

UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trademark Office
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, Virginia 22202-3514

Mail date: February 19, 2004

Opposition No. 91154585

Opposition No. 91154617

Central Mfg. Co.

v.

Medtronic Sofamor Danek Inc.

Before Cissel, Chapman and Bucher Administrative Trademark
Judges.

By the Board:

Applicant seeks to register the marks STEALTHMERGE for "software for use in creating images based on data received from medical devices"¹ and STEALTHDRIVE for "surgical implants comprised of artificial material, namely a micropositioner for use in spinal surgery."² In the notices of opposition, each with 53 numbered paragraphs, opposer sets forth numerous grounds for the complaints, including allegations that applicant's marks are likely to cause confusion with opposer's previously used and registered STEALTH marks, as well as previously used STEALTH marks for which applications are pending, which allegedly form a

¹ Application No. 78099238, filed on December 19, 2001, claiming a bona fide intention to use the mark in commerce. Said application is the subject of Opposition No. 91154585.

² Application No. 78057633, filed on April 10, 2001, claiming a bona fide intention to use the mark in commerce. Said application is the subject of Opposition No. 91154617.

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family of marks; an allegation of dilution under Trademark Act Section 43(c); an allegation that applicant's marks are merely descriptive; allegations of applicant's fraud on the Office; allegations that the applications set forth the mark in a different font than the one in which it is actually used; allegations that applicant is not the owner of the marks; and allegations that applicant's identifications of goods are not definite.

Opposition No. 91154585 was instituted by order of the Board dated January 21, 2003. Opposition No. 91154617 was instituted on January 22, 2003.

In an order dated March 17, 2003, the Board consolidated, *sua sponte*, Opposition Nos. 91154585 and 91154617, identifying 91154585 as the "parent" case number. The Board further noted that each opposition listed both Leo Stoller and Central Mfg. Co. as opposers; that only one fee had been paid in each opposition; and that an additional fee must be paid in each proceeding if joint opposers existed or the oppositions must each be restricted to one opposer. The named opposers were allowed time to notify the Board as to their intention. Proceedings were otherwise suspended pending disposition of applicant's motion to dismiss filed on March 6, 2003.

This case now comes up on the following motions and matters:

- 1) applicant's fully-briefed motion, filed March 6, 2003, to dismiss the opposition;
- 2) opposer's combined motion, filed March 11, 2003, to compel responses to written discovery requests and to test the sufficiency of responses to requests for admission;

- 3) opposer's motion, filed March 17, 2003, to strike applicant's motion, filed March 6, 2003 in Opposition No. 91154617, to consolidate proceedings;
- 4) opposer's fully-briefed motion, filed March 17, 2003, to strike applicant's motion to dismiss;
- 5) applicant's response, filed March 19, 2003, to opposer's motion to substitute;³
- 6) applicant's response, filed March 19, 2003, to opposer's motion, filed March 11, 2003, to extend its time to respond to applicant's motion to dismiss where the Board, on April 18, 2003, granted opposer's motion to extend as conceded; and
- 7) opposer's fully-briefed motion, filed April 21, 2003, for sanctions in the nature of judgment in its favor under Fed. R. Civ. P. 11.

Opposer's motion to substitute

As discussed above, the Board, in its order of March 17, 2003, allowed Leo Stoller and Central Mfg. Co. time to submit a second fee for two opposers, including a showing of privity, as necessary, or to submit a statement indicating which single opposer will be going forward with the oppositions. In Opposition No. 91154617, on February 28, 2003, in response to a separate deficient fee order, opposer indicates that the single named opposer is Central Mfg. Co. With respect to the Board's March 17, 2003 order on the consolidated case, opposer served on applicant a "motion to substitute" prior to issuance of that order, also indicating that Central Mfg. Co. is the single named opposer. Although, said motion is not of record,⁴ applicant

³ Opposer's motion to substitute has never been received by the Board and is not of record. This will be discussed in more detail later in this decision.

⁴ In view of opposer's request to go forward only as one opposer, Central Mfg. Co., there is no need to provide the Board with a copy thereof.

filed a response to opposer's "motion to substitute." Applicant states as follows:

In his Motion to Substitute, Stoller requests that Central Mfg. Co. be substituted for Leo Stoller in this action. Medtronic is unclear what this means since Central Mfg. Co. is already a party. To the extent that Leo Stoller is requesting withdrawal, Medtronic has no objection to Stoller's requested "substitution." Medtronic wishes to notify the Board that Exhibit A, allegedly attached to Stoller's Motion to Substitute was not attached to the Motion copy received by Medtronic.

Applicant by now understands that opposer was required either to pay an additional fee and show privity for two named opposers or to limit the plaintiff to one named opposer. See TBMP Sections 303.06 and 308 (2nd ed. June 2003). Applicant also indicates that it has no objection to Central Mfg. Co. being the single named opposer. Accordingly, Central Mfg. Co. is the named opposer in each of the two oppositions which form this consolidated proceeding, and the captions are so amended.

