ESTTA Tracking number: **ESTTA995611**

Filing date: **08/16/2019**

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

Proceeding	92071685
Party	Defendant Macchia, Inc.
Correspondence Address	MACCHIA INC 7099 E PELTIER ROAD ACAMPO, CA 95220 UNITED STATES no email provided no phone number provided
Submission	Motion to Dismiss - Rule 12(b)
Filer's Name	Gregory T. Meath
Filer's email	greggmeath@hotmail.com
Signature	/G.MEATH/
Date	08/16/2019
Attachments	MACCHIA - INFAMOUS TM Motion To DIsmiss 2019 d3.pdf(278307 bytes)

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

In the matter of trademark Registration No. 3597459

For the mark: INFAMOUS

Registered: March 31, 2009

KOBRAND CORPORATION,	)	
	)	
Petitioner,	)	
	)	
v.	)	Cancellation No.: 92071685
	)	
MACCHIA, INC.,	)	
	)	
Registrant.	)	
	)	

REGISTRANT'S MOTION TO DISMISS
FOR FAILURE TO STATE A CLAIM UPON WHICH RELIEF CAN BE GRANTED

Registrant, MACCHIA, INC., in response to the Petition to Cancel filed by KOBRAND CORPORATION seeking cancellation of registration of MACCHIA, INC.'s trademark "INFAMOUS" [Reg. No. 3597459; Ser. No. 77404389 – a use in commerce registration for use on "wines" in International Class 33 alleging use as early as December 2006, filed on February 22, 2008, and registered on March 31, 2009] hereby submits this motion to dismiss under Fed. R. Civ. P. 12(b)(6) for failure to state a claim upon which relief can be granted.

MOTION TO DISMISS STANDARD

To survive a motion to dismiss for failure to state a claim, plaintiff need only have alleged such facts as would, if proven, show that (1) plaintiff has standing and (2) that a valid ground exists for preventing or canceling a registration. *Young v. AGB Corp.*, 152 F.3d 1377, 1379, 47 U.S.P.Q.2d 1752 (Fed. Cir. 1998).

STANDING

Petitioner has not adequately asserted facts alleging a real interest or personal stake in the proceeding because the Serial Number cited for Petitioner's Mark is incorrect.

With respect to standing, petitioner must allege facts which, if ultimately proven, would establish that petitioner has a "real interest," i.e., a "personal stake," in the proceeding. *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025-26 (Fed. Cir. 1999); *Lipton Industries, Inc. v. Ralston Purina Co*., 213 USPQ 185, 189 (TTAB 1982). Furthermore, petitioner's allegation that he would be damaged by the Registrations "must have a 'reasonable basis in fact."' *Ritchie*, 170 F.3d 1092, 50 USPQ2d at 1027 (quoting *Universal Oil Prod. Co. v. Rexall Drug & Chem. Co.,* 463 F.2d 1122, 174 USPQ 458, 459-60 (CCPA 1972)).

The serial number cited as the basis to establish Petitioner's standing for this proceeding is application is Serial No. 86926814. However, this serial number corresponds to the mark "GARDEN GENIE" for use on gardening gloves. The mark referred to is not owned by Petitioner and is in no way similar to Registrants mark. This defect means Petitioner has not established standing for these proceedings because it has failed to allege facts which, if ultimately proven, establish a "real interest," i.e., a "personal stake," in the proceeding and disconnects Petitioner's pleading from any reasonable basis in fact for believing Petitioner would be damaged based upon conflict between the parties' respective marks.

FIRST CAUSE OF ACTION

ABANDONMENT

Petitioner has not adequately pleaded an Abandonment claim because Petitioner pleaded based on information and belief but did not include an allegation that the necessary information lies within the Registrant's control, nor a statement of the facts upon which the allegations are based.

As to whether petitioner has sufficiently alleged a valid ground for cancellation, "a complaint must contain sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face.'" *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atl. Corp. v.*

Twombly, 550 U.S. 544, 570 (2007)). To meet this standard, a plaintiff must provide "more than labels and conclusions, and a formulaic recitation of a cause of action's elements will not do." *Twombly*, 550 U.S. at 555. "Factual allegations must be enough to raise a right to relief above the speculative level...." *Id.* Moreover, a court "is not bound to accept as true a legal conclusion couched as a factual allegation." *Iqbal*, 556 U.S. at 678.

