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

Proceeding	91227788
Party	Defendant Textron Inc.
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Submission	Motion to Suspend for Civil Action
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Signature	/David Fuad/
Date	07/01/2016
Attachments	Motion to Suspend.pdf(15024 bytes) Exhibit-A.pdf(2611459 bytes) Exhibit-B.pdf(777792 bytes)

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

In the matter of application Serial No. 86/634,354 For the Trademark **STAMPEDE** filed May 19, 2015 Published in the Official Gazette on April 5, 2016

TRAXXAS LP,

Opposer,

v.

TEXTRON INC.,

Applicant.

Opposition No. 91227788

APPLICANT'S MOTION TO SUSPEND

Pursuant to 37 C.F.R. § 2.117(a) and section 510.02(a)(2) of the Trademark Trial and Appeal Board Manual of Procedure ("TBMP"), Applicant TEXTRON INC. ("Applicant") hereby moves to suspend this opposition proceeding pending disposition of two civil actions that concern the same trademarks that are at issue here, namely:

- Textron Inc. and Textron Specialized Vehicles Inc. v. Traxxas LP, Case No. 1:16cv-00081-JRH-BKE, filed by Applicant on June 10, 2016 in the United States District Court for the Southern District of Georgia, Augusta Division ("Applicant's Action"); and
- Traxxas LP v. Textron Inc. and Textron Specialized Vehicles Inc., Case No. 6:16cv-00506, filed by Opposer TRAXXAS LP ("Opposer") on June 15, 2016, in the Eastern District of Texas, Tyler Division ("Opposer's Action," and together, the "Civil Actions").

The issues presented in both Applicant's Action and Opposer's later-filed Action overlap with

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this proceeding, including whether Applicant's STAMPEDE mark for off-road vehicles is likely to cause confusion with Opposer's mark for radio-controlled model vehicles, and thus, whether Opposer may prevent Applicant from obtaining a federal registration for its STAMPEDE mark. In addition, Opposer's Action asserts numerous state and federal trademark claims, such as unfair competition, dilution, and unjust enrichment, and seeks relief not available in this proceeding, including an injunction and damages. Accordingly, Applicant respectfully requests that all further proceedings in this opposition proceeding be suspended pending disposition of the Civil Actions.

I. <u>FACTUAL BACKGROUND</u>

On or about May 10, 2016, Opposer filed a Notice of Opposition with the Trademark Trial and Appeal Board ("TTAB"), opposing Applicant's STAMPEDE mark for use in connection with "Off road vehicles, namely, all-terrain vehicles and utility terrain vehicles, excluding tires and wheels." Opposer claims that Applicant's mark is confusingly similar to its STAMPEDE mark for "radio-controlled model vehicles and parts therefor" and that it will be damaged if Applicant's mark proceeds to registration.

On or about June 10, 2016, Applicant filed a complaint in United States District Court for the Southern District of Georgia seeking a declaratory judgment of non-infringement.

Two days after being served with Applicant's complaint, Opposer filed its own civil action on or about June 15, 2016 in United States District Court for the Eastern District of Texas, alleging state and federal trademark infringement and related claims.

II. <u>ARGUMENTS & AUTHORITIES</u>

"Whenever it shall come to the attention of the ... Board that a party or parties to a pending case are engaged in a civil action ... which may have a bearing on the case, proceedings before the Board may be suspended until termination of the civil action or the other Board proceeding." Trademark Rule 2.117(a). *See* TBMP § 510.02(a). "Ordinarily, the Board will suspend proceedings in the case before it if the final determination of the other proceeding will have a bearing on the issues before the Board." *Id.* The civil action need not be dispositive of the Board proceeding to warrant suspension; it need only have a bearing on the issues before the Board. *See New Orleans Louisiana Saints LLC v. Who Dat? Inc.*, 99 USPQ2d 1550, 1552 (TTAB 2011).

Here, the outcome of either Civil Action will have a direct bearing upon the outcome of this opposition proceeding. Indeed, they will likely be dispositive of the issues in this proceeding. To the extent that a civil action in a federal district court involves issues in common with those in a Board proceeding, the district court decision would be binding on the Board. *See Goya Foods, Inc. v. Tropicana Products, Inc.*, 846 F.2d 848, 853 (2d Cir. 1988). The Civil Actions and this proceeding all involve the same trademarks, the same registration issues, and essentially the same parties. Applicant's Action seeks a declaratory judgment that its STAMPEDE mark does not infringe Opposer's trademark. Opposer's Action alleges federal and state trademark infringement, dilution, and unjust enrichment claims, as well as a claim expressly seeking the denial of Applicant's trademark application that is at issue in this proceeding. Copies of Applicant's Action and Opposer's Action are attached hereto as **Exhibits A** and **B**, respectively.

At issue in all three proceedings is the likelihood of confusion between Applicant and Opposer's marks and goods. The eventual resolution of the Civil Actions will determine whether Applicant's use of its STAMPEDE mark in connection with off-road vehicles has a likelihood of confusion with Opposer's mark for radio-controlled model vehicles. The Civil Actions will also determine the parties' respective rights or damages in light of any such likelihood of confusion based upon Applicant's and Opposer's trademark infringement claims. Neither party would be

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prejudiced by a suspension because this opposition proceeding is the earliest stages; Applicant has not yet responded to Opposer's Notice of Opposition.

Therefore, in order to facilitate the expedient and economic resolution of these and related issues involving Applicant's rights in its mark, Applicant respectfully requests that this opposition proceeding be suspended pending the outcome of the Civil Actions. This suspension will prevent the needless duplication of proceedings, avoid inconsistent judgments, and assist the parties in consolidating for resolution in a single adjudication all issues presented in this opposition together with related federal and state claims that are within the jurisdiction of a federal court but that exceed the jurisdiction of this Board. To further these goals, the TTAB has stated that "it is better policy to suspend proceedings…until the civil suit has been finally concluded." *Tokaido v. Honda Associates*, 179 USPQ 861, 862 (TTAB 1973); *Miller v. B&H Foods, Inc.*, 209 USPQ 357, 359 (TTAB 1981) ("[U]nder normal circumstances…it is the practice to suspend the proceeding before the Board to await the outcome of the civil action and to determine its effect on the issues"). The proceeding most appropriate for suspension is the proceeding which has no jurisdiction over the broader claims of, among others, infringement and unfair competition – here, this opposition proceeding. *See, e.g., Tokaido*, 179 USPQ at 861.

Any attempt by Opposer to rely upon *B* & *B* Hardware, Inc. v. Hargis Indus., Inc., 575 U.S. ___, 135 S. Ct. 1293 (2015) to oppose a suspension fails. Because an ostensibly final decision of the TTAB may be reviewed de novo by a district court, any potentially preclusive effect under *B*&*B* Hardware would be negated by such an appeal. Thus, suspension of this proceeding pending determination of the Civil Actions would serve judicial economy because any decision here can ultimately be relitigated in federal court, but not vice versa. A suspension of this opposition proceeding will avoid the unnecessary duplication of litigation concerning registration issues that are currently pending in the Civil Actions and that will ultimately be

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