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

Proceeding	92050143
Party	Defendant Brauhaus Incorporated
Correspondence Address	Lee J. Eulgen Neal, Gerber & Eisenberg LLP Two North LaSalle Street, Suite 2200 Chicago, IL 60602-3801 UNITED STATES Leulgen@ngelaw.com, mhall@ngelaw.com
Submission	Motion to Dismiss - Rule 12(b)
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Signature	/Lee J. Eulgen/
Date	03/13/2009
Attachments	Motion_to_Dismiss_Petition_to_Cancel.pdf (8 pages)(203437 bytes)

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

BROWHAUS PTE LTD.,

Petitioner,

v.

BRAUHAUS INCORPORATED,

Respondent.

Cancellation No. 92/050,143

Registration No. 3,420,788

RESPONDENT'S MOTION TO DISMISS PETITION TO CANCEL

Respondent Brauhaus Incorporated ("Brauhaus"), by its attorneys, Neal, Gerber & Eisenberg LLP, hereby moves the Board pursuant to Rule 12(b)(6) of the Federal Rules of Civil Procedure for an Order dismissing with prejudice the Petition to Cancel Registration No. 3,420,788 (the "Registration") filed by Petitioner Browhaus PTE Ltd. ("Petitioner"). The Petition fails to state a claim on which relief may be granted, because the fraud allegations fail, as a matter of law, to state cognizable grounds for cancellation of the Registration.

Petitioner's claim that Brauhaus provided an incorrect first use date is legally insufficient to establish fraud on the USPTO. The Board has repeatedly held that an erroneous statement of first use date does not amount to fraud when there was some use prior to the filing date of the application or statement of use. For these reasons as well as those set forth more fully below, Brauhaus requests that the Board dismiss with prejudice the legally deficient Petition to Cancel.

ARGUMENT

I. PETITIONER'S CLAIM BASED ON FRAUD IS BARRED AS A MATTER OF LAW

Petitioner's allegations regarding Brauhaus's procurement of the Registration do not, as a matter of law, constitute a viable claim for fraud on the USPTO. To prove a claim for fraud in the procurement of a registration, a petitioner must show that a statement made by the registrant in its application to the USPTO (i) was false; (ii) was made with knowledge it was false; and (iii) was material to the examining attorney's decision to approve the application. *Medinol Ltd. v. Neuro Vasx, Inc.*, 67 U.S.P.Q.2d 1205 (T.T.A.B. 2003).

However, claims of fraud based on allegations that a trademark registrant incorrectly claimed a first use date earlier than the actual first use date fail because courts hold that the falsity was either not material or otherwise not fraudulent, as long as there was some use prior to the filing date of the application or statement of use. *Aveda Corp. v. Evita Marketing, Inc.*, 706 F. Supp. 1419 (D. Minn. 1989) (holding a misstatement of the date of claimed first use in a use-based application is not fraudulent as long as there was some use prior to the filing date); *Lewis v. Microsoft Corp.*, 410 F. Supp. 2d 432 (E.D.N.C. 2006) (holding an incorrect date of alleged first use is not material and not fraudulent as long as the actual use preceded the filing of a use-based application). The Board has also long adhered to this precedent. *American Rice, Inc. v. Dunmore Properties S.A.*, 2009 WL 129566, at *1 n. 6 (T.T.A.B. Jan. 9, 2009) ("It is well established that errors in the date of first use in commerce of marks do not constitute fraud so long as use of the mark precedes the filing date of the application that matures to a registration, or, as in this case, so long as use of the mark precedes the filing date of the statement of use."); *Western Worldwide Enterprises Group, Inc. v. Qingdao Brewery*, 17 U.S.P.Q.2d 1137, 1141 (T.T.A.B. 1990) ("The Board repeatedly has held that the fact that a party has set forth an

erroneous date of first use does not constitute fraud unless, *inter alia*, there was no valid use of the mark until after the filing of the [Section 1(a)] application”) (internal citations omitted).

