

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

Mailed:

December 30, 2011

Opposition No. 91199706
Opposition No. 91201702

R.J. Reynolds Tobacco Company

v.

Lorillard Licensing Company,
LLC

**M. Catherine Faint,
Interlocutory Attorney:**

On December 29, 2011 the Board held a telephone conference involving William M. Bryner, counsel for R.J. Reynolds Tobacco Company, ("RJ Reynolds") and Harry C. Marcus, counsel for Lorillard Licensing Company, LLC ("Lorillard"). Before the Board are 1) Lorillard's motion to suspend for disposition of a state court action between the parties, in the North Carolina Superior Court (Business Court) Division, *Lorillard v. R.J. Reynolds*, case number 10 CvS 11471; and 2) RJ Reynold's motion to consolidate these pending Board proceedings.

The Board carefully considered the arguments raised by counsel for both parties, as well as the supporting correspondence and the record of this case, in coming to a determination regarding the above matters. During the telephone conference, the Board made the following findings and determinations.

Proceedings Consolidated

Turning first to RJ Reynold's motion to consolidate, the Board notes that the proceedings involve the same parties and common questions of law and fact. Also the PLEASURE TASTES GREAT IN RED mark appears in an attachment to Lorillard's pleadings in the state court civil action discussed below.

Lorillard argues that its rights in the PLEASURE TASTES GREAT IN RED mark will be prejudiced by consolidation, and likely suspension of the consolidated case, because Lorillard's pending application is for a use-based mark, and its application could be held up indefinitely by the suspension.

Consolidation of a Board proceeding is discretionary with the Board and generally is determined upon a weighing of the savings in time, effort and expense which may be gained in consolidation, against any prejudice or inconvenience that may be caused thereby. *See, for example, 9A Wright & Miller, Federal Practice and Procedure: Civil 3d* § 2383 (WESTLAW update 2011); *and Dating DNA LLC v. Imagini Holdings Ltd.*, 94 USPQ2d 1889, 1893 (TTAB 2010) (motion to consolidate granted); *see also* TBMP Section 511 (3d ed. 2011). Under the circumstances herein, it is appropriate for the Board to consolidate the opposition proceedings as

the proceedings involve identical parties, similar issues, and both proceedings are in the discovery phase.

Accordingly, the motion to consolidate is granted and these proceedings are consolidated. See Fed. R. Civ. P. 42(a); see also, *Regatta Sport Ltd. v. Telux-Pioneer Inc.*, 20 USPQ2d 1154 (TTAB 1991), and *Estate of Biro v. Bic Corp.*, 18 USPQ2d 1382 (TTAB 1991). See also Trademark Rule 2.127(a). The consolidated cases may be presented on the same record and briefs. See *Helene Curtis Industries Inc. v. Suave Shoe Corp.*, 13 USPQ2d 1618 (TTAB 1989) and *Hilson Research Inc. v. Society for Human Resource Management*, 26 USPQ2d 1423 (TTAB 1993).

The Board file will be maintained in Opposition No. **91199706** as the "parent" case. As a general rule, from this point onward, only one copy of any submission should be filed herein; but that copy should include both proceeding numbers in its caption in ascending order.

Despite being consolidated, each proceeding retains its separate character. The decision on the consolidated cases shall take into account any differences in the issues raised by the respective pleading; and a copy of the decision shall be placed in each proceeding file.

Proceedings Suspended

We turn next to the motion to suspend for disposition of the state court action between the parties. Suspension

of a Board proceeding in view of a civil action is discretionary with the Board and generally is based on a review by the Board of the pleadings in the civil action. See *Forest Laboratories Inc. v. G.D. Searle & Co.* 52 USPQ2d 1058, 1060 (TTAB 1999). If the parties to an opposition are involved in a civil action, even in a state court, which may have a bearing on the Board case, the Board will normally suspend proceedings. Trademark Rule 2.117(a); see also *Mother's Restaurant Inc. v. Mama's Pizza, Inc.*, 723 F.2d 1566, 221 USPQ 394, 395 (Fed. Cir. 1983) (state court infringement action); *Professional Economics Inc. v. Professional Economic Services, Inc.*, 205 USPQ 368, 376 (TTAB 1979) (decision of state court, although not binding on the Board, was considered persuasive on question of likelihood of confusion); and *Argo & Co. v. Carpetsheen Manufacturing, Inc.*, 187 USPQ 366, 367 (TTAB 1975) (state court action between applicant and third party to determine ownership of applicant's mark and authority of applicant to file application).

The parties to this opposition are in reversed positions in a civil action pending in the North Carolina Superior Court. A review of the papers filed shows the state court action appears to address not only the rights between the parties to use the term PLEASURE under the terms of a settlement agreement between them, but also RJ Reynolds

has asserted as an affirmative defense that the term PLEASURE is generic or generically descriptive. These issues may have a bearing on the Board case.

Accordingly, proceedings are suspended pending final disposition of the state court action between the parties.

Within twenty days after the final determination of the state court action, the parties shall so notify the Board and call this case up for appropriate action. During the suspension period, the parties shall notify the Board of any address changes for the parties or their attorneys.
