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

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| Proceeding | 92060754 |
| Party | Defendant<br>GTI Properties, Inc. |
| Correspondence Address | GTI PROPERTIES INC<br>530 HARRISON AVENUE<br>BOSTON, MA 02118<br>UNITED STATES |
| Submission | Answer |
| Filer's Name | Paul Sennott |
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| Signature | /Paul Sennott/ |
| Date | 03/09/2015 |
| Attachments | Answer_GTI Properties.pdf(56469 bytes ) |

**IN THE UNITED STATE PATENT AND TRADMEARK OFFICE**
**BEFORE THE TRADMEARK TRIAL AND APPEAL BOARD**

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| NE Open Markets, LLC,<br>Petitioner,<br>v.<br>GTI Properties, Inc.<br>Respondent | Cancellation No. 92060754 |

## ANSWER TO PETITION TO CANCEL

The following is the Answer of GTI Properties, Inc. ("Respondent"), owner of United States trademark registration number 4,330,971 (the "Registration") for the mark SOWA OPEN MARKET ("Respondent's Mark"), by and through its counsel Sennott & Williams, LLP and Shapiro, Weissberg & Garin, LLP, to the Petition to Cancel (the "Petition") of NE Open Markets, LLC ("Petitioner").

For its Answer to the numbered paragraphs of the Petition, Respondent submits the following correspondingly numbered responses. Where Petitioner's Petition contains duplicate paragraph numbering, Respondent has duplicated the numbering of its responses.

Respondent generally denies each and every averment of the Petition unless expressly admitted herein.

In response to the introductory paragraph of the Petition, Respondent denies that Petitioner is being, or will continue to be, damaged by the Registration.

1. In response to Paragraph 1 of the Petition, Respondent admits the averments contained therein.

2. In response to Paragraph 2 of the Petition, Respondent denies the averments contained therein insofar as they incorrectly quote the description contained in Respondent's application, which contains the word "crafts," not "craft" as Petitioner avers. Respondent admits the other averments contained in Paragraph 2 of the Petition.

3. In response to Paragraph 3 of the Petition, Respondent admits the averments contained therein.

4. In response to Paragraph 4 of the Petition, Respondent denies the averments contained therein.

5. In response to Paragraph 5 of the Petition, Respondent denies the averments contained therein.

5. In response to the second Paragraph 5 of the Petition, Respondent denies the averments contained therein with respect to the quoted language allegedly contained in Respondent's application for its Mark. Such language appears nowhere in the application. Respondent's application states, in relevant part,

> "[T]he mark was first used by the applicant or the applicant's related company or licensee or predecessor in interest at least as early as 05/27/2007, and first used in commerce at least as early as 05/27/2007, and is now in use in such commerce. The applicant is submitting one (or more) specimen(s) showing use of the mark as used in commerce on or in connection with any item in the class of listed goods and/or services."

Respondent admits Petitioner's averment that such application contains a standard declaration as to the truth of Respondent's statements in the application.

6. In response to Paragraph 6 of the Petition, Respondent denies the averments contained therein. Any use by Petitioner of the Respondent's Mark prior to or on May 27, 2007 was made pursuant to a license from Respondent and, as such, inured to the benefit of Respondent as described in TMEP § 1201.03(f).

7. In response to Paragraph 7 of the Petition, Respondent denies the averments contained therein. Any use by Petitioner of the Respondent's Mark prior to July 19, 2012 was made pursuant to a license from Respondent and, as such, inured to the benefit of Respondent.

8. In response to Paragraph 8 of the Petition, Respondent denies the averments contained therein. Any use by Petitioner of the Respondent's Mark prior to May 7, 2013 was made pursuant to a license from Respondent and, as such, inured to the benefit of Respondent.

