

ESTTA Tracking number: **ESTTA1320458**Filing date: **11/06/2023**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding no.	92083014
Party	Defendant Armstrong Laboratorios de MÃ©xico S.A. deC.V.; Armstrong Laboratorios de Mexico s.a. deC.V.
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

MPREZAS, INC.

Petitioner,

-vs-

ARMSTRONG LABORATORIOS DE
MÉXICO S.A. DE C.V.

Registrant,

)
)
) Cancellation No.: 92083014
)
) Registration Nos.: #: 5541254, 5541255
)
) Mark: HERKLIN, HERKLIN & Design
)
)

REGISTRANT’S REPLY IN SUPPORT OF ITS MOTION TO DISMISS

Registrant Armstrong Laboratorios de Mexico, S.A. de C.V. (“Registrant”, or “Armstrong”) respectfully submits this Reply in Support of its Motion to Dismiss, requesting that the Board dismiss this cancellation proceeding for failure to meet the Board’s rules, precedent, and the Federal Rules of Civil Procedure. Petitioner Mprezas, Inc. (“Petitioner”, or “Mprezas”) recycles the baseless claims from its petition to cancel which do nothing to supplement its claims or state sufficient bases for relief. In essence, Petitioner fails to plead sufficient facts to establish non-use of Armstrong’s trademarks and fails to show its allegations that Armstrong admitted likelihood of confusion provide a factual basis to support its petition to cancel. Instead, Petitioner reiterates conclusory grounds with no factual support and raises arguments this Board has already rejected in the prior proceedings.

Indeed, as explained in detail in Armstrong’s Motion to Dismiss, Petitioner had an obligation to allege facts establishing that: (1) it has standing to maintain the proceedings; and (2) it has a valid ground for seeking cancellation. *See Cineplex Odeon Corp. v. Fred Wehrenberg Circuit of Theatres, Inc.*, 2000 TTAB LEXIS 663 at *3-4 (TTAB 2000) (citations omitted). To show factual plausibility and survive a motion to dismiss, a petitioner must “plead[] factual content that allows the Board to draw a reasonable inference that the party has standing and that a valid

ground for refusing or cancelling the registration exists.” *Sun Hee Jung v. Magic Snow, LLC*, 2017 TTAB LEXIS 336, at *2 (TTAB 2017) (citing *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). This requires “more than [t]hreadbare recitals of the elements of a cause of action, supported by mere conclusory statements.” *Dragon Bleu v. VENM, LLC*, 2014 TTAB LEXIS 352 at **4-5 (TTAB 2014) (citations and internal quotations omitted). Although not a replacement for a properly pled petition to cancel, Petitioner’s reply in opposition to the Motion to Dismiss does not proffer any additional factual matter and only offers the same threadbare recitals of the complaint. Thus, dismissal is warranted.

I. The Board Rejected Petitioner’s Assertion of an “Admission” of Likelihood of Confusion, and Precedent Establishes that Alleged Admissions Are Insufficient to Show a Likelihood of Confusion.

In an effort to barely fall within the five-year period to seek cancellation of Armstrong’s marks based on likelihood of confusion and non-use, Petitioner filed a factually deficient and hurried petition to cancel. The petition to cancel begins by alleging an admission of likelihood of confusion to suggest that Petitioner is absolved of its duty to plead facts that would give rise to valid grounds to cancel Armstrong’s marks.¹ However, “statements by [a party] cannot be viewed as binding judicial admissions, since a decision maker *may not consider a party’s opinion relating to the ultimate legal conclusion of likelihood of confusion (particularly in another case)* as a binding admission of a fact and such prior statements are not binding judicial admissions on the decision maker.” *In re Chattanooga Bakery, Inc.*, 2022 TTAB LEXIS 267, at **13-14 (TTAB 2022) (quoting *In re Sela Prods., LLC*, 107 USPQ2d 1580, 1584 (TTAB 2013)) (internal quotation marks omitted) (*emphasis added*). Similarly, Petitioner points to another proceeding and insists

¹ The barebones nature of its complaint raises concerns of whether this was a hurried and half-hearted attempt to preserve certain claims even though Petitioner did not have a proper factual basis in support of those claims. See TBMP § 307.02(a) (identifying likelihood of confusion and lack of bona fide use of respondent’s mark in commerce as grounds for cancellation that must be raised within a five-year period).

that “Armstrong admitted multiple times in its Answer that ‘Armstrong admits that [Petitioner’s] use of the HAIRKLYN mark for lice treatment products is likely to cause confusion with Armstrong’s prior usage of, and senior rights to, the HERKLIN mark” 9 TTABVUE 3-4, ¶¶ 27-28, 1-3 (*citing* 1 TTAB ¶¶5-7).² Petitioner cannot support its claim of likelihood of confusion by pointing to a quote from an answer in a **different** proceeding, particularly when likelihood of confusion is an ultimate legal conclusion.

