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

Proceeding	91238706
Party	Plaintiff Xiang Yin He Chang Tuan Inc.
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Submission	Motion to Dismiss - Rule 12(b)
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IN THE UNITED STATES PATENT AND
TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

Opposition No. 91238706
Application Serial Nos. 87566170 and 87538374

Xiang Yin He Chang Tuan Inc.
Opposer

Vs.

Edison Chinese Chorus Inc.
Applicant

ANSWER IN RESPONSE TO MOTION TO DISMISS
THE SECOND AMENDED NOTICE OF OPPOSITION

Comes now the Opposer, Xiang Yin He Chang Tuan Inc. (“Opposer”), by counsel, H. Danny Kao, and for its answer in response to the Motion to Dismiss the Second Amended Notice of Opposition for failure to state a claim pursuant to Fed.R.Civ.P. 12(b)(6) and for lack of standing.

FACTS

On April 23, 2018, the Edison Chinese Chorus (“Edison” or “Applicant”) filed a Motion to Dismiss the Opposer’s Second Amended Notice of Opposition for failure to state a claim pursuant to Fed.R.Civ.P. 12(b)(6) and for lack of standing. The motion to dismiss does not identify the particular claims of Opposer’s five claims it is attacking.

As asserted in Opposer’s Second Amended Notice of Opposition, Opposer has asserted plausible facts that establish that the true owner of the Marks-in-suit is Ms. Tan. She has applied for her own trademark applications (serial numbers 87811480 and 87811521), claiming the first use of

February 1, 2001, earlier than Applicant's alleged first use date of October 2004. In addition, Ms. Tan now has assigned her trademark rights to the Opposer. Two different choral groups in the same area (i.e., Applicant and Opposer) are using the same Marks, causing deception, confusion and real injury in fact. Second Amended Notice of Opposition, paragraphs 2-9. These facts are plausible (obvious, actually) and must be taken as true.

Instead of challenging these factual assertions as plausible, Applicant misapplies the standards at issue and apparently asserts defenses and counter-facts and argument that are irrelevant to its motion to dismiss. Furthermore, in doing so, Applicant made critical admissions that confirm Opposer's plausible factual assertions: Applicant admits (or at least does not deny) that Ms. Tan (true owner of the Mark-in-suit) created and permitted Edison Chinese Chorus Inc., Applicant, to use these names (Marks). Applicant further admitted that Mr. Bin Lv ("the founder of Opposer") was "dismissed" by Edison Chinese Chorus Inc., Applicant, in 2017, and that he left and formed his own chorus group, using Ms. Tan's Marks, further confirming Opposer's real interest in the proceeding (and a direct and personal stake in the outcome of this proceeding) and a reasonable basis for a belief that Opposer will suffer damage if the Applicant's Marks are registered.

LAW

1. Failure to State a Claim

With respect to an alleged failure to state a claim defense, the Trademark Trial and Appeal Board Manual of Procedure (503.02) states (citations omitted):

"A motion to dismiss for failure to state a claim upon which relief can be granted is a test solely of the legal sufficiency of a complaint. In order to withstand such a motion, a complaint need only allege such facts as would, if proved, establish that the plaintiff is entitled to the relief

sought, that is, that (1) the plaintiff has standing to maintain the proceeding, and (2) a valid ground exists for denying the registration sought (in the case of an opposition), or for canceling the subject registration (in the case of a cancellation proceeding). To survive a motion to dismiss, a complaint must ‘state a claim to relief that is plausible on its face.’ 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.’”

“Therefore, a plaintiff served with a motion to dismiss for failure to state a claim upon which relief can be granted need not, and should not respond by submitting proofs in support of its complaint. Whether a plaintiff can actually prove its allegations is a matter to be determined not upon motion to dismiss, but rather at final hearing or upon summary judgment, after the parties have had an opportunity to submit evidence in support of their respective positions.”

“In Board proceedings, there are certain facts not subject to proof – such as the filing date, filing basis, publication date and applicant’s name in an application that is the subject of an opposition proceeding – that the Board may consider when a party has filed a motion to dismiss under Fed. R. Civ. P. 12(b)(6).”

“Whenever the sufficiency of any complaint has been challenged by a motion to dismiss, it is the duty of the Board to examine the complaint in its entirety, construing the allegations therein so as to do justice, as required by Fed. R. Civ. P. 8(e), to determine whether it contains any allegations, which, if proved, would entitle the plaintiff to the relief sought.”

2. Lack of Standing

With respect to standing, the Trademark Trial and Appeal Board Manual of Procedure

(309.03(b)) states (citations omitted):

“Any person who believes it is or will be damaged by registration of a mark has standing to file a complaint. See TBMP § 303. At the pleading stage, all that is required is that a plaintiff allege facts sufficient to show a ‘real interest’ in the proceeding, and a ‘reasonable basis’ for its belief that it would suffer some kind of damage if the mark is registered. See also TBMP § 303.06 regarding pleading of standing by joint plaintiffs. To plead a ‘real interest,’ plaintiff must allege a ‘direct and personal stake’ in the outcome of the proceeding. The allegations in support of plaintiff’s belief of damage must have a reasonable basis ‘in fact.’”

