

ESTTA Tracking number: **ESTTA889311**

Filing date: **04/11/2018**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92066411
Party	Defendant Oneida Indian Nation of New York
Correspondence Address	LINDA K MCLEOD KELLY IP LLP 1919 M STREET NW , SUITE 610 WASHINGTON, DC 20036 UNITED STATES Email: linda.mcleod@kelly-ip.com, lit-docketing@kelly-ip.com, mike.chajon@kelly-ip.com, clint.taylor@kelly-ip.com
Submission	Opposition/Response to Motion
Filer's Name	Linda K. McLeod
Filer's email	linda.mcleod@kelly-ip.com, lit-docketing@kelly-ip.com, mike.chajon@kelly-ip.com, clint.taylor@kelly-ip.com
Signature	/Linda K. McLeod/
Date	04/11/2018
Attachments	Opposition to Moton for Reconsideration and Leave to File Second Amended Petition.pdf(251745 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

ONEIDA NATION, Petitioner, v. ONEIDA INDIAN NATION OF NEW YORK, Registrant.	Cancellation No. 92066411 Mark: ONEIDA INDIAN NATION Registration No.: 2309491 Registered: January 18, 2000 Mark: ONEIDA Registration No.: 4808677 Registered: September 8, 2015 Mark: ONEIDA Registration No.: 4813028 Registered: September 15, 2015
--	---

**REGISTRANT’S COMBINED OPPOSITION BRIEF TO PETITIONER’S MOTION FOR
RECONSIDERATION OF THE BOARD’S ORDER SUSPENDING PROCEEDINGS
AND MOTION FOR LEAVE TO FILE SECOND AMENDED PETITION**

I. INTRODUCTION

Registrant Oneida Indian Nation of New York (“Registrant”) filed a motion to suspend pending disposition of a civil action it filed in the Northern District of New York (“the Civil Action”), which challenges the Department of the Interior’s (“the Department”) decision to recognize Petitioner Oneida Nation (“Petitioner”) under the name ONEIDA NATION (the mark Petitioner asserts here). (Dkt. 11.) The Board granted Registrant’s motion to suspend on two occasions, (Dkt. 13, 16), rejecting Petitioner’s previous opposition and rendering moot the arguments in its first request for reconsideration. Petitioner has now filed yet another motion in response to the Board’s suspension order, repeating for a third time many of the same arguments already rejected by the Board.

In its opposition brief on Registrant’s Motion to Suspend, Petitioner argued:

- (1) It is not a party to the Civil Action (Dkt. 12 at 1–2);
- (2) The Civil Action does not involve trademark rights (*id.* at 2);
- (3) Its claims here do not rely on the Department’s decision (*id.* at 2–3);
- (4) It has not used the Department’s decision when trying to limit Registrant’s rights (*id.* at 4).

The Board granted the motion to suspend on January 23, 2018, indicating that the Civil Action may have a bearing on the Board case. (Dkt. 13 at 1.) Petitioner then filed a motion to reconsider and argued:

- (1) It is not a party to the Civil Action (Dkt. 14 at 1–3);
- (2) The Civil Action does not involve trademark rights (*id.* at 3);
- (3) Its claims here do not rely on the Department’s decision (*id.* at 4);
- (4) It has not used the Department’s decision when trying to limit Registrant’s rights (*id.* at 5–6).

In fact, its motion was an almost exact copy of its prior opposition brief. But Petitioner added a host of unfounded allegations against the Board, claiming for example that the Board: “ignored and failed to consider Petitioner’s arguments, the relevant evidence, and the correct legal standards,” (*id.* at 2); and “[p]lainly . . . did not ‘scrutinize’ the civil action or its pleadings,” (*id.* at 3).

On February 22, 2018, the Board vacated the suspension order, considered once more Registrant’s motion for suspension, and did not consider Petitioner’s motion to reconsider. (Dkt. 16 n.1.) The Board again granted the motion to suspend, stating: “*Upon review of the pleadings from the civil action*, the Board determines that the outcome of the civil action may have a bearing on this cancellation proceeding.” (*Id.* at 1 (emphasis added).) It further stated that, “*after consideration of the parties’ submissions*, judicial economy is served by suspending this proceeding.” (*Id.* at 2 (emphasis added).) Even though the Board did not take up Petitioner’s motion to

reconsider, it put to rest Petitioner's baseless allegations that the Board ignored the Civil Action pleadings and Petitioner's arguments.

Petitioner now moves for reconsideration of the February 22, 2018 suspension order, and for a third time reargues:

- (1) It is not a party to the Civil Action (Dkt. 18 at 3–4);
- (2) The Civil Action does not involve trademark rights (*id.* at 4);
- (3) Its claims here do not rely on the Department's decision (*id.* at 5);
- (4) It has not used the Department's decision when trying to limit Registrant's rights (*id.* at 7).

Petitioner's motion again is an almost exact copy of its two prior filings. Petitioner even includes the baseless allegations that the Board did not “address Petitioner's arguments, the relevant evidence, and the correct legal standards,” (*id.* at 2); and “[p]lainly . . . did not ‘scrutinize’ the civil action or its pleadings here, or correctly understand what that case is about,” (*id.* at 3), which are belied by the Board's February 22, 2018 order (Dkt. 16).

