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

Proceeding	91184529
Party	Plaintiff Georgia-Pacific Consumer Products LP
Correspondence Address	CHARLENE R MARINO KILPATRICK TOWNSEND STOCKTON LLP 1100 PEACHTREE STREET, SUITE 2800 ATLANTA, GA 30309 UNITED STATES cmarino@kilpatricktownsend.com, chenn@kilpatricktownsend.com, kteilhaber@ktslaw.com, tmadmin@ktslaw.com
Submission	Reply in Support of Motion
Filer's Name	R. Charles Henn Jr.
Filer's e-mail	chenn@kilpatricktownsend.com, cmarino@kilpatricktownsend.com, kteilhaber@kilpatricktownsend.com, tmadmin@kilpatricktownsend.com
Signature	/R. Charles Henn Jr./
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

GEORGIA-PACIFIC CONSUMER
PRODUCTS LP,

Opposer,

v.

GLOBAL TISSUE GROUP, INC.

Applicant.

Opposition No.: 91184529
Serial No.: 77/364,616

**OPPOSER’S REPLY BRIEF IN SUPPORT OF MOTION TO SUSPEND
PROCEEDINGS PURSUANT TO 37 C.F.R. § 2.117(a)**

I. INTRODUCTION

The Board should suspend this proceeding because (a) a civil action involving identical issues and identical parties is pending before the United States District Court for the Southern District of New York (the “Civil Action”); and (b) suspending this proceeding will achieve judicial economy and preserve resources by avoiding unnecessarily duplicative proceedings and potentially contradictory rulings. “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.” TBMP § 510.02(a) (3d ed. 2011). Applicant would have the Board turn this Rule (and overwhelming precedent) on its head by allowing this proceeding to continue in the face of an overlapping civil action.

Georgia-Pacific is not trying to “redo” what has occurred before the Board. Instead, Georgia-Pacific initiated the Civil Action in response to Applicant’s use of the domain names <QuiltedBathTissue.com> and <QuiltedToiletTissue.com> to surreptitiously redirect consumers to Applicant’s website. That conduct – over which the Board has no jurisdiction – constitutes trademark infringement, trademark dilution, and cyberpiracy of Georgia-Pacific’s QUILTED®

marks. The adjudication of those claims necessarily will involve a determination of Georgia-Pacific's rights in and the validity of Georgia-Pacific's registrations for the QUILTED® marks. Therefore, Georgia-Pacific properly included in its Complaint in the civil action claims for declaratory judgment concerning the validity of Georgia-Pacific's registrations for the QUILTED® marks and Applicant's right to registration of the QUILTY mark.

Because the Civil Action involves the same parties and the same issues that are before the Board in this proceeding, the Civil Action will "have a bearing on the case," and the Board should suspend proceedings in this Opposition until termination of the Civil Action.

II. ARGUMENT

A. Suspension is Appropriate Because the Civil Action Involves the Same Issues and Same Parties as this Proceeding.

It is incontrovertible that the Board has the power to suspend proceedings in favor of a pending civil action pursuant to 37 C.F.R. § 2.117(a):

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.

Here, the Civil Action certainly will "have a bearing on" the issues before the Board because the pending Civil Action involves the very same issues as this proceeding, namely the validity of numerous registrations for Georgia-Pacific's QUILTED® marks and whether Applicant may register the QUILTY mark. *See Tokaido v. Honda Assocs., Inc.*, 179 U.S.P.Q. 861, 862 (T.T.A.B. 1973) ("[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 retain a registration would not be binding or res judicata in respect to the proceeding pending before the court.”).

Applicant’s intention to file a motion to dismiss the declaratory-judgment claim (Count VIII) from the Civil Action should not influence the Board’s decision to suspend this Opposition proceeding. Although Georgia-Pacific fully believes it will prevail on the proposed motion to dismiss, the validity of Georgia-Pacific’s registrations for the QUILTED® marks will still be at issue in Counts I, II, and IV of the Civil Action (infringement, dilution, and cyberpiracy) even if Count VIII is dismissed. As such, overlapping issues between the Civil Action and this Opposition proceeding will remain regardless of how the district court rules on the proposed motion to dismiss Count VIII.

Applicant alternatively suggests that the Board suspend only the counterclaim portion of this proceeding (involving Georgia-Pacific’s registrations for the QUILTED® marks). It would be entirely futile for the Board to attempt to suspend the counterclaims while proceeding to trial on the issue of whether the QUILTY mark is entitled to registration. Georgia-Pacific’s registrations for the QUILTED® marks necessarily will be before the Board when making that determination, since Georgia-Pacific’s argument is that Applicant’s QUILTY mark is confusingly similar to the registered QUILTED® marks. Thus, only a complete suspension of this proceeding will avoid duplicative litigation with the Civil Action.

The Civil Action involves identical parties and identical issues to those presently pending before the Board in this proceeding. By Rule, and to promote judicial efficiency under the facts of this case, the Board should suspend this proceeding in its entirety.

