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U.S. DEPARTMENT OF COMMERCE  
PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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American Forests  
v.  
Barbara Sanders

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Opposition No. 89,370  
to application Serial No. 74/225,473  
filed on November 26, 1991

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Michael T. Murphy of Roylance, Abrams, Berdo & Goodman for  
American Forests.

Barbara Sanders, pro se.

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Before Hanak, Hairston and Bucher, Administrative Trademark  
Judges.

Opinion by Hanak, Administrative Trademark Judge:

Barbara Sanders (applicant) seeks to register LEAF  
RELEAF and design in the form shown below for "leaf bagging  
equipment, namely, flexible plastic round sheets with  
drawstrings." Applicant disclaimed the exclusive right to  
use the word LEAF apart from the mark as shown. In her  
application, applicant identified herself as an individual  
who is citizen of the United States of America.

In its second amended notice of opposition, American Forests (opposer) set forth two grounds for opposition. First, opposer alleged that long prior to November 1991, it had used the marks GLOBAL RELEAF and RELEAF as service marks for association services, namely, promoting tree planting to halt global warming. Opposer further alleged that it had licensed the GLOBAL RELEAF and RELEAF marks to numerous companies for use in connection with a variety of goods and services, and that "such uses inure to the benefit of opposer." Continuing, opposer alleged that "applicant's mark LEAF RELEAF and design so closely resembles opposer's marks GLOBAL RELEAF and RELEAF so as to create public confusion, mistake or deception." (Second amended notice of opposition paragraphs 2, 2(a) and 8).

As a second ground for opposition, opposer alleged that the opposed "Application Serial No. 74/225,473 LEAF RELEAF was filed by a party who did not have a bona fide intent to use the mark in commerce ... and therefore is void ab initio under Section 1(b) of the Trademark Act." (Second amended notice of opposition paragraph 13).

In response, applicant filed an answer to the second amended notice of opposition which discussed only the allegations of paragraph 13. However, because in her earlier answers applicant had denied that there existed a likelihood of confusion, we will interpret her answer to the second amended notice of opposition as likewise implicitly denying that a likelihood of confusion exists between the applied for mark LEAF RELEAF and design and opposer's marks GLOBAL RELEAF and RELEAF.

Applicant's response to paragraph 13 of the second amended notice of opposition reads, in part, as follows: "The applicant believes that this amendment [allegation] is a frivolous one and also that it would be prejudicial to the rights of the applicant. ... The applicant and her husband Stephen [Sanders] are, and always have been, attempting to make their business a successful one. The intent to use the mark LEAF RELEAF in commerce has always been a genuine

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intent. ... The applicant also indicated at [her] June 14, 1993 [discovery] deposition that her associate in an association to promote and market a revolutionary plastic bag for the purpose of the gathering and bagging of fallen leaves is Stephen Sanders. ... The invention of one type of Leaf Bagging Equipment Method (Patent #5,066,143) was provided by the applicant's associate Stephen Sanders. ... The applicant repeatedly answered questions pertaining to the applicant's role and again answered at the June 14, 1993 deposition as follows: Barbara Sanders created and designed the trademark LEAF RELEAF and Stephen Sanders is the inventor of the revolutionary plastic bag used for the purpose of the gathering and bagging of fallen leaves. Barbara Sanders and Stephen Sanders shared responsibilities and duties in the promotion and marketing of the revolutionary plastic bag used for the purpose of the gathering and bagging of fallen leaves. ... From the beginning of these proceedings, the opposer has made every attempt to make it difficult for the applicant to represent her case. It was because of this that the applicant attempted to transfer the assignment of the mark to her husband Stephen Sanders. ... The transfer of the assignment was subsequently declared null and void by the Board [in an order dated April 19, 1996] ..."

Both parties made of record evidence and filed briefs. Neither party requested an oral hearing.

We will first consider opposer's second ground for opposition, namely, that the application "was filed by a party who did not have a bona fide intent to use the mark in commerce ... and therefore is void ab initio under Section 1(b) of the Trademark Act."

