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

Proceeding	92045521
Party	Plaintiff AMC MORTGAGE CORPORATION AMC MORTGAGE CORPORATION ,
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Submission	Motion to Amend Pleading/Amended Pleading
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Date	09/27/2006
Attachments	Scan001.PDF ( 12 pages )(492084 bytes )

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

AMC MORTGAGE CORPORATION,  Petitioner,	Cancellation Nos. 92045521 92045641
v.	Marks: AMC WHOLESALE AMC (and Design)
AMERIQUEST MORTGAGE COMPANY,  Registrant.	Reg. Nos. 2,862,109 2,885,712

**PETITIONER’S MOTION FOR LEAVE TO  
AMEND PETITION FOR CANCELLATION**

Petitioner AMC Mortgage Corporation (“Petitioner”) respectfully moves pursuant to the Board’s Order of September 17, 2006, Fed. R. Civ. P. 15(a), and Trademark Rule 2.115 for leave to file an Amended Petition for Cancellation (attached as Exhibit A) to plead its fraud claim with more specificity.<sup>1</sup>

**I. BACKGROUND**

On February 13, 2006, Petitioner filed two Petitions for Cancellation seeking to cancel Registration Nos. 2,862,109 and 2,885,712 for AMC WHOLESALE and AMC (and Design) (collectively “Registrant’s Marks”). As grounds for cancellation, Petitioner alleged: (1) likelihood of confusion and priority of use, and (2) fraud on the U.S. Patent and Trademark Office (“PTO”).

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<sup>1</sup> Petitioner files concurrently herewith a separate Motion for Leave to Amend Petition for Cancellation in Cancellation Proceeding No. 92045641, which was later consolidated with this proceeding pursuant to the Board’s Order of September 7, 2006.

On the same date, the Board instituted Cancellation Proceeding Nos. 92045521 and 92045641, which were later consolidated.

On April 12, 2006, in lieu of filing answers to the Petitions for Cancellation, Registrant Ameriquest Mortgage Company ("Registrant") filed Motions to Dismiss pursuant to Fed. R. Civ. P. 12(b)(6), seeking to dismiss Petitioner's Petitions for failing to sufficiently state a claim for either likelihood of confusion or fraud.

On April 12, 2006, Registrant also served Petitioner in Cancellation Proceeding No. 92045521 with the following discovery requests: (1) Registrant Ameriquest Mortgage Company's First Set of Interrogatories to Petitioner AMC Mortgage Corporation, and (2) Registrant Ameriquest Mortgage Company's First Set of Document Requests to Petitioner AMC Mortgage Corporation.

On May 1, 2006, Petitioner responded to Registrant's Motions to Dismiss, requesting the Board deny Petitioner's Motions or, in the alternative, that it grant Petitioner leave to amend its initial pleadings.

On May 18, 2006, the Board suspended both cancellation proceedings pursuant to Trademark Rule 2.127(d) pending the outcome of Registrant's Motions to Dismiss.

On September 7, 2006, the Board denied Registrant's Motions to Dismiss with respect to Petitioner's likelihood of confusion claim and allowed Petitioner twenty days to amend its Petitions for Cancellation to plead fraud with more specificity. The Board also ordered that these proceedings remain suspended pending Petitioner's possible amended pleadings. The Board further stated that upon resumption, it will reset all dates.

## II. ARGUMENT

In its Order of September 17, 2006, the Board allowed Petitioner twenty days, until September 27, to amend its Petitions for Cancellation to plead fraud with more specificity. Pursuant to Fed. R. Civ. P. 8(e) and TBMP § 309.03(a)(2), the elements of an alleged claim should be stated simply, concisely, and directly. When alleging fraud on the PTO, the claimant must allege particular facts which, if proven, would establish that: (1) there was in fact another use of the same or a confusingly similar mark at the time applicant's oath was signed; (2) the other user had legal rights superior to applicant's rights; (3) applicant knew that the other user had rights in the mark superior to applicant's, and either believed that a likelihood of confusion would result from applicant's use of its mark or had no reasonable basis for believing otherwise; and (4) applicant, in failing to disclose these facts to the PTO, intended to procure a registration to which it was not entitled. Ohio State University v. Ohio University, 51 USPQ2d 1289, 1293 (TTAB 1999).

