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

Proceeding	91267970
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

Trucenta Holdings LLC,

Opposer,

v.

Breez Smoke LLC

Applicant.

Mark: BREEZE SMOKE

Serial No.: 90/012,117

Opposition No. 91267970

OPPOSER’S BRIEF IN OPPOSITION TO APPLICANT’S MOTION TO DISMISS

Pursuant to Fed. R. Civ. P. Rule 12(b)(6) and TBMP § 503, Opposer Trucenta Holdings LLC (“Opposer”) submits its brief in opposition to Applicant Breez Smoke LLC’s (“Applicant”) Motion to Dismiss Opposer’s Claim Under Section 2(a) of the Lanham Act (“Claim”). For the reasons set forth below, Applicant’s Motion to Dismiss (“Motion”) should be denied.

I. INTRODUCTION

Applicant seeks to dismiss Opposer’s second ground of opposition for “False Designation of Origin” under Section 2(a) of the Lanham Act based on the claim that Opposer failed to appropriately plead the ground. Applicant’s Motion, which is but a thinly veiled and premature argument for a judgment on the merits, must fail as it is both procedurally and substantively defective.¹

¹ Most of Applicant’s Motion is dedicated to asserting that Opposer cannot substantively prove its claim rather than addressing the legal sufficiency of the allegations of the pleading. “Here, to the extent that respondent argues substantively with respect to whether petitioner can prove its allegations, said arguments have not been considered. As noted above, respondent’s motion is a test of the legal sufficiency of the allegations in a pleading. Whether petitioner has carried its evidentiary burden of proof with respect to any or all of its allegations is a matter not considered until after trial of the issues.” *Covidien LLP v. Masimo Corp.*, 109 USPQ2d 1696, 1697, n.3; *See also* § 503.03 (2013).

Opposer has sufficiently pleaded the elements of its Claim for violation of the Lanham Act Section 2(a) in its Notice of Opposition (“Notice”). Opposer has alleged facts establishing that (1) Applicant’s mark is the same as or a close approximation of Opposer’s previously used name or identity; (2) the mark would be recognized as such, in that it points uniquely and unmistakably to Opposer; (3) Opposer is not connected with the goods sold by Applicant under the mark; and (4) Opposer’s name and identity is of sufficient fame or reputation that when Applicant’s mark is used on its goods, connection with Opposer would be presumed. Opposer’s Notice is detailed and appropriately alleges facts that, **if proved**, establish that Opposer is entitled to the relief sought. Those allegations alone meet the pleading requirements under the TTAB and Federal Rules. Applicant’s Motion should be denied.

II. SUMMARY OF FACTS ALLEGED IN THE NOTICE

Opposer has alleged the following facts in its Notice – which must all be presumed true for purposes of Applicant’s Motion – and which demonstrate why Applicant’s Motion must fail. Opposer incorporates all allegations from the Notice to the extent not referenced herein. (See Notice generally).

Opposer has specifically pleaded that it is a Michigan limited liability company, a legally created entity that currently exists, and is a juristic person. (Notice ¶ 1). Opposer has pleaded that it has brick and mortar stores, an online store, and provided services and sold goods under the BREEZE name and marks. (Notice ¶¶ 2-4). Opposer has pleaded that Applicant is using marks that are nearly identical to the Opposer’s marks. (Notice ¶¶ 21-24). Opposer pleaded that the marks are so similar that Applicant’s mark is likely to cause an association, is confusingly similar with Opposer’s mark, and likely to impair or harm Opposer’s marks. (Notice ¶¶ 21-23).

Opposer has also sufficiently pleaded and alleged facts that it is the senior user of the BREEZE marks, its BREEZE marks were in use in commerce and interstate commerce before the Applicant's near-identical marks, that the marks unmistakably point towards the Opposer, and that the reputation of Opposer is such that when the Applicant uses its marks on its goods, a connection with the Opposer is presumed. (Notice ¶¶ 5-14, 20-25). Opposer also pleaded that it acquired federal registration and common law rights for its marks prior to Applicant adopting and using its mark. (Notice ¶¶ 3-6, 20-24).

As pleaded in the Notice, registration of Applicant's mark is likely to damage Opposer. (Notice ¶¶ 21-25). Opposer consequently filed its Notice of Opposition alleging claims under Section 2(d) of the Lanham Act for Likelihood of Confusion, Section 2(a) of the Lanham Act for false designation of Origin, as well as a claim under 2(e)(1) of the Lanham Act for Applicant's mark to be deemed merely descriptive. (See Notice generally).

III. ARGUMENT

A. Standard for Motion to Dismiss for Failure to State a Claim.

To endure Applicant's Motion, Opposer need only allege sufficient facts that, if proven, would allow the Board to conclude or 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 mark. *Doyle v. Al Johnson's Swedish Restaurant & Butik Inc.*, 101 USPQ2d 1780 (TTAB 2012) (citing *Young v. AGB Corp.*, 152 F.3d 1377; 47 USPQ2d 1752, 1754 (Fed. Cir. 1998)); TBMP § 503.02 (2021). This standard requires Opposer to plead "sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face...enough to raise a right to relief above the speculative level.'" *Ashcroft v. Iqbal*, 556 U.S. 662, 668, 678 (2009) (quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 555, 570 (2007)).