Section 1(b) reads, in pertinent part for the purposes of this case, as follows: "A person who has a bona fide intention, under circumstances showing the good faith of such person, to use a trademark in commerce may apply to register the trademark under this Act on the principal register hereby established: (1) by filing in the Patent and Trademark Office -- (A) a written application ... including a statement to the effect that the person making the verification believes himself or herself, or the firm, corporation, or association on whose behalf he or she makes the verification, to be entitled to use the mark in commerce, and that no other person, firm, corporation, or association, to the best of his or her knowledge and belief, has the right to use such mark in commerce either in the identical form of the mark or in such near resemblance to the mark as to be likely, when used on or in connection with

the goods of such other person, to cause confusion or to cause mistake or to deceive ...”

Section 1(b) deals with intent-to-use applications. Because in such an application the mark has not yet been used, and because ownership of a mark arises through use of the mark, Section 1(b) does not refer to “the owner of a trademark,” as does Section 1(a) of the Trademark Act which deals with use based applications. However, both Sections 1(a) and 1(b) contain the following identical language with the only exception being that the underlined wording appears only in Section 1(b): “A written application ... [must include a statement to the effect] that no other person, firm, corporation, or association, to the best of his or her knowledge and belief, has the right to use such mark in commerce either in the identical form ... or in such near resemblance ... as to be likely, when used on or in connection with the goods of such other person, to cause confusion, or to cause mistake, or to deceive.”

Our primary reviewing Court has made it clear that, at least with regard to use based applications filed pursuant to Section 1(a), “the [trademark] statute requires only that the application be filed in the PTO by the owner. No authority has been cited for excusing noncompliance with 15 U.S.C. § 1051. Neither the Board nor the courts can waive

this statutory requirement." Huang v. Tzu Wei Chen Food, 849 F.2d 1458, 7 USPQ2d 1335, 1336 (Fed. Cir. 1988). In Huang, the Court affirmed "the Board's holding that the application for registration is void for failure to comply with Section 1 of the Lanham Act" because the application was filed in the name of an individual affiliated with a corporation and not in the name of the corporation itself, which was, at the time the application was received by the PTO, the owner of the mark. 7 USPQ2d at 1336. The facts in Huang vividly demonstrate how strictly Section 1 must be complied with, and how neither this Board nor the courts may waive the requirements of Section 1. The trademark application was prepared in the name of the individual and was transmitted to the PTO on April 27, 1982. Earlier, the individual had applied for incorporation in the state of Iowa, and this incorporation became effective on May 1, 1982. Both parties to the opposition agreed that "ownership of the trademark ... passed on May 1 [from the individual] to the newly formed corporation." 7 USPQ2d at 1335. The application was then received at the PTO on May 3, 1982. The Court stated that "ownership of the mark was acquired by the corporation between the time of execution of the application for registration by [the individual], and receipt of the application by the PTO." 7 USPQ2d at 1335.

The Court then held that the application was void ab initio because on May 3, 1982, the owner of the mark was the corporation, and not the individual named as the owner in the application.

Other cases have likewise made it clear that, as succinctly stated by Professor McCarthy, "the applicant must be the owner of the mark." 2 J. McCarthy, McCarthy on Trademarks and Unfair Competition Section 19:53 at page 19-89 (4<sup>th</sup> ed. 1999). See Holiday Inn v. Holiday Inns, Inc., 534 F.2d 312, 189 USPQ 630, 635 n. 6 (CCPA 1976) ("It is fundamental that ownership of a mark is acquired by use, not by registration. One must be the owner of a mark before it can be registered.").

The Huang case was decided on June 21, 1988, prior to enactment of the Trademark Law Revision Act of 1988 on November 16, 1988. This Act, which became effective on November 16, 1989, allowed for the filing of intent-to-use applications pursuant to Section 1(b) of the Trademark Act. See McCarthy on Trademarks, Section 19:13 at page 19-24 (4<sup>th</sup> ed. 1999).