This time, Petitioner also makes two last-ditch efforts to avoid a sensible stay: It moves for leave to amend its Petition (but the amendments do not affect Petitioner's reliance on the Department's decision), and cites to a brief filed by the Department in the Civil Action to supposedly establish that the Civil Action has no bearing here (Dkt. 18 at 4). But in that brief—which is litigation-based advocacy and not any official agency ruling—the Department simply parrots back the arguments Petitioner made to the Board in its first motion for reconsideration. The Department's reliance on Petitioner's position in no way gives any more authority or credence to Petitioner's unavailing arguments, and Petitioner simply creates an echo chamber where it cites to

the Department citing back to Petitioner. For the sound reasons the Board has now twice found persuasive, this case should remain suspended.

II. PETITIONER’S “RENEWED” MOTION FOR RECONSIDERATION

A. Petitioner’s Motion Fails to Meet the Standard for Reconsideration Because It Merely Reargues the Same Points for a Third Time

A motion for reconsideration “is limited to a demonstration that on the basis of the facts before the Board and applicable law, the Board’s ruling was in error and requires appropriate change.” *Guess? IP Holder LP v. Knowluxe LLC*, 116 USPQ2d 2018, 2019 (TTAB 2015). *See also Vignette Corp. v. Marino*, 77 USPQ2d 1408, 1411 (TTAB 2005) (reconsideration denied because Board did not err in considering disputed evidence). A motion for reconsideration should not “be devoted simply to a reargument of the points presented in a brief on the original motion.” TBMP § 518. Yet Petitioner does exactly that—for a third time. As explained above, Petitioner’s motion for reconsideration (Dkt. 18) is an almost exact copy of its opposition brief to Registrant’s original motion for suspension (Dkt. 12) and its first motion for reconsideration (Dkt. 14). Petitioner’s motion should be denied on this basis alone.

Petitioner does raise two new arguments based on the Department’s brief in the Civil Action and Petitioner’s improper motion for leave to amend. But as discussed below, neither establishes that “the Board’s ruling was in error and requires change.” *Guess? IP Holder*, 116 USPQ2d at 2019.

B. Petitioner’s Repeated Arguments Do Not Defeat Registrant’s Motion For Suspension or Justify Reconsideration

Even if the Board again considers the substance of Petitioners’ arguments, they provide no basis for reconsideration. The Board properly suspended the proceeding pending the Civil Action. “Whenever it shall come to the attention of the Trademark Trial

and Appeal Board that **a party** or parties to a pending case are engaged in a civil action or another Board proceeding which may have a bearing on the case, proceedings before the Board may be suspended until termination of the civil action” 37 C.F.R. § 2.117(a) (emphasis added). As the TBMP explains, “the Board may also, in its discretion, suspend a proceeding pending . . . another proceeding in which only one of the parties is involved.” TBMP § 510.02(a).

Petitioner nevertheless asserts that the February 22, 2018 suspension order should be reconsidered because it is not a party to the Civil Action. (*See, e.g.*, Dkt. 18 at 4, 9 (“Petitioner is not a party to the DOI Action. . . .”).) But the rule makes clear that the Board may suspend a proceeding pending disposition of a civil action involving only one party, and the Board has suspended actions under such circumstances. *See, e.g., Argo & Co. v. Carpetsheen Manufacturing, Inc.*, 187 USPQ 366 (TTAB 1975) (suspended pending state court action that did not involve opposer); *NY-Exotics, Inc. v. Exotics.com, Inc.*, Cancellation No. 9204097, TTABVue No. 17 at 7–8, 2004 WL 950921, at *3 (TTAB Apr. 29, 2004) (suspended pending state court action that did not involve petitioner). Further, while Petitioner is not a party to the Civil Action, the Department nevertheless represents Petitioner’s interests in that action.

The Board also found that the Civil Action may “have a bearing on this cancellation proceeding,” (Dkt. 16 at 1), based on its own careful review of the Civil Action’s pleadings. Petitioner has no basis to contend that “the Board did not ‘scrutinize’ the civil action or its pleadings here, or correctly understand what that case is about.” (Dkt. 18 at 3.)

The timing of Petitioner's Petition to Cancel also reveals the extent to which it relies on the Department's decision. Despite its alleged use of ONEIDA and ONEIDA NATION "for well over 100 years," (Dkt. 8 at ¶ 6), Petitioner did not file this Board action until *after* it succeeded in May 2016 in getting federal approval and recognition of its new name. Indeed, Petitioner injected the Department's decision into this proceeding through its pleadings, and Petitioner uses that decision to support its claims. For example, in the First Amended Petition for Cancellation, Petitioner alleges that:

In 1978, the U.S. Department of the Interior adopted regulations setting out "Procedures for Establishing That an American Indian Group Exists as an Indian Tribe." 43 F.R. 39361 (Sept. 5, 1978). The regulations expressly exempted tribes that were already recognized from these procedures, and required the Bureau of Indian Affairs to publish an initial list of tribes that were already recognized. 43 F.R. 39362-63 (25 CFR §§ 54.3 and 54.6(b)). This initial list of recognized tribes was published in 1979, and included the Oneida Tribe of Wisconsin. 44 F.R. 7235, 7236 (Feb. 6, 1979). In 2002, the federally recognized name was amended to Oneida Tribe of Indians of Wisconsin. 67 F.R. 46328, 46330 (July 12, 2002).

