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

Proceeding	91247399
Party	Defendant SPIGEN, INC.
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Submission	Motion to Dismiss - Rule 12(b)
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Attachments	91247399 Applicant motion to dismiss.pdf(334858 bytes)

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

ESSENTIAL PRODUCTS, INC., Opposer, v. SPIGEN, INC., Applicant.	Opposition No. 91247399 Mark: SPIGEN ESSENTIAL Application Serial No. 86/861,819

APPLICANT'S MOTION TO DISMISS FOR FAILURE TO STATE A CLAIM PURSUANT TO FED. R. CIV. P. 12(B)(6) AND TBMP §503

Applicant Spigen, Inc. ("Spigen"), by and through its counsel, Lucem, PC, hereby moves to dismiss with prejudice the opposition of Opposer Essential Products, Inc. ("EPI") for failure to state a claim upon which relief can be granted, pursuant to Fed. R. Civ. P. 12(b)(6) and TBMP §503.

I. Introduction

Spigen filed SPIGEN ESSENTIAL on an intent-to-use basis on December 30, 2015, for "Cameras; Computer application software for mobile phones, portable media players, handheld computers, namely, software for use in database management, use in electronic storage of data; Computer software for communicating with users of hand-held computers; Computer softward for controlling the operation of audio and video devices; Motion activated cameras; Motion picture cameras; Multiple purpose cameras; Portable and handheld digital electronic devices for recording, organizing, transmitting, manipulating, and reviewing text, data, image, and audio files except for in relation to automated plumbing systems; Video cameras; Wearable digital electronic devices comprised primarily of software for viewing, sending and receiving texts,

emails, data and information from smart phones, tablet computers and portable computers and display screens and also featuring a wristwatch; Wireless communication device featuring voice, data and image transmission including voice, text and picture messaging, a video and still image camera, also functional to purchase music, games, video and software applications over the air for downloading to the device except for in relation to automated plumbing systems; Wireless communication devices for transmitting images taken by a camera; Wireless communication devices for voice, data or image transmission except for in relation to automated plumbing systems; Digital cameras" in International Class 9. Spigen's mark was published for opposition on December 4, 2018.

EPI filed two trademark applications containing the word "ESSENTIAL" (Opposer's Marks") on July 27, 2017. *See Opposition* ¶ 6. These marks will be refused for a likelihood of confusion with the SPIGEN ESSENTIAL mark, when it matures to a registration. EPI opposed Spigen's application.

II. Legal Standard

In order to withstand a motion to dismiss for failure to state a claim upon which relief can be granted, a plaintiff (here, EPI as opposer) needs to allege sufficient factual content that, if proved, would allow the Board to conclude, or to draw a reasonable inference, that (1) the plaintiff has standing to maintain the proceeding and (2) a valid ground exists for opposing or cancelling the registration. *Robert Doyle v. Al Johnsons Swedish Rest. & Butik, Inc.*, 101 U.S.P.Q.2d 1780 (TTAB 2012) (*citing Young v. AGB Corp.*, 152 F.3d 1377 (Fed. Cir. 1998)). Specifically, to sufficiently allege a valid ground for opposition, the 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). "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 570) ("Although for the purposes of a motion to dismiss we must take all of the factual allegations in the complaint as true, we 'are not bound to accept as true a legal conclusion couched as a factual allegation.'").

III. EPI Fails to Raise a Cognizable Claim that Spigen Did Not Have a Bona Fide Intent to Use the Mark

Section 1(b) of the Lanham Act provides that: "A person who has a bona fide intention, under circumstances showing the good faith of such person, to use a trademark in commerce may request registration of its trademark on the principal register…." For an opposer to state claim that a trademark application should be defeated for lack of bona fide intent to use, the opposer must notify the applicant of the general "circumstances, occurrences, and events" causing the flaw in the application. *Twombly*, 550 U.S. at 554 n. 3. "Factual allegations must be enough to raise a right to relief above the speculative level." *Id.* at 554.

