

# Opposition Proceedings in the U.S.A.

ECTA 28<sup>th</sup> Annual Conference  
Vilnius, Lithuania

June 24, 2009

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**Hughes**  
*Critical matters.* *Critical thinking.*  
**Hubbard**

# Overview

- TTAB Functions
  - Ex parte appeals
  - Oppositions
  - Cancellations
  - Concurrent use proceedings
- What the TTAB Can't Do
  - Determine right to use trademarks
  - Hear infringement or unfair competition claims
  - Grant injunctions, attorneys' fees or costs

# Overview (cont'd)

- Standing
  - Opposer would likely be damaged by the registration
  - There is a valid ground for negating the registration
- Proceedings are based on written record  
Witnesses use depositions in lieu of live testimony

## Applicable Laws

- The Lanham Act of 1946, Title 15 of the Code of Federal Regulations (CFR)
- Federal Rules of Civil Procedures
- Title 37 of the Code of Federal Regulations (CFR)

# Grounds for Opposition

- Anyone who believes may be damaged by a registration may file opposition
  - The grounds are not specified in the statute and include Lanham Act § 2 (Grounds for ex parte refusal of any application)
  - Judicial interpretation
  - Balancing of competing interests; opposer need not be the exclusive user

# GROUNDS FOR OPPOSITION (cont'd)

Most Common Ground is Likelihood of Confusion

- §2(d) prohibits the registration of a mark that “so resembles a prior mark as to be likely, when used on or in connection with the goods of applicant, to cause confusion, to cause mistake or to deceive”
- Opposer must prove
  - that it owns a valid trademark
  - the trademark is inherently distinctive or that
  - it has acquired distinctiveness through use

# Likelihood of Confusion § 2(d) (cont'd)

- Opposer must also prove likelihood of confusion:  
Du Pont factors
- Most important factors in determining likelihood of confusion: similarities between the marks and the goods/services of the parties. Other factors:
  - Channels of trade
  - Type or sophistication of purchasers
  - Modes of advertising and promotion
  - Intent of the second user in adopting the mark
- Similarities between the marks require analysis of the sound, appearance and meaning of the respective marks

# Likelihood of Confusion § 2(d) (cont'd)

## PRIORITY

- If the marks are “confusingly similar” and the goods/services are related, the only issue is one of priority of registration or use between applicant and opposer
1. Prior Registration – priority of registrant over applicant as of the filing date is assumed
  2. Prior “use” includes use of a mark or trademark previously used in the United States, use analogous to trademark use, intrastate use, and any use that has resulted in establishing a trade identity
    - First Niagara Insurance Brokers Inc. vs. First Niagara Financial Group Inc., 476 F.3<sup>rd</sup> §67 (Fed. Cir. 2007) - Intrastate use sufficient for opposition purposes

## Likelihood of Confusion § 2(d) (cont'd)

3. Constructive use priority based on Intent to Use application - applicant cannot obtain judgment until the registration issues
4. a Section 44(d) application claiming Paris Convention priority
5. the priority of an international registration extended to the U.S. under Madrid Protocol
  - Date of priority is the date of the international registration (I.R.) or earlier if the extension of protection includes a claim under the Paris Convention and if the date of the I.R. is within 6 months of the filing date of the application underlying the I.R.

# Likelihood of Confusion § 2(d) (cont'd)

Example:

Compagnie Gervais Danone vs. Precision Formulations  
89 U.S.P.Q.2d 1251 (TTAB 2009)

- Precision's U.S. filing date: February 21, 2007
- Danone's U.S. filing date: May 22, 2007
- Danone's French Application: December 6, 2006 I.R. filed within 6 months

# Genericness, Descriptiveness or Deceptive Misdescription

- § 2(e)(1) Merely descriptive, generic or deceptive misdescription
  - Merely descriptive if it describes an ingredient, characteristic, quality, function, feature, purpose or use of the goods/services
- § 2(e)(2) Geographically Descriptive
  - Primary significance is a known geographic location
  - The goods identify the place in the mark
  - Purchasers would be likely to believe the goods or services originate in the geographic place identified in the mark

# Genericness, Descriptiveness or Deceptive Misdescription (cont'd)

- § 2(e)(3) Geographically Deceptively Misdесcriptive
  - Goods/services do not originate in the place identified in the mark
- Materiality
  - Purchasers would likely believe that the goods/services originate in the geographic place identified in the mark
  - Deceptive misdescription requires that misrepresentation be a material factor in consumer's decision to buy the goods or use the services

# Genericness, Descriptiveness or Deceptive Misdescription (cont'd)

- In re Spirits 563 F.3d 1347 (Fed. Cir. 2009) the TTAB held that the mark Moskovskaya for vodka was geographically deceptively misdescriptive. The Fed. Cir. reversed and remanded
  1. Moskovskaya means “of or from Moscow”
  2. Moscow is a generally known geographic location
  3. The Moskovskaya vodka did not originate in Moscow
  4. Are there 700,000 Russian in the US?

