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

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| Proceeding | 92049973 |
| Party | Plaintiff ABBYY Software Ltd. |
| Correspondence Address | Roy Ching Merit Law Group PC 201 San Antonio Circle, Suite 105 Mountain View, CA 94040 UNITED STATES rching@mlgpc.com |
| Submission | Brief on Merits for Plaintiff |
| Filer's Name | Roy Ching |
| Filer's e-mail | rching@mlgpc.com |
| Signature | /Roy Ching/ |
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE
THE TRADEMARK TRIAL AND APPEAL BOARD

ABBYY SOFTWARE LTD.

Petitioner,

v.

ECTACO INC.

Registrant.

Cancellation No. 92049973

PETITIONER'S MAIN BRIEF

Mark: LINGVOSOFT

Reg. No. 3,015,325

Reg. Date: November 15, 2005

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DESCRIPTION OF THE RECORD

Petitioner, ABBYY Software Ltd. (“ABBYY”) seeks to cancel registered mark “Lingvosoft” through its Petition filed on September 25, 2008. The bases for cancellation include (1) ABBYY used the mark 14 years prior to Ectaco’s use and “Lingvo” and “Lingvosoft” are confusingly similar; (2) Ectaco is misrepresenting the source of its dictionary and language software by trying to pass it off as the renowned Lingvo software; (3) Ectaco defrauded the USPTO when it misrepresented the first use of the mark; and (4) based upon Lingvo being a famous and well known mark.

A related proceeding is Petitioner’s application to register its mark “Lingvo” which is suspended pending the outcome of this cancellation proceeding (Serial # 77357275).

Petitioner’s evidence in support of its Petition includes the following:

| Docket # | Title | Description |
|--------------|---|---|
| | <i>Petitioner’s Testimony</i> | |
| 26 | Affidavit of Vladimir Kovalev (“Kovalev Aff.”) | Testimony from former distributor of Petitioner’s products |
| 27 | Affidavit of Ding-Yuan Tang (“Tang Aff.”) | Testimony from CEO of Petitioner’s U.S. subsidiary of Petitioner |
| 28 | Affidavit of Marinos Dimosthenous (“Dimosthenous Aff.”) | Testimony from Petitioner’s Managing Director |
| 29 | Affidavit of Muchnik Stanislava (“Stanislava Aff.”) | Testimony from translator who translated documents in Russian to English |
| 50 | Rebuttal Affidavit of Vladimir Selegey (“Selegey Aff.”) | Testimony from Director of Linguistic Research and Head of Applied Linguistics Department of ABBYY Production Ltd. |
| | <i>Petitioner’s Documentary Evidence</i> | |
| 30, 33 to 38 | Petitioner’s Notice of Reliance and Exhibits | Petitioner submitted 24 Exhibits. A description of each exhibit is provided in Petitioner’s Notice of Reliance. ¹ |

¹ (Petitioner encountered problems uploading its Exhibits to the TTAB’s site, such as uploads freezing up, and uploaded documents not appearing on the docket or appearing distorted. Unfortunately, as a consequence, Petitioner’s uploaded Exhibits are out of order, and there are duplicates. Even as of this date,

| Docket # | Title | Description |
|----------|--|-------------|
| | <i>Other</i> | |
| | Pleadings and evidence submitted in this proceeding, and in the related trademark application proceeding, Serial # 77357275. | |

Petitioner had difficulty accessing the uploaded documents from the TTAB site. Because of these problems, Petitioner also sent a full hard copy set of its Exhibits to the TTAB. Petitioner apprised the Interlocutory Attorney of this issue, and understands that Petitioner’s Exhibits will be compiled and printed for the Panel so that they have a full set available to them. Even as of this date, Petitioner had difficulty accessing the uploaded documents from the TTAB site.

STATEMENT OF ISSUES

1. Was Petitioner's use of Lingvo prior to that of Registrant's use of Lingvosoft, and are Lingvo and Lingvosoft confusingly similar, such that the registration of Lingvosoft should be cancelled?
2. Did Registrant adopt Lingvosoft to misrepresent the source of its Lingvosoft product, such that based on such misrepresentation, the registration Lingvosoft should be cancelled?
3. Did Registrant misrepresent its date of first use in its application to register Lingvosoft, and if so, was such misrepresentation of a material fact to warrant the cancellation of the Lingvosoft registration?
4. Was Lingvo a famous or well-known mark prior to Registrant's use of Lingvosoft, such that Lingvosoft's registration should be cancelled?

STATEMENT OF FACTS

I. The Products.

Lingvo is a software product providing translations, definitions and spelling of words, among other features. (Ex. 2, descriptions of Lingvo from ABBYY website]; Affidavit of Marinos Dimosthenous, ABBYY’s Managing Director, “Dimosthenous Aff.”, ¶ 15). Over the years, its features have expanded to include a mobile version, grammatical information, pronunciations, examples for word use, definitions, synonyms and antonyms, word searches, etc. It enables its users to study and learn foreign languages, including Russian, European languages, such as French, German or Italian, and Chinese.

