

THIS OPINION IS NOT A
PRECEDENT OF THE TTAB

Mailed: July 26, 2021

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board
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*Gaziantepi Habes Seyidoglu Baklavalari Uluslararası Nakliyat ve San. Tic.
Ltd. Sti.*

v.

Nema Food Distribution Inc.
—

Cancellation No. 92070059
—

Howard Natter of Natter & Natter,
for Gaziantepi Habes Seyidoglu Baklavalari Uluslararası Nakliyat ve San. Tic.
Ltd. Sti.

Bradley S. Rothschild of Rothschild & Associates LLC,
for Nema Food Distribution Inc.

—
Before Cataldo, Coggins, and English,
Administrative Trademark Judges.

Opinion by Coggins, Administrative Trademark Judge:

Nema Food Distribution Inc. (“Respondent”) owns a registration on the Principal

Register for the mark SEYIDOGLU, in standard characters, for:

Meat, fish, poultry and game; meat extracts; preserved, frozen, dried and cooked fruits and vegetables; jellies, jams, and marmalade; compotes; eggs, milk and milk products excluding ice cream, ice milk and frozen yogurt; edible oils and fats; condiments, namely, pepper oil; tahini in the nature of a mix made of ground sesame seed and sesame oil, in International Class 29; and

Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour, bread, pastry; pastries, namely, baklava, kadaifi, namely, a dessert made of shredded phyllo dough, nuts and sugar or honey, cheese pastry, tulumba, namely, a kind of fried-dough pastry made of deep fried dough soaked in sugar syrup or honey; confectionery, namely, Turkish delight, namely, a kind of candy made of sugar, nuts and flavor, halva, namely, candy prepared with sesame seeds, nuts and sugar; honey, treacle; yeast, baking powder; salt, mustard; vinegar, condiments, namely, pepper sauce; spices; ice, phyllo dough, cream filled cakes, molasses; and milk products, namely, ice cream, ice milk, and frozen yogurt, in International Class 30.¹

In the Amended Petition for Cancellation, Gaziantepi Habes Seyidoglu Baklavalari Uluslararası Nakliyat ve San. Tic. Ltd. Sti. (“Petitioner”) seeks cancellation of Respondent’s registration on the grounds of false suggestion of a connection under Trademark Act Section 2(a), 15 U.S.C. § 1052(a); and fraud under Trademark Act Section 14(3), 15 U.S.C. § 1064(3), based on Respondent’s claim of ownership of the mark in the underlying application declaration.²

¹ Registration No. 3878739, issued November 23, 2010, from an application filed October 21, 2009, claiming March 1, 2008, as the date of first use anywhere and the date of first use in commerce. According to the registration certificate, “The wording ‘Seyidoglu’ has no meaning in a foreign language.”

² Petitioner also pleaded fraud based on Respondent’s claim of use of the mark on all of the goods in subsequent maintenance declarations, 9 TTABVUE 9-10; however, this theory of fraud was not pursued at trial and we consider it waived. *Alcatraz Media Inc. v. Chesapeake Marine Tours Inc.*, 107 USPQ2d 1750, 1753 n.6 (TTAB 2013). Similarly, Petitioner pleaded the ground of misrepresentation of source, 9 TTABVUE 10, but that was stricken by the Board upon consideration of Respondent’s motion to dismiss. 15 TTABVUE 9.

Citations to the record and briefs reference TTABVUE, the Board’s online docket system. *See, e.g., New Era Cap Co., Inc. v. Pro Era, LLC*, 2020 USPQ2d 10596, *2 n.1 (TTAB 2020).

Because the original Petition for Cancellation was filed more than five years after the date the registration issued, the grounds for cancellation are limited.³ *E.g.*, *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 899 F.2d 1575, 14 USPQ2d 1390, 1392 (Fed. Cir. 1990). False suggestion of a connection and fraud are two bases for cancellation that continue after the five-year period and may be brought “[a]t any time.” 15 U.S.C. § 1064(3). *See* TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE (TBMP) § 307.02(a) (2021).

In its Answer, Respondent denied most of the salient allegations of the Amended Petition for Cancellation, but admitted that (1) Petitioner is engaged in the manufacture and distribution of food products including desserts, baked goods, pastries, baklava, Turkish delight, and jams; (2) On October 5, 2008, Petitioner granted an exclusive distributorship agreement for North and South America to Nema Kimya Dis Tacaret San. Ve Paz. A.S., a corporation of the Republic of Turkey (“Nema Kimya”); (3) Respondent’s President Beyhan Nakiboglu, was also the President of Nema Kimya; (4) between 2008 and 2013, Nema Kimya shipped Petitioner’s food products bearing the SEYIDOGLU mark to Respondent in the United States; (5) Nema Kimya is no longer in business; (6) Subsequent to 2013, Petitioner exported food products bearing the SEYIDOGLU mark to Respondent in the United States; (7) On October 21, 2009, Respondent filed in its own name application Serial No. 77853876 to register the mark SEYIDOGLU in connection with

³ The original Petition was filed November 19, 2018, almost eight years after the registration issued. Because dilution is not a basis permitted after five years, Petitioner’s claim of dilution, 9 TTABVUE 13-14, was sua sponte stricken by the Board. 15 TTABVUE 4.

various food products; (8) Petitioner's own application, Serial No. 79087624 based on an extension of protection of International Registration 1051887, was provisionally refused registration in view of Respondent's earlier-filed application and was abandoned by Petitioner; and (9) Respondent's application matured into Registration No. 3878739 in connection with the same and similar food products sold by Petitioner.⁴ In addition, Respondent pleaded various equitable affirmative defenses, purported affirmative defenses, and that Petitioner consented to Respondent's registration of the mark.⁵

I. Accelerated Case Resolution

After the Board denied Petitioner's fully briefed motion for summary judgment, the parties agreed to try this case via the Board's Accelerated Case Resolution ("ACR") procedure. Specifically, they agreed to forego a traditional trial, and to proceed on the ACR conversion model based on the prior briefing of the motion for summary judgment along with some supplemental evidence.⁶ The parties also stipulated "that the Board may resolve any genuine disputes of material fact in the

⁴ Answer, ¶¶ 3, 8, 14, 15, 17, 19, 20, 30, and 31; 16 TTABVUE 3-5.

⁵ 16 TTABVUE 10-11. Respondent was previously informed that equitable defenses are not available against the ground of fraud. 15 TTABVUE 2 n.3. In its brief, Applicant appears to argue only consent to register, and acquiescence or laches. See 22 TTABVUE 4. To the extent Applicant did not argue any of the other defenses in its brief, they are waived. See *TPI Holdings, Inc. v. TrailerTrader.com LLC*, 126 USPQ2d 1409, 1413 n.28 (TTAB 2018) ("Respondent also asserted 'estoppel, acquiescence and waiver,' but does not argue any of these in its brief. They are therefore waived."); *Harry Winston, Inc. v. Bruce Winston Gem Corp.*, 111 USPQ2d 1419, 1422 (TTAB 2014) ("As applicant did not pursue the affirmative defenses of failure to state a claim and unclean hands, either in its brief or by motion, those defenses are waived.").

