

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451
General Contact Number: 571-272-8500

JK

Mailed: May 1, 2017

Cancellation No. 92065178 (parent case)
Cancellation No. 92065255

Philanthropist.com, Inc.

v.

*The General Conference Corporation of
Seventh-day Adventists*

By the Board:

These proceedings are before the Board for consideration of Respondent's February 21, 2017 motion, filed in each proceeding, to dismiss the petitions to cancel for failure to state a claim upon which relief may be granted pursuant to Fed. R. Civ. P. 12(b)(6). In each proceeding the motion is fully briefed.¹

Consolidation

¹ The Board has considered the parties' briefs on the contested motions, but does not repeat or discuss all of their arguments and submissions, and does not address irrelevant arguments. *Guess? IP Holder LP v. Knowlux LLC*, 116 USPQ2d 2018, 2019 (TTAB 2015).

Petitioner's certificate of service on its March 8, 2017 brief does not state the email address to which service was made. As noted in the orders instituting the proceedings, the format for a certificate of service is as follows and as set forth in TBMP § 113.03:

I hereby certify that a true and complete copy of the foregoing (insert title of submission) has been served on (insert name of opposing counsel or party) by forwarding said copy on (insert date of mailing), via email (or insert other appropriate method of delivery) to: (set out name, and address or email address of opposing counsel or party).

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Cancellation No. 92065178 involves a petition to cancel incontestable Registration No. 1176153, registered November 3, 1981, for the mark ADVENTIST, for goods and services in International Classes 16, 41 and 42. Cancellation No. 92065255 involves a nearly identical petition to cancel incontestable Registration No. 1218657, registered November 30, 1982, with a claim of acquired distinctiveness pursuant to Section 2(f), for the mark ADVENTIST, for services in International Classes 41 and 42.

Petitioner filed a petition to cancel the registrations on the following grounds:

- 1) the mark is or has become generic, and
- 2) fraud on the USPTO.

When cases involving common questions of law or fact are pending before the Board, the Board may order consolidation of the cases. Fed. R. Civ. P. 42(a); *Regatta Sport Ltd. v. Telux-Pioneer Inc.*, 20 USPQ2d 1154 (TTAB 1991); and *Estate of Biro v. Bic Corp.*, 18 USPQ2d 1382 (TTAB 1991). In determining whether to consolidate proceedings, the Board will weigh the savings in time, effort, and expense which may be gained from consolidation, against any prejudice or inconvenience which may be caused thereby. Consolidation is discretionary with the Board, and may be ordered upon motion granted by the Board, or upon stipulation of the parties approved by the Board, or upon the Board's own initiative. See, e.g., *Hilson Research Inc. v. Society for Human Resource Management*, 27 USPQ2d 1423 (TTAB 1993); and *Regatta Sport Ltd. v. Telux-Pioneer Inc.*, 20 USPQ2d 1154 (TTAB 1991).

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The parties to these proceedings are the same, and the involved marks, allegations, claims and defenses are similar or identical. Upon review of both records, the Board finds that consolidation is appropriate. Accordingly, Cancellation Nos. 92065178 and 92065255 are hereby consolidated and may be presented on the same record and briefs. *Hilson Research Inc. v. Society for Human Resource Management, supra*; and *Helene Curtis Industries Inc. v. Suave Shoe Corp.*, 13 USPQ2d 1618 (TTAB 1989).

The Board file will be maintained in **Cancellation No. 92065178 as the “parent case.”**² Petitioner is directed to file its amended pleadings (as allowed, and as discussed below) in each separate proceeding; similarly, Respondent is directed to file its answer to the amended pleadings in each separate proceeding. However, thereafter, that is, after the pleadings are closed, the parties shall commence the practice of filing only a single copy of all motions and submissions, filing in the parent case only, and captioning both consolidated proceedings, listing and identifying the parent case first (see the caption above).

Despite being consolidated, each proceeding retains its separate character and requires entry of a separate judgment. The decision on the consolidated cases shall

² The parties should promptly inform the Board of any other Board proceedings or related cases within the meaning of Fed. R. Civ. P. 42, so that the Board can consider whether further consolidation is appropriate.

