

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

CIVIL ACTION NO. 01-11877-GAO

SOCIETY OF ACCREDITED MARINE SURVEYORS, INC.,
Plaintiff and Counterclaim Defendant

v.

ROB SCANLAN,
Defendant and Counterclaim Plaintiff

MEMORANDUM AND ORDER
March 23, 2005

O'TOOLE, D.J.

The plaintiff seeks to enforce a default judgment from a federal district court in Florida and on that basis to enjoin the defendant from using the plaintiff's certification mark. The defendant has counterclaimed, arguing that the registration of the mark should be cancelled and further alleging unfair competition and interference with contractual relations. The parties have filed cross-motions for summary judgment.

I. **Background**

The plaintiff, Society of Accredited Marine Surveyors ("SAMS"), formed in 1987 and based in Florida, is a membership association of marine surveyors. Among other things, SAMS offers training, testing, and certification for marine surveying professionals. In 1994, SAMS submitted an

application to the United States Patent and Trademark Office to register the certification mark “AMS,” an acronym for “Accredited Marine Surveyor.”¹ The application states that SAMS’s corporate predecessor first used the mark at least as early as March 1987 and that “the mark is used by persons certified by [SAMS] to provide marine surveying services and to indicate that the performance of the services was performed by a person certified by [SAMS].” The PTO registered the mark in May 1997.

The defendant, Rob Scanlan, a Massachusetts resident, has over thirty years of marine boating experience. He currently operates a marine surveying business in Massachusetts and provides services throughout New England. In 1988, Scanlan decided to dedicate himself full-time to marine surveying. He sought training and accreditation from Navtech, a marine surveying school located in Florida. After completing correspondence courses, submitting evidence of his experience, and passing a written exam, Scanlan was accredited by Navtech, and he became a member of the U.S. Surveyors Association. In 1988 or 1989, Scanlan began advertising himself as an accredited marine surveyor and a certified marine surveyor using the acronym “AMS/CMS.”

¹ A certification mark is defined as,

[A]ny word, name, symbol, or device, or any combination thereof—

(1) used by a person other than its owner, or

(2) which its owner has a bona fide intention to permit a person other than the owner to use in commerce and files an application to register on the principal register established by this chapter,

to certify regional or other origin, material, mode of manufacture, quality, accuracy, or other characteristics of such person’s goods or services or that the work or labor on the goods or services was performed by members of a union or other organization.

15 U.S.C. § 1127.

In 1998, SAMS threatened suit against Navtech and Scanlan for their use of the AMS mark. In response, Navtech began advising its members to use the acronym “MMS” for “Master Marine Surveyor,” but Scanlan continued to use the AMS designation. Consequently, SAMS brought an action against Scanlan in the United States District Court for the Middle District of Florida, alleging infringement and seeking to enjoin Scanlan’s use of its registered mark. Scanlan, without the appearance of counsel, wrote three letters to the court, seeking to challenge the court’s exercise of personal jurisdiction because of insufficient service of process and because he lacked sufficient contact with the state of Florida. The court struck at least one of Scanlan’s letters and found him in default for not properly responding to the complaint. A default judgment entered against Scanlan in January 2000, and a contempt order entered in March 2001.

In October 2001, SAMS brought this action in the Massachusetts Superior Court seeking to enforce the default judgment entered by the district court in Florida. Scanlan promptly removed the case to this Court in November 2001 and counterclaimed.

II. **Discussion**

A. **Enforcement of prior judgment**

If, as Scanlan argues, the court in Florida lacked personal jurisdiction over him, then its judgment is void and unenforceable. See Gen. Contracting & Trading Co. v. Interpole, Inc., 899 F.2d 109, 114 (1st Cir. 1990). Scanlan challenges the Florida judgment on two grounds. First, he argues that he was never properly served with the summons and complaint in the Florida action. In addition, he argues that he did not come within the reach of the Florida long-arm statute so as to be

subject to the Florida court's in personam jurisdiction. To have the prior judgment enforced here, which is the sole claim presented in the complaint, SAMS has the burden of proving that the court in Florida properly acquired personal jurisdiction over Scanlan. Id. at 115.

SAMS has failed to provide adequate proof of proper service in the Florida action. While the record does suggest that some kind of service was made, it does not provide information sufficient to determine that service was proper under the Federal Rules of Civil Procedure. For example, there is an entry on the docket from the court in Florida that indicates that a return of service was submitted to that court. There is also an affidavit from an attorney, submitted in support of that court's default judgment, stating that process was served. Those records provide no basis, however, upon which to determine whether process was properly served, such as whether it was served by an appropriate person and in a proper manner.

Scanlan's letters to the court in Florida, in which he argued insufficient service of process and lack of personal jurisdiction, do not bar him from raising those issues here. It is clear from the court's default order that it did not consider Scanlan to have appeared to contest the litigation. The court struck some of his papers, found that he never properly responded to the complaint, and entered a default judgment against him. In doing so, the court never reached the merits of his challenges to service and personal jurisdiction.