On May 2, 2015, Petitioner conducted an election adopting several amendments to its Constitution, including an amendment to change its name from Oneida Tribe of Indians of Wisconsin to Oneida Nation. The Bureau of Indian Affairs approved this amendment on June 16, 2015, and this change was published in 2016. 81 F.R. 26826, 26827 (May 4, 2016).

(*Id.* 8 ¶¶ 11–12; *see also* Dkt. 1 at ¶¶ 10–11.)

Petitioner has also attempted to use the Department's decision and Petitioner's alleged rights to the ONEIDA NATION name to limit Registrant's *use* of Registrant's longstanding ONEIDA NATION name and mark. In a January 16, 2017 letter that Petitioner sent to Registrant, Petitioner stated the following:

Further, unless and until the parties have a coexistence agreement, I remind you that your client's federally recognized name is Oneida Nation of New York, and that your client should not abbreviate that as Oneida Nation or otherwise refer to itself as the Oneida Nation, which is the federally recognized name of my client.

(Dkt. 11 Ex. A, Civil Action Complaint Ex. C at 2.) Petitioner continues to double-down on this position here, for example, by including in its Amended Petition (and proposed Second Amended Petition) allegations that *Registrant's* federally-recognized name is ONEIDA NATION OF NEW YORK, not ONEIDA NATION. (Dkt. 8 ¶¶ 1 n.1, 5, 23; Dkt. 17 Ex. 1 ¶¶ 1 n.1, 5, 23.) Petitioner clearly believes the Department's decision to recognize an Indian Tribe under a certain name carries some weight here, despite trying to argue both sides—Petitioner asserts the Department's recognition of Registrant's name matters, but not the Department's recognition of its name.

The truth is Petitioner believes the Department's decision gave Petitioner rights to the ONEIDA NATION name and mark, and Petitioner asserts those rights in this cancellation proceeding. Petitioner cannot now disavow that position. While Petitioner asserts that “none of the grounds for cancellation rely on” the Department's decision, (Dkt. 18 at 5), and that “Registrant's use of ONEIDA NATION would not be relevant to or bear on the issues . . . raised in the cancellation proceeding,” (*id.* at 7), Petitioner has not amended its pleading to remove all of the allegations quoted above, nor would any such amendment change the fact that Petitioner relies on rights allegedly conferred by the Department and that the Civil Action remains pending. The Board—after careful review of the pleadings in the Civil Action—recognized this and properly chose to await a resolution of the Civil Action before taking up Petitioner's cancellation claims.

C. The Department's Reply Brief in the Civil Action Does Not Provide Grounds For Reconsideration of the Board's Suspension Order

In the only portion of its brief that is not copied from its prior filings, Petitioner argues that reconsideration is required because a brief filed by the Department in the Civil Action somehow establishes that the Civil Action “is ‘irrelevant’ to the Trademark Board proceedings.” (*Id.* at 4.) In particular, Petitioner points to the Department’s argument that this TTAB action does not give Registrant standing to bring the Civil Action because the TTAB action does not concern federal recognition of the ONEIDA NATION name. (*Id.* at Ex. A at 4.) But a full reading of the Department’s brief reveals the futile and circular nature of Petitioner’s assertion. The Department supports its argument by quoting from *Petitioner’s* arguments in its February 1, 2018 motion for reconsideration here. Petitioner’s citation to the Department’s brief merely creates an echo chamber—the Department says the two proceedings do not concern the same issues because Petitioner says so, and Petitioner now says the proceedings do not concern the same issues because the Department says so.

Even if the Board considers the Department’s reply brief on its merits, the Department’s own self-serving analysis of the Petition for Cancellation should carry no weight. In the Civil Action, the Department represents Petitioner’s interests, and the Department’s partisan advocacy made to obtain dismissal of the Civil Action does not represent a federal agency determinations—or a *decision of a federal court*—that may otherwise be entitled to deference.¹ The Northern District of New York has not rendered

¹ In this regard, Petitioner disingenuously submits that “the [Department]’s perspective as a third-party government agency should carry more weight with the Board than the arguments of Registrant.” (Dkt. 18 at 5.)

any decision in the Civil Action and the Department's citation to Petitioner's arguments do not remedy the arguments' shortcomings. Thus, the Civil Action is still pending.