⁶ See 24 TTABVUE (denial of summary judgment); 25 TTABVUE (stipulation to ACR); 26 TTABVUE (ACR approval).

context of something less than a full trial.”⁷ See generally *Kemi Organics, LLC v. Gupta*, 126 USPQ2d 1601, 1602 (TTAB 2018) (describing summary judgment ACR model); TBMP § 702.04(c).

The case is fully briefed. As in a traditional Board proceeding, the burden of proof remains with Petitioner, which must establish its case by a preponderance of the evidence. TBMP § 702.04(a). As noted above, under the terms of the stipulation the Board may resolve any and all issues of material fact in the course of issuing a final ruling. See *TPI Holdings v. TrailerTrader.com*, 126 USPQ2d at 1411; *Bond v. Taylor*, 119 USPQ2d 1049, 1051 (TTAB 2016) (“In order to take advantage of any form of ACR, the parties must stipulate that the Board may resolve any genuine disputes of material fact in the context of something less than a full trial.”). See generally TBMP §§ 528.05(a)(2), 702.04, 705.

II. The Evidentiary Record

The record consists of the pleadings and, by operation of Trademark Rule 2.122(b), 37 C.F.R. § 2.122(b), the file of Respondent’s involved registration. In addition, under the ACR stipulation, the parties induced the following testimony and evidence.

A. Petitioner’s evidence

- Declaration of Bilal Seyitoglu, Petitioner’s Deputy General Manager (20 TTABVUE 28-30) with accompanying exhibits I-VII (20 TTABVUE 33-81).
- Declaration of Karin Cao, law clerk (20 TTABVUE 31-32) with accompanying exhibits VIII-XII (20 TTABVUE 82-141).

⁷ 25 TTABVUE 2.

- Declaration of Serdar Seyidoglu, Petitioner's General Manager (27 TTABVUE 2-5) with accompanying exhibits XIII-XV (27 TTABVUE 7-21).
- Declaration of Levent Demirgil, President of Vintage Food Corporation (27 TTABVUE 22-24).
- Declaration of Ali Kemal Dincer, a dual citizen of the United States and Turkey, and a consumer and purchaser of Petitioner's food products (27 TTABVUE 26-27).
- Rebuttal Declaration of Serdar Seyidoglu (29 TTABVUE 2-4).

B. Respondent's evidence

- Declaration of Galip Kiyakli, Respondent's Chief Operating Officer (28 TTABVUE 2-4) with accompanying exhibits A-B (28 TTABVUE 6-13).⁸
- Declaration of Mehmet Gurakar, President of MRG Food LLC, a distributor of Respondent's food products (28 TTABVUE 14-15).
- Declaration of Ahmet Ipecki, Chief Executive Officer of Anatolia Foods Global LLC, a former distributor of Respondent's food products (28 TTABVUE 17-18).

III. Background of the Parties

Petitioner is a major manufacturer of food products, including Turkish desserts and jams, founded in 1952 by Habes Seyidoglu, in Istanbul, Turkey, and is owned and managed by the Seyidoglu family.⁹ Petitioner is the owner of multiple Turkish registrations for marks that include the term SEYIDOGLU, the oldest of which dates

⁸ The Kiyakli declaration is effectively a replacement declaration including exhibits referenced but not attached to the original Kiyakli declaration submitted with Respondent's brief in opposition to the motion for summary judgment. *See* 22 TTABVUE 10-12 (original declaration) and 24 TTABVUE 4 n.3 (noting exhibits not included with original declaration).

⁹ Answer ¶ 3 (16 TTABVUE 3); Seyitoglu Dec. ¶¶ 2, 5, 7, Ex. I (20 TTABVUE 28, 29, 34); Seyidoglu Dec. ¶ 3 (27 TTABVUE 2); Seyidoglu Rebuttal Dec. ¶ 10 (29 TTABVUE 3).

back to at least 1996.¹⁰ In 2005, Petitioner was granted a Turkish trademark registration for the composite word-and-tulip-design mark  *Seyidoglu* (comprised of SEYIDOGLU and a tulip design of stylized letters GHS), and based upon which Petitioner obtained an International Registration.¹¹ In 2007, Petitioner began exporting its food products bearing the mark SEYIDOGLU to the United States through Nema Kimya, an Istanbul subsidiary of Respondent.¹² In October 2008, Petitioner entered into an exclusive distributorship agreement with Nema Kimya to export Petitioner's food products to North and South America, and one year later, in October 2009, Respondent filed in the United States the application underlying the involved registration for the mark SEYIDOGLU.¹³ In 2010, Petitioner requested an extension of protection to the United States, among several other countries, of its International Registration for the composite word-and-tulip-design mark  *Seyidoglu*, but Petitioner's resulting U.S. application was provisionally refused registration based on Respondent's then-pending application underlying the involved registration.¹⁴

Nema Kimya eventually became defunct, and in 2014 Petitioner began exporting its food products bearing the mark SEYIDOGLU to the United States directly to

¹⁰ Seyidoglu Rebuttal Dec. ¶ 9 (29 TTABVUE 3); Seyidoglu Dec. ¶ 15, Ex. XV (27 TTABVUE 5, 16-21).

¹¹ Seyitoglu Dec. ¶ 6, 12, Ex. V (20 TTABVUE 29-30, 66-76).

¹² Seyitoglu Dec. ¶ 9, Ex. II (20 TTABVUE 29, 20-47); Seyidoglu Dec. ¶ 7 (27 TTABVUE 3).

¹³ Seyitoglu Dec. ¶ 10, Ex. III (20 TTABVUE 29, 57-60).

¹⁴ Seyitoglu Dec. ¶ 13-14, Ex. VI-VII (20 TTABVUE 30, 77-89).

Respondent.¹⁵ Petitioner terminated its business relationship with Respondent in 2018, due in part to slowing U.S. sales; and later that same year Respondent sent a cease-and-desist letter to Petitioner's new U.S.-based business partner after Petitioner "inadvertently" placed its name on private-label food goods manufactured for the new partner.¹⁶ Following receipt of the cease-and-desist letter, Petitioner brought this cancellation proceeding.

IV. Entitlement to a Statutory Cause of Action

A plaintiff's entitlement to bring a statutory cause of action, formerly referred to as "standing," must be established in every inter partes case before the Board. *See Corcamore, LLC v. SFM, LLC*, 978 F.3d 1298, 2020 USPQ2d 11277 (Fed. Cir. 2020), *cert. denied*, ___ S. Ct. ___ (2021); *Australian Therapeutic Supplies Pty. Ltd. v. Naked TM, LLC*, 965 F.3d 1370, 2020 USPQ2d 10837 (Fed. Cir. 2020), *reh'g en banc denied* 981 F.3d 1083 (Dec. 4, 2020), *petition for cert. filed*; *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014); *Spanishtown Enters., Inc. v. Transcend Res., Inc.*, 2020 USPQ2d 11388 (TTAB 2020). A party in the position of plaintiff may petition for cancellation of a registered mark where such cancellation is within the zone of interests protected by the statute, 15 U.S.C. § 1064, and the party has a reasonable belief in damage proximately caused by continued registration of the mark. *See Peterson v. Awshucks SC, LLC*, 2020 USPQ2d 11526, *6

¹⁵ Answer ¶¶ 17, 20 (16 TTABVUE 4, 5).