Citations to the record are to TTABVUE, the online interface which displays the prosecution history of Board proceedings. *Turbin v. Trilobite, Ltd.*, 109 USPQ2d 1473, 1476 n.6 (TTAB 2014). Unless stated otherwise, in this order references to the record are directed to the parent proceeding.

take into account any differences in the issues raised by the respective pleadings; a copy of the decision shall be placed in each proceeding file.

Motions to Dismiss - Analysis

In lieu of filing an answer, respondent filed, in each proceeding, a Fed. R. Civ. P. 12(b)(6) motion to dismiss the petition to cancel for failure to state a claim upon which relief may be granted.³ TBMP § 503.01 (Jan. 2017).

A motion to dismiss for failure to state a claim upon which relief can be granted is a test solely of the legal sufficiency of a complaint. *Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc.*, 988 F.2d 1157, 26 USPQ2d 1038,1041 (Fed. Cir. 1993); *Covidien LP v. Masimo Corp.*, 109 USPQ2d 1696, 1697 (TTAB 2014). In order to withstand such a motion, a complaint need only allege such facts as would, if proved, establish that the plaintiff is entitled to the relief sought, that is, that (1) the plaintiff has standing to maintain the proceeding, and (2) in the case of an opposition proceeding, a valid ground exists for denying the registration sought. *Young v. AGB Corp.*, 152 F.3d 1377, 47 USPQ2d 1752, 1754 (Fed. Cir. 1998). *See also*, TBMP § 309.03(c). To survive a motion to dismiss, a complaint must “state a claim to relief that is plausible on its face.” *Bell Atlantic Corp. v. Twombly*, 550 U.S. 554, 570 (2007); *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). In particular, the claimant must allege well-pleaded factual matter and more than “[t]hreadbare

³ Respondent’s motion to dismiss is granted with respect to the pleadings of descriptiveness, and failure to function as a mark. The claims are time-barred pursuant to Trademark Act Section 14(3). For completeness, and as explained in TBMP § 119.03, when filing a petition for cancellation, time-barred grounds for cancellation are not presented as an option when completing the ESTTA filing form.

recitals of the elements of a cause of action, supported by mere conclusory statements.” *Ashcroft v. Iqbal*, 556 U.S. at 678 (citing *Twombly*, 550 U.S. at 555).

When the sufficiency of any complaint has been challenged, the Board examines the complaint in its entirety, construing the allegations therein so as to do justice, as required by Fed. R. Civ. P. 8(e), to determine whether it contains any allegations, which, if proved, would entitle the plaintiff to the relief sought. *IdeasOne Inc. v. Nationwide Better Health*, 89 USPQ2d 1952, 1953 (TTAB 2009); *Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1539 (TTAB 2007). *See also*, TBMP § 503.02.

Respondent’s motions to dismiss are timely. Fed. R. Civ. P. 12(b)(6); TBMP § 503.01.

Materials were submitted with the pleadings and the pleadings themselves reference materials outside of the pleadings. The motion before the Board is one testing the sufficiency of the pleadings, and accordingly in adjudicating the motions to dismiss, the Board has given no consideration to the matters outside of the pleadings. TBMP § 503.04, and cases cited therein.

Standing

At the pleading stage, all that is required is that a plaintiff allege facts sufficient to show a “real interest” in the proceeding, and a “reasonable basis” for its belief that it would suffer some kind of damage if the mark is registered. *Empresa Cubana del Tabaco v. General Cigar Co.*, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014); *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999); *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). *See also*

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Herbko Int'l Inc. v. Kappa Books, Inc., 308 F.3d 1156, 64 USPQ2d 1375, 1377 (Fed. Cir. 2002); *Jewelers Vigilance Committee Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021, 2024 (Fed. Cir. 1987) *on remand*, 5 USPQ2d 1622(TTAB 1987), *rev'd*, 853 F.2d 888, 7 USPQ2d 1628 (Fed. Cir. 1988).

To plead a “real interest,” plaintiff must allege a “direct and personal stake” in the outcome of the proceeding. The allegations in support of plaintiff’s belief of damage must have a reasonable basis “in fact.” *Ritchie v. Simpson*, 50 USPQ2d at 1027. There is no requirement that actual damage be pleaded or proved, or that plaintiff show a personal interest in the proceeding different from or “beyond that of the general public.” *Id.* See also, TBMP §§ 303.06 and 309.03(b).

