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

Proceeding	91253656
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Application Serial No.:
88361193 (TO-KALON FARM)
Published in the Official Gazette of January 14, 2020

CONSTELLATION BRANDS U.S.
OPERATIONS, INC.,

Opposer,

v.

TO KALON STOCK FARM, LLC,

Applicant.

Opposition No. 91253656

**OPPOSER’S OPPOSITION TO APPLICANT’S MOTION FOR JUDGMENT ON THE
PLEADINGS**

While Applicant’s motion is titled “Motion for Summary Judgment,” Applicant remarkably fails to cite *any* evidence to support the motion. Without evidence, the motion becomes the functional equivalent of a motion for judgment on the pleadings. Even so, other than in the opening sentence of its motion, Applicant makes no mention of Fed. R. Civ. P. 12(c) or the standard by which a motion for judgment on the pleadings should be decided. Instead, Applicant cites to the standard to “withstand a motion to dismiss for failure to state a claim” [5 TTABVUE 5] and a case involving a motion to dismiss under Rule 12(b)(6) [*id.* at 7].

As a result, it appears that this motion is, in reality, a late-filed motion to dismiss under Rule 12(b)(6). Which explains why this motion is virtually identical to the motion to dismiss Applicant filed previously in Opp. No. 91250374 (“374 Opp.”) [‘374 Opp.: 4 TTABVUE], a motion that was denied by the Board [‘374 Opp.: 11 TTABVUE].

Applicant's motion to dismiss in the '374 Opp. was denied based on the Board's findings that: "Opposer has sufficiently alleged its standing and the ground of priority and likelihood of confusion" and that "[i]t is well established that proof of the relatedness of the goods or services is not a matter for determination on a motion to dismiss." ['374 Opp.: 11 TTABVUE 4-5.] Applicant's filing of this virtually identical motion in this proceeding, two weeks *before* Initial Disclosures were due and prior to either party serving discovery, is merely an attempt to re-litigate the same issues decided in the '374 Opp. based on effectively the same pleading. Thus, this motion does nothing more than delay this litigation, force Opposer to incur unnecessary costs, and force the Board to expend resources deciding a motion it effectively has already decided.

Nothing in the record has changed since the Board's ruling on Applicant's motion to dismiss in the '374 Opp. Just as in that proceeding, here there are clear genuine issues of material fact that need to be resolved regarding the likelihood of confusion between the marks at issue. The record is devoid of any evidence as this proceeding is in its infancy, no discovery has been taken, and Applicant submitted no evidence to support its motion. Not only should Applicant's motion be denied, but given the waste of resources caused by Applicant's actions, Opposer respectfully suggests the Board require Applicant to obtain express permission should it desire to file another dispositive motion prior to the close of discovery.

I. This Motion Is Not A Motion For Summary Judgment Under Fed. R. Civ. P. 56

The opening sentence of Applicant's motion asserts that it is being brought "[p]ursuant to Rules 12(c) and 56 of the Federal Rules [sic], 37 C.F.R. 2.127 and TBMP §504." [5 TTABVUE 2.] While it is not entirely clear, because Applicant cited Rule 12(c) of the Federal Rules of Civil Procedure and TBMP § 504, Applicant appears to have filed this motion with the intent that it be

considered a Rule 12(c) motion, and the mention of summary judgment was in error. Even if Applicant's intent was to file a motion for summary judgment, Applicant did not submit *any* evidence in support of its motion. On summary judgment, the moving party has the burden of demonstrating the absence of any genuine issues of material fact. *S&L Acquisition Co. v. Helene Arpels Inc.*, 9 USPQ2d 1221, 1225 (TTAB 1987). This burden includes the duty to submit a motion for summary judgment that has been properly supported by evidence. *Id.* In *S&L Acquisition*, the Board held that, because a motion for summary judgment on the ground the parties' services were unrelated was not supported by evidence, it was the functional equivalent of a motion for judgment on the pleadings, and judgment as a matter of law could not be determined on pleadings alone. *Id.* at 1225 n.9. Applicant's motion is similarly unsupported by any evidence and similarly should be denied.

