

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE TTAB 2/26/98
U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In-Flight Phone Corporation
v.
J. Anselmo, Inc.

Cancellation No. 24,090

Robert M. Ward and Joseph P. Reagen of Hill, Steadman &
Simpson for In-Flight Phone Corporation.

Joseph Anselmo for J. Anselmo, Inc.

Before Simms, Quinn and Walters, Administrative Trademark
Judges.

Opinion by Quinn, Administrative Trademark Judge:

In-Flight Phone Corporation has petitioned to cancel
the registration owned by J. Anselmo, Inc. for the mark
shown below

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for "transportation of passengers by limousine, vans, buses and cars."¹

As grounds for cancellation, petitioner asserts that respondent has been dissolved by the Illinois Secretary of State; that the registered mark has been abandoned by respondent; and that the specimens submitted to the Office in support of a statement of use are fraudulent. Petitioner also alleges that its application to register SKYLIMO was refused registration under Section 2(d) on the basis of respondent's registration.

Respondent, in an answer filled with factual allegations, admitted that "the mark is not currently advertised." However, respondent went on to essentially deny the claims of abandonment and fraud.

The record consists of the pleadings; the file of the involved registration; trial testimony, with related exhibits, taken by petitioner; and a discovery deposition taken by petitioner, with certain related exhibits, and respondent's answers to interrogatories made of record by way of petitioner's notice of reliance. Respondent neither took testimony nor offered any other evidence. Both parties filed briefs on the case.

Petitioner is engaged in the business of providing an interactive computer system that is available to passengers

¹ Registration No. 1,840,093, issued June 14, 1994.

on commercial aircraft. This system, according to Daniel Theriault, petitioner's director of marketing, is called FLIGHTLINK and is installed at every seat. The system comprises a computer screen and a telephone handset. With the use of petitioner's system, a passenger, during his or her flight, can make telephone calls, order flowers or other products (SKYMALL), play video games (e.g., SKYGOLF) or arrange for travel services such as rental cars or limousine transportation at the passenger's destination. In connection with the arranging of limousine service, petitioner has used the designation INFLTLIMO. Petitioner planned on identifying this service as SKYLIMO, but a last-minute change to INFLTLIMO was made due to the controversy with respondent. Sometime prior to September 1992, petitioner purchased from MCI the rights to the phone number 1-800-SKYLIMO. Mr. Theriault testified that petitioner still owns the rights to the number, but that petitioner has refrained from using either 1-800-SKYLIMO or SKYLIMO due to the present dispute with respondent.

According to the discovery deposition testimony of Joseph Anselmo, he is the president, sole owner and only employee of respondent. Respondent began as a private contractor for hire by others to transport passengers by motor vehicle in 1976. In 1989, respondent began his own business, calling it Black & White Limousine. During the

early 1990s, respondent provided limousine services to the upper management of petitioner. When respondent lost petitioner's account and other business as well, the number of vehicles operated by respondent dropped from four to one. In 1996, respondent changed its name to Skylimo, Inc.

ABANDONMENT

At the outset, we note that petitioner pleaded its claim in terms of abandonment due to nonuse of the mark. However, the gist of petitioner's claim, as tried by the parties, and as articulated by petitioner in its brief on the case, is that respondent failed to use in commerce, prior to issuance of the involved registration, the specific logo mark that is registered. Therefore, petitioner concludes that the registration is void ab initio.

Respondent based its underlying application for registration on a bona fide intention to use the logo mark in commerce as provided by Section 1(b) of the Act. After receipt of a notice of allowance, respondent filed a statement of use, claiming a date of first use anywhere of 1993 and a date of first use in interstate commerce of January 14, 1994.

Use in commerce is defined in Section 45 of the Act. Use in commerce means the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark. Under Section 45, a service mark is in

"use in commerce" if (i)the mark is used or displayed in the sale or advertising of services and (i)either the services are rendered "in commerce," or the services are rendered in more than one state or in the United States and a foreign country and the user is engaged in commerce in connection with the services.