If a plaintiff can show standing on one ground, it has the right to assert any other grounds in an opposition or cancellation proceeding. *Corporacion Habanos SA v. Rodriquez*, 99 USPQ2d 1873, 1877 (TTAB 2011).

Standing can be pleaded in a variety of ways. For example, to petition to cancel a registration on the ground that the mark is generic, a plaintiff may allege that it is engaged in the manufacture or sale of the same or related goods as those listed in the registration, and that the plaintiff has the right or need to use the term. See, e.g., *Sheetz of Del., Inc. v. Doctor's Assocs. Inc.*, 108 USPQ2d 1341, 1350 (TTAB 2013).

Here, Petitioner need not assert proprietary rights in the mark ADVENTIST in order to plead standing. *Int'l Nutrition Co. v. Horphag Research Ltd.*, 220 F.3d 1325, 55 USPQ2d 1492, 1496 (Fed. Cir. 2000); *Books on Tape Inc. v. Booktape Corp.*, 836 F.2d 519, 5 USPQ2d 1301, 1302 (Fed. Cir. 1987). Turning to the petitions to cancel,

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relevant to Petitioner's business it alleges that it "is a professional domain name investor that has engaged in the business of researching, valuating, purchasing, marketing, and commercializing generic domain names,"⁴ that it "maintains a portfolio of approximately 10,000 generic and/or geographically descriptive domain names in various categories," that it "offers its domain names for sale to the general public through its online marketplace," and that as part of its portfolio it "owns the domain name ADVENTIST.COM, which Petitioner currently offers for sale."⁵ Petitioner alleges in a general fashion that its ownership of ADVENTIST.COM "is directly compromised by (Respondent's) continued registration."⁶

Petitioner asserts its business to be as a domainer buying, holding, marketing and selling a portfolio of domain names.⁷ It does not allege that it manufactures, offers, or sells goods and services that are the same as or similar to, or within the normal expansion of, the goods and services which Respondent offers or that business in which Respondent operates; nor does Petitioner allege a commercial or business need to use the mark ADVENTIST for business purposes which include or encompass Respondent's identified goods and services in International Classes 16, 41 and 42. Petitioner does not allege that it needs to use the term ADVENTIST descriptively in being able to carry out its business as a domainer, or that it *has* made use of the mark ADVENTIST, or of a mark that includes the term, descriptively or otherwise, as a trademark or as a trade name for its domainer business. Although Petitioner

⁴ 1 TTABVUE 3.

⁵ 1 TTABVUE 4.

⁶ 1 TTABVUE 7.

⁷ 1 TTABVUE 3-4.

generally alleges that its ownership of ADVENTIST.COM “is directly compromised by (Respondent’s) continued registration,”⁸ and that Respondent has engaged in enforcement actions, it does not articulate a specific, real link between Respondent’s registrations and Petitioner’s ability to engage in its domainer business. Petitioner references a National Arbitration Forum action brought by Respondent, but does not set forth in the pleading specifics regarding the outcome of that proceeding, and whether and how said outcome is damaging to Petitioner’s domainer business.

In the context of a Board *inter partes* cancellation proceeding, and for purposes of adjudicating the motions to dismiss on the present pleadings of record, Petitioner has not sufficiently articulated a factual, reasonable basis for its belief that its domainer business will be damaged unless Respondent’s registrations for ADVENTIST for the goods and services identified therein are cancelled. Based on these findings, Petitioner fails to set forth a “direct and personal stake” in the outcome of the proceeding and a belief of damage that has “a reasonable basis in fact,” and thus fails to set forth a basis for its standing.

Accordingly, the petitions to cancel fail to state a claim upon which relief may be granted.

Grounds – Generic

In a Board proceeding, to state a claim of genericness, a plaintiff must allege that a term or phrase is a common name that the relevant public uses or understands primarily as referring to the category or genus of the identified goods and services.

⁸ 1 TTABVUE 7.

In re Nordic Naturals, Inc., 755 F.3d 1340, 111 USPQ2d 1495, 1497 (Fed. Cir. 2014); *H. Marvin Ginn Corp. v. Int’l Ass’n of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528, 530 (Fed. Cir. 1986).

