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

Proceeding no.	92071596
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

SCHIEBEL INDUSTRIES, AG,
Petitioner,

v.

CAMERA COPTERS, INC.,
Respondent.

Mark: Camera Copters & Design
Registration No. 5,440,864

Cancellation No. 92071596

PETITIONER'S REPLY TO REGISTRANT'S RESPONSE TO PETITIONER'S MOTION TO
EXCLUDE DEFENSES

Introduction

Petitioner files this Reply to Registrant's Response served on Petitioner on January 12, 2022 ("Response"). No Certificate of Service was attached. According to TTAB rules, Petitioner has 20 days from service to file its Reply, which would make Petitioner's Reply due on February 1, 2022. Accordingly, this Reply is timely filed.

Scope of Priority Rights At Issue Are Limited to Class 12 Goods, And Exclude Class 41 Services

Much of the dispute between the parties in this proceeding concerns (1) what goods are at issue in this priority contest, and (2) what proofs Registrant is permitted to present to prove the earliest date of use in view of the precise goods at issue and Registrant's Answer which pleaded only general denials.

Registrant's Registration at issue is a multiclass Registration covering goods in Class 12 (claiming a date of first use in 2016) and services in Class 41 (claiming a date of first use in 2008). For good reason, the USPTO has assigned the respective goods and services into the two different and distinct classes, and so the Registration should be considered multiple registrations combined into one Registration, each with different respective dates of first use for the goods and services. Stated another way, aside from the fact that the Registration includes both goods in

Class 12 and services in Class 41, they should be considered separately in the scope of their respective rights, and the priority date claimed in each class.

Petitioner seeks cancellation of the goods in Class 12 of Registrant's Registration for "Drones and structural parts therefor, Unmanned aerial vehicles (UAVs)" ("Class 12 Goods at Issue"). Petitioner does not challenge Registrant's services in Class 41. Thus, the only issue in this proceeding is whether Petitioner had priority of the Class 12 Goods at Issue prior to Registrant's date for those Class 12 Goods at Issue. The services part of the Registration under Class 41 is not at issue, and any services activity is not relevant to this proceeding.

If Registrant desired to make relevant to this proceeding the services in Class 41, Registrant should have pleaded the "Morehouse" defense (to allege that the services in Class 41 are really the same as the goods in Class 12), and/or pleaded that the services in Class 41 are so related to the goods in Class 12 that it should be entitled to "tack" the services in Class 41 to the goods in Class 12. Registrant failed to allege either a "Morehouse" defense or "tacking" defense in its Answer, and should therefore be precluded from asserting that the services in Class 41 are relevant to this proceeding. In fact, in its Response Registrant in its first paragraph confirmed that it was not asserting a "Morehouse" defense, and on page 8 Registrant admits "There is no tacking."

Registrant Should Be Precluded From Using Any Documents Related To Its Unpleaded Defenses

Registrant seeks to justify use of documents, some of which were produced after discovery closed, by mischaracterizing the issue as one of "rebuttal" to Petitioner's priority case. But Registrant's alleged "rebuttal" is nothing more than asserting a "tacking" affirmative defense and other defenses not specifically pleaded in Registrant's Answer.

Registrant appears to identify its documents by a "CCI-[number]". However, when Registrant produced documents in this proceeding, no document had a "CCI-[number]" on the document, which raises two problems for Registrant. The first is that Registrant cannot prove which documents were produced and when, and the second is that for any documents that Registrant indeed produced, Petitioner is unable to identify to which documents Registrant is presumably referring to.

Registrant argues that it placed Petitioner was on notice that it was aware of Registrant's earlier dates of use in this priority contest. To the extent that Registrant refers to dates of first use for its services in Class 41, such use in services is not relevant to the issue in this proceeding which is priority of use in the Class 12 Goods at Issue, as stated in the Registration at issue. To the extent that Registrant alleges an earlier date of first use for other goods (such as helicopters) that are not described in the Class 12 Goods at Issue in the Registration, such helicopters, being manned, are not within the scope of the Class 12 Goods at Issue.