In fact, as explained in Armstrong’s motion, the Board has previously rejected Petitioner’s insistence on pointing to alleged admissions, stating “even if the Board views these statements as admissions as to likelihood of confusion between the parties’ marks, likelihood of confusion is a legal conclusion and must be proven by Opposer based on facts.” Opp. No. 91235782, 93 TTABVUE 10-11. This is consistent with Board precedent. *See, e.g., Interstate Brands Corp. v. Celestial Seasonings, Inc.*, 576 F.2d 926, 929 (CCPA 1978) (“[T]hat confusion is unlikely to occur is a legal conclusion, it cannot be an admission.”) (citations and internal quotation marks omitted). Thus, Petitioner still had the obligation to plead facts that stated a claim of likelihood of confusion, and pointing to quotes from another proceeding was insufficient. Absent more, dismissal is warranted.

II. Petitioner Fails to State a Claim of Non-Use When it Only Raises Issues with the Specimens, which TTAB Precedent Has Rejected as Grounds for Cancellations.

Petitioner fails to state a claim of non-use in its petition for cancellation. Only since Armstrong moved to dismiss the cancellation does Petitioner attempt to bolster its claims and, in the alternative, requests leave to amend its petition to cancel. *See* 9 TTABVUE 7, ¶ 15. Petitioner now argues that Armstrong filed its statement of use after properly availing itself of extensions of

² Petitioner cites its Petition to Cancel in this proceeding, which quotes Armstrong’s answer in a prior proceeding. The quote originates in Proceeding No. 91235782, 10 TTABVUE, 2, ¶¶ 6-7. Petitioner has made a string of citations to the same quote in lieu of asserting facts.

time to prove use provided by the USPTO and that “Armstrong’s specimens of use were fuzzy.” *See id.* at ¶ 20. Even if Petitioner were permitted to amend its petition to cancel, these “facts” still would not support a claim for cancellation based on non-use.

First, Petitioner’s reliance on Armstrong’s decision to file for extensions of time to file a statement of use is not dispositive. In an analogous situation of an opposition proceeding, the Board explained that “Section 1 of the Trademark Act requires use in commerce either at the time a use-based application is filed, or, for an application filed under the intent-to-use provision of Section 1(b), *at the time applicant’s allegation of use is filed*. Therefore, an application may be opposed if, at the time of filing the use-based application or allegation of use, the mark was not in use in commerce on the identified goods or services.” *Sun Hee Jung*, 2017 TTAB LEXIS 336, at **9-10 (citations omitted) (*emphasis added*). When the operative time frame is “the time applicant’s allegation of use is filed,” Armstrong’s use of the extensions of time to file a statement of use, as permitted by the USPTO, are of no consequence.

Indeed, the Board has made it clear that use up until the end of the **extended** period for filing a statement of use is sufficient to show use. *Cf. Ashland Licensing & Intellectual Prop. LLC v. Sunpoint Int’l Grp. USA Corp.*, 2016 TTAB LEXIS 219, at *20 (TTAB 2016) (“With respect to Petitioner’s allegation ‘Nor had Respondent used in commerce on goods in trade the marks contained in [the] Registration[s] at the time it filed its Statement of Use for the trademark []’, this does not plead the correct legal standard. The Trademark Rules allow an applicant to submit evidence of use which occurred after the filing of the statement of use but within the original *or extended period for filing the statement of use*.”) (citation omitted) (*emphasis added*). Petitioner has no basis and provides no support for interpreting a negative inference into Armstrong’s requests for extensions of time to file a statement of use. Petitioner does not actually plead that the

marks were not used by Armstrong, but instead improperly attempts to imply that, because Armstrong filed requests to extend its time to file statement of use, that it did not have use of its marks at the time the statements of use were filed. However, that is a bridge too far and there are no facts that support a claim for non-use of the marks.

Second, Petitioner’s failure to provide any factual matter showing non-use mandates that the non-use claim be dismissed. In order to consider the claim of non-use, the Board must be able to review “factual content that allows the Board to draw a reasonable inference that ... a valid ground for refusing or cancelling the registration exists.” *Sun Hee Jung*, 2017 TTAB LEXIS 336, at *2. The Board must be able to review the precise basis for non-use asserted in order to determine whether a complaint may survive a motion to dismiss. *See, e.g., id.* at *12 (granting a motion to dismiss a non-use claim after rejecting Petitioner’s argument that Respondent’s use in one store in one state was not use in interstate commerce); *see also Sleepy Potato Corp. v. Browner*, 2023 TTAB LEXIS 70, at **8-9 (TTAB 2023) (“A legally sufficient pleading of a claim of nonuse therefore requires an allegation of facts that would establish that, as of the filing date of the use-based application, the mark was not in use in any form of commerce regulable by Congress....”).

Petitioner has not pled any facts that would give rise to a cause of action to cancel Armstrong’s registrations based on non-use and has not even given the Board the opportunity to assess any basis for claiming non-use when it asserts nothing but conclusory statements in the petition to cancel. Its response does not suggest any additional factual matter exists, but simply reiterates “[o]n information and belief, there was no bona fide use of Registrant Armstrong’s HERKLIN marks in United States within the expiration of the time for filing a statement of use.” 9 TTABVUE 6, ¶¶ 23-26 (citing 1 TTAB ¶13). Rather than pleading facts that would establish

non-use, Petitioner simply concludes there was no bona fide use. This is not a legally sufficient pleading, but instead is a conclusory statement.

