

ESTTA Tracking number: **ESTTA665165**

Filing date: **04/06/2015**

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

Proceeding	92060579
Party	Plaintiff adidas America, Inc.
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Date	04/06/2015
Attachments	Motion to Suspend Proceedings w Exhibits.pdf(3571392 bytes)

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

adidas AMERICA, INC.,

Petitioner,

v.

ROBERT M. LYDEN,

Respondent.

Cancellation No. 92060579

Supplemental Reg. Nos.:
3,629,011 and 3,633,365

**PETITIONER'S MOTION TO SUSPEND
PROCEEDINGS PURSUANT TO 37 C.F.R. § 2.117(a)**

Petitioner adidas America, Inc. (“adidas”) respectfully requests that the Board suspend this proceeding pursuant to 37 C.F.R. § 2.117(a). Respondent Robert M. Lyden (“Respondent”) initiated a civil action against adidas in the United States District Court for the District of Oregon (the “Civil Action”).¹ adidas recently asserted a Counterclaim in the Civil Action that Supplemental Registration Nos. 3,629,011 and 3,633,365 owned by Respondent should be cancelled.² Thus, in addition to the Civil Action involving the same parties, it involves the same issues that are before the Board in this Cancellation proceeding. As such, the Civil Action will have a bearing on the case, and the Board should suspend proceedings in this proceeding until termination of the Civil Action.

¹ A copy of Respondent’s Amended Complaint in the Civil Action, filed on February 27, 2015, is attached as **Exhibit 1**.

² A copy of adidas’s Answer, Affirmative Defenses, and Counterclaims in the Civil Action is attached as **Exhibit 2**.

I. BACKGROUND

Respondent initiated the Civil Action against adidas and several of adidas's retail distributors on October 8, 2014. In addition to various patent-related claims, Respondent's original complaint asserted six trademark-related claims, including claims for: (1) federal trademark infringement, (2) federal unfair competition, (3) unfair and deceptive trade practices, (4) common law trademark infringement and unfair competition, (5) federal trademark dilution, and (6) state trademark dilution and injury to business reputation. Each of these six trademark-related claims are premised, *inter alia*, on Respondent's assertion that he owns protectable trademark rights in the designs depicted in Registration Nos. 3,629,011 and 3,633,365 on the Supplemental Register (the "Designs"), depicted below:



Supp. Reg. No. 3,629,011



Supp. Reg. No. 3,633,365

On December 22, 2015, adidas filed the present Petition to Cancel Registration Nos. 3,629,011 and 3,633,365 because Respondent has not made bona fide use of the Designs or has abandoned any trademark rights ever possessed in the Designs, and because certain material misrepresentations made in the course of obtaining the these Registrations constitute fraud.

That same day, adidas and its co-defendants moved to dismiss the six trademark claims in the Civil Action. On February 10, 2015, the District Court granted that motion, dismissing Respondent's federal and state trademark dilution claims with prejudice, and dismissing the

remaining four trademark-related claims without prejudice.³ On February 27, 2015, Respondent filed an Amended Complaint, reasserting the four trademark-related claims that had been dismissed without prejudice. On March 17, 2015, adidas and its co-defendants filed their Answer, Affirmative Defenses, and Counterclaims in the Civil Action. Among other things, the Counterclaims seek cancellation of Registration Nos. 3,629,011 and 3,633,365 on the *very same grounds* asserted in the present Cancellation proceeding. *See* Ex. 2 at 37-42 ¶¶ 30-42, 49-54.

In short, the Civil Action involves the *same parties* and the *identical issues* currently before the Board in this Cancellation proceeding.

II. ARGUMENT

The Board should grant this motion to suspend because the Civil Action has a clear bearing on the issues in the present proceeding, namely, whether Registration Nos. 3,629,011 and 3,633,365 are valid. The Board has the power to suspend proceedings in favor of a pending civil action pursuant to 37 C.F.R. § 2.117(a), which provides:

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 or the other Board proceeding.

The Board regularly exercises this power in the interests of promoting judicial economy and conserving resources. *See Vining Indus., Inc. v. Libman Co.*, No. 23,546, 1996 TTAB LEXIS 455, at *6 (T.T.A.B. July 16, 1996) (suspending Board proceedings “in the interest of judicial economy and consistent with [the Board’s] inherent authority to regulate [its] proceedings to avoid duplicating the effort of the court and the possibility of reaching an inconsistent conclusion”); *Tokaido v. Honda Assocs., Inc.*, 179 U.S.P.Q. 861, 862 (T.T.A.B. 1973)

³ A copy of the February 10, 2015 Order is attached as **Exhibit 3**.

("[N]otwithstanding the fact that the Patent Office proceeding was the first to be filed, it is deemed to be the better policy to suspend proceedings herein until the civil suit has been finally concluded."); *Townley Clothes, Inc. v. Goldring, Inc.*, 100 U.S.P.Q. 57, 58 (Comm'r Pat. & Trademarks 1953) ("[I]t would not seem to be in the interests of 'judicial economy' for the parties to proceed in two forums . . .").

"Ordinarily, the Board will suspend proceedings in the case before it if the final determination of the other proceeding may have a bearing on the issues before the Board." Trademark Trial and Appeal Board Manual of Procedure § 510.02(a) (3d ed. 2011). Here, the outcome of the cancellation counterclaims in the Civil Action will have a direct bearing on the outcome of this proceeding because the pending civil action involves the very same issues, namely the validity Respondent's supplemental registrations. The District Court's determination of the issues relating to cancellation certainly will "have a bearing on the issues before the Board." *See Tokaido*, 179 U.S.P.Q. at 862 ("[W]hile a decision by the District Court would be binding upon the Patent Office, a decision by the Trademark Trial and Appeal Board would only be advisory in respect to the disposition of the case pending in the District Court."); *see also Sam S. Goldstein Indus., Inc. v. Botany Indus., Inc.*, 301 F. Supp. 728, 731, 163 U.S.P.Q. 442, 443 (S.D.N.Y. 1969) (noting that PTO "findings would not be res judicata in this [civil action]" and denying motion to stay district court proceedings); *New Orleans Louisiana Saints LLC v. Who Dat? Inc.*, 99 U.S.P.Q.2d 1550, 1552 (T.T.A.B. 2011) ("A decision by the district court may be binding on the Board whereas a determination by the Board as to a defendant's right to obtain or

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