ESTTA Tracking number: **ESTTA1017320**

Filing date: **11/21/2019**

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

Proceeding	92070823
Party	Defendant Ikonix USA LLC
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Attachments	2019-11-21 MotionDismisswBrief.ICWA7001.pdf(72456 bytes)

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

ICware Systems, Inc. dba BatchTest Corporation, Petitioner, v. Ikonix USA, LLC, Registrant	Cancellation No. 92070823

RESPONDENT'S MOTION TO DISMISS AND FOR ENLARGEMENT

Pursuant to TBMP 503 and Fed. R. Civ. P. 12(b)(6), Registrant, Ikonix USA, LLC ("Ikonix"), respectfully requests that the Trademark Trial and Appeal Board ("Board") of the U.S. Patent and Trademark Office ("USPTO" or "PTO") dismiss Counts I-II, IV, and V in the above captioned proceeding with prejudice as alleged in Petitioner's, ICware Systems, Inc. ("ICware"), First Amended Petition for Cancellation filed October 22, 2019.

In support of its Motion to Dismiss ("Motion"), Ikonix states as follows:

1. This Motion is timely filed under TBMP 503.01 because it is filed before Ikonix' Answer to the First Amended Petition for Cancellation.

2. Ikonix is the owner of Registration number 4499170, where the application was filed November 21, 2012 and registered on March 18, 2014.

3. ICware has filed the instant proceeding alleging Fraud on the USPTO, Registrant is Not the Rightful Owner, False Suggestion of Connection, and Misrepresentation of Source, among others.

4. As such, ICware has not alleged any such facts as would, if proven, establish that ICware is entitled to its relief sought based on these claims, and, therefore, has not plead or stated a plausible claim for relief.

5. In light of the foregoing and as is otherwise set forth in the accompanying Brief, this Motion to Dismiss should be granted with prejudice.

6. In view of the foregoing, this Board should enlarge and extend the time period in which Respondent may answer or otherwise plead in reply to the First Amended Petition for Cancellation, to and including thirty (30) days after the date of a decision on this Motion.

Wherefore, Respondent, Ikonix USA, LLC, hereby requests that this motion to dismiss be granted with prejudice, and this motion to enlarge be granted.

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Respectfully submitted,

/Thomas J. Moore/

Thomas J. Moore
Attorney for Ikonix USA, LLC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of this document is being served on Petitioner by emailing it on the undersigned date addressed to the correspondence address of record in the TTABVUE database at the website of the U.S. Patent and Trademark Office as follows:

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November 21, 2019

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

ICware Systems, Inc. dba BatchTest Corporation, Petitioner, v. Ikonix USA, LLC, Registrant	Cancellation No. 92070823

BRIEF IN SUPPORT OF MOTION TO DISMISS

Pursuant to TBMP 503 and Fed. R. Civ. P. 12(b)(6), Registrant, Ikonix USA, LLC ("Ikonix" or "Respondent"), respectfully requests that the Trademark Trial and Appeal Board ("Board") of the U.S. Patent and Trademark Office ("USPTO" or "PTO") dismiss Counts I-II, IV, and V in the above captioned proceeding with prejudice as alleged in Petitioner's, ICware Systems, Inc. ("ICware" or "Petitioner"), First Amended Petition for Cancellation filed October 22, 2019.

Counts I-II, IV, and V from ICware's First Amended Petition For cancellation should be dismissed.

I. UNDISPUTED FACTUAL BACKGROUND

Ikonix is the owner of Trademark Registration Number 4,499,170 for the mark "BatchTEST," which registered on March 18, 2014. 13 TTABVUE, paras. 15-16. The application which registered as Registration Number 4,499,170 was filed by the Owner, Associated Research, Inc., on November 21, 2012. *Id.* at para. 11. On June 20, 2017, an assignment was recorded at Reel/Frame, 6086/0751, transferring ownership of the application from Associated Research, Inc. to Ikonix. *Id*. at para. 16.