“[A] motion for summary judgment without supporting evidence is the functional equivalent of a motion to dismiss for failure to state a claim upon which relief can be granted, or of a motion for judgment on the pleadings.” TBMP § 528.04; *see, International Telephone and Telegraph Corp. v. International Mobile Machines Corp.*, 218 USPQ 1024, 1026 (TTAB 1983) (because no matters outside the pleading were included with the motion, it was treated as a motion for judgment on the pleadings, not summary judgment). Because Applicant has failed to submit any evidence to support its motion--thereby asking the Board to consider only those matters appearing within the pleadings--the motion is the same as a motion for judgment on the pleadings, and should be construed as such.

Nevertheless, if this motion is somehow construed as a summary judgment motion, it is premature in that the parties have not yet taken discovery. *See, Dunkin' Donuts of Am., Inc. v. Metallurgical Exoproducts Corp.*, 840 F.2d 917, 919, 6 USPQ2d 1026, 1028 (Fed. Cir. 1988),

citing *Celotex Corp. v. Catrett*, 477 U.S. 317, 106 S.Ct. 2548, 2552-53, 91 L.Ed. 265 (1986) (“summary judgment is inappropriate unless a tribunal permits the parties adequate time for discovery.”). Thus, if the Board construes this motion as one for summary judgment motion, Opposer requests the opportunity to take discovery and respond after discovery is complete.

II. Applicant Is Not Entitled To Judgment On The Pleadings

As noted above, Applicant’s motion makes no mention of the legal standard for deciding a motion for judgment on the pleadings, instead twice referencing a motion to dismiss under Fed. R. Civ. P. 12(b)(6). [5 TTABVUE 5, 7.] Long ago, faced with a similar situation where a motion to dismiss was filed after an answer, the Board construed such a motion as one for judgment on the pleadings. *Western Worldwide Enterprises Group Inc. v. Qinqdao Brewery*, 17 USPQ2d 1137, 1140 (TTAB 1990). There, the Board held that “the motion nevertheless is based on the defense that the petition for cancellation fails to state a claim upon which relief can be granted. Thus, the standard for adjudicating this motion is the same as that set forth in Fed. R. Civ. P. 12(b)(6).” *Id.*

The Board’s rationale in *Western Worldwide* applies equally here. For purposes of a motion to dismiss, “opposer’s allegations must be accepted as true, and the notice of opposition must be construed in the light most favorable to opposer.” *DC Comics v. Onetech Computer Consulting Inc.*, 76 USPQ2d 1472, 1473 (TTAB 2005). Similarly, a “motion for judgment on the pleadings is a test solely of the undisputed facts appearing in all the pleadings, supplemented by any facts of which the Board will take judicial notice.” TBMP § 504.02; *Kraft Group LLC v. Harpole*, 90 USPQ2d 1837, 1840 (TTAB 2009), *dismissed in favor of a cancellation proceeding*, slip op. Opposition No. 91185033 (TTAB September 15, 2011). Just like as with a motion to dismiss, a motion for judgment on the pleadings requires that “[a]ll well-pleaded factual

allegations of the nonmoving party must be accepted as true.” TBMP § 504.02. In addition, “all reasonable inferences from the pleadings are drawn in favor of the nonmoving party.” *Id.*

Under a Rule 12(b)(6), in order to overcome such a motion an opposer need only show that (1) it has standing to maintain the proceeding, and (2) it has a valid statutory ground for denial of the registration sought. *DC Comics*, 76 USPQ2d at 1473 (citing *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 187 (CCPA 1982)); TBMP § 503.02). Likewise, “[a] judgment on the pleadings may be granted only where, on the facts as deemed admitted, there is no genuine issue of material fact to be resolved, and the moving party is entitled to judgment, on the substantive merits of the controversy, as a matter of law.” TBMP § 504.02.

Remarkably, while Applicant’s motion is focused entirely on Opposer’s pleading, it fails to cite or quote a single allegation set forth in the Opposition. Instead, virtually the entirety of Applicant’s motion consists of unsupported argument that Opposer’s claims have no merit, supported not by evidence, but solely the *ipse dixit* of counsel. There is a time and place for an Opposer to introduce evidence to support its claims, namely at trial or through a motion for summary judgment. At the initial pleading stage, however, Rule 8 of the Federal Rules of Civil Procedure simply requires that a party present allegations that state a claim that is plausible on its face. The Opposition does just that.

