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**UNITED STATES DISTRICT COURT  
 NORTHERN DISTRICT OF CALIFORNIA  
 SAN FRANCISCO DIVISION**

18 MACY'S, INC. and MACYS.COM, INC.,

Plaintiffs,

v.

21 STRATEGIC MARKS, LLC,

Defendant.

24 STRATEGIC MARKS, LLC,

Counter-Claimant,

v.

27 MACY'S, INC. and MACYS.COM, INC.

Counter-Defendants.

Case No. CV 11-6198 SC

**PLAINTIFFS MACY'S, INC. AND  
 MACYS.COM, INC.'S MOTION FOR  
 PARTIAL SUMMARY JUDGMENT**

**Date: March 15, 2013**

**Time: 10:00 a.m.**

**Crtm: 1**

**Judge: Honorable Samuel Conti**

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1 NOTICE OF MOTION AND MOTION FOR PARTIAL SUMMARY JUDGMENT

2 PLEASE TAKE NOTICE that on March 15, 2013 at 10:00 a.m., or as soon  
3 thereafter as the parties may be heard, Plaintiffs Macy's, Inc. and Macys.com, Inc.  
4 (individually and collectively, "Plaintiffs" or "Macy's") will move this Court pursuant to Rule  
5 56 of the Federal Rules of Civil Procedure, at the United States Courthouse located at  
6 450 Golden Gate Avenue, San Francisco, California, 94102, Courtroom #1, for partial  
7 summary judgment against defendant Strategic Marks, LLC ("Defendant") as follows:

8 1) to dismiss Defendant's first counterclaim (First Claim for Relief:  
9 Infringement of Federally Registered Trademark: 15 U.S.C. § 1114);

10 2) to dismiss Defendant's fifth counterclaim (Fifth Claim for Relief:  
11 Infringement of Federally Registered Trademark: 15 U.S.C. § 1114);

12 3) to cancel Defendant's registration for the mark THE BROADWAY, U.S.  
13 Reg. No. 4,099,878, in accordance with Plaintiffs' Fourth Affirmative Defense,  
14 pars. 4 and 8;

15 4) to cancel Defendant's registration for the mark THE BON MARCHE, U.S.  
16 Reg. No. 4,136,284, in accordance with Plaintiffs' Fourth Affirmative Defense,  
17 pars. 5 and 9;

18 5) to cancel Defendant's registration for the mark ROBINSON'S, U.S. Reg.  
19 No. 4,165,969, in accordance with Plaintiffs' Fourth Affirmative Defense, pars. 6  
20 and 10; and

21 6) to hold that Defendant's Statement of Use was defective in its pending  
22 application to register the mark ABRAHAM AND STRAUS, U.S. Application Serial  
23 No. 85/137,191, in accordance with Plaintiffs' Fourth Affirmative Defense, pars. 7  
24 and 11; thus, Defendant does not have the right to register the mark ABRAHAM  
25 AND STRAUS.

26 Defendant's first and fifth counterclaims for trademark infringement should be  
27 dismissed and the corresponding service mark registrations cancelled because the  
28 Defendant had not used the marks in commerce in connection with the services identified

1 in the registrations at the time it filed Statements of Use with the United States Patent  
 2 and Trademark Office (“USPTO”). Specifically, Defendant neither (i) used THE  
 3 BROADWAY, THE BON MARCHE, ROBINSON’S or ABRAHAM AND STRAUS in a  
 4 manner sufficient to support a valid Statement of Use; nor (ii) made any sales under the  
 5 alleged identification of services sufficient to constitute *bona fide* use in commerce under  
 6 the law. Consequently, Defendant’s three (3) service mark registrations are incurably  
 7 flawed and are void *ab initio* as a matter of law. Further, the pending rejection by the  
 8 USPTO of the ABRAHAM AND STRAUS application is similarly well-founded and should  
 9 be confirmed by the Court to prevent Defendant from later arguing an inconsistent  
 10 position before the USPTO.

11 This motion is based on the accompanying declaration of Anthony F. Lo Cicero  
 12 with exhibits (“Lo Cicero Decl.”), on the below Memorandum of Points and Authorities, on  
 13 all of the pleadings and papers filed in this action, and on any evidence and argument  
 14 that may be presented at a hearing on this motion.

