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UNITED STATES PATENT AND TRADEMARK OFFICE  
Trademark Trial and Appeal Board  
P.O. Box 1451  
Alexandria, VA 22313-1451

Baxley

Mailed: July 18, 2007

Cancellation No. 92044412

Kur- und Verkehrsverein St.  
Moritz

v.

Samsung America, Inc.

Before Hohein, Holtzman, and Bergsman,  
Administrative Trademark Judges

By the Board:

Samsung America, Inc. ("respondent") owns a registration for the mark ST. MORITZ in typed form for "mens' and ladies' outerwear -- namely, coats and jackets; insulated underwear; sweaters; leather jackets, leather coats and leather vests" in International Class 25.<sup>1</sup>

Kur- und Verkehrsverein St. Moritz ("petitioner") has filed a petition to cancel respondent's registration. As grounds for cancellation, petitioner alleges that: 1) respondent has abandoned use of the involved mark; and 2) respondent committed fraud in the combined declaration of use in commerce and application for renewal of the involved

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<sup>1</sup> Registration No. 1279926, issued May 29, 1984, renewed. Such registration was issued to Almax Sportwear Corp. and was assigned to respondent in a document that was executed on April 9, 1991. A document reflecting that assignment is recorded with the USPTO's Assignment Branch at Reel 0783/Frame 0104.

**Cancellation No. 92044412**

registration under Trademark Act Sections 8 and 9, 15 U.S.C. Sections 1058 and 1059 (hereinafter referred to as "the combined declaration of use and application for renewal"), by falsely averring that respondent was using the ST. MORITZ mark on all of the goods recited in the involved registration when respondent was not using the mark "on at least some of" those goods. Respondent has denied the salient allegations of the petition to cancel in its answer.

This case now comes up for consideration of: 1) petitioner's motion (filed September 14, 2006) for summary judgment on its fraud claim; and 2) respondent's cross-motion (filed October 23, 2006) for summary judgment in its favor on petitioner's fraud and abandonment claims. Each party has filed a brief in opposition to its adversary's motion for summary judgment.

In support of its motion for summary judgment, petitioner contends that, in fifteen months since petitioner served discovery requests in this proceeding, respondent has produced nothing that indicates that respondent was using the involved mark in connection with insulated underwear, sweaters, leather jackets, leather coats and leather vests when it executed the combined declaration of use and application for renewal. Accordingly, petitioner contends that there is no genuine issue of material fact that respondent committed fraud on the USPTO by falsely averring

**Cancellation No. 92044412**

in the combined declaration of use and application for renewal that the mark was in use on all of the goods identified in the registration. Petitioner asks the Board to enter summary judgment against respondent on that basis.

Petitioner's evidence in support of its motion for summary judgment includes the following:

- 1) a copy of the combined declaration of use and application for renewal that respondent's vice president Sookee Lee signed on March 11, 2004 and that respondent filed on March 15, 2004;
- 2) copies of respondent's responses to petitioner's first set of interrogatories and first set of document requests; and
- 3) copies of all of the documents that respondent produced during discovery:
  - a. a series of drawings of coats, jackets, sweaters, ski pants, ski vests, leather jackets, and knit hats sold or to be sold under the ST. MORITZ mark;
  - b. ski pants allegedly bearing the ST. MORITZ mark;
  - c. a fall/winter 1990 catalog showing coats and jackets sold under the STRATOJAC, ST. MORITZ, FLY BOY and WORLD ALLIANCE marks; and
  - d. a series of computer printouts bearing the heading "Sales Detail Report (by Style)" for the time period from January 1, 1999 to July 7, 2006.

**Cancellation No. 92044412**

In response, and in support of its cross-motion for summary judgment, respondent contends that petitioner has conceded that respondent uses the involved mark on coats and jackets and that documents produced during discovery show use of the ST. MORITZ mark on sweaters, leather jackets and leather coats. Respondent further contends that, given that respondent was using the mark on insulated pants and vests, respondent had a good faith basis for believing that the mark was in use on insulated underwear and leather vests and that, because respondent is a "large concern," it is impossible to expect more direct knowledge of the relevant facts from an officer authorized to sign the combined declaration of use and application for renewal. Respondent contends in addition that petitioner could not have been harmed by any misstatements in the combined declaration of use and application for renewal because, even in the absence of use of the mark on insulated underwear and leather vests, the registration would have been renewed for the remaining goods identified therein. Accordingly, respondent asks that the Board deny petitioner's motion for summary judgment and grant its cross-motion for summary judgment dismissing the petition to cancel.

