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

Proceeding no.	91272893
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
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<p>FUENTE MARKETING LTD.</p> <p style="text-align:center">Opposer,</p> <p style="text-align:center">v.</p> <p>AFC COLLECTIVE LLC</p> <p style="text-align:center">Applicant.</p>	<p>Opposition No. 91272893</p> <p style="text-align:center"></p> <p>Mark: Serial No.: 90071674 Filed: July 24, 2020</p>
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**OPPOSER’S MOTION TO STRIKE APPLICANT’S AFFIRMATIVE DEFENSES AND
MOTION TO DISMISS APPLICANT’S COUNTERCLAIMS**

Opposer, Fuente Marketing Ltd. (“Opposer” or “Fuente”), moves to strike Applicant AFC Collective LLC’s (“Applicant”) affirmative defenses and related arguments from Applicant’s Answer with prejudice because they are insufficient, immaterial, impertinent, unavailable, and/or redundant under Federal Rule of Civil Procedure 12(f). Opposer also seeks to dismiss Applicant’s counterclaims with prejudice in their entirety or in part under Federal Rule of Civil Procedure 12(b)(6) as they lack sufficient factual allegations, raise grounds unavailable against certain registrations over five years old, and/or or fail to state a claim.

Each of Applicant’s affirmative defenses fail for various reasons. Applicant’s defenses of non-infringement, lack of intent to infringe, and false advertising are deficient because the Board lacks jurisdiction over infringement and false advertising. Additionally, Applicant’s failure to state a claim defense is not recognized as an affirmative defense. Applicant’s misuse and non-ownership defenses are also unavailable against the cited registrations, which are over five years old. Moreover, Applicant’s laches, acquiescence, and estoppel defenses are unavailable in opposition proceedings, and, in any case, Applicant cannot state any facts to

support prejudicial delay. The defenses of bad faith, naked licensing, unclean hands, and waiver are insufficient as well because they are conclusory and lack any factual allegations to put Fuente on notice of the basis of these defenses. And Applicant's defenses of trademark invalidity, opposer has no trademark rights, non-continuous use, illegality, fraud, misuse, non-ownership, lack of secondary meaning, failure to police, no likelihood of confusion, and lack of priority fail because they are redundant of its counterclaims and/or denials.

Applicant's counterclaims also fail in their entirety or in part for multiple reasons. Applicant's misuse counterclaim fails because it is not available against Reg. No. 2888461, which is over five years old, and in any case, sets forth no claim because there are no allegations of misuse of the federal registration mark symbol. The fraud counterclaim also fails because it merely recites elements of a fraud claim without any factual support and does not satisfy the heightened pleading standard of Federal Rule of Civil Procedure 9(b). Moreover, Applicant's abandonment counterclaims fail as to (1) any products listed in Fuente's registrations except humidifiers because Applicant makes no allegations against other goods and (2) Reg. Nos. 3619208 and 5241616 because Applicant does not plead nonuse or intent to not resume use of the associated marks or that the marks have become generic or have lost significance. Applicant fails to state a non-ownership counterclaim as to the challenged registrations (other than Reg. No. 5241616) as well because they are over five years old. Finally, Applicant's unlawfulness counterclaim lacks necessary allegations as Applicant fails to allege a *per se* violation of a statute, nor could it, because the alleged violations are purely technical and not material such that they would justify cancellation, as cautioned by the Board in multiple precedential decisions.

Thus, Fuente respectfully requests that the Board strike Applicant's affirmative defenses

with prejudice and dismiss Applicant’s counterclaims in whole or in part with prejudice.¹

I. FACTUAL BACKGROUND

Applicant filed Trademark Application Serial No. 90071674 on July 24, 2020 for the mark A.F.C (“Applicant’s Mark”) covering “hashes for smoking, all of the foregoing containing derivatives or cannabinoids of the plant cannabis sativa l. featuring a delta-9 tetrahydrocannabinol concentration of not more than 0.3% on a dry weight basis; hashes for vaping, namely, for use with oral vaporizers for smoking purposes, all of the foregoing containing derivatives or cannabinoids of the plant cannabis sativa l. featuring a delta-9 tetrahydrocannabinol concentration of not more than 0.3% on a dry weight basis; resins derived from hemp for smoking purposes, all of the foregoing containing derivatives or cannabinoids of the plant cannabis sativa l. featuring a delta-9 tetrahydrocannabinol concentration of not more than 0.3% on a dry weight basis” in Class 34, among other goods in Class 3 (the “Application”). The Application published for opposition on November 2, 2021. On November 12, 2021, Fuente timely filed a notice of opposition (the “Opposition”) against the Application. 1 TTABVUE 6. As grounds for its Opposition, Fuente alleged priority of rights and a likelihood of confusion under 15 U.S.C. § 1052(d) based on its prior use and registration of the marks appearing in Reg. Nos. 2372317, 2888461, 3494354, 3619208, 4151750, and 5241616 (individually and collectively, the “AF Marks” or “AF Registrations”). *Id.* at 2–3, 6–7.

On December 22, 2021, Applicant filed its Answer, Affirmative Defenses, and Counterclaim to Fuente’s Opposition (the “Answer”). 4 TTABVUE 5. The Answer included the

¹ Fuente also respectfully requests that the Board suspend this proceeding pending disposition of this motion. Trademark Rule 2.127(d) (“When any party timely files a potentially dispositive motion, including, but not limited to, a motion to dismiss . . . the case is suspended”); *see also* TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE (“TBMP”) § 510.03(a) (2021) (“When a party to a Board proceeding timely files a motion that is potentially dispositive of the proceeding, such as a motion to dismiss, . . . the case is considered automatically suspended”).

following affirmative defenses with little to no factual support: (1) no likelihood of confusion; (2) non-infringement; (3) lack of intent to infringe; (4) trademark invalidity; (5) Opposer has no trademark rights; (6) lack of continuous use; (7) illegality; (8) bad faith; (9) fraud on the USPTO; (10) lack of priority; (11) misuse; (12) non-ownership; (13) naked licensing; (14) unclean hands; (15) laches; (16) waiver; (17) acquiescence; (18) estoppel; (19) lack of secondary meaning; (20) failure to police; (21) false advertising; and (22) failure to state a claim. *Id.* at 27–35. Applicant also asserted five counterclaims as grounds for cancelling Fuente’s AF Registration throughout 290 paragraphs of confusing allegations: (1) abandonment as to Reg. Nos. 2372317, 2888461, 3494354, 3619208, and 5241616; (2) abandonment as to Reg. No. 4151750; (3) unlawful use as to Reg. Nos. 2372317, 2888461, 3494354, 3619208, and 5241616; (3) fraud on the USPTO as to Reg. Nos. 2372317, 2888461, 3494354, 3619208, and 5241616; (4) non-ownership as to Reg. Nos. 2372317, 2888461, 3494354, 3619208, 4151750, and 5241616; and (5) misuse as to Reg. No. 2888461. *Id.* at 35, 47, 49–50, 58, 60.

II. ARGUMENT

A. Motion to Strike

Federal Rule of Civil Procedure 12(f) provides that “[t]he court may strike from a pleading an insufficient defense or any redundant, immaterial, [or] impertinent . . . matter.” FED. R. CIV. P. 12(f); *see also* TBMP § 506.01. The Board may grant a motion to strike or, sua sponte, strike from a pleading any insufficient defense or any matter that clearly has no bearing on the issues in the case. *Ohio State Univ. v. Ohio Univ.*, 51 USPQ2d 1289, 1292 (TTAB 1999). Motions to strike should be granted where appropriate to “streamline the ultimate resolution of the action.” 5C CHARLES ALAN WRIGHT & ARTHUR R. MILLER, FEDERAL PRACTICE AND PROCEDURE § 1380 (3d ed. 2019); *see Sidney-Vinstein v. A.H. Robins Co.*, 697 F.2d 880, 885 (9th Cir. 1983) (“[T]he function of a 12(f) motion to strike is to avoid the expenditure of time

and money that must arise from litigating spurious issues by dispensing with those issues prior to trial”) (citations omitted).

1. Applicant’s Second, Third, and Twenty-First Affirmative Defenses of Non-Infringement, Lack of Intent to Infringe, and False Advertising Should Be Stricken Because the Board Lacks Jurisdiction.

First, Applicant’s second and third affirmative defenses of non-infringement and lack of intent to infringe should be stricken with prejudice because the Board lacks jurisdiction. *Bd. of Trustees of the Univ. of Ala. v. Pitts*, 107 USPQ2d 2001, 2020 (TTAB 2013) (infringement claims are beyond the scope of the Board’s jurisdiction). The Board may not “determine the right to use, nor may it decide broader questions of infringement.” TBMP § 102.01; *see, e.g., Gen. Mills, Inc. v. Fage Dairy Processing Indus. S.A.*, 100 USPQ2d 1584, 1591 (TTAB 2011) (“The Board has no authority to determine the right to use, or the broader questions of infringement”). Even if the Board could decide infringement, the defense of lack of intent to infringe should be stricken with prejudice because Applicant’s intent is irrelevant. *See, e.g., Roffler Indus., Inc. v. KMS Rsch. Lab’ys, Inc.*, 213 USPQ 258, 262 (TTAB 1982) (“[I]f confusion is reasonably likely to occur, the matter of intent is of no moment, whereas if confusion is clearly unlikely, the later user’s motive in adopting its mark cannot affect its right to registration.”).

Additionally, the Board lacks jurisdiction over claims arising under Section 43(a) of the Lanham Act, which is “inapplicable to an opposition proceeding.” *Andersen Corp. v. Therm-O-Shield Int’l, Inc.*, 226 USPQ 431, 432 n.5 (TTAB 1985) (holding that “the Board may not entertain any claim based on” Section 43(a)); *Elec. Water Conditioners, Inc. v. Turbomag Corp.*, 221 USPQ 162, 16364 (TTAB 1984) (Section 43(a) claims “are wholly irrelevant to the question before us, and, indeed, are outside the jurisdiction of this Board.”). As Applicant’s twenty-first

affirmative defense of false advertising arises under Section 43(a), the Board lacks jurisdiction over this affirmative defense, and it should be stricken with prejudice. *See, e.g., Novartis Consumer Health, Inc. v. Johnson & Johnson-Merck Consumer Pharms. Co.*, 290 F.3d 578, 586, 62 USPQ2d 1757, 1761 (3d Cir. 2002) (Section 43(a) “prohibits false advertising in interstate commerce.”); 3 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 20:21.50 (5th ed. 2021) [hereinafter MCCARTHY] (“[A]n opposer’s allegation that [A]pplicant’s mark was a false representation in violation of Lanham [Act] § 43(a) was stricken out because the Board has no jurisdiction over such a claim.”).

2. Applicant’s Twenty-Second Affirmative Defense of Failure to State a Claim Should Be Stricken Because It Is Not Recognized as an Affirmative Defense.

Applicant’s twenty-second affirmative defense of failure to state a claim “is not an affirmative defense” because it asserts the insufficiency of the pleading of Opposer’s claims rather than a defense against a properly pleaded claim. *Blackhorse v. Pro Football, Inc.*, 98 USPQ2d 1633, 1637 (TTAB 2011); *see, e.g., Hornblower & Weeks, Inc. v. Hornblower & Weeks, Inc.*, 60 USPQ2d 1733, 1738 n.7 (TTAB 2001) (“[F]ail[ure] to state a claim upon which relief can be granted[] is not a true affirmative defense and shall not be considered as such.”) Thus, it should be stricken with prejudice.²

3. Applicant’s Eleventh and Twelfth Affirmative Defenses of Misuse and Non-Ownership Should Be Stricken as Insufficient Because They Are Unavailable Against Fuente’s Registrations.

A petition to cancel a registration issued on the Principal Register under the Lanham Act,

² In any event, Fuente has adequately pled a claim for a likelihood of confusion by alleging that Applicant’s mark, used in connection with its goods, so resembles Fuente’s marks as to be likely to cause confusion, mistake, or deception with Fuente’s marks (1 TTABVUE 7) in which it has prior rights (1 TTABVUE 2–3, 6–7). *See King Candy Co. v. Eunice King’s Kitchen, Inc.*, 496 F.2d 1400, 1402, 182 USPQ 108, 110 (C.C.P.A. 1974).

on a ground not specified in Trademark Act § 14(3), must be filed within five years from the date of the registration. TBMP § 307.02(a); *Pennwalt Corp. v. Sentry Chem. Co.*, 219 USPQ 542, 546 (TTAB 1983) (citing “the five year limitation of cancellation actions for all grounds except those specified in (c) of Section 14”). Because Fuente’s registrations cited in Applicant’s eleventh and twelfth affirmative defenses of misuse and non-ownership are “over five years old, [A]pplicant’s grounds for cancellation are limited to those listed in Section 14(3).” *Carefirst of Md., Inc. v. FirstHealth of the Carolinas, Inc.*, 77 USPQ2d 1492, 1502 (TTAB 2005). Indeed, claims of misuse of the federal registration symbol and non-ownership are not specifically enumerated under Section 14(c). Thus, these affirmative defenses should be stricken with prejudice. *See Kemin Indus., Inc. v. Watkins Products, Inc.*, 192 USPQ 327, 328 (TTAB 1976) (“[A] registration extant for a period of five years may be cancelled only on the specific grounds enumerated . . . none of which involves ownership of the registered mark[.]”); TBMP § 309.03(c)(1) (identifying whether a defendant is the “rightful owner of the mark” and that “defendant has misused the federal registration symbol” as grounds that are not “available for cancellation of a Principal Register registration over five years old”).

4. Applicant’s Fifteenth, Seventeenth, and Eighteenth Affirmative Defenses Should Be Stricken Because They Lack Any Facts and Are Unavailable in Opposition Proceedings.

Under Federal Rule of Civil Procedure 8(b)(1)(A), an applicant must state its defenses in “short and plain terms.” FED. R. CIV. P. 8(b)(1)(A). Moreover, the “elements of a defense should be stated simply, concisely, and directly” and “should include enough detail to give the plaintiff fair notice of the basis for the defense.” TBMP § 311.02(b)(1); *see* FED. R. CIV. P. 8(d)(1). Bald and conclusory allegations are insufficient under the Federal Rules and the TBMP, as they neither provide fair notice to Opposer of the basis for a claim nor set forth sufficient facts that, if proven, support the claim. *See* TBMP § 311.02(b); *Fair Indigo LLC v. Style Conscience*,

85 USPQ2d 1536, 1538 (TTAB 2007) (stating elements of each claim should include enough detail to give fair notice of claim); *Otto Int'l, Inc. v. Otto Kern GmbH*, 83 USPQ2d 1861, 1864 (TTAB 2007) (stating bald allegations in the language of the statute do not give fair notice of the basis for a claim). Thus, Applicant's fifteenth, seventeenth, and eighteenth affirmative defenses of laches, acquiescence, and estoppel should be stricken because they lack factual allegations and fail to provide fair notice or facts that, if proven, support relief. *See, e.g.*, TBMP § 311.02(b).

Moreover, these affirmative defenses should be stricken with prejudice as laches, acquiescence, and equitable estoppel are generally inapplicable in opposition proceedings because these defenses start to run from the time the mark is published for opposition, *not* from the time of knowledge of use. *See Krause v. Krause Publ'ns, Inc.*, 76 USPQ2d 1904, 1917 (TTAB 2005) (finding it is "clear" that acquiescence and laches do "not begin to run until the mark is published for opposition" (citing *Nat'l Cable Television Ass'n v. Am. Cinema Editors, Inc.*, 937 F.2d 1572, 1580, 19 USPQ2d 1424, 1432 (Fed. Cir. 1991))); *DAK Indus., Inc. v. Daiichi Kosho Co. Ltd.*, 25 USPQ2d 1622, 1624 (TTAB 1993) (dismissing defenses of laches, estoppel, and acquiescence on summary judgment because before publication, "no opposition is possible"); TBMP § 311.02(b) ("[T]he availability of laches and acquiescence is severely limited in opposition and cancellation proceedings."). Indeed, Applicant cannot state *any* facts to support defenses of laches, acquiescence, or estoppel because its application was published for opposition on November 2, 2021, and the Opposition was timely filed on November 12, 2021. *See Warner-Lambert Co. v. Sports Sols. Inc.*, 39 USPQ2d 1686, 1697 (TTAB 1996) (holding laches and estoppel defenses failed as a matter of law where a timely notice of opposition was filed after opposer obtained one extension of time). Thus, in no way "was the [10 day] delay between publication and opposition undue or prejudicial to [A]pplicant's rights." *DAK Indus.*,

25 USPQ2d at 1624. Accordingly, these defenses should be stricken with prejudice. *Barbara's Bakery, Inc. v. Landesman*, 82 USPQ2d 1283, 1292 n.14 (TTAB 2007) (noting defenses of laches, acquiescence, and estoppel are generally not available in opposition proceedings and amendment would be futile).

5. Applicant's Fourth, Fifth, Sixth, Seventh, Ninth, Eleventh, Twelfth, Nineteenth, and Twentieth Affirmative Defenses Should Be Stricken as Redundant of Counterclaims.

“When a defense is raised by way of a counterclaim, it should not also be pleaded as an affirmative defense, because the pleading of it as an affirmative defense is unnecessary and redundant.” TMBP 311.02(b)(1); *see Space Base Inc. v. Stadis Corp.*, 17 USPQ2d 1216, 1220 (TTAB 1990) (striking “applicant’s affirmative defenses, which are substantially similar to the grounds set forth in the counterclaim[] . . . as redundant and impertinent”).

In its Answer, Applicant sets forth counterclaims for unlawful use, fraud on the USPTO, misuse, non-ownership, and abandonment. 4 TTABVUE 35–60. However, Applicant’s seventh, eighth, ninth, and eleventh defenses of illegality, fraud, misuse, and non-ownership are redundant of these counterclaims. And Applicant’s fourth, fifth, sixth, nineteenth, and twentieth affirmative defenses of invalidity, Opposer has no trademark rights, non-continuous use, lack of secondary meaning, and failure to police are all based on allegations of non-ownership, abandonment, misuse, and/or fraud. Thus, these affirmative defenses are redundant and should be stricken with prejudice.³

³ Nor would any of these affirmative defenses be proper if the related counterclaims are dismissed. “The Board will not entertain a defense that attacks the validity of a registration pleaded by a plaintiff unless the defendant timely files a counterclaim” TMBP § 311.02(b)(1); *see* 37 C.F.R. § 2.106(b)(3)(i) (“[D]efense attacking the validity of any one or more of the registrations pleaded in the opposition shall be a compulsory counterclaim”).

6. Applicant’s Eighth Affirmative Defense of Bad Faith, Thirteenth Affirmative Defense of Naked Licensing, Fourteenth Affirmative Defense of Unclean Hands, and Sixteenth Affirmative Defense of Waiver Should Be Stricken as Insufficient Because They Lack *Any* Factual Allegations.

Pleaded defenses cannot be conclusory and must give an opposer fair notice of the basis for the defense and set forth sufficient facts that, if proven, support the claim. *See, e.g., Fair Indigo*, 85 USPQ2d at 1538; *Otto Int’l*, 83 USPQ2d at 1864; TBMP § 311.02(b). Yet Applicant’s eighth, thirteenth, fourteenth, and sixteenth affirmative defenses of bad faith, naked licensing, unclean hands, and waiver are bald pleadings, which provide no explanation or factual support whatsoever.⁴ Accordingly, these defenses should be stricken.

7. Applicant’s First Affirmative Defenses of No Likelihood of Confusion and Tenth Affirmative Defense of Lack of Priority Should Be Stricken as Redundant of Its Earlier Denials.

Where an applicant’s affirmative defense does nothing more than restate earlier denials, the affirmative defense is redundant and should be stricken. *See Order Sons of Italy in Am. v. Profumi Fratelli Nostra AG*, 36 USPQ2d 1221, 1223 (TTAB 1995) (striking applicant’s affirmative defense of no disparagement as redundant because applicant had denied opposer’s allegations of disparagement earlier in its answer and the defense “[was] nothing more than a restatement of that denial”); *Textron, Inc. v. Gillette Co.*, 180 USPQ 152, 154 (TTAB 1973) (stating where assertions “merely reaffirm applicant’s previous denial of opposer’s claim . . . and

⁴ To the extent Applicant’s naked licensing defense may put Fuente on notice of claims that Fuente has exercised uncontrolled licensing over unidentified third parties, such allegations are insufficient. Applicant must state which goods/services are being licensed and to which third parties, as well as that the mark has lost significance as a mark or indicator of a single source. *See Nobelle.com, LLC v. Qwest Commc’ns Int’l, Inc.*, 66 USPQ2d 1300, 1307 (TTAB 2003) (denying claim where there was “no evidence” the respondent licensed a “mark to Unical, or to anyone else, for use in connection with” services listed in a registration); *Amtgard Int’l v. Aughts LLC*, Cancellation No. 92068416, 2019 WL 1916119, at *3 (TTAB Apr. 26, 2019) (non-precedential) (failure to “allege any facts as to . . . licensing” fails to state a claim); *Poly-America, L.P. v. Ill. Tool Works Inc.*, Cancellation No. 92056833, 2015 WL 9913817, at *4 (TTAB Dec. 14, 2015) (non-precedential) (distinguishing naked licensing as “where loss of trademark rights in a mark is caused by loss of significance as a mark or indicator of single source”).

otherwise add nothing of substance to applicant’s answer, opposer is correct in its charge that the paragraph is redundant in character and therefore improperly pleaded”) (citation omitted).

In its Answer, Applicant sets forth its specific admissions and denials to each of Fuente’s allegations. 4 TTABVUE 6–27. Specifically, Applicant denies Fuente’s allegations of likelihood of confusion (*id.* at 27) and priority (*id.* at 15, 18). Applicant’s first and tenth affirmative defenses, alleging there is no likelihood of confusion and that Fuente lacks priority, simply restate Applicant’s specific denials of the same. *Id.* at 27, 31.

While denials may be pled as affirmative defenses when they amplify the pleadings, these defenses do not amplify Applicant’s prior denials because they offer no factual allegations that “provide fuller notice of the basis for [the] claim or defense.” *Ohio State Univ.*, 51 USPQ2d at 1292 (permitting objectionable pleading as an amplification only where it provided “fuller notice of the basis for a claim or defense”). As in *Sons of Italy*, Applicant’s defenses of no likelihood of confusion and lack of priority are “nothing more than . . . restatement[s] of [Applicant’s] denial[s]” that add nothing of substance to Applicant’s answer. 36 USPQ2d at 1223. As such, these defenses cannot and do not “amplify” or provide “fuller notice” of the basis for Applicant’s responses and should therefore be stricken with prejudice as redundant.⁵

B. Motion to Dismiss

Under the Federal Rules of Civil Procedure, a pleading must contain a “short and plain statement of the claim showing that the pleader is entitled to relief.” FED. R. CIV. P. 8(a)(2). A pleading must also include enough detail to give a defendant fair notice of the basis of each

⁵ In addition to the affirmative defenses discussed above, Applicant’s reservation of rights “to raise additional defenses” (4 TTABVUE 27) should be stricken with prejudice as improper. *See FDIC v. Mahajan*, 923 F. Supp. 2d 1133, 1141 (N.D. Ill. 2013) (“[A]ffirmative defenses that purport to reserve the right to add affirmative defenses at a later date[] . . . are stricken because they are improper reservations under the Federal Rules.”).

claim. FED. R. CIV. P. 8(a); TBMP § 309.03(a)(2). This standard “does not unlock the doors of discovery for a plaintiff armed with nothing more than conclusions.” *Ashcroft v. Iqbal*, 556 U.S. 662, 678–79 (2009). Rule 8 requires a claim that is not just possible, but “plausible on its face.” *Id.* at 678 (quoting *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). “A pleading that offers ‘labels and conclusions’ or ‘a formulaic recitation of the elements of a cause of action will not do.’” *Id.* (quoting *Twombly*, 550 U.S. at 555). And while all allegations of material fact in a pleading must be taken as true and construed in the light most favorable to the nonmoving party, “[c]onclusory allegations and unreasonable inferences . . . are insufficient to defeat a motion to dismiss.” *Sanders v. Brown*, 504 F.3d 903, 910 (9th Cir. 2007). The Board should dismiss insufficient pleadings with prejudice if an amendment would be futile. *See Foman v. Davis*, 371 U.S. 178, 182 (1962) (finding “futility of amendment” is a reason to deny leave for amendment).

1. Applicant’s Counterclaim of Misuse Should Be Dismissed Because It Is Unavailable Against Fuente’s Registration, and In Any Event, Does Not Constitute Misuse.

As discussed above, Applicant’s grounds for cancellation of AF Registrations greater than five years old are limited to those enumerated in Section 14(3). *See Carefirst of Md.*, 77 USPQ2d at 1502. Because Applicant’s counterclaim of misuse against Reg. No. 2888461 alone is not enumerated in Section 14(3),⁶ it is barred and must be dismissed with prejudice. *See, e.g.*, TBMP § 309.3(c)(1).

Moreover, Applicant’s misuse counterclaim is based on allegations that the challenged goods include the words “MARCA REGISTRADA” (meaning “REGISTERED TRADEMARK”) and that the mark was unregistered (1) “in any jurisdiction as of Apr. 17, 2003” or (2) “in any jurisdiction other than the U.S.” “as of November 20, 2021.” 4 TTABVUE

⁶ Reg. No. 2888461 registered on September 28, 2004.

60. These allegations do not constitute a cognizable misuse claim. Although “[i]mproper use of the federal registration symbol by an applicant can defeat an applicant's right to registration,” Applicant does not allege misuse of the federal U.S. registration symbol (nor could it). *Wells Fargo & Co. v. Lundeen & Assocs.*, 20 USPQ2d 1156, 1157 (TTAB 1991). Thus, leave to amend should be denied.

2. Applicant’s Fraud on the USPTO Counterclaim Should Be Dismissed Because Applicant Fails to Meet the Heightened Pleading Standard for Such Claim.

A party asserting a fraud claim bears a “heavy burden of proof.” *In re Bose Corp.*, 580 F.3d 1240, 1243, 91 USPQ2d 1938, 1939 (Fed. Cir. 2009). “[T]he very nature of the charge of fraud requires that it be proven ‘to the hilt’ with clear and convincing evidence. There is no room for speculation, inference or surmise and, obviously, any doubt must be resolved against the charging party.” *Smith Int’l, Inc. v. Olin Corp.*, 209 USPQ 1033, 1044 (TTAB 1981).

Fraud in the procurement of a trademark registration occurs when an applicant (1) knowingly makes specific (2) false and (3) material representations of fact in connection with an application (4) with the intent of obtaining a registration to which it is otherwise not entitled. *Chutter, Inc. v. Great Mgmt. Grp., LLC*, 2021 USPQ2d 1001, 2021 TTAB LEXIS 365, at *14 (TTAB Sept. 30, 2021). Under Trademark Rule 2.116(a), Applicant must meet the heightened pleading standards of Federal Rule of Civil Procedure 9(b) to properly plead fraud, which provides that “circumstances constituting fraud or mistake shall be stated with particularity.” To survive a motion to dismiss, the Board has held that a pleading must allege “when and how the fraud allegedly occurred,” “the content of the false representation,” and “what was obtained by reason of the asserted fraud.” *Caymus Vineyards v. Caymus Med., Inc.*, Opp. No. 91204667, 2013 WL 6665451, at *3–4 (TTAB July 12, 2013). The pleadings must “contain explicit rather than implied expression of the circumstances constituting fraud.” *King Auto., Inc. v. Speedy*

Muffler King, Inc., 667 F.2d 1008, 1010, 212 USPQ 801, 803 (C.C.P.A. 1981). “A pleading that simply alleges the substantive elements of fraud, without setting forth the particularized factual bases for the allegations, does not satisfy Fed. R. Civ. P. 9(b).” *Vineyard House LLC v. Constellation Brands U.S. Operations Inc.*, Opp. Nos. 91244817, 91244819, 91245800, 91246515, 2021 WL 3124845, at *4 (TTAB July 19, 2021) (non-precedential) (citing *Asian & W. Classics B.V. v. Selkow*, 92 USPQ2d 1478, 1478 (TTAB 2009)).⁷

However, “[t]here is no fraud if a false misrepresentation is occasioned by an honest misunderstanding or inadvertence without a willful intent to deceive.” *Bose Corp.*, 580 F.3d at 1246, 91 USPQ2d at 1942 (citing *Smith Int’l*, 209 USPQ at 1043); see *Chutter*, 2021 USPQ2d 1001, 2021 TTAB LEXIS 365, at *14 (finding there is no fraud where “a false statement was made with a reasonable and honest belief that it was true, rather than an intent to mislead the USPTO”). Knowledge and intent, as conditions of the mind of a person, may be averred generally in support of an allegation of fraud. FED. R. CIV. P. 9(b); *DaimlerChrysler Corp. v. Am. Motors Corp.*, 94 USPQ2d 1086, 1088 (TTAB 2010). However, fraud claims “must include sufficient allegations of underlying facts from which a court may reasonably infer that a specific individual (1) knew of the withheld material information or the falsity of the material misrepresentation, and (2) withheld or misrepresented this information with a specific intent to deceive the PTO.” *Exergen Corp. v. Wal-Mart Stores, Inc.*, 575 F.3d 1312, 1328–29, 91 USPQ2d 1656, 1668 (Fed. Cir. 2009). “Pleadings of fraud ‘based on information and belief’ without allegations of specific facts upon which the belief is reasonably based are insufficient.” *NSM Res. Corp. v. Microsoft Corp.*, 113 USPQ2d 1029, 1034 (TTAB 2014) (citation omitted); see *Selkow*, 92 USPQ2d at 1479.

⁷ Copies of non-precedential and/or unpublished Board decisions are attached as Exhibit A.

Here, Applicant alleges that Fuente committed fraud on the USPTO when submitting applications for its AF Marks. 4 TTABVUE 50–58. But this claim is legally and factually deficient. Rather than plead any of the above elements with the specificity required by Rule 9(b), Applicant simply regurgitates elements of the cause of action. *See id.* at 50–51 (“Opposer knowingly and intentionally made false, material representations of fact . . . with intent to deceive the USPTO, and each of those false representations was material for the procurement or maintenance of a federal trademark registration, and but for those false representations, the registration would not exist.”). Most importantly, Applicant fails to meet the high standard of alleging intent to deceive. While Applicant pleads upon “information and belief” in a conclusory fashion that Fuente intentionally deceived the USPTO, there are no set of facts supporting such belief as required. *See NSM Res. Corp.*, 113 USPQ2d at 1034 n.9 (“[A] party alleging fraud must set out facts which if true, would at least support an inference of deceptive intent.”); *Selkow*, 92 USPQ2d at 1479 (“[A]lthough Rule 9(b) allows that intent may be alleged generally, the pleadings must allege sufficient underlying facts from which a court may reasonably infer that a party acted with the requisite state of mind.”). In short, Applicant’s fraud counterclaim—which simply repackages its baseless unlawful use claim—is a textbook bare and conclusory pleading simply parroting the statutory language and should be dismissed with prejudice.

3. Applicant’s Abandonment Counterclaims, to the Extent They Are Based on Reg. Nos. 3619208 and 5241616 or Goods Other Than Humidifiers, Should Be Dismissed.

To state a claim to cancel a registration on grounds of abandonment, Applicant must “allege ultimate facts pertaining to the alleged abandonment” which provide Fuente fair notice of Applicant’s abandonment theory. *Otto Int’l Inc.*, 83 USPQ2d at 1863 (citing *Clubman’s Club Corp. v. Martin*, 188 USPQ 455, 456 (TTAB 1975)). To adequately plead an abandonment claim, Applicant must allege either Fuente’s (1) “nonuse, which is use that has been

discontinued, plus ‘intent not to resume such use,’” or (2) “course of conduct” which “causes the mark to become [] generic” for a class of goods or services or “lose its significant as mark.” *Lewis Silkin LLP v. Firebrand LLC*, 129 USPQ2d 1015, 1018 (TTAB 2018) (citing 15 U.S.C. § 1127(1)). Furthermore, “[n]onuse for 3 consecutive years” is “prima facie evidence of abandonment.” *Id.*

Here, Applicant fails to plead nonuse or intent not to resume use with respect to Reg. Nos. 3619208 and 5241616. 4 TTABVUE 35 (pleading nonuse and intent not to resume use for Reg. Nos. 2372317, 2888461, and 3494354). Nor does Applicant plead that Fuente’s alleged failure to police has resulted in those AF Registrations becoming generic. *See* 15 U.S.C. § 1127; *Freecycle Network, Inc. v. Oey*, 505 F.3d 898, 905, 84 USPQ2d 1530, 1535 (9th Cir. 2007) (stating genericide may arise from failure to police); *Am. Univ. v. Am. Univ. of Kuwait*, Cancellation No. 92049706, 2020 WL 919246, at *10 (TTAB Jan. 30, 2020) (non-precedential) (stating abandonment defense may arise from “theory that [opposer’s] alleged failure to police its mark has caused [it] to become a generic term or to have lost its significance as a mark”). And Applicant does not plead any course of conduct causing the marks to lose significance. *See TBC Corp. v. Grand Prix Ltd.*, 12 USPQ2d 1311, 1314 (TTAB 1989) (“[I]n order to state a claim upon which relief can be granted for the ground of abandonment, applicant must plead facts which show a course of conduct by opposer which has caused opposer’s mark to lose its trademark significance.”).⁸ Thus, Applicant’s counterclaims for abandonment, to the extent they are based on Reg. Nos. 3619208 and 5241616, should be dismissed.

⁸ Applicant’s allegations of unlawful use regarding Reg. Nos. 3619208 and 5241616 are irrelevant to abandonment. *See Pennwalt Corp. v. Sentry Chem. Co.*, 219 USPQ 542, 553 (TTAB 1983) (finding “no authority” for abandonment based on unlawful use); *Pet Inc. v. Bassetti*, 219 USPQ 911, 916 (TTAB 1983) (casting doubt on “premise” that whether “sales were unlawful is related to [] abandonment”).

Moreover, Applicant's abandonment counterclaims are based on Fuente's alleged nonuse of humidifiers, but not any other goods listed in the AF Registrations. Thus, these counterclaims should be dismissed as to all goods except humidifiers. *See Wet Seal, Inc. v. FD Mgmt.*, 82 USPQ2D 1629, 1633 (TTAB 2007) (determining which "items, if any" should be deleted from application based on lack of intent to use mark); *Grand Canyon W. Ranch, LLC v. Hualapai Tribe*, 78 USPQ2d 1696, 1697 (TTAB 2006) (deleting certain goods from a use-based application for which the mark was not actually used rather than finding the entire application void ab initio); *Sky Int'l AG v. Sky Cinemas LLC*, Opp. No. 91223952, 2020 WL 6887759, at *4 (TTAB Nov. 19, 2020) (non-precedential) (rejecting argument that the Board "must delete all goods from a class, not just the specific goods within the class").

4. Applicant's Counterclaim of Non-Ownership Should Be Dismissed with Respect to Reg. Nos. 2372317, 2888461, 3494354, 3619208, and 4151750 Because It Is Unavailable Against Those Registrations.

Moreover, because Applicant's counterclaim of non-ownership is not enumerated in Section 14(3), it is barred as to all of Fuente's Registrations other than Reg. No. 5241616. *See* TBMP § 309.3(c)(1); *Kemin Indus.*, 192 USPQ at 328. Thus, these counterclaims should be dismissed with prejudice as to Reg. Nos. 2372317, 2888461, 3494354, 3619208, and 4151750.

5. Applicant's Counterclaim of Unlawfulness Should Be Dismissed Because It Lacks Sufficient Factual Allegations, and Applicant Cannot State a Claim for Relief.

"Generally, the USPTO presumes that an applicant's use of a mark in commerce is lawful under federal law." *In Re Morgan Brown*, 119 USPQ2d 1350, 1351 (TTAB 2016).

"Determining whether the use of a mark is lawful under one or more of the myriad of regulatory acts involves two questions: (1) whether a court or government agency having competent jurisdiction under the statute involved has previously determined that party is not in compliance

with the relevant statute; or (2) whether there is a *per se* violation of [the] statute”

Automedx, Inc. v. Artivent Corp., 95 USPQ2d 1976, 1984 (TTAB 2010) (citing *Gen. Mills, Inc. v. Healthy Valley Foods*, 24 USPQ2d 1270, 1273 (TTAB 1992)).

“[I]t is incumbent upon the party charging that the use was unlawful to demonstrate by clear and convincing evidence more than that the use in question was not in compliance with applicable law.” *Id.* Rather, such party must prove that “non-compliance was material, that is, was of such gravity and significance that the usage must be considered unlawful—so tainted that, as a matter of law, it could create no trademark rights—warranting cancellation of the registration of the mark involved.” *Id.* There must also be “some nexus between the use of the mark and the alleged violation before the unlawfulness of a shipment can be said to result in the invalidity of a registration.” *Id.* (citing *Gen. Mills*, 24 USPQ2d at 1274). The Board has also cautioned that “in cases involving application of the lawful use doctrine, we are mindful of the draconian and potentially disproportionate result of denying trademark rights to a party.” *Churchill Cellars, Inc. v. Graham*, Opposition No. 77787019, 2012 WL 5493578, at *9 (TTAB Oct. 19, 2012) (non-precedential) (citing *Gen. Mills*, 24 USPQ2d at 1273). “In sum, while the illegal use doctrine remains the law, it has been interpreted very narrowly, and in practice, it has not been successfully invoked in a reported (or . . . unreported) Board case for at least thirty years.” *Zao Gruppa Predpriyatij Ost & Zao Ost Aqua v. Vosk Int’l Co.*, Opposition No. 2004, 2011 WL 3828709, at *21 (TTAB Aug. 9, 2011) (non-precedential).

Here, as Applicant has not alleged that “there has been [any] final determination of noncompliance by a court or agency” in regard to the cited FDA regulations, Applicant must show that Opposer’s products “were *per se* violations of FDA regulations.” *Automedx*, 95 USPQ2d at 1984. Moreover, Applicant’s allegations are conclusory and fail to state sufficient

facts to show a *per se* violation of any FDA regulation. First, Applicant claims the AF Registrations violate 21 C.F.R. § 1140.30(a)(2), requiring 30 days' notice to the FDA prior to selling certain products, but Applicant does not plead that Fuente failed to provide the requisite notice. Second, Applicants alleges a violation of 21 C.F.R. § 1140.16(e), which forbids selling certain products “not in compliance with subpart D . . . and other applicable requirements,” but does not state why such products are not in compliance. Third, Applicant alleges a violation of 21 C.F.R. § 1140.12 providing that a “manufacturer shall remove from each point of sale all self-service displays, advertising, labeling, and other items that . . . do not comply with the requirements under this part[,]” but does not allege what requirements Fuente failed to meet. Finally, Applicant claims Fuente violated 21 C.F.R. § 1140.16(a), providing that a “manufacturer shall not use a trade or brand name of a nontobacco product as the trade or brand name for a cigarette or smokeless tobacco product, except for a tobacco product whose trade or brand name was on both a tobacco product and a nontobacco product . . . sold in the United States on January 1, 1995.” While Applicant cites nontobacco products sold by Fuente after January 1, 1995, Applicant does not allege that the AF Marks were not on tobacco products and *any* nontobacco products on January 1, 1995. Thus, these allegations fail to put Fuente on notice of the bases for Applicant's claims and the counterclaim should be dismissed.

Even if Applicant properly pleaded the above facts, which it did not, it still cannot plead a *per se* violation of these regulations. The alleged violations are not of “such gravity and significance” that Fuente's usage of the AF Marks is “so that tainted that, as a matter of law, it could create no trademark rights—warranting cancellation of the registration of the mark involved.” *Automedx*, 95 USPQ2d at 1984. Denying trademark rights based on such mere technical violations is precisely the “draconian” result cautioned by the Board. *Gen. Mills*, 24

USPQ2d at 1273; *see Churchill Cellars*, 2012 WL 5493578, at *9. In fact, Applicant cannot locate any Board decision—precedential or non-precedential—invalidating registrations based on mere technical violations rather than *per se* federally unlawful goods, such as cannabis. *See, e.g., MCCARTHY* § 19:123 (“Technical violations such as labeling irregularities . . . are not regarded as *per se* violations. . . . Rather, the Board adopts a case-by-case policy of rejecting a use as ‘unlawful’ only in cases of clear, serious and material violations such as the use of a mark on a drug declared illegal under federal law.”); *Morgan Brown*, 119 USPQ2d at 1351 (invalidating registration based on use with cannabis). Here, there is no set of facts which would transform such technical violations, if any, into material violations warranting cancellation of an entire registration. *See Gen. Mills*, 24 USPQ2d at 1274–75 (stating many of the relevant labeling requirements “are purely technical in nature and that violations of such requirements may be relatively harmless and may be subsequently corrected”); *Int’l Beauty Exch., Inc. v. K & N Distribs.*, Cancellation No. 92063647, 2017 WL 3718318, at *6–7 (TTAB Aug. 11, 2017) (non-precedential) (stating even if respondent had violated labeling requirements, the violation was not “of such a nature that [r]espondent’s use in commerce must be considered unlawful”). Thus, this counterclaim should be dismissed with prejudice.

Respectfully submitted,

Dated: January 27, 2022

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CERTIFICATE OF SERVICE

I certify that a true and accurate copy of the foregoing OPPOSER'S MOTION TO STRIKE APPLICANT'S AFFIRMATIVE DEFENSES AND MOTION TO DISMISS APPLICANT'S COUNTERCLAIM was served on January 27, 2022, via e-mail upon counsel of record for Applicant at the following address of record:

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EXHIBIT #1

This Opinion is not a
Precedent of the TTAB

Mailed: December 1, 2020

UNITED STATES PATENT AND TRADEMARK OFFICE

—
Trademark Trial and Appeal Board
—

Amtgard International
v.
Aughts LLC
—

Cancellation No. 92068416
—

Paul V. Storm and J. Michael Thomas of Foley & Lardner LLP
for Amtgard International.

Jesus D. Salang for Aughts LLC.¹

—
Before Taylor, Adlin and Lynch,
Administrative Trademark Judges.

Opinion by Adlin, Administrative Trademark Judge:

Respondent Aughts LLC owns a registration of AMTGARD, in standard characters, for a “role playing board game” (the “Registration”).² In its second amended petition for cancellation, Petitioner Amtgard International, “a worldwide

¹ During prosecution of the involved registration, Mr. Salang claimed to be Respondent’s “principal” and “owner,” as well as an attorney.

² Registration No. 5215471, issued May 30, 2017 (from an application filed February 22, 2016 based on first use dates of February 2, 2012).

organization dedicated to medieval and fantasy combat sports and recreation,” alleges prior common law use of an identical mark (AMTGARD) for live action role-playing games (“LARP”). 21 TTABVUE 2-3.³ Petitioner claims to have acquired rights in the mark by assignment from Amtgard, Kingdom of the Burning Lands (“Burning Lands”). *Id.* at 5-6. As grounds for cancellation, Petitioner alleges that: (1) Respondent committed fraud by falsely claiming in the application which matured into the involved Registration that it owns the AMTGARD mark⁴; (2) use of Respondent’s mark would be likely to cause confusion with Petitioner’s mark; (3) Respondent abandoned its mark through “naked licensing”; and (4) Respondent abandoned its mark through nonuse with an intent not to resume use.

Respondent failed to file a formal answer to the second amended petition for cancellation, filing instead a document entitled “Answer and Response to Court ...,” which does not comply with the substantive requirements of Fed. R. Civ. P. 8(b). 23 TTABVUE. We construe this document as a general denial of the allegations in the

³ Citations to the record reference TTABVUE, the Board’s online docketing system. The number preceding “TTABVUE” corresponds to the docket entry number(s), and any number(s) following “TTABVUE” refer to the page number(s) of the docket entry where the cited materials appear.

⁴ While Petitioner also alleges that Respondent committed fraud when it “falsely claimed that it was not intending to use the AMTGARD Mark for live-action roleplaying games, but solely for use with board games,” Respondent filed the application based on actual use for “role playing games” (which encompasses LARP), and eventually amended its identification of goods to a “role playing board game.” Other than its identification of goods, as modified, Respondent did not make any representations to the Office about its intended use of the mark.

second amended petition for cancellation.⁵

I. The Record and Evidentiary Objections

The record consists of the pleadings and, by operation of Trademark Rule 2.122(b), 37 C.F.R. § 2.122(b), the file of Respondent's involved Registration. In addition, Petitioner introduced:

Testimony Affidavit of Ben Glickler, Chair of its Circle of Monarchs Committee, and the exhibits thereto ("Glickler Aff."). 33 TTABVUE.

Testimony Affidavit of Dan Kitka, a Burning Lands Board member, and the exhibits thereto ("Kitka Aff."). 35 TTABVUE.

Testimony Affidavit of Diana Winsor, another Burning Lands Board member, and the exhibits thereto ("Winsor Aff."). 36 TTABVUE.

Testimony Affidavit of Will Jordan former chair of its Circle of Monarchs Committee ("Jordan Aff."). 37 TTABVUE.

Testimony Affidavit of Matthew Farmer, President of Mid-Atlantic Games ("Farmer Aff."). 38 TTABVUE.

⁵ Much of the document appears to be intended as a response (albeit untimely) to Petitioner's motion for leave to amend its original petition to add a claim of fraud, and its motion for summary judgment on that proposed claim and other claims filed the same day. 10 and 11 TTABVUE. In its order denying the parties' cross-motions for summary judgment, the Board denied without prejudice Petitioner's motion for leave to file a first amended petition which adds claims of fraud and abandonment "by failure to police," but allowed Petitioner time to replead those claims. 20 TTABVUE. Petitioner then filed its second amended petition for cancellation. 21 TTABVUE. To the extent Respondent's "Answer" asserts the affirmative defense of "unclean hands," Respondent did not pursue or prove this defense (or any defense) at trial, as it failed to introduce any admissible evidence related thereto, and the unclean hands defense and any others intended to be asserted in Respondent's "Answer" are therefore waived. *Miller v. Miller*, 105 USPQ2d 1615, 1616 n.3 (TTAB 2013); *Baroness Small Estates Inc. v. Am. Wine Trade Inc.*, 104 USPQ2d 1224, 1225 n.2 (TTAB 2012).

Rebuttal Testimony Affidavit of J. Michael Thomas, one of its attorneys, and the exhibits thereto (“Thomas Reb. Aff.”). 49 TTABVUE.

Rebuttal Testimony Affidavit of Adam Freund, former representative for Riverland Games LLC, one of Petitioner’s licensees, and the exhibit thereto (“Freund Reb. Aff.”). 50 TTABVUE.⁶

Respondent filed many documents and letters during the course of this proceeding. The filings typically included exhibits, but failed to comply with the Trademark Rules governing the introduction of evidence. For example, Respondent attached a number of documents to its “Answer,” 23 TTABVUE 8-46, apparently intending that the materials be considered as trial evidence. Documents attached to an answer are not evidence, however, as that is not one of the ways evidence may be

⁶ Petitioner also filed a “Certificate of Nonappearance” of Mr. Salang at a testimonial deposition. 34 TTABVUE. Mr. Salang’s failure to appear violated subpoenas issued by the United States District Court for the Eastern District of Virginia for Mr. Salang’s testimony in both his individual capacity and as Respondent’s corporate representative. *Id.* at 22, 31. Respondent had improperly filed with the Board a motion to quash the subpoenas, asserting that both Respondent and Mr. Salang had a right under the Fifth Amendment to the U.S. Constitution to not incriminate themselves. 29-31 TTABVUE. It is unclear whether Respondent ever filed a motion to quash with the issuing Court, however. Only the Court could enforce or quash the subpoenas.

We should point out that in the motion to quash filed with the Board, Respondent speculates that Petitioner “had very questionable accounting practices and might have committed massive tax and charity fraud.” 31 TTABVUE 2. This is one of many allegations Respondent has made against Petitioner during the course of this proceeding, which include allegations that Petitioner and its officers have engaged in criminal and unethical conduct. These allegations are irrelevant. The Board’s jurisdiction is limited to determining only the right to register, and issues which do not relate to Respondent’s right to continued registration are not relevant or appropriate to mention here and will not be addressed in this decision. *McDermott v. San Francisco Women’s Motorcycle Contingent*, 81 USPQ2d 1212, 1216 (TTAB 2006) (“As to the litany of criminal or civil wrongdoings participants in applicant’s parades purportedly have committed, the Board is not the proper venue for bringing such objections – the Board’s jurisdiction is limited to determining whether trademark registrations should issue or whether registrations should be maintained; it does not have authority to determine whether a party has engaged in criminal or civil wrongdoings.”), *aff’d unpub’d*, 240 F. App’x 865 (Fed. Cir. 2007).

introduced under the applicable rules. Rather, documents must be introduced during trial, not at the pleading stage. *Poly-Am., L.P. v. Illinois Tool Works Inc.*, 124 USPQ2d 1508, 1510 (TTAB 2017) (“Except in limited circumstances, which are not present here, an exhibit to a pleading is not evidence on behalf of the party to whose pleading the exhibit is attached unless identified and introduced in evidence as an exhibit during the period for the taking of testimony.”) (citing Trademark Rules 2.122(c) and 2.122(d)(1)).

Even if Respondent had timely submitted some or all of these materials during its testimony period (which is the only time most forms of trial evidence may be submitted under Trademark Rule 2.121(a)), most of these materials would be inadmissible for other reasons. Perhaps most glaringly, documentary evidence must be authenticated. Witnesses often authenticate documents, but their testimony must be provided by deposition, declaration or affidavit, Trademark Rule 2.123(a) and (c)-(k), and here, Respondent did not introduce any witness testimony by deposition, declaration or affidavit. While certain types of documentary evidence may be self-authenticating and thus need not be introduced through testimony, for the most part Respondent did not attempt to introduce potentially self-authenticating documents. Specifically, while Respondent submitted Internet printouts, which are potentially self-authenticating, for the most part Respondent failed to provide the required URLs and date the materials were accessed. These materials have therefore not been considered. Trademark Rule 2.122(e)(2); *Safer Inc. v. OMS Investments Inc.*, 94 USPQ2d 1031 (TTAB 2010). Furthermore, self-authenticating documents must be

introduced via a notice of reliance which indicates “generally the relevance of the evidence” and associates it “with one or more issues in the proceeding.” Trademark Rule 2.122(g). Here, Respondent did not file any notices of reliance, and in many cases did not indicate the relevance of potentially self-authenticating documents it filed without a notice of reliance and without URLs or access dates. Respondent also provided a number of hyperlinks, but “[t]he Board does not accept internet links as a substitute for submission of a copy of the resulting page.” *TV Azteca, S.A.B. de C.V. v. Martin*, 128 USPQ2d 1786, 1790 n.15 (TTAB 2018).

It appears that Mr. Salang may have intended for some of the letters or other materials he filed to constitute his own testimony or Respondent’s testimony, but they do not comply with Trademark Rule 2.123 (which governs trial testimony). We have therefore treated Mr. Salang’s statements as mere attorney argument. As the Federal Circuit has held, “[a]ttorney argument is no substitute for evidence.” *Cai v. Diamond Hong, Inc.*, 901 F.3d 1367, 127 USPQ2d 1797, 1799 (Fed. Cir. 2018) (quoting *Enzo Biochem, Inc. v. Gen-Probe Inc.*, 424 F.3d 1276, 1284 (Fed. Cir. 2005)); *In re U.S. Tsubaki, Inc.*, 109 USPQ2d 2002, 2006 (TTAB 2014) (finding that there was no proof to support the statements in the record by counsel).

Respondent’s only filing during its testimony (trial) period was a self-styled “Subpoena and Request for the Court to Order Response to Interrogatories” from 12 different party and nonparty witnesses. 43 TTABVUE. It appears from the document that Respondent sought a Board order compelling each of these witnesses to respond to 32 interrogatories, undifferentiated by witness, with the responses “posted as a

response in the ESTTA website.” To significantly understate the situation, the Trademark Rules do not provide for such a subpoena, the requested order, or for these types of interrogatory responses to constitute trial evidence. Interrogatories are a discovery device and discovery closed on December 31, 2018, almost eight months before Respondent filed the document. Under Trademark Rule 2.123, testimony may only be introduced by declaration, affidavit or deposition, including depositions on written questions under Trademark Rule 2.123(a)(2).⁷ While Respondent may have wished to argue that his interrogatories intended for use at trial were analogous to a deposition on written questions, Respondent failed to follow Trademark Rule 2.124, which governs such depositions, including because: the putative “depositions” were not to be taken before someone before whom depositions may be taken under Fed. R. Civ. P. 28 (Trademark Rule 2.124(a)); Respondent did not provide the required notice to Petitioner (Trademark Rule 2.124(b)(1)); and, relatedly, Respondent did not leave Petitioner enough time for the service of cross and redirect questions (Trademark Rule 2.124(d)(1)).

In any event, while Petitioner objected that this document was improper, “in a show of good faith” Petitioner had those witnesses under its control respond to Respondent’s “interrogatories” to the best of their ability, while maintaining that their answers are “inadmissible.” 44 TTABVUE 5, 8-27. Having filed answers to these interrogatories from several witnesses during Respondent’s testimony period, and

⁷ While Respondent could have served interrogatories or other discovery requests during the discovery period, and used Petitioner’s responses as trial evidence, there is no indication in the record that Respondent took any discovery in this case.

labeling the responses as “depositions on written questions,” Petitioner waived its objection to the admissibility of the responses. We have therefore treated these responses as, in effect, informal testimony stipulated into the record, and have considered this informal testimony for whatever probative value it may have.

On the other hand, we have given no consideration to Respondent’s “Objections to Insufficiency of Response and Obstruction of Justice” document, which purports to object to Petitioner’s voluntary but unnecessary responses to Respondent’s “trial interrogatories.” 46 TTABVUE. Petitioner was under no obligation to provide any responses to those “interrogatories” and Respondent should consider itself fortunate to have what Petitioner chose to provide in “good faith.” If Respondent had properly noticed and taken a deposition, including one by written questions, it would have had the opportunity to ask redirect questions, but Respondent chose not to pursue this course. In short, Respondent’s only evidence in this case is the responses Petitioner provided at 44 TTABVUE 8-27.

II. Background

In 1983, the science fiction club of an El Paso high school played in a LARP, and later that year some of the club’s members formed Burning Lands as a corporation and first used the AMTGARD mark in connection with the AMTGARD LARP. 36 TTABVUE 3 (Winsor Aff. ¶¶ 2-3). The game became successful, and new AMTGARD “chapters, known as ‘kingdoms,’ sprang up across the country.” *Id.* (Winsor Aff. ¶ 5). Burning Lands licensed the AMTGARD mark to chapters that complied with Burning Lands’ standards. *Id.*

“Eventually, the number of chapters playing the game grew large enough that it became necessary to create one centralized entity to oversee the business operations for and intellectual property of Amtgard. Thus, the heads of each Amtgard ‘kingdom’ – known as the ‘Circle of Monarchs’ – decided to form [Petitioner] to serve this purpose.” *Id.* (Winsor Aff. ¶ 6). Burning Lands assigned its intellectual property, including the AMTGARD mark, to Petitioner on January 19, 2016. *Id.* at 3-4, 8 (Winsor Aff. ¶ 7 and Ex. 2).

Petitioner is now “the exclusive source for licenses to use the [AMTGARD] Mark,” and has licensed the mark to Burning Lands, among others. *Id.* at 4 (Winsor Aff. ¶ 8).⁸ The AMTGARD mark has been in continuous use for LARP since 1983. *Id.* at 3 (Winsor Aff. ¶ 4); 33 TTABVUE 3-48 (Glickler Aff. ¶¶ 1-9).⁹ Mr. Glickler testified that this Wayback Machine printout fairly and accurately depicts how Burning Lands’ website appeared in 1998:

⁸ Respondent has repeatedly alleged throughout this proceeding that some of Petitioner’s or its predecessor’s actions were unauthorized, illegal or improper because at certain points its or their corporate status was terminated. Respondent did not properly introduce any admissible supporting evidence, however, and in any event, as Petitioner points out, even if it had, terminations do not necessarily prohibit, prevent or nullify an entity’s actions. Tx. Bus. Org. Code § 11.253(d) (“If a filing entity is reinstated before the third anniversary of the date of its involuntary termination, the entity is considered to have continued in existence without interruption from the date of termination.”); Tx. Bus. Org. Code § 11.356(a)(3) (“Notwithstanding the termination of a domestic filing entity under this chapter, the terminated filing entity continues in existence until the third anniversary of the effective date of the entity’s termination only for purposes of ... holding title to and liquidating property that remained with the terminated filing entity at the time of termination or property that is collected by the terminated filing entity after termination.”).

⁹ Mr. Kitka’s testimony corroborates most of this information, and Mr. Jordan’s corroborates some of it. 35 TTABVUE 3 (Kitka Aff. ¶¶ 2-5); 37 TTABVUE 2-4 (Jordan Aff. ¶¶ 1-6).



Amtgard is a non-profit, non-sectarian group devoted to recreating elements of the medieval, ancient, and fantasy genres. The thrust of Amtgard is both recreational and educational, with major group efforts devoted to reconstructions of medieval combat. Amtgard weapons are safe, foam-padded replicas of the real things. Anyone may join. To become a member you must:

33 TTABVUE 4, 8 (Glickler Aff. ¶¶ 3-4 and Exs.¹⁰).¹¹ Depictions of the AMTGARD LARP being promoted and played include the following:



¹⁰ The exhibits to the Glickler affidavit are unnumbered.

¹¹ Mr. Glickler's familiarity with the website at the time period reflected by the Wayback Machine depiction, and his testimony as a whole, makes separate or independent authentication of the Wayback Machine search result unnecessary. Cf. *Spiritline Cruises LLC v. Tour Mgt. Servs., Inc.*, 2020 USPQ2d 48324 *4 & n.33 (TTAB 2020).



Id. at 37, 44, 47.

Mid-Atlantic Games (“Mid-Atlantic”) oversees the Virginia AMTGARD chapter known as “Amtgard, Kingdom of the Crystal Groves.” 38 TTABVUE 3 (Farmer Aff. ¶ 3). Petitioner at one time banned Mid-Atlantic for not following Petitioner’s rulebook. After Mid-Atlantic was reinstated, Mr. Salang, one of its players, “remained resentful of [Petitioner’s] policing of the game.” *Id.* (Farmer Aff. ¶ 5). “Salang later approached Mid-Atlantic Games with an offer to ‘acquire’ [Petitioner’s] trademark on behalf of Mid-Atlantic Games by applying for registration of the trademark with the [USPTO],” but Mid-Atlantic declined the offer and terminated its relationship with Salang. *Id.* at 3-4 (Farmer Aff. ¶¶ 6-7, 13).

“Later, Salang would actively attempt to hinder the operations of Mid-Atlantic Games,” including by contacting the National Park Service and U.S. Department of the Interior in an attempt to cancel permits, and changing Mid-Atlantic’s information filed with the Virginia State Corporation Commission. *Id.* at 4 (Farmer Aff. ¶¶ 15-17). “Mid-Atlantic Games decided to ban Salang for life from participating in the ‘Amtgard, Kingdom of the Crystal Groves’ chapter.” *Id.* (Farmer Aff. ¶ 18).

Respondent’s website includes a 2017 letter addressed to “Fellow Amtgardians” and signed by Mr. Salang. 49 TTABVUE 4-12 (Thomas Aff. ¶ 2 and Ex. 1). It announces issuance of the Registration to Respondent, stating “[r]est assured that it is now in the hands of fellow Amtgardians.” 49 TTABVUE 5. The letter purports to license the right to use AMTGARD “to your organization so long as you remain in legal good standing within your individual states/provinces and the federal central government (U.S., Canada, or whatever respective nation you call home).” *Id.* The letter goes on to discuss certain AMTGARD-related events and to air various grievances. *Id.* at 5-11. The letter concludes:

Fellow Amtgardians, keep playing the game of Amtgard and have fun as you always have in the past. Know that it will continue in the future without fear. You are free to conduct your business as appropriate. Know that the trademark is now fully protected and rest assured that as long as you are lawful, respectful, and play fair, it is our name and our game together

Id. at 12.

III. Petitioner's Section 2(d) Claim

Before addressing whether the parties' marks are likely to be confused, we must first consider whether Petitioner is entitled to bring this proceeding. If it is we must then consider whether Petitioner has established priority. *See* 15 U.S.C. §§ 1052(d) and 1064. If it has, we must decide whether the parties' marks are likely to be confused.

A. Petitioner's Entitlement to Statutory Cause of Action¹²

To establish entitlement to a statutory cause of action under Section 14 of the Trademark Act, such as a cause of action for likelihood of confusion, a plaintiff must demonstrate a real interest in the proceeding and a reasonable belief of damage. *Australian Therapeutic Supplies Pty. Ltd. v. Naked TM, LLC*, 965 F.3d 1370, 2020 USPQ2d 10837 at *3 (Fed. Cir. 2020); *see also Corcamore, LLC v. SFM, LLC*, 978 F.3d 1298, 2020 USPQ2d 11277 *6-8 (Fed. Cir. 2020) (holding that the test in *Lexmark Int'l, Inc. v. Static Control Components, Inc.*, 572 US 118, 129-34 (2014) is met by demonstrating both a real interest in opposing or cancelling a registration (which satisfies the zone-of-interests requirement), and a reasonable belief in damage proximately caused by the registration). Here, Petitioner has established a real interest and reasonable belief of damage based on its common law use of AMTGARD. 36 TTABVUE 3 (Winsor Aff. ¶ 4); 33 TTABVUE 3-48 (Glickler Aff. ¶¶ 1-9); *Giersch v.*

¹² Our decisions have previously analyzed the requirements of Sections 13 and 14 of the Trademark Act, 15 U.S.C. §§ 1063-64, under the rubric of "standing." We now refer to this inquiry as entitlement to a statutory cause of action. Despite the change in nomenclature, our prior decisions and those of the Federal Circuit interpreting Sections 13 and 14 remain equally applicable.

Scripps Networks, Inc., 90 USPQ2d 1020, 1022 (TTAB 2009) (“Petitioner has established his common-law rights in the mark DESIGNED2SELL, and has thereby established his standing to bring this proceeding.”); *Syngenta Crop Prot. Inc. v. Bio-Chek LLC*, 90 USPQ2d 1112, 1118 (TTAB 2009) (testimony that opposer uses its mark “is sufficient to support opposer’s allegations of a reasonable belief that it would be damaged ...” where opposer alleged likelihood of confusion).

B. Priority

Respondent failed to introduce any evidence of the specific date of first use of its involved mark, and is therefore limited to relying on the filing date of its application which matured into the involved Registration, February 22, 2016. *See Brewski Beer Co. v. Brewski Bros. Inc.*, 47 USPQ2d 1281, 1284 (TTAB 1998) (a party “may rely on its registration for the limited purpose of proving that its mark was in use as of the application filing date”). In any event, even if Respondent had established the date of first use claimed in the Registration (February 2, 2012), Petitioner has established that its predecessor first used AMTGARD decades before that. 36 TTABVUE 3 (Winsor Aff. ¶ 4); 33 TTABVUE 3-48 (Glickler Aff. ¶¶ 1-9). Thus, Petitioner has priority.

C. Will the Marks and Sources of the Goods and Services Be Confused?

Our determination under Section 2(d) is based on an analysis of all of the probative evidence of record bearing on the likelihood of confusion. *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973) (setting forth factors to be considered); *see also In re Majestic Distilling Co.*, 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). In any likelihood of confusion analysis, two key

considerations are the similarities between the marks and the similarities between the goods and services. *See Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976) (“The fundamental inquiry mandated by § 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks.”). We also consider any likelihood of confusion factors about which there is evidence and argument. *See In re Guild Mortg. Co.*, 912 F.3d 1376, 129 USPQ2d 1160, 1162-63 (Fed. Cir. 2019).

