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

Proceeding	92075086
Party	Plaintiff Black Rifle Coffee Company LLC
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

_____)	
Black Rifle Coffee Company LLC,)	Cancellation No. 92075086
)	
Petitioner,)	Mark: ORCA
)	
v.)	Registration No. 5,101,888
)	
Giancarlo Fantappié,)	Registration Date: December 13, 2016
)	
Registrant.)	
_____)	

PETITIONER’S OPPOSITION TO REGISTRANT’S MOTION TO DISMISS
PURSUANT TO FED. R. CIV. P. 12(b)(6)

Registrant’s Motion to Dismiss the Amended Petition for Cancellation under Rule 12(b)(6) must be denied because Petitioner has alleged sufficient facts, if proved, to establish that (1) Petitioner has standing to maintain the proceeding; and (2) valid grounds exist to cancel the ORCA Registration. Specifically, Petitioner alleges that Registrant never used the ORCA mark on certain goods covered by the Registration and abandoned the mark, both expressly and presumptively (i.e., through non-use for more than three years). In addition, Petitioner alleges that Registrant knowingly lied to the United States Patent & Trademark Office (“USPTO”) about use of the mark in order to secure a registration to which he was not entitled, thereby committing fraud. Petitioner should be entitled to conduct discovery with respect to these allegations to determine whether the Registration should be cancelled.

Registrant also moved to delete some of the goods covered in the Registration. Petitioner does not consent to such amendment. In addition, the TTAB indicated in the December 21, 2020 Suspension Order that the Motion to Amend would not be considered as it did not include the requisite fee or verification.

Accordingly, Petitioner requests that Registrant's Combined Motion to Dismiss and Motion to Amend be denied in its entirety and that a new trial schedule be set for the Cancellation Action.

I. LEGAL STANDARD.

To state a claim upon which relief can be granted, a plaintiff need only allege sufficient factual matter as would, if proved, establish that (1) the plaintiff has standing to maintain the proceeding; and (2) a valid ground exists for opposing or cancelling the mark. *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 187 (CCPA 1982). Specifically, a complaint must contain sufficient factual matter, accepted as true, which states a claim to relief that is plausible on its face. *See Ashcroft v. Iqbal*, 556 U.S. 662 (2009).

In the context of *inter partes* proceedings before the Board, a claim has facial plausibility when the plaintiff pleads factual content that allows the Board to draw a reasonable inference that the plaintiff has standing and that a valid ground for the opposition or cancellation exists. *Cf. Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 556 (2007). In particular, a plaintiff need only allege “enough factual matter ... to suggest that [a claim is plausible]” and “raise a right to relief above the speculative level.” *Totes-Isotoner Corp. v. United States*, 594 F.3d 1346, 1354 (Fed. Cir. 2010). In deciding the motion, “the Board ... must accept as true all material allegations of the complaint, and must construe the complaint in favor of the complaining party.” *Jewelers Vigilance Committee, Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021, 2023 (Fed. Cir. 1987). “The elements of each claim should be stated concisely and directly, and include enough detail to give the defendant fair notice.” *Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1538 (TTAB 2007), citing Fed. R. Civ. P. 8(e)(1); *see also Harsco Corp. v. Electrical Sciences Inc.*, 9 USPQ2d 1570, 1571 (TTAB 1988) (since function of pleadings is to give fair notice of claim, a party is allowed reasonable latitude in its statement of its claims). “The purpose of a

Rule 12(b)(6) motion is to challenge the legal theory of the complaint, not the sufficiency of any evidence that might be adduced and to eliminate actions that are fatally flawed in their legal premises and destined to fail ...” *Fair Indigo LLC*, 85 USPQ2d at 1538.

II. LEGAL ARGUMENT.

a. Petitioner Has Standing To Maintain This Proceeding.

Registrant has not directly argued that Petitioner has not pleaded standing. However, Registrant has alleged that Petitioner has not been damaged or proximately damaged by the Registered Mark here at issue, thereby, suggesting Petitioner’s claims in the Amended Petition are not supported by adequate standing. (9 TTABUE 9-10.) Insofar as Petitioner has alleged that it has used the mark ATOMIC ORCA to denote the source of its goods, that it is the owner of U.S. Application No. 88/638,724, that said application has been refused based on Registrant’s Registration, and that Petitioner is damaged and will continue to be damaged by registration of the Registered Mark, Petitioner has set forth the requisite personal interest in the outcome of this proceeding and reasonable belief of damage from the registration of Registrant’s mark necessary to plead its standing to maintain the cancellation. (6 TTABVUE 2-3, 5, 7.) *See e.g., Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058 (Fed. Cir. 2014); *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999); *Petroleos Mexicanos v. Intermix S.A.*, 97 USPQ2d 1403, 1406 (TTAB 2010); *Order of Sons of Italy in America v. Profumi Fratelli Nostra AG*, 36 USPQ2d 1221, 1223 (TTAB 1995).

b. Valid Grounds Exist For Cancelling The Registered Mark.