Scanlan's actual notice of the Florida action (as evidenced by the letters he sent to the court there) also does not bar his defense of insufficient service of process. See Precision Etchings & Findings, Inc. v. LGP Gem, Ltd., 953 F.2d 21, 23-25 (1st Cir. 1992) (actual notice, without further evidence of substantial compliance with the requirements for service of process, is insufficient to establish adequate service).

SAMS's evidence is insufficient to present a prima facie case of proper service of process, and Scanlan's motion for summary judgment as to SAMS's claim to enforce the prior judgment is therefore granted. SAMS's cross-motion is denied. In light of this conclusion, it is not necessary to reach the second issue concerning personal jurisdiction. The complaint to enforce the Florida judgment shall be dismissed with prejudice. Further, SAMS's motion to enforce the preliminary injunction issued by the Massachusetts Superior Court is denied and that injunction is dissolved.

B. Scanlan's counterclaims

As noted, in response to SAMS's complaint to enforce the prior default judgment, Scanlan has asserted three counterclaims, seeking cancellation of the AMS mark and alleging unfair competition and interference with contractual relations. The latter two claims follow from the first; they depend on the premise that SAMS has used a wrongly obtained registration. In other words, if SAMS's registration of the mark is not cancelled, then the unfair competition and interference claims necessarily fail. Scanlan argues that the registration should be canceled because (1) others had used the mark before SAMS; (2) SAMS's application for registration of the mark contained material misrepresentations or omissions; and (3) the AMS acronym is generic. As set forth below, there are no trial-worthy issues of fact in dispute concerning Scanlan's counterclaims, and SAMS is entitled to judgment as a matter of law.

1. Prior use

A registered mark is presumptively valid. West Florida Seafood, Inc. v. Jet Restaurants, Inc., 31 F.3d 1122, 1125 (Fed. Cir. 1994). A "party seeking cancellation must rebut this presumption by a preponderance of the evidence." Id.

SAMS applied to register the AMS mark in 1994, and the PTO granted the application in 1997. The application indicates that SAMS's corporate predecessor began using the mark at least as early as March 1987, and the summary judgment record supports that assertion. For example, Charles Corder, a past president of SAMS, has testified that SAMS's predecessor was created in 1987, and several members were accredited and began using the AMS designation at that time. Mark Rhodes, another past president of SAMS, also testified that he became a member of SAMS, was accredited, and began using the AMS designation in 1987.

Scanlan's evidence is insufficient to show that the mark should be cancelled based on prior use. Scanlan himself did not begin using the AMS designation until 1988 or 1989. He testified that he began a correspondence course in marine surveying through Navtech in 1988 and passed the exam that same year. In 1989 he became a member of the United States Surveyors Association and that same year he filed a business certificate with the town of Nahant on which he used the designation "AMS/CMS." One of Navtech's founders, Virginia Harper, testified that Navtech was established as a marine surveying school in September 1987 and the U.S. Surveyors Association was established as a membership organization at about the same time. Harper further testified that upon completion of Navtech's courses, students were advised that they were accredited marine surveyors, and upon completion of the requirements for membership in the U.S. Surveyors Association members were advised that they were certified marine surveyors.

The only evidence Scanlan offered of use of the AMS designation prior to SAMS's use in 1987 is found not in the deposition testimony of Scanlan or Harper or any documentary specimens showing actual use of the mark but rather in a letter from Harper to Scanlan's attorney dated July 18, 2002. See Dkt. No. 42, Harper Dep., Ex. 17. In that letter, Harper states, "I was using A.M.S. and

so was Robert H. Phanuef, my ex-husband from 1984 until 1989 when we decided to concentrate solely on training other surveyors.” Put aside whether that letter constitutes competent evidence on the present issue. It is insufficient because there is no evidence to put that purported use of “AMS” in context. How was it used? For what purposes? To what extent? Ultimately, the evidence would need to show that the prior use was sufficient to defeat SAMS’s presumptively valid certification mark rights. Cf. West Florida Seafood, 31 F.3d at 1125-28 (party seeking cancellation of service mark provided government inspection report, three newspaper advertisements, and state regulatory licenses to show prior use on specific dates and in context); Martahus v. Video Duplication Serv., Inc., 3 F.3d 417 (Fed. Cir. 1993) (affirming cancellation of service mark where party seeking cancellation provided sales invoices, draft contract, and testimony demonstrating prior use of mark in dealings with customers and the relevant public on specific dates). Such evidence is lacking here.

2. **Fraud on the Patent and Trademark Office (“PTO”)**

Scanlan also argues that the certification mark should be cancelled because it was obtained by fraud.

Fraud in registering a mark “occurs when an applicant knowingly makes false, material representations of fact in connection with an application.” Metro Traffic Control, Inc. v. Shadow Network, Inc., 104 F.3d 336, 340 (Fed. Cir. 1997). “[T]he obligation which the Lanham Act imposes on an applicant is that he will not make *knowingly* inaccurate or *knowingly* misleading statements in the verified declaration forming a part of the application for registration.” Id. (alteration and emphasis in original, citations and internal quotations omitted). The “party seeking cancellation for fraudulent procurement must prove the alleged fraud by clear and convincing evidence.” Id.