9. In response to Paragraph 9 of the Petition, Respondent denies the averments contained therein.

10. In response to Paragraph 10 of the Petition, Respondent denies the averments contained therein.

11. In response to Paragraph 11 of the Petition, Respondent admits the averments contained in the first two sentences thereof and denies the averments contained in the third sentence thereof. The language quoted by Petitioner in Paragraph 11 of the Petition is not found anywhere in the signed declaration that is part of Respondent's application. That declaration reads, in full:

> "The undersigned, being hereby warned that willful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. Section 1001, and that such willful false statements, and the like, may jeopardize the validity of the application or any resulting registration, declares that he/she is properly authorized to execute this application on behalf of the applicant; he/she believes the applicant to be the owner of the trademark/service mark sought to be registered, or, if the application is being filed under 15 U.S.C. Section 1051(b), he/she believes applicant to be entitled to use such mark in

commerce; to the best of his/her knowledge and belief no other person, firm, corporation, or association has the right to use the mark in commerce, either in the identical form thereof or in such near resemblance thereto as to be likely, when used on or in connection with the goods/services of such other person, to cause confusion, or to cause mistake, or to deceive; and that all statements made of his/her own knowledge are true; and that all statements made on information and belief are believed to be true."

11. In response to the second Paragraph 11 of the Petition, Respondent denies the averments contained therein. Any and all use by Petitioner of the specimen was made pursuant to a license from Respondent and, as such, inured to the benefit of Respondent.

12. In response to Paragraph 12 of the Petition, Respondent is without sufficient knowledge or information to form a belief as to the truth of the averments contained therein and therefore denies the same. Any and all use of the Respondent's Mark, including as part of the specimen, by Petitioner was made pursuant to a license from Respondent and, as such, inured to the benefit of Respondent.

13. In response to Paragraph 13 of the Petition, Respondent is without sufficient knowledge or information to form a belief as to the truth of the averments contained therein and therefore denies the same. Any and all use by Petitioner of Respondent's Mark, including as part of the specimen, by Petitioner was made pursuant to a license from Respondent and, as such, inured to the benefit of Respondent.

14. In response to Paragraph 14 of the Petition, Respondent denies the averments contained therein.

15. In response to Paragraph 15 of the Petition, Respondent denies the averments contained therein.

16. In response to Paragraph 16 of the Petition, Respondent acknowledges that the averments contained therein accurately state a common interpretation of TMEP § 1201.

17. In response to Paragraph 17 of the Petition, Respondent denies the averments contained therein and repeats its averments as to the text of the declaration set forth in the first Paragraph 11 of this Answer.

18. In response to Paragraph 18 of the Petition, Respondent denies the averments contained therein.

19. In response to Paragraph 19 of the Petition, Respondent admits the averments contained therein. However, any and all use by Petitioner of Respondent's Mark was made pursuant to a license from Respondent and, as such, inured to the benefit of Respondent.

20. In response to Paragraph 20 of the Petition, Respondent is without sufficient knowledge or information to form a belief as to the truth of the averments contained therein and therefore denies the same. Any and all use by Petitioner of Respondent's Mark was made pursuant to a license from Respondent and, as such, inured to the benefit of Respondent.

21. In response to Paragraph 21 of the Petition, Respondent admits the averments contained therein insofar as they appear to accurately reflect the information contained in the publicly accessible portion of the U.S. Patent and Trademark Office's TSDR system.

22. In response to Paragraph 22 of the Petition, Respondent is without sufficient knowledge or information to form a belief as to the truth of the averments contained therein and therefore denies the same. Any and all use by Petitioner of Respondent's Mark was made pursuant to a license from Respondent and, as such, inured to the benefit of Respondent.

23. In response to Paragraph 23 of the Petition, Respondent denies the averments contained therein.

24. In response to Paragraph 24 of the Petition, Respondent admits the averments contained therein.

25. In response to Paragraph 25 of the Petition, Respondent admits that Petitioner has accurately quoted a portion of Respondent's website.