¹⁶ Seyitoglu Dec. ¶ 15 (20 TTABVUE 30); Seyidoglu Dec. ¶¶ 11, 12, Ex. XIII (27 TTABVUE 4, 7-12).

(TTAB 2020) (citing *Corcamore*, 2020 USPQ2d 11277, at *6-7); *Spanishtown Enters.*, 2020 USPQ2d 11388, at *1. *See also* 15 U.S.C. § 1064.

There is no dispute that Petitioner is a manufacturer of Turkish desserts and jams; that the parties had a long-standing business relationship dating back to at least 2007 when Nema Kimya, an Istanbul subsidiary of Respondent, began exporting Petitioner's food products to the United States;¹⁷ and that from approximately 2014 until Petitioner discontinued its business relationship with Respondent in 2018, Petitioner exported food products bearing the mark SEYIDOGLU directly to Respondent.¹⁸ These facts are sufficient to establish Petitioner's entitlement to bring a statutory cause of action, because the question of ownership of the mark SEYIDOGLU forms part of the fraud claim.¹⁹ *Cf. UVeritech, Inc. v. Amax Lighting, Inc.*, 115 USPQ2d 1242, 1244 (TTAB 2015) (a dispute over ownership of a mark establishes entitlement to bring a statutory cause of action).

V. Fraud

Fraud in procuring a trademark registration occurs when an applicant for registration knowingly makes a false, material representation of fact in connection with an application to register, with the intent of obtaining a registration to which it

¹⁷ Seyitoglu Dec. ¶¶ 7, 9 (20 TTABVUE 29); Seyidoglu Dec. ¶ 7 (27 TTABVUE 3); Answer ¶¶ 3, 14, 19 (16 TTABVUE 3-5); Kiyakli Dec. ¶ 8 (28 TTABVUE 3).

¹⁸ Seyitoglu Dec. ¶ 15 (20 TTABVUE 29); Answer ¶ 20 (16 TTABVUE 5).

¹⁹ Once a plaintiff has established its entitlement to a statutory cause of action for one ground, it is entitled to assert any other available statutory grounds. *Poly-America, L.P. v. Ill. Tool Works, Inc.*, 124 USPQ2d 1508, 1512 (TTAB 2017); *Corporacion Habanos SA v. Rodriquez*, 99 USPQ2d 1873, 1877 (TTAB 2011).

is otherwise not entitled. *In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938, 1939-40 (Fed. Cir. 2009); *Torres v. Cantine Torresella S.r.l.*, 808 F.2d 46, 1 USPQ2d 1483, 1484 (Fed. Cir. 1986); *Embarcadero Techs., Inc. v. Delphix Corp.*, 117 USPQ2d 1518, 1521 (TTAB 2016); *Nationstar Mortg. LLC v. Ahmad*, 112 USPQ2d 1361, 1365 (TTAB 2014). A party alleging fraud in the procurement of a registration bears the heavy burden of proving fraud with clear and convincing evidence. *Bose*, 91 USPQ2d at 1939 (quoting *Smith Int'l, Inc. v. Olin Corp.*, 209 USPQ 1033, 1044 (TTAB 1981)). *See also* *W.D. Byron & Sons, Inc. v. Stein Bros. Mfg. Co.*, 377 F.2d 1001, 153 USPQ 749, 750 (CCPA 1967) (heavy burden of proof required of one alleging fraud). Indeed, “the very nature of the charge of fraud requires that it be proven ‘to the hilt’ with clear and convincing evidence. There is no room for speculation, inference or surmise and, obviously, any doubt must be resolved against the charging party.” *Smith Int'l v. Olin Corp.*, 209 USPQ at 1044.

The Board will not find fraud if the evidence shows that a false representation was made with a reasonable and honest belief that it was true, rather than an intent to mislead the USPTO into issuing a registration to which the applicant was not otherwise entitled. *See id.*; *see also* *Woodstock's Enters. Inc. (Cal.)_ v. Woodstock's Enters. Inc. (Or.)*, 43 USPQ2d 1440, 1443 (TTAB 1997). The Court of Appeals for the Federal Circuit has held that intent to deceive is an indispensable element of the analysis in a fraud case. *See Bose*, 91 USPQ2d at 1941.

A. False material representation of ownership

We first look to see whether false and material representations were made in Respondent's underlying application to register the SEYIDOGLU mark. *Bose*, 91 USPQ2d at 1942. The crux of the issue is whether Respondent owned the SEYIDOGLU mark in the U.S. at the time it filed the application on October 21, 2009, in its own name. An application based on use in commerce under Section 1(a), 15 U.S.C. § 1051(a), must be filed by the party who owns the mark. Thus, we must determine who owned the mark and whether Respondent made any false material representations regarding ownership on the filing date of the application.

In 2007, Petitioner starting selling in the U.S. various food products bearing the mark SEYIDOGLU through the Nema Kimya subsidiary of Respondent.²⁰ In October 2008, Nema Kimya executed an exclusive distributorship agreement with Petitioner, in which Petitioner is defined as "the Manufacturer" and Nema Kimya is defined as "the Distributor."²¹ The agreement contains the following terms:

1. REGION AND PRODUCTS

1.1. The Distributor, is the only seller of all products produced by the Manufacturer (hereinafter "the Products") in the continent of North and South America (hereinafter "the Region").

7. SALES PRICES AND DELIVERY OF THE PRODUCTS

²⁰ Seyitoglu Dec. ¶ 9, Ex. II (20 TTABVUE 29, 20-47); Seyidoglu Dec. ¶ 7 (27 TTABVUE 3).

²¹ Seyitoglu Dec. ¶ 10, Ex. III (20 TTABVUE 29, 57-60).

7.5 The Manufacturer is responsible for the all mistaken info/label/package that can occur because of the Manufacturer's fault and for the damages that can arise from the Manufacturer's negligence[.]

12. MANUFACTURERS' AND DISTRIBUTORS' TRADEMARKS AND SYMBOLS

12.1. The Distributor may use the Manufacturer's trademarks, trade names, and other symbols. However, the Distributor may use them for the purpose of identifying and advertising the Products in accordance with the contractual practice and the interests of the Manufacturer.

12.2. The Distributor shall warn the Manufacturer in case it is informed of any violation attempt to the trademarks, trade names, symbols or industrial property rights of the Manufacturer. The Manufacturer shall take necessary measures to prevent such violations.

12.3. The designs and packages made for the Distributor can't be used outside of the Distributor's Region by the Manufacturer or a third party.²²

These terms appear to be the only provisions in the agreement relating to trademarks in the United States. In October 2009, one year after its subsidiary Nema Kimya executed the exclusive distributorship agreement, Respondent filed the application underlying the involved registration in its own name.

