

ESTTA Tracking number: **ESTTA10401**

Filing date: **06/18/2004**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92043152
Party	Plaintiff ARTURO SANTANA GALLEGO
Correspondence Address	GEORGE W. FINCH VAN ETEN SUZUMOTO & BECKET LLP 1620 26TH ST. SUITE 6000 NORTH TOWER SANTA MONICA, CA 90404
Submission	PETITIONER'S MOTION TO RESUME WITH CANCELLATION PROCEEDING
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Date	06/18/2004
Attachments	180960_1.pdf (3 pages) pdf doc g finch.pdf (5 pages)

Attorney's Docket No. 05280-0002A

TRADEMARK

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

IN THE MATTER OF REG. NO. 2,682,978

SANTANA'S MEXICAN FOOD
... ES MUY BUENO HOME OF
FAMOUS CALIFORNIA BURRITO and
design

Date Registered: 8 October 2002

International Class 042

ARTURO SANTANA GALLEGO)
)
Petitioner,)
)
v.)
)
SANTANA'S GRILL, INC.)
)
Registrant)

Cancellation No. 92043152

PETITIONER'S MOTION TO RESUME WITH CANCELLATION PROCEEDING

Commissioner for Trademarks
2900 Crystal Drive
Arlington, VA 22202-3514

Attn: BOX TTAB NO FEE

Dear Sir:

Pursuant to T.B.M.P. § 510.02(a) ¶5, Arturo Santana Gallego ("Petitioner"), hereby requests that the Trademark Trial and Appeal Board (the "Board") remove the suspension granted to Registrant and resume the above referenced Cancellation.

T.B.M.P. § 510.02(a) ¶5 indicates that: "However, if as sometimes happens, the court before which a civil action is pending elects to suspend the civil action to await determination of

the Board proceeding and the Board is so advised, the Board will go forward with its proceeding."

The suspension was granted by the Board on a Motion of Registrant pending the outcome of Case No. 03 CV 2340 L(RBB) in U.S. District Court, Southern District of California.

Enclosed is a copy of an ORDER GRANTING MOTION TO STAY LITIGATION from Judge M. James Lorenz in Case No. 03 CV 2340 L(RBB). Judge Lorenz indicates in the ORDER that the above identified Cancellation should go forward in the TTAB while staying Case No. 03 CV 2340 L(RBB).

Such resumption is hereby requested.

In Registrant's Motion to Suspend, Registrant requested that the Board reset the time period for Registrant to respond to the Petitioner for Cancellation, as well as the close of the discovery period and the testimony periods. Although the Registrant's request was in case the Board did not grant Registrant's Motion to Suspend, since the effect of granting the Petitioner's present Motion will be effectively the same as if the Registrant's Motion had not been granted, upon granting of Petitioner's present Motion, Petitioner requests resetting of the time periods so that Registrant has sufficient time to respond, and produce discovery and testimony.

Respectfully submitted,

VANETTEN SUZUMOTO & BECKETT

//George W. Finch//

Dated: 18 June 2004

George W. Finch
1620 26th St., Suite 6000, North Tower
Santa Monica, CA 90404
(310) 315-8200
Attorneys for Petitioner, Arturo Santana Gallego

CERTIFICATE OF SERVICE

I hereby certify that I served a copy of the foregoing **PETITIONER'S MOTION TO RESUME WITH CANCELLATION PROCEEDING** upon Registrant's counsel by depositing one copy thereof including all attachments in the United States Mail, first-class postage prepaid, on June 18, 2004, addressed as follows:

AnneMarie Kaiser
Knobbe Martens Olson & Bear LLP
550 West C Street, 12th Floor
San Diego, CA 92101

//George W. Finch//
George W. Finch



U.S. District Court
Southern District of California
880 Front Street, Room 4290
San Diego, CA 92101-8900

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From: Clerk U.S. District Court

Date 06/07/04
Page 1 of 5

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CASE: 032340-CV #00044

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SOUTHERN DISTRICT OF CALIFORNIA
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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SANTANA'S GRILL, INC.,
Plaintiff,
v.
ARTURO CASTANEDA, *et al.*,
Defendants.

Civil No. 03-CV-2340-L(RBB)

**ORDER GRANTING MOTION TO
STAY LITIGATION [doc. #29];
REQUIRING STATUS REPORT; and
CONFIRMING JUNE 28, 2004 AS
HEARING DATE FOR MOTION TO
DISMISS [doc. #39]**

Defendants move to stay the above-captioned case pending cancellation proceedings in the United States Patent and Trademark Office. The motion has been fully briefed and the Court finds this matter suitable for determination on the papers submitted and without oral argument pursuant to Civil Local Rule 7.1(d)(1). Having fully reviewed the matter, the Court enters the following decision.