Opposer's motion to extend its time to respond to applicant's motion to dismiss

Opposer, on March 11, 2003, filed a motion to extend its time until April 22, 2003 to respond to applicant's motion to dismiss, filed March 6, 2003. On April 18, 2003, the Board granted opposer's motion as conceded notwithstanding applicant's substantive response, filed March 19, 2003, in opposition thereto. In view of applicant's response, the Board's order of April 18, 2003 is hereby vacated, and the Board will now determine opposer's motion to extend time on its merits.

In support of its motion, opposer argues that, at the time, it was preparing an appeal to the Federal Circuit as well as a trial brief in another opposition.

In response, applicant argues that opposer brought this proceeding and its involvement in other cases should not be allowed to establish good cause for delaying this case. Applicant notes that inasmuch as opposer's appeal to the Federal Circuit in the case referenced by opposer was then due April 26, 2003, the requested date of the extension in this case, April 22, 2003, would not appear to have relieved opposer of any claimed pressure.

In addition, the Board notes that, while claiming a need for an extension of time to respond to the March 6, 2003 motion to dismiss, opposer nonetheless found time to file a motion to compel (March 11, 2003); a motion to strike applicant's motion to dismiss (March 17, 2003); a motion to strike applicant's motion for consolidation (March 17, 2003); and a motion for Rule 11 sanctions (April 21, 2003).

In view of opposer's activity in this case, its claimed need for an extension of time to respond to applicant's motion to dismiss is not credible. The time opposer spent preparing and filing the other motions identified above could have been used to prepare and file a timely substantive response to the motion to dismiss.

Accordingly, opposer's motion to extend its time until April 22, 2003 to respond to applicant's motion to dismiss is denied;

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and opposer's response, dated April 21, 2003, will not be considered.⁵ See Fed. R. Civ. P. 6(b).

Opposer's motion to strike applicant's motion to consolidate

On March 6, 2003, applicant filed a motion to consolidate in Opposition No. 91154617, seeking to consolidate said opposition with Opposition No. 91154585. Apparently, the motion was not associated with the electronic file at the time of the Board's March 17, 2003 order which consolidated said proceedings *sua sponte*.⁶

In support of its motion to strike, opposer argues that applicant has named a non-party "Leo Stoller, dba Central Mfg. Co." as opposer, and the motion must be stricken as a matter of law. Opposer's motion is without merit, constitutes harassment, and can only be assumed to have been brought for purposes of delay. Opposer identified itself as "Leo Stoller Central Mfg. Co." in both notices of opposition and as "Leo Stoller, dba Central Mfg. Co." in other papers presented in the cases. Until opposer finally clarified whether or not there were multiple opposers, applicant could reasonably rely on how opposer identified itself.

⁵ The Board will not grant applicant's motion to dismiss as conceded, but will consider said motion on its merits. See Trademark Rule 2.127(a).

⁶ When cases involving common questions of law or fact are pending before the Board, consolidation of such cases may be found appropriate and consolidated upon the Board's own initiative. See Fed. R. Civ. P. 42(a); and TBMP Section 511 (2nd ed. June 2003).

Accordingly, opposer's motion to strike applicant's motion to consolidate is denied.⁷

Opposer's motion to strike applicant's motion to dismiss

As with its motion to strike applicant's motion to consolidate, opposer argues that applicant has named a non-party "Leo Stoller, dba Central Mfg. Co." as opposer, and applicant's motion to dismiss must be stricken as a matter of law.⁸ In response, applicant argues that it has named the proper opposer based on the information made available to it. Applicant argues that opposers were listed as Leo Stoller and Central Mfg. Co. in the notices of opposition, and that said notices were signed by Leo Stoller individually and as president of Central Mfg. Co.

Again, as with its motion to strike applicant's motion to consolidate, opposer's motion to strike applicant's motion to dismiss is without merit, constitutes harassment, and can only be assumed to have been brought for purposes of delay. Applicant reasonably relied on the information presented by opposer until the record was clarified.

Accordingly, opposer's motion to strike applicant's motion to dismiss is denied.⁹

⁷ Opposer should note that the Board does not generally strike motions. Rather, opposer should direct its arguments to why a motion should not be granted in a timely response to the motion.

⁸ As discussed in more detail earlier in this decision, the record has now been clarified and the sole opposer is Central Mfg. Co. in each opposition.

⁹ As noted in footnote 7, *supra*, in response to a motion of the adverse party, opposer should direct its arguments to the merits of a motion.

Opposer's motion to compel

Applicant filed its motion to dismiss on March 6, 2003, in which applicant also requested suspension of proceedings in accordance with Trademark Rule 2.127(d). On March 11, 2003, opposer filed a combined motion to compel and to test the sufficiency of applicant's responses to opposer's requests for admission. Opposer argues that applicant refused to respond to the discovery requests in view of applicant's pending motion to dismiss. Opposer argues further that, at the time its combined motion was filed, because there was no order of the Board suspending proceedings, applicant was obliged to respond to the written discovery requests.

