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Filing date: **12/26/2017**

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

Petition for Cancellation

Notice is hereby given that the following party has filed a petition to cancel the registration indicated below.

Petitioner Information

Name	Family Express Corporation		
Entity	Corporation	Citizenship	Indiana
Address	231 South State Road 49 Valparaiso, IN 46383 UNITED STATES		

Correspondence information	P. Stephen Fardy Swanson, Martin & Bell, LLP 330 N. Wabash Ave. Suite 3300 Chicago, IL 60611 UNITED STATES Email: sfardy@smbtrials.com, jreilly@smbtrials.com, mreiss@smbtrials.com Phone: 3123219100		
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Registration Subject to Cancellation

Registration No.	4341135	Registration date	05/28/2013
Registrant	Comer, Richard A., Jr. 935 Wabash Ave. Terre Haute, IN 47807 UNITED STATES		

Goods/Services Subject to Cancellation

Class 043. First Use: 1968/09/01 First Use In Commerce: 1968/09/01 All goods and services in the class are subject to cancellation, namely: Cafe services
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Grounds for Cancellation

The mark is merely descriptive	Trademark Act Sections 14(1) and 2(e)(1)
The mark is or has become generic	Trademark Act Section 14(3), or Section 23 if on Supplemental Register
Abandonment	Trademark Act Section 14(3)
Fraud on the USPTO	Trademark Act Section 14(3); In re Bose Corp., 580 F.3d 1240, 91 USPQ2d 1938 (Fed. Cir. 2009)

Attachments	Petition for Cancellation.pdf(277338 bytes) Ex 1 - Jan 2006 letter.PDF(185967 bytes)
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Signature	/Jonna McGinley Reilly/
Name	Jonna McGinley Reilly
Date	12/26/2017

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

FAMILY EXPRESS CORPORATION)	
)	
Opposer,)	
)	Cancellation No. _____
v.)	
)	Reg. No. 4341135
RICHARD A. COMER, JR.)	
)	
Registrant.)	

PETITION FOR CANCELLATION

To: Commissioner for Trademarks:
P.O. Box 1451
Alexandria, VA 22313-1451

In the matter of the registration of the following trademark owned by Richard A. Comer, Jr. (“Registrant”):

Mark	Registration No.	Goods	Registration Date
SQUARE DONUTS	4341135	IC. 043. Café services	May 28, 2013

Family Express Corporation (“Family Express”) believes it will be damaged by the continuation of the above-listed mark (the “Registrant’s Mark”) and hereby petitions to cancel the mark. The grounds for cancellation are as follows:

I. BACKGROUND

1. Family Express has been selling and advertising square-shaped donuts in connection with the name “SQUARE DONUTS” in its retail convenience stores since 2005.
2. Registrant has known about this usage since on or before January 2006.

3. On May 28, 2013, Registrant obtained a federal trademark registration for the standard character mark “SQUARE DONUTS” (Reg. No. 4341135) in Class 043 for “café services” (wherein the word “Donut” is disclaimed) as well as a federal trademark registration for “SQUARE DONUTS” and an accompanying design (Reg. No. 4341136) in Class 035 for “retail bakery shops” (wherein the words “Square Donuts” were disclaimed). (Hereinafter, Reg. No. 4341135 and Reg. No. 4341136 are referred to collectively as the “Subject Trademarks”).

4. On March 23, 2016, Family Express filed a Complaint for Declaratory Judgment in the District Court for the Northern District of Indiana alleging that Square Donuts, Inc., an Indiana corporation, was the owner of the Subject Trademarks. *See Family Express Corporation v. Square Donuts, Inc.*, Case No. 2:16-CV-103 (“District Court Litigation”). Family Express initiated the District Court Litigation against Square Donuts, Inc. and not Registrant based on Square Donut, Inc.’s representations that it was the owner of the Subject Trademarks.

5. In its Answer to Family Express’ Complaint, Square Donuts, Inc. confirmed that it, and not Registrant, was the owner of the Subject Trademarks.

6. Square Donuts, Inc. also accused Family Express of trademark infringement in a Counterclaim it asserted in the District Court Litigation and specifically pled that “Square Donuts...owns United States Federal Trademark Registration No. 4,341,135” and implied that an assignment existed from Registrant to Square Donuts, Inc. when it alleged: “Square Donuts, *via its owner Richard Comer, Jr.*, owns United States Federal Trademark Registration No. 4,341,135”. Square Donuts, Inc. asserted that Family Express’ use of “SQUARE DONUTS” in connection with the sale of its square-shaped donuts violated Square Donuts, Inc.’s claimed trademark rights in “SQUARE DONUTS.”

