

THIS ORDER IS A
PRECEDENT OF THE
TTAB

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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December 9, 2020

Opposition No. 91247160

Major League Soccer, L.L.C.

v.

F.C. Internazionale Milano S.p.A.

Before Wellington, Kuczma and Johnson, Administrative Trademark Judges.

Opinion by Wellington:

This case now comes before the Board for consideration of Applicant's February 3, 2020, motion to dismiss, under Fed. R. Civ. P. 12(b)(6), Opposer's Second Amended Notice of Opposition, in part, for failure to state a claim upon which relief may be granted as to Opposer's likelihood of confusion claim. The motion, which is the third motion to dismiss that Applicant has filed in this case, is fully briefed.

I. Background

We begin by summarizing some proceeding history in order to place the instant motion to dismiss in context.

Applicant is a professional soccer club based in Milan, Italy.¹ Applicant seeks registration of the mark INTER, in standard character format, for goods and services in seven International Classes, including:

“entertainment services, namely, organizing, conducting, and staging professional soccer games and exhibitions and production of radio and television programs in the nature of professional soccer games and exhibitions” in International Class 41.²

Opposer timely filed a Notice of Opposition to registration of Applicant’s mark asserting two grounds: one under Trademark Act Section 2(e)(1), 15 U.S.C. § 1052(e), alleging that Applicant’s mark is merely descriptive of the identified goods and services; and based on a claim under Trademark Act Section 2(d), 15 U.S.C. § 1052(d), based on priority and likelihood of confusion with its alleged INTER mark.³

Applicant moved to dismiss the claim under section 2(d).⁴ This first motion argued that Opposer had not pleaded prior rights in its alleged INTER mark because the Notice of Opposition did not claim common law rights that would give Opposer priority and Opposer’s intent-to-use application—which the Notice of Opposition alleged was being filed by Opposer in connection with a new professional Miami-

¹ See 1 TTABVUE ¶ 3 (Notice of Opposition); 4 TTABVUE ¶ 3 (Answer).

² Application Serial No. 86224449, filed March 18, 2014, based on Applicant’s claimed bona fide intent to use the mark in commerce under Trademark Act § 1(b), 15 U.S.C. § 1051(b). Aside from the services, recited supra, the application covers goods in Classes 9, 18, 21, 24, 25, and 28.

³ 1 TTABVUE (original Notice of Opposition). Although the Notice of Opposition has been amended twice since the original filing, the salient claims remain under §§ 2(d) & 2(e)(1). See 9 TTABVUE (first amended Notice of Opposition); and 18 TTABVUE (second amended Notice of Opposition).

⁴ 5 TTABVUE.

based team in Opposer's league⁵—was filed *after* Applicant's.⁶ Opposer filed a memorandum in opposition arguing against dismissal, but, simultaneously, and with Applicant's consent,⁷ filed an Amended Notice of Opposition.⁸ Opposer's memorandum in opposition pointed out that the Amended Notice of Opposition alleged that Opposer was basing its section 2(d) claim on the alleged prior use of INTER in the U.S. by third-party soccer clubs or organizations (not the proposed Miami-based club in Opposer's league).⁹ Due to the filing on consent of the Amended Notice of Opposition, we deemed the first motion to dismiss moot.¹⁰

Applicant then filed another motion to dismiss. This second motion to dismiss again targeted the section 2(d) claim in the Amended Notice of Opposition, arguing that Opposer's reliance on prior use of the mark by third-party soccer clubs to demonstrate priority was an insufficient basis for Opposer's section 2(d) claim where there was no indication that Opposer had any connection with those third-party soccer clubs or their use of the mark.¹¹

On January 3, 2020, the Board issued an order ("Prior Order") granting Applicant's second motion to dismiss the section 2(d) claim in the Amended Notice of

⁵ 1 TTABVUE ¶¶ 2-7.

⁶ *Id.*

⁷ 7 TTABVUE.

⁸ 9 TTABVUE.

⁹ 9 TTABVUE 2-7.

¹⁰ 10 TTABVUE.

