

This Decision is Not
Citable as Precedent
of the TTAB

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, Virginia 22202-3513

Mailed:
June 13, 2003

Cancellation No. 92/26016

Sealtite Building
Fasteners

v.

Larry Joseph Bogatz d/b/a
B&B Hardware, and B&B
Hardware, Inc., joined as
party defendant

Before Quinn, Hairston and Rogers,
Administrative Trademark Judges.

Rogers, Administrative Trademark Judge:

By our order dated July 1, 2002, we allowed plaintiff, over defendant's objections, to amend the petition for cancellation; construed each party's request that judgment be entered in its favor as a motion for summary judgment; and granted summary judgment in plaintiff's favor on the ground of issue preclusion, in view of a prior determination by a federal district court, upheld on appeal, that the mark in defendant's involved registration is descriptive and has not acquired distinctiveness. Defendant now seeks reconsideration of that decision.

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In briefing defendant's request for reconsideration, defendant filed a reply brief and plaintiff filed a "rebuttal" brief in response to the reply brief. Because Trademark Rule 2.127(a) states that no further papers beyond a reply brief will be considered in regard to any pending motion, plaintiff's "rebuttal" has not been considered.

In briefing the issues raised by the constructive cross motions for summary judgment considered in our last order, defendant had argued against application of issue preclusion in this case. Specifically, defendant had argued that the federal district court that determined respondent's registered mark is descriptive and devoid of acquired distinctiveness did not have jurisdiction to consider that issue. We noted that defendant should have raised the question of subject matter jurisdiction with the district court, not with the Board. Thus, we did not consider the argument. In the current request for reconsideration, defendant does not contest our application of issue preclusion. Defendant does, however, contest our granting of plaintiff's motion to amend its petition for cancellation to substitute, for its original likelihood of confusion and abandonment claims, the claim that defendant's mark is descriptive and devoid of acquired distinctiveness, and that res judicata -- in this instance, issue preclusion -- requires cancellation of defendant's registration.

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Defendant's argument against allowing plaintiff to substitute the new claim was that, by allowing it we would be allowing plaintiff to pursue a descriptiveness claim after defendant's registration had turned five years old. We disagreed with that conclusion and allowed the claim on the theory that the five-year deadline for filing a descriptiveness claim would not apply when a petition was filed prior to the five-year anniversary of issuance of the registration and one of two conditions was satisfied. Specifically, the conditions are (1) that the basis for the proposed new or additional claim was not known to the plaintiff until after discovery was taken in the proceeding, or (2) that the basis for the claim, while suspected, could not under Federal Rule 11 be pleaded until the basis for it was confirmed through taking of discovery.

In the decision defendant seeks to set aside, we noted, based on the facts then before us, that plaintiff had not obtained discovery responses before defendant moved to suspend this case while it pursued, in the federal district court, an infringement claim against plaintiff. Therefore, we concluded, plaintiff had not had an opportunity to learn, prior to the lengthy suspension for the civil action, whether there was good basis for a descriptiveness claim. It appeared to us that the descriptiveness issue was not fully explored except in the civil action, and that

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plaintiff, upon dismissal of the civil action and filing of its request to resume proceedings herein, promptly sought to raise the claim before the Board.

By defendant's request for reconsideration, defendant has demonstrated that plaintiff's counsel in fact did have sound basis for pleading descriptiveness when the original petition was filed. Thus, plaintiff would not meet either of the two conditions we set out that would effect a tolling of the five-year bar to raising a descriptiveness claim. It would not satisfy the first condition because that contemplates no knowledge whatsoever of the basis for the claim, and clearly plaintiff had knowledge of the basis for the descriptiveness claim when it filed its original petition. It would also not satisfy the second, alternative condition, insofar as having *actual knowledge* that a claim could be pleaded precludes the possibility that one may only have a *suspicion* that a claim may be pleaded but defer pleading the claim until after discovery is taken because of the shadow of Federal Rule 11.

Plaintiff, in its response to the request for reconsideration, essentially argues that it did not have knowledge of the basis for the descriptiveness claim, although it appears to acknowledge that it had at least the suspicion of the basis for such claim. Thus, plaintiff attempts to justify its late pleading of the claim by resort

to the second alternative we posited, i.e., that while it suspected the basis for raising a descriptiveness claim, it could not, consonant with Federal Rule 11, do so until it had discovery. This argument, however, is unavailing, as defendant noted in its request for reconsideration that defendant had, in fact, responded to discovery requests prior to defendant's registration reaching its five-year anniversary, so that any question plaintiff had about its ability to plead the descriptiveness claim could have been resolved prior to the deadline. In its response to the request for reconsideration, plaintiff does not deny the contention that it had received responses to its discovery requests. In any event, we find the showing by defendant convincing that plaintiff actually knew the basis for bringing a descriptiveness claim when it filed the original petition but likely chose not to do so. We divine no support for plaintiff's contention that it deferred raising the descriptiveness claim out of concern that doing so would have made plaintiff subject to possible sanctions under Federal Rule 11 for abusive pleading.

The request for reconsideration is granted. Our previous order is set aside, plaintiff's attempt to assert a descriptiveness claim is disallowed, and the petition for cancellation is dismissed. Lest plaintiff argue that we have, by this decision, failed to accord due consideration

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to the federal district court's determination that defendant's mark is descriptive and without acquired distinctiveness, we note that plaintiff, as defendant in the civil action, did not press a counterclaim against our defendant's registration, and the court did not, pursuant to Section 37 of the Lanham Act, order the registration cancelled. Without a Section 37 order from the court to the Commissioner directing cancellation of the registration, and in the absence of any ability by plaintiff to pursue a descriptiveness claim in this case, application of issue preclusion will not allow the plaintiff to obtain what the court did not itself order. Again, the petition for cancellation is dismissed.