7. During discovery in the District Court Litigation, Family Express learned that no assignment from Registrant to Square Donuts, Inc. exists and that Square Donuts, Inc. does not own any federally registered trademarks.

8. Family Express desires to refer to its square-shaped donuts by the term “SQUARE DONUTS” so that the consuming public will clearly know what type of donut Family Express offers for sale.

9. Family Express has the right to use the designation “SQUARE DONUTS” to describe the square-shaped donuts that it bakes and sells.

10. On October 6, 2015, Family Express filed a federal trademark application for “SQUARE DONUTS” (App. No. 86779997) in Class 030 for “donuts” and Class 035 for “retail convenience stores.”

11. On January 27, 2016, the U.S. Patent and Trademark Office refused to register Family Express’ “SQUARE DONUTS” mark, App. No. 86779997, on the grounds of likely confusion with Registrant’s preexisting trademark registrations for “SQUARE DONUTS,” Reg. No. 4341135, and “SQUARE DONUTS” & Design, Reg. No. 4341136.

II. HISTORY OF REGISTRANT’S MARK

12. On April 26, 2012, Registrant filed an application to register “SQUARE DONUTS” for “café services” in Class 043 with United States Patent and Trademark Office (“USPTO”).

13. Prior to filing its trademark application, Registrant was aware of Reg. No. 3045447, in Class 035 for “retail bakery shops”, owned by Square Donuts, Inc., a Texas Corporation, and filed on October 14, 2004. Square Donuts, Inc. claimed it first began using the

mark “SQUARE DONUTS” on August 31, 1980. Reg. No. 3045447 registered on January 17, 2006 and remained in effect until its cancellation on October 12, 2012.

14. The USPTO originally refused to register Registrant’s Mark on the basis that the mark was merely descriptive.

15. Registrant did not submit any actual evidence of acquired distinctiveness (*e.g.* advertising expenditures, volume of sales under the mark, consumer surveys). Instead, the USPTO found acquired distinctiveness solely on the basis of Registrant’s Section 2(f) Declaration of five years of “substantially exclusive and continuous use” immediately preceding the date of execution of the declaration.

16. Registrant was also forced to disclaim the word “Donut” because the Trademark Examiner found “such wording appears to be generic in the context of applicant’s goods and/or services.” *Citing* 15 U.S.C. §1056(a); *In re Wella Corp.*, 565 F.2d 143, 196 USPQ 7 (C.C.P.A. 1977); *In re Creative Goldsmiths of Wash., Inc.*, 229 USPQ 766 (TTAB 1986); TMEP §1213.03(b).

17. Registration No. 4341135 issued on May 28, 2013.

18. Registrant also filed an application to register “SQUARE DONUTS” with an accompanying design (Reg. No. 4341136) in Class 035 for “retail bakery shops”. Prior to proceeding to registration, Registrant was forced to disclaim the words “SQUARE DONUTS” apart from the mark as shown because the Trademark Examiner found “it merely describes an ingredient, quality, characteristic, function, feature, purpose or use of applicant’s goods and/or services.” *Citing* 15 U.S.C. §§1052(e)(1), 1056(a); *In re Steelbuilding.com*, 415 F.3d 1293, 1297, 75 USPQ2d 1420, 1421 (Fed. Cir. 2005) (holding that “the applicant’s burden of showing acquired distinctiveness increases with the level of descriptiveness; a more descriptive term

requires more evidence of secondary meaning”); *In re Gyulay*, 820 F.2d 1216, 1217-18, 3 USPQ2d 1009, 1010 (Fed. Cir. 1987); TMEP §§1213, 1213.03(a).

III. FAMILY EXPRESS CORPORATION’S STANDING TO BRING THE PETITION

19. Family Express will be damaged by the continuation of Registrant’s “SQUARE DONUTS” trademark because it impairs Family Express’ ability to accurately and effectively describe its products and therefore it should be cancelled.

20. “SQUARE DONUTS” have been associated with Family Express since 2005. Since that time, Family Express has expended thousands of dollars promoting its square donuts. It has marketed itself using its square donuts, and has sold square donuts from its numerous convenience stores (today totaling over 70) across Northern Indiana for years pre-dating Registrant’s application. For this reason, Family Express has standing to initiate this petition.

