

Goodman

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

Mailed: June 30, 2011

Cancellation No. 92052908

Triumbari Corporation

v.

Joseph J. Norton

Before Quinn, Holtzman & Ritchie, Administrative Trademark
Judges.

By the Board:

This case now comes up on respondent's motion, filed
September 1, 2011, to dismiss for failure to state a claim
under Fed. R. Civ. P. 12(b)(6). The motion is fully
briefed.

Respondent has included declarations and exhibits with
its motion to dismiss and reply, and petitioner has included
a declaration and exhibits with its response brief. The
Board will not convert this motion to one for summary
judgment as neither party has indicated they have served
their initial disclosures. See Trademark Rule 2.127(e)(1);
TBMP Section 503.04 (3d ed. 2011). Therefore, the matters
outside the pleadings are excluded from consideration, and
the Board will consider the motion as one to dismiss.

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Compagnie Gervais Danone v. Precision Formulations LLC, 89 USPQ2d 1251, 1256 (TTAB 2009).

To the extent that respondent has argued the merits of standing and petitioner's claims in its motion to dismiss, such arguments have not been considered. The scope of what may be considered on a motion to dismiss is limited to the legal sufficiency of the complaint.

We now turn to consideration of the motion. We have carefully reviewed all of the respective arguments in support of and against the pending motion to dismiss. We have not repeated the arguments made by the parties herein, but assume the parties' familiarity therewith.

In order to avoid dismissal at this stage of the proceeding, a petition to cancel need only contain sufficient factual matter, accepted as true, to "state a claim to relief that is plausible on its face." *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007). In the case of a petition to cancel, petitioner needs only to allege such facts as would, if proved, show (1) that petitioner has standing to petition for cancellation of the registered mark and (2) that a statutory ground for canceling such registration exists. See TBMP § 503.02 (3d ed. 2011) and cases cited therein.

Standing

To establish its standing, petitioner must prove that it has a "real interest" in the proceeding and a "reasonable basis" for its belief of damage. *See Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1027 (Fed. Cir. 1999).

To plead a "real interest" in the case, petitioner must allege a "direct and personal stake" in the outcome of the proceeding, and the allegations in support of its belief of damage must have a reasonable basis in fact. *Id.* Petitioner has alleged in paragraphs 2 and 3 of the petition to cancel that petitioner is a manufacturer of bottles including a "10 ounce stock bottle" which is similar to the "beverage bottle . . . protected by U.S. Trademark Registration No. 3,323,848" ("Bottle Design"), and that respondent obtained an injunction against one of petitioner's customers who purchases its 10 ounce stock bottle, based "in part, on a claim [in a civil action] that bottles manufactured by Petitioner infringe Registrant's purported trademark rights in the Bottle Design" and that "registration of the Bottle Design improperly gives the Registrant presumptive exclusive rights to a functional and non-distinctive design that should be available for all bottle manufacturers, including Petitioner, to use."

We find that petitioner's allegations are sufficient to plead standing. *See for example, Compania Insular*

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Tabacalera, S. A. v. Camacho Cigars, Inc., 167 USPQ 299, 302 n.1 (TTAB 1970) (finding standing of foreign manufacturer).

Grounds for Cancellation

We turn next to consideration of the grounds for cancellation.

Functionality

In general terms, a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article. *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U.S. 844, 214 USPQ 1, 4 n.10 (1982).

With regard to this claim, petitioner has alleged in paragraphs 11, 14, 15 and 16 of the petition to cancel that the features of the involved mark are functional:¹

Having the bottle rounded at the top below a circular cap is dictated solely by function as the user of the bottle, specifically a child, requires a rounded top to drink more easily. Almost all bottles are round at the top below the circular cap.

This element [the middle section of the bottle] is dictated solely by function in that the middle section of a bottle must be narrower than the top and bottom sections to permit room for the label. If the middle section of the bottle was not narrower than the top and bottom sections, the label would consequently be damaged. Further the narrow middle section allows the

¹ The description of the mark reads: "The mark consists of the three-dimensional configuration of a bottle containing the goods with the bottle being rounded at the top below the circular cap and the wording BUG JUICE engraved into this upper section of the bottle. The middle section of the bottle is narrower than the top and bottom sections. The bottom section of the bottle is also rounded and the same width as the top section. The bottom of the bottle is indented into the bottle."

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bottle user to better grip the bottle. . . . A vast majority of bottles, including, but not limited to water bottles, soda bottles and juice bottles, have a more narrow mid section.

A rounded bottom section of a bottle is dictated purely by function as it enables the bottle to stand. Again, most bottles have a rounded bottom. Further, having the same width in the bottom section as the top section with an indented middle makes the bottle more stable for either standing or holding.

This element [the bottom of the bottle is indented into the bottle] is also dictated purely by function which is clearly apparent as a majority of bottles have the bottom of the bottle indented into the bottle.²

We find these allegations, taken as a whole, contain sufficient factual information to provide fair notice of the basis of petitioner's functionality claim, namely, that respondent's product design is a functional configuration consisting of design features which are essential to the use or purpose of the bottle, and a majority of bottles contain such design features.