15 MEMORANDUM OF POINTS AND AUTHORITIES  
 16 IN SUPPORT OF MOTION FOR PARTIAL SUMMARY JUDGMENT

17 I. BACKGROUND AND STATEMENT OF FACTS

18 Macy’s is a world famous retail department store which has been active for over  
 19 one hundred (100) years. Over the years, Macy’s, by itself and through predecessors-in-  
 20 interest and related entities, has owned and operated other famous, regional retail  
 21 department stores, many of which had also been active for many decades (and, in some  
 22 cases, also over one hundred (100) years (collectively and individually, the “Heritage  
 23 Brands”)).<sup>1</sup> At issue in this lawsuit are eight (8) of the Heritage Brands, for which  
 24 \_\_\_\_\_

25 <sup>1</sup> Both the Macy’s department stores and some or all of the Heritage Brands were at one time or  
 26 another owned by the Macy’s related predecessor-in-interest known collectively as Federated  
 27 Department Stores. After various assignments and changes of names, all of the Heritage Brands  
 28 are now owned by Macy’s.

1 Defendant filed “intent-to-use” service mark applications in 2010. At issue in this motion  
 2 are four (4) of the Heritage Brands, namely THE BROADWAY; THE BON MARCHE;  
 3 ROBINSON’S; and ABRAHAM AND STRAUS, for which Defendant has filed legally  
 4 invalid Statements of Use in its USPTO proceedings.

5 Macy’s commenced this litigation sounding in trademark infringement in December  
 6 2011 (Dkt. No. 1-2, Complaint) as a result of Defendant’s infringing activities with respect  
 7 to several of these Heritage Brands.

8 The Defendant, in turn, has asserted counterclaims against Macy’s (Dkt. No. 50)  
 9 for, *inter alia*, infringement of three marks for which Defendant has improperly obtained  
 10 federal registrations (THE BROADWAY; THE BON MARCHE; and ROBINSON’S). This  
 11 motion seeks cancellation of these registrations and dismissal of the corresponding  
 12 counterclaims because the asserted registrations are void.

13 In addition, Macy’s seeks a declaration by the Court confirming the findings of the  
 14 trademark examiner for the ABRAHAM AND STRAUS application that the use asserted  
 15 in Defendant’s Statement of Use for ABRAHAM AND STRAUS was insufficient, to  
 16 prevent Defendant from later arguing an inconsistent position before the USPTO.

17 A. Defendant’s Registrations

18 At issue in this motion are three service mark<sup>2</sup> registrations obtained by  
 19 Defendant, as well as one pending application to register, as follows:

20 1) THE BROADWAY, U.S. Reg. No. 4,099,878, for retail department store and on-  
 21 line retail department store services; retail and on-line retail clothing boutiques; retail and

---

22  
 23 <sup>2</sup> Under trademark law, trademarks and service marks are treated virtually the same. Section 45  
 24 of the Lanham Act (15 U.S.C. § 1127) defines a service mark as any “word, name, symbol or  
 25 device, or any combination thereof used by a person, or which a person has a bona fide intention  
 26 to use in commerce . . . to identify and distinguish the services of one person . . . from the  
 27 services of others . . .” 15 U.S.C. § 1127. The definition of “service mark” is virtually identical to  
 28 the definition of “trademark.” But while service marks apply to intangible services, trademarks are  
 used to distinguish tangible goods. *See id.*; *see also, Chance v. Pac-Tel Teletrac Inc.*, 242 F.3d  
 1151, 1156 (9th Cir. 2001); *Lloyd’s Food Prods., Inc. v. Eli’s, Inc.*, 987 F.2d 766, 768 (Fed. Cir.  
 1993).

1 on-line retail clothing stores; retail and on-line retail apparel stores; retail and on-line retail  
 2 store services featuring clothing and fashion accessories, in International Class 35 (“THE  
 3 BROADWAY Registration”). (Lo Cicero Decl. Ex. A).

4 2) THE BON MARCHE, U.S. Reg. No. 4,136,284, for retail department store and  
 5 on-line retail department store services; retail and on-line retail clothing boutiques; retail  
 6 and on-line retail clothing stores; retail and on-line retail apparel stores; retail and on-line  
 7 retail store services featuring clothing and fashion accessories, in International Class 35  
 8 (“THE BON MARCHE Registration”). (Lo Cicero Decl. Ex. B).