# Genericness, Descriptiveness or Deceptive Misdescription (cont'd)

- § 2(a) Wines and spirits
  - A specific descriptiveness refusal for wines and spirits; (does not include beer) applies to geographical designations in use since 1996
  - A mark can be deceptive under § 2(a) regardless of whether the misdescription is likely to affect the decision to purchase

## § 2(e)(3) Surname Objection and § 2(c) Living Individual

- Opposer using his or her surname as a mark has standing to oppose on the ground that the mark is primarily merely a surname. Must be conducting business activity under his name
- A mark can be opposed by pleading that it identifies a living individual whose consent is not of record

# Opposition Based on Functionality

- Product configuration vs. product packaging
- Functionality based on utilitarian factors
- Test for functionality
  - Utility patent
  - Touting of utilitarian advantages in advertisement
  - Unavailability of alternative designs
  - Simple or cheap method of manufacturing
- Aesthetic Functionality

# Opposition Based on Dilution, Lanham Act § 43 (c)

Opposer must show that:

1. the mark is famous
2. applicant is using the mark in commerce
3. applicant's use commenced after opposer's mark became famous, and
4. the mark is likely to cause dilution by tarnishment or blurring

# Other Grounds of Opposition/Cancellation

- Marks comprising immoral, deceptive or scandalous matter  
§ 2(a)
  - TM Redskins – Pro football vs. Harjo 87 U.S.P.Q.2d 1891, decided May 5, 2009, cancellation based on Redskins being racially offensive. Court held that longstanding use of the mark combined with plaintiff's 25 year delay in bringing suit required application of the laches doctrine

## FRAUD

- Medinol and its progeny
  - Medinol Ltd. v. Neuro Vas, Inc. 67 U.S.P.Q.2d 1205 (TTAB 2003)
  - Bose Corp. v. Hexawave Inc., 88 U.S.P.Q. 2D (BTA) 1332 (TTAB, 2007)

# Other Grounds for Opposition/Cancellation (cont'd)

- Abandonment
  - \* Non use for three years without intent to resume use
- Paris Convention
  - Bayer Consumer Care AG v Belmora LLC, 90 U.S.P.Q.2d 1587 (TTAB 2009)

## TTAB held:

- \* Paris Convention does not provide a basis for cancellation in the absence of use in the U.S.
- \* Paris Convention Article 6 bis not self executing
- \* Use on products imported by consumers does not constitute “use.” Activities must be by or on behalf of the trademark owner

# Other Grounds for Opposition/Cancellation (cont'd)

- The Famous Marks Doctrine
  - Maxim's
  - Wimbledon
- Pan American Convention
  - Pardo's Chicken

# Other Grounds for Opposition

- Government insignia § 2(b)
- The Lanham Act prohibits registration of matter that disparages national symbols, falsely suggests a connection with them, or holds them up to contempt or disrepute
- Lack of ownership of the mark

# Cancellation Proceedings

- Second opportunity to attack the registrability of a trademark
- Registrant is entitled to the presumptions attaching to a registered mark: prima facie presumption of validity; registrant is the lawful owner of the mark and has the exclusive right to use the mark in commerce
- Cancellation is the only means to challenge the validity of opposer's registration – compulsory counterclaim

# Cancellation Proceedings (cont'd)

- Grounds are similar to grounds for opposition. However, a registration that is more than 5 years old may not be challenged on the ground that it is merely descriptive, on the ground of petitioner's prior use, or on the ground of petitioner's non-ownership of the mark
- A registration may be cancelled at any time if it was obtained by fraud, if it becomes generic, if it is abandoned, if it is used to misrepresent the origin of the goods, if it is functional, or if it issued on the Supplemental Register and there are grounds for cancellation

# Equitable Defenses

- The right to oppose not just the merits of opposer's position, can be challenged in opposition proceedings
  - Laches or acquiescence; failure to object to applicant's use of the mark. The clock starts running when the mark is published for opposition
  - Estoppel and collateral estoppel. Arise if a court or administrative tribunal has already determined factual issues in an opposition

# Practice and Procedures

- An opposition must be filed not later than 180 days from the date of publication
- An application may be withdrawn without prejudice before the opposition has been filed. Opposition may be withdrawn without prejudice before the answer is filed. Afterwards, the consent of opposer is required to avoid an adjudication “with prejudice”
- The filing of an opposition commences the action. The TTAB then issues an order setting forth specified dates for each phase of the proceedings, commencing with the answer and followed by discovery and trial dates

# Practice and Procedures

- Appeals from a TTAB decision may be filed before the U.S. Court of Appeals for the Federal Circuit or by commencing a civil action in a U.S. District Court
  - Federal Circuit reviews TTAB's factual findings for clear error; likelihood of confusion is reviewed de novo
  - District Court reviews both facts and likelihood of confusion based upon a true de novo standard

# The TTAB Proceedings Under the New Rules Effective November 2007

- Opposer must serve the Notice of Opposition directly on applicant to initiate the proceeding
- Parties must hold an initial discovery conference within 30 days after the answer is filed
- Parties must exchange initial disclosures within 30 days of the opening of discovery
- The TTAB standard protective order will apply

# Concluding Remarks

- Only around 5% of Inter Partes cases do not settle
- Techniques for reducing costs include stipulating some or all of the facts or going through accelerated case resolution procedures (ACR)
- When to select TTAB as the forum rather than district court litigation
- Effect of the New Rules