

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

MBA

Mailed: November 4, 2011

Opposition No. 91196926

GMA Accessories, Inc.

v.

Dorfman-Pacific Co.

Michael B. Adlin, Interlocutory Attorney:

This case now comes up for consideration of applicant's motion, filed September 15, 2011, to suspend this proceeding pending final resolution of a pending civil action between the parties herein (GMA Accessories, Inc. v. Dorfman-Pacific Co., Inc., Case No. 1:11-cv-03731-RJH-THK, pending in the U.S. District Court for the Southern District of New York) (the "Federal Case"). Opposer contests the motion, and on October 17, 2011, opposer filed both an answer to applicant's second amended counterclaims and a motion to dismiss applicant's counterclaims for fraud and abandonment.

By way of background, applicant seeks registration of CAPPELLI STRAWORLD, in standard characters and with CAPPELLI disclaimed, for "Handbags; Tote bags" and "Hats."¹ In its notice of opposition, opposer alleges prior registration of

¹ Application Serial No. 77965616, filed March 23, 2010, based on claimed dates of first use of September 23, 2009.

CAPELLI for a wide variety of goods, including clothing, cosmetics, jewelry, linens, hair products and hat ornaments,² that it is the "senior user" of its mark on unspecified goods and that use of applicant's mark is likely to cause confusion with, and dilute, opposer's mark. Opposer appears to attempt to also allege fraud, claiming that applicant "had knowledge" of opposer's ownership of opposer's pleaded mark, that applicant "had a duty to include its awareness" of opposer's mark in the involved application and that applicant "was aware its failure to disclose [opposer's] prior ownership of CAPELLI would decrease the chances of refusal" of the involved application. Finally, opposer alleges that the Board's order entering judgment in Cancellation No. 92044972 (the "Prior Cancellation") "is *res judicata*" (emphasis in original). In its answer, applicant admits that it purchased Cappelli Strawworld, Inc., the respondent in the Prior Cancellation, "sometime after 2006," but otherwise denies the salient allegations in the notice of opposition. Applicant counterclaims to cancel opposer's pleaded registrations **only**³, alleging that opposer's mark is merely

² Registration Nos. 3241182, 3241184, 3248875, 3258734 and 3322312, each of which issued in 2007 from applications filed in 2006.

³ Board's Order of April 4, 2011 pp. 2-3 n. 3.

descriptive, generic, was abandoned and that opposer committed fraud in connection with its applications.

In the Federal Case, as here, opposer is the plaintiff, and therein, as here, pleads prior use and registration of CAPELLI, including the same exact registrations pleaded in this case. Opposer's First Amended Complaint in the Federal Case also alleges, inter alia that applicant's use of CAPELLI, and perhaps implicitly that applicant's use of CAPELLI STRAWORLD, constitutes trademark infringement. Opposer specifically claims, as here, that applicant's mark is "confusingly similar" to opposer's pleaded mark. While opposer includes in its First Amended Complaint in the Federal Case a purported "appeal" of the Board's April 4, 2011 order denying opposer's motion for summary judgment in this case, the purported "appeal" appears to be untenable because it is premature. R.G. Barry Corp. v. Mushroom Makers, Inc., 609 F.2d 1002, 204 USPQ 195, 197 (CCPA 1979); Gal v. Israel Military Industries of the Ministry of Defense of the State of Israel, 1 USPQ2d 1424, 1427 (Commr. Pat. 1986); TBMP § 901.02(a) (3d ed. 2011). In its Answer to the First Amended Complaint, applicant denies the salient allegations thereof, and counterclaims, alleging that opposer's use of its mark infringes upon applicant's mark. Applicant also, as here, counterclaims for cancellation of opposer's pleaded registrations.

Applicant argues that suspension of this case in favor of the Federal Case is appropriate because the Federal Case involves the same parties and some of the same issues as this case. Opposer argues, however, that because the infringement claim in the Federal Case is different than opposer's res judicata "claim" in this case, suspension is not appropriate.

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); General Motors Corp. v. Cadillac Club Fashions Inc., 22 USPQ2d 1933, 1937 (TTAB 1992).

Here, it is clear from the First Amended Complaint in the Federal Case, and opposer does not specifically dispute, that the Federal Case may have a bearing on this proceeding. Indeed, while some of the claims in the Federal Case are not part of this proceeding, and while some of the claims in this proceeding are not part of the Federal Case, both cases involve the parties' competing claims of priority. In both cases, likelihood of confusion is at issue. In both cases, applicant seeks cancellation of opposer's pleaded registrations. This is more than enough to establish that the Federal Case "may have a bearing" on this one.

Quite simply, the decision in the Federal Case may be "binding upon the Board, while the decision of the Board is not binding upon the court." TBMP § 510.02(a) (3d ed. 2011); 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). Therefore, suspension is appropriate and applicant's motion to suspend is hereby **GRANTED**.

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. Consideration of opposer's pending motion to dismiss is **DEFERRED**, and the motion will be taken up, if appropriate, upon resumption.