When a party files a potentially dispositive motion, such as a motion to dismiss, the Board will suspend proceedings with respect to all matters not germane to the motion. See Trademark Rule 2.127(d); and TBMP Section 510.03(a) (2nd ed. June 2003). While it is true that the filing of a dispositive motion does not automatically suspend proceedings, the Board will ordinarily treat the proceeding as having been suspended since the date of the filing of the potentially dispositive motion. *Id.* In addition, because the parties are presumed to know that the filing of a potentially dispositive motion will result in a suspension order, as occurred in this consolidated case on March 17, 2003, the filing of such a motion generally will provide parties with good cause to cease or defer activities unrelated to the briefing of such motion.

Accordingly, while proceedings had not been officially suspended by the Board at the time applicant's responses to opposer's discovery requests appear to have been due,¹⁰ the Board, in this instance, considers proceedings suspended retroactive to the date of filing of applicant's motion to dismiss. See *Leeds Technologies Ltd. v. Topaz Communications Ltd.*, 65 USPQ2d 1303 (TTAB 2002).

Thus, applicant's responses to the discovery requests were not due, and opposer's combined motion to compel and to test the sufficiency of applicant's responses to requests for admission was premature, and is denied.

Applicant's motion to dismiss

Applicant seeks to dismiss the notices of opposition for failure to state a claim upon which relief can be granted in accordance with Fed. R. Civ. P. 12(b)(6) or, alternatively, on the basis of "collateral estoppel."

In support of its motion, applicant argues that opposer's allegations are legally insufficient to support even a *prima facie* finding that (i) likelihood of confusion exists; (ii) opposer's STEALTH marks are or will be diluted; and (iii) opposer is damaged by registrations of applicant's STEALTHMERGE and STEALTHDRIVE marks. In particular, applicant argues that opposer makes no factual allegations that it sells goods that overlap in

¹⁰ It is unclear that opposer's discovery requests were all served on the same day because the dates in some of the certificates of service are not legible.

any way with the goods offered by applicant;¹¹ and that a court has already held as a matter of law that "...the goods registered by plaintiff such as metal alloys, sporting equipment, paint, comic books, motorcycles, bicycles, boats and lawn sprinklers are not even remotely related to computers or computer related goods." *Citing S Industries, Inc. v. Diamond Multimedia Systems, Inc.*, 991 F.Supp. 1012, 1017 (N.D. Ill. 1998).¹²

Applicant also argues that opposer's allegations of fraud, application for the marks in "incorrect type," indefinite description of goods, lack of bona fide intention to use the marks, and to rightful ownership of the marks are unsupported by any further factual allegations and are improper as a matter of law. Applicant contends that the same allegations were dismissed *sua sponte* by the Board in *Central Mfg. v. Surgical Navigation Technologies, Inc.*, Opposition No. 91117480 (TTAB January 13, 2003) *appeal pending at Federal Circuit*. Applicant argues that its marks differ from opposer's claimed marks; that opposer's dilution claim is insufficient because opposer's marks have been found not to be famous, *citing S Industries, Inc. v. Diamond Multimedia*, 911 F.Supp at 1021; and that opposer cannot be damaged by registration of applicant's marks, because applicant's existing registration of the mark STEALTHSTATION has been

¹¹ Applicant notes that it never received copies of opposer's registration certificates pleaded in Opposition No. 91/154585.

¹² S Industries is a predecessor in interest to at least some of the registrations pleaded by Central Mfg. Co. *See, for example*, Reel 1707, Frame 0794 with respect to Registration No. 1434542.

unchallenged by opposer.¹³ Thus, applicant asserts the affirmative defense of acquiescence by opposer, barring opposer's present claims.

Preliminarily, the Board notes that applicant's motion to dismiss is premised on several different legal concepts and types of evidence. Applicant's argument that the allegations of the notices of opposition are barred by "collateral estoppel" is actually composed of three distinctly separate concepts: *res judicata* (claim preclusion), collateral estoppel (issue preclusion), and the *Morehouse* defense. Inasmuch as the Board must look to matters outside the pleadings, as discussed in more detail, *infra*, applicant's motion to dismiss must be considered a motion for summary judgment with respect to these arguments.

However, applicant's motion to dismiss is also directed to the legal sufficiency of specific allegations in opposer's notices of opposition, and such arguments do not require the Board to consider matters outside the pleadings. Thus, applicant's motion remains, in part, one to dismiss for failure to state a claim within the meaning of Fed. R. Civ. P. 12(b)(6), and will be discussed separately.

¹³ Registration No. 2191709 for the mark STEALTHSTATION for "surgical medical navigation system, namely, a surgical reference arc and cables, camera array, probe with transmitters, high resolution graphic computer, 3D optical digitizer, surgical field breakout box, foot switch and portable mounting stand and cart with isolation transformer sold as a unit and used for surgical procedures" issued September 29, 1998, claiming a date of first use and first use in commerce since July 31, 1995. Section 8 affidavit accepted; Section 15 affidavit acknowledged. The records of the USPTO show this registration issued to Surgical Navigational Technologies, Inc., and no assignment to applicant or any other entity has been recorded.