Here, EPI fails to set forth any facts that would give fair notice of why it believes Spigen lacked the bona fide intent required by Section 1(b) to use the SPIGEN ESSENTIAL mark when it filed its application. Instead, in its Notice of Opposition ("Opposition"), EPI stated only:

> 10. Applicant alleges it is the owner of the Mark. On December 30, 2015, Applicant claimed in its application that it has *bona fide* intent to use the Mark in commerce in the United States in connection with Applicant's Goods, which include among other things a variety of computer software for mobile phones, hand-held computers, audio and video devices, as well as wireless communication devices, handheld digital electronic devices, and wearable digital electronic devices. Applicant's application filed on December 29, 2015 and supporting declarations are attached hereto as **Exhibit D**.
>
> 11. On information and belief, Applicant's Mark is *void ab initio* because Applicant did not have a *bona fide* intent to use, at the time of filing on December 30, 2015, to use the Mark in commerce in the United States in connection with all of Applicant's Goods.

EPI's allegations are essentially limited to the fact that Spigen filed its application on an intent-to-use basis. However, the Lanham Act explicitly permits trademark applications on intent-to-use bases. To subject Spigen to an opposition proceeding simply for having filed such an application would be contrary to the intent of the Act. Further, EPI's Opposition does not notify Spigen of how the general circumstances fail to show intent. Instead, these conclusory allegations amount to "bare averment that [it] wants relief and is entitled to it" which is does not satisfy the pleading standards set in Fed. R. Civ. P. 8(a). *Twombly*, 550 U.S. at 554 n.3. Because EPI's bare assertion that Spigen did not have a bona fide intent to use falls considerably short of the pleading requirements, the claim should be dismissed.

IV. EPI's Fraud Claim Fails Under Rule 9(b) for Failure to Plausibly Plead the Claim With Particularity

EPI bases its fraud claim on its claim that there was no bona fide intent to use. Because the first claim is insufficiently, EPI's fraud claim must also be dismissed. However, EPI's fraud claim should also be independently dismissed for the following reasons.

Fraud in procuring a trademark registration occurs when an applicant knowingly makes a false, material representation of fact in connection with an application with the intent of obtaining a registration to which the applicant is otherwise not entitled. *In re Bose Corp.*, 580 F.3d 1240, 1243 (Fed. Cir. 2009). Indispensible to the analysis of fraud is the intent to deceive. *Id.* (*citing King Auto., Inc. v. Speedy Muffler King, Inc.*, 667 F.2d 1008, 1011 n.4 (CCPA 1981)) ("[A]bsent the requisite intent to mislead the PTO, even a material misrepresentation would not qualify as fraud under the Lanham Act.").

In accordance with Fed. R. Civ. P. 9(b), the elements of fraud must be alleged with particularity. The pleadings must "contain explicit rather than implied expression of the

circumstances constituting fraud." *King Auto*, 667 F.2d at 1010. Pleadings of fraud on "information and belief" are permitted when information lies within the other party's control, but "only if the pleading sets forth the specific facts upon which the belief is reasonably based." *Exergen Corp. v. Wal-Mart Stores, Inc.*, 575 F.3d 1312, 1330 (Fed. Cir. 2009).

Here, EPI clearly fails to adequately plead its fraud claim. EPI relies on Spigen's website (*Opposition* ¶ 15), but as Spigen's application was filed on an intent-to-use basis, it seems an unlikely source of information about Spigen's intent to use its mark. Nor does EPI elucidate the "information" it received from Spigen's website. Further, EPI's pleading does not provide any plausible reasons for its "belief." EPI must be able to point to particular facts that would support a finding of fraud. EPI cannot make bald assertions that Spigen has committed fraud on the USPTO and expect its claim to stand. Here, EPI recites each element of a fraud claim, but does not set forth specific facts upon which each element is based. This is insufficient. Therefore, EPI has failed to plead a claim of fraud upon which relief may be granted by the Board, and so, its fraud claim should be dismissed.

V. Conclusion

Based on the foregoing, Spigen respectfully requests that the Board enter judgment in its favor and dismiss the opposition proceeding with prejudice.

Dated: May 13, 2019

Respectfully submitted,

/s/ Karen Y. Kim

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CERTIFICATE OF SERVICE

This will certify that a copy of the foregoing *Applicant's Motion to Dismiss for Failure to State a Claim Pursuant to Fed. R. Civ. P. 12(b)(6) and TMEP §503* has been served upon the following via e-mail on the date below:

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Dated: May 13, 2019

/s/ Karen Y. Kim
Karen Y. Kim