Petitioner bears the burden of establishing that there is a likelihood of confusion by a preponderance of the evidence. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1848 (Fed. Cir. 2000); *West Florida Seafood, Inc. v. Jet Rest., Inc.*, 31 F.3d 1122, 31 USPQ2d 1660, 1662 (Fed. Cir. 1994). Indeed, “a presumption of validity attaches to” Respondent’s involved Registration. *West Florida Seafood*, 31 USPQ2d at 1662; *Cerveceria Centroamericana S.A. v. Cerveceria India Inc.*, 892 F.2d 1021, 13 USPQ2d 1307, 1309 (Fed. Cir. 1989).

1. The Marks

The marks are identical. This factor not only weighs heavily in favor of finding a likelihood of confusion, but also reduces the degree of similarity between the goods and services that is required to support a finding of likelihood of confusion. *In re Shell Oil Co.*, 992 F.2d 1204, 26 USPQ2d 1687, 1689 (Fed. Cir. 1993); *Time Warner Entm’t Co. v. Jones*, 65 USPQ2d 1650, 1661 (TTAB 2002); and *In re Opus One Inc.*, 60 USPQ2d 1812, 1815 (TTAB 2001).

2. Goods, Channels of Trade and Classes of Purchasers

The parties both offer role playing games, with the only difference between the goods and services being that Respondent offers role playing board games and Petitioner offers role playing live action games. This is a distinction without a meaningful difference.

Games, whether played on boards or in “real life,” are still games, still serve the same purposes (such as entertainment or education) and may have the same rules and attributes, even if aspects of the “gameplay” are not identical. In fact, we do not need evidence to know that many games can be played in either a live action form, or on a board or other format; game players may choose whether to play a live action game, or its board game version, depending on the weather, timing, location, competition or other factors. For example, football can be played live in a stadium by 22 players in front of 80,000 spectators, or by just two (four or another number of) players on a computer or as a board game. Similarly, a number of mystery or puzzle games may be played on a board, a computer or live (i.e. a “murder mystery” show vs. a murder mystery board game, or a live “escape room” vs. an escape adventure video game). In the case of “role playing” games, players may play the same role live, using a chosen identity or character, costumes, etc., or on a board with pieces representing a character, or a card representing a costume or other attributes, for example.

Focusing more specifically on the record in this case, AMTGARD is AMTGARD whether played as a board or live action game. Indeed, Respondent itself has made this clear. It originally sought registration of AMTGARD in connection with “role

playing games” without limitation, which encompasses both LARP and role playing board games. This in and of itself tends to suggest that live action role playing games are related to role playing board games. *Cf. Octocom Systems Inc. v. Houston Computers Services Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1786 (Fed. Cir. 1990) (finding a relationship between the applicant’s “modems” and the opposer’s “computer programs,” holding that the relationship between the goods “is shown,” in part, “by [applicant’s] original application, which indicates [applicant] itself used the mark OCTOCOM for both modems and computer programs”). Respondent’s original application included this specimen:



which Respondent described in the application as follows: “This game we play fantasy and medieval type for charity [sic] ... We derive our right from role players at renaissance fairs and games. This is typical garb and costume in the game. We claim this right for the costumes, game, and LARP under Aratari Dagorhir (1977)”

After Respondent’s application was refused on descriptiveness grounds and then abandoned, Respondent filed a February 8, 2017 petition to revive in which it

proposed amending its identification of goods to “role playing games including but not limited to live action, board game and virtual ...,” thus emphasizing its intent to use AMTGARD for LARP as well as board and virtual games. Respondent submitted with its petition to revive another specimen titled “Amtgard™ Basic Compendium,” which states “This is a companion starter pack for Amtgard™ Live Action Role Play.” It was only to overcome the continued refusal of March 30, 2017 that Respondent filed its April 18, 2017 follow-up amendment to its identification of goods, limiting the identification to “role playing board game.”

However, about two months later, Mr. Salang, on Respondent’s behalf, made clear that Respondent did not obtain the Registration merely to protect rights in AMTGARD for role playing board games. In the letter addressed to “Fellow Amtgardians,” Respondent announced the issuance of the Registration, and stated “[i]t is filed under ‘role playing board game’ as was recommended by the U.S. Patent and Trademark Office to be the closest definition of **our LARP** by current standards.” 49 TTABVUE 2, 5 (Thomas Aff. ¶ 2 and Ex. 1) (emphasis added). The letter continued: “It is my pleasure as president of [Respondent] to inform you that the use of the mark Amtgard is hereby granted to your organization ... I further extend the protection of the open source game for the future for new kingdoms, principalities, freeholds and chapters not yet started. This license is freely offered to those lawful nonprofit corporations sponsoring regional chapters of the game.” *Id.*

Another document posted on Respondent’s website makes clear that Respondent registered the AMTGARD mark to assist it in using the mark in connection with

LARP. It states: “Today, as it was true in our 2017 letter, **Amtgard the LARP**, is hereby declared free and open source for all of the following programs and organizations ... GRANTED use of the mark (no charge, no fee, no \$2,000 per year per kingdom – **yes 100 percent free for LARP**) *Id.* at 2, 13 (Thomas Aff. ¶ 3 and Ex. 2) (emphasis added).

This evidence establishes a close relationship between the goods and services. Respondent’s specimen submitted with its petition to revive (the “Basic Compendium”) states that “This is a companion starter pack for Amtgard™ Live Action Role Play.” Thus, even if Respondent and its licensees only used AMTGARD for a role playing board game, that board game, as “a companion starter pack” to the LARP, is directly, intentionally and explicitly related to the LARP, and we consider the board and live action games to be complementary. Respondent’s offer to license AMTGARD for LARP, even though it is registered only for a “role playing board game” further establishes a close relationship between the role playing board game and the LARP. Indeed, they are the same game in different forms, one being “a companion starter pack” to the other. This factor also weighs heavily in favor of finding a likelihood of confusion.

3. Other Established Facts Probative of the Effect of Respondent’s Use (Bad Faith)

“Under the thirteenth *du Pont* factor, evidence of [Respondent’s] bad faith adoption of [its] mark is relevant to our likelihood of confusion analysis.” *Edom Labs., Inc. v. Lichter*, 102 USPQ2d 1546, 1553 (TTAB 2012). *Cf. L’Oreal S.A. and L’Oreal USA, Inc. v. Marcon*, 102 USPQ2d 1434, 1442 (“Applicant’s demonstrated pattern of

filing applications to register various well-known marks convinces us that applicant's adoption of the L'OREAL PARIS mark was in bad faith, with the intention to trade off of opposer's famous L'OREAL and L'OREAL PARIS marks."). Here, because the marks are identical and the goods and services are essentially the same, or at the very least closely related, confusion is likely. Therefore, in order to grant the petition to cancel the Registration we need not find that Respondent acted in bad faith. Nonetheless, Respondent's actions and conduct make it hard to draw any other conclusion.

Respondent's website and letter to "Fellow Amtgardians" reveal that Respondent attempted to wrest control of the AMTGARD LARP from Petitioner by registering Petitioner's AMTGARD mark. This is a misuse of the trademark registration system, and Mr. Salang, Respondent's principal, should have known better, including because he is an attorney and AMTGARD player. Trademarks exist to identify source, not to settle scores. In any event, we again stress that we would have found a likelihood of confusion absent Respondent's bad faith.

IV. Conclusion

Because the parties' marks are identical and their goods and services are at the very least closely related, confusion is likely, and we need not reach Petitioner's abandonment or fraud claims. *Multisorb Tech., Inc. v. Pactiv Corp.*, 109 USPQ2d 1170, 1171 (TTAB 2013).

Decision: The petition to cancel Respondent's Registration No. 5215471 on the ground of likelihood of confusion is granted.

EXHIBIT #2

2015 WL 9913817 (Trademark Tr. & App. Bd.)

This Opinion is Not a Precedent of the TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

POLY-AMERICA, L.P.

v.

ILLINOIS TOOL WORKS INC.

Cancellation No. 92056833

December 14, 2015

*1 Before [Taylor](#), [Wellington](#) and Goodman
Administrative Trademark Judges
Opinion by [Wellington](#)
Administrative Trademark Judge

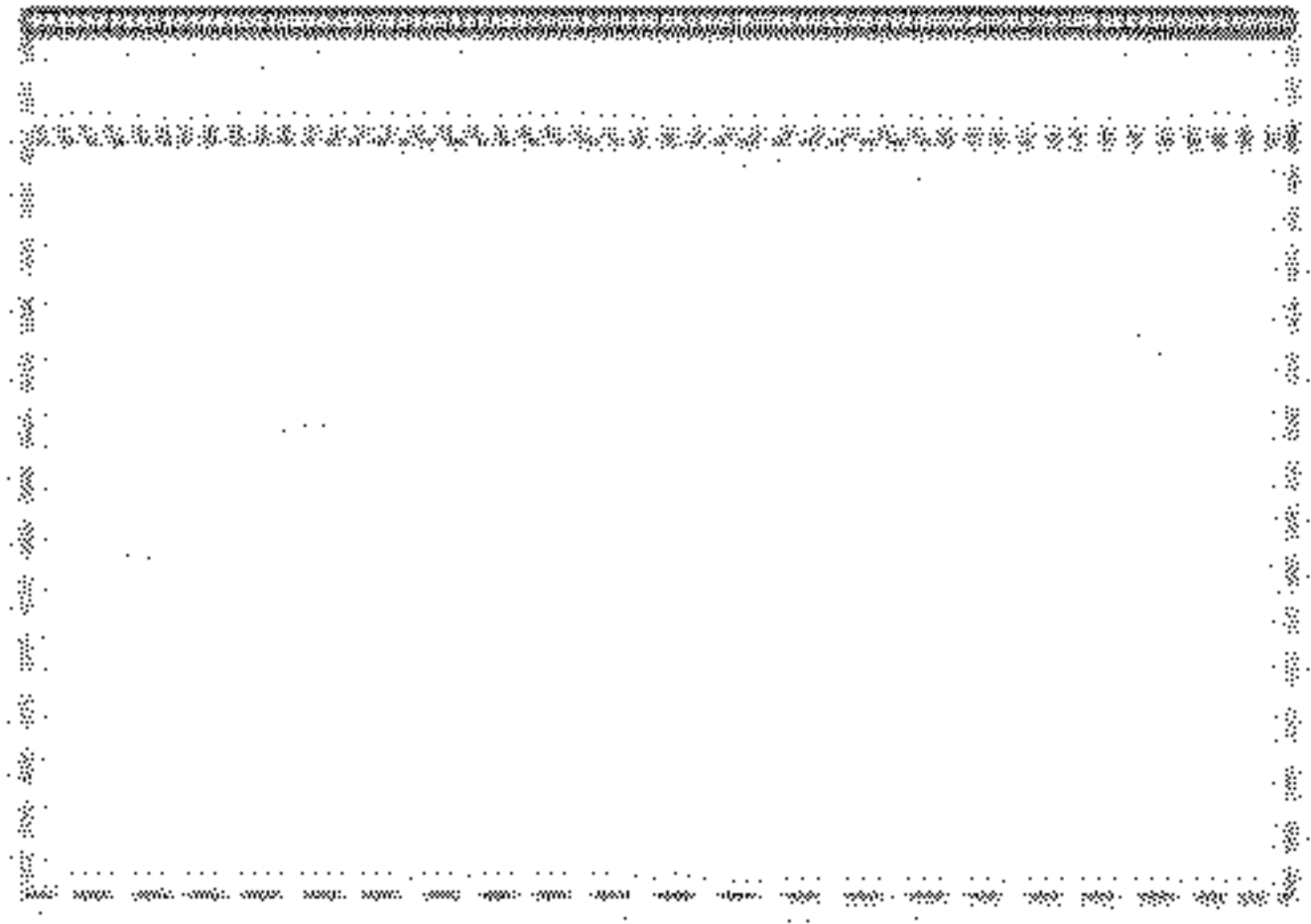
Poly-America, L.P. (“Petitioner”) has petitioned to cancel Illinois Tool Works Inc.’s (“Respondent”) registrations for the following three marks:



1



2



3

In the Petition to Cancel, and as grounds for cancellation, petitioner alleges that all three registered marks are functional, under Section 2(e)(5) of the Lanham Act; and with respect only to first registered mark (the subject of Reg. No. 946120), that it “has been abandoned due to the course of conduct of [Respondent] ... [which] has resulted in the purported mark to lose its significance as a mark.” Pet. to Cancel ¶¶ 60-61.

Respondent, in its Answer, denied the salient allegations of the Petition to Cancel and asserted various affirmative defenses.

This proceeding now comes up on Respondent's motion for summary judgment, filed on July 29, 2015, on both the functionality and abandonment grounds. Respondent also challenges Petitioner's standing to bring the claims.

The motion has been brief by the parties, including a reply brief from Respondent.

Parties' Stipulations -- Evidence

Before we address the summary judgment motion, we acknowledge and hereby approve the parties' stipulations⁴ that the discovery depositions of Messrs. Ausnit, Kohl and Stevens be accepted and used as testimony in this proceeding. We note, however, with respect to any other evidence submitted or relied upon in connection with the motion for summary judgment, or opposition thereto, that it is of record only for consideration of the motion. Any such evidence to be considered at final hearing must be properly introduced in evidence during the appropriate trial period. See *Levi Strauss & Co. v. R. Joseph Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993).

We turn now to Respondent's summary judgment motion.

Summary Judgment

Summary judgment is an appropriate method of disposing of cases in which there are no genuine disputes as to any material facts and the moving party is entitled to judgment as a matter of law. *Fed. R. Civ. P. 56(a)*. In reviewing a motion for summary judgment, the evidentiary record and all justifiable inferences to be drawn from the undisputed facts must be viewed in the light most favorable to the non-moving party. *See Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027, 2029-30 (Fed. Cir. 1993); *Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1546 (Fed. Cir. 1992). The Board may not resolve disputes of material fact; it may only ascertain whether a genuine dispute regarding a material fact exists. *See Lloyd's Food Products*, 25 USPQ2d at 2029; *Old Tyme Foods*, 22 USPQ2d at 1544.

*2 With the above in mind, and in the context of the summary judgment motion before us now, Respondent must show there is no genuine dispute of material fact that Petitioner lacks standing and this proceeding should be dismissed. Likewise, in order to prevail on the functionality and abandonment grounds on summary judgment, Respondent must demonstrate there are no genuine disputes with respect to these grounds and it is thus entitled to judgment as a matter of law.

Standing

In its brief in support of the summary judgment motion, Respondent asserts that Petitioner has acknowledged that it “is not now in, nor does it intend to enter, the markets to sell either flexible plastic recloseable fastener strips or recloseable film tubing and plastic film sheeting,” and thus Petitioner “has no real interest in challenging the validity of Reg. Nos. 1055114 and 1294243.” Brief, p. 14. With respect to Reg. No. 946120, Respondent further asserts that Petitioner has acknowledged that it “does not now sell consumer food storage bags [and] ... has no timeline for when it intends to launch such a project,” and thus Petitioner “does not have standing [to petition to cancel] with respect to Reg. No. 946120.” *Id.*

Petitioner, for its part, argues that “since at least as early as 2010, [Petitioner] began planning to add reclosable plastic consumer storage bags to its product line.” Brief, p. 5. Petitioner further asserts that it is also “a prospective purchaser and consumer of flexible plastic reclosable fastener strips and reclosable film tubing and plastic film sheeting for use in the manufacture of reclosable plastic bags” and it “has a real and legitimate interest in ensuring that reclosable bag components are commercially available from multiple sources without concerns that such components are unfairly encumbered by being unable to utilize colored closures without running afoul of [Respondent's] trademarks.” *Id.* at p. 6. In support, Petitioner submitted the declarations of Messrs. Ross and Bertrand, who made averments that, *inter alia*, Petitioner has purchased manufacturing equipment, met with potential suppliers, expended considerable capital, entered into discussions with retail chain representatives, all in preparation and support of the aforementioned endeavors.

We find that there are genuine disputes of material fact regarding Petitioner's standing. *See Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999); *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). In particular, we rely on the information in the declarations submitted by Messrs. Ross and Bertrand which, at the very least, is sufficient to raise a genuine dispute that Petitioner has a “real interest” in this matter by becoming a competitor of Respondent and a purchaser of goods similar to those identified in the subject registrations.

Functionality

*3 Functional matter cannot receive trademark protection. *E.g.*, *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23, 29, 58 USPQ2d 1001 (2001). A product feature is functional, and cannot serve as a trademark, if it is essential to the use or purpose of the article or if it affects the cost or quality of the article. *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 34 USPQ2d 1161, 1163-1164 (1995) (quoting *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 214 USPQ 1, 4 n.10 (1982)).

In making our determination as to whether a proposed configuration mark is functional, the following four factors are considered:

- (1) the existence of a utility patent that discloses the utilitarian advantages of the design sought to be registered;
- (2) advertising by the applicant that touts the utilitarian advantages of the design;
- (3) facts pertaining to the availability of alternative designs; and
- (4) facts pertaining to whether the design results from a comparatively simple or inexpensive method of manufacture.

In re Morton-Norwich Prods., Inc., 671 F.2d 1332, 213 USPQ 9, 15-16 (CCPA 1982). *See also, In re Becton, Dickinson and Co.*, 675 F.3d 1368, 102 USPQ2d 1372 (Fed. Cir. 2012); and *Valu Eng'g Inc. v. Rexnord Corp.*, 278 F.3d 1268, 61 USPQ2d 1422, 1426 (Fed. Cir. 2002). Upon consideration of these factors, our determination of functionality is ultimately a question of fact, and depends on the totality of the evidence presented in each particular case. *Valu Eng'g*, 61 USPQ2d at 1424; *In re Caterpillar Inc.*, 43 USPQ2d 1335, 1339 (TTAB 1997); *see also*, Trademark Manual of Examining Procedure (“TMEP”) §1202.02(a)(v) (July 2015).

In this proceeding, the involved registered marks consist of the placement of a colored stripe on the identified goods, without a claim to any specific color. See Fn. Nos. 1-3 *infra*. Upon reviewing the summary judgment arguments and evidentiary submissions, we find that Respondent has not shown the absence of genuine disputes of material fact whether these marks are functional as a matter of law. In particular, Petitioner has submitted copies of third-party patents that involve colored interlocking closure strips for containers and argues that these patents are relevant because they demonstrate that colored lines are employed by users to visually find and verify the locking mechanism or closing seal feature of the goods. Whether or not these patents disclose any utilitarian advantages of Respondent's marks is a genuine dispute of material fact that must remain for trial and cannot be decided on summary judgment.

Abandonment

*4 As noted above, Petitioner has alleged that Respondent has abandoned its mark in Reg. No. 946120 “due to course of conduct.” Specifically, Petitioner argues that Respondent has entered into uncontrolled or “naked” licensing agreements with “multiple parties that are competitors in the manufacture and sale of reclosable consumer storage bags” and that Respondent “has produced no packaging or products that indicate that these competitive products are associated with a single source.” Brief, p. 24. As a result, Petitioner contends, Respondent has caused its mark to lose its “ability to serve as a source identifier.”⁵ *Id.* In support of this claim and in response to Respondent's summary judgment motion, Petitioner also points to a third party selling Glad-branded bags with color-lined, reclosable bags.

We construe Petitioner's claim as one of abandonment through an act or omission that “causes the mark to ... lose its significance as a mark,” as defined in the Lanham Act. *See* Section 45(2) of the Trademark Act, 15 U.S.C. § 1127. *See also* 3 *McCarthy on Trademarks and Unfair Competition* § 18:48 (4th ed. 2015) (distinguishing uncontrolled or “naked” licensing characterized as “abandonment,” where loss of trademark rights in a mark is caused by loss of significance as a mark or indicator of single source, from abandonment resulting from nonuse and intent to abandon). As Professor McCarthy notes, “[b]ecause uncontrolled licensing may result in a ‘forfeiture’ of trademark rights, courts have required that a high degree of proof be made before a court declares that all rights in the mark are lost.” *Id.*

Respondent, in support of its summary judgment and in its reply brief, rebuts Petitioner's arguments and assertions with respect to Respondent's licensing agreements by stating that it “could have countless licensees, and so long as there is quality control, and the Color Line Trademark is seen as an indicator of quality by the respective consumer public, there is no abandonment.” Reply Brief, p. 6. As to the evidence of the third-party use (under the “Glad” brand) of colored lines on reclosable plastic

bags, Respondent argues that any enforcement prior to 2000 would have been “premature” because Respondent's use was “until 2000 limited to industrial markets,” and that “[o]verall, [Respondent's] actions with respect to Glad have not resulted in an abandonment of Registration No. 946120.” *Id.* at 7.

Based on the record currently before us, we find a genuine dispute of material fact must be decided before we can make a determination on the abandonment ground. Specifically, there is at least a genuine dispute regarding the effect, if any, on the consumer perception of Respondent's registered mark as a result of third parties selling reclosable bags, whether under license or not, that have colored lines at the reclosable seal.

Conclusion

*5 For the aforementioned reasons, Respondent has failed to demonstrate that there are no genuine disputes of material fact remaining with regard to Petitioner's standing, as well as the functionality and abandonment grounds for cancellation. Accordingly, Respondent's motion for summary judgment is denied in its entirety.⁶

Proceedings Resumed

Discovery is closed, and the deadline for Petitioner's pretrial disclosures passed, prior to Respondent's filing of the summary judgment motion. Proceedings are hereby resumed and the remaining dates are reset as follows:

Plaintiff's 30-day Trial Period Ends	1/15/2016
Defendant's Pretrial Disclosures	1/30/2016
Defendant's 30-day Trial Period Ends	3/15/2016
Plaintiff's Rebuttal Disclosures	3/30/2016
Plaintiff's 15-day Rebuttal Period Ends	4/29/2016

In each instance, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. [Trademark Rule 2.125](#).

Briefs shall be filed in accordance with [Trademark Rules 2.128\(a\) and \(b\)](#). An oral hearing will be set only upon request filed as provided by [Trademark Rule 2.129](#).

Footnotes

- 1 Registration No. 946120 for “plastic bags” in International Class 16, issued October 31, 1972 and has been renewed. The registration includes the following description: “The mark consists of a horizontal stripe adjacent the bag top lined for the color red, however, no claim is made to any specific color apart from the mark as shown.”
- 2 Registration No. 1055114 for “flexible plastic recloseable fastener strips” in International Class 20, issued December 28, 1976 and has been renewed. The registration includes the following description: “the drawing is lined for the color red, however, no claim is made to color.”
- 3 Registration No. 1294243 for “Reclosable Film Tubing and Plastic Film Sheeting, Not for Wrapping” in International Class 17, issued on September 11, 1984 and has been renewed. The registration includes the following description: “The

mark consists of a continuous colored stripe extending for the length of plastic film tubing and plastic film sheeting having a continuous reclosable strip on the surface. The drawing is lined for the color red, however, no claim is made to a specific color.”

4 Filed on March 13, 2015 and July 27, 2015. 32 TTABVUE and 37 TTABVUE.

5 We note that Petitioner, in its brief, specifically argues that Respondent's “marks” (plural) lost their ability to serve as a source identifier. However, Petitioner clearly pleaded abandonment as a ground for cancellation only in connection with the registered mark that is the subject of Reg. No. 946120.

6 The fact that we have identified only certain genuine disputes as to material facts should not be construed as a finding that these are necessarily the only disputes which remain for trial.

2015 WL 9913817 (Trademark Tr. & App. Bd.)

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EXHIBIT #3

This Opinion Is a
Precedent of the TTAB

Hearing: May 29, 2019

Mailed: September 30, 2021

UNITED STATES PATENT AND TRADEMARK OFFICE

—
Trademark Trial and Appeal Board
—

Chutter, Inc.
v.
Great Management Group, LLC

Opposition No. 91223018

—
Chutter, Inc.
v.
Great Concepts, LLC

Cancellation No. 92061951

—
Bruce W. Baber and Kathleen E. McCarthy of King & Spalding LLP,
for Chutter, Inc.

Lisel M. Ferguson and Matthew Shields of Procopio, Cory, Hargreaves & Savitch
LLP, for Great Management Group, LLC and Great Concepts, LLC.

—
Before Bergsman, Adlin and Coggins, Administrative Trademark Judges.

Opinion by Bergsman, Administrative Trademark Judge:

Great Management Group, LLC seeks registration on the Principal Register of the
mark DANTANNA'S (standard character format) for "spices and spice rubs," in Class

30,¹ and DANTANNA'S TAVERN (standard character format) for "restaurant and bar services," in Class 43.² In each application, Great Management Group claimed ownership of Registration No. 2929764 by Great Concepts, LLC for the mark DANTANNA'S (typed drawing form) for "steak and seafood restaurant," in Class 43.³

Chutter, Inc. ("Plaintiff") has opposed both applications on two grounds: that DANTANNA'S and DANTANNA'S TAVERN so resemble Plaintiff's previously used mark DAN TANA'S for restaurant services and marinara sauce as to be likely to cause confusion under Section 2(d) of the Trademark Act, 15 U.S.C. §1052(d); and Great Management's applied-for marks falsely suggest a connection or affiliation with Plaintiff or Plaintiff's predecessor-in-interest, Dan Tana, under Section 2(a) of the Trademark Act, 15 U.S.C. §1052(a).

Plaintiff also filed a petition to cancel Registration No. 2929764 on the ground of fraud. Plaintiff alleges, and there is no dispute, that Great Concepts filed in the registration a Combined Declaration of Use and Incontestability under Sections 8 and 15 of the Trademark Act, 15 U.S.C. §§ 1058 and 1065, on March 8, 2010 declaring that "there is no proceeding involving said rights pending and not disposed of either in the U.S. Patent and Trademark Office or in the courts," even though a prior

¹ Application Serial No. 86434445 was filed on October 24, 2014, under Section 1(a) of the Trademark Act, 15 U.S.C. § 1051(a), based on Great Management Group's claim that it first used the mark anywhere and in commerce as of January 1, 2014.

² Application Serial No. 86434461 was filed on October 24, 2014, under Section 1(a) of the Trademark Act, 15 U.S.C. § 1051(a), based on Great Management Group's claim that it first used the mark anywhere and in commerce as of August 1, 2014. Great Management Group disclaimed the exclusive right to use the word "Tavern."

³ Registered March 1, 2005; renewed.

cancellation proceeding (No. 92045947) and a civil action in the United States District Court for the Northern District of Georgia (Civil Action No. 1:08-CV-975-TWT) were pending against Great Concepts' right to register and use the mark DANTANNA'S. Plaintiff further alleges that because Great Concepts knew that the two proceedings were pending when it filed its Combined Declaration, its statement that there were no pending proceedings was knowingly false. Plaintiff alleges that Great Concepts "made the false statement in the Declaration with the intent that the USPTO would rely on it and to induce the USPTO to accept the Declaration."⁴

Great Concepts, in its Answer, denied the salient allegations of the Petition for Cancellation.

Great Management Group, in its Answer, denied the salient allegations of the Notice of Opposition.

I. Background

In a September 27, 2016 order, the Board consolidated the Opposition and Cancellation because the parties, or their privies, are the same and the pleaded or subject marks are the same or similar. "Inasmuch as the proceedings involve common questions of law and fact, consolidation of the proceedings is appropriate."⁵ To aid our discussion, we first provide detail regarding the relationship between the respective

⁴ Petition for Cancellation ¶36 (1 TTABVUE 9).

⁵ 18 TTABVUE 13 (Opposition No. 91223018); 14 TTABVUE 13 (Cancellation No. 92061951). After consolidation the record was maintained in the opposition file. Citations to the record hereafter are to the file in Opposition No. 91223018.

Citations to TTABVUE refer to the Board's online docket system. *See, e.g., New Era Cap Co. v. Pro Era, LLC*, 2020 USPQ2d 10596, at *2 n.1 (TTAB 2020).

Defendants Great Management Group and Great Concepts, and David Clapp and other entities related to Defendants.

In the opposed applications, both filed on October 24, 2014, Great Management Group claimed ownership of Great Concepts' Registration No. 2929764 for the mark DANTANNA'S for "steak and seafood restaurant."⁶ Less than two weeks later, on November 4, 2014, Great Concepts filed a Combined Declaration of Use/Application for Renewal for that registration. David Clapp is the Member, Manager, and owner of both Defendants and other related entities, all listed below:

- (i) Great Concepts, the defendant in the cancellation proceeding;
- (ii) Dantanna's CNN Center, LLC;
- (iii) Dantanna's Tavern LLC;
- (iv) Great Management Group, the defendant in the opposition proceeding; and
- (v) Great Management Services, LLC.⁷

Mr. Clapp testified that he was unaware of any possible inconsistency (e.g., different owner names) between the claim by Great Management Group to ownership of the Great Concepts registration and the application for renewal of that registration filed in the name of Great Concepts.⁸

⁶ "If an applicant includes a claim of ownership of a prior registration, or a pending application, in the application as filed, the examining attorney must accept the claim without further proof of ownership and must not cite the registration for likelihood of confusion under §2(d) of the Act or advise the applicant that there may be a conflict with the earlier-filed application." TRADEMARK MANUAL OF EXAMINING PROCEDURE (TMPEP) § 812.01 (2021).

⁷ Clapp Discovery Dep., p. 7 (32 TTABVUE 10).

⁸ Clapp Discovery Dep., p. 142 (32 TTABVUE 145).

Great Concepts operates a DANTANNA'S restaurant located in the Buckhead section of Atlanta, Georgia.⁹ Dantanna's CNN Center operates a DANTANNA'S restaurant in the CNN Center in Atlanta.¹⁰ Dantanna's Tavern, LLC operates a DANTANNA'S restaurant in the Sandy Springs section of Atlanta.¹¹ The DANTANNA'S restaurant in Sandy Springs operated by Dantanna's Tavern, LLC was originally called DANTANNA'S TAVERN. Sometime in 2016, it stopped using the word "Tavern." The mark DANTANNA'S TAVERN is not currently being used.¹² Mr. Clapp considers that to be a permanent change and he has no plans to resume use of DANTANNA'S TAVERN.¹³

David Clapp formed both Great Management Group LLC and Great Management Services, LLC to manage the three restaurants. Great Management Group provides services to the three restaurants in the nature of paying bills, accounting and other back-office services;¹⁴ it is essentially an alter ego for David Clapp.¹⁵ Great Management Services is also a management company, and consists of a President, corporate chef, and sales manager who provide business and restaurant related services to the three restaurants.¹⁶ In essence, there are two management companies

⁹ *Id.* at p. 20 (32 TTABVUE 23).

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.* at pp. 22-23, 28 (32 TTABVUE 25-26, 31).

¹³ *Id.* at pp. 28-29 and 108-109 (32 TTABVUE 31-32 and 111-112). *See also id.* at pp. 93-94, 131 (32 TTABVUE 96-97, 134).

¹⁴ *Id.* at p. 23 (32 TTABVUE 26).

¹⁵ *Id.*

¹⁶ *Id.* at pp. 23-24 (32 TTABVUE 26-27).

(Great Management Group and Great Management Services) that oversee the three DANTANNA'S restaurants whose day-to-day operations are run by three separate entities (Great Concepts, Dantanna's CNN Center, and Dantanna's Tavern).¹⁷ According to Mr. Clapp, Great Management Group and Great Management Services – “they're all the same.”¹⁸ There are no written agreements between any of the companies.¹⁹

II. Preliminary Issue

The essence of Plaintiff's pleaded fraud claim seeking cancellation of Defendant Great Concepts' Registration No. 2929764 is that the admittedly false statement made by Great Concepts' counsel, Frederick K. Taylor, to the USPTO on behalf of Great Concepts – that there were no civil actions or USPTO proceedings pending against Great Concepts' DANTANNA'S mark and registration for “steak and seafood restaurant” – was made with the intent to deceive the USPTO into accepting the Combined Declaration of Use and Incontestability. Earlier, Plaintiff unsuccessfully attempted to amend the fraud claim, and later renewed the attempt in its brief. Thus, we briefly address Plaintiff's purported amendment.

On June 6, 2018, Plaintiff filed a motion to amend the Petition for Cancellation to assert additional allegations related to fraud.²⁰ Specifically, Plaintiff sought to amend the Petition for Cancellation to allege that Great Concepts' counsel did not personally

¹⁷ *Id.* at pp. 37-38, 60-61 (32 TTABVUE 40-41, 63-64).

¹⁸ *Id.* at p. 43 (32 TTABVUE 46).

¹⁹ *Id.* at pp. 38, 47 (32 TTABVUE 41, 50).

²⁰ 45 TTABVUE.

sign the Combined Declaration under Sections 8 and 15, and that upon learning about the false or incorrect statements in that declaration, Great Concepts did not take any steps to correct the incorrect or false statements.²¹

The Board denied Plaintiff's motion to amend the Petition for Cancellation because Plaintiff did not timely file its motion.²² Nevertheless, Plaintiff, in its brief, argues that: (1) Great Concepts' failure to correct the false or incorrect statements in the declaration constituted fraud; and (2) Mr. Taylor, although designated as Great Concepts' counsel, did not personally sign the declaration, thereby constituting additional grounds for finding fraud.²³ Because the Board previously and appropriately denied Plaintiff's motion to amend its Petition for Cancellation to assert these additional grounds for the fraud claim, we will not consider either of those allegations as supporting a separate, unpleaded fraud claim; however, we will consider the asserted failure to correct the false statement regarding other proceedings as related to our assessment of Mr. Taylor's intent to deceive the USPTO when he filed the Combined Declaration at issue. *Cf. Space Base Inc. v. Stadis Corp.*, 17 USPQ2d 1216, 1219 (TTAB 1990) ("[A] person can commit fraud upon the Office by willfully failing to correct his or her own misrepresentation, even if originally innocent, as long as that person subsequently learns of the misrepresentation, and

²¹ Proposed Amended Petition for Cancellation ¶¶56-65 (45 TTABVUE 24-25).

²² 50 TTABVUE.

²³ Plaintiff's Brief, pp. 29-33 (51 TTABVUE 29-35).

knows that the Office has relied upon that misrepresentation in conferring a substantive benefit upon that person to which the person knows it is not entitled.”).

III. The Record

The record includes the pleadings and, by operation of Trademark Rule 2.122(b), 37 C.F.R. § 2.122(b), the files for the involved registration and applications.²⁴ The parties introduced the following testimony and evidence:

A. Plaintiff's testimony and evidence

1. Notice of reliance on the discovery deposition of Frederick K. Taylor, the attorney responsible for filing the Combined Declaration of Use and Incontestability on behalf of Great Concepts;²⁵
2. Notice of reliance on the discovery deposition of Leo R. Modelo, the paralegal who assisted Mr. Taylor in preparing and filing the Combined Declaration of Use and Incontestability;²⁶
3. Notice of reliance on the discovery deposition of David E. Clapp, the principal of Defendants Great Concepts and Great Management Group;²⁷
4. Notice of reliance on the following items:
 - a. A copy of Plaintiff's Registration No. 3420716 for the mark DAN TANA'S for “clothings [sic], namely, tee shirts, hats and aprons” printed from the USPTO electronic databases showing the current status of and title to the registration;²⁸

²⁴ Accordingly, there was no need for Defendants to file notices of reliance on the Notice of Opposition (42 TTABVUE) and Petition for Cancellation (43 TTABVUE).

²⁵ 30 TTABVUE.

²⁶ 31 TTABVUE.

²⁷ 32 TTABVUE.

²⁸ 33 TTABVUE 6-57.

- b. A copy of the assignment records for Plaintiff's Registration No. 3420716 for the mark DAN TANA'S printed from the USPTO electronic databases;²⁹
- c. A copy of the prosecution history file for Plaintiff's application Serial No. 86452290 for the mark DAN TANA'S for bar and restaurant services printed from the USPTO electronic databases;³⁰ and
- d. A copy of the prosecution history file for Plaintiff's application Serial No. 86452328 for the mark DAN TANA'S for marinara sauce printed from the USPTO electronic databases;³¹
5. Notice of reliance on Defendant Great Concepts' responses to Plaintiff's first set of interrogatories;³²
6. Notice of reliance on Defendant Great Management Group's responses to Plaintiff's first set of interrogatories;³³
7. Testimony declaration of Sonja Perencevic, Plaintiff's President;³⁴ and
8. Notice of reliance on documents printed from the USPTO electronic database bearing the electronic signature of Mr. Taylor.³⁵

B. Defendants' testimony and evidence

1. Notice of reliance on Plaintiff's responses to Defendant Great Concepts' first set of interrogatories;³⁶
2. Notice of reliance on Plaintiff's responses to Defendant Great Concepts' first set of requests for admission;³⁷ and

²⁹ 38 TTABVUE 2-9.

³⁰ 34 TTABVUE 3-36 and 35 TTABVUE 2-31.

³¹ 36 TTABVUE 1-37 and 37 TTABVUE 2-66.

³² 39 TTABVUE 5-31.

³³ 40 TTABVUE 33-61.

³⁴ 40 TTABVUE.

³⁵ 44 TTABVUE.

³⁶ 41 TTABVUE 6-20.

³⁷ 41 TTABVUE 22-29.

3. Notice of reliance on Plaintiff's responses to Defendant Great Management Group's first set of interrogatories.³⁸

IV. Entitlement to a statutory cause of action³⁹

Even though Defendants in their brief do not contest Plaintiff's entitlement to invoke the statutory causes of action of an opposition and a cancellation, such is an element of the plaintiff's case in every inter partes proceeding. *See Corcamore, LLC v. SFM, LLC*, 978 F.3d 1298, 2020 USPQ2d 11277 (Fed. Cir. 2020), *cert. denied*, ___ S. Ct. ___ (2021); *Australian Therapeutic Supplies Pty. Ltd. v. Naked TM, LLC*, 965 F.3d 1370, 2020 USPQ2d 10837 (Fed. Cir. 2020), *reh'g en banc denied*, 981 F.3d 1083, 2020 USPQ2d 11438 (Fed. Cir. 2020), *petition for cert. filed*, No. 20-1552 (Apr. 28, 2021); *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014). To establish entitlement to these statutory causes of action, a plaintiff must demonstrate: (i) an interest falling within the zone of interests protected by the statute and (ii) a reasonable belief in damage proximately caused by the registration of the mark. *Spanishtown Enters.*, 2020 USPQ2d 11388, at *1 (citing *Corcamore*, 2020 USPQ2d 11277, at *4). *See also Empresa Cubana*, 111 USPQ2d at 1062; *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999); *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (TTAB 1982).

³⁸ 41 TTABVUE 31-48.

³⁹ We now refer to what previously had been called standing as "entitlement to a statutory cause of action." But our prior decisions and those of the Federal Circuit interpreting "standing" under §§ 1063 and 1064 remain applicable. *See Spanishtown Enters., Inc. v. Transcend Resources, Inc.*, 2020 USPQ2d 11388, at *2 (TTAB 2020).

Plaintiff has established its entitlement to a statutory cause of action by properly introducing into evidence its pleaded registration for DAN TANA'S for clothing items.⁴⁰ *See, e.g., Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *N.Y. Yankees P'ship v. IET Prods. & Servs., Inc.*, 114 USPQ2d 1497, 1501 (TTAB 2015).

Also, Plaintiff proved that its pending applications pleaded in the petition, Serial Nos. 86452290 (for the mark DAN TANA'S for bar and restaurant services) and 86452328 (for the mark DAN TANA'S for marinara sauce), have been refused registration based on Registration No. 2929764 for the mark DANTANNA'S for "steak and seafood restaurant" owned by Great Concepts.⁴¹ *See Lipton Indus.*, 213 USPQ at 189 ("Thus, to have standing in this case, it would be sufficient that [plaintiff] prove that it filed an application and that a rejection was made because of [defendant's] registration."); *ShutEmDown Sports Inc. v. Lacy*, 102 USPQ2d 1036, 1041 (TTAB 2012) (pending application refused registration based on a likelihood of confusion with mark in respondent's registration shows petitioner has real interest in proceeding, and has standing); *DaimlerChrysler Corp. v. Am. Motors Corp.*, 94 USPQ2d 1086, 1087 (TTAB 2010); *Continental Grain Co. v. Strongheart Prods. Inc.*, 9 USPQ2d 1238, 1238 (TTAB 1988) ("There is no question that petitioner . . . whose applications have been refused registration by virtue of respondent's

⁴⁰ 33 TTABVUE 6-57.

⁴¹ 34 TTABVUE 3-36, 35 TTABVUE 2-31, 36 TTABVUE 1-37 and 37 TTABVUE 2-66.

registrations, has standing to be heard on the question of cancellation of those registrations.”).

V. Fraud

A. Applicable law, facts and claims

Fraud in procuring or maintaining a trademark registration occurs when an applicant for registration, or a registrant in a post registration setting, knowingly makes a false, material representation of fact in connection with an application to register, or a post registration document, with the intent of obtaining or maintaining a registration to which it is otherwise not entitled. *In re Bose Corp.*, 580 F.3d 1240, 1245, 91 USPQ2d 1938, 1939-40 (Fed. Cir. 2009); *Torres v. Cantine Torresella S.r.l.*, 808 F.2d 46, 1 USPQ2d 1483, 1484 (Fed. Cir. 1986); *Embarcadero Techs., Inc. v. Delphix Corp.*, 117 USPQ2d 1518 (TTAB 2016). A party alleging fraud in the procurement or maintenance of a registration bears the heavy burden of proving fraud with clear and convincing evidence. *In re Bose*, 91 USPQ2d at 1243 (quoting *Smith Int’l, Inc. v. Olin Corp.*, 209 USPQ 1033, 1044 (TTAB 1981)). For example, the Board will not find fraud if the evidence shows that a false statement was made with a reasonable and honest belief that it was true, rather than an intent to mislead the USPTO into issuing a registration to which the applicant was not otherwise entitled. *See id.*; *see also Woodstock’s Enters. Inc. (Cal.) v. Woodstock’s Enters. Inc. (Or.)*, 43 USPQ2d 1440, 1443 (TTAB 1997), *aff’d*, 152 F.3d 942 (Fed. Cir. 1998).

The Court of Appeals for the Federal Circuit has held that intent to deceive is an indispensable element of the analysis in a fraud case. *See In re Bose*, 91 USPQ2d at

1941. The standard for finding intent to deceive is stricter than the standard for negligence or gross negligence, and evidence of deceptive intent must be clear and convincing. *Id.* However, the Federal Circuit has left open the question whether reckless disregard of the truth or falsity of a material statement made in a filing with the USPTO satisfies the intent to deceive requirement. *In re Bose*, 91 USPQ2d at 1941 n.2. We find the facts of this case at a minimum demonstrate reckless disregard, and hold as a matter of law that reckless disregard satisfies the requisite intent for fraud on the USPTO in trademark matters.

In *Bose*, the declarant included a false statement regarding use of a mark in commerce in the maintenance filing. However, the Federal Circuit concluded that there was no intent to deceive, because the declarant did not have guidance from prior rulings by the USPTO or any court as to whether the circumstances relied on as indicating use in commerce were sufficient. *Id.* Here, as discussed *infra*, both the USPTO, through this Board, and the Court of Customs and Patent Appeals have addressed the importance of avoiding false statements in a Section 15 affidavit. The case law is clear that false statements are material to the benefits accorded a registration under Section 15 because the public and the courts rely on registration information, including information related to Section 15 and that such false statements in the Section 15 filing and supporting declaration cannot be characterized as the result of careless reading or misunderstanding of the words.

The basis for Plaintiff's fraud claim is that when Great Concepts' counsel, Frederick Taylor, directed preparation of and later filed the Combined Declaration of

Use and Incontestability for Registration No. 2929764 for the mark DANTANNA'S for "steak and seafood restaurant," there were two proceedings pending involving that registration: (i) Cancellation No. 92045947 at the Board; and (ii) Civil Action No. 1:08-CV-975-TWT in the United States District Court for the Northern District of Georgia ("Georgia Civil Action"). Nevertheless, the declaration Mr. Taylor caused to be prepared and filed states falsely there were no such proceedings pending. According to Plaintiff, Mr. Taylor, as signer of the declaration on behalf of Great Concepts, "knowingly made the false statement in the Declaration with the intent that the USPTO would rely on it and to induce the USPTO to accept the Declaration."⁴²

Section 15 of the Trademark Act "provide[s] a means for the registrant to quiet title in the ownership of his mark." *Park 'n Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 224 USPQ 327, 331 (1985). To obtain the benefits of Section 15, a registrant must submit a sworn declaration asserting, among other things, that "there is no proceeding involving said rights pending in the United States Patent and Trademark Office or in a court and not finally disposed of."⁴³ 15 U.S.C. § 1065.

A false Section 15 affidavit/declaration, when relied on by the USPTO,⁴⁴ allows a registrant to obtain a new right which it would not otherwise have, specifically, the

⁴² Petition for Cancellation ¶36 (1 TTABVUE 9).

⁴³ "[S]aid rights" refer "to the owner's claim of ownership of [a registered] mark for [the goods or services in the registration], or to the owner's right to register the same or to keep the same on the register." See 15 U.S.C. § 1065.

⁴⁴ "The USPTO does not 'accept' § 15 affidavits or declarations. *Arman's Sys., Inc. v. Armand's Subway, Inc.*, 215 USPQ 1048, 1050 n.2. (TTAB 1982). Rather, the USPTO reviews the affidavit or declaration to determine whether its contents are consistent with the requirements of the statute and rules (e.g., whether it is signed, whether it was filed at an

right to have its registration, in litigation, accepted as conclusive evidence, rather than merely prima facie evidence, of the registrant's exclusive right to use the registered mark in commerce. *See* Trademark Act Section 33, 15 U.S.C. § 1115(b) ("To the extent that the right to use the registered mark has become incontestable under section 15, the registration shall be conclusive evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce.") Thus, it is well-settled that the inclusion of false statements in a Section 15 affidavit/declaration is material, and if made with the relevant degree of intent constitutes fraud warranting cancellation of the involved registration under Section 14(3) of the Trademark Act, 15 U.S.C. § 1064(3). *See Crown Wallcovering Corp. v. Wall Paper Mfrs. Ltd.*, 188 USPQ 141, 144 (TTAB 1975); *see also Consorzio del Prosciutto di Parma v. Parma Sausage Prods. Inc.*, 23 USPQ2d 1894, 1898-99 n.6 (TTAB 1992); *Smith Int'l, Inc. v. Olin Corp.*, 209 USPQ at 1048 (TTAB 1981) ("[F]raudulent misconduct can be attributed to Smith by accepting the benefits of Section 15, knowing that it was not entitled to them ... and not taking any action to correct the Office records until the counterclaim was filed.").

The facts listed below are not in dispute:

1. On March 8, 2010, Defendant Great Concepts filed a Combined Declaration of Use and Incontestability under Sections 8 & 15 bearing the signature of

appropriate time, and whether the §15 claims are properly set forth), and then acknowledges a complete and sworn-to filing. *See* 37 C.F.R. § 2.167.

attorney Fredrick K. Taylor, stating as a fact that “no proceeding involving said rights pending and not disposed of in either the U.S. Patent and Trademark Office or the courts exists”; and repeating in the supporting declaration made under 18 U.S.C. Section 1001, that “*there is no proceeding involving said rights pending and not disposed of either in the U.S. Patent and Trademark Office or in the courts.*” (emphasis in original);⁴⁵

2. At that time, Mr. Taylor was not aware of the legal requirements for filing a Section 15 Declaration with the USPTO;⁴⁶
3. Mr. Taylor knew when he filed the Combined Declaration that both a Board proceeding and civil action were pending against Defendant Great Concepts which involved its right to register and use the mark DANTANNA’S;⁴⁷
4. On March 26, 2010, the USPTO accepted the Section 8 Declaration of Use and acknowledged the Section 15 Declaration of Incontestability filed by Mr. Taylor on behalf of Defendant Great Concepts; and

⁴⁵ The combined declaration, as shown in the electronic TSDR file for the registration, is attached as an Appendix and available via the USPTO web page:

<https://tsdr.uspto.gov/documentviewer?caseId=sn78259855&docId=81520100309131736#docIndex=6&page=1>

⁴⁶ Taylor Discovery Dep., p. 43 (30 TTABVUE 46). Later in the deposition Mr. Taylor stated he “would have to consult the statute” to determine the requirements for a Section 15 Declaration. *Id.* at p. 45 (30 TTABVUE 48).

⁴⁷ Taylor Discovery Dep., pp. 28-29, 31, 57-58 (30 TTABVUE 31-32, 34, 60-61); *see also* Clapp Discovery Dep., p. 64 (32 TTABVUE 67) (Frederick Taylor “defended us against the initial cancelation.”).

Defendant Great Concepts admits in its brief that “the Prior Cancellation Proceeding and the Civil Action were still pending when the Declaration was filed.” Defendants’ Brief, pp. 6-7 (52 TTABVUE 12-13).

5. In this proceeding, Mr. Taylor testified that he did not review the Combined Declaration “carefully enough to see that the statement is in [t]here incorrectly.”⁴⁸ That is, although he knew the repeated statement regarding other proceedings was false, he did not read the filing closely enough to realize the statement was in the filing and supporting declaration.⁴⁹
6. Neither Mr. Taylor, nor Defendant Great Concepts, notified the USPTO about the false statement in the Section 15 Declaration of Incontestability.

We also note three facts regarding Defendant’s failure to correct the declaration. First, Mr. Taylor’s paralegal forwarded to Mr. Taylor the electronic receipt provided upon filing of the Combined Declaration, with the email subject listed as “DANTANNA’S – Combined Declaration of Use and Incontestability (Sections 8 & 15).”⁵⁰ The receipt summarized the contents of the Combined Declaration, including recitation of the statement regarding other proceedings, and explained the means for remedying any error in the information.⁵¹

⁴⁸ Taylor Discovery Dep., pp. 57-59 (30 TTABVUE 60-62).

⁴⁹ *Id.* at p. 59 (30 TTABVUE 62). While counsel for Great Concepts references a “box not checked,” as the apparent reason the statement in question found its way into the filing in question, the statement is a mystery to us, in that neither the Combined 8 & 15 form, nor the supporting declaration contains any check boxes.

⁵⁰ Modelo Dep. Exhibit 7 (31 TTABVUE 81).

⁵¹ *Id.* (31 TTABVUE 82).

Second, Plaintiff made Defendant aware of the mistake in the Section 15 Declaration of Incontestability at issue in February 2014 when Plaintiff's counsel discussed the falsity of the declaration with Defendant's counsel.⁵²

Third, Defendant was aware of the mistake in the Section 15 Declaration of Incontestability at least as early as July 29, 2015, the filing date of the Petition for Cancellation wherein Plaintiff alleged,

The statement in the Declaration signed and filed by Attorney Taylor on March 8, 2010 regarding pending proceedings, namely that there was "no proceeding involving said rights [to register the same or keep the same on the register] pending and not disposed of either in the U.S. Patent and Trademark Office or in the courts," was false.⁵³

In its Answer, Defendant admitted the above-quoted allegation.⁵⁴

The essence of Plaintiff's fraud claim is that Mr. Taylor falsely stated that there were no proceedings pending against Registration No. 2929764 when he filed the Combined Declaration; that Mr. Taylor did not familiarize himself with the contents of the Section 15 declaration he signed; as a result, he did not ensure the Combined Declaration's accuracy; and, therefore, Mr. Taylor acted with "willful blindness" as to the contents of the Combined Declaration and whether it may have contained

⁵² Clapp Dep. pp. 73-74 (32 TTABVUE 76-77); Defendant's response to interrogatory Nos. 6 (39 TTABVUE 12) ("[Defendant] states in response to Interrogatory No. 6 that [Defendant's] Business Managers first learned via a telephone call from counsel at or around February 17, 2014 that the Declaration contained an inaccurate statement."); Defendant's response to interrogatory No. 7 (39 TTABVUE 13) ("[N]o one from [Defendant's law firm] knew that the Declaration contained an inaccurate statement until being so informed by [Plaintiff's] counsel at a meeting that took place on or around February 17, 2014.").

⁵³ Petition for Cancellation ¶28 (1 TTABVUE 8).

⁵⁴ Defendant's Answer in the Petition for Cancellation ¶28 (15 TTABVUE 4).

incorrect or false statements; or, in the alternative, that Mr. Taylor acted in “reckless disregard” as to the truth or falsity of the statements in the Combined Declaration because he did not know what he was signing and he failed to make any inquiry regarding the accuracy of what he signed.⁵⁵

B. Reckless disregard

“Reckless disregard” is defined as the “conscious indifference to the consequences of an act.” See BLACK’S LAW DICTIONARY (11th ed. 2019) under “Disregard.” The RESTATEMENT OF TORTS defines “recklessness” as the “conscious disregard” of a substantial risk of harm. RESTATEMENT (SECOND) OF TORTS § 500 (1965).

A declarant is charged with knowing what is in the declaration being signed, and by failing to make an appropriate inquiry into the accuracy of the statements the declarant acts with a reckless disregard for the truth. See *Standard Knitting, Ltd. v. Toyota Jidosha K.K.*, 77 USPQ2d 1917, 1928 (TTAB 2006). In *Standard Knitting*, the Board found that the opposer’s Chief Operating Officer “clearly understood” that use of a mark meant use in the United States and that “[t]his is not a situation where opposer misunderstood the significance of the statements it signed. Rather, opposer disregarded the significance.” *Id.* at 1927. Here, Mr. Taylor disregarded the contents of the Combined Declaration he attested to under 18 U.S.C. Section 1001, notwithstanding that at that time he did so he was not aware of the legal requirements for a Section 15 Declaration.⁵⁶ He filed with the USPTO a Combined

⁵⁵ Plaintiff’s Brief, p. 28 (51 TTABVUE 30).

⁵⁶ Seven years later, and even after the significance of the false statement in the Combined Declaration had been brought to Defendant’s attention, Mr. Taylor still maintained he would

Declaration of Use and Incontestability, which included both the contents required for such and a supporting sworn declaration under 18 U.S.C. Section 1001, each of which contained a statement he knew was false; but, he claimed he did not read the contents or supporting declaration closely enough to be aware the false statement was in the declaration. In other words, Mr. Taylor paid little, or no, attention to the document he was signing under oath and thereby disregarded the significance of the benefits he was obtaining for his client. By failing to ascertain and understand the import of the document he was signing, far from conscientiously fulfilling his duties as counsel, Mr. Taylor acted in reckless disregard for the truth; nor did he take any action to remedy the error once it was brought to his attention. Mr. Taylor was especially reckless because he was admittedly unfamiliar with the requirements for filing a Section 15 Declaration.

To find otherwise could encourage declarants to conclude that such disregard carries no consequence and they can fail to read documents they are signing without penalty. “Statements made with such degree of solemnity clearly are or should be investigated thoroughly prior to signature and submission to the USPTO.” *Standard Knitting*, 77 USPQ2d at 1927-28 (citation omitted); *see also Duffy-Mott Co. v. Cumberland Packing Co.*, 424 F.2d 1095, 165 USPQ 422, 425 (CCPA 1970) (finding that false statement in a Section 15 affidavit “can scarcely be characterized as mere carelessness or misunderstanding to be winked at as of no importance,” and, thus,

have to consult the statute to confirm the requirements for a Section 15 Declaration. Taylor Discovery Dep., p. 45 (30 TTABVUE 48).

holding that a sanction was necessary “to deter the further development of such a cavalier attitude toward statements in affidavits under section 15.”); *Herbaceuticals, Inc. v. Xel Herbaceuticals, Inc.*, 86 USPQ2d 1572, 1577 (TTAB 2008). Documents submitted to the USPTO must be investigated **and read** thoroughly before filing, because the party

(b) By presenting to the Office . . . any paper . . . is certifying that -

(1) All statements made therein of the party’s own knowledge are true, all statements made therein on information and belief are believed to be true, and all statements made therein are made with the knowledge that whoever, in any matter within the jurisdiction of the Office, knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact, or knowingly and willfully makes any false, fictitious, or fraudulent statements or representations, or knowingly and willfully makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be subject to the penalties set forth under 18 U.S.C. 1001 and any other applicable criminal statute, and violations of the provisions of this section may jeopardize the probative value of the paper; and

(2) To the best of the party’s knowledge, information and belief, formed after an inquiry reasonable under the circumstances,

(i) The paper is not being presented for any improper purpose, such as to harass someone or to cause unnecessary delay or needless increase in the cost of any proceeding before the Office;

(ii) The other legal contentions therein are warranted by existing law or by a nonfrivolous argument for the extension, modification, or reversal of existing law or the establishment of new law;

(iii) The allegations and other factual contentions have evidentiary support or, if specifically so identified, are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery; and

(iv) The denials of factual contentions are warranted on the evidence, or if specifically so identified, are reasonably based on a lack of information or belief.

37 C.F.R § 11.18.

In USPTO trademark cases involving allegations of fraud, the Federal Circuit has held that the intent to deceive must be willful. *In re Bose Corp.*, 91 USPQ2d at 1940. The Supreme Court has held that the “standard civil usage” of “willful” includes reckless behavior. *Safeco Ins. Co. of Am. v. Burr*, 551 U.S. 47, 57-58, 127 S. Ct. 2201, 2209 (2007); *accord McLaughlin v. Richland Shoe Co.*, 486 U.S. 128, 132-33, 108 S. Ct. 1677, 100 L. Ed. 2d 115 (1988) (concluding that willful violations of the Fair Labor Standards Act include reckless violations); *Trans World Airlines, Inc. v. Thurston*, 469 U.S. 111, 128, 105 S. Ct. 613, 83 L. Ed. 2d 523 (1985) (same, as to a liquidated damages provision of the Age Discrimination in Employment Act of 1967). Significantly, the Court held that this definition comports with the common law usage, “which treated actions in ‘reckless disregard’ of the law as ‘willful’ violations.” *Safeco*, 551 U.S. at 58, 127 S. Ct. at 2209 (citing W. Keeton, D. Dobbs, R. Keeton, & D. Owen, PROSSER AND KEATON ON LAW OF TORTS § 34, p. 212 (5th ed. 1984) (“Although efforts have been made to distinguish” the terms “willful,” “wanton,” and “reckless,” “such distinctions have consistently been ignored, and the three terms have been treated as meaning the same thing, or at least as coming out at the same legal exit.”)).

In the *Bose* decision, the Federal Circuit did not address whether proof of reckless disregard would be sufficient to prove intent to deceive, but did note the importance of considering the views of other circuits, *Bose*, 91 USPQ2d at 1940 (“Several of our sister circuits have also required proof of intent to deceive before cancelling a trademark registration.”), and we therefore consider the views of other circuits on reckless disregard:⁵⁷

- The Second Circuit has explained that: “Although the Supreme Court has never held that reckless disregard suffices for 10(b) liability, [e]very Court of Appeals that has considered the issue has held that a plaintiff may meet the scienter requirement by showing that the defendant acted intentionally or recklessly, though the [c]ircuits differ on the degree of recklessness required.” *In re Bernard L. Madoff Inv. Sec. LLC*, ___ F.4th ___, 2021 WL 3854761 (2d Cir. August 30, 2021) slip opinion at 42-43 (citing *Tellabs, Inc. v. Makor Issues & Rts., Ltd.*, 551 U.S. 308, 319 n.3 (2007) and *S. Cherry St. LLC v. Hennessee Grp. LLC*, 573 F.3d 98, 109 (2d Cir. 2009) (“This court has ... long held that the scienter element can be satisfied by a strong showing of reckless disregard for the truth.”)). *See also In re Bonnanzio*, 91 F.3d 296, 301 (2d Cir. 1996) where the Second Circuit held “intent to deceive can be inferred from the totality of the circumstances, including reckless disregard.”

⁵⁷ In addition, the Federal Circuit, in interpreting what constitutes a “willful” tax violation justifying penalties under 31 U.S.C. § 5321(a)(5)(A), has held that willfulness includes recklessness. *Norman v. U.S.* (Fed. Cir. 2019) (also noting that failure to read a tax return “is of no import” to whether a taxpayer acted willfully because “a taxpayer who signs a tax return will not be heard to claim innocence for not having actually read the return, as he or she is charged with constructive knowledge of its contents,” quoting *Greer V. Comm’r of Internal Revenue*, 595 F. 3d. 338, 347 n.4 (6th Cir. 2010)).

- The Eleventh Circuit has also held that willfulness includes reckless disregard. *United States v. Rum*, 995 F.3d 882, 889 (11th Cir. 2021) (“Following our precedent interpreting the analogous language in [26 U.S.C.] § 6672, we hold that willfulness in [31 U.S.C.] § 5321 includes reckless disregard of a known or obvious risk. In so doing, we join with every other circuit court that has interpreted this provision.”).

- The Court of Appeals for the District of Columbia has held that reckless disregard may be a proxy for intent, otherwise “it might be all too easy for the wrongdoer to deliberately blind himself to the consequences of his tortious action.” *Saba v. Compagnie Nationale Air France*, 78 F.3d 664, 668 (D.C. Cir. 1996) (citing *Am. Airlines, Inc. v. Ulen*, 186 F.2d 529, 533 (D.C. Cir. 1949) (approving jury instruction to the effect that “if the carrier, or its employees or agents ... performed that act with reckless and wanton disregard of its probable consequences, then that would constitute willful misconduct)).

- The Tenth Circuit has held that intent to defraud may be established through proof of a violation of the Federal Odometer Act made with the specific intent to deceive or a reckless disregard for the vehicle’s actual mileage. *See CDM Auto Wholesale, Inc. v. Jensen*, 31 F. App’x 621 (10th Cir. 2002) (citing *Haynes v. Manning*, 917 F.2d 450, 452-53 (10th Cir. 1990)). In matters of trademark registration and maintenance, where the USPTO relies on declarations to be complete, accurate, and truthful, we hold that reckless disregard is equivalent to intent to deceive and satisfies the intent to deceive requirement. The vast volume of trademark application and registration maintenance filings made with the USPTO is such that the agency

typically cannot actively investigate the truth or falsity of individual declarations. The agency, as well as applicants and registrants, and all who rely on the accuracy of the Registers of marks and the submissions made to the USPTO in furtherance of obtaining or maintaining registration, must be able to rely on declarations and the truth of their contents. The applicable law cannot be read to permit applicants and registrants to recklessly disregard the contents of sworn declarations and sign them without consequence for the inclusion of false statements that will be relied on by the USPTO. “The benefits of registration are [too] substantial.” *B&B Hardware, Inc. v. Hargis Indus., Inc.*, 135 S. Ct. 1293, 113 USPQ2d 2045, 2056 (2015).

Registration is significant. The Lanham Act confers “important legal rights and benefits” on trademark owners who register their marks. 3 McCarthy §19:3, at 19-21 see also *id.*, §19:9, at 19-34 (listing seven of the “procedural and substantive legal advantages” of registration). Registration, for instance, serves as “constructive notice of the registrant’s claim of ownership” of the mark. 15 U.S.C. § 1072. It also is “prima facie evidence of the validity of the registered mark and of the registration of the mark, of the owner’s ownership of the mark, and of the owner’s exclusive right to use the registered mark in commerce on or in connection with the goods or services specified in the certificate.” § 1057(b). And once a mark has been registered for five years, it can become “incontestable.” §§ 1065, 1115(b).

Id. at 113 USPQ2d at 2048-49.

Even after opposing counsel in these proceedings brought the incorrect filing to Defendant’s attention, neither Defendant, Mr. Taylor, nor anyone else, took any

remedial steps.⁵⁸ This leads us to find that Mr. Taylor intended to file just what he filed, regardless of its accuracy.

Therefore, we find that Attorney Taylor's conduct constitutes reckless disregard, which is the legal equivalent of finding that Defendant Great Concepts had the specific intent to deceive the USPTO. In sum, Great Concepts submitted the Section 15 declaration containing false material representations of fact with the intent to deceive the USPTO.

We grant the Petition to Cancel Registration No. 2929764 for the mark DANTANNA'S for "steak and seafood restaurant" on the ground of fraud.

