

THIS OPINION IS NOT A
PRECEDENT OF THE TTAB

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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Jonathan M. Kelly
v.
Citystay Hotels, LLC

Cancellation No. 92048998

Duy Thai for Jonathan M. Kelly.

Gregory J. Tubeck for Citystay Hotels, LLC.

Before Hairston, Holtzman and Walsh, Administrative
Trademark Judges.

Opinion by Hairston, Administrative Trademark Judge:

A petition has been filed by Jonathan M. Kelly
(petitioner) to cancel a registration for the mark CITYSTAY
HOTELS owned by Citystay Hotels, LLC (respondent) for "hotel
lodging."¹

As grounds for cancellation, petitioner asserts that it
is the owner of application Serial No. 78871523 for the mark

¹ Registration No. 3388869, issued February 26, 2008 from an
application filed November 17, 2005, claiming first use and first
use in commerce on November 14, 2005. The term "HOTELS" has been
disclaimed apart from the mark as shown.

CITISTAY and that registration of its application has been refused in view of respondent's registration; that respondent did not offer hotel lodging as of November 17, 2005, the filing date of the application which issued into respondent's registration; and that "the declaration of actual use in commerce contained in the original application was false and fraudulent." (§6)

Respondent, in its answer to the petition to cancel, denied the essential allegations thereof.

Accelerated Case Resolution (ACR)

On November 18, 2009, the parties filed a joint request to resolve this proceeding by way of Accelerated Case Resolution (ACR), accompanied by a Stipulation of Facts. Following this submission, the Board advised the parties that additional stipulations would be required before the Board would grant the request to resolve the case via ACR. In response, the parties filed additional stipulations, and the Board subsequently convened a telephone conference with the parties to discuss ACR procedures and to clarify certain aspects of the petition to cancel. During this conference, the Board noted that petitioner's pleading of fraud was insufficient as a fraud claim, and the parties agreed to deem the pleading as a claim of non-use, i.e., respondent failed to make bona fide use of its mark in commerce prior to the filing of its use-based application. The Board also

found that the parties had met the requirements for proceeding under ACR and, thus, accepted the case for resolution via ACR, and set a briefing schedule.

The Record

By operation of Trademark Rule 2.122, 37 C.F.R. §2.122, the record in this case consists of the pleadings and the file of the involved registration. As previously noted, the parties filed a stipulation of facts. Neither party, however, submitted any other evidence.

Petitioner and respondent filed main briefs on the case, and petitioner filed a reply brief.

Petitioner's Standing

Standing is a threshold requirement that must be established by a plaintiff in every case. The purpose of the standing requirement is to prevent mere intermeddlers from initiating proceedings. Thus, to meet this requirement, a plaintiff need only show that it has a real interest in the outcome of the proceeding. *See Ritchie v. Simpson*, 170 F.2d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999). Petitioner has not introduced any evidence to prove his standing, and respondent has not stipulated to petitioner's standing in the stipulation of facts. Nevertheless, we find that petitioner's standing has been established by statements made by respondent in its brief.

As stated by *TBMP* §704.06(b) (2d ed. rev. 2004):

Factual statements made in a party's brief on the case can be given no consideration unless they are supported by evidence properly introduced at trial. Statements in a brief have no evidentiary value, except to the extent that they may serve as admissions against interest.

Respondent in its brief has admitted that petitioner has standing to bring the petition to cancel by admitting that petitioner's "application Serial No. 78,871,523 has been suspended due to CSH [respondent] holding filing seniority of a conflicting registered mark" (Brief, pp. 1-2). In light of such admission, petitioner properly notes in his initial brief that his application has been suspended, that "the Examining Attorney cited [respondent's] then pending application which ripened into Registration No. 3,388,869" and "[b]ecause the subject registration blocks [petitioner's] application," petitioner has standing. Standing may be found when the plaintiff has been refused registration of its mark because of defendant's registration. See *Cerveceria Modelo S.A. de C.V. v. R.B. Marco & Sons, Inc.*, 55 USPQ2d 1298, 1300 (TTAB 2000). Under the circumstances, we find that petitioner has standing.

Non-use

We turn then to the issue of whether or not respondent's mark CITYSTAY HOTELS was in use in connection with hotel lodging at the time of the filing of the application which issued into the involved registration. In view of the parties' stipulation of facts, the facts in this

case are clear. The following are the relevant facts pertaining to respondent's alleged use of the mark CITYSTAY HOTELS in connection with hotel lodging at the time of the filing of the application on November 15, 2005 and to the present:

1. On and before November 17, 2005, CityStay Hotels, LLC ("CSH") did not operate any commercial "brick and mortar" establishment commonly known as a "hotel" providing lodging or other temporary residency for travelers and the public.

2. To the present, CSH has never operated any commercial "brick and mortar" establishment commonly known as a "hotel" providing lodging or other temporary residency for travelers and the public.

3. No person or entity related to CSH has ever operated any commercial "brick and mortar" establishment commonly known as a "hotel" providing lodging or other temporary residency for travelers and the public under the CITYSTAY HOTELS or CITISTAY HOTELS mark

4. CSH has never licensed to any third party the rights to provide lodging or other temporary residency for travelers and the public under the CITYSTAY HOTELS or CITISTAY HOTELS mark.