As discussed herein, Opposer owns all rights in and to the TO KALON mark for wine and has been using the mark since the 1980’s. [1 TTABVUE 5, ¶¶ 6, 7.] In 2018, thirty years after Opposer adopted its mark, Applicant applied for registration of a mark that incorporates the entirety of Opposer’s marks. [*Id.* ¶ 8.] Based only in part on the allegations of Paragraphs 10-13 of the Opposition, Opposer alleges that Applicant’s use of its marks by Applicant in connection

with the applied-for services would be likely to cause the consuming public to believe there is an association between Applicant's services and Opposer's goods. [*Id.* at 3-4, ¶¶ 10-13, 15, 17.]

Opposer alleges it therefore will be damaged by the registration of the marks shown in the Opposed Applications. [*Id.* at ¶¶ 16, 18.]

While Applicant spends the entirety of its motion arguing that Opposer cannot prove its claims simply because Applicant says it cannot, that is not something that can be decided at this stage of this proceeding on this record. Opposer has stated a claim for relief, its allegations must be considered to be true, and this motion should be denied.

A. Applicant's Motion Is Based On A Flawed Premise

Parroting the language from its previously filed and denied motion to dismiss in the '374 Opp., Applicant asserts that, in order to "plead a claim for likelihood of confusion, Opposer must allege it has priority *for the challenged goods and services*, and that Registrant's [sic] Marks so resemble Opposer's Marks as to be likely to cause confusion." [4 TTABVUE 5 (emphasis added), repeated at 4 TTABVUE 6.] This does not correctly state the law. In order to properly plead a likelihood of confusion claim, in addition to standing a plaintiff "must assert, and then prove at trial, that defendant's mark, as applied to its goods or services, so resembles plaintiff's previously used or registered mark or its previously used trade name as to be likely to cause confusion, mistake, or deception." TBMP § 309.03(c)(2). The latter requirement breaks down into two elements: priority and likelihood of confusion. The fact that Opposer has adequately pleaded standing, priority and likelihood of confusion are addressed in order.

B. Opposer Has Adequately Pleaded Its Standing In Its Notice Of Opposition, A Pleading That Must Be Accepted As True

Applicant asserts that Opposer lacks standing “to maintain the Notice of Opposition as it does not have a real interest in doing so and cannot allege a reasonable basis that it will be damaged by Applicant’s Mark.” [5 TTABVUE 6.] Applicant’s statement is unsupported by any evidence, and is directly contradicted by the Notice of Opposition filed in this proceeding.

Standing requires only that the petitioner have a “real interest” in the opposition proceeding. *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999). In most instances, a direct commercial interest satisfies the “real interest” test. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 945, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000). In a Section 2(d) proceeding, a “real interest in the proceeding” and a reasonable belief of damage may be found 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. TBMP § 309.03(b); *Schering-Plough HealthCare Products Inc. v. Ing-Jing Huang*, 84 USPQ2d 1323, 1324 (TTAB 2007) (standing based on ownership of pleaded registrations).

In the ‘374 Opp., the Board acknowledged that Opposer had “pleaded that it owns two incontestable registrations of allegedly similar marks registered prior to Applicant’s filing dates of its intent to use applications and that Applicant’s marks, when used with the services in the applications, are likely to be confused with Opposer’s marks.” [‘374 Opp.: 11 TTABVUE 4-5.] The Board found that Opposer had, therefore, “sufficiently alleged its standing and the ground of likelihood of confusion.” [*Id.*] The allegations in this proceeding are identical. [Compare 1

TTABVUE 5, ¶¶ 6, 7 with '374 Opp.: 1 TTABVUE 5, ¶¶ 6, 7.] For the same reason Applicant's prior motion should be denied on this ground, it should be denied here.

C. Opposer Has Adequately Pleaded Priority In Its Notice Of Opposition, A Pleading That Must Be Accepted As True

In a Section 2(d) proceeding, in order to properly assert priority, a plaintiff "must allege facts showing proprietary rights in its pleaded mark that are prior to defendant's rights in the challenged mark." TBMP § 309.03(c)(2)(A). Contrary to Applicant's attempted deflection, the focus is simply on whether the plaintiff has rights that predate the defendant's rights being challenged. *See, e.g., B.V.D. Licensing Corp. v. Rodriguez*, 83 USPQ2d 1500, 1505 (TTAB 2007) (priority based on prior use and pleaded registrations). There is no requirement that the oppose have prior rights to a mark "for the challenged goods and services."