21. “Any party who believes it is or will be damaged by registration of a mark has standing to file [an opposition].” [Trademark Trial and Appeal Board Manual of Procedure](#) (TBMP) Section 309.03(b) citing 15 U.S.C. § 1063 and 15 U.S.C. § 1064.

22. Where a party has been refused registration because of defendant’s registration or has been advised that it will be refused registration when defendant’s application matures into a registration, it has standing. *Id.* citing *Saddlesprings Inc. v Mad Croc Brands Inc.*, 104 USPQ2d 1948, 1950 (TTAB 2012).

23. Family Express applied to register the “SQUARE DONUTS” trademark, only to have the same rejected based on the existence of Registrant’s trademark.

24. Family Express has been injured and will continue to be injured by the continued presence on the Principal Register of Registrant’s Mark since it places a cloud upon Family

Express' right to use the Mark, and Registrant's Mark will continue to be a source of injury to Family Express unless the registration is cancelled.

IV. COUNT I – THE MARK IS GENERIC

25. Family Express incorporates by reference the allegations contained in the preceding paragraphs 1-24 into Count I.

26. Where "SQUARE DONUTS" is generic, it is not entitled to trademark registration or protection and should be cancelled pursuant to 15 U.S.C. § 1064 (3).

27. In the case of Registration No. 4341135, Registrant's disclaimer of the individual word DONUT constitutes a tacit admission that this individual term is generic for the identified services. *See In re Creative Goldsmiths of Wash., Inc.*, 229 USPQ 766, 768 (TTAB 1986) ("[W]e conclude that it is within the discretion of an Examining Attorney to require the disclaimer of an unregistrable component (such as a common descriptive, or generic, name) of a composite mark sought to be registered on the Principal Register under the provisions of Section 2(f)."); *In re Alcatraz Media, Inc.*, 107 U.S.P.Q.2d 1750 (T.T.A.B. July 2, 2013). The fact that Registrant also disclaimed the entirety of "SQUARE DONUTS" in the case of Registration No. 4341136 lends further support to the notion that "SQUARE DONUTS" is generic.

28. Numerous businesses have made and continue to make square-shaped donuts and call them "SQUARE DONUTS" throughout the United States.

29. In fact, square-shaped donuts originated at least as early as 1920, when S.G. Loeffler, Jr. obtained a United States Patent for one. *See Loeffler, S.G. Design for a Doughnut.* US Patent 54,554, filed November 24, 1919 and issued March 2, 1920.

30. In 1958, another U.S. Patent was obtained, this time for a square donut cutter, and the applicant described the resulting products as none other than "square doughnuts". *See Martin,*

H.C. Doughnut and Patty Shell Cutter. US Patent 2,818,645, filed April 30, 1956 and issued January 7, 1958.

31. Farm Journal Magazine published a recipe for square donuts in September 1964.

32. The public uses the term “SQUARE DONUTS” as the name of the product (square-shaped donuts) no matter who the manufacturer is.

33. At the time Registrant obtained the Registration, “SQUARE DONUTS” had already become the generic name for any square-shaped donut. Because the registration of a generic term does not function to identify Registrant’s Services and distinguish them from goods and services offered by others, it should be cancelled.

34. “SQUARE DONUTS” is the generic term for square-shaped donuts. Generic marks are never entitled to trademark protection. As a result, Registrant’s Mark should be cancelled.

V. COUNT II – THE MARK IS MERELY DESCRIPTIVE AND HAS NOT ACQUIRED DISTINCTIVENESS

35. Family Express incorporates by reference the allegations contained in the preceding paragraphs 1-24 into Count II.

36. Registrant’s “SQUARE DONUTS” Mark is merely descriptive of a feature of Registrant’s goods, namely, that they are square-shaped donuts; this descriptive use is not trademark use.

37. According to dictionary.com (the source used by the examining attorney in requiring a disclaimer of “square donuts” in Reg. No. 4341136), SQUARE is defined as, “a rectangle having all four sides of equal length,” while DONUTS is defined as, “doughnuts,” which are, “small cake of sweetened or, sometimes, unsweetened dough fried in deep fat,

typically shaped like a ring or, when prepared with a filling, a ball.” Therefore, the wording merely describes the type of food being offered in Registrant’s retail bakery shop.