5. When CSH stated in its November 17, 2005 Section 1(a) trademark application that it was already using the CITYSTAY HOTELS or CITISTAY HOTELS mark in commerce for "hotel lodging," it meant that CSH paid money to GoDaddy, Inc., and GoDaddy, Inc. provided webhosting service to CSH; CSH paid money to Shan Parker, and Shan Parker designed CSH's website; CSH paid money to Rapture Networks, and Rapture Networks built CSH's technology and booking servers; and CSH promoted the CITYSTAY HOTELS or CITISTAY HOTELS mark in press releases, business agreements, marketing pitches, speeches and branding strategies.

6. Since November 17, 2005, CSH's use in commerce of the CITYSTAY HOTELS or CITISTAY HOTELS mark

consisted of CSH paying money to interior designers Qubed Design Studio of New York and ArchDesign Studio of Serbia, and these interior designers provided hotel design services to CSH; CSH and Peter Fillat Architects of Baltimore, Maryland collaborating to design a hotel prototype, with no money exchanged; CSH paying money to Shan Parker of Indianapolis, Indiana, and numerous freelance designers in India, and Mr. Shan Parker and the freelance designers created websites and marketing campaigns for CSH; CSH participating, lecturing, and speaking at hospitality trade shows in New York City and Miami; and CSH negotiating with Wyndham Hotels Worldwide on potential collaborations."

Stipulation of Facts, pp. 1-2.

Petitioner maintains that it is clear from the above facts that respondent did not have any hotels at the time of the filing of the application and, thus, respondent's mark CITYSTAY HOTELS was not in use in connection with hotel lodging. Respondent, on the other hand, maintains that "[b]rick and mortar establishments are not necessary to show hotel(s), hotel services or hotel lodging commerce activity," and that "the exchange of money or some other trade in association with the mark is enough to satisfy commerce." (Brief, p. 6). Relying on definitions of the words "commerce" and "trade" from the online "Lectric Law Library," respondent argues that such definitions show that it "has successfully used the mark in commerce." (Brief, p. 3).

Insofar as respondent contends that brick and mortar establishments are not necessary to show that a party is

rendering hotel lodging services, such contention is not well taken. We judicially notice the following relevant definitions of the words "hotel" and "lodging" from the *Random House Online Dictionary* (2010):

hotel: "a commercial establishment offering lodging to travelers and sometimes to permanent residents, and often having restaurants, meeting rooms, stores, etc., that are available to the general public."

lodging: "a temporary place to stay; temporary quarters."²

Based on these definitions, we find that hotel lodging means a commercial establishment offering persons a temporary place to stay.

Furthermore, in determining whether or not respondent's mark was in use in connection with hotel lodging as of the filing of the application, it is the definition of "use in commerce" in Section 45 of the Trademark Act that is controlling; not the definitions of "commerce" and "trade" from the online "Lectric Law Library." In this regard, the Trademark Act states:

"Section 45. Use in commerce. The term 'use in commerce' means the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark. For the purposes of this Act a mark shall be deemed to be used in commerce ... (b) on services when it is used or displayed in the sale or advertising of services and the services are rendered in commerce, or the

² The Board may take judicial notice of dictionary evidence. *University of Notre Dame du Lac v. J.C. Gourmet Food Imports Co.*, 213 USPQ 594, 596 (TTAB 1992), *aff'd*, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983).

services are rendered in more than one State or in this and a foreign country and the person rendering the services is engaged in commerce in connection therewith."

In *Intermed Communications v. Chaney*, 197 USPQ 501, 508 (TTAB), the Board discussed what constitutes use of a service mark in commerce:

Although the definition of use of a service mark in Section 45 is less concrete than the definition of use of a trademark, it is nonetheless clear that, at the very least, there must be an open and notorious public offering of the services to those for whom the services are intended. See *Computer Food Stores Inc. v. Corner Store Franchises, Inc.* 176 USPQ 535 (TTAB 1973); *Travelers Petroleum, Inc. v. Selfway, Inc.*, 195 USPQ 578 (TTAB 1977). In addition, mere publicity about services to be rendered in the future does not lay a foundation for an application. The statute absolutely requires not only the display of the mark in the sale or advertising of the services, but also the rendition of those services in order to constitute use of the service mark in commerce.

Applying these principles to the case before us, we find that respondent's mark CITYSTAY HOTELS was not in use in connection with hotel lodging at the time of the filing of the application. It is not enough that respondent contracted with third parties to create a website and build technology and booking servers, or even that applicant advertised and promoted hotel lodging services under the mark CITYSTAY HOTELS. As the Board held in *The Greyhound Corporation, et al. v. Armour Life Insurance Company*, 214 USPQ 473, 474 (TTAB 1982):

With respect to applicant's use of the mark, it is well settled that advertising of a service,

without performance of a service, will not support registration. For example, the announcement of a future service does not constitute use as a service. The use in advertising which creates a right in a service mark must be advertising which relates to an existing service which has already been offered to the public. [citation omitted]

Thus, it was necessary that respondent actually render hotel lodging at the time of the filing of the application. Clearly, respondent was not doing so inasmuch as respondent has stipulated that neither it nor any related entity operated a commercial establishment offering persons a temporary place to stay.

In view of the foregoing, we find that respondent's mark CITYSTAY HOTELS was not in use in connection with hotel lodging at the time of the filing of the application. Accordingly, the application and resulting involved registration are void ab initio.

Decision: The petition to cancel on the ground of non-use is granted and the registration will be canceled in due course.