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

Proceeding	92065911
Party	Plaintiff Joseph Valenti
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Submission	Opposition/Response to Motion
Filer's Name	Phillip Thomas Horton
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Date	06/19/2017
Attachments	NERO RESPONSE TO DISMISS.pdf(564337 bytes )

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

3  
4 In the matter of trademark Registration No. 4657988, Serial No. 86280398  
5 For the mark: NERO  
6 Registered on December 16, 2014

7 Joseph Valenti, 8 Petitioner, 9 v. 10 Ford Ivey d/b/a NERO World, LLC 11 Defendant.	Cancellation No.: 92065911
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12  
13 **PETITIONER’S RESPONSE TO DEFENDANT’S MOTION TO**  
14 **DISMISS**

15 Petitioner, Joseph Valenti (“Petitioner”), opposes the Defendant Ford  
16 Ivey d/b/a NERO World LLC’s (“Defendant”) Motion to Dismiss the above-  
17 identified Petition to Cancel under Federal Rule of Civil Procedure 12(b)(6). For  
18 the reasons set forth below, Petitioner’s Petition to Cancel sufficiently sets forth  
19 grounds for cancellation of Defendant’s [NERO] mark, and therefore  
20 Defendant’s Motion to Dismiss should be denied in its entirety.

21 **I. LEGAL STANDARD OF REVIEW**

22 Rule 8 of the Federal Rules of Civil Procedure (“FRCP”) requires that  
23 pleadings setting forth claims for relief must include only “a short and plain  
24 statement of the claim showing that the pleader is entitled to relief.” Fed. R.  
25 Civ. P. 8(a). In order to withstand a Motion to Dismiss based on Fed. R. Civ. P.  
26 12(b)(6), the complaint need only allege such facts as would, if proved, establish  
27 that the Petitioner is entitled to the reliefs sought. Specifically, Petitioner need

1 only establish that it has standing to maintain the proceeding and that a valid  
2 ground exists for cancelling the registration owned by the Registrant. *Young v.*  
3 *AGB Corp.*, 152 F.3d 1377, 47 USPQ2d 1752, 1754 (Fed. Cir. 1998). To survive  
4 a Motion to Dismiss, a complaint must only “state a claim to relief that is  
5 plausible on its face.” *Bell Atlantic Corp. v. Twombly*, 550 U.S. 554, 570 (2007).  
6 *See also Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (plausibility standard  
7 applies to all federal civil claims); *Doyle v. Al Johnson’s Swedish Restaurant &*  
8 *Butik Inc.*, 101 USPQ2d 1780, 1782 (TTAB 2012) (*citing Ashcroft v. Iqbal* for  
9 the standard to determine whether a claim has been properly placed)

10 The motion to dismiss under FRCP 12(b)(6) may be granted only if, after  
11 accepting all well-pleaded allegations in the Petition to Cancel as true and  
12 drawing all reasonable inferences in favor of Petitioner, the Board finds that  
13 Petitioner has failed to set forth fair notice of its claim and the grounds upon  
14 which it rests. *Bell Atlantic Corp. v. Twombly*, 127 S.Ct. 1955, 1964 (2007). In  
15 this case, the Petition to Cancel will survive a motion to dismiss if it states  
16 plausible grounds for Petitioner’s entitlement to the relief sought. *Id.* at 1965-  
17 66. The Petition to Cancel must merely contain sufficient factual allegations  
18 “to raise a right to relief above the speculative level.” *Id.* at 1965. Accordingly,  
19 the issue before the Board upon consideration of the pending motion to dismiss  
20 is not whether Petitioner “will ultimately prevail but whether the claimant is  
21 entitled to offer evidence in support of the claims.” *McDowell v. N. Shore-ong*  
22 *Island Jewish Health Sys., Inc.*, 839 F. Supp. 2d 562, 565 (E.D.N.Y. 2012)  
23 (*citing Todd v. Exxon Corp.*, 275 F.3d 191, 198 (2d Cir. 2001)). Whether  
24 Petitioner “can actually prove its allegations is a matter to be determined not  
25 upon a motion to dismiss, but rather at final hearing or upon summary  
26 judgment after the parties have had an opportunity to submit evidence in  
27 support of their respective positions. *Cent. Mfg. Co. v. Outdoor Innovations*,

1     *L.L.C.*, 1999 TTAB LEXIS 235 (TTAB 1999) (*citing Caron Corp. v. Helena*  
2     *Rubinstein, Inc.*, 193 USPQ 112 TTAB 1976)). For this reason, a motion to  
3     dismiss for failure to state a claim “is viewed with disfavor and is rarely  
4     granted.” *Phonometrics, Inc. v. Hospitality Franchise Sys.*, 203 F.3d 790, 794  
5     (Fed. Cir. 2000)

6  
7             **II. VALENTI HAS SHOWN A “REAL INTEREST” WITH A “DIRECT**  
8             **AND PERSONAL STAKE” IN THE OUTCOME OF THE**  
9             **PROCEEDINGS**

10            To show standing, Petitioner must allege facts in the Petition to Cancel  
11            which, if ultimately proven, would establish that petitioner has a “real interest”  
12            in the cancellation proceeding. *Herbko International Inc. v. Kappa Books Inc.*,  
13            308 F.3d 1156, 64 USPQ2d 1375, 1377 (Fed. Cir. 2002) (*citing Int’l Order of*  
14            *Job’s Daughters v. Lindeburg & Co.*, 727 F.2d 1087, 220 USPQ 1017, 1020 (Fed.  
15            Cir. 1984)); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213  
16            USPQ 185, 189 (CCPA 1982).