In its Amended Petition, Petitioner adds factual allegations to sufficiently plead and further support its fraud claim. Specifically, Paragraphs 3-4 along with newly added Paragraphs 7-12 of the Amended Petition allege each of the factual elements needed to support a claim for fraud. Paragraphs 4, 8, and 9 allege facts sufficient to support Petitioner's claim that it had long been using its AMC and AMC MORTGAGE marks ("Petitioner's Marks") at the time Registrant signed its declaration in support of its applications for confusingly similar marks. Paragraphs 3 and 9 allege facts sufficient to support Petitioner's claim that its rights in Petitioner's Marks are superior to any rights Registrant may have in Registrant's Marks. Paragraph 7 of the Amended Petition alleges facts sufficient to support Petitioner's claim that Registrant knew Petitioner had

superior rights in Petitioner's Marks, including the mark AMC, and Registrant either believed that a likelihood of confusion would result from its use of Registrant's Marks or had no reasonable basis for believing otherwise. Finally, Paragraphs 11-12 support Petitioner's claim that in failing to disclose material facts to the PTO, Registrant willfully misrepresented its applications with the intent to procure registrations to which it was not entitled.

Accordingly, Petitioner's Amended Petition alleges facts with sufficient particularity to support each and every element of a fraud claim.

In addition to the above, Petitioner also amended Paragraph 1 of its Amended Petition to more clearly identify the services offered under Petitioner's Marks. Also, Petitioner amended Paragraph 3 to indicate that those services are the same as, or closely related to, the services identified in the registrations for Registrant's Marks.

### **III. CONCLUSION**

In consideration of the above and the Board's Order, Petitioner respectfully requests that the Board grant its motion for leave to file its Amended Petition, accept the timely-filed Amended Petition attached as Exhibits A, and order Registrant to file an Answer to the Amended Petition. Petitioner also requests the Board reset all dates in the consolidated proceeding, including the time for Petitioner to respond to Registrant's discovery requests.

Respectfully Submitted,

Dated: September 27, 2006

By: 

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**CERTIFICATE OF SERVICE**

I certify that a true and accurate copy of the foregoing PETITIONER'S MOTION FOR LEAVE TO AMEND PETITIONS FOR CANCELLATION was served by first class mail, postage prepaid, on this 27th day of September 2006, upon counsel for Registrant:

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Richard P. Ormond  
Buchalter Nemer  
1000 Wilshire Blvd., Suite 1500  
Los Angeles, CA 90017



A handwritten signature in cursive script, appearing to read "Richard P. Ormond", is written over a solid horizontal line.

AMC Mortgage Corporation v. Ameriquest Mortgage Company  
Consolidated Cancellation Nos. 92045521 & 92045641  
Registration Nos. 2,862,109 & 2,885,712

Exhibits to Petitioner's Motion for Leave  
to Amend Petitions for Cancellation

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# Exhibit A



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

AMC MORTGAGE CORPORATION,  Petitioner,  v.  AMERIQUEST MORTGAGE COMPANY,  Registrant.	Cancellation No. 92045521  Mark: AMC WHOLESALE Reg. No. 2,862,109 Issued: July 13, 2004
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**AMENDED PETITION FOR CANCELLATION**

AMC Mortgage Corporation (“Petitioner”), a Maryland corporation, believes it is and will continue to be damaged by the maintenance of Reg. No. 2,862,109 on the Principal Register and hereby petitions to cancel the same.

As grounds for its cancellation, Petitioner alleges:

**COUNT ONE  
LIKELIHOOD OF CONFUSION WITH PETITIONER’S MARK**

1. Petitioner is the owner of the marks AMC and AMC MORTGAGE, each of which it uses in connection with a variety of mortgage brokering, banking, and lending services, including, without limitation, origination, acquisition, servicing, and brokerage of mortgage loans; mortgage services, namely, buyer pre-qualification of mortgages for mortgage brokers and banks; mortgage lending services, namely, loan processing, purchasing mortgage loans from real estate and mortgage brokers and correspondent lenders for others; brokering the sale and servicing of mortgage loans to secondary mortgage lenders, and maintenance of mortgage escrow accounts, (collectively, “Petitioner’s Marks”).