Obviously, the application at issue in this case is an intent-to-use application. Had the application been a use based application, and had the application been filed in the name of Barbara Sanders (an individual) when the owner of

the mark LEAF RELEAF and design was another entity such as a partnership, then pursuant to Huang and the other authorities cited above, the application would have been void ab initio as having been filed in the name of someone other than the owner of the mark. We see no valid reason for granting greater leeway to intent-to-use applicants. Put quite simply, if it is a corporation or partnership which has the bona fide intention to use a particular mark, and yet the intent-to-use application is filed in the name of an individual, then said application will be deemed to be void ab initio.<sup>1</sup>

We turn now to a consideration of whether as of the application filing date of November 26, 1991, the applicant Barbara Sanders had a bona fide intent to use the mark LEAF RELEAF and design in her capacity as an individual (as

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<sup>1</sup> Indeed, if anything, an argument can be made that it is more important that an intent-to-use application be filed in the name of the person or entity who has the actual bona fide intent-to-use the mark than it is for a use based application to be filed in the name of the owner of the mark. Section 10 of the Trademark Act states that "no [intent-to-use] application to register a mark under § 1(b) shall be assignable prior to the filing of a verified statement of use under § 1(d), except to a successor to the business of applicant, or a portion thereof, to which the mark pertains, if that business is ongoing and existing." There is not a similar restriction with regard to the assignment of use based applications. One explanation for this difference in treatment between use based and intent-to-use applications is that to permit the assignment of the latter prior to actual use (unless to a successor of the business) "would encourage trafficking in marks." "The United States Trademark Association Trademark Review Commission Report and Recommendations," 77 The Trademark Reporter 375, 403 (1987).

specified in the application), or whether the intention was that the mark be used by some other entity, and in particular, a partnership consisting of Barbara Sanders and her husband Stephen Sanders.

As is indicated in her answer to paragraph 13 of the second amended notice of opposition, the only bona fide intent was for the mark LEAF RELEAF and design to be used by Barbara Sanders and Stephen Sanders together, and not by Barbara Sanders alone as an individual. As previously noted, in response to paragraph 13, Barbara Sanders stated as follows: "The applicant and her husband Stephen are, and always have been, attempting to make their business a successful one. The intent to use the mark LEAF RELEAF in commerce has always been a genuine intent." (emphasis added). Also, in answer to paragraph 13, Barbara Sanders stated as follows: "The applicant also indicated at [her] June 14, 1993 [discovery] deposition that her associate in an association to promote and market a revolutionary plastic bag for the purposes of the gathering and bagging fallen leaves is Stephen Sanders." Later still in her answer to paragraph 13, applicant again refers to "her associate Stephen Sanders."

The issue before this Board is not whether Mr. and Mrs. Sanders together had a bona fide intention to use the mark

LEAF RELEAF and design. Rather, the narrow issue is whether the applicant -- Barbara Sanders an individual -- had a bona fide intent to use the mark in her capacity as an individual. In addition to her answer to paragraph 13, a review of the testimony depositions of Barbara Sanders and Stephen Sanders as well as the discovery deposition of Barbara Sanders makes it clear that the answer to this latter question is "no." Accordingly, we find that the application was void ab initio as having been filed in the name of an individual when, in actuality, it was a partnership consisting of Stephen Sanders and Barbara Sanders which had the bona fide intent to use the mark.

Indeed, in her brief at page 26, Barbara Sanders essentially concedes the forgoing, as witnessed by the following statements: "The name of the product [LEAF RELEAF] was created by the applicant and subsequently a trademark was applied for in November 26, 1991. The applicant not being an attorney familiar with trademark applications, chose to file the trademark application as an individual rather than a partnership or corporation or other entity simply because the applicant was the person who created the name (Barbara Sanders testimony deposition pages 12-13). The applicant and her husband work together in this family

business whose product is a revolutionary yard debris bag with the name LEAF RELEAF." (emphasis added).

