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

Proceeding no.	92081480
Party	Plaintiff Frank August, LLLP
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

Frank August, LLLP,

Petitioner,

v.

BFRANK, LLC

Registrant

Cancellation No. 92081480

Registration No. 6,291,012 for BFRANK
& Design

International Class: 25

Registration Date: March 9, 2021

PETITIONER'S BRIEF IN OPPOSITION TO MOTION TO DISMISS

This document is responsive to Respondent's Motion to Dismiss the Petition for Cancellation according to Fed. R. Civ. P. 12(b)(6) because it allegedly fails to state a proper claim for cancellation. For the following reasons, the Petition for Cancellation properly states multiple bases for cancellation and, therefore, the Motion to Dismiss should be denied.

A motion to dismiss for failure to state a claim under Fed. R. Civ. P. 12(b)(6) concerns only the legal sufficiency of the pleaded claims, not whether the claims may ultimately be proven. *See Young v. AGB Corp.*, 152 F.3d 1377, 47 USPQ2d 1752, 1754 (Fed. Cir. 1998) (“[Defendant’s] arguments appear to confuse the sufficient pleading of a claim with the obligation of proving that claim.”). To withstand a motion to dismiss, Petitioner need only allege facts that, if proved, establish entitlement to the relief sought; that is: (1) standing to bring the proceeding; and (2) a valid statutory ground for cancelling the registration. *McDermott v. San Francisco Women’s Motorcycle Contingent*, 81 USPQ2d 1212, 1212 (TTAB 2006), *aff’d unpub’d*, 240 Fed. Appx. 865 (Fed. Cir. July 11, 2007), *cert. denied*, 552 U.S. 1109 (2008); *Young v. AGB Corp.*, 47 USPQ2d at 1753.

Under the simplified notice pleading rules of the Federal Rules of Civil Procedure, a petition to cancel a registration must only contain “a short and plain statement of the claim showing that the pleader is entitled to relief” and must be “construed so as to do justice.” Fed. R. Civ. P. 8(a)(2) and (e); *Scotch Whisky Ass’n v. U.S. Distilled Prods. Co.*, 952 F.2d 1317, 21 USPQ2d 1145, 1147 (Fed. Cir. 1991); *Corporacion Habanos SA v. Rodriguez*, 99 USPQ2d 1873, 1874 (TTAB 2011). This Board follows the federal standard of notice pleading, which merely requires that the complaint “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)) (“the *Iqbal/Twombly* standard”). This “plausibility” standard is met when “the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged.” *Id.* “Determining whether a complaint states a plausible claim for relief will ... be a context-specific task that requires the reviewing court to draw on its judicial experience and common sense.” *Ashcroft v. Iqbal*, 556 U.S. at 679. Accordingly, the Supreme Court has made it clear that there is flexibility in application of the *Iqbal/Twombly* standard.

In an instructive decision regarding the application of the *Iqbal/Twombly* standard to patent matters, the Federal Circuit reversed a district court finding that the plaintiff had not pleaded “any facts from which intent [to infringe] could be inferred in this case” but “only made conclusory allegations.” *Lifetime Indus., Inc. v. Trim-Lok, Inc.*, 869 F.3d 1372, 124 USPQ2d 1061, 1064 (Fed. Cir. 2017). In rejecting this holding, the Federal Circuit held that the defendant’s “complaints concerning lack of detail ask for too much. There is no requirement for [the plaintiff] to ‘prove its case at the pleading stage.’” *Id.* at 1066 (citations omitted).

Turning to the matter at bar, a showing of use in commerce is undoubtedly a prerequisite to obtaining the registration. See *Christian Faith Fellowship Church v. adidas AG*, 120 USPQ2d 1640, 1645 (Fed. Cir. 2016) quoting *United States v. Lopez*, 514 U.S. 549, 561 (1995) (“[T]he ‘use in commerce’ pre-registration requirement is an ‘essential part’ of the Act.”). Furthermore, “matters addressing what activities constitute use in commerce under the Trademark Act are best, and traditionally, left

to trial.” *Silkin LLP v. Firebrand LLC*, 129 USPQ2d 1015 (TTAB 2018). In the context of allegations of non-use, “[t]he *Iqbal/Twombly* standard does not require the pleadings to recount the results of the inquiry or investigation.” *Id.* Moreover, “[w]hether the plaintiff will be able to prove its trademark claims is a matter for trial or summary judgment after the pleadings have closed, and is irrelevant to assessment of the legal sufficiency of the complaint. *Guess? IP Holder LP v. Knowlux LLC*, 116 USPQ2d 2018, 2019 (TTAB 2015).

In this situation, Petitioner has pleaded a basis for standing, which is unchallenged by Respondent. Instead, Respondent’s basis for dismissal appears to rest upon the contention that “Petitioner does not provide any factual support for their conclusory allegations.” This is simply not correct.

Respondent first asserts that “Paragraph 7” of the Petition for Cancellation as filed “is conclusory and provides no facts or evidence to support it.” Providing “evidence” is plainly not required to plead a claim, so that cannot be a ground for dismissal. Furthermore, Petitioner’s argument that no facts are stated is belied by the very next observation made: “Petitioner in paragraph 7 furthers [*sic*], ‘...the verified statement made that the mark was in use on all Registrant’s goods made in the Statement of Use filed January 15, 2021 was false, and such false statement was relied upon by the U.S. Patent and Trademark Office.” These are undoubtedly “facts.” Indeed, reviewing the full statement made in “Paragraph 7”:

Registrant did not use Registrant’s Mark in commerce in connection with any or all Registrant’s Goods prior to May 17, 2021, the end of the first six month period for showing use set in the Notice of Allowance mailed November 17, 2020, so the verified statement made that the mark was in use on all Registrant’s Goods made in the Statement of Use filed January 15, 2021 was false, and such false statement was relied upon by the U.S. Patent and Trademark Office in issuing the ‘012 Registration and therefore material to the decision to issue said registration.

