

ESTTA Tracking number: **ESTTA74656**

Filing date: **04/05/2006**

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

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|------------------------|---|
| Proceeding | 92045537 |
| Party | Defendant Tandem Health Care, Inc. TANDEM HEALTH CARE, INC. 800 CONCOURSE PKWY S. STE. 200 MAITLAND, FL 32751 |
| Correspondence Address | TANDEM HEALTH CARE, INC. 800 CONCOURSE PKWY S., SUITE 200 MAITLAND, FL 32751 |
| Submission | Other Motions/Papers |
| Filer's Name | Lynn J. Alstadt |
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| Signature | /s/ Lynn J. Alstadt |
| Date | 04/05/2006 |
| Attachments | Tandem Memorandum_in_Support_of_Motion_to_Stay.pdf (3 pages) Exhibit I Tandem.pdf (8 pages) |

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

| | | |
|-----------------------------|---|----------------------------------|
| TANDEM MANAGEMENT CO., LLC. | : | Cancellation No. 92045537 |
| | : | |
| Petitioner, | : | In re Registration No. 2,250,226 |
| | : | Registered June 1, 1999 |
| vs. | : | Mark: TANDEM HEALTH CARE |
| | : | |
| TANDEM HEALTH CARE INC. | : | In re Registration No. 2,526,933 |
| | : | Registered January 8, 2002 |
| Registrant. | : | Mark: TANDEM and DESIGN |

MEMORANDUM IN SUPPORT OF MOTION TO STAY

Registrant, Tandem Health Care, Inc., has moved for a stay of the above-titled cancellation proceedings because of the pendency of District Court litigation in the lawsuit *Tandem Health Care, Inc. v. Tandem Management Co., LLC*, Civil Action No. 05-3960 pending in the United States District Court for the Northern District of New Jersey. Petitioner here, Tandem Management Co., LLC, has filed in the pending District Court action a counterclaim seeking cancellation of the registrations which are the subject of the Petition for Cancellation. A copy of the Answer and Defenses of Defendant Tandem Management Co., LLC filed by Petitioner is attached as Exhibit 1.

Section 510.02(a) of the Trademark Trial and Appeal Board Manual says:

Whenever it comes to the attention of the Board that a party or parties to a case pending before it are involved in a civil action which may have a bearing on the Board case, proceedings before the Board may be suspended until final determination of the civil action.¹⁶⁷

¹⁶⁷ See 37 CFR § 2.117(a); *General Motors Corp. v. Cadillac Club Foundations, Inc.*, 22 USPQ2d 1933 (TTAB 1992); *Toro Co. v. Hardigg Industries, Inc.*, 187 USPQ 689 (TTAB 1975), rev'd on other grounds, 549 F.2d 785, 193 USPQ 149 (CCPA 1977); *Other Telephone Co. v. Connecticut National Telephone Co.*, 181 USPQ 125 (TTAB 1974), petition denied, 181 USPQ 779 (Comm'r 1974); *Tokaido v. Honda Associates, Inc.*, 179 USPQ 681 (TTAB 1973); *Whopper-Burger, Inc. v. Burger King Corp.*, 171 USPQ 805 (TTAB 1971); and David B. Allen, *TIPS FROM THE TTAB: Impact of TTAB Decisions in Civil Litigation. The Alphonse-Gaston Act*, 74 Trademark Rep. 180 (1984).

Most commonly, a request to suspend pending the outcome of another proceeding seeks suspension because of a civil action pending between the parties in a Federal district court. To the extent that a civil action in a Federal district court involves issues in common with those in a proceeding before the Board, the decision of the Federal district court is often binding upon the Board, while the decision of the Board is not binding upon the court.

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Ordinarily, the Board will suspend proceedings in the case before it if the final determination of the other proceeding will have a bearing on the issues before the Board.

Indeed, the facts here are comparable to those in *General Motors Corp. v. Cadillac Club Fashions, Inc.*, 22 USPQ2d 1933 (TTAB 1992) where the relief sought in the District Court included an Order directing the Office to cancel Respondent's registrations involved in the cancellation proceeding. The Board stayed that proceeding. In view of the fact that a decision by the District Court in on the counterclaims for cancellation pending before the District Court will be binding on the Board, this proceeding should be stayed pending the outcome on the District Court litigation.