Mark Rhodes, as president of SAMS, signed the certification mark application and declared that “he believes said corporation to be the owner of the mark sought to be registered; [and] that to the best of his knowledge and belief no other person, firm, corporation or association has the right to use said mark in commerce.” Scanlan argues that these representations were fraudulent because Rhodes did not disclose that others had also been using the AMS designation and that Scanlan had disputed SAMS’s ownership of the mark. Scanlan is incorrect on both accounts.

First, “[t]he oath is not a guarantee that no other firm has a legal right to use the mark.” 5 J. Thomas McCarthy, Trademarks and Unfair Competition § 31:76, at 31-137. Instead, it is phrased in terms of the declarant’s subjective belief, and there is no fraud “as long as the affiant or declarant has an honestly held, good faith belief.” Id. at 31-136-37. Here, Scanlan argues that Rhodes’s declaration that no others had the right to use the mark was fraudulent because he knew that others were claiming the right to use the mark. However, Scanlan has offered no evidence that Rhodes knew that others actually had the right to use the mark. Similarly, Rhodes’s declaration that he believed SAMS to be the owner of the mark is not fraudulent without proof that Rhodes did not have that subjective belief. That is so even if after the fact it were proved that SAMS was not the owner of the mark. See Metro Traffic, 104 F.3d at 340 (the Trademark Trial and Appeal Board “has consistently acknowledged a distinction between a false statement and a fraudulent statement”); McCarthy, Trademarks and Unfair Competition, supra, at 31-137.

Second, an applicant has no obligation to disclose to the PTO other known users of the mark. See Dial-A-Mattress Operating Corp. v. Mattress Madness, Inc., 841 F. Supp. 1339, 1353 (E.D.N.Y. 1994). Accordingly, “Plaintiff’s failure to disclose defendants’ concurrent use of the [mark] simply may not support a fraud claim.” Id.

3. **Generic name**

Further, Scanlan argues that the mark should be cancelled because it is generic. Specifically, Scanlan argues that the acronym “AMS” has also been used as an abbreviation for “Agricultural Market Services” and that the words “accredited,” “marine,” and “surveyor” are found in the dictionary and are in the public domain.

“A generic term is the common descriptive name of a class of goods or services,” and can never be registered as a mark because it is “merely descriptive.” H. Marvin Ginn Corp. v. Int’l Ass’n of Fire Chiefs, Inc., 782 F.2d 987, 989 (Fed. Cir. 1986). “The critical issue in genericness cases is whether members of the relevant public primarily use or understand the term sought to be protected to refer to the genus of goods or services in question.” Id. at 989-90. “Whether a term is a common descriptive name is a question of fact . . . determined from the viewpoint of the relevant purchasing public.” In re Northland Aluminum Prods., Inc. 777 F.2d 1556 ---, 227 U.S.P.Q. 961, 963 (Fed. Cir. 1985). “Evidence of the public’s understanding of the term may be obtained from any competent source, such as consumer surveys, dictionaries, newspapers and other publications.” Id. Here, Scanlan (who bears the burden of proof) has offered no competent evidence by which to measure the “viewpoint of the relevant purchasing public.” Id.

Finally, it is important to note that Scanlan has not argued (nor provided sufficient evidence to prove) that the mark should be cancelled because it does not function as a certification of the services offered by those authorized to use the mark but is used merely as a title or degree of the

person rendering services. Compare In re Nat'l Ass'n of Legal Secretaries, 221 U.S.P.Q. 50, (Trademark Tr. & App. Bd. 1983) (affirming refusal to register "Professional Legal Secretary" as certification mark) and In re Inst. of Certified Prof'l Bus. Consultants, 216 U.S.P.Q. 338 (Trademark Tr. & App. Bd. 1982) (affirming refusal to register "CPBC" as acronym for "Certified Professional Business Consultant") with In re Nat'l Inst. for Auto. Serv. Excellence, 218 U.S.P.Q. 744 (Trademark Tr. & App. Bd. 1983) (reversing refusal to register design mark as certification mark for automotive repair services). I therefore express no opinion as to this question.

In summary, there are no trial-worthy issues of fact in dispute and Scanlan has failed to offer sufficient evidence to support its three arguments in favor of cancellation of the AMS mark. Summary judgment, therefore, shall enter in SAMS's favor on counterclaim one, which seeks cancellation of the mark. Summary judgment shall also enter in SAMS's favor on counterclaims two and three because their continued viability necessarily depends upon cancellation of the mark.

III. Conclusion

With respect to SAMS's complaint to enforce the prior judgment, Scanlan's motion for summary judgment is granted, and SAMS's motion is denied. It is further ordered that SAMS's motion to enforce the preliminary injunction issued by the Massachusetts Superior Court is denied and that injunction is dissolved. With respect to Scanlan's three counterclaims, SAMS's motion for summary judgment is granted, and Scanlan's motion is denied. A final judgment shall enter dismissing all claims with prejudice.

It is SO ORDERED.

March 23, 2005
DATE

\s\ George A. O'Toole, Jr.
DISTRICT JUDGE