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

Proceeding	92049420
Party	Plaintiff Nike, Inc.
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Attachments	Petitioner's Response to Purported Motion to Suspend for Civil Action.pdf (24 pages)(1012592 bytes)



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

NIKE, INC.,)
Petitioner,) Cancellation No. 92049420
v.) Registration No. 2,959,755
BAUER BROTHERS LLC,)
Registrant.)

PETITIONER'S RESPONSE TO PURPORTED MOTION TO SUSPEND FOR CIVIL ACTION

In reviewing other Board proceedings involving Registrant Bauer Brothers LLC, the undersigned counsel for Petitioner herein discovered the "Motion to Suspend for Civil Action" attached as Exhibit A hereto. As shown by the ESTTA receipt, the document was filed in the wrong proceeding, Cancellation No. 92048590. Thus, the attempted filing is a nullity.

As it stands, Registrant has been in violation of the Board's February 13 order for nearly two weeks, and has not responded to Petitioner's potentially dispositive Motion For Entry of Judgment filed March 12. Accordingly, Petitioner requests entry of judgment forthwith pursuant to its prior motion.

Even assuming proper filing, the Motion to Suspend would fail on the merits.

Accordingly, Petitioner also requests consideration of the following comments on the Motion to Suspend, in the event it is refiled in the proper proceeding.

I. Petitioner's Potentially Dispositive Motion Should be Considered Prior to Any Suspension Request

Under TBMP § 510.02(a) and 37 C.F.R. 2.117(a), the Board has the sole discretion to decide whether a proceeding should be suspended. Although the Board frequently suspends cases where a pending civil action is likely to have a bearing on the outcome, "suspension is not the necessary result in all cases." *Boyd's Collection, Ltd, v. Herrington & Co.*, 65 U.S.P.Q.2d 2017, 2018 (T.T.A.B. 2003). Moreover, the TBMP provides that "if there is pending, at the time when the question of suspension of proceedings before the Board is raised, a motion which is potentially dispositive of the case, the potentially dispositive motion may be decided before the question of suspension is considered. *The purpose of this rule is to prevent a party served with a*



potentially dispositive motion from escaping the motion by filing a civil action and then moving to suspend before the Board has decided the potentially dispositive motion." TBMP § 510.02(a) (emphasis added).

This is precisely the scenario presented in this matter. Registrant has failed to serve initial disclosures in this proceeding, despite the Board's order requiring that it do so no later than March 5. On March 12, Petitioner filed its Motion for Entry of Judgment, a potentially dispositive motion. Thereafter, Registrant purported to file a Motion to Suspend, clearly an attempt to "cure" its continuing violation of the Board's order, and to escape the potentially dispositive motion.

The Board has refused to suspend and entered judgment in similar circumstances. For example, in *Allegro High Fidelity, Inc., v. Zenith Radio Corp.*, 197 U.S.P.Q. 550 (T.T.A.B. 1977), the Respondent moved for a default judgment due to Petitioner's failure to elicit any evidence during its trial period. The Petitioner's only response was a showing that after its trial period expired, it had filed a civil complaint against Respondent, and that accordingly the TTAB proceeding should be suspended pending outcome of the civil action. *Id.* at 551. Noting the Board's policy to determine potentially dispositive motions prior to the question of suspension, the Board held that "[t]he mere fact that Petitioner was planning to file a civil suit against Respondent does not constitute good cause for its failure to present any evidence in support of its action in this proceeding." *Id.* at 552. Accordingly, Respondent's motion was granted and a default judgment entered against the Petitioner. *Id.*

The same result should follow in the analogous situation presented here. The Board's order required Registrant to serve disclosures no later than March 5, "failing which Petitioner may move for discovery sanctions, including judgment, pursuant to Trademark Rule 2.120(g)(1)." See Board Order Feb. 13, 2009. Petitioner filed its Motion for Entry of Judgment on March 12. Registrant chose to ignore the Board's order, apparently because it was planning to file a civil action. As in *Allegro*, this does not constitute good cause for failing to comply with Board requirements. Indeed, Registrant's actions here are more egregious; as opposed to merely failing to produce evidence at trial, Registrant is in violation of a Board order.

For this reason alone, Petitioner's Motion for Entry of Judgment should be considered, and granted, making any consideration of the Motion to Suspend unnecessary.



II. The Complaint Does Not Allege Infringement of the Registered Mark Under § 1114

A copy of the complaint in the civil action is attached as part of Exhibit A. The three counts are for Lanham Act unfair competition under 15 U.S.C. § 1125(a), and for statutory unfair competition and common law trademark infringement under California state law. Notably absent is any cause of action under § 1114 of the Lanham Act for infringement of a registered trademark.

In filing its complaint in this fashion, Registrant appears to recognize that Registration No. 2,959,755 is invalid for fraud, as alleged in the petition herein. There can be no other logical explanation for the decision not to sue under § 1114 based on the registration.

Since the complaint does not invoke the registration, the civil action may not be dispositive of the issue herein, namely, whether the registration should be cancelled on grounds of fraud. That question, as well as the more immediate issue of Registrant's violation of the Board's order, remain with the Board for determination. It is not enough for Registrant to speculate on the possibility that Petitioner may file a counterclaim for cancellation in the civil action. The pleading does not assert a cause of action for infringement of the registration, and therefore does not constitute a legitimate basis for a suspension request.

For the above reasons, and reserving its right to supplement this response in the event Registrant attempts to refile its motion in the correct proceeding, Petitioner respectfully requests that its Motion for Entry of Judgment herein be granted forthwith.

By:

Respectfully submitted,

Date: March 19, 2009

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Attorneys for Petitioner



CERTIFICATE OF FILING

I hereby certify that the foregoing Petitioner's Response to Purported Motion to Suspend for Civil Action was filed with the TTAB using the ESTTA filing system on March 19, 2009.

Cevin C. Parks

CERTIFICATE OF SERVICE

I hereby certify that a copy of this Petitioner's Response to Purported Motion to Suspend for Civil Action was served by first class mail to the following address on March 19, 2009.

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Kevin C. Parks

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