UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE

GILDA A. SOLIS AND STILLMAN DE MEXICO S.A. DE C.V.	)	
Plaintiff	)	Opposition No. 91204599
v.	)	
SHAMIM AKHTER, PARTNERSHIP, DBA SHAMIM AKHTER	)	Mailed: April 25, 2014
Defendant	)	

DECISION DENYING PETITION FOR DISQUALIFICATION

Cheryl Butler, Senior Counsel, Trademark Trial and Appeal Board:[1]

Applicant is seeking to register the mark STILLMAN'S for "bleaching preparations and other substances for laundry use, namely, laundry detergents, cleaning, polishing, scouring and abrasive preparations, soaps, perfumery, essential oils, cosmetics, hair lotions, and dentifrices."[2]

On September 5, 2012, opposers filed a petition to disqualify applicant's counsel, Harold L. Novick and "all members of the law firm of H & A Intellectual

[1] Authority to decide petitions seeking disqualification of attorneys in cases before the Trademark Trial and Appeal Board has been delegated to the Chief Administrative Trademark Judge. TBMP § 513.02 (2013). Under the delegation, the authority to decide this petition was further delegated.

[2] Application Serial No. 85092438, filed on July 26, 2010 based on Trademark Act § 44(e), 15 U.S.C. § 1126(e).

Property Law PLLC including but not limited to Novick, Brian E. Banner and Jared D. Barsky." As one basis for disqualification, opposers allege a conflict of interest because Mr. Novick is purportedly the president and secretary of a third-party corporation, The Stillman Company, a Virginia corporation (hereinafter also "Stillman – Virginia"), which opposers further allege is a company related to applicant. As a second basis for disqualification, opposers state that they intend to call Mr. Novick as a witness in this opposition proceeding. Applicant filed a response to opposers' motion.

Petitions to disqualify a practitioner in *ex parte* or *inter partes* matters in the Office are not governed by §§ 11.19 through 11.60 and will be handled on a case-by-case basis under such conditions as the USPTO Director deems appropriate. 37 CFR § 11.19(c).

BACKGROUND

This proceeding commenced on April 4, 2012. On April 13, 2012, opposers filed an amended notice of opposition ("Amended Opp.") alleging priority of use, through a predecessor-in-interest of opposer Gilda A. Solis, and by opposer Stillman de Mexico S.A. de C.V., of the mark STILLMAN'S for "facial cream products." Amended Opp. ¶¶ 2-4. Opposers identify the predecessor-in-interest as "The Stillman Company, Inc." *Id*. ¶¶ 2, 3 and 7. Opposers further allege likelihood of confusion, that applicant lacked a bona fide intent to use the mark as of the filing date of the application, and that applicant's attempted registration of the mark is in

breach of a 1972 agreement between Solis's predecessor-in-interest and M/S Shamim Akhtar.[3] *Id.* ¶¶ 7, 12-13, 15, and 16.

Applicant filed an answer to the amended notice of opposition on May 14, 2012 admitting that the Stillman Company, Inc., a Delaware corporation (hereinafter also "Stillman – Delaware"), owned a registration for the mark STILLMAN'S since at least 1969 until it was cancelled on June 5, 2004. Answer ¶ 3. Applicant further admitted that the names "Shamim Akhtar" and "The Stillman Company, Inc." appear on the agreement submitted by opposers, and asserts that the agreement "speaks for itself." *Id.* ¶ 7. Applicant otherwise denies the essential allegations of the amended notice of opposition.

Opposers, with their petition to disqualify, submitted a copy of the 2012 Annual Report filed with State Corporation Commission of the Commonwealth of Virginia for Stillman - Virginia.

FACTS

1. Applicant, Shamim Akhter, is a partnership organized under the laws of the country of Pakistan and composed of Ms. Noor Jehan Begum, S.M.

[3] Opposers state that a copy of the 1972 agreement is attached as Exhibit 1 to the amended complaint. Amended Opp. ¶ 7. However, a copy of the agreement is not of recorded with the amended notice of opposition. The agreement was submitted as Exhibit 1 to the original notice of opposition and, because it is referenced by both parties, is incorporated by reference to the amended notice of opposition.
The parties are reminded that, with two exceptions not present here concerning pleaded registrations, exhibits attached to a pleading are not evidence on behalf of the party to whose pleading they are attached unless they are thereafter, during the time for taking testimony, properly identified and introduced in evidence as exhibits. 37 CFR §§ 2.122(c) and (d).