II. LEGAL STANDARD

When the defense of failure to state a claim upon which relief can be granted is raised by means of motion to dismiss, the motion must be filed before, or concurrently with, the movant's answer to the amended pleading. Fed. R. Civ. P. 12(b); TBMP 503.01.

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. TBMP 503.02. To survive a motion to dismiss, a complaint must "state a claim to relief that is plausible on its face." *Id*. In this case, ICware's pleadings of fraud, registrant not being the rightful owner, false suggestion of a connection, and misrepresentation of source do not set forth proper pleadings of any of these claims, as discussed below.

III. ARGUMENT

A. Petitioner Has Not Sufficiently Pled Fraud on the USPTO

ICware's claim of fraud is not at all clear, particularly as Ikonix submitted specimens associated with its mark which were reviewed by the Trademark Attorney at the U.S. Patent and Trademark Office prior to registration and ICware has failed to plead requisite intent to mislead the PTO. Therefore, as discussed below, ICware's fraud claim is legally insufficient.

The Court of Appeals for the Federal Circuit in *In re Bose Corp.* held that "a trademark is obtained fraudulently under the Lanham Act only if the applicant or registrant knowingly makes a false, material representation with the intent to deceive the PTO." *In re Bose Corp.*, 580 F.3d 1240, 1245, 91 USPQ2d 1938 (Fed. Cir. 2009). The Court noted that "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 surmise and, obviously, any doubt must be resolved against the charging party." *Id.* at 1243 (internal citations omitted). The Court then stated that the predecessor Court of Customs and Patent Appeals held that, "absent the requisite intent to mislead the PTO, even a material misrepresentation would not qualify as fraud under the Lanham Act warranting cancellation." *Id.* (internal citations omitted). In fact, "[m]ere negligence is not sufficient to infer fraud or dishonesty." *Id.* (internal citations omitted). Furthermore, in alleging fraud, a party must plead with particularity the circumstances constituting fraud or mistake, as required Fed. R. Civ. P. 9(b).

In this case, ICware has not pled any facts that Ikonix had "intent to mislead the PTO," but has made conclusory statements and bald allegations without the facts to support such a position. *See Stewart v. Warner Bros. Entertainment Inc.*, 2015 WL 9913843 (TTAB 2015) (non-precedential). At most, ICware has only averred that the mark "does not function as a source identifier for the goods as identified in the SOU, which is 'software' and not a particular technological component of software" (13 TTABVUE, para. 45) and "[a]s such, ARI and/or

Registrant made knowing false statements as to the use of the Mark in commerce with the intent to procure a registration to which ARI and/or Registrant was not entitled, and ARI and/or Registrant was successful in procuring favorable examination, allowance, and publication of the Application." 13 TTABVUE, para. 52. ICware has also pled that the USPTO had sent a refusal Office Action notice to ARI, clarifying that "Examples of specimens for downloadable software may include instruction manuals and screen printouts from (1) web pages showing the mark in connection with ordering or purchasing information or information sufficient to download the software, (2) the actual program that shows the mark in the title bar, or (3) launch screens that show the mark in an introductory message box that appears after opening the program" (13 TTABVUE, para. 48) and that "ARI had responded to the USPTO" (*Id.* at para. 49), which was then accepted by the USPTO for registration of the trademark (*see Id.* at para. 15). That is, not only did the Examining Attorney at the USPTO accept the specimen for the goods of class 9, ICware has not pled Ikonix knowingly made a false, material representation with the intent to deceive the PTO, as required to properly plead fraud, where even the finding of negligence is not sufficient to infer fraud or dishonesty.

In other words, ICware has not pled the requisite intent to deceive to plead fraud, but appears to be attempting to allege another cause of action as to whether the specimen of use was appropriate, and, therefore, ICware's claim of fraud is legally insufficient and should be dismissed.