Here, Opposer pleaded that it owns two incontestable registrations for TO KALON that predate the filing date of the intent-to-use applications being opposed by close to thirty years. [1 TTABVUE 5, ¶¶ 7, 8.] Applicant's argument, that priority in some manner relates to the goods and services as opposed to the overall trademark rights at issue, finds no support in the law and must be rejected.

D. Opposer Has Adequately Pleaded Likelihood Of Confusion In Its Notice Of Opposition, A Pleading That Must Be Accepted As True

The pleadings demonstrate that Opposer has adequately pleaded its likelihood of confusion claim. In short, Opposer has alleged that the marks at issue are confusingly similar [1 TTABVUE 6-7, ¶¶ 15, 18] which Applicant denies [4 TTABVUE 4]. Likewise, Opposer has alleged that its goods and Applicant's services are likely to be associated together in the minds of the consuming public. [1 TTABVUE 5, ¶¶ 10-13.]

Opposer's likelihood of confusion claim requires analysis of the evidentiary factors set forth in *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973); *Cunningham*, 222 F.3d at 945, 55 USPQ2d at 1843-44 ("A determination of likelihood of confusion is a legal conclusion based on underlying facts"). These factors include the similarity of the marks, the relatedness of the goods and/or services, the channels of trade and classes of purchasers for the goods and/or services, the number and nature of similar marks in use on similar goods, the nature and extent of any actual confusion, and the fame of the prior mark. *Id.* The relevance and weight to be given the various factors may differ from case to case.

In its motion, Applicant focuses primarily on the "relatedness of the goods and/or services" factor asserting that "given the clear differences between Applicant's services and Opposer's goods, there is no likelihood of confusion as a matter of law" [5 TTABVUE 10], effectively ignoring not only the Board's jurisprudence regarding the similarity of goods factor under *DuPont*, but also the interrelated nature of the *DuPont* analysis, the reality that there is no evidentiary support for Applicant's position, and the Board's prior ruling in the '374 Opp.

As an initial matter, the determination of the relatedness of goods and services presents a question of fact that cannot be determined on a motion to dismiss or for judgment on the pleadings. This explains why all the cases cited by Applicant for the proposition that "the cases are legion where no confusion was found when the identical mark was used to describe a service by one party and used to describe a good by a different party" [5 TTABVUE 8], are proceedings decided on the merits, either on summary judgment or after trial. *See Amica, Mut. Ins. Co. v. R.H. Cosmetics Corp.*, 204 USPQ 155, 158 (TTAB 1979) (decision after trial and oral hearing); *Nat'l Ass'n of Blue Shield Plans v. Standard Mattress Co.*, 478 F.2d 1253, 178 USPQ 153, 154 (CCPA 1973) (appeal after trial); *Aero Mayflower Transit Co. v. Snark Products, Inc.*, 190

USPQ 100, 101 (TTAB 1976) (decision after trial and hearing); *Savin Corp. v. Savin Group*, 68 USPQ2d 1893, 1894 (S.D.N.Y. 2003) (federal court decision on summary judgment); *Time, Inc. v. T.I.M.E. Inc.*, 123 F. Supp. 446, 448, 102 USPQ 275, 277 (S.D. Cal. 1954)¹ (“case was submitted for decision at pre-trial hearing upon the facts as shown by the admissions in the pleadings and by the pre-trial stipulation together with the exhibits incorporated therein”) and, *Xtra, Inc. v. Warren Petroleum Corp.*, 175 USPQ 660, 661 (TTAB 1972) (decision after trial). In each of these proceedings the Board had an evidentiary record to support its determination regarding the relatedness of the goods and services at issue; there is no such record here.

Applicant’s reliance on *Pure Gold, Inc. v. Syntex (U.S.A.) Inc.*, 221 USPQ 151 (TTAB 1983) for the proposition that the Board can find no likelihood of confusion based on the dissimilarity of the goods and services alone is misplaced. [5 TTABVUE 9.] First, like all of the cases cited by Applicant, *Pure Gold* was decided on summary judgment. *Id.* at 152.

Second, despite the fact that the Board based its decision in *Pure Gold* in part on the disparate nature of the goods at issue, Applicant ignores the fact that the question is not whether the goods of one party and the services of the other will be confused with each other, but rather whether the *public* will be confused as to their source. See *Recot Inc. v. M.C. Becton*, 214 F.3d 1322, 1329, 54 USPQ2d 1894, 1898 (Fed. Cir. 2000) (“[E]ven if the goods in question are different from, and thus not related to, one another in kind, the same goods can be related in the mind of the consuming public as to the origin of the goods. It is this sense of relatedness that matters in the likelihood of confusion analysis”).

