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

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| Proceeding | 92067714 |
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

INTOUCH TECHNOLOGIES, INC.,

Petitioner,

v.

PREPARED HEALTH, INC.,

Registrant.

Cancellation No. 92067714

Registration No. 5271618

Mark: ENTOUCH

**REGISTRANT’S REPLY IN SUPPORT OF ITS MOTION TO DISMISS
PETITIONER’S AMENDED FRAUD CLAIM PURSUANT TO FEDERAL
RULES OF CIVIL PROCEDURE 9(B) AND 12(B)(6)**

Registrant Prepared Health, Inc. (“PreparedHealth”) submits this Reply in support of Registrant’s Motion to Dismiss Petitioner’s Amended Fraud Claim Pursuant to Federal Rules of Civil Procedure (“Rules”) 9(b) and 12(b)(6) (the “Motion,” 17 TTABVUE) and in response to Petitioner’s Opposition to the Motion (the “Opposition,” 19 TTABVUE). PreparedHealth moves the Board for dismissal with prejudice of Petitioner Intouch Technologies, Inc.’s (“Petitioner’s”) “Second Ground for Cancellation: Cancellation for Fraud Pursuant to 15 U.S.C. § 1064(3)” in Petitioner’s Amended Petition for Cancellation (15 TTABVUE 6-9) under Rules 9(b) and 12(b)(6) for the reasons set forth in the Motion and this Reply.

PreparedHealth also restates its request that the Board suspend all other proceedings not germane to the Motion while the Motion is pending and that the Board reset the time for the discovery conference, close of discovery, and all other remaining dates in this proceeding.

I. INTRODUCTION

No interpretation of the facts alleged in the Petitioner's fraud claim could support cancellation of PreparedHealth's U.S. Trademark Registration No. 5,271,618 for the mark ENTOUCH (the "'618 Registration"). Petitioner argues that PreparedHealth's mere knowledge of Petitioner's concerns around the '618 Registration is enough to support a finding of fraud. It is not. None of the statutes, rules, or cases relied on by Petitioner in the Opposition support Petitioner's argument that the Motion should be denied. Accordingly, the amended fraud claim in fails to meet the heightened pleading requirements of Rule 9(b) and should be dismissed.

II. ARGUMENT

Petitioner's arguments misrepresent the Motion and are unsupported by law. Contrary to Petitioner's assertion, the Amended Petition does not contain facts that support any of the four factors for a fraud claim. Thus, Petitioner's fraud claim is not plausible on its face and must be dismissed. *See Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (citing *Bell v. Twombly*, 550 U.S. at 570); Fed. R. Civ. P. 12(b)(6).

As detailed in the Motion (17 TTABVUE 6-12), PreparedHealth's mere knowledge of Petitioner's registrations for its INTOUCH, INTOUCH HEALTH, and INTOUCH TECHNOLOGIES marks, U.S. Registration Nos. 4,077,783, 4,007,492, 3,617,215, 3,237,753, and 2,843,750, (collectively "Petitioner's Registrations") when PreparedHealth signed its statement of use declaration is not enough to support Petitioner's fraud claim. *See Intellimedia Sports Inc.*, 43 U.S.P.Q.2d 1203, 1207 (TTAB May 20, 1997); *Rosso and Mastracco, Inc. v. Giant Food Inc.*, 720 F.2d 1263, 1265 (Fed. Cir. 1983) (holding that the Lanham Act does not "obligate one seeking federal registration of a mark to investigate and report all other possible users of an identical or confusingly similar mark") (internal citations and quotations omitted).

A. None of the Four Fraud Factors are Supported by the Facts in the Amended Petition

Petitioner has failed to state a claim for fraud because it has failed to plead particular facts sufficient to establish any of the four required elements of the claim.