17            The Federal Circuit’s decision in *Ritchie v. Simpson*, 170 F.3d 1092, 50  
18            USPQ2d 1023 (Fed. Cir. 1999) (“Ritchie”) broadly defines a “real interest” in the  
19            context of claims brought under Section 2(a). The Petitioner must satisfy two  
20            judicially-created requirements in order to have standing: Petitioner (1) must  
21            have a “real interest” in the proceedings, and (2) must have a “reasonable” basis  
22            for his belief of damage. See e.g. *Ritchie*, 50 USPQ2d at 1025.

23            Petitioner has sufficiently established that he has a “real interest” in this  
24            proceeding and has a “reasonable basis” for believing he will suffer damage  
25            from the Defendant’s use of the mark. Petitioner is the owner of the previously  
26            registered trademark NERO. Petitioner became owner of the mark when it  
27            was transferred and assigned to him by Defendant. Additionally, as pleaded in

1 the Petition for Cancellation, Petitioner has run, and continues to run, a large  
2 community under the mark NERO.

3 Defendant argues that Petitioner does not have standing due to a  
4 “derivative standing” because Petitioner owns and operates an LLC. However,  
5 this is incorrect. Petitioner’s standing comes from being the rightful owner of  
6 the NERO mark from the Assignment of Trademark from the Defendant.  
7 (Exhibit A). Petitioner acquired all rights and interest to the mark from the  
8 Defendant to use the mark as Petitioner wanted. As such, Petitioner can own  
9 any company or LLC he chooses and he would still have a “real interest” with a  
10 “direct and personal stake” in the outcome of the instant cancellation  
11 proceedings. There is no derivative standing in this proceeding, but instead, a  
12 direct and personal interest in the proceedings since the LLC is, by extension,  
13 part of Petitioner.

14  
15 **III. PETITIONER HAS ASSERTED GROUNDS UPON WHICH A**  
16 **CANCELLATION CLAIM MAY BE BASED**

17 Valenti has asserted three grounds upon which cancellation can be  
18 based:

- 19 1. The mark used by Defendant is likely to be confused with Petitioner’s  
20 mark,  
21 2. Defendant’s mark falsely identifies the source of goods or services, and  
22 3. Fraud having been committed in registering the mark.

23  
24 Petitioner’s claim that the Defendant cannot use the mark is based on  
25 the three grounds listed above.

26  
27

1           The statement that Defendant lacks permission from Petitioner to  
2 lawfully use the mark clearly speaks to all three grounds upon which  
3 Petitioner’s Petition to Cancel is based on. Therefore, Defendant lacks  
4 authority or permission to use the NERO mark.  
5

6           **IV. VALENTI’S PETITION TO CANCEL SUFFICIENTLY ALLEGS**  
7                           **LIKELIHOOD OF CONFUSION AS A GROUND FOR**  
8   **CANCELLATION**

9           In Defendant’s Motion to Dismiss, Defendant incorrectly asserts  
10 Petitioner has failed to provide facts that support its allegation of likelihood of  
11 confusion in the Petition to Cancel. Notwithstanding this erroneous assertion,  
12 Petitioner’s Petition to Cancel alleges numerous facts in support of its claim of  
13 likelihood of confusion. In particular, the Petition to Cancel states that  
14 Petitioner is the rightful owner of the NERO mark based on the Assignment  
15 from Defendant, which said assignment was properly filed with USPTO.  
16 Petitioner’s Petition to Cancel also alleges that Petitioner has been  
17 continuously using the NERO mark “in connection with entertainment  
18 activities, namely the conducting of role-playing events featuring costumes,  
19 lifestyles, customs and languages, other than that of the Roman Empire.” The  
20 Petition to Cancel further alleges that Petitioner has been using the NERO  
21 mark in connection with the above-recited goods/services since long prior to  
22 Defendant’s priority dated for its NERO mark registration. Together, the  
23 existence of Petitioner’s assignment and continuous use, the similarity of  
24 Defendant’s NERO mark to Petitioner’s previously registered NERO mark, and  
25 the alleged relatedness of the Parties’ goods/services, constitute allegations  
26 sufficient to survive a motion to dismiss.  
27

1 To the extent Defendant suggests dismissal is appropriate because there  
2 is no likelihood of confusion as a matter of law, such assertions are proper only  
3 under a properly-supported motion for summary judgment under FRCP 56, not  
4 a motion to dismiss under FRCP 12(b)(6). *No Fear, Inc. v. United States DOL*,  
5 1997 TTAB LEXIS 43 (TTAB Nov. 6, 1997)(Denying applicant’s motion to  
6 dismiss an opposition to the mark NO SWEAT in connection with services for  
7 “promoting public awareness of the need for eliminating sweatshops in the  
8 garment manufacturing industry” based on the opposer’s prior use and  
9 registration of the mark NO FEAR for clothing stating “[i]f it is applicant’s  
10 contention that it is entitled to a judgment of dismissal because there is no  
11 likelihood of confusion as a matter of law, that contention, in this case, must be  
12 asserted by way of a property-supported motion for summary judgment under  
13 FRCP 56, not in a motion to dismiss under FRCP 12(b)(6).”