B. Petitioner Has Not Sufficiently Pled Registrant is Not the Rightful Owner

As indicated by Interlocutory Attorney Faint, in order to properly plead a non-ownership claim under Trademark Act Section 1, Petitioner must allege facts, that if proven, would

establish that prior to Respondent's filing of the underlying application, 1) Petitioner (or another entity) owned the subject mark; 2) Respondent is not the rightful owner of the mark; and 3) Respondent did not own the mark at the time it filed the underling application. 12 TTABVUE, pg. 7.

In this case, similarly to the Interlocutory Attorney's Order, ICware has not properly alleged the third element to "state a claim to relief that is plausible on its face." Rather, ICware has only alleged that it has used the Mark in commerce (13 TTABVUE paras. 54-56), that Petitioner and Registrant are not related (*Id.* at para. 57), and that Petitioner has never transferred ownership of the mark, or authorized use of the Mark (*Id.* at para. 58). Nowhere, however, does ICware allege that Ikonix is not the rightful owner of the registered mark. Instead, the evidence clearly shows that the registration was assigned to Ikonix on June 20, 2017 at Reel/Frame, 006086/0751. 13 TTABVUE, para. 16.

Instead, ICware is improperly attempting to establish that ownership as a stand-alone claim apart from the priority dispute of a likelihood of confusion determination. *See Antonio Canedo v. Mad Man Motor Sports, L.L.C.*, 2019 WL 5290197 (TTAB 2019) (non-precedential), footnote 6 ("We view this allegation [not the rightful owner] as part and parcel of the priority dispute, and not as a stand-alone claim"); *Grant Street Group, Inc. v. RealAuction.com, LLC*, 2009 WL 4086582 (TTAB 2009) (non-precedential), footnote 5 ("Although the relevant language in the notice of opposition is couched, in part, in terms that applicant is not the rightful owner of the mark, the underlying basis for this claim is that applicant lacks ownership because opposer is the prior user.").

To the extent ICware's First Amended Petition for Cancellation is based on Registrant not being the Rightful Owner, it should be dismissed for failure to state a claim.

C. Petitioner Has Not Sufficiently Pled False Suggestion of a Connection

ICware alleges a False Suggestion of a Connection as another ground for cancellation. False suggestion of a connection under the Trademark Act evolved from the rights of privacy and publicity, and was intended to preclude registration of a mark that conflicts with another's rights in one's persona or identity. *The Pierce-Arrow Society v. Spintek Filtration, Inc.*, 2019 WL 3834985 *5-6 (TTAB 2019) (precedential) *citing Univ. of Notre Dame du Lac v. J.C. Gourmet Food Imps. Co.*, 703 F.2d 1372, 217 USPQ 505, 509 (Fed. Cir. 1983). To establish that a proposed mark falsely suggests a connection with a person or an institution, the following four elements must be shown:

1. The mark is the same as, or a close approximation of, the name or identity previously used by another person or institution;

2. The mark would be recognized as such, in that it points uniquely and unmistakably to that person or institution;

3. The person or institution named by the mark is not connected with the activities performed by the applicant under the mark; and

4. The fame or reputation of the person or institution is such that, when the mark is used with the applicant's goods or services, a connection with the person or institution would be presumed.

Id. at 5-6 (*citing Univ. of Notre Dame* at 508-10). The Federal Circuit has stated that "under concepts of the protection of one's 'identity,'…[a] critical requirement is that the name (or an equivalent thereof) claimed to be appropriated by another must be unmistakably associated with a particular personality or 'persona.'" *Id.* at 7 (*citing Univ. of Notre Dame* at 509). "The

protection afforded a name or its equivalent under Section 2(a) is acquired only when the name claimed to be appropriated points 'uniquely and unmistakably' to the plaintiff's 'persona,' that is the personal or trade identity of the claimant." *Id.* (*citing Bos. Athletic Ass'n v. Velocity, LLC*, 117 USPQ2d 1492, 1497 (TTAB 2015).