Motion for summary judgment

We turn first to applicant's motion to dismiss based on its arguments broadly characterized as "collateral estoppel." As a procedural matter, when, on a motion to dismiss, matters outside the pleadings are submitted and not excluded by the Board, the motion will be treated as a motion for summary judgment. To the extent that applicant's motion is predicated on prior court and Board determinations and, thus, involves matters outside the pleadings, said motion will be treated as one for summary judgment. See *Selva & Sons, Inc. v. Nina Footwear, Inc.*, 705 F.2d 1316, 217 USPQ 641 (Fed. Cir. 1983).

In a motion for summary judgment, the moving party has the burden of establishing the absence of any genuine issue of material fact and that it is entitled to judgment as a matter of law. See Fed. R. Civ. P. 56. A genuine dispute with respect to a material fact exists if sufficient evidence is presented that a reasonable fact finder could decide the question in favor of the non-moving party. See *Opryland USA Inc. v. Great American Music Show, Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992). Thus, all doubts as to whether any particular factual issues are genuinely in dispute must be resolved in the light most favorable to the non-moving party. See *Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ 1542 (Fed. Cir. 1992).

In *Central Mfg. v. Surgical Navigation Technologies, supra*, the defendant's involved mark was STEALTHVIEW (application Serial No. 75577215) for a "computer system comprised primarily of

hardware and software for using medical scanning information for surgical planning for use in image guided surgery." The Board granted Surgical Navigation's motion for summary judgment as conceded, and dismissed the opposition with prejudice.

Applicant seeks to dismiss these now consolidated notices of opposition on the basis of claim preclusion (*res judicata*), relying on the final determination in *Central Mfg. v. Surgical Navigation Technologies*, and arguing that said case involved the same parties and "identical issues" on a "related mark." Under the doctrine of claim preclusion, the entry of a final judgment "on the merits" of a claim (i.e., cause of action) in a proceeding serves to preclude the relitigation of the same claim in a subsequent proceeding between the parties or their privies, even in those cases where prior judgment was the result of a default or consent. See *Lawlor v. National Screen Service Corp.*, 349 U.S. 322, 75 S.Ct. 865, 99 L.Ed. 1122 (1955); *Chromalloy American Corp. v. Kenneth Gordon, Ltd.*, 736 F.2d 694, 222 USPQ 187 (Fed. Cir. 1984); and *Flowers Industries, Inc. v. Interstate Brands Corp.*, 5 USPQ2d 1580 (TTAB 1987).

There was a final judgment in *Central Mfg. v. Surgical Navigation Technologies*. However, no evidence has been offered as to what claims were presented therein. In addition, the parties are not the same. Although there is some evidence that S Industries was a predecessor in interest to Central Mfg. Co. (by way of the recorded assignments in the Office concerning some of Central Mfg.'s pleaded registration), there is no evidence that

Surgical Navigation Technologies and applicant herein are in privity.

Accordingly, because genuine issues of material fact exist, applicant's motion to dismiss, construed as a motion for summary judgment, based on *res judicata* is denied.

We turn next to applicant's arguments that are actually premised on the legal concept of collateral estoppel (issue preclusion). Applicant relies on the decision in *S Industries, Inc. v. Diamond Multimedia Systems, Inc.*, 991 F.Supp. 1012, 1017 (N.D. Ill. 1998) to establish issue preclusion with respect to opposer's likelihood of confusion claim arguing that the involved goods are unrelated, and to strike opposer's claim that its STEALTH marks are famous.

Under the doctrine of collateral estoppel, or issue preclusion, if an issue is actually and necessarily determined by a court of competent jurisdiction, that determination is normally conclusive in a subsequent suit involving the parties to the prior litigation. The requirements which must be met for issue preclusion are: (1) the issue to be determined must be identical to the issue involved in the prior action; (2) the issue must have been raised, litigated and actually adjudged in the prior action; (3) the determination of the issue must have been necessary and essential to the resulting judgment; and (4) the party precluded must have been fully represented in the prior action. See *Larami Corp. v. Talk To Me Programs Inc.*, 36 USPQ2d 1840, 1843-1844 (TTAB 1995), citing *Lukens Inc. v. Vesper*

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Corporation, 1 USPQ2d 1299 (TTAB 1986), aff'd Appeal No. 87-1187 (Fed. Cir. Sept. 18, 1987). Nonetheless, changes in controlling facts essential to a judgment will render collateral estoppel inapplicable in a subsequent action raising the same issues. See *Montana v. United States*, 440 U.S. 147 (1979).

Opposer's pleaded registrations now include registrations covering computer goods, and opposer has pleaded a family of marks. Moreover, because of the passage of time since the Court's decision in 1998, circumstances may have changed with respect to opposer's allegations of fame.

Applicant has not shown for purposes of judgment as a matter of law herein that the decision in *S Industries, Inc. v. Diamond Multimedia Systems* is controlling. Moreover, genuine issues of material fact existing, at a minimum, as to opposer's claim of a family of marks, relatedness of goods in opposer's other pleaded registrations, and opposer's allegations of fame. Accordingly, applicant's motion to dismiss, construed as a motion for summary judgment, based on issue preclusion is denied.