As stated in Registrant’s trademark application, the goods identified by **Lingvosoft** mark are “Translation software, language learning software, electronic voice interpreter, electronic handheld dictionaries.”

II. ABBYY and Lingvo.

A. ABBYY.

ABBYY is a multi-national company with subsidiaries in countries all over the world. ABBYY is a leading provider of document conversion, data capture and linguistic software.

ABBYY and its subsidiaries (“the ABBYY companies”) has over 880 employees worldwide (as of January 2009), and its products are being sold in more than 130 countries around the world. According to its internal research, users of ABBYY products

exceed 30 million people. ABBYY provides software and services for several Fortune 100 companies in the U.S., and governmental agencies.

The ABBYY companies' history began in Russia in 1989. It was founded by David Yang and was first known as BIT Software. It later adopted the "ABBYY" name (currently it is known as "ABBYY Productions LLC") (Dimosthenous Aff., ¶ 13, a more detailed account of the ABBYY's history; Ex. 3, an article published by the Moscow Times on November 21, 1996 about BIT Software; Ex. 6, ABBYY's history on ABBYY's website and corporate documents showing the name change). In this brief, we will refer to this company as "ABBYY Russia".

ABBYY Russia has always been a producer and developer of software products, and has been the *only* producer and developer of Lingvo. Lingvo was ABBYY Russia's *first* product. From its beginning, Lingvo has been a software product providing language translation and a dictionary.

ABBYY products were widely acclaimed, and successful. So, not long after ABBYY Russia's formation, the demand for ABBYY products burgeoned, and consequently, there was a need for separate ABBYY companies all over the world to better accommodate the demand for ABBYY products (*Id.*, ¶¶ 18 & 19).

Petitioner, ABBYY Software Ltd., was formed on June 13, 2002, consolidating ownership of all of the different ABBYY companies. Petitioner was the sole shareholder of ABBYY Russia, as well as, ABBYY USA Software House Inc. ("ABBYY USA") in the U.S. (*Id.*, ¶ 19).

B. Lingvo.

(1) Source of Lingvo.

The source for the ABBYY Lingvo product has never changed. The producer and developer of this software has always remained ABBYY Russia (*Id.*, ¶ 23). Post-expansion, ABBYY Russia, with ABBYY as its sole shareholder, supplied Lingvo software products to the different ABBYY companies around the world in their respective territories – including ABBYY USA, for sales to customers in the U.S. (*Id.*).

The quality of Lingvo software products was always maintained, and the use of the Lingvo mark was maintained for the Lingvo software products (*Id.*). In fact, due to continuing developments by ABBYY Russia, the Lingvo software products improved (i.e. by the expansion of its features and capabilities) (*Id.*).

(2) Lingvo Is A Widely Successful And Famous Mark.

Lingvo is widely acclaimed and successful internationally.

It was recently reported as being the “most widely spread dictionary software in Russia” with its users exceeding 5,000,000 people (Ex. 1, Wikipedia print-out; Ex. 4, P00098, software reviewer, Multilingual, reported that Lingvo is “well-known” in Russian-speaking countries and was likely the best selling electronic dictionary in the former Soviet union). A survey of Russian consumers concluded that consumers identified the Lingvo trademark with translation software and electronic dictionaries and with ABBYY Lingvo products (Ex. 5, survey by the Lomosonov Moscow State University in Russia, pg. 22).

The evidence supports that it is similarly as well known in the U.S. U.S. based companies have consistently and repeatedly recognized Lingvo as being the best software

of its kind in categories, such as, electronic dictionaries and linguistic software (Ex. 4, various awards received by Lingvo, including from U.S. based companies, such as P.C. Magazine, PC World Magazine and Softtool). And almost all of the primary search results produced by an internet search for “Lingvo” on various major U.S. based Internet search engines, such as Yahoo, Bing and Google, are for the Lingvo software (Ex. 16).

Further, the fame of Lingvo has been reflected in the significant, regular and continuous sales of Lingvo in the U.S. since at least as early as 1994 (Affidavit of Vladimir Kovalev, a former third party distributor of Lingvo, hereinafter “Kovalev Aff.,” ¶ 25; Affidavit of Ding-Yuan Tang, CEO of ABBYY USA, hereinafter “Tang Aff.,” at ¶¶ 16 & 25). Vladimir Kovalev, a former third party distributor of Lingvo attested that he decided to sell Lingvo back in 1994 based on its “reputation of being a superior product of its type”, and that Lingvo was “one of [his] most popular products” (Kovalev Aff., ¶¶ 4 & 10).