Thus, when assessing the relatedness of goods and services, the more similar the marks at issue, the less similar the goods or services need to be to support a finding of likelihood of

¹ Applicant cited this case as being reported at 123 F.Supp. 358 and 167 USPQ 721.

confusion. *In re Shell Oil Co.*, 992 F.2d 1204, 1207, 26 USPQ2d 1687, 1689 (Fed. Cir. 1993); *Gen. Mills, Inc. v. Fage Dairy Processing Indus. S.A.*, 100 USPQ2d 1584, 1597 (TTAB 2011) ; *In re Iolo Techs., LLC*, 95 USPQ2d 1498, 1499 (TTAB 2010). Where, as here, the marks are virtually identical, the relationship between the goods and services need not be as close to support a finding of likelihood of confusion as would be required if there were differences between the marks. *Shell Oil*, 992 F.2d at 1207, 26 USPQ2d at 1689; *In re Davey Prods. Pty Ltd.*, 92 USPQ2d 1198, 1202 (TTAB 2009); *In re Thor Tech, Inc.*, 90 USPQ2d 1634, 1636 (TTAB 2009). Nevertheless, a finding of source confusion here is possible in light of Applicant's relationship to its admitted "sponsor," The Vineyard House, [1 TTABVUE 5, ¶¶ 10-13, 4 TTABVUE 4 ¶ 11], thus creating the very association between wine and Applicant's services that form in part the basis for Opposer's claims.

Therefore, contrary to Applicant's assertion that "there is no likelihood of confusion between Applicant's Class 42, Class 43 and Class 44 equestrian related services and Opposer's Class 33 wine goods" [5 TTABVUE 4], the trier of fact can find the consuming public is likely to be confused despite the fact that the marks appear on goods or services in different classes. *See, e.g. DC Comics*, 76 USPQ2d at 1475 ("classification by this Office of goods and services set forth in trademark and service mark applications is merely an administrative tool and has no bearing on whether there is a likelihood of confusion between marks").

This inquiry, or rather *any* inquiry into the *DuPont* factors should not be done in a case in its infancy--devoid of any record. Thus, the relief sought by Applicant in its motion is premature. It is too early to determine the public's perceived relatedness of the goods and services, the similarities of the trade channels for such goods, or any of the remaining *DuPont*

factors. Because Opposer has properly pleaded every element of its claims, just as the Board denied Applicant's motion to dismiss in the '374 Opp., the Board should deny this motion.

III. Applicant Should Be Required To Obtain Permission Before Filing Another Dispositive Motion

“The Board has the inherent authority to manage *inter partes* proceedings on its docket, and exercises this authority in a variety of situations.” *Monster Energy Company v. William J. Martin*, 125 USPQ2d 1774, 1776 (TTAB 2018). As demonstrated above, Applicant's premature motion, which does nothing more than re-litigate issues already decided by the Board under virtually the same facts in the '374 Opp., appears to have been filed for the sole purpose of causing unnecessary delay and increasing Opposer's costs of litigation. As such, Opposer requests that the Board issue an order requiring Applicant to obtain approval from the Interlocutory Attorney before filing another dispositive motion before the close of discovery in this proceeding.

IV. Conclusion

Applicant's motion should be denied because Opposer's Notice of Opposition adequately pleads both standing and claims for likelihood of confusion, and there are genuine issues of material fact to be decided regarding those claims. Applicant's filing was merely an attempt to delay litigation and force Opposer to incur unnecessary expenses. Not only should this motion be denied, but Applicant should be required to obtain permission from the Interlocutory Attorney before filing another dispositive motion before the close of discovery .

Signature on following page

Respectfully submitted,

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Date: May 21, 2020

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **OPPOSER'S OPPOSITION TO APPLICANT'S MOTION FOR JUDGMENT ON THE PLEADINGS** has been served on Farah Bhatti, counsel for Applicant, by forwarding said copy on May 21, 2020, via email, to the correspondence address of record for Applicant To Kalon Stock Farm, LLC at trademark@buchalter.com, fbhatti@buchalter.com, ipdocket@buchalter.com, tspeiss@buchalter.com.

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