We turn next to applicant's argument that opposer cannot be damaged by registration of the marks STEALTHMERGE and STEALTHDRIVE in view of applicant's claimed registration for the mark STEALTHSTATION. More particularly, it is applicant's position, relying on *Morehouse Mfg. Corp. v. Strickland & Co.*, 160 USPQ 715 (CCPA) affirming *Morehouse Mfg. Corp. v. Strickland & Co.*, 150 USPQ 688 (TTAB 1966), that because the present oppositions involve the same parties; that applicant's registered

mark and two applied for marks are similar including the identical term "stealth;" and that applicant's registered goods and applied for goods are related, being within the same family of products as were involved in *Central Mfg. v. Surgical Navigation Technologies, supra*, opposer cannot be damaged, and opposer has acquiesced to the registration of STEALTHSTATION.

In this case, no evidence has been presented, at a minimum, that Medtronic Sofamor Danek, Inc. is the owner of the registered mark STEALTHSTATION. Moreover, the marks STEALTHSTATION and STEALTHMERGE and STEALTHDRIVE are not substantially similar and the goods are not substantially the same.

Accordingly, applicant's motion to dismiss, construed as a motion for summary judgment, based on the *Morehouse* defense, and to whatever extent it is based on acquiescence, is denied.

Motion to dismiss for failure to state a claim upon which relief can be granted

Applicant seeks to dismiss certain portions of the consolidated opposition for failure to state a claim upon which relief can be granted. In order to withstand such a motion, a pleading need only allege such facts as would, if proved, establish that the plaintiff is entitled to the relief sought, that is, that (1) the plaintiff has standing to maintain the proceeding, and (2) a valid ground exists for denying the registration sought (in the case of an opposition). See *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982). For purposes of determining a motion to dismiss

for failure to state a claim upon which relief can be granted, all of the plaintiff's well pleaded allegations must be accepted as true, and the complaint must be construed in the light most favorable to the plaintiff. See *Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc.*, 988 F.2d 1157, 26 USPQ2d 1038 (Fed. Cir. 1993); Fed. R. Civ. P. 12(b)(6); and TBMP Section 503.02 (2nd ed. June 2003). To establish standing, it must be shown that a plaintiff has a "real interest" in the outcome of a proceeding; that is, plaintiff must have a direct and personal stake in the outcome of the opposition. See *Ritchie v. Simpson*, 50 USPQ2d 1023 (Fed. Cir. 1999).

We find that opposer has adequately, though not succinctly or artfully, pleaded priority of use and likelihood of confusion based on its various STEALTH marks. Opposer has pleaded ownership of registrations and applications with specificity, including a chart.¹⁴ In addition, opposer's allegations under Section 2(e)(1) of the Trademark Act (i.e., that applicant's mark is merely descriptive or deceptively misdescriptive of the goods), and that applicant is not the owner of the marks sought to be registered, are legally sufficient. (See, e.g., paragraph nos. 32 and 46 of the notices of opposition.) Opposer adequately

¹⁴ The Board notes, as applicant complains, that informational copies of the pleaded registrations are not attached in Opposition No. 91154585, although said attachments were referenced. Opposer is allowed until **twenty** days from the mailing date of this order to serve said copies on applicant, and to inform the Board when such copies were served on applicant. A chart was attached to the notice of opposition. A copy of said chart is included herewith in the event that it did not accompany the applicant's copy of the institution order for Opposition No. 91154858.

pleaded its standing with respect to these allegations, and the above-referenced allegations in the notices of opposition are sufficient, that, if proven, would enable opposer to prevail in the consolidated proceeding.

Accordingly, applicant's motion to dismiss for failure to state a claim upon which relief can be granted is denied as to opposer's allegations of priority and likelihood of confusion, that applicant's mark is merely descriptive or deceptively misdescriptive of its goods, and that applicant is not the owner of the marks sought to be registered.

Opposer's allegation of dilution is legally insufficient in its present form because there is no allegation as to when opposer's marks became famous. See *Toro Co. v. ToroHead, Inc.*, 61 USPQ22 1164 (TTAB 2001); and *Polaris Industries Inc. v. DC Comics*, 59 USPQ2d 1798 (TTAB 2000). Inasmuch as the consolidated proceeding is still in the discovery phase, opposer will be permitted to file a consolidated amended notice of opposition with regard to dilution, as discussed later in this decision. (See paragraph no. 16.)