For at least 14 years, Lingvo has been substantially promoted and marketed in the U.S., including through phone call, conventions, retail, tradeshow, and e-mail and internet marketing (Kovalev Aff., ¶¶ 11 & 12; Tang Aff. ¶¶ 29 to 33). The ABBYY companies have spent several thousands of dollars advertising Lingvo annually, and annual revenues of the Lingvo products, which includes those in the U.S., have been in the millions (Dimosthenous Aff., ¶ 45). Lingvo has always been prominently displayed on and exclusively used for the Lingvo software products and marketing materials, including in the U.S. (Kovalev Aff., ¶¶ 13-14; Tang Aff., ¶ 15).

Aside from the marketing, Petitioner also provides technical support for U.S. consumers (Tang Aff., ¶ 33).

(3) Ectaco's Misuse of Lingvosoft.

ABBYY contends that Registrant has deliberately misused Lingvosoft to take advantage of the good will and fame of Lingvo, and in doing so, misrepresents the source of goods as coming from ABBYY, which has been producing widely acclaimed software for a far greater period of time than Registrant. Indeed, Lingvo was in use worldwide more than **14 years** before Lingvosoft was used. Only after Lingvo had gained fame and acclaim did Registrant adopt its mark Lingvosoft for goods that are essentially identical.

Ectaco's misuse of Lingvosoft is also illustrated by the misconduct of a related company called Ektako-RD, LLC ("Ektako"). Ektako adopted the domain name "www.Lingvobit.ru" and tried to sell electronic dictionaries with the name "Lingvo".

ABBYY and its subsidiaries brought a case in Russia to stop Ektako from misusing its Lingvo mark. Ektako sought to invalidate the Lingvo mark, notably, making the same arguments now being made by Registrant.

ABBYY prevailed in stopping Ektako's unlawful conduct. Namely, a case was brought against Ektako, the Russian court found Ektako to have been "illegally" using the domain name "www.Lingvobit.ru" to sell electronic dictionaries under the "Lingvo" name and prohibited Ektako from further use of the domain name and further misuse of the "Lingvo" name (Ex. 19, decision rendered by Fed. Arb. Ct. of Moscow Dist (Jan. 31, 2007); Ex. 25, the court's final decision recently rendered on February 24, 2010, affirming the lower court's decision redressing Ektako's misconduct and finding that the Lingvo mark was valid; Affidavit of Vladimir Selegey ("Selegey Aff.", ¶¶ 6-9).

The Russian court also rejected Ektako's arguments that Lingvo was an invalid mark (an excerpt concerning the court's decision is provided below).

Ectaco and Ektako are related companies. First, the names of these companies are basically identical. Further, Registrant admits to having a relationship with Ektako's CEO Anton Epifanov. In Registrant's discovery responses, Registrant admits receiving information about Lingvo from Mr. Epifanov (Ex. 22, Registrant's discovery response # 23). And although Registrant claims that David Lubinitsky is Registrant's only officer, it has been reported that Mr. Epifanov is Ectaco's Vice President, and that Mr. Epifanov head the formation of an Ectaco in Russia (Ex. 22, Registrant's discovery response # 19; Ex. 20, Wikipedia article).

LEGAL DISCUSSION

I. Standing.

A party has standing to bring a proceeding to cancel a mark upon a showing of likelihood of damage from the continuing registration of the mark; proof of actual damage is not required. Lanham Act §§ 13, 14; 15 U.S.C.A. §§ 1063, 1064; *Golden Gate Salami Co. v. Gulf States Paper Corp.*, 332 F.2d 184, 141 U.S.P.Q. 661 (C.C.P.A. 1964). *See American Throwing Co. v. Famous Bathrobe Co.*, 250 F.2d 377, 116 U.S.P.Q. 156 (C.C.P.A. 1957); *Wilson v. Delaunay*, 245 F.2d 877, 114 U.S.P.Q. 339 (C.C.P.A. 1957); *Astra Pharmaceutical Products, Inc. v. Pharmaton, S. A.*, 345 F.2d 189, 145 U.S.P.Q. 461 (C.C.P.A. 1965).

Standing is liberally conferred. 3 McCarthy on Trademarks and Unfair Competition § 20:46 (4th ed.) All that may be required is a show of personal interest beyond that of the general public, which can be shown through a refusal of an application for registration based on the registration of a competing mark. *Harjo v. Pro Football*, 30 U.S.P.Q.2d 1828 (T.T.A.B. 1994); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 U.S.P.Q. 185 (C.C.P.A. 1982).

In U.S.P.T.O. proceedings, ownership of marks between parent-subsidary corporations has been held to be largely a matter to be decided between the companies. T.M.E.P. § 1201.03(c) (1997); *see* 2 McCarthy on Trademarks and Unfair Competition § 16.7.

Petitioner is the owner of the Lingvo mark, and is also the parent company of ABBYY Russia, the producer and developer of Lingvo, as well as of the companies around the world that sell and distribute Lingvo (Dimosthenous Aff., ¶¶ 18 to 23; Confid.