VI. Likelihood of Confusion

A. Priority

As noted above, Plaintiff is relying on its common law rights in the mark DAN TANA'S for restaurant services and marinara sauce. Sonja Perencevic, Plaintiff's President, testified that Plaintiff's predecessor-in-interest had been using the mark DAN TANA'S for restaurant services since at least as early as 1964 and for marinara sauce since at least as early as January 2012.⁵⁹ Defendant Great Management Group did not cross examine Ms. Perencevic. "Oral testimony [or in this case, testimony in a written declaration], if sufficiently probative, is normally satisfactory to establish

⁵⁸ The timing of the status inquiry by Fua Akeli, on behalf of Lisel Ferguson, regarding the status of the Board proceedings, the day after the filing of the Section 8 Declaration at issue, leads us to find that Ms. Ferguson was aware that something was amiss with the declaration. Taylor Discovery Dep., pp. 76-78 (30 TTABVUE 76-81); Modelo Discovery Dep., pp. 56-57 and Exhibit 11 (31 TTABVUE 59-60 and 92-93).

⁵⁹ Perencevic Testimony Decl. ¶¶3, 5 and 10 (40 TTABVUE 5-6).

priority of use in a trademark proceeding.” *Powermatics, Inc. v. Globe Roofing Prods. Co.*, 341 F.2d 127, 144 USPQ 430, 432 (CCPA 1965); *see also Coach Builders, Inc. v. SPV Coach Co.*, 123 USPQ2d 1175, 1184 (TTAB 2017) (testimony of a single witness may suffice to establish priority of use); *Nat’l Bank Book Co. v. Leather Crafted Pros., Inc.*, 218 USPQ 826, 828 (TTAB 1993) (acknowledging that oral testimony may be sufficient to prove the first use of a party’s mark when it is based on personal knowledge, it is clear and convincing, and it has not been contradicted). Ms. Perencevic’s testimony is clear and convincing and it has not been contradicted. Therefore, her testimony is probative and persuasive.

The filing date for the applications at issue is October 24, 2014. As best we understand Mr. Clapp’s testimony, Great Management Group and Dantanna’s CNN Center, LLC opened the DANTANNA’S restaurant in the CNN Center in March 2009,⁶⁰ and Great Management Group and Dantanna’s Tavern, LLC opened the DANTANNA’S TAVERN in the Sandy Springs section of Atlanta in July 2014.⁶¹ If we consider the DANTANNA’S restaurant in the Buckhead section of Atlanta operated by Great Concepts, even though Mr. Clapp insists that Registration No. 2929764 for the mark DANTANNA’S for “steak and seafood restaurant” is owned by Great Concepts and not Great Management Group,⁶² that restaurant opened October

⁶⁰ Clapp Discovery Dep., p. 21 (32 TTABVUE 24).

⁶¹ *Id.* at p. 22 (32 TTABVUE 25).

⁶² *Id.* at pp. 58, 127, 130-132 (32 TTABVUE 61, 130, 133-135).

29, 2003.⁶³ Accordingly, under any scenario, Plaintiff has prior use of DAN TANA'S for restaurant services.

Great Management Group did not proffer any testimony or evidence regarding its first use of the mark DANTANNA'S for "spices and spice rubs," therefore, the earliest date on which it may rely is the filing date of its application. *See UMG Recordings Inc. v. O'Rourke*, 92 USPQ2d 1042, 1046-47 (TTAB 2009); *Life Zone Inc. v. Middleman Grp. Inc.*, 87 USPQ2d 1953, 1960 (TTAB 2008). Accordingly, Plaintiff first used its DAN TANA'S mark for marinara sauce (January 2012) prior to the priority date that may be claimed by Great Management for spices and rubs (October 24, 2014).

In summary, Plaintiff has prior use of its mark DAN TANA'S for restaurant services over Great Management Group's use of its DANTANNA'S mark for "spices and spice rubs" and DANTANNA'S TAVERN for "restaurant and bar services." Also, Plaintiff has prior use of its mark DAN TANA'S for marinara sauce over Great Management Group's use of DANTANNA'S for "spices and spice rubs."

C. Likelihood of Confusion Factors

Our determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the factors bearing on the likelihood of confusion. *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973) ("*DuPont*") (cited in *B&B Hardware, Inc. v. Hargis Indus., Inc.*, 113 USPQ2d at 2049); *see also In re Majestic Distilling Co.*, 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). "In discharging this duty, the thirteen

⁶³ *Id.* at p. 21 (32 TTABVUE 24).

DuPont factors ‘must be considered’ ‘when [they] are of record.’” *In re Guild Mortg. Co.*, 912 F.3d 1376, 129 USPQ2d 1160, 1162 (Fed. Cir. 2019) (quoting *In re Dixie Rests. Inc.*, 105 F.3d 1405, 41 USPQ2d 1531, 1533 (Fed. Cir. 1997) and *DuPont*, 177 USPQ at 567). “Not all *DuPont* factors are relevant in each case, and the weight afforded to each factor depends on the circumstances. Any single factor may control a particular case.” *Stratus Networks, Inc. v. UBTA-UBET Commc’ns Inc.*, 955 F.3d 994, 2020 USPQ2d 10341, at *3 (Fed. Cir. 2020) (citing *Dixie Rests.*, 41 USPQ2d at 1406-07).

Each case must be decided on its own facts and the differences are often subtle ones.” *Indus. Nucleonics Corp. v. Hinde*, 475 F.2d 1197, 177 USPQ 386, 387 (CCPA 1973). In any likelihood of confusion analysis, two key considerations are the similarities between the marks and the similarities between the goods or services. *See In re Chatam Int’l Inc.*, 380 F.3d 1340, 71 USPQ2d 1944, 1945-46 (Fed. Cir. 2004); *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976) (“The fundamental inquiry mandated by § 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks.”). *See also In re i.am.symbolic, llc*, 866 F.3d 1315, 123 USPQ2d 1744, 1747 (Fed. Cir. 2017) (“The likelihood of confusion analysis considers all *DuPont* factors for which there is record evidence but ‘may focus ... on dispositive factors, such as similarity of the marks and relatedness of the goods.’”) (quoting *Herbko Int’l v. Kappa Books, Inc.*, 308 F.3d 1156, 64 USPQ2d 1375, 1380 (Fed. Cir. 2002)).

1. Strength of Plaintiff’s mark DAN TANA’S, including the number and nature of similar marks in use on similar goods and services.

In determining the strength of a mark, we consider both its inherent strength based on the nature of the mark itself and its commercial strength, based on the marketplace recognition of the mark. *See In re Chippendales USA, Inc.*, 622 F.3d 1346, 96 USPQ2d 1681, 1686 (Fed. Cir. 2010) (“A mark’s strength is measured both by its conceptual strength (distinctiveness) and its marketplace strength (secondary meaning).”); *Top Tobacco, L.P. v. N. Atl. Operating Co.*, 101 USPQ2d 1163, 1171-72 (TTAB 2011) (the strength of a mark is determined by assessing its inherent strength and its commercial strength); *Tea Bd. Of India v. Republic of Tea Inc.*, 80 USPQ2d 1881, 1899 (TTAB 2006); MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 11:83 (5th ed. 2019) (“The first enquiry focuses on the inherent potential of the term at the time of its first use. The second evaluates the actual customer recognition value of the mark at the time registration is sought or at the time the mark is asserted in litigation to prevent another’s use.”).

Market strength is the extent to which the relevant public recognizes a mark as denoting a single source. *Tea Bd. Of India*, 80 USPQ2d at 1899. In other words, it is similar to acquired distinctiveness. Market strength may be measured indirectly by, inter alia, unsolicited media coverage. *See Tao Licensing, LLC v. Bender Consulting Ltd.*, 125 USPQ2d 1043, 1056 (TTAB 2017) (finding petitioner’s evidence of commercial strength included unsolicited media coverage). *Cf. ProQuest Info. & Learning Co. v. Island*, 83 USPQ2d 1351 (TTAB 2007) (finding widespread unsolicited media is probative of fame).

For purposes of analysis of likelihood of confusion, a mark's renown "varies along a spectrum from very strong to very weak." *Joseph Phelps Vineyards, LLC v. Fairmont Holdings, LLC*, 857 F.3d 1323, 122 USPQ2d 1733, 1734 (Fed. Cir. 2017) (internal quotations omitted). The proper standard is the mark's "renown within a specific product market," *id.*, and "is determined from the viewpoint of consumers of like products," *id.* at 1735, and not from the viewpoint of the general public.

Dan Tana is a living individual and Plaintiff's predecessor-in-interest.⁶⁴ Great Management Group proffered no countervailing meaning. When the name Dan Tana is used as a trademark to identify and to distinguish restaurant services and marinara sauce, it is a distinctive term because it does not describe, nor suggest, any quality or characteristic of marinara sauce or restaurant services. *See Brooks v. Creative Arts by Calloway, LLC*, 93 USPQ2d 1823, 1828-29 (TTAB 2009) ("A personal name mark, unless it is primarily merely a surname, is registrable on the Principal Register without a showing of secondary meaning, and thus is deemed to be inherently distinctive under the Lanham Act if the record shows that it is used in a manner that would be perceived by purchasers as identifying the services in addition to the person."), *rev'd on other grounds*, 2012 WL 6732907 (S.D.N.Y. 2012). Accordingly, DAN TANA'S, when used in connection with marinara sauce and restaurant services, is inherently distinctive and conceptually strong.

With respect to commercial strength, Plaintiff introduced the following evidence:

⁶⁴ Perencevic Testimony Decl. ¶3 (40 TTABVUE 5).

- (i) Plaintiff, or its predecessor-in-interest, has operated a DAN TANA’S restaurant in West Hollywood, California since at least as early as 1964.⁶⁵
- (ii) “[Plaintiff’s] DAN TANA’S restaurant is a favorite of Hollywood and film industry personalities and professionals, regularly receives extensive unsolicited publicity and has received such unsolicited publicity for many years, and has been promoted in nationally-distributed media as one of the 10 best restaurants for celebrity sightings in Los Angeles, California.”⁶⁶
- (iii) In September 2014, THE HOLLYWOOD REPORTER published an article entitled “Dan Tana’s Turns 50: Secrets Behind Hollywood’s Star-Studded Eatery.”⁶⁷

⁶⁵ *Id.* at ¶3 (40 TTABVUE 5).

⁶⁶ *Id.* at ¶13 (40 TTABVUE 7).

⁶⁷ *Id.* at ¶17 (40 TTABVUE 7). Plaintiff sought to introduce a copy of the article and an accompanying video by presenting an Internet link. Providing only a website address or hyperlink to Internet materials is insufficient to make such materials of record. Trademark Rule 2.122(e)(2), 37 C.F.R. § 2.122(e)(2) (“Internet materials may be admitted into evidence under a notice of reliance in accordance with paragraph (g) of this section, in the same manner as a printed publication in general circulation, so long as the date the internet materials were accessed and their source (e.g., URL) are provided.”). Trademark Rule 2.122(e)(1), 37 C.F.R. § 2.122(e)(1), provides that the notice of reliance will be accompanied by a copy of the publication or relevant portion thereof. *See also Safer Inc. v. OMS Invs. Inc.*, 94 USPQ2d 1031, 1039 (TTAB 2010) (“if a document obtained from the Internet identifies its date of publication or date that it was accessed and printed, and its source (e.g., the URL), it may be admitted into evidence pursuant to a notice of reliance in the same manner as a printed publication in general circulation in accordance with Trademark Rule 2.122(e).”); *cf. In re Olin Corp.*, 124 USPQ2d 1327, 1332 n.15 (TTAB 2017); *In re Powermat Inc.*, 105 USPQ2d 1789, 1791 (TTAB 2013); *In re HSB Solomon Assocs. LLC*, 102 USPQ2d 1269, 1274 (TTAB 2012). Because of the transitory nature of Internet postings, websites referenced only by address or hyperlinks may be modified or deleted at a later date without notification.

(iv) There are “hundreds of [YouTube] videos of celebrities that have been filmed while dining at DANA TANA’S restaurant.”⁶⁸

Plaintiff has failed to prove that its DAN TANA’S mark is commercially strong. While DAN TANA’S restaurant is obviously successful, having been in business since 1964, there is no evidence that its renown, if any, extends beyond the area around West Hollywood, California. Notwithstanding the YouTube videos, Plaintiff failed to introduce any evidence demonstrating that it is known outside of its trading area (e.g., news articles from publications outside of Los Angeles, California or websites based outside of Los Angeles).

With respect to the YouTube videos, there is no testimony or evidence regarding how many people have viewed them.⁶⁹ Although Ms. Perencevic asserts that DAN TANA’S receives unsolicited media attention and has been promoted in national

See Safer Inc., 94 USPQ2d at 1039. Accordingly, the article and video are not admissible because they were not properly made of record.

⁶⁸ Perencevic Testimony Decl. ¶16 and Exhibit E (40 TTABVUE 8 and 43-57).

⁶⁹ The YouTube video exhibit states that there are about 61,800 results and each video states the number of “views.” (40 TTABVUE 43). However, Internet materials are admissible only to show what has been printed, not the truth of what has been printed. *See Safer*, 94 USPQ2d at 1040; *WeaponX Performance Prods. Ltd. v. Weapon X Motorsports, Inc.*, 126 USPQ2d 1034, 1038 (TTAB 2018). Also, the titles of the YouTube videos indicate that the vast majority of the videos are about celebrities interviewed at DAN TANA’S restaurant rather than DAN TANA’S restaurant being the subject of the video (e.g., “David Arquette & Stevy T at Dan Tana’s,” “Dorothy Wang Explains Love to Paparazzi before departing Dan Tana’s WeHo,” “Tom Jones greets fans while arriving at Dan Tana’s in West Hollywood”). (40 TTABVUE 43-56). Finally, there is no testimony or evidence that defines the terms “results” or “views.” We assume that “results” means videos directly or indirectly referring to DAN TANA’S (although some videos appear to be unrelated to the restaurant) and “views” means the number of times the video has been viewed by someone. Nevertheless, there is no testimony or evidence that puts those results into context or gives them meaning for purposes of analyzing the renown of DAN TANA’S.

media as one of the 10 best restaurants for sighting celebrities, Plaintiff has not introduced any corroborating evidence.⁷⁰ Plaintiff also introduced a press release dated September 10, 2014, regarding the 50th anniversary of DAN TANA'S restaurant.⁷¹ The press release has little, if any, probative value because there is no testimony or evidence regarding whether or where the press release was published or how many people had the opportunity to read it. Finally, there is no evidence or testimony regarding Plaintiff's revenues or advertising expenditures.

Great Management Group did not introduce any testimony or evidence regarding similar marks used in connection with similar goods or services.

Considering the record as a whole, including evidence pertaining to both inherent and commercial strength, we find that because Plaintiff's DAN TANA'S mark is an inherently distinctive term, it is appropriately placed in the middle of the "spectrum from very strong to very weak." *Joseph Phelps Vineyards*, 122 USPQ2d at 1734; *see also Bell's Brewery, Inc. v. Innovation Brewing*, 125 USPQ2d 1340, 1347 (TTAB 2017) (finding that opposer's marks were entitled to "the normal scope of protection to which inherently distinctive marks are entitled").

2. The similarity or dissimilarity of the marks.

We now turn to the *DuPont* likelihood of confusion factor focusing on the similarity or dissimilarity of the marks in their entirety as to appearance, sound, connotation

⁷⁰ Nevertheless, the YouTube videos discussed above circumstantially support this testimony because the subjects of many of the videos in the results pages submitted are celebrities at DAN TANA'S.

⁷¹ Perencevic Testimony Decl. ¶15 and Exhibit D (40 TTABVUE 8 and 39-41).

and commercial impression. *DuPont*, 177 USPQ at 567. “Similarity in any one of these elements may be sufficient to find the marks confusingly similar.” *In re Inn at St. John’s, LLC*, 126 USPQ2d 1742, 1746 (TTAB 2018), *aff’d mem.*, 777 F. App’x (Fed. Cir. 2019); *In re Davia*, 110 USPQ2d 1810, 1812 (TTAB 2014); *accord Krim-Ko Corp. v. Coca-Cola Bottling Co.*, 390 F.2d 728, 156 USPQ 523, 526 (CCPA 1968) (“It is sufficient if the similarity in either form, spelling or sound alone is likely to cause confusion.”) (citation omitted).

“The proper test is not a side-by-side comparison of the marks, but instead ‘whether the marks are sufficiently similar in terms of their commercial impression’ such that persons who encounter the marks would be likely to assume a connection between the parties.” *Coach Servs. Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1721 (Fed. Cir. 2012); *see also Midwestern Pet Foods, Inc. v. Societe des Produits Nestle S.A.*, 685 F.3d 1046, 103 USPQ2d 1435, 1440 (Fed. Cir. 2012); *San Fernando Elec. Mfg. Co. v. JFD Elec. Components Corp.*, 565 F.2d 683, 196 USPQ 1, 3 (CCPA 1977); *Spoons Rests. Inc. v. Morrison Inc.*, 23 USPQ2d 1735, 1741 (TTAB 1991), *aff’d mem.*, 972 F.2d 1353 (Fed. Cir. 1992).

The proper focus is on the recollection of the average customer, who retains a general rather than specific impression of the marks. *Geigy Chem. Corp. v. Atlas Chem. Indus., Inc.*, 438 F.2d 1005, 169 USPQ 39, 40 (CCPA 1971); *L’Oreal S.A. v. Marcon*, 102 USPQ2d 1434, 1438 (TTAB 2012); *Winnebago Indus., Inc. v. Oliver & Winston, Inc.*, 207 USPQ 335, 344 (TTAB 1980); *Sealed Air Corp. v. Scott Paper Co.*, 190 USPQ 106, 108 (TTAB 1975). Because the relevant goods and services are

marinara sauce, spices and spice rubs, and bar and restaurant services, without any restrictions as to channels of trade or classes of consumers, the average customer is an ordinary consumer.

Great Management Group seeks to register DANTANNA'S and DANTANNA'S TAVERN. Plaintiff's mark is DAN TANA'S.

DANTANNA'S is the dominant portion of the mark DANTANNA'S TAVERN because the word "tavern" is a generic term for a restaurant and bar services, and Great Management Group has accordingly disclaimed the exclusive right to use the word "tavern."⁷² It is well-settled that disclaimed, descriptive matter may have less significance in likelihood of confusion determinations. *See Cunningham v. Laser Golf Corp.*, 55 USPQ2d at 1846 ("Regarding descriptive terms, this court has noted that the 'descriptive component of a mark may be given little weight in reaching a conclusion on the likelihood of confusion.") (quoting *In re Nat'l Data Corp.*, 753 F.2d 1056, 224 USPQ 749, 752 (Fed. Cir. 1985)); *In re Dixie Rests. Inc.*, 41 USPQ2d at 1533-34; *In re Code Consultants, Inc.*, 60 USPQ2d 1699, 1702 (TTAB 2001) (disclaimed matter is often "less significant in creating the mark's commercial impression"). There is nothing improper in stating that, for rational reasons, more or

⁷² The word "Tavern" is defined as "a place where liquors are sold to be consumed on the premises" and "a public house for travelers and others." Dictionary.com/browse/tavern# based on the RANDOM HOUSE UNABRIDGED DICTIONARY (2019) accessed May 29, 2019. The Board may take judicial notice of dictionary definitions, including online dictionaries that exist in printed format. *In re Cordua Rests. LP*, 110 USPQ2d 1227, 1229 n.4 (TTAB 2014), *aff'd*, 823 F.3d 594, 118 USPQ2d 1632 (Fed. Cir. 2016); *Threshold.TV Inc. v. Metronome Enters. Inc.*, 96 USPQ2d 1031, 1038 n.14 (TTAB 2010); *In re Red Bull GmbH*, 78 USPQ2d 1375, 1378 (TTAB 2006).

less weight has been given to a particular feature of a mark, such as a common dominant element, provided the ultimate conclusion rests on a consideration of the marks in their entireties. *In re Viterra Inc.*, 671 F.3d 1358, 101 USPQ2d 1905, 1908 (Fed. Cir. 2012); *Nat'l Data Corp.*, 224 USPQ at 751.

DANTANNA'S and DAN TANA'S are phonetically identical. In addition, they are visually similar. Great Management Group's term DANTANANA'S is presented without a space while Plaintiff's mark has a space between "Dan" and "Tana's." The presence or absence of a space between two terms is usually an inconsequential difference that even if noticed by consumers would not serve to distinguish these marks. *See Mag Instr. Inc. v. Brinkmann Corp.*, 96 USPQ2d 1701, 1714-15 (TTAB 2010) (difference of a single letter does not suffice to distinguish MAG STAR from MAXSTAR); *In re Iolo Techs., LLC*, 95 USPQ2d 1498, 1499 (TTAB 2010) (finding ACTIVECARE and ACTIVE CARE confusingly similar); *cf. In re A La Vieille Russie Inc.*, 60 USPQ2d 1895, 1897 n.2 (TTAB 2001) ("the compound term RUSSIANART is as merely descriptive as its constituent words, 'Russian Art'"). Also, Great Management Group's DANTANNA'S marks have an additional letter "N" in the "-tanna's" portion. Slight differences in marks do not normally distinguish them. *See Mag Instr. Inc., supra*; *In re Great Lakes Canning, Inc.*, 227 USPQ 483, 485 (TTAB 1985) ("Moreover, although there are certain differences between the [marks' CAYNA and CANA] appearance, namely, the inclusion of the letter 'Y' and the design feature in applicant's mark, there are also obvious similarities between them. Considering the similarities between the marks in sound and appearance, and taking into account

the normal fallibility of human memory over a period of time (a factor that becomes important if a purchaser encounters one of these products and some weeks, months, or even years later comes across the other), we believe that the marks create substantially similar commercial impressions.”). *See also U.S. Mineral Prods. Co. v. GAF Corp.*, 197 USPQ 301, 306 (TTAB 1977) (“‘AFCO’ and ‘CAFCO,’ which differ only as to the letter ‘C’ in USM’s mark, are substantially similar in appearance and sound”); *In re Bear Brand Hosiery Co.*, 194 USPQ 444, 445 (TTAB 1977) (“The mark of the applicant, ‘KIKS’ and the cited mark ‘KIKI’ differ only in the terminal letter of each mark. While differing in sound, the marks are similar in appearance and have a somewhat similar connotation”). We find that these minor, peripheral differences do not distinguish the marks. *Cf. Dixie Rests.*, 41 USPQ2d at 1534 (“[R]estaurants are often recommended by word of mouth and referred to orally, [so] it is the word portion of applicant’s mark which is more likely to be impressed on the consumer’s memory.”) (quoting *Giant Food, Inc. v. Nation’s Foodservice, Inc.*, 710 F.2d 1565, 218 USPQ 390, 395 (Fed. Cir. 1983)); *In re Appetito Provisions Co.*, 3 USPQ2d 1553, 1554 (TTAB 1987) (“[T]he propensity of persons [is] to try restaurants based on word-of-mouth recommendations.”).

The inclusion of the possessive letter “s” at the end of the “Tana” or “-tanna” portion of each mark gives each mark the impression that it is a name: DANTANNA’S, a surname or a combination of “Dan” and “Tanna’s;” and DAN TANA’S, a full name. While consumers may or may not perceive identical meanings

and commercial impressions from the marks at issue, the meanings and commercial impressions are similar in that they identify a similar, if not identical, name.

We find that Great Management Group's DANTANNA'S and DANTANNA'S TAVERN marks are very similar to Plaintiff's mark DAN TANA'S in appearance, sound, connotation and commercial impression. We add that we considered DANTANNA'S TAVERN as a whole, but as explained above, consumers would understand "TAVERN" as specifying a type of restaurant, such that its presence in the mark for restaurant services does not detract from the overall impression of the mark as DANTANNA'S.

3. The similarity or dissimilarity and nature of the goods and services; established, likely-to-continue channels of trade; and classes of consumers.

- (i) Restaurant services vs. restaurant and bar services

Great Management Group is seeking to register DANTANNA'S TAVERN for restaurant and bar services, and Plaintiff is using DAN TANA'S for restaurant services. The services are in part identical.

Because there are no limitations or restrictions in Great Management Group's description of services in the DANTANNA'S TAVERN application, we must presume that Great Management Group's restaurant and bar services are offered in all channels of trade that would be normal for such services, and that they would be purchased by all potential customers. *See Citigroup Inc. v. Capital City Bank Grp. Inc.*, 637 F.3d 1344, 98 USPQ2d 1253, 1261 (Fed. Cir. 2011); *CBS Inc. v. Morrow*, 708 F.2d 1579, 218 USPQ 198, 199 (Fed. Cir. 1983). This would include the channels of trade and classes of consumers for Plaintiff's restaurant services.

(ii) Marinara sauce vs. spices and spice rubs

Great Management Group is seeking to register DANTANNA'S for "spices and spice rubs," and Plaintiff is using DAN TANA'S for marinara sauce.

Marinara is defined as "a highly seasoned sauce of tomatoes, garlic and spices."⁷³ Spices are defined as "any class of pungent or aromatic substances of vegetable origin, as pepper, cinnamon, or cloves, used as seasoning, preservatives, etc."⁷⁴ Rub is defined, inter alia, as "a combination of spices that is rubbed into the surface of meat before the meat is cooked."⁷⁵

Ms. Perencevic testified that:

Marinara sauces are frequently used together with spices, and spices are ingredients of marinara sauce, including the DAN TANA'S marinara sauce. The DAN TANA'S marinara sauce that has been sold by [Plaintiff] contains as ingredients garlic, sugar, salt, fresh basil and spices. Photographs showing the DAN TANA'S brand marinara sauce are attached hereto as Exhibit C.⁷⁶

One of the photographs from Exhibit C is reproduced below.

⁷³ Dictionary.com based on the RANDOM HOUSE UNABRIDGED DICTIONARY (2019) accessed May 5, 2019.

⁷⁴ *Id.*

⁷⁵ MERRIAM-WEBSTER (merriam-webster.com/dictionary/rub) accessed May 5, 2019.

⁷⁶ Perencevic Testimony Decl. ¶9 and Exhibit C (40 TTABVUE 6 and 35).



A photograph of Great Management Group's DANTANNA'S spice and rub is reproduced below.⁷⁷



A marinara sauce is made, in part, of spices. In fact, spices are a key ingredient of a marinara sauce. Marinara sauce and spices and rubs are used to season foods such

⁷⁷ Clapp Discovery Dep. Exhibit 3 (40 TTABVUE 197).

as pasta, meat, chicken and shrimp. Thus, marinara sauce includes spices as ingredients, and marinara sauce and spices have an overlapping purpose or function.

Great Management Group argues that marinara sauce and spices and rubs “are completely different products and are unlikely to be confused for one another.”⁷⁸ First, goods need not be identical to be found related; rather, they need only be related in such a manner that they could be encountered by the same consumer under situations that would lead to the mistaken belief that they originate from the same source. *Coach Servs. Inc. v. Triumph Learning LLC*, 101 USPQ2d at 1723. Second, with respect to likelihood of confusion, the issue is not whether consumers will confuse the products, but rather whether they will confuse the source of those goods. *In re St. Helena Hosp.*, 774 F.3d 747, 113 USPQ2d 1082, 1086 (Fed. Cir. 2014) (the similarity or dissimilarity and nature of the goods “considers whether ‘the consuming public may perceive [the respective goods and services of the parties] as related enough to cause confusion about the source or origin of the goods and services.’”) (quoting *Hewlett-Packard Co. v. Packard Press, Inc.*, 281 F.3d 1261, 62 USPQ2d 1001, 1004 (Fed. Cir. 2002) (citing *Recot, Inc. v. M.C. Becton*, 214 F.3d 1322, 54 USPQ2d 1894, 1898 (Fed. Cir. 2000))).

Where, as here, the marks are very similar (DANTANNA’S vs. DAN TANA’S), the degree of similarity between the goods required to support a finding of likelihood of confusion declines. *See In re House Beer, LLC*, 114 USPQ2d 1073, 1077 (TTAB 2015) (citing *In re Shell Oil Co.*, 992 F.2d 1204, 26 USPQ2d 1687, 1688-89 (Fed. Cir. 1993);

⁷⁸ Defendants’ Brief, p. 26 (52 TTABVUE 32).

Time Warner Entm't Co. v. Jones, 65 USPQ2d 1650, 1661 (TTAB 2002); and *In re Opus One Inc.*, 60 USPQ2d 1812, 1815 (TTAB 2001)).

Plaintiff's mark DAN TANA'S and Great Management Group's mark DANTANNA'S are used in connection with food items, serve the same purpose (to season foods), and are sold in similar containers. Consumers familiar with DAN TANA'S marinara sauce encountering DANTANNA'S spices and rubs may mistakenly believe that the products emanate from a single source. Therefore, we find that marinara sauce and spices and spice rubs are related.

No testimony or evidence was proffered regarding channels of trade and classes of consumers for Plaintiff's DAN TANA'S marinara sauce. As we noted above, because Great Management Group's description of goods for its DANTANNA'S spices and rubs is not limited to any specific channels of trade or classes of consumers, we must presume that Great Management Group's spices and spice rubs are offered in all channels of trade that would be normal for such goods, and that they would be purchased by all potential customers. *See Citigroup Inc. v. Capital City Bank Grp. Inc.*, 98 USPQ2d at 1261; *CBS Inc. v. Morrow*, 218 USPQ at 199. Because Great Management Group's spices and spice rubs are used for cooking and seasoning food, they would be used by those who cook (e.g., ordinary consumers, restaurants, etc.) and they would be offered in channels of trade to reach those consumers (e.g., by Great Management Group's restaurants, online, mail order, grocery stores, etc.). Likewise, Plaintiff's marinara sauce would be used by cooks seeking to season their food (e.g., ordinary consumers, restaurants, etc.) and it would be offered in channels

of trade to reach those consumers (e.g., Plaintiff's restaurant, online, mail order, grocery stores, etc.). Thus, the channels of trade and classes of consumers for Great Management Group's spices and spice rubs and Plaintiff's marinara sauce could overlap. Moreover, because Great Management Group's identification of spices and spice rubs is unrestricted, they could include the channels of trade and classes of consumers for Plaintiff's marinara sauce.

4. The nature and extent of any actual confusion; and the length of time during and conditions under which there has been concurrent use without evidence of actual confusion.

Great Management Group argues that because Plaintiff's trade area is Hollywood, California, but Great Management Group's trade area is Atlanta, Georgia, there is no likelihood of confusion.⁷⁹

In the 15 years the Dantanna's restaurants have been in operation in Georgia, there have only been a few inquiries from customers asking if the restaurants were associated with [Plaintiff's] Hollywood restaurant, and not a single instance of anyone coming to [Defendant Great Management Group's] restaurants thinking they were going [to Plaintiff's] Italian-themed restaurant.⁸⁰

The geographic disparity in the parties' trading areas is not, in and of itself, a basis to find that there is no likelihood of confusion. The Board evaluates the marks and their use in terms of potentially nationwide markets when an applicant is seeking a geographically unrestricted registration. *See Giant Food*, 218 USPQ at 393; *Appetito Provisions*, 3 USPQ2d at 1554 n.4 (the Trademark Act "accords a registrant

⁷⁹ Defendants' Brief, pp. 26-28 (52 TTABVUE 32-34).

⁸⁰ *Id.* at pp. 27-28 (52 TTABVUE 33-34).

prima facie exclusive rights in the registered mark for the goods or services recited in the registration throughout the United States regardless of its actual extent of use.”); *Peopleware Sys., Inc. v. People-ware, Inc.*, 226 USPQ 320, 321 (TTAB 1985) (noting that “geographical separation of the parties’ principal places of business cannot be considered to be of significance in determining registrability of applicant’s mark since it seeks a geographically unrestricted registration”). However, as explained below, we may consider geographic scope when assessing whether there was a significant opportunity for actual confusion to occur in the same markets. *See, e.g., Citigroup Inc. v. Capital City Bank Grp., Inc.*, 94 USPQ2d 1645, 1660 (TTAB 2010), *aff’d*, 637 F.3d 1344, 98 USPQ2d 1253 (Fed. Cir. 2011); *Double Coin Holdings Ltd. v. Tru Dev.*, 2019 USPQ2d 377409, at *9 (TTAB 2019).

David Clapp, Defendants’ Principal, testified that, over the past 14 years, there may have been a half-dozen inquiries from customers asking if one of the DANTANNA’S restaurants were associated with the DAN TANA’S restaurant in West Hollywood.⁸¹

Well nobody has ever walked in and said, Oh, wait, I thought this was like the one in California. The questions have been broad-based, like, Hey, I know there’s a restaurant by this name out in California, do you have anything to do with it.⁸²

Such inquiries have little probative value because they are ambiguous and do not clearly provide evidence of consumers who are confused about the source of the

⁸¹ Clapp Discovery Dep., p. 105 (32 TTABVUE 108).

⁸² *Id.* at p. 106 (32 TTABVUE 109).

services. *See Mini Melts, Inc. v. Reckitt Benckiser LLC*, 118 USPQ2d 1464, 1475 (TTAB 2016) (disregarding inquiry evidence as hearsay or entitled to little weight: “Without direct testimony from these individuals, there is insufficient evidence to ascertain what they were thinking, or what caused their purported confusion.”); *Marshall Field & Co. v. Mrs. Fields Cookies*, 25 USPQ2d 1321, 1334 (TTAB 1992) (inquiries as to corporate affiliations are not evidence of confusion because, without more, they “indicate that these persons were aware that [the companies at issue] were two different entities”); *Elec. Water Conditioners, Inc. v. Turbomag Corp.*, 221 USPQ 162, 164 (TTAB 1984) (“That questions have been raised as to the relationship between firms is not evidence of actual confusion of their trademarks.”) (citation omitted).

The absence of any reported instances of confusion is meaningful only if the record indicates appreciable and continuous use by Great Management Group of its DANTANNA’S marks for a significant period of time in the same markets as those served by Plaintiff under its mark DAN TANA’S. *See Citigroup Inc.*, 94 USPQ2d at 1660; *Double Coin Holdings*, 2019 USPQ2d 377409, at *9; *Gillette Can. Inc. v. Ranir Corp.*, 23 USPQ2d 1768, 1774 (TTAB 1992). In other words, for the absence of actual confusion to be probative, there must have been a reasonable opportunity for confusion to have occurred. *Double Coin Holdings*, 2019 USPQ2d 377409, at *9; *Barbara’s Bakery Inc. v. Landesman*, 82 USPQ2d 1283, 1287 (TTAB 2007) (the probative value of the absence of actual confusion depends upon there being a significant opportunity for actual confusion to have occurred); *Red Carpet Corp. v.*

Johnstown Am. Enters. Inc., 7 USPQ2d 1404, 1406-1407 (TTAB 1988). Cf. *Central Soya Co. v. N. Am. Plant Breeders*, 212 USPQ 37, 48 (TTAB 1981) (“the absence of actual confusion over a reasonable period of time might well suggest that the likelihood of confusion is only a remote possibility with little probability of occurring”). As noted above, Great Management Group did not proffer any testimony or evidence regarding its first use of the mark DANTANNA’S for “spices and spice rubs”; and Mr. Clapp testified that the DANTANNA’S TAVERN mark was used for only two years, between 2014 and 2016.⁸³

As far as the record shows, Plaintiff renders its restaurant services in West Hollywood, California, through one restaurant, and Defendant Great Management Group’s associated companies render their restaurant services in Atlanta, Georgia, through three restaurants. However, Mr. Clapp testified that the Buckhead (owned by Great Concepts) and CNN Center locations generate significant out-of-town business.

But in the Buckhead restaurant, there’s a very solid local population. And with the hotels and Financial Center right there, we do a tremendous out-of-town business traveler business as well.

At CNN we -- for local events -- sporting, concerts, things like that -- huge local business; huge national and international business when it comes to conventions and other events like that that bring people from out of town.

* * *

[Sandy Springs] That’s way more local because there isn’t a real hotel base there. So, again, it would just be a guess,

⁸³ Clapp Discovery Dep., p. 22 (32 TTABVUE 25).

but I think the majority of the people at Sandy Springs certainly are local.⁸⁴

According to Mr. Clapp, about 50-60% of the business at Buckhead location is local, 30-45% of the business at the CNN Center location is local, and 95% of the business and the Sandy Springs location is local.⁸⁵

As noted above, Plaintiff has not introduced any testimony or evidence regarding its advertising. Great Management Group's associated companies' advertising has been minimal:

Q. Have you ever conducted any advertisements or promotional campaigns outside the metropolitan Atlanta area for any of your three Dantanna's restaurants?

A. I mean, we've been featured on some national TV shows. We never paid for -- we really don't pay for a whole lot of advertising outside of -- we've paid a local sports talk radio station for a few years to be a segment sponsor with them.

We've done some advertising in publications like Convention and Visitors Bureaus and certainly through online presence. That's one way that we try to reach out. Our sales manager, Sarah Foss, she'll -- conventions are coming into town, and she'll go and work to solicit those people from -- you know, if it's a shoe convention from Nike or whatever.⁸⁶

Based on the differences in the parties' geographic trading areas and the lack of specificity in the testimony and evidence regarding the extent of their advertising, the record does not establish that there has been a reasonable opportunity for

⁸⁴ Clapp Discovery Dep., p. 144 (32 TTABVUE 147).

⁸⁵ *Id.* at pp. 144-145 (32 TTABVUE 147-148).

⁸⁶ *Id.* at pp. 145-146 (32 TTABVUE 148-149).

confusion to have occurred, notwithstanding Great Management's claimed 14 years of use. *Cf. Citigroup Inc. v. Capital City Bank Grp. Inc.*, 98 USPQ2d at 1259 (concurrent use in the same trading area for 35 years with plaintiff's renown extending nationwide presented a reasonable opportunity for confusion to have occurred). We find these *DuPont* factors to be neutral.

5. Conclusion

Because the marks are highly similar, the goods are related and are offered in overlapping channels of trade to the same classes of consumers, and because the services are in part identical and are offered in the same channels of trade and to the same classes of consumers, we find that Defendant Great Management Group's marks DANTANNA'S for "spices and spice rubs" and DANTANNA'S TAVERN for "restaurant and bar services" are likely to cause confusion with Plaintiff's mark DAN TANA'S for marinara sauce and restaurant services.

The opposition is sustained under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), and registration to Defendant Great Management Group is refused for both applications.

Because we have sustained the opposition under Section 2(d) of the Trademark Act, we need not decide the false suggestion of a connection claim under Section 2(a) of the Trademark Act. *See Multisorb Tech., Inc. v. Pactiv Corp.*, 109 USPQ2d 1170, 1171 (TTAB 2013) ("Like the federal courts, the Board has generally used its discretion to decide only those claims necessary to enter judgment and dispose of the

Opposition No. 91223018
Cancellation No. 92061951

case. . . [T]he Board's determination of registrability does not require, in every instance, decision on every pleaded claim.").

Decision: The petition to cancel Registration No. 2929764 for the mark DANTANNA'S for "steak and seafood restaurant" on the ground of fraud is granted.

The opposition to the registration of the marks DANTANNA'S (application Serial No. 86434445) and DANTANNA'S TAVERN (application Serial No. 86434461) under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), is sustained.

APPENDIX

Combined Declaration of Use and Incontestability under Sections 8 & 15

To the Commissioner for Trademarks:

REGISTRATION NUMBER: 2929764
REGISTRATION DATE: 03/01/2005

MARK: DANTANNA'S

The owner, Great Concepts, LLC, having an address of
2515 Highbrooke Trail
Duluth, Georgia 30097
United States

is filing a Combined Declaration of Use and Incontestability under Sections 8 & 15.

For International Class 043, the mark is in use in commerce on or in connection with **all** of the goods or services listed in the existing registration for this specific class; **and** the mark has been continuously used in commerce for five (5) consecutive years after the date of registration, or the date of publication under Section 12(c), and is still in use in commerce on or in connection with **all** goods or services listed in the existing registration for this class. Also, no final decision adverse to the owner's claim of ownership of such mark for those goods or services exists, or to the owner's right to register the same or to keep the same on the register; and, no proceeding involving said rights pending and not disposed of in either the U.S. Patent and Trademark Office or the courts exists.

The owner is submitting one specimen for this class showing the mark as used in commerce on or in connection with any item in this class, consisting of a(n) Electronic screenshot captures of subject mark as used on company's public website and online menu..

Original PDF file:

[SPN0-209242145130-140748000 . DanatanasWebsiteHome.pdf](#)

Converted PDF file(s) (1 page)

[Specimen File 1](#)

Original PDF file:

[SPN0-209242145130-140748000 . DantanasDinnerMenu.pdf](#)

Converted PDF file(s) (1 page)

[Specimen File 1](#)

The registrant hereby appoints Frederick K. Taylor of Procopio Cory Haregreaves & Savitch
530 B Street, Suite 2100
San Diego, California 92101
United States

to file this Combined Declaration of Use and Incontestability under Sections 8 & 15 on behalf of the registrant.

A fee payment in the amount of \$300 will be submitted with the form, representing payment for 1 class(es), plus any additional grace period fee, if necessary.

Declaration

The mark is in use in commerce on or in connection with the goods and/or services identified above, as evidenced by the attached specimen(s) showing the mark as used in commerce. The mark has been in continuous use in commerce for five (5) consecutive years after the date of registration, or the date of publication under Section 12(c), and is still in use in commerce. There has been no final decision adverse to the owner's claim of ownership of such mark, or to the owner's right to register the same or to keep the same on the register; and there is no proceeding involving said rights pending and not disposed of either in the U.S. Patent and Trademark Office or in the courts.

The undersigned being hereby warned that willful false statements and the like are punishable by fine or imprisonment, or both, under 18 U.S.C. Section 1001, and that such willful false statements and the like may jeopardize the validity of this document, declares that he/she is properly authorized to execute this document on behalf of the Owner; and all statements made of his/her own knowledge are true and that all statements made on information and belief are believed to be true.

Signature: /Fred Taylor/ Date: 03/08/2010
Signatory's Name: Frederick K. Taylor
Signatory's Position: Senior Counsel

EXHIBIT #4

THIS OPINION IS A
PRECEDENT OF THE TTAB

UNITED STATES PATENT AND
TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

Winter

Mailed: July 12, 2013

Opposition No. 91204667

Caymus Vineyards

v.

Caymus Medical, Inc.

Before Bucher, Taylor and Kuczma,
Administrative Trademark Judges.

By the Board:

This case now comes up for consideration of opposer's fully briefed motion under Fed. R. Civ. P. 12(b)(6) to dismiss applicant's counterclaim. Applicant filed both an amended pleading and a response to opposer's motion. Opposer filed a reply brief that addressed the revised counterclaim in applicant's amended pleading.

Briefly, opposer contends that applicant's fraud counterclaim fails to meet the plausibility requirement of Fed. R. Civ. P. 8(a)(2) and the heightened pleading requirements of Fed. R. Civ. P. 9(b), and that applicant's second ground for the counterclaim, *viz.*, that opposer's registration should not be deemed incontestable and thus is subject to a claim that the mark is primarily geographically descriptive, does not set forth a cognizable ground for cancellation. Applicant argues that it has alleged fraud with sufficient particularity insofar as it has pleaded that opposer made a false statement during the prosecution of the application underlying the

registration sought to be cancelled by failing to fully disclose all material facts known to it with the intent to deceive the USPTO; and argues that, in view of the opposer's fraudulent conduct, applicant's pleading that the mark is primarily geographically descriptive is proper.

Amended Answer and Counterclaim

A plaintiff or counterclaim plaintiff may amend its complaint once as a matter of course within 21 days after service of a motion under Rule 12(b). Fed. R. Civ. P. 15(a)(1)(B). Thus, the party in position of plaintiff in a proceeding before the Board ordinarily can respond to a motion to dismiss by filing an amended complaint. Insofar as applicant filed its amended counterclaim, set forth in its first amended answer, within 21 days of opposer's motion to dismiss, we accept applicant's first amended answer as applicant's operative pleading. As noted, opposer filed a reply brief that addressed the amended counterclaim set forth in applicant's first amended answer. Accordingly, we now consider the motion to dismiss solely with respect to the amended counterclaim, and determine whether it asserts proper claims. *See Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1537 (TTAB 2007).

Motion to Dismiss

Opposer moves to dismiss applicant's amended counterclaim by which applicant seeks to cancel opposer's pleaded registration, namely, U.S. Reg. No. 1833996.¹

¹ U.S. Reg. No. 1833996, issued May 3, 1994; renewed.

To withstand a motion to dismiss for failure to state a claim upon which relief can be granted, a plaintiff need only 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 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); and TBMP Section 503.02 (3d ed. rev. 2012). Specifically, a 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, 129 S.Ct. 1937, 1949-50 (2009) (quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). In particular, the claimant must allege well-pleaded factual matter and more than “[t]hreadbare recitals of the elements of a cause of action, supported by mere conclusory statements,” to state a claim plausible on its face. *Iqbal*, 556 U.S. 662, 129 S. Ct. at 1949 (*citing Twombly*, 550 U.S. at 555).

Further, with respect to the evidence attached to opposer’s reply brief, *viz.*, an excerpt of a California state map and four versions of an internet advertisement assertedly referring to non-existent locations, these materials were submitted outside the pleadings² to show that applicant’s evidence lacks credibility. Inasmuch

² We do not treat opposer’s motion as one for summary judgment, which would allow us to consider such evidence. *See Compagnie Gervais Danone v. Precision Formulations LLC*, 89 USPQ2d 1251, 1255 (TTAB 2009). (“In inter partes proceedings commenced after November 1, 2007, a party may not file a motion for summary judgment under Trademark Rule 2.127(e)(1) until the party has made its initial disclosures, except for a motion asserting claim or issue preclusion or lack of jurisdiction by the Board.”). Here, there is no record that initial disclosures were served by opposer and said disclosures were not due until two months after the filing of the instant motion.

as the materials do not constitute matter of which we may take judicial notice, these exhibits are excluded from consideration in determining the sufficiency of applicant's allegations. *Cf. Internet Inc. v. Corp. for Nat'l Research Initiatives*, 38 USPQ2d 1435, 1436 (TTAB 1996) (materials submitted in response to motion to dismiss excluded). Additionally, although we have considered the exhibits attached to applicant's first amended answer and counterclaim for the purpose of ascertaining the plausibility of applicant's allegations,³ they do not impact our decision.

Inasmuch as applicant is the defendant in the involved opposition, it has standing to bring a counterclaim to cancel opposer's pleaded registration. *See Johnson & Johnson v. Obschestvo s Ogranitchennoy*, 104 USPQ2d 2037, 2038 (TTAB 2012). Opposer does not contest this point.

Applicant's two asserted grounds for cancellation are fraud under Trademark Act Section 14(3), 15 U.S.C. § 1064(3), and that the mark is primarily geographically descriptive under Trademark Act Section 2(e)(2), 15 U.S.C. § 1052(e)(2). We will address each ground in turn.

With respect to applicant's fraud claim, as the counterclaim-plaintiff, applicant must allege that the opposer obtained its registration fraudulently by knowingly making a false, material representation of fact with the intent to deceive the United States Patent and Trademark Office. *See In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1941 (Fed. Cir. 2009). Further, allegations of fraud must be set forth

³ *See* Fed. R. Civ. P. 10(c), Trademark Rule 2.116(a). *Cf. In re Bill of Lading Transmission and Processing System Patent Litigation*, 681 F.3d 1323, 103 USPQ2d 1045, 1055 (Fed. Cir. 2012) ("district court was required to analyze the facts plead in the amended complaints and all documents attached thereto with reference to the elements of a cause of action").

with particularity, although malice, intent, knowledge, and other conditions of a person's mind may be averred generally. *See* Fed. R. Civ. P. 9(b); Trademark Rule 2.116(a). *See also King Automotive, Inc. v. Speedy Muffler King, Inc.*, 667 F.2d 1008, 212 USPQ 801 (CCPA 1981) (“[t]he pleadings [must] contain explicit rather than implied expressions of the circumstances constituting fraud”); *Asian and Western Classics B.V. v. Selkow*, 92 USPQ2d 1478, 1479 (TTAB 2009) ([A]llegations [based solely upon information and belief] fail to meet the Fed. R. Civ. P. 9(b) requirements as they are unsupported by any statement of facts providing the information upon which petitioner relies or the belief upon which the allegation is founded (*i.e.*, known information giving rise to petitioner's stated belief, or a statement regarding evidence that is *likely* to be discovered that would support a claim of fraud)) (emphasis original); *Media Online Inc. v. El Clasificado Inc.*, 88 USPQ2d 1285, 1287 (TTAB 2008) (finding the proposed amended pleading insufficient in part under Fed. R. Civ. P. 9(b) because the false statements that purportedly induced the Office to allow registration were not set forth with particularity); and 5A Fed. Prac. & Proc. Civ.3d § 1298 (April 2013) (discussing particularity requirement of Fed. R. Civ. P. 9(b)).

Construing applicant's allegations so as to do justice and in the light most favorable to applicant, as the non-movant on the motion to dismiss, we find that applicant has alleged with sufficient particularity facts which, if proven at trial, would establish that opposer knowingly made a false, material statement with the intent to deceive the United States Patent and Trademark Office. In particular, applicant alleges when and how the fraud allegedly occurred and the content of the

false representation, and identifies what was obtained by reason of the asserted fraud. *See Media Online*, 88 USPQ2d at 1287. Specifically, applicant alleges that the examining attorney who handled the application that resulted in opposer's registration required opposer, as an applicant, to "indicate whether CAYMUS has any ... geographical significance or any meaning in a foreign language" (first ¶45⁴) (see also ¶¶54-55); and that following the issuance of that requirement, and "in accordance with a telephone conversation on November 1, 1993, with [opposer's then counsel]," the examining attorney entered the following amendment to the application, *viz.*, "[t]he wording 'CAYMUS' has no significance other than trademark significance" (first ¶45); that although the examining attorney indicated that opposer must indicate whether CAYMUS has any geographical significance, opposer, with deceptive intent, failed to disclose material information known by it to the examining attorney (¶54); that "[a]lthough the Examiner indicated that Opposer 'must indicate whether CAYMUS has any' geographical significance, Opposer knowingly, and with deceptive intent, failed to disclose to the USPTO that the Examiner's Amendment contained a false statement indicating that the wording CAYMUS has no significance other than as a trademark ..." (¶55) when in fact "Opposer chose CAYMUS with actual knowledge at the time of registration that the word 'Caymus' had primarily geographic significance" and that its grapes are grown and/or its wine is produced near or at the Caymus locale (¶53); and that after registration and continuously thereafter, opposer failed to disclose to the USPTO the material information that the Examiner's Amendment was false when entered

⁴ Applicant's counterclaim includes two paragraphs numbered "45."

(and remains false), in order to induce agents of the USPTO to rely on the false statement; and that the USPTO did so rely by issuing, renewing, and maintaining the registration” (§§ 54-56).

Opposer contends, *inter alia*, that because the examiner’s amendment was entered by the examining attorney and is not opposer’s statement *per se*, that attributing knowing, deceptive intent to opposer is speculative, and is thus inconsistent with the *Twombly* and *Iqbal* requirements to allege a plausible claim (see motion at 7, 9-10). We disagree. The mere fact that the examining attorney entered the amendment in no way negates the information imparted by applicant as regards, in this case, whether the term “Caymus” may have geographic significance. “It is applicant’s responsibility to ensure that accurate information is transmitted to the USPTO. ... The accuracy of the information applicant provide[s] in agreeing to the examiner’s amendment [is] no less critical to the application than the information applicant provided in the application as filed ... Applicants must ensure that all information they provide is true and accurate whether or not it is verified.” *Grand Canyon West Ranch, LLC v. Hualapai Tribe*, 88 USPQ2d 1501, 1510 (TTAB 2008). If opposer (in its position as applicant with regard to the pleaded registration) believed that the examiner’s amendment did not accurately reflect the information imparted by it (via its counsel⁵) during the November 1, 1993, telephone conversation, it had an obligation to immediately inform the examining

⁵ It is well settled that a client is bound by the actions of its attorney. *See CTRL Systems Inc. v. Ultraphonics of North America Inc.*, 52 USPQ2d 1300, 1302 (TTAB 1999) (“It is well settled that ... communication between the client and attorney is a two-way affair; and that action, inaction or even neglect by the client’s chosen attorney will not excuse the inattention of the client so as to yield the client another day in court.”).

attorney of the discrepancy.⁶ *Id.* at 1510. In view of the foregoing, opposer's present claim that the amendment's content should not be attributed to it is unavailing.

With regard to the amendment, implicit in the wording that "Caymus" has no significance other than trademark significance is that "Caymus" has no geographic or foreign language significance. If, as alleged by applicant, "Caymus" has geographic significance and had such significance when the examiner's amendment was entered, opposer was obliged to be truthful about that fact during the conversation with the examining attorney and, if necessary, seek correction of the examiner's amendment after it was entered. Deliberately omitting relevant information, as has been alleged by applicant, may be treated as the equivalent of a false statement in its effect and also, under certain circumstances, show the necessary element of intent. *Swiss Watch International Inc. v. Federation of the Swiss Watch Industry*, 101 USPQ2d 1731, 1746 (TTAB 2012). *See also General Electro Music Corp. v. Samick Music Corp.*, 19 F.3d 1405, 30 USPQ2d 1149, 1154 (Fed. Cir. 1994) ("[the submission of false or misleading statements] usually will support the conclusion ... of an intentional scheme to deceive the PTO") (internal citation omitted).

Further, opposer's arguments that "Caymus" has no geographic, but only historical or cultural significance and, therefore, that opposer's purported statement

⁶ We note, in particular, that the examiner's amendment issued by the Office to opposer stated that "the applicant need not file a response in this case *unless the applicant objects to the noted amendment*" (Board emphasis). *See generally* TMEP § 707 (April 2013) (when an examiner's amendment is issued by the Office, the applicant is requested to advise the examining attorney immediately of any objections to it so that the objection can be considered before publication of the mark for opposition or issuance of a registration).

was neither false nor material, do not go to whether applicant has set out a claim of fraud, but constitute opposer's responses to the substantive issue.

In view of the foregoing, by alleging that opposer failed to disclose allegedly material information and allowed the examiner's amendment to stand, applicant has sufficiently alleged that opposer knowingly made a false, material statement with the intent to deceive the USPTO. *See Grand Canyon West Ranch*, 88 USPQ2d at 1510 ("The identification set forth in the examiner's amendment was, at least in part, false, and it was applicant's responsibility to correct it promptly as the action invites."). Accordingly, opposer's motion to dismiss applicant's fraud claim under Fed. R. Civ. P. 12(b)(6) is **denied**.⁷

Turning to applicant's second ground of the counterclaim, applicant alleges, in relevant part, the following:

1. That opposer's registration is not due incontestable status because it was procured and maintained fraudulently; thus, an action for cancellation is not time-barred (§58);
2. That the incontestability of a mark can be defended against and the incontestability refuted if the registration or the incontestable right to use the mark was obtained fraudulently, citing to Section 33(b)(1) of the Trademark Act, 15 U.S.C. § 1115(b)(1) (§58);
3. That because the registration was obtained fraudulently, the alleged incontestability of the mark is successfully overcome (§58); and

⁷ Nonetheless, applicant is reminded that a party seeking cancellation of a trademark registration for fraudulent procurement bears a heavy burden of proof. *In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1939, *citing W.D. Byron & Sons, Inc. v. Stein Bros. Mfg. Co.*, 377 F.2d 1001, 153 USPQ 749, 750 (CCPA 1967). "Indeed, 'the very nature of the charge of fraud requires that it be proven 'to the hilt' with clear and convincing evidence. There is no room for speculation, inference or surmise and, obviously, any doubt must be resolved against the charging party.'" *In re Bose*, 91 USPQ2d at 1939, *citing, Smith Int'l, Inc. v. Olin Corp.*, 209 USPQ 1033, 1044 (TTAB 1981).

4. In view of the foregoing allegations, the term “CAYMUS” is primarily geographically descriptive, as the wines identified in the registration are grown, sold and/or made within the historic and famous Rancho Caymus area of the Napa Valley, and within the region referred to as Caymus, California (§59);
5. That, additionally and/or alternatively, “CAYMUS” has not acquired distinctiveness (§60); and
6. That, in view of the foregoing and third-party use of the term “CAYMUS,” opposer’s mark is not inherently distinctive and has not acquired distinctiveness (§§ 61-62).

Essentially, applicant alleges that because opposer obtained and maintained its pleaded registration based on fraudulent conduct, said registration is not entitled to Section 15 incontestability and therefore can be challenged on the ground that it is primarily geographically descriptive. For the following reasons, applicant’s allegations set forth in its second ground fail to state a claim upon which relief may be granted.

First, once the registration of a mark becomes five years old, as is opposer’s registration, the registration can only be challenged on the grounds stated in Section 14 of the Trademark Act, 15 U.S.C. § 1064.⁸ *Sunrise Jewelry Manufacturing Corp. v. Fred S.A.*, 175 F.3d 1322, 50 USPQ2d 1532, 1534 (Fed. Cir. 1999). Specifically, Section 14 provides that after five years from the date of registration of a mark on the Principal Register, a petition or counterclaim to cancel a registration may be filed only on a ground specified in subsections 14(3) and 14(5) of the Act, including, when the registered mark has allegedly become generic for the identified goods or services or is functional, when the registration was assertedly obtained

⁸ Further, the provisions of Section 15 of the Act, 15 U.S.C. § 1065, which address the incontestability of right to *use* rather than *register*, are essentially irrelevant in a Board proceeding.

fraudulently, or the registered mark has been abandoned. *See* Section 14 of the Trademark Act, 15 U.S.C. § 1064. *See also Montecash LLC v. Anzar Enterprises, Inc.*, 95 USPQ2d 1060 (TTAB 2010); *Saint-Gobain Abrasives, Inc. v. Unova Industrial Automation Systems, Inc.*, 66 USPQ2d 1355 (TTAB 2003). Opposer's registration issued on May 3, 1994. Applicant's allegations that opposer's mark is primarily geographically descriptive and has not acquired secondary meaning do not fall within any of the grounds specified in Subsections 14(3) or 14(5). The assertion that opposer may have fraudulently procured its registration, while stating a valid ground for cancellation of a registration that is more than five years old, does not allow applicant to also assert a ground that is available only when a registration is less than five years old.

Secondly, Section 33(b)(1), 15 U.S.C. § 1115(b)(1), upon which applicant relies, does not permit applicant to seek to cancel opposer's registration on a ground that is not otherwise allowed by statute. Rather, Section 33(b)(1) sets forth a defense that may be used in a trademark infringement action against otherwise "conclusive evidence of the registrant's exclusive right to use the registered mark in commerce." 15 U.S.C. § 1115(b). *See In re Merrill Lynch, Pierce, Fenner and Smith Inc.*, 828 F.2d 1567, 4 USPQ2d 1141, 1141 (Fed. Cir. 1987) (the incontestable right of a registrant to use the registered mark is subject to the defenses enumerated in 15 U.S.C. § 1115(b) and to the grounds for cancellation set forth in 15 U.S.C. § 1064). *See also Modern Fence Technologies, Inc. v. Qualipac Home Imp. Corp.*, 716 F.Supp.2d 975, 988 (E.D.Wis. 2010) ("Fraud in the procurement of a trademark

registration may be raised as an affirmative defense to a charge of infringement of a registered mark. 15 U.S.C. § 1115(b)(1).”).

In view of the foregoing, the allegations in paragraphs 58-62 do not state a claim for which relief may be granted.⁹ Accordingly, opposer’s motion to dismiss count two of the amended counterclaim is **granted**; and paragraphs 58-62 in applicant’s amended counterclaim are hereby stricken. *See* Fed. R. Civ. P. 12(f).

Proceeding Resumed; Trial Dates Reset

This proceeding is resumed. Opposer is allowed until **THIRTY DAYS** from the mailing date of this order to file an answer to the remaining allegations in applicant’s amended counterclaim. Trial dates are reset as shown in the following schedule.

Answer to Amended Counterclaim Due	August 11, 2013
Deadline for Discovery Conference	September 10, 2013
Discovery Opens	September 10, 2013
Initial Disclosures Due	October 10, 2013
Expert Disclosures Due	February 7, 2014
Discovery Closes	March 9, 2014
Plaintiff’s Pretrial Disclosures Due	April 23, 2014
30-day testimony period for plaintiff’s testimony to close	June 7, 2014
Defendant/Counterclaim Plaintiff’s Pretrial Disclosures	June 22, 2014

⁹ Even if this ground stated a claim, it is predicated on a finding of fraud. If fraud is found, the registration would be subject to cancellation thereby rendering this “claim” moot.

30-day testimony period for defendant and plaintiff in the counterclaim to close	August 6, 2014
Counterclaim Defendant's and Plaintiff's Rebuttal Disclosures Due	August 21, 2014
30-day testimony period for defendant in the counterclaim and rebuttal testimony for plaintiff to close	October 5, 2014
Counterclaim Plaintiff's Rebuttal Disclosures Due	October 20, 2014
15-day rebuttal period for plaintiff in the counterclaim to close	November 19, 2014
Brief for plaintiff due	January 18, 2015
Brief for defendant and plaintiff in the counterclaim due	February 17, 2015
Brief for defendant in the counterclaim and reply brief, if any, for plaintiff due	March 19, 2015
Reply brief, if any, for plaintiff in the counterclaim due	April 3, 2015

IN EACH INSTANCE, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party **WITHIN THIRTY DAYS** after completion of the taking of testimony. *See* Trademark Rule 2.125, 37 C.F.R. § 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b), 37 C.F.R. §§ 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129, 37 C.F.R. § 2.129.



EXHIBIT #5

2021 WL 3124845 (Trademark Tr. & App. Bd.)

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

THE VINEYARD HOUSE LLC

v.

CONSTELLATION BRANDS U.S. OPERATIONS INC.

CONSTELLATION BRANDS U.S. OPERATIONS INC.

v.

THE VINEYARD HOUSE LLC

Opposition No. 91244817; Opposition No. 91244819; Opposition No. 91245800; Opposition No. 91246515
Cancellation No. 92071585

July 19, 2021

***1 By the Trademark Trial and Appeal Board:**

By its order of January 10, 2020 (“Prior Order”), the Board further consolidated the above captioned proceedings, all of which had been suspended pending disposition of a civil action styled as, *The Vineyard House, LLC v. Constellation Brands U.S. Operations, Inc.*, Case No. 4:19-cv-1424-YGR in the United States District Court for the Northern District of California.

On March 16, 2021, Constellation Brands U.S. Operations, Inc. (CBUSO) filed its “report on status of civil action” together with a copy of the District Court’s [Fed. R. Civ. P. 52](#) order after trial by which The Vineyard House LLC (TVH) was permanently enjoined from using the words To Kalon or To Kalon Vineyard or any variation thereof.¹

On March 16, 2021 the Board held a brief status teleconference with attorneys for the parties wherein the parties agreed to submit a joint status report to the Board with their proposed disposition of each of these proceedings. On April 7, 2021, the parties submitted their report and requested disposition of certain proceedings in view of the decision of the District Court and prior motions of the parties.

Accordingly proceedings are resumed and the Board has determined the following.

I. Opposition Nos. 91244817 and 91244819 and Cancellation No. 92071585

The marks at issue in these proceedings are owned by CBUSO and each include the words TO KALON: Application Serial No. 87818643 for TO KALON 1886, Application Serial No. 88010746 for THE MIRACLE OF TO KALON, Registration No. 1489619 for TO KALON and Registration No. 1857851 for TO KALON VINEYARD. By their joint status report the parties have submitted “in light of the decision in the Civil Action,” that judgment should be entered in favor of CBUSO in the oppositions and cancellation and that the subject applications should proceed to Notice of Allowance.²

In view of the District Court’s decision in the civil action, and the parties’ joint motion, judgment is entered against TVH. The notice of opposition in Opposition No. 91244817 is hereby **dismissed with prejudice**.

In view of the District Court’s decision in the civil action, and the parties’ joint motion, judgment is entered against TVH. The notice of opposition in Opposition No. 91244819 is hereby **dismissed with prejudice**.

*2 In view of the District Court's decision in the civil action, and the parties' joint motion, judgment is entered against TVH. The petition to cancel in Cancellation No. 92071585 is hereby **denied with prejudice**.

II. Motion to Dismiss in Opposition No. 91245800 Denied

TVH seeks to register six standard character marks filed June 1, 2018 based on Trademark Act § 1(b) for wines in International Class 33, for the marks:

Application Serial No.	Mark
87945302	HENRY W. CRABB
87945312	H. W. CRABB
87944988	HENRY WALKER
87944990	HENRY WALKER (H.W.)
87944993	HENRY WALKER (H.W.) CRABB
87945310	HENRY WALKER CRABB

CBUSO opposes registration of the marks alleging fraud and lack of a bona fide intent to use the marks in commerce.