Neither a "formulaic recitation of the elements of a cause of action" nor "naked assertions [of fact] devoid of further factual enhancement" is sufficient to withstand dismissal. *Twombly* 550 U.S. at 555. The Supreme Court emphasized: "Threadbare recitals of the elements of a cause of action, supported by mere conclusory statements, do not suffice" and are not accepted as true. *Ashcroft v. Iqbal*, 556 U.S. 662, 678, 129 S. Ct. 1937, 1949-1951.

Further, "[P]leadings on information and belief require an allegation that the necessary information lies within the defendant's control, and … such allegations must also be accompanied by a statement of the facts upon which the allegations are based" *Exergen Corp. v. Wal-Mart Stores Inc.*, 575 F.3d 1312, 91 USPQ2d 1656, 1670 (Fed. Cir. 2009) (citing *Kowal v. MCI Communications Corp*., 16 F.3d 1271, 1279 n.3 (D.C. Cir. 1994));

Petitioner bases its abandonment claim on information and belief but does not include any statement of facts upon which the allegation of abandonment is based, nor any allegation that the necessary information lies within Registrant's control. The only facts recited, other than mere conclusory statements that Registrant abandoned the mark, are those setting forth the parties' respective trademark filings with the USPTO. The pleading is no more than a formulaic, threadbare recitation of the elements of an abandonment cause of action, it is devoid of further factual enhancement; there are no facts recited to raise Petitioner's right to relief above speculation.

There is no information pleaded, not a single fact, to support Petitioner's belief that Registrant has discontinued use of its mark for more than 3 years with an intent not to resume use, and Petitioner's abandonment claim, as well as this entire cancellation proceeding should be dismissed for failure to state a claim upon which relief can be granted.

SECOND CAUSE OF ACTION

FRAUD ON THE USPTO

Petitioner has not adequately pleaded a Fraud on the USPTO claim because Petitioner has not pleaded sufficient underlying facts from which a court may reasonably infer that a party acted with the requisite state of mind.

When pleading a claim for cancellation of a registration based on fraud, such a claim must only be made with the specificity required by Fed. R. Civ. P. 9(b). *Noveshen v. Bridgewater Assocs., LP*, 47 F. Supp. 3d 1367, 1373-74 (S.D. Fla. 2014); *DaimlerChrysler Corp. v. Am. Motors Corp.*, Cancellation No. 92045099, slip op. at 5 (TTAB Jan. 14, 2010). Thus, while "a party must state with particularity the circumstances constituting fraud or mistake," "[m]alice, intent, knowledge, and other conditions of a person's mind may be alleged generally." Fed. R. Civ. P. 9(b) (emphasis added). To satisfy this standard, a claim for fraud need only to state "the time, place, and contents of the false representations, as well as the identity of the person making the misrepresentation and what he obtained thereby," **as well as "sufficient underlying facts from which a court may reasonably infer that a party acted with the requisite state of mind**." *Zao Odessky Konjatschnyi Zawod v. SIA "Baltmark Invest",* 109 U.S.P.Q.2d 1680, 1683-85 (E.D. Va. 2013) (emphasis added, internal citations and quotations omitted). The court in *Zao* went on to state that: "A court should hesitate to dismiss a complaint under Rule 9(b) if the court is satisfied (1) that the defendant has been made aware of the particular circumstances for which she will have to prepare a defense at trial and (2) that plaintiff has substantial prediscovery evidence of those facts." *Id.* at 1684 (internal citations and quotations omitted).

Here the Petitioner's pleading contains no underlying facts from which the Registrant's state of mind may be reasonably inferred; there is no inkling of any, much less substantial, prediscovery evidence of any supporting facts, and thus the TTAB need not hesitate to dismiss the Petition for Cancellation.

Further, it is unclear whether Petitioner has pleaded its fraud claim on information and believe or on fact-based pleading. Nevertheless, its claims fail to properly state a cause of action. Petitioner first pleads abandonment based upon information and belief, and then bases its fraud claim on the assertion that there had been insufficient use to maintain the registration (i.e. abandonment). Petitioner's fraud pleading asserts that at the time the Section 8 and 15 [and the Section 8 and 9] declarations were filed there had been insufficient use to maintain Reg. No. 3597459 but provides no underlying facts upon which to base this conclusory assertion.

If the fraud claim is not made upon information and belief, Petitioner has not pled any "sufficient underlying facts from which a court may reasonably infer that a party acted with the requisite state of mind." *Id.* This is inadequate considering that plaintiffs must allege facts that give rise to a strong inference of fraudulent intent.'" *Lerner v. Fleet Bank, N.A.,* 459 F.3d 273, 290 (2d Cir. 2006) (quoting *Acito v. IMCERA Group, Inc*., 47 F.3d 47, 52 (2d Cir. 1995)). Petitioner has made a bare allegation of fraud and fraudulent intent, with no underlying facts to give rise to any inference of fraudulent intent and thus its fraud claim should be dismissed for failure to state a cause of action upon which relief can be granted.