Respondent's evidence in response to petitioner's motion for summary judgment and in support of its motion for

**Cancellation No. 92044412**

summary judgment includes a declaration of respondent's vice president, Mr. Sookee Lee.

In reply and in opposition to respondent's cross-motion for summary judgment, petitioner contends that respondent has essentially admitted that it was not using the mark on insulated underwear and leather jackets and has cited no relevant case law for its contention that the misstatements in the combined declaration of use and application for renewal should be excused.

Summary judgment is an appropriate method of disposing of a case in which there are no genuine issues of material fact in dispute, thus leaving the case to be resolved as a matter of law. See Fed. R. Civ. P. 56(c). A dispute as to a material fact is genuine only if a reasonable fact finder viewing the entire record could resolve the dispute in favor of the nonmoving party. See *Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1544 (Fed. Cir. 1992). In deciding a motion for summary judgment, the Board must view the evidence in the light most favorable to the nonmovant, and must draw all reasonable inferences from underlying facts in favor of the nonmovant. *Id.*

A party moving for summary judgment has the burden of demonstrating the absence of any genuine issue of material fact, and that it is entitled to summary judgment as a matter of law. See *Celotex Corp. v. Catrett*, 477 U.S. 317

**Cancellation No. 92044412**

(1986); *Sweats Fashions Inc. v. Pannill Knitting Co. Inc.*, 833 F.2d 1560, 4 USPQ2d 1793 (Fed. Cir. 1987). When the moving party's motion is supported by evidence sufficient to indicate that there is no genuine issue of material fact, and that the moving party is entitled to judgment, the burden shifts to the nonmoving party to demonstrate the existence of specific genuinely disputed facts that must be resolved at trial. The nonmoving party may not rest on mere denials in response to the motion, but must designate specific portions of the record or produce additional evidence showing the existence of a genuine issue of material fact for trial. In general, to establish the existence of disputed facts requiring trial, the nonmoving party "must point to an evidentiary conflict created on the record at least by a counterstatement of facts set forth in detail in an affidavit by a knowledgeable affiant." *Octocom Systems Inc. v. Houston Computer Services Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1786 (Fed. Cir. 1990), *citing* *Barmag Barmer Maschinenfabrik AG v. Murata Machinery, Ltd.*, 731 F.2d 831, 221 USPQ 561, 564 (Fed. Cir. 1984).

To prevail on its motion for summary judgment, petitioner must establish that there is no genuine issue of material fact that respondent willfully withheld material information or made a willful statement of incorrect material information which, if disclosed to the USPTO, would have resulted in the disallowance of the registration

**Cancellation No. 92044412**

sought. See *Girard Polly-Pig, Inc. v. Polly-Pig by Knapp, Inc.*, 217 USPQ 1338, 1342 (TTAB 1983). Petitioner is under a heavy burden because fraud must be proved by clear and convincing evidence, leaving nothing to speculation, conjecture, or surmise. Any doubt must be resolved against the party making the claim. See *Smith International, Inc. v. Olin Corporation*, 209 USPQ 1033 (TTAB 1981).

Following the initial twenty-year registration term, respondent's involved registration was renewed under Trademark Act Section 9(a), 15 U.S.C. Section 1059(a), for ten years on May 27, 2004. An essential element of the application for such renewal is the registrant's averment that the registered mark is in current use for the specific goods covered by the registration. See Trademark Rules 2.181(a) and 2.183(d).