In this case, Ikonix submits that ICware has still failed to show in the First Amended Petition for Cancellation that the mark is in fact ICware's identity. Rather, ICware has only alleged that "the Mark is very similar to Petitioner's automated testing software under "BatchTest feature."" 13 TTABVUE, para. 81. For example, ICware has admitted that "Petitioner had first used the Mark on or before September 5, 2007, and delivered a software product with the Mark displayed on it." *Id.* at para. 6 (emphasis added). ICware then admits that it "filed a Fictitious Business Name on February 20, 2012, dba "BatchTest Corporation." *Id.* at para. 10. ICware then baldly asserts that it "has also built sufficient fame and reputation using the mark among its customers." *Id*. at para. 78.

That is, ICware has not sufficiently pleaded the critical element of a false suggestion of a connection that the registered mark "points 'uniquely and unmistakably' to the plaintiff's 'persona,'" at least because ICware also does business as ICware Systems, Inc. (*see*, for example, Exh. A), "BatchTest" is a feature by ICware Systems (*see*, for example, Exh. B), and ICware has not shown that its name is of such fame or reputation, that when the mark is used with Ikonix' goods or services, a connection with ICware would be presumed.

Accordingly, to the extent ICware's First Amended Petition for Cancellation is based on a False Suggestion of a Connection, it should be dismissed for failure to state a claim.

D. Petitioner Has Not Sufficiently Pled Misrepresentation of Source

ICware also alleges a count of Misrepresentation of Source. As indicated by the Interlocutory Attorney, "[i]n order to properly plead a claim of misrepresentation of source, the pleading "*must be supported* by allegations of blatant misuse of the mark by [defendant] in a manner calculated to trade on the goodwill and reputation of [plaintiff]. *See Otto Int'l Inc. v. Otto Kern GmbH*, 83 USPQ2d 1861, 1863 (TTAB 2007) (*quoting McDonnell Douglas Corp. v. Nat'l Data Corp.*, 228 USPQ 45, 47 (TTAB 1985)) (emphasis added). The plaintiff must "do more than make a bald allegation in the language of the statute," and the claim must go beyond the allegations "that typically support a claim of likelihood of confusion under Section 2(d)." *Id.* at 1864." 12 TTABVUE, page 8, *see also Otto Int., Inc. v. Otto Kern GmbH*, 83 U.S.P.Q.2d 1861, 2007 WL 1577524 * 3 (TTAB 2007) (*citing* McCarthy, J. Thomas, *3 McCarthy on Trademarks and Unfair Competition*, § 20:60 (4th ed. 2007) ("A cancellation claim for misrepresentation under §14(3) requires a pleading that registrant deliberately sought to pass off its goods as those of petitioner.")).

In this case, not only has ICware failed to plead in the First Amended Petition for Cancellation that the count of Misrepresentation of Source goes beyond the allegations to support a claim of likelihood of confusion, but ICware has failed to plead that Ikonix has blatantly misused the mark calculated to trade on the alleged goodwill and reputation of ICware. Instead, ICware has only alleged facts, even if held to be true, show that Ikonix has used its registered mark in the manner afforded to a registrant of such registered mark. *See* 12 TTABVUE para. 86.

In so doing, ICware's pleading of a misrepresentation of source is legally insufficient and should be dismissed.

In view of the foregoing, Ikonix respectfully requests that the Board dismiss ICware's fraud, rightful owner, false suggestion of a connection, and misrepresentation of source claims, as being legally insufficient.

Accordingly, Ikonix respectfully requests that this Motion to Dismiss be granted with prejudice.

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Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of this document is being served on Petitioner by emailing it on the undersigned date addressed to the correspondence address of record in the TTABVUE database at the website of the U.S. Patent and Trademark Office as follows:

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November 21, 2019

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