

United States – Holy Fraud, Batman!

In *DC Comics v. Gotham City Networking, Inc.*, Opposition No. 91175853 (September 24, 2008) [not precedential], the Trademark Trial and Appeal Board (“TTAB”) held that Gotham City Networking, Inc. (“Applicant”) committed fraud when it amended its identification of services to include services for which it had never used the mark in commerce.

Applicant filed two applications, one for the word mark GOTHAM BATMEN and one for the Design Mark:



Both applications were filed for “recreational services in the nature of sports teams.” During the prosecution process, Applicant amended its identification for both marks to “entertainment services in the nature of softball, baseball, basketball and hockey games”.

DC Comics (“Opposer”) opposed the applications based on various grounds, including a ground of fraud. This argument was based on the assertion that at the time that the applications were filed and at the time that the identification of services was amended for each application, the Applicant was not using the marks in commerce in connection with the recited services as amended. Significantly, Applicant admitted in discovery that it was not and is not using the marks in commerce in connection with entertainment in the nature of baseball, basketball and hockey games, and had only used the marks in connection with softball games.

Opposer argued that the applications were thus invalid because, as in *Medinol Ltd. v. Neuro Vasx, Inc.*, 67 USPQ2d 1205 (TTAB 2003), the Applicant knew, or should have known, that it was not using the marks in commerce on all of the services as identified in the amended recitation. In response, Applicant asserted that it did not commit fraud and that the amendment as listed was an inadvertent mistake.

The TTAB was not persuaded. They held that “specific intent is not required.” The facts were undisputed that Applicant knew or should have known that its marks were not in use on all of the services listed in the identification. The TTAB went on to state that fraud occurs when an applicant “knowingly makes false, material representations of fact” and that statements about the use of a mark on goods or services in an application are certainly “material”. The timing of the misrepresentation is immaterial – that whether the false statements occurred at the time of filing the application, during the prosecution process, or any time thereafter – the result is the same. The TTAB noted in a footnote, however, that a misstatement regarding use does not amount to fraud if the application is amended prior to publication.

According to the TTAB, it is clear that a claim of use may not be made unless the mark is used in commerce in connection with *all* the goods or services. 37 C.F. R. Section 2.34 (a) (1) (i). A material representation of use of the mark on certain services was made by the Applicant and that statement

was relied upon by the Patent and Trademark Office in determining Applicant's right to registration. Accordingly, the TTAB sustained the opposition solely on the issue of fraud.

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