B. The District Court Has the Power to Resolve All Issues Pending Before the Board.

Section 37 of the Lanham Act gives the district court in the Civil Action the power to address both the validity of Georgia-Pacific's registrations for the QUILTED® marks and whether the QUILTY mark may be registered. Section 37 states: "In any action involving a registered mark the court may determine the right to registration" 15 U.S.C. § 1119. Courts interpreting this provision have made clear that as long as the civil action *involves* a registered mark, the district court has the power to address related "right-to-registration" issues involving other pending application. *See, e.g., Avon Shoe Co. v. David Crystal, Inc.*, 279 F.2d 607, 614-15 (2d Cir. 1960) (affirming a district court's authority under § 1119 to order the Commissioner of Patents "to dismiss the [losing party's] opposition to, and to grant . . . the registration of the [prevailing party's] mark"). *See also Durox Co. v. Duron Paint Mfg. Co.*, 320 F.2d 882 (4th Cir. 1963); *Wind Turbine Indus. Corp. v. Jacobs Wind Elec. Col., Inc.*, No. 09-36 (MJD/SRN), 2010 WL 4723385, at *11 (D. Minn. Nov. 16, 2010); *Forschner Group, Inc. v. B-Line A.G.*, 943 F. Supp. 287, 290 (S.D.N.Y. 1996).

The Civil Action involves numerous registered marks – both in the infringement and cyberpiracy counts and in the declaratory-judgment count. *See* Complaint ¶¶ 25-28, 55-69, 95-111. Section 37 thus gives the district court the power to resolve within the Civil Action whether Applicant has a right to registration of the QUILTY mark.

Moreover, even if Section 37 did not provide the district court with that power, the Complaint also seeks an injunction under 15 U.S.C. § 1116 to enjoin Applicant from pursuing an

application for the QUILTY mark. The district court unquestionably has the ability to issue such an injunction. *See Grotrian, Helfferich, Schulz, Th. Steinweg Nachf. v. Steinway & Sons*, 523 F.2d 1331, 1343-44 (2d Cir. 1975) (affirming the lower court's injunction against a party with a pending trademark application from prosecuting any application for a trademark that would infringe on the prevailing party's rights).

In short, whether pursuant to Section 37 or Section 34, the district court in the Civil Action will determine both whether Georgia-Pacific may continue to maintain its registrations for the QUILTED® marks and whether Applicant's QUILTY mark may be registered. Thus, the district court will make decisions in the Civil Action that not only "have a bearing on" but actually *resolve* all of the issues before the Board. TBMP § 510.02(a).

C. Only the Civil Action Provides Georgia-Pacific Complete Relief.

The Civil Action principally involves Applicant's use of the QUILTED® mark in connection with the domain names <QUILTEDbathtissue.com> and <QUILTEDtoilettissue.com> to sell bath tissue in direct competition with Georgia-Pacific. Since the Board does not have jurisdiction to resolve issues of use, and because any decision by the Board over the registration issues would be subject to *de novo* litigation in the district court (15 U.S.C. § 1071(b)), the Civil Action presents the only avenue for Georgia-Pacific to get complete relief in a timely manner. Thus, "[i]t is standard procedure for the Trademark Board to stay administrative proceedings pending the outcome of court litigation between the same parties involving related issues." 6 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 32:47 (4th ed. 2008); *see also* Trademark Rule 2.117(a); TBMP § 510.02(a) (3d ed. rev. 2011).

Had Applicant wished to remain in the Board, it should have refrained from making use of Georgia-Pacific's registered QUILTED® mark. Applicant's intentional disregard for Georgia-Pacific's trademark rights, however, necessitated the filing of the Civil Action, and now the district court has jurisdiction over all of the issues in this proceeding.

III. CONCLUSION

For the foregoing reasons, Georgia-Pacific respectfully submits that this proceeding should be suspended pending disposition of the Civil Action.

Respectfully submitted,

/s/ R. Charles Henn Jr.

R. Charles Henn Jr.

Charlene R. Marino

KILPATRICK TOWNSEND &

STOCKTON LLP

1100 Peachtree Street, Suite 2800

Atlanta, Georgia 30309-4530

Telephone: (404) 815-6500

Facsimile: (404) 815-6555

Attorneys for Opposer Georgia-Pacific
Consumer Products LP

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this date, December 5, 2011 a copy of the
OPPOSER'S REPLY BRIEF IN SUPPORT OF MOTION TO SUSPEND PROCEEDINGS
PURSUANT TO 37 C.F.R. § 2.117(a) has been served upon Applicant, by email and by U.S.
mail, to Applicant's current identified counsel, as set forth below:

Charles R. Hoffmann
R. Glenn Schroeder
Hoffmann & Baron, LLP
6900 Jericho Turnpike
Syosset, New York 11791

choffmann@hoffmannbaron.com
gschroeder@hoffmannbaron.com

/R. Charles Henn Jr. /
R. Charles Henn Jr.