9 3) ROBINSON’S, U.S. Reg. No. 4,165,969, for retail department store and on-line  
 10 retail department store services; retail and on-line retail clothing boutiques; retail and on-  
 11 line retail clothing stores; retail and on-line retail apparel stores; retail and on-line retail  
 12 store services featuring clothing and fashion accessories, in International Class 35  
 13 (“ROBINSON’S Registration”). (Lo Cicero Decl. Ex. C).

14 4) ABRAHAM AND STRAUS, U.S. Application Serial No. 85/137,191, for retail  
 15 department store and on-line retail department store services; retail and on-line retail  
 16 clothing boutiques; retail and on-line retail clothing stores; retail and on-line retail apparel  
 17 stores; retail and on-line retail store services featuring clothing and fashion accessories,  
 18 in International Class 35 (“ABRAHAM AND STRAUS Application”). (Lo Cicero Decl. Ex.  
 19 D).

20 B. Defendant’s Statements of Use and Specimens of Use

21 The applications for all four (4) of the marks were filed on September 24, 2010 as  
 22 “intent-to-use” applications pursuant to 15 U.S.C. § 1051(b).<sup>3</sup> Defendant subsequently  
 23 \_\_\_\_\_

24 <sup>3</sup> As discussed below, in order for a trademark to receive a federal registration, it must first be  
 25 used in commerce. Current U.S. law provides for the filing of trademark applications to protect  
 26 (or reserve) trademarks which are not yet in use where the applicant has a *bona fide* intention to  
 27 use the mark. 15 U.S.C. §1051(b). However, before a registration may issue from an intent-to-  
 28 use application, the applicant must provide and USPTO must accept a legally sufficient  
 “statement of use,” along with an acceptable “specimen of use,” within the statutory period. See  
 15 U.S.C. § 1051(c) (“an [intent-to-use] applicant who has made use of the mark in commerce  
 (footnote continued)



1 filed a Statement of Use and Specimen of Use in the USPTO, pursuant to 15 U.S.C. §  
 2 1051(d), for each application. Each Statement of Use affirms that “[t]he mark is in use in  
 3 commerce on or in connection with all goods or services listed in the application . . .”, and  
 4 contains a verified declaration that the applicant “is using the mark in commerce on or in  
 5 connection with the goods/services identified . . .” (Lo Cicero Decl. Exs. E through H).

6 Each of Defendant’s Specimens of Use consisted of an identical print-out of the  
 7 home page for Defendant’s Retro Department Stores website,  
 8 www.retrodepartmentstores.com, along with the specific web page from the site for each  
 9 particular mark. Copies of the Specimens of Use for each of the four (4) marks are  
 10 submitted herewith at Lo Cicero Decl. Exs. I through L.<sup>4</sup>

11 Ultimately, three of the applications were approved and registered: THE  
 12 BROADWAY Registration issued on February 14, 2012; THE BON MARCHE  
 13 Registration issued on May 1, 2012; and the ROBINSON’S Registration issued on June  
 14 26, 2012. The ABRAHAM AND STRAUS Application remains pending.<sup>5</sup>

15 Notwithstanding the issuance of the three Registrations, this Court is authorized to  
 16 cancel them (see Section II(B) below).

17  
 18  
 19 may claim the benefits of such use . . . by amending his or her application to bring it into  
 20 conformity . . .”

21 <sup>4</sup> Interestingly, although Defendant applied for the mark ABRAHAM AND STRAUS, the specimen  
 22 submitted shows several “A & S” logos, including the logo on a t-shirt, as well as historical  
 23 information referring to Plaintiffs’ Abraham & Straus (also incorrectly spelled Abraham & Strauss)  
 and A & S stores. Nowhere does the applied-for mark ABRAHAM AND STRAUS actually appear

24 <sup>5</sup> The ABRAHAM AND STRAUS Application has not been approved for registration in part  
 25 because the examiner recognized that Defendant’s purported use of the mark on the  
 26 www.retrodepartmentstores.com website did not constitute use in commerce for on-line retail  
 27 store services (discussed further below). It is Plaintiffs’ contention that the legal basis for the  
 28 rejection by the examiner in the ABRAHAM AND STRAUS application is correct, and the other  
 examiners’ approvals of the Statements of Use for the other marks were mistaken since those  
 applications had the same deficiency.