By its order of June 24, 2019, the Board denied without prejudice TVH's February 13, 2019 motion to dismiss, allowing that after final disposition of the civil action, the parties may submit a written request to renew the motion, accompanied by a signed statement that the motion has been reviewed in its entirety and concerns matters still disputed between them, which the parties have done.

By its motion to dismiss, TVH argues that CBUSO has failed to properly allege likelihood of confusion, to plead fraud with particularity, to allege detailed facts for a claim of lack of bona fide intent to use and that the notice of opposition does not properly allege claims in the single notice of opposition as to the six separate applications. In response, CBUSO argues it has standing as a competitor and that it has properly alleged grounds of fraud and lack of a bona fide intent to use.

A motion to dismiss under Rule 12(b)(6) is solely a test of the sufficiency of a complaint. *Advanced Cardiovascular Sys., Inc. v. SciMed Life Sys., Inc.*, 988 F.2d 1157, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993); *NSM Res. Corp. v. Microsoft Corp.*, 113 USPQ2d 1029, 1032 (TTAB 2014). To withstand a motion to dismiss for failure to state a claim upon which relief can be granted, a plaintiff need only allege sufficient factual content that, if proved, would allow the Board to conclude, or draw a reasonable inference, that the plaintiff has an entitlement to a statutory cause of action³ and a valid ground exists for opposing or cancelling the registration. See *Australian Therapeutic Supplies Pty. Ltd. v. Naked TM, LLC*, 965 F.3d 1370, 2020 USPQ2d 10837 at *3 (Fed. Cir. 2020); see also *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058 (Fed. Cir. 2014); *Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1727 (Fed. Cir. 2012); *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999).

*3 At the motion to dismiss stage, the Board does not consider the merits of the plaintiff's entitlement to a cause of action or its claims but only considers whether the pleading is sufficient to state a claim to relief that is plausible on its face. *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007); *Libertyville Saddle Shop, Inc. v. E. Jeffries & Sons, Ltd.*, 22 USPQ2d 1594, 1597 (TTAB 1992).

TVH argues that CBUSO has not alleged its claims as to each of the marks individually. Fed. R. Civ. P. 8(a)(2) requires that a pleading contain a “short and plain statement of the claim showing that the pleader is entitled to relief.” The Rule does not require detailed factual allegations, but requires more than labels, conclusions, formulaic recitations of the elements of a cause of action, or naked assertions. *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). Indeed, “a complaint must contain sufficient factual matter, accepted as true, to ‘state a claim to relief that is plausible on its face.’” *Id.* (quoting *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). See also *Lewis Silkin LLP v. Firebrand LLC*, 129 USPQ2d at 1016; TBMP § 309.03(a)(2). A party may, when appropriate, file a single consolidated complaint against multiple different applications owned by the same defendant. See Trademark Rule 2.104(b), 37 C.F.R. § 2.104(b); see also TBMP § 305.01.

In the context of Board inter partes proceedings, a plaintiff need only allege enough factual matter to suggest that its claim is plausible and to “raise a right to relief above the speculative level.” *Twombly*, 550 U.S. at 555-56. Under the simplified notice pleading rules of the Federal Rules of Civil Procedure, the allegations of a complaint should be “construed as to do substantial justice.” See *Scotch Whisky Ass'n v. U.S. Distilled Prods. Co.*, 952 F.2d 1317, 21 USPQ2d 1145, 1147 (Fed. Cir. 1991); *Corporacion Habanos SA v. Rodriguez*, 99 USPQ2d 1873, 1874 (TTAB 2011). Additionally, as discussed in more detail below, a claim of fraud requires the circumstances constituting fraud to be alleged “with particularity.” Fed. R. Civ. P. 9(b).

A. Entitlement to a Statutory Cause of Action

*4 To establish entitlement to a statutory cause of action under Section 13 or 14 of the Trademark Act, a plaintiff must demonstrate a real interest in the proceeding and a reasonable belief of damage. *Australian Therapeutic Supplies Pty. Ltd.*, 2020 USPQ2d 10837 at *3; see also *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058 (Fed. Cir. 2014); *Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1727 (Fed. Cir. 2012); *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999).

Here, TVH's arguments are primarily based on CBUSO's alleged failure to sufficiently plead or establish priority or likelihood of confusion. Prior use in commerce by the party bringing the action is not required for it to establish a real interest in the proceeding and a reasonable belief in damage. See, e.g., *Life Zone, Inc. v. Middleman Grp., Inc.*, 87 USPQ2d 1953, 1959-60 (TTAB 2008) (standing established for Section 2(d) claim but opposer failed to prove priority). As CBUSO states in its opposition to the motion, it has not pled a likelihood of confusion claim.⁴

The Board finds that CBUSO has sufficiently alleged that it is a competitor of TVH in that it is the owner of trademarks and wineries including those operated by Robert Mondavi Winery in Oakville, California and that several of those vineyards under the TO KALON marks were planted by Hamilton Crabb, also known as Henry Walker Crabb and/or Henry W. Crabb and/or H.W. Crabb.⁵ The allegations are sufficient to allege entitlement to a statutory cause of action as a competitor. See *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d at 1844 (“A belief in likely damage can be shown by establishing a direct commercial interest.”); see also *Hunter Indus., Inc. v. Toro Co.*, 110 USPQ2d 1651, 1658 (TTAB 2014) (competitor has standing to oppose).

B. Fraud

A complaint of fraud must sufficiently allege that 1) the applicant made a false representation (misrepresentation) to the USPTO; 2) the false representation is material to the determination of [registrability (or maintenance) of a mark]; 3) the applicant had knowledge of the falsity of the representation; and 4) the applicant made the representation with the intent to deceive the USPTO to issue (or maintain) the registration. See *In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1941 (Fed. Cir. 2009). Intent to deceive is an indispensable element of the analysis in a fraud case and must be pleaded. See *Bose*, 91 USPQ2d at 1941. The circumstances constituting fraud must be alleged “with particularity”; however, knowledge and intent may be alleged “generally.” Fed. R. Civ. P. 9(b). A pleading that simply alleges the substantive elements of fraud, without setting forth the particularized factual bases for the allegations, does not satisfy Fed. R. Civ. P. 9(b). See *Asian and W. Classics B.V. v. Selkow*, 92 USPQ2d 1478, 1478 (TTAB 2009) (elements of fraud must be pleaded with particularity).

*5 The Board finds that CBUSO sufficiently alleges that at the time of filing its intent to use application TVH had no documentary evidence to demonstrate an intent to use the mark in commerce, and that TVH knowingly made a specific false statement with the intent of obtaining a registration to which it is otherwise not entitled. *In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d at 1939-40.

C. Lack of Bona Fide Intent to Use

A bona fide intent to use an applied for mark in commerce at the time of the application's filing is a statutory requirement of a valid trademark application under Trademark Act § 1(b) and the lack of such intent is a basis on which an opposer may challenge an applicant's mark. *M.Z. Berger & Co. v. Swatch AG*, 787 F.3d 1368, 114 USPQ2d 1892, 1897 (Fed. Cir. 2015). See also Trademark Rule 2.34(a)(2), 37 C.F.R. § 2.34(a)(2). Whether an applicant has a bona fide intention to use the mark in commerce is an objective determination based on all the circumstances. *Lane Ltd. v. Jackson Int'l Trading Co.*, 33 USPQ2d 1351, 1355 (TTAB 1994); *Commodore Elecs. Ltd. v. CBM Kabushiki Kaisha*, 26 USPQ2d 1503, 1507 (TTAB 1993). Such a claim can be made generally through assertions that an applicant has no documentary evidence to support its allegation in the application of bona fide intent to use the mark in commerce. See *Saul Zaentz Co. v. Bumb*, 95 USPQ2d 1723, 1727 (TTAB 2010) (one way opposer can establish prima facie case of no bona fide intent is by proving applicant has no documentary evidence). Such a pleading does not require pleading bad faith or fraud. See *SmithKline Beecham Corp. v. Omnisource DDS LLS*, 97 USPQ2d 1300, 1305 (TTAB 2010)(absence of evidence of bona fide intent does not necessitate showing of bad faith or intent to deceive).

CBUSO alleges at paragraph 15 that TVH filed numerous intent to use trademark applications on the same date for variations of the same mark for the same goods;⁶ at paragraphs 30-35 that TVH as applicant for the intent-to-use applications did not have a bona fide intent to use the marks and that TVH has taken no steps to begin commercial use.⁷ The Board finds that the pleading sufficiently alleges TVH lacked a bona fide intent to use the applied for marks in commerce at the time it filed its intent to use application. See *Swiss Grill Ltd. v. Wolf Steel Ltd.*, 115 USPQ2d 2001, 2008 (TTAB 2015)(lack of documentary evidence may show lack of intent to use mark in commerce).

D. Decision

*6 The Board finds that CBUSO has sufficiently alleged its entitlement to a statutory cause of action and valid grounds of fraud and lack of a bona fide intent to use the marks. Accordingly, TVH's motion to dismiss Opposition No. 91245800 is **denied**.

The time for TVH to file its answer is set out below. **The answer should be filed in Opposition No. 91245800.**

III. Motion to Amend Pleading/Motion to Dismiss in Opposition No. 91246515

In response to TVH's motion to dismiss, CBUSO filed its first amended pleading, and TVH filed on April 29, 2019 a renewed motion to dismiss. As CBUSO filed its amended pleading within 21 days of the service date of TVH's motion, the amended notice of opposition is the operative pleading. See Fed. R. Civ. P. 15(a); *Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1537 (TTAB 2007) (considering amended pleading, filed in response to motion to dismiss, in connection with motion to dismiss). See also TBMP § 503.03.

In addition, the parties jointly request that Application Serial Nos. 87944987, 87944980 and 87944977 “be removed” from this proceeding as CBUSO “did not include” them in the amended notice of opposition. By its amended consolidated pleading, CBUSO alleges claims of false suggestion of a connection and deceptive misdescriptiveness as to TVH's Application Serial Nos. 87944916 and 87944923.

A. Opposition Dismissed as to Application Serial Nos. 87944987, 87944980 and 87944977

As CBUSO has withdrawn its opposition as to TVH's Application Serial Nos. 87944987, 87944980 and 87944977 before the answer was filed, the opposition is dismissed without prejudice as to these applications only.⁸ See [Trademark Rule 2.106\(c\)](#).

B. Entitlement to a Statutory Cause of Action

The Board finds that CBUSO has sufficiently alleged that it is a competitor of TVH in that it is the owner of trademarks and wineries including those operated by Robert Mondavi Winery in Oakville, California and that several of those vineyards under the TO KALON marks were planted by Hamilton Crabb, also known as Henry Walker Crabb and/or Henry W. Crabb and/or H.W. Crabb.⁹

C. False Suggestion of a Connection

The Section 2(a) false suggestion claim is insufficient. To properly plead a Section 2(a) claim of false suggestion of a connection, a plaintiff must allege the following:

1. defendant's mark is the same or a close approximation of the name or identity of a person or institution;
2. defendant's mark would be recognized as such by purchasers, in that the mark points uniquely and unmistakably to the person or institution named or identified;
- *7 3. the person or institution named or identified is not connected with the goods sold or activities performed by the defendant under the mark; and,
4. the name or identity of the person or institution identified is of sufficient fame or reputation that when the defendant's mark is used in connection with its goods or services, a connection with the person or institution identified would be presumed.

In re Nieves & Nieves, LLC, 113 USPQ2d 1629, 1632-33 (TTAB 2015) (citing *inter alia*, *Univ. of Notre Dame du Lac v. J.C. Gourmet Food Imps. Co.*, 703 F.2d 1372, 217 USPQ 505, 509 (Fed. Cir. 1983) and *Bd. of Trs. v. Pitts.*, 107 USPQ2d 2001, 2025 (TTAB 2013)). A necessary element of a false suggestion claim is that the mark points uniquely and unmistakably to the person or institution. See *Hornby v. TJX Cos.*, 87 USPQ2d 1411, 1424 (TTAB 2008) (noting requirement that name or image claimed to be appropriated must “point uniquely” to person or institution named or identified); *Ritz Hotel Ltd. v. Ritz Closet Seat Corp.*, 17 USPQ2d 1466, 1471 (TTAB 1990) (finding pleading that applicant's use of its mark points uniquely to person or institution named or identified is necessary element of Section 2(a) false suggestion claim).

CBUSO alleges that “the appearance of [Mr. Crabb's] name in TVH's marks “is intended to associate the goods” with CBUSO and that the use of his name points by extension to Opposer. The claim does not allege that the public would recognize Applicant's marks as pointing uniquely to CBUSO and is insufficient. *Nike, Inc. v. Palm Beach Crossfit, Inc.*, 116 USPQ2d 1025, 1032 (TTAB 2015).

D. Deceptive Misdescriptiveness

CBUSO makes various allegations at paragraphs 29-30 concluding that,

30. Opposer will be damaged by registration of Applicant's Marks as shown in the Opposed Applications because registration will give Applicant prima facie evidence of its ownership of, and its exclusive nationwide right to use, marks that are likely to deceive the public into believing that there is an association between Mr. Crabb and the land designated as “Halter Valley.”¹⁰

Neither a claim of deceptive misdescriptiveness, nor a claim of primarily geographically deceptive misdescriptiveness has been sufficiently pleaded. Fundamental to a claim of deceptive misdescriptiveness or geographic deceptive misdescriptiveness is

an allegation of deceptiveness as to the nature or meaning of the mark in relation to the goods. *See e.g., In re Budge Mfg. Co.*, 857 F.2d 773, 775 (Fed. Cir. 1988) *aff'g* 8 USPQ2d 1790 (TTAB 1987) (discussion of elements needed for establishing deceptively misdescriptive claim); and *In re Miracle Tuesday LLC*, 695 F.3d 1339, 1343, 104 USPQ2d 1330, 1332 (Fed. Cir. 2012) (discussion of elements needed for establishing primarily geographically deceptively misdescriptive claim). The pleadings do not have any such allegations. Instead, CBUSO seems to be alleging that the marks are misdescriptive because there is no such place as Halter Valley. CBUSO does not make any allegations regarding the significance of the mark in conveying information about TVH's goods and the claim is insufficient.

E. Motion to Dismiss Granted as to Application Serial Nos. 87944923 and 87944916

*8 As CBUSO has not alleged a valid ground for opposition, the motion to dismiss is **granted** as to Application Serial Nos. 87944923 and 87944916

F. Time to Replead

It is the Board's policy to allow amendment of pleadings found to be insufficient. *See Intellimedia Sports, Inc. v. Intellimedia Corp.*, 43 USPQ2d 1203, 1208 (TTAB 1997). In view thereof, CBUSO is allowed until **THIRTY DAYS** from the date of this order to submit an amended notice of opposition repleading its false suggestion of a connection and deceptive misdescriptiveness claims, if possible, justified and appropriate, failing which this proceeding will go forward on the pleadings as construed herein. TVH is allowed until **THIRTY DAYS** from the filing of any amended notice of opposition to file an answer or to otherwise plead. If no amended notice of opposition is filed, the opposition will be dismissed.

Any amended pleadings should be filed in Opposition No. 91246515.

IV. Proceedings that Remain Consolidated in Opposition No. 91245800

In light of the foregoing, Opposition Nos. 91245800 and 91246515 remain consolidated, with Opposition No. 91245800 as the parent case.

V. Summary

In view of the District Court's decision in the civil action, and the parties' joint motion, judgment is entered against TVH. The notice of opposition in Opposition No. 91244817 is hereby **dismissed with prejudice**.

In view of the District Court's decision in the civil action, and the parties' joint motion, judgment is entered against TVH. The notice of opposition in Opposition No. 91244819 is hereby **dismissed with prejudice**.

In view of the District Court's decision in the civil action, and the parties' joint motion, judgment is entered against TVH. The petition to cancel in Cancellation No. 92071585 is hereby **denied with prejudice**.

The Board finds that CBUSO has sufficiently alleged its entitlement to a statutory cause of action and valid grounds of fraud and lack of a bona fide intent to use the marks. Accordingly, TVH's motion to dismiss Opposition No. 91245800 is **denied**.

The time for TVH to file its answer is set out below. **The answer should be filed in Opposition No. 91245800.**

As CBUSO has withdrawn its opposition as to TVH's Application Serial Nos. 87944987, 87944980 and 87944977 before the answer was filed, the opposition is dismissed without prejudice as to these applications only in Opposition No. 91246515.

*9 TVH's motion to dismiss is **granted** as to Application Serial Nos. 87944923 and 87944916 in Opposition No. 91246515.

CBUSO is allowed until **THIRTY DAYS** from the date of this order to submit an amended notice of opposition in Opposition No. 91246515 repleading its false suggestion of a connection and deceptive misdescriptiveness claims, if possible, justified and appropriate, failing which this proceeding will go forward on the pleadings as construed herein. TVH is allowed until **THIRTY DAYS** from the filing of any amended notice of opposition to file an answer or to otherwise plead. If no amended notice of opposition is filed, the opposition will be dismissed.

Any amended pleadings should be filed in Opposition No. 91246515.

Opposition Nos. 91245800 and 91246515 remain consolidated with Opposition No. 91245800 as the parent case.

VI. Schedule

Proceedings are resumed. Dates in Consolidated Opposition No. 91245800 are reset as set out below.

Time to Answer	9/20/2021
Deadline for Discovery Conference	10/20/2021
Discovery Opens	10/20/2021
Initial Disclosures Due	11/19/2021
Expert Disclosures Due	3/19/2022
Discovery Closes	4/18/2022
Plaintiff's Pretrial Disclosures Due	6/2/2022
Plaintiff's 30-day Trial Period Ends	7/17/2022
Defendant's Pretrial Disclosures Due	8/1/2022
Defendant's 30-day Trial Period Ends	9/15/2022
Plaintiff's Rebuttal Disclosures Due	9/30/2022
Plaintiff's 15-day Rebuttal Period Ends	10/30/2022
Plaintiff's Opening Brief Due	12/29/2022
Defendant's Brief Due	1/28/2023
Plaintiff's Reply Brief Due	2/12/2023
Request for Oral Hearing (optional) Due	2/22/2023

***10** Generally, the Federal Rules of Evidence 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\(a\)](#).

Footnotes

- 1 24 TTABVUE 29.
- 2 26 TTABVUE 3 and 5.
- 3 Board decisions have previously analyzed the requirements of Sections 13 and 14 of the Trademark Act, [15 U.S.C. §§ 1063-64](#), under the rubric of “standing.” Despite the change in nomenclature, our prior decisions and those of the Federal Circuit interpreting Section 13 and 14 remain applicable. *See Spanishtown Enters., Inc. v. Transcend Resources, Inc.*, 2020 USPQ2d 11388, at *2 (TTAB 2020).
- 4 Opposition No. 91245800: 6 TTABVUE 4.
- 5 Opposition No. 91245800: 1 TTABVUE 6.
- 6 Opposition No. 91245800: 1 TTABVUE 7.
- 7 *Id.* at 9.
- 8 The applications will be forwarded to the Intent to Use office.
- 9 Opposition No. 91246515: 8 TTABVUE 3-4.
- 10 Opposition No. 91246515: 8 TTABVUE 6.

2021 WL 3124845 (Trademark Tr. & App. Bd.)

EXHIBIT #6

THIS OPINION IS NOT A
PRECEDENT OF THE TTAB

Mailed: January 30, 2020

UNITED STATES PATENT AND TRADEMARK OFFICE

—
Trademark Trial and Appeal Board

—
American University

v.

American University of Kuwait

—
Cancellation No. 92049706

Stephanie Bald of Kelly IP, for American University.

Robert Ludwig of Ludwig & Robinson PLLC, for American University of Kuwait.

—
Before Wolfson, Greenbaum and Larkin,
Administrative Trademark Judges.

Opinion by Wolfson, Administrative Trademark Judge:

American University of Kuwait (Respondent) owns a Principal Register registration for the mark depicted below for “Educational services, namely, providing courses of instruction at the college level” in International Class 41:¹

—
¹ Registration No. 3387226 issued on February 15, 2008; renewed.



The colors maroon and gold are claimed as features of the mark, and “AMERICAN UNIVERSITY OF KUWAIT” has been disclaimed.²

American University (Petitioner) petitioned to cancel the registration under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), on the ground that Respondent’s use of the mark would be likely to cause confusion with Petitioner’s AMERICAN UNIVERSITY marks registered in International Class 41:³

² The description of the mark reads: “The mark consists of a minaret with a maroon clock face in the middle of the minaret with the wording ‘AUK’ in maroon underlined in yellow gold underneath the design. The wording ‘AMERICAN UNIVERSITY OF KUWAIT’ in maroon sits underneath the wording ‘AUK,’ also in maroon. The color maroon appears in all of the lettering in the mark and inside the window design and the clock design, both of which sit inside the minaret design. The color gold appears in the outline of the minaret design and inside the line that sits underneath the term AUK.”

³ In addition to these registrations, Petitioner pleaded Registration No. 2986715 for the mark AMERICAN INTERNATIONAL UNIVERSITY, registered as a collective membership mark used to indicate membership in an International University; issued August 23, 2005, renewed. In its brief, Petitioner notes that “[a]lthough pleaded, it is not relying on Reg. No. 2986715 for purposes of proving its likelihood of confusion claim.” 154 TTABVUE 28. Record citations are to TTABVUE, the Trademark Trial and Appeal Board’s publicly available docket history system. *See Turdin v. Trilobite, Ltd.*, 109 USPQ2d 1473, 1476 n.6 (TTAB 2014). Confidential documents are referenced where appropriate; however, any confidential information in exhibits or otherwise will only be referred to in general terms.

- Registration No. 2878419 for the mark AU in stylized form, , for “Educational services, namely, providing courses of instruction at the college and graduate level, distributing course materials in connection therewith, conducting educational conferences and educational research in the fields of politics, science, history, languages, computer technology, math, arts, music; entertainment services, namely, radio programming for a university setting; organizing exhibitions of university-level athletics” and ancillary goods;⁴
- Registration No. 3337869 for the mark AU (typeset) for “Educational services, namely, providing courses of instruction at the college and graduate level, distributing course materials in connection therewith, conducting educational conferences and educational research in the fields of politics, science, history, languages, computer technology, math, arts, music; entertainment services, namely, radio programming for a university setting; organizing exhibitions of university-level athletics” and ancillary goods;⁵
- Registration No. 3559022 for the mark **A NEW AMERICAN UNIVERSITY** (standard characters; UNIVERSITY disclaimed; acquired distinctiveness claimed as to “AMERICAN UNIVERSITY”) for “Educational services, namely, providing courses of instruction at the college and graduate level, distributing course materials in connection therewith, conducting educational conferences and educational research in the fields of politics, science, history, languages, computer technology, math, arts, music; entertainment services, namely, radio programming for a university setting; organizing exhibitions of university-level athletics”;⁶ and
- Registration No. 4774583 for the mark **AMERICAN UNIVERSITY** (standard characters; “UNIVERSITY”

⁴ Issued August 31, 2004; renewed. Color is not claimed as a feature of the mark.

⁵ Issued November 20, 2007; renewed. A typed mark is the legal equivalent of a standard character mark. *In re Viterra, Inc.*, 671 F.3d 1358, 101 USPQ2d 1905, 1909 n.2 (Fed. Cir. 2012).

⁶ Issued January 6, 2009; renewed.

disclaimed; acquired distinctiveness claimed in whole) for “Educational services, namely, providing courses of instruction at the college and graduate level, namely, distributing course materials, conducting educational conferences and educational research in the fields of politics, science, history, languages, computer technology, math arts, music; entertainment services, namely, radio programming for a university setting; entertainment services, namely, organizing exhibitions of university-level athletics” and ancillary goods.⁷

In its Answer, as amended, Respondent denied the salient allegations of the Petition to Cancel, and asserted the affirmative defenses of unclean hands, estoppel by acquiescence, laches, and “fraud on the Board.”⁸ Respondent also counterclaimed to cancel Petitioner’s pleaded registrations that contain the phrase AMERICAN UNIVERSITY, on the ground that the phrase is generic or “commonly descriptive” without the ability to acquire distinctiveness.⁹ Petitioner denied Respondent’s counterclaims.¹⁰

⁷ Issued July 21, 2015. “Ancillary goods” include magnets in Class 9; alarm clocks, jewelry, trophies and watches in Class 14; newsletters, teaching materials, printed awards, binders, decals, stationery, bookmarks, business and greeting cards, pencils, pens and brushes in Class 16; golf umbrellas, book bags, billfolds, purses and luggage tags in Class 18; bulletin boards, picture frames and key chains in Class 20; beverage ware in Class 21; bed spreads and pillow cases in Class 24; clothing in Class 25; and playing cards, balls and Christmas tree decorations in Class 28.

⁸ As discussed more fully below, Respondent also alleged that Petitioner abandoned the mark AMERICAN UNIVERSITY by allowing the term to become generic for educational services.

⁹ Respondent did not counterclaim to cancel the two pleaded registrations for the “AU” mark, Reg. Nos. 2878419 and 3337869.

¹⁰ Petitioner’s affirmative defense of unclean hands, and its alleged “defense” that Respondent has failed to state a claim upon which relief may be granted, have not been considered. We give Petitioner’s affirmative defense of unclean hands no consideration as Petitioner did not pursue the defense at trial. *See Swiss Watch Int’l Inc. v. Fed’n of the Swiss Watch Indus.*, 101 USPQ2d 1731, 1734 n.4 (TTAB 2012) (affirmative defenses deemed waived where no mention of them in trial brief); *cf. Joel Gott Wines LLC v. Rehoboth Von Gott Inc.*, 107 USPQ2d 1424, 1426 n.3 (TTAB 2013) (failure to pursue pleaded claim results in waiver).

I. Procedural Background

This case commenced on July 25, 2008 with the filing of Petitioner's cancellation petition. On January 30, 2009, proceedings were suspended pending the disposition of Cancellation No. 92031743, *Am. Univ. v. Am. Univ. of the Caribbean*.¹¹ Proceedings were resumed on December 30, 2014, following dismissal of that cancellation proceeding.¹² On April 1, 2015, Respondent amended its answer (Respondent's first amended answer, 20 TTABVUE) to include counterclaims for cancellation of Petitioner's Registration Nos. 2986715,¹³ 3559022, and 4127891,¹⁴ on the ground that

We give its assertion that Respondent has failed to state a claim no consideration because it is not a true affirmative defense; it "relates to an assertion of the insufficiency of the pleading of the plaintiff's claim rather than a statement of a defense to a properly pleaded claim." *John W. Carson Found. v. Toilets.com, Inc.*, 94 USPQ2d 1942, 1949 (TTAB 2010) (citing *Hornblower & Weeks Inc. v. Hornblower & Weeks Inc.*, 60 USPQ2d 1733, 1738 n.7 (TTAB 2001)).

¹¹ 13 TTABVUE. Respondent was not a party to this proceeding.

¹² 19 TTABVUE.

¹³ Although Petitioner is not relying on this mark for purposes of its likelihood of confusion claim, Respondent's counterclaim has not been withdrawn. On the other hand, Respondent has not submitted testimony or evidence on the issue of whether AMERICAN UNIVERSITY is generic for collective membership services, and we therefore consider the claim waived. Further, we disregard Respondent's arguments that the registration was obtained by a sham assignment or should be deemed abandoned due to naked licensing, 176 TTABVUE 46, as based on unpleaded claims and as unsupported by any testimony or documentary evidence.

¹⁴ Petitioner did not initially plead Reg. No. 4127891, but Respondent counterclaimed to cancel the registration in its first amended answer, 20 TTABVUE, and reasserted the counterclaim in its second and third amended answers, 42 TTABVUE and 89 TTABVUE. Petitioner made the registration of record at 108 TTABVUE 10-22.

Reg. No. 4127891 for the mark AMERICAN UNIVERSITY WASHINGTON COLLEGE OF LAW (and design) (claiming acquired distinctiveness in part under Section 2(f) as to "AMERICAN UNIVERSITY" and "WASHINGTON COLLEGE OF LAW" with a disclaimer of the terms "UNIVERSITY" and "COLLEGE OF LAW") issued on April 17, 2012, for, inter alia, "educational services, namely, providing courses of instruction at the graduate level and distributing course materials in connection therewith, conducting educational conferences in

the term AMERICAN UNIVERSITY is either generic or highly descriptive without acquired distinctiveness. Respondent again amended its answer on February 9, 2016¹⁵ to include a counterclaim for cancellation of the International Class 41 services in Registration No. 4774583 on the same ground.¹⁶

On May 1, 2017, Petitioner filed an answer to the counterclaims.¹⁷ The following day, Petitioner moved for leave to amend the petition to cancel to allege that Respondent's Registration No. 3387226 is void ab initio because Respondent was not using its mark in commerce in association with the recited services at the time it filed its application.¹⁸ The Board granted the request and allowed Respondent time to answer the amended petition to cancel.¹⁹ Respondent timely filed its third amended answer denying Petitioner's claims and reasserting Respondent's counterclaims.²⁰

the field of law studies, arranging and conducting educational conferences, educational research"; Section 8 affidavit accepted on March 30, 2018.

¹⁵ Respondent's second amended answer, 42 TTABVUE.

¹⁶ Proceedings had been suspended since May 4, 2015 pending the disposition of Respondent's motion to amend the answer and Petitioner's motion to compel discovery. 23 TTABVUE. Proceedings were resumed on January 6, 2016, contingent upon Respondent's payment of the counterclaim fee, which Respondent made upon filing its second amended answer on February 9, 2016.

¹⁷ 77 TTABVUE. Proceedings had been re-suspended on June 1, 2016, 57 TTABVUE, and were resumed on March 31, 2017, following disposition of Petitioner's motion for summary judgment and Respondent's motion to compel discovery, 75 TTABVUE.


¹⁸ 80 TTABVUE.

¹⁹ 87 TTABVUE. Petitioner's motion to add this claim was granted on September 5, 2017. 87 TTABVUE. Accordingly, Respondent's argument in its brief (filed August 3, 2018), 176 TTABVUE 49, that the motion was granted in error as an abuse of discretion is untimely and will not be further considered. Trademark Rule 2.127(b) ("Any request for reconsideration or modification of an order or decision issued on a motion must be filed within one month from the date thereof.").

²⁰ 89 TTABVUE.

Because the reasserted counterclaims are identical to those submitted on February 9, 2016, Petitioner's previous answers, submitted May 1, 2017, are deemed Petitioner's operative answers to the amended counterclaims.

The claims, affirmative defenses, and counterclaims in this case are thus as follows:

- Petitioner's claims of likelihood of confusion under Section 2(d) and that Respondent's Reg. No. 3387226 is void ab initio under Section 1(a).
- Respondent's affirmative defenses of unclean hands, estoppel by acquiescence, laches, and "fraud on the Board."
- Respondent's counterclaim that AMERICAN UNIVERSITY is generic or descriptive without acquired distinctiveness for educational services and that:
 - Petitioner's Registration No. 4774583 (AMERICAN UNIVERSITY), should be partially cancelled (as to Class 41); and
 - Petitioner's Registrations Nos. 2986715 (AMERICAN INTERNATIONAL UNIVERSITY), 3559022 (A NEW AMERICAN UNIVERSITY), and  4127891 (COLLEGE OF LAW), should be amended to delete the Section 2(f) claims as to the term AMERICAN UNIVERSITY in favor of a disclaimer of the term.

The parties agreed to proceed under the Board's Accelerated Case Resolution (ACR) procedure.²¹ Pursuant to their agreement, both parties filed testimony and documentary evidence by sworn declaration concurrently with their ACR briefs, or as

²¹ 95 TTABVUE. Approved by Board order, 97 TTABVUE.

an exhibit to the brief, and each party filed an ACR Reply Brief with additional evidence or testimony.²² The parties stipulated that the Board may decide any issues of material fact in dispute and make a final determination on the ACR record.²³

II. Objections to the Record

Petitioner makes several objections to Respondent's declarations and evidence.²⁴ We decide them below, but note that some of the key benefits of ACR are lost when the Board must cope with numerous evidentiary objections that could likely have been avoided in the process of formulating the parties' ACR agreement. *See Kemi Organics, LLC v. Gupta*, 126 USPQ2d 1601, 1602 n.3 (TTAB 2018) ("To obtain the full benefits of ACR, it is important that parties draft clearly-worded stipulations regarding procedures, claims and defenses, and the factual record."); TRADEMARK BOARD MANUAL OF PROCEDURE (TBMP) § 528.05(a)(2) (June 2019) ("To optimize ACR efficiencies and streamline the case at final decision, parties should avoid excessive evidentiary objections. . . .").

²² We approve the parties' stipulation of August 31, 2018, 195 TTABVUE, to exempt the cover page and signature page of their briefs from the page limits as set forth in Trademark Rule 2.128(b), and to consider as timely Respondent's June 5-6, 2018 combined Main ACR Brief. We also have considered Respondent's submission of supplemental authority, 204 TTABVUE, and the cases attached to its filing.

²³ 95 TTABVUE.

²⁴ 192 TTABVUE. (Confidential version at 191 TTABVUE). In its response to Petitioner's objections, 201 TTABVUE 3, and specifically Petitioner's assertion that Respondent has waived any objections to Petitioner's evidence, Respondent argues that it objected to Petitioner's enforcement evidence in its Main ACR Trial Brief (at 176 TTABVUE 15), and Petitioner's actual confusion evidence (at 176 TTABVUE 32). However, Respondent's arguments go to the weight of the evidence and not its admissibility.

A. Objection to Respondent’s resubmission of certain declarations and evidence as untimely

Petitioner argues that Respondent went beyond the scope of Petitioner’s consent to an extension of time that was only intended to enable Respondent to re-file declarations with exhibits that it had inadvertently failed to attach to its June 5-6, 2018 submissions.²⁵ Petitioner argues that when Respondent filed new declarations on August 3, 2018, it added new exhibits not contemplated within the scope of the original declarations. Respondent argues that it merely corrected the declarations to reflect exhibit references and include the missing exhibits.²⁶ The exhibits at issue are:

- Exhibit 1 to the Corrected Declaration of Rawda Awwad (181 TTABVUE);
- Exhibits 1-25 to the Corrected Declaration of Dale Eickelman (182-83 TTABVUE); and
- Exhibits 1-135 to the Corrected Declaration of Amal Al-Binali (184-88 TTABVUE).²⁷

The motion to extend that included the parties’ stipulation stated:

The parties represent that good cause exists for this extension, namely, to allow [Petitioner] to review, consider, and address [Respondent’s] exhibits that [Respondent] inadvertently did not include with certain of its Main ACR Brief declarations. [Petitioner] has not yet received these

²⁵ 158-177 TTABVUE. Stipulation at 178 TTABVUE.

²⁶ Respondent also argues that Petitioner should have filed a motion to strike the declarations and exhibits, but Petitioner’s objections are not merely procedural or ones that could be cured if raised promptly by a motion to strike. *Compare* TRADEMARK BOARD MANUAL OF PROCEDURE (TBMP) § 707.02(b) (June 2019) (favoring motions to strike for procedural objections that can be cured promptly) *with* TBMP § 707.02(c) (motions to strike generally improper to object to evidence on substantive grounds).

²⁷ Petitioner also objects to “AUK004143 [to] 99” (discussed more fully below) but did not object to exhibits attached to corrected Housey declarations D or E.

exhibits, but [Respondent] expects to provide them to [Petitioner] this week.²⁸

At the time the motion to extend was filed on July 31, 2018, Petitioner's Rebuttal ACR brief was due August 1, 2018,²⁹ (i.e., the following day), and it had been almost two months since Respondent filed its Main ACR brief. We agree with Petitioner that Respondent should be limited to only those new exhibits that were within the scope of statements made in the original declarations (the declarations themselves are substantively unchanged). New exhibits that go beyond the scope of the original declarations, or which have not been identified, are excluded as set forth below:

- Corrected Declaration of Rawda Awwad

Exhibit No. 1 to the corrected declaration of Rawda Awwad has been considered only in support of Awwad's testimony that she taught two interactive courses in 2009 in a "cross-border open classroom experience."

- Corrected Declaration of Dale Eickelman

The following exhibits to the corrected declaration of Dale Eickelman are excluded: Exhibit No. 13 (previously unidentified), No. 14 (previously unidentified), No. 15 (does not relate to the proposition for which it has been cited), No. 17 (mostly illegible; considered to the extent it can be read), Nos. 19-22 (previously unidentified), and No. 23 (does not relate to the proposition for which it has been cited).

- Corrected Declaration of Al-Binali

The following exhibits to the corrected declaration of Amal Al-Binali are excluded: Exhibit No. 5 (does not relate to the proposition for which it has been cited); No. 6 (to the extent it contains hearsay); Nos. 20 and 21 (not mentioned in the declaration); No. 23 (illegible); and No. 25 (irrelevant).

²⁸ 178 TTABVUE 3.

²⁹ Per stipulation filed May 31, 2018, 157 TTABVUE.

The parties stipulated to the authenticity of documents filed with their briefs so long as they were attached to a witness declaration and “admissible under Notice of Reliance regardless of whether produced during discovery”³⁰ or “produced in response to written discovery requests served in this proceeding.”³¹ Because Respondent alleges without objection that all documents were produced in response to discovery requests, we consider the remaining exhibits admissible (with the exception of 57 pages that it identified as AUK004143-99, discussed more fully below). However, their relative strength or weakness varies considerably, and in weighing the evidence we have taken their limitations into account, including whether they are being offered for the truth of the matter stated therein without proper testimonial support. *See Luxco, Inc. v. Consejo Regulador del Tequila, A.C.*, 121 USPQ2d 1477, 1479 (TTAB 2017) (“the Board is capable of weighing the relevance and strength or weakness of the objected-to testimony and evidence, including any inherent limitations”).

B. New document production

Respondent alleges that all documents were produced in response to discovery requests with the exception of 57 pages that it identified as AUK004143-99.³² We agree with Petitioner that their submission is untimely and exclude them from the record. These include the following pages that were attached to the above-noted corrected declarations:

³⁰ 95 TTABVUE 5.

³¹ *Id.*

³² 201 TTABVUE 4.

- Al-Binali Declaration (184 TTABVUE) - Exhibits 26, 35, 56, 57, 76, 127, 128, 130, 132, 133.³³
- Eickelman Declaration (182 TTABVUE) – Exhibit 16.³⁴

C. Objections to Internet evidence and publications on hearsay grounds

Petitioner objects to Respondent’s reliance on website printouts and other printed publications for the truth of the matters asserted therein.³⁵ We have long held that such evidence is only considered for what it shows on its face, i.e., that the publication or webpage was available on the date accessed and that the information printed thereon was available to the public on such date. *Safer Inc. v. OMS Invs. Inc.*, 94 USPQ2d 1031, 1040 (TTAB 2010) (evidence from the Internet is admissible “only to show what has been printed, not the truth of what has been printed”). We do not outright exclude the material as Internet printouts, and printed publications may be competent on their face to show public perceptions “regardless of whether the statements are true or false.” *Harry Winston, Inc. v. Bruce Winston Gem Corp.*, 111 USPQ2d 1419, 1428 (TTAB 2014). However, the websites are of “limited probative value,” as they are not evidence that the marks shown therein are in use. *Sports Auth. Mich. Inc. v. PC Auth. Inc.*, 63 USPQ2d 1782, 1798 (TTAB 2002); *see also WeaponX*

³³ Not every page of these exhibits is stamped with a “AUK0041—” number. As identified in the Al-Binali declaration: Exhibit 35 is AUK004147-54; Exhibit 56 is AUK004155-56; Exhibit 57 is AUK0044158; Ex. 126 is AUK004159-60; Ex. 128 is AUK004161-62; Ex. 127 is AUK004165-70; Ex. 132 is AUK004177-86; Ex. 130 is AUK004196-98; and Ex. 133 is AUK004199.

³⁴ Identified in the Eickelman Decl. as AUK004157.

³⁵ Petitioner also objected to Exhibits 6, 7 and 19 to Housey Decl. A as not containing access dates, but as Housey set forth these dates in her declaration, the objection is overruled.

Performance Prods. Ltd. v. Weapon X Motorsports, Inc., 126 USPQ2d 1034, 1041 (TTAB 2018) (Internet evidence insufficient to establish priority of use); *Life Zone Inc. v. Middleman Grp., Inc.*, 87 USPQ2d 1953, 1959 (TTAB 2008) (website evidence “is not evidence that opposer is using its mark on any goods or services displayed or discussed on the site.”).

D. For failure to provide URL or date accessed

Petitioner objects to Exhibits A6(d)–(e), A7(a), A19(a)-(c) to the Housey Decl. A³⁶ as not indicating their URL or access date. We overrule the objection as the information was provided in the declaration itself.

E. Evidence from outside the United States

Petitioner argues that most of Respondent’s evidence consists of “Internet printouts or other documents and testimony about institutions located outside the United States,” which have no evidentiary value in determining how relevant consumers in the U.S. perceive the term AMERICAN UNIVERSITY.³⁷ Respondent counters that the website excerpts it has submitted are targeted to prospective U.S. students; are in English; and show how the term is perceived not only in the U.S., but around the world.³⁸

Here, we are only concerned with how the term AMERICAN UNIVERSITY is perceived in the United States, but do not exclude the evidence because it would likely

³⁶ 158 TTABVUE 74-79, 137-149.

³⁷ 192 TTABVUE 68.

³⁸ 201 TTABVUE 12.

be viewed by prospective consumers in the U.S., such as prospective transfer or exchange students. *See In re Well Living Lab Inc.*, 122 USPQ2d 1777, 1781 n. 10 (TTAB 2017) (“We evaluate the probative value of foreign information sources on a case-by-case basis.”) (citing *In re Bayer Aktiengesellschaft*, 488 F.3d 960, 82 USPQ2d 1828, 1835 (Fed. Cir. 2007)). In view thereof, the objection is overruled, except with respect to the portions of Housey Decl. A³⁹ that are in Spanish. “Board proceedings are conducted in English. If a party intends to rely upon any submissions that are in a language other than English, the party should also file a translation of the submissions. If a translation is not filed, the submissions may not be considered.” TBMP § 104; *see also Swiss Watch Int’l Inc. v. Fed. of the Swiss Watch Indus.*, 101 USPQ2d 1731, 1734 n.8 (TTAB 2012) (printed publications submitted in a foreign language without translations have no probative value). Because no translation was provided, we exclude the evidence in Spanish.

F. Google search engine results

Petitioner objects to Exhibit C1 to Housey Decl. C, 162 TTABVUE 8-17. The exhibit is a search summary-results list from the Google® search engine purporting to show results for a search of “American University of Kuwait.” These webpages have little probative value, because such a list “does not show sufficient context in which the term is used on the listed web pages.” *Couch/Braunsdorf Affinity, Inc. v. 12*

³⁹ 158 TTABVUE 162-165.

Interactive, LLC, 110 USPQ2d 1458, 1461 n.10 (TTAB 2014). Nevertheless, we have considered the “hit list” to the extent that we can glean from it any evidence of value.

G. Third-party registrations

Petitioner objects to Respondent’s submission of third-party registrations for marks containing the term AMERICAN UNIVERSITY and for marks containing the words AMERICAN and UNIVERSITY on the ground that the registrations are not admissible to show public use or exposure of the marks. Some of the marks are for educational services and some are for other goods and services. We have considered all the registrations for which proper status and title have been demonstrated for whatever probative value they have, not as evidence of use of the marks in the marketplace but to demonstrate that the terms may have commonly accepted meanings. See *Jack Wolfskin Ausrüstung Fur Draussen GmbH & Co. KGaA v. New Millennium Sports, S.L.U.*, 797 F.3d 1363, 116 USPQ2d 1129, 1136 (Fed. Cir. 2015), *cert. denied*, 136 S. Ct. 982, 194 L. Ed.2d 5 (2016); *Juice Generation, Inc. v. GS Enters. LLC*, 794 F.3d 1334, 115 USPQ2d 1671, 1675 (Fed. Cir. 2015); *Institut Nat’l Des Appellations D’Origine v. Vinters Int’l Co.*, 958 F.2d 1574, 22 USPQ2d 1190, 1196 (Fed. Cir. 1992) (“[T]hird party registrations show the sense in which the word is used in ordinary parlance and may show that a particular term has descriptive significance as applied to certain goods or services.”).

We have not considered the registrations listed in the TESS printout submitted by Respondent at Housey Decl. A, Exhibit 73,⁴⁰ as introducing the registrations referenced therein. The search result list provides only the application serial number or registration number, mark, and status of the applications or registrations (“live” or “dead”). Such a list, without copies or electronic printouts of the applications or registrations, is insufficient to properly make the applications or registrations of record. *See, e.g., In re Smith and Mehaffey*, 31 USPQ2d 1531, 1532 n.3 (TTAB 1994). The list itself, while admissible, has little probative value.

H. Excerpts from scholarly books and articles

Petitioner objects to Respondent’s submission of excerpts from books or articles in academic literature, on the grounds that there is no evidence of record that prospective consumers of the parties’ services may encounter these publications or that they reflect current understanding of the term AMERICAN UNIVERSITY.⁴¹ Many are alleged to be “many decades old” and “have no bearing on how the relevant consuming public in the United States views American University’s AMERICAN UNIVERSITY mark.”⁴² Respondent argues to the contrary that the excerpts “are competent evidence of exposure of [AMERICAN UNIVERSITY] to the public and the meaning the public is likely to associate with the term.”⁴³

⁴⁰ 159 TTABVUE 11-12.

⁴¹ 192 TTABVUE 75.

⁴² 192 TTABVUE 75-76.

⁴³ 201 TTABVUE 15.

We agree such materials are relevant to show public exposure of the words “American” and “university” in connection with academic literature and have considered the evidence in light of its likely impact on consumers, keeping in mind the age of the materials, their subject matter, and intended academic audience.

I. Objection to Housey Declarations A and E as improper expert opinion

Housey’s declarations contain statements regarding her opinion of whether the term AMERICAN UNIVERSITY is generic or highly descriptive. Petitioner objects to admission of Housey’s opinions. Respondent contends that the testimony merely authenticates documents and explains their relevancy.

Whether or not considered expert testimony, the Board does not give consideration to statements that go to an ultimate question of law, such as whether Petitioner’s mark is generic or whether a likelihood of confusion exists. The opinions of witnesses, even expert witnesses, on such questions are entitled to no weight. “[W]e will not substitute the opinion of a witness, even an expert witness, for our evaluation of the facts.” *Edwards Lifesciences Corp. v. VigiLanz Corp.*, 94 USPQ2d 1399, 1402 (TTAB 2010) (citing *Mennen Co. v. Yamanouchi Pharm. Co.*, 203 USPQ 302, 305 (TTAB 1979) (holding the “opinions of witnesses, including those qualified as expert witnesses, on the question of likelihood of confusion are entitled to little if any weight and should not be substituted for the opinion of the tribunal charged with the responsibility for the ultimate opinion on the question.”)). Accordingly, we give no weight to Housey’s opinions on ultimate questions of law.

J. Objection to exhibits to Housey, Al-Binali, and Eickelman declarations due to lack of foundation, personal knowledge; mischaracterization

Petitioner objects under Fed. R. Evid. 602 to certain exhibits attached to the Housey, Al-Binali, and Eickelman declarations as the witnesses allegedly have no personal knowledge of the contents thereof. Petitioner further objects to certain mischaracterizations allegedly in the declarations. Respondent argues that under the parties' ACR Stipulation, personal knowledge is not required for the admission of exhibits, in that the Stipulation allows parties to submit materials "admissible under Notice of Reliance" as exhibits to a witness declaration whether or not such material was produced during discovery, and that materials produced during discovery will be considered authentic whether or not they qualify as admissible under Notice of Reliance.

As noted above, Respondent contends, without objection, that all the material attached to its brief was produced during discovery. Thus, we consider the evidence authenticated under the terms of the Stipulation. We consider its probative value according to whether the materials attached to declarations support the witnesses' statements, whether statements in the declarations appear to be based on personal knowledge or are unsupported by exhibits, and whether documents, while deemed authenticated under the Stipulation, would typically require testimonial verification for the truth of any matter asserted therein. As to the declarations themselves, the Board is capable of weighing the relevance and strength or weakness of the testimony, and this precludes the need to strike it from the record.

K. Objections Raised During 30(b)(6) Perillo and Alston Depositions

Petitioner raised numerous objections to questions posed by Respondent's counsel during the Fed. R. Civ. P. 30(b)(6) depositions of Perillo and Alston.⁴⁴ To the extent the resultant testimony was not based on personal knowledge or appeared to be speculative, or where the question posed assumed facts not in evidence or called for a legal conclusion, we sustain Petitioner's objections and do not consider the testimony.⁴⁵ We have considered the remaining testimony with an eye to Petitioner's objections and as to whether the testimony is outcome-determinative, and accord it whatever probative weight it merits.

L. Objections to Respondent's amended responses to Petitioner's requests for admissions

Petitioner seeks to rely on Respondent's initial responses to Petitioner's first and second sets of request for admissions, and objects to Respondent's amended responses, in particular to amended response Nos. 2, 42, 49, 51, 52, and 68-71. Petitioner contends that Respondent was required to file a motion for leave to amend or withdraw its admissions pursuant to Fed. R. Civ. P. 36(b), which provides that "matter admitted under this rule is conclusively established unless the court, on motion, permits the admission to be withdrawn or amended." Respondent contends

⁴⁴ Objections were properly raised by Petitioner during the depositions of Perillo (170 TTABVUE) and Alston (171 TTABVUE 74-132).

⁴⁵ For example, *see* 170 TTABVUE 5 and 11, the witness was asked if he was aware of whether a third-party was using a mark in U.S. commerce; at 170 TTABVUE 14 and 17, the witness was asked to describe a use as "a trademark, a name, a generic or descriptive term;" at 171 TTABVUE 88, the witness was asked about usage of "American style of education."

that it did not need to file a motion to amend its initial responses but simply amended them by way of supplemental discovery.

Fed. R. Civ. P. 36(a)(3) provides that requests for admissions are deemed admitted unless written answers or objections thereto are received by the requesting party within 30 days of service of the requests. Here, Respondent served its response to Petitioner's first set of requests for admissions more than thirty days from the date of service, on September 9, 2015 (112 TTABVUE 73, Exhibit 281).⁴⁶ Respondent served its response to Petitioner's second set of requests for admissions within thirty days of the date of service, on April 20, 2016 (112 TTABVUE 87, Exhibit 283).⁴⁷ Respondent served its supplemental answers to Petitioner's first and second sets on March 3, 2017.⁴⁸ (112 TTABVUE 108, Exhibit 286 and 112 TTABVUE 115, Exhibit 287).

Fed. R. Civ. P. 36(b) provides that the court, on motion, may permit admissions to be withdrawn or amended. "[T]he court may permit withdrawal or amendment if it would promote the presentation of the merits of the action and if the court is not

⁴⁶ Petitioner's first set of requests for admissions was served on November 5, 2008. On that date, Respondent filed a contested motion to suspend proceedings, 7 TTABVUE, and on December 4, 2008, Respondent filed a contested motion for a protective order staying discovery. 9 TTABVUE. The Board granted both motions on January 30, 2009. 13 TTABVUE. Proceedings were resumed following resolution of civil action and prior Board proceedings on December 30, 2014. 19 TTABVUE. The applicable time period for Respondent to have served its response to Petitioner's first set of requests for admissions therefore was 30 days from December 30, 2014, or January 29, 2015.

⁴⁷ Petitioner served its second set on March 16, 2016.

⁴⁸ Although the certificates of service for both documents recite February 3, 2017 as the date of service, the answers themselves were signed on March 3, 2017.

persuaded that it would prejudice the requesting party in maintaining or defending the action on the merits.” *Id.* Here, Respondent amended its written answers during the discovery period well in advance of the opening of Petitioner’s testimony period on April 2, 2018. There is no evidence that Petitioner expressly relied on the original admissions or suffered any legally cognizable prejudice that would arise from withdrawal of Respondent’s original admissions. The presentation of the merits of the action will be promoted by admitting the amended answers. Under these circumstances, the Board construes the initial answers as withdrawn and amended by Respondent’s supplemental answers served March 3, 2017. *See Checkpoint Sys. v. All-Tag Sec. S.A.*, 711 F.3d 1341, 106 USPQ2d 1234, 1238 (Fed. Cir. 2013) (“a party may rely on an admission as conclusively established unless the admission is recanted”) (internal quotations omitted) (*cert. granted, judgment vacated, and case remanded on other grounds, Kobe Props. Sarl v. Checkpoint Sys., Inc.*, 572 U.S. 1097, 134 S. Ct. 2134, 188 L. Ed. 2d 1121 (2014)); *cf. Ajinomoto Co. v. Archer-Daniels-Midland Co.*, 228 F.3d 1338, 56 USPQ2d 1332, 1342 (Fed. Cir. 2000) (pre-trial infringement admissions were binding because accused infringer “offered no correction of these admissions [made in a joint pre-trial statement of stipulated facts] before the court’s judgment”); *Giersch v. Scripps*, 85 USPQ2d 1306, 1307-09 (TTAB 2007) (“prejudice...relates to the special difficulties a party may face caused by the sudden need to obtain evidence upon withdrawal or amendment of admission.”).

M. Objections to Respondent's purported claim that the registrations should be cancelled entirely; fraud and abandonment

Petitioner objects to Respondent's alleged counterclaims to the extent they purport to seek cancellation of Petitioner's registrations in their entireties. Petitioner is correct that with respect to Registration Nos. 2986715, 3559022 and 4127891, Respondent's counterclaims are construed only as a request for restriction under Section 18 to delete any claim under Section 2(f) in favor of a disclaimer of "AMERICAN UNIVERSITY."⁴⁹ As for Reg. No. 4774583 for the mark AMERICAN UNIVERSITY, the counterclaim is for partial cancellation; in particular, for deletion of the International Class 41 services from the registration.

Petitioner further objects to inclusion of abandonment and "fraud on the Board" as grounds for Respondent's counterclaims as unpleaded defenses. It is axiomatic that a party may not rely on an unpleaded claim or defense. *See, e.g., UVeritech, Inc. v. Amax Lighting, Inc.*, 115 USPQ2d 1242, 1244 (TTAB 2015) (unpleaded allegations relating to fraud will not be heard); TBMP § 314 and authorities cited therein. Respondent does not directly address Petitioner's objection to its purported fraud defense, arguing that it properly pleaded unclean hands. 201 TTABVUE 22. To the extent Respondent's unclean hands pleading is intended to be a pleading that Respondent's witnesses knowingly gave false testimony and thus committed "fraud

⁴⁹ 41 TTABVUE 5. "Inasmuch as Respondent's allegations concern *only portions* of the subject marks [in Reg. Nos. 2986715, 3559022 and 4127891], the Board construes Respondent's claims as one under Trademark Act Section 18, 15 U.S.C. Section 1068, for restriction of Petitioner's registrations."

on the Board,” we find no support for such defense in the witnesses’ transcripts and give it no further consideration.

Respondent also argues that because the term “AMERICAN UNIVERSITY” was in use by others when first adopted by Petitioner, Petitioner’s application for registration of the term is tainted by fraud in the execution of the application. Suffice it to say, this purported allegation has not been properly pleaded, nor does the evidence show that the issue of fraud was tried.

As for Respondent’s alleged abandonment defense, Respondent pleaded, under the heading “acquiescence,” that “Petitioner unintentionally abandoned the term AMERICAN UNIVERSITY when Petitioner allowed numerous unrelated and unlicensed parties to use the term AMERICAN UNIVERSITY for many years without objection or action.”⁵⁰ The statutory definition of “abandonment,” Trademark Act Section 45, 15 U.S.C. § 1127, posits two possibilities in this situation: the mark owner’s “acts of omission” by failing to challenge others has caused the mark to either: (1) “become the generic name for the goods or services on or in connection with which it is used;” or (2) “to lose its significance as a mark.” To the extent Respondent has pleaded an abandonment defense based on a theory that Petitioner’s alleged failure to police its mark has caused “AMERICAN UNIVERSITY” to become a generic term or to have lost its significance as a mark, we consider the defense in the context of Respondent’s counterclaims and Petitioner’s likelihood of confusion claim, and do not

⁵⁰ 89 TTABVUE 17.

entertain a separate abandonment defense.⁵¹ *Cf.* MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 17:17 (5th ed.) (McCarthy) (“[T]he actual relevancy of failure to prosecute others is to the possible impact such failure may have on the strength of the plaintiff’s mark.”).

N. Evidence Attached to Respondent’s Reply Brief

The purpose of a reply brief is to address arguments made in the adverse party’s main brief, not to supplement the record by submitting evidence that supports a party’s own case. New evidence that accompanies or is attached to a reply brief that supports the party’s case in chief is untimely and will not be considered. *See, e.g., Johnston Pump/Gen. Valve Inc. v. Chromalloy Am. Corp.*, 13 USPQ2d 1719, 1720 n.3 (“The presentation of one’s arguments and authority should be presented thoroughly in the motion or the opposition brief thereto.”); Trademark Rule 2.123(l), 37 C.F.R. § 2.123(l) (“Evidence not obtained and filed in compliance with these sections will not be considered.”); TBMP § 801.03 (a reply brief “must be confined to rebutting the defendant’s main brief” and “limited to the key points in defendant’s brief which plaintiff believes require clarification or response”); *cf. Kellogg Co. v. Pack’Em Enters. Inc.*, 14 USPQ2d 1545, 1549 n.9 (TTAB 1990), *aff’d*, 951 F.2d 330, 21 USPQ2d 1142 (Fed. Cir. 1991) (evidence supporting a motion for summary judgment must be submitted with the motion); *Grote Indus., Inc. v. Truck-Lite Co., LLC*, 126 USPQ2d

⁵¹ Because of the public interest in having registrations which are void ab initio stricken from the register, Respondent’s asserted affirmative defense of laches is unavailable against Petitioner’s claim of nonuse. *Saint-Gobain Abrasives Inc. v. Unova Indus. Automation Sys. Inc.*, 66 USPQ2d 1355, 1359 (TTAB 2003) (“[T]his interest or concern cannot be waived by the inaction of any single person or concern no matter how long the delay persists.”).

1197, 1199 (TTAB 2018) (objections raised for the first time in reply brief are untimely because they effectively foreclose the adverse party from responding to the objections).

With its reply brief as plaintiff on the counterclaims, Respondent submitted Housey Declarations F and G along with accompanying Exhibits F, F1–F35 and G1-G52. This copious additional evidence⁵² does not address issues raised in Petitioner’s combined reply brief (as plaintiff in the cancellation and defendant on the counterclaims), but constitutes an attempt to supplement the existing record on issues related to Respondent’s counterclaim that the term AMERICAN UNIVERSITY is generic. Being procedurally prohibited from responding to the testimony and evidence due to the absence of the right to file a sur-reply, Petitioner is effectively foreclosed from challenging it. Accordingly, we have not considered Housey Declarations F and G or the accompanying Exhibits F, F1–F35 and G1-G52.⁵³

⁵² Housey Declarations F and G together with accompanying Exhibits F, F1–F35 and G1-G52 total 924 pages: 196 TTABVUE (245 pages); 197 TTABVUE (259 pages); 198 TTABVUE (127 pages); 199 TTABVUE (199 pages); and 200 TTABVUE (94 pages).

⁵³ The parties’ ACR stipulation, 95 TTABVUE, allowed the parties to offer into evidence witness testimony with exhibits filed concurrently with their ACR briefs. We read this language as allowing only proper rebuttal evidence to be attached to a party’s reply brief, and not as allowing case-in-chief evidence to be attached to a party’s reply brief. Further, to the extent Respondent seeks to rely on the parties’ stipulation that allowed Respondent to attach evidence inadvertently omitted from its main trial brief, 178 TTABVUE, the stipulation does not apply to its reply brief. The purpose of admitting evidence under that stipulation was to allow Petitioner to “review, consider, and address exhibits that [Respondent] inadvertently did not include with certain of its Main ACR Brief declarations,” not to add new exhibits. 178 TTABVUE 3.

III. The Record

The record includes the pleadings and, by operation of Trademark Rule 2.122(b), 37 C.F.R. § 2.122(b), the application files for the challenged registrations.⁵⁴ In addition, in light of the above evidentiary determinations, the record includes:

A. Petitioner’s Testimony and Evidence

- Confidential declaration of Justin Perillo, Associate General Counsel at American University, and Exhibits 1-17 (100-06 TTABVUE)⁵⁵ (“Perillo Decl. A”);
- Declaration of Michael A. Cajon, Counsel for American University, and Exhibits 1-294 (107-117 TTABVUE)⁵⁶ (“Cajon Decl. A”);
- Confidential declaration of Sharon Alston, Vice Provost for Undergraduate Enrollment at American University, and Exhibits 1-235 (118-52 TTABVUE);⁵⁷
- Confidential rebuttal declaration of Justin Perillo and Exhibits 1-14 (189 TTABVUE) (“Perillo Decl. B”);
- Rebuttal Declaration of Michael A. Cajon and Exhibits 1-78 (190 TTABVUE) (“Cajon Decl. B”).

B. Respondent’s Testimony and Documentary Evidence

- Declaration “A” of Janice Housey, Counsel for American University of Kuwait, and Exhibits A1-A76 (158-159 TTABVUE);⁵⁸ Exhibit B (159

⁵⁴ In light of the above determinations, there are no remaining affirmative defenses to any pleaded claim or counterclaim.

⁵⁵ The record includes a redacted version of the declaration. 101 TTABVUE. Exhibits 28 and 31-34 are confidential; 104, 106 TTABVUE.

⁵⁶ Exhibits 291-292 and 295-296 are confidential; 113, 117 TTABVUE.

⁵⁷ The record includes a redacted version of the declaration at 119 TTABVUE. Exhibits 39, 131, 146, 153, 165, 189, 191, and 234-235 are confidential; 126, 135, 137, 139, 141, 143, 145, & 152 TTABVUE.

⁵⁸ Excluding Exhibit No. 23A at 158 TTABVUE 162-165.

- TTABVUE 35-41); Exhibits A29a-b, A47, and A52a-b (200 TTABVUE) (“Housey Decl. A”);
- Declaration “B” of Janice Housey and Exhibits B1-B30 (160-61 TTABVUE) (“Housey Decl. B”);
 - Declaration “C” of Janice Housey and Exhibits C1-C9 (162 TTABVUE) (“Housey Decl. C”);
 - Declaration “D” of Janice Housey and Exhibits D1-D87 (163-66 TTABVUE) (“Housey Decl. D”);
 - Declaration “E” of Janice Housey and Exhibits E1-E56 (173-75 TTABVUE) (“Housey Decl. E”);
 - Declaration of Amal Al-Binali, Vice President for Admissions and Public Affairs at the American University of Kuwait (167 TTABVUE);⁵⁹
 - Declaration of Dale Eickelman, Professor of Anthropology and Human Relations at Dartmouth College and Relationship Coordinator (Director) of the Dartmouth College-American University of Kuwait Program (168 TTABVUE);⁶⁰
 - Declaration of Rawda Awwad, Provost and Professor of English at American University of Kuwait (169 TTABVUE);
 - Corrected Declarations:⁶¹
 - Corrected Declaration “D” of Janice Housey and Exhibits D88-D95 (179 TTABVUE) (“Corrected Housey Decl. D”); corrected to renumber exhibit references and include Exhibits D88-95;
 - Corrected Declaration “E” of Janice Housey and Exhibits E26-E27 and E57-E58 (180 TTABVUE) (“Corrected Housey Decl. E”); corrected to reflect exhibit references in ¶¶ 16, 19, 46, 55, 58-59 and include Exhibits E26-27, 57-58.

⁵⁹ Excluding Exhibit Nos. 35, 56, 57, 76, 26, 127, 128, 130, 132, 133.

⁶⁰ Excluding Exhibit No. 16.

⁶¹ For each of the corrected declarations, we have considered all the exhibits, including those attached to the original declarations that have been superseded.

