argues that Opposer has failed to plead sufficient fame to support a false suggestion of a connection claim and that Opposer’s allegations of foreign use are irrelevant; however, a motion to dismiss is a test solely of the sufficiency of the pleadings. *See Libertyville Saddle Shop Inc.*, 22 USPQ2d at 1597. For purposes of the motion, the Board does not determine whether the allegations are, in fact, sufficient to prove Opposer’s assertion that its alleged fame or reputation supports a finding of false suggestion of a connection.³

The Board finds, however, that Opposer has failed to plead clearly that Applicant’s mark points uniquely and unmistakably to Opposer. Although Opposer pleads “Applicant’s Mark which points uniquely to The BRENT INDEX, will be mistakenly perceived as associated therewith,” it is not clear that Opposer is pleading

³ Similarly, Applicant argues that Opposer’s allegation that “BRENT” is the dominant portion of Applicant’s mark is “disingenuous” and that Opposer is not “commonly known.” 12 TTABVUE 9, 15 TTABVUE 4. Applicant’s arguments go to the merits of Opposer’s purported claim, rather than the sufficiency of the pleading.

association with Opposer's name or identity, rather than Opposer's mark. Additionally, Opposer pleads that use of a "BRENT name points uniquely and unmistakably to Opposer," *Id.* at ¶ 21. The pleading is insufficient insofar as Opposer does not specifically allege that **Applicant's** mark points uniquely and unmistakably to Opposer.

Opposer has also failed to plead that Opposer is not connected with the goods or services performed by Applicant under its involved mark. Rather, Opposer has pleaded that Applicant is not connected with Opposer's **services** provided under Opposer's marks. *Id.* at ¶ 23. A claim of false suggestion of a connection must be predicated on an association with the name or identity of another person or institution, as opposed to association with a source of services, as in a claim of likelihood of confusion. *Cf. Embarcadero Techs., Inc. v. Delphix Corp.*, 117 USPQ2d 1518, 1523 (TTAB 2016) ("The claim of false suggestion of a connection is not a variation on a likelihood of confusion claim.").

In view of the foregoing, Applicant's motion to dismiss Opposer's amended notice of opposition is **granted**.

Notwithstanding the Board's determination that the amended notice of opposition does not adequately plead a claim of false suggestion of a connection, it is the Board's established practice to freely grant leave to amend pleadings found to be insufficient upon challenge under Fed. R. Civ. P. 12(b)(6). *See Miller Brewing Co. v. Anheuser-Busch Inc.*, 27 USPQ2d 1711, 1714 (TTAB 1993); *IdeasOne Inc. v. Nationwide Better Health Inc.*, 89 USPQ2d 1952, 1955 (TTAB 2009). In view thereof,

Opposer is allowed until **twenty days** from the mailing date of this order in which to file and serve an amended notice of opposition that properly pleads a claim of false suggestion of a connection, failing which, Opposer's claim of false suggestion of a connection will be dismissed with prejudice.

In turn, Applicant is allowed until **twenty days** from the date of service indicated on the amended notice of opposition, if any, in which to file and serve an answer or otherwise respond to the amended pleading. In the event Opposer fails to file and serve an amended notice of opposition, Applicant shall have until **July 30, 2018** in which to file and serve an answer to Opposer's January 22, 2018 amended notice of opposition, as limited by this order.

III. Trial Schedule

Proceedings are resumed. Dates are reset as follows:

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| Deadline for Discovery Conference | 8/29/2018 |
| Discovery Opens | 8/29/2018 |
| Initial Disclosures Due | 9/28/2018 |
| Expert Disclosures Due | 1/26/2019 |
| Discovery Closes | 2/25/2019 |
| Plaintiff's Pretrial Disclosures Due | 4/11/2019 |
| Plaintiff's 30-day Trial Period Ends | 5/26/2019 |
| Defendant's Pretrial Disclosures Due | 6/10/2019 |
| Defendant's 30-day Trial Period Ends | 7/25/2019 |
| Plaintiff's Rebuttal Disclosures Due | 8/9/2019 |
| Plaintiff's 15-day Rebuttal Period Ends | 9/8/2019 |
| Plaintiff's Opening Brief Due | 11/7/2019 |
| Defendant's Brief Due | 12/7/2019 |
| Plaintiff's Reply Brief Due | 12/22/2019 |
| Request for Oral Hearing (optional) Due | 1/1/2020 |

Generally, the Federal Rules of Evidence apply to Board trials. Trial testimony is taken and introduced out of the presence of the Board during the assigned testimony periods. The parties may stipulate to a wide variety of matters, and many requirements relevant to the trial phase of Board proceedings are set forth in Trademark Rules 2.121 through 2.125. These include pretrial disclosures, the manner and timing of taking testimony, matters in evidence, and the procedures for submitting and serving testimony and other evidence, including affidavits, declarations, deposition transcripts and stipulated evidence. Trial briefs shall be submitted in accordance with Trademark Rules 2.128(a) and (b). Oral argument at final hearing will be scheduled only upon the timely submission of a separate notice as allowed by Trademark Rule 2.129(a).