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

Proceeding	92054069
Party	Defendant Skydive Arizona, Inc.
Correspondence Address	SKYDIVE ARIZONA INC 4900 N TAYLOR ROAD ELOY, AZ 85231 UNITED STATES
Submission	Motion to Dismiss - Rule 12(b)
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Date	07/12/2011
Attachments	Skydive Arizona Motion to Dismiss Cancellation Petition.pdf (14 pages)(182856 bytes) Exhibit A - Summary judgment decision in Skydive Arizona v Mullins case.pdf (35 pages)(1542462 bytes) Exhibit B - Judgment entered in Skydive Arizona v Mullins case.pdf (2 pages)(46022 bytes) Exhibit C - Court decision on damages in Skydive Arizona v Mullins case.pdf (16 pages)(796931 bytes) Exhibit D - Settlement agreement signed by Marc Hogue.pdf (6 pages)(247853 bytes) Exhibit E - Mike Mullins deposition.pdf (52 pages)(122736 bytes) Exhibit F - Marc Hogue deposition.pdf (100 pages)(217694 bytes)

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

In the matter of Registration No. 3,099,847 (Application Serial No. 76/641,146)

MARK: **SKYDIVE ARIZONA**

Registered on the Principal Register on June 6, 2006

Marc Hogue, Petitioner, vs. Skydive Arizona, Inc., Respondent.	Cancellation No.: 92/054,069 **SKYDIVE ARIZONA'S MOTION TO DISMISS CANCELLATION PETITION**

I. Motion

Respondent Skydive Arizona, Inc. moves, pursuant to Rule 12(b)(6) and Rule 12(d) of the Federal Rules of Civil Procedure, to dismiss Cancellation No. 92/054,069 filed by Petitioner March Hogue ("Hogue") for failure to state a claim upon which relief can be granted. In addition, Respondent moves to dismiss Cancellation No. 92/054,069 on grounds that it is barred by *res judicata*.

The Board should dismiss the Petition to Cancel filed in this case, pursuant to Rule 12(b)(6) of the Federal Rules of Civil Procedure, for failure to plead sufficient facts to state a claim upon which relief can be granted. The Petition to Cancel filed in this case contains nothing more than labels and conclusions, and a formulaic recitation of the elements of a cause of action, which is insufficient. In addition, the Petition to Cancel filed in this case is barred by *res judicata*. The Board is requested to treat this motion to dismiss as a motion for summary judgment pursuant to Rule 12(d) of the Federal Rules of Civil Procedure. Consideration of this motion as a motion for summary is appropriate at this stage of the proceeding because this motion asserts claim and issue preclusion. *Zoba International Corp. v. DVD Format/LOGO Licensing Corp*., 98 U.S.P.Q.2d 1106, 2011 TTAB LEXIS 69, at *4 n.4 (T.T.A.B. 2011) ("[O]ur consideration of the subject motion as one for summary judgment is appropriate at this stage of the proceedings because it asserts claim preclusion."). Trademark Rule 2.127(e)(1) expressly allows a motion for summary judgment asserting claim or issue preclusion to be made prior to a party making its initial disclosures. 37 C.F.R. §2.127(e)(1).

II. Background

Respondent filed Application Serial No. 76/641,146 on June 17, 2005, which registered as Registration No. 3,099,847 on June 6, 2006. The '847 registration is for the mark SKYDIVE ARIZONA.

The SKYDIVE ARIZONA Registration matured from a use-based application filed under 15 U.S.C. § 1051(a), listing a first use date in commerce of 1986. Petitioner Hogue has not challenged Respondent's priority.

The services listed in the SKYDIVE ARIZONA Registration are: "educational services, namely, providing instructions and training in parachuting and skydiving." The application file is part of the record pursuant to Trademark Rule 2.122(b).

On September 28, 2001, Respondent filed a trademark infringement suit against Mike Mullins for infringement of Respondent's SKYDIVE ARIZONA mark. Exh. A, at 3; Exh. C, at 2 ("On September 28, 2001, Skydive Arizona initiated this lawsuit."). The trademark infringement suit was styled *Skydive Arizona, Inc. vs. Mike Mullins d/b/a Arizona Skydiving*, Civil Action No. CIV 01-1854 PHX SMM, in the United States District Court for the District of Arizona. Exh. D, at 1, ¶3.

Mike Mullins was operating a competing business under the mark "ARIZONA SKYDIVING. A final judgment was entered in favor of Respondent and against Defendant Mike Mullins in that trademark infringement suit. Exh. B. In May 2002, while that trademark infringement suit was pending, Petitioner Hogue purchased the business from Mike Mullins that was at issue in the trademark infringement suit. Exh. D, at 1, ¶2 ("Marc Hogue has entered into an agreement to purchase the business involving the skydiving operations previously conducted by Mike Mullins under the name of Arizona Skydiving… . Marc Hogue…has effectively taken over the skydiving operations of the business…"). Petitioner Hogue is the successor-in-interest to Defendant Mike Mullins in the prior trademark infringement suit, and is in privity with Defendant Mike Mullins.

The validity of the SKYDIVE ARIZONA mark was at issue in the trademark infringement suit. Defendant Mike Mullins asserted as defenses that the mark was invalid because it was allegedly descriptive of the services and allegedly geographically descriptive, the same issues that Petitioner Hogue attempts to raise again here in the Petition to Cancel filed in this proceeding. See Exh. A, at 18. In the trademark infringement suit, the federal court found that the SKYDIVE ARIZONA mark "describes the activity of skydiving in general, as well as the location of the service," but held that the mark was valid because it had acquired secondary meaning. Exh. A, at 18-19.

The federal court found that the SKYDIVE ARIZONA mark "has been continuously used for over 15 years" by Respondent. Exh. A, at 19. The court found that "Skydive Arizona is well known for instructional services and team training." Exh. A, at 20. The court found that "Skydive Arizona is the largest dropzone in the world, and is well known worldwide." Exh. A, at 21. Respondent "offered hundreds of pages of exhibits, dating pre-1998, to prove that [Respondent] advertised heavily both locally and worldwide. Exh. A, at 19. The court found that SKYDIVE ARIZONA hosted several national skydiving events. Exh. A, at 19. The court found that "Teams sponsored by Skydive Arizona have won approximately three quarters of all the gold metals awarded in freefall events in the United States National Championships and the World Championships since 1994." Exh. A, at 20. The court found that "Skydive Arizona has annual non-competition events that attract many skydivers from around the country, and from other countries as well. … These events draw hundreds of skydivers from around the world." Exh. A, at 20. The court made findings concerning the extent that Respondent advertised using the SKYDIVE ARIZONA mark. Exh. A, at 20-21. In short, the court found that the evidence introduced by Respondent showed "a lengthy, continuous, frequent use of the mark, worldwide recognition, widespread advertising, [and] affiliation with worldwide events." Exh. A, at 21.

Based upon the evidence introduced in the prior trademark infringement suit, the court found that "a finding of secondary meaning is appropriate as a matter of law." Exh. A, at 21. This finding was necessary to support the court's judgment. See Exhs. A, B & C.

While the trademark infringement suit was pending, Petitioner Marc Hogue entered into a Settlement Agreement with Respondent. Exh. D. In that Settlement Agreement, Petitioner agreed "to immediately change the name of his business to 'Coolidge Skydiving,' and will stop using the name 'Arizona Skydiving' …". Exh. D, at 1, ¶4. In return, Respondent agreed it would not sue Petitioner "for any claim of trademark infringement … based upon the use of the 'Arizona

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