We turn finally to applicant's motion to dismiss for failure to state a claim with respect to certain allegations in the notices of opposition that are insufficient or impermissible. Where a proposed pleading is legally insufficient, or would serve no useful purpose, the Board may, on its own initiative, strike the impermissible or insufficient claim. See Fed. R. Civ. P. 12(f); and TBMP Section 506 (2nd ed. June 2003). Accordingly,

applicant's motion to dismiss is granted as to the following claims, which are stricken from the notices of opposition:

- 1) Opposer's allegations that applicant's identification of goods in each of the applications is indefinite. Said identifications were acceptable to the Examining Operation of the United States Patent & Trademark Office. Opposer's allegation pertains solely to an examination issue. See, e.g., *Phonak Holding AG v. ReSound GmbH*, 56 USPQ2d 1057 (TTAB 2000). Accordingly, paragraph nos. 34 and 50 in each notice of opposition are stricken.
- 2) Opposer's allegations that applicant committed fraud by filing intent-to-use applications pursuant to Trademark Act Section 1(b) when applicant was actually using the mark. A §1(b) applicant may assert dates of use that are earlier than the filing date of the application in an amendment to allege use or statement of use. See TMEP Section 903 (3rd ed. June 2002). Thus, it is contemplated that an applicant filing an intent to use application may actually be using the mark at the time the intent to use application is filed. Accordingly, paragraph nos. 35-38 and 40-45 in each notice of opposition are stricken.
- 3) Opposer's allegation that the marks applied for in each application are not in "...correct type as shown..." in the respective applications. The marks in the drawings of applicant's two involved applications are set out in typed form. The purpose of presenting a mark sought to be registered in typed form is that the applicant is not limiting the depiction of the mark to any special form or lettering. See Trademark Rule 2.52(a)(1); and TMEP Section 807.06 (3rd ed. June 2002). Accordingly, paragraph no. 45 in each notice of opposition is stricken.

Appropriate dates are discussed and reset later in this decision.

Opposer's Rule 11 motion

In support of its motion, opposer argues that applicant's motion to dismiss is frivolous on its face, and requests judgment in its favor.

In response, applicant argues that, if opposer disagrees with the motion to dismiss, opposer should respond to the motion on its merits, not bring a Rule 11 motion; and that there is no proof that its motion to dismiss was brought for an improper purpose and, indeed, its motion to dismiss is meritorious.

We agree with applicant. There is not a scintilla of proof that applicant's motion to dismiss was brought for any improper purpose. Moreover, the motion was granted, in part, demonstrating that it was meritorious.

Accordingly, opposer's motion for sanctions under Fed. R. Civ. P. 11 is denied.¹⁵

Sanctions imposed against opposer

In view of the Board's determination that opposer's Rule 11 motion lacked merit, and in view of other motions brought by opposer in this consolidated case that have been determined to be without merit, constitute harassment, and can only be assumed to have been brought for purposes of delay, the Board hereby exercises its inherent authority to enter sanctions against opposer.¹⁶ See *Chambers v. NASCO, Inc.*, 501 U.S. 32, 111 S.Ct.

¹⁵ Opposer is admonished that the action of bringing a motion under Rule 11 that is found to be without merit may be viewed as sanctionable itself. See Fed. R. Civ. P. 11(b) and (c). ("As under former Rule 11, the filing of a motion for sanctions is itself subject to the requirements of the rule and can lead to sanctions." Advisory Committee's note (1993)). Opposer is hereby specifically warned that any future groundless Rule 11 motions may result in sanctions in the form of judgment against opposer.

¹⁶ While the Board is entering sanctions against opposer here based on opposer's behavior in this case, the Board is cognizant of our experiences in other cases involving the conduct of Mr. Stoller, Central Mfg. and other related entities, as well as the experiences of the Seventh Circuit and the Northern District of Illinois. Said experiences may be considered as a "history in this type of

2123 (1991); and *Carrini Inc. v. Carla Carini S.R.L.*, 57 USPQ2d 1067 (TTAB 2000).

Accordingly, opposer, Central Mfg. Co. is sanctioned as follows:

- 1) Discovery is closed for opposer, although discovery is reset below for applicant. (The time for applicant to respond to the written discovery requests served by opposer in February 2003 will be reset in this decision.)
- 2) Opposer is prohibited from filing any further motions in this consolidated case without prior leave of the Board. To be clear, this means that opposer must first file a motion for leave (i.e. permission) to file a particular motion, with the arguments, authority and evidence in support thereof, and that opposer's motion for leave must be properly served on applicant in order that applicant may respond, if it chooses to do so. If the Board grants opposer's motion for leave, the Board will set the due date by which opposer may then file the motion it sought permission to file. (If opposer files the substantive motion, of course it must be properly served on applicant in order that applicant may respond.) Opposer is ordered not to combine any motion for leave to file a motion with a substantive motion on its merits.

Opposer is specifically warned that failure to adhere to the above outlined sanctions may result in the imposition of future sanctions, including entry of judgment against opposer.

litigation." *In re Intel Securities Litigation*, 596 F.Supp. 226, 235 (N.D. Cal. 1984). See also, *Central Mfg., Inc. v. Third Millennium Technology, Inc.*, 61 USPQ2d 1210 (TTAB 2001) (opposition dismissed with prejudice; Leo Stoller sanctioned under the Board's inherent authority); and *S Industries Inc. v. Lamb-Weston, Inc.*, 45 USPQ2d 1923 (TTAB 1997) (petitioners' motion to extend was based on report that its president, i.e. Leo Stoller, was involved in numerous other proceedings before the Board). Court cases include *S Industries, Inc. v. Centra 2000, Inc. and Auto-Trol Technology, Inc.*, 249 F.3d 625, 58 USPQ2d 1635 (7th Cir. 2001) ("Finally, we note that S Industries' behavior in this case is not isolated. As the cases collected in our first footnote show, its actions here look to be a part of a pattern of abusive and improper litigation with which the company and Leo Stoller, its sole shareholder, have burdened the courts and this circuit. As ... the district court noted in a different case, the company has filed at least 33 trademark infringement suits ... between 1995 and 1997.")