D. Petitioner's Proposed Second Amended Petition Does Not Provide Grounds for Reconsideration

Finally, reconsideration cannot be based on Petitioner's transparent and belated request for leave to amend its Petition for Cancellation. As a last-ditched effort to avoid a stay, Petitioner contends that deleting a few words from its Petition will "set aside Registrant's mischaracterization of the issues here" and "avoid Registrant's disingenuous argument that Petitioner has put the conduct of the [Department] at issue in the Board proceeding." (Dkt. 18 at 6, 9.) Petitioner's arguments are both procedurally and substantively flawed.

Other than granting Petitioner leave to renew its motion for reconsideration (Dkt. 16 at n.1), this action is presently suspended for all purposes pending disposition of the Civil Action. Petitioner's filing of a motion for leave to amend during a period of suspension is improper. *See Fin. Transaction Servs., LLC v. Internet Promise Grp., LLC*, Opposition No. 91211599, TTABVUE No. 37 at 2 n.3, 2016 WL 1642744, at *1 n.3 (TTAB Jan. 28, 2016) (refusing to consider motion for leave to amend answer that was improperly filed during a period of suspension); *C.C.A. Global Partners, Inc. et al. v. Global Tile & Carpet, Inc.*, Cancellation No. 92030214, TTABVUE No. 53 at 2, 2006 WL 7276481, at *1 (TTAB Mar. 15, 2006) (refusing to consider motion to compel filed during period of suspension).

Even if the Board considers the substance of Petitioner's proposed amended pleading, reconsideration is unwarranted. Petitioner's proposed amendment removes the words "recognized as" and "federally recognized" from Paragraphs 4 and 9, and the

following sentence from Paragraph 12: “The Bureau of Indian Affairs approved this amendment on June 16, 2015, and this change was published in 2016 [citation omitted].” That is it. Superficially tweaking its pleading in this fashion, however, does not erase the past and eliminate Petitioner’s reliance on the Department’s decision, or the fact that the Civil Action remains pending. Even Petitioner concedes that these minor revisions “do not change the bases for cancellation.” (Dkt. 17 at 1, 2.)

Nor are Petitioner’s limited changes sufficient in light of Petitioner’s reliance elsewhere on its federally-recognized name as a basis to preclude Registrant’s use and registration of the ONEIDA marks:

- Paragraphs 4 and 9 of the Second Amended Petition still concern the “Oneida Nation” name and Paragraph 11 leaves unchanged the allegations concerning federal recognition of Petitioners’ name.
- As partial grounds for cancellation of two of Registrant’s marks, Petitioner’s Second Amended Petition still alleges likelihood of confusion with Petitioner’s “trade name” rights, including Petitioner’s alleged “superior rights” to the ONEIDA mark. (*Id.* Ex. 1 ¶¶ 4, 9, 11, 187, 214.)
- The Second Amended Petition leaves untouched Petitioner’s allegations regarding *Registrant’s* federally-recognized name. (*See, e.g., id.* ¶¶ 1 n.1, 5, 23.) There is no reason for these allegations to remain in the Second Amended Petition other than to place some significance on the Department’s federal recognition decisions, and to support Petitioner’s theory that Registrant should not be entitled to use or register marks (such as ONEIDA and ONEIDA NATION) that comprise the federally recognized name of another tribe.

And nothing in the Second Amended Petition changes Petitioner’s attempts to limit Registrant’s use of ONEIDA NATION, seen in Petitioner’s January 16, 2017 letter quoted above (which is included in the pleadings in the Civil Action).

In sum, the proposed Second Amended Petition does not eliminate Petitioner’s reliance on the Department’s decision to recognize it as the ONEIDA NATION. Rather, Petitioner’s allegations and actions demonstrate that Petitioner sought federal

recognition as the ONEIDA NATION to gain an advantage over Registrant. Petitioner's motion for reconsideration should be denied.

III. PETITIONER'S MOTION FOR LEAVE TO FILE SECOND AMENDED PETITION

Petitioner's Motion for Leave to File Second Amended Petition should be denied for the reasons stated above in Section II.D. First, the motion was improperly filed during a suspension and should not be considered. Second, the negligible, proposed changes to the Petition do not obviate Petitioner's reliance on the Department's federal recognition of Petitioner as the ONEIDA NATION, and do not negate the reasons the Board suspended proceedings. Finally, Petitioner's motion is filed solely as an attempt to avoid suspension—Petitioner could have sought leave to amend prior to suspension, but chose instead to wait until after the Board twice suspended this action. Petitioner's motion smacks of bad faith and improper motive and can be denied on that basis also.

IV. CONCLUSION

The Board properly suspended the proceeding pending disposition of the Civil Action, and it made no error in the February 22, 2018 order. Petitioner's improper motion for reconsideration—which repeats Petitioner's prior arguments for a third time—should be denied. Petitioner's Motion for Leave to File a Second Amended Petition, moreover, is procedurally and substantively flawed, is made in bad faith solely to avoid suspension, and should be denied.