Petitioner alleges that “ADVENTIST is a generic dictionary term referring to various groups that hold in common a belief in the second coming, or ‘advent,’ of Jesus Christ.”⁹ It further alleges that Respondent knew when it applied for the registrations that “ADVENTIST was generic, non-distinctive, and was used to refer to any of a large number of individuals, entities, organizations, and groups.”¹⁰ It sets forth more detailed allegations regarding various groups’ use of ADVENTIST, and that the term “is a generic term for the named goods and services.”¹¹ It alleges that “(T)he primary significance of the registered mark to the relevant public is as a generic term for a particular religion or belief system followed by various denominations and sects.”¹² Similar allegations are set forth in Cancellation No. 92065255 with respect to the services identified in Registration No. 1218657.¹³

Read together, these allegations place Respondent on notice of the factual basis for the claim. The allegations sufficiently set forth a claim that the mark ADVENTIST is generic for the goods and services identified in the registrations.

Grounds – Fraud on the USPTO

⁹ 1 TTABVUE 4.

¹⁰ 1 TTABVUE 7.

¹¹ 1 TTABVUE 8-9.

¹² 1 TTABVUE 9.

¹³ Cancellation No. 92062522, 1 TTABVUE 8-9.

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“Fraud in procuring a trademark registration or renewal occurs when an applicant knowingly makes false, material representations of fact in connection with his application.” *Torres v. Cantine Torresella S.r.l.*, 808 F.2d 46, 1 USPQ2d 1483, 1484 (Fed. Cir. 1986) (citations omitted). *Accord, In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1939 (Fed. Cir. 2009); *Harry Winston, Inc. v. Bruce Winston Gem Corp.*, 111 USPQ2d 1419, 1432 (TTAB 2014). To plead a claim of fraud on the USPTO, a plaintiff must allege with sufficient factual specificity in compliance with Fed. R. Civ. P. 9(b) that 1) the defendant made a false representation to the USPTO; 2) the false representation is material to the registrability of the mark; 3) the defendant had knowledge of the falsity of the representation; and 4) the defendant made the representation with intent to deceive the USPTO. *In re Bose Corp.*, 91 USPQ2d at 1941. Allegations of fraud made “on information and belief” without allegations of “specific facts upon which the belief is reasonably based” are insufficient. *Asian and Western Classics B.V. v. Selkow*, 92 USPQ2d 1478, 1479 (TTAB 2009).

At the core of determining the sufficiency of the claim is ascertaining whether Petitioner alleges with sufficient factual specificity in compliance with Fed. R. Civ. P. 9(b) that Respondent knowingly made a false representation to the USPTO that was material to the determination of the registrability of the mark ADVENTIST for the identified goods and services. Petitioner alleges that Respondent 1) was aware that members of the public encountering the mark for the goods and services understood the mark to mean anyone who believed in the second coming of Jesus Christ or to

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refer to Adventist belief systems denominations and organizations;¹⁴ 2) knew that the term ADVENTIST applied generally to a larger religious movement to which it was merely a member;¹⁵ and 3) was aware that others were entitled to use the mark.¹⁶ It further generally alleges that Respondent “misled the (USPTO) into believing statements concerning the application.”¹⁷

The application form and application declaration do not include a requirement that an applicant state its awareness of how its applied-for mark will be encountered, or whether the applied-for mark has a meaning or a certain meaning to the general public, such as whether it applies to or refers to a movement. Petitioner does not allege that the examining attorney made a formal request for information about the meaning of the applied-for marks, or that Respondent made a material misrepresentation in its response to any such inquiry. Furthermore, Registration No. 1218657 was registered on the Principal Register with a claim of acquired distinctiveness pursuant to Trademark Act Section 2(f), thereby indicating that Respondent acknowledged the need to established acquired distinctiveness of the mark ADVENTIST for the identified International Class 41 and 42 educational and religious observance services, and demonstrated such distinctiveness on the application record during examination for registrability. In summary, Petitioner does not set forth allegations that base its attempted fraud claim on a statement or

¹⁴ 1 TTABVUE 10.

¹⁵ 1 TTABVUE 11.

¹⁶ 1 TTABVUE 11.

¹⁷ 1 TTABVUE 11.

representation which was material to the determination of the registrability of the marks.