Petitioner specifically identified a basis for cancellation of the registration at issue, identifying the exact reason warranting cancellation – non-use of the mark on any or all of the goods listed in the Notice of Allowance. Whether Respondent’s statement

to the contrary made in filing the Statement of Use is, in fact, false (as Petitioner believes to be the case), and no use of the mark in commerce had occurred on any or all goods identified in the Notice of Allowance and appearing in the registration as issue (as is also believed), is a matter for proof at trial or summary judgment. *Guess? IP Holder LP v. Knowlux LLC, supra.*

Respondent's allegation as to the purported insufficiency of the pleaded claim relies upon a fundamental misunderstanding of U.S. trademark law as applicable to federally registered marks. Specifically, Respondent's Motion to Dismiss asserts that "Petitioner incorrectly states the mark was required to be used on 'all' goods made [*sic* listed] in the Statement of Use." While Office rules require the submission of only a single specimen of use for each class, the applicable statute and Office policy do in fact require use of the mark on all goods before filing a verified Statement of Use. 15 USC 1051(d) (noting that a Statement of Use requires "a **verified statement that the mark is in use in commerce** and specifying . . . **those goods or services specified in the notice of allowance on or in connection with which the mark is used in commerce.**") (emphasis added); *TMEP* 1109.03 ("The applicant may file a statement of use **only when the mark has been in use in commerce on or in connection with all the goods/services specified in the notice of allowance. . . .**") (emphasis added). Hence, Respondent is simply wrong on the legal requirement for a valid registration in terms of use being required on all listed goods, and, absent such, cancellation is plainly warranted.

On the issue of whether the Registrant's usage of the mark on the goods was ornamental in nature, Respondent again mentions a need for "evidence," which is simply not required at the pleading stage. As for the allegation that the pleaded claim is conclusory, Petitioner has pled a factual basis – that is, Registrant's use of the mark prior to the date required for filing evidence of use was "ornamental in nature," with ornamental being a noun meaning "something that serves as ornamentation." *American Heritage Dictionary of the English Language* © 2023. On the basis of this alleged **fact**, Respondent's alleged mark "failed to function" as a registrable one, and thus is subject to cancellation for this reason.

Respondent's motion never explains why this contention regarding ornamental use is "conclusory," and instead simply recounts the proceedings that led to issuance of the registration. The fact that the Office did not find otherwise is simply irrelevant to the pleaded basis for cancellation, since it is a ground that would have prevented registration in the first instance. TMEP 307.02 ("a petition to cancel filed prior to the expiration of the five-year period may be based on ***any ground which could have prevented registration initially.***") (emphasis added). In any case, Respondent completely fails to explain why the pleaded claim is insufficient to place it on notice of the nature of the basis for which cancellation is sought, which is the entire point of the simplified "notice" pleading required under U.S. law.

An instructive case directed to Respondent's allegations regarding "conclusory" statements that are really factual in nature, is *Silkin LLP v. Firebrand LLC, supra*. There, the Board faced a Motion to Dismiss an abandonment claim, where the petitioner asserted in a cancellation petition the following:

On information and belief, Respondent is not using Respondent's Mark on or in connection with Respondent's Goods and Services with no intent to resume such use.

In rejecting a Motion to Dismiss on the basis that this allegation was conclusory, this Board held that in the foregoing statement, "Petitioner has pleaded the required ***factual allegations*** that Respondent ceased use of the mark with no intent to resume its use" (emphasis added). Specifically, the Board observed as follows:

The petition to cancel pleads that Respondent is not using the mark with its goods and services, and has no intent to resume use. The Board finds that no more is necessary for a legally sufficient abandonment claim in the context of the Board's narrow jurisdiction limited to trademark registrability. ***Petitioner's abandonment claim is not merely a formulaic recitation of the elements of the claim, because the allegations of nonuse plus intent work double duty.*** That is, the allegations of nonuse plus intent serve ***both to describe the claim and to describe the necessary facts to support the claim.*** The Board specifically rejects the argument that the factual allegations of nonuse plus intent must include additional allegations which demonstrate how Petitioner will prove the allegations of nonuse plus intent.

Id. (emphasis added). In other words, statement of a proper claim need not outline details as to why use of the mark was not being made (which as a negative is impossible to prove), or why the registrant intended not to resume use. While the current grounds for dismissal do not sound in abandonment, Petitioner's pleaded claims are indistinguishable in terms of describing the claims and the necessary facts to support the claims made. That is all that is required to state a proper basis for cancellation.

In the event the Board agrees that the pleaded claims are insufficient and grants Respondent's Motion to Dismiss, Petitioner in the alternative requests: (1) explicit guidance on what is required to plead claims of non-use of a mark or ornamental use in order to support a Petition for Cancellation; and (2) leave to file an amended Notice of Opposition.

In light of the foregoing, Petitioner submits that Respondent's Motion to Dismiss should be denied.

Dated: March 17, 2023

Respectfully Submitted,

/s/ Andrew D. Dorisio

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CERTIFICATE OF SERVICE

I, Andrew D. Dorisio, hereby certify that on March 17, 2023, I served a true and correct copy of this document, by electronic mail to:

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/Andrew D. Dorisio/

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