Proceedings resumed; discovery for applicant and trial dates reset

Proceedings are resumed, and dates are reset as follows:

In view of our decision concerning applicant's motion to dismiss, opposer is allowed until **twenty days** from the mailing date of this decision to file (and serve), if it chooses to do so, an amended consolidated notice of opposition to present a legally sufficient claim of dilution, failing which, said claim will be stricken.

If opposer files an amended consolidated notice of opposition, applicant is then allowed until **fifty days** from the mailing date of this decision to file its answer to the amended consolidated notice of opposition. In the event that opposer does not serve an amended consolidated notice of opposition, applicant is allowed until **fifty days** from the mailing date of this decision to file its answers to each notice of opposition involved in this consolidated opposition proceeding.

Inasmuch as the record indicates that both opposer and applicant have served discovery which has not yet been responded to by the adverse party, the Board hereby schedules due dates for said responses. Both parties are allowed until **thirty days** from the mailing date of this order to respond to any outstanding discovery requests of their adversary. (For applicant, those

requests include the ones served by opposer on or about February 11, 2003.)¹⁷

Discovery and trial dates are:

THE PERIOD FOR DISCOVERY TO CLOSE: (For applicant only.)	June 15, 2004
30-day testimony period for party in position of plaintiff to close:	September 13, 2004
30-day testimony period for party in position of defendant to close:	November 12, 2004
15-day rebuttal testimony period to close:	December 27, 2004

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rule 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

The Board now provides information at <http://ttabvue.uspto.gov/ttabvue/> , where the parties may view and print filings in this proceeding from the USPTO database.

¹⁷ By resetting this time, the Board is merely issuing a scheduling order. The rescheduled time is not an order compelling discovery, and any motion based on a presumption that this resetting of time is an order compelling discovery will not be considered.

THE STEALTH FAMOUS BRAND FEDERAL TRADEMARKS			
REGISTRATION NUMBER	MARK	GOODS/SERVICES/CLASS	LISTED OWNER
1,332,378	Stealth	<i>Int. Class 28: Sporting goods, specifically, tennis rackets, golf clubs, tennis balls, basketballs, baseballs, soccer balls, golf balls, cross bows, tennis racket strings and shuttlecocks.</i>	Central Mfg. Co.
1,434,642	Stealth	<i>Int. Class 12: Bicycles, motorcycles and boats.</i>	Central Mfg. Co.
1,717,010	Stealth	<i>Int. Class 2: Microwave absorbing automobile paint.</i>	Central Mfg. Co.
1,766,806	Stealth	<i>Int. Class 28: Fishing tackle floats (bobbers).</i>	Central Mfg. Co.
1,846,182	Stealth	<i>Int. Class 12: Automotive tires.</i>	Central Mfg. Co.
1,857,087	Stealth	<i>Int. Class 28: Pool Cue, pool tables, darts, billiard balls, cue cases, cue racks, billiard gloves.</i>	Central Mfg. Co.
1,947,145	Stealth Technology	<i>Int. Class 9: Computer hardware and computer utility software and operating manuals.</i>	Central Mfg. Co.
2,007,348	Stealth Squad	<i>Int. Class 16: Comic books</i>	Central Mfg. Co.
2,024,889	The Stealth	<i>Int. Class 21: Lawn sprinklers.</i>	Central Mfg. Co.
2,025,156	Stealth	<i>Int. Class 6: Metal alloys for use in sporting goods and transportation and window locks.</i>	Central Mfg. Co.
2,074,780	Stealth	<i>Int. Class 9: Automobile-mounted radar detectors.</i>	Central Mfg. Co.
2,227,069	Stealth	<i>Int. Class 36: Financial planning, investment management; insurance consultation.</i>	Central Mfg. Co.
2,269,113	Stealth Assault	<i>Int. Class 28: Hand-held units for playing electronic games.</i>	Central Mfg. Co.
2,272,891	Stealth	<i>Int. Class 14: Tie fasteners.</i>	Central Mfg. Co.
2,325,053	Stealth GMM	<i>Int. Class 40: Manufacture and assembly of firearms to the order and the specification of others.</i>	Central Mfg. Co.
2,325,054	Stealth GMM Shadow	<i>Int. Class 40: Manufacture and assembly of firearms to the order and the specification of others.</i>	Central Mfg. Co.

