

**UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE DIRECTOR**

In re:)
)
Luoyang Wenting Culture Communication)
Co., Ltd.,)
)
Respondent)
_____)

FINAL ORDER FOR SANCTIONS

In a Show Cause Order dated February 26, 2020, the United States Patent and Trademark Office (“USPTO” or “Office”) informed Luoyang Wenting Culture Communication Co., Ltd. (“Respondent”) of evidence indicating that Respondent violated the USPTO rules of practice in trademark matters (“USPTO Rules”). Respondent was ordered to show cause why certain sanctions should not be imposed based on Respondent’s conduct.¹ A response was required within 45 days. The USPTO did not receive a timely or substantive response from Respondent.

The Director has authority to sanction those filing trademark submissions in violation of the USPTO Rules and has delegated to the Commissioner for Trademarks (“Commissioner”) the authority to impose such sanctions and otherwise exercise the Director’s authority in trademark matters. 35 U.S.C. § 3(a)-(b); 37 C.F.R. § 11.18(c); see *also In re Zhang*, 2021 TTAB LEXIS 465, at *10, *23-24 (Dir. USPTO Dec. 10, 2021). The authority to issue administrative sanctions orders has been further delegated to the Deputy Commissioner for Trademark Examination Policy (“Deputy Commissioner”). Accordingly, based on Respondent’s rule violations, discussed below, the Deputy Commissioner orders that the sanctions herein are warranted and are hereby imposed.²

I. Overview of Respondent’s acts in violation of USPTO Rules

The previously issued Show Cause Order details the conduct that forms the basis for imposing sanctions and is incorporated by reference in this final order. The following summary of the facts is provided for background.

Respondent is responsible for knowingly providing false attorney information with various submissions to circumvent 37 C.F.R. § 2.11, which requires foreign-domiciled trademark

¹ Links to orders issued under the authority of the Commissioner for Trademarks are available at <https://www.uspto.gov/trademarks/trademark-updates-and-announcements/orders-issued-commissioner-trademarks>

² As noted below, U.S. Trademark Application Serial No. 88592331 is affected by this order.

owners to be represented by a qualified U.S.-licensed attorney before the USPTO.³ Providing false, fictitious, or fraudulent attorney information in a trademark submission to the USPTO constitutes submission of a document for an improper purpose in violation of 37 C.F.R. § 11.18(b) and is subject to the sanctions and actions provided in 37.C.F.R. §§ 11.18(c). See 37 C.F.R. § 2.11(e).

Based upon the activity referred to in the Show Cause Order, Respondent's submission of trademark documents, containing false representations of fact, has been deemed willful by the USPTO. See, e.g., *In re Bose Corp.*, 580 F.3d 1240, 1243, 91 USPQ2d 1938, 1939 (Fed. Cir. 2009); *Chutter, Inc. v. Great Mgmt. Grp., LLC*, 2021 USPQ2d 1001 at *13 (TTAB 2021), *appeal filed*, No. 22-1212 (Fed. Cir. Nov. 30, 2021). As a result, Respondent's acts may not be corrected or cured. See, e.g., *Univ. of Ky. v. 40-0, LLC*, 2021 USPQ2d 253 (TTAB 2021); *G&W Labs. Inc. v. GW Pharma Ltd.*, 89 USPQ2d 1571, 1573 (TTAB 2009); cf. *Therasense, Inc. v. Becton, Dickinson and Co.*, 649 F. 3d 1276, 1288-89 (Fed. Cir. 2011).

II. Sanctions ordered

In determining appropriate sanctions, the USPTO considers many factors, including any response received to the issued Show Cause Order, whether the conduct was willful or negligent, whether it was part of a pattern of activity or an isolated event, whether it infects the entire record or is limited to a single submission, whether the conduct was intended to injure a party, what effect the conduct has on the agency, and what is needed to deter similar conduct by others. See 73 Fed. Reg. 47650, 47653 (Aug. 14, 2008); 87 Fed. Reg. 431 (Jan. 5, 2022).