Respondent argues that it had an "understanding" with Petitioner that it – Respondent – would own, exclusively control, and maintain all rights related to the registration of SEYIDOGLU in the United States.²³ Respondent provided no explanation or documentary evidence to support its claim of such an "understanding,"

²² 20 TTABVUE 57, 58-59.

²³ Brief, p. 2 (22 TTABVUE 3); Kiyakli Dec. ¶ 8 (28 TTABVUE 3).

nor evidence of consent from Petitioner to register the mark. For example, Respondent did not point to the distributorship agreement, an email, or even allege a conversation with Petitioner which led Respondent to its vague and self-serving “understanding.” While the agreement allows Respondent (or its subsidiary) to use Petitioner’s trademarks in the U.S. (as part of North America), it does not give Respondent (or its subsidiary) the right to register or an ownership interest in the SEYIDOGLU mark. Indeed, paragraph 12.1 appears to reserve Petitioner’s interest in the mark, providing that Respondent may use Petitioner’s marks “for the purpose of identifying and advertising” the goods, but such use will inure to Petitioner’s benefit “in accordance with the contractual practice and the interests of the Manufacturer.”

Merely being a distributor does not confer ownership of a mark for the goods being distributed. On the contrary, as between a manufacturer and distributor, the manufacturer is presumed to own a trademark applied to the goods:

In the absence of an agreement determining ownership [between a foreign manufacturer and an exclusive United States distributor], both the courts and the Trademark Board will presume that the manufacturer of goods is the owner of the trademark of those goods.

* * *

An exclusive U.S. distributor does not acquire ownership of a foreign manufacturer’s mark any more than a wholesaler can acquire ownership of an American manufacturer’s mark, merely through the sale and distribution of goods bearing the manufacturer’s trademark.

5 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION, § 29:8, (5th ed. 2021). *See also Nahshin v. Prod. Source Int’l, LLC*, 107 USPQ2d 1257,

1263 (TTAB 2013) (“[T]he mere fact that a U.S. distributor distributes a foreign manufacturer’s branded product does not, without more, give the U.S. distributor an ownership interest in the mark.”). Respondent, therefore, cannot rely solely on its status as Petitioner’s exclusive U.S. distributor for its ownership of the SEYIDOGLU mark.

“It is settled law that between a foreign manufacturer and its exclusive United States distributor, the foreign manufacturer is presumed to be the owner of the mark unless an agreement between them provides otherwise.” *See Global Maschinen GmbH Banking Sys., Inc.*, 227 USPQ 862, 866 (TTAB 1985). This presumption is rebuttable, and the following factors are relevant when considering if the presumption has been rebutted:

- (1) which party created and first affixed the mark to the product;
- (2) which party’s name appeared with the trademark on packaging and promotional materials;
- (3) which party maintained the quality and uniformity of the product, including technical changes;
- (4) which party does the consuming public believe stands behind the product, e.g., to whom customers direct complaints and turn to for correction of defective products;
- (5) which party paid for advertising; and
- (6) what a party represents to others about the source or origin of the product.

UVeritech, 115 USPQ2d at 1249.

In its brief, Respondent does not discuss any of these factors; instead, it simply states that it held a vague “understanding” that it was the owner of the mark.

Nonetheless, using the above framework to decide the present dispute, we find that Petitioner was the owner of the SEYIDOGLU mark at the time Respondent filed the application to register the SEYIDOGLU mark. Petitioner created the SEYIDOGLU mark and registered variations of it in Turkey, its country of origin, beginning more than a decade prior to any relationship with Respondent or its subsidiary. Petitioner manufactured the goods, participated in trade shows in the United States to promote the brand,²⁴ and held itself out to the public via its website as the source and implied quality guarantor of SEYIDOGLU food products in “America.”²⁵ Under the terms of the agreement, Petitioner remained responsible for any mistakes in the “info/label/package . . . and for the damages that can arise from [its] negligence,”²⁶ and Petitioner’s general manager testified that Petitioner maintained control of the nature and quality of the goods bearing the SEYIDOGLU mark for the duration of the distributorship agreement with Respondent.²⁷

Further, many of Respondent’s examples of the goods bearing the SEYIDOGLU mark reference Petitioner’s founding date of 1952, which can only point to Petitioner in this context.²⁸ Although the Gurakar and Ipecki declarants state identically that Respondent is “known by myself, and amongst consumers as the exclusive source of

²⁴ Seyidoglu Dec. ¶ 14, Ex. XIV (27 TTABVUE 5, 13-15).

²⁵ Seyitoglu Dec. Ex. I (20 TTABVUE 33-39).

²⁶ 20 TTABVUE 58.

²⁷ Seyidoglu Rebuttal Dec. ¶ 8 (29 TTABVUE 3).

²⁸ *See, e.g.*, Kiyakli Dec. Ex. A (28 TTABVUE 10). Indeed, Respondent was not founded until 2002. *Id.*, ¶ 3 (28 TTABVUE 2).

SEYIDOGLU goods in the United States of America,”²⁹ they offer no basis for their statements other than their own business relationships as distributors for Respondent.³⁰

Weighing the foregoing factors, in the absence of an agreement or any evidence supporting Respondent’s vague “understating” determining ownership of the SEYIDOGLU mark as of October 2009, we find that Petitioner clearly was the owner of the mark at the time Respondent filed the application to register the mark. Accordingly, Respondent’s statement in the application that it was the owner of the mark was false.

“[I]nformation is material when a reasonable examiner would consider it important in deciding whether to allow the application to issue[.]” *Symantec Corp. v. Comput. Assocs. Int’l, Inc.*, 522 F.3d 1279, 86 USPQ2d 1449, 1460 (Fed. Cir. 2008). Only the owner of a mark may apply for registration. *Lyons v. Am. Coll. of Veterinary Sports Med. & Rehab.*, 859 F.3d 1023, 123 USPQ2d 1024, 1027 (Fed. Cir. 2017); *Great Seats, Ltd. v. Great Seats, Inc.*, 84 USPQ2d 1235, 1239 (TTAB 2007) (“In a use-based application under Trademark Act Section 1(a), only the owner of the mark may file the application for registration of the mark[.]”). Had the examining attorney of Respondent’s application known Respondent was not the owner of the mark, the

²⁹ Gurakar Dec. ¶ 6, and Ipecki Dec. ¶ 7 (28 TTABVUE 15, 18).

³⁰ Gurakar Dec. ¶ 4, and Ipecki Dec. ¶ 4 (28 TTABVUE 15, 17); *See also* Seyidoglu Rebuttal Dec. ¶ 13 (29 TTABVUE 4) (contending Gurakar and Ipecki are not ordinary consumers, but instead have or had business relationships as wholesale distributors for Respondent).

application to register the SEYIDOGLU mark would have been refused.³¹ In light of the fact that Respondent did not own the SEYIDOGLU mark at the time the application was filed, Respondent's declaration that it owned the mark was both false and material. 15 U.S.C. § 1051.