Statements regarding the use of the mark on the identified goods and/or services are certainly material to the issuance or renewal of a registration. See *Hachette Phillipacchi Presse v. Elle Belle, LLC*, \_\_\_ USPQ2d \_\_\_ (TTAB, Cancellation No. 92042991, April 9, 2007) (fraud found based on applicant's allegation of use of its mark for a wide variety of clothing items for men, women and children when mark had not been used for any identified items for men or children and only for a limited number of items for women); *Standard Knitting, Ltd. v. Toyota Jidosha Kabushiki Kaisha*, 77 USPQ2d 1917 (TTAB 2006) (counterclaim petition for

**Cancellation No. 92044412**

cancellation of petitioner's pleaded registrations granted when fraud found based on misrepresentation regarding use of the mark on most of the goods identified in the filed applications); *First International Services Corp. v. Chuckles Inc.*, 5 USPQ2d 1628 (TTAB 1988) (fraud found in applicant's filing of application with verified statement that the mark was in use on a range of personal care products when applicant knew it was in use only on shampoo and hair setting lotion).

Based on the record now before us, and for the reasons discussed below, we conclude that petitioner is entitled to entry of summary judgment on the fraud claim as a matter of law because petitioner has made a *prima facie* showing that there are no genuine issues of material fact remaining for trial with regard to that claim which respondent has failed to rebut. Petitioner has included the entirety of respondent's responses to petitioner's discovery requests and documents produced in discovery, none of which show any use of the involved mark on insulated underwear or leather vests. Respondent has failed to rebut this evidence by showing any use of the mark on such goods and instead merely tries to explain away its material misstatements in the combined declaration of use and application for renewal. Based on the foregoing, petitioner has shown that respondent falsely stated in the combined declaration of use and application for renewal that respondent was using the mark on all of the goods identified in the registration which

**Cancellation No. 92044412**

improperly resulted the renewal of the registration to cover insulated underwear and leather vests.

This case is similar to *Medinol Ltd. v. Neuro Vasx, Inc.*, 67 USPQ2d 1205 (TTAB 2003). In *Medinol*, a trademark application was filed, the mark was published, a statement of use was submitted, and a registration issued for "medical devices, namely, neurological stents and catheters." In response to a petition for cancellation, registrant admitted in its answer that the mark was not used on stents. The Board stated as follows:

The fraud alleged by petitioner is that respondent knowingly made a material representation to the USPTO in order to obtain registration of its trademark for the identified goods. There is no question that the statement of use would not have been accepted nor would registration have issued but for respondent's misrepresentation, since the USPTO will not issue a registration covering goods upon which the mark has not been used. (cites omitted).

*Id.* at 1208.

In the case at hand, there is no genuine issue of material fact that respondent filed the combined declaration of use and application for renewal wherein it alleged that respondent was using the registered mark on "all goods and/or services listed in the existing registration" and that its vice president, Mr. Sookee Lee, signed a declaration in support of that combined declaration of use and application for renewal in which he attested to the truth of all the statements therein when he knew or should have known that respondent was not using the mark on

**Cancellation No. 92044412**

insulated underwear and leather vests. There is no question that the registration became renewed and continued to cover those goods on the basis of Mr. Lee's material misstatement.

Thus, as in *Medinol*, a material representation of fact with regard to use of the mark on particular goods was made by the registrant and that statement was relied upon by the USPTO in determining a registrant's rights to the registration. In Board *inter partes* proceedings, "proof of specific intent is not required, rather, fraud occurs when an applicant or registrant makes a false material representation that the applicant or registrant knew or should have known was false." *General Car and Truck Leasing Systems Inc. v. General Rent-A-Car Inc.*, 17 USPQ2d 1398, 1400-01 (S.D. Fla. 1990), *aff'g General Rent-A-Car Inc. v. General Leaseways, Inc.*, Canc. No. 14,870 (TTAB May 2, 1988) (intent of the signatories not material to question of fraud).

As the Board determined in *Medinol*, "the appropriate inquiry is ... not into the registrant's subjective intent, but rather into the objective manifestations of that intent." *Medinol Ltd. v. Neuro Vasx, Inc.*, *supra* at 1209. In *Medinol*, the Board concluded that the facts justified a finding of fraud:

The undisputed facts in this case clearly establish that respondent knew or should have known at the time it submitted its statement of use that the mark was not in use on all of the

goods. Neither the identification of goods nor the statement of use itself was lengthy, highly technical, or otherwise confusing, and the President/CEO who signed the document was clearly in a position to know (or to inquire) as to the truth of the statements therein.

*Id.* at 1209-1210.