Ex. 7, assignment agreements). ABBYY has an interest in canceling a mark that is likely to cause confusion as to its source, and which is cited as a basis for refusal Petitioner's trademark application. Accordingly, Petitioner is a proper applicant for registration of Lingvo and to bring this Petition to cancel.

II. Cancellation Based On Lanham Action § 2(d).

A petitioner who has prior use of a mark that is confusingly similar to a registered mark is entitled to cancellation of the registered mark.

A. Petitioner's Prior Use of the Lingvo Mark.

"A licensee's use inures to the benefit of the licensor-owner of the mark and the licensee acquires no ownership rights in the mark itself." 3 McCarthy on Trademarks and Unfair Competition § 18:45.50 (4th ed.), citing in part, Lanham Act § 5, 15 U.S.C.A. § 1055. If two companies using the same mark in such a way that they are presented to the public as one entity, the trademark priority of the parties are merged, such that both parties enjoy the benefit of the earliest priority date. *Metro Traffic Control, Inc. v. Shadow Network, Inc.*, 104 F.3d 336, 41 U.S.P.Q.2d 1369 (Fed. Cir. 1997). Use of a mark by a subsidiary inures to the benefit of the parent corporation. *May Dep't Stores Co. v. Prince*, 200 U.S.P.Q. 803 (T.T.A.B. 1978)

Lingvo originated in Russia in 1990, **14 years** before Registrant's alleged first use date of May 10, 2004. And Lingvo was sold in the U.S. at least as early as 1994, **10 years** before Registrant's alleged first use date.

ABBYY evidence in support of its prior use is unequivocal. The evidence in support of ABBYY's date of prior use includes a declaration from Vladimir Kovalev, a former third party distributor of the Lingvo software product. Mr. Kovalev distributed

and sold Lingvo from at least as early as 1994 to mid to late 2000 (Kovalev Aff. ¶ 2). Mr. Kovalev's company was based in California, and he estimated that he sold several hundred copies of the Lingvo software throughout the U.S. (*Id.* at ¶ 10). Mr. Kovalev was able to find and produce many of his invoices which show sales of Lingvo to purchasers in different parts of the United States, and the agreement permitting him to sell the Lingvo product (Confid. Exs. 8 & 10).

Mr. Kovalev also stated that throughout the time that he sold Lingvo, it was one of his most popular products, and his sales of Lingvo were significant, regular and continuous, and profitable (*Id.* at ¶ 10). Mr. Kovalev also marketed Lingvo, including via phone calls, conventions, a website, and catalogs (*Id.* at ¶¶ 11 and 12). He estimated that he must have talked to and sent catalogs to thousands of people, businesses and governmental agencies about (*Id.* at ¶ 12).

The Lingvo mark was prominently displayed on the boxes, disks, manuals and other documentation that came with the product, and in the user interface within the software application, as well as on Mr. Kovalev's marketing materials, such as in the catalogs (*Id.* at ¶¶ 13 & 14).

Beginning at least as early as July, 2000, Lingvo was sold by California companies, ABBYY USA Software House Inc. and Micro 3 Corporation. Ding Yuan Tang, the Chief Executive Officer of ABBYY USA and former President of Micro 3, provided a declaration on behalf of Petitioner ("Tang Aff.", ¶¶ 3-5).

ABBYY USA was incorporated in California on July 5, 2000, and is a wholly owned subsidiary of the Petitioner (Tang Aff., ¶¶ 8 & 9; Ex. 12). Micro 3 was incorporated in California on March 5, 1993 (*Id.*, ¶¶ 6 & 7; Ex. 11).

Both ABBYY USA and Micro 3 had agreements to sell Lingvo that pre-date Lingvosoft's alleged first use date (*Id.*, ¶¶ 23, 28; Ex. 13). Both companies received inquiries and orders from purchasers in the U.S. and shipped Lingvo products from California to those purchasers (*Id.*, ¶ 24).

Sales of Lingvo, including those pre-dating Lingvosoft, have been significant, regular and continuous (Tang Aff., ¶¶ 25-27; Confid. Exs. 11 and 12, ABBYY USA and Micro 3 accounting records and invoices).

ABBYY USA also regularly marketed Lingvo since July 2000, including through websites, e-mails and phone calls to customers in the U.S., tradeshows and retail channels (Tang Aff., ¶¶ 29-30). Micro 3 also marketed Lingvo through a web store, and e-mail marketing campaigns to customers in the U.S. (*Id.*, ¶ 32).

The foregoing evidence of significant sales of Lingvo before Lingvosoft's claimed first use date clearly establishes ABBYY's prior use of Lingvo.

Petitioner is entitled to a priority date starting at least as early as 1994 and thereafter. Petitioner is the owner of Lingvo, and received all of the rights that come with the Lingvo mark from ABBYY Russia (Dimosthenous Aff., ¶¶ 19-22, 30; Confid. Ex. 7). Further, Petitioner is the parent company of ABBYY Russia and ABBYY USA, and is entitled to priority based on the use of the mark of its subsidiaries. Further, Lingvo has always been produced by ABBYY Russia, and the mark has always been used to identify the ABBYY Lingvo software products, and thus quality of the products and integrity of mark in identifying the source of the Lingvo product have always been maintained.