Respondent's argument that dismissal is appropriate due to the examining attorney's determination regarding registrability is not well taken. The Board is not required to adopt the examining attorney's decision to allow the mark for publication. Rather, the Board must determine an inter partes case on the evidence supported by the record. See *McDonald's Corp. v. McLain*, 37 USPQ2d 1274, 1276 (TTAB 1995).

² This allegation is somewhat conclusory in that the use or purpose of the indentation has not been alleged.

*Lacks Acquired Distinctiveness*³

With regard to this claim, petitioner alleges that "[t]he Bottle Design, and other similar bottle designs, are widely used by other manufacturers and marketers of bottles" and that "[t]he Bottle Design has not developed secondary meaning." Petitioner also alleges that "in the application process, Registrant did not submit any survey in connection with the Bottle Design."

We find the allegation of widespread use of similar Bottle Designs by others to be sufficient to allege a lack of acquired distinctiveness claim with respect to the Bottle Design. *See Stuart Spector Designs Ltd. v. Fender Musical Instruments Corp.*, 94 USPQ2d 1549 (TTAB 2009) (considering claim that design has not acquired distinctiveness in view of the widespread use of identical and substantially similar configurations by third parties over several decades).

*Not Inherently Distinctive*⁴

With regard to this claim, petitioner has alleged in paragraph 25 that the "The Bottle Design is not distinctive" and the "Bottle Design . . . consists of nothing

³ Respondent did not address the deficiency of this claim in its motion, but argued its insufficiency in its reply, mainly addressing the merits of this claim which we do not consider on a motion to dismiss.

⁴ Respondent did not address the deficiency of this claim in its motion, but argued its insufficiency in its reply, mainly addressing the merits of the claim which we do not consider on a motion dismiss.

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more than a collection of common, ordinary and functional features that are not arranged in any unique or distinctive manner.”

We find this allegation, when considered with the allegations made in paragraphs 10-16, sufficient to state a claim of lack of inherent distinctiveness. *See Seabrook Foods, Inc. v. Bar-Well Foods, Inc.*, 568 F.2d 1342, 196 USPQ 289, 291 (CCPA 1977) (in determining whether a mark is distinctive courts consider whether it was a “common” basic shape or design, whether it was unique or unusual in a particular field, [or] whether it was a mere refinement of a commonly-adopted and well-known form of ornamentation for a particular class of goods viewed by the public as a dress or ornamentation for the goods).

Fraud

With regard to this claim, petitioner asserts fraud based on respondent’s Section 2(f) declaration.

Fed. R. Civ. P. 9(b) provides that the circumstances constituting the alleged fraud shall be stated with particularity. Intent to deceive is an indispensable element in a fraud case but may be pleaded generally. *DaimlerChrysler Corp. v. American Motors Corp.*, 94 USPQ2d 1086 (TTAB 2010). A pleading of fraud based on a Section 2(f) declaration (in connection with a claim of substantially exclusive use) requires an allegation that

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defendant fraudulently declared that its use of the mark had been substantially exclusive, as well as an allegation of the extent of third-party uses known to defendant at the time it filed its Section 2(f) affidavit. *Marshall Field & Co. v. Mrs. Fields Cookies*, 11 USPQ2d 1355 (TTAB 1989)

Here, petitioner has pleaded intent to deceive the Office generally, but the factual allegations relating to material misrepresentations to the Office in connection with the allegedly false Section 2(f) affidavit are insufficient. In particular, petitioner has included no allegations of respondent's knowledge of third-party uses at the time it filed its Section 2(f) affidavit. Petitioner's allegation in paragraph 32 that "Petitioner has been using a similar bottle design since at least 1996," is insufficient for this purpose.

In view of the above, the motion to dismiss is denied with respect to standing and with respect to the functionality, lack of acquired distinctiveness and not inherently distinctive claims. The motion is granted with respect to the fraud claim.

The Board freely grants leave to amend pleadings if found, upon challenge under Fed. R. Civ. P. 12(b)(6), to be insufficient, particularly where the challenged pleading is the initial pleading.

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In view thereof, petitioner is allowed until July 20, 2011 to file and serve an amended petition to cancel with respect to the fraud claim. Respondent is allowed until August 29, 2011 to file and serve an answer to the amended petition to cancel. In the event no amended petition to cancel is filed, the fraud claim will be stricken, and respondent should proceed to file an answer thereto on the remaining claims.

Proceedings are resumed.

Dates are reset as follows:

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| Time to file amended petition to cancel | 7/20/11 |
| Time to Answer | 8/29/11 |
| Deadline for Discovery Conference | 9/28/11 |
| Discovery Opens | 9/28/11 |
| Initial Disclosures Due | 10/28/11 |
| Expert Disclosures Due | 2/25/12 |
| Discovery Closes | 3/26/12 |
| Plaintiff's Pretrial Disclosures | 5/10/12 |
| Plaintiff's 30-day Trial Period Ends | 6/24/12 |
| Defendant's Pretrial Disclosures | 7/9/12 |
| Defendant's 30-day Trial Period Ends | 8/23/12 |
| Plaintiff's Rebuttal Disclosures | 9/7/12 |
| Plaintiff's 15-day Rebuttal Period Ends | 10/7/12 |

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.