

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

Baxley

Mailed: May 13, 2010

Opposition No. **91166487**

Hasbro, Inc.

v.

Creative Action, LLC

Before Quinn, Kuhlke, and Mermelstein,
Administrative Trademark Judges.

By the Board:

Creative Action, LLC ("Creative") seeks to register MEMORY MAGIC in standard character form for "a therapeutic game in the nature of a trivia game and a bingo game for engaging persons with memory loss consisting of game cards that contain answers to questions and calling cards that contain questions and information related thereto" in International Class 28.¹

On August 29, 2005, Hasbro, Inc. ("Hasbro") filed a notice of opposition to registration of applicant's mark on the ground of likelihood of confusion with its previously used and registered marks MEMORY in stylized form for "equipment comprising cards with many matching pairs of

¹ Application Serial No. 78359895, filed January 30, 2004, based on an assertion of a bona fide intent to use the mark under Trademark Section 1(b), 15 U.S.C. Section 1051(b). The application includes a disclaimer of MEMORY.

designs for playing a matching card game"² in International Class 28 and MEMORY in standard character form for "card games"³ in International Class 28 under Trademark Act Section 2(d), 15 U.S.C. Section 1052(d).⁴ In its answer, Creative denied the salient allegations of the notice of opposition and counterclaimed to cancel Hasbro's pleaded registrations on the grounds that the registered marks: (1) are incapable of functioning as trademarks; (2) are generic; and (3) do not have significance as trademarks and therefore have been abandoned. In its answer to the counterclaim, Hasbro denied the salient allegations of the counterclaim.

Following joinder of the issues herein, the parties sought and received a series of extensions based on settlement negotiations. On May 9, 2008, the Board suspended proceedings pending final determination of a civil action styled *Hasbro, Inc. v. MGA Entertainment, Inc.*, Case No. CA-06 262S, filed in the United States District Court for the District of Rhode Island. Case No. CA-06 262S was resolved by way of an October 23, 2008, "final judgment" in

² Registration No. 834282, issued August 29, 1967, twice renewed.

³ Registration No. 2894970, issued October 19, 2004.

⁴ Hasbro also attempted to plead a dilution claim under Trademark Act Section 43(c), 15 U.S.C. Section 1125(c), in the notice of opposition. However, because Hasbro has not alleged that its pleaded mark was famous prior to the constructive use filing date of Creative's involved application, Hasbro's dilution claim is legally insufficient. See *Hornby v. TJX Companies Inc.*, 87 USPQ2d 1411 (TTAB 2008); *Toro Co. v. ToroHead Inc.*, 61 USPQ2d 1164 (TTAB 2001).

which the parties to the civil action stipulated, among other things, to Hasbro's ownership of its "valid, subsisting" pleaded registrations. After another suspension for settlement negotiations, proceedings resumed on April 22, 2009. After the close of the discovery period, Creative filed a motion to compel discovery, which the Board denied in a November 25, 2009, order.

This case now comes up for consideration of Hasbro's motion (filed December 23, 2009) for leave to file an amended notice of opposition. The motion has been fully briefed.

In support of its motion, Hasbro contends that its attorney did not see a sample of the goods that Creative intends to sell under the MEMORY MAGIC mark until October 20, 2009, the date on which it took a discovery deposition of Creative's president, Dr. Ronni S. Sterns, and that having finally seen those goods, Hasbro acknowledges that Creative's goods are different from those sold under Hasbro's pleaded marks. However, Hasbro contends that Creative's identification of goods in its involved application suggests a likelihood of confusion between the parties' marks and that such identification is inaccurate. Accordingly, Hasbro seeks to delete the claims set forth in the notice of opposition and substitute therefor (1) a claim under Trademark Act Section 18, 15 U.S.C. Section 1068, to restrict the identification of goods to "therapeutic

