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

Proceeding	91248676
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Date	08/02/2019
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In re Matter of:

U.S. Trademark Application Serial No. 88/205,020
For: PRIORITY DESIGN & SERVICE
Filed: November 26, 2018
Date of Publication in *Official Gazette*: May 7, 2019

U.S. Trademark Application Serial No. 88/211,907
For: 
Filed: November 30, 2018
Date of Publication in Official Gazette: May 7, 2019

GABRIEL PLAZA,

Opposer,

v.

PRIORITY DESIGN & SERVICE, INC.,

Applicant.

Opposition No. 91248676

OPPOSER'S RESPONSE TO APPLICANT'S MOTION TO DISMISS FOR FAILURE TO STATE A CLAIM

Opposer Gabriel Plaza ("Plaza" or "Opposer") respectfully submits this Response to Applicant's Motion to Dismiss for Failure to State a Claim and requests that Applicant's motion be denied in its entirety.

I. Improper Reliance on Matters Outside the Pleadings

A 12(b)(6) motion is "a test solely of the legal sufficiency of a complaint." TBMP § 503.02. It is improper to incorporate evidence or other matters that are outside the pleadings on a motion to dismiss. *Id.* If matters outside the pleading are submitted with a motion to dismiss, the

Board may either treat the motion as a motion for summary judgment or exclude the evidence from its consideration. *See Libertyville Saddle Shop, Inc. v. E. Jeffries & Sons Ltd.*, 1992 TTAB LEXIS 1, *4 (Trademark Trial & App. Bd. March 17, 1992) ("If, in connection with a motion to dismiss, matters outside the pleadings are submitted and not excluded by the Board, the Board ordinarily will treat the motion as a motion for summary judgment."); *see also Internet, Inc. v. Corp. for Nat'l Research Initiatives*, 38 U.S.P.Q.2D (BNA) 1435, 1436 (TTAB 1996); *This Little Piggy Wears Cotton v. Toes*, 2004 TTAB LEXIS 447, *9 (Trademark Trial & App. Bd. July 13, 2004).

Here, Applicant submitted forty pages of purported evidence with its Motion to Dismiss. Applicant also incorporates and relies on matters outside the pleading throughout its motion, such as referencing its Articles of Incorporation, website, and business history to dispute Opposer's allegations of no bona fide use of the Marks in commerce. *See* TTABVUE #4 at 7. Accordingly, Applicant's Motion relies on matters outside the pleadings which is inappropriate for a Rule 12(b)(6) motion. The Board can, therefore, treat Applicant's Motion as a motion for summary judgment or exclude from consideration the portions of Applicant's Motion relying on matters outside pleadings. Applicant has not served initial disclosures on Opposer. Consequently, a motion for summary judgment is untimely and Applicant's Motion should not be converted into a motion for summary judgment. *See* TMBP § 528.02. Further, this case is not ripe for summary judgment as no discovery has been conducted. Accordingly, the matters outside the pleadings relied on in Applicant's Motion should be excluded and not considered by the Board.

II. Legal Authority for a Motion to Dismiss Pursuant to Rule 12(b)(6)

Opposer's Notice of Opposition "need only allege such facts as would, if proved, establish the plaintiff is entitled to the relief sought." TBMP § 503.02. The allegations in

Opposer's Notice of Opposition are accepted as true. *See Healthcalc.net, Inc. v. Healthcare Quality Insights, Inc.*, 2003 TTAB LEXIS 438, *3 (Trademark Trial & App. Bd. September 4, 2003) ("all of the plaintiff's well pleaded allegations must be accepted as true."). Because a 12(b)(6) motion only tests the legal sufficiency of Opposer's Notice of Opposition, Opposer "need not, and should not respond by submitting proofs in support of its complaint." TBMP § 503.02. Further, a determination of whether or not Opposer can prove its allegations is inappropriate when deciding a motion to dismiss. *See* TBMP § 503.02.

III. Argument

A. Count I - Generic

Applicant's Motion to Dismiss with regard to genericness fails to identify a pleading deficiency in Opposer's Notice of Opposition. Instead, Applicant's Motion factually disputes whether its Marks are generic and makes ad hominem attacks against Opposer.