¹¹ 12 TTABVUE 5-6. Applicant argued that the Amended Notice of Opposition alleged only that the prior use of the INTER mark by four third-party soccer clubs resulted in the failure of U.S. consumers to associate the mark with any one exclusive source. *Id.* at 4.

Opposition.¹² Specifically, the Board held that Opposer did not sufficiently plead allegations that “reveal any particular relationship between [Opposer] and the third party users” or “any claims to suggest that its responsibilities as a professional soccer league encompass the interests of the third party users.”¹³ But the Board allowed Opposer an opportunity to replead its section 2(d) claim.¹⁴ Opposer filed a Second Amended Notice of Opposition, which is now the operative complaint before us.¹⁵

II. Motion to Dismiss Section 2(d) Likelihood of Confusion Claim

Applicant has timely filed a third motion to dismiss, which is presently before us.¹⁶ Again, and as with the second motion to dismiss, Applicant moves to dismiss the Second Amended Notice of Opposition, in part, for failure to state a claim upon which relief may be granted under Fed. R. Civ. P. 12(b)(6) as to Opposer’s section 2(d) likelihood of confusion claim.

A. Parties’ Arguments

Applicant argues that “Opposer’s claim again fails as a matter of law because it again relies on third party marks without any assertion of Opposer’s use of the third party marks, or any assertion of privity with the third parties, or otherwise any

¹² 16 TTABVUE (Prior Order), involving Opposer’s first amended Notice of Opposition (9 TTABVUE).

¹³ 16 TTABVUE 11.

¹⁴ *Id.*

¹⁵ 18 TTABVUE.

¹⁶ 19 TTABVUE.

assertion of a direct and substantive connection with any of the third parties or their marks.”¹⁷

Opposer asserts in response that “Opposer’s Second Amended Notice of Opposition adds facts showing that [Opposer] MLS does have a relationship to the soccer industry in the United States in general, and in particular to the third-party owners of INTER-formative marks that are prior in time to the filing date of the instant application (the application is an intent-to-use application) that are sufficient to support a claim under Section 2(d).”¹⁸ In particular, Opposer relies on the following allegations in the Notice of Opposition, as amended:

14. Specific uses of “INTER” by soccer clubs in the United States antedating the filing of the INTER Application and currently continuing are:

- a. INTER Soccer Association, a/k/a International Soccer Association, believed to have been in use beginning not later than 1999.
- b. Chicago International Soccer Club, d/b/a Chicago INTER Soccer Club, believed to have been in use beginning not later than 2006.
- c. INTER Atlanta F.C., believed to have been in use beginning not later than 2013.

¹⁷ *Id.* at 2.

¹⁸ 21 TTABVUE 3. Opposer also argues that it “has standing to claim likelihood of confusion and its position in the U.S. soccer industry gives it the right to claim likelihood of confusion.” *Id.* at 9. We now refer to standing as an entitlement to a statutory cause of action. *See Spanishtown Enters., Inc. v. Transcend Resources, Inc.*, 2020 USPQ2d 11388 (TTAB 2020); *see also Corcamore, LLC v. SFM, LLC*, 978 F.3d 1298, 2020 USPQ2d 11277 (Fed. Cir. 2020); *Australian Therapeutic Supplies Pty. Ltd. v. Naked TM, LLC*, 965 F.3d 1370, 2020 USPQ2d 10837 (Fed. Cir.) (discussing entitlement to bring a cause of action), *reh’g en banc denied* (Dec. 4, 2020). As already determined in the Board’s January 3, 2020, Prior Order, *see* 16 TTABVUE 4-6, Opposer is entitled to a statutory cause of action in this opposition. The relevant question before us now is the sufficiency of the Section 2(d) claim, not standing.

d. INTERCounty Youth Soccer League, believed to have been in use beginning not later than 2013.

e. Inter-County Youth Soccer League, which is believed to have been in use since 1960, and which fields over 800 teams in Eastern Pennsylvania.

These five users of INTER are referred to as the “prior U.S. INTER users.”

