THIS ORDER IS NOT A PRECEDENT OF THE TTAB

JMM

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451
General Contact Number: 571-272-8500
General Email: TTABInfo@uspto.gov

May 24, 2019

Opposition No. 91239859

Kathy Michael d/b/a Cedar Cove Inn

v.

Debbie Macomber, Inc.

Before Kuhlke, Cataldo, and Dunn, Administrative Trademark Judges.

By the Board:

This case comes up on Opposer's timely request, filed January 10, 2019, for reconsideration of the Board's December 28, 2018 order dismissing this opposition without prejudice (22 TTABVUE) and reinstatement of the Board's December 17, 2018 order entering judgment against Applicant (19 TTABVUE). The motion is contested.

RELEVANT FACTS

On December 14, 2018, Applicant filed a motion to abandon application Serial No. 87586893 without Opposer's written consent. On December 17, 2018, pursuant to Trademark Rule 2.135, 37 C.F.R. § 2.135, judgment was entered against Applicant, the opposition was sustained, and registration to Applicant was refused.

On December 18, 2018, Applicant filed a "corrected" motion to abandon the subject

application with an allegation of Opposer's consent based on Opposer's signature on an attached settlement agreement. (21 TTABVUE 4). The attached settlement agreement between the parties provided for continued trademark use by each party with no opposition or challenge to each other's trademark rights, with the exception of the opposed application (Par. 3); Opposer agreed to remove any references to Applicant from materials within Opposer's control (Par. 4), and Applicant agreed to expressly withdraw its pending application (Par. 1), to abandon its state registration (Par. 2), and to not oppose or challenge Opposer's application or registration for the mark CEDAR COVE for use with bed and breakfast inn services (Par. 3). With respect to withdrawal of the opposed application, the agreement specifies:

> **Express Withdrawal of Application.** [Applicant] shall, by December 14, 2018, expressly withdraw pending U.S. Trademark Application No. 87586893.

(21 TTABVUE 4). On December 28, 2018, the Board issued an order noting the corrected motion to abandon with Opposer's written consent and dismissing the opposition without prejudice. (22 TTABVUE).

On January 10, 2019, Opposer filed its request for reconsideration, alleging that the Board erred in accepting Applicant's assertion that Opposer's signature on the settlement agreement was the required written consent to abandonment of the application without entry of judgment and moving to vacate the Board's December 28, 2018 decision to dismiss the opposition without prejudice. Opposer seeks to reinstate the December 17, 2018 order entering judgment against Applicant. Applicant filed an opposition to the motion reiterating its argument that execution of

the settlement agreement which provides for withdrawal of the application must be construed as written consent to the withdrawal of the application.

APPLICABLE LEGAL PRINCIPLES

"A motion for reconsideration under Trademark Rule 2.127(b) is limited to a demonstration that on the basis of the facts before the Board and applicable law, the Board's ruling was in error and requires appropriate change." *See Guess? IP Holder L.P. v. Knowluxe LLC,* 116 USPQ2d 2018, 2019 (TTAB 2015). Trademark Rule 2.135 provides that "[a]fter the commencement of an opposition, concurrent use, or interference proceeding, if the applicant files a written abandonment of the application or of the mark without the written consent of every adverse party to the proceeding, judgment shall be entered against the applicant." *See also New Orleans Louisiana Saints LLC v. Who Dat? Inc.*, 99 USPQ2d 1550, 1550-51 (TTAB 2011) (abandonment must be with written consent of all opposers or judgment will be entered for each opposer who has not consented). Written consent is required for abandonment without prejudice regardless of motivation for abandonment. *Rolex Watch U.S.A., Inc. v. AFP Imaging Corp.*, 107 USPQ2d 1626, 1628 (TTAB 2013); s*ee also Hiram Walker & Sons, Inc. v. Castlewood Int'l Corp.*, 198 USPQ 191, 192 (CCPA 1978) (vacating Board's decision to dismiss opposition after appellee abandoned its trademark applications while case was pending before the court on appeal; court in remanding the case back to the Board for "appropriate" action, noted "the procedure followed upon abandonment of a trademark application, 37 CFR 2.135.").

DISCUSSION

Turning to the substance of the motion, Opposer contends that "at no time, including in the settlement agreement," did Opposer provide its consent to withdrawal of the subject application. (23 TTABVUE 2). Moreover, Opposer states that its "negotiated expectation" of the parties' settlement was that "Applicant's withdrawal of its application would result in a judgment against Applicant, acting as *res judicata* against any future effort by Applicant or its successor to pursue registration of the mark." *Id.*

In response, Applicant contends that the Board did not err in the December 28, 2018 order.[1] Applicant argues that "[b]ased on the reciprocal promises contained in the Settlement Agreement, Opposer consented in writing (i.e., 'agreed') to withdrawal of the application," and that Opposer's "subjective, unexpressed belief that a judgment would be entered" is irrelevant and inadmissible. (25 TTABVUE 2, 8).

Here, the settlement agreement upon which Applicant relies for consent to withdrawal of the application merely provides that Applicant "shall, by December 14, 2018, expressly withdraw pending U.S. Trademark Application No. 87586893." (21 TTABVUE 4). All parties are charged with compliance with the Board's rules, and under Trademark Rule 2.135, absent Opposer's specific written consent to abandonment of the application, abandonment of an opposed application results in entry of judgment against Applicant. The settlement agreement does not state that

[1] Applicant also contends that Opposer has not satisfied the requirements for relief from judgment pursuant to Fed. R. Civ. P. 60(b), but Opposer filed a motion for reconsideration of the Board's December 28, 2018 order, not one for relief under Rule 60(b). Thus, Applicant's arguments regarding Fed. R. Civ. P. 60(b) have been given no consideration.

Opposer consents to the withdrawal, or that the parties agree that the opposition is to be withdrawn in lieu of being sustained. Accordingly, by operation of Trademark Rule 2.135, the provision for withdrawal of the application is a provision for entry of judgment against Applicant.

The Board finds that signing the settlement agreement means that the parties consent to settling their dispute on the terms set forth in the agreement. Where, as here, the terms of the settlement agreement include the provision that Applicant will not oppose or challenge Opposer's application or registration for the mark CEDAR COVE for use with bed and breakfast inn services, and will abandon its own application, we see no consent to dismissal of the opposition rather than entry of judgment in the opposition. Further, we see no basis in the parties' settlement agreement to infer Opposer's consent to Applicant's abandonment of its involved application in the absence of Opposer's express consent thereto. Applicant is unpersuasive in its argument that signing the settlement agreement with a provision for abandonment of the application is equivalent to written consent to abandonment of the application for the purpose of avoiding entry of judgment. If this was the case, a settlement agreement could never provide for entry of judgment based on abandonment of the application, because execution of the agreement would operate to require dismissal in every instance. Because the settlement agreement states only that Applicant will expressly abandon its application, and because Opposer's written consent is not of record for that abandonment, the Board finds that Trademark Rule 2.135 requires entry of judgment against Applicant.

DECISION

Opposer's request for reconsideration is **granted**. The Board's December 28, 2018 order is hereby **vacated**.

Pursuant to Trademark Rule 2.135, because Opposer's written consent to the abandonment is not of record, judgment is entered against Applicant, the opposition is sustained, and registration to Applicant is refused.