The pertinent facts surrounding respondent's use are largely not in dispute; rather, it is the legal conclusion to be drawn from these facts where the parties differ. The relevant facts are ascertained from Mr. Anselmo's discovery deposition and accompanying exhibits, and from his answers to interrogatories.²

Mr. Anselmo began operating a limousine service in 1989-1990 under the name Black & White Limousine. Although Mr. Anselmo filed an application with the Illinois Secretary of State in January 1992 to begin operating under the name

² Mr. Anselmo spent a good deal of time with petitioner's upper management as he transported them around in his limousine, usually to and from the airport. It was during these rides that Mr. Anselmo shared with them his business ideas about a partnership with petitioner whereby respondent would expand nationally to be the exclusive limousine service offered by petitioner's FLIGHTLINK system. According to Mr. Anselmo, Jack Goeken, petitioner's chief executive officer, agreed at one point to help Mr. Anselmo: "As our trust grew for each other over time, I felt I could come to him, almost as a father figure, and ask him anything concerning my idea about advertising on the planes." Mr. Anselmo asserts that Mr. Goeken "showed gross negligence in not following through with his duty to complete the contract between Jack Goeken and Joseph Anselmo, and help Joseph with the completion of the SKYLIMO project as promised." (answer, interrogatory no. 2) The evidence relating to any relationship between petitioner and Mr. Anselmo is irrelevant to the issue at

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Skylimo Ltd., the effort toward a name change failed. Mr. Anselmo continued to operate as Black & White Limousine or J. Anselmo, Inc. until January 1996 when respondent formally changed its name to Skylimo, Inc. The reason for the change, according to Mr. Anselmo, was the filing of the petition for cancellation which "just kind of woke me up. . . to protect the name Skylimo, Inc. and the trademark." (Anselmo dep., pp. 24-25)

The record includes a letter with the letterhead SKYLIMO (Anselmo dep., ex. 54) dated November 26, 1991 and a correspondence from AT&T to "SKYLIMO" regarding an advertisement run by Mr. Anselmo in an AT&T phone directory. Respondent has pointed to these documents as evidence of its first use of its registered mark. (answer, interrogatory no. 2) Upon closer questioning at his deposition, however, Mr. Anselmo identified stationery used in December 1995 as evidence of first use of the mark in commerce. (Anselmo dep., p. 157)

A review of respondent's testimony and evidence confirms that the registered mark was not actually used until well after the registration was issued. Respondent's correspondence dated November 26, 1991 to Ralph Trevino (Anselmo dep., ex 54) which bears the name SKYLIMO in the letterhead was sent to Mr. Trevino as a solicitation to

hand, namely, whether respondent used the registered logo mark in

become a business partner. The letter does not evidence use of SKYLIMO in connection with the rendering of any transportation services in commerce. It is significant to note as well that the letter uses only the name SKYLIMO; there is no use of the registered mark SKYLIMO and design.

Further, the letterheads submitted as specimens in the case were never actually used in commerce prior to registration. Mr. Anselmo admitted that the letterheads bearing the logo mark (and a toll free number that respondent did not own) were for "internal use" only and were never sent to customers in connection with providing transportation services.

Respondent also points to its advertisement in a phone directory as evidence of use prior to issuance of the registration. Respondent placed the following listing in the 1992 AT&T Toll-Free 88 Travel Directory:

(Anselmo dep., ex. nos. 30-31) Again, it is significant to note that the advertisement includes only the name SKYLIMO. Mr. Anselmo testified that the registered logo mark had not yet been designed at the time of the ordering of this advertisement. (Anselmo dep., p. 71) The advertisement was

commerce prior to registration.

not renewed for the following year.³ Mr. Anselmo explained the reason for the discontinuance as follows: "I felt that Skylimo, it was just too premature to do what I wanted to do. It was part of the business plan, but not totally in focus with the business plan, and I just felt that it needed more work, because it was just a little too early. Things just weren't coming together as I wanted, especially In-Flight Phone Corporation taking a lot longer to put it together." (Anselmo dep, p. 116) In any event, during this entire period respondent continued to operate as Black & White Limousine or J. Anselmo, Inc. with no actual use in commerce of **the specific logo mark** registered by respondent until December 1995-January 1996. Later in his deposition, Mr. Anselmo conceded that the registered logo mark was never advertised prior to mid-1995. (Anselmo dep., p. 204)

Also significant is the fact that respondent did not collect any revenue for transportation services rendered under the registered mark until January 1996. Respondent's answer to interrogatory no. 13 is telling:

State Registrant's annual sales (a) in
the United States in U.S. dollars and
(b) in Canada in U.S. dollars from goods

³ Respondent, in its brief on the case, makes unsupported allegations regarding use of the name SKYLIMO in a one line ad in the 1993 telephone directory. Suffice it to say that these allegations, as well as certain other allegations made by respondent in its brief, all of which are highlighted by petitioner in its reply brief, are not supported by the record, but rather contradict the testimony and evidence that properly is of record.

or services sold or licensed under its mark for each year of sales since the date of first use of Registrant's Mark anywhere and specifying the sources from which the income is derived and any formula(s) or method(s) used for computing the amount of income. For purposes of answering this order, Registrant may provide a dollar amount of annual sales actually attained, provided that the amount given is sufficient to indicate the general magnitude of sales.