1. Petitioner Has Stated A Valid Claim That The Registered Mark Was Fraudulently Obtained.

To plead its claim of fraud, Petitioner need only identify a specific false statement of material fact that Registrant or its predecessor-in-interest made in obtaining or maintaining the

involved registration and that such false statement was made with the intent to deceive the USPTO into issuing or maintaining that registration. *See In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938 (Fed. Cir. 2009). “Malice, intent, knowledge, and other conditions of a person's mind may be alleged generally.” Fed. R. Civ. P. 9(b); *see also, DaimlerChrysler Corp. v. American Motors Corp.*, 94 USPQ2d 1086, 1088 (TTAB 2010). Under *Bose*, “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 [US]PTO.” *In re Bose Corp.*, 91 USPQ2d at 1941. When faced with an allegation of fraud and non-use, the question is whether the mark was in use in commerce as of the filing of the use-based application or declaration of use. *See Hiraga v. Arena*, 90 USPQ2d 1102, 1107 (TTAB 2009) (“the critical issue is whether the mark was in use in commerce in connection with the identified goods as of the filing date of the use-based application”); *Maids to Order of Ohio Inc. v. Maid-to-Order Inc.*, 78 USPQ2d 1899, 1907 (TTAB 2006). Pursuant to Fed. R. Civ. P. 9(b), any allegations based on “information and belief” must be accompanied by a statement of facts upon which the belief is based. *Noble House Home Furnishings, LLC v. Floorco Enters., LLC*, 118 USPQ2d 1413, 1422 (TTAB 2016); *Asian and Western Classics B.V. v. Selkow*, 92 USPQ2d 1478-1479 (TTAB 2009), citing *Exergen Corp. v. Wal-Mart Stores Inc.*, 91 USPQ2d 1656, 1670 n.7 (Fed. Cir. 2009). Here, Petitioner has supported its fraud-based claim with sufficient factual matter to suggest that it is at least plausible the Registered Mark was fraudulently obtained.

Petitioner’s Amended Petition for Cancellation includes allegations that Registrant made false statements to the USPTO, with the intent to deceive the USPTO, and sets forth facts upon which its claim is based. Notably, the Amended Petition states that upon information and belief, Registrant:

- (1) “was not using the Registered Mark in U.S. commerce in connection with at least ‘tea pods’ and ‘tea based pods containing milk’ as required by 15 U.S.C. § 1051 when Registrant filed [its] Statement of Use on September 26, 2016” and therefore “Registrant’s Statement of Use was false and/or fraudulent, because, at the time of submission, the Registered Mark was not in use in the United States in connection with at least ‘tea pods’ and ‘tea based pods containing milk;”
- (2) “knew it did not sell ‘tea pods’ and ‘tea based pods containing milk’ in connection with the Registered Mark and that its statement to the contrary to the USPTO was false;” and
- (3) “submitted the Statement of Use with specific willful intent to deceive the USPTO for purposes of gaining registration of the Registered Mark.”

(6 TTABVUE 5-6.) To support these allegations, Petitioner further stated in its Amended Petition that the foregoing belief as to Registrant’s intent surrounding its submission of the Statement of Use “is based on a reasonable investigation into Registrant’s business and offerings and its review of all information publicly available, including the information provided by Registrant in its Motion to Dismiss.” (*Id.* at 6). Indeed, prior to the opportunity to engage in discovery, the only information available to Petitioner is that which is within the public record, and in its review thereof, “no information available to Petitioner shows or otherwise suggests that Registrant has ever offered ‘tea pods’ or ‘tea based pods containing milk’ in connection with the Registered Mark.” (*Id.*)

The Amended Petition undoubtedly states sufficient factual matter to support Petitioner’s claim that the Registered Mark was fraudulently obtained and has provided Registrant with fair notice of its allegations. It notifies Registrant of Petitioner’s belief that the Registered Mark was obtained fraudulently vis-à-vis Registrant’s knowingly false and material representations made with the intent to deceive the USPTO and is supported by all factual evidence now available to Petitioner. Consequently, Petitioner has stated a valid claim that the Registered Mark was

fraudulently obtained and Registrant's Renewed Motion must be denied with respect to this claim.