B. Respondent's intent

"To succeed on a claim of fraudulent registration, the challenging party must prove by clear and convincing evidence that the applicant made false statements with the intent to deceive [the USPTO]." *Bose*, 91 USPQ2d at 1940 (quoting *Meineke Discount Muffler v. Jaynes*, 999 F.2d 120, 126 (5th Cir. 1993)). The standard for finding intent to deceive is stricter than the standard for negligence or gross negligence, and evidence of deceptive intent must be clear and convincing. *Id.* As emphasized in *Bose*:

Subjective intent to deceive, however difficult it may be to prove, is an indispensable element in the analysis. Of course, "because direct evidence of deceptive intent is rarely available, such intent can be inferred from indirect and circumstantial evidence. But such evidence must still be clear and convincing, and inferences drawn from lesser evidence cannot satisfy the deceptive intent requirement." *Star Scientific, Inc. v. R.J. Reynolds Tobacco Co.*, 537 F.3d

³¹ Moreover, a U.S. distributor for a foreign manufacturer may only register a mark if the applicant submits one of the following: (a) written consent from the owner of the mark to registration in the applicant's name, or (b) written agreement or acknowledgment between the parties that the importer or distributor is the owner of the mark in the United States, or (c) an assignment (or true copy) to the applicant of the owner's rights in the mark as to the United States together with the business and good will appurtenant thereto. TRADEMARK MANUAL OF EXAMINING PROCEDURE (TMEP) § 1201.06(a) (July 2021); *In re Pharmacia Inc.*, 2 USPQ2d 1883 (TTAB 1987). Respondent submitted none of the documents listed above. Thus, under these specific circumstances, had the trademark examining attorney known that Respondent was only a distributor, without permission or consent from Petitioner to register, the application would have been refused registration. *See* TMEP § 1201.06(a).

1357, 1366 [88 USPQ2d 1001] (Fed. Cir. 2008). When drawing an inference of intent, “the involved conduct, viewed in light of all the evidence . . . must indicate sufficient culpability to require a finding of intent to deceive.” [*Kingsdown Med. Consultants, Ltd. v. Hollister Inc.*, 863 F.2d 867, 876 (Fed. Cir. 1988) (en banc)].

Bose, 91 USPQ2d at 1941.

Petitioner did not cross-examine Mr. Kiyakli, Respondent’s Chief Operating Officer, nor did Petitioner depose Beyhan Nakiboglu, Respondent’s President and the signatory of the underlying application. Instead, Petitioner relies on indirect and circumstantial evidence to demonstrate intent. In addition to the evidence and circumstances discussed above, Serdar Seyidoglu, the grandson of Petitioner’s founder, declares that Mr. Nakiboglu is a distant family relative who knew about Petitioner’s history and its “famous SEYIDOGLU mark in Turkey;”³² and that when Mr. Seyidoglu confronted Mr. Nakiboglu in 2010 about Respondent’s application being cited as a potential bar to Petitioner’s request for extension of protection to the U.S., Mr. Nakiboglu responded “that sales of [Petitioner’s] products were doing well in the United States, and [he] registered SEYIDOGLU to protect the Seyidoglu brand and our business, since it would be easier with a trademark registration to prevent name violations in the United States by other companies.”³³ Whatever may have been Respondent’s motivation to register the SEYIDOGLU mark, Petitioner’s “lesser” evidence and the inferences drawn therefrom fail to clearly and convincingly

³² Seyidoglu Dec. ¶¶ 5-6 (27 TTABVUE 3).

³³ *Id.* ¶ 10 (27 TTABVUE 3-4).

demonstrate, to the high standard required, Respondent's subjective intent to deceive the Office. *See Bose*, 91 USPQ2d at 1940, 1941.

C. Summary as to fraud

Although Respondent's claim of ownership in the application underlying the application was false and material, Petitioner has not demonstrated to the requisite high degree that Respondent's subjective intent was to mislead the Office into issuing a registration to which Respondent was not entitled. As indicated above, the Federal Circuit has stated that subjective intent to deceive, however difficult it may be to prove, is an indispensable element in the fraud analysis. *Bose*, 91 USPQ2d at 1941. Because Petitioner has not sufficiently demonstrated Respondent's intent to deceive, the fraud claim must fail.

VI. False Suggestion of a Connection

To prevail on its false suggestion claim, Petitioner bears the burden of proving that SEYIDOGLU is "unmistakably associated with a particular personality or 'persona.'" *Univ. of Notre Dame du Lac v. J.C. Gourmet Food Imps. Co.*, 703 F.2d 1372, 217 USPQ 505, 509 (Fed. Cir. 1983). To make this showing, Petitioner must establish that:

- (1) the mark is the same as, or a close approximation of, Petitioner's previously used name or identity;
- (2) the mark would be recognized as such, in that it points uniquely and unmistakably to Petitioner;
- (3) Petitioner is not connected with the activities performed by Respondent under the mark; and

(4) the fame or reputation of Petitioner is such that, when the mark is used with Respondent's goods, a connection with Petitioner would be presumed.

Id. (providing the foundational principles for the current four-part test used to determine the existence of a false suggestion of connection); *In re ADCO Indus. – Techs., L.P.*, 2020 USPQ2d 53786, *3 (TTAB. 2020); *Pierce-Arrow Soc’y v. Spintek Filtration, Inc.*, 2019 USPQ2d 471774, *4 (TTAB 2019); *Schiedmayer Celesta GmbH v. Piano Factory Grp., Inc.*, 2019 USPQ2d 341894, *6 (TTAB 2019). If Petitioner fails to satisfy any of the four required elements, the claim of false suggestion of a connection will fail. *See Pierce-Arrow Soc’y*, 2019 USPQ2d 471774 at *8 (section 2(a) claim dismissed “because Opposer has not satisfied all of the four elements of the *Univ. of Notre Dame du Lac* test”).

In determining whether Respondent's mark falsely suggests a connection with Petitioner, we keep in mind that the rationale behind the Section 2(a) prohibition differs significantly from the Section 2(d) ground of likelihood of confusion. As Professor McCarthy points out, “[t]he issue in a § 2(a) case is not whether consumers would believe that the defendant's goods emanate from the plaintiff [but] whether consumers would falsely assume the goods had some connection with plaintiff.” 3 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 19:76. While Congress designed likelihood of confusion to protect the public from confusion as to the source of goods or services, the Federal Circuit has noted that the Section 2(a) false suggestion of a connection ground protects different interests:

[T]he rights protected under the § 2(a) false suggestion provision are not designed primarily to protect the public,

but to protect persons and institutions from exploitation of their persona.

Bridgestone/Firestone Research Inc. v. Auto. Club de l'Ouest de la France, 245 F.3d 1359, 58 USPQ2d 1460, 1463-64 (Fed. Cir. 2001) (citing *Univ. of Notre Dame de Lac*, 217 USPQ at 508-509 (“[I]t appears that the drafters sought by § 2(a) to embrace concepts of the right to privacy,” even in the absence of likelihood of confusion)); *See also In re MC MC S.r.l.*, 88 USPQ2d 1378, 1380 (TTAB 2008).