- Corrected Declaration of Rawda Awwad and Exhibit Awwad 1 (181 TTABVUE) (“Corrected Awwad Decl.”); corrected to reflect exhibit references and include Exhibit 1;
- Corrected Declaration of Dale Eickelman and Exhibits Eickelman 1-25 (182-183 TTABVUE)⁶² (“Corrected Eickelman Decl.”); corrected to reflect exhibit references and include Exhibits 1-25;
- Corrected Declaration of Amal Al-Binali and Exhibits Al-Binali 1-135 (184-88 TTABVUE)⁶³ (“Corrected Al-Binali Decl.”); corrected to reflect exhibit references and include Exhibits 1-135.
- Excerpts from depositions of Justin Perillo (170 TTABVUE);⁶⁴
- American University’s third supplemental responses to American University of Kuwait’s first set of requests for admissions (171 TTABVUE 2-72);
- Deposition of Sharon Alston (171 TTABVUE 73-132);
- Printout from U.S. News & World Report Best Colleges (172 TTABVUE);
- Confidential Exhibit 11 consisting of American University’s supplemental responses to American University of Kuwait’s interrogatories nos. 4 and 6 (177 TTABVUE under seal).

IV. Respondent’s Counterclaims

We turn first to Respondent’s counterclaims to cancel Reg. Nos. 2986715, 3559022, 4127891, and 4774583, as the validity of Petitioner’s registrations has a bearing on Petitioner’s main claims. *Schieffelin & Co. v. The Molson Cos. Ltd.*, 9

⁶² Excluding Exhibit Nos. 13, 14, 15, 17, 19-22 and 23. Note, 183 TTABVUE was filed under seal; Exhibits 2-8, 11, 16, and 25 are confidential.

⁶³ Excluding Exhibit Nos. 5, 6, 20, 21, 23, and 25. Note, 188 TTABVUE was filed under seal; Exhibits 19, 35, 36, 56, 74-76, 99, 113, 115, 117, 121, 127, 129, 130, and 134 are confidential.

⁶⁴ As noted above, we do not consider statements from the Perillo or Alston depositions that are not based on personal knowledge, are speculative, assumed facts not in evidence or called for a legal conclusion.

USPQ2d 2069, 2071 (TTAB 1989) (electing to first decide applicant's counterclaims because "the validity of opposer's pleaded registrations has been made an issue as a result of applicant's counterclaims"). Respondent argues that the term AMERICAN UNIVERSITY is generic, either as a common term used for a style of education, or as the result of widespread use by unrelated third parties. Alternatively, Respondent claims that the term is merely descriptive without acquired distinctiveness.

A. Standing

Standing is a threshold issue that must be proven by the plaintiff in every inter partes case. *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014). As a counterclaim plaintiff, Respondent's standing is inherent; it "need not allege its standing to challenge the pleaded registrations." *Finanz St. Honore B.V. v. Johnson & Johnson*, 85 USPQ2d 1478, 1479 (TTAB 2007); *see also Carefirst of Md., Inc. v. FirstHealth of the Carolinas, Inc.*, 77 USPQ2d 1492 (TTAB 2005); *Bankamerica Corp. v. Invest Am.*, 5 USPQ2d 1076, 1078 (TTAB 1987) (defendant seeking to cancel pleaded registration on ground of descriptiveness or genericness in an opposition based on likelihood of confusion need not allege that it has an interest in using the term sought to be cancelled).

Respondent has standing to assert that the term AMERICAN UNIVERSITY is generic or merely descriptive without secondary meaning.⁶⁵

⁶⁵ Respondent's standing includes its standing to counterclaim against Reg. No. 4127891.

B. Respondent’s Claim that AMERICAN UNIVERSITY is Generic

Respondent offers two theories under which it claims the Board may find the term AMERICAN UNIVERSITY to be generic. First, Respondent contends that the term was generic when adopted by Petitioner in the early 1890’s.⁶⁶ Second, Respondent contends that Petitioner has allowed the term AMERICAN UNIVERSITY to become generic by its failure to police its mark, allowing “numerous unrelated and unlicensed parties to use the term AMERICAN UNIVERSITY for many years without objection or action.”⁶⁷ Under either theory, the determination of whether the mark has become “the common descriptive name of a class of goods or services” is the same.

“[D]etermining a mark’s genericness...requires ‘a two-step inquiry: First, what is the genus of goods or services at issue? Second, is the term sought to be registered or retained on the register understood by the relevant public primarily to refer to that genus of goods or services?’” *Princeton Vanguard, LLC v. Frito-Lay North Am., Inc.*, 786 F.3d 960, 114 USPQ2d 1827, 1830 (Fed. Cir. 2015) (citing *H. Marvin Ginn Corp. v. Int’l Ass’n of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528, 530 (Fed. Cir. 1986). Further, “whether the mark is a compound term or a phrase, the applicable test is the same and the Board must consider the record evidence of the public’s understanding of the mark as a whole.” *Princeton Vanguard*, 114 USPQ2d at 1832

⁶⁶ Petitioner was incorporated in 1891 as “The American University” under the laws of the District of Columbia. Alston Decl., 119 TTABVUE 5. It was formally chartered under the name “The American University” in 1893 by an Act of Congress, signed by President Benjamin Harrison.

⁶⁷ Respondent’s Answer, 89 TTABVUE 17.

(citing *In re Am. Fertility Soc.*, 188 F.3d 1341, 51 USPQ2d 1832, 1836 (Fed. Cir. 1999).

As counterclaim plaintiff, Respondent must establish that AMERICAN UNIVERSITY is generic by a preponderance of the evidence. *Id.* Evidence of the public’s understanding of a term may be obtained from any competent source, including testimony, surveys, dictionaries, trade journals, newspapers, and other publications. *Royal Crown Co. v. The Coca-Cola Co.*, 892 F.3d 1358, 127 USPQ2d 1041, 1046 (Fed. Cir. 2018); *In re Cordua Rests., Inc.*, 823 F.3d 594, 118 USPQ2d 1632, 1634 (Fed. Cir. 2016); *Princeton Vanguard*, 114 USPQ2d at 1830.⁶⁸

1. What is the genus for the services?

The relevant genus of services is defined by the recitation of services in each of Petitioner’s registrations, including “educational services, namely, providing courses of instruction at the college and graduate level and distributing course materials in connection therewith”; “conducting educational conferences in the fields of politics, science, history, languages, computer technology, math arts, music, and law studies”; and “arranging and conducting educational conferences and educational research”⁶⁹ all in International Class 41. *Real Foods Pty Ltd. v. Frito-Lay N. Am., Inc.*, 906 F.3d

⁶⁸ Respondent argues that “in the field of higher education, AMERICAN has meant a generic type of university”; that “the word UNIVERSITY is generic”; and that therefore AMERICAN UNIVERSITY as a whole is generic for “an American-style university.” 176 TTABVUE 26. While we may consider the meanings of each term individually, ultimately our decision rests on consideration of the mark in its entirety. *Princeton Vanguard*, 114 USPQ2d at 1832.

⁶⁹ Although the recitation of educational services for each of Petitioner’s registrations varies slightly, each covers an aspect of educational services and therefore falls within the same genus. An exception is Reg. No. 2986715, which is registered as a collective membership mark “used to indicate membership in an International University.” The genus in that case is collective membership in an “international university” and the consumers of these services are individuals with a common interest in the activities of the university.

965, 128 USPQ2d 1370, 1379 (Fed. Cir. 2018) (“The authority is legion that the question of registrability of an applicant’s mark must be decided on the basis of the identification of goods set forth in the application[,] regardless of what the record may reveal as to the particular nature of an applicant’s goods”) (citing *In re Cordua*, 118 USPQ2d at 1636) (internal quotation marks and citation omitted).

Although Reg. Nos. 3559022 and 4774583 include “entertainment services, namely, radio programming for a university setting; organizing exhibitions of university-level athletics,” Respondent focuses on “educational services” and does not offer any evidence that could be construed as relevant to showing that AMERICAN UNIVERSITY is generic for Petitioner’s entertainment services. Accordingly, we consider Respondent’s counterclaim waived as to entertainment services and focus on Petitioner’s educational services, noting that if Petitioner’s mark is generic for any one of these services, the registration must be cancelled as to the entire International Class. *Cordua Rests.*, 118 USPQ2d at 1638 (“a term is generic if the relevant public understands the term to refer to part of the claimed genus of goods or services, even if the public does not understand the term to refer to the broad genus as a whole”); *In re Analog Devices Inc.*, 6 USPQ2d 1808, 1988 (TTAB 1988), *aff’d*, 871 F.2d 1097, 10 USPQ2d 1879 (Fed. Cir. 1989) (“There is no logical reason to treat differently a term that is generic of a category or class of products where some but not all of the goods identified in an application fall within that category.”); MCCARTHY § 12:57 (5th ed.) (“A registration is properly refused if the word is the generic name of any of the goods or services for which registration is sought.”); *see also* Trademark Act Section 15(4),

15 U.S.C. § 1065(4) (“no incontestable right shall be acquired in a mark which is the generic name for the goods or services or a portion thereof, for which it is registered”).

We further find that the relevant public consists of men and women who are interested in attending college or graduate level courses at a university or by attending educational conferences.

2. Was AMERICAN UNIVERSITY generic when adopted by Petitioner?

Respondent argues that the term AMERICAN UNIVERSITY was generic before Petitioner first adopted its mark in 1892⁷⁰ because two “other schools were using AMERICAN UNIVERSITY to offer college-level instruction,” the American University at Cairo (AUC) and the American University of Beirut (AUB).⁷¹ According to Respondent, the American University at Cairo “was known in the U.S. as ‘the American University’ at least by 1885,” and the Syrian Protestant College, allegedly chartered in 1863,⁷² was renamed “American University of Beirut” in 1920.⁷³ Both

⁷⁰ In September 1892, Petitioner began publishing a newspaper under the title “The American University Courier.” 119 TTABVUE 5.

⁷¹ 176 TTABVUE 14.

⁷² Respondent’s support for this date is a printout from AUB’s website. Exhibit 10 from Housey Decl. A, 158 TTABVUE 97. However, because Housey did not verify the date contained in the printout, the printout is competent to show only that the public has been exposed to the date and not for the truth of the matter. It is included here to show the purported basis for Respondent’s allegation that AMERICAN UNIVERSITY was generic prior to 1892. *See* Fed. R. Evid. 801(c); *Barclays Capital Inc. v. Tiger Lily Ventures Ltd.*, 124 USPQ2d 1160, 1165 (TTAB 2017) (“However, such reports have limited probative value, because they may only be used for what they show on their face and not for the truth of the matter asserted in the reports, and also because the extent of exposure of these reports to relevant consumers is unknown.”); *Alcatraz Media Inc. v. Chesapeake Marine Tours Inc.*, 107 USPQ2d 1750, 1758 (TTAB 2013).

⁷³ *Id.* Respondent characterizes Petitioner’s first use of its mark in association with the recited services as being in 1925: “While [Petitioner] may have ‘admitted its first class and

institutions are located outside of the United States, in Cairo, Egypt, and Beirut, Lebanon respectively. There is no evidence that prior to Petitioner's first use of its mark, any appreciable segment of the United States population was aware of either foreign institution.

Respondent further argues that newspaper articles written in the 19th century before Petitioner opened its doors popularized the term "American university" for a university located in the United States.⁷⁴ Petitioner responds that such references "have no bearing on how the relevant consuming public in the United States views" its mark, and that even a "well-documented 19th Century Protestant American university movement" would likewise be irrelevant.⁷⁵ We find that these earlier usages have little bearing on how the relevant consuming public in the United States views Petitioner's AMERICAN UNIVERSITY mark today. *Alcatraz Media*, 107 USPQ2d at 1763 ("To determine if a mark is generic, we examine the evidence up through the time of trial."); *accord Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1730 (Fed. Cir. 2012) (acquired distinctiveness); *In re Chippendales USA Inc.*, 622 F.3d 1346, 96 USPQ2d 1681, 1686 (Fed. Cir. 2010)

began offering educational services' in 1914, *id.* (citing Alston Decl. ¶14), that was at a graduate level, not college level." 176 TTABVUE 14 n. 4. However, the recitation of services in Petitioner's registrations, "providing courses of instruction at the college and graduate level," include both levels of teaching. Thus, we find its first use to be in 1914. Alston Decl., 119 TTABVUE 6; Exhibit 3 at 120 TTABVUE 21-94.

⁷⁴ See Exhibits E38-E40 attached to Housey Decl. E, 175 TTABVUE 82-110.

⁷⁵ 192 TTABVUE 23.

(inherent distinctiveness); *TiVo Brands LLC v. Tivoli, LLC*, 129 USPQ2d 1097, 1113 n. 69 (TTAB 2018) (dilution).

3. Is the term AMERICAN UNIVERSITY generic today?

a) Does the term denote a style of education?

A term that is understood by the relevant purchasing public primarily to refer to a type or style of services is unregistrable for that category of services. *See Cordua Rest.*, 118 USPQ2d at 1632 (“Churrasco” is generic for restaurants that specialize “in meat grilled in the churrasco style”). The Federal Circuit has held that “[t]he test is not only whether the relevant public would itself *use* the term to describe the genus, but also whether the relevant public would *understand* the term to be generic.” *Id.* (citing *1800Mattress.com*, 586 F.3d 1359, USPQ2d 1682, 1685 (Fed. Cir. 2009) (“[A]ny term that the relevant public understands to refer to the genus . . . is generic.”); *see also* MCCARTHY, § 12:23 (5th ed.).

Respondent’s Vice President for Admissions and Public Affairs, Amal Al-Binali, testified that “the term ‘American University’ is used by college administrators throughout the world to denote that an educational institution offers an American-style post-secondary education,” and that “universities that use American University as part of the name of their institutions generally do so to broadcast that the school uses an American-style of education.”⁷⁶ She describes an “American-style of

⁷⁶ Al-Binali Decl., 184 TTABVUE 3, 4. Her statements have been reiterated by Awwad and Eickelman in their declarations, creating an unnecessary burden on the Board’s limited resources caused by the duplicative filings. Moreover, Respondent improperly includes hyperlinks to various online web pages and websites. The inclusion of hyperlinks is insufficient to introduce the underlying information into the record. *See In re Aquitaine Wine*

education” as one that “typically...encompasses the following: educational courses in English with a sequence of general instruction followed by a particular field of study, each with significant emphasis on class instruction, and attainment of a U.S.-equivalent ‘Bachelor of Arts’ or ‘Bachelor of Sciences’ degree upon successful completion of required course work.”⁷⁷ In support, Respondent asserts that it has submitted “numerous authoritative books, newspapers, periodicals, and websites reflecting the use of the term ‘American university’ generically to mean ‘American-style’ universities.”⁷⁸

Petitioner counters that Respondent “has presented no direct evidence that the relevant consumers primarily understand AMERICAN UNIVERSITY as denoting a genus, species, category, or class of courses of instruction at the college or graduate level.”⁷⁹ Petitioner correctly points out that whether foreign students understand “American style” or “American model” as referring to an approach to higher education is not an issue in this proceeding. We are concerned with the perception of U.S. consumers. *See In re Consol. Cigar Corp.*, 13 USPQ2d 1481, 1483 (TTAB 1989) (“The relevant test is, of course, consumer perception in this country.”) (citing *Nature’s Way*

USA, LLC, 126 USPQ2d 1181, 1195 n.21 (TTAB 2018) (“we do not consider websites for which only links are provided”); *In re Olin Corp.*, 124 USPQ2d 1327, 1332 n.15 (TTAB 2017) (“Because the information displayed at a link’s Internet address can be changed or deleted, merely providing a link to a website is insufficient to make information from that site of record.”). The Board will not utilize a link or reference to a website’s internet address to access the site to consider whatever content may appear therein.

⁷⁷ 184 TTABVUE 4-5.

⁷⁸ 176 TTABVUE 44.

⁷⁹ 192 TTABVUE 14.

Prods. Inc. v. Nature's Herbs Inc., 9 USPQ2d 2077, 2080 n.3 (TTAB 1989) (refusing to infer that foreign uses “have had any material impact on the perceptions of the relevant public in the United States”); *cf. Russell Stadelman & Co. v. U.S.*, 242 F.3d 1044, 1050, 22 ITRD 2345 (Fed. Cir. 2001) (“In considering the common, dictionary definition of an HTSUS term [under the Harmonized Tariff Schedule of the United States], only common use of that term in the United States is relevant.”); *Well Living Lab*, 122 USPQ2d at 1781 (TTAB 2017) (foreign websites’ probative value depends on the extent to which they are accessible to and viewed by U.S. consumers).

Respondent alleges the following factors establish the U.S. public’s understanding of the term “AMERICAN UNIVERSITY” as a style of education.

(1) Accreditation Standards

Respondent argues that institutions offering university education around the world seek accreditation by a U.S.-based accreditation agency, which standards “often include a requirement that the seeking university be an American-style university.”⁸⁰ For example, The New England Association of Schools and Colleges requires institutions outside the U.S. to declare themselves to be American-style institutions and meet certain standards “through its name, mission statement, catalog, and other declarations and actions that reflect its commitment to offering an American-style education abroad” before they can be considered for accreditation.⁸¹ Although institutions outside the United States may seek accreditation based on

⁸⁰ 184 TTABVUE 6.

⁸¹ Al-Binali Decl. Exhibit 7, 185 TTABVUE 39.

standards they understand to be “American-style,” Respondent has not shown that the relevant public is aware of these standards or that universities seek to be “American-style.”

(2) Respondent’s self-promotion as an American-style university

Respondent self-identifies as an “American-style university,” and as such, Respondent “uses a traditional American academic calendar year... [and] American-style course numbers” and class-year designations (Freshman, Sophomore, Junior, and Senior); Respondent also conducts classes in English and its graduates complete a minimum of 124 credit hours which is “commensurate with U.S. credit hours” and receive a Bachelor’s degree.⁸² Respondent belongs to several U.S. professional associations and maintains accreditations from four U.S. accrediting organizations.⁸³ Respondent’s self-promotional efforts likely reach relevant consumers, who may understand Respondent’s alignment with the term “American-style” and the use of “American university” to denote such style.

(3) Petitioner’s use of “American-style university” to denote a style of education

Respondent asserts that Petitioner “has long advised the public, in response to email inquiries, that the term ‘American University’ means an ‘American style’ university.”⁸⁴ Respondent provided copies of five emails from the years 2007, 2011, 2012 (two), and 2013 wherein Petitioner responded to an inquiry about affiliation

⁸² 184 TTABVUE 9.

⁸³ *Id.* at 9-10.

⁸⁴ *Id.* at 18.

with other universities using “American University.”⁸⁵ In its response to four of the inquiries, Petitioner advised the recipient that foreign institutions unaffiliated with Petitioner use the term to indicate that they are American-style universities.⁸⁶ These emails are of limited probative value, as they reflect only the authors’ understanding of what “American-style” means; all but one were at least six years old when they were made of record; and they are too few in number to demonstrate public awareness of the meaning of “American university” through Petitioner’s actions.

Respondent also asserts that Petitioner has been directly and indirectly involved “in founding American-style universities using the term ‘American University.’”⁸⁷ Respondent contends that Samih Farsoun, “Professor of Sociology for 30 years and founder of [Petitioner’s] Arab Studies Program,”⁸⁸ served as Respondent’s “founding consultant [] from May 2003 through Spring 2004.”⁸⁹ Respondent alleges that Petitioner assisted in the founding of two other international schools, the American University of Sharjah (AUS) in the United Arab Emirates and the American University of Nigeria (AUN).⁹⁰ Petitioner’s alleged connection with AUS is through

⁸⁵ Exhibit 33, 186 TTABVUE 112-121.

⁸⁶ The fifth simply notes that Petitioner has programs abroad with American University of Cairo and American University of Rome, but that they are separate institutions. Exhibit 33, 186 TTABVUE 119.

⁸⁷ 184 TTABVUE 18.

⁸⁸ *Id.* at 11.

⁸⁹ *Id.* at 12.

⁹⁰ *Id.* at 11 and 16. Petitioner submitted copies of its confidential license agreements with AUS and AUN, under which it licenses the AMERICAN UNIVERSITY mark. 189 TTABVUE 10-11 (confidential), Exhibits 8 at 189 TTABVUE 130 (confidential) (AUS); Exhibits 9 and 10 at 189 TTABVUE 139-167 (confidential) (AUN and successor ABTI).

Farsoun, who “served as AUS’s Founding Dean from 1997-1999.”⁹¹ Petitioner’s alleged connection with AUN is through “Dr. Lou Goodman, Dean of Petitioner’s School of International Service and Professor of Sociology,” who serves as an AUN trustee.⁹² Although Petitioner has not contested Drs. Farsoun’s or Goodman’s involvement, there is no clear evidence of record that U.S. consumers have been aware of either professor’s role. Moreover, the use of “American University” in the names of three foreign universities that are affiliated with Petitioner reinforces the public’s understanding that the phrase “American University” has trademark significance.⁹³

(4) Third-party use of “American University” to denote a style of education

Respondent submitted copies of several third-party university websites that describe their model of education as based on an “American style.” The following illustrates how these entities use the expression:

- **American University of Health Sciences** – located in Signal Hill, CA. “AUHS offers an American-style liberal arts education to students of any nationality.”⁹⁴
- **American University in Bulgaria** – located in Bulgaria. “...a private American style university.”⁹⁵

⁹¹ 184 TTABVUE 11.

⁹² *Id.* at 16-17.

⁹³ Petitioner “operates three international centers, AU BRUSSELS, AU MADRID, and AU NAIROBI. These centers are the University’s home base for study abroad programs in Belgium, Spain, and Kenya.” Alston Decl., 119 TTABVUE 20.

⁹⁴ 158 TTABVUE 116.

⁹⁵ *Id.* at 50.

- **American University of Armenia** – located in Armenia. “The idea of establishing an American-style university in Armenia emerged in a conversation...”⁹⁶
- **American University of Iraq Sulaimani** – located in “Iraqi Kurdistan.” “To support its mission of bringing American-style, liberal arts higher education to Iraq, AUIS has set American regional accreditation as a key institutional goal.”⁹⁷
- **American University of Science & Technology** – located in Lebanon. “The University strives to provide top-level education at moderate costs to avail needy students of opportunities to receive American-style education.”⁹⁸
- **Girne American University** – located in Canterbury, UK. “Girne American University provides American Education Model to the students....”⁹⁹

All of these usages except one are from outside the United States. They tend to show that some foreign universities, and one domestic one, which use “American University” in their name together with a geographic or subject-area term, advertise themselves as providing an “American-style” of education. To the extent that these uses have received exposure in the United States, they are probative of an established meaning of the term “American-style” but do not show that the term “American university” would be understood by United States consumers to denote a unique style of education.

⁹⁶ *Id.* at 85.

⁹⁷ *Id.* at 120.

⁹⁸ *Id.* at 178.

⁹⁹ 159 TTABVUE 4.

(5) Media use

Respondent submitted several media references that purport to use the phrase “American university” generically. For example, a December 11, 2004 Daily Star article reporting Respondent’s opening is titled: “Kuwait City is latest Arab capital to get an American University/ AUK joins US-style institutions of higher learning in Cairo, Beirut, Sharjah, and Dubai.”¹⁰⁰ The article discusses the Arab institutions, noting that “[c]ontrary to easy assumptions, none are linked into a satellite system of schools and none save AUS bear any connection to the American University in Washington, DC.”¹⁰¹ We accord this article limited probative value because it appears the Daily Star is a United Kingdom publication, it is over ten years old, and the record does not contain information as to any circulation or exposure in the United States.¹⁰²

Respondent submitted a copy of an article from 2004 published in BAZAAR MAGAZINE purporting to interview Farsoun.¹⁰³ Readers will encounter the phrases “US style education” and “the style of education reflects the American philosophy,” used by the author to describe her interpretation of Farsoun’s statements, but the article does not quote Farsoun directly. Respondent also submitted a mission statement of the Association of American Universities (AAU) that explains that it is

¹⁰⁰ 184 TTABVUE 14; Exhibit 17, 185 TTABVUE 164.

¹⁰¹ *Id.*

¹⁰² We also note that on its face, it refers to Petitioner by name.

¹⁰³ Staples, Emma, “AUK-the new face of education in Kuwait”; Exhibit 18, 185 TTABVUE 167-68.

comprised of 62 universities, two of which are located in Canada.¹⁰⁴ TOWN & COUNTRY reported on the recruitment of students as spies, in an article entitled “How Spy Agencies Use American Universities to Secretly Recruit Students.”¹⁰⁵

These sources have some weight in showing that relevant consumers are familiar with the words “American” and “university(-ies)” used to refer to universities located in the United States or to an American style or philosophy of university education. In contrast, Petitioner submitted “150 representative news articles, wire service articles, and transcripts available to the general public in libraries, newsstands, online, and on NEXIS or PROQUEST databases” that show unsolicited media use of the term AMERICAN UNIVERSITY to refer to Petitioner “between 1928 and 2017 in major U.S. publications and news outlets, such as *The Washington Post*, *The New York Times*, *CNN Today*, *Associated Press*, *Chicago Tribune*, and *Washington Business Journal*.”¹⁰⁶ Such a “mixture of uses,” which on this record skews strongly in favor of trademark use, supports a finding that the term is not generic. *See In re Merrill Lynch, Pierce, Fenner, and Smith, Inc.*, 828 F.2d 1567, 4 USPQ2d 1141, 1143 (Fed. Cir. 1987) (“Mixture of uses” of both generic and non-generic for “Cash Management Account” for brokerage services did not prove that the designation was a generic name); *Luxco*, 121 USPQ2d at 1497 (because record was mixed, evidence failed to show that certification mark had lost significance as designation of

¹⁰⁴ 158 TTABVUE 14; Exhibit A45a-b, 158 TTABVUE 232-250.

¹⁰⁵ 158 TTABVUE 15; Exhibit A46, 158 TTABVUE 251-252.

¹⁰⁶ Chajon Decl., 107 TTABVUE 5; Exhibits 9-158, 108-110 TTABVUE.

geographic origin); *In re Am. Online, Inc.*, 77 USPQ2d 1618, 1623 (TTAB 2006) (“the evidence of generic use is offset by Applicant’s evidence that shows not only a significant amount of proper trademark use but also trademark recognition [by third parties]”). Unsolicited media use of “American university” does not show the term has become generic.

(6) Academic sources

As discussed, the scholarly and academic sources attached to Housey Decl. Exhibit E¹⁰⁷ that refer to AUC and AUB are mostly dated pre-1920.¹⁰⁸ Respondent has submitted other more recent academic reference works that refer to institutions of higher learning in the United States as “American universities.”¹⁰⁹ Many of them harken back to earlier usage of the phrase in connection with “the discussion scholars had conducted in the Protestant American universities of the nineteenth century.”¹¹⁰ Other references use variations, such as “American-style university,”¹¹¹ to describe universities outside the United States that are attempting to emulate the characteristics of U.S. institutions of higher learning, particularly in Arab countries.

¹⁰⁷ 173-175 TTABVUE and 180 TTABVUE.

¹⁰⁸ The evidence primarily consists of personal correspondence from the then-president of the university in Beirut.

¹⁰⁹ *See, e.g.*, Jacques Barzun, *The American University How It Runs Where It Is Going*, 1968 (Harper & Row), Housey Decl., Exhibit E4, 174 TTABVUE 75-86.

¹¹⁰ Betty S. Anderson, *THE AMERICAN UNIVERSITY OF BEIRUT ARAB NATIONALISM AND LIBERAL EDUCATION*, 2011 (Univ. of Tex. Press), Housey Decl. Exhibit E13 at 174 TTABVUE 174.

¹¹¹ *See, e.g.*, Housey Decl. Exhibit E36, 175 TTABVUE 43, “Studying the American Way/ An Assessment of American-Style Higher Education in Arab Countries,” Washington Institute for Near East Policy, June 2007.

Indeed, the term “American-style” as used in these references does not refer only to universities in the United States:

While American, Australian, British, and Canadian higher education may differ in content (an American bachelor’s degree has two years of general education and two concentrated years, whereas a British bachelor’s degree has four concentrated years), they distinguish themselves from Arabic higher education in their student focus, their use of English textbooks, their English-speaking faculty trained in the West, and their instruction emphasizing critical thinking and analysis. Therefore, in this study, Australian, British, and Canadian in addition to American institutions of higher education are included in the terms “American-style” or “American higher education.”

“Studying the American Way/ An Assessment of American-Style Higher Education in Arab Countries,” WASHINGTON INSTITUTE FOR NEAR EAST POLICY, June 2007.¹¹²

Respondent has not shown that an appreciable number of these books or articles are available outside of scholarly or academic circles. Even the excerpts from the more recent works that may appeal to a wider audience do not demonstrate that the primary significance of the term “American university” denotes a style of educational services.¹¹³ At best, the evidence shows geographically descriptive use of the words “American university(-ies)” to describe universities located in the United States, and “American-style” to describe certain characteristics of a type of university located in

¹¹² Housey Decl. Exhibit E36, 175 TTABVUE 43.

¹¹³ For example, Respondent submitted pages from Amazon.com showing sale of a book published in 2015 titled “Designing the New American University,” Exhibit A42, 158 TTABVUE 229, and a book published in 2010 titled “The Great American University,” Exhibit A44, 158 TTABVUE 231. The pages fail to provide the context in which the titles are used.

the United States, Canada, England, or Australia. It does not demonstrate that the mark AMERICAN UNIVERSITY is generic.

Summary – AMERICAN UNIVERSITY does not denote a style of education

The preponderance of the evidence does not demonstrate that the term AMERICAN UNIVERSITY has been so widely used to describe a style of educational services that the relevant public in the United States, including scholars, educators, alumni, students, or prospective students, will view the term solely as referring to such style, type, or category of educational services, and not as the name of a particular institution. The mark is not a generic term in the United States for “American-style” education services. *Cf. Cordua Rests.*, 118 USPQ2d at 1637 (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”).

b) Is the term generic due to Petitioner’s failure to police?

“The more commonly a phrase is used, the less likely that the public will use it to identify only one source and the less likely that it will be recognized by purchasers as a trademark.” *In re Hulting*, 107 USPQ2d 1175, 1177 (TTAB 2013) (citing *In re Eagle Crest Inc.*, 96 USPQ2d 1227, 1229 (TTAB 2010)); *see also In re Steelbuilding.com*, 415 F.3d 1293, 1298, 75 USPQ2d 1420, 1423 (Fed. Cir. 2005) (finding that “steelbuilding” is not commonly used as composite word and therefore is not generic); *In re Gould Paper Corp.*, 834 F.2d 1017, 5 USPQ2d 1110, 1112 (Fed. Cir. 1987) (affirming Board’s finding that screenwipe is a generic composite of the “commonly used generic term” wipe coupled with the word screen); *In re Volvo Cars of N. Am., Inc.*, 46 USPQ2d 1455,

1460-61 (TTAB 1998) (DRIVE SAFELY not registrable because it would be perceived only as an “everyday, commonplace safety admonition”); *cf. In re Chippendales*, 96 USPQ2d at 1686 (“The test for inherent distinctiveness depends on whether the mark, or a variation thereof, has been in common use in general or in the particular field.”).

Respondent argues that numerous third parties have used the term AMERICAN UNIVERSITY since at least 1925; and that due to such widespread use of the term for educational services, it does not serve to identify Petitioner as a single source: “Literally scores of other universities use or refer to themselves as AMERICAN UNIVERSITY in trademarks and other uses for higher education services, related goods and services.”¹¹⁴ Respondent asserts that there are “more than 70 distinct users of AMERICAN UNIVERSITY to which [Petitioner] appears to have no affiliation, and several more users which appear to have a ‘relationship.’”¹¹⁵ In support, Respondent offers the Housey declaration,¹¹⁶ which authenticates attached webpage excerpts of many institutions that appear to include “American University” in their trade name. We group them as follows:¹¹⁷

(1) American University followed by descriptive wording:

- American University for Humanities (Exhibits A1a-1b)

¹¹⁴ 176 TTABVUE 15.

¹¹⁵ *Id.* at 16.

¹¹⁶ 158 TTABVUE. Housey’s position or affiliation is not identified in her declaration; she is identified as Respondent’s counsel in Respondent’s main trial brief, 176 TTABVUE 13.

¹¹⁷ Housey Decl. A; 158 TTABVUE; specific Exhibits relating to each website noted above.

- American University for Leaders (formerly American University in London) (Exhibits A2a-2b)
- American University of Complementary Medicine (Exhibits A15a-15b)
- American University of Culture & Education (Exhibit A70)
- American University of Science & Technology (Lebanon) (Exhibits A25a-25c)
- American University of Technology (Exhibits A69a-69b)
- American University Preparatory School (Exhibits A28a-b)

(2) American University followed by a geographic term:

- American University of Afghanistan (AUAF) (Exhibits A6a-6e)
- American University of Antigua (Exhibits A7a-7c)
- American University of Armenia (Exhibits A8a-8c)
- American University of Barbados (Exhibits A9a-9c)
- American University of Beirut (Exhibits A10a-10e)
- American University of the Caribbean (Exhibits A13a-13b) (with permission)
- American University of Central Asia (Exhibit A14)
- American University of Iraq, Baghdad (Exhibit A17d)
- American University of Iraq, Sulaimani (Exhibits A17a-17c)
- American University of Kurdistan (Exhibit A66)
- The American University of London (Exhibit A18)
- American University of Madaba (Exhibits A19a-19c)
- American University of the Middle East, Kuwait (Exhibit A20)
- American University of Nigeria (Exhibits A21a-21c) (under license)
- The American University of Paris (Exhibits A22a-22d)
- American University of Puerto Rico (Exhibits A23a-23b)
- American University of Rome (Exhibits A24a-24e)
- American University of Sharjah (Exhibits A26a-26b) (under license)
- American University of St Vincent (Exhibits A27a-27b)
- American University in the Emirates (Exhibits A68a-68c)
- American University in Bulgaria (Exhibits A3a-3c)
- The American University in Cairo (Exhibits A4a-4d)
- American University in Dubai (Exhibits A5a-5e)

(3) American University preceded by an unrelated term:¹¹⁸

- Allied American University – (Exhibits A64)
- Arab American University (Exhibit A30)
- Aston American University – (Exhibits A76a-76bc)

¹¹⁸ Respondent's declarant also lists the "Anglo-American University," and cites to Exhibits A29a-29b. There are no such exhibits, or any webpages displaying the use of "Anglo-American University."

- California American University (Exhibits A31a-31c)
- Gateway to the American University (Exhibit A32)
- Girne American University – (Exhibits A71a-71b)
- Hellenic American University (Exhibit A33)
- International American University – (Exhibits A72a-72c)
- Irish American University – (Exhibit A34)
- Islamic American University (Exhibit A35a-35c)
- Lebanese American University (Exhibit A36a-36c)
- National American University (Exhibit A37)
- North American University (Exhibits A40a-40b)
- Romanian American University (Exhibits A41)
- Texila American University (Exhibits A67a-67b)
- University of the People Accredited Online American University – (Exhibits A65a-65c)

Corroborating the websites, Respondent offered the testimony of three additional witnesses, Amal Al-Binali, Respondent’s Vice President for Admissions and Public Affairs, Dale F. Eickelman, Relationship Coordinator (Director) of the Dartmouth College-American University of Kuwait Program, and Rawda Awwad, Respondent’s Provost and Professor of English, who each testified that he/she is “personally familiar” with the above institutions; that they “include” or “use” the term AMERICAN UNIVERSITY and are “currently” or “likewise” offering “educational experiences” under the term.¹¹⁹ Respondent also submitted Petitioner’s “Supplemental Responses to AUK’s Interrogatories No. 4 and 6” wherein Petitioner names 17 entities in response to the question “Identify any use, application or registration by anyone other than Petitioner or Registrant of a mark or slogan that

¹¹⁹ 181 TTABVUE 3, 182 TTABVUE 7, and 184 TTABVUE 5. The declaration statements vary slightly, but the general endorsement is the same.

includes the word “AMERICA” and the word “UNIVERSITY,” regardless of whether these two terms are adjacent in such mark.¹²⁰

The evidence, taken as a whole, does not establish that the relevant public refers to or would understand AMERICAN UNIVERSITY as the name of the relevant genus of services here, i.e., “educational services,” “conducting educational conferences” or “educational research.” While the raw numbers are impressive, the vast majority of these institutions are located overseas and would be expected to attract students primarily from their regional locale. Contrary to Respondent’s assertion that website printouts “show on their face actual use in commerce,”¹²¹ the website evidence only shows that potential consumers may have been exposed to the statements made therein. *See WeaponX Performance Prods.*, 126 USPQ2d at 1041 (“Internet evidence is only admissible for what it shows on its face, and because it does not fall within an exception to the hearsay rule, will not be considered to prove the truth of any matter stated therein,” including use). Although the corroborating testimony suggests that the universities are currently using the marks, the witnesses’ statements notably do not discuss matters such as the size, scope or location of the establishments, whether they have attracted students from the U.S., have a particular history or longevity, a certain size student body, credentials or accreditation status, or the extent (if any) of their exposure to the relevant public in the United States. Moreover, Petitioner’s witness testified that Petitioner “has initiated dozens of opposition and cancellation

¹²⁰ 177 TTABVUE 19-23 (confidential).

¹²¹ Reply Brief, 202 TTABVUE 9.

proceedings before the [TTAB], and has sent dozens of cease-and-desist letters to third parties objecting to the use and/or registration of marks containing “AMERICAN” and/or “AMERICAN” and “UNIVERSITY.”¹²² Twenty-seven Board proceedings were identified by the witness; two of them were actions taken by third parties against Petitioner’s marks AMERICAN INTERNATIONAL UNIVERSITY and A NEW AMERICAN UNIVERSITY, which resulted in dismissal.¹²³ The remainder were actions taken by Petitioner. Fifteen terminated in abandonment or cancellation of the adverse party’s application or registration; three resulted in assignment of the marks to Petitioner; four resulted in amendments of the applications or registrations to delete or limit the Class 41 services; and three resulted in confidential settlement agreements.¹²⁴

In total, Petitioner submitted copies of eleven confidential agreements.¹²⁵ Because the details of the parties’ agreements have been filed under seal, we discuss them only generally.¹²⁶ Only one, entered into with AUC School of Medicine B. V. (“AUC”),

¹²² Perillo Decl., 101 TTABVUE 3.

¹²³ Opp. No. 91177645 and Can. No. 92052923. *See* 101 TTABVUE 4-6.

¹²⁴ 101 TTABVUE 3-7.

¹²⁵ Filed under seal at 189 TTABVUE.

¹²⁶ While the Board is sensitive to the confidential nature of the agreements, it is the general policy of the Board that all papers in a proceeding be public. *Kohler Co. v. Honda Giken Kogyo K.K.*, 125 USPQ2d 1468, 1476 n.19 (TTAB 2017). Petitioner did not file a redacted copy of its 189 TTABVUE submission, in noncompliance with Trademark Rule 2.126(c). That rule requires parties who file confidential filings to concurrently file a copy of the submission for public viewing with the confidential portions redacted. At the end of this decision, the Board will allow Petitioner time to submit a redacted version of 189 TTABVUE, failing which it will be made public.

permitted registration: AUC's registration of the mark "AMERICAN UNIVERSITY OF THE CARIBBEAN" for medical education services.¹²⁷ Two are for marks that do not use the composite phrase AMERICAN UNIVERSITY. The remainder include a variety of provisions restricting the third-party's use of the mark.¹²⁸ Although Respondent argues that the agreements are sham transactions, we do not find them to be so. The terms generally conform to those found in similar coexistence agreements, subjecting each side to adhere to conditions intended to avoid confusion, such as including disclaimers, registering and using specific forms of the marks, and notifying the other party of any third-party unauthorized use that comes to its attention. *Cf., e.g., In re Four Seasons Hotels Ltd.*, 987 F.2d 1565, 26 USPQ2d 1071 (Fed. Cir. 1993) (reversing Board's affirmance of Section 2(d) refusal on basis of consent agreement, noting that the "self-interest of trademark owners" operates to police trademark use so as to protect the public from confusion); *Bongrain Int'l v. Delice de France*, 811 F.2d 1479, 1 USPQ2d 1775, 1778 (Fed. Cir. 1987) (finding coexistence agreements carry "great weight" in determining lack of likelihood of confusion); *In re Wacker Neuson SE*, 97 USPQ2d 1408, 1412 (TTAB 2010) ("[W]hen those most familiar with use in the marketplace and most interested in precluding confusion enter agreements designed to avoid it, the scales of evidence are clearly tilted.") (citing *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563,

¹²⁷ See Reg. No. 2618194 and 1846403, AUC's registrations for the mark. Perillo Decl., Exhibits 29 and 30, 101 TTABVUE 7. Copy of the agreement at 189 TTABVUE 15-23.

¹²⁸ 189 TTABVUE 3.

568 (CCPA 1973)). Petitioner's enforcement efforts weigh against a finding that Petitioner has allowed its AMERICAN UNIVERSITY mark to lose its significance as a source-indicator.

Justin A. Perillo, Petitioner's Associate General Counsel, testified that "American University has also for decades licensed the AMERICAN UNIVERSITY mark and other marks for use on or in connection with a wide range of branded merchandise products" and that "American University currently licenses its mark to seventy six (76) merchandise licensees."¹²⁹ Petitioner's merchandise licensing activities provide additional support for our finding that the mark has not become generic due to Petitioner's failure to police unauthorized uses of term AMERICAN UNIVERSITY.

Summary - The mark is not generic due to Petitioner's failure to police

The fact that none of the outside entities use AMERICAN UNIVERSITY by itself, together with Petitioner's policing efforts, and a public disclaimer by at least one entity recognizing Petitioner's rights,¹³⁰ show that the term AMERICAN UNIVERSITY is not generic as a result of Petitioner's alleged failure to police its marks.

V. Conclusion – AMERICAN UNIVERSITY is not generic

We have carefully considered all of Respondent's evidence and arguments. For the reasons discussed above, we conclude that the term AMERICAN UNIVERSITY is not

¹²⁹ 101 TTABVUE 8.

¹³⁰ "Hellenic American University is not affiliated with, sponsored by or related to American University." 158 TTABVUE 205.

generic for the recited services. Although the term AMERICAN UNIVERSITY is arguably an “apt” name for a university located in the United States, “[a]ptness is insufficient to prove genericness.” *In re Am. Fertility Soc’y*, 188 F.3d 1341, 51 USPQ2d 1832, 1836 (Fed. Cir. 1999).

VI. Are Petitioner’s registration nos. 2986715, 3559022, and 4127891 supported by sufficient evidence of acquired distinctiveness?

A. Degree of descriptiveness

Respondent’s failure to prove that AMERICAN UNIVERSITY is generic for educational services does not preclude it from showing that the mark has not acquired distinctiveness. *Alcatraz Media*, 107 USPQ2d at 1761-67 (finding that respondent’s mark was not generic for respondent’s services, but granting petition for cancellation on alternative ground that the involved mark had not acquired distinctiveness). Respondent contends that in each of Petitioner’s registrations, “the claim of acquired distinctiveness of AMERICAN UNIVERSITY based on ‘substantial exclusivity’ under [Trademark Act Section] 2(f) for at least five years before the filing was improper,”¹³¹ and that Petitioner cannot meet its burden of showing that AMERICAN UNIVERSITY has acquired distinctiveness. Petitioner counters that Respondent has not met its burden to establish a prima facie showing that the record

¹³¹ 176 TTABVue 42. Petitioner did not rely solely on use of its mark for the five years preceding the filing date of its applications for its AMERICAN UNIVERSITY marks. Petitioner also provided a copy of the 1893 Act of Congress (27 Stat. 476), a newspaper article from “The American University Courier” dated September 1892, and copies of webpages from Petitioner’s website (“to show exclusive and continuous use of the mark”). See September 15, 2006 Response to Office Action in Reg. No. 3559022 at TSDR 2-4; January 17, 2001 Response to Office Action in Reg. No. 4774583 at TSDR 8-9.

evidence of acquired distinctiveness presented by Petitioner during prosecution of the applications that matured into the subject registrations failed to prove acquired distinctiveness.¹³² In the alternative, Petitioner argues that even if the burden of persuasion were shifted to Petitioner, Petitioner's evidence of acquired distinctiveness proves that AMERICAN UNIVERSITY "had acquired distinctiveness at the time of its registration, which continues to this day."¹³³

"The amount and character of evidence required to establish acquired distinctiveness depends on the facts of each case and the nature of the mark sought to be registered." *In re Gen. Mills IP Holdings II, LLC*, 124 USPQ2d 1016, 1018 (TTAB 2017); *see also Royal Crown Co.*, 127 USPQ2d at 1047 (court has "long held that 'the applicant's burden of showing acquired distinctiveness increases with the level of descriptiveness; a more descriptive term requires more evidence of secondary meaning.'") (quoting *In re Steelbuilding.com*, 415 F.3d 1293, 75 USPQ2d 1420, 1424 (Fed. Cir. 2005)). Petitioner's claim to the benefit of Section 2(f) in its registrations for the term AMERICAN UNIVERSITY with "UNIVERSITY" disclaimed amounts to an acknowledgment that at the time of registration, AMERICAN UNIVERSITY was merely descriptive as a whole for educational services, and "UNIVERSITY" was generic. *See Cold War Museum, Inc. v. Cold War Air Museum, Inc.*, 92 USPQ2d 1626, 1629 (Fed. Cir. 2009) ("an applicant's reliance on Section 2(f) during prosecution presumes that the mark is descriptive"); *Yamaha Int'l Corp. v. Hoshino Gakki Co.*

¹³² 192 TTABVUE 28.

¹³³ *Id.*

Ltd., 840 F.2d 1572, 6 USPQ2d 1001, 1005 (Fed. Cir. 1988); *In re Virtual Indep. Paralegals, LLC*, 2019 USPQ2d 111512 (TTAB 2019); *In re Am. Furniture Warehouse CO*, 126 USPQ2d 1400, 1403 (TTAB 2018) (applicant required to disclaim generic component of mark otherwise registrable under Section 2(f)). However, having carefully considered the entire record,¹³⁴ and keeping in mind the burdens of proof and persuasion applicable in this case, *Cold War Museum*, 92 USPQ2d at 1629-30, we find that the term AMERICAN UNIVERSITY acquired distinctiveness at least as early as 2009 and maintains its distinctiveness to date.¹³⁵

We make this determination based on all the evidence made of record during prosecution and any additional evidence introduced in the cancellation proceeding.

B. Petitioner's evidence of acquired distinctiveness

“To show that a mark has acquired distinctiveness, an applicant must demonstrate that the relevant public understands the primary significance of the mark as identifying the source of a product or service rather than the product or

¹³⁴ *Id.* We note that Petitioner did not rely solely on a declaration of five years use during prosecution of the applications that resulted in registrations of its pleaded marks.

¹³⁵ In a cancellation proceeding, “we look at both the time when the registrant registered its marks as well as at the present day to determine whether the mark must be cancelled.” *Milwaukee Elec. Tool Corp. v. Freud Am., Inc.*, 2019 USPQ2d 460354, *16 (TTAB 2019); *see also Neapco Inc. v. Dana Corp.*, 12 USPQ2d 1746, 1747 (TTAB 1989) (“In most cases, the time period of primary concern is the time when the registration issued.”); *cf. Coach Servs.*, 101 USPQ2d at 1730 (“Acquired distinctiveness and buyer recognition is to be tested in an opposition proceeding as of the date the issue is under consideration.”); *cf. In re Chippendales*, 96 USPQ2d at 1686 (proper time for measuring distinctiveness of a mark in a pending application is at the time it is being considered for registration).

Here, we have three dates of registration: Reg. No. 3559022 issued on January 6, 2009; Reg. No. 4127891 issued on April 17, 2012; and Reg. No. 4774583 issued on July 21, 2015. In examining the evidence, we have measured the distinctiveness of Petitioner's mark against all three registration dates.

service itself.” *Steelbuilding.com*, 75 USPQ2d at 1424. “The considerations to be assessed in determining whether a mark has acquired secondary meaning can be described by the following six factors: (1) association of the [service mark] with a particular source by actual purchasers (typically measured by consumer surveys); (2) length, degree, and exclusivity of use; (3) amount and manner of advertising; (4) amount of sales and number of customers; (5) intentional copying; and (6) unsolicited media coverage of the product embodying the mark...” *Virtual Indep. Paralegals*, 2019 USPQ2d at 11 (quoting *In re SnowWizard, Inc.*, 129 USPQ2d 1001, 1005 (TTAB 2018)). Although “[a]ll six factors are to be weighed together in determining the existence of secondary meaning,” *id.*, no single factor on this list is determinative, and not all factors need be considered. Here, the parties have presented evidence on factors 2, 3, 4, and 6, and we address these factors below.

1. Length, degree, and exclusivity of use of AMERICAN UNIVERSITY

Sharon Alston, Petitioner’s Vice Provost for Undergraduate Enrollment, testified regarding Petitioner’s more than 100 years of use of the mark AMERICAN UNIVERSITY. She testified that on February 24, 1893, American University was chartered by an Act of Congress and granted the right to confer college, university, and other degrees.¹³⁶ Petitioner began construction of the university in 1902, and its

¹³⁶ Alston Decl., Exhibit 8, 119 TTABVUE 5. The university was incorporated in 1891 as The American University and began publishing a newspaper under the title “The American University Courier” in September 1892. *Id.*; see Exhibits 4-7 (representative samples of the newspaper distributed from 1892 to 1926).

first class was admitted in 1914.¹³⁷ The opening of the schools of “Diplomacy, Jurisprudence and Citizenship” was announced in 1920;¹³⁸ the School of International Service (SIS) opened in 1957; and at present, American University is home to eight schools and colleges: the School of International Service, College of Arts and Sciences, Kogod School of Business, School of Communication, School of Professional and Extended Studies, School of Public Affairs, School of Education, and the Washington College of Law.¹³⁹ Petitioner submitted ten course catalogs from 1926 to 2017 (attached as Alston Decl. Exhibits 9-19) to show its use of the mark; in 1926 the AMERICAN UNIVERSITY Bulletin published the “School of the Political Sciences” annual catalog for 1926-27;¹⁴⁰ and in 2017, the “American University Catalog” was published for the academic year 2017-2018.¹⁴¹ Petitioner has shown a long period of use of the mark and wide exposure, and while Respondent challenges its exclusivity as previously discussed, no other institution exists, or has existed since 1893, named “American University” alone.

2. Amount and manner of advertising

Petitioner has engaged in extensive advertising of its educational offerings. To illustrate, Petitioner submitted copies of numerous print advertisements: one from 1917, at least one for each year from 1920 to 1943, at least one for each year from

¹³⁷ *Id.* at 6.

¹³⁸ 119 TTABVUE 9; *see also* Alston Decl. Exhibit 22, 125 TTABVUE 1245-53.

¹³⁹ 119 TTABVUE 8-9; *see also* Exhibit 20, 125 TTABVUE 1231.

¹⁴⁰ Alston Decl. Exhibit 9, 120 TTABVUE 132-196.

¹⁴¹ Alston Decl. Exhibit 19, 125 TTABVUE 13-1230.

1945 to 1953, at least one for each year from 1956-2001 (except for 1962, 1971, and 1974), and one from 2006. These were placed in the WASHINGTON POST (76 ads), THE NEW YORK TIMES (10 ads), THE WALL STREET JOURNAL (8 ads), the ATLANTA JOURNAL-CONSTITUTION (2 ads) and the BALTIMORE SUN (4 ads).¹⁴² Petitioner has also advertised in national magazines such as NEWSWEEK, THE WASHINGTON DIPLOMAT, and the HOLLYWOOD REPORTER, as well as in publications directed to higher education such as THE CHRONICLE OF HIGHER EDUCATION and INSIDE HIGHER EDUCATION.¹⁴³ Petitioner has also run display ads in Washington area Metro stations and at Reagan National Airport in Washington, D.C.¹⁴⁴ Petitioner maintains a presence on Facebook and Twitter social media sites, as well as on YouTube, Instagram, and LinkedIn. “Each of these pages prominently features the AMERICAN UNIVERSITY Mark.”¹⁴⁵ Petitioner’s following on Facebook has grown from roughly 9,000 total “likes” in 2009, “to over 245,000 in March 2018.”¹⁴⁶ Petitioner also advertises on the Internet at such websites as Yahoo.com, Forbes.com and USAToday.com.¹⁴⁷ Petitioner’s efforts have garnered several awards in the years 2011 through 2017.¹⁴⁸

¹⁴² Exhibits 159-258, 107 TTABVUE 27.

¹⁴³ Alston Decl., Exhibits 146 and 147, 119 TTABVUE 38.

¹⁴⁴ 119 TTABVUE 40-44.

¹⁴⁵ *Id.* at 49.

¹⁴⁶ *Id.*, Exhibit 165 (confidential) at 141 TTABVUE.

¹⁴⁷ 119 TTABVUE 50, Exhibits 166-188 at 142 TTABVUE 4-75.

¹⁴⁸ 119 TTABVUE 52, Exhibits 189-90 (Exhibit 189 is confidential) at 143-144 TTABVUE.

Petitioner has also received exposure through sporting events. “In 1925, American University fielded its first intercollegiate athletics teams, and ever since it has continuously offered sporting events and services under the AMERICAN UNIVERSITY Mark.”¹⁴⁹ American University’s athletic teams compete across the country and “attract student-athletes from all over the world.”¹⁵⁰ Petitioner also “maintains television rights agreements with CBS Sports Network and NBC Sports Washington, which broadcast about 3 to 5 American University Athletic games per year.”¹⁵¹ In 2012, Petitioner entered into a partnership with the Washington Nationals, the major league baseball team in Washington, D.C. Alston asserts that “[t]hroughout the course of this partnership, the Washington Nationals showed American University advertisements prominently featuring the AMERICAN UNIVERSITY Mark on 200 display screens in concession areas, on the Jumbotron and out-of-town scoreboard, on the stadium LED banner that encircles the interior of the stadium, and on rotational signs behind first and third base and home plate.”¹⁵²

Petitioner is affiliated with the WAMU radio station, whose predecessor, WAMC, was established in 1947.¹⁵³ Thus, “for more than 70 years” the AMERICAN UNIVERSITY mark has been promoted over the radio, “exposing at least tens of millions of listeners to the AMERICAN UNIVERSITY Mark in connection with

¹⁴⁹ 119 TTABVUE 21.

¹⁵⁰ *Id.*

¹⁵¹ *Id.* at 22.

¹⁵² *Id.* at 46, Exhibit 151 at 138 TTABVUE 77.

¹⁵³ 119 TTABVUE 36.

WAMU's radio programming over the years.”¹⁵⁴ Its efforts have resulted in significant exposure for many years.

3. Amount of sales and number of customers

Petitioner sells branded merchandise at retail outlets and on its campus, as well as online.¹⁵⁵ Petitioner currently licenses its mark to 76 merchandise licensees.¹⁵⁶ Annual royalty figures show a steady increase of sales since 2012, and net sales from merchandise sold through Petitioner's bookstore, about 85% of which bears the AMERICAN UNIVERSITY mark, topping one million dollars annually since 2012.¹⁵⁷

We also consider Petitioner's revenue stream and number of college enrollees under this factor. While figures have been produced under seal, we note that Petitioner receives significant “annual unrestricted” sources of income as well as “revenue derived from private sources and endowment income.”¹⁵⁸ As of 2018, Petitioner's endowment “stands at \$642 million.”¹⁵⁹ Petitioner has enrolled “over 10,000 students per year for past 40 years” and during the 2017-2018 academic year,

¹⁵⁴ *Id.*

¹⁵⁵ Perillo Decl., 101 TTABVUE 9. *See* fn. 7, listing examples of branded merchandise registered under the AMERICAN UNIVERSITY mark, Reg. No. 4774583.

¹⁵⁶ *Id.* at 8.

¹⁵⁷ *Id.* Sales and advertising figures, as well as other information regarding Petitioner's policing efforts and customers have been filed under seal. We will discuss those portions of the evidence and briefs that are properly designated “confidential” only in general terms as necessary to support our determination. *See Grote Indus.*, 126 USPQ2d at 1201 (TTAB 2018); *Poly-America, L.P. v. Ill. Tool Works Inc.*, 124 USPQ2d 1508, 1511 (TTAB 2017).

¹⁵⁸ 119 TTABVUE 31 (confidential); Exhibit 31 (confidential).

¹⁵⁹ 119 TTABVUE 32.

Petitioner's total enrollment "was 13,858 students."¹⁶⁰ In the 2017–2018 school year, Petitioner offered "69 Bachelor's programs, 78 Master's programs, and 10 Doctoral programs in a wide variety of subject matters."¹⁶¹ Through its Washington Semester Program, Petitioner offers internships to students from around the United States.¹⁶² In 2017, students from 177 colleges and universities participated in the Washington Semester Program, which has over 50,000 alumni.¹⁶³ "The Washington Semester Program works with 3,000+ organizations in the Washington D.C. area that promote their internships for students in the program."¹⁶⁴ Petitioner also offers over 150 study abroad programs in 40 countries, including 11 Middle Eastern countries.¹⁶⁵ "American University's study abroad offerings began in 1982 and have been similar in scope to today's offerings since before 2006."¹⁶⁶

4. Unsolicited media coverage

Petitioner has ranked high on the listing of top U.S. universities by U.S. NEWS AND WORLD REPORT. "Since at least 2004, *U.S. News and World Report* has ranked American University among the top 100 best undergraduate universities in the

¹⁶⁰ 23.

¹⁶¹ *Id.* at 8-9.

¹⁶² *Id.* at 17.

¹⁶³ *Id.*

¹⁶⁴ *Id.* See also Exhibits 46 and 47 at 127 TTABVUE 36-67.

¹⁶⁵ 119 TTABVUE 19.

¹⁶⁶ *Id.*

United States.”¹⁶⁷ In 2018, Petitioner’s school of law tied for sixth place on the list of U.S. NEWS AND WORLD REPORT “Best International Law Programs – 2018.”¹⁶⁸

As discussed above, Petitioner authenticated numerous representative news articles and the like to show unsolicited media use of the term AMERICAN UNIVERSITY to refer to Petitioner.¹⁶⁹ Samples of these articles show exposure to the public of “American University” in their headlines as follows:¹⁷⁰

8/19/1928 THE WASHINGTON POST, “Political sciences hold unique place: **American University** was founded on pet theory of study;” (Exhibit 10)

11/13/1938 THE NEW YORK TIMES, “15 Foreign fellows in hall of nations: **American University** division stresses our ways with government cooperation”; (Exhibit 13)

6/2/1964 THE WASHINGTON POST, TIMES HERALD, “At Site of Famous ‘Peace Speech’: Dedication set for monument to JFK on campus of **American University**”; (Exhibit 22)

9/9/1997 CNN TODAY, “Clinton speaks at **American University**; reiterates agenda for second term” by Natalie Allen, Eileen O’Connor; (Exhibit 26)

5/6/2002 CHICAGO TRIBUNE, “Telephone lines coming down: **American University** will go wireless” by Reuters; (Exhibit 31)

4/16/2004 BUSINESS WIRE, “On campus with T-Mobile hotspot; teachers, students, staff and alumni get more/r/: **American University** becomes first T-Mobile hotspot campus;” (Exhibit 39)

¹⁶⁷ Alston Decl. 118 TTABVUE 15 (confidential). Exhibits 39 (confidential) at 126 TTABVUE; 40 and 41 at 27 TTABVUE 4-16.

¹⁶⁸ *Id.*, Exhibit 37 at 125 TTABVUE at 1668-69.

¹⁶⁹ Chajon Decl., 107 TTABVUE 5, Exhibits 9-158 at 108-110 TTABVUE.

¹⁷⁰ 107 TTABVUE 6-27.

3/3/2008 THE WASHINGTON POST, “Obama top choice in **American University** survey” by Sakina Rangwala and Liz Anderson; (Exhibit 42)

10/17/2008 THE WASHINGTON POST, “Going out guide: **American University**”; (Exhibit 46)

10/11/2009 THE WASHINGTON TIMES, “Dalai Lama ends D.C. visit; **American University** speech caps meetings-packed trip” by Julia Duin; (Exhibit 51)

7/1/2010 CNN NEWSROOM, “Police reopen Gore case; Obama talks immigration reform at **American University**; oil spill affecting fourth of July vacations” by Tony Harris, Dana Bash, Casey Wian, Ted Rowlands, Bonnie Schneider; (Exhibit 56)

2/6/2013 THE WASHINGTON POST, “Area colleges score well in Peace Corps rankings; **American University** ranked second among mid-size schools, the agency said” by Al Kamen; (Exhibit 65)

9/29/2014 WASHINGTON BUSINESS JOURNAL, “**American University** will cover extended Metro service during Nationals playoff games” by Staff; (Exhibit 84)

3/11/2015 THE WASHINGTON TIMES, “**American University** basketball on the cusp of return to the NCAA tournament” by Tom Schad; (Exhibit 90)

9/26/2016 FOX – 2 WJBK, “**American University** professor who has predicted presidential winner since 1984 says Trump will win” by Marina Marraco; (Exhibit 132)

1/27/2017 THE WASHINGTON POST, “**American University** names new president: Obama cabinet member Sylvia Mathews Burwell” by Nick Anderson; (Exhibit 145)

2/11/2017 THE CHRISTIAN SCIENCE MONITOR, “Video: what is a zero-day?; Melanie Teplinsky, cybersecurity expert and adjunct professor at **American University’s** Washington College of Law, explains” by Fallon Schlossman and Evelyn Wang; (Exhibit 150)

3/23/2017 STATES NEWS SERVICE, “Dr. Jane Goodall to address students at **American University** School of International Service” by States News Service; (Exhibit 153)

Petitioner's unsolicited exposure to the public by the media supports a finding that AMERICAN UNIVERSITY acquired distinctiveness as of the registration date and that it presently maintains its distinctiveness. *Milwaukee Elec. Tool Corp.*, 2019 USPQ2d at *16.

Summary - AMERICAN UNIVERSITY has acquired distinctiveness

The term AMERICAN UNIVERSITY is conceptually weak but commercially strong, acquired distinctiveness and has maintained its distinctiveness as a mark to the present, signifying a single source of educational services in Petitioner. Accordingly, we find that Respondent has not carried its burden of persuasion to show that the term AMERICAN UNIVERSITY is merely descriptive without acquired distinctiveness. To the contrary, we find that AMERICAN UNIVERSITY acquired distinctiveness that it maintains as of trial. *Cold War Museum*, 92 USPQ2d at 1629-30; *Milwaukee Elec. Tool Corp.*, 2019 USPQ2d at *16.

VII. Conclusion – Respondent's counterclaims are denied

Respondent's counterclaims for amendment of Registrations Nos. 2986715, 3559022, and 4127891 to delete the Section 2(f) claims as to the term "AMERICAN UNIVERSITY" in favor of a disclaimer of the term, and for partial cancellation of Registration No. 4774583 as to the International Class 41 services, are **denied**.

VIII. Is Respondent's registration void ab initio for nonuse?

Respondent filed the application that matured into its registration on May 15, 2006, under Trademark Act Section 1(a), 15 U.S.C. § 1051(a). Respondent alleged

“2003” as its date of first use and date of first use in commerce. Respondent further alleged in the declaration in the application that its mark was in use at the time of filing, as required. 15 U.S.C. § 1051(a); Trademark Rule 2.34(a)(1)(i), 37 C.F.R. § 2.34(a)(1)(i).