activity kit intended for use by nursing homes and other elderly care facilities to promote the use of cognitive abilities by elderly persons with memory loss, comprised of cards that contain questions and related prompts for discussion, cards that contain an array of potential answers to the questions, and board used by participants in Interntional Class 10," and (2) a claim that applicant had no bona fide intent to use the mark on the identified goods as of the application filing date under Trademark Act Section 1(b), 15 U.S.C. Section 1051(b). Concurrently with its motion, Hasbro filed a proposed amended notice of opposition. Hasbro's exhibits in support of its motion include a declaration of its attorney, Kim J. Landsman, through which Hasbro introduces (1) a copy of the notice of Dr. Stern's deposition, which was originally noticed for June 9, 2006; (2) a copy of Hasbro's first set of document requests, which were served on March 3, 2006; and (3) excerpts from Dr. Stern's discovery deposition.

In opposition, Creative contends that Hasbro, by its motion, has admitted that there is no likelihood of confusion between the parties' marks; and that Hasbro's motion for leave to file an amended notice of opposition is untimely because Creative made clear the nature of Creative's involved goods and how those goods are marketed in interrogatory responses and non-confidential documents

that Creative produced in April 2006. Creative further contends that, if Hasbro had moved to amend the notice of opposition in April 2006, Creative would have been spared significant expense and delay and would have received its registration certificate long ago. Creative contends in addition that the proposed restriction is "too restrictive" and that the present identification is accurate and properly classified in International Class 28. Finally, Creative contends that Hasbro has failed to show that the proposed restriction will avoid a finding of likelihood of confusion. Accordingly, Creative asks that the Board deny Hasbro's motion for leave to file an amended notice of opposition. Creative's exhibits in support of its brief in opposition to Hasbro's motion include (1) a declaration of its attorney, Wayne D. Porter, Jr., through which it introduces (a) Creative's responses to Hasbro's first set of interrogatories; and (b) a marketing brochure for goods sold under Creative's involved MEMORY MAGIC mark; and (2) a declaration of Dr. Sterns.

In reply, Hasbro contends that the present situation is appropriate for application of Section 18; that, while Creative asserts that there is no likelihood of confusion between the parties' products, likelihood of confusion is determined based on the identification of goods set forth in the application and registrations at issue; that Creative's

"overbroad" identification of goods is properly addressed through the claims set forth in the amended notice of opposition; and that the proposed amended identification of goods is based on Creative's interrogatory responses.

Because more than twenty-one days have lapsed since the filing of Hasbro's original notice of opposition, Hasbro may amend its notice of opposition only by written consent of Creative or by leave of the Board; leave is to be freely granted when justice so requires. See Fed. R. Civ. P. 15(a)(1)(B). The Board liberally grants leave to amend pleadings at any stage of a proceeding when justice so requires, unless entry of the proposed amendment would violate settled law, be prejudicial to the rights of the adverse party or parties, or be futile. See Fed. R. Civ. P. 15(a)(2); TBMP Section 507.02 (2d ed. rev. 2004).

Under the circumstances herein, the Board finds that Hasbro did not unreasonably delay in seeking to amend its notice of opposition and that Creative would not be prejudiced by allowing Hasbro to file an amended notice of opposition. We note that Creative served its initial interrogatory responses and non-confidential documents in April 2006 and that these responses and documents may have provided a basis for the claims raised in the amended notice of opposition. However, the parties were involved in a dispute regarding a protective order governing confidential

material in the following months, and proceedings were suspended for nearly all the time between August 4, 2006, and April 22, 2009, to allow for settlement negotiations and final determination of the aforementioned civil action. Following resumption of proceedings, the parties, on August 10, 2009, agreed to a further extension of discovery and testimony periods, and proceedings were further delayed by briefing and the Board's decision Creative's motion to compel discovery, completion of Creative's document production, and Creative's insistence on payment for a sample of the goods at issue as part of that document production. Moreover, we are persuaded that Hasbro was not able to appreciate fully the differences between the respective goods until it received a copy of goods sold under the MEMORY MAGIC mark on October 20, 2009.