- A. Whether SEYIDOGLU is, or is a close approximation of, Petitioner’s previously used name or identity?

“[Petitioner’s] Section 2(a) claim requires proof . . . that consumers view [SEYIDOGLU] so closely with [Petitioner] that they recognize it as [Petitioner’s] name (or nickname), identity or persona,” *Bos. Athletic Ass’n v. Velocity, LLC*, 117 USPQ2d 1492, 1497 (TTAB 2015), and Petitioner must have publicly used or promoted the name as a means of identifying itself. *See Bd. of Trs. of Univ. of Ala. v. Pitts*, 107 USPQ2d 2001, 2026 (TTAB 2013) (vacated pursuant to settlement on appeal). Here, the record reflects that Petitioner has previously used the name “Seyidoglu,”³⁴ and there is no dispute that the registered mark SEYIDOGLU is a close

³⁴ Respondent’s argument that it has priority of use in the term SEYIDOGLU as a trademark over Petitioner in the United States (while conceding Petitioner’s trademark rights “in other parts of the world,” Brief, p. 4; 22 TTABVUE 5) is inapposite. Petitioner need not have priority of use in the term “Seyidoglu” as a **trademark**. *See, e.g., Hornby v. TJX Cos.*, 87 USPQ2d 1411 (TTAB 2008) (Celebrity model “Twiggy” of sufficient fame that purchasers would presume association with her even though she abandoned use of her name as a trademark from 1970 to the 1997 date of respondent’s application for registration); *Cf. Estate of Biro v. Bic Corp.*, 18 USPQ2d 1382, 1385 (TTAB 1991) (“[P]roprietary rights in a name are not necessary in the context of false suggestion of a connection under Section 2(a) either as a matter of pleading or of proof.”). Notwithstanding this framework, we find that the record, as analyzed above in the fraud discussion relating to ownership of the mark, demonstrates that Petitioner does, in fact, have priority of use of SEYIDOGLU as a trademark in the United

approximation of Petitioner's name. In addition, we note that "Seyidoglu" appears in Petitioner's full name (Gaziantepi Habes Seyidoglu Baklavalari Uluslararası Nakliyat ve San. Tic. Ltd. Sti.),³⁵ Petitioner is a major manufacturer of Turkish desserts with 36 franchise retail stores spread throughout six countries,³⁶ Petitioner's dessert products are well-known within the Turkish-American community in the U.S. apparently because "Seyidoglu" is one of the three oldest and most established brands identified with Turkish baklava,³⁷ Petitioner's website refers to Petitioner simply as "Seyidoglu,"³⁸ the largest literal feature on Petitioner's invoices is the bold red term "Seyidoglu,"³⁹ and the largest feature on Petitioner's business letterhead is the bold red term "Seyidoglu."⁴⁰ This evidence is sufficient to establish that the mark SEYIDOGLU is a close approximation of Petitioner's name and identity.

States. The earlier use of the SEYIDOGLU mark argued by Respondent, the then-exclusive U.S. distributor of Petitioner's goods, clearly inured to the benefit of Petitioner, the foreign manufacturer of the food items and owner of the mark. *See Nahshin v. Prod. Source Int'l*, 107 USPQ2d at 1263; *Global Maschinen GmbH Banking Sys.*, 227 USPQ at 866; *cf. Quality Candy Shoppes/Buddy Squirrel of Wis., Inc. v. Grande Foods*, 90 USPQ2d 1389, 1392 (TTAB 2007) ("[Y]ears of precedent make it very clear that proper use of a mark by a trademark owner's licensee or related company constitutes 'use' of that mark attributable to the trademark owner.").

³⁵ The fact that SEYIDOGLU is not Petitioner's official, full name is not dispositive. "[T]he protection afforded by the relevant portion of § 2(a) is not strictly limited to the unauthorized use of a 'name or likeness.'" *Buffett v. Chi-Chi's, Inc.*, 226 USPQ 428, 429 n.4 (TTAB 1985) (MARGARITAVILLE falsely suggested connection with the public persona of singer-songwriter Jimmy Buffett); *In re Nieves & Nieves LLC*, 113 USPQ2d 1639, 1649-50 (TTAB 2015) (ROYAL KATE falsely suggests a connection with Catherine Duchess of Cambridge, also known as Kate Middleton).

³⁶ Seyitoglu Dec. ¶ 7 (20 TTABVUE 29).

³⁷ Dincer Dec. ¶ 5 (27 TTABVUE 27).

³⁸ *E.g.*, Seyitoglu Dec. Ex. I, IV (20 TTABVUE 34, 61).

³⁹ *E.g.*, Seyitoglu Dec. Ex. II (20 TTABVUE 41).

⁴⁰ *E.g.*, Seyitoglu Dec. Ex. III (20 TTABVUE 49).

- B. Whether SEYIDOGLU would be recognized as a close approximation of Petitioner's name or identity by purchasers in that it points uniquely and unmistakably to Petitioner?

The identification of goods in Respondent's registration include food products such as Turkish delight and baklava, Petitioner's signature pastry dessert.⁴¹ Because the question of whether SEYIDOGLU points unmistakably to Petitioner is considered "in the context of the respondent's goods," *Hornby*, 87 USPQ2d at 1424, the goods "themselves serve, if anything, to reinforce that [SEYIDOGLU] uniquely and unmistakably points to [Petitioner.]" *In re Nieves & Nieves*, 113 USPQ2d at 1647. In addition, the packaging of some of Respondent's goods mentions the year 1952, which references Petitioner's founding, and Respondent frequently includes next to the term SEYIDOGLU the tulip design element from Petitioner's Turkish and International Registrations, which is comprised mainly of the stylized initialism GHS, referencing Gaziantepi Habes Seyidoglu, Petitioner's founder.⁴² This is not surprising, as Respondent was distributing goods manufactured by Petitioner. We find that in the context of Respondent's food items SEYIDOGLU points to Petitioner uniquely, and unmistakably.

⁴¹ Seyitoglu Dec. ¶ 7 (Petitioner "is a major manufacturer of Turkish local desserts and pastries – predominately baklava and other food items.") and Ex. I (Petitioner was founded on baklava production, at one point operating the largest baklava factory), 20 TTABVUE 29, 34.

⁴² *E.g.*, Cao Dec. Ex. VIII (20 TTABVUE 121 ("The Finest Baklava the world has ever known. Seyidoglu Since 1952") and 117, 119 (tulip design)); Kiyakli Dec. Ex. A (28 TTABVUE 8, 10 (same)). Seyitoglu Dec. ¶ 6 (20 TTABVUE 29).

C. Whether Petitioner is connected with the goods sold by Respondent under the mark?

Although Petitioner ended its business relationship with Respondent in February 2018,”⁴³ Respondent continues to sell food products under the SEYIDOGLU mark.⁴⁴ Inasmuch as Petitioner is no longer connected with the goods sold by Respondent under the SEYIDOGLU mark, the third element of the *Univ. of Notre Dame du Lac* test is satisfied.

