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

Proceeding	91225707
Party	Defendant Parks, LLC
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Attachments	91225707 Response to TTAB Order.pdf(743437 bytes) Order and Opinion re Summary Judgment.pdf(144737 bytes) PARKS TYSON MEMORANDUM OPINION DENYING DEFT MOTION FOR ATTORNEY FEES AND COSTS.PDF(94398 bytes) THIRD CIRCUIT OPINION.PDF(318928 bytes)

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

SARA LEE FOODS, LLC,

OPPOSER

v.

PARKS, LLC,

APPLICANT.

Opposition No. 91225707

RESPONSE BY APPLICANT, PARKS, LLC, TO TTAB ORDER

Honorable Commissioner for Trademarks
(ECF Filing)
P. O. Box 1451
Alexandria, VA 22313-1451

Applicant, Parks, LLC ("Applicant"), hereby responds to the Order of the Board issued November 30, 2017 to show cause as to why the Board should not enter judgment against Applicant in this proceeding in light of the decision in *Parks v. Tyson Foods, Inc., et al.*, 186 F.Supp. 3d 405 (E.D. Pa. 2016) (the "District Court Proceeding"), *aff'd Parks v. Tyson Foods, Inc., et al.*, 863 F.3d 220 (3d Cir. 2017) wherein Applicant was the plaintiff.¹ Applicant has attached a copy of the full District Court decision, the decision of the Third Circuit on appeal and the decision of the District Court denying Defendant's Motion for Attorney's Fees and Costs to this Response.

Applicant respectfully submits that the Board should not enter judgment against Applicant. The court in the District Court Proceeding did not decide the issue of acquired distinctiveness within the geographic area of Southeastern Pennsylvania, Southern New Jersey,

¹ It is Applicant's understanding that the mark in question is now owned by Tyson Foods, Inc. but to date applicant has not moved to amend to reflect this change in ownership.

and Delaware (the “tri-state area”). Additionally, the issue of likelihood of confusion, also claimed as a basis for the opposition, was not decided in the District Court Proceeding. As there are different factual issues involved in this proceeding than before the District Court, these issues are not precluded from being decided in the instant Opposition. Additionally, Opposer does not have standing to oppose merely based on the threat of or filing of counter-oppositions or federal trademark actions.

I. The factual issues in the District Court Proceeding and the instant Opposition are distinct and therefore Applicant is not precluded from having the issue of acquired distinctiveness decided in the instant proceeding.

The general rule regarding issue preclusion is: “[w]hen an issue of fact or law is actually litigated and determined by a valid and final judgment, and the determination is essential to the judgment, the determination is conclusive in a subsequent action between the parties, whether on the same or a different claim.” Restatement (Second) of Judgments § 27, p. 250 (1980); *See also B&B Hardware, Inc. v. Hargis Industries, Inc.* 135 S.Ct. 1293 (2015) (“*B&B Hardware*”).

While the Court has ruled that an issue may be precluded from being litigated in District Court after being determined in a TTAB proceeding and vice versa (*Cf. B&B Hardware at 1310*), there is “no claim or issue preclusion if the claim and issue in a TTAB opposition or cancellation proceeding is different in scope from that decided in a prior court infringement case.” *McCarthy on Trademarks and Unfair Competition* § 32:94 (5th Ed. 2017); *See, Mayer/Berkshire Corp. v. Berkshire Fashions, Inc.* 424 F.3d 1229 (Fed. Cir. 2005).

Here, the claim and scope of the issues decided by the District Court are different than those before the TTAB in this opposition proceeding. The factual proofs necessary to sustain a claim under 15 U.S.C. § 1125 in the District Court Proceeding are distinct from the factual

proofs necessary to demonstrate that Applicant has a sufficient right in any geographic area in the US to secure registration of Applicant's mark.

The inquiry in the District Court Proceeding for the false association claim under 15 U.S.C. § 1125(a)(1)(A) was directed to the Eastern United States (east of the Mississippi River). The issue of fact before the court was whether in that region, Applicant had 'market penetration ... significant enough to pose the real likelihood of confusion among the consumers in that area' *Parks LLC v. Tyson Food, Inc. et al*, 863 F.3d 220, 230 (3d Cir. 2017) (citing *Charles Jacquin Et Cie, Inc. v. Destileria Serralles, Inc.* 921 F.2d 467, 472 (3d Cir. 1990)). In the District Court Proceeding, for the market in issue as the Eastern United States, the District Court analyzed Applicant's proprietary rights in the mark based on secondary meaning in that market for the false association claim. The inquiry there was whether "a substantial number of consumers would associate the Park's Finest name with [the] Parks' name" *Parks LLC v. Tyson Foods, Inc. et al.*, 2017 U.S. Dist. LEXIS 131234, No. 5:15-cv-00946 at *14 (ED Pa. Aug. 17, 2017).

This inquiry is distinct from and irrelevant to the instant Opposition. The scope of rights that Applicant relies on in this instant Opposition are the rights based on its prior, commercially significant, and continuous use of the PARKS trademark and trade name in commerce in connection with refrigerated and/or frozen food products, namely pork sausage, fresh sausage, smoked sausage, cooked sausage, scrapple and cooked chitterlings since 1954 in the tri-state area.

Based on these rights in the PARKS mark, Applicant can demonstrate secondary meaning in the geographic area in which it has established reputation and good will, which is sufficient to obtain a federal registration and refute the claims of the Notice of Opposition, even though the rights were found not sufficient to obtain an injunction in a much larger geographic area. The rights to the PARKS mark based on continuous use in commerce in the tri-state area

affords Applicant prior rights in this geographic area in which it has established reputation and good will. *See, Weiner King, Inc. v. Wiener King Corp.*, 615 F.2d 512 (CCPA 1980); *Natural Footwear Ltd. v. Hart, Shaffner & Marx*, 860 F.2d 1383 (3d Cir. 1985) (“*Natural Footwear*”). A senior user may not be able to obtain relief against a junior user in an area where it has no established trade or good will, since the injunctive relief is only available in the marketplaces where the marks are competing for the same customers. *Natural Footwear* at 1394, citing *Holiday Inns of America, Inc. v. B&B Corp.*, 409 F.2d 614, 617 (3d Cir. 1969). As was found in the District Court Proceeding, the senior user (Applicant) did not have sufficient trade or good will to demonstrate secondary meaning in the Eastern United States, and thus could not obtain injunctive relief in that geographic area, but there was no such determination with respect to the narrower geographic area.

The District Court in its Opinion denying Defendants’ Motion for Attorney’s Fees and Costs noted that Applicant had in place a “potentially meritorious false association suit” but needed to demonstrate that the mark was “sufficiently active in the marketplace (and the minds of consumers)” to sustain the claim. *Parks LLC v. Tyson Foods, Inc. et al.*, 2017 U.S. Dist. LEXIS 131234, No. 5:15-cv-00946 at *16 (ED Pa. Aug. 17, 2017). The District Court also noted in the District Court Proceeding that “it is possible that in sales in certain of these states, such as Pennsylvania and New Jersey, could be large enough, relative to the market in those states, to be probative of secondary meaning in those markets.” *Parks v. Tyson*, 186 F.Supp.3d at 424, Footnote 12. Proving secondary meaning in the marketplace pertinent to the District Court Proceeding, namely in the Eastern United States, is not the same inquiry or scope of inquiry as that of the present opposition, which is proving prior proprietary rights, commercially significant and continuous use of the PARKS mark and name in commerce in any geographic area of use, which in this instance is a smaller geographic footprint than was asserted in the District Court

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