Akhtar, S.M. Shahid, and S.M. Zahid, all citizens of Pakistan. Application Serial No. 85092438.

2. The declaration in support of the application was signed by S.M. Shahid, general partner. *Id.*

3. At the time the application was filed, Harold L. Novick, Brian E. Banner and Jared D. Barsky of H & A Intellectual Property Law, PLLC were applicant's appointed attorneys. *Id.*

4. On May 27, 2011, Harold L. Novick of H & A Intellectual Property Law, PLLC filed a change of correspondence address. File record for application Serial No. 85092438.

5. All filings for applicant have been made by Harold L. Novick. *Id.* and prosecution file for Opposition No. 91204599.

6. Applicant is represented by Harold L. Novick. Opposition No. 91204599.

7. On December 13, 2012, Harold L. Novick of Novick, Kim and Lee, PLLC filed a change of correspondence address via TEAS.[4] File record for application Serial No. 85092438.

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[4] Applicant is reminded that, because the Board has jurisdiction over the application, a change of correspondence address is to be filed with the Board. *See* TBMP § 117.07. In addition, all correspondence filed in connection with an inter partes proceeding is to be served on the adverse party. 37 CFR § 2.119(a); and TBMP § 113. As a courtesy, and in the interest of judicial efficiency, opposers are directed to http://ttabvue.uspto.gov/ttabvue/v?pno=91204599&pty=OPP&eno=17.
A copy of the information in the TEAS change of address fields is attached herewith for opposers.

8. Exhibit 1 to the complaint is a copy of the "Manufacturing – Sales Agreement, Appointment of Agent" between "The Stillman Company, Inc." (apparently Stillman - Delaware) and Shamim Akhtar,[5] signed by each party in December, 1972. The company appointed Shamim Akhtar as its exclusive agent for Pakistan to sell its creams in Pakistan only. Agreement ¶ 3. Shamim Akhtar agreed to purchase materials necessary for production, observe manufacturing caution, and provide proper labeling; to purchase ingredients from the company, or approved sources; and not to promote directly sales of articles in direct competition to those of the company. *Id.* ¶¶ 4-6. The parties agreed that the terms are binding on all heirs and assigns of each party, that the agreement is automatically renewed each year, and that the agreement may be cancelled upon written notice by either party. *Id.* ¶¶ 9-10.

9. Exhibit 1 to opposers' petition to disqualify is a copy of the 2012 Annual Report filed by Stillman - Virginia with the State Corporation Commission of the Commonwealth of Virginia. Harold L. Novick is the named president and secretary of Stillman – Virginia, as well as the named Virginia registered agent. The following individuals are named directors: Sheik Mohammed Shahid, Sheik Mohammed Akhtar, Sheik Mohammed Zahid, and Nasir Masud.

[5] The spelling of applicant's name, "Akhter," differs slightly from the spelling of the name in the manufacturing and sales agreement, "Akhtar."

10. There is no evidence of record showing that Gilda A. Solis is the successor-in-interest to Stillman – Delaware.

ARGUMENTS

In support of their petition to disqualify Mr. Novick, other named attorneys, and the named law firm, opposers argue that Mr. Novick is an officer of Stillman – Virginia; that Stillman – Virginia is the owner of record of two pending trademark applications consisting in whole or in part of the term STILLMANS; and that such applications are now suspended pending disposition of opposers' and applicant's prior pending applications.[6] Opposers also contend that Stillman – Virginia is a related company of applicant because three of applicant's partners are also directors of Stillman – Virginia. As a consequence of these circumstances, opposers assert that a conflict of interest exists between Mr. Novick, applicant and Stillman – Virginia based on Mr. Novick's dual capacity as attorney of record for both applicant and Stillman – Virginia and as an officer of Stillman – Virginia. Opposers further assert that a conflict of interest exists between the law firm of H & A Intellectual Property Law PLLC, applicant and Stillman – Virginia based on Mr. Novick's affiliation with the firm. Opposers indicate they intend to call Mr. Novick as a witness "to testify on behalf of [his] client the Applicant." Finally, opposers state that the alleged conflict will interfere with and prevent the exchange of trade secret/commercially sensitive information and material.