If the fraud claim is made based upon information and belief, these allegations raise only the possibility that such evidence may be uncovered and do not constitute pleading fraud with particularity. *Asian and Western Classics B.V. v. Lynne Selkow*, 92 USPQ2d 1478 (TTAB 2009). Therefore, these allegations would fail to meet the Fed. R. Civ. P. 9(b) requirements as they are

unsupported by any statement of facts providing the information upon which petitioner relies or the belief upon which the allegation is founded (i.e., known information giving rise to petitioner's stated belief, or a statement regarding evidence that is likely to be discovered that would support a claim of fraud*). Media Online Inc. v. El Clasificado Inc*., 88 USPQ2d 1285, 1287 (TTAB 2008)

Whether based on fact-based pleading or information and belief, Petitioner has not alleged facts that give rise to a strong inference of fraudulent intent, nor alleged any facts or information giving rise to Petitioner's belief that any fraud occurred, accordingly, the petition should be dismissed.

CONCLUSION AND REQUEST FOR DISMISSAL

Petitioner lacks standing because of an apparent defect in the serial number cited by Petitioner pleading justifying its interest in cancelling Registrant's mark. This defect means Petitioner has failed to allege facts which, if ultimately proven, establish a "real interest," i.e., a "personal stake," in the proceeding, or any damages based upon conflict between the parties' respective marks.

With regard to Petitioner's abandonment claim, Petitioner pleaded upon information and belief but did not include an allegation that the necessary information lies within the Registrant's control, nor a statement of the facts upon which the allegations are based. Rather, the pleading is no more than a formulaic, threadbare recitation of the elements of an abandonment cause of action. The pleading is devoid of further factual enhancement; Petitioner has not set forth any facts or information underlying its belief that Registrant abandoned its mark for more than 3 years with intent not to resume use, and Petitioner has submitted no indication or allegation that it has any prediscovery evidence of any abandonment.

Petitioner has merely alleged conclusions that Registrant committed fraud. The pleading fails to set forth any facts underlying its assertions that Registrant knew at the time that any statement made to the USPTO was false, or that it was made with intent to deceive the USPTO. Without any factual basis for its belief that Registrant knowingly and intentionally deceived the USPTO Petitioner cannot prevail on its claim of fraud in Registrant's Continued Use or Renewal affidavits.

Fed. R. Civ. P. Rule 9(b) has four purposes: (1) to ensure that the defendant has sufficient information to formulate a defense by putting it on notice of the conduct complaint of; (2) to protect defendants from frivolous suits; (3) to eliminate fraud actions where all facts are learned after discovery, and (4) to protect defendants from harm to their goodwill and reputation. *Harrison v. Westinghouse Savannah River Co.*, 176 F.3d 776, 784 (4th. Cir. 1999).

Here, Registrant seeks the protection of Rule 9(b)(2)(3) and (4) inasmuch as Petitioner's pleading sets out a frivolous fraud action stating no facts to support the allegations contained therein, and where all facts are to be learned after discovery, and to protect Registrant from harm to its goodwill and reputation caused by allowing Petitioner to proceed with factually baseless claims. For as has been stated by no less than the illustrious commentator Thomas J. McCarthy in McCarthy on Trademarks & Unfair Competition at § 31:77 (5th ed. 2018): "[A]n allegation of fraud based in the application verification is a serious charge which is not easily proven... Applicants and registrants should not be subjected to harassment by loosely framed and ill-considered charges of fraud. It is apparent that the courts and the Trademark Board have little patience with ill-founded fraud charges."

In view of all the foregoing, Registrant moves for the dismissal of this Cancellation proceeding due to lack of standing, and for failure to adequately plead abandonment or fraud.

Respectfully submitted, Date: AUGUST 16, 2019

GREGORY T. MEATH

MEATH & PEREIRA
Attorneys & Counselors
20 North Sutter Street
Suite 200
Stockton, CA 95202-2911
(209) 942-3300
E-mail: greggmeath@hotmail.com
Attorney for Registrant MACCHIA, INC.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via e–mail at upon Stephen Baker Attorney of Record identified by the TSDR, for Petitioner Kobrand Corporation at s.baker@br-tmlaw.com on this 16th day of August 2019

By:

GREGORY T. MEATH
Attorney for Registrant