We turn next to whether there is a genuine issue of material fact as to whether Mr. Lee had a reasonable basis for a good faith belief that the involved mark was being used in interstate commerce in connection with leather vests when respondent filed the combined declaration of use and application for renewal. See *Maids to Order of Ohio Inc. v. Maid-to-Order Inc.*, 78 USPQ2d 1899 (TTAB 2006). Mr. Lee asserts in his declaration that, because of respondent's use of the mark on leather jackets, leather coats, and vests made of other materials, he had a good faith belief that the mark was in use on leather vests. We find that such use is sufficient to raise a genuine issue of material fact regarding whether Mr. Lee had a reasonable basis for believing that the involved mark was being used in interstate commerce in connection with leather vests when respondent filed the combined declaration of use and application for renewal.

However, we are troubled by the lack of evidence in the record to indicate that respondent has used the involved mark on any underwear, insulated or otherwise. Although respondent asserts that it has used the involved mark on

**Cancellation No. 92044412**

insulated pants and vests, such goods are outerwear which is of a sufficiently different character that they would not provide a reasonable basis for a good faith belief that the mark was in use on insulated underwear. Respondent has pointed to no use of the mark in connection with any underwear that would have provided respondent with any basis for claiming in the combined declaration of use and application for renewal that the mark was in use in commerce on insulated underwear. See *Sinclair Oil Co. v. Kendrick*, \_\_\_ USPQ2d \_\_\_ (TTAB, Opposition No. 91152940, June 6, 2007).

Mr. Lee was in a position to have personal knowledge of the facts or he had a duty to ascertain the facts concerning whether respondent was using the mark on insulated underwear. Thus, notwithstanding that respondent is a large corporation, it was incumbent upon him to investigate sufficiently so as to have a reasonable basis for a good faith belief that the mark was in use on insulated underwear prior to his signing the combined declaration of use and application for renewal.

Inasmuch as respondent's material representations regarding use of the mark on insulated underwear were false, and respondent had no reasonable basis for a good faith belief that the mark was in use on insulated underwear, we conclude that respondent has committed fraud. Accordingly,

**Cancellation No. 92044412**

petitioner's motion for summary judgment on the fraud claim is granted, and respondent's motion for summary judgment on the fraud claim is denied.

Having found no genuine issue of material fact as to fraud, it unnecessary to decide respondent's motion for summary judgment in its favor on the abandonment claim. However, we will do so for the sake of completeness. We find that respondent has failed to meet its burden that there is no genuine issue of material fact with regard thereto and that it is entitled to entry of judgment on that claim as a matter of law. In particular, we note that the only evidence of actual sales of any of the goods identified in the involved registration consists of total sales for the time period from January 1, 1999 to July 7, 2006 with no annual breakdown. In view of the absence of any annual sales figures for goods under the mark, there is a genuine issue of material fact as to whether respondent ever discontinued use of the involved mark on the goods identified in the involved registration with intent not to resume such use. See Trademark Act Section 45, 15 U.S.C. Section 1127. Accordingly, respondent's cross-motion for summary judgment on the abandonment claim is denied.

Notwithstanding our granting of petitioner's motion for summary judgment on the fraud claim, petitioner must establish not only a valid ground for denying the registration sought, as it has, but must also prove its

**Cancellation No. 92044412**

standing to prevail in this proceeding. *See, e.g., Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982). Petitioner has not yet submitted any evidence on this point.

Petitioner is therefore allowed until thirty days from the mailing date set forth in the caption of this order in which to submit a showing that there is no genuine issue of fact as to its standing, and that it is entitled to judgment on the issue of standing as a matter of law. Respondent is allowed until fifty days from the mailing date set forth in the caption of this order to file a response thereto, if desired. If petitioner's showing is sufficient to establish its entitlement to summary judgment on the issue of standing, summary judgment on standing will be entered in petitioner's favor, and the petition to cancel will be granted on the fraud claim and petitioner will be allowed time in which to inform the Board whether it wishes to go forward with its pleaded abandonment claim or to have that claim dismissed as moot. If petitioner's showing is not sufficient on the issue of standing, proceedings will resume on that issue and the abandonment claim.

This proceeding remains otherwise suspended.