D. Whether Petitioner’s name or identity is of sufficient fame or reputation that when used by Respondent as a mark for its goods, a connection with Petitioner would be presumed?

Under the fourth element of the *Univ. of Notre Dame du Lac* inquiry, we do not focus on whether the “Seyidoglu” name and identity would qualify as famous under a likelihood of confusion or dilution analysis. Indeed, the *Univ. of Notre Dame du Lac* case does not explicitly state that a name must be famous to be protected under Section 2(a). As noted in *Notre Dame*, the fame of the name of a person or institution is not sufficient in and of itself to provide the basis for protection of the name under Section 2(a) false suggestion analysis. *Univ. of Notre Dame du Lac*, 217 USPQ at 509. Instead, “the key is whether the name per se is unmistakably associated with a particular person or institution and, *as used* would point uniquely to the person or institution.” *In re White*, 73 USPQ2d 1713, 1720 (TTAB 2004) (emphasis in original); *In re Urbano*, 51 USPQ2d 1776, 1780 (TTAB 1999). Thus, it is the combination of (1)

⁴³ Seyitoglu Dec. ¶ 15 (20 TTABVUE 30).

⁴⁴ Kiyakli Dec. ¶ 4 (28 TTABVUE 3).

the name of sufficient reputation and (2) its use on or in connection with particular goods, that would point consumers of the goods uniquely to a particular person or institution. Accordingly, we must consider whether Respondent's use of SEYIDOGLU on the identified food products would point consumers of the goods uniquely to Petitioner. *In re White*, 73 USPQ2d at 1720.

Considering the extent of Petitioner's fame or reputation as of the time Respondent's registration issued, *see Hornby v. TJX Cos.*, 87 USPQ2d at 1416, the record reveals that by November 23, 2010 (i.e., the date of issuance), Petitioner had participated three times in the annual Summer International Fancy Food & Confection Show, held at the Jacob Javits Convention Center in New York, for the purpose of "promot[ing] the Seyidoglu brand and products."⁴⁵ Additionally, Levent Demirgil, who has been in the international food import and distribution business in the United States for approximately 29 years, testified that he personally knew about Petitioner and the Seyidoglu brand since 2009, having first learned about Petitioner through its advertisements and commercials in the media, and having received requests from his customers for "highly sought after" Seyidoglu products "like their baklava."⁴⁶ Because he "knew that [Petitioner] was a leading manufacturer and exporter of Turkish food products, [he] initiated discussions in or around 2009 with

⁴⁵ Seyidoglu Dec. ¶ 14, Ex. XIV (27 TTABVUE 5, 15).

⁴⁶ Demirgil Dec. ¶¶ 3, 5, 6 (27 TTABVUE 22, 23).

[Petitioner] about importing their baklava and similar products to the United States. . . . [and] using their brand Seyidoglu.”⁴⁷

Petitioner submitted copies of exemplary invoices for goods it sold to Respondent from June 2007 and through May 2010.⁴⁸ Although the invoices use Arabic numerals, we cannot determine the quantity of goods sold and consequently distributed in the U.S. because the invoice column headings are not translated into English. *See Johnson & Johnson v. Obschestvo s Ogranitchennoy; Otvetstvennostiu “WDS”*, 95 USPQ2d 1567, 1570 n.3 (TTAB 2010) (translation required if a party intends to rely at trial on business records in a foreign language); TBMP § 104. Similarly, Petitioner’s multi-million dollar export trade volume between 2015 and 2018 does not demonstrate Petitioner’s fame and reputation as of November 2010, the time the involved registration issued. *Cf. Hornby v. Tjx Cos.*, 87 USPQ2d at 1416 (while Board considers plaintiff’s fame or reputation under Section 2(a) as of the time defendant’s registration issued, subsequent activities may impact determination as of that date).

Petitioner leans on its purported fame within Turkey, its international reputation, and the significant growth of its business from 1952 into the 1970s, 1990s, and beyond.⁴⁹ We are concerned with Petitioner’s fame and reputation to U.S. consumers as of November 2010, and there is evidence of record that the Turkish-American

⁴⁷ *Id.* ¶ 6 (27 TTABVUE 23).

⁴⁸ Seyitoglu Dec. ¶¶ 9, 11, Ex. II, IV (20 TTABVUE 29, 40-47, 60-65).

⁴⁹ *See* Brief, p. 12; Seyitoglu Dec. ¶ 3, Ex. I (20 TTABVUE 13, 28, 33-39).

community recognizes Petitioner as an iconic maker of baklava. Ali Kemal Dincer, a Turkish-American living in the United States since 1972, declares that Petitioner's dessert products are so well-known within the Turkish-American community in the U.S. because "Seyidoglu" is one of the three oldest and most established brands identified with Turkish baklava.⁵⁰ He analogizes "Seyidoglu" to baklava in Turkey as what "Kentucky Fried Chicken" is to fried chicken in the United States.⁵¹ Similarly, Mr. Demirgil declares that Petitioner is well-known among his Turkish customers because Petitioner is "very old and well-established, dating back to the 1950s."⁵² While we have focused on the evidence of Petitioner's fame and reputation in the United States, we have also measuredly considered the degree to which Petitioner is famous abroad. *See Schiedmayer Celesta v. Piano Factory Grp.*, 2019 USPQ2d 341894 at *9 n.16 (considering effect of international fame on reputation in the U.S.); *Hornby v. TJX Cos.*, 87 USPQ2d at 1416 ("Because evidence of fame or reputation in other countries may have relevance to the extent that consumers in the United States would be aware of [the petitioner] as a result of these activities, we will not exclude this evidence, but will give it only the probative weight to which it is entitled.").

Respondent does not dispute Petitioner's fame or reputation, either as of the registration date or at the time of trial; Respondent is silent on this element of the *Univ. of Notre Dame du Lac* test. Based on the unchallenged evidence of record, we

⁵⁰ Dincer Dec. ¶ 5 (27 TTABVUE 27).

⁵¹ *Id.* ¶ 6 (27 TTABVUE 27).

⁵² Demirgil Dec. ¶ 9 (27 TTABVUE 24).

find that as of November 2010 Petitioner enjoyed sufficient fame and reputation in the United States that SEYIDOGLU, as used on Registrant's goods, would have pointed consumers of the goods (including baklava) uniquely to Petitioner. *See In re White*, 73 USPQ2d at 1720.

In light of the evidence that SEYIDOGLU is famous in the United States in connection with Turkish food products, including baklava, and given Respondent's use of SEYIDOGLU for Turkish food products, including baklava, "we may draw an inference that [Respondent] inten[ded] to create a connection with" Petitioner, and that the public would make the false association. *In re Peter S. Herrick, P.A.*, 91 USPQ2d 1505, 1509 (TTAB 2009) (citing *In re N. Am. Free Trade Ass'n*, 43 USPQ2d 1282, 1285 (TTAB 1997) (quoting *Univ. of Notre Dame du Lac*, 217 USPQ at 509)).