Respectfully submitted,

ONEIDA INDIAN NATION OF NEW YORK

Dated: April 11, 2018

By: /Linda K. McLeod/

Linda K. McLeod
linda.mcleod@kelly-ip.com
Michael A. Chajon
mike.chajon@kelly-ip.com
Kelly IP, LLP
1919 M Street, N.W.
Suite 610
Washington, D.C. 20036
Telephone: 202-808-3570
Facsimile: 202-354-5232

Attorneys for Registrant Oneida Indian
Nation of New York

CERTIFICATE OF SERVICE

I certify that a true and accurate copy of the foregoing Registrant's Combined Opposition Brief to Petitioner's Motion for Reconsideration of the Board's Order Suspending Proceedings and Motion for Leave to File Second Amended Petition was served by email on this 11th day of April 2018, upon Petitioner at the following email addresses of record:

chris.liro@andruslaw.com
mariem@andruslaw.com
cathym@andruslaw.com
aaron@andruslaw.com

/Larry L. White/

Larry White

Litigation Case Manager

2006 WL 7276481 (Trademark Tr. & App. Bd.)

THIS OPINION IS NOT CITABLE AS PRECEDENT OF THE T.T.A.B.

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

CCA GLOBAL PARTNERS, INC. BY CHANGE OF NAME FROM CARPET COOP OF AMERICA ASSOCIATION

v.

GLOBAL TILE & CARPET, INC.

Cancellation No. 92030214

March 15, 2006

*1 Before Seeherman, Hairston and Kuhlke
Administrative Trademark Judges

By the Board:

This case now comes up on the following motions:

- 1) Respondent's motion for summary judgment, filed December 27, 2004;
- 2) Petitioner's motion for additional discovery under Rule 56(f), filed April 4, 2005; and
- 3) Petitioner's motion to compel, filed April 4, 2005.

Turning first to petitioner's motion for additional discovery under Fed. R. Civ. P. 56(f), we find first that such motion is untimely. Trademark Rule 2.127(e)(1) provides that no extension of time will be granted to file a 56(f) motion, and petitioner's motion was filed more than thirty days after the date of service of the summary judgment motion. Secondly, it is moot, because petitioner filed a response to the motion for summary judgment on its merits. Accordingly, petitioner's motion for additional discovery under Fed. R. Civ. P. 56(f) is denied.

Turning next to petitioner's motion to compel, we note that on February 10, 2005, the Board issued an order which otherwise suspended proceedings pending disposition of respondent's motion for summary judgment and informed the parties that any paper filed during the pendency of the motion which was not relevant to the motion for summary judgment would not be considered. Petitioner's motion to compel discovery responses is precluded by the Board's suspension order as not being germane to the motion for summary judgment and, therefore, petitioner's motion to compel has not been considered.¹

We now turn to respondent's motion for summary judgment on the grounds of likelihood of confusion and abandonment. Petitioner filed a brief in opposition.²

A party is entitled to summary judgment when it has demonstrated that there are no genuine issues as to any material facts and that it is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c). The evidence must be viewed in a light favorable to the nonmoving party, and all reasonable inferences are to be drawn in the nonmovant's favor. *Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1544 (Fed. Cir. 1992).

Upon careful consideration of the arguments and evidence presented by the parties, we find that there are genuine issues of material fact which preclude disposition of this matter by summary judgment.

***2** With respect to the likelihood of confusion claim, we find that, at a minimum, there are genuine issues of material fact as to the commercial impression of the parties' marks. With respect to the abandonment claim, we find that respondent's conclusory statement that it has made continuous use of the subject mark fails to meet its initial burden on summary judgment to demonstrate that there is no genuine issue of material fact as to the abandonment claim.

In view thereof, respondent's motion for summary judgment is denied.³

Proceedings are resumed. The parties are allowed until **THIRTY DAYS** from the mailing date of this order to serve responses to any outstanding discovery requests. Trial dates, including the close of discovery, are reset as follows:

DISCOVERY PERIOD TO CLOSE:

CLOSED

30-day testimony period for party in position of plaintiff to close:

June 14, 2006

30-day testimony period for party in position of defendant to close:

August 13, 2006

15-day rebuttal testimony period for party in position of plaintiff to close:

September 27, 2006

In each instance, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rule 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

Footnotes

- 1 We note, in any event, that respondent advised in its motion to suspend for settlement, filed April 29, 2005, that "it has no objection to producing the [discovery] material requested," is "agreeable to producing the information requested" and "will work with petitioner to produce the material requested."
- 2 On June 10, 2005, the Board issued an order granting respondent's request for suspension and set the time, upon resumption, for respondent to file a reply in support of its motion for summary judgment. Respondent did not file a reply brief.
- 3 The fact that we have identified and discussed only a few genuine issues of material fact as sufficient bases for denying respondent's motion for summary judgment should not be construed as a finding that these are necessarily the only issues that remain for trial.

2006 WL 7276481 (Trademark Tr. & App. Bd.)

2016 WL 1642744 (Trademark Tr. & App. Bd.)

THIS IS NOT A PRECEDENT OF THE TTAB.

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

FINANCIAL TRANSACTION SERVICES, LLC

v.