Due to an incomplete business plan, Registrant's annual sales were curtailed.

1991	\$0.00
1992	\$0.00
1993	\$0.00
1994	\$0.00
1995	\$0.00

Mr. Anselmo, in his deposition, admitted that he never generated any revenues under SKYLIMO prior to December 1995. Rather, any revenue was generated by rendering transportation services under the name Black & White Limosusine. (Anselmo dep., pp. 157-158)

In sum, the registered logo mark was not used until after the mark issued as a registration. And, according to Mr. Anselmo's testimony, a main reason that respondent began actual use of the logo mark only then was the filing of the present petition for cancellation. The registration is void ab initio for failure to actually use the specific logo mark in commerce in connection with transportation services prior

to issuance of the registration. Thus, the registration of the logo mark must be canceled.

FRAUD

Petitioner's claim is that respondent committed fraud on the Office when it submitted a statement of use with false dates of first use and supporting specimens that were never actually used in commerce. The gist of petitioner's claim is that respondent knew or should have known that it was not using the mark sought to be registered and that the specimens were never used in commerce.

In considering the charge of fraud here, the following principles control:

Fraud implies some intentional deceitful practice or act designed to obtain something to which the person practicing such deceit would not otherwise be entitled. Specifically, it involves a willful withholding from the Patent and Trademark Office by an applicant or registrant of material information which, if disclosed to the Office, would have resulted in disallowance of the registration sought or to be maintained. Intent to deceive must be "willful." If it can be shown that the statement was a "false misrepresentation" occasioned by an "honest" misunderstanding, inadvertence, negligent omission or the like rather than one made with a willful intent to deceive, fraud will not be found. Fraud, moreover, will not lie if it can be proven that the statement, though false, was made with a reasonable and honest belief that it was true or that the false statement is not material to the issuance or maintenance of the registration. It does appear that the

very nature of the 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.

First International Services Corp. v. Chuckles Inc., 5 USPQ2d 1628, 1634 (TTAB 1988); and Smith International, Inc. v. Olin Corp., 209 USPQ 1033, 1043-44 (TTAB 1981). See also: Torres v. Cantine Torresella S.r.l., 808 F.2d 46, 1 USPQ2d 1483, 1484 (Fed. Cir. 1986). See generally: J. T. McCarthy, McCarthy on Trademarks and Unfair Competition §§ 31:76-31:77 (4th ed. 1996).

The record in the present case falls short of proving fraud to the hilt. Although we have found, as discussed above, that there was no use in commerce of the registered logo mark prior to issuance of the registration, we believe that this case involves false misrepresentations as opposed to statements made with a willful intent to deceive the Office. Mr. Anselmo appears to be less than knowledgeable about the technicalities of trademark law, including the legal nuances surrounding actual use of a service mark in commerce. Further, during his testimony, Mr. Anselmo appears to be confused on certain critical facts. (see, e.g., pp. 195-196)

We find, based on the record before us, that Mr. Anselmo's representations about the use of respondent's mark were made based on a misunderstanding of and/or confusion about the trademark law governing such matters. Mr.

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Anselmo's explanations convince us that he made the representations with a reasonable and honest belief that they were true. Petitioner's evidence on this point is less than clear and convincing, and we have resolved any doubt raised by the record in respondent's favor.

Decision: The petition for cancellation is granted, and Registration No. 1,840,093 will be canceled in due course.⁴

R. L. Simms

T. J. Quinn

C. E. Walters
Administrative Trademark
Judges, Trademark Trial
and Appeal Board

⁴ In the event that respondent ever would ultimately prevail in this proceeding, the appropriate change of name documents from J, Anselmo, Inc. to Skylimo, Inc. should be filed with the Office for recordation relative to the registration.