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## II. ARGUMENT

### A. Legal Standard For Summary Judgment

Summary judgment is appropriate when there is no genuine issue as to material facts and the moving party is entitled to judgment as a matter of law. Fed. R. Civ. P. 56; *Shirley v. Wachovia Mortg. FSB*, No. 10-3870-SC, 2012 U.S. Dist. LEXIS 44049, at \*9 (N.D. Cal. Mar. 29, 2012). Material facts are those that might affect the outcome of the case. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). A dispute as to a material fact is only “genuine” if there is sufficient evidence for a reasonable jury to return a verdict for the nonmoving party. *Id.*

The party seeking summary judgment bears the initial burden of informing the court of the basis of the motion, and of identifying those portions of the record that demonstrate the absence of a genuine issue of material fact. *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). Where the moving party will have the burden of proof at trial, it must affirmatively demonstrate that no reasonable trier of fact could find other than for the moving party. *Juarez v. Jani-King of Cal., Inc.*, No. 09-3495-SC, 2012 U.S. Dist. LEXIS 7406, at \*10 (N.D. Cal. Jan. 23, 2012). On an issue where the nonmoving party will bear the burden of proof at trial, the moving party can prevail merely by pointing out to the district court that there is an absence of evidence to support the nonmoving party's case. *Celotex*, 477 U.S. at 323. If the moving party meets its initial burden, the opposing party must then set forth specific facts showing that there is some genuine issue for trial in order to defeat the motion. *Anderson*, 477 U.S. at 250.

When the moving party has carried its burden under Federal Rule of Civil Procedure 56(c), the opposing party “must do more than simply show that there is some metaphysical doubt as to the material facts . . . Where the record taken as a whole could

1 not lead a rational trier of fact to find for the nonmoving party, there is no ‘genuine issue  
2 for trial.’” *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 586-87  
3 (1986). In short, once the moving party has met its burden, while inferences drawn from  
4 the evidence must be viewed in the light most favorable to the non-moving party, that  
5 party can defeat the motion only by providing evidence on which the finder of fact could  
6 reasonably find for the opposing party. *Anderson*, 477 U.S. at 252; *Shirley*, 2012 U.S.  
7 Dist. LEXIS 44049, at \*9-10.  
8

9 B. The Court Has Authority To Cancel Registrations

10 Section 37 of the Lanham Act authorizes the court, “in any action involving a  
11 registered mark,” to “determine the right to registration, order the cancellation of  
12 registrations, . . . restore canceled registrations, and otherwise rectify the register with  
13 respect to the registrations of any party to the action.” *Levi Strauss & Co. v. GTFM, Inc.*,  
14 196 F. Supp. 2d 971, 975 (N.D. Cal. 2002) (quoting 15 U.S.C. § 1119). “The effect of §  
15 1119 is to give the courts and the Patent and Trademark Office concurrent jurisdiction to  
16 cancel registrations.” *Levi Strauss*, 196 F. Supp. 2d at 975 n.1 (citing *Informix Software,*  
17 *Inc. v. Oracle Corp.*, 927 F. Supp. 1283, 1285-86 (N.D. Cal. 1996)); see also 5 J. Thomas  
18 McCarthy, McCarthy on Trademarks and Unfair Competition § 30:109 (4th ed. 2002).  
19

20 C. Use in Commerce Requirement For Registration of Marks

21 As with a trademark, a core requirement for registration of a service mark is that  
22 the mark is in “use in commerce.” See, e.g., *Aycock Eng’g, Inc. v. Airflite, Inc.*, 560 F.3d  
23 1350, 1357 (Fed. Cir. 2009). For service marks, the “use in commerce” requirement is  
24 met when (1) a mark is “used or displayed in the sale or advertising of services” and (2)  
25 either (i) the services are “rendered in commerce” or (ii) the services are “rendered in  
26 more than one State or in the United States and a foreign country and the person  
27  
28

1 rendering those services is engaged in commerce in connection with the services.” 15  
 2 U.S.C. § 1127. **The registration of a mark that does not meet the use requirement is**  
 3 **void *ab initio*.** *Aycock Eng'g, Inc.*, 560 F.3d at 1357 (emphasis added).