In a use-based application reciting services, if an applicant fails to use its mark “in commerce” in association with any of the services in a particular class specified at the time of filing, the application and any resulting registration are void ab initio as to that entire class on the ground of nonuse. *Couture v. Playdom, Inc.*, 778 F.3d 1379, 113 USPQ2d 2042, 2043 (Fed. Cir. 2015) (quoting Trademark Rule 2.34(a)(1)(i), 37 C.F.R. § 2.34(a)(1)(i)); see *Aycock Eng’g, Inc. v. Airflite, Inc.*, 560 F.3d 1350, 90 USPQ2d 1301, 1305 (Fed. Cir. 2009) (“The registration of a mark that does not meet the use requirement is void ab initio.”); *United Global Media Grp., Inc. v. Tseng*, 112 USPQ2d 1039, 1044 (TTAB 2014) (“In an application based on use in commerce under Section 1(a) of the Trademark Act, 15 U.S.C. § 1051(a), the applicant must use the mark in commerce on or in connection with all the goods and services listed in the application as of the application filing date.”); *ShutEmDown Sports, Inc. v. Lacy*, 102 USPQ2d 1036, 1045 (TTAB 2012) (registration void ab initio where applicant failed to use mark before filing date on any of the goods or services listed in the application); *Hurley Int’l LLC v. Paul & Joanne Volta*, 82 USPQ2d 1339, 1344-1345 (TTAB 2007) (“[T]he law is clear that an applicant may not claim a Section 1(a) filing basis unless the mark was in use in commerce on or in connection with all the goods or services covered by the Section 1(a) basis as of the application filing date.”).

The Court of Appeals for the Federal Circuit, our primary reviewing court, provides a succinct summary of the requirements for a service mark to be used in “commerce”:

For service marks, the “use in commerce” requirement is met when (1) a mark is “used or displayed in the sale or advertising of services” and (2) either (i) the services are “rendered in commerce” or (ii) the services are “rendered in more than one State or in the United States and a foreign country and the person rendering those services is engaged in commerce in connection with the services.”

Aycock Eng’g, 90 USPQ2d at 1305 (quoting Trademark Act Section 45, 15 U.S.C. § 1127); *Couture v. Playdom*, 113 USPQ2d at 2043.¹⁷¹

The “use in commerce” requirement for a mark used in conjunction with services is therefore a two-part requirement. First, the mark must be used or displayed in the sale or advertising of the services. Second, the services rendered must be rendered in more than one state or “in the United States and a foreign country.” Respondent’s registration is void ab initio if Respondent fails either requirement; that is, if it cannot show that either (1) it has used its mark in the sale or advertising of educational services in commerce prior to May 15, 2006, the filing date of the underlying application, or (2) that it has rendered educational services under the mark in commerce prior to the filing date.

We examine each requirement in turn, starting with whether Respondent displayed its mark in the sale or advertising of its services in commerce. Although we

¹⁷¹ This definition of “use in commerce” is coextensive with the limits of the Commerce Clause of the U.S. Constitution, which provides that “The Congress shall have Power...to regulate Commerce with foreign nations, and among the several States, and with the Indian Tribes[.]” *U.S. Const.* art. I, § 8, cl. 3.” 15 U.S.C. § 1127.

find that Respondent has not demonstrated use of its mark in the sale or advertising of its services in commerce, and thus the mark is void ab initio, for sake of completeness, we also consider the second requirement. There, too, we find that Respondent fails to show that it rendered services in commerce under the registered mark as of May 15, 2006, the filing date of the underlying application.

A. Did Respondent display its mark in the sale or advertising of educational services prior to its filing date?

Respondent argues that it has:

actively used and displayed its mark in advertising its services in the United States and U.S. commerce since 2003 and well prior to its filing date of May 15, 2006, including but not limited to: its website accessible since 2003 in the U.S., and promotional materials distributed to American students, faculty, exchange students, Fulbright and research scholars, and others, as listed in AUK's application under the registered mark, as well as recruitment advertisements and job postings.¹⁷²

Respondent refers to statements made by Al-Binali (Decl. ¶¶ 38-39, 57, 73-80); Awwad (Decl. ¶¶ 22-23, 40); and Eickelman (Decl. ¶¶ 14, 17) in support of its argument.¹⁷³ A careful examination of these declarants' statements and the documentary evidence attached to their declarations leads us to conclude that

¹⁷² 176 TTABVUE 19.

¹⁷³ The allegations regarding dates of use made by Respondent in its application for the involved registration are not evidence on Respondent's behalf, nor are the specimens of use filed in support of the registration admissible to prove use. Trademark Rule 2.122(b)(2), 37 CFR § 2.122(b)(2). ("Specimens in the file of an application for registration, or in the file of a registration, are not evidence on behalf of the applicant or registrant unless identified and introduced in evidence as exhibits during the period for the taking of testimony.")

Respondent did not use its mark in the sale or advertising of the identified services prior to May 15, 2006.

Respondent submitted copious documents – nearly 1,000 pages were attached to Al-Binali’s declaration alone – but the majority of Respondent’s purported advertising fails to show the mark used or displayed in the sale or advertising of the services before the application filing date. Most of the material fails to display the mark at all. Some documents display a variation of the mark but not the registered mark.¹⁷⁴ Much of the evidence post-dates 2006. Of the remainder, the best evidence uses the mark, advertises the services, and contains on its face a pre-2006 date, but is not supported by testimony that any of the material ever made its way into the United States. The only evidence suggesting that Respondent’s advertising was connected to a plan for providing educational services to students from the United States is Respondent’s declarants’ unsupported testimony. Although the oral testimony even of a single witness may be sufficient to prove the first use of a party’s mark when it is based on personal knowledge, is “clear and convincing,” and is not characterized by “inconsistencies, contradictions and indefiniteness,” *Nat’l Blank Book Co. v. Leather Crafted Prods., Inc.*, 218 USPQ 827, 828 (TTAB 1993), unsupported statements carry

¹⁷⁴ Exhibits 22 and 46 to the Al-Binali declaration display a modified version of the mark, which we do not consider to be (and which Respondent has not argued to be) sufficiently similar to the registered mark to qualify as showing use thereof. *See, e.g.*, 186 TTABVUE 15



(Exhibit 22) and 186 TTABVUE 234



(Exhibit 46).

little weight. *See Rivard v. Linville*, 133 F.3d 1446, 45 USPQ2d 1374, 1376-1377 (Fed. Cir. 1998) (“*Linville II*”) (“A registrant’s proclamations of his intent to resume or commence use in United States commerce during the period of nonuse are awarded little, if any, weight.”); *Kemi Organics*, 126 USPQ2d at 1607-1608 (oral testimony even of a single witness may be adequate to establish priority, “but only if it is sufficiently probative.”); *Exec. Coach Builders, Inc. v. SPV Coach Co.*, 123 USPQ2d 1175, 1184 (TTAB 2017) (“Oral testimony is strengthened by corroborative documentary evidence.”); *Liquacon Corp. v. Browning-Ferris Indus., Inc.*, 203 USPQ 305, 316 (TTAB 1979) (testimony must be clear, convincing, consistent, and sufficiently circumstantial to convince the Board of its probative value).

To the extent Respondent may argue that it satisfies the first element of the “use in commerce” requirement merely by advertising its services in promotions extending to the U.S. from Kuwait, Respondent has not proffered, nor have we found, any precedent for so expansive a reading of Trademark Act Section 45. *Cf. Linville v. Rivard*, 41 USPQ2d 1731, 1736 (TTAB 1996) (“*Linville I*”) (“We reject respondent’s argument that through his advertising [on Canadian radio and television stations extending to the U.S. and in Canadian newspapers that reached the U.S.], he has used the mark ULTRACUTS in the United States continuously since 1986.”), *aff’d*, 45 USPQ2d at 1377; *Mother’s Rests. Inc. v. Mother’s Other Kitchen, Inc.*, 218 USPQ 1046, 1048 (TTAB 1983) (“prior use and advertising of a mark in connection with goods or services marketed in a foreign country (whether said advertising occurs inside or outside the United States) creates no priority rights in said mark in the

United States as against one who, in good faith, has adopted the same or similar mark for the same or similar goods or services in the United States prior to the foreigner's first use of the mark on goods or services sold and/or offered in the United States.”); accord *Morningside Grp. Ltd. v. Morningside Capital Grp., L.L.C.*, 182 F.3d 133, 51 USPQ2d 1183 (2d Cir. 1999) (“Mere advertising and promotion of a mark in this country are not enough to constitute ‘use’ of the mark ‘in commerce’ so as to bring the activity within the scope of the Lanham Act.”); *Buti v. Impresa Perosa, S.R.L.*, 139 F.3d 98, 45 USPQ2d 1985, 1989-1990 (2d Cir. 1998) (promotional activities in the United States by eating establishment located in Italy did not secure for it “any rights in the name under the Lanham Act”).

We find Respondent's registration void ab initio based on its failure to use its mark in the sale or advertising of educational services under the mark, in the United States, before May 15, 2006.¹⁷⁵ We next consider whether Respondent has fulfilled the additional requirement for use in commerce under the Act's second requirement – that the services be rendered in commerce “in the United States and a foreign country.” 15 U.S.C. § 1127.¹⁷⁶

¹⁷⁵ As noted, Trademark Act § 45, 15 U.S.C. § 1127, defines the type of use that will qualify to support a registration of a mark identifying services: “For the purposes of this Act a mark shall be deemed to be used in commerce ... on services when it is used or displayed in the sale or advertising of services and the services are rendered in commerce.” Respondent argues that it displayed its mark in advertising its services in the United States, but does not argue that it has used the mark in the sale of services in the United States. To the extent Respondent contends that using its mark on a website that has been accessed in the United States is a “sale,” as discussed infra, Respondent has not proven that it used its mark on a website prior to May 15, 2006 or that it “sold” educational services via its website.

¹⁷⁶ Respondent also argues that it rendered services affecting interstate commerce, discussed more fully below.

B. Did Respondent render services “in the United States and a foreign country” prior to its filing date?”

The recitation of services in Respondent’s use-based registration reads “educational services, namely, courses of instruction at the college level.” Respondent bears the burden to show that it offered these services “in the United States and a foreign country” (“foreign commerce”) prior to its May 15, 2006 application filing date, or its registration is void ab initio. *Aycock Eng’g*, 90 USPQ2d at 1305. Respondent argues that it has borne its burden in three ways. First, Respondent alleges that it rendered educational services to U.S. nationals in Kuwait.¹⁷⁷ Second, Respondent argues that it accepted and processed “cross-border applications.”¹⁷⁸ Third, Respondent claims that it rendered educational services in the United States under the “AUK-Dartmouth intern exchange program” and through the “Soliya Connect videoconferencing program based in New York that connected U.S. and foreign students in real-time online.”¹⁷⁹ We consider each in turn.

1. Rendering of educational services in Kuwait

Al-Binali testifies that since 2004, interns and exchange students from the United States have attended college-level classes at the American University of Kuwait.¹⁸⁰ Similar assertions were made by Awwad.¹⁸¹ Al-Binali also asserts that Respondent

¹⁷⁷ 176 TTABVUE 55.

¹⁷⁸ *Id.*

¹⁷⁹ *Id.* at 56.

¹⁸⁰ 184 TTABVUE 30.

¹⁸¹ 181 TTABVUE 7.

sponsored “American students under its Fulbright program offered under the Subject AUK Mark since 2005, beginning with one that was accepted in 2005/2006.”¹⁸² However, there is no evidence of record corroborating the attendance, at the American University of Kuwait, for any students from the United States in the years 2004, 2005 or 2006. Although, as noted, oral testimony may in certain cases be sufficient to prove use, the statements made herein are not sufficiently probative for two reasons. First, the declarants make only bald conclusions in general terms unsupported by any evidence, and we would expect corroboration if such statements were true. Second, even if American students attended Respondent’s college in Kuwait prior to May 15, 2006, they would not have attended as part of an exchange program, as none existed at the time. Simply travelling to Kuwait to attend classes in Kuwait is not the type of foreign commerce contemplated by the Trademark Act. Services rendered wholly within a foreign country are not a type of commerce that Congress may regulate, even if the services are provided to citizens of the United States while in the foreign country. *See Linville I*, 41 USPQ2d at 1736 (“[W]e reject respondent’s argument that his services are rendered in commerce because commerce is affected by the travel of customers from the United States to respondent’s Canadian salons.”); *Mother’s Rests.*, 218 USPQ at 1048 (rejecting argument that display of a trademark in association with restaurant services provided in Canada to citizens of the United States created

¹⁸² 184 TTABVUE 32. *See also* 182 TTABVUE 11 (Eickelman Decl., “AUK hosts American national scholars in a Fulbright Program at AUK, under the Subject AUK Mark, arranging to sponsor its first Fulbright scholar in 2005.”).

priority rights in the United States); *Stagecoach Props., Inc. v. Wells Fargo & Co.*, 199 USPQ 341, 349 (TTAB 1978) (noting that argument that use of a mark on hotel and restaurant services provided in Mexico to “people from the United States” created rights protectable under U.S. law “ignores the fundamental rule that activity outside of the United States is ineffective to create rights in marks within the United States.”).

Linville I is illustrative. In *Linville I*, the petitioner sought to cancel a registration for the mark ULTRACUTS for hair dressing and beauty salon services owned by respondent, a Canadian citizen, on the ground that because he had never used his mark in the United States, but only in Canada, he had abandoned it. The respondent admitted that he personally made no sales of hair dressing or beauty salon services under the mark in the United States, but argued that he had operated many hair salons successfully in Canada; that he had a large U.S. clientele; that he used hair salon products from the United States in his salons; and that he sold such products to U.S. customers at his salon. The Board “reject[ed] respondent’s argument that his services are rendered in commerce because commerce is affected by the travel of customers from the United States to respondent’s Canadian salons.” *Linville I*, 41 USPQ2d 1736. Further, the Board distinguished two cases (upon which Respondent urges us to rely) for the proposition that its activities affect foreign commerce: *Larry Harmon Pictures Corp. v. Williams Rest. Corp.*, 929 F.2d 662, 18 USPQ2d 1292 (Fed. Cir. 1992), and *Penta Hotels Ltd. v. Penta Tours*, 1988 U.S. Dist. LEXIS 15713, 9 USPQ2d 1081, (D. Conn. 1988). The Board noted that those cases involved services

which were actually rendered in the United States, i.e., a restaurant located in Tennessee, which attracted interstate travelers and a hotel in New York, which was affiliated with a European hotel. Like *Linville I*, this case “is readily distinguishable as respondent rendered no [educational services] in the United States during the relevant time period.” *Linville I*, 41 USPQ2d at 1736.

Respondent urges us to apply the rationale of the Fourth Circuit in *Int’l Bancorp, LLC v. Societe des Bains de Mer et du Cercle des Etrangers a Monaco*, 329 F.3d 359, 66 USPQ2d 1705, 1715-16 (4th Cir. 2003), which found that a foreign company’s rendering of casino services wholly within the country of Monaco supported the company’s trademark infringement and cybersquatting claims against the user of the same mark (CASINO DE MONTE CARLO) in 53 contested domain names for Internet gambling. *Bancorp*, 66 USPQ2d at 1723. A sharply divided panel of the court held that the defendant’s advertisement of its services in the United States, coupled with evidence that United States citizens went to Monaco and gambled at its casino, constituted “trade with a foreign nation that Congress may regulate under the Commerce Clause.” 66 USPQ2d at 1710. The court affirmed the district court’s award of monetary damages on defendant’s trademark infringement claim and transferred 43 of the 53 contested domain addresses on its cybersquatting claim. 66 USPQ2d at 1707.

We decline to follow the analysis of the Fourth Circuit majority laid down in a trademark infringement and cybersquatting context for several reasons. First and foremost, *Bancorp* is not controlling precedent in Board proceedings, and its holding

is contrary to the decisions rendered by our primary reviewing court, which require more than the rendering of services to U.S. citizens in a foreign country. *E.g.*, *Linville I*, 41 USPQ2d 1731 (travel by U.S. citizens to Canada for hair dressing and salon services does not establish sufficient nexus to United States). We are bound by Federal Circuit law and as the dissent in *Bancorp* stated, “the Federal Circuit has clearly and repeatedly embraced a rule that directly conflicts with the majority’s [rule].” *Bancorp*, 66 USPQ2d at 1729 (Motz, Judge, dissenting). Second, clearly stated in the statute is the requirement that for registration purposes, services must be rendered “in the United States and a foreign country.” 15 U.S.C. § 1127. Respondent’s services, provided wholly within Kuwait, fall outside the reach of the Commerce Clause and the Trademark Act’s definition of “use in commerce.” Finally, *Bancorp* is distinguishable on its facts. The court in *Bancorp* relied on defendant’s extensive advertising in the United States, and actual travel of U.S. citizens to defendant’s casinos in Monaco; here we have no evidence of U.S. advertising or travel by U.S. citizens during the relevant time frame.¹⁸³

2. Accepting and processing cross-border applications

Respondent argues that it has taken and accepted college applications through its website since 2003 and that “taking and accept[ing] college applications is...an

¹⁸³ We further note that Professor McCarthy has criticized the court’s analysis in *Bancorp* as failing to account for specific provisions in Section 43(a), and suggesting that “the case should have been analyzed as an application of the ‘famous marks’ doctrine.” MCCARTHY § 29:4 (5th ed.). The famous marks doctrine has not been invoked in this proceeding, and Section 43(a)(1) is inapplicable in any event.

integral part of providing educational services.”¹⁸⁴ In support, Respondent submitted several exhibits to Al-Binali’s declaration purporting to show that it displays application forms online for prospective students to print out and mail in to Respondent in Kuwait.¹⁸⁵ None of the exhibits display the registered mark. Accordingly, none of the evidence is probative.

3. Rendering of educational services in the United States

In response to Petitioner’s Interrogatory No. 16, “Identify each State in the United States in which the Respondent has provided courses of instruction at the college level in connection with the Mark,” Respondent answered: “Respondent does not provide courses of instruction at the college level in the United States.”¹⁸⁶ However, Respondent argues that “under an AUK-Dartmouth intern exchange program that commenced in 2005, Dartmouth sent students to Kuwait in the Spring 2005, and AUK sent students to Dartmouth beginning June 2006, as arranged pre-May 15, 2006.”¹⁸⁷ As noted above, the record evidence is insufficient to show that any such program was operational before May 15, 2006, and none of the evidence in the record associated with the AUK-Dartmouth program displays Respondent’s registered mark.

¹⁸⁴ 176 TTABVUE 56.

¹⁸⁵ These include Exhibits 22, 45 and 46 to Al-Binali’s Decl., 186 TTABVUE 11-33, 186 TTABVUE 220-25, and 186 TTABVUE 227-34.

¹⁸⁶ 112 TTABVUE 47.

¹⁸⁷ Applicant’s Brief, 176 TTABVUE 56.

Respondent contends it simultaneously transmitted course instruction through the Soliya Connect program. The Soliya Connect program, “involving video-conferencing and an instructor-guided interconnectivity and interactivity, simulates a cross-border open-space classroom between Soliya in New York and AUK in Kuwait, along with other participating universities.”¹⁸⁸ Neither the record evidence nor Respondent’s testimony confirms that Respondent provided educational services in connection with the program.¹⁸⁹

Summary - Nonuse

Respondent has not rendered services in the United States. It is well settled under binding Federal Circuit and Board cases that activities wholly outside the United States do not create rights in marks in the United States. *Linville I*, 41 USPQ2d at 1736-37; *Fiat Grp. Automobiles S.p.A. v. ISM, Inc.*, 94 USPQ2d 1111, 1115 (TTAB 2010) (“[A]ctivity solely outside the United States is ineffective to create or maintain rights in marks within the United States.”) Respondent’s identified services were rendered under the mark entirely in Kuwait prior to the filing date of the application maturing into the subject registration.¹⁹⁰ This does not constitute foreign commerce.

¹⁸⁸ Awwad Decl., 181 TTABVUE 7.

¹⁸⁹ Al-Binali Decl., Exhibit 102, 187 TTABVUE 90-102,.

¹⁹⁰ To the extent Respondent engaged with U.S. citizens as prospective or as actual students, such contacts do not qualify as use of the mark “in the United States and a foreign country.” See *Linville II*, 45 USPQ2d at 1376 (sporadic trips to the United States, cursory investigations of potential sites for salons, and half-hearted attempts to initiate the business relationships necessary to open a salon did not amount to use in commerce); *Linville I*, 41 USPQ2d at 1737 (that United States residents availed themselves of respondent’s services while in Canada did not constitute “technical trademark use...sufficient to obtain or maintain a registration in the United States”); *Mother’s Rests.*, 218 USPQ at 1048 (evidence that Canadian restaurant had distributed promotional material at tourist information booths, and

To the extent Respondent suggests that its use “affects” foreign commerce, we decline to extend by analogy the holdings in those cases finding commercial activity, conducted wholly within a single state in the United States, to be regulable by Congress on the basis that it affects interstate commerce. With respect to international borders and foreign commerce, “[t]he concept of territoriality is basic to trademark law.” *Person’s Co. v. Christman*, 900 F.2d 1565, 14 USPQ2d 1477 (Fed. Cir. 1990); *see also Buti v. Perosa*, 45 USPQ2d at 1989 (applying the territoriality rule to service marks).

IX. Conclusion – Respondent’s registration is void ab initio

Respondent advertises and renders educational services under the mark within Kuwait. To the extent Respondent’s advertising may have reached the United States before May 15, 2006, such advertising alone is not enough to support registration; Respondent’s services also must have been rendered in commerce. The evidence does not show that Respondent rendered services under the mark in commerce prior to the filing date of the application maturing into Registrant’s registration. Failure to satisfy either element of the “use in commerce” test renders a registration void ab initio, and here Respondent has failed to satisfy both. Accordingly, Respondent’s registration is void ab initio under Trademark Act Section 1(a).

that U.S. citizens had dined in the restaurants did not qualify as use in commerce); *Stagecoach Props.*, 199 USPQ at 349 (use of a trademark on hotel and restaurant services in Mexico did not qualify).

Decision: Respondent's counterclaims for amendment of Registrations Nos. 2986715, 3559022, and 4127891 to delete the Section 2(f) claims as to the term "AMERICAN UNIVERSITY" in favor of a disclaimer of the term, and for partial cancellation of Registration No. 4774583 as to the International Class 41 services, are **denied**.

Petitioner has established by a preponderance of evidence that Respondent did not use its mark in commerce within the meaning of Section 45 of the Trademark Act for the services identified in its involved registration prior to May 15, 2006, the filing date of its use-based application. Accordingly, the petition to cancel is **granted** under Section 1(a) and Respondent's registration will be cancelled in due course.¹⁹¹

In view thereof, we need not reach Petitioner's claim under Section 2(d). *Multisorb Techs., Inc. v. Pactiv Corp.*, 109 USPQ2d 1170, 1171 (TTAB 2013) (the Board's determination of registrability does not require, in every instance, decision on every pleaded claim).

¹⁹¹ Petitioner is allowed until thirty (30) days from the mailing date of this decision to comply with Trademark Rule 2.126(c) by filing a redacted version of 189 TTABVUE, failing which 189 TTABVUE will be treated as part of the public record. *Kohler Co.*, 125 USPQ2d at 1476 n.19 (TTAB 2017) *quoting Ayoub, Inc. v. ACS Ayoub Carpet Serv.*, 118 USPQ2d 1392, 1398 n.39 (TTAB 2016). The parties are reminded that the Board may treat as not confidential that material which cannot reasonably be considered confidential, notwithstanding a designation as such by a party. Trademark Rule 2.116(g).

EXHIBIT #7

2020 WL 6887759 (Trademark Tr. & App. Bd.)

THIS OPINION IS NOT A PRECEDENT OF THE TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

SKY INTERNATIONAL AG

v.

SKY CINEMAS LLC

Opposition No. 91223952

November 19, 2020

*1 [Mark H. Tidman](#), [Jacqueline M. Lesser](#), and [Lisa Bollinger Gehman](#) of Baker & Hostetler LLP, for Sky International AG
[Baxter W. Banowsky](#) of Banowsky & Levine PC, for Sky Cinemas LLC

Before [Cataldo](#), [Wolfson](#), and Heasley

Administrative Trademark Judges

Opinion by [Wolfson](#)

Administrative Trademark Judge:

On August 21, 2020, the Board set the parties' time to file briefs on Applicant's counterclaims against Opposer's following registrations:

1. Reg. No. 4771128 for



2. Reg. No. 4771127 for SKY NEWS ARABIA

3. Reg. No. 4806322 for

SKY NEWS عربية

4. Reg. No. 4771129 for



5. Reg. No. 4710310 for



Both parties filed their counterclaim briefs with accompanying appendices that identified the evidence in support of, or defending against, the counterclaims. The Board has carefully reviewed all the evidence presented by both parties and appreciates the parties' care in referring to their supporting evidence by citing TTABVUE entries in their briefs. The Board also acknowledges that Opposer submitted two additional declarations. Because the testimony itself is new evidence, it has only been considered to the extent it refers to previously submitted evidence.

Applicant “incorporates its prior objections,” filed at 92 TTABVUE 55-77, to portions of the Shelton Rebuttal Testimony Declaration and certain exhibits attached to the declaration. 109 TTABVUE 10. Applicant argues that “there is no basis upon which one can determine which statements might be based upon personal knowledge and which are merely statements derived from interviews of others or documents which may or may not be otherwise provided as exhibits to the declarations or even admissible at all.” 92 TTABVUE 66. Contrary to Applicant's assertion, however, the Board does not view this as a “fatal defect.” We have disregarded Shelton's opinions regarding the veracity of Banowsky's testimony, and in determining the probative value of the objected-to testimony and evidence we keep Applicant's objections in mind. However, we admit the declaration and attached exhibits. See *Kohler Co. v. Honda Giken Kogyo K.K.*, 125 USPQ2d 1468, 1478, (TTAB 2017) (Board “is capable of weighing the relevance and strength or weakness of the objected-to testimony and evidence, including any inherent limitations”) (quoting *Luxco, Inc. v. Consejo Regulador del Tequila, A.C.*, 121 USPQ2d 1477, 1479 (TTAB 2017)).

I. Opposer's use of the challenged marks

*2 A. Reg. No. 4771128 for



“The SKY NEWS channel was launched in the UK on February 5, 1989 and was UK's first dedicated 24-hour television news channel. The SKY NEWS channel is currently available in 128 countries [including the United States], which are listed at Exhibit X.” Shelton Decl., 56 TTABVUE 24, Exhibit X, 56 TTABVUE 160-163. As a “24 hour multimedia news source,” Opposer provides a “live feed on the SKY website, located at <https://news.sky.com/>.” Levy Decl., 50 TTABVUE 3, 4, 8. SKY NEWS is currently available through Apple TV and ROKU. 50 TTABVUE 3, Exhibit C. Viewers can live stream the SKY NEWS channel on YouTube, Facebook and Twitter. 50 TTABVUE 42-45, 76-80, 86-100, Exhibits E, H, K, and L. Viewers can also watch a live feed on the SKY website. 50 TTABVUE 4-5, Exhibit I, 80-85. Opposer submitted a confidential spreadsheet showing the cumulative daily number of United States visitors to its website from 2012 to 2018. 51 TTABVUE 3-5, ¶¶ 9-11, Ex. J. Opposer

pleaded ownership of two existing and unchallenged registrations for the typeset mark SKY NEWS for services in International Classes 38 and 41.¹ Both registrations have been renewed. Copies of the registrations were filed at 48 TTABVUE 77 and 79.

B. Reg. No. 4771127 for SKY NEWS ARABIA and Reg. No. 4806322 for

SKY NEWS عربية

Sky News Arabia, a joint venture between Opposer and the Abu Dhabi Media Investment Corporation, launched in May 2012 a “24-hour Arabic language news channel” under the mark SKY NEWS ARABIA. 56 TTABVUE 22. “The Sky News Arabia website at www.skynewsarabia.com covers breaking news and publishes news stories, picture galleries and videos produced by a dedicated team of multimedia journalists backed up by a network of correspondents across the Middle East, North Africa and around the world.” *Id.* Sky News Arabia has a Washington, D.C. bureau and the website is available to U.S. consumers. In May 2012, Sky News Arabia launched a news application for the iPad, iPhone and other mobile devices. *Id.*

Opposer submitted a copy of pages from the www.skynewsarabia.com website, in Arabic with photographs of various people and events, displaying the mark

SKY NEWS عربية

. Exhibit V, 56 TTABVUE 152-158. News coverage is also available over Google Play, where both the Arabic-language version and the English mark SKY NEWS ARABIA is displayed. Exhibit N, 85 TTABVUE 149.

Opposer also submitted confidential copies of a licensing agreement with “Sky News Arabia” dated May 1, 2014, for distribution of the channel into the United States and Canada. Exhibit I, 56 TTABVUE 71 (confidential version at 58 TTABVUE 322-26).

C. Reg. No. 4771129 for

sky SPORTS

“SKY SPORTS was launched in 1991 and is the brand name for a group of sports-oriented television channels operated by Sky. SKY SPORTS is the leading subscription television sports brand in the United Kingdom and Ireland.” Shelton Decl., 56 TTABVUE 13. In the United States, SKY SPORTS is available through www.skysports.com. Levy Decl., Exhibit R, 50 TTABVUE 135-157. “Sky has had use of the SKY mark since 1997 by virtue of its continuous use of its SKY SPORTS NEWS mark.” 56 TTABVUE 18.

*3 Confidential Exhibit J corroborates U.S. viewership by showing the yearly sum of daily unique visitors to the website in the U.S. from 2012 to 2018. 50 TTABVUE 5, 304; 51 TTABVUE 89 (confidential version).

D. Reg. No. 4710310 for



SKY 90 is a “German language service” available to consumers in the United States. Shelton Decl., 56 TTABVUE 7, 11. Registrations for the mark issued in Liechtenstein and Switzerland in 2011, and an EU registration issued in 2012. Shelton Decl., 56 TTABVUE 12, Exhibit K (filed under seal at 58 TTABVUE 333). In 2016, Opposer renewed a license agreement with Sky Deutschland Fernsehen GmbH & Co. KG that pertained, in part, to the SKY 90 and design mark. The new license allowed Sky Deutschland to distribute German language programming under the mark into the United States. 56 TTABVUE 78, Exhibit L (filed under seal at 58 TTABVUE 375). “The SKY 90 mark in used in connection with the provision of Sky’s program German Fussball Bundesliga to the Deutsche Fussball Liga or satellite distribution only in the United States on Dish Network’s German language programming service.” Shelton Decl., 85 TTABVUE 12; Exhibit A [sic, T], 85 TTABVUE 194.

We first consider Opposer’s use evidence in connection with Applicant’s counterclaims of lack of a bona fide intent to use.

II. Whether Opposer had a bona fide intention to use its marks

A foreign applicant may register a mark that has been “duly registered in the country of origin of the foreign applicant” by filing an application, on the principal or supplemental register, together with a true copy of the country of origin registration. Trademark Act Section 44(e), 15 U.S.C. § 1126(e). “The application must state the applicant’s bona fide intention to use the mark in commerce, but use in commerce shall not be required prior to registration.” 15 U.S.C. § 1126(e). Opposer’s marks are registered pursuant to Section 44(e).

The determination of whether Opposer had a bona fide intention to use its marks in commerce at the time of filing “is an objective determination, based on all the circumstances.” *Swatch AG v. M. Z. Berger & Co.* 108 USPQ2d 1463, 1471 (TTAB 2013) (citing *Boston Red Sox Baseball Club L.P. v. Sherman*, 88 USPQ2d 1581, 1587 (TTAB 2008)); see also *Honda Motor Co. v. Winkelmann*, 90 USPQ2d 1660, 1662 (TTAB 2009) (“In determining whether an applicant under § 44(e) has the requisite bona fide intent to use the mark in U.S. commerce, the Board uses the same objective, good-faith analysis that it uses in determining whether an applicant under § 1(b) has the required bona fide intent to use the mark in U.S. commerce.”), quoted in *Société des Produits Nestlé S.A. v. Taboada*, 2020 USPQ2d 10893, *8 (TTAB 2020).

*4 Applicant argues that we must delete all goods from a class, not just the specific goods within the class. “[I]f the Board determines that Opposer did not have a bona fide intent to make use of the marks on any one or more of the remaining goods or services in a class, registration as to that class must be cancelled in its entirety.” 109 TTABVUE 9. Applicant is mistaken. If we find some goods or services need to be deleted, this would not invalidate the registrations in their entireties. See *The Wet Seal, Inc. v. FD Mgmt., Inc.*, 82 USPQ2d 1629, 1633 (TTAB 2007) (“[A]n application will not be deemed void for lack of a bona fide intention to use absent proof of fraud, or proof of a lack of bona fide intention to use the mark on all of the goods identified in the application, not just some of them.”); *Grand Canyon W. Ranch, LLC v. Hualapai Tribe*, 78 USPQ2d 1696, 1697 (TTAB 2006) (deleting some goods from a use based application for which the mark was not actually used rather than finding the entire application void ab initio).

The initial burden of proof is on Applicant, as the counterclaim plaintiff, to establish a prima facie case for its lack of bona fide intent claim. *Boston Red Sox*, 88 USPQ2d at 1587. One way a party can establish a prima facie case is by proving that its adversary has no documentary evidence supporting its claimed bona fide intent to use the mark in commerce as of the application filing dates. Here, Opposer has submitted evidence of use of its marks. However, Applicant argues that none of the documents submitted by Opposer are relevant, either because they do not evidence use of the marks at issue, because they evidence use of the marks outside the United States, or because they do not pre-date the filing dates of the applications that matured into Opposer's registrations.

Applicant misapprehends the law insofar as the question of territoriality is concerned. A party's showing of use of its marks outside the United States may be probative of its "capacity to market and manufacture the identified goods [within the United States] consistent with the natural extension of its current product line [which capacity] can rebut the lack of documentary evidence." *Rolex Watch U.S.A. Inc. v. AFP Imaging Corp.*, 101 USPQ2d 1188, 1197-98 (TTAB 2011) (applicant had capacity to market and manufacture goods listed in its application for ROLL-X mark, which is consistent with an extension of applicant's current DENT-X product line), *judgment vacated as moot*, 107 USPQ2d 1626 (TTAB 2013); *see also Société des Produits Nestlé S.A.*, 2020 USPQ2d 10893, *12 (considering foreign applicant's lack of capacity to extend its current product line); *Wet Seal v. FD Mgt.*, 82 USPQ2d at 1643 (finding applicant's capacity to market and/or manufacture goods produced in the past under different marks rebuts a claim that applicant lacked a bona fide intent to use). Likewise, evidence of a party's bona fide intent need not pre-date the filing date of the application. "Documents created seven months after the application filing date have been found relevant to, but not dispositive of, the applicant's intent at the time of filing." *Société des Produits Nestlé S.A.*, 2020 USPQ2d 10893 at *13, *quoting Swatch AG v. M.Z. Berger & Co.*, 108 USPQ2d at 1474. Correspondence occurring nine to eleven months after the filing date has been found sufficiently contemporaneous to the application filing date "to serve as corroboration of the applicant's declaration in the application of a bona fide intention to use the mark in commerce." *Lane Ltd. v. Jackson Int'l Trading Co.*, 33 USPQ2d 1351, 1355 (TTAB 1994).

*5 Applicant argues that the "sheer number" of goods and services in Opposer's applications evidences its lack of bona fide intent. Applicant's brief, 109 TTABVUE 4. "Applying for broad blanket protection for goods and services without evidence of contemporaneous plans along with evidence of the ability to deliver all the applied for goods and services evidences a lack of bona fide intent." *Id.* We are satisfied that Opposer's deletion of goods and services was the result of abandonment of the mark with respect to the deleted goods and services, not an attempt to avoid judgment. *Cf. ShutEmDown Sports, Inc. v. Lacy*, 102 USPQ2d 1036, 1042 (TTAB 2012) ("With respect to the vast majority of the goods recited in Registration No. 3372975, i.e., the "goods admitted not in use," respondent has admitted that he has not used the mark on these 109 items and has no intention to do so. This is sufficient to prove abandonment as to those goods.").²

We have carefully considered Applicant's arguments and Opposer's evidence pertaining to its use of the SKY marks since at least as early as 2013. We find that this evidence constitutes credible, objective corroboration of its statements in the applications that Opposer had a bona fide intention to use its marks in commerce on the goods and services presently listed in the registrations as of the filing dates of the registrations. *Cf. Commodore Electronics Ltd. v. CBM Kabushiki Kaisha*, 26 USPQ2d 1503, 1507 (TTAB 1993) (finding applicant's evidence of use "an indication that applicant has been acting in good faith since it tends to show that applicant is actually engaged in the trade for many of the ... goods listed in its intent-to-use application...."). Opposer has shown use of its marks sufficiently contemporaneous with the filing dates of its applications; its use of the marks outside the U.S. coupled with inroads into the U.S. market supports a finding that Opposer had the requisite bona fide intent to use its marks on the relevant goods and services as of the filing date of the applications.

We next consider Opposer's evidence of use in the United States and Applicant's counterclaims of abandonment.

III. Whether Opposer has abandoned its marks with respect to any goods or services

A registration issued pursuant to Trademark Act Section 44(e) is subject to the same grounds for cancellation as are registrations issued under Section 1, including abandonment. *Wirecard AG v. Striatum Ventures B.V.*, 2020 USPQ2d 10086, *4 (TTAB 2020)

(citing *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 899 F.2d 1575, 14 USPQ2d 1390, 1395 (Fed. Cir. 1990) (“We see no justification to adopt a different or more liberal interpretation of the statute [with respect to abandonment] in connection with a mark of a section 44(e) registrant which has never been used in this country.”)).

*6 Abandonment occurs when use of a mark “has been discontinued with intent not to resume such use.” Section 45 of the Trademark Act; 15 U.S.C. § 1127. Intent not to resume use may be inferred from circumstances, and “nonuse for 3 consecutive years shall be prima facie evidence of abandonment.” 15 U.S.C. § 1127. Moreover, a presumption of abandonment based on three years nonuse may be invoked against a party who never begins use of its mark. *Wirecard AG.*, 2020 USPQ2d 10086 at *4; see also *Exec. Coach Builders, Inc. v. SPV Coach Co.*, 123 USPQ2d 1175, 1180 (TTAB 2017) (citing *Rivard v. Linville*, 133 F.3d 1446, 45 USPQ2d 1374, 1376 (Fed. Cir. 1998); *Imperial Tobacco*, 14 USPQ2d at 1394.

Introduction of evidence of nonuse of a mark for three consecutive years constitutes a prima facie showing of abandonment and triggers a rebuttable presumption that a mark was abandoned with intent not to resume use. *Exec. Coach*, 123 USPQ2d at 1180. Where, as here, Opposer's registrations issued without a showing of use, proof of a three-year period of nonuse following registration creates a rebuttable presumption that there is abandonment without intent to commence use. *Wirecard, AG.*, 2020 USPQ2d 10086 at *6. Once a prima facie showing of abandonment has triggered the rebuttable presumption, the burden of production shifts to the party contesting the abandonment to submit evidence of either: (1) use of the mark during the statutory period of nonuse; or (2) activities reflecting an intent to resume (or commence) use during the nonuse period. *Wirecard AG.*, 2020 USPQ2d 10086 at *4. “The burden of persuasion however, always remains with the party asserting abandonment, which must prove it by a preponderance of evidence.” *Id.* To cancel an entire registration, the party must prove its adversary has abandoned the mark of the registration for all goods or services in each of the classes of goods and services identified therein. *Cf. Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 28 (CCPA 1976) (“We conclude, therefore, that this opposition proceeding as to four classes of a combined application is, effectively, four different oppositions which require four different factual determinations and four different conclusions on the ultimate issue of likelihood of confusion under § 2(d).”).

*7 Evidence concerning a party's actions both before and after the three-year statutory period may be relied on to infer a party's intent to resume use. *Crash Dummy Movie, LLC v. Mattel, Inc.*, 601 F.3d 1387, 94 USPQ2d 1315, 1317 (Fed. Cir. 2010) (Mattel successfully rebutted the statutory presumption of abandonment by evidence that it needed sufficient time to research, develop and market its re-tooled CRASH DUMMIES toys after acquiring the mark in 1997). *Accord, Exec. Coach*, 123 USPQ2d at 1199 (Board may consider evidence of actions before and after the three-year period of nonuse to infer an intent to resume use during that time frame.). Thus, although three years is the critical time period within which there must be proof of an intent to resume use, evidence from before and after that period is admissible and relevant. *McCarthy, Thomas J.*, 3 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 17:21 (5th ed. Sept. 2020 update). Moreover, the record evidence may pertain to goods and/or services in multiple classes, especially where, as here, the goods and services are interrelated.

Applicant alleges that Opposer has failed to use the marks SKY NEWS ARABIA, SKY SPORTS, and SKY NEWS “for more than three years” since the dates of registration of the marks except in connection with “the provision of a streaming news service.” 77 TTABVUE 107. Applicant contends that Opposer failed to use the mark SKY 90 “for more than three years since the date of [the mark's] registration” with respect to any goods or services. *Id.* Opposer argues that “[t]he goods and services that remain in the registrations subject to cancellation are all of the kind that would be considered to be part of ‘streaming services,’” and since these goods and services are admitted by Applicant to be in use (at least with respect to SKY NEWS ARABIA, SKY SPORTS, and SKY NEWS), there is no abandonment. 110 TTABVUE 7.

Because the subject registrations issued under Section 44(e), the earliest dates on which the three-year period for the statutory presumption of abandonment may begin in each case are the registration dates: July 14, 2015 for Reg. Nos. 4771127, 4771128, and 4771129; September 8, 2015 for Reg. No. 4806322 and March 31, 2015 for Reg. No. 4710310. See *Imperial Tobacco*, 14 USPQ2d at 1395 (Section 44(e) registrant is “granted a dispensation from actual use prior to registration, but after registration, there is no dispensation of use requirements”); *Consol. Cigar Corp. v. Rodriguez*, 65 USPQ2d 1153, 1155 (TTAB

2002) (statutory three-year period of nonuse which constitutes prima facie evidence of abandonment does not begin until the registration has actually issued).

*8 During the course of discovery, Applicant sought information and documentation of Opposer's use of its marks in commerce. Banowsky Decl., 67 TTABVUE 2-8. Applicant argues that none of the material produced by Opposer in these proceedings refers to any actual use in commerce of the marks, “with the exception of the use of certain marks for streaming news services.” Applicant's Brief, 107 TTABVUE 3. Applicant's acknowledgment extends to the marks SKY NEWS, SKY SPORTS, SKY NEWS ARABIA and SKY NEWS [ARABIA]. Opposer has submitted evidence corroborating Applicant's acknowledgment and further demonstrating Opposer's use of the mark SKY90 for news streaming services.

Although the scope of services covered by “news streaming services” is limited under U.S. policy to the electronic transmission of news in Class 38,³ the terminology “news streaming service” is used in the marketplace in connection with activities performed by both current events news broadcasting service providers and news-content providers. *See generally* TRADEMARK MANUAL OF EXAMINING PROCEDURE (TMPE) § 1402.11(a)(ii) (Oct. 2018) (“Content-provider services may be classified in a variety of classes depending upon the nature of the activity provided.”). Opposer has used its marks SKY NEWS, SKY SPORTS NEWS, SKY NEWS ARABIA and SKY NEWS [ARABIA] during the relevant 3-year periods in association with telecommunication services in Class 38 and content-provider services in Class 41. Thus, Opposer's services are properly recited in both service classes. Opposer also argues that its streaming services “include an App download, an internet site, the ability to watch broadcasts that are streamed through Sky's sites, and the ability to add text, search, and arrange information.” 110 TTABVUE 8-9. In support, Opposer provided confidential copies of license agreements with HULU, Amazon and Apple, which provide end users the right to download content for storage on the end users' equipment via Internet and mobile technology delivery mechanisms, for viewing on such equipment. Shelton Decl., Exhibit H, parts 1 and 2, 58 TTABVUE 207-220. This use supports the Class 9 goods “downloadable music, sounds, videos, images, text and information provided by a telecommunications network, by online delivery and by way of the internet and/or the world-wide web in the fields of news, sports and entertainment.”

Opposer has not shown that it uses its pleaded marks with other goods or services, but nonuse alone is not enough to establish Opposer's abandonment with respect to the other goods or services. “[T]here are two elements to a nonuse abandonment claim: nonuse of the mark and intent not to resume [or commence] use.”⁴ *Exec. Coach*, 123 USPQ2d at 1180; *see also Jack Wolfskin Ausrüstung Fur Draussen GmbH & Co. KGAA v. New Millennium Sports, S.L.U.*, 797 F.3d 1363, 116 USPQ2d 1129, 1131 (Fed. Cir. 2015), *cert. denied*, 136 S. Ct. 982, 194 L. Ed. 2d 5 (2016); *Noble House Home Furnishings, LLC v. Floorco Enters., LLC*, 118 USPQ2d 1413, 1417 (TTAB 2016). Applicant, as the party asserting abandonment, bears the ultimate burden to prove both elements “by a preponderance of evidence.” *Cerveceria Centroamericana S.A. v. Cerveceria India Inc.*, 892 F.2d 1021, 13 USPQ2d 1307, 1309 (Fed. Cir. 1989).

*9 Applicant has failed to carry its burden of persuasion to show that Opposer lacked an intent to commence use with respect to those services that are within the scope of news streaming services. Accordingly, these services remain in the registrations. Services currently recited in the registrations that are not within the scope of news streaming services are deleted. With respect to the remaining Class 9 goods in the SKY NEWS, SKY NEWS ARABIA, SKY NEWS [ARABIA], and SKY SPORTS registrations, we find that Applicant met its prima facie burden to show that Opposer lacks an intention to commence use of these marks on such goods by showing it sought evidence of such intent, and Opposer has not rebutted the presumption with evidence that rebuts Applicant's showing. Accordingly, the remaining Class 9 goods are deleted from the registrations.

Decision: Applicant's counterclaims to cancel Opposer's pleaded registrations are granted in part; denied in part. The attached Appendix A lists the services that are to remain in the registrations. The registrations will be amended to conform to Appendix A in due course.

APPENDIX A

I. Reg. No. 4771128 for



Class 9:

downloadable music, sounds, videos, images, text and information provided by a telecommunications network, by online delivery and by way of the internet and/or the world-wide web in the fields of news, sports and entertainment.

Class 38:

electronic transmission of data, messages and information; local and long distance transmission of data, graphics by means of cable and satellite transmissions relating to sports, news, entertainment; communications services, namely, transmission of voice, data, graphics, images and video by means of telecommunications networks, wireless communication networks, and the internet; satellite and television transmission; broadcasting and/or transmission of radio and/or television programs and/or films; transmission of audio and/or audio visual programming; transmission of audio, video and/or audio visual programming by electronic transmission, online broadband, satellite; broadcasting of programming by means of or aided by computer; transmission of audio, video and/or audio visual programming by internet protocol (iptv); electronic transmission of text, messages, sound and/or pictures; providing broadcast and/or transmission of audio visual content; news agency services for electronic transmission; streaming delivery of video on demand streams to viewers; broadcast and/or transmission of radio programs, television programs, films; transmission of radio programs, television programs.

Class 41:

education and entertainment services, namely, production and distribution of sports, news, entertainment videos; provision of audio visual performances, namely, news programs; live show production services of news programs; production, presentation and distribution of radio and television programs, interactive television; provision of news, current affairs and sports information; distribution of radio programs, television programs, audio and/or visual material, television programs, films; online news reporters services.

***10 II. Reg. No. 4771127 for SKY NEWS ARABIA and Reg. No. 4806322 for**

SKY NEWS عربية

Class 9:

downloadable music, sounds, videos, images, text and information provided by a telecommunications network, by online delivery and by way of the internet and/or the world-wide web in the fields of news, sports and entertainment.

Class 38:

telecommunications services, namely providing local and long distance transmission of data, graphics by means of telephone, cable, and satellite transmissions relating to sports, news, entertainment; communications services, namely, transmission of voice, data, graphics, images and video by means of telecommunications networks, wireless communication networks, and the internet; satellite and television transmission; broadcasting and/or transmission of radio and/or television programs and/or films; transmission of audio and/or audio visual programming; transmission of audio, video and/or audio visual programming by electronic transmission, online broadband, satellite; broadcasting of programming by means of or aided by computer; transmission of audio, video and/or audio visual programming by internet protocol (iptv); electronic transmission of text, messages, sound and/or pictures; providing broadcast and/or transmission of audio visual content; news agency services for electronic transmission; streaming delivery of video on demand streams to viewers; broadcast and/or transmission of radio programs, television programs, films; transmission of radio programs, television programs.

Class 41:

education and entertainment services, namely, production and distribution of sports, news, entertainment videos; provision of audio visual performances, namely, news programs; live show production services of news programs; production, presentation and distribution of radio and television programs, interactive television; provision of news, current affairs and sports information; distribution of radio programs, television programs, audio and/or visual material, television programs, films; online news reporters services.

III. Reg. No. 4771129 for



Class 9:

downloadable music, sounds, videos, images, text and information provided by a telecommunications network, by online delivery and by way of the internet and/or the world-wide web in the fields of news, sports and entertainment.

Class 38:

electronic transmission of data, messages and information; local and long distance transmission of data, graphics by means of cable, and satellite transmissions relating to sports, news, entertainment; communications services, namely, transmission of data, graphics, images and video by means of telecommunications networks, wireless communication networks, and the internet; satellite and television transmission; broadcasting and/or transmission of radio and/or television programs and/or films; transmission of audio and/or audio visual programming; transmission of audio, video and/or audio visual programming by electronic transmission, online broadband, satellite; broadcasting of programming by means of or aided by computer; transmission of audio, video and/or audio visual programming by internet protocol (iptv); electronic transmission of text, messages, sound and/or pictures; providing broadcast and/or transmission of audio visual content; news agency services for electronic transmission; streaming delivery of video on demand streams to viewers; broadcast and/or transmission of radio programs, television programs, films; transmission of radio programs, television programs.

***11 Class 41:**

education and entertainment services, namely, production and distribution of sports, news, entertainment videos; provision of audio visual performances, namely, news programs; live show production services of news programs; production, presentation and distribution of radio and television programs, interactive television; provision of news, current affairs and sports

information; distribution of radio programs, television programs, audio and/or visual material, television programs, films; online news reporters services.

IV. Reg. No. 4710310 for



Class 38:

communications services, namely, transmission of data, graphics, images and video by means of telecommunications networks, wireless communication networks, and the internet; satellite and television transmission; broadcasting and/or transmission of television programs and/or films; transmission of audio and/or audio visual programming; transmission of audio, video and/or audio visual programming by electronic transmission, online broadband, satellite; providing broadcast and/or transmission of audio visual content; news agency services for electronic transmission; broadcast and/or transmission of television programs.

Class 41:

providing access to videos to viewers on demand; hiring, rental and leasing of videos; provision of news programs and sports competitions; provision of news, current affairs and sports information; distribution of television programs, pre-recorded video tapes, audio and/or visual material; production of radio programs, television programs, films, motion pictures, audio and/or visual material, featuring sports, news, entertainment; production, editing, hire, leasing, rental, exhibition of, preparation, and provision of television programs, films; online news reporters services.

APPENDIX B

Current ID with strikethroughs to show deleted goods and services

I. Reg. No. 4771128 for the mark:



Class 9: downloadable music, sounds, videos, images, text and information provided by a telecommunications network, by online delivery and by way of the internet and/or the world-wide web in the field of news, sports and entertainment.

Class 38: electronic transmission of data, messages and information, , local and long distance transmission of data, graphics by means of cable, and satellite transmissions relating to sports, news, entertainment; communications services, namely, transmission of voice, data, graphics, images and video by means of telecommunications networks, wireless communication networks, and the internet; satellite and television transmission ; broadcasting and/or transmission of radio and/or television

programs and/or films; transmission of audio and/or audio visual programming; transmission of audio, video and/or audio visual programming by electronic transmission, online broadband, satellite; broadcasting of programming by means of or aided by computer; transmission of audio, video and/or audio visual programming by internet protocol (iptv); electronic transmission of text, messages, sound and/or pictures; providing broadcast and/or transmission of audio visual content; news agency services for electronic transmission; streaming delivery of video on demand streams to viewers; broadcast and/or transmission of radio programs, television programs, films; transmission of radio programs, television programs.

***12 Class 41:** education and entertainment services, namely, production and distribution of sports, news, entertainment, videos; provision of audio visual performances, namely, news programs, live show production services of news programs, production, presentation and distribution of radio and television programs, interactive television; provision of news, current affairs and sports information; distribution of radio programs, television programs, audio and/or visual material, television programs, films; online news reporters services.

II. Reg. No. 4771127 and Reg. No. 4806322 for the marks SKY NEWS ARABIA and

SKY NEWS عربية

Class 9: downloadable music, sounds, videos, images, text and information provided by a telecommunications network, by online delivery and by way of the internet and/or the world-wide web in the field[s] of news, sports and entertainment.

Class 38: telecommunications services, namely providing local and long distance transmission of data, graphics by means of telephone, cable, and satellite transmissions relating to sports, news, entertainment; communications services, namely, transmission of voice, data, graphics, images and video by means of telecommunications networks, wireless communication networks, and the internet; satellite and television transmission ; broadcasting and/or transmission of radio and/or television programs and/or films; transmission of audio and/or audio visual programming; transmission of audio, video and/or audio visual programming by electronic transmission, online broadband, satellite; broadcasting of programming by means of or aided by computer; transmission of audio, video and/or audio visual programming by internet protocol (iptv); electronic transmission of text, messages, sound and/or pictures; providing broadcast and/or transmission of audio visual content; news agency services for electronic transmission; streaming delivery of video on demand streams to viewers; broadcast and/or transmission of radio programs, television programs, films; transmission of radio programs, television programs.

***13 Class 41:** education and entertainment services, namely, production and distribution of sports, news, entertainment, videos; provision of audio visual performances, namely, news programs, live show production services of news programs, production, presentation and distribution of radio and television programs, interactive television; provision of news, current affairs and sports information; distribution of radio programs, television programs, audio and/or visual material; television programs, films; online news reporters services.

III. Reg. No. 4771129 for the mark



Class 9: downloadable music, sounds, videos, images, text and information provided by a telecommunications network, by on-line delivery and by way of the internet and/or the worldwide web in the field of news, sports and entertainment.

Class 38: electronic transmission of data, messages and information, local and long distance transmission of data, graphics by means of cable, and satellite transmissions relating to sports, news, entertainment, ; communications services, namely, transmission of data, graphics, images and video, by means of telecommunications networks, wireless communication networks, and the internet; satellite and television transmission, broadcasting and/or transmission of radio and/or television programs and/or films; transmission of audio and/or audio visual programming; transmission of audio, video and/or audio visual programming by electronic transmission, online broadband, satellite; broadcasting of programming by means of or aided by computer; transmission of audio, video and/or audio visual programming by internet protocol (iptv); electronic transmission of text, messages, sound and/or pictures; providing broadcast and/or transmission of audio visual content; news agency services for electronic transmission; streaming delivery of video on demand streams to viewers; broadcast and/or transmission of radio programs, television programs, films; transmission of radio programs, television programs.

***14 Class 41:** education and entertainment services, namely, production and distribution of sports, news, entertainment videos; provision of audio visual performances, namely, news programs, live show production services of news programs, production, presentation and distribution of radio and television programs, interactive television, provision of news, current affairs and sports information; distribution of radio programs, television programs, , audio and/or visual material, television programs, films; online news reporters services.

IV. Reg. No. 4710310 for the mark



Class 38: communications services, namely, transmission of data, graphics, images and video by means of telecommunications networks, wireless communication networks, and the internet; satellite and television transmission ; broadcasting and/or transmission of television programs and/or films; transmission of audio and/or audio visual programming; transmission of audio, video and/or audio visual programming by electronic transmission, online broadband, satellite; providing broadcast and/or transmission of audio visual content; ; news agency services for electronic transmission; broadcast and/or transmission of television programs.

Class 41: ; providing access to videos to viewers on demand; hiring, rental and leasing of videos; provision of news programs and sports competitions; provision of news, current affairs and sports information; distribution of television programs, prerecorded video tapes, audio and/or visual material; production of radio programs, television programs, films, motion pictures, , audio and/or visual material, featuring sports, news, entertainment; production, editing, hire, leasing, rental, exhibition of, preparation, and provision of television programs, films; ; online news reporters services.

Footnotes

- 1 Registration No. 2912783 issued December 21, 2004 for SKY NEWS (“NEWS” disclaimed) for “television and radio news reporting services; production of radio and television news programmes” in International Class 41. Reg. No. 2932761 issued March 15, 2005 for SKY NEWS (“NEWS” disclaimed) for “broadcasting and transmission of news

programmes by satellite, television and radio” in International Class 38 and “news agency services, namely, gathering and dissemination of news; news reporting services” in International Class 41. Copies of the registrations were filed at 48 TTABVUE 77 and 79.

- 2 We also find Applicant's reference to Opposer's statements during prosecution of its registrations for the mark SKY PRO CYCLING to have minimal probative value, as those registrations have been abandoned.
- 3 USPTO IDENTIFICATION OF GOODS AND SERVICES MANUAL at idm-tmng.uspto.gov/id-master-list-public.html, accessed November 5, 2020.
- 4 As noted supra, because Opposer's registrations issued under Section 44, a showing of use was not required at the time the registrations issued.

2020 WL 6887759 (Trademark Tr. & App. Bd.)

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EXHIBIT #8

**THIS OPINION IS NOT A
PRECEDENT OF
THE T.T.A.B.**

Mailed: October 19, 2012

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Churchill Cellars, Inc.

v.

Brian Graham

Opposition No. 91193930
to application Serial No. 77787019

Richard J. Coddington of Akin Gump Strauss Haure & Feld LLP for
Churchill Cellars, Inc.

David P. Miranda of Heslin Rothenberg Farley & Mesiti PC for
Brian Graham.

Before Holtzman, Cataldo and Mermelstein,
Administrative Trademark Judges.

Opinion by Cataldo, Administrative Trademark Judge:

On July 22, 2009 applicant, Brian Graham, applied to register in standard characters on the Principal Register the mark PARLAY, based upon his allegation of February 13, 2009 as a date of first use of the mark anywhere and in commerce under Section 1(a) of the Trademark Act for "wine" in International Class 33.¹

¹ Application Serial No. 77787019.

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Registration has been opposed by opposer, Churchill Cellars, Inc. The allegations in the notice of opposition are set forth below:

1. Churchill Cellars, Inc. ("Opposer") distributes and sells wines under the trademark PARLAY.

2. The distribution and sale of wine is subject to a federal regulatory scheme. That scheme is set forth, in part, in Title 27 of the Code of Federal Regulations ("C.F.R."), Chapter I, Part 4, Labeling and Advertising of Wine. 27 C.F.R. § 4.30 provides in pertinent part:

(a) Application. No person engaged in business as a producer, rectifier, blender, importer, or wholesaler, directly or indirectly or through an affiliate, shall sell or ship or deliver for sale or shipment, or otherwise introduce in interstate or foreign commerce, or receive therein, or remove from customs custody, any wine in containers unless such wine is packaged, and such packages are marked, branded, and labeled in conformity with this subpart.

3. 27 C.F.R. § 4.50 provides:

(a) No person shall bottle or pack wine, other than wine bottled or packed in U.S. customs custody, or remove such wine from the plant where bottled or packed, unless an approved certificate of label approval, TTB Form 5100.31 is issued by the appropriate TTB officer.

4. In accordance with the applicable regulatory requirements set forth above, on or about March 6, 2009, Owl Ridge Wine Services, Greg & Greg, Inc., on behalf of Opposer Churchill Cellars, Inc., filed an application with the Department of Treasury Alcohol and Tobacco Tax and Trade Bureau ("TTB") for approval of the Churchill Cellars, Inc. PARLAY wine label.

5. On or about March 10, 2009, the TTB issued its TTB Form 5100.31 certificate of label approval of Churchill Cellars, Inc.'s PARLAY wine label.

6. Following receipt of the required TTB approval of its PARLAY label, Churchill Cellars, Inc. began bottling,

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distributing and selling wine under the PARLAY trademark making its first shipment of wine on or about April 21, 2009. Since that time, Churchill Cellars Inc. has used the PARLAY mark continuously.

7. Applicant Brian Graham ("Applicant") seeks to register the mark PARLAY in international class 33 (Alcoholic beverages (except beers)) (former U.S. classes 47 (wines) and 49 (Distilled alcoholic liquors)).

8. Applicant filed its application for registration of its mark on July 22, 2009, well after Opposer obtained its TTB label approval on March 10, 2009 and well after Opposer began using the PARLAY mark in interstate commerce on April 21, 2009.

9. In its application for registration of its mark, Applicant has alleged February 13, 2009 as its first use of the mark and its first use of the mark in interstate commerce.

10. On its face, it appears that Applicant's alleged date of first use of February 13, 2009 precedes Opposer's date of first use on April 21, 2009. However, at the time of Applicant's alleged first use of the PARLAY mark, it had neither applied for nor obtained a TTB Form 5100.31 certificate of label approval. Applicant, through an affiliated entity, Ramian Estate, LLC., did not obtain a TTB Form 5100.31 certificate of label approval until July 9, 2009, well after Opposer obtained its TTB label approval and began using the mark in commerce.

11. Section 907, Compliance with Other Statutes, of the Trademark Manual of Examining Procedure provides that the use of a mark in commerce must be a lawful use to be the basis for federal registration of the mark.

12. 37 C.F.R. § 269, Compliance with other laws, provides:

When the sale or transportation of any product for which registration of a trademark is sought is regulated under an Act of Congress, the Patent and Trademark Office may make appropriate inquiry as to compliance with such Act for the sole purpose of determining lawfulness of the commerce recited in the application.

13. Here, as noted above, 27 C.F.R. § 4.50 provides that no person shall bottle or pack wine or remove such wine from the plant where bottled or packed unless an approved

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certificate of label approval, TTB Form 5100.31, has been issued by the appropriate TTB officer. Because Applicant did not receive its TTB Form 5100.31 certificate of label approval until July 9, 2009, any wine bearing the PARLAY mark sold or distributed by Applicant or pursuant to its authorization prior to July 9, 2009 was sold or distributed in violation of the explicit requirements of 27 C.F.R. § 4.50 and does not constitute a lawful use of the mark for the purpose of obtaining a federal registration of the mark based on that use.

14. Because the requirement of 27 C.F.R. § 4.50 for an approved TTB Form 5100.31 certificate of label approval prior to the distribution of any bottled or packaged wine is clear and unambiguous and because it is equally clear that Applicant did not have the required certificate of label approval prior to its sales or shipments of wine bearing the PARLAY mark prior to July 9, 2009, the date it obtained its TTB certificate of approval, Applicant's distribution and/or sale of wine bearing the PARLAY mark prior to July 9, 2009 constitutes a per se violation of 27 C.F.R. § 4.50. Consequently, any such distributions and sales do not constitute lawful uses of the PARLAY mark and cannot be relied on as the basis for obtaining a trademark registration. *Kellogg Co. v. New Generation Foods Inc.*, 6 USPQ 2d 2045 (TTAB 1988); *Medtronic, Inc. v. Pacesetter Systems, Inc.*, 222 USPQ 80 (TTAB 1984).

15. This is not a case where there has been a technical violation of the requirements of the content of the label. Here, there is a clear statutory requirement for a label approved by the TTB and a clear and total failure to obtain the required label approval for the relevant period of time.

16. Because Applicant's alleged uses of the PARLAY mark prior to July 9, 2009 were not lawful and cannot be the basis for Applicant's registration of the mark, Opposer's lawful uses of the mark in commerce beginning on April 21, 2009 in compliance with the requirements of 27 C.F.R. § 4.50 are prior to any lawful uses of the mark in commerce by Applicant and Opposer has priority as to the use of the mark.

17. Applicant's PARLAY mark is identical to Opposer's PARLAY mark. Indeed, the stylized version of the mark used by Applicant on its bottles of wine is identical to the stylized version of the mark used by Opposer on its bottles of wine.

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18. The fact that Applicant's mark is identical to Opposer's and that both marks are used on wines sold through the same or similar channels of distribution virtually assures that there will be confusion among potential customers as to the source or origin of Applicant's wine.

19. Applicant will unfairly benefit from the good will developed by Opposer through the distribution and sale of Opposer's wine.

20. Similarly, any defect in or objection to Applicant's wine will necessarily reflect adversely on Opposer and Opposer's wine and will damage the reputation that Opposer has developed with respect to its PARLAY wine. If Applicant were granted a registration for the PARLAY mark as requested, it would obtain at least a prima facie exclusive right to use the mark for Applicant's wines. Such registration would be a source of damage and injury to Opposer, as set forth above.