Respectfully submitted,

TANDEM HEALTH CARE, INC

/s/ Lynn J. Alstadt

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Date: April 5, 2006

CERTIFICATE OF SERVICE

The undersigned certifies that on this 5th day of April, 2006, a true and correct copy of the foregoing MEMORANDUM IN SUPPORT OF MOTION TO STAY was served on the attorneys for Petitioner by first class mail, postage prepaid, addressed as follows:

Susan Okin Goldsmith, Esq.
Gregory R. Haworth, Esq.
Duane Morris LLP
744 Broad Street, Suite 1200
Newark, New Jersey 07102

/s/ Lynn J. Alstadt

Lynn J. Alstadt

DUANE MORRIS LLP

A Delaware Limited Liability Partnership

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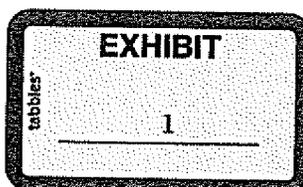
**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

| | |
|---|--|
| <p>TANDEM HEALTH CARE, INC.,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">v.</p> <p>TANDEM MANAGEMENT CO., LLC,</p> <p style="text-align: center;">Defendant.</p> | <p>Civil Action No. 05-3960 (DRD)</p> <p>ECF CASE</p> <p style="text-align: center;"><u>ANSWER AND DEFENSES OF</u> <u>DEFENDANT</u> <u>TANDEM MANAGEMENT CO., LLC</u></p> |
|---|--|

The defendant Tandem Management Co., LLC ("TMC") responds to the Complaint of Tandem Health Care, Inc. ("THC"), as follows:

JURISDICTION AND PARTIES

1. Paragraph 1 simply characterizes the complaint and no response is required.
2. TMC acknowledges that this Court has subject matter jurisdiction in that THC has asserted claims under federal law. To the extent the Court has jurisdiction, venue is proper.
3. TMC has insufficient knowledge to form a belief as to the allegations of paragraph 3.



4. TMC is a limited liability company organized under the laws of New Jersey. TMC admits that it has an address at 433 Hackensack Ave., 8th Floor, Hackensack, NJ 07601. Based on its understanding of the phrase “doing business,” TMC admits that it is doing business in within the State of New Jersey and this Judicial District.

5. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 5.

6. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 6.

7. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 7.

8. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 8.

9. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 9.

10. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 10.

11. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 11.

12. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 12.

13. TMC denies the allegations of paragraph 13.

14. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 14.

15. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 15.

16. TMC denies the allegations of paragraph 16.

17. TMC admits that it gave a presentation at the LTC 100 Conference in San Diego, CA, concerning a “new long term acute care hospital project.”

18. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 18.

19. TMC admits that it gave a presentation at the LTC 100 Conference in San Diego, CA, concerning a “new long term acute care hospital project.” TMC has insufficient knowledge to form a belief as to the truth of the remaining allegations of paragraph 19.

20. TMC has insufficient knowledge to form a belief as to the truth of the allegations of paragraph 20.

21. TMC admits that Richard Pineles is the signatory of the Certificate of Amendment attached as Exhibit C to the Complaint, and refers to Exhibit C for a full and proper interpretation of its terms. TMC has insufficient knowledge to form a belief as to the truth of the allegations of the second sentence of paragraph 21.

22. TMC admits that there was a posting, attached to the Complaint as Exhibit D, which was made in error by an employee. In that posting, TMC was incorrectly identified by the employee as being the entity which was seeking a “senior project manager,” and was further incorrectly identified as being the entity which is a builder of health care facilities. TMC denies

being a builder of health care facilities, is not the entity which is breaking ground for a new facility in early September, and has caused the posting to be withdrawn.

23. TMC denies the allegations of paragraph 23.

24. TMC denies the allegations of paragraph 24.

COUNT 1 – FEDERAL TRADEMARK INFRINGEMENT

25. TMC repeats each and every response to paragraphs 1 through 24 as if fully set forth herein.

26. TMC denies the allegations of paragraph 26.

COUNT 2 – FEDERAL UNFAIR COMPETITION AND FALSE DESIGNATION OF ORIGIN

27. TMC repeats each and every response to paragraphs 1 through 24 as if fully set forth herein.

28. TMC denies the allegations of paragraph 28.

COUNT 3 – COMMON LAW UNFAIR COMPETITION AND FALSE DESIGNATION OF ORIGIN

29. TMC repeats each and every response to paragraphs 1 through 24 as if fully set forth herein.

30. TMC denies the allegations of paragraph 30.

COUNT 4 – FEDERAL TRADEMARK DILUTION

31. TMC repeats each and every response to paragraphs 1 through 24 as if fully set forth herein.

32. TMC denies the allegations of paragraph 32.

COUNT 5 –NEW JERSEY STATE TRADEMARK DILUTION

33. TMC repeats each and every response to paragraphs 1 through 24 as if fully set forth herein.

34. TMC denies the allegations of paragraph 34.

DEFENSES

First Defense

Plaintiff's trademark registrations numbers 2,250,226 and 2,526,933 are invalid and should be cancelled because the registrations were obtained through fraud and deceit practiced on the United States Patent and Trademark Office.