Here, Respondent provided no response to address the USPTO's evidence and finding that Respondent violated the USPTO Rules. The USPTO informed Respondent that failure to respond could result in striking the offending paper and other appropriate sanctions, yet Respondent made no effort to rebut the USPTO's evidence or explain why sanctions are not merited. Accordingly, there is no basis to find that sanctions should not be imposed.

The USPTO and the public rely on the truth and accuracy of the contents of documents and declarations submitted in support of registration. See *Norton v. Curtiss*, 433 F.2d 779, 794, 167 USPQ 532, 544 (CCPA 1970) ("With the seemingly ever-increasing number of applications before it, the [USPTO] . . . must rely on applicants for many of the facts upon which its decisions are based."); accord *Chutter*, 2021 USPQ2d 1001, at *25 ("The agency, as well as applicants and registrants, and all who rely on the accuracy of the Registers of

³ To the extent that Respondent may have authorized a third party to file submissions on its behalf, false and misleading statements in a trademark submission are attributable to the applicant or registrant when signed or submitted on that party's behalf. Cf. *Fuji Med. Instruments Mfg. Co., Ltd. v. Am. Crocodile Int'l Grp., Inc.*, 2021 USPQ2d 831 (TTAB July 28, 2021) citing *Smith Int'l v. Olin Corp.*, 209 USPQ 1033, 1048 (TTAB 1981) ("Even if the affidavit was prepared by its attorney, [Applicant] must be held accountable for any false or misleading statement made therein.").

marks and the submissions made to the USPTO in furtherance of obtaining or maintaining registration, must be able to rely on declarations and the truth of their contents.”).

As explained in the Show Cause Order and accompanying declaration, the named attorney confirmed that (i) he is not the attorney of record in the application; (ii) he did not consent to be listed as such; (iii) he has no ongoing relationship with the applicant named in the application; and (iv) he has never used the email address listed in the application.

Because of the nature of the rule violations, none of the submissions made by Respondent may be relied upon to support or maintain a trademark registration and therefore may not be given any weight. Additionally, the application filed by Respondent is fatally defective because it contain(s) false material information. *See Zhang*, 2021 TTAB LEXIS 465, at *13; *see also Ex parte Hipkins*, 20 USPQ2d 1694, 1969-97 (BPAI 1991); *In re Cowan*, 18 USPQ2d 1407, 1409 (Comm’r Pats. 1990). Under the facts presented, because the circumstances suggest a pattern of activity intended to mislead the USPTO and circumvent USPTO rules, the application proceeding contains a filing which is effectively void, and the defect cannot be cured. It does not benefit the applicants, registrants, or the USPTO to devote time and resources to further examine applications or post-registration filings known to have such fatal defects. *Cf. The Last Best Beef, LLC v. Dudas*, 506 F.3d 333, 341 (4th Cir. 2007) (“It hardly makes sense for the USPTO to conduct administrative proceedings on [the] applications if registration, at the culmination of those proceedings, would run afoul of the statute.”).

Accordingly, the trademark proceeding for Serial No. 88592331 (SNAIL TEA, with a filing date of August 26, 2019) is ordered terminated. The USPTO’s electronic records will be updated in due course to include the sanctions order and an appropriate entry in the application prosecution history in the Trademark Status and Document Retrieval System (TSDR) to indicate that the application was terminated upon entry of sanctions. The sanctions ordered herein are immediate in effect and are without prejudice to the USPTO taking any subsequent appropriate actions to protect its systems and users from Respondent’s continued improper activity, including issuing additional orders or referring Respondent’s conduct to relevant law enforcement agencies.

[SIGNATURE PAGE FOLLOWS]

So ordered,

Amy P. Cotton
Deputy Commissioner for
Trademark Examination Policy

June 14, 2023
Date

on delegated authority by

Kathi Vidal
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office

CERTIFICATE OF SERVICE

I certify that on June 14, 2023, the foregoing Final Order was emailed to Respondent at the following addresses:

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