1. The First Two Factors are Not Supported Because Petitioner's Registrations are not Confusingly Similar to the '618 Registration

Petitioner has not pled sufficient facts to support the first two factors: (1) whether “there was in fact another use of the same or a confusingly similar mark at the time the oath was signed” (*Intellimedia Sports*, 43 U.S.P.Q.2d at 1206) and (2) that Petitioner had legally superior rights to PreparedHealth (*id.*).

Looking only at the facts in the Amended Petition, Petitioner's Registrations predate the '618 Registration, but Petitioner's applications for its INTOUCH and INTOUCH HEALTH marks, U.S. Application Serial Nos. 87/504,796, 86/826,281, and 86/826,277 (collectively “Petitioner's Applications”) do not predate the '618 Registration. Even assuming that Petitioner's INTOUCH marks and PreparedHealth's ENTOUCH mark are similar, which they are not, the goods in Petitioner's Registrations are not related to the goods and services in the '618 Registration. Further, because Petitioner's Applications do not predate PreparedHealth's rights any similarity between Petitioner's Applications and the '618 Registration is irrelevant.

Petitioner's attempts to prove that its marks and goods are similar to the goods in the '618 Registration fail. (19 TTABVUE 3-4, 8-10). In arguing that the goods and services overlap, Petitioner tries to make the goods in its registrations seem broader and more similar to PreparedHealth's goods than they are by only quoting portions of a single clause in Petitioner's goods identification. (15 TTABVUE 5-6; 19 TTABVUE 3-4). In particular, Petitioner lists the goods in its Registration No. 2,843,750 for the mark INTOUCH HEALTH without the words in bold below:

Mobile robotic systems comprised of computer hardware, computer operating software, monitors, cameras, motors, sensors, power sources and mobile platforms used by caregivers, medical experts and patients' family and friends to, **via remote transmission, audibly and/or visually 1) monitor patients/residents, 2) communicate live with each other and 3) exchange information concerning the care of the patient/resident**

Id. Removing the bold words from Petitioner's registration alters the facts in the case and gives an illusion that Petitioner's goods are similar to the '618 Registration, when in fact they are not.

Because Petitioner's Registrations are for marks and goods that are not the same as or confusingly similar to the '618 Registration, the first factor, whether "there was in fact another use of the same or a confusingly similar mark at the time the oath was signed" (*Intellimedia Sports*, 43 U.S.P.Q.2d at 1206), is not supported. Further, because Petitioner's Registrations are not confusingly similar to the '618 Registration they do not constitute relevant prior rights and do not give Petitioner rights that are superior to the '618 Registration, so the second factor, "the other user had legal rights superior to applicant's" (*id.*), also is not supported.

Thus, the first and second factors are not supported by any reasonable interpretation of the facts in the Amended Petition.

2. The Third Factor is Not Supported Because PreparedHealth had a Reasonable Basis for its Belief that there is no Likelihood of Confusion

The third factor, "applicant knew that the other user had rights in the mark superior to applicant's, and either believed that a likelihood of confusion would result from applicant's use of its mark or had no reasonable basis for believing otherwise" (*Intellimedia Sports*, 43 U.S.P.Q.2d at 1206), is also not supported. Petitioner does not and cannot assert facts in this case that would meet either of the third factor's requirements: that (1) PreparedHealth believed confusion was likely or that (2) PreparedHealth had no reasonable basis for believing otherwise.

Here the Amended Petition fails to meet Petitioner's factual burden for its argument that PreparedHealth had no reasonable basis for believing there was no confusion.

Petitioner must plead particular facts (e.g., substantial identity between the parties' marks and goods or services, or a prior court decree or agreement of the parties which clearly establishes the other person's rights in the mark), which, if proven, would establish that, at the time the [declaration] was filed, [applicant] had no reasonable basis for its averred belief that no other person had a right to use the same or a confusingly similar mark on or in connection with the goods or services identified in the application.