Opposer alleged that the genus of Applicants' services are heating, ventilation and air conditioning ("HVAC") services. *See* TTABVUE #1 at 5. Opposer alleged that the relevant consuming public is Texas building owners, construction professionals, and end users of HVAC services. *Id.* Opposer alleged that the relevant consuming public primarily understands PRIORITY DESIGN & SERVICE to be the equivalent of the most important purpose and key aspect of Applicant's HVAC services—timely handling customers' needs with special attention and with the highest importance, *i.e.*, providing priority service." *Id.* These facts, accepted as true, adequately state a claim that Applicant's Mark is generic. *See In re Cordua Rests., Inc.*, 823 F.3d 594, 603 (Fed. Cir. 2016) ("[A] term can be generic for a genus of goods or services if the relevant public . . . understands the term to refer to a key aspect of that genus."). Accordingly, Applicant's Motion fails to establish that Opposer's factual allegations of genericness are legally

insufficient and denial of Applicants' Motion is, therefore, appropriate.

B. Count II – Descriptiveness

Applicant's Motion to Dismiss with regard to descriptiveness also fails to identify a pleading deficiency in Opposer's Notice of Opposition. Instead, Applicant simply argues that its Marks are not descriptive. Opposer's Notice of Opposition very clearly alleges that DESIGN & SERVICE are unprotectable disclaimed terms and that PRIORITY is a known English word meaning early in time or occurrence, and of highest or higher importance. TTABVUE #1 at 17. Opposer further alleges that PRIORITY DESIGN & SERVICE describes characteristics of Applicant's HVAC services, more specifically, that Applicant's designs and services HVAC systems timely and treats its customers' needs with high importance. *Id.* Opposer further alleged that Applicant's mark has not acquired secondary meaning and that consumers do not perceive Applicants' mark as being an indicator of source. *Id.* Accordingly, Applicant's Motion fails to establish that Opposer's factual allegations of descriptiveness are legally insufficient and denial of Applicants' Motion is therefore appropriate.

C. Count III – No Bona Fide Use

Applicant's Motion to Dismiss with regard to no bona fide use of the Marks also fails to identify a pleading deficiency in Opposer's Notice of Opposition. Applicant makes self-serving factual contentions about its use of the Marks and relies exclusively on matters outside the pleadings in support thereof. As explained in more detail above, the Board does not make factual determinations on a Rule 12(b)(6) motion and it is it improper to rely on matters outside the pleadings. Further, Opposer alleged Applicant has no bona fide use of the applied for Marks with a specific subset of Applicant's recited services. TTABVUE #1 at 17. Accordingly, Applicant's Motion fails to establish that Opposer's factual allegations of no bona fide use are legally

insufficient and denial of Applicants' Motion is, therefore, appropriate.

D. Count IV – Fraud

Applicant's Motion to Dismiss with regard to fraud is similarly flawed. Applicant fails to identify a pleading deficiency in Opposer's Notice of Opposition. Instead, Applicant argues "[t]he claim for fraud falls apart without a showing of non-bona fide use." TTABVUE #4 at 8. This is an untimely factual dispute, not a legal deficiency in Opposer's pleading. Applicant also challenges Opposer's use of upon "information and belief" because Opposer did not state the source of Opposer's information and belief. Applicant's specimen of use submitted to the United States Patent and Trademark Office for the Marks provides no indication Applicant is using, or has used, the applied for Marks with "Repair and installation services, namely, the installation of heating, cooling and environmental control systems primarily using solar energy, renewable energy resources and rainwater." In other words, the source of Opposer's information and belief is Applicant's application. Further, Opposer sufficiently alleges that Applicant intentionally made a false statement regarding its use of the Marks in order to deceive the USPTO, and that the USPTO reasonably relied on the representation in approving Applicant's Marks for publication. TTABVUE #1 at 17-18. Applicant's Motion fails to establish that Opposer's factual allegations of fraud are legally insufficient and denial of Applicants' Motion is, therefore, appropriate.

III. Conclusion

Applicant's Motion to Dismiss is an untimely challenge to the merits of Opposer's factual allegations. Applicant's Motion fails to identify a single element of any of Opposer's claims that lack supporting factual allegations. Accordingly, Applicant failed to establish Opposer's Notice of Opposition is legally deficient. Applicant's Motion to Dismiss for Failure to

State a Claim should therefore be denied in its entirety.[1]

Date: August 2, 2019

Respectfully submitted,

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[1] However, in the even the Board finds Opposer's Notice of Opposition to be insufficient, Opposer requests the opportunity to amend its allegations to cure any such deficiency.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of Opposer's Response to Applicant's Motion to Dismiss for Failure to State a Claim has been served on the following counsel by forwarding same on this 2nd day of August, 2019, via email to:

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