“Allegations in support of standing which may be sufficient for pleading purposes must later be affirmatively proved by the plaintiff at trial (or on summary judgment). However, there is no requirement that actual damage be pleaded or proved, or that plaintiff show a personal interest in the proceeding different or ‘beyond that of the general public,’ in order to establish standing or to prevail in an opposition or cancellation proceeding. See TBMP § 303.03.”

“A real interest in the proceeding and a reasonable belief of damage may be found, for example, where plaintiff pleads (and later proves):”

“A claim of likelihood of confusion that is not wholly without merit, including claims based upon current ownership of a valid and subsisting registration or prior use of a confusingly similar mark. ...;”

“Plaintiff has a bona fide intent to use the same mark for related goods, and is about to file an intent-to-use application to register the mark, and believes registration of the mark will be refused in view of defendant’s registration; ...”

“A plaintiff need not assert proprietary rights in a term in order to have standing. For example, when descriptiveness or genericness of the mark is in issue, plaintiff may plead (and later prove) its standing by alleging that it is engaged in the sale of the same or related products or services (or that the product or service in question is within the normal expansion of plaintiff’s business) and that the plaintiff has an interest in using the term descriptively in its business. (That is, plaintiff may plead that it is a competitor.)”

“If a plaintiff can show standing on one ground, it has the right to assert any other grounds in an opposition or cancellation proceeding.”

ARGUMENT

1. Opposer Alleged Plausible Facts and Therefore There Was No Failure to State a Claim

In *Bell Atlantic Corp. v. Twombly*, the Supreme Court reiterated that a motion to dismiss for failure to state a claim cannot be granted merely because the factual allegations are not believed or doubtful. Instead, the factual allegations must be taken as true when evaluating a motion to dismiss. 550 U. S. 544 (2007). In *Twombly*, the Court requires a complaint to allege facts that, if proven, would support the relief requested *and* to show that the alleged facts were “enough to raise a right to relief above the speculative level, on the assumption that all the allegations in the complaint are true (even if doubtful in fact).” *Id.* at 555.

Applicant filed its motion to dismiss with a host of counter-facts that are not pertinent to the motion. For example, Applicant argued against Ms. Tan’s assertion that she owned the Marks-in-suit by asserting an argument that she if she had owned them, she abandoned them. These are

factual and legal *defenses* and have no bearing in a motion to dismiss. Applicant even admits (or at least does not deny) that Ms. Tan created the Marks and even may have owned them at some time, permitting a choral group to which she was closely tied through her husband to use them.

Opposer asserted and factually supported in the second amended opposition that Ms. Tan was the first to use the marks in commerce in February 2002 before the Applicant claims its first use in commerce in October 2004 (First Claim in the Second Amended Opposition). Every well-pled fact in Opposer's allegations must be assumed to be true in the inquiry concerning a motion to dismiss. Opposer has alleged facts that are "enough to raise a right to relief above the speculative level, on the assumption that the allegations in the complaint are true."

Therefore, the motion to dismiss for failure to state a claim must be denied.

2. Opposer Alleged A Real Interest and a Direct and Personal Stake, Providing Standing

Applicant also raises an issue of lack of standing in its motion. Opposer alleged grounds for standing in paragraphs 3 and 4 of the second amended opposition. These allegations demonstrate that Opposer has a real interest in the Marks and has a direct and personal stake in the outcome of this proceeding. Opposer is using the Marks with its chorus group, which, it appears, Applicant admits (and certainly does not deny). These allegations also demonstrate that Applicant is causing confusion and deception that obviously follows when each of two different groups in the same area use the same Marks to identify itself.

Applicant's citation of law supports Opposer here. Applicant's wrongful attempt to register Opposer's Marks is actual, imminent and not conjectural or hypothetical harm. Applicant's use

of Opposer's Marks for a different choral group in the same area is deceptive and confusing and establishes a concrete causal connection between Opposer's injury and Applicant's acts.

Applicant argued that Opposer does not have standing by the assignment it was granted, and that Opposer has not suffered an "injury-in-fact," challenging Opposer's well-pleaded facts to the contrary with additional facts and defenses. Applicant's attack in this respect fails for the same reasons as above: To the extent Applicant's argument can be understood, Applicant is asserting factual and legal *defenses* (e.g., abandonment; some sort of advantage in sharing a Mark ("they may even attract more attention," which is a curious assertion that Opposer would deny if it were a proper argument)) and does not assert an appropriate challenge to Opposer's factual and plausible assertions.

Therefore, the motion to dismiss for lack of standing also must be denied.

CONCLUSION

For the foregoing reasons, Opposer has raised more than sufficient and plausible facts in its Second Amended Opposition that are "enough to raise a right to relief above the speculative level, on the assumption that the allegations in the complaint are true" and "real interest" and a "direct and personal stake," which are critical when evaluating the Motion to Dismiss. Therefore, Applicant's Second Motion to Dismiss must be denied.

Respectfully submitted:

By: /s/H. Danny Kao
H. Danny Kao, PhD, JD
Attorney for Applicant
Dated: April 30, 2018

Certificate of Service

I hereby certify that a true and complete copy of the foregoing ANSWER TO THE SECOND MOTION TO DISMISS THE SECOND AMENDED NOTICE OF OPPOSITION has been served on Cheng Q. Song, Counsel for Opposer, by forwarding said copy on April 30, 2018, via email to chengqsong@gmail.com and chengqsong@yahoo.com.

Signature: /s/H. Danny Kao

Date: April 30, 2018