4 Use of a mark in commerce must constitute *bona fide* use, and not merely token  
 5 use to reserve a right in a mark. *See, e.g., Aycock Eng'g, Inc.*, 560 F.3d at 1357. Thus,  
 6 use or display of a mark in the sale or advertising of services before actually rendering  
 7 the services is not use in commerce. *See Aycock Eng'g, Inc.*, 560 F.3d at 1358 (holding  
 8 that applicant's preparations to use a mark in commerce, by establishing a corporate  
 9 entity to do business, obtaining toll-free telephone numbers and contracting with  
 10 suppliers, were not sufficient to show use in commerce); *In re Port Auth. of N.Y.*, 3  
 11 U.S.P.Q. 2d 1453, 1454 (T.T.A.B. 1987) (holding that advertising and promoting  
 12 telecommunications services before the services were available was not sufficient to  
 13 show use in commerce); *In re Cedar Point, Inc.*, 220 U.S.P.Q. 533, 535-36 (T.T.A.B.  
 14 1983) (holding that advertising a marine entertainment park that was not yet open for  
 15 business did not show use in commerce).

16 The crux of this motion is that Defendant's marks -- THE BROADWAY; THE BON  
 17 MARCHE; ROBINSON'S; and ABRAHAM AND STRAUS -- have not been used in  
 18 commerce by the Defendant, and that, therefore, the respective registrations are void *ab*  
 19 *initio*, and the basis of the USPTO examiner for rejecting the pending ABRAHAM AND  
 20 STRAUS Application should be confirmed by the Court.

21 D. Defendant Has Not Used the Marks in Commerce

22 Each of the registrations and application identify the same services in class 35:

23 **retail** department store and **on-line retail** department store  
 24 services;  
 25 **retail** and **on-line retail** clothing boutiques;

1           **retail and on-line retail** clothing stores;  
2           **retail and on-line retail** apparel stores;  
3           **retail and on-line retail** store services featuring clothing and  
              fashion accessories. (Emphasis added.)

4           Thus, each registration essentially has two components -- a physical retail, or  
5           "brick and mortar," store component; and a virtual on-line retail store, or internet website,  
6           component. As discussed below, there is no genuine dispute that the Defendant has not  
7           used the marks in commerce for either brick and mortar stores or for on-line retail stores.

8  
9           1.     "Brick and Mortar" Stores

10           Defendant freely admits that it has not used any of the marks in connection with  
11           brick and mortar stores.

12           During his deposition conducted on November 7, 2012, Defendant's principal, Ellia  
13           Kassoff, unequivocally admitted that no brick and mortar stores have ever been operated  
14           under the marks by the Defendant.

15  
16           Q.    Okay. Are you currently operating any  
17           brick and mortar stores under any of the trademarks  
              listed in Exhibit 7<sup>6</sup>?

18           A.    No.

19           Q.    And have you ever?

20           A.    No.

21           Q.    Continuing with Exhibit 7, you say that  
22           "these stores will be seeing [sic] first as part of this  
23           nostalgic virtual mall." Is that the Retro  
              Department Stores you're referring to?

24           A.    Correct.

25  
26           \_\_\_\_\_  
27           <sup>6</sup> Exhibit 7 is a page from Defendant's website, www.retrodepartmentstores.com. (Lo Cicero  
28           Decl. Ex. M).

1 Q. "Then we plan to branch out with unique  
2 accessories." Is that the plan of Strategic Marks?

3 A. You didn't finish the sentence. It says  
4 "unique accessories at small boutiques."

5 Q. Is that the plan?

6 A. Yes.

7 Q. Yes. Right.  
8 And are any such unique accessories  
9 being sold at small boutiques at this time?

10 A. The boutiques that we're referring to on  
11 each side is small versions of each department store  
12 located in malls around the country.

13 Q. Are any such small versions of each  
14 department store up and running at this time?

15 A. Not currently.

16 Q. Have they ever been?

17 A. No.

18 Kassoff Dep. at 52:11- 53:13.<sup>7</sup> During subsequent questioning, Mr. Kassoff further  
19 confirmed that there have not been any brick and mortar stores.

20 Q. Do you have any brick and mortar stores?

21 A. No.

22 Q. Do you have any stores that are not  
23 online stores?

24 A. No, not currently.

25 Q. Have you ever?

26 A. No.

27 <sup>7</sup> Excerpts from the Kassoff Deposition are submitted herewith at Lo Cicero Decl. Ex. N.  
28

1 Kassoff Dep. at 148:15-21.

2 Mr. Kassoff's testimony confirms statements on the Defendant's website. Under  
3 the heading "The Plan," Defendant states as follows:

4 You'll see these stores first as part of this "nostalgic" virtual  
5 mall. Then **we plan to branch out** with unique accessories  
6 at small boutiques, followed by exclusive apparel by up and  
7 coming designers, and **then ultimately with actual "Brick  
8 and Mortar" stores** throughout the United States with a full  
9 line-up of products. We're thrilled to be able to bring back a  
10 little part of Americana home so watch this space for more  
11 updates! (Emphasis added.)