Applicant's answer consists of a general denial of the allegations in the notice of opposition.²

The record in this case consists of the pleadings and the file of the involved application. See Trademark Rule 2.122(b); 37 C.F.R. § 2.122(b). In addition, opposer filed the testimony deposition, with accompanying exhibits, of Ms. Casey Coyle, a stockholder and employee of opposer. Opposer further submitted a notice of reliance.

Applicant submitted his testimony deposition with accompanying exhibits. Applicant further submitted a notice of reliance.

² In addition, applicant asserted certain matters as affirmative defenses but did not pursue them by motion or at trial. Accordingly, they are deemed waived.

The parties filed briefs, including opposer's reply brief.

Opposer's Standing

Opposer, through its testimony and related exhibits, has established that it uses the mark PARLAY in connection with wine in the context of a plausible claim of priority and likelihood of confusion. *Giersch v. Scripps Networks Inc.*, 90 USPQ2d 1020, 1022 (TTAB 2009) (common-law use sufficient to establish standing). Thus, opposer has demonstrated it possesses a real interest in this proceeding beyond that of a mere intermeddler, and a reasonable basis for its belief of damage. *See Ritchie v. Simpson*, 170 F.3d 1902, 50 USPQ2d 1023 (Fed. Cir. 1999). *See also Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982).

We find, therefore, that opposer has proven its standing to bring the instant opposition proceeding.

Likelihood of Confusion

Our likelihood of confusion determination under Section 2(d) is based on an analysis of all of the facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. *See In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). *See also Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689 (Fed. Cir. 2005); *In*

re Majestic Distilling Company, Inc., 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003); and *In re Dixie Restaurants Inc.*, 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997).

In this case, the parties are using virtually identical marks, *i.e.*, PARLAY, for identical goods, namely wine.³ Both applicant's wine and opposer's wine appear to be available to all classes of purchasers in all channels of trade that are customary therefor. Neither party has presented arguments or evidence to support a finding that any of the enumerated *du Pont* factors favor a finding that confusion is unlikely. Indeed, the parties have not addressed the *du Pont* factors touching on likelihood of confusion in their briefs. Therefore we find, and the parties appear to agree, that confusion is likely.

Priority

Because opposer does not own a U.S. registration, in order to prevail on a claim under Trademark Act § 2(d), it bears the burden of demonstrating a proprietary interest acquired through use of its mark prior to either the filing date of applicant's application or applicant's proven date of first use, whichever is earlier. *See Herbko Int'l*

³ As noted above, applicant seeks registration of its mark in standard characters. We observe nonetheless that evidence of record indicates that the parties are using the PARLAY mark in a nearly identical stylized form. While both parties have commented upon this high degree of similarity, neither has directly alleged or introduced evidence that the other copied its mark.

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Inc. v. Kappa Books Inc., 308 F.3d 1156, 64 USPQ2d 1375, 1378 (Fed. Cir. 2002); *Otto Roth & Co., Inc. v. Universal Corp.*, 640 F.2d 1317, 209 USPQ 40, 43 (CCPA 1981); and *Miller Brewing Co. v. Anheuser-Busch Inc.*, 27 USPQ2d 1711, 1714 (TTAB 1993). Opposer's asserted common-law mark, PARLAY, must be "distinctive," in the sense that it is used as an indicator of source and has at least some inherent or acquired ability to fulfill that function. See *Otto Roth*, 209 USPQ at 44; *Towers v. Advent Software Inc.*, 913 F.2d 942, 16 USPQ2d 1039, 1041 (Fed. Cir. 1990). A plaintiff's common-law mark is deemed distinctive if it appears to be inherently distinctive on its face, at least in the absence of evidence to the contrary. In this case, applicant has neither argued nor introduced evidence that opposer's PARLAY mark is descriptive or otherwise lacks inherent distinctiveness for purposes of our determination herein. Nor does the mark, on its face, appear to be anything but distinctive. We thus find opposer's PARLAY mark to be inherently distinctive on the facts and record of this case. See *Otto Roth*, 209 USPQ at 44. See also, e.g., *Giersch v. Scripps Networks Inc*, 90 USPQ2d 1020, 1023 (TTAB 2009).

We turn then to the evidence of record to determine whether opposer's first use of its PARLAY mark is prior to any date upon which applicant can rely. In that regard, the following facts are largely undisputed:

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applicant first created its PARLAY wine labels in October 2008⁴ and first used PARLAY in connection with wine subsequently in 2008;⁵

applicant first used the PARLAY mark in connection with wine in interstate commerce as early as February 13, 2009;⁶

applicant filed an application for TTB approval of its PARLAY label for wine on June 1, 2009, and obtained such TTB approval on July 9, 2009;⁷

opposer selected PARLAY as a mark for its wine on or about March 5, 2009;⁸

opposer filed an application for TTB approval of its PARLAY label for wine on March 6, 2009, and obtained such approval on March 10, 2006;⁹ and

opposer made its first use of PARLAY in connection with wine on April 16, 2009, and made its first use of such mark in commerce in connection with wine on April 20, 2009.¹⁰

Based upon the foregoing, we find that the testimony and evidence of record establishes that the earliest date upon which applicant may rely for purposes of priority is February 13, 2009. The earliest priority date upon which opposer may rely is April 20, 2009. Inasmuch as opposer did

⁴ Graham testimony, p. 88; Exhibits D1-2.

⁵ Id. at 93; Exhibit P-2.

⁶ Id. at 92-4; Exhibits P5-10.

⁷ Id. at 92, 97; Exhibits P13-14.

⁸ Coyle testimony, p. 61-2; Exhibit P21.

⁹ Id. at 16-20; Exhibits 25-27.

¹⁰ Id. at 29-33; Exhibits 34-36.

not make use of the PARLAY mark prior to applicant's earliest date of use, opposer cannot establish priority for purposes of our likelihood of confusion determination.

Opposer argues at length that applicant cannot rely on any use of the PARLAY mark prior to the July 9, 2009 grant of the Department of Treasury Alcohol and Tobacco Tax and Trade Bureau ("TTB") approval for its labels for wine bearing the PARLAY mark. Essentially, opposer asserts that TTB regulations require approval by the TTB of wine labels prior to sale; that a "nexus arises between use of the mark and the use's noncompliance when a product was shipped with the mark but without required government approval;"¹¹ and that applicant's non-compliance was a material, per se violation of the applicable TTB regulation. Opposer thus argues that applicant's use prior to July 9, 2009 was unlawful and did not result in the creation of trademark rights.

As a general rule, in order to establish trademark rights, one's use of a mark must be lawful use in commerce. Applicant's "wine," as well as opposer's for that matter, may be lawfully purchased, notwithstanding prohibition of its sale to minors. That is to say, there is nothing inherently unlawful about applicant's goods and opposer does not so allege. Rather, opposer alleges that applicant

¹¹ Opposer's brief, p. 6.

violated a TTAB regulation requiring approval of the label bearing its PARLAY mark prior to sale.

The lawful use doctrine is based on the USPTO's own interpretation of the requirement that a mark be used in commerce, *Western Worldwide Enters. Group Inc. v. Qingdao Brewery*, 17 USPQ2d 1137 (TTAB 1990). Application of this doctrine has resulted in a number of difficulties for this tribunal, leading us to observe that we have heard

cases involving the lawfulness of use under such statutes as the Federal Food, Drug, and Cosmetic Act, the Federal Meat Inspection Act, the Federal Insecticide, Fungicide, and Rodenticide Act, and the Federal Clean Air Act. Due to a proliferation of federal regulatory acts in recent years, there is now an almost endless number of such acts which the Board might in the future be compelled to interpret in order to determine whether a particular use in commerce is lawful. Inasmuch as we have little or no familiarity with most of these acts, there is a serious question as to the advisability of our attempting to adjudicate whether a party's use in commerce is in compliance with the particular regulatory act or acts which may be applicable thereto.

Satinine Societa in Nome Collettivo di S.A. e M. Usellini v. P.A.B. Produits et Appareils de Beaute, 209 USPQ 958, 964 (TTAB 1981) (declining to find opposer's use invalid under the Trademark Act); see also *Id.* at 967 (Kera, concurring) (suggesting that "There must be some nexus between the use of the mark and the alleged violation before it can be said that the unlawfulness of the sale or shipment has resulted in the invalidity of an application or registration.").

Subsequently, in *Kellogg Co. v. New Generation Foods, Inc.*, 6 USPQ2d 2045 (TTAB 1988), and *General Mills Inc. v. Health Valley Foods*, 24 USPQ2d 1270 (TTAB 1992), the Board again considered the unlawful use doctrine, and again declined to find the allegedly unlawful use to be invalid under the Trademark Act.

In *Kellogg*, applicant alleged - and opposer admitted - that the specimens submitted by opposer with the application underlying its registration that was subject to applicant's counterclaim to cancel failed to comply with Food, Drug and Cosmetic Act labeling requirements. *Kellogg*, 6 USPQ2d at 2046. Similarly, in *General Mills*, applicant alleged - and opposer again admitted - that the initial shipment upon which its date of first use was based did not comply with FDA labeling regulations. *General Mills*, 24 USPQ2d at 1273. In the latter case, the Board summarized an approach to the issue consistent with *Satinine*:

[T]he better practice in trying to determine whether use of a mark is lawful under one or more of the myriad regulatory acts is to hold a use in commerce unlawful only when the issue of compliance has previously been determined (with a finding of noncompliance) by a court or government agency having competent jurisdiction under the statute involved, or where there has been a *per se* violation of a statute regulating the sale of a party's goods. See *Satinine Societa v. P.A.B. Produits*, 209 USPQ 958 (TTAB 1981); *Kellogg Co. v. New Generation Foods, Inc.*, 6 USPQ2d 2045 (TTAB 1988).

. . . .

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Where, as here, a party seeks to show that use by the adverse party was unlawful by virtue of noncompliance with a labeling statutory provision, it is incumbent upon the party charging that the use was unlawful to demonstrate by clear and convincing evidence more than that the use in question was not in compliance with applicable law. Such party must prove also that the non-compliance was material, that is, was of such gravity and significance that the usage must be considered unlawful - so tainted that, as a matter of law, it could create no trademark rights - warranting cancellation of the registration of the mark involved.

General Mills, 24 USPQ2d at 1273-74.

In that case, applicant had presented no evidence of a final determination of noncompliance by any court or agency. Further, the Board found that applicant failed to show a "nexus between the use of the mark and the alleged violation [such that] the unlawfulness of a shipment can be said to result in the invalidity of a registration." *General Mills*, 24 USPQ2d at 1274 (citing *Satinine*, 209 USPQ at 967 (Kera, concurring)). As a result, the Board found that applicant had not met its burden of proof, despite opposer's admission that it failed to comply with the applicable statute. The Board also made the following observation:

Although opposer acknowledges its inadvertent failure to comply fully with these regulations, we agree with opposer that its technical noncompliance should not result in the Draconian result of cancellation of its registration.

General Mills, 24 USPQ2d at 1273.

More recently, in *Automedx Inc. v. Artivent Corp.*, 95 USPQ2d 1976 (TTAB 2010), applicant alleged that opposer's

prior sales of its medical ventilators were unlawful because opposer had neither received approval from the FDA nor applied for an exemption from the regulation requiring such approval. Consistent with our narrow application of the illegal use doctrine in *Satinine*, *Kellogg*, and *General Mills*, the Board again denied applicant's counterclaim:

[W]e find that applicant failed to show that there was a *per se* violation of any law or FDA regulations. As previously indicated, we disagree with applicant's premise that the products sold by opposer to the military were required to be FDA approved before the sales of those products may constitute *bona fide* use of the mark in commerce.

Automedx, 95 USPQ2d at 1985.

In the present case, opposer has presented no evidence of a final determination of applicant's noncompliance by any court or agency having competent jurisdiction under the involved regulation. See *General Mills*, 24 USPQ2d at 1273-74. Applicant does not dispute that it sought TTB approval of the wine labels bearing its PARLAY mark approximately three and one half months after first using the mark in commerce, and obtained such approval approximately one month later. Thus, it appears that applicant may have been in technical violation of the applicable TTB regulation for a short time, although it is undisputed that it is now in compliance.

In arguing that applicant's asserted non-compliance is material, opposer argues that the "purpose of this

requirement is to ensure that wine makers properly inform consumers about the wine's brand, geographic origin, grape type, age and any other relevant information."¹² Opposer goes on to argue that "Applicant's shipment of bottles with non-approved labels is thus not 'relatively harmless' because it directly violates the public policy goal of the wine labeling regulations to prevent consumer deception."¹³ However, there is no evidence of record that applicant's wine labels bearing its PARLAY mark were deceptive in any manner or otherwise failed to properly inform consumers about any information relevant to applicant's wine. The labels submitted by applicant were ultimately approved by the TTB and there is no evidence that they were found to be deceptive or deficient in any respect. As a result, there is no evidence that applicant's asserted non-compliance with the applicable TTB regulation is material and should result in denying registration of its mark. Certainly there is no evidence that applicant's submission of its wine label for approval a few months after commencing use of its mark "was so tainted that, as a matter of law, it could create no trademark rights." *General Mills*, 24 USPQ2d at 1274.

The cases relied upon by opposer do not compel a different result. *CreAgri, Inc. v. Usana Health Sciences*,

¹² Id. at 9.

¹³ Id. at 10.

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Inc., 474 F.3d 626, 81 USPQ2d 1592 (9th Cir. 2007) involved several instances of inaccurate labeling of the concentration of an ingredient in dietary supplements. Such mislabeling was found, *inter alia*, to be a material violation of the applicable Food, Drug, and Cosmetic Act requirements. *Erva Pharmaceuticals, Inc. v. American Cyanamid Co.*, 755 F. Supp. 36, 19 USPQ2d 1460 (D. P.R. 1991) involved mislabeling of pharmaceuticals. Such mislabeling also was found to contravene Food, Drug and Cosmetic Act requirements. In the instant case, however, there is no evidence that applicant's wine labels contained inaccurate, incomplete, or deceptive information regarding applicant's wine. Rather, at worst, applicant's asserted non-compliance appears confined to seeking TTB approval of such labels after commencing use in commerce of the mark they display. As such, we disagree with opposer that applicant's actions are analogous to those discussed above. Simply put, there is no evidence that applicant's actions misled or otherwise deceived consumers.

Finally, in cases involving application of the lawful use doctrine, we are mindful of the draconian and potentially disproportionate result of denying trademark rights to a party; in this case, over three and one-half years after the asserted non-compliance.

Summary

In view of the foregoing, we find that opposer has established its standing to bring this proceeding; and that a likelihood of confusion exists between the parties' essentially identical marks as applied to identical goods that appear to move in all customary channels of trade and be available to all classes of consumers. However, opposer has failed to establish its priority of use, or that applicant's asserted non-compliance with applicable TTB labeling regulations should result in rendering unlawful applicant's prior use.

DECISION: The opposition is dismissed.

EXHIBIT #9

2011 WL 3828709 (Trademark Tr. & App. Bd.)

THIS OPINION IS NOT A PRECEDENT OF THE TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

ZAO Gruppa Predpriyatij Ost and ZAO Ost Aqua

v.

Vosk International Co.

Opposition Nos. 91168423 to [Application No. 78485896](#) filed September 19, 2004; 91169098 to [Application No. 78477780](#) filed September 2, 2004; 91169446 to [Application No. 78477812](#) filed September 2, 2004

August 9, 2011

Oral Hearing: November 4, 2010

***1** Carla Calcagno, Calcagno Law PLLC, and Maria Eliseeva Houston Eliseeva, LLP, for opposers. ¹
[Evan Anderson](#), Patel & Alunit, PC, argued for defendant; John Alunit was with him on the brief.

Before [Walters](#),² [Zervas](#), and [Mermelstein](#)

Administrative Trademark Judges

Opinion by [Mermelstein](#)

Administrative Trademark Judge:

Applicant Vosk International, Co. seeks registration of the following marks on the Principal Register:

App. No.

78485896

Mark



Goods

Non-alcoholic beverages, namely flavored sparkling water

Translation

The non-Latin characters in the mark transliterate to “DUCHESS” and this means “DUCHESS PEAR” in English.

Disclaimer

DUSSESSE

78477780



Non-alcoholic beverages, namely sparkling flavored water

The foreign wording in the mark translates into English as estragon, which is an aromatic perennial of southeastern Russia.

ESTRAGON

78477812



Non-alcoholic beverages, namely sparkling water

The foreign wording in the mark translates into English as extra-cider.

Each application asserts an intent to use the mark in commerce pursuant to Trademark Act § 1(b), [15 U.S.C. § 1051\(b\)](#).

Opposers Zao Gruppa Predpriyatij Ost and ZAO Ost Aqua, filed oppositions to registration, alleging prior use of similar marks (discussed below) and that use of applicant's marks on the identified goods “is likely to cause confusion, deception, or mistake.”

See Trademark Act § 2(d); 15 U.S.C. § 1052(d). By its answer, applicant admitted that the marks at issue are similar, but denied that opposers are entitled to relief, and raised various affirmative defenses.³ Because they raise common issues of law and fact, the proceedings in these cases were consolidated for discovery and trial, and we decide them in a single decision.

We sustain the oppositions.

I. Parties

Opposer Zao Gruppa Predpriyatij Ost is a Russian company which owns and manages several other firms, including opposer Zao Ost Aqua. Zao Ost Aqua is a Russian company which manufactures and distributes non-alcoholic beverages, including flavored waters and soft drinks of the type at issue here. See *generally*, Zuev Test. at 8-11. According to opposers, they shipped goods to the United States for distribution first through B & B International Connections, Inc. and later through applicant.

*2 Applicant Vosk International Co., founded in 1977, is a partnership based in Washington state. Vosk imports and distributes alcoholic and non-alcoholic beverages in the United States. On March 18, 2004, opposers and applicant signed an agreement (“first contract”) under which opposers transferred⁴ beverages to applicant for sale in the United States. The first contract was revised and superseded by another agreement signed September 18, 2004 (“second contract”). On September 2 and September 19, 2004, applicant filed the subject trademark applications.

II. Record

The record comprises the pleadings and the files of the opposed applications. [Trademark Rule 2.122\(b\)](#). In addition, the parties proffered the following evidence during their assigned testimony periods:

A. Opposer's Evidence

- Opposer's Testimony:
- Evgeny Zuev, Deputy General Director of Zao Gruppa Predpriyatij Ost, June 4, 2009 (dkt. 74 & 71).

- Edward Tkach, President of B & B International Connections, Inc.
 - June 4, 2009 (dkt. 72 & 73).

 - October 19, 2009 (rebuttal) (dkt. 69).

- Testimony of Patrick D. Gill, J.D., October 19, 2009 (dkt. 82).

- Opposer's Notices of Reliance:
 - Oct. 19, 2009 - dictionary definition (dkt. 63);

 - Oct. 19, 2009 - e-mail from applicant to opposer (dkt. 64) (*Stricken* by order of March 15, 2010).

B. Applicant's Evidence

- Applicant's Testimony:
- Hrach Voskanyan,⁵ President, Vosk International Co. (July 24, 2009) (dkt. 75);

- Applicant's Notices of Reliance:
- July 30, 2009 - Dictionary definitions, online publication (dkt. 50);
- July 30, 2009 - documents from the file of opposer's [Application No. 78587895](#) (dkt. 51);
- July 30, 2009 - documents from the file of opposer's [Application No. 78587669](#) (dkt. 52);
- July 30, 2009 - documents from the file of opposer's [Application No. 78587835](#) (dkt. 53);
- July 30, 2009 - documents from the file of opposer's abandoned [Application No. 76223242](#) (dkt. 56);
- July 31, 2009 - printed publications (dkt. 54);
- July 31, 2009 - opposer's responses to applicant's discovery requests (dkt. 55);
- August 21, 2009 - “domestic public documents” (dkt. 60).

C. Evidentiary Objections

Prior to considering the parties' objections, we find it necessary to note the state of the record submitted by the parties. The three principal witnesses in this case are native Russian speakers, and their testimony was given primarily in Russian, through interpreters. Unfortunately, neither party employed an interpreter with experience in depositions,⁶ and the resulting interpretation is anything but transparent. The testimony of both parties was marked by interruptions and misunderstandings about interpretations, and in some cases the court reporter noted discussion between the witness and the interpreter in Russian, which was not interpreted for the record.

*3 Unsurprisingly, both parties rely on documents in Russian. A few documents were translated prior to being proffered in evidence, but some were not. Instead, in several cases, the party offering the document had the witness “read”⁷ selections from the document in Russian, to be interpreted as the witness spoke.⁸ The result hardly leaves us with a clear or authoritative understanding of many of the documents which were offered in evidence.⁹ Nonetheless, neither party clearly objected to this state of affairs and we are left to make the best we can of this record.

This has been a contentious and acrimonious proceeding. There were many unresolved discovery issues, and during trial the parties frequently appear to have lost focus on the narrow question before us in favor of tangential issues. As will be seen, many of these problems could or should have been resolved earlier or avoided.

The parties each made and preserved numerous and extensive objections to evidence proffered by the other in their briefs, in appendices to their briefs, and in separate motions. We assume familiarity with the evidence and objections and, for the most part, consider them summarily.

1. Opposer's Objections (Appx. A to Opposer's Brief)

a. Applicant's July 30, 2009, notice of reliance on dictionary definitions for “duchesse” and “estragon.” Objection overruled because the meaning of the marks is relevant in a likelihood of confusion analysis.¹⁰

b. Applicant's July 30, 2009, notices of reliance on copies of Opposer's applications to register label designs. Objection overruled because opposer's pending applications are relevant to the issue of opposer's standing.

c. Applicant's July 31, 2009, notice of reliance on printed publications and related testimony of Edward Tkach.

Mr. Tkach is not a party to this proceeding or an employee of a party. He is President of B & B which imports food and drink products from Russia. Mr. Tkach testified that he imported products bearing opposers' marks into the United States prior to applicant's entry into this story, so his testimony is important to opposers' claim of priority.

Opposers called Mr. Tkach to testify during their case in chief. During cross-examination, applicant proffered what appears on its face to be a 2003 news release from the Food and Drug Administration ("FDA"), which stated that B & B had imported tainted milk into the United States, and that the milk was the subject of a recall.¹¹ Tkach Test. exh. 13. Opposer's counsel objected to the news release and applicant's questions about its contents, and ultimately directed Mr. Tkach not to answer.¹² Tkach Test. at 32-34, exh. 13.

Applicant argues "that distributing tainted milk to the consuming public casts doubt on a witness's character for truthfulness if done so with knowledge of the contamination, as the witness could have either hid the knowledge or willfully disregarded what it should have known." App. Br. at 17.

*4 We disagree. The proffered press release and news articles, *see* n.12, are hearsay, and are not admissible to prove the truth of the matters asserted therein. *Fed. R. Evid. 802; Syngenta Crop Prot. Inc. v. Bio-Chek LLC*, 90 USPQ2d 1112, 1117 n.7 (TTAB 2009) (citing *7-Eleven Inc. v. Wechsler*, 83 USPQ2d 1715, 1717 n.2 (TTAB 2007)). But even if they were not hearsay, we note that none of the articles mentioned Mr. Tkach by name or suggested that he (or B & B) were charged with or convicted of a crime in connection with the incident, that he (or B & B) actually knew of the alleged problems with the identified products before distributing them, that he (or B & B) attempted to hide the problems, or that he (or anyone else at B & B) lied about them after they were discovered. The articles neither provide a foundation nor basis for applicant's questions nor do they raise any question about Mr. Tkach's reputation for truthfulness. Applicant's "offer of proof" regarding Mr. Tkach's allegedly poor character for truthfulness fails, first because the documents cannot prove the truth of the matters asserted and second, because even if considered as true, they do not reflect poorly on Mr. Tkach's character for truthfulness.

Moreover, we find no error in opposers' counsel's objection to this line of questions and her instructing Mr. Tkach not to answer them.¹³ Cross-examination is not a free-for-all in which anything is allowed in an attempt to suggest that a witness is a liar or of bad character. The Federal Rules strictly limit this type of evidence because of the need to "protect witnesses from harassment or undue embarrassment," *Fed. R. Evid. 611(a)(3)*, because even if probative, it presents a risk of unfair prejudice and confusion of the issues, *Fed. R. Evid. 403*, and because it is often simply a waste of time, *Fed. R. Evid. 611(a)(2)*.¹⁴

Here, there is nothing to suggest that Mr. Tkach has been convicted of a crime, *Fed. R. Evid. 609*, or that the sale of allegedly recalled milk (or any other product) by his company is probative of his general character for truthfulness¹⁵ or of the truthfulness of his particular testimony in this matter, *Fed. R. Evid. 608(b)*. This proceeding is a dispute between opposers and applicant about the registration of disputed trademarks. It is not a trial of Mr. Tkach regarding possible wrongdoing in long-past and unrelated incidents involving other goods manufactured by other companies and sold under different marks. This line of questioning was therefore irrelevant, a waste of time, and presented a high risk for prejudice and the embarrassment or harassment of a non-party witness. We therefore SUSTAIN opposer's objections to the admission of the articles and to applicant's questioning of Mr. Tkach about the milk incident.

*5 d. Applicant's August 21, 2009, notices of reliance on responses by the FDA to applicant's FOIA requests indicating (1) that the FDA found in its records no packaging permits issued to B & B "pursuant to 37 CFR section 108.5, 108.12, 108.25." and (2) showing "refusal data relating to beverages imported by" opposers.¹⁶

Opposers object to the FOIA response purporting to show that B & B had not been issued a packing permit, because the listed regulations do not exist. We agree - there are no regulations at 37 CFR 108 (or subheadings thereof). Although applicant alleges that the FDA's reference to "37 CFR" was a typographical error, and should have read "21 CFR," we can not be sure from the agency's report what was searched. We will not presume (as applicant urges us to) from such flawed evidence that opposers were engaged in illegal activities or that "Tkach lied in sworn testimony about possessing a packing permit, and that therefore his character for truthfulness is in question." Resp. to Evid. Obj. at 30. We sustain the objection.

Opposers also object to the "refusal data" on a number of grounds, all of which go to the weight to be afforded this evidence, not its admissibility. Objection overruled.

e. Zuev Deposition Exhibits 14-22. These documents (all in Russian) were marked by the court reporter at the request of applicant's counsel during the cross examination of Mr. Zuev. Opposers' objections to these documents are sustained. The witness did not identify any of the documents,¹⁷ and the basis for their admissibility is unclear (as is their meaning, since no translation was provided).

f. Tkach Deposition Exhibit 12. Opposers' objection is overruled as to Exhibit 12, which the witness identified as similar to the packaging of shipments from opposers.

g. Voskanyan Deposition: (i) P. 34:5-8 - Mr. Voskanyan testified that mutual friends of applicant and opposers negotiated an agreement to allow applicant to register the subject marks. Objection sustained - applicant concedes that this is inadmissible hearsay. (ii) Pp. 61-62 - objection sustained as hearsay to the extent the witness stated the products contained "Patent Blue V." (iii) Pp. 43-47 - objection sustained to the extent that the witness testified as to what is or is not legal to import under U.S. law. (iv) Exhibit 9 - objection sustained to the extent it is offered for the truth of the matter asserted, otherwise denied. (v) Exhibit 10. This document is a letter in Russian from applicant to opposers. Mr. Voskanyan identified the document and testified generally as to its contents. We sustain opposers' objections. Applicant argues that the document "was offered into evidence so that the witness ... could testify as to its contents. ... The witness need not read the document into the record word for word, but can summarize its contents based on his own refreshed recollection."¹⁸ Resp. to Evid. Obj. at 33 (emphasis added). Applicant is incorrect. Mr. Voskanyan did not read the letter (to be interpreted as he spoke). Instead, he testified about its contents. Such testimony was hearsay, Fed. R. Evid. 802, and in any event, oral testimony may not be used to prove the content of the document, Fed. R. Evid. 1002. While the letter itself might have been admissible if it were proffered with an accurate translation, there is no translation in the record. Hard Rock Cafe, 48 USPQ2d at 1405. (vi) Exhibit 11. This document is another letter from applicant to opposers, although this one is accompanied by a translation. This document is admissible but cannot be relied on to prove the truth of the matters asserted in it. (vii) Exhibit 14 - Objection sustained, as conceded by applicant. (viii) Exhibits 18 & 19 - These documents are respectively, a May 18, 2005, letter from the FDA to applicant, stating that a shipment of opposers' ESTRAGON product (imported by applicant) was detained, and applicant's June 5, 2005, response to the FDA's letter. Opposers objected to both letters as hearsay, and to the latter in that it is not certified. Applicant responds that the FDA letter is offered only "to show that Voskanyan received a letter from the FDA informing him that the Estragon beverage was detained.... It is not offered to prove the truth of the matter asserted...." Resp. to Evid. Obj. at 33. Mr. Voskanyan's response to the FDA was "offered to show that Voskanyan responded to the FDA letter..." and also to show Mr. Voskanyan's lack of prior knowledge about any problem with the detained product. Opposers' objection is sustained to the extent that the letters are offered to prove the truth of any matter asserted in them (e.g., applicant's knowledge about opposers' product), and is otherwise denied.¹⁹ (ix) Exhibit 20 - This document is an invoice "offered to show that Applicant hired a broker to warehouse the beverages that were rejected by the FDA during the three months before their destruction...." Opposers' hearsay objection is sustained to the extent the exhibit is offered to prove the truth of the matters asserted therein.²⁰ (x) Exhibit 21 - This document appears to be a June 9,

2005, letter from the FDA to applicant regarding a shipment of opposers' product (apparently in response to applicant's Exhibit 19). Opposers object on the ground that the document is not certified. Opposers' objection is apparently a reference to *Fed. R. Evid. 902(2)*, which deals with the authentication of official documents not under seal. Mr. Voskanyan testified from his personal knowledge that he received this letter. Voskanyan Test. at 64-65. We will consider this document to show that such a letter was received, but because it has not been proven to be an official record, we will not consider it to prove the truth of anything stated in it. (xi) Exhibit 13 - Opposers object to this exhibit as hearsay. According to applicant, this exhibit

*6 is an email communication sent by an employee of Opposer Ost-Aqua to the witness, Voskanyan, in which the employee of Opposer acknowledged that it was informed by a company it hired that the Estragon beverage did contain Patent Blue V. It is not an out-of-court statement, and if it were, would be an exception to the hearsay rule as an admission by a party opponent.

App. Resp. to Evid. Obj. at 34. Opposers do not deny that the e-mail was sent by its employee or provide any further information or argument on this issue. Applicant is plainly wrong in arguing that this exhibit is “not an out-of-court statement,” as it is a statement which clearly was not made in court (i.e., during the course of testimony). However, we agree that because it constitutes a statement by opposers' employee on a matter on which there is no indication was not within the scope of her employment, it is an admission, and by definition, not hearsay. *Fed. R. Evid. 801(d)(2)*. Nonetheless, what is “admitted” is less than what applicant alleges. This e-mail states only that opposers had no knowledge of the alleged problem with “Blue Patent V E 131” prior to applicant bringing it to opposers' attention, that opposers obtain the Estragon flavoring from another company, Wild Rossiy (or Wild Russian), and that an after-the-fact analysis by another company indicates that the Estragon product contains E 131.

2. Applicant's Evidentiary Objections (Appendix B to Applicant's Brief)

a. Motion for Estoppel Sanction. On January 27, 2010, applicant filed a motion to strike Exhibit 11 to the Tkach testimony,²¹ as well as part or all of the Tkach and Zuev testimony regarding this exhibit and other matters “under the doctrine of Equitable Estoppel because these documents were not produced in discovery ... [and] because these witnesses were not identified as persons having any discoverable information.” Mot. at 25. Although the motion was extensively briefed,²² decision was deferred until final decision. Order (Mar. 15, 2010) (by the same order, the Board granted applicant's separately-filed motion to strike opposers' notice of reliance of October 19, 2009). We deny applicant's motion.²³

An estoppel sanction (or equitable estoppel) in some circumstances prevents a party from relying at trial on evidence that was withheld during discovery. See generally TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE (“TBMP”) § 527.01(e) (3th ed. 2011). Estoppel sanctions are not automatic; much depends on factors such as what the inquiring party sought during discovery (and how), what responses were made, and any ensuing actions.

According to its motion, applicant served discovery requests in 2006 and early 2007 with respect to the DUCHESSE and EXTRA-CIDER marks,²⁴ seeking specific information regarding opposers' priority and other matters. In response, opposers objected to the discovery on a variety of grounds, provided little information, and, applicant argues, never disclosed key facts or the identity of key witnesses - particularly relating to the issue of opposers' priority. No responsive documents were sent to applicant at the time.²⁵ Applicant alleges that “[o]pposers did not supplement any of its discovery responses prior to taking of testimony on June 4, 2009, nor provide any forewarning to Applicant of the new exhibits to be introduced in testimony.” Mot. at 7. Applicant claims that due to opposers' discovery responses - or lack thereof - it had reasonably concluded that opposers either had no such evidence or if they did, that they would not rely on it at trial. *Id.* As a result, applicant says it was surprised when it received the notice of deposition for the testimony of Edward Tkach, and likewise by his testimony and the documents proffered during his deposition (as well as parts of Mr. Zuev's testimony).

*7 Opposers paint a very different picture.

For one thing, opposers argue that applicant misinterprets its own discovery requests as requesting more than they did in fact. For instance, applicant complains that the identity of opposers' witnesses Tkach and Zuev were not disclosed prior to trial, and that their testimony should therefore be stricken. One of the interrogatories applicant relies on requested the identity of “the current and former officers, employees, and agents of Respondent who are most knowledgeable as to the facts and/or issues involved in the instant proceeding.” Interrog. No. 1 (Mot. at 11, 14). Opposers objected to this interrogatory, *inter alia*, on the grounds that the question was vague, ambiguous and overbroad, but they also provided the identity of two people, neither of whom was called as a witness. Applicant now argues that the identity of Tkach and Zuev should have been disclosed pursuant to this interrogatory, and that having been withheld, the testimony of both men should be stricken.

Opposers note that they objected to the interrogatory, and it is likely that there was at least some merit to the objections.²⁶ Moreover, opposers argue that Tkach and Zuev were in fact not the “most knowledgeable” persons, and applicant's motion does not allege that they were *more* knowledgeable than the persons who were named in opposers' response.

What applicant's interrogatory did not request was the identity of the witnesses opposers intended to call at trial, although that is clearly how applicant would have us interpret it.²⁷ We will not sanction opposers for their failure to answer a question that wasn't asked.

Moreover, contrary to applicant's arguments, opposers unequivocally state that they did in fact provide numerous relevant documents to applicant long before trial, and that applicant's claim that it was misled to believe that opposers had no such documents has no basis. According to the declaration of Carl Oppedahl, former counsel for opposers, on December 22, 2006, opposers served 824 Bates-numbered pages of documents on applicant. Opposers further state that on June 20, 2008, they “served on [a]pplicant a chart summarizing [their] U.S. sales for each of the opposed marks, by unit and dollar volume for the years 2002-2006, and disclosing, by year, the name of all of its U.S. distributors.” Resp. at 5. Opposers point out that applicant admitted in a discovery deposition that it received documents from opposers, alerting applicant to opposers' prior shipments of beverages to B & B.²⁸

While the details are unclear, it would appear that opposers did in fact tender relevant documents, although they were not required to copy and mail them to applicant. Applicant cannot now claim that it is surprised to learn of their existence or that opposers should be estopped from relying on them or the information in them.

Applicant also notes opposers' objection to some of its discovery requests as being “immaterial, irrelevant,” and argues that, having allegedly withheld information on these grounds during discovery, opposers should not now be permitted to introduce responsive information or documents at trial. Mot. at 18 (citing *Weiner King, Inc. v. Wiener King Corp.*, 615 F.2d 512, 204 USPQ 820 (CCPA 1980)).

*8 Here, for example, is one of the complained-of objections in its entirety:

Opposers object to this Interrogatory to the extent it is vague and ambiguous. Opposers also object to the Interrogatory to the extent it seeks information on sales and distribution outside the United States and therefore is immaterial, irrelevant, overly broad, unduly burdensome and not reasonably calculated to lead to the discovery of admissible evidence. Opposers further object to this Interrogatory to the extent it seeks information and/or documents that contain confidential or proprietary information. Subject to and without waiver of the foregoing objections, Opposers state that they began selling the goods identified in application Serial No. 78/587,835 in the United States on or about November 2000 and, upon entry of a suitable protective order, Opposers shall produce documents pursuant to Fed. R. Civ. P. 33(d) in response to this Interrogatory.

Resp. to Interrog. 7 (Mot. at 12).

As can be seen, opposers did not simply object on the ground that all responsive material was “immaterial [or] irrelevant.” Rather, opposers objected *to the extent that* responsive information met any of several disjunctive and possibly overlapping objections, so it is impossible to determine the ground for withholding any particular information. The interrogatory requested information about opposers' sale or distribution of the goods for each of the years 2000-2006. Mot. at 12. Again, while opposers' objections were themselves confusing, some of them may have had merit. Nonetheless, opposers provided some information and stated that responsive documents would be made available once a protective order was entered.

In *Weiner King*, which applicant relies on, the respondent unequivocally refused to provide any information in response to interrogatories, stating that “findings of fact and conclusions of law [in a prior proceeding between the parties] ... render the information requested ... totally irrelevant and immaterial.” The court construed this response as respondent's representation that it would rely solely on the findings of fact and conclusions of law in the prior case, rather than introduce any additional evidence before the Board, and thus found that petitioner was unfairly surprised when respondent later sought to introduce such evidence at trial. *Weiner King*, 204 USPQ at 828.

By contrast, opposers here objected “to the extent,” for example, that the requested information was vague, ambiguous, immaterial, irrelevant, burdensome or was overly broad, and on the basis of confidentiality. Some or all of these objections may have been the basis for withholding various items of responsive information, and some or all of the information may have been validly withheld. But - unlike in *Weiner King* - opposers never refused to provide properly requested responsive information nor did they imply in any way that such material did not exist, or would not be relied upon at trial. To the contrary, they provided some information and stated that other documents would be made available. That was clearly not the case in *Weiner King*.

*9 Regarding Tkach Exhibit 11, opposers also note that Mr. Tkach is the president of B & B, a company that is not related to opposers. “Exhibit 11 is B and B International's internal accounting report of its inventory,” showing B & B's inventory of opposers' goods in the United States beginning in 2002. Resp. at 9.

Requests for production of documents can only be served on a party to the proceeding,²⁹ and are only proper to the extent that the requested documents are “in the responding party's possession, custody, or control.” *Fed. R. Civ. P. 34(a)(1)*. Courts have defined control “not only as possession, but as the legal right to obtain the documents requested upon demand.” *Pioneer Kabushiki Kaisha v. Hitachi High Tech. Am. Inc.*, 74 USPQ2d 1672, 1679 (TTAB 2005) (citing cases and authorities). The inquiry is highly fact-specific, but documents in the possession of a party's attorney, insurer, related company, or expert witness have on occasion been found to be in the control of the party. *Id.* Here, opposers argue that they did not have possession, custody, or control of Exhibit 11, nor did they have any legal right to demand the document from B & B. “In fact, [opposers] did not even know the document existed until the eve of Tkach's deposition.” Resp. at 9.

We find nothing in the record to support a finding that Exhibit 11 was in the possession, custody, or control of opposers prior to its introduction into evidence. There is no indication that opposers had prior physical possession of the document, or that Mr. Tkach or B & B could have been legally required by opposers to give it to them. Rather, the record supports opposers' contention that B & B is a separate company and that Mr. Tkach is its employee. Clearly there was a business relationship between opposers and B & B, and it seems that Mr. Tkach thinks well enough of opposers to testify on their behalf - apparently without a subpoena. But that is far from saying that opposers were legally entitled to demand that B & B turn over its records.

To be perfectly clear, we do not condone opposers' discovery responses. As was the case with applicant's requests, opposers' responses raise a number of potential problems which are apparent on their face. Nonetheless, applicant did not file a motion to compel more complete responses or to test the validity of opposers' objections, *see Trademark Rule 2.120(g)*; *Fed. R. Civ. P. 37(a)(3)*, and the time for resolving discovery disputes is long past. *See Trademark Rule 2.120(e)* (motion to compel must be filed prior to the opening of testimony). Nor did applicant seek entry of a protective order if the parties could not agree to

stipulated provisions.³⁰ See generally TBMP § 412 (2d ed. rev. 2004). Even after the amendments to the Trademark Rules which resulted in the Board's standard protective order being applicable in this case, applicant apparently did not request inspection and copying of the responsive documents which opposers repeatedly said *would be permitted*.

***10** A party seeking discovery must take positive steps to pursue that goal, even when the responding party appears recalcitrant in its responses. When responses are received comprising various objections going both to the form and substance of the discovery, it acts at its own peril when it elects to do nothing and presume that either there is no responsive information or that such information will not be introduced at trial. Estoppel sanctions are sometimes available to remedy cases in which allowing the introduction of evidence would be unfair. But they are not simply an alternative to properly seeking discovery in the first place and taking steps to follow up, if it appears that is necessary.³¹

Imposition of an estoppel sanction is not automatic, and may be “unduly harsh” in circumstances where there has been no “unequivocal[] refus[al] to provide the requested information.” *Vignette Corp. v. Marino*, 77 USPQ2d 1408, 1412 (TTAB 2005) (declining to apply sanction). Here, there were a variety of problems with applicant's discovery requests, which were objected to, although opposers never refused to provide discovery. Although the objections themselves may have been problematic, once they were served, the ball was in applicant's court to follow up, but it did not do so. It is too late to see whether applicant would have been able to prevail on a motion to compel discovery; what applicant seeks here is a sanction, and a very serious one at that, since trial and briefing is already complete. Under the circumstances, a movant should clearly show entitlement to such relief, and we find that applicant has not done so.

b. Tkach Testimony p. 10:1-25 (and other testimony regarding B & B's importation of opposers' goods prior to applicant's). Mr. Tkach testified that he had been importing opposers' goods into the United States since 2001. Opposers' counsel continued:

Q. How did you know that it was 2001 that you started importing?

A. How do I know? Because I still have the agreement between us and Ost Aqua. We can read it. It's the date.

Q. Were you the one who negotiated with Ost Aqua in 2001?

A. No. It was my brother, Alex. He was involved in the business at the time.

Q. So you were basing it on a corporate record that you had in front of you?

A. Yes.

Applicant did not object to the testimony at the time, but now argues that it “should be stricken because it relies on a hearsay document,” citing *Fed. R. Evid. 802*, because there was no foundation that “the alleged agreement was kept as a record ... in the course of a regularly conducted business activity,” citing *Fed. R. Evid. 803(6)*, and because the witness “has no first hand knowledge of the making of this alleged agreement,” citing *Fed. R. Evid. 602*.

***11** Applicant's objections are overruled. Applicant waived its objections by failing to raise them when the testimony was proffered, *Pass & Seymour, Inc. v. Syrelec*, 224 USPQ 845, 847 (TTAB 1984) (hearsay and foundation objections waived); *Fed. R. Civ. P. 32(d)(3)(A)-(B)*, but in any event they are unavailing. The objection here is to Mr. Tkach's *testimony* about when B & B began importing opposers' goods,³² not to admission of the agreement which he indicated would back up his assertion. While the agreement itself might or might not have been hearsay, its admissibility is not in question because it was not offered in evidence. Our reading of the witness' testimony is that he testified as to his personal knowledge of the facts, rather than testifying to what the agreement said.³³

c. Tkach and Gill Rebuttal Testimony. Applicant declares - without explanation or citation - that “the second testimonial deposition of Edward Tkach and the deposition of Patrick Gill are not of record.” Applicant is mistaken. *See* Tkach Test. (Oct. 19, 2009), filed Dec. 28, 2009, dkt. 69; Gill Test. (Oct. 19, 2009), filed Dec. 28, 2009, dkt. 82. Objections overruled.

d. Objections to qualifications of opposers' expert. During rebuttal, opposers presented Patrick Gill as an expert on matters relating to the requirements for importation of goods into the United States. Mr. Gill's qualifications were put on the record, Gill Test. at 4-10, exh. 2, and opposers' counsel moved for his admission as an expert. Applicant did not object or question Mr. Gill regarding his qualifications, either then or during cross-examination. The objections applicant now raises are based on Mr. Gill's apparent unfamiliarity with certain terms applicant claims are important in this area of law. Applicant's objections should have been made at the deposition, when opposers would have had an opportunity to clear up any question as to Mr. Gill's competency as an expert. Trademark Rule 2.123(k); Fed. R. Civ. P. 30(d)(3)(A). Having failed to do so, the objections are waived.

III. Facts

We have examined the record and determined the following basic facts:

As noted, opposers are Russian manufacturers and distributors of non-alcoholic beverages. The goods were sold in Russia with labels bearing Russian wording in stylized Cyrillic script and design elements virtually identical to the script which appears in the subject applications, as well as opposers' pending applications. The common Russian wording is



34

ТАРХУН,³⁵ and



36

The marks as applied-for and as currently used by both parties include transliterations or translations of the Russian wording. Those are DUCHESSE, ESTRAGON, and EXTRA-CIDER, respectively.³⁷

*¹² Evgeny Zuev, Deputy General Director of Zao Gruppa Predpriyatij Ost, produced business reports and testified that beginning at least as early as 2001, opposers exported beverages bearing the marks to the United States.³⁸ For instance, Exhibit 6, summarizing opposers' export shipments to the U.S. (by product) indicates regular shipments of DUCHESSE, ESTRAGON, and EXTRA-CIDER beverages to B & B from 2001-2004,³⁹ and to applicant in 2004-2005. Zuev Test. 25-33. Similarly, Edward Tkach, President of B & B International Connections, Inc., testified that he began importing opposers' branded products in 2001.⁴⁰ This evidence was submitted under seal, so we will not discuss it in detail, but they appear to be commercially meaningful, and they were not token quantities or sham transactions engaged in merely to secure putative trademark rights. *See, e.g.*, Zuev exh. 5 and accompanying testimony.

From 2001 until 2004, opposers' products were imported into the United States by B & B, a company which imports grocery products from Eastern Europe and Russia into the United States for wholesale distribution. Tkach Test. at 4. On March 18, 2004, the parties signed a contract (“first contract”) which was modified and superseded by another agreement signed September

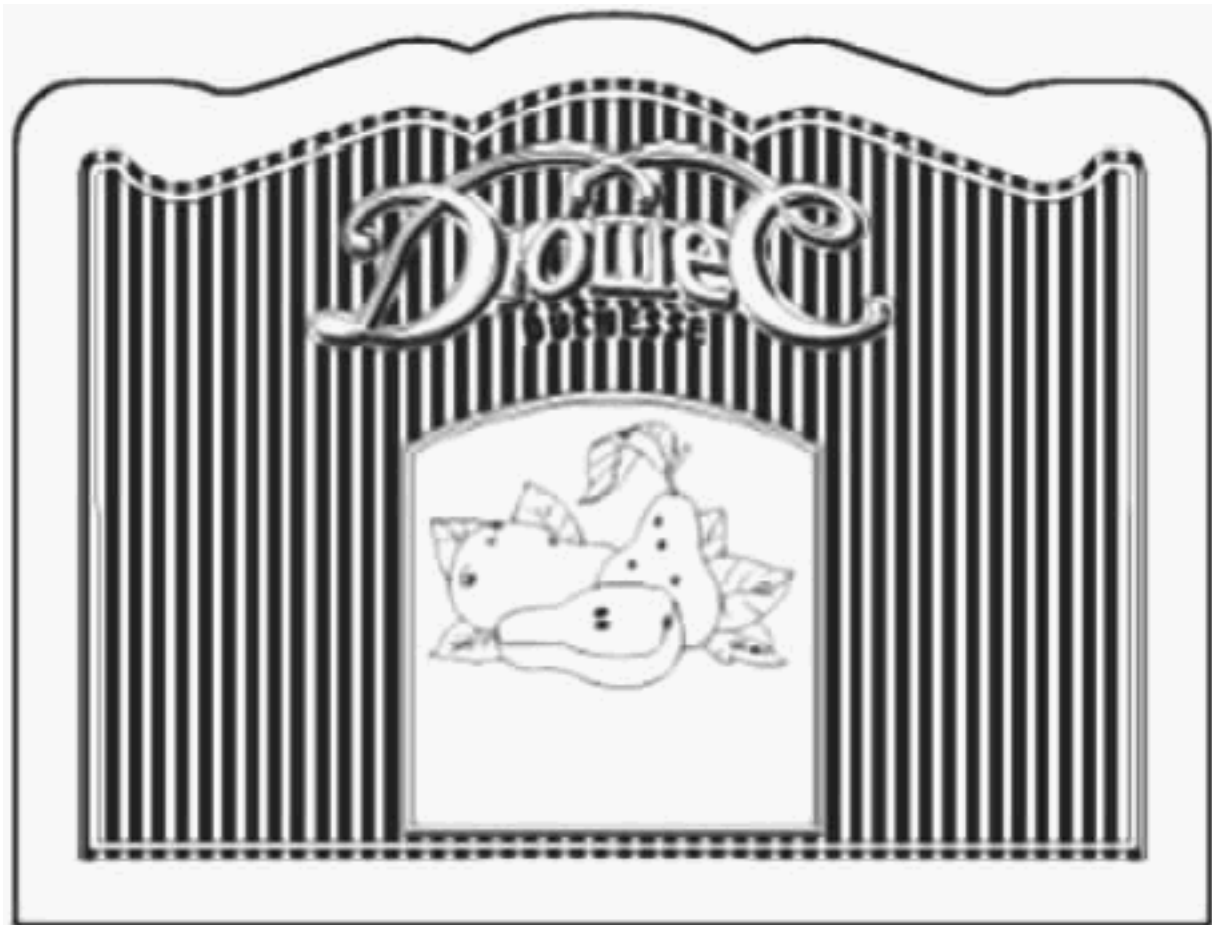
18, 2004 (“second contract”). Applicant was aware of opposers' ongoing production of the goods in Russia. Hrach Voskanyan, President of applicant Vosk International Co., testified that he chose to go into business with opposers' because “[t]hey had good production . . . I mean the sales volume in Russia.” Voskanyan Test. at 14-15. Applicant communicated with opposers regarding several suggested changes to opposers' labels, and as a result, the English translation or transliteration was added to each label, Voskanyan Test. at 17, as were several other items, such as the nutrition facts, and the California bottle redemption value.⁴¹ Voskanyan Test. at 19. Nonetheless, By the Spring of 2005, the relationship between the parties had deteriorated, and opposers began the process of terminating the second contract.

On March 15, 2005, opposer Zao Grappa Predpriyatij Ost filed the following trademark applications, which have been conditionally refused registration in view of applicant's prior-filed applications:

App. No.

78587895

Mark



Goods

Non-alcoholic drinks, namely, soft drinks.

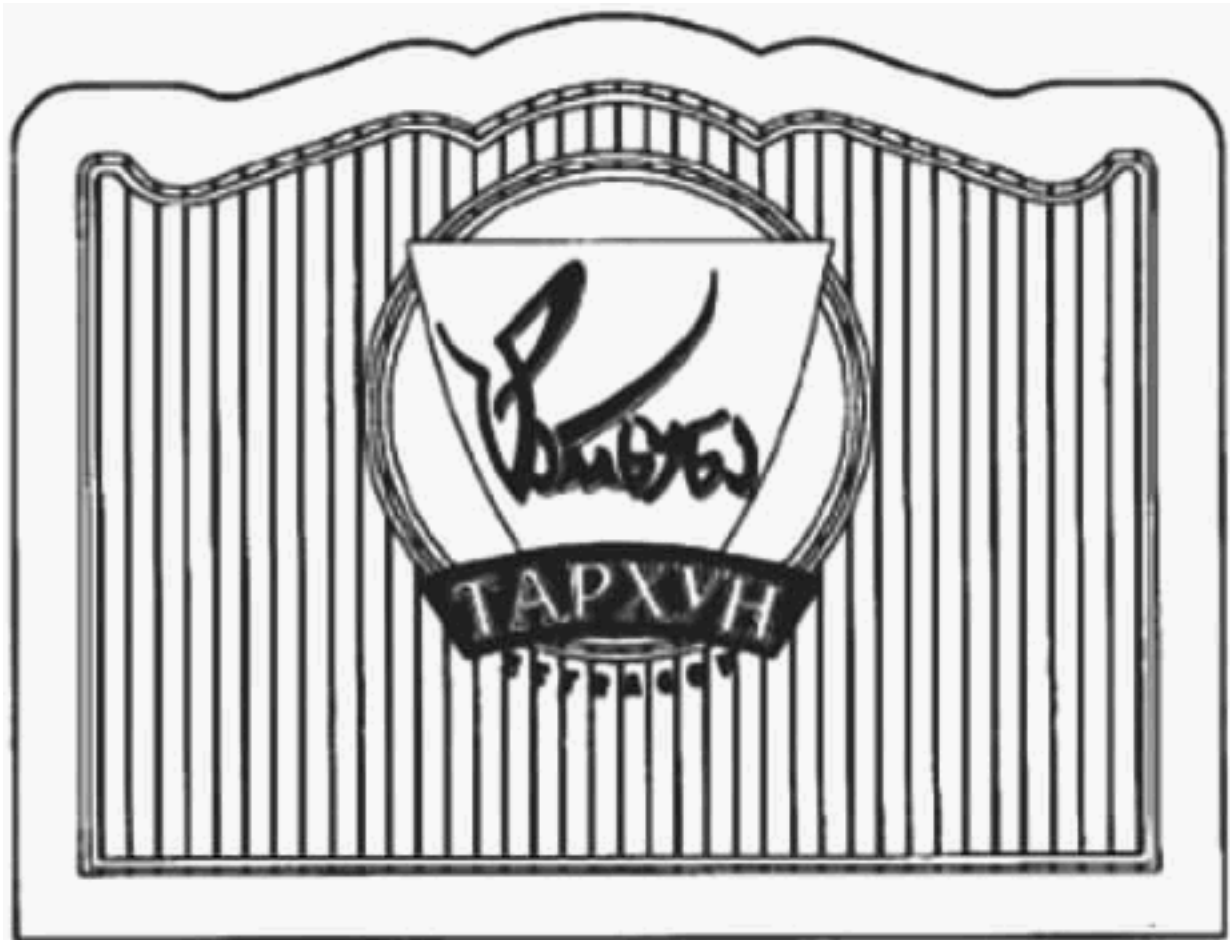
First Use: 11/11/2000 In Commerce: 11/11/2000

Translation

The non-Latin characters in the mark transliterate to “DUCHESSÉ” and this means “duchesse pear” in English.

Disclaimer

78587669



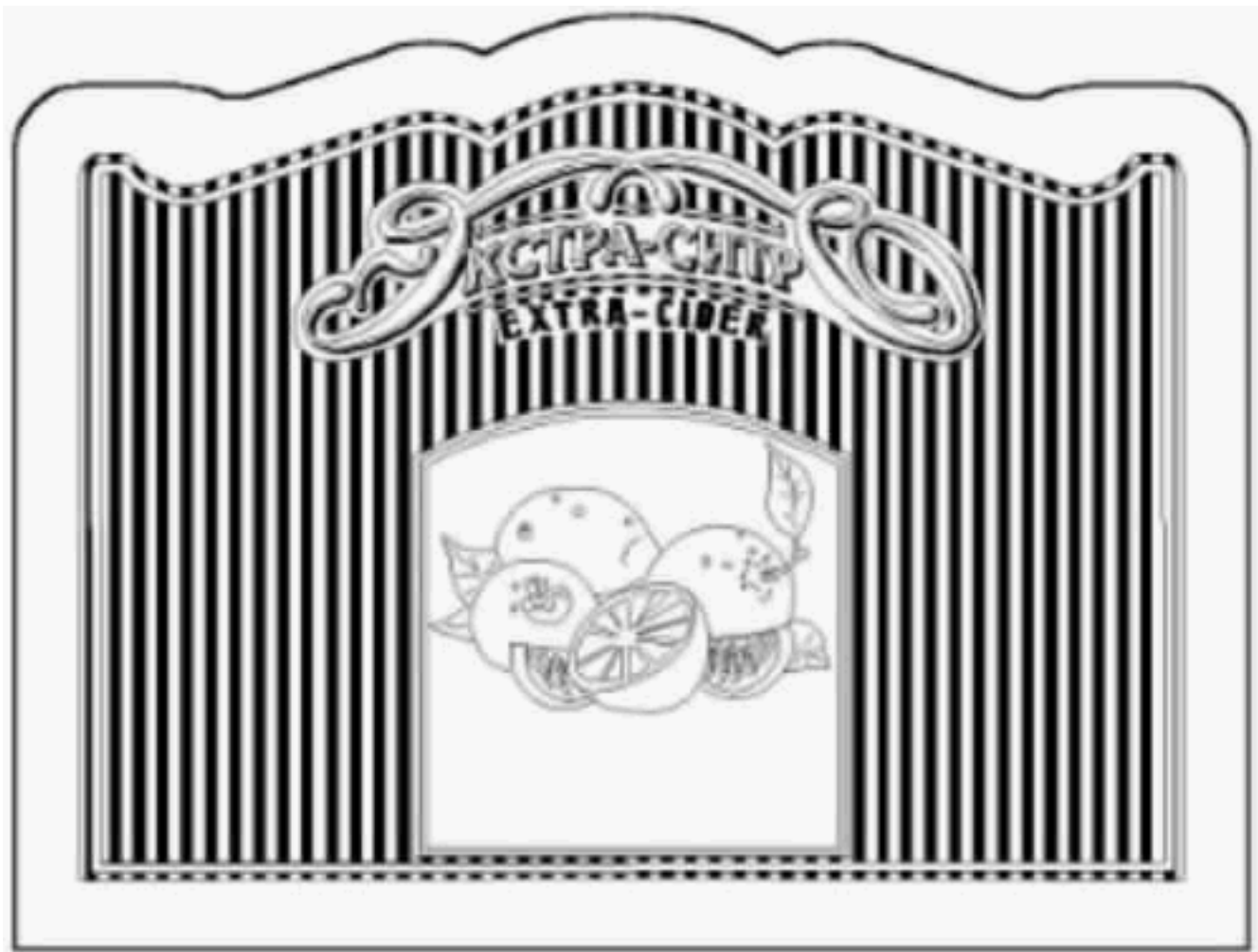
Non-alcoholic drinks, namely, soft drinks.

First Use: 11/11/2000 In Commerce: 11/11/2000

The non-Latin characters in the mark transliterate to tarhoon and this means estragon in English.

ESTRAGON

78587835



Non-alcoholic drinks, namely fruit-flavored soft drinks.

*13 First Use: 11/11/2000 In Commerce: 11/11/2000

The non-Latin characters transliterate to “Extra-Citro”. The closest translation to English language wording is “Extra-Cider”. App. NOR (July 30, 2009).

In early 2006, opposers commenced these proceedings, opposing registration of the subject applications.

IV. Discussion

A. Standing

To establish their standing to oppose registration of applicant's marks, opposers must prove that they have a real interest in the outcome of this proceeding and thus a reasonable basis for their belief that they would be damaged by issuance of a federal trademark registration of the mark to applicant. See *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999); *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982); *Time Warner Entm't Co. v. Jones*, 65 USPQ2d 1650 (TTAB 2002).

Both opposers have clearly established their standing: First, Zao Grappa Predpriyatij OST has filed trademark applications which have been conditionally refused registration in view of the subject applications.⁴² *Life Zone Inc. v. Middleman Group Inc.*, 87 USPQ2d 1953, 1959 (TTAB 2008) (standing found because the opposed application was cited as a potential bar to opposer's registration); see *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). Applicant admitted opposer's allegations regarding the filing of these applications in its answers and submitted notices of reliance on the applications, along with Office actions citing applicant's marks as a potential bar to registration. Answer Spec. ¶ 7 ('423 Opp.), Spec. ¶ 4 ('446 and '098 Opps.); App. NOR (July 30, 2009).

Second, opposer Zao Ost Aqua has shown use of the marks in the context of a plausible claim of priority and likelihood of confusion. *Giersch v. Scripps Networks Inc.*, 90 USPQ2d 1020, 1022 (TTAB 2009) (common-law use sufficient to establish standing). The testimony and evidence show that Zao Ost Aqua exported goods to the United States under contracts with both B & B (prior to any use claimed by applicant) and with applicant.⁴³

B. Priority

Because opposers do not own a U.S. registration, in order to prevail on a claim under Trademark Act § 2(d), they bear the burden of demonstrating a proprietary interest acquired through use of their marks prior to either the filing date of applicant's intent-to-use applications or applicant's proven date of first use, whichever is earlier. *Herbko Int'l Inc. v. Kappa Books Inc.*, 308 F.3d 1156, 64 USPQ2d 1375, 1378 (Fed. Cir. 2002); *Otto Roth & Co., Inc. v. Universal Corp.*, 640 F.2d 1317, 209 USPQ 40, 43 (CCPA 1981); *Miller Brewing Co. v. Anheuser-Busch Inc.*, 27 USPQ2d 1711, 1714 (TTAB 1993).

*14 While opposers must show as an initial matter that they have rights in a “mark ... previously used in the United States ... and not abandoned,” Trademark Act § 2(d), opposers' prior use need not have been proper trademark usage such as would support their own application for registration. See e.g., *First Niagara Ins. Brokers Inc. v. First Niagara Fin. Group Inc.*, 476 F.3d 867, 81 USPQ2d 1375, 1378 (Fed. Cir. 2007) (foreign opposer need not prove use “in commerce lawfully regulated by Congress”); *Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1539 (TTAB 2007) (opposer may rely on activity analogous to trademark use).

1. Distinctiveness under *Otto Roth*

As an initial matter, applicant complains that it is opposers' burden to “prove that [DUCHESS and ESTRAGON] are not descriptive or generic, or that they have acquired distinctiveness,” and that they have not met that burden. App. Br. at 11 (citing dictionary definitions)⁴⁴ (footnotes omitted). We disagree.

In *Otto Roth & Co. v. Universal Foods Corp.*, 640 F.2d 1317, 209 USPQ 40 (CCPA 1981), the Court of Customs and Patent Appeals held that in order to prevail under Trademark Act § 2(d), a plaintiff must possess some proprietary right in an asserted common-law mark which is “distinctive,” in the sense that it is used as an indicator of source and has at least some inherent or acquired ability to fulfill that function.⁴⁵ *Id.* at 44; *Towers v. Advent Software Inc.*, 913 F.2d 942, 16 USPQ2d 1039, 1041 (Fed. Cir. 1990). But this is not a particularly high burden, and the question is not whether one element of the asserted mark is descriptive, but whether the plaintiff's asserted mark is as a whole distinctive, that is, whether it is a “mark” at all.

Our cases generally accept, without an affirmative showing of distinctiveness by the plaintiff, that a plaintiff's common-law marks are distinctive if they appear inherently distinctive on their face, at least in the absence of evidence to the contrary. See, e.g., *Giersch*, 90 USPQ2d at 1023 (TTAB 2009) (“Respondent has not raised an issue as to the distinctiveness of petitioner's mark or otherwise put petitioner on notice of this defense, and therefore we find that the mark is distinctive.” (citing *Wet Seal Inc v. FD Mgmt., Inc.*, 82 USPQ2d 1629, 1634 (TTAB 2007) (absent argument or evidence from applicant, opposer's mark deemed distinctive)); *Chicago Corp. v. N. Am. Chicago Corp.* 20 USPQ2d 1715, 1717 n.5 (TTAB 1991)(rejecting applicant's argument

that opposer failed to prove that its mark was distinctive where applicant failed to plead the issue or introduce evidence of non-distinctiveness).