[6] Opposers allege that their pleaded, pending application Serial No. 85150670 is suspended because applicant's application has been referenced as a potential bar to registration thereof. Amended Opp. ¶¶ 9-11.

In response, applicant states that Mr. Banner and Mr. Barsky are no longer with the firm and that neither attorney had anything to do with applicant's application or the present opposition.[7] Applicant argues that no conflict of interest exists because neither its attorney nor the H & A Intellectual Property Law PLLC ever represented opposers. Applicant points out that Stillman – Virginia is not involved in this proceeding. Applicant further acknowledges that some of the partners of applicant are also directors of Stillman – Virginia. Applicant contends, however, that no conflict of interest exists based the representation of both entities by applicant's attorney because he is, in fact, representing the same persons. Applicant indicates that it relies on its constructive use date, the filing date of its application; that it is up to opposers to show that they have use and/or rights prior to such date; and, consequently, that a deposition of applicant's counsel cannot elicit any relevant or material facts. Applicant contends that, because its attorney is not an officer, partner or employee of applicant, any role counsel plays for applicant could be ascertained through discovery propounded upon applicant and does not require a deposition of applicant's attorney. Thus, applicant argues, there is no reason that its attorney ought to be called as a witness.

DISCUSSION

Opposers' petition to disqualify is moot as to Mr. Banner and Mr. Barsky. Neither attorney is associated with the law firm any longer. Moreover, neither attorney submitted any filing on behalf of applicant. Accordingly, no further

[7] According to applicant, Mr. Banner formed his own law firm and Mr. Barsky is now employed by the USPTO as a patent examiner.

consideration will be given to the petition with respect to Messrs. Banner and Barsky.

As a preliminary matter, the petition to disqualify was fully briefed prior to the effective date (May 3, 2013) that the Office adopted the **USPTO RULES OF PROFESSIONAL CONDUCT**.[8] 78 FR 20179 (April 3, 2013). Consequently, the parties referenced and relied upon the **PATENT AND TRADEMARK OFFICE CODE OF PROFESSIONAL RESPONSIBILITY**, which was in effect at the time. Accordingly, this petition decision references and is based on the rules of the **CODE OF PROFESSIONAL CONDUCT** that were in effect at the time of briefing. It is emphasized, however, that the result herein would be the same under either the rules in effect at the time of briefing or the rules presently in effect.

1. Whether a conflict of interest exists

Opposers rely on Disciplinary Rule 10.66, 37 CFR § 10.66 ("Refusing to accept or continue employment if the interests of another client may impair the independent professional judgment of the practitioner"), in support of their position that Mr. Novick's relationship with a third party presents a conflict of interest in this case. The Rule provides, in relevant part, as follows:

> (b) A practitioner shall not continue multiple employment if the exercise of the practitioner's independent professional judgment in behalf of a client will be or is likely to be adversely affected by the practitioner's representation of another client, or if it would be likely to involve the practitioner in representing differing interests, except to the extent permitted under paragraph (c) of this section.
>
> (c) In the situations covered by paragraphs (a) and (b) of this section, a practitioner may represent multiple clients if it is obvious that the practitioner can adequately represent the interest of each and if each consents to the representation

[8] The petition was fully briefed before the changes were published as proposed in a Notice of Proposed Rulemaking (October 18, 2012). 77 FR 64190.

after full disclosure of the possible effect of such representation on the exercise of the practitioner's independent professional judgment on behalf of each.

(d) If a practitioner is required to decline employment or to withdraw from employment under a Disciplinary Rule, no partner, or associate, or any other practitioner affiliated with the practitioner or the practitioner's firm, may accept or continue such employment unless otherwise ordered by the Director or Commissioner.