In ¶ 35, Petitioner alleges that Respondent signed the application declarations, stating, *inter alia*, that Respondent believed itself to be entitled to use the mark in commerce. To the extent that Petitioner intended to plead a claim of fraud on the USPTO based on an allegations that Respondent signed the application declarations with knowledge of another use or other uses of the same mark, the pleadings are deficient. A pleading of fraud based on such materiality requires a pleading of allegations that 1) there was in fact another use of the same or a confusingly similar mark at the time the oath was signed, 2) the other user(s) had legal rights superior to the rights of the applicant (respondent), 3) applicant (respondent) knew that the other user had rights in the mark superior to applicant's (respondent's), and either believed that a likelihood of confusion would result from applicant's (respondent's) use of its mark or had no reasonable basis for believing otherwise, *and* 4) applicant (respondent), in failing to disclose these facts to the USPTO, intended to procure a registration to which it was not entitled. *Qualcomm Inc. v. FLO Corp.*, 93 USPQ2d 1768, 1770 (TTAB 2010); *Intellimedia Sports Inc. v. Intellimedia Corp.*, 43 USPQ2d 1203, 1205 (TTAB 1997).

In view of these findings, the petitions to cancel fail to set forth a claim of fraud on the USPTO.¹⁸

¹⁸ For completeness, Petitioner shall note that the claim carries a very high burden of proof. Specifically, “the very nature of the charge of fraud requires that it be proven ‘to the hilt’ with clear and convincing evidence. There is no room for speculation, inference or

Summary; leave to amend

For the reasons set forth above, Respondent's motion to dismiss is granted with respect to both petitions to cancel.

The Board allows Petitioner leave to file an amended petition to cancel in these proceedings. TBMP § 503.03. Accordingly, Petitioner is allowed until thirty days from the mailing date of this order to file amended petitions to cancel which address the deficiencies noted herein, failing which the original petitions will be dismissed with prejudice. Petitioner is directed to file each amended pleading in the respective proceeding to which it pertains.

Respondent is allowed until thirty days from the date of service of the amended petitions to file its answer thereto. Similarly, Respondent is directed to file the answers in their respective proceedings.

The parties shall note that Fed. R. Civ. P. 11, applicable herein by operation of Trademark Rule 2.116(a), and U.S. Patent and Trademark Office Rule 11.18, require that all pleadings and papers be made in good faith and with evidentiary support. All grounds for relief and allegations in support thereof must have a basis in law or fact, and must not be filed for any improper purpose. Fed. R. Civ. P. 11; Trademark Rule 2.116(a); TBMP §§ 318, 502.07 and 527.02.

Schedule

surmise and, obviously, any doubt must be resolved against the charging party.” *In re Bose, supra, citing Smith Int'l, Inc. v. Olin Corp.*, 209 USPQ 1033, 1044 (TTAB 1981).

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Proceedings are resumed on the conference, initial disclosure, discovery and trial schedule set forth below:

Deadline for Required Discovery Conference	7/31/2017
Discovery Opens	7/31/2017
Initial Disclosures Due	8/30/2017
Expert Disclosures Due	12/28/2017
Discovery Closes	1/27/2018
Plaintiff's Pretrial Disclosures Due	3/13/2018
Plaintiff's 30-day Trial Period Ends	4/27/2018
Defendant's Pretrial Disclosures Due	5/12/2018
Defendant's 30-day Trial Period Ends	6/26/2018
Plaintiff's Rebuttal Disclosures Due	7/11/2018
Plaintiff's 15-day Rebuttal Period Ends	8/10/2018

Generally, the Federal Rules of Evidence apply to Board trials. Trial testimony is taken and introduced out of the presence of the Board during the assigned testimony periods. The parties may stipulate to a wide variety of matters, and many requirements relevant to the trial phase of Board proceedings are set forth in Trademark Rules 2.121 through 2.125. These include pretrial disclosures, matters in evidence, the manner and timing of taking testimony, and the procedures for submitting and serving testimony and other evidence, including affidavits, declarations, deposition transcripts and stipulated evidence. Trial briefs shall be submitted in accordance with Trademark Rules 2.128(a) and (b). Oral argument at final hearing will be scheduled only upon the timely submission of a separate notice as allowed by Trademark Rule 2.129(a).