15. MLS has an interest in preventing confusion or mistake between “INTER” and the aforesaid marks used by the prior U.S. INTER users, and has substantial reasons for fearing damage to itself and its member clubs if “INTER” is registered. Any confusion that would arise with the aforesaid marks would affect MLS adversely.

16. MLS draws both soccer fans and soccer players from its relationships with the youth and amateur soccer teams and leagues and the lower tier professional soccer teams and leagues, of which the prior U.S. INTER users are part.

17. Four of the prior U.S. INTER users are youth soccer organizations. MLS is deeply involved in the development of youth soccer clubs, both as sources of MLS fans and future professional soccer players. MLS requires its member teams to operate youth soccer academies. MLS is one of four strategic growth partners working to support the U.S. Soccer Foundation’s goal to build 1,000 mini-pitches and engage 1 million kids in Soccer for Success programming by 2026. MLS has a standing and legally binding partnerships with all official U.S. Soccer-sanctioned Youth and Adult recreational membership organizations:

- American Youth Soccer Organization
- SAY Soccer (Soccer Association for Youth)
- U.S. Youth Soccer Association
- U.S. Club Soccer
- U.S. Adult Soccer Association

These partnerships cover general coordination, collaboration, and cooperation, in addition to specific rights and benefits for both parties including partnership designation, intellectual property, database and other marketing assets, ticket/event access and other ad hoc initiatives.

18. The Chicago INTER Soccer Club is a youth soccer club. Its teams participate in the United States Youth National League, its Midwest Conference, Illinois Women's Soccer League, Young Sportsmen's Soccer League, Central Illinois Youth Soccer League, US Youth National League Showcase's, and Players' College Showcase in Las Vegas, all of which are associated with or are sub-organizations of U.S. Youth Soccer Association, with which MLS has a partnership. In 2014, as part of MLS's outreach to youth soccer, the Chicago Fire, a MLS member club, held a group sales night with Chicago INTER Soccer Club, inviting Chicago INTER Soccer Club and associated people to a Chicago Fire game at reduced prices.

19. INTER Atlanta F.C. provides recreational, developmental and competitive soccer leagues for boys and girls near downtown Atlanta. It is a member of Georgia Soccer and a National Soccer Coaches Association of America Premier Level Club, the former being associated with U.S. Youth Soccer Association. In August, 2019, INTER Atlanta F.C. participated in a "Watch Party Event" with MLS's Atlanta United FC's recognized supporter group, The Faction.

20. INTER Soccer Association competes in the United Premier Soccer League, a U.S. professional development soccer league. Teams from United Premier Soccer League compete along with teams from MLS annually in the Lamar Hunt U.S. Open Cup, the oldest annual soccer competition in the United States. Fourteen teams from the United Premier Soccer League competing in the 2019 competition. MLS is intimately involved in the Lamar Hunt U.S. Open Cup, with all of its teams competing in the 2019 competition. Soccer United Marketing, the marketing arm of MLS, represents the Lamar Hunt U.S. Open Cup for commercial marketing as part of its representation of the United States Soccer Federation, soccer's governing body in the United States.

21. MLS is also deeply involved with the lower tier professional leagues. There is overlapping membership between MLS and its teams and several of the lower tier professional leagues. Several clubs in the United Soccer League (USL) are affiliated with MLS clubs.

22. MLS's involvement in all levels of soccer in the United States, in youth development, youth education and community programs, including its social responsibility platform MLS WORKS, its diversity program Soccer For All, and its anti-bullying program MLS Actions Matter, position MLS to protect the interests of soccer clubs using INTER in their names prior to Applicant's filing and to prevent the public from mistakenly believing that there is a connection between any of the prior U.S. INTER users and

Applicant or the INTER Application, or that Applicant has exclusive rights to the term INTER.

As noted in the Prior Order, and worth repeating here, Opposer pleads ownership of several later-filed applications for marks containing the term INTER. However, Opposer does not allege prior use of the marks in those applications or assert that its rights in those marks serve as bases for its likelihood of confusion claim.