2. Petitioner's Claim That The Registered Mark Has Been Abandoned Is Valid.

Abandonment due to nonuse of a mark is defined as use that has been discontinued with an intent not to resume such use. 15 U.S.C. § 1127. According to the statutory language and legislative history, "nonuse" of a mark for abandonment purposes means "no bona fide use of the mark made in the ordinary course of trade," and this is to be interpreted with flexibility to encompass a variety of commercial uses. *Lewis Silkin LLP v. Firebrand LLC*, 129 USPQ2d 1015, 1018 (TTAB 2018). "A public announcement of intention to discontinue the sale of a product may be a circumstance from which an intent not to resume use may be inferred," and express abandonment thus imputed to a registrant. *Hiland Potato Chip Co. v. Culbro Snack Foods, Inc.*, 720 F.2d 981, 983 (8th Cir. 1983). A registration may also be presumed to be abandoned: "If a plaintiff can show three consecutive years of nonuse, it has established a *prima facie* showing of abandonment..." *ShutEmDown Sports Inc. v. Lacy*, 102 USPQ2d 1036, 1042 (TTAB 2012). "The proper ground for cancellation of an existing registration is that the term for which registrant obtained registration has not been used as a trademark or service mark." *Marshall Field & Co. v. Mrs. Fields Cookies*, 11 USPQ2d 1155, 1359 (TTAB 1989); *see also Joshua Domand v. 37.37 Inc.*, 113 USPQ2d 1264, 1256 (TTAB 2015). Just as in the case with Petitioner's fraud-based claims, Petitioner's claims that Registrant has expressly abandoned the Registered Mark and abandoned the Registered Mark due to three years of consecutive nonuse thereof are valid and supported by sufficient factual matter to indicate they are plausible on their face.

In the Amended Petition, Petitioner has stated clearly that Registrant has expressly abandoned its marks because upon information and belief Registrant:

- (1) “is not currently providing the Registered Goods in U.S. commerce under the Registered Mark;” and
- (2) “has not provided any of the Registered Goods in U.S. commerce under the Registered Mark for an extended period of time” and “has no intent to resume use of the mark in connection with the Registered Goods.”

(6 TTAVUE 3-4.) To support these allegations, Petitioner further provided evidence that, “[a]ccording to Registrant’s Facebook page, Registrant’s business is ‘permanently closed,’” that Registrant’s website, as listed on its Facebook page, is not active, and that an “independent investigation...failed to identify current use of the Registered Mark in connection with the Registered Goods on the Internet or elsewhere.” (*Id.*) Thus, the Amended Petition clearly states a plausible claim of express abandonment supported by all evidence publicly available to Petitioner prior to discovery sufficient to raise its claim above a speculative level and provide Registrant with adequate notice thereof.

The Amended Petition further sets forth a plausible claim that Registrant has abandoned its mark due to its failure to use the Registered Mark for at least three consecutive years and further has no intent to resume said use. In the Amended Petition, Petitioner has made clear that:

- (1) its independent investigation of public records demonstrates that “Registrant is not currently providing ‘tea pods’ or ‘tea based pods containing milk’ under the Registered Mark in U.S. commerce, and has never sold these goods under the Registered Mark in U.S. commerce;”
- (2) that “more than three years of non-use of the Registered Mark in connection with ‘tea pods’ and ‘tea based pods containing milk’ have elapsed since the date the mark was registered and the date the Statement of Use alleges Registrant’s Goods were first used in commerce in connection with the Registered Mark;” and
- (3) that “Registrant’s business is permanently closed and Registrant has no intent to resume use of its mark in connection with and of the Registered Goods, including,

specifically, the ‘tea pods’ and ‘tea based pods containing milk’ claimed in the Registration.”

(*Id.* at 4-5.) As in the case with the Petitioner’s fraud-based claim and express abandonment claim, the foregoing allegations are supported by factual evidence taken from publicly available information, including Registrant’s Statement of Use, Registrant’s public statement on its Facebook page that its business is permanently closed, the inactive status of Registrant’s website, and an investigation of all other materials available to Petitioner concerning the use of the Registered Mark. (*Id.*) As a result, Petitioner’s secondary abandonment claim is also properly pleaded in its Amended Petition.

c. The Evidence Provided By Registrant In Its Renewed Motion Cannot Act To Support Its Motion, And Only Serves To Bolster The Validity of Petitioner’s Claims.