Mr. Novick is applicant's attorney and is an officer and a representative of Stillman - Virginia, a third party not involved in this opposition proceeding. The relationship between applicant and Stillman – Virginia is unclear on this record, though is at least suggested by the common partners and directors of each entity. There is no evidence, however, of conflicting interests between applicant and Stillman – Virginia. Neither party is complaining of a conflict, nor are applicant and Stillman – Virginia advocating adverse interests herein. The fact that applicant and Stillman – Virginia have pending applications for marks consisting in whole or in part of the term STILLMAN'S, and are represented by the same attorney, without more, are insufficient facts upon which to find a conflict of interest. If the two entities are related, as opposers allege, it is not surprising or unusual that they would be represented by the same attorney.

Insofar as several of applicant's partners are also directors of Stillman – Virginia, it is apparent that each entity is aware of the representation of the other by Mr. Novick, and that Mr. Novick is an officer of Stillman – Virginia.

Accordingly, opposers' petition to disqualify Mr. Novick and his firm on the basis of a purported conflict of interest involving a third party is <u>denied</u>.

2. Whether Mr. Novick ought to be called as a witness

The **CODE OF PROFESSIONAL CONDUCT** addressed two situations where attorneys for a party should withdraw or may be disqualified because they may be called as witnesses. One refers to situations where the practitioner will be called as a witness on behalf of the client and the other addresses the situation where the practitioner will be called other than on behalf of the client.

More specifically, Disciplinary Rule 10.63, 37 CFR § 10.63, provides as follows:

> (a) If, after undertaking employment in a proceeding in the Office, a practitioner learns or it is obvious that the practitioner or another practitioner in the practitioner's firm ought to sign an affidavit to be filed in the Office or be called as a witness on behalf of a practitioner's client, the practitioner shall withdraw from the conduct of the proceeding and the practitioner's firm, if any, shall not continue representation in the proceeding, except that the practitioner may continue the representation and the practitioner or another practitioner in the practitioner's firm may testify in the circumstances enumerated in paragraphs (1) through (4) of § 10.62(b).
>
> (b) If, after undertaking employment in a proceeding before the Office, a practitioner learns or it is obvious that the practitioner or another practitioner in the practitioner's firm may be asked to sign an affidavit to be filed in the Office or be called as a witness other than on behalf of the practitioner's client, the practitioner may continue the representation until it is apparent that the practitioner's affidavit or testimony is or may be prejudicial to the practitioner's client.

Thus, in determining whether or not disqualification is required there are two principal considerations: (1) whether an attorney ought to sign an affidavit or be called to testify on behalf of his or her client, and (2) whether the attorney may be asked to sign an affidavit or be called as a witness other than on behalf of his or her client, and the attorney's testimony is or may be prejudicial to the client. *Little*

Caesar Enterprises Inc. v. Domino's Pizza Inc., 11 USPQ2d 1233, 1235 (Comm'r Pat. 1989).

Turning first to the question of whether Mr. Novick should be disqualified under § 10.63(b), the test for determining whether testimony may be prejudicial is strict and "is to be determined against an objective standard and, of course, may not be satisfied by mere speculation as to its effect." *Personalized Mass Media Corp. v. The Weather Channel, Inc.*, 899 F. Supp. 239, 243 (E.D. Va. 1995). The moving party must demonstrate that "the likelihood of prejudice occurring is substantial." *Summagraphics Corp. v. Sanders Associates*, 19 USPQ2d 1859, 1861 (D. Conn. 1991). In addition, the moving party must demonstrate how and as to what issues in the case the prejudice may occur. *Personalized Mass Media*, 899 F. Supp. at 243. The mere fact that opposers may depose Mr. Novick is not in itself significant. *Little Caesar*, 11 USPQ2d at 1235 ("[T]he mere allegation that LCE intends to call Mr. Schivley as a witness, without more, is insufficient").

Here, opposers indicate they intend to call Mr. Novick as a witness to testify on behalf of applicant apparently based on his position as an officer and representative of Stillman – Virginia and as applicant's attorney. Opposers have not otherwise identified the subject matter of the anticipated testimony or explained why it would be prejudicial to his client. There is no evidence that, even if called by opposers, Mr. Novick's testimony would be prejudicial to his client. Therefore, the petition to disqualify Mr. Novick under 37 CFR § 10.63(b) is <u>denied</u>.