To fulfill the standing requirement, an Opposer need only plead sufficient facts to show a “real interest” and a “reasonable basis” that it would suffer damages if the mark is registered. *Ritchie v. Simpson*, 170 F.3d 1092; 50 USPQ2d 1023, 1025 (Fed. Cir. 1999). A “real interest” and “reasonable basis” can be adequately pleaded by showing 1) ownership of a current registration and 2) possible damage to the registration, such as by a claim of likelihood of confusion—that is not wholly without merit. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943; 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Barbara’s Bakery Inc. v. Landesman*, 82 USPQ2d 1283, 1285 (TTAB 2007). For the reasons explained below, Opposer has pleaded both a “real interest” and a “reasonable basis” for its claim.

To sufficiently plead a valid ground for opposition, an opposer must allege an appropriate statutory ground that invalidates an applicant’s right to registration. *Young*, 152 F.3d at 1380. While this requires more than a reference to a section of the Trademark Act², an opposer needs to only establish the elements of a statutory ground that is factually sufficient to constitute a plausible claim. See *Petroleos Mexicanos v. Intermix SA*, 97 USPQ2d 1403, 1405–1406 (TTAB 2010) (holding petitioner sufficiently pleaded the elements of Section 2(a) and 2(d) claims).

For purposes of determining such a motion, all of the plaintiff’s well-pleaded allegations must be accepted as true, and the complaint must be construed in the light most favorable to the plaintiff. See *Advanced Cardiovascular Sys. Inc. v. SciMed Life Sys. Inc.*, 988 F.2d 1157; 26 USPQ2d 1038, 1041 (Fed. Cir. 1993). Whether Opposer has proven its allegations or not is irrelevant and immaterial to determining whether it has sufficiently pleaded its allegation to survive a motion to dismiss. *Id.* For the reasons explained below, Opposer has clearly pleaded its Claim sufficiently.

² see *Demon International LC v. Lynch*, 86 USPQ2d 1058, 1059–1060 (TTAB 2008)

1. Opposer's 2(a) Claim is Sufficient to Avoid Dismissal Under Rule 12(b)(6)

Section 2(a) of the Lanham Act, 15 U.S.C. §1052(a), “bars the registration on either the Principal or the Supplemental Register of a designation that consists of or comprises matter which, with regard to persons, institutions, beliefs, or national symbols, falsely suggests a connection with them.” TMEP 1203.03 (2021). Section 45 of the Lanham Act, 15 U.S.C. §1127, defines "person" and "juristic person": “[T]he term “person” and any other word or term used to designate the applicant or other entitled to a benefit or privilege or rendered liable under the provisions of this Act includes a juristic person as well as a natural person. The term “juristic person” includes a firm, corporation, union, association, or other organization capable of suing and being sued in a court of law.” *See also* TMEP 1203.03(a)(i) (2021).

To establish that a proposed mark falsely suggests a connection with a person or an institution, it must be shown that (1) the mark is the same as, or a close approximation of, the name or identity previously used by another person or institution; (2) the mark would be recognized as such, in that it points uniquely and unmistakably to that person or institution; (3) the person or institution named by the mark is not connected with the activities performed by the applicant under the mark; and (4) the fame or reputation of the person or institution is such that, when the mark is used with the applicant's goods or services, a connection with the person or institution would be presumed. *In re Pedersen*, 109 USPQ 2d 1185, 1188-89 (TTAB 2013).

In its Notice, Opposer has sufficiently pleaded all elements of a Section 2(a) claim. Opposer's Notice pleaded that the BREEZE marks have strong ties, and is linked to, Opposer (Notice ¶¶ 5-14, 20-25); the BREEZE mark points uniquely to Opposer (Notice ¶¶ 3-6, 20-24); there is an implied endorsement with no connection to Applicant (Notice ¶¶ 21-25); Opposer has a

sufficient reputation so that when BREEZE is used by Applicant in conjunction with its goods, a connection is with Opposer is presumed. (Notice ¶¶ 6-13, 21-25, 27).

Notwithstanding Opposer's specific allegations, Applicant contends that Opposer's Second Ground for Opposition should be denied for failing to allege a legally sufficient claim. To support their claim, Applicant misconstrues caselaw to validate their assertion. The legislative history of Section 2(a) "shows that the drafters were concerned with protecting the name of an individual or institution which **was not a technical "trademark" or "trade name"** upon which an objection could be made under Sec. 2(d)... Thus, if the University is to prevail on a basis not predicated on likelihood of confusion as to source of goods, it is necessary for the University to establish another legally cognizable right with which Gourmet's registration would conflict." *Univ. of Notre Dame du Lac v. J.C. Gourmet Food Imps. Co.*, 703 F.2d 1372; 217 USPQ 505, 508-09 (Fed. Cir. 1983) (emphasis added).