INTERNET PROMISE GROUP LLC

Opposition No. 91211599

January 28, 2016

*1 Before Zervas, Wellington, and Masiello
Administrative Trademark Judges

By the Board:

Internet Promise Group, LLC (“Applicant”) seeks to register the mark CARD SECURE¹ for “Computer software application for use in mobile wireless devices that makes bankcard payment transactions without transferring bankcard data to either the mobile device or the merchant’s retail payment processing system” in International Class 9.

Financial Transaction Services, LLC (“Opposer”) opposes registration of Applicant’s mark on the ground of likelihood of confusion. In the notice of opposition Opposer alleges common law use of the mark CARDSECURE and ownership of an application for CARDSECURE² for “Downloadable software for encryption and tokenization of credit card and other personally identifiable information” in International Class 9 and “Providing non-downloadable software for encryption and tokenization of credit card and other personally identifiable information” in International Class 42. After the institution of this proceeding, Opposer’s application matured into Registration No. 4509670 on April 8, 2014.

Applicant, in its answer, denied the salient allegations in the notice of opposition.

This case now comes up for consideration of Opposer’s motion (filed September 15, 2015) for summary judgment in its favor on the likelihood of confusion claim. The motion is fully briefed.³

Summary judgment is appropriate only when there is no genuine dispute as to any material fact and the moving party is entitled to judgment as a matter of law. *See* Fed. R. Civ. P. 56(a). The Board may not resolve issues of material fact; it may only ascertain whether a genuine dispute regarding a material fact exists. *See Lloyd’s Food Products, Inc. v. Eli’s, Inc.*, 987 F.2d 766, 25 USPQ2d 2027, 2029 (Fed. Cir. 1993); *Olde Tyme Foods Inc. v. Roundy’s Inc.*, 961 F.2d 200, 22 USPQ2d 1542 (Fed. Cir. 1992). A factual dispute is genuine if, on the evidence of record, a reasonable fact finder could resolve the matter in favor of the non-moving party. *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471, 1472 (Fed. Cir. 1992); *Olde Tyme Foods Inc.*, 22 USPQ2d at 1544.

*2 After reviewing the parties’ arguments and supporting evidence, we conclude that disposition of this matter by summary judgment is not appropriate because there exists a genuine dispute of material fact as to the similarity of the channels of trade and the similarity of the goods and services involved.⁴

In view thereof, Opposer’s motion for summary judgment is hereby denied.⁵

Proceedings herein are resumed. Dates are reset as follows:

Plaintiff's Pretrial Disclosures Due	3/1/2016
Plaintiff's 30-day Trial Period Ends	4/15/2016
Defendant's Pretrial Disclosures Due	4/30/2016
Defendant's 30-day Trial Period Ends	6/14/2016
Plaintiff's Rebuttal Disclosures Due	6/29/2016
Plaintiff's 15-day Rebuttal Period Ends	7/29/2016

In each instance, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

CONCURRING OPINION

***3** Zervas, J., concurring.

In addition to a genuine dispute of material fact as to the similarity of the channels of trade and the similarity of the goods and services, I believe there is a genuine dispute of material fact in connection with Opposer's standing and priority.

The record reflects that Opposer introduced a copy of its Registration No. 4809670, which registered on April 8, 2014, with its summary judgment motion.⁶ Opposer, however, did not rely on this registration in discussing the question of priority in its motion; rather, it relied on its asserted common law rights:

Opposer submits priority is not an issue as it has provided substantial evidence to demonstrate long-standing and continuous prior use of CARDSECURE® for over seven years before Applicant's Priority Date. Opposer has demonstrated use of CARDSECURE® in connection with its software since 2004, providing evidence in the form of customer invoices and licenses, customer statements of work, and other marketing materials. (Chapman, Exs. 1-8). The evidence demonstrates Opposer's use of CARDSECURE® in connection with Opposer's customers across the country, including specifically prior use in California (Applicant's home state of business). (See id). This evidence alone is sufficient to establish Opposer's priority.

Opposer also provided evidence to demonstrate its consistent use of CARDSECURE®, as advertised on its websites. (McConnell, Exs. 1-3). This evidence further supports the Opposer's open and continuous use of its CARD SECURE® Mark prior to Applicant's Priority Date.⁷

Because there is a genuine dispute of material fact on the question of Opposer's asserted common law priority, I would also deny Opposer's summary judgment motion on this basis. In addition, because a plaintiff must establish its standing in order to prevail on a summary judgment motion, and Opposer's standing is based on its asserted common law priority of use,⁸ I believe there is a genuine dispute of material fact on the question of Opposer's standing.