Third, Petitioner’s arguments on the “fuzzy” nature of the specimens is factually dubious and legally inconsequential. Factually, the specimens show Armstrong’s products bearing the “Herklin” mark. Legally, alleging that a specimen is “fuzzy” is not a basis for asserting non-use. *See Marshall Field & Co. v. Mrs. Fields Cookies*, 1989 TTAB LEXIS 17, at **10-11 (TTAB 1989) (“The law is settled that the insufficiency of the specimens, per se, does not constitute grounds for cancelling a registration.”); *see also Canedo v. Mad Man Motor Sports, L.L.C.*, 2019 TTAB LEXIS 348, at n. 3 (TTAB 2019) (“[T]he adequacy of a specimen is solely a matter of ex parte examination, and the insufficiency of a specimen, per se, does not constitute valid grounds for opposition or cancellation.”) (citations omitted); *Burnt Church Distillery, LLC v. Savannah Bourbon Co., LLC*, 2021 TTAB LEXIS 263, at n. 18 (TTAB 2021) (“We note further that the alleged insufficiency of the specimen may not be used as a basis for cancellation.”) (citations omitted).

The Board has long rejected attempts to raise issues with a specimen to support a petition to cancel, explaining its rationale in detail over three decades ago:

The reason why unacceptable specimens, per se, should not be a ground for cancellation becomes apparent when one considers the purpose of specimens. The specimens are to show the mark as it is actually used (Section 1 of the Trademark Act 15 USC 1051; Trademark Rules 2.56 through 58), so that it can be determined whether the matter for which registration is sought is being used as a trademark or service mark. Objections to the specimens made by the Examining Attorney are not actually to the acceptability of the specimens themselves, but are that the specimens do not show trademark use of the matter for which registration is sought. Thus, in the present case, even assuming, arguendo, that applicant’s specimens are unacceptable, if the Examining Attorney had refused registration based on them it would have been because they did not show that applicant’s mark was being used as a service mark, and the ground for refusal would have been, not the insufficiency of the specimens, but that the matter did not function as a mark. Moreover, fairness dictates that the ex parte question of the sufficiency of the specimens not be the basis for sustaining a petition for cancellation. If the Examining Attorney had objected to

the specimens during the examination of the application, the applicant would have had an opportunity to submit acceptable substitute specimens. *Assuming, arguendo, that registrant's specimens are unacceptable, it would be unfair to penalize registrant for not submitting substitute specimens when that requirement was never made by the Examining Attorney.*

Marshall Field & Co., 1989 TTAB LEXIS 17, at **11-12 (*emphasis added*).

Here, Petitioner's alleged issue with the specimen is not sufficient to support a claim of non-use, as it would be unfair for Petitioner to raise issues the Examining Attorney did not. *See id.*; *see also Canedo*, 2019 TTAB LEXIS 348, at n. 3 (declining to consider claims that the specimen did not show use of the mark in commerce because issues with a specimen are not grounds for cancellation). In any case, claims that a specimen is "fuzzy" raise an issue with the specimen itself, "and the ground for refusal would have been, not the insufficiency of the specimens, but that the matter did not function as a mark." *Marshall Field & Co.*, 1989 TTAB LEXIS 17, at *12. It is also worth noting that Petitioner did not allege any facts about problems with Armstrong's specimens in the petition to cancel and even if Petitioner had, such "facts" would not give rise to grounds to cancel Armstrong's registration. Thus, the Board should not consider any issues related to the specimens in this cancellation proceedings, especially when claims that the specimens are "fuzzy" go to the sufficiency of the specimens, not to whether the matter functions as a mark.

Ultimately, when Petitioner only points to Armstrong asserting its right to seek extensions and to alleged issues with the specimens which cannot constitute grounds for cancellation, Petitioner fails to plead facts supporting its claim of non-use. Therefore, dismissal is warranted.

III. CONCLUSION

Petitioner's response does not point to any factual content that addresses the factual deficiencies in its Petition to Cancel. Petitioner has failed to plead required facts in support of the grounds asserted in the Cancellation. Petitioner's reliance on an opinion given in another

proceeding is not a sufficient basis for pleading likelihood of confusion. Further, Petitioner's alleged issues with Respondent's specimen is not factual support for a claim of non-use when the Board has repeatedly concluded arguments surrounding specimens do not constitute grounds for cancellation. Beyond these feeble arguments, Petitioner only states conclusory grounds that do not properly state a claim for relief. Therefore, for all the reasons herein, Armstrong respectfully renews its request that the Cancellation be dismissed in its entirety with prejudice for failure to state a claim pursuant to Federal Rule of Civil Procedure 12(b)(6).

Dated: November 6, 2023

Respectfully submitted,

s/ Govinda M. Davis/

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **REPLY IN SUPPORT OF PETITIONER'S MOTION TO DISMISS** has been served upon the following by e-mail this 6th day of November, 2023:

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