To the extent that Registrant alleges an earlier date of first use for the Class 12 Goods at Issue than listed in the Registration, Registrant never pleaded an earlier date of first use in its Answer. As established in Petitioner's Motion here, Registrant's failure to plead an earlier date at first use for the Class 12 Goods at Issue in its Answer precludes Registrant from asserting an

earlier date during the trial period. In fact, Petitioner concedes that it does not have an earlier date of first use for its Class 12 Goods at Issue on the top of p. 3 of its Response which states “That Respondent did not use the mark on the specific Class 12 goods prior to its application date...”

Petitioner’s Priority of Use With the U.S. Government or Defense Industry

Registrant also alleges in its Response that “Petitioner does not have common law priority of use with the U.S. government or within the defense industry.” To the extent understood, Registrant appears to allege that Petitioner’s prior use does not qualify as proper trademark use because such use was not with “the U.S. government or within the defense industry.” Registrant fails to cite any authority for this proposition, but more importantly, this alleged defense was not pleaded in Registrant’s Answer. To the extent Registrant alleges that use by Petitioner of its mark did not satisfy the “use in commerce” requirement in its sales to the private customer Boeing Aircraft, Boeing itself was a customer, and the customer is not the U.S. government or the defense industry. While Boeing may thereafter resell Petitioner’s goods to the U.S. government or the defense industry, Petitioner does not need to rely on Boeing’s resale activities to establish priority. To the extent that Registrant alleges that its own use has priority to Petitioner’s in the U.S. government or defense industry, Registrant has not alleged that in its Answer, and has not even clearly alleged that in its Response.

Registrant’s Should Be Precluded From Alleging That A Third Party Used Petitioner’s CAMCOPTER Mark

Registrant alleges that a third party named Mundus used Petitioner’s CAMCOPTER mark and that Petitioner failed to police such use. Failing to police is a type of abandonment, which Registrant never pleaded in its Answer, and Registrant has conceded it does not assert abandonment now. So Registrant should be precluded from raising any alleged abandonment defense relating to third party use of Petitioner’s mark by Mundus. To the extent that Registrant now seeks to attack Petitioner’s representative Mr. Schiebel’s credibility by alleging that Mundus did not cease use of CAMCOPTER after being notified by Petitioner to do so, Registrant has failed to seek any cross-examination testimony either during discovery or trial, on this topic, and did not raise this issue until after Petitioner filed its trial testimony. Registrant’s failure to raise this issue earlier should preclude Registrant from raising it now.

Registrant Should Be Precluded From Alleging Petitioner’s Alleged Lack of Well-Established Good-Will and Recognition in the U.S. Marketplace

Registrant alleges that certain documents, with the proposed documents of its representative Mr. Paul Barth, are relevant to Petitioner’s alleged lack of well-established good will and recognition. Registrant misses the point that this proceeding is focused on the priority of goods in Class 12. Good-will and recognition are not relevant as long as Petitioner can prove prior use in commerce of its own goods within the scope of Class 12 of Registrant’s Registration.

Registrant Should Be Precluded From Alleging that New Documents Contradict Petitioner’s Search Engine Evidence

Registrant alleges that documents will contradict Petitioner's search engine evidence, but does not explain what the issue is, and how Registrant allegedly put Petitioner on notice of whatever position it would seek to assert. Such failure by Registrant to notice Petitioner should preclude any use by Registrant of any such documents.

Registrant Should Be Precluded From Alleging that Petitioner's Use on its "Helicopters" Does Not Constitute Use of the Mark To Establish Priority For "Drone"

To the extent understood, Registrant appears to allege that Petitioner's use of the mark is for "helicopters" and not "drones." (See point 5 on page 2 of its Response when it alleges that Petitioner's use on "helicopters" is not use on "drones.") Petitioner's proof of prior use is for its "unmanned helicopters" or UAV's, which are drones, and within the description of the Registration's Class 12 Goods at Issue. Petitioner has made that proof in its trial testimony. Petitioner's goods are not a "helicopter" in the sense that no human pilot is used to fly it. It is a drone or UAV, which is an unmanned vehicle.