38. The Trademark Trial and Appeal Board has previously found that a mark that consists of the generic name of a food that is the specialty of the house or a principal attraction of the restaurant is merely descriptive of restaurant services. *See In re Fr. Croissant, Ltd.*, 1 USPQ2d 1238 (TTAB 1986) (holding LE CROISSANT SHOP merely descriptive of restaurant services providing croissants); *In re Le Sorbet, Inc.*, 228 USPQ 27 (TTAB 1985) (holding LE SORBET descriptive of restaurant and carryout shops which serve fruit ices); TMEP §1209.03(r).

39. The examining attorney in this case initially refused registration of the SQUARE DONUTS mark, finding that it was “merely descriptive” of the identified café services and therefore barred from registration under Section 2(e)(1).

40. In order to overcome this refusal, on January 16, 2013, Registrant submitted a 2(f) Declaration to the USPTO that “The mark has become distinctive of the goods/services through the applicant’s substantially exclusive and continuous use in commerce that the U.S. Congress may lawfully regulate for at least the five years immediately before the date of this statement.”

41. Registrant could have submitted, but did not, actual evidence of acquired distinctiveness.

42. Given the highly descriptive nature of the mark, Registrant’s declaration of five years of continuous and substantial use was insufficient to establish acquired distinctiveness.

43. Nonetheless, based upon the Section 2(f) Declaration alone, the USPTO accepted Registrant’s declaration and the SQUARE DONUTS mark matured to registration on May 28, 2013.

44. The words “SQUARE DONUTS” were merely descriptive for square-shaped donuts sold pursuant to café services at the time of registration, and therefore registration under Section 2(f) should not have been permitted.

45. Registrant’s “SQUARE DONUTS” registration had no acquired distinctiveness. The use of Registrant’s Mark had not been substantially exclusive in the five years preceding its application, and therefore, the Mark lacked acquired distinctiveness.

46. The Texas-based Square Donuts, Inc. was using “SQUARE DONUTS” at least as early as August 31, 1980, and specifically from October 14, 2004 when it filed its trademark application with the USPTO until its mark was cancelled in 2012.

47. Family Express began using “SQUARE DONUTS” in connection with the marketing and sale of square-shaped donuts in 2005. Moreover, Registrant was aware of Family Express’ use of “SQUARE DONUTS” no later than January 2006, when he sent a letter to Family Express. *See* EXHIBIT 1.

48. Family Express used the mark “SQUARE DONUTS” continuously from 2005 to present.

49. Prior to Registrant’s Section 2(f) Declaration additional third parties also made and marketed to the public square-shaped donuts and called them “SQUARE DONUTS” throughout the United States.

50. D Square Donuts in Alabama and Tony’s Square Donuts in Connecticut were both using the term “square donuts” to describe their square-shaped donuts beginning in 2009.

51. Lehi Bakery in Utah has been making square donuts since the late 1960s, and proudly advertises themselves as the “Home of the Square Doughnut” directly above “45 years of tradition”.

52. Doughnut Plant in New York City, New York trademarked “DOUGHNUT PLANT JELLY FILLED SQUARE DOUGHNUT” in 2008.

53. When the record shows that purchasers are confronted with more than one (let alone numerous) independent users of a term or device, an application for registration under Section 2(f) cannot be successful, for distinctiveness on which purchasers may rely is lacking under such circumstances.” *See Levi Strauss & Co. v. Genesco, Inc.*, 742 F.2d 1401, 222 USPQ 939, 941 (Fed. Cir. 1984).

54. Purchasers who encounter the square-shaped donuts of Registrant, Opposer, and others bearing the descriptive designation “SQUARE DONUTS” would regard the designation as nothing more than the descriptive name of a type of donut, namely, one that is square-shaped. *See id.*

55. The “SQUARE DONUTS” Mark is clearly descriptive and does not serve to distinguish the goods or services of Registrant from similar goods and services offered by others. As a result, it should be cancelled.

VI. COUNT III – ABANDONMENT – NAKED LICENSES

56. Family Express incorporates by reference the allegations contained in the preceding paragraphs 1-24 into Count III.

57. Uncontrolled licensing of a mark results in abandonment of the mark by the licensor. *See E. I. duPont de Nemours & Co. v. Celanese Corp. of America*, 167 F.2d 484, 35 CCPA 1061, 77 USPQ 364 (1948); *See also Dawn Donut Co. v. Hart's Food Stores, Inc.*, 267 F.2d 358, 367, 121 USPQ 430, 437 (CA 2 1959).

