

**THIS DISPOSITION
IS NOT A PRECEDENT
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: December 8, 2008

Cancellation No. 92049339

Bitstream Inc.

v.

Charles Anthony Bookman

Before Seeherman, Rogers and Taylor, Administrative
Trademark Judges.

By the Board:

On May 12, 2008, petitioner filed a petition to cancel respondent's registration for the mark THUNDERHAWK for "computer services, namely, address change notification services in the nature of posting notifications of changes of address for businesses via the Internet" in International Class 35 and "computer code conversion for others; computer consultation; computer graphics services; computer network design for others; computer programming for others; computer project management services; computer services, namely, creating and maintaining websites for others, computer services, namely, data recovery services, computer services, namely, designing and implementing web pages and web sites for others, computer services, namely, providing search engines for obtaining data on a global computer network,

computer services, namely, creating indexes of information, sites and other resources available on computer networks, computer services, namely, managing web sites for others, computer services, namely, redirecting electronic mail to changed personal electronic addresses, computer site design, computer software consultation, computer software design for others; computer software development, computer systems analysis" in International Class 42.¹

As grounds for cancellation, petitioner alleges (1) fraudulent procurement of the registration from the USPTO, and (2) abandonment of respondent's mark in connection with some or all of the goods and services listed in its registration. In the petition to cancel, petitioner pleaded common law usage since May 20, 2002 of the mark THUNDERHAWK in connection with "computer software, namely, software with data compression and caching functionality to enable enhanced Internet browsing via mobile telephones, personal digital assistants, and wireless devices" and "providing a mobile Internet browser with data compression and caching functionality to enable enhanced Internet browsing via mobile telephones, personal digital assistants, and wireless devices." Petitioner also pleaded ownership of pending application Serial No. 77472223, filed May 12, 2008 pursuant

¹ Registration No. 2715836, registered May 13, 2003, alleging January 2, 1994 as the date of first use anywhere and in commerce.

to Section 1(a) for the referenced mark, goods and services, and alleged that it "anticipates" that its application will be refused registration by the USPTO on the ground of likelihood of confusion with respondent's registered mark. Petition to Cancel, Paragraph No. 4.

In lieu of filing an answer, respondent, who is acting *pro se* in this case, filed on June 18, 2008 a motion to dismiss the cancellation proceeding pursuant to Fed. R. Civ. P. 12(b)(6) on the ground that petitioner lacks the requisite standing to bring this case. Respondent has also moved for dismissal based upon a decision issued by the United States District Court for the District of Massachusetts² involving the parties. The motion is contested.

For the reasons set forth