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

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|---|---|
| Proceeding | 91246466 |
| Party | Defendant<br>CM Welding Inc |
| Correspondence Address | WILLIAM P KEALEY<br>STUART & BRANIGIN LLP<br>300 MAIN STREET, STE 900<br>LAFAYETTE, IN 47901<br>UNITED STATES<br>wpk@stuartlaw.com<br>765-423-1561 |
| Submission | Motion to Dismiss - Rule 12(b) |
| Filer's Name | William P. Kealey |
| Filer's email | wpk@stuartlaw.com, map@stuartlaw.com |
| Signature | /s/William P. Kealey |
| Date | 04/26/2019 |
| Attachments | Applicants Renewed Motion to Dismiss or Suspend the Opposition.pdf(1252107 bytes ) |

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

In the matter of trademark Application Serial No. 87934942:
Trademark: RPR

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|---|---|---|
| DON ESTES<br><br>Opposer,<br><br>v.<br><br>CM WELDING INC.,<br><br>Applicant. | ) | Opposition No.: 91246466 |

**APPLICANT'S RENEWED MOTION TO DISMISS OR SUSPEND THE OPPOSITION**

Applicant CM Welding Inc. ("Applicant"), by counsel, moves to dismiss the Opposition pursuant to Federal Rule of Civil Procedure 12(b)(6) or, in the alternative, to suspend the Opposition pursuant to 37 C.F.R. § 2.117.

Opposer filed his First Amended Notice of Opposition ("Amended Notice") on March 25, 2019. The Amended Notice does not remedy the original Notice's failure to state a claim and should therefore be dismissed. In the alternative, the Opposition should be suspended pending the State Action discussed below.

**A. The Opposition fails to state a claim.**

Pursuant to 37 C.F.R. § 2.104, the Notice of Opposition "must at the pleading stage allege facts in support of" a "statutory ground which negates the applicant's entitlement to registration." *Young v. AGB Corp.*, 152 F.3d 1377, 1380 (Fed. Cir. 1988) (emph. added). In

*Young v. AGB Corp.*, the opposer's allegation that he was in a "manufacturer-purchaser relationship with respect to the subject matter of [applicant's] application" failed to state a claim. *Id*.

Similarly here, Opposer Don Estes has failed to "allege facts" that negate Applicant CM Welding's entitlement to registration. Opposer alleges that "his products were being sold by CM Welding, Inc.". Amended Notice, ¶ 12. Opposer does not allege that those products were sold by anyone else prior to CM Welding.[1]

Paragraph 4 of the Amended Notice states: "That Opposer has continuously used RPR in interstate commerce in the United States in connection with agricultural harvesting equipment, in particular for concaves used in threshing machines (in IC 007) since at least as early as August 23, 2013."

A conclusory allegation of "use in commerce" is not an allegation of "facts" within the meaning of *Young v. AGB*. The "short and plain statement" standard requires the pleading to state facts that plausibly show a right to relief. *Ashcroft v. Iqbal*, 556 U.S. 662 (2009); *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544 (2007). In *Iqbal,* the Supreme Court stated:

> First, the tenet that a court must accept as true all the allegations contained in a complaint is inapplicable to legal conclusions. Threadbare recitals of the elements of a cause of action, supported by mere conclusory statements, do not suffice.... Second, only a complaint that states a plausible claim for relief survives a motion to dismiss.

*Id.* at 678-69. *See Acceptance Ins. Companies, Inc. v. U.S.*, 583 F.3d 849, 853 (Fed. Cir. 2009) (Quoting *Twombly*: "In order to avoid dismissal for failure to state a claim, a complaint must allege facts 'plausibly suggesting (not merely consistent with)' a showing of entitlement to relief.").

[1] The Amended Notice misquotes Applicant's RPR application. The first use in commerce date shown in the application appended to Opposer's Notice of Opposition is: "At least as early as 11/01/2016".

The Amended Notice fails this standard. As Applicant's previous Motion to Dismiss noted, "The Opposition does not allege that Opposer used the RPR mark in the sale of goods and services prior to Applicant's use of the RPR mark in the sale of goods and services." The Amended Notice has the same defect.

The Lanham Act's definition of "use in commerce" refers to when "the goods are sold or transported in commerce." 15 U.S.C. § 1127. The Amended Notice fails to plead facts plausibly suggesting that Opposer sold or transported RPR-branded goods in commerce prior to and independent of CM Welding doing so.

As in *Young v. AGB*, Opposer's alleged supply-relationship with CM Welding does not state a claim. Nor does it matter who conceived of the RPR trademark on goods sold by CM Welding.[2]

The word "sale" appears only once in the Amended Notice: "Opposer submits that there is a high likelihood of confusion to the public that are in the market for these goods as to who is offering them for sale due to the similarity of the Marks." ¶ 18.

In turn, the word "sell" appears in the Amended Notice only in reference to Applicant. Amended Notice p. 4 (allegation that "Applicant is not licensed to sell Opposer's patented concaves.").

The word "sold" appears only in two conclusory allegations that lack any assertion of date-priority. Amended Notice, ¶ 16 ("has continuously used the Mark in interstate commerce in

[2] In *Malibu, Inc. v. Reasonover*, 246 F.Supp.2d 1008 (N.D. Ind. 2003), the court rejected Reasonover's argument that he owned the mark because he originated it while he was associated with Malibu, Inc. "'[T]he question of who originated the mark is immaterial. Therefore, proof of an earlier conception is of no relevance.... The question of who created, or contributed to the creation of, the *goodwill* of the mark is also immaterial. Thus, the trademark and trade names used by a corporation are owned by the corporation and not by its officers, managers or agents.' Rudolf Callman, THE LAW OF UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES § 19.01, at 4 (4th ed.1981) (emphasis in original)." *Id.* at 1015.

the United States in connection with harvesting concaves that are sold by him and by those he has licensed to sell his product . . ."); p. 5 ("likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of Opposer with the Applicant for the Opposed Mark, as to the origin, sponsorship, or approval of the Concaves sold by the parties").

Because Opposer has not alleged any facts to plausibly suggest sales that confer senior-user priority on Opposer, the Amended Notice fails to state a claim for denial of Applicant's registration of RPR on grounds of likelihood of confusion.

**B. In the alternative, this Opposition should be suspended pending decision of the state court litigation between Applicant and Opposer.**

In the alternative, this Opposition should be suspended in deference to a previously filed state court action by Applicant against Opposer and others.

The Amended Notice admits Opposer's historical relationship with Applicant. ¶¶ 11-13. Applicant CM Welding, Inc. is the plaintiff in a pending state court suit filed on August 20, 2018 (the "State Action", in Clinton Superior Court, Clinton County Indiana, Cause No. 12D01-1808-PL-000645). *See* **Exhibit A** hereto (clerk-stamped copy "Complaint"). As set forth in that Complaint, CM Welding Inc. is an Indiana corporation with a place of business in Clinton County, Indiana. Opposer Estes is the lead defendant in the State Action. The State Action will decide the intellectual property issues pending between Applicant CM Welding and Opposer Estes. **Exhibit A**, p. 13.

Pending resolution of the State Action, this Opposition should be suspended pursuant to 37 C.F.R. § 2.117 which provides, "[w]henever it shall come to the attention of the Trademark Trial and Appeal Board that a party or parties to a pending case are engaged in a civil action or another Board proceeding which may have a bearing on the case, proceedings before the Board may be suspended until termination of the civil action or the other Board proceeding."

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