Registrant's Bare Denial in its Answer To Registrant's Allegations in its Petition Do Not Constitute Notice of Defenses

Registrant argues on the top of page 5 of its Response that denials of Petitioner's allegations constitute sufficient notice to Petitioner of the defenses or positions it would assert in response to Petitioner's allegations in its Petition. Registrant's argument is not supported by the law, as cited by Petitioner in its Motion, and Registrant has not cited any authority to the contrary. As noted in *H.D. Lee Co. v. Maidenform Inc.*, 87 USPQ 2d 1715, 1720 (TTAB 2008), mere denial of an allegation of priority only puts a challenger on notice that the challenger must prove its alleged priority, but is insufficient to put a challenger on notice that challenger's alleged priority must predate a priority that the respondent will attempt to prove through tacking. By attempting to rely on its dates of use for services in Class 41, Registrant is essentially trying to tack its services use to its use of the mark for Class 12 Goods at Issue, which should not be permitted.

To the extent understood, Registrant also appears to rely on its Class 41 services in this proceeding, alleging that Petitioner's use on its goods in Class 12 would be likely to cause a likelihood of confusion with Registrant's services in Class 41. But there is no issue in this proceeding which involves a likelihood of confusion. The only issue is priority of the precise goods in Class 12 Goods at Issue.

Registrant has failed to cite a single case which supports this position that a use of a mark outside of the specific listed goods at issue supports use of the mark on the specific goods listed. But more importantly, Registrant should be precluded to assert a "tacking" argument because it failed to allege this as a defense.

Registrant's Misconstrues Petitioner's Cited Cases and Registrant's Cited Cases Do Not Support Its Position

Registrant attempts to distinguish Petitioner's cited case of *Chicago Corp. v. North American Chicago Corp.*, 20 USPQ 1715, 1717 n.5 (TTAB 1991) apparently arguing that the applicant in that case was precluded from raising an issue only because it was raised for the first time in its final brief, whereas here Registrant has raised its allegation on priority earlier. But other than producing documents on using the mark for its services Registrant has not pleaded any defense of an earlier use by tacking or otherwise of its use in the service Class 41.

Registrant cites *Food Products, Inc. v. Swift & Co.*, 194 USPQ 301 n.2 (TTAB 1977) and *Exxon Corp. v. Fill-R-Up Systems, Inc.*, 182 USPQ 443, 444 (TTAB 1974) for the proposition that printed publications made of record by notice of reliance are admissible for what they show on their face. But Registrant was still obligated to specifically plead in its Answer any defense which it planned to assert as to which such printed publications allegedly relate. Without the first requirement of specifically pleading defenses, Registrant should not be permitted to rely on any documents relevant to that defense. Moreover, any such printed publication would only be admissible, not for the truth of the matter contained therein, but merely for what the document shows on its face. Thus, the printed publications are inadmissible hearsay for whatever events and activities are allegedly described therein.

Conclusion

For the reasons stated in Petitioner's Motion and the failure of Registrant to rebut Petitioner's strong showing as demonstrated above, Petitioner seeks an order denying Registrant the right to present any alleged defenses of Morehouse, tacking or other defense because Registrant failed to plead any defense in its Answer. Registrant should also be precluded to use any documents in its trial that relate to any such unpleaded defense. Registrant should also be precluded from using any documents produced for the first time during its trial part of the case.

Respectfully submitted,

Dated: January 31, 2022

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the PETITIONER'S REPLY TO REGISTRANT'S RESPONSE TO PETITIONER'S MOTION TO EXCLUDE DEFENSES, has been served via Electronic Mail on the counsel of record identified below.

Lillian Taylor Stajnbaher, Esq.

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Date: January 31, 2022

By: /Jason Prechtel/

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