2,330,467	Stealth	<i>Int. Class 18:</i> Leather wallets, leather handbags and leather attaché cases.	Central Mfg. Co.
2,403,775	Stealth	<i>Int. Class 8:</i> Pocket knives, non-electric can openers, cutlery, namely, forks, knives, and spoons; nail clippers, tweezers, scissors; and eyelash curlers.	Central Mfg. Co.
2,439,735	Stealth	<i>Int. Class 9:</i> Radios and speakers for automobiles, stereo speaker boxes, tape recorders, tape players and portable stereos.	Central Mfg. Co.
2,433,330	Stealth	<i>Int. Classes 8 & 10:</i> Specialized hand tools for use in the fabrication and assembly of prosthetic limbs and prosthetic limb components; namely, thermoplastic tooling, thermoset tooling and foam extraction tooling. Prosthetic limb components; namely, shuttle locks, pyramids, pyramid receivers, sach foot adaptors, pylons, tube clamps, suction seals, adaptor plates, attachment plates, prosthetic knee systems, prosthetic knee chassis and prosthetic feet.	Central Mfg. Co.
2,478,742	Stealth	<i>Int. Class 9:</i> Computer application software for creating databases, blank video film and video tapes, safety goggles, radios, photographic and video cameras.	Central Mfg. Co.
2,497,857	Stealth Spray	<i>Int. Class 28:</i> Hunters' scent camouflage.	Central Mfg. Co.
2,497,858	Stealth Soap	<i>Int. Class 28:</i> Hunters' scent camouflage.	Central Mfg. Co.
2,505,698	Stealth	<i>Int. Class 11:</i> Motion activated electric lighting fixtures.	Central Mfg. Co.
2,523,745	Stealth	<i>Int. Class 26:</i> Plastic buckles and fasteners for use in connection with backpacks, tote bags, sporting goods and foul weather gear and apparel and other similar articles.	Central Mfg. Co.
2,551,385	Stealth	<i>Int. Class 9:</i> Electric locks for garage doors.	Central Mfg. Co.
2,636,049	Stealth	<i>Int. Class 10:</i> Orthodontic appliances, namely, orthodontic brackets, arch wires, lingual holding arches and hooks.	Central Mfg. Co.
<p>Central Mfg. Co. (Inc.) is the rights holder in the above STEALTH Federal Trademark Registrations, notwithstanding what the Principal Register may indicate, nor what the Assignment Division records may indicate.</p>			

**THE STEALTH FAMOUS BRAND
PENDING APPLICATIONS**

APPLICATION NUMBER	MARK	GOODS/SERVICES	FILING DATE	FIRST USE
74-327,774	Stealth	Paper goods and printed matter, namely, pens, pencils, drawing rulers, paper clips, rubberbands, memo pads, adhesive tape for stationery or household use, non-electric erasers, snap-off blade cutter for cutting paper, pencil sharpener, fountain pens, ballpoint pens, stationery, namely, writing paper and envelopes, playing cards and comic books.	2-Nov-92	January, 1985
74-343,994	Stealth	Toys and sporting goods, namely, model airplane kits, toy boats, toy guns, toy robots, and toy soldiers.	22-Dec-92	January, 1985
75-019,143	Stealth	Computers, dot matrix printers; computer disc drives, fax modem cards; computer monitors, computer keyboards, computer diskette storage containers, computer software for computer setup and data base files, blank video films and video tapes; safety goggles, radios, photographic and video cameras; compressed air cylinders for use with breathing apparatus.	13-Nov-95	January, 1985
75-016,560	Stealth	Flashlights, pen lights, electric lamps, floor fans, wall fans, desk fans, portable fans.	8-Nov-95	January, 1985
75-036,382	Stealth	Bowling alley cleaning machines and marine propellers.	8-Dec-95	October, 1993
75-185,379	Stealth	Automobile-mounted radar detectors.	22-Oct-96	January, 1994
76-071,233	Stealth	Households air cleaners, household air cleaners with ionizer, domestic and commercial air purifiers, air conditioners.	25-Oct-95	July, 1995

APPLICATION NUMBER	MARK	GOODS/SERVICES - INTERNATIONAL CLASS	FILING DATE	FIRST USE
76-215,703	Stealth	Baseball, softball, t-ball bats.	9-Feb-01	January, 2001
78-070,511	Stealth II.HF Mobile Antennas	Manufacturing the Stealth II series HF (High Frequency) Mobile antennas. It provides long range communication in the 3-60 MHz frequency range from vehicular or stationery positions. Unique in form; Center loaded, red or other color of loading coil, with base section for the tuning motor and whip section for radiation/receiving of signal; Antenna, Stealth II Series for HF (High Frequency) communication, long distance, world wide from vehicular or stationery position, in the 3-60 MHz frequency range.	22-Jun-01	January, 1995
75-565,743	Stealth	Racing automobiles and structional parts therefor.	7-Oct-98	August, 1992
75-829,875	Stealth Visor	Anti-glare visor stops glare caused by sunlight or back lighting on computer monitors, laptops and other electrical displays.	22-Oct-98	September, 1999
75-849,316	Stealth	Baling machines for use in recycling and waste material disposal.	16-Nov-99	February, 1999
78-114,518	BP Stealth	Bicycle parts.	13-Mar-02	January, 1999
76-053,720	Igloo Stealth	Insulated Food Transport and Dispensing Containers.	14-Oct-99	October, 1999