ABBYY's prior use of Lingvo is further supported by the following facts, all of which pre-date Registrant's alleged first use date of May 14, 2004:

- ABBYY registered the domain name “Lingvo.com”, for the website for marketing the Lingvo product, with Network Solutions on April 2, 1999 (Dimosthenous Decl., ¶ 42). Exhibit 15 is the print-out showing the registration date.
- On October 6, 2003, NLC² applied for copyright registration with the U.S. Copyright Office for “ABBYY Lingvo 7.0” intending to secure protection for the Lingvo mark (*Id.*, ¶ 42). Exhibit 14 is the application and subsequent registration by the U.S. Copyright Office.
- There were multiple awards were given to ABBYY for Lingvo by U.S. based companies *before* Lingvosoft’s first use date, starting as early as 2000, 2001, 2002 and 2003 (all before Registrant’s claimed first use date of May 10, 2004). Exhibit 4 includes these Lingvo awards from U.S. based companies PC Magazine, PC World, and Open Systems Publishers, with print-outs from these companies’ websites showing that they are U.S. based (Dimonstenous Aff., ¶ 27).
- ABBYY sought to register Lingvo with the USPTO as early as July 2, 1997. Exhibit 9 is an invoice from U.S. law firm that ABBYY engaged to do this (*Id.*, ¶ 37).

Based on the foregoing, it is clear that ABBYY use of Lingvo was prior to that of Ectaco’s use of Lingvosoft.

B. Lingvo and Lingvosoft Are Confusingly Similar.

The *Dupont* factors must be considered in determining likelihood of confusion. *In re E. I. Du Pont de Nemours & Co.*, 476 F.2d 1357, 177 U.S.P.Q. 563 (C.C.P.A. 1973).

² NLC was a wholly owned subsidiary of Petitioner; subsequently, NLC transferred the Lingvo mark to Petitioner. Dimosthenous Aff., ¶¶ 20-22.

It is noteworthy that the USPTO found the marks at issue to be confusingly similar (Ex. 21, USPTO Office Action). Should there be uncertainty, it should also be considered that “[m]any courts have stated that when the issue of likelihood of confusion is in doubt, the question will be resolved in favor of the senior user”, particularly where the senior user’s mark is strong and well-known. 4 McCarthy on Trademarks and Unfair Competition § 23:64 (4th ed.).

The following application of these factors demonstrates that the marks at issue should be found to be confusingly similar.

1. Similarity of Marks.

The marks are confusingly similar. Both share the word “Lingvo” in their name. “Lingvo” being the first part of both marks, consumers are first visually and phonetically impressed with the part of the marks that is the same. The only difference between the marks is the word “soft” at the end of Registrant’s mark, which is not a conspicuous part of the mark.

2. Similarity of Goods.

Lingvosoft is used to identify translation software, language learning software, electronic voice interpreters and electronic handheld dictionaries (Exhibit 22, Registrant’s discovery response # 6, pp. 7-8; *see also* Exhibit 18, Registrant’s description of its goods/services in its trademark application). The Lingvo software also provides language translation and dictionary features, and also enable language learning and interpretation (Dimosthenous Aff., ¶¶ 15, 25). Lingvo can also be operated via mobile devices (Ex. 2, print-out from ABBYY’s website regarding the Lingvo Mobile application).

The features offered by the products are essentially identical. They are both dictionary and language translation products, and the software is operated on nearly identical devices. Even in those instances where there may be differences in the devices, the functions are still substantially similar as they are driven by software that essentially provides the same features.

It is also noteworthy that awards given to both products have been in the equivalent categories, such as for dictionaries and software (Ex. 4, award for Lingvo for “Best Dictionary” or “Best” in the “Personal Software” category; Ex. 22, Registrant’s discovery response #9, listing awards in these categories).

Clearly, the goods identified by these marks are highly similar, and use of the respective marks is likely to cause confusion.

3. Similarity of Trade Channels.

Both parties utilize similar trade channels and marketing. For instance, both parties make extensive use of the Internet and websites for Lingvo and Lingvosoft. ABBYY makes extensive use of its main website, as well as a website exclusively dedicated to Lingvo, lingvo.com, to market Lingvo (Dimosthenous Aff., ¶ 43; Tang Aff., ¶ 18; Ex. 2, print-out from ABBYY’s website marketing Lingvo and offering it for sale). A Internet search for “Lingvo” produces mostly links to the websites for the Lingvo product (Ex. 16, search results from Yahoo, Google and Bing).

