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

In the Matter of Trademark Registration No. 2,344,023
For: **ESPRIT**
Registered: April 18, 2000

ESPRIT IP LIMITED,
Petitioner,

v.

VON SCHRADER COMPANY
Registrant.

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Cancellation No. 92044455

**REGISTRANT'S REPLY IN SUPPORT OF ITS
MOTION TO DISMISS PETITION TO CANCEL**

NOW COMES registrant, VON SCHRADER COMPANY ("Von Schrader") replying to the Memorandum in Opposition to Von Schrader's Motion to Dismiss Petition to Cancel.

ARGUMENT

INTRODUCTION

Petitioner attempts, in his response brief, to divert attention to the real issue of the motion to dismiss through the setting up and knocking down of strawman issues (e.g., the ability of a petitioner to file cancellation proceedings outside of the five-year period for certain matters and availability of filing by express mail and). These issues are irrelevant to the consideration of Registrant's motion as the bases for cancellation pursuant to 15 USC §§1064(3) were not raised in the petition and the issue of filing by Express mail was not raised by the registrant in its principal brief. The sole issue is whether petitioner, in failing to file its petition until the fifth birthday of the registration, deprived this Board of jurisdiction.



07-18-2005

THE *STRANG* DECISION IS OF NO PRECEDENTIAL VALUE

Petitioner's entire case hinges on the viability of a legal precedent which was never established. As its only support for the issue at hand, the Petitioner cited the cancellation proceeding of *Strang Corporation v. The Stouffer Corp.*, 16 U.S.P.Q.2d. 1309 (TTAB 1990). This case lacks precedential value and is limited to its facts.

In *Strang*, the fifth anniversary of the registration at issue in that case fell on a Monday. In allowing the proceedings, the Board asserted two alternate, and mutually exclusive bases for its decision: either the statutory language included the Monday anniversary date;¹ or the statutory deadline fell on Sunday and by action of Trademark Rule 2.1 (37 CFR §2.1 adopting 37 CFR §1.7), the weekend deadline allowed for timely filing on Monday.² *Strang* at 1310. By failing to find either date as the specific deadline, the Board established a rule for that case, but articulated no precedent.

THE REGISTRANT'S PLAIN READING OF THE RULE IS CONSISTENT WITH THE OPINIONS OF COMMENTATORS AND INTEGRATED WITH OTHER CASELAW

In its principal brief, registrant provided two published cases and the opinions of a noted commentator in support of the propositions that the registration becomes incontestable *on* the fifth anniversary of the registration and that any petition to cancel must be brought *before* the fifth

¹This part of the *Strang* decision was without legal support on this interpretation. Moreover the *Strang* Board **never** interpreted the central term, "within." The Board's reference to Section 8 was inapposite for construction of the term "within" as the anniversary-date deadline at issue for Section 8 consideration is the "expiration of such six year period" (emphasis added) - of course it is timely under the "expiration" language (as noted by the Board in citing TMEP § 1603.03) for purposes of Section 8, to file the Section 8 affidavit on the sixth anniversary.

²Like the first basis, this second basis also lacked precedential support in the decision.

anniversary of the registration. In this reply brief, Registrant will amplify on those previous citations and consider additional public policy matters.

The Registration Becomes Safe From
Attack On The Fifth Anniversary

In Registrant's principal brief, Registrant cited *Consorzio del Prosciutto di Parma v Parma Sausage Products*, 23 USPQ2d 1894 (TTAB 1992). In that case the Board said that "once a trademark owner has had a registration for five years, his property interests come to the fore and his registration will thenceforth be safe from attack" *Consorzio* at 1899. Clearly, in making this pronouncement, the Board established a bright line on the registration's fifth birthday, the registration is no longer contestable. Such a bright line necessarily means that attacks must be brought *before* the fifth birthday of the registration.³

The Caselaw Supports the Proposition That Attacks
Must Be Before The Fifth Anniversary.

In its principal brief, Registrant also cited to the Board the case of *Armand's Systems, Inc. v Armand's Subway, Inc.* 215 USPQ 1048 (TTAB 1982). The Board in that case stated "If a properly verified petition is filed with the appropriate fee *before* the five year anniversary." *Armand's* at 1050 (emphasis added)

Such a rule only makes sense. A registration is effective *the day* it issues, not the day after it issues. Such being the case, the five year period expires *before* the fifth anniversary.

The Commentators Opinions Supports the Proposition
That Attacks Must Be Before the Fifth Anniversary

³Registrant would analogize this bright line to that of the underage drinking laws of most states whereby an adult cannot be arrested for underage drinking *on* his or her 21st birthday.

As previously discussed, §20:52 of McCarthy on Trademarks, J. Thomas McCarthy, is entitled “Registration less than five years old – Possible grounds for a petition to cancel”. Variations of the phrase “*less than* five years old” are consistently repeated at least three times in that section, which section is directly related to this issue. McCarthy §20:52 at pages 20-99 through 20-100 (2003).

Further, in the Trademark Trial and Appeal Board Practice and Procedure, Mr. Gary D. Krugman states, “Once a Principal Register registration reaches its five-year anniversary, it may only be the subject of a Petition for Cancellation on the grounds enumerated in Section 14(3) or 14(5) of the Act.” (TTABPP §3.35 (2003), footnote omitted.)

Both commentators recognize the incontestibility of a registered trademark *on* the trademark’s fifth anniversary.

Public Policy Is Not Offended By The Establishment of a Bright Line
Incontestability Date On the Fifth Anniversary of the Registration

Prior to registration, a trademark application is subject to the potential of an opposition proceeding. After that initial opposition period, there is a *five year* period through which a party such as the Petitioner can bring an action to cancel. Clearly, given the length of time that an application and then a registration is subject to contest, the public cannot be harmed by the recognition of the statutory incontestability date of the trademark registration’s fifth anniversary.

Moreover, the public policy is best served by the recognition of a date certain before which an action must be brought. (Recognizing further still that only certain bases to cancel are foreclosed; those bases to cancel based on the registrants actions are never foreclosed.)

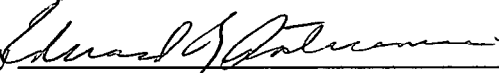
CONCLUSION

Clearly, the registration becomes incontestable *on* the registration's fifth anniversary. Amid the statutory scheme, it only makes sense, that any attack (other than for acts of the registrant such as for fraud, which are not at issue in this case) must be brought *before* the fifth anniversary.

By Petitioner negligently delaying its petition until the fifth anniversary, this Board was deprived of jurisdiction to hear that petition. Petitioner has no one to blame but itself for its failure to file in a timely manner anywhere within the five year period.

Dated this 12th day of July, 2005

Respectfully submitted,
VON SCHRADER COMPANY

By 
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CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing REGISTRANT'S REPLY IN SUPPORT OF ITS MOTION TO DISMISS PETITION TO CANCEL has been filed with the Board by First Class Mail, postage prepaid, this 12th day of July, 2005, addressed to: The Commissioner for Trademarks, 2900 Crystal Drive, Arlington, VA 22202-3514 and served on counsel for Petitioner by First Class Mail, postage prepaid on the same date, addressed to: Lisa Pearson and Evan Gourvitz, FROSS ZELNICK LEHRMAN & ZISSU, P.C., 866 United Nations Plaza, New York, New York 10017.

By 