26. In response to Paragraph 26 of the Petition, Respondent admits the averments contained therein.

27. In response to Paragraph 27 of the Petition, Respondent admits the averments contained therein.

28. In response to Paragraph 28 of the Petition, Respondent denies the averments contained therein.

29. In response to Paragraph 29 of the Petition, Respondent denies the averments contained therein.

30. In response to Paragraph 30 of the Petition, Respondent denies the averments contained therein.

31. In response to Paragraph 31 of the Petition, Respondent denies the averments contained therein.

32. In response to Paragraph 32 of the Petition, Respondent denies the averments contained therein.

33. In response to Paragraph 33 of the Petition, Respondent denies the averments contained therein.

34. In response to the averments of Paragraph 34 of the Petition, Respondent incorporates by reference its Answers 1–33 above as if fully rewritten here.

35. In response to the second Paragraph 35 of the Petition, Respondent denies the averments contained therein. Any and all use by Petitioner of Respondent's Mark was made pursuant to a license from Respondent and, as such, inured to the benefit of Respondent.

36. In response to the second Paragraph 36 of the Petition, Respondent denies the averments contained therein. Any and all use by Petitioner of Respondent's Mark was made pursuant to a license from Respondent and, as such, inured to the benefit of Respondent.

37. In response to Paragraph 37 of the Petition, Respondent is without sufficient knowledge or information to form a belief as to the truth of the averments contained therein and therefore denies the same.

38. In response to Paragraph 38 of the Petition, Respondent is without sufficient knowledge or information to form a belief as to the truth of the averments contained therein and therefore denies the same.

39. In response to Paragraph 39 of the Petition, Respondent denies that Petitioner has prior and superior rights in Respondent's Mark. Respondent is without sufficient knowledge or information to form a belief as to the truth of the other averments contained therein and therefore denies the same.

40. In response to Paragraph 40 of the Petition, Respondent denies the averments contained therein.

41. In response to Paragraph 41 of the Petition, Respondent is without sufficient knowledge or information to form a belief as to the truth of the averments contained therein and therefore denies the same, and Respondent requests that the Petitioner to Cancel by denied.

## AFFIRMATIVE DEFENSES

In further response to the Petition, Respondent avers the following. Applicant reserves the right to amend its Answer and to raise additional defenses, including affirmative defenses, if necessary, consistent with the evidence obtained through discovery and at trial.

**FIRST DEFENSE (LICENSE)**

Respondent conceived of the SOWA OPEN MARKET mark and licensed its use to Petitioner prior to any independent use of it by Petitioner. All of Petitioner's alleged uses of the mark have thus inured to the benefit of Respondent as the licensor. Accordingly, Petitioner has no ownership rights over the Mark, and Petitioner's Petition to Cancel should be denied.

**SECOND DEFENSE (PRIORITY)**

Respondent incorporates by reference and re-alleges each and every allegation set forth in its FIRST DEFENSE (LICENSE) above. Petitioner's original use of the SOWA OPEN MARKET mark was conducted pursuant to a license from Respondent and, therefore, such use served to establish Respondent's priority rights in the mark. Accordingly, Respondent's rights in the SOWA OPEN MARKET mark have priority over any that Petitioner may be found to have, notwithstanding Respondent's FIRST DEFENSE above, and Petitioner's Petition to Cancel should be denied.

**THIRD DEFENSE (TACKING)**

Respondent incorporates by reference and re-alleges each and every allegation set forth in its FIRST DEFENSE (LICENSE) and SECOND DEFENSE (PRIORITY) above. In addition to SOWA OPEN MARKET, Respondent is the owner of the related family of marks SOWA NEWS (United States Reg. No. 4,330,972, first used in commerce at least as early as May, 2001) and SOWA ART WALK (United States Reg. No. 4,330,973, first used in commerce at least as early as May, 2004), which are legal equivalents of SOWA OPEN MARKET and had been in use by Respondent for some time prior to its adoption of the SOWA OPEN MARKET mark.

