ESTTA Tracking number: **ESTTA172079**
Filing date: **10/31/2007**

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

Proceeding	91178927
Party	Defendant The Coca-Cola Company
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Date	10/31/2007
Attachments	TCCC Memorandum in Opposition.pdf (10 pages)(307309 bytes)

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

ROYAL CROWN COMPANY, INC.,	)	
	)	
Opposer,	)	OPPOSITION
	)	
v.	)	NO. 91178927
	)	
THE COCA-COLA COMPANY,	)	
	)	
Applicant.	)	

MEMORANDUM IN OPPOSITION TO
OPPOSER'S MOTION TO SUSPEND PROCEEDINGS

NOW COMES THE COCA-COLA COMPANY ("TCCC" or "Applicant"), the applicant in the above-captioned matter, and, by and through its undersigned counsel and in accordance with Rule 127 of the Trademark Rules of Practice, 37 C.F.R. § 2.127(a), hereby files this memorandum in opposition to the "Motion To Suspend Proceedings" ("Opposer's Motion") served by mail by opposer Royal Crown Company, Inc. ("Opposer" or "Royal Crown") on October 11, 2007.

FACTUAL BACKGROUND

On March 4, 2005, TCCC filed the application that is the subject of this proceeding, namely its application to register the mark COCA-COLA ZERO for

"beverages, namely soft drinks, syrups and concentrates for the making of the same" in International Class 32 (Serial No. 78/580,598) (the "Application"). In response to the Examining Attorney's requirement that TCCC disclaim "ZERO," TCCC amended its application to claim acquired distinctiveness of ZERO under Section 2(f) of the Lanham Act, 15 U.S.C. § 1052(f). On January 25, 2007, TCCC submitted to the Examining Attorney substantial evidence in support of its claim of acquired distinctiveness, including unsolicited media articles discussing TCCC's family of ZERO products, advertising materials for TCCC's ZERO beverage products, and advertising and sales figures to demonstrate the acquired distinctiveness of ZERO. Based on TCCC's evidence of acquired distinctiveness, the Examining Attorney permitted the Application to proceed to publication without a disclaimer of ZERO.

On May 17, 2007, Matt Erhlich and Shlomo Fried and/or the partnership known as Mayim Tovim (the "First Opposers") filed a Notice of Opposition against the Application. The First Opposers have alleged a likelihood of confusion with the First Opposers' mark ZER0 CAL (Stylized), as shown in Registration Number 3,156,317. The First Opposers' Opposition has been assigned Opposition No. 91177358 (the "First Opposition").

On August 14, 2007, Royal Crown filed its Notice of Opposition in the present proceeding against the Application. In support of its Opposition, Opposer has alleged, inter alia, that ZERO is merely descriptive of TCCC's beverage products and that TCCC committed fraud in connection with its application for COCA-COLA ZERO.

On August 15, 2007, Companhia de Bebidas das Americas - AMBEV ("Third Opposer") also filed a Notice of Opposition against the Application. The Third Opposer has alleged that ZERO is merely descriptive of TCCC's beverage products. The Third Opposer's Opposition has been assigned Opposition No. 91178953 (the "Third Opposition").

On October 11, 2007, Opposer filed Opposer's Motion, which asks the Board to suspend proceedings in this Opposition pending the final determination of the First Opposition.

ARGUMENT AND CITATION OF AUTHORITIES

Opposer's Motion should be denied, for several reasons. First, suspension of proceedings is not mandatory. The Board has the discretion to decline to suspend proceedings in an inter partes proceeding, especially where (as here) the determination of a pending action will not be binding on the parties to this

proceeding and will not necessarily dispose of the current proceeding. As the Board is well aware, Rule 117(a) 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.

37 C.F.R. § 2.117(a). While the Board has the authority to suspend proceedings under Rule 117(a), Rule 117(a) does not require suspension. 37 C.F.R. § 2.117(a) ("proceedings before the Board *may be suspended*" (emphasis added)).

Suspension of Board proceedings is most commonly granted in situations where parties to a Board proceeding are also engaged in a civil action in federal court regarding the trademark at issue. TBMP § 510.02(a). In such situations, "judicial economy lies in the suspension of Board proceedings because...the Board decision is advisory to the Court, while a U.S. District Court decision is binding on the parties before [the] administrative Board." Black Box Corp. v. Better Box Commc'ns Ltd., Opposition Nos. 107800 & 107801, 2002 TTAB LEXIS 253, at *4 (TTAB March 29, 2002). Thus, it serves judicial economy in such instances for the Board to suspend the Board proceeding until the District Court has resolved the issues in order to avoid conflicting judgments or wasted resources.