B. Analysis

The parties have discussed in their briefs the ramifications and relevance of the Federal Circuit's decision in *Jewelers Vigilance Comm., Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021 (Fed. Cir. 1987) ("*Jewelers Vigilance I*"), as well as a second Federal Circuit decision (an appeal on the merits) in the same matter, *Jewelers Vigilance Comm., Inc. v. Ullenberg Corp.*, 853 F.2d 888, 7 USPQ2d 1628 (Fed. Cir. 1988) ("*Jewelers Vigilance II*"), and the Board's later decision in *Holmes Prods. Corp. v. Duracraft Corp.*, 30 USPQ2d 1549 (TTAB 1994). We agree that these three decisions, which concern claimants asserting trademark rights via third parties, are most relevant to the instant motion. In *Holmes*, we held that the opposer had not asserted a legitimate interest in the third-party marks; in the *Jewelers Vigilance* decisions, the opposer demonstrated such a legitimate interest. As explained below, this proceeding presents another fact pattern that, like *Holmes*, does not assert a legitimate interest upon which Opposer may rely for priority purposes.

As a general matter, to withstand an applicant's motion to dismiss for failure to state a claim upon which relief can be granted, an opposer need only allege sufficient factual matter that, if proven, would allow the Board to conclude a likelihood of

confusion exists. *Doyle v. Al Johnson's Swed. Rest. & Butik Inc.*, 101 USPQ2d 1780, 1782 (TTAB 2012) (citing *Young v. AGB Corp.*, 152 F.3d 1377, 47 USPQ2d 1752, 1754 (Fed. Cir. 1998)); see also TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE (TBMP) § 503.02 (June 2020). The Board generally has held that in order to set forth a valid ground for opposition under Section 2(d) and withstand a motion to dismiss for failure to state a claim, an opposer need only allege that (1) it has valid proprietary rights in a mark that are prior to those of the applicant, or that it owns a registration, and (2) the applicant's mark so resembles the opposer's mark as to be likely to cause confusion. *Nike, Inc. v. Palm Beach Crossfit Inc.*, 116 USPQ2d 1025, 1030 (TTAB 2015). See also Lanham Act § 2(d), 15 U.S.C. § 1052(d); *Otto Roth & Co. v. Universal Foods Corp.*, 640 F.2d 1317, 209 USPQ 40 (CCPA 1981).

However, the Board has also recognized that a plaintiff's "proprietary interest" need not be present if the plaintiff alleges some other "legitimate interest" in preventing a likelihood of confusion between the pleaded mark on which it predicates the Section 2(d) claim. See *Holmes*, 30 USPQ2d at 1552, citing to the *Jewelers Vigilance I* and *Jewelers Vigilance II* decisions. This legitimate interest, if pleaded, could serve as part of a proper ground for likelihood of confusion in lieu of a claim of one's own prior proprietary rights in a conflicting mark. In the *Jewelers Vigilance* litigation, the opposer was deemed to have a sufficient interest in the mark used by the third parties because it was a trade organization whose thousands of U.S. members had previously used (and continued to use) a term (DEBEERS) in the mark

at issue. 7 USPQ2d at 1629, 1631.¹⁹ In *Holmes*, by contrast, the opposer was a corporation and could not show either privity with the third parties whose registrations on which it relied, or any other legitimate legal or equitable interest in the registered marks, as the basis for its section 2(d) claim. 30 USPQ2d at 1550, 1552.

Here, Opposer does not claim a prior proprietary interest in the pleaded marks nor does Opposer claim privity with the entities that own those marks.²⁰ Thus, the question here narrows down to whether Opposer in this case has a “legitimate interest” in preventing a likelihood of confusion with the pleaded marks owned by the third parties, as that term was contemplated in *Holmes* and in accordance with the *Jewelers Vigilance I* and *Jewelers Vigilance II* decisions.