14 Moreover, “[a] party should not be denied his right to be heard...unless it  
15 is certain beyond any doubt that he cannot prevail under any circumstances.”  
16 *Id.* (citing *Stabilisierungsfonds fur Wein v. Zimmermann-Graeff KG*, 199  
17 USPQ 488, 489 (TTAB 1978)). As described above, Petitioner’s Petition to  
18 Cancel clearly alleges facts which far exceed this standard. Accordingly,  
19 Petitioner should not be denied an opportunity to offer evidence in support of  
20 its likelihood of confusion, fraud, and priority claim.

21 In sum, Petitioner’s Petition to Cancel alleges facts, which, if proved at  
22 trial or summary judgment, would establish its priority, fraud on the USPTO,  
23 and that a likelihood of confusion exists such that Petitioner would be entitled  
24 to the relief he seeks. No more is required under the notice pleading rules to  
25 withstand a motion to dismiss under FRCP 12(b)(6). According, Defendant’s  
26 Motion to Dismiss this ground of the Petition to Cancel should be denied.

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**V. IN THE ALTERNATIVE, PETITIONER REQUESTS LEAVE TO  
AMEND ITS PETITION TO CANCEL**

In the alternative, should the TTAB find that Petitioner’s Petition to Cancel fails to properly state a claim for likelihood of confusion, and/or priority, and/or fraud, Petitioner hereby requests leave to amend its Petition to Cancel pursuant to TBMP 503.03 to address any identified deficiencies.

**VI. CONCLUSION**

For the foregoing reasons, Petitioner respectfully requests that the TTAB deny Defendant’s Motion to Dismiss pursuant to Fed. R. Civ. P. 12(b)(6).

Respectfully submitted,

Dated: June 19, 2017

By: /Phillip Thomas Horton/  
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Attorney for Petitioner

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# Exhibit A

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Nero International, Incorporated		08/03/1998	CORPORATION: MASSACHUSETTS
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Nero International Holding Co., Inc.		
<b>Street Address:</b>	219 Fremont Street		
<b>City:</b>	Peekskill		
<b>State/Country:</b>	NEW YORK		
<b>Postal Code:</b>	10566		
<b>Entity Type:</b>	CORPORATION: NEW YORK		
<b>PROPERTY NUMBERS Total: 1</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	2270409	NERO	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(781)681-9821		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Email:</b>	apalmer@andrewppalmer.com		
<b>Correspondent Name:</b>	Andrew P. Palmer		
<b>Address Line 1:</b>	200 Cordwainer Drive		
<b>Address Line 2:</b>	Suite 301		
<b>Address Line 4:</b>	Norwell, MASSACHUSETTS 02061		
<b>NAME OF SUBMITTER:</b>	Julia Largent		
<b>Signature:</b>	/Julia Largent/		
<b>Date:</b>	04/14/2005		

OP \$40.00 2270409

Total Attachments: 1

**900023030**

**TRADEMARK  
 REEL: 003066 FRAME: 0927**

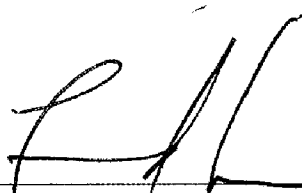


## Assignment of Trademark

Whereas, Joseph Valenti, President of Nero International Holding Co., Inc., a New York corporation having a usual place of business at 219 Fremont Street, Peekskill NY 10566 (“Assignee”), acquired all rights from the “Assignor” identified below, to the Nero® trademark, on August 3, 1998 by Bill of Sale;  
and

Whereas, Ford Ivey, President of Nero International, Incorporated, a Massachusetts corporation having a usual place of business at 1382 Turkey Street, Ware Massachusetts, 01082 (“Assignor”), adopted and used the NERO® trademark, which was applied for January 20, 1998, and registered with the U.S. Patent and Trademark Office, No. 2270409, dated 8/17/1999;

Now therefore, for good and valuable consideration, the receipt of which is hereby acknowledged, this document commemorates that, said Assignor assigned to Assignee, all rights, title, and interest in the NERO® trademark and the good will of the business symbolized thereby.



Ford Ivey, President  
Nero International, Inc.  
August 3, 1998

TRADEMARK

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**CERTIFICATE OF SERVICE**

I, Phillip Thomas Horton, Esq., certify that on this 19th day of June, 2017, a true and correct copy of the foregoing document was filed with the Trademark Trial and Appeal Board via the Electronic System for Trademark Trials and Appeals and was sent via email to:

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