2. Registrant owns Registration No. 2,862,109 for AMC WHOLESale for “mortgage banking services; mortgage brokerage services; mortgage lending services, namely, loan financing, credit recovery and collection; wholesale and retail mortgage services, namely mortgage procurement for others; maintaining mortgage escrow accounts; and mortgage banking, lending, and brokerage services over the global computer network, and excluding services for financial restructuring of business entities and financial management for businesses.”

3. Petitioner, for many years and since long prior to any date of first use upon which Registrant can rely, has adopted and continuously used Petitioner’s Marks as service marks for Petitioner’s services, which services are the same as, or closely related to the services identified in Registrant’s Registration No. 2,862,109.

4. Registrant’s Mark so resembles Petitioner’s Marks as to be likely, when used in connection with the services set forth in Registrant’s registration, to cause confusion, mistake, or deception within the meaning of Section 2(d) of the Trademark Act.

**COUNT TWO**  
**FRAUD IN THE APPLICATION**

5. Petitioner realleges the allegations of Paragraphs 1 through 4.

6. On December 31, 2002, Registrant signed and filed an application to register AMC WHOLESale (Ser. No. 76/477,448) (“Application”). In that Application, Registrant affirmed that, as of the time of filing, no other person had the right to use the applied for mark in commerce, either in the identical form or in such near resemblance

as to be likely, when applied to the goods or services of any other person, to cause confusion or mistake, or to deceive. That statement was subject to the verification in the Application, which affirmed that statements made of the signatory's own knowledge are true.

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7. On information and belief, when Registrant signed and filed the Application, Registrant knew that it did not have the exclusive right to use the mark in commerce in connection with the services set forth in the Application and either believed that a likelihood of confusion would result from Registrant's use of its mark or had no reasonable basis for believing otherwise.

8. Petitioner's Marks and Registrant's mark are dominated by the identical term AMC, and are used in connection with the same or closely related services.

9. On information and belief, Registrant knew that Petitioner had rights superior to Registrant's rights as a result of Petitioner's use of Petitioner's Marks in connection with offering the same services listed in Registrant's Application prior to Registrant's alleged date of first use and prior to the date Registrant signed and filed its Application.

10. On information and belief, Registrant willfully withheld from the U.S. Patent and Trademark Office ("PTO") its knowledge of Petitioner's prior use and prior rights to the Petitioner's Marks, including the mark AMC. Registrant's knowledge of Petitioner's prior use and rights directly conflicted with its representations to the PTO in the Declaration in its Application.

11. On information and belief, Registrant's willful misrepresentation in its Application was made with the intent to deceive the PTO in order to obtain the registration to which it knew it was not entitled.

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12. Registrant committed fraud on the PTO by virtue of the knowing, false, material claims it made regarding its exclusive right to use AMC WHOLESALE in connection with the services set forth in the Application.

WHEREFORE, continued registration of the aforesaid mark for the aforesaid services is and continues to be damaging to Petitioner, and Petitioner respectfully requests that the Petition to Cancel be sustained, and that the registration be cancelled.

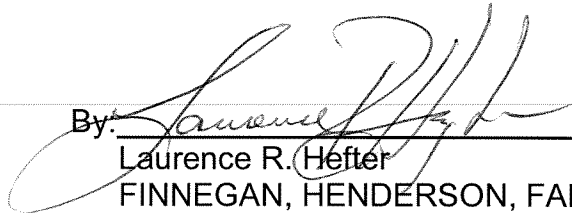
Please address all correspondence to Laurence R. Hefter, Finnegan Henderson Farabow Garrett & Dunner, L.L.P., 901 New York Avenue, NW, Washington, DC 20001-4413.

Respectfully Submitted,

Dated:

9/26/2006

By:



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