Registrant, as well as, makes extensive use of the Internet. It maintains a website for Lingvosoft called Lingvosoft.com, and it is noteworthy that the documents produced by Registrant evidencing its marketing expenditures only showed payment for internet marketing (Ex. 17, print-out from Lingvosoft.com; Ex. 22, Registrant’s discovery

response #6 regarding its use of Lingvosoft.com; Confid. Ex. 23, Registrant's credit card statement).

4. Conditions Under Which Goods Are Purchased.

The parties offer the products for sale under similar conditions. Both parties offer their products for sale over the Internet. It is also worth noting that the products at issue are also priced similarly.

5. Fame of the Lingvo Mark.

Lingvo is a highly successful and famous product (*see* discussion in Statement of Facts, § II.B.(2) above). On the other hand, Registrant's invoices sporadic and insignificant sales of Lingvosoft (Ex. 23, Registrant's coversheet for expenditures and sales; Confid. Ex. 24, invoices and credit card statements).

6. Intent.

The facts support that Registrant knew of the Lingvo mark, and intended to copy Lingvo by its adoption of its mark Lingvosoft. Lingvo originated in Russia, **14 years** before Lingvosoft, and was widely successful worldwide. As stated above, by comparison, sales of Lingvosoft's appeared to be irregular and insignificant.

Clearly, Registrant had enough time to be on notice about Lingvo, and had more than sufficient opportunity and motive to copy Lingvo. It apparently did in adopting Lingvosoft, a mark that it is almost identical to Lingvo, to identify essentially the same type of goods.

Additionally, Registrant's bad faith in adopting Lingvo is proved by the Ektako misconduct.

It is apparent Ektako acted in bad faith, and sought to misrepresent the source of goods. Similarly, in our case, it should likewise be found that Registrant Ectaco intended to take advantage of the good will earned by the “Lingvo” in its adoption of its mark “Lingvosoft”.

Based on the foregoing, the marks at issue should be determined to be likely to cause confusion.

C. Conclusion.

Based on Petitioner’s prior use of Lingvo and the likelihood of confusion between the marks at issue, Registrant’s Lingvosoft mark should be cancelled.

III. Cancellation Based on Registrant’s Misrepresentation As To Source.

A registration can be canceled if the registered mark is being used by the registrant so as to misrepresent the source of the goods in connection with which the mark is used. *See H. H. Scott, Inc. v. Annapolis Electroacoustic Corp.*, 195 F. Supp. 208, 130 U.S.P.Q. 48 (D. Md. 1961); *Cuban Cigar Brands N. V. v. Upmann International, Inc.*, 457 F. Supp. 1090, 199 U.S.P.Q. 193 (S.D.N.Y. 1978), *aff’d without op.*, 607 F.2d 995 (2d Cir. 1979); 3 McCarthy on Trademarks and Unfair Competition § 20:60 (4th ed.).

As discussed above, the evidence supports that Registrant had knowledge of Lingvo prior to its adoption of Lingvosoft. Given the success of Lingvo in Russia, Registrant clearly had a motive to take advantage of the good will earned by Lingvo, and sought to pass off its goods as that of Petitioner by adopting a mark that almost identical to Lingvo to identify goods that are essentially the same as those sold by Petitioner.

IV. Cancellation Based On Ectaco’s Fraud And Bad Faith.

A registered mark can be canceled based on a registrant's fraud on the U.S.P.T.O., with proof of the following:

1. The challenged statement was a *false* representation regarding a *material* fact
2. The person making the representation *knew* that the representation was false (“*scienter*”).
3. An *intent to deceive* the USPTO.
4. Reasonable *reliance* on the misrepresentation.
5. *Damage* proximately resulting from such reliance.

San Juan Products, Inc. v. San Juan Pools of Kansas, Inc., 849 F.2d 468, 7 U.S.P.Q.2d 1230, 1234 (10th Cir. 1988) (quoting and applying the five elements listed); *Robi v. Five Platters, Inc.*, 918 F.2d 1439, 16 U.S.P.Q.2d 2015, 2018, 18 Fed. R. Serv. 3d 1013 (9th Cir. 1990) (relying on the five elements listed); see 3 McCarthy on Trademarks and Unfair Competition § 20:58 (4th ed.).

A rigorous standard of proof is imposed. Generally, misrepresentation as to the date of first use has not been found to be sufficient for fraud. However, “if in fact no use occurred until *after* the filing of the application, then the registration is invalid not only for being void ab initio, but also for fraud.” 6 McCarthy on Trademarks and Unfair Competition § 31:74 citing in part *Orient Express Trading Co. v. Federated Dep't Stores, Inc.*, 2 U.S.P.Q.2d 1106, 1987 WL 6163 (S.D.N.Y. 1987), modified, in part, on reconsideration, 3 U.S.P.Q.2d 1387 (S.D.N.Y. 1987), remanded, 838 F.2d 1203 (2d Cir. 1987), later proceeding, 842 F.2d 650, 6 U.S.P.Q.2d 1308 (2d Cir. 1988).