The circumstances involving the opposer in *Holmes* are similar to those of Opposer here to the extent that the opposer there did not have proprietary rights in any of the pleaded conflicting marks (containing the term TURBO) nor was the opposer in privity with the third parties that did. The Board held that the opposer in *Holmes* did not demonstrate that it, a corporation, had demonstrated any legitimate interest in the other corporations’ trademark use of the term at issue. 30 USPQ2d at 1552.

¹⁹ Specifically, the opposer was a nonprofit jewelry trade association representing 2500 firms in the United States, including suppliers, wholesalers, distributors and retailers of diamonds and diamond jewelry. *Jewelers Vigilance I*, 2 USPQ2d at 2022.

²⁰ “In the field of trademarks, the concept of privity generally includes, *inter alia*, the relationship of successive ownership of a mark (e.g., assignor, assignee) and the relationship of ‘related companies’ within the meaning of Trademark Act § 5 and Trademark Act § 45, 15 U.S.C. § 1055 and 15 U.S.C. § 1127.” TBMP § 206.02; see also TBMP § 303.05(b) (“Opposition Filed by Privy”).

The Board in *Holmes* acknowledged the prior *Jewelers Vigilance I* and *Jewelers Vigilance II* decisions, including the following language in the latter:

[T]he trade association [opposer] convincingly established that it was not a mere intermeddler in asserting a claim predicated on a third party's name and had sound reasons for fearing damage to itself and its members if [applicant's] mark were registered. In sum, [opposer] asserted its own claim which happened to involve the proprietary rights of a third party.

Holmes, 30 USPQ2d at 1552 (quoting *Jewelers Vigilance II*, 7 USPQ2d at 1631).

The Board in *Holmes*, in interpreting this language, cautioned:

[I]t would be inappropriate to read the language of the [*Jewelers Vigilance II*] opinion so broadly. The statements must be read in the context of the factual situation before the Court; and that factual situation included a plaintiff which was able to establish its legitimate interest in preventing likelihood of confusion. Specifically, the plaintiff's interest was to see that the continued use of the DEBEERS mark **by its members** was protected against a potential claim by applicant, a junior user of the DEBEERS mark, of a right to exclusive use of the DEBEERS mark and likelihood of confusion.

Id. (emphasis added).

In particular, the Board in *Holmes* pointed out that, although the opposer in *Jewelers Vigilance* was a “jewelry trade association [that] did not have proprietary rights in the name DEBEERS, it had a connection with DBCM, the owner of the name, such that any confusion that arose from the contemporaneous use by DBCM of its name and by applicant of the mark DEBEERS was the same confusion that would affect the association [the opposer].” *Id.* Ultimately, we decided in *Holmes* that the opposer's likelihood of confusion claim was “legally insufficient” because:

opposer has not asserted any legitimate interest in preventing likelihood of confusion between applicant's mark and the marks of the several registrations which it pleaded in its notice of opposition. ... Opposer has not alleged that it has used the third-party TURBO marks. Nor has it

alleged any connection with these marks or with those who registered them that would establish its legitimate interest in preventing likelihood of confusion; and we hold that such a legitimate interest is a necessary element of a ground of likelihood of confusion predicated on the third-party registrations.

Id.

In this case, although Opposer is a professional soccer league comprising teams located around the country, it has not sufficiently pleaded a “legitimate interest” in avoiding a likelihood of confusion between Applicant’s mark and the pleaded third-party marks. That is, Opposer’s interest in this proceeding does not rise to the level of interest of the opposer in the *Jewelers Vigilance* proceedings. One major difference in this proceeding from *Jewelers Vigilance* is that Opposer here is not seeking to protect any prior proprietary rights of its member teams. In contrast, the opposer in *Jewelers Vigilance* was a trade association seeking to protect use of the term DEBEERS by its members and, through them, itself. Although Opposer pleads ownership of several applications for marks containing the term INTER which have been refused registration based on the involved application and these pleaded facts help show Opposer is statutorily entitled to bring this opposition,²¹ it has not pleaded a valid basis for the necessary element of priority with respect to Opposer’s applied-for marks.

