ESTTA Tracking number: **ESTTA1031546**

Filing date: **01/27/2020**

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

Proceeding	92072761
Party	Defendant Magic Snow, LLC
Correspondence Address	SCOTT J MAJOR MILLEN WHITE ZELANO & BRANIGAN PC 2200 CLARENDON BLVD 14TH FLOOR ARLINGTON, VA 22201 UNITED STATES major@mwzb.com, docketing@mwzb.com 703-243-6333
Submission	Motion to Dismiss - Rule 12(b)
Filer's Name	Scott J. Major
Filer's email	major@mwzb.com, culver@mwzb.com, docketing@mwzb.com
Signature	/Scott J. Major/
Date	01/27/2020
Attachments	Motion to Dismiss 1-27-20.pdf(359495 bytes)

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

Sulbing Co., Ltd.,	:	
	:	
Petitioner,	:	Cancellation No. 92072761
	:	Mark: SUL BING
v.	:	Reg. No. 5440822
:		
Magic Snow, LLC	:	
	:	
Respondent.	:	

RESPONDENT'S COMBINED MOTION FOR SUMMARY JUDGMENT ON CLAIM PRECLUSION AND MOTION TO DISMISS FOR FAILURE TO STATE CLAIMS UPON WHICH RELIEF MAY BE GRANTED

The Petitioner is seeking cancellation of Reg. No. 5440822 ("the Registration") on the grounds of abandonment, likelihood of confusion and fraud. Magic Snow, LLC ("Respondent) hereby moves for summary judgment under Federal Rule of Civil Procedure 56 on the ground of claim preclusion with respect to the likelihood of confusion and fraud claims. Respondent also moves herein to dismiss the likelihood of cancellation and fraud claims for failure to state a claim pursuant to Federal Rule of Civil Procedure 12(b)(6).

I.
INTRODUCTION

The likelihood of confusion claim asserted by Petitioner against the Registration essentially is the same claim previously asserted by a party in privity with Petitioner in earlier Opposition No. 91226056 ("the Opposition"). The Opposition was dismissed with prejudice by the Board; thus, the likelihood of confusion claim is barred by the doctrine of claim preclusion, and must be dismissed. Because the fraud claim in the case at bar is predicated on the same transactional facts as present in the Opposition, it also must be dismissed on the ground that it is barred by claim preclusion.

Additionally, as to each of likelihood of confusion and fraud, Petitioner has failed to state a claim upon which relief may be granted. Regarding likelihood of confusion, priority is a threshold issue that must be properly pleaded and proven by any trademark owner opposing the registration of a mark on the ground of a likelihood of confusion. Petitioner has failed to allege prior rights in its alleged mark in the United States; thus, the likelihood of confusion claim must be dismissed. The Petitioner's fraud claim also is fatally defective on its face in that it fails to plead the claim with particularity, and fails as well to allege any facts upon which it may be found that the Respondent had an intent to deceive the Patent and Trademark Office. This claim accordingly must be dismissed as well under Rule 12(b)(6).

II.
STATEMENT OF LAW

A. Summary Judgment for Claim Preclusion

The granting of summary judgment under Fed. R. Civ. P. 56 is appropriate where the pleadings, depositions, answers to interrogatories, admissions on file, together with any supporting affidavits, show that there is no genuine issue of material fact in dispute, and that the moving party is entitled to judgment in its favor as a matter of law. *See* Celotex Corp. v. Catrett, 477 U.S. 317 (1986). "The burden on the moving party may be discharged by … pointing out … that there is an absence of evidence to support the nonmoving party." *Id.* at 322. "[T]he dispute about a material fact is 'genuine,' … if the evidence is such that a reasonable jury could return a verdict for the nonmoving party." Anderson v. Liberty Lobby, 477 U.S. 242, 248 (1986).

"[T]he mere existence of *some* alleged factual dispute between the parties will not defeat an otherwise properly supported motion for summary judgment; the requirement is that there is no *genuine* issue of *material* fact." *Id.* at 247-48 (emphasis in original). The nonmoving party must do more than "simply show that there is some metaphysical doubt as to the material facts."

