

THIS DISPOSITION IS NOT CITABLE AS PRECEDENT
OF THE TTAB APRIL 21, 99

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Zarr Men L.A. , Inc.

v.

Henry Duarte

Opposition No. 105,510
to application Serial No. 75/132,107
filed on July 10, 1996

I. Michael Bak-Boychuk for Zarr Men L.A., Inc.

Henry Duarte, pro se.

Before Cissel, Hanak and Wendel, Administrative Trademark
Judges.

Opinion by Wendel, Administrative Trademark Judge:

Henry Duarte has filed an application to register the
mark LORDS for clothing, namely, shirts, trousers, jackets,
sweaters, and shoes.¹

¹ Serial No. 75/132,107, filed July 10, 1996, alleging dates of
first use of February 1, 1995.

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Zarr Men L.A., Inc. has filed an opposition to registration of the mark on the grounds of likelihood of confusion under Section 2(d) and fraudulent representations made in the application with respect to applicant's exclusive use of the mark. Opposer alleges use, since December 6, 1994, of the mark LORDS in connection with the sale of clothing and the likelihood of confusion with applicant's use of his mark. Opposer further alleges that, prior to February 1, 1995, it engaged applicant to assist in the fabrication of clothing for opposer bearing the mark LORDS; that applicant performed in accordance with this engagement for the benefit of opposer; and that the assertions of use and exclusive use made by applicant in his application are deceptive and fraudulent, rendering the application invalid.

Applicant, in his answer, denied the allegations of opposer, and further alleged that he "created and developed the mark LORDS prior to February 1, 1995" and he "was engaged by opposer to design and produce product with the mark LORDS for joint venture."

The record consists of the file of the involved application; the trial testimony of Nabeel Abdeljaber, president of opposer, and accompanying exhibits 1-10; and opposer's notice of reliance introducing opposer's requests for admissions and the declaration of counsel as to

applicant's failure to respond to the requests. Opposer filed a brief on the case, but no oral hearing was requested. Applicant has failed to take any action in the case since the filing of his answer.

In his deposition for opposer, Nabeel Abderjaber testified that opposer was founded in November 1994 as a retail and wholesale clothing operation, with apparel for the music business particularly in mind; that a fictitious business name statement was filed by opposer in December 1994, showing opposer to be operating under the name "Lords,"² and that this name was displayed on a marquis on its store; that in December 1994 opposer engaged applicant to work as designer of the private label clothing to be retailed under the mark LORDS; and that applicant signed a six-month preliminary contract setting forth applicant's monthly payment of \$2000 and containing the statements that applicant would "treat label as own with effort commitment and passion to launch Lords label" and that a formal contract would be drawn up after six months with "shares and percentages [to be] negotiated." (Exhibit 2). Mr. Abderjaber introduced copies of checks paid to applicant in December 1994 and January 1995 (Exhibit 3). He further testified that opposer was responsible for the creation and

² Opposer has shown that, under California Business and Professions Code, section 17920, this statement expires five

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production of the LORDS label (Exhibits 5 and 6); that applicant was never authorized to operate under the name LORDS independently of his services to opposer; but that applicant later left opposer and started selling articles bearing the LORDS mark on his own.

The requests for admissions, which under FRCP 36(a) are deemed admitted in view of applicant's failure to respond thereto, include the following:

2. Admit that the mark LORDS was adopted by the Opposer on or prior to December 6, 1994.

3. By reference to your Answer on file in these proceedings, and particularly to the paragraph numbered 2 therein, admit that the joint venture referred to in said paragraph 2 was a joint venture conducted at the business premises of the Opposer.

8. By reference to your trademark application Serial No. 75/132,107 admit that the words therein "...he/she believes the applicant to be the owner of the trademark/service mark to be registered..." are substantially untrue.

Opposer characterizes this opposition as the result of the departure of a "disgruntled" designer from an engagement by opposer, with the application process being misused to settle a joint venture dispute. Opposer points to the reference by applicant in his answer to a "joint venture" and argues that, on this pleading admission alone, registration to applicant should be refused. Opposer further maintains that the subject matter admitted by means

years after filing, unless there is an earlier change in circumstances.

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of the requests for admission provides additional bases for sustaining the opposition. Finally, opposer fully briefs the issues of priority and likelihood of confusion, relying upon its prior use of the trade name LORDS. Opposer notes that, by visual comparison alone, it is obvious that the labels which opposer had designed for its use while applicant was working for opposer are the same as the labels filed by applicant as specimens in his application.

Pursuant to Section 1(a) of the Trademark Act, it is only the owner of a trademark used in commerce who may file an application to register the mark. Otherwise the application is void for failure to comply with the statutory requirement that an applicant be the owner of the mark sought to be registered. See *Huang v. Tzu Chen Food Co. Ltd.*, 849 F.2d. 1458, 7 USPQ2d 1335 (Fed. Cir. 1988). A joint venture may qualify as a separate legal entity for purposes of ownership of a trademark and filing of an application for registration thereof. See *In re Hercofina*, 207 USPQ 777 (TTAB 1980); 2 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition*, § 16.41 (1998).

Here applicant has made two admissions against ownership which negate the validity of his application to register the mark LORDS for clothing. First, he has pled in his answer that he was engaged by opposer to produce the goods with which the mark LORDS was being used as part of a

joint venture.³ Second, by failing to respond to Request for Admission No. 8, he has admitted that that the statement made in his application that he believed himself to be the owner of the mark was "substantially untrue." On the basis of these admissions alone, applicant is not entitled to registration of the mark LORDS as the sole owner thereof and the application is void ab initio.⁴

Looking to the ground of likelihood of confusion, we note that applicant has admitted opposer's adoption of the mark prior to December 6, 1994, and thus prior to the only date upon which applicant may rely in the absence of proof of an earlier date, namely, the filing date of his application. See 37 CFR 2.122(b)(2). Opposer has produced

³ Whether or not a legally recognizable joint venture had been formed between opposer and applicant is immaterial. Applicant's statement of belief that a joint venture existed is adequate to invalidate his prior claim of sole ownership of the mark LORDS. In *Hoyle Knitting Mills Inc. v. T.J. Manalo Inc.*, 12 USPQ2d 1720, 1724 (TTAB 1989) the Board noted that, in a trademark context, a joint venture is an undertaking meeting the general requirements for a joint venture in which "separate entities combine to perform a specific function or to market the fruit of their combined labors under a mark created by them jointly to identify the venture", citing *In re Hercofina*, supra at 781. We make no determination as to whether these qualifications have been met here.

⁴ We recognize that opposer's allegations in the notice of opposition were in terms of applicant's fraudulent representations of exclusive use of the mark, and thus required proof of the several elements of a claim of fraud, including the intent to deceive. The evidence now being relied upon by opposer, however, establishes only a misrepresentation of ownership by applicant. While this is a lesser ground for holding the application void, we find it sufficiently falls within the broad allegations of misrepresentation made by opposer to sustain the opposition on this ground.

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evidence of use of the trade name LORDS for its retail store in December 1994. Although opposer has produced no evidence of continuing use of LORDS either as a trade name or a mark from that date until the present, applicant has failed to raise any defense which might contradict opposer's allegations to this effect. Accordingly, since the marks and the goods are identical, we find that opposer has adequately established priority and the likelihood of confusion.

Decision: The opposition is sustained on the ground that the application was void at the time of filing, in that applicant has admitted that he was not the owner of the mark, and on the ground of likelihood of confusion under Section 2(d).

R. F. Cissel

E. W. Hanak

H. R. Wendel
Trademark Administrative Judges,
Trademark Trial and Appeal Board