BACKGROUND

This action arises from a family dispute over the use of a family name in connection with twelve Mexican restaurants. Plaintiff Santana's Grill, Inc. filed this action on November 24, 2003, alleging trademark infringement and false designation of origin under the Lanham Act, and trademark infringement under California Business & Professions Code §§ 14335, *et seq.*, unfair competition under California Business & Professions Code § 17200, *et seq.*, and trade

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1 name infringement under California Business & Professions Code § 14402, *et seq.* On March
2 30, 2004, Arturo Castaneda, Arturo Santana Lee, and Pedro Santana Lee ("defendants") filed
3 their Answer and Counterclaims. Defendants allege in their counterclaims that the plaintiff's
4 trademark registrations, Nos. 2,682,978, 2,631,458 and 2,634,976, were obtained by plaintiff's
5 false representations or material misrepresentations to the United States Patent and Trademark
6 Office ("USPTO"). Defendants/counterclaimants seek, *inter alia*, cancellation of the
7 trademarks.

8 MOTION TO STAY LITIGATION

9 Defendants seek to stay litigation after filing three petitions for cancellation of the
10 trademark registrations before the USPTO. Relying on the Court's inherent discretion to control
11 its docket, defendants contend that the interests of preserving resources, seeking a speedy
12 resolution of the matter and balancing the competing interests of the parties would be met by
13 staying this litigation until the conclusion of the USPTO's Trademark Trial and Appeal Board
14 ("TTAB") proceedings. Defendants cite to *Citicasters Co. v. Country Club Communications*,
15 44 U.S.P.Q.2d 1223, 1997 WL 715034 (C.D. Cal. 1997) which granted a stay because of "the
16 efficiencies generated by the TTAB first addressing the issues involved in this matter," and
17 because "the court [was] confident that the TTAB [would] exercise its specialized knowledge in
18 effecting a determination that will prove valuable to this court." *Id.* at 1224. The factors which
19 convinced the *Citicasters* court to grant the stay were the lack of demonstrable harm resulting
20 from a stay and the efficiencies generated by having the TTAB address the issues first. The
21 court also noted that any delay resulting from the stay was minor. Further, the court stated that
22 any such delays would be countered by the greater speed at which the court would be ultimately
23 be able to decide the issues because there would be little in the way of new discovery required,
24 and the legal issues, though not disposed of, would be clearly set out. *Id.*

25 Plaintiff argues, however, that a stay should not be granted because the TTAB has
26 suspended the cancellations proceedings involving two of the three trademark registration at
27 plaintiff's request. Accordingly, plaintiff contends the "requisite basis for Defendants' motion
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1 to stay this action no longer exists.” (Opp. at 1). Because the TTAB is bound by federal district
2 court decisions while district courts are not bound by TTAB decisions, the TTAB will suspend
3 proceedings before it when the parties are involved in a civil action that has a bearing on the
4 issues before the Board. But if a district court decides to stay its proceedings until the TTAB
5 renders its decision in a case, the TTAB will proceed to decide the case before it.

6 The Court recognizes that there is a split of opinion concerning whether a stay should be
7 granted in these types of cases; however, the Court, in its discretion to manage its cases
8 efficiently and fairly, finds that a stay is appropriately granted here. Plaintiff does not show that
9 it would suffer any harm from a stay. Any delay would be compensated by a prompt decision
10 from the TTAB based upon its specialized knowledge. Moreover, plaintiff fails to make a
11 showing that efficiencies would not be realized if the issue of fraud on the USPTO was resolved
12 by the TTAB.

13 CONCLUSION

14 Based on the foregoing, the court finds that there is no showing that demonstrable harm
15 would result to either party if a stay is granted. Further, the TTAB's specialized knowledge as
16 applied to these facts would be an advisory opinion helpful to the district court once the district
17 court proceedings continue.

18 Accordingly, **IT IS ORDERED** granting defendants' motion to stay litigation except
19 with respect to defendant Arturo Santana Gallego's currently pending motion to dismiss for lack
20 of subject matter jurisdiction the sixth claim for relief contained in the counterclaims filed by
21 plaintiff Santana's Grill, Inc.

22 **IT IS FURTHER ORDERED** that Gallego's motion to dismiss [doc. #39], which is set
23 for hearing on June 28, 2004, will go forward on the papers submitted and without oral argument
24 pursuant to Civil Local Rule 7.1(d)(1). The motion will be deemed submitted on June 28, 2004.

25 **IT IS FURTHER ORDERED** that the parties shall file with the Clerk of the Court a
26 notification of any and all decisions of the USPTO within five days of the receipt of such
27 decisions.

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IT IS FURTHER ORDERED that the parties shall file a joint status report on
September 13, 2004.

IT IS SO ORDERED.

Dated: 6/2/04


M. JAMES LORENZ
UNITED STATES DISTRICT JUDGE

COPY TO:
HON. RUBEN B. BROOKS
UNITED STATES MAGISTRATE JUDGE

ALL PARTIES/COUNSEL