Footnotes

- 1 Application Serial No. 85690698 was filed July 30, 2012, based on an allegation under Section 1(b) of the Trademark Act.
- 2 Application Serial No. 85961111, filed June 17, 2013, alleging December 2004 as the date of first use and first use in commerce for the goods in Class 9 and alleging June 2011 as the date of first use and first use in commerce for the services in Class 42.
- 3 In the Board's order suspending proceedings (27 TTABVUE), the parties were instructed that "[a]ny paper filed during the pendency of this motion which is not relevant thereto will be given no consideration." Applicant's October 6, 2015 motion for leave to amend its answer to add a counterclaim is not germane to the motion for summary judgment and thus has not been considered. Trademark Rule 2.127(d).
- 4 The fact that we have identified and discussed only two genuine disputes of material fact as a sufficient basis for denying the motion for summary judgment should not be construed as a finding that these are necessarily the only disputes which remain for trial.
- 5 The parties should note that the evidence submitted in connection with the motion for summary judgment is of record only for consideration of the motion. To be considered at final hearing, any such evidence must be properly introduced in evidence during the appropriate trial period. *See Levi Strauss & Co. v. R. Josephs Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993).
- 6 McConnell Decl. Exh. 5, 24 TTABVUE 85.
- 7 Applicant's Brief at 6-7, 23 TTABVUE 11-12.
- 8 See Notice of Opposition, ¶¶ 3 and 4, 1 TTABVUE 4.

2016 WL 1642744 (Trademark Tr. & App. Bd.)

End of Document

© 2018 Thomson Reuters. No claim to original U.S. Government Works.

2004 WL 950921 (Trademark Tr. & App. Bd.)

THIS DISPOSITION IS NOT CITABLE AS PRECEDENT OF THE T.T.A.B.

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

NY-EXOTICS, INC.

v.

EXOTICS.COM, INC.

Cancellation No. 92040976

April 29, 2004

*1 Before Hohein, Hairston and Bottorff
Administrative Trademark Judges

By the Board:

NY-Exotics, Inc. (“petitioner”) seeks to cancel the registration of Exotics.com (“respondent”) for the mark NY-EXOTICS.COM for “providing a web site on a global computer network featuring consumer information on the subjects of luxury watercraft, catamarans, personal recreational watercraft, sports equipment, canoes, kayaks, luxury automobiles, motorcycles, home accessories, clothing, jewelry, watches, fashion accessories, lingerie, fine wine, liquor, cigars, electronics, flowers, toys, books, videos, DVDs, CDs, timeshares, travel, vacations, cruises, film, music, sports, gambling, adult entertainment, exotic dancers, parasailing, fishing, entertainment, fashion, art, antiques, masseuses, restaurants, resorts, homes, ranches, condominiums, townhouses, interior design, lifestyle and other topics of general interest” in International Class 35.¹ As grounds for the petition to cancel, petitioner alleges that it is the owner of pending application Serial No. 76318359 for the mark NY-EXOTICS for “providing advertising services for businesses, namely online advertising by means of a global network” in International Class 35;² that respondent is not the owner of the mark NY-EXOTICS.COM, and that indeed, pursuant to the terms of a license agreement between petitioner and respondent's wholly-owned subsidiary, Exotics USA LLC, petitioner is the rightful owner of such mark.

In its answer, respondent has denied the salient allegations in the petition for cancellation and has asserted various affirmative defenses, including that the license agreement is “fraudulent or--alternatively--unauthorized by the Registrant.”

This case now comes up for consideration of: (1) petitioner's motion for summary judgment; (2) respondent's motion to extend its time to file a brief in opposition to petitioner's motion for summary judgment; and (3) respondent's motion to take discovery pursuant to Fed. R. Civ. P. 56(f). Each motion is contested, and, in addition, the motions for summary judgment and extension of time are fully briefed.³

The Board has carefully reviewed the parties' respective arguments and accompanying exhibits, although the Board has not repeated the parties' complete arguments in this order.

Stipulated Protective Agreement

Before turning to the motions before us, the Board hereby acknowledges the stipulated protective agreement filed on October 30, 2003. The parties are referred, as appropriate, to TBMP §§ 412.03 (Signature of Protective Order), 412.04 (Filing Confidential Materials With Board), 412.05 (Handling of Confidential Materials by Board).

*2 The parties are advised that only confidential or trade secret information should be filed pursuant to a stipulated protective agreement. Such an agreement may not be used as a means of circumventing paragraphs (d) and (e) of 37 CFR § 2.27, which provide, in essence, that the file of a published application or issued registration, and all proceedings relating thereto, should otherwise be available for public inspection.

Respondent's Motion to Extend Time to Respond to Petitioner's Motion for Summary Judgment

Considering first respondent's motion to extend its time to respond to petitioner's motion for summary judgment, we find that based on the record evidence before us, respondent has satisfied the "good cause" standard provided by Fed. R. Civ. P. 6(b) so as to warrant an extension of time. *See also* TBMP § 509 and the authorities cited therein. In view thereof, respondent's opposition brief has been given full consideration.

Respondent's Motion to Take Discovery Pursuant to Rule 56(f)

Turning next to respondent's motion to take discovery pursuant to Rule 56(f), when a party responds to a motion for summary judgment on the merits, it ordinarily will not be heard to argue in the alternative that it cannot effectively oppose the summary judgment motion without first taking discovery under Rule 56(f). *See Dyneer Corp. v. Automotive Products plc*, 37 USPQ2d 1251 (TTAB 1995). Inasmuch as respondent has submitted a substantive response to petitioner's motion for summary judgment, respondent's request for discovery pursuant to Fed. R. Civ. P. 56(f) is denied. *See* Quinn, TIPS FROM THE TTAB: Discovery Safeguards in Motions for Summary Judgment: No Fishing Allowed, 80 Trademark Rep. 413, 416 (1990).