12 (Lo Cicero Decl. Ex. M).

13 The fact that Defendant does not have any brick and mortar stores is also  
14 confirmed in Defendant's pleadings. For example, in its First Amended Counterclaims,  
15 Defendant states the following: "The names of its On-line Retro Department Stores (**and  
16 their respective "brick and mortar" locations which Strategic Marks is working  
17 toward opening** (the "Brick and Mortar Retro Department Stores")) evoke nostalgia in  
18 the minds of American consumers . . . ." (Dkt. No. 50 ¶ 13, Defendant's First Amended  
19 Answer and Counterclaims and Supplemental Counterclaim, Nov. 2, 2012) (emphasis  
20 added).

21 Thus, it is clear and beyond dispute that, notwithstanding Defendant's affirmations  
22 in the statements of use that it has used the mark in commerce for "retail" services, none  
23 of the marks have been used for any retail store services. Accordingly, the "retail store"  
24 portions of the registrations and application are void.

## 25 2. On-Line Retail Stores

26 As with "brick and mortar" retail store services, Defendant has also not used the  
27 marks in commerce for on-line retail store services. The reasons for this are threefold:  
28

1 (1) the Retro Department Stores website is advertising potential future services that are  
2 not yet being rendered in commerce; (2) to the extent any mark is used on the website it  
3 is "Retro Department Stores," and not the individual department store brands; and (3) no  
4 on-line retail services have been rendered by the Defendant under the marks.

5 a. The website advertises only potential future services

6  
7 In a non-final office action rejecting the ABRAHAM AND STRAUS Application<sup>8</sup>, the  
8 trademark examiner determined that the purported use of the mark on the  
9 www.retrodepartmentstores.com website does not constitute "use in commerce."  
10 Plaintiffs submit that this determination was correct and is also applicable to the other  
11 marks that received registrations.  
12

13 In particular, as recognized by the ABRAHAM AND STRAUS trademark examiner,  
14 the "Retro Department Stores" website is merely advertising potential future services that  
15 are not yet being rendered in commerce. It is well-established that advertising or  
16 publicizing a service that the applicant intends to perform in the future does not support  
17 registration. *See, e.g., In re Cedar Point, Inc.*, 220 U.S.P.Q. at 536; quoting *Intermed*  
18 *Commc'ns, Inc. v. Chaney*, 197 U.S.P.Q. 501, 507-508 (T.T.A.B. 1977).  
19

20 The fact that future services were contemplated by the Defendant is reflected in  
21 "The Plan" set forth on the Retro Department Stores homepage: "You'll see these stores  
22 first as part of this 'nostalgic' virtual mall." Thus, the Defendant refers to the website as a  
23 "virtual mall" in the future tense. (Lo Cicero Decl. Ex. M).

24 The trademark examiner also pointed to additional text at the bottom of the  
25

26  
27 <sup>8</sup> The relevant USPTO Office Action, dated December 28, 2011, is submitted herewith at Lo  
28 Cicero Decl. Ex. O.



1 homepage that says “look for a really cool shopping experience **coming soon** that will  
2 bring back choice, selection, and service to shopping.” (Office Action dated Dec. 28,  
3 2011, Lo Cicero Decl. Ex. O at 2) (emphasis added by examiner). From this language,  
4 the examiner correctly concluded that the website advertises services that are not yet  
5 being rendered in commerce. This is contrary to the requirements for use, *i.e.*, that any  
6 advertising or publicizing done for services must relate to “an existing service which has  
7 already been offered to the public.” *Aycock Eng’g, Inc.*, 560 F.3d at 1358; quoting  
8 *Greyhound Corp. v. Armour Life Ins. Co.*, 214 U.S.P.Q. 473, 474 (T.T.A.B. 1982).

10 b. Department store marks are not used

11  
12 Moreover, the Retro Department Stores website also does not show the purported  
13 marks in connection with the services or identify the source of any on-line retail services.  
14 They appear as the names of old department stores in Plaintiffs’ fonts and are simply  
15 used in connection with historical information about the various stores. As recognized by  
16 the trademark examiner, “as used in this manner, the proposed mark does not identify  
17 the source of any online retail services. Rather, it appears merely as the name of an old  
18 department store.” (Office Action dated Dec. 28, 2011, Lo Cicero Decl. Ex. O at 3).