A review of the testimony deposition reveals that at all times, it was the intention of Barbara Sanders for the mark LEAF RELEAF and design to be used in the future by a partnership composed of herself and her husband. The following series of questions and answers by counsel for opposer and Barbara Sanders respectively makes this point quite clear (Barbara Sanders testimony deposition pages 49-50):

Q. Mrs. Sanders, you had mentioned earlier relating to your intent or state of mind prior to filing your trademark application. The intent that you had to use the mark was not to do it alone; correct?

A. The intent that I had --. I filed it individually. Is that what you're referring to?

Q. Yes. The application was filed in your name and alone. My question is, was your intent to market, produce, sell and bring the product to the customer yourself or was it with the expectation of doing so as a partner with your husband?

A. It was as a partnership with my husband.

Q. So you didn't intend to do this on your own?

A. No. I never did.

Q. It was not your exclusive or sole intent?

A. To market it on my own?

Q. Correct.

A. Correct.

At page 8 of the testimony deposition of Stephen Sanders, Barbara Sanders asked her husband the following question: "Who makes up the Leaf Releaf business?" Mr. Sanders responded as follows: "My wife and myself."

At pages 38-40 of her earlier discovery deposition, Barbara Sanders conceded that "Mr. Sanders is the developer of the actual product and he was the marketer of the item" (page 38); Barbara Sanders acknowledged that "we never denied that Mr. Sanders had the primary role [and that her] role was the development of the trademark LEAF RELEAF" (page 39); and Barbara Sanders stated that she never sent out letters to any prospective manufacturers of the product developed by Mr. Sanders, that she never sent out any letters to news agencies and that she never sent out any letters seeking capital contribution for marketing the product (page 40). Indeed, Barbara Sanders acknowledged that her sole role with regard to the LEAF RELEAF and design product was to create the trademark itself and to act "as an advisor" to her husband (page 40). Counsel for opposer then posed the following question to Barbara Sanders at page 41 of her discovery deposition: "What types of areas did you advise on?" The answer was as follows: "On whether I thought something was good, bad, or needed improvement or things of that nature."

The foregoing clearly demonstrates that the true entity which had a bona fide intent to use the mark LEAF RELEAF and design was not Barbara Sanders an individual, but rather was a partnership consisting of Stephen Sanders and Barbara Sanders. Indeed, the evidence also shows, to use Barbara Sanders own words, that Mr. Sanders "had the primary role" in the partnership. (Barbara Sanders discovery deposition page 39).

Having found for the opposer on the issue that the application was void ab initio because the applicant Barbara Sanders had no bona fide intent to use the mark in her capacity as an individual, we elect not to consider the issue of likelihood of confusion. See American Paging Inc. v. American Mobilphone Inc., 13 USPQ2d 2036, 2039 (TTAB 1989), aff'd 17 USPQ2d 1726 (Fed. Cir. 1990) and cases cited therein. This is a particularly appropriate case for not deciding the issue of likelihood of confusion because while opposer and its licensees made rather extensive use of opposer's marks GLOBAL RELEAF and RELEAF during the three years preceding November 26, 1991 (applicant's application filing date), the use of the marks GLOBAL RELEAF and RELEAF by opposer and its licensees has increased very dramatically since November 1991. Indeed, opposer has now licensed the use of its marks on plastic lawn bags, a product which is extremely similar to applicant's plastic leaf bagging sheets

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with drawstrings in terms of material (both are made of plastic) and in terms of function (both are used to hold leaves). However, the use of opposer's marks on plastic lawn (leaf) bags did not occur until 1997. Should applicant elect to file a new application seeking to register LEAF RELEAF and design (or a similar mark) in the proper manner, then applicant's constructive date of first use will be subsequent to 1997. This could have a significant impact on any likelihood of confusion analysis inasmuch as opposer would now be the prior user for a much wider array of goods and services.

Decision: The opposition is sustained solely on the basis that it was improperly filed in the name of an individual (Barbara Sanders) who, as an individual, did not have a bona fide intent to use the mark. The bona fide intent to use the mark LEAF RELEAF and design was with another entity, namely, a partnership consisting of Stephen Sanders and Barbara Sanders. Thus, the application was void ab initio.

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