In this case, Petitioner fails to state a valid claim for fraud on the USPTO. Petitioner alleges that Brauhaus erroneously stated its first use date of the BRAUHAUS mark both in its February 3, 2008 Declaration and its February 11, 2008 Statement of Use and that these statements were knowingly made. Petition to Cancel at ¶¶ 10-13. Under the Lanham Act, a mark is deemed in use “on services when it is used or displayed in the sale or advertising of services and the services are rendered in commerce.” TMEP § 901.01. The term “commerce” is defined as any type of commerce that may be regulated by Congress and includes interstate, territorial and foreign country commerce. TMEP § 901.03. Brauhaus was using the BRAUHAUS mark depicted in the Registration in commerce at least as early as December 2007—long before the February 2008 filing dates of the Declaration and Statement of Use. Affidavit of Zoey Van Jones at ¶3 attached hereto. Since the Registration issued from an intent-to-use application and Brauhaus was using its BRAUHAUS mark in commerce well before the filing date of the Statement of Use, Petitioner’s alleged claim for fraud is legally insufficient and fails to state a claim upon which relief can be granted. Therefore, Brauhaus respectfully requests that the Board dismiss the Petition to Cancel with prejudice.

WHEREFORE, for the foregoing reasons, Brauhaus respectfully requests that the Board enter an order (i) dismissing with prejudice the Petition to Cancel, and (ii) granting such other and further relief as the Board deems appropriate.

Respectfully submitted,

Date: March 13, 2009

/s/Lee J. Eulgen
One of the Attorneys for Respondent,
Brauhaus, Inc.

Lee J. Eulgen
Gregory J. Leighton
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2 North LaSalle Street, Suite 1700
Chicago, Illinois 60602
312.269.8000

CERTIFICATE OF SERVICE

I, Gregory J. Leighton, an attorney, state that I caused a copy of the foregoing, Respondent's Motion to Dismiss Petition to Cancel, to be served upon the following via U.S. Mail on this 13th day of March, 2009:

Jack L. Most
GOETZ FITPATRICK LLP
One Penn Plaza 44th Floor
New York, NY 10119

/s/Gregory Leighton
Gregory J. Leighton

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

BROWHAUS PTE LTD.,

Petitioner,

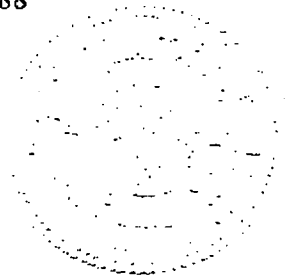
v.

BRAUHAUS INCORPORATED,

Respondent.

Cancellation No. 92/050,143

Registration No. 3,420,788




AFFIDAVIT OF ZOEY VAN JONES

1. I am President and Chief Executive Officer of Brauhaus Incorporated ("Brauhaus"). My responsibilities as President and Chief Executive Officer of Brauhaus include personally overseeing all day-to-day business operations, including management of Brauhaus' BRAUHAUS beauty salon in Pasadena, California. I make the statements in this affidavit based upon my own personal knowledge, and if called to testify can competently testify thereto. I certify under oath that the statements in this affidavit are true to the best of my knowledge, information and belief.

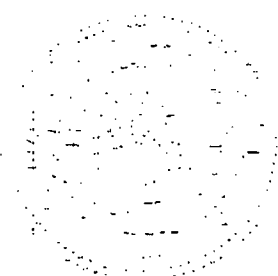
2. On December 1, 2007, Brauhaus opened a beauty salon under the mark BRAUHAUS. Upon opening, the BRAUHAUS mark was and continues to be prominently displayed throughout the salon including at the reception desk, on the front door to the street and on various printed marketing and advertising materials for public distribution.

3. Beginning on or about December 2007, numerous customers have traveled from outside the state of California and purchased beauty salon services at the salon provided under and in connection with the stylized BRAUHAUS mark identified in Registration No. 3,420,788.

By: 
Zoey Van Jones

SUBSCRIBED AND SWORN to
before me this ____ day of
March, 2009.


(see attached)
Notary Public



State of California
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 13th
day of March, 2009, by Zoey Van Jones

proved to me on the basis of satisfactory evidence to be the
person(s) who appeared before me.



KIMBERLEY L. GIANCATERINO
Commission # 1826439
Notary Public - California
Los Angeles County
My Comm. Expires Jan 8, 2013

(Seal) Signature Kimberley L. Giancaterino