Second Defense

TMC's use of the term TANDEM derived from sister entities, namely Tandem Food Corporation and Tandem Marketing Corporation, both of which have provided services to health care facilities for many years.

Third Defense

THC did not suffer any damages as the result of any conduct of TMC.

Fourth Defense

THC's claims are barred by the doctrine of laches.

Fifth Defense

THC's claims are barred by the doctrine of waiver and/or estoppel.

Sixth Defense

The facts will not support the allegations asserted by TCH, including mistake or confusion by the public.

COUNTERCLAIM

For its counterclaim against Plaintiff Tandem Health Care, Inc. ("THC"), Defendant Tandem Management Co., LLC ("TMC") hereby alleges as follows:

JURISDICTION

35. This Court has jurisdiction under 15 U.S.C. § 1119 over counterclaims seeking cancellation of plaintiff's registered trademarks. This Court also has supplemental jurisdiction over the counterclaim under 28 U.S.C. § 1367(a) as the counterclaim is so related to Plaintiff's claims over which the Court has original jurisdiction that it forms part of the same case or controversy under Article III of the United States Constitution.

PARTIES

36. TMC is a New Jersey limited liability company with its principal place of business at 433 Hackensack Ave., 8th floor, Hackensack, NJ 07601.

37. Upon information and belief, THC is a Pennsylvania corporation with its principal place of business at 800 Concourse Parkway South, Suite 200, Maitland, Florida 32751.

RELEVANT FACTUAL BACKGROUND

38. Upon information and belief, THC is the owner of two federally registered trademarks: (1) U.S. Reg. No. 2250226 for the mark TANDEM HEALTH CARE was issued on June 1, 1999 and covers "nursing homes; providing assisted living facilities; providing at home healthcare"; (2) U.S. Reg. No. 2526933 for the design mark TANDEM was issued on January 8, 2002 and covers "nursing homes; providing assisted living facilities; at home healthcare."

39. Upon information and belief, THC did not and does not provide at home healthcare services.

40. The misrepresentations of THC to the USPTO were the direct cause of the issuance of the Registrations and of the maintenance of Reg. No. 2250226 as to which a Declaration was filed under 15 U.S.C. §§ 1058 and 1065.

41. Defendant TMC is likely to be damaged by the continuing registration of the Registrations because continued registration of these marks may interfere with current and future uses by Defendant TMC of the term "Tandem" in connection with its business.

42. The potential for damage to Defendant TMC from the continued registration of the Registrations is significant as Plaintiff has commenced the instant action against TMC based upon use and registration of the marks as shown therein.

FIRST COUNTERCLAIM

(Cancellation of Plaintiff's Registrations Pursuant to 15 U.S.C. §§ 1119 and 1064)

43. Defendant repeats and realleges paragraphs 1 through 42 as if fully set forth herein.

44. An actual controversy within this Court's jurisdiction exists with respect to Plaintiff's Registrations.

45. This Court is authorized to cancel Plaintiff's Registrations under its inherent powers under § 37 of the Lanham Act, 15 U.S.C. § 1119.

46. As set forth above, Defendant TMC believes that it will be damaged by the continued registration of the Registrations and hereby seeks an Order canceling the same

pursuant to Section 14 of the Lanham Trademark Act of 1946, 15 U.S.C. § 1064 and 15 U.S.C. § 1119.

WHEREFORE, for all of the foregoing reasons, Defendant TMC demands judgment as follows:

- A. Dismissing the Complaint in its entirety with prejudice;
- B. On the counterclaim, declaring that registration numbers 2,250,226 and 2,526,933 are canceled pursuant to 15 U.S.C. § 1119 and 1064 and that same decree be certified by the Court to the Director or such other official so designated by the United States Patent and Trademark Office, who shall make appropriate entry upon the records of the United States Patent and Trademark Office reflecting the cancellation;
- C. Awarding Defendant TMC the costs and disbursements of this action;
- D. Awarding Defendant TMC attorneys' fees pursuant to 15 U.S.C. § 1117;
- E. Granting Defendant TMC such other and further relief as may be just and proper.

WHEREFORE, the defendant Tandem Management Co., LLC demands judgment dismissing the complaint with prejudice along with costs of suit and attorneys fees.

Respectfully,

DUANE MORRIS LLP
A Delaware Limited Liability Partnership

Dated: September 26, 2005

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