Opposer’s (or its member teams’) alleged relationship with the “prior U.S. INTER users” identified in the Notice of Opposition is, at best, tangential. For example,

²¹ See Prior Order, 16 TTABVue 4-6, acknowledging Opposer’s ownership of such applications and their existence serving as a basis for Opposer’s entitlement to a statutory cause of action.

Opposer alleges that it “draws both soccer fans and soccer players from its relationships with the youth and amateur soccer teams and leagues and the lower tier professional soccer teams and leagues, of which the prior U.S. INTER users are part.” Opposer also alleges that some of the third parties are “youth soccer organizations” and Opposer is “deeply involved in the development of youth soccer clubs” and “requires its member teams to operate youth soccer academies.” These alleged facts, taken as true for purposes of the motion before us, only reveal that Opposer and the “prior U.S. INTER users” may draw the same fans and that some of the players from the “prior U.S. INTER users” organizations may mature into players for Opposer’s league. Such a general shared interest in the development of the sport of soccer in this country does not demonstrate how Opposer itself or any of its members would be detrimentally affected by the likelihood of confusion between Applicant’s mark and those of third parties or prior U.S. INTER users.²²

Thus, taking Opposer’s allegations in their entirety and presuming them to be true, the described relationship between Opposer and the third parties that allegedly have prior rights in the term INTER is too attenuated. Even though it may be in Opposer’s best interest that Applicant not register its mark, that is not the same as having a “legitimate interest” in protecting the third parties’ alleged marks from a likelihood of confusion.²³

²² To be clear, this case does not address the question of whether reliance on a league member’s use would be sufficient.

²³ We note that *Holmes* warned that loosening the required interest too much could result in at least two troublesome scenarios: (1) a competitor’s ability “to harass the applicant simply by searching the register and asserting the ground of likelihood of confusion based on any

In sum, Opposer’s likelihood of confusion claim is legally insufficient because it has not sufficiently alleged priority, *i.e.*, its section 2(d) claim is not based on any allegations of prior proprietary rights in a mark of Opposer and Opposer has not set forth factual allegations that, all taken as true, constitute a legitimate interest in preventing likelihood of confusion between Applicant’s mark and those of the “prior U.S. INTER users.” Accordingly, Applicant’s motion to dismiss Opposer’s likelihood of confusion claim in the amended Notice of Opposition is GRANTED. Specifically, Paragraphs 15 and 28 are stricken from the Notice of Opposition, as amended.²⁴ The opposition goes forward solely on Opposer’s Trademark Act Section 2(e)(1) descriptiveness claim.

III. Proceedings Resumed – Answer Due and Dates Reset

Proceedings are resumed. Respondent is allowed **FIFTEEN DAYS** from the mailing date of this order to file and serve an Answer to the amended Notice of Opposition, as restricted by this order, *i.e.*, without answering Paragraphs 15 and 28.

Dates are otherwise reset as follows:

Expert Disclosures Due	2/18/2021
Discovery Closes	3/20/2021
Plaintiff’s Pretrial Disclosures Due	5/4/2021

marks it happened to find there”; and (2) potentially unwarranted and prejudicial preclusive effects on the rights of the third-parties in future litigation. *See Holmes*, 30 USPQ2d at 1552.

²⁴ To the extent other paragraphs in the Notice of Opposition were intended to support the (now dismissed) likelihood of confusion claim, we note they may also be intended as amplification of Opposer’s descriptiveness claim. Thus, in an abundance of caution, they remain in the amended complaint.

Plaintiff's 30-day Trial Period Ends	6/18/2021
Defendant's Pretrial Disclosures Due	7/3/2021
Defendant's 30-day Trial Period Ends	8/17/2021
Plaintiff's Rebuttal Disclosures Due	9/1/2021
Plaintiff's 15-day Rebuttal Period Ends	10/1/2021
Plaintiff's Opening Brief Due	11/30/2021
Defendant's Brief Due	12/30/2021
Plaintiff's Reply Brief Due	1/14/2022
Request for Oral Hearing (optional) Due	1/24/2022

The Federal Rules of Evidence generally 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).

* * *