Contrary to Applicant's misinterpretation of law, the Court in *Univ. of Notre Dame du Lac* uses the rationale that when a petitioner cannot seek a likelihood of confusion claim, they have an alternative legal claim available.³ Therefore, there is no bar in Section 2(a) for claims made by trademark owners and, in fact, the Court specifically stated that for a Section 2(a) claim, the petitioner must establish rights in the name, as one must do with a trademark, and are subjected to a more stringent likelihood of confusion analysis. *Id.*

Additionally, Applicant claims Opposer has not alleged fame nor that Breeze Smoke's mark uniquely and unmistakably points to Opposer. This again is an intentional misinterpretation of the law by Applicant. As set forth in Applicant's own Motion, Section 2(a) requires fame **or reputation**. Opposer has sufficiently pleaded that it has built a reputation with the consuming

³ An example of such a situation is petitioning for cancellation of a registered trademark five years after registration is issued.

public and that Applicant's mark unmistakably points to Opposer. (Notice ¶¶ 5-14, 20-25, 31, 36). Whether Opposer can meet the burdens of proof for a Section 2(a) claim are matters not to be considered in the instant motion; rather they are to be considered **after** evidence is proffered and a trial of the issues. TBMP § 503.03. Opposer has sufficiently alleged its Second Ground for Opposition and Applicant's Motion should be denied.

B. Applicant's Motion Misapplies the Applicable Law for Rule 12(b)(6) Motions

A motion to dismiss under Rule 12(b)(6) is solely a test of the sufficiency of a complaint, in this case the notice of opposition. See *Advanced Cardiovascular Systems Inc.*, 26 USPQ2d at 1041; TBMP § 503.02 (2021). To state a claim upon which relief can be granted, Opposer need only allege such facts which, if proved, would establish that Opposer is entitled to the relief sought; that is, (1) Opposer has standing to bring the proceeding, and (2) a valid statutory ground exists for denying the application at issue. See *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024; 213 USPQ 185, 188 (CCPA 1982).

Regarding whether Opposer has pleaded a valid ground for refusing registration of Applicant's mark, Federal Rule of Civil Procedure 8(a)(2) requires that a pleading contain a "short and plain statement of the claim showing that the pleader is entitled to relief." Indeed, a complaint must contain sufficient factual matter, accepted as true, to "state a claim to relief that is plausible on its face." *Bell Atlantic Corp.*, 550 U.S. at 570. A claim has facial plausibility when the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged. *Ashcroft*, 556 U.S. at 678. A plaintiff need not allege specific facts that would establish a prima facie case for the claim(s) asserted. See *Bell Atlantic Corp.*, 550 U.S. at 547, citing *Swierkiewicz v. Sorema N. A.*, 534 U.S. 506, 508 (2002).

In the context of Board inter partes proceedings, a claim is plausible on its face when the plaintiff pleads factual content that if proved, would allow the Board to conclude, or draw a reasonable inference that, the opposer has standing and that a valid ground for opposition exists. *Bell Atlantic Corp.*, 550 U.S. at 556. In particular, a plaintiff need only allege enough factual matter to suggest its claim is plausible and “raise a right to relief above the speculative level.” *Id.* at 555-56.

Applicant’s Motion is premised upon the argument that Opposer has not sufficiently **proved** its Second Ground for Opposition. In its notice of opposition, the burden on an opposer is to establish the elements of a statutory ground that is factually sufficient to constitute a plausible claim. As set forth above, Opposer has made sufficient, factual allegations in its Notice to suggest its Second Ground for Opposition is plausible. Whether or not Opposer has fulfilled the evidentiary burden of proof with respect to its allegation is a matter not considered until after evidence is presented and a trial of the issues. Applicant’s Motion is defective and must fail. In the alternative, if the Board finds that the Notice failed to state a claim upon which relief can be granted, it should allow Opposer the opportunity to file an amended pleading. TMEP § 503.03; *Miller Brewing Co. v. Anheuser-Busch Inc.*, 27 USPQ2d 1711, 1714 (TTAB 1993) (“the Board freely grants leave to amend pleadings found, upon challenge under Fed. R. Civ. P. 12(b)(6), to be insufficient, particularly where challenged pleading is the initial pleading”); *Intersat Corp. v. International Telecommunications Satellite Organization*, 226 USPQ 154, 156 (TTAB 1985) (allowed time to file an amended opposition setting forth a statutory ground).

CONCLUSION

For the reasons specified above, Opposer has shown that it has standing and has pleaded a legally sufficient claim in its Second Ground for Opposition under Section 2(a) of the Lanham Act. Opposer respectfully requests the Board deny Applicant's Motion.

Respectfully submitted,

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Dated: August 30, 2021

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 30th day of August 2021, a true and correct copy of the forgoing **OPPOSER'S BRIEF IN OPPOSITION TO APPLICANT'S MOTION TO DISMISS** is being served on Applicant via electronic mail to:

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