The situation in this case is significantly different from the typical Rule 117 situation in which the Board suspends a proceeding due to a pending federal court action involving the same parties. In the instant case, the three separate oppositions pending against TCCC's application for COCA-COLA ZERO have been filed by different parties. Opposer is challenging TCCC's application for COCA-COLA ZERO on grounds of alleged descriptiveness and alleged fraud, whereas the First Opposers are challenging the application based on alleged likelihood of confusion. Unlike a civil action in federal court, moreover, the Board's ruling in the First Opposition will not necessarily have a binding effect on the Board's decision in this opposition. These significant differences weaken Opposer's argument for judicial economy, as a final decision regarding likelihood of confusion between COCA-COLA ZERO and First Opposers' ZER0 CAL (Stylized) mark will have little if any bearing on whether ZERO is descriptive or is lacking in acquired distinctiveness, or whether TCCC committed fraud.

Moreover, TCCC will be prejudiced by the continued delay in registering its COCA-COLA ZERO mark. TCCC filed the Application on March 10, 2005, and vigilantly prosecuted the application for almost two years prior to the time it was published for opposition. As Opposer has noted, there are three pending

oppositions against the Application, the earliest of which currently has a close of discovery date in December 2007.

As of January 25, 2007, TCCC had spent over $110,000,000 on advertising for its COCA-COLA ZERO products and had sold over 55,000,000 cases of COCA-COLA ZERO. If Opposer's Motion is granted, TCCC will be prejudiced by the further delay in the issuance of a registration for its COCA-COLA ZERO mark, which is an important member of TCCC's family of ZERO marks. It is inconceivable that Opposer can allege that there "can be no claim of prejudice" to TCCC when Opposer seeks through Opposer's Motion to further delay registration of the COCA-COLA ZERO mark.

Rule 1 of the Federal Rules of Civil Procedure provides that the Federal Rules must be "construed and administered to secure the just, speedy and inexpensive determination of every action." Fed. R. Civ. P. 1. This rule applies to Board proceedings pursuant to 37 C.F.R. § 2.116(a), which provides that "except as otherwise provided, and wherever applicable and appropriate, procedure and practice in inter partes proceedings shall be governed by the Federal Rules of Civil Procedure." Therefore, where a decision to suspend Board proceedings will unnecessarily increase the time it takes to register an applicant's mark and increase

the applicant's expenses, the Board is well within its discretion to decline to suspend the proceedings.

Opposer has chosen to file an opposition against the Application and apparently is now disinclined to pursue the opposition, which prejudices TCCC's ability to register its mark. Opposer's Motion is a transparent delay tactic, designed to put off as long as possible the issuance of the registration to which TCCC is entitled. Having chosen to oppose the Application, Opposer should now be prepared to proceed with its opposition rather than subjecting TCCC to undue delay.

Suspending the opposition proceedings will not secure a speedy or inexpensive determination of Opposer's action for TCCC, and would therefore be inconsistent with Rule 1 of the Federal Rules. There is, moreover, no reason why the First Opposition should proceed in advance of the present Opposition or the Third Opposition. Simply because opposer Royal Crown filed its motion prior to either of the other two opposers doing so is not a valid substantive reason to reward Royal Crown with an indefinite delay of the proceeding it chose to commence and to require TCCC to litigate the three oppositions seriatim before obtaining a registration. Notably, Royal Crown does not state in its motion that it agrees to be bound by the outcome of the First Opposition; rather, it seeks only to delay

litigation of the issues it has raised until after TCCC has prevailed in the First Opposition, while hoping to preserve its right to an unrestricted "second bite at the apple" thereafter.

In order to properly expedite the opposition process and to obtain its registration for COCA-COLA ZERO without further undue delay, TCCC is filing concurrently herewith a motion to consolidate Oppositions 91177358, 91178927 and 91178953 in order to save judicial resources and to reduce the cost and time needed to resolve the outstanding issues preventing the issuance of a registration for COCA-COLA ZERO. For the reasons stated in support of that separate motion, TCCC believes that the proper course for the Board to take is to consolidate the three oppositions into a single proceeding, thereby promoting efficient and timely utilization of the Board's and the parties' resources without prejudice to any party.

CONCLUSION

WHEREFORE, for the foregoing reasons, Applicant The Coca-Cola Company respectfully prays that Opposer's Motion to Suspend Proceedings be denied.

This 31st day of October, 2007.

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THE COCA-COLA COMPANY

CERTIFICATE OF SERVICE

This is to certify that I have this day served the foregoing Memorandum In Opposition To Opposer's Motion To Suspend Proceedings on Opposer, by causing a true and correct copy thereof to be deposited in the United States mail, postage prepaid, addressed to Opposer's counsel of record as follows:

Ms. Barbara A. Solomon
Fross Zelnick Lehrman & Zissu, P.C.
866 United Nations Plaza
New York, New York 10017

This 31st day of October, 2007.

Bruce W. Baber