Petitioner's Motion for Summary Judgment

Considering now petitioner's motion for summary judgment, petitioner contends that pursuant to the terms of a license agreement and amendments made thereto between petitioner and respondent's wholly-owned subsidiary, Exotics USA LLC, petitioner is the rightful owner of the mark NY-EXOTICS.COM. More specifically, petitioner alleges that when the agreement was terminated due to a breach of contract by Exotics USA LLC, all trademarks, including the NY-EXOTICS.COM mark, became the property of petitioner.

In response thereto, respondent contends that contrary to petitioner's assertion, respondent is the true owner of the NY-EXOTICS.COM mark, and that in fact, the license agreement and amendments thereto upon which petitioner relies on for its ownership claim are based on fraud and a fiduciary duty violation on the part of one of respondent's former officers. Respondent further notes that these claims are the subject of a related civil suit pending in Los Angeles County Superior Court.

*3 As has often been stated, summary judgment is an appropriate method of disposing of cases in which there are no genuine issues of material fact in dispute, thus leaving the case to be resolved as a matter of law. *See* Fed. R. Civ. P. 56(c). Petitioner, as the party moving for summary judgment, has the initial burden of demonstrating the absence of any genuine issue of material fact and that it is entitled to judgment as a matter of law. *See Celotex Corp. v. Catrett*, 477 U.S. 317 (1986), and *Sweats Fashions Inc. v. Pannill Knitting Co.*, 833 F.2d 1560, 4 USPQ2d 1793 (Fed. Cir. 1987). The evidence must be viewed in a light most favorable to the non-movant, and all justifiable inferences are to be drawn in the non-movant's favor. *See Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027 (Fed. Cir. 1993), and *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992). In considering the propriety of summary judgment, the Board may not resolve issues of material fact against the non-moving party;

it may only ascertain whether such issues are present. *See Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 235 USPQ2d 2027, 2029 (Fed. Cir. 1993).

Upon careful consideration of the arguments and evidence presented by the parties, and drawing all inferences with respect to the motion in favor of the nonmoving party, we find that petitioner has failed to demonstrate the absence of a genuine issue of material fact for trial. In particular, genuine issues of material fact exist with respect to the ownership of the NY-EXOTICS.COM mark/registration, and the validity of the license agreement and amendments made thereto.

In view of the foregoing, petitioner's motion for summary judgment is denied.⁴

Suspension

The Board notes that the issues involved in determining ownership of the mark NY-EXOTICS.COM are the subject of a civil action pending in Los Angeles County Superior Court.⁵

Pursuant to Trademark Rule 2.117(a), the Board has discretion to suspend proceedings pending the final determination of a civil action in state court where only one of the parties involved. *See also Argo & Co. v. Carpetsheen Manufacturing, Inc.*, 187 USPQ 366 (TTAB 1975) (state court action to determine ownership of applicant's mark and authority of applicant to file application).

Under the circumstances, the Board concludes that the civil action may well have a bearing on the cancellation proceeding herein, specifically with respect to the issue of ownership of the NY-EXOTICS.COM mark.

Accordingly, proceedings herein are suspended pending disposition of the civil action.

***4** Within twenty days after the final determination of the civil action, the interested party should notify the Board so that this case may be called up for appropriate action.⁶

Footnotes

- 1 Registration No. 2576808, registered on June 4, 2002, alleging July 3, 1997 as the date of first use anywhere and in commerce.
- 2 Intent to use application filed September 27, 2001.
- 3 The Board has exercised its discretion to consider the parties' reply briefs. *See* Trademark Rule 2.127(a).
- 4 Inasmuch as petitioner did not plead likelihood of confusion in its petition for cancellation, its motion for summary judgment on that ground is also denied. *See* Fed. R. Civ. P. 56(a) and 56(b); *Paramount Pictures Corp. v. White*, 31 USPQ2d 1768 (TTAB 1994).
The parties should note that all evidence submitted in support of and in opposition to petitioner's motion for summary judgment is of record only for consideration of that motion. Any such evidence to be considered in final hearing must be properly introduced in evidence during the appropriate trial periods. *See Levi Strauss & Co. v. Josephs Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993); and *Pet Inc. v. Bassetti*, 219 USPQ 911 (TTAB 1983).
- 5 Case No. BC 290511 involving Gary Thomas aka Gary Vojtesak, individually, and as a member of LA Exotics, LLC v. LA Exotics, LLC; Andrew Maltin, individually and as a member of LA Exotics, LLC; Lea Hastings aka Lea Conkey, individually and as a member of LA Exotics, LLC; and DOES 1-100.
- 6 During the suspension period the Board should be notified of any address changes for the parties or their attorneys. A "final determination" refers to the expiration of an appeal period with no appeal being taken, or the exhaustion of the appeal process available. *See* TBMP § 510.02(b).

2004 WL 950921 (Trademark Tr. & App. Bd.)