The evidence shows that Ectaco misrepresented its date of first use for Lingvosoft. Ectaco claimed its date of first use is May 10, 2004, however, the documents it produced show a first use date *after* its application filing date.

Registrant filed its application for Lingvosoft on July 30, 2004. However, Registrant's documents show that its earliest sale of Lingvo was not until January 1, 2005 (Ex. 23, a coversheet supplied by Registrant, purportedly listing all its expenditures and invoices for Lingvosoft, show its earliest expenditure to February 10, 2005, and its earliest invoice is dated January 1, 2005). Even then, Registrant's documents show that its sales were sporadic and scarce. Registrant only produced invoices for four months in 2005, in January, April, July and December, with minimal orders totaling less than \$1,500 (Confid. Ex.23).

Registrant's own website shows that it did not even have any documentation on Lingvosoft until June 4, 2004 (Ex. 24, Registrant's document production, LS000121). This demonstrates that Registrant had knowledge that its first use date was false.

As Registrant's application for Lingvosoft was use-based, and its use of Lingvosoft did not actually occur until after its filing date, Registrant's application should be found to be void, and additionally, Registrant's registration should be cancelled based on Registrant's fraud.

V. Petitioner's Mark Is Entitled To Protection As A Famous or Well-known Foreign Mark.

Separately, ABBYY's mark is entitled to protection as a famous or well-known foreign mark. An exception to priority based on use in the U.S. has been recognized known as the "well known" or "famous marks" doctrine. "If a mark used only on products or services sold abroad are so famous that its reputation is known in the United States, then that mark should be legally recognized in the United States. ... The famous mark rule could be viewed as not constituting an exception to the general rule at all, since

it could be said that the foreign service business had already established priority in the United States through advertising and reputation prior to defendant's opening.” 5 McCarthy on Trademarks and Unfair Competition § 29:4 (4th ed.); *see also Grupo Gigante S.A. de C.V. v. Dallo & Co., Inc.*, 119 F. Supp. 2d 1083 (C.D. Cal. 2000), vacated and remanded on other grounds, 391 F.3d 1088, 73 U.S.P.Q.2d 1258 (9th Cir. 2004) (neither party had a federal registration). There is a split of authority concerning this doctrine. 5 McCarthy on Trademarks and Unfair Competition § 29:4 (4th ed.)

It is clear that Petitioner’s Lingvo mark was famous abroad and in the U.S. prior to Registrant’s alleged first use of its mark. It would be unfair to permit Registrant to take advantage of the good will and fame earned by the Petitioner, and cancelling the Registrant’s mark would be consistent with the priority earned by Petitioner in the U.S. Notwithstanding the fame of the Lingvo mark, Petitioner also *used* the Lingvo mark prior to Registrant.

VI. Lingvo Is A Valid Mark.

Registrant has contended that Lingvo is not a valid mark based on Registrant’s claim that Lingvo means “language” in Esperanto.

First, having a mark which is entitled to registration is not a prerequisite to bring a petition for cancellation. *Koplin v. Phillips*, 133 U.S.P.Q. 622 (T.T.A.B. 1962); *See Geraghty Dyno-Tuned Products, Inc. v. Clayton Mfg. Co.*, 190 U.S.P.Q. 508 (T.T.A.B. 1976) (illegal common law use is not a foundation to petition to cancel). Accordingly, issues having to do with the validity of a petitioner’s mark are not determinative of whether a mark should be cancelled.

Further, it would be disingenuous for Registrant to take the position that Lingvo cannot be a valid mark because of its descriptiveness given that Lingvo is a salient part of Registrant's own mark Lingvosoft. And with respect to the goods at issue, which is *software*, Lingvosoft, which refers to both language *and* software, is certainly descriptive. On the other, Petitioner's "Lingvo" mark makes no reference at all to the fact that it identifies software. Lingvo does not reference the features of the product, such as its translation or dictionary features. Clearly, Lingvo is not descriptive.

Further, Lingvo's meaning in Esperanto is also unclear. The term Lingvo was found to be omitted from two Esperanto dictionaries, and another included a definition of "Lingvo" as "tongue" (*see* Petitioner's Response to Office Action for Proceeding Serial # 77357275 filed on October 18, 2008 ("Pet. OA Resp."), provides a link to an Esperanto dictionary and print-outs from Esperanto dictionary)

The Examiner in the Petitioner's application for the Lingvo mark proceeding also noted that Petitioner had "used its mark for a long time", and accordingly, Petitioner could seek registration based on Lingvo's acquired distinctiveness. Trademark Act Section 2(f); 15 U.S.C. § 1052(f).