Matsushita Electric Industrial Co., Ltd. v. Zenith Radio Corp., 475 U.S. 574, 586 (1986). "[T]he nonmoving party must come forward with 'specific facts showing that there is a *genuine issue for trial*.'" *Id.* at 587 (emphasis in original, quoting Rule 56(e) pre-2007 amendment). "If the evidence [favoring the nonmoving party] is merely colorable, or is not significantly probative, summary judgment may be granted." Anderson, 477 U.S. at 249-50 (citations omitted).

A party generally may not file a motion for summary judgment until it has made its initial disclosures. Trademark Rule 2.127(e)(1). An exception to this rule is that a motion asserting claim or issue preclusion may be filed by a party prior to service of initial disclosures on its opponent. *Id.*; Zoba Int'l Corp. v. DVD Format/LOGO Licensing Corp., 98 USPQ2d 1106, 1108 n.4 (TTAB 2011) (motion to dismiss on ground of claim preclusion considered as summary judgment motion).

Under the doctrine of claim preclusion, "a judgment on the merits in a prior suit bars a second suit involving the same parties or their privies based on the same cause of action." Jet Inc. v. Sewage Aeration Sys., 55 USPQ2d 1854, 1856 (Fed. Cir. 2000) (*quoting* Parklane Hosiery Co. v. Shore, 439 U.S. 322, 326 n.5 (1979)); Internat'l Nutrition Co. v. Horphag Research, Ltd., 55 USPQ2d 1492, 1494 (Fed. Cir. 2000). The Federal Circuit has listed three elements necessary for claim preclusion to operate against a party in the first action: (1) a final judgment on the merits by a court or other tribunal of competent jurisdiction; (2) the parties in each proceeding must be the same or in privity with the prior parties; and (3) the same claims must have been raised (or should have been raised) in the prior action. *See* Internat'l Nutrition Co., 55 USPQ2d at 1494. If these elements are present, the TTAB must give preclusive effect to the prior decision. *See, e.g.,* Miller Brewing Co. v. Coy International Corp., 230 USPQ 675 (TTAB 1986) (applicant precluded from registering mark that was substantially similar to mark that had previously been successfully opposed).

Regarding the first prong of the test, the Board has held that a dismissal with prejudice may operate as a final judgment on the merits. Orouba Agrifoods Processing Co. v. United Food Import, 97 USPQ2d 1310, 1314-15 (TTAB 2010) (granting summary judgment to registrant on claim preclusion where petitioner's prior opposition had been dismissed with prejudice for failure to prosecute the case); La Fara Importing Co. v. F. Lli de Cecco di Filippo Fara S. Martino S.p.a., 8 USPQ2d 1143, 1146 (TTAB 1988) ("Issue preclusion operates only as to issues actually litigated, whereas claim preclusion may operate between the parties simply by virtue of the final judgment."). In Orouba, the petitioner in a cancellation proceeding had previously opposed registration of the respondent's mark on the ground of likelihood of confusion. Orouba, 97 USPQ2d at 1311-12. The petitioner failed to file a brief on the case, and the Board treated this failure as a concession of the case, entered judgment for respondent, and dismissed the opposition with prejudice. *Id.* at 1312.

In the subsequent cancellation proceeding, the petitioner again asserted a claim of likelihood of confusion. *Id.* The Board found that this prior dismissal served as a bar to petitioner's cancellation petition, and granted summary judgment in favor of respondent. In doing so, the Board stated that "even default judgments for failure to answer, or dismissals for failure to prosecute, where there has been no decision on the merits, can act as a bar under the doctrine of claim preclusion". *Id.* at 1313 (*citing* Internat'l Nutrition Co., 55 USPQ2d at 1494.

The third prong requires that the same claims must have been raised (or should have been raised) in the prior action. The doctrine of claim preclusion "has come to incorporate common law concepts of merger and bar, and will thus also bar a second suit raising claims based on the same set of transactional facts". Jet Inc., 55 USPQ2d at 1856 (*citing* Migra v. Warren City School Dist. Bd. of Educ., 465 U.S. 75, 77 n.1 (1984)). This bar extends not only to relitigation of claims raised, but also to those that "could have been raised", in the earlier action. Allen v. McCurry, 449

DOCKET ALARM

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts

Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research

With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips

Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS
Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS
Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS
Sync your system to PACER to automate legal marketing.