Accordingly, Respondent's priority rights over the SOWA OPEN MARKET mark reach back to its adoption of the SOWA NEWS mark in 2001 and reinforce its claims of priority made in its Second Defense, above. Petitioner's Petition to Cancel should be denied on this basis.

**FOURTH DEFENSE (LACK OF SECONDARY MEANING)**

Notwithstanding Respondent's FIRST, SECOND, and THIRD DEFENSES, even if Petitioner is found to have made use of the SOWA OPEN MARKET mark prior to Respondent and prior to its license agreement with Respondent, such use failed to establish protectable rights in the SOWA OPEN MARKET mark. "SOWA OPEN MARKET" is both descriptive and geographically descriptive of arts and crafts market services rendered in the "SoWa" (representing an area South of Washington Street) neighborhood of Boston, Massachusetts. Only through Respondent's long term use of the mark, directly and via the Petitioner as its licensee, did the mark acquire the distinctiveness necessary to allow it to function as a protectable trademark, at which point it was owned by Respondent. Accordingly, Petitioner has no protectable rights in the SOWA OPEN MARKET mark and its Petition to Cancel should be denied on this basis.

**FIFTH DEFENSE (FRAUD, INEQUITABLE CONDUCT, UNCLEAN HANDS)**

Applicant conceived of the SOWA OPEN MARKET mark and licensed it to Petitioner prior to any use of it by Petitioner. Respondent believe that evidence to be developed during discovery and at trial will demonstrate that Petitioner has willfully and fraudulently asserted that it adopted the SOWA OPEN MARKET mark and that it owns the mark in order to improve its leverage in negotiations with Respondent over the sharing of revenue from the SOWA OPEN

MARKET services. Respondent believes that these assertions are fraudulent statements and representations to the Trademark Trial and Appeal Board. Moreover, Petitioner has acted unethically and in bad faith in an effort to misappropriate Respondent's trademark rights. Accordingly, this fraudulent, inequitable conduct should bar Petitioner from maintaining this Petition to Cancel due to its unclean hands.

**SIXTH DEFENSE (LACHES, UNDUE DELAY)**

The United States Patent and Trademark Office issued the Registration on May 7, 2013. Respondent believes that evidence to be developed during discovery and at trial will demonstrate that Petitioner contacted Respondent shortly after such issuance to discuss the Registration. However, Petitioner failed to formally object to the Registration until the filing of its Petition in the present matter more than twenty (20) months after issuance of the Registration. In the intervening period, Respondent continued to allow Petitioner, as its licensee, to use and develop good will in Respondent's Mark and has been prejudiced by Petitioner's delay in objecting to the Registration. Petitioner's Petition to Cancel should be denied on this basis.

**WHEREFORE**, Respondent prays that the Trademark Trial and Appeal Board dismiss this Petition to Cancel in its entirety with prejudice and that it award of all other relief it deems just and proper.

Dated this 9th day of March, 2015.

Respectfully Submitted,

GTI Properties, Inc.

By its Attorneys,

/s/ Paul Sennott
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## CERTIFICATE OF ELECTONIC FILING

I HEREBY CERTIFY that the attached ANSWER TO PETITION TO CANCEL in Cancellation No. 92060754 was filed electronically with the Trademark Trial and Appeal Board on March 9th, 2015.

/s/ Paul Sennott
Paul Sennott

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing ANSWER TO PETITION TO CANCEL in Cancellation No. 92060754was served on Petitioner by depositing such true and correct copy with the United States Postal Service, First Class Mail, postage pre-paid, this 9th day of March, 2015, in an envelope addressed to Petitioner's attorney of record as follows:

Brendan M. Shortell
LAMBERT & ASSOCIATES
92 State Street, Suite 200
Boston, MA 02109

/s/ Paul Sennott
Paul Sennott