*15 We find that opposers' asserted marks are clearly and inherently distinctive, and that applicant's proffered definitions of the words "duchesse" and "estragon" do not in any way suggest that opposers' marks incorporating those words are, as a whole, non-distinctive. Even if it is accepted that "duchesse" and "estragon" are descriptive of the parties' beverages,⁴⁶ opposers' marks include distinctive design elements and stylization. Similar to questions arising under Trademark Act § 2(e)(1); 15 U.S.C. § 1052(e)(1), the threshold issue of whether a plaintiff's mark is distinctive under *Otto Roth* must clearly be based on the distinctiveness of the asserted mark as a whole, not merely on parts of it. In the absence of any evidence to the contrary, we thus find that opposer's marks are inherently distinctive.⁴⁷

2. Priority of Use

Having established that opposers' marks are distinctive, the next question is whether those marks were "previously used in the United States," Trademark Act § 2(d), *i.e.*, whether opposers' first use of the marks was prior to any date upon which applicant can rely.

a. Applicant's Priority Date

The subject applications were each filed based on Trademark Act § 1(b); 15 U.S.C. § 1051(b), alleging a *bona fide* intent to use the marks in commerce. Based on the filing dates of its applications, applicant can claim constructive use dates for priority of September 2, 2004 (ESTRAGON and EXTRA-CIDER applications), and September 19, 2004 (DUCHESSÉ application).

Applicant also claims priority based on its actual use of the marks. The parties disagree over whether applicant's activities under the parties' contracts inured to the benefit of applicant or opposers, but there is no evidence of applicant's use of the marks prior to the parties' agreements. It is unnecessary to decide this question because, even if applicant may rely on its use while under contract with opposers, the very earliest date on which applicant could rely for priority is subsequent to March 18, 2004, the date of the first contract between the parties.

b. Opposers' Priority Date

As recounted above, Evgeny Zuev, and Edward Tkach, President of B & B, provided testimony and other evidence that opposers began importing beverages into the United States under the relevant marks at least as early as 2001. B & B imported the goods into the United States and sold them here in significant quantities well-prior to March 2004, when the parties signed their first contract. Therefore, opposers have clearly established their priority of use of the marks in connection with the involved goods.

C. Likelihood of Confusion

Our determination under Trademark Act § 2(d) is based on an analysis of the probative facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973); *Palm Bay Imp., Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689 (Fed. Cir. 2005); *In re Majestic Distilling Co., Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003); *In re Dixie Rests. Inc.*, 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997). In considering the evidence of record on these factors, we keep in mind that "[t]he fundamental inquiry mandated by Section 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks." *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976); *see In re Azteca Rest. Enters., Inc.*, 50 USPQ2d 1209 (TTAB 1999).

*16 There appears to be little serious dispute as to likelihood of confusion in this case; in fact, the parties barely mention the issue in their briefs. Opposers characterize their marks as "substantially similar, if not virtually identical, to the opposed

marks ...,” Opp. Br. at 9, and note that “[a]pplicant, by its answers, admitted that the marks it seeks to register are similar to the stylized Cyrillic marks of [o]pposers,” Opp. Br. at 2. For its part, applicant appears to sum up both its view and that of opposers in characterizing “[t]he main issue in this case” as whether opposers can establish “superior common law trademark rights,” and if so, whether “[a]pplicant can prevail on its affirmative defenses.” App. Br. at 5.

Nonetheless, neither applicant nor opposers discuss any specific similarities or differences in the marks or the goods at issue, or any other relevant *du Pont* factor, nor does applicant clearly admit that there is a likelihood of confusion (as opposed to similarity of the marks). Accordingly, we must consider whether opposers have met their burden of demonstrating a likelihood of confusion.

1. The Similarity or Dissimilarity of the Marks in their Entireties

In a likelihood of confusion analysis, we compare the marks for similarities and dissimilarities in appearance, sound, connotation and commercial impression. *Palm Bay*, 73 USPQ2d at 1692. “[T]he test is not whether the marks can be distinguished when subjected to a side-by-side comparison, but rather whether the marks are sufficiently similar in terms of their overall commercial impression so that confusion as to the source of the goods offered under the respective marks is likely to result.” *H.D. Lee Co. v. Maidenform Inc.*, 87 USPQ2d 1715, 1727 (TTAB 2008).

While we must consider the marks in their entireties, it is entirely appropriate to accord greater importance to the more distinctive elements in the marks. “[I]n articulating reasons for reaching a conclusion on the issue of confusion, there is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature of a mark, provided the ultimate conclusion rests on consideration of the marks in their entireties. Indeed, this type of analysis appears to be unavoidable.” *In re Nat'l Data Corp.*, 753 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985).

Finally, we keep in mind that “[w]hen marks would appear on virtually identical goods or services, the degree of similarity necessary to support a conclusion of likely confusion declines.” See *Century 21 Real Estate Corp. v. Century Life of Am.*, 970 F.2d 874, 23 USPQ2d 1698, 1700, 1701 (Fed. Cir. 1992).

*17 Applicant's three marks in the subject applications each comprise stylized Cyrillic lettering, Roman-lettered translations or transliterations of the Cyrillic lettering and, in the case of applicant's '780 and '812 applications, minor design elements. As can be seen from even a cursory examination, each of applicant's marks is essentially identical to the dominant portion of opposers' respective marks:

Applicant's Marks



Opposer's "Cyrillic" labels







The stylized Cyrillic and English marks in the subject applications are virtually identical to part of the marks opposers have used and are using on their goods in the United States, both before and after the addition of the Roman-lettered translation or transliterations which appear in both the subject applications and opposers' later usages and applications.

While the identical small Roman lettering is part of the marks currently claimed by both parties, opposer's earliest use of its marks in the United States did not include the Roman lettering, which was added upon applicant's suggestion. However, we do not consider the addition of this element to constitute a significant change in the marks. As noted in both the subject applications and in opposers' corresponding applications, the Roman lettering is simply a translation or transliteration of the mark, *see also*, *Tkach Test.* at 6-8, and as such does not significantly change the meaning of the mark, and its size provides only a very minimal visual impression. As such, we consider opposers' currently used marks to be essentially the same mark as their earlier-used Cyrillic label, creating "the same, continuing commercial impression." *Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes Inc.*,

971 F.2d 732, 23 USPQ2d 1701, 1704 (Fed. Cir. 1992) (quoting *Van Dyne-Crotty, Inc. v. Wear-Guard Corp.*, 926 F.2d 1156, 17 USPQ2d 1866, 1868 (Fed. Cir. 1991)). Thus, even though applicant's earliest use did not include the Roman lettering, it is entitled to rely on that use for priority under the “tacking” doctrine.

An obvious difference between the marks as depicted above is that while applicant seeks registration of the stylized Cyrillic and Roman lettering, opposers have demonstrated their use of (and seek registration for) the same stylized literal elements, used as a part of its label design as a whole.⁴⁸ Opposers' marks include the label shape and color, and, in the case of the EXTRA-CIDER and DUCHESSE marks, the depiction of fruit (citrus fruit and pears, respectively).

Nonetheless, background shapes, or “carriers,” such as the shape of opposers' labels, typically do not make a strong commercial impression. *In re Kysela Pere et Fils Ltd.*, 98 USPQ2d 1261, 1267 (TTAB 2011) (citing *In re Dixie Rests. Inc.*, 41 USPQ2d at 1534); *B.V.D. Licensing Corp. v. Rodriguez*, 83 USPQ2d 1500 (TTAB 2007) (citing *In re Anton/Bauer Inc.*, 7 USPQ2d 1380, 1381 (TTAB 1988)). Likewise, the depictions of fruit on the DUCHESSE and EXTRA-CIDER labels are not strong indicators of source, as they are at best suggestive of the flavoring of the beverages. Finally, as we have often noted, when a mark comprises both literal and figurative elements, the words are generally considered dominant since they will be used to call for, or refer to the goods. *CBS Inc. v. Morrow*, 708 F.2d 1579, 1581-82 (Fed. Cir. 1983); *In re Dakin's Miniatures Inc.*, 59 USPQ2d 1593, 1596 (TTAB 2001); *In re Appetito Provisions Co., Inc.*, 3 USPQ2d 1553, 1554 (TTAB 1987). Thus, while we consider opposers' marks in their entireties, without ignoring any parts of them, we conclude that the stylized literal elements clearly dominate the overall impression of them, and that the other elements do not significantly detract from or alter that impression.

*18 Finally, in comparing opposer's mark with applicant's, we conclude that applicant's marks are virtually identical to the dominant portion of each of opposers' respective marks. We therefore find the marks as a whole to be highly similar, a factor which strongly supports a finding of a likelihood of confusion.

2. The Similarity or Dissimilarity and Nature of the Goods, Purchasers, Channels of Trade

The goods at issue are traditional Russian soft drinks with specific flavors. *E.g.*, Voskanyan Test. at 15-16 (DUCHESSE). They are identified in the subject applications as “non-alcoholic drinks, namely soft drinks,” (DUCHESSE and ESTRAGON applications) and “non-alcoholic drinks, namely fruit-flavored soft drinks,” (EXTRA-CIDER application). Because none of the applications are limited as to their channels of trade or purchasers, “it is presumed that the scope of the registration encompasses all goods of the nature and type described, that the identified goods move in all channels of trade that would be normal for such goods, and that the goods would be purchased by all potential customers.” *In re Elbaum*, 211 USPQ 639, 640 (TTAB 1981), (citing *Kalart Co., Inc. v. Camera-Mart, Inc.*, 258 F.2d 956, 119 USPQ 139 (CCPA 1958)). It is undisputed that opposers' use their respective marks on the same type of soft drinks, and that in any event, applicant's identification of goods is broad enough to encompass opposers' goods.

Further, because there are no specific limitations in the subject applications, applicant's goods must be construed to be intended for sale in all normal channels of trade and to all usual consumers of such goods. Thus, applicant's channels of trade and intended consumers are deemed to include (at least) the same channels of trade and classes of consumers for which opposers have established sales.

These factors further support a finding of likelihood of confusion.

3. Balancing the Factors

Given the highly similar marks, legally identical goods, identical customers, and channels of trade at issue, we conclude that use of the subject marks on the identified goods would clearly give rise to a likelihood of confusion in view of opposer's allegedly prior use of its marks.

D. Applicant's Defenses and Other Arguments

In response to opposer's evidence, applicant unleashes a scattershot volley of arguments and objections regarding both its affirmative defense and various attacks on the credibility of opposers' witnesses and evidence. We start with applicant's defense.

1. Unclean Hands

Applicant has gone to great lengths in arguing that opposers' prior use of the marks was illegal and did not result in the creation of trademark rights, or that opposers may not rely on any such rights because of their "unclean hands." See App. Br. at 26-28. Applicant relies on various evidence, including FOIA requests to the FDA, and Mr. Voskanyan's testimony. In response, opposers presented the testimony of Patrick Gill, an attorney, as an expert in the law relating to the importation of goods into the United States, and recalled Mr. Tkach during their rebuttal period.

*19 Applicant alleges that opposers violated various rules and statutes in its importation of products into the United States, including rules regarding the labeling and packaging of imported food and - more seriously - that applicant imported its ESTRAGON beverage into the United States notwithstanding that it contained an ingredient not permitted for food use in the United States.

As a general rule, in order to establish trademark rights, one's use of a mark must be legal use in commerce. This principle would clearly apply, for instance, if the goods or services were themselves illegal - such as an application to register a mark for use on drugs that may not be legally sold.

Opposers' soft drinks - like applicant's goods - are not themselves illegal, nor is it alleged that they are or can be used for an illegal purpose. Rather, applicant alleges that opposers violated various statutes and rules in the importation or sale of its goods because of the manner of their importation or their ingredients.

The lawful use doctrine is based on the USPTO's own interpretation of the requirement that a mark be used in commerce, *Western Worldwide Enters. Group Inc. v. Qinqdao Brewery*, 17 USPQ2d 1137 (TTAB 1990), although its limits remain unclear. The Board has long recognized many of the difficult problems raised by its application. Some time ago, we noted that we have heard cases involving the lawfulness of use under such statutes as the Federal Food, Drug, and Cosmetic Act, the Federal Meat Inspection Act, the Federal Insecticide, Fungicide, and Rodenticide Act, and the Federal Clean Air Act. Due to a proliferation of federal regulatory acts in recent years, there is now an almost endless number of such acts which the Board might in the future be compelled to interpret in order to determine whether a particular use in commerce is lawful. Inasmuch as we have little or no familiarity with most of these acts, there is a serious question as to the advisability of our attempting to adjudicate whether a party's use in commerce is in compliance with the particular regulatory act or acts which may be applicable thereto.

Satinine Societa in Nome Collettivo di S.A. e M. Usellini v. P.A.B. Produits et Appareils de Beaute, 209 USPQ 958, 964 (TTAB 1981) (declining to find opposer's use invalid under the Trademark Act); see also *Id.* at 967 (Kera, concurring) (suggesting that "There must be some nexus between the use of the mark and the alleged violation before it can be said that the unlawfulness of the sale or shipment has resulted in the invalidity of an application or registration."). The points raised in *Satinine* are at least as relevant today as they were then.

In a pair of cases, *Kellogg Co. v. New Generation Foods, Inc.*, 6 USPQ2d 2045 (TTAB 1988) (which we need not discuss in detail), and *General Mills Inc. v. Health Valley Foods*, 24 USPQ2d 1270 (TTAB 1992), the Board again considered the illegal use doctrine, and again refused to find that the alleged illegality vitiated the prior user's trademark rights. In both cases, illegal use was raised as a ground to cancel the prior user's pleaded registration by counterclaim, unsuccessfully in both cases.

*20 In *General Mills*, applicant alleged - and the opposer admitted - that the initial shipment upon which its date of first use was based did not comply with FDA labeling regulations. *General Mills*, 24 USPQ2d at 1273. The Board summarized an approach to the issue consistent with *Satinine*:

[T]he better practice in trying to determine whether use of a mark is lawful under one or more of the myriad regulatory acts is to hold a use in commerce unlawful only when the issue of compliance has previously been determined (with a finding of noncompliance) by a court or government agency having competent jurisdiction under the statute involved, or where there has been a *per se* violation of a statute regulating the sale of a party's goods. See *Satinine Societa v. P.A.B. Produits*, 209 USPQ 958 (TTAB 1981); *Kellogg Co. v. New Generation Foods, Inc.*, 6 USPQ2d 2045 (TTAB 1988).

...

Where, as here, a party seeks to show that use by the adverse party was unlawful by virtue of noncompliance with a labeling statutory provision, it is incumbent upon the party charging that the use was unlawful to demonstrate by clear and convincing evidence more than that the use in question was not in compliance with applicable law. Such party must prove also that the non-compliance was material, that is, was of such gravity and significance that the usage must be considered unlawful - so tainted that, as a matter of law, it could create no trademark rights - warranting cancellation of the registration of the mark involved.

General Mills, 24 USPQ2d at 1273-74. (citations revised).

The Board noted that the applicant had presented no evidence of a final determination of noncompliance by any court or agency. Indeed, notwithstanding *General Mills*' admission of a statutory violation, the Board found that the applicant had not met its burden of proof, because it had not demonstrated a "nexus between the use of the mark and the alleged violation [such that] the unlawfulness of a shipment can be said to result in the invalidity of a registration." *General Mills*, 24 USPQ2d at 1274 (citing *Satinine*, 209 USPQ at 967 (Kera, concurring)). The Board also expressed concern for the disproportionality of the penalty of cancellation as a result of a seemingly minor violation: "Although opposer acknowledges its inadvertent failure to comply fully with these regulations, we agree with opposer that its technical noncompliance should not result in the Draconian result of cancellation of its registration." *General Mills*, 24 USPQ2d at 1273.

*21 The only Board precedent substantively addressing the illegal use doctrine in the two decades since *General Mills* is *Automedx Inc. v. Artivent Corp.*, 95 USPQ2d 1976 (TTAB 2010). In that case, the applicant alleged that the opposer's prior sales of its medical ventilators were illegal because opposer had neither approval from the FDA (which is generally required prior to sale of a medical device) nor had it applied for an exemption for which it might have been eligible. Continuing our narrow application of the illegal use doctrine as applied in *Satinine*, *Kellogg*, and *General Mills*, the Board again denied applicant's counterclaim:

[W]e find that applicant failed to show that there was a *per se* violation of any law or FDA regulations. As previously indicated, we disagree with applicant's premise that the products sold by opposer to the military were required to be FDA approved before the sales of those products may constitute *bona fide* use of the mark in commerce.

Automedx, 95 USPQ2d at 1985. In sum, while the illegal use doctrine remains the law, it has been interpreted very narrowly, and in practice, it has not been successfully invoked in a reported (or, as near as we can tell, unreported) Board case for at least thirty years.

In the case at bar, applicant points to allegedly unlawful acts by opposers and B & B, including that upon importation, Mr. Tkach cut into the products' packaging to affix labels for the U.S. market. Applicant maintains that a "repackaging permit" was

required in order to do so, a conclusion which opposers dispute. Similarly, applicant also notes that opposers or B & B may have violated labeling requirements in the importation of the goods. *See* App. NOR (Aug. 21, 2009). Suffice it to say that applicant has not met its burden to show a *per se* violation of law, *see Automedx*, 95 USPQ2d at 1985, or that if it did, any use of the mark “was so tainted that, as a matter of law, it could create no trademark rights.” *General Mills*, 24 USPQ2d at 1274. The facts as to these allegations remain unclear, as is the requirement for a repackaging permit. *E.g.*, Gill Test. at 29-30.

Applicant's other allegation of illegality is more serious. Applicant claims that in early 2005, the FDA detained a shipment of opposers' ESTRAGON beverage, because it allegedly contained “Patent Blue V,” which is claimed to be a colorant not approved for use in the U.S. There is some disagreement about exactly what ensued, but it appears that applicant and opposers exchanged some communications about the problem.⁴⁹ Evidently neither opposers nor applicant disputed the substance of the FDA's initial finding, and the detained shipment was eventually destroyed.

*22 The evidence indicates that the colorant issue pertained to one shipment of opposers' ESTRAGON⁵⁰ product, and that this occurred long after opposers first established use in the United States. There is no evidence that any shipment before or after the one which was detained contained any improper ingredients.⁵¹ Evidence proffered by applicant indicates that opposers had purchased the flavoring ingredient for ESTRAGON from another company, Wild Rossiy, and were possibly not aware that it contained an ingredient not permitted in the U.S. Voskanyan Test. at 45-46, exh. 13.

Again, we find that applicant has not met its burden to show that the incident of illegality alleged here is of a type that would entirely vitiate opposers' common-law rights in its ESTRAGON mark, *see General Mills*, 24 USPQ2d at 1274, which by 2005 were well-established. Nor is there any “nexus between the use of the mark and the alleged violation...” *Id.* The alleged violation had nothing to do with opposers' use of their asserted marks, and it occurred long after they had established rights in the mark based on use. Finally, it is not clear why abrogation of opposers' trademark rights would be appropriate six years after this incident, or that such action would in any way promote the aims of trademark law or otherwise benefit the public.⁵² Applicant's affirmative defense is accordingly denied.

2. Other Issues

Two more issues require brief mention.⁵³

a. Contract Interpretation

As noted, the parties entered into two contracts during the course of their dealings. Opposers claim they are distributorship agreements, Opp. Br. at 9-11, while applicant claims they are merely agreements for the purchase and sale of goods, App. Br. at 20-26.

The law is clear on the question of ownership as between a foreign manufacturer and a domestic distributor or importer:

[T]he question of ownership of a trademark as between the manufacturer of a product to which the mark is applied and the exclusive distributor of that product, or as between a foreign manufacturer and the exclusive United States importer and distributor, is a matter of agreement between them, and in the absence of any such agreement, there is the legal presumption that the manufacturer is the owner of the mark. Without such expressed or implied acknowledgement or transfer by the foreign manufacturer of rights in the trademark to the exclusive U.S. distributor, such distributor does not acquire ownership of a mark of a foreign manufacturer any more than a wholesaler can acquire ownership of the mark of a manufacturer, merely through sale and distribution of goods bearing the manufacturer's trademark.

Audioson Vertriebs-GmbH v. Kirksaeter Audiosonics, Inc., 196 USPQ 453, 456-57 (TTAB 1977) (citations omitted).

*23 Applicant's argument is apparently that if it is merely a purchaser of opposers' goods, rather than opposer's licensed "distributor," it escapes the presumption of ownership by the foreign manufacturer, and therefore may own and register the marks itself. Applicant interprets our precedent too narrowly, and in any event, resort to the presumption is unnecessary for opposers in this case.

We need not untangle the web of the contracts here. It is enough to note that neither of them deals in any significant or explicit way with rights to the involved trademarks. Indeed, applicant characterizes the contracts as "govern [ing] only the terms of purchase..." of the goods. App. Br. at 22. Assuming that applicant is correct - that it simply purchased goods bearing the marks from opposers and imported them into the United States - then the contracts were silent on the issue of trademark ownership.⁵⁴ But that is of no help to applicant, because "in the absence of any such agreement, there is the legal presumption that the manufacturer is the owner of the mark." *Audioson*, 196 USPQ at 456. Under the rule in *Audioson*, applicant's purchase of the goods gives it no right to register the marks, and the presumption of ownership remains with the manufacturer. Although *Audioson* speaks primarily of the rights of manufacturers vis-à-vis those of "distributors," it is quite clear that the principle enunciated is not limited to manufacturer relationships with formal distributors - that would make no sense given the reasoning of the presumption, which is grounded in treaty and need to protect foreign manufacturers against the registration of their marks in other countries. See *Global Maschinen GmbH v. Global Banking Sys., Inc.*, 227 USPQ 862, 866-867 (TTAB 1985).

But in any event, opposers here need not rely on the presumption discussed in *Audioson*. As discussed above, they had already established common-law rights in their marks in the United States prior to applicant, and the contracts did not clearly transfer opposers' pre-existing rights to applicant. See *Global Maschinen*, 227 USPQ at 867 ("Not only was there no agreement to rebut the presumption of ownership in the foreign manufacturer, petitioner, but in this case petitioner had established ownership rights in the mark ... in the United States prior to the filing date of respondent's application for registration and the date of any sales by respondent.... Accordingly, registrant is not the owner of the trademark....").

b. Opposers' Prior Application

Applicant points out that on March 12, 2001, opposers filed an application for registration of the standard-character mark DUCHESSE under the "intent-to-use" provisions of Trademark Act § 1(b), 15 U.S.C. § 1051(b).⁵⁵ That application was abandoned for failure to file a statement of use on December 19, 2007. Applicant argues that opposers' actions with respect to the '242 Application were inconsistent with its position in this case that it was actually using the mark at the time, and urges that we consider this as evidence that applicant was not in fact using its marks in the U.S. at any time prior to the abandonment of its '242 Application in late 2007. App. Br. at 19-20.

*24 We disagree; the declaration in an application of an intent to use is not inconsistent with actual use. Cf. *Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1539 (TTAB 2007) (ITU applicant may rely on its use prior to application for purposes of priority (citing *Corporate Document Svcs. Inc. v. I.C.E.D. Mgmt. Inc.*, 48 USPQ2d 1477, 1479 (TTAB 1998))). The filing of an intent-to-use application is in no way an admission of non-use.

Moreover, the fact that opposers' '242 Application was abandoned at the statement of use stage is not - without more - evidence that the DUCHESSE mark asserted by opposers in this proceeding was not in use. Opposers' earlier application may have become "abandoned" for reasons that have nothing to do with whether the mark was in use, and applicant offers no evidence of the circumstances resulting in opposers' failure to complete the registration of that mark. Opposers may have intentionally decided not to file a statement of use in the '242 application for a variety of reasons, or the demise of that application may have been due to mistake, oversight, or neglect. Applicant's argument in this regard is nothing more than an invitation to speculate.

V. Conclusion

We have carefully considered all of the parties' evidence and argument, including that which we have not specifically discussed. We conclude that registration of applicant's subject DUCHESSE, ESTRAGON, and EXTRA-CIDER marks for the identified goods is likely to cause confusion with opposer's previously-used marks pursuant to Trademark Act § 2(d). We have considered applicant's affirmative defense and other arguments, but do not find them to merit a different result. To the extent there is any doubt, we have resolved it - as we must - in favor of opposers, the prior users. See *Hard Rock Cafe Int'l (USA) Inc. v. Elsea*, 56 USPQ2d 1504, 1514 (TTAB 2000); *W.R. Grace & Co. v. Herbert J. Meyer Indus., Inc.*, 190 USPQ 308, 311 (TTAB 1976) (“one who adopts a mark similar to the mark of another for the same or closely related goods or services does so at his own peril, and any doubt as to likelihood of confusion must be resolved against the newcomer”).

Decision: In each opposition, the opposition is SUSTAINED, and registration to applicant is refused.

Footnotes

- 1 Opposers were represented by several attorneys during the course of this proceeding.
- 2 Administrative Judge James Walsh, who was on this panel at oral hearing, has retired from Federal service. Judge Walters is substituted in his place. See *In re Bose*, 772 F.2d 866, 227 USPQ 1, 4 (Fed. Cir. 1985) (TTAB may substitute panel member after oral argument).
- 3 In its answers, applicant raised the defenses of fraud, unclean hands, unlawful use in commerce, and consent. Because only unclean hands was raised in applicant's brief, the other defenses are considered waived. *Cerveceria India Inc. v. Cerveceria Centroamericana, S.A.*, 10 USPQ2d 1064, 1066, n.3 (TTAB 1989).
- 4 The parties differ on the appropriate characterization of their transactions under the contracts.
- 5 Opposers indicate that applicant served a notice of reliance (dated July 30, 2009) on Mr. Voskanyan's discovery deposition and the Board's previous order on summary judgment. It appears that this notice of reliance was never filed. Applicant states that it does not cite this notice of reliance, “but instead directly refers to the documents of record in these proceeding [*sic*],” namely, opposers' response to applicant's motion for summary judgment and the Board's October 31, 2008, order denying summary judgment. Resp. to Evid. Obj. at 31. While those papers are part of the record of this case, submissions on summary judgment cannot be relied on as evidence, unless they are properly submitted during trial. *Levi Strauss & Co. v. R. Josephs Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993). Moreover, the Board's order denying summary judgment is of little relevance because it did not resolve any issue.
- 6 Applicant's interpreter admitted that he had never before interpreted at a deposition. The testimony of opposer's witnesses was interpreted by one of opposer's own attorneys who is also a native Russian speaker, although her qualifications as an interpreter are not a matter of record. See *Fed. R. Evid. 604* (interpreters are subject to qualification as experts).
- 7 The word is in quotation marks because on at least a few occasions, it was not clear whether the witness was reading the document verbatim, summarizing its contents, or simply testifying about the document. See *infra* n. 18 and accompanying text.
- 8 Applicant's own interpreter pointed out on the record that one problem with this method is that there is a difference between spoken and written language: “So I am translating the way [the witness] speaks or read [*sic*] the document.... And if I had to translate that document into written language, it probably would sound slightly differently [*sic*] from what I hear.” Voskanyan Test. at 47.
- 9 And as will be seen, some of the documents were not translated at all. These documents will not be considered. *Hard Rock Cafe Licensing Corp. v. Elsea*, 48 USPQ2d 1400, 1405 (TTAB 1998) (objections sustained as to documents not in English).

- 10 However, this evidence is of very little practical value because the marks at issue are virtually identical in relevant part. Regardless of what the words in the mark may signify, it is clear that they signify the same thing in both opposers' and applicant's mark.
- 11 According to the press release, “[t]he recall was initiated after sampling by New York State Department of Agriculture and Markets Food Inspectors revealed the imported products contained sulfonamide, a drug prohibited for use in lactating dairy cattle and food producing animals.”
- 12 Following Mr. Tkach's first testimonial deposition, applicant filed under a notice of reliance on several more brief news items regarding the milk recall and two other incidents from approximately the same period in which fruit preserves and preserved herring imported by B & B were purportedly recalled. App. NOR (July 31, 2009). These documents were alleged to be admissible under [Trademark Rule 2.122\(e\)](#), and were submitted “as an offer of proof that had the witness not been instructed to answer Applicant's questions on cross-examination, the Board would have learned that the witness's character for truthfulness would be in question, as the witness has a long history of distributing harmful products to the American public, including misbranded products and contaminated food.” App. NOR (July 31, 2009). Opposers timely objected to the admission of these articles during briefing.
- 13 Instructing a witness not to answer a question should only be done under unusual circumstances, [Fed. R. Civ. P. 30\(c\)\(2\)](#), and if found to be unjustified, may give rise to an adverse inference based on the information sought and withheld. See *Health-Tex Inc. v. Okabashi (U.S.) Corp.*, 18 USPQ2d 1409, 1411 (TTAB 1990). While opposers did not seek a protective order regarding these questions, [Fed. R. Civ. P. 30\(d\)\(3\)\(A\)](#), they did the equivalent by arguing in response to applicant's motions and briefing that this line of questioning was improper, and subjected Mr. Tkach to embarrassment and harassment.
- 14 The tribunal “shall exercise reasonable control over the mode and order of interrogating witnesses and presenting evidence.” [Fed. R. Evid. 611\(a\)](#). Despite the absence of a Board official at testimonial depositions, the Board expects parties and counsel to conduct proceedings with decorum and courtesy, [Trademark Rule 2.192](#), and in accordance with the principles set out in the applicable rules.
- 15 Applicant argues that if it had been able to question Mr. Tkach about the tainted milk and similar incidents, it might have been able to establish that Mr. Tkach personally knew about the unsoundness of his products prior to sale or that he hid evidence of such incidents after the fact, and that this would tend to imply that Mr. Tkach is not generally of truthful character, and that in turn would tend to imply that his testimony in this proceeding should be doubted. App. Br. at 17. But this is all speculative (as noted the proffered articles do not provide any support for this theory), and its connection with the facts of this proceeding is highly attenuated.
- 16 This document is in the form of a table briefly listing (so far as is relevant here) 14 “charges” relating to what appears to be one or possibly two 2008 shipments of “CARBONATED SOFT DRINK TARKHUN.” (“TARKHUN” is apparently Russian for estragon.) All of the charges appear to relate to various deficiencies in the labels affixed to the goods.
- 17 Mr. Zuev positively stated that he did not recognize exhibits 14-15 and 17-22. Applicant argues that Exhibit 16 was “authenticated by the witness.” Resp. to Evid. Obj. at 31. In fact, Mr. Zuev was shown Exhibit 16 and asked “if [he had] ever seen this document before?” His answer was “Yes,” Zuev Test. at 67, but there were no further questions or answers. It is quite clear that Mr. Zuev did not identify, let alone authenticate this document. [Fed. R. Evid. 901](#).
- 18 The fact that applicant used the document to refresh its witness's recollection is not a basis for its admission in evidence, although the *adverse party* may, at its option, inspect or introduce a document used to refresh the witness' recollection. [Fed. R. Evid. 612](#). Here opposers did not opt to introduce the document, and in fact objected to it.
- 19 Opposers' objection on the ground that Exhibit 19 is not certified as a record of the FDA is overruled. This document appears to be a letter written by Mr. Voskanyan to the FDA, which Mr. Voskanyan confirmed in his testimony. Voskanyan Test. at 57. Such documents need not be certified.
- 20 We note, however, that this document does not include any mention of the facts for which applicant asserts that it was offered, *see* above, or those facts for which opposers fear it is offered (*i.e.*, to prove that opposers' product contained unapproved ingredients). It appears to be a customs warehouse invoice, but it does not specifically identify the products which were warehoused, let alone why they were warehoused.
- 21 Mr. Tkach testified that Exhibit 11, comprising 39 pages and submitted under seal, is a report showing B & B's inventory of opposers' branded product which B & B imported between January 1, 2002, and August 31, 2008.

- 22 Applicant's motion ran to 25 pages. Its reply brief - at 14 pages - exceeds the applicable page limit, and has accordingly not been considered. [Trademark Rule 2.127\(a\)](#) (“A reply brief shall not exceed ten pages in length in its entirety.”); [Ron Caldwell Jewelry Inc. v. Clothetime Clothes Inc.](#), 63 USPQ2d 2009, 2010 (TTAB 2002) (reply brief not considered).
- 23 We do not specifically discuss each of the discovery requests and arguments set out in applicant's lengthy motion. Suffice it to say that we have considered them all, but we do not find that any merit the imposition of sanctions.
- 24 Applicant believes that it served discovery with respect to ESTRAGON, although (in contrast to discovery regarding the other marks) it appears that opposers never responded in any way. Applicant admits that it “cannot prove [the ESTRAGON discovery requests] were served,” and that “[n]o Motion to Compel was filed.” Mot. at 4; *see* Response at 2. No estoppel can apply to the “failure to respond” to this ESTRAGON discovery, because applicant admittedly cannot show that it was served. Mot. 4.
- 25 As a courtesy, in Board proceedings parties will typically make and serve copies of any responsive documents along with their response to discovery requests. Nonetheless, a party responding to a request for production is not required to do so. [No Fear Inc. v. Rule](#), 54 USPQ2d 1551, 1555 (TTAB 2000); *see* [Trademark Rule 2.120\(d\)\(2\)](#) (“The production of documents ... will be made at the place where the documents ... are usually kept, or where the parties agree...”). A proper response need only either object to a request for production or state that “inspection [of the documents] will be permitted.” [Fed. R. Civ. P. 34\(b\)\(2\)\(B\)](#); *see also* [Fed. R. Civ. P. 33\(d\)\(2\)](#) (party opting to respond to an interrogatory by producing business records must give “the interrogating party a reasonable opportunity to examine the identified records.”).
- 26 The interrogatory uses the term “Respondent,” although the parties on whom the interrogatories were served are opposers or plaintiffs, not respondents. But assuming it was clear that applicant meant to say “opposers,” there are other problems. For instance, it is unclear in this context how opposers were expected to determine who among the persons possessing any discoverable information was the *most* knowledgeable, and whether the interrogatory sought the name of the single most knowledgeable person or some unspecified number of knowledgeable people.
- 27 Even if the interrogatory had requested opposers' witnesses, applicant would not have been entitled to them. [Trademark Rule 2.121\(e\)](#) now requires pretrial disclosure of the identity of witnesses, the general topics on which they will testify, and the types of documents which may be introduced. However, that rule is applicable only to proceedings commenced on or after November 1, 2007. [72 Fed. Reg. 42,242](#) (effective date). In this regard, this case, which was commenced prior to that date, is subject to the practice in place prior to the amended rule, which did not require disclosure of witnesses and provided that the identity of the witnesses a party intends to call or the specific evidence it intends to present is not discoverable. *E.g.*, [Time Warner Entm't Co. v. Jones](#), 65 USPQ2d 1650, 1657 (TTAB 2002); *compare* TBMP § 414(7) (2d ed. rev. 2004) *with* TBMP § 414(7) (3d ed. 2011).
- 28 Opposers quote the following passage from the March 2007 deposition of Mr. Voskanyan:
 Q: Have you heard of OST shipping DUSHESSE beverages to a company called B&B before Vosk?
 ...
 Mr. ALUMIT: YES
 A: Yeah.
 Mr ALUMIT: He saw it from documents produced.
- 29 Documents may be obtained from a non-party by means of a subpoena *duces tecum* issued by the appropriate U.S. district court. *See generally* TBMP § 404.03(a)(2) (3d ed. 2011).
- 30 Applicant cites [Super Valu Stores Inc. v. Exxon Corp.](#), 11 USPQ2d 1539 (TTAB 1989), in which the Board said “a party may not refuse to furnish information in response to a discovery request on the ground of ‘confidentiality,’ ... and then introduce evidence on such matters during its trial period.” *Id.* at 1543. Nonetheless, the decision makes clear that what was referred to in the quoted passage as “confidentiality” is actually “privilege,” *see id.* at 1543 (Exxon's objection on the ground of “attorney-client and work product privilege”), and the difference is important. Except in unusual circumstances, when a *privilege* is asserted, it bars discovery of the covered information, and is basically an assertion that such matters will not be disclosed at all. Thus, a party cannot assert a privilege in discovery then waive the privilege to use the information at trial.
 On the other hand, a party asserting *confidentiality* is concerned that sensitive information may end up in the wrong hands. But confidentiality is rarely an absolute bar, and parties in Board proceedings routinely exchange confidential

information and use it at trial once a protective order is in effect, and opposers here stated that responsive documents would be made available once such an order was entered. Unlike the case in *Super Value Stores*, opposers never refused to provide such information, nor did they take a contrary position by waiving confidentiality at trial (by then it was automatically covered by the Board's standard confidentiality order). Thus applicant had no reasonable basis to believe that information asserted to be confidential would not be used by opposers at trial.

31 This case illustrates the problems that arise when discovery issues are not resolved during discovery. There are certainly cases in which it is impossible to do so because there is no indication that the responding party has or might use requested information which has not been disclosed. But that was clearly not the case here.

32 This differs from Mr. Voskanyan's testimony about Exhibit 10, which we have stricken. Unlike Mr. Voskanyan's testimony, Mr. Tkach was not asked, and did not testify, *about the document*. Rather, Mr. Tkach testified about the beginning of his business with opposers, and when asked, said that the agreement would support his recollection.

33 It is not clear from the transcript whether the witness had possession of the agreement during his testimony. But if he did, there is nothing wrong with a witness using a document to refresh his recollection, subject to certain rights of the adverse party, which were not invoked. *See Fed. R. Evid. 612*.

34 *See* applicant's '896 Application and opposers' '895 Application.

35 *See* applicant's '780 Application and opposers' '669 Application.

36 *See* applicant's '812 Application and opposers' '835 Application.

37 For ease of reference, we refer to the marks by their translation or transliteration.

38 Although the reports cover years up to 2005 or 2006, Mr. Zuev testified that opposers' sales of the goods to the U.S. have continued to the date of testimony. Zuev Test. at 22.

39 This exhibit also notes a single shipment to B & B in November 2000. Although his testimony is somewhat garbled, Mr. Zuev acknowledged that there were some early sales which may have been sporadic or of smaller volume. Zuev Test. at 25 (“Of course the sales happened. Sales happened. Took place. It wasn't much.”). This is consistent with opposers' interrogatory responses discussed above.

40 Mr. Tkach noted that it was possible that there were some sales prior to 2001, arranged through his brother. Tkach Test. at 11.

41 There is some dispute about which party approved these changes to the labels. Applicant contends that “the contents of the label were under [applicant's] control at all times,” App. Br. at 7-8, suggesting its exercise of authority over use of the marks with opposers' consent. Nonetheless, the changes to the label were either insignificant or required U.S. law. *See infra* n. **Error! Bookmark not defined.**, 48. Indeed, these are the types of labeling changes one might expect an importer or distributor to recommend to its foreign manufacturer based on its better understanding the law and custom of the domestic market.

42 To be clear, opposers' applications are not before us. Although they may help establish opposers' standing, whether opposers are entitled to the registrations they seek is irrelevant to the question of whether applicant is entitled to registration of the marks in the subject applications.

43 Opposers further contend that they have standing because “they are the manufacturer of the goods sold by [a]pplicant and have prior use of the Cyrillic marks in Russia.” Opp. Br. at 9. In light of the other evidence of standing, it is unnecessary to reach the question of whether either contention would be sufficient.

44 The dictionary definitions indicate that “estragon” is another word for the herb “tarragon,” and that “duchesse” is a variety of pear. App. NOR (July 30, 2009). There appears to be no dispute that the beverage sold by both parties under the DUCHESSE mark is pear-flavored, and that the ESTRAGON drink is flavored with tarragon.

45 If, on the other hand, the plaintiff proves ownership of a mark registered on the Principal Register, its validity (and therefore its distinctiveness) is presumed, Trademark Act § 7(b), and that presumption is conclusive in the absence of a counterclaim for cancellation, [Trademark Rule 2.106\(b\)\(2\)\(ii\)](#).

46 Applicant notes that it has disclaimed the terms DUCHESSE and ESTRAGON in its respective applications, and that opposers have disclaimed ESTRAGON in their application. Nonetheless, the disclaimer of part of a mark is not evidence that the mark is descriptive as a whole; if anything, it implies that the mark as a whole might be registrable *notwithstanding* the descriptiveness of the disclaimed term. That is the purpose of the disclaimer. *See* Trademark Act § 6;

15 U.S.C. § 1056 (“The Director may require the applicant to disclaim an unregistrable component of a mark otherwise registrable.”)

47 We further note that opposers' marks are essentially identical in their dominant part to applicant's marks, and they are used on identical goods. *See infra*. We cannot accept applicant's apparent claim that its mark is a distinctive indicator of source for its goods, capable of registration on the Principal Register, while opposer's use of the same designation on the same goods cannot be considered a mark at all. Applicant's own applications for registration of the DUCHESE and ESTRAGON trademarks are assertions that its own marks are, as a whole, distinctive. And if applicant's marks are distinctive, the same marks used on the same goods by opposers must likewise be distinctive.

48 Opposers have proffered labels as they were first used on the goods in U.S. commerce. Tkach Test. 9, 11-12, 14, exh. 6-10, 12. Opposers do not explicitly state whether they claim common-law rights in the stylized wording alone (as applicant does), or whether they claim common-law rights to their overall label design, including the stylized wording (as is the case in their pending applications). We assume (without deciding) that opposers' are asserting common-law rights in the stylized literal elements used as a part of their overall label design. But because we find the marks highly similar nonetheless, our ultimate conclusion on the question of likelihood of confusion would be no different even if our assumption is incorrect. (That is, if we considered only the stylized literal elements of opposers' labels, we would find them to be essentially identical to applicant's applied-for marks.)

Note, however, that we do not consider various other items appearing on opposers' labels to constitute parts of its trademark. Labels as actually used in commerce usually include all sorts of informational and non-distinctive material (including “Handle With Care - Do Not Shake,” “Nonalcohol Sparkling Beverage,” “nutrition facts,” ingredients, the universal product code, and bottle redemption values). *See, e.g.*, Voskanyan Test. exh. 5-6. Some of these are required by law, others are not. But none would be viewed by any reasonable consumer as an indicator of source, *i.e.*, as a trademark or part of one. *Cf.* TRADEMARK MANUAL OF EXAMINING PROCEDURE (“TMEP”) § 1202.04 (7th ed. 2010) (informational material not generally registrable).

49 Much of the evidence on this point is hearsay, and cannot be used to prove that, for instance, opposers' goods actually contained the banned colorant. However, in an e-mail from opposers' employee to applicant on this matter, opposers seemingly admit that they were able to confirm (after the fact) that the Estragon extract they purchased from a third party contained the colorant. Voskanyan Test. at 45-46, exh. 13.

50 There is no allegation that opposers' DUCHESE or EXTRA-CIDER products contained any unlawful ingredient, or that their importation or sale was ever questioned by any authority.

51 Without citation to the record, applicant alleges in its brief that there was a second incident - in 2008 - also relating to Patent Blue V colorant in opposer's ESTRAGON product. App. Br. at 27. Applicant's own evidence from the FDA contradicts this allegation. App. NOA (Aug. 28, 2009). While the FDA data suggest that opposer's ESTRAGON bottles were not properly labeled, there is no allegation by the FDA that the beverage contained banned ingredients.

52 We do not intend to minimize the potential seriousness of the alleged violation here. Nonetheless, the government agencies most intimately involved were apparently satisfied when the incident was resolved with destruction of the offending shipment, and have apparently taken no further action.

53 Applicant makes various other attacks on the credibility of opposers' witnesses and evidence. The record - including the evidence of both parties - is indeed confusing in places, due at least in part to language and translation issues, discovery problems, and the way the case was presented. But our task in considering credibility is not to determine whether and how the case could have been better prosecuted, but rather to ask whether the evidence can be believed. We have considered applicant's arguments, and have taken them into account in weighing opposers' evidence. But we cannot agree with applicant's contentions that, for instance, “Tkach [and] Zuev[] would say anything to prevail in the opposition without regard to the truth,” App. Br. at 17, that we “may disregard Tkach's testimony all together [sic],” App. Br. at 16, or that opposers evidence was “fabricated,” App. Br. at 12.

54 Applicant weakly attempts to argue that the contract transferred the marks from opposer to applicant because under one provision, “the property right to the delivered goods transfers to Applicant at the moment of production. Therefore, when [the contract] was formed, the property rights of the delivered goods, including the intellectual property rights, transferred to Applicant when it purchased the goods,” App. Br. at 25-26, adding that any ambiguity should be construed against opposers, who drafted the contract.

There is no ambiguity here; applicant is simply incorrect. It is clear that the “property rights” in question are rights to the *goods*, not to any intellectual property rights that may be associated with opposer's business of manufacturing and selling them. The right to use and register a trademark is not transferred by a mere purchase of goods bearing the mark.

55 [Application No. 76223242](#) for the mark DUCHESSE for “Non-alcoholic drinks namely, soft drinks, fruit-flavored drinks.”

2011 WL 3828709 (Trademark Tr. & App. Bd.)

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EXHIBIT #10

2017 WL 3718318 (Trademark Tr. & App. Bd.)

THIS OPINION IS NOT A PRECEDENT OF THE TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

INTERNATIONAL BEAUTY EXCHANGE, INC.

v.

K & N DISTRIBUTORS

Cancellation No. 92063647

August 11, 2017

*1 Before Taylor, Mermelstein, and Hightower
Administrative Trademark Judges

By the Board:

International Beauty Exchange, Inc. (“Petitioner”) seeks to cancel the registered mark AFRICAN CLAIR FORMULA PLUS, in standard characters, for “cosmetics” in International Class 3.¹ In its amended petition for cancellation, filed February 13, 2017, Petitioner alleges the following grounds for cancellation: (1) likelihood of confusion; (2) that there was “no lawful use in commerce” because Respondent’s goods failed to indicate the country of origin in violation of federal law;² and (3) that there was no use in commerce because of “the alleged first shipment of goods bearing the mark being intrastate and not interstate.”³ Respondent denies the salient allegations in the petition for cancellation.

This case now comes before the Board for consideration of Petitioner’s motion, filed April 24, 2017, for partial summary judgment on the grounds that Respondent’s goods were not in lawful use in commerce and that Respondent filed a “false and fraudulent statement of use”⁴ because Respondent’s use in commerce was intrastate not interstate. The motion is fully briefed.

With respect to Petitioner’s claim that Respondent’s use of the mark was unlawful, Petitioner alleges that Respondent’s use of its mark is in violation of Section 1304 of the Tariff Act of 1930, 15 U.S.C. 1304(a), which requires that products imported into the U.S. be marked with the country of origin for the ultimate purchaser. Petitioner contends that Respondent’s products, which are manufactured in Côte d’Ivoire (Ivory Coast), only contain a notification of the country of manufacture on the shipping container and not on the packaging of the goods for the ultimate consumer. According to Petitioner, the sale of Respondent’s goods without the required labeling is a *per se* violation of the federal statute and, therefore, cannot be recognized as lawful use in commerce for establishing trademark rights.

With regard to its claim that Respondent filed a false and fraudulent statement of use, Petitioner alleges that, according to Respondent’s discovery responses, the date of Respondent’s first shipment of the goods in commerce is almost five months after the date of first use set forth in the statement of use. In addition, because the first shipment of the goods was to a customer located in Miami, Florida, Petitioner contends that the goods shipped in the first shipment were merely transported in intrastate commerce, not in interstate commerce. According to Petitioner, the intrastate shipment could not be the basis for federal trademark registration and Respondent’s statements in the statement of use “were made fraudulently.”⁵

*2 In response to Petitioner’s claim that Respondent’s use of the mark was unlawful, Respondent argues that Petitioner has not demonstrated by clear and convincing evidence that Respondent violated the statutory labeling requirements. Respondent

further argues that, even assuming Respondent violated the federal labeling requirements, Petitioner “has made no effort to allege, let alone prove, a nexus between the violation and the purported unlawfulness of the product, or the materiality of the alleged violation.”⁶ Inasmuch as the penalty for noncompliance with the labeling requirements is merely “additional duties,”⁷ Respondent argues that the illegality does not rise to the level necessary to justify cancellation.

With respect to Petitioner's second ground for summary judgment, Respondent contends that Petitioner's allegation of fraud in the filing of the statement of use was not pleaded in the amended petition for cancellation and is being raised for the first time on summary judgment. In addition, with its response to the motion, Respondent has submitted an amended response to Petitioner's interrogatory request regarding Respondent's date of first shipment of the goods in commerce. Respondent argues that “[t]he supplemental response makes clear that the first use in commerce was the date listed in the Statement of Use, when a shipment of the products bearing the mark was sent by Registrant to a freight forwarder for shipment from Florida to Jamaica.”⁸

In reply, Petitioner argues that “the issue of fraudulent use in commerce was adequately pleaded”⁹ in the amended petition for cancellation. In addition, Petitioner contends that the date of Respondent's first use “remains in question”¹⁰ because the customer identified in Respondent's supplemental response is located in Florida. Thus, according to Petitioner, the transportation of the goods was not an interstate or foreign shipment.

The Pleadings

As an initial matter, a decision on summary judgment necessarily requires a review of the operative pleadings to determine the legal sufficiency of the claims asserted in the motion. *See Fed. R. Civ. P. 56(a); Asian & Western Classics B.V. v. Selkow*, 92 USPQ2d 1478, 1478 (TTAB 2009). Upon review of the amended petition for cancellation, we find that the amended pleading is legally sufficient to the extent that it contains allegations which, if proven, would establish Petitioner's standing and its asserted claim that there was no lawful use in commerce under Sections 1 and 45 of the Trademark Act, 15 U.S.C. §§ 1051 and 1127, due to incorrect labeling. In addition, we note that the amended pleading contains a legally sufficient claim of likelihood of confusion under Section 2(d), 15 U.S.C. § 1052(d), which Petitioner does not assert in the motion. However, we find Respondent's allegations of fraud in the amended petition for cancellation insufficient to support the fraud claim in the motion for summary judgment.

*3 To assert a viable claim of fraud, the plaintiff must allege with particularity, rather than by implied expression, *see Fed. R. Civ. P. 9(b)*, that the defending party knowingly made a false, material representation in the procurement of, maintenance of, or renewal of a registration with the intent to deceive the U.S. Patent and Trademark Office. *In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1942 (Fed. Cir. 2009). Intent to deceive the USPTO is a required element of a fraud claim which must be pleaded. *Id.*

Here, Petitioner merely sets out a conclusory allegation that “[t]he date of first use of the mark of Registrant in commerce as shown in the application for registration was false and fraudulent.”¹¹ However, the amended petition for cancellation contains no factual allegations regarding Respondent's knowledge of the purportedly false statement or of its intent to deceive the USPTO into issuing a registration to which it is not entitled. *Id.*

Additionally, the supporting allegations in paragraphs 11 and 12 of the amended petition do not identify a misrepresentation in the statement of use that is material to the procurement of a registration. Petitioner merely alleges that the date of first use is false because Respondent's first shipment of the goods on that date does not amount to use in interstate commerce. However, the mere fact that Respondent's date of first use may be incorrect is insufficient to state a claim for relief. *See Seaporcel Metals, Inc. v. Am. Siporex Corp.*, 125 USPQ 664, 667 (TTAB 1960) (misstatement of date of first use in a registration cannot, in and of itself, justify fraud). A plaintiff alleging a claim of nonuse under Section 1 of the Trademark Act, 15 U.S.C. § 1051, must plead and prove that there was no use in commerce prior to the filing of the use based application or the deadline for filing the statement of use (as extended). *See Embarcadero Tech., Inc. v. Delphix Corp.*, 117 USPQ2d 1518, 1526 (TTAB 2016) (petitioner

must plead that Respondent did not use its mark with the goods in the registration within the time for filing its statement of use as extended).¹²

Thus, to the extent that Petitioner asserts, in the amended pleading, a claim of nonuse in commerce under Section 1(d) based on allegations that there was no use in interstate commerce as of Respondent's asserted date of first use, the allegations are insufficient to state a claim for relief for the reasons set forth above. See *CarX Service Systems, Inc. v. Exxon Corp.*, 215 USPQ 345, 351 (TTAB 1982) (a misstatement of the date of first use is not fatal to securing a registration).

*4 Moreover, Petitioner's allegation that Registrant's first use was "intrastate and not interstate," Amended Petition at ¶ 11, 19 TTABVUE 9, is likewise insufficient. The statutory requirement is for use of a mark "in commerce," not *interstate* commerce. Trademark Act § 45. As it is used in the Trademark Act, "[t]he word 'commerce' means all commerce which may lawfully be regulated by Congress," *id.*, and the mere fact that an activity occurs within one state does not mean that Congress is wholly without authority to regulate it. See, e.g., *Christian Faith Fellowship Church v. adidas AG*, 841 F.3d 986, 120 USPQ2d 1640 (Fed. Cir. 2016).

In view of the foregoing, Petitioner's fraud claim and the claim of nonuse in commerce that is the basis for the fraud claim are insufficiently pleaded. Accordingly, we have given no consideration to Petitioner's motion for summary judgment on the improperly pleaded claims. See *Asian & Western Classics B.V.*, 92 USPQ2d at 1480 (petitioner cannot obtain summary judgment on an insufficiently pleaded fraud claim); see also *Consolidated Foods Corp. v. Berkshire Handkerchief Co.*, 229 USPQ 619, 621 (TTAB 1986) (stating that the rule that only properly pleaded issues may be the subject of a grant of summary judgment "is especially important where the asserted ground for summary judgment is fraud since in pleading fraud, 'the circumstances ... shall be stated with particularity.' Fed. R. Civ. P. 9(b)").¹³

Standing

Standing is a threshold issue that must be pleaded and proven by the plaintiff in every *inter partes* case. See *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014), *cert. denied*, 135 S. Ct. 1401 (2015); *Ritchie v. Simpson*, 171 F.3d. 1092, 50 USPQ2d 1023, 1025-26 (Fed. Cir. 1999); see also *Sinclair Oil Corp. v. Kendrick*, 85 USPQ2d 1032, 1037 (TTAB 2007).

Here, Petitioner has asserted a *prima facie* claim of likelihood of confusion based on prior use of its mark in commerce and ownership of an existing registration. In addition, with its original petition for cancellation, Petitioner attached a copy of the information from the Office's TSDR database showing the current status and title of its pleaded registration. See *Trademark Rule 2.122*, 37 CFR § 2.122. Thus, Petitioner has demonstrated its belief in likely damage by establishing a direct commercial interest in the proceeding and, therefore, has established its standing to maintain the proceeding. See *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Research in Motion Ltd. v. Defining Presence Mktg. Grp. Inc.*, 102 USPQ2d 1187, 1190 (TTAB 2012) (standing established by pleaded registrations of record). Once standing is established as to one ground, Petitioner may pursue any legally sufficient claim which negates Respondent's right to the subject registration. *Jewelers Vigilance Committee, Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021, 2024 (Fed. Cir. 1987); see also *Corporacion Habanos SA v. Rodriguez*, 99 USPQ2d 1873, 1877 (TTAB 2011) (because petitioners alleged standing as to at least one ground, they may assert any other legally sufficient claims).

The Record

*5 For purposes of the summary judgment motion, the evidentiary record includes the pleadings and, by rule, the file of the involved registration. *Trademark Rule 2.122(b)*. In addition, Petitioner submitted the following exhibits in support of its motion: (1) copies of a section of the Tariff Act of 1930; (2) Respondent's supplemental objections and responses to Petitioner's first set of interrogatories; (3) Respondent's objections and responses to Petitioner's second set of interrogatories; and (4) copies

of packaging for Respondent's product bearing the mark along with the supporting affidavit of John Graterol, an officer of Petitioner, who purchased the product on December 17, 2015.

Respondent relies on the declaration of Jean-Robert Cesar, President of Respondent, attesting to, *inter alia*, the manner of Respondent's first use of the mark on the claimed date of first use. In addition, Respondent submitted an amended supplemental response to Petitioner's interrogatory No. 7.

Summary Judgment

We turn next to the merits of the motion for summary judgment. Summary judgment is an appropriate method of disposing of cases in which there are no genuine disputes as to any material facts and the moving party is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(a). In reviewing a motion for summary judgment, the evidentiary record and all justifiable inferences to be drawn from the undisputed facts must be viewed in the light most favorable to the non-moving party. See *Lloyd's Food Prods. Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027, 2029-30 (Fed. Cir. 1993); *Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1546 (Fed. Cir. 1992). In addition, the Board may not resolve disputes of material fact; it may only ascertain whether a genuine dispute regarding a material fact exists. See *Lloyd's Food Prods.*, 25 USPQ2d at 2029; *Olde Tyme Foods*, 22 USPQ2d at 1544.

A party moving for summary judgment has the burden of demonstrating a particular fact is not disputed by citing to particular parts of materials in the record, including affidavits or declarations, admissions or interrogatory answers; or showing that the cited materials do not establish the absence or presence of a genuine dispute, or that the adverse party cannot produce admissible evidence to support the fact. Fed. R. Civ. P. 56(c)(1). See generally *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). When the moving party has supported its motion with sufficient evidence that, if unopposed, indicates there is no genuine dispute of material fact, the burden of production shifts to the non-moving party to demonstrate the existence of a genuine dispute of material fact to be resolved at trial. *Enbridge, Inc. v. Excelerate Energy LP*, 92 USPQ2d 1537, 1540 (TTAB 2009).

*6 With respect to Petitioner's pleaded claim that the mark was not in lawful use in commerce, the Board has stated that use of a mark should be found unlawful under one or more regulatory acts only when a court or government agency having competent jurisdiction under that statute has found non-compliance, or where there has been a *per se* violation of a statute regulating the sale of a party's goods. *General Mills Inc. v. Health Valley Foods*, 24 USPQ2d 1270, 1273 (TTAB 1992); *Kellogg Co. v. New Generation Foods Inc.*, 6 USPQ2d 2045, 2047 (TTAB 1988). In addition, a party that seeks to show that use by the adverse party was unlawful due to noncompliance with a labeling statutory provision must demonstrate by clear and convincing evidence not only that the use violated the applicable law, but also "that the noncompliance was material, that it was of such gravity and significance that the usage must be considered unlawful - so tainted that, as a matter of law, it could create no trademark rights - warranting cancellation of the registration of the mark involved." *General Mills*, 24 USPQ2d at 1273-74.

In this case, Petitioner does not contend that any court or agency having competent jurisdiction under Section 1304 of the Tariff Act has made a final determination of noncompliance by Respondent.¹⁴ Rather, Petitioner argues that, based on Respondent's answers to interrogatories, Respondent's product sales were *per se* violations of the labeling requirements of the Tariff Act because the country of origin only appears on "the master box of the products."¹⁵ According to Petitioner, "[t]his is inferred to be the shipping container and not the individual container that the ultimate customer will see."¹⁶ However, "the proofs submitted by a party charging noncompliance must leave no room for doubt, speculation, surmise or interpretation." *Santine Societa v. P.A.B. Produits*, 209 USPQ 958, 965 (TTAB 1981). Thus, in determining on summary judgment whether Respondent's use was a *per se* violation of a statute that is outside of the Board's area of expertise, we may not infer facts from the evidence to Opposer's benefit¹⁷ that are not clearly in the record. In view of the foregoing, we find that the evidence in the record falls short of the clear and convincing standard required to demonstrate that Respondent violated the country of origin labeling requirements of the Tariff Act.¹⁸

In addition, Petitioner has provided no arguments and submitted no evidence that the alleged violation of the labeling requirements was material or so grave and significant to the use of the mark that it could create no trademark rights. Thus, even if we found that Respondent had violated the labeling requirements of the Tariff Act, there is no evidence in the record that the alleged violation was of such a nature that Respondent's use in commerce must be considered unlawful - warranting cancellation of the subject registration. See *General Mills*, 24 USPQ2d at 1274-75 (finding that many of the relevant labeling requirements “are purely technical in nature and that violations of such requirements may be relatively harmless and may be subsequently corrected”); see also *Santine*, 209 USPQ at 967 (Kera, concurring) (“There must be some nexus between the use of the mark and the alleged violation before it can be said that the unlawfulness of the sale or shipment has resulted in the invalidity of an application or registration.”).

*7 In view of the foregoing, we find that Petitioner has failed to carry its burden of showing that there is no genuine dispute of material fact that Respondent's mark was not in lawful use in commerce prior to the filing of its statement of use.

Decision

Based on the record and the applicable law, we find that genuine disputes of material facts remain with respect to Respondent's use of the mark in commerce prior to filing the statement of use.¹⁹ Accordingly, Petitioner's motion for partial summary judgment based on the claim of no lawful use in commerce is **DENIED**.

Proceedings are resumed. Discovery and trial dates are reset as follows:

Expert Disclosures Due	11/7/2017
Discovery Closes	12/7/2017
Plaintiff's Pretrial Disclosures	1/21/2018
Plaintiff's 30-day Trial Period Ends	3/7/2018
Defendant's Pretrial Disclosures	3/22/2018
Defendant's 30-day Trial Period Ends	5/6/2018
Plaintiff's Rebuttal Disclosures	5/21/2018
Plaintiff's 15-day Rebuttal Period Ends	6/20/2018

In each instance, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. [Trademark Rule 2.125](#).

Briefs shall be filed in accordance with [Trademark Rules 2.128\(a\) and \(b\)](#). An oral hearing will be set only upon request filed as provided by [Trademark Rule 2.129](#).

Footnotes

1 Registration No. 4941822 was registered on April 16, 2016 with a disclaimer of the words “AFRICAN” and
“FORMULA” apart from the mark. In the statement of use, filed July 1, 2015, Respondent claims June 1, 2015 as the
date of first use anywhere and the date of first use in commerce.

2 Amended Petition for Cancellation, at ¶ 10, 19 TTABVUE 9.
3 Amended Petition for Cancellation, at ¶ 11, 19 TTABVUE 9.
4 23 TTABVUE 6.
5 *Id.* at 6.
6 25 TTABVUE 5-6.
7 *Id.* at 7 (quoting 19 U.S.C. § 1304(i)).
8 *Id.* at 8.
9 26 TTABVUE 3.
10 *Id.*
11 Amended Petition for Cancellation, at ¶ 12, 19 TTABVUE 9.

12 Under Trademark Rule 2.88(e), 37 C.F.R. § 2.88(e), an applicant may amend its statement of use to state dates of use
which fall after the statement of use filing date but before the expiration of the deadline for filing the statement of use.
See Trademark Rule 2.71(c)(2), 37 C.F.R. § 2.71(c)(2). Thus, where a claim of nonuse is asserted in an *inter partes*
proceeding, “the Board also will consider evidence of use which occurred after the filing of the statement of use but
within the original or extended period for filing the statement of use.” *Embarcadero Tech., Inc.*, 117 USPQ2d at 1524.

13 We note, in any event, that even if we were to consider the merits of Petitioner's motion for summary judgment on
the fraud claim, the motion would be denied because, in addition to failing to identify a material misrepresentation,
Petitioner has not submitted any arguments or attached any evidence to the motion regarding Respondent's knowledge
or intent to deceive the USPTO with respect to the allegedly false date of first use. Further, the factual question of intent
is particularly unsuited to disposition on summary judgment. *Copeland's Enters. Inc. v. CNV Inc.*, 945 F.2d 11563, 20
USPQ2d 1295, 1299 (Fed. Cir. 1991).

14 Section 1304 of the Tariff Act, 15 U.S.C. 1304(a), states, in part:
every article of foreign origin (or its container, as provided in subsection (b) hereof) imported into the United States
shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article (or container)
will permit in such manner as to indicate to an ultimate purchaser in the United States the English name of the country
of origin of the article.

15 23 TTABVUE 3, 20.
16 *Id.* at 3.

17 In deciding a motion for summary judgment, all reasonable inferences must be drawn in favor of the *nonmovant*. See
Opryland USA Inc. v. The Great American Music Show Inc., 970 F.2d 847, 23 USPQ2d 1471, 1472 (Fed. Cir. 1992)
(citing *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 255 (1986)).

18 Additionally, we note that Petitioner's evidence consisting of copies of Respondent's product packaging purchased on
December 17, 2015 is insufficient to support a claim of unlawful use in commerce prior to the July 1, 2015 filing date
of the statement of use.

19 The fact that we have identified only certain genuine disputes as to material facts should not be construed as a finding
that these are necessarily the only disputes which remain for trial. In addition, the evidence submitted in connection
with a motion for summary judgment or opposition thereto is of record only for consideration of that motion. Any such
evidence to be considered at final hearing must be properly introduced in evidence during the appropriate trial period.
See *Levi Strauss & Co. v. R. Joseph Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993).

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