To the extent Registrant has provided exhibits and declarations ancillary to its Renewed Motion which introduce evidence not otherwise recited in the Amended Petition, this evidence must be disregarded. Indeed, as the Board noted in its acknowledgement of Registrant’s Renewed Motion, combined with its request to amend the Registered Mark, “[b]ecause [Registrant]’s motion to dismiss is not based on issue or claim preclusion or lack of Board jurisdiction, consideration of evidence outside the pleading would result in a premature motion for summary judgment. 10 TTABVUE 2 (citing Trademark Rule 2.127(e)(1), 37 C.F.R. § 2.127(e)(1) (party may not file a motion for summary judgment until the party has made its initial disclosures); *see also Nike, Inc. v. Palm Beach Crossfit Inc.*, 116 USPQ2d 1025, 1028 (TTAB 2015) (motion to dismiss that included matters outside of the pleadings not considered as motion for summary judgment because motion was filed before the parties’ initial disclosures were due and initial disclosures had not been served). Therefore, any evidence provided by Registrant in its Renewed Motion offered in support thereof or to otherwise dispute the

allegations set forth in the Amended Petition cannot be considered when evaluating the sufficiency of the Amended Petition or the merits of the Renewed Motion.

Notwithstanding the foregoing, even if the Board were to evaluate the evidence Registrant has offered in support of its Renewed Motion or its request to amend the Registered Mark submitted in connection therewith, it would find that these items only grant further credence to Petitioner's fraud and abandonment claims. It is axiomatic that Registrant, on the one hand, claims to have made consistent and ongoing use of the "tea pods" and "tea based pods containing milk" claimed in the Registered Mark and intends to continue making such uses in the future, yet on the other, seeks to remove these goods from the Registration here at issue in an effort to cure its fraud on the USPTO. (*Cf.* 9 TTABVUE 3 with 9 TTABVUE 14-24.) The contradictory nature of these allegations and requests speak volumes about the virtue of Petitioner's claims that these goods were never used in connection with the Registered Mark and that no evidence to substantiate the contrary exists. The dubious nature of Registrant's claims are only made further questionable in view of the declaration submitted by Registrant in support of its Renewed Motion, which largely focuses upon Registrant's use of an unrelated mark – namely, the mark DRINKSTATION ORCA – and sale of single serve pod-based beverage machines thereunder, and offers no supporting evidence to demonstrate use of the Registered Mark (i.e., ORCA) in connection with Registrant's "tea pods" and "tea based pods containing milk." (9 TTABVUE 14-24.) As it stands, Registrant has provided nothing more than a photograph of packaging for its DRINKSTATION ORCA branded beverage machine, which displays an image or prototype of a good thereon and which is purported to depict a pod for use in connection with the machinery entitled "milk," along with advertising copy that purports to indicate that "tea" may be brewed with Registrant's DRINKSTATION ORCA branded beverage machine. (*Id.* at

16-19.) Tellingly, this evidence provides no support for Registrant’s claim that it is using its Registered Mark in connection with “tea pods” and “tea based pods containing milk,” or has ever offered these goods in connection with the mark. Its alleged evidence of sales receipts and invoices further lends little to no support for this proposition, as it provides no details to indicate the sale of “tea pods” or “tea based pods containing milk,” and merely offers a list of customer information and a single invoice for the sale of three “Orca Coffee Machine[s]” and 1,200 “Orca Coffee Pods – Roma.” (*Id.* at 20-24.) Registrant has not, and likely cannot, adduce evidence refuting the allegations in the Amended Petition, and has only provided evidence that further supports the allegations contained therein.

III. CONCLUSION.

The Amended Petition alleges sufficient factual content that, if proved, would allow the Board to conclude, or to draw a reasonable inference, that (1) Petitioner has standing to maintain the Proceeding; and (2) valid grounds exist for canceling the Registered Mark. As a result of all the foregoing, Petitioner respectfully requests that this Honorable Board deny Registrant’s Renewed Motion and allow the claims set forth in the Amended Petition to proceed in the Proceeding under a revised scheduling order.

Respectfully submitted,

BLACK RIFLE COFFEE COMPANY LLC

By its Attorneys,

Date: January 4, 2021

s/Scott W. Johnston

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing PETITIONER'S
OPPOSITION TO REGISTRANT'S MOTION TO DISMISS PURSUANT TO FED. R. CIV. P.
12(b)(6) was served upon the following attorney of record for Registrant by email this 4th day of
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