19  
20 The only mark shown in the Specimens of Use, if any, is the mark “Retro  
21 Department Stores.”

22 c. No services were rendered

23  
24 Notwithstanding the preceding arguments in sections (a) and (b) above, Defendant  
25 made no use in commerce of the marks for on-line retail services because no on-line  
26 retail services were actually rendered by the Defendant. While t-shirts are nominally  
27 offered for sale on each of the individual department store web pages, no t-shirt sales  
28 have ever been made, and the Defendant does not carry any inventory of the shirts. This

1 was confirmed by Mr. Kassoff during his deposition:

2 Q. BY MR. LO CICERO: Which leads me to my  
3 next question. Has anybody ordered any t-shirts  
4 other than Jordan Marsh t-shirts?

5 A. No.

6 \* \* \* \*

7 Q. Do you have under any of the department  
8 store brands an inventory of shirts for sale?

9 A. No, not currently.

10 Q. Have you ever?

11 A. No.

12 Kassoff Dep. at 177:18-21 and 178:12-16 (Lo Cicero Decl. Ex. N).

13 A non-precedential opinion by the Trademark Trial and Appeal Board ("TTAB") is  
14 instructive on this point. In deciding the opposition proceeding *Parametric Tech. Corp. v.*  
15 *PLMIC, LLC*, 2010 TTAB LEXIS 64 (T.T.A.B. Feb. 12, 2010), the TTAB considered the  
16 issue of whether internet advertising and promotion of various computer services  
17 constituted use in commerce in the absence of an actual sale of the services. The TTAB  
18 ruled that it did not:

19 We find that PLMIC's posting of its FLEXPLM mark on the  
20 Internet as advertising of its being "ready, willing and able" to  
21 provide its identified services and its unsuccessful attempt to  
22 sell its services to a single potential purchaser, simply do not  
23 constitute "use in commerce" as defined under the Act.  
(Citation omitted.) While such activities may constitute  
24 advertising and promotion of PLMIC's services, they do not  
25 encompass the rendering of those services.

26 *Parametric Tech.*, 2010 TTAB LEXIS 64, at \*30. Thus, in the absence of any sales  
27 whatsoever, the TTAB held that services were not rendered, and there was no use in  
28 commerce of the mark. Similarly, in the present case, Defendant did not sell a single t-  
shirt for any of the four marks, and does not even maintain an inventory anticipating such

1 sales. Consequently, the Defendant has not rendered any on-line retail services, and the  
2 purported marks were not used in commerce.

3 The bottom line is that the Defendant's purported marks appear on a website  
4 under the rubric "Retro Department Stores," where the Defendant sets forth a vision of  
5 potential future activity. The marks THE BROADWAY, THE BON MARCHE,  
6 ROBINSON'S and ABRAHAM AND STRAUS are not used in anything but an  
7 informational or token manner in connection with on-line retail store services. No  
8 services were rendered, no sales were made. Consequently, there was also no use of  
9 the marks for on-line retail services and that component of Defendant's registrations is  
10 also void.

12 E. Defendant Cannot Withdraw Statements of Use and Return to Intent-to-Use  
13 Status

14 Defendant cannot seek to remedy its false statements of use by withdrawing them  
15 hoping to return to an intent-to-use-status. The USPTO rules specifically state that  
16 "[a]fter the filing of a statement of use during a permitted time period for such filing, the  
17 **applicant may not withdraw the statement** to return to the previous status of awaiting  
18 submission of a statement of use . . ." 37 C.F.R. § 2.88(g) (emphasis added).

20 III. CONCLUSION

21 In accordance with the above, Plaintiffs respectfully request that their motion for  
22 partial summary judgment be granted, that the Court dismiss Defendant's first and fifth  
23 counterclaims with prejudice, and that the Court order cancellation of THE BROADWAY  
24 Registration, THE BON MARCHE Registration, and the ROBINSON'S Registration. In  
25 addition, Plaintiffs respectfully request that the Court find that Defendant did not make

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1 use in commerce of the ABRAHAM AND STRAUS mark, and Defendant does not have  
2 the right to register the mark.

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DATED: February 1, 2013

HANSON BRIDGETT LLP

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