The doctrine of "foreign equivalents" does not require translation from dead or obscure languages, or marks which are unlikely to be translated by the American public. *Enrique Bernat F., S.A. v. Guadalajara, Inc.*, 210 F.3d 439, 443, 54 U.S.P.Q.2d 1497 (5th Cir. 2000) ("[C]ourts need not concern themselves with words from obsolete, dead, or obscure languages, ... because one policy undergirding the doctrine is 'the assumption that there are (or someday will be) customers in the U.S. who speak that foreign language.'"; *Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondée En*

1772, 396 F.3d 1369, 1377, 73 U.S.P.Q.2d 1689 (Fed. Cir. 2005) (finding that it is improbable that the average American purchaser would stop and translate the French word “VEUVE” into “widow”)

Esperanto is not a language in any nation (Selegy Aff., ¶¶ 16-17). It has no definition in widely used English dictionaries in the U.S., such as Webster’s or even in certain Esperanto dictionaries (*see* Pet. OA Resp., print-outs from Webster’s online dictionary and itanda Esperanto dictionary).

A survey of Russian consumers, who are also probable consumers of language translation or education software in the U.S. perceived Lingvo as having no translation and being an “imaginary word” (Ex. 5). Consistently, almost all of the links produced by an Internet search for “Lingvo” are to ABBYY Lingvo product rather than to an Esperanto translation of the term. Also, based on the fame of the Lingvo software product, it is likely that “Lingvo” is associated with the software product.

As can be seen from the following excerpt from the Russian court’s final decision (Ex. 25), the Russian court clearly found Lingvo to be improbable of translation, identifiable as to ABBYY’s Lingvo product, and a valid mark:

The word LINGVO as a lexical unit is not found in English, German, French, Italian, and Spanish dictionaries. As a lexical unit, this word is found only in the artificially created language of Esperanto and means ‘tongue’. As Esperanto is an artificially created language, it cannot be regarded as a full-fledged means of communication capable of competition with major European languages. Therefore, the word LINGVO, without being an independent lexical unit of any natural language for speakers of such languages, including for Russian speakers, may be regarded as a fantasy word with unclear semantics, while its absence in special terminological dictionaries indicates that it may not be a generally accepted term characteristic of linguistics, language studies etc., of areas of science and technology, because a term means a word or phrase designating a notion of a specialized area of knowledge or activity.

The absence of the word LINGVO in the above dictionaries also prevents its inclusion among descriptive designations used for provision of goods and services and description of characteristics of goods and services, as no defined interpretation of its meaning is set out in dictionaries. Ektako-RD LLC failed to prove that the above word is included among designations that have no distinctive power, in particular, as listed in paragraph 2.3 (1.1) of the Rules. The materials submitted by the Appellant also fail to justify the finding that the word LINGVO is included among designations whose registration as a trademark is in violation of the society's interests, principles of humanity and ethics.

... The issue of the right holder's failure to use the mark it owns is beyond this dispute and, as such, may not be examined within this challenge. However, the right holder submitted documents in support of the fact that the company has been operating in the Russian market since 1992 and holds a leading position in the area of production of LINGVO electronic dictionaries, which are very popular with and widely known to consumers.

Accordingly, Lingvo should be deemed a valid mark.

VII. Conclusion.

Accordingly Petitioner ABBYY Software Ltd. respectfully seeks the cancellation of the Lingvosoft mark held by Ectaco Inc. Since 1990 – 14 years before Ectaco began selling its dictionary and language translation product – ABBYY has been selling its renowned dictionary and language translation product Lingvo.

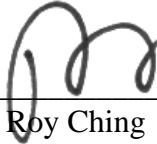
Lingvo was first sold in Russia, and the goodwill arising from this dictionary and language software had its start in that country. A company related to Ectaco attempted to deceive the Russian public and sell dictionary and language software called “Lingvo.” ABBYY prevailed in the Russian courts and put a stop to Ectaco's deception of the Russian public.

Ectaco is free-riding on the goodwill ABBYY enjoys as a result of Lingvo in the United States in the same way Ectaco tried to free-ride in Russia. Therefore, ABBYY

respectfully requests that the Board cancel the Lingvosoft mark for four reasons: (1) ABBYY used the mark 14 years prior to Ectaco's use and "Lingvo" and "Lingvosoft" are confusingly similar; (2) Ectaco is misrepresenting the source of its dictionary and language software by trying to pass it off as the renowned Lingvo software; (3) Ectaco defrauded the USPTO when it misrepresented the first use of the mark; and (4) based upon Lingvo being a famous and well known mark.

Date: June 18, 2010

Merit Law Group PC, Attorney for Petitioner,
ABBYY Software Ltd.

A handwritten signature in black ink, consisting of a large, stylized 'R' followed by a cursive 'C' and 'H'.

By: Roy Ching

CERTIFICATE OF SERVICE

It is hereby certified that a copy of the PETITIONER'S MAIN BRIEF was served upon counsel for Registrant this 18th day of June, 2010 by US mail and e-mail, addressed as follows:

Anna Vishev
Ostrolenk Faber LLP
1180 Avenue of the Americas
New York, NY 10036
AVishev@ostrolenk.com



Roy Ching, Esq.