E. Summary as to false suggestion of a connection

Petitioner has satisfied all four elements of the *Univ. of Notre Dame du Lac* test. We have found that SEYIDOGLU is the same as, or a close approximation of, Petitioner's previously used name or identity; SEYIDOGLU would be recognized as such, in that it points uniquely and unmistakably to Petitioner, who is no longer connected to Respondent's goods; and the fame or reputation of Petitioner is such that, when SEYIDOGLU was used with Respondent's goods, as of the time the involved registration issued, a connection with Petitioner would be presumed. Accordingly, use of Respondent's mark would falsely suggestion a connection between the parties.

VII. Acquiescence

Respondent asserts acquiescence as an affirmative defense,⁵³ which is available against a Section 2(a) claim. *See, e.g., Schiedmayer Celesta v. Piano Factory Grp.*, 2019 USPQ2d 341894 at *9; *Brooklyn Brewery Corp. v. Brooklyn Brew Shop, LLC*, 2020 USPQ2d 10914, *11 (TTAB 2020). Acquiescence requires Respondent to prove three elements: (1) that Petitioner actively represented that it would not assert a right or a claim; (2) the delay between the active representation and assertion of the right or claim was not excusable; and (3) the delay caused Respondent undue prejudice. *Brooklyn Brewery*, 2020 USPQ2d 10914 at *12.

In support of the defense, Respondent argues that it “has been continuously, exclusively, openly and notoriously providing and selling food products in interstate commerce under the SEYIDOGLU mark . . . with Petitioner’s knowledge and consent, since at least March 1, 2008,” and that “Petitioner consented and/or acquiesced to [Respondent’s r]egistration, and engaged in a mutually beneficial business relationship with [Respondent] for at least a decade.”⁵⁴ These arguments are supported by the declaration of Respondent’s chief operating officer who states that “[b]ased on my personal interactions with Petitioner, as well as the record in this matter, I know that Petitioner has been on notice of [Respondent’s] application/[r]egistration since at least November of 2010. Petitioner consented

⁵³ As the Board previously noted, Petitioner included arguments in its briefs regarding Respondent’s affirmative defense of acquiescence, but neither party sought summary judgment on that defense or a determination of whether the defense was sufficiently pleaded. 24 TTABVUE 2 n.2.

⁵⁴ Brief, pp. 2, 3 (22 TTABVUE 3, 4).

and/or acquiesced to [the r]egistration, and engaged in a mutually beneficial business relationship with [Respondent] for at least a decade.”⁵⁵

To meet its burden of demonstrating acquiescence, Respondent must establish that it suffered harm as a result of the delay. *Schiedmayer Celesta v. Piano Factory Grp.*, 2019 USPQ2d 341894 at *10-11 (citing, inter alia, *Ralston Purina Co. v. Midwest Cottage Co.*, 373 F.2d 1015, 153 USPQ 73, 76 (CCPA 1967) (respondent “bears the burden of showing the injustice”) and *Charette Corp. v. Bowater Comm’n Papers Inc.*, 13 USPQ2d 2040, 2043 (TTAB 1989) (“There can be no question that mere delay in asserting one’s trademark rights is insufficient to give rise to an estoppel. More is needed.”)). Assuming, without actual determination, that Respondent has met the first two elements of acquiescence, we find that Respondent has not demonstrated the third element (i.e., that it has suffered undue prejudice attributable to Petitioner’s assumed delay), as mere delay is not enough to establish Respondent’s defense.

Respondent makes no argument about prejudice in its brief, and even the most generous reading of the Kiyakli declaration reveals Respondent’s sole representation as to prejudice is that the “Petition to Cancel is merely intended to harass [Respondent], and [Respondent] would be severely and irreparably damaged by the cancellation of [the involved r]egistration.”⁵⁶ Respondent submitted no evidence to support this vague and generic argument. This failure calls to mind both *Schiedmayer*

⁵⁵ Kiyakli Dec. ¶ 13 (28 TTABVUE 4).

⁵⁶ *Id.* ¶ 7 (28 TTABVUE 3).

Celesta and *Ralston Purina* in which the defendants, although providing some evidence of their economic histories and business expenditures, “did not make a ‘serious effort to show prejudice to itself.’” *Schiedmayer Celesta v. Piano Factory Grp.*, 2019 USPQ2d 341894 at 11 (quoting *Ralston Purina*, 153 USPQ at 76). As in those cases, we have no evidence of promotional expenditure by Respondent. Moreover, in the instant case Respondent failed to provide any sales data, let alone allege any growth of its trade in the period between Petitioner’s alleged acquiescence and first assertion of its claim of a false connection.

Similarly, in *Alfacell Corp. v. Anticancer, Inc.*, 71 USPQ2d 1301, 1307 (TTAB 2004), the Board found evidence of prejudice insufficiently specific, because “it is difficult to gauge, in the absence of dollar amounts or other specific information relative to its promotional efforts, the degree to which there has been any detriment.” *Alfacell*, 71 USPQ2d at 1308. *See also Hornby v. TJX Cos.*, 87 USPQ2d at 1419 (unsupported claim that investment was made in a mark not credited); *Charrette Corp. v. Bowater Commc’n Papers Inc.*, 13 USPQ2d 2040, 2043 (TTAB 1989) (no prejudice demonstrated where “registrant has submitted no evidence to show that it acted to its detriment in reliance on petitioner’s failure to act more promptly”). *Cf. Bridgestone/Firestone Research v. Auto. Club de l’Ouest de la France*, 58 USPQ2d at 1463 (economic prejudice asserted along with evidence of longstanding investment in and promotion of the mark, as well as testimony on the advertising of the brand and the role of the brand in company’s marketing structure); *Ava Ruha Corp. v. Mother’s Nutritional Ctr., Inc.*, 113 USPQ2d 1575, 1583 (TTAB 2015) (material prejudice based

on showing of tens of millions of dollars spent growing the business, adding at least 15 stores, and spending over \$7 million promoting its marks); *Turner v. Hops Grill & Bar Inc.*, 52 USPQ2d 1310, 1313 (TTAB 1999) (evidence of additional restaurants and growth of sales from \$7 million to \$58 million over the period of delay).

Here, there is no evidence of Respondent's advertising or other expenditures, nor evidence of Respondent's sales or growth. "Economic prejudice arises when a defendant suffers the loss of monetary investments or incurs damage that likely would have been prevented by an earlier suit. . . . A nexus must be shown between the delay in filing suit and the expenditures; the alleged infringer must change his position because of and as a result of the plaintiff's delay." *Schiedmayer Celesta v. Piano Factory Grp.*, 2019 USPQ2d 341894 at 12 (quoting *Alfacell v. Anticancer*, 71 USPQ2d at 1307). Respondent provided no economic information, and has not shown any economic or other damage resulting from Petitioner's assumed delay in seeking to cancel the registration, nor any change of position as a result of Petitioner's assumed delay. Because material prejudice is a necessary element of acquiescence, Respondent has not met its burden of establishing that the petition is barred by acquiescence.

VIII. Decision

The amended petition to cancel is granted on the ground of false suggestion of a connection, and the registration will be cancelled in due course.