We will next consider the sufficiency of the claims set forth in the amended notice of opposition. Under Trademark Act Section 18, 15 U.S.C. Section 1068, the Board has equitable power to, in whole or in part, "restrict the goods or services identified in an application or registration," or to "otherwise restrict or rectify ... the registration of a registered mark." See also TBMP Section 309.03(d). In pleading a proper claim for restriction of an application or registration under Section 18, a plaintiff must plead that the proposed restriction will avoid a likelihood of

confusion and that respondent is not using the mark on the goods or services being deleted or "effectively excluded" from the registration. *Eurostar Inc. v. "Euro-Star" Reitmoden GmbH & Co.*, 34 USPQ2d 1266, 1271 (TTAB 1994).

Based on a review of the amended pleading, we find that Hasbro has pleaded facts which, if proven, would establish the necessary elements for a claim for restriction under Section 18. Hasbro has pleaded in paragraphs 9 and 12 of the amended notice of opposition that the proposed restriction would serve to avoid any likelihood of confusion with respect to its registered marks and that Creative does not use the mark on the goods identified in its application because the actual product sold under the mark is not a game, but is instead "a therapeutic activity kit for elderly persons with dementia or other mental impairments." Accordingly, the proposed claim for restriction is legally sufficient.⁵ Further, Hasbro adequately pleaded in paragraph 14 of the amended notice of opposition that Creative did not have a bona fide intent to use the mark in commerce on the identified goods as of the filing date of Creative's involved application. See Trademark Act Section 1(b), 15 U.S.C. Section 1051(b).

⁵ Whether or not Hasbro can prevail on that claim is a matter for resolution on the merits. See *Flatley v. Trump*, 11 USPQ2d 1284 (TTAB 1989).

In view thereof, Hasbro's motion for leave to file an amended notice of opposition is granted. Hasbro's amended notice of opposition is the operative complaint herein.

The Section 2(d) claim that Hasbro included in its original notice of opposition is not set forth in the amended notice of opposition. Accordingly, we treat the amended notice of opposition as an effective withdrawal of the Section 2(d) claim without Creative's consent. See Trademark Rule 2.106(c). In view thereof, the Section 2(d) claim is dismissed with prejudice.

Proceedings herein are resumed. Creative is allowed until thirty days from the mailing date of this order to file an answer to the amended notice of opposition. With an abundance of caution, we deem it appropriate to extend the discovery period to allow the parties time in which to take discovery in connection with the newly raised claims. Dates herein are reset as follows.

Expert disclosures due:	June 15, 2010
Discovery closes:	July 15, 2010
Opposer's pretrial disclosures due:	August 29, 2010

Opposer's 30-day testimony period as plaintiff in the opposition to close:	October 13, 2010
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Applicant's pretrial disclosures due:	October 28, 2010
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Applicant's 30-day testimony period as defendant in the opposition and as plaintiff in the counterclaim to close:	December 12, 2010
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Opposer's pretrial disclosures for rebuttal in the opposition and as defendant in the counterclaim due:	December 27, 2010
Opposer's 30-day testimony period as defendant in the counterclaim and for rebuttal as plaintiff in the opposition to close:	February 10, 2011
Applicant's rebuttal disclosures as plaintiff in the counterclaim due:	February 25, 2011
Applicant's 15-day rebutal testimony period as plaintiff in the counterclaim to close:	March 27, 2011
Brief for opposer as plaintiff in the opposition due:	May 26, 2011
Brief for applicant as defendant in the opposition and as plaintiff in the counterclaim due:	June 25, 2011
Brief for opposer as defendant in the counterclaim and reply brief, if any, as plaintiff in the opposition due:	July 25, 2011
Reply brief, if any, for applicant as plaintiff in the counterclaim due:	August 9, 2011

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 Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

If either of the parties or their attorneys should have a change of address, the Board should be so informed promptly.