Turning next to consideration of whether Mr. Novick should be disqualified under 37 CFR § 10.63(a) on the ground that he "ought to" be called as a witness on behalf of his client,[9] this rule prohibits an attorney from appearing as both witness and counsel in a case unless testifying under the circumstances identified in 37 CFR § 10.62(b)(1)-(4):

> (1) If the testimony will relate solely to an uncontested matter. (2) If the testimony will relate solely to a matter of formality and there is no reason to believe that substantial evidence will be offered in opposition to the testimony. (3) If the testimony will relate solely to the nature and value of legal services rendered in the case by the practitioner or the practitioner's firm to the client. (4) As to any matter, if refusal would work a substantial hardship on the client because of the distinctive value of the practitioner or the practitioner's firm as counsel in the particular case.

Opposers have not identified the subject matter of the anticipated testimony, explained why any information sought could not be obtained through discovery propounded on applicant but instead ought to be obtained through the testimony of Mr. Novick, or otherwise identified any activity Mr. Novick undertook that suggests he ought to be called as a witness. Even if called by opposers, and based on the information of record, any testimony providing an explanation of the relationship between applicant and Stillman – Virginia, does not appear to be relevant to the issues in this case.

Therefore, the petition to disqualify Mr. Novick under 37 CFR § 10.63(a) is <u>denied</u>.

[9] There is no indication, and opposers have not argued, that Mr. Novick, or anyone in his firm, ought to, or has been asked to, sign an affidavit to be filed with the Office.

ACCESS TO PROTECTED INFORMATION

One of opposers' expressed concerns is that Mr. Novick, as applicant's attorney, will have access to opposers' "trade secret/commercially sensitive" information and materials (should any be provided in response to discovery requests) and that, because of his interest in Stillman – Virginia, stands more in the position of in-house counsel than outside counsel. In essence, opposers' petition for disqualification is, in part, a request for modification of the standard protective order that governs the exchange of confidential and proprietary information in this proceeding. 37 CFR § 2.116(g).

Opposers have made a sufficient showing as to why Mr. Novick's access to opposers' discovery responses that may be designated "trade secret/commercially sensitive" should be restricted by virtue of his status as an officer of a third party that appears to have an interest in the term STILLMANS. In the event that opposers so designate any discovery response, Mr. Novick is to be considered the equivalent of "in house" counsel for applicant. In such capacity, he retains his ability to represent applicant; potential hardship to applicant is diminished; and opposers, as necessary and appropriate, may designate particular discovery responses so that they are not disclosed to Mr. Novick.[10]

[10] This would mean that, for information and materials designated "trade secret/commercially sensitive," applicant should retain another attorney considered "outside counsel."

DECISION

Opposers' petition for disqualification of Harold L. Novick H & A Intellectual Property Law PLLC as counsel for applicant Shamim Akhter, a partnership DBA Shamim Akhter in Opposition No. 91204599 is DENIED.

RESET SCHEDULE

Proceedings are resumed and dates are reset as follows:

Initial Disclosures Due	**5/31/2014**
Expert Disclosures Due	**9/28/2014**
Discovery Closes	**10/28/2014**
Plaintiff's Pretrial Disclosures	**12/12/2014**
Plaintiff's 30-day Trial Period Ends	**1/26/2015**
Defendant's Pretrial Disclosures	**2/10/2015**
Defendant's 30-day Trial Period Ends	**3/27/2015**
Plaintiff's Rebuttal Disclosures	**4/11/2015**
Plaintiff's 15-day Rebuttal Period Ends	**5/11/2015**

In each instance, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.l25.

Briefs shall be filed in accordance with Trademark Rules 2.l28(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.l29.

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Change Of Correspondence Address
The table below presents the data as entered.

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SIGNATORY DATE 12/13/2012
SIGNATORY POSITION Attorney of Record, member bar of District of Columbia
SIGNATORY PHONE NUMBER 703-546-8554
AUTHORIZED SIGNATORY YES
FILING INFORMATION SECTION
SUBMIT DATE Thu Dec 13 17:46:03 EST 2012
TEAS STAMP
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