58. Registrant has licensed the use of his Mark to at least three separate licensees: [1] Branden Johnson and College Donuts, Inc. in Bloomington, Indiana; [2] Michael O’Leary and

Square Donuts of Indianapolis in Indianapolis, Indiana; and [3] Michael Ingram and Ingram's Square Donuts in Richmond, Indiana. Registrant has also testified that he licensed the use of his Mark to at least two other individuals: [1] Larry Marietta of Square Donuts of Indiana, LLC, and [2] J.C. Price of Square Donuts of Richmond, LLC. (Collectively, these five entities or individuals are referred to hereafter as "Licensees".)

59. Registrant does not exercise control over the nature and quality of the goods sold under the "SQUARE DONUTS" Mark.

60. The Licensees are permitted to use Registrant's Mark as they see fit without any standards, input, or control by Registrant.

61. The Licensees, individually, are responsible for the taste and other characteristics of the goods they sell under Registrant's Mark.

62. Registrant does not exercise any routine, regular testing or examination of the Licensees' goods sold under Registrant's Mark to ensure compliance with any quality control standards.

63. Registrant does not supply Licensees' goods to Licensees for sale.

64. Registrant has engaged in uncontrolled "naked" licensing and as a consequence of its absence of quality control, Registrant's Mark has lost any significance it had as a source indicator and it should be cancelled.

VII. COUNT IV – FRAUD ON THE USPTO – IN THE PROCUREMENT

65. Family Express incorporates by reference the allegations contained in the preceding paragraphs 1-24 into Count IV.

66. On January 16, 2013, in its 2(f) Declaration, Registrant knowingly made a false misrepresentation regarding a material fact, namely, that its Mark had "become distinctive of the

goods/services through the applicant's substantially exclusive and continuous use in commerce ... for at least the five years immediately before the date of this statement,” with the intent to induce authorized agents of the USPTO to grant Registrant’s applicant, and reasonably relying on the truth of such misrepresentation, the USPTO did grant such application.

67. As of January 16, 2013, Registrant knew that its use of the “SQUARE DONUTS” Mark was not exclusive.

68. Registrant has committed fraud in the procurement of the registration of Registrant’s Mark, and as such, Registrant’s Registration No. 4341135 should be cancelled in its entirety.

WHEREFORE, Family Express Corporation requests that the cancellation be sustained and that the registration be cancelled.

Dated this 26th day of December, 2017.

Respectfully submitted,
SWANSON, MARTIN & BELL LLP
Attorneys for Family Express Corporation

By: s/Jonna McGinley Reilly
P. Stephen Fardy
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Petition for Cancellation has been served on Richard A. Comer, Jr. by sending the same via First Class U.S Mail to the correspondence address of record with the USPTO and a courtesy copy by e-mail to counsel for Richard A. Comer, Jr.:

Dated this 26th day of December, 2017.

s/ Jonna McGinley Reilly

CERTIFICATE OF FILING

I hereby certify that the foregoing Petition for Cancellation was filed on the same day with the U.S.P.T.O. by electronically filing through the Electronic System for Trademark Trials and Appeals at <http://estta.uspto.gov>.

Dated this 26th day of December, 2017.

s/ Jonna McGinley Reilly

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January 17, 2006

Family Express
Mike Rasnak
Gus Olympidis
1951 Morthland Drive
Valparaiso, IN 46385

VIA CERTIFIED MAIL
#7004 2510 0006 1498 1574
RE: SQUARE DONUTS, INC.

Dear Gentlemen:

I am legal counsel for Square Donuts, Inc. located in Terre Haute, Indiana. My client has learned that one or both of you individually and/or as Family Express Corp. are making square donuts and marketing the same under the name "Square Donuts." Please be advised that you and/or Family Express Corp. are in direct violation of my clients registered trademark. A copy of my client's trademark is enclosed.

Please be further advised that unless you and/or Family Express Corp. immediately cease said activity (ies), my client intends to commence legal proceedings to enjoin the continued violation of Square Donut, Inc.'s trademark registration. Additionally, my client has been and continues to be damaged. You should know that my client is investigating the extent of its damages, both monetary as well as to its business reputation and goodwill that has been caused by your and/or Family Express, Corp.'s actions. I will contact you in the near future to discuss my client's damages.

Please direct all communication to my attention. Do not directly contact or communicate with Mr. Comer or any other employer representative of Square Donuts, Inc. located here in Terre Haute, Indiana.

Yours Sincerely,


Peter J. Sacopulos

PJS/cam

No ATTAC Hwaest
Enclosed
Michael
1/23/06