

THIS DISPOSITION
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OF THE T.T.A.B.

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

Lykos

Mailed: September 7, 2005

Opposition No. 91164506

Visa International Service
Association

v.

CKC Holdings, Inc.

Cancellation No. 92044540

CKC Holdings, Inc.

v.

Visa International Service
Association

(as consolidated)¹

Before Walters, Bucher and Walsh, Administrative Trademark
Judges.

By the Board:

This case now comes up for consideration of Visa
International Service Association's ("Visa") "motion to
dismiss" (filed July 5, 2005) in Cancellation No. 92044540.
The motion is contested.

¹ By this order, the above referenced proceedings are hereby
consolidated. All future submissions by the parties should be
captioned in the above manner.

Relevant Background

By way of relevant background, on March 14, 2005, Visa filed a notice of opposition against CKC Holdings, Inc.'s ("CKC") Application Serial No. 78278841² on the grounds that CKC's SIGNATURE design mark, when used in connection with the identified services, so resembles Visa's previously used and registered marks, as to be likely to cause confusion, mistake, or to deceive prospective consumers within the meaning of Section 2(d) of the Trademark Act. In its notice of opposition, Visa pleaded ownership of several federal registrations, including Registration No. 2350558 for the mark VISA SIGNATURE.³ The Board then instituted the case on March 16, 2005, and assigned it Opposition No. 91164506. On April 22, 2005, CKC answered the notice of opposition by denying the salient allegations and asserting various affirmative defenses.

Less than one month later, on May 16, 2005, CKC filed a

² Filed July 25, 2003, for "financial services, namely merchant account services in the nature of credit and debit card services, electronic processing of payment data, and credit reporting services" in International Class 36, alleging February 1, 1999 as the date of first use anywhere and in commerce.

³ Registered on May 16, 2000, for "banking services, namely, credit card, debit card, charge card, electronic payment card, prepaid card, point-of sale card, cash advance card and stored-value-card services; deposit access services; electronic funds transfer services; automatic teller machine services" in International Class 36, alleging March 20, 1998 as the date of first use anywhere and in commerce, Sections 8 and 15 affidavits acknowledged and accepted.

petition to cancel Visa's Registration No. 2350558 on the grounds of priority of use and likelihood of confusion. The Board instituted this second proceeding on May 24, 2005, as Cancellation No. 92044540.

Visa, in lieu of filing an answer to the petition for cancellation, filed the motion to dismiss currently pending before us. CKC filed a responsive brief thereto on July 25, 2005, and concurrently therewith, a motion to amend its answer in Opposition No. 91164506 to add a counterclaim to cancel Registration No. 2350558.

Visa's "Motion to Dismiss"

We now turn to Visa's motion to dismiss. In its motion, Visa argues that in Opposition No. 91164506, CKC failed to timely assert as a compulsory counterclaim its attack on the validity of Registration No. 2350558, and that CKC is therefore now barred from bringing the present cancellation proceeding.

In response thereto, CKC contends that three weeks after filing its answer in the opposition proceeding, it learned that the date of first use alleged in its Application Serial No. 78278841 was incorrect; that based on the new information, CKC purportedly now had prior use in relation to Visa; that CKC, in filing the petition for cancellation only three weeks after filing its answer in the opposition proceeding, acted promptly; and that rather than

dismissing the petition for cancellation, the Board should consolidate the two proceedings. In support of its position, CKC has submitted the affidavit of Mr. Michael M. Amir, CKC's legal counsel, as well as copies of its motion for leave to amend its answer, proposed amended answer, and counterclaim filed in Opposition No. 91164506.

Insofar as Visa's motion to dismiss the petition for cancellation relies on matters outside the pleadings, namely, the record in Opposition No. 91164506, the Board is treating the motion as one for summary judgment under Fed. R. Civ. P. 56.⁴

Trademark Rule 2.106(b)(2)(i), in pertinent part, that:

A defense attacking the validity of any one or more of the registrations pleaded in the opposition shall be a compulsory counterclaim if grounds for such counterclaim exist at the time when the answer is filed. If grounds for a counterclaim are known to the applicant when the answer to the opposition is filed, the counterclaim shall be pleaded with or as part of the answer. If grounds for a counterclaim are learned during the course of the opposition proceeding, the counterclaim shall be pleaded promptly after the grounds therefor are learned ...

After careful consideration of the parties'

⁴ CKC, in its responsive brief, implicitly treated Visa's motion as one for summary judgment by submitting materials outside the pleadings, thereby obviating the need for additional briefing. See *Institut National Des Appellations d'Origine v. Brown-Forman Corp.*, 47 USPQ2d 1875 (TTAB 1998).

arguments and submissions, the Board finds that CKC acted promptly in filing the instant petition for cancellation. According to the record before us, once CKC learned of its grounds for cancellation of Visa registration, it immediately filed the instant petition for cancellation. Moreover, given the short amount of time between the institution of the two proceedings, we find that there has been no detrimental impact on the Board's orderly administration of its docket. Therefore, in the interest of judicial economy, the best course of action is to consolidate the cancellation proceeding for purposes of discovery and trial with the opposition. *See See's Candy Shop, Inc. v. Campbell Soup Co.*, 12 USPQ2d 1395 (TTAB 1989).

In view of the foregoing, Visa's motion for summary judgment in Cancellation No. 92044540 is denied; and, petitioner's motion to amend its answer in Opposition No. 91164506 to add a counterclaim is moot.

Consolidation

As to the consolidation, the parties should note the following. Visa has not yet filed an answer in Cancellation No. 92044540. The Board prefers each case filed to have complete pleadings. Accordingly, Visa is allowed until **thirty (30) days** from the mailing date of this order to file its answer in Cancellation No. 92044540. The answer should be filed as a submission only for that particular case.

Thereafter, the Board file will be maintained in Opposition No. 91164506 as the "parent" case. As a general rule, only a single copy of any communication or motion should be filed herein; but that copy should bear both proceeding numbers in its caption.

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 pleadings; a copy of the decision shall be placed in each proceeding file.

Discovery and Testimony Periods Reset

The trial schedule, including the close of discovery, for these consolidated cases is reset as follows:

THE PERIOD FOR DISCOVERY TO CLOSE: 2/25/06

30-day testimony period for party in position of plaintiff in Opposition No. 91164506 to close: 5/26/06

30-day testimony period for party in position of defendant in Opposition No. 91164506 and plaintiff in Cancellation No. 92044540 to close: 7/25/06

30-day rebuttal testimony period for defendant in Cancellation No. 92044540 and plaintiff in Opposition No. 91164506 to close: 9/23/06

15-day rebuttal testimony period for plaintiff in Cancellation No. 92044540 to close: 11/7/06

Briefs shall be due as follows: (See Trademark Rule 2.128)

Brief for plaintiff in Opposition No.

91164506 shall be due: 1/6/07

Brief for defendant in Opposition
No. 91164506 and plaintiff
in Cancellation No. 92044540
shall be due: 2/5/07

Brief for defendant in Cancellation No.
92044540 and its reply brief, if any,
as plaintiff in Opposition No. 91164506
shall be due: 3/7/07

Reply brief for plaintiff in
Cancellation No. 92044540 due: 3/22/07

An oral hearing will be set only upon request filed as
provided by Trademark Rule 2.129.