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

MBA

Mailed: July 2, 2010

Opposition No. 91190654

OMS Investments, Inc.

v.

Hidden Creations

Michael B. Adlin, Interlocutory Attorney:

This case now comes up for consideration of opposer's motion, filed April 30, 2010, to suspend this proceeding in favor of a pending federal court trademark infringement action between the parties herein (OMS Investments, Inc. and The Scotts Company, LLC v. Gail E. Smith d/b/a Hidden Creations, Case No. 2:10-cv-01037-GEB-EFB, pending in the U.S. District Court for the Eastern District of California) (the "Federal Case"). Applicant opposes the motion.

By way of background, applicant seeks registration of SHAKE-N-GROW and Design for "Food supplements for agricultural products and other plants,[1] and in its notice of opposition, opposer alleges prior use and registration of, among others, SHAKE 'N FEED, SHAKE 'N SEED, MIRACLE-GRO and variations thereof for plant food, fertilizer and

[1] Application Serial No. 77520947, filed July 13, 2008, alleging a date of first use in commerce of May 1, 2008.

related products,[2] and that use of applicant's mark is likely to cause confusion with, and dilute, opposer's marks. Applicant denies the salient allegations in the notice of opposition.

In the Federal Case, opposer is the plaintiff and applicant is the defendant. There, as here, opposer alleges prior use and registration of among others, SHAKE 'N FEED, SHAKE 'N SEED, MIRACLE-GRO and variations thereof for plant food, fertilizer and related products, pleading a number of the same registrations it pleads in its notice of opposition here. There, as here, opposer alleges that applicant's mark is likely to be confused with, and dilute, opposer's marks. In the Federal Case, unlike this one, opposer alleges trademark infringement, false designation of origin and unfair competition and related state law claims, and seeks injunctive relief and damages. Opposer specifically requests that the court order "that Defendant [applicant] abandon" its application involved herein.

In its motion, opposer argues that the Federal Case "involves issues in common with those in this opposition," and that resolution thereof "could resolve the issues in this proceeding." Therefore, it seeks suspension of this proceeding in favor of the Federal Case.

---

[2] See e.g., Registration Nos. 2705327, 3254549 and 0668868. Some of opposer's registrations are over five years old.

Applicant argues, however, that the federal court lacks "subject-matter jurisdiction" and that in the Federal Case opposer has not presented "a justifiable case or controversy," which is construed as an argument that opposer has not presented a justiciable case or controversy. Applicant further argues that: (1) the issues "are to be heard first before the TTAB;" (2) an "appeal" under 15 U.S.C. § 1071(1) is only permissible after a Board proceeding concludes; (3) the doctrine of primary jurisdiction applies and should result in this case going forward notwithstanding the Federal Case; (4) the Board's decision would be "controlling on issues of facts;" and (5) any suspension herein "will not be binding on Appeal."

The Board's well-settled policy is to suspend proceedings when the parties are involved in a civil action which may be dispositive of or have a bearing on the Board case. Trademark Rule 2.117(a); TBMP § 510.02(a) (2d ed. rev. 2004). Here, the Federal Case involves the same parties and marks at issue in this proceeding, and many of the same issues, including which party has priority, whether there is a likelihood of confusion between the parties' marks and whether the application involved herein should mature to registration. Therefore, suspension is appropriate.

Applicant's arguments to the contrary are unavailing. First, any arguments related to the federal court's alleged lack of subject matter jurisdiction, or to the alleged lack of a justiciable case or controversy in the Federal Case, should be presented to the federal court, as the Board is powerless to decide such issues.[3] See, Rhoades v. Avon Products, Inc., 504 F.3d 1151, 84 USPQ2d 1409, 1413-14 (9th Cir. 2007); Wham-O Inc. v. Manley Toys, Ltd., 92 USPQ2d 1750 (C.D. Cal. 2009) (upon which applicant relies). Second, the issues need not, and usually are not, decided first before the Board. Rather, in circumstances such as those presented here, the federal court case generally proceeds first. Rhoades, 84 USPQ2d at 1409. This was in fact the holding of one of the cases on which applicant relies. See, Goya Foods, Inc. v. Tropicana Products, Inc., 846 F.2d 848, 6 USPQ2d 1950 (2d Cir. 1988) ("the pendency of a PTO proceeding was not a proper basis to forestall Goya's lawsuit").

Third, while applicant is correct that an appeal under 15 U.S.C. § 1071(a)(1) is only permissible after a Board proceeding concludes, the Federal Case was not brought, and could not be brought, under 15 U.S.C. § 1071(a)(1), which provides for appeals to the U.S. Court of Appeals for the

[3] However, should the court dismiss the Federal Case for these or other reasons, then this case would likely resume.

Federal Circuit. See, Complaint in Federal Case ¶¶ 8-9; see also, Rhoades, 84 USPQ2d at 1418 ("…Congress has not installed the PTO as the exclusive expert in the field. As noted, parties may litigate these issues in federal court without previously exhausting their claims before the TTAB"). Fourth, the doctrine of primary jurisdiction is not applicable, including because the issues in the Federal Case include infringement and go beyond those here. Rhoades, 84 USPQ2d at 1418-19; Goya Foods, 6 USPQ2d at 1954 (upon which applicant relies). Applicant's reliance on Wham-O is misplaced for this reason – in that case, the court found no subject matter jurisdiction in part because the plaintiff therein did not bring an infringement claim. Here, of course, and by contrast, opposer alleges infringement in the Federal Case.

Fifth, the Board's decision would not be "controlling on issues of facts." To the contrary, "the decision of the Federal district court is often binding upon the Board, while the decision of the Board is not binding upon the court." TBMP § 510.02(a); see also, The Other Telephone Co. v. Connecticut National Telephone Co., Inc., 181 USPQ 779 (Comr. 1974); Whopper-Burger, Inc. v. Burger King Corp., 171 USPQ 805 (TTAB 1971). Put differently, "[t]he record made in the PTO is admissible, but not binding on the district court." E. & J. Gallo Winery v. F. & P. S.p.A., 899 F.Supp.

465, 35 USPQ2d 1857, 1859 (E.D. Cal. 1994); see also, Goya Foods, 6 USPQ2d at 1954 (even if Board proceeding goes forward, "[t]he District Court would still independently have to determine the validity and priority of the marks and the likelihood of consumer confusion as to the source of the goods"). Finally, while suspension of this proceeding would not be "binding" on the federal court, that is irrelevant. Should the court dismiss or stay the Federal Case, and/or determine that the suspension of this one was inappropriate, this case would likely resume. The point, however, is that it is the court's decision whether to go forward with the Federal Case or to dismiss or stay the Federal Case.

For all of these reasons, opposer's motion to suspend is hereby **GRANTED**. Trademark Rule 2.117(a); TBMP § 510.02(a). Proceedings herein are suspended pending final disposition of the Federal Case. Within **twenty days** after the final determination of the Federal Case, the parties shall so notify the Board and call this case up for any appropriate action. During the suspension period the Board shall be notified of any address changes for the parties or their attorneys.[4]

[4] Applicant's motion for extension, filed April 27, 2010, is moot, and applicant's motion to compel, filed June 9, 2010, will be given no consideration at this time. In the event this proceeding resumes, opposer will be given time to respond to applicant's motion to compel, which is not untimely because opposer filed its motion to suspend prior to the opening of its testimony period.

***