Intellimedia Sports, 43 U.S.P.Q.2d at 1207. Even looking at the facts in the light most favorable to Petitioner, there is nothing, e.g. no court decree, no agreement between the parties, and no substantially similar marks, that could support a finding that PreparedHealth had no reasonable basis for believing there was no confusion.

As detailed in the Motion (17 TTABVUE 8-10), the facts asserted in the Amended Petition, even interpreted in favor of Petitioner, fail to support Petitioner's conclusion that PreparedHealth believed that a likelihood of confusion would result from [it]'s use of the '618 Registration. (19 TTABVUE 2, 9-11; 15 TTABVUE 7-8). Petitioner will never be able to include facts that support this asserted belief because PreparedHealth did not, and still does not, subjectively believe there was or is a likelihood of confusion between Petitioner's Registrations and the '618 Registration. Contrary to the illusory interpretation of the facts in the Opposition, PreparedHealth has never done or said anything that could show otherwise. *See Daniel J. Quirk, Inc.*, 120 U.S.P.Q.2d 1146, 1149 (TTAB Sept. 27, 2016) (“[F]raud will not lie against an applicant who holds an honest, good faith belief in its right to register a mark and signs an application with the statutorily prescribed ownership statement, which is phrased in terms of subjective belief.”) (citing *Woodstock's Enters. Inc. v. Woodstock's Enters. Inc.*, 43 USPQ2d 1440, 1443 (TTAB 1997), *aff'd*, 152 F.3d 942 (Fed. Cir. 1998)).

Petitioner further asserts that even if PreparedHealth did not have a subjective belief that confusion was likely, it had no reasonable basis its belief. This conclusion also is not supported by the facts in the Amended Petition. The marks and goods in Petitioner's Registrations are not the same as or substantially identical to the mark, goods, and services in the '618 Registration. *See Intellimedia Sports*, 43 U.S.P.Q.2d at 1207. In the Opposition, Petitioner does not argue this nor do any facts asserted in the Amended Petition support this. Instead, in the Amended Petition, Petitioner points out the differences in the marks and argues that the goods and services merely "overlap." (15 TTABVue 5-6) ("The only difference between Petitioner's INTOUCH mark and [PreparedHealth]'s Mark is [PreparedHealth]'s use of the letter 'e' in place of the letter 'i'.").

In *Intellimedia Sports*, the Board granted the registrant's motion to dismiss a fraud claim. *Intellimedia Sports*, 43 U.S.P.Q.2d at 1207-08. Like the facts asserted in the Amended Petition, the petitioner in *Intellimedia Sports* also asserted that the registration was obtained fraudulently because the registrant was informed of petitioner's concerns regarding confusion after the application was filed but before its mark registered. *Intellimedia Sports*, 43 U.S.P.Q.2d at 1205. But, unlike here where the ENTOUCH mark in the '618 Registration is not similar to the marks in Petitioner's Registrations, in *Intellimedia Sports* the petitioner's mark was identical to the registrant's mark. *Id.* at 1204. Thus, the facts in this case are even stronger in favor of dismissal of the fraud claim and like in *Intellimedia Sports* the Motion should be granted.

The fact that petitioner "informed" respondent that petitioner had superior rights in the mark, while perhaps establishing that petitioner believes itself to have such rights, is clearly insufficient, even if proven, to establish that respondent believed that petitioner's rights in the mark were superior to its own and that confusion would be likely to result from respondent's use of its mark. It is respondent's belief, not petitioner's, that is at issue here.

Id. at 1207; *see also Daniel J. Quirk, Inc.*, 120 U.S.P.Q.2d at 1153. Thus, factor three, like the first two factors, also is not supported by the facts in the Amended Petition.

3. The Fourth Factor is Not Supported Because PreparedHealth did not Intend to Procure a Registration to Which it Was Not Entitled

As detailed in the Motion and above, PreparedHealth did not sign its declaration believing that confusion between Petitioner's Registrations and the '618 Registration was likely. Without belief in this fact, there could be no intent "to procure a registration to which it was not entitled." *Intellimedia Sports*, 43 U.S.P.Q.2d at 1206. Petitioner thus cannot satisfy the fourth factor.

B. None of the Cases Relied On by Petitioner in the Opposition Could Support a Finding of Fraud in this Case

In the Opposition, Petitioner relies on several cases where fraud claims survived motions to dismiss or succeeded. But none of the cases support denial of the motion to dismiss in this case. Each case relied on has facts in favor of a fraud claim that are not paralleled here.

First, Petitioner relies on *Ohio State Univ.* (19 TTABVUE 6). In *Ohio State Univ.*, the Board denied the motion to dismiss the fraud claim where both parties had used the OHIO mark for identical goods and services for decades in connection with their schools in the state of Ohio before the registrant filed its application at the USPTO claiming to be the only user of the mark. *Ohio State Univ. v. Ohio Univ.*, 51 U.S.P.Q.2d 1289, 1290-92 (TTAB Mar. 18, 1999). Unlike in *Ohio State Univ.*, the marks and goods here are different, the mark is not a geographic location where both parties are based, and the parties in this case have not been direct competitors coexisting using the same mark for decades before the '618 Registration statement of use was filed.

Petitioner later relies on *Am Online* where, unlike here, the goods were identical, the marks were identical, and both parties attacked each other's marks based on a likelihood of confusion. (19 TTABVUE 8, 14); *Am. Online, Inc*, 808, 2001 WL 1547929, at *7 (Nov. 26, 2001). Here,

unlike in *Am Online* where the applicant clearly believed confusion was likely, the facts do not support an argument that PreparedHealth believed confusion was likely.

Petitioner also relies on *Petroleos*. (19 TTABVUE 15) In *Petroleos*, the applicant filed the application claiming that the goods and services were in use, when in fact the goods and services were not in use. *Petroleos Mexicanos*, 97 U.S.P.Q.2d 1403, 1407 (TTAB Dec. 28, 2010). Unlike in *Petroleos*, PreparedHealth's use of the ENTOUCH mark at the time it executed the statement of use is not in question.

Further, three other cases relied on by Petitioner, *Am. Massage Therapy, Bart Schwartz*, and *Angel Flight*, all had fraud claims that survived a motion to dismiss or were successful because the marks applied for were descriptive or generic in the industry. (19 TTABVUE 11, 13-16); *Am. Massage Therapy Ass'n*, 91234785, 2017 WL 5624668, at *7 (Nov. 11, 2017) (motion to dismiss fraud claim denied when opposition claimed that applicant knew the mark TIGGERPOINT was a generic term in the massage industry); *Bart Schwartz Int'l Textiles, Ltd. v. F.T.C.*, 289 F.2d 665, 671 (C.C.P.A. 1961) (fraud found because applicant knew the applied for word, FIOCCO, translated to "spun rayon" and was used in his industry to identify fiber content of the applied for goods, textiles); *Angel Flight of Georgia, Inc. v. Angel Flight Am., Inc.*, 522 F.3d 1200, 1204 (11th Cir. 2008) (fraud found when applicant knew that competitors were using the applied for mark, ANGEL FLIGHT, in connection with the applied for services, volunteer flights for transporting patients and organs). In all three cases, the applicants did not notify the trademark office of the term's significance in the industry and use by direct competitors for the exact goods and services. *Id.* Unlike in *Am. Massage Therapy, Bart Schwartz*, and *Angel Flight*, Petitioner does not argue that PreparedHealth's ENTOUCH mark is descriptive, is an industry term, or is used by competitors of PreparedHealth.

Another case Petitioner relies on is *Caymus*. (19 TTABVUE 12). The fraud claim in *Caymus* is based on an assertion that the applicant told the USPTO in response to an inquiry that “Caymus” has no geographic significance, when in fact “Caymus” was the geographic location where applicant’s grapes came from for its CAYMUS branded wine. *Caymus Vineyards*, 91204667, 2013 WL 6665451, at *3 (July 12, 2013). Here, ENTOUCH has no geographic significance and the USPTO did not make any inquiries into the significance of ENTOUCH in the industry. Petitioner also argues that the facts in *Caymus* are more analogous to the facts in the Amended Petition than those in the *King Automotive* case relied on by PreparedHealth in the Motion. (19 TTABVUE 12). This argument is misplaced.

Contrary to Petitioner’s argument, *King Automotive*’s facts are similar to this case. In *King Automotive* the Board dismissed the asserted fraud claim that was based, like here, on the applicant’s knowledge of petitioner’s prior rights and petitioner’s claim that the applicant should have disclosed petitioner’s prior rights to the USPTO in the process of obtaining its registration. *King Automotive, Inc. v. Speedy Muffler King, Inc.*, 667 F.2d 1008, 1010-11 (CCPA 1981) (motion to dismiss fraud claim granted because the claim was “not supported by a pleading of any facts which reflect [registrant]’s belief that the respective uses of MUFFLER KING and SPEEDY MUFFLER KING would be likely to confuse.”).

C. The Motion Correctly Applies Rule 9(b)’s Pleading Standard

Contrary to Petitioner’s assertion, the Motion does not misapply Rule 9(b). In support of this accusation, Petitioner misquotes the Motion. (19 TTABVUE 15). Petitioner claims that PreparedHealth interpreted Rule 9(b) to require Petitioner to prove that PreparedHealth thought its ENTOUCH mark was likely to cause confusion in the Amended Petition. *Id.* But in quoting from

the Motion to support its argument that PreparedHealth misapplied Rule 9(b), Petitioner purposefully left out the part in bold:

As detailed below, under no interpretation of the facts asserted in the amended petition can Petitioner prove that PreparedHealth thought its ENTOUCH mark was likely to cause confusion with Petitioner’s Registrations at the time of signing the declaration.

(19 TTABVUE 15) (quoting 17 TTABVUE 8). Leaving out the part in bold misrepresents PreparedHealth’s arguments. Reading the sentence as a whole, it is clear that PreparedHealth argues that the facts included in the Amended Petition are not enough to survive a motion to dismiss. PreparedHealth is not arguing that Petitioner was required to prove its fraud case in its Amended Petition.

In petitioning to cancel on the ground of fraud, a petitioner must allege the elements of fraud with particularity in accordance with Rule 9(b). Here as detailed above and in the Motion, Petition fails to meet the higher pleading burden under Rule 9(b) and thus the Motion should be granted. *See In re Bose Corp.*, 580 F.3d 1240, 1243, 91 USPQ2d 1938, 1939 (Fed. Cir. 2009) (citing *W.D. Byron & Sons, Inc. v. Stein Bros. Mfg. Co.*, 377 F.2d 1001, 1004, 153 USPQ 749, 750 (CCPA 1967) (“A party seeking cancellation of a trademark registration for fraudulent procurement bears a heavy burden of proof.”)).

III. CONCLUSION

For the foregoing reasons, PreparedHealth respectfully requests that its motion to dismiss Petitioner’s “Second Ground for Cancellation: Cancellation for Fraud Pursuant to 15 U.S.C. § 1064(3)” for failure to state a claim pursuant to Rules 9(b) and 12(b)(6) be granted.

Respectfully submitted,

Date: July 31, 2018

By: /Maurine L. Knutsson/

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CERTIFICATE OF SERVICE

I hereby certify that on July 31, 2018, a copy of the foregoing REGISTRANT'S REPLY IN SUPPORT OF ITS MOTION TO DISMISS PETITIONER'S AMENDED FRAUD CLAIM PURSUANT TO FEDERAL RULES OF CIVIL PROCEDURE 9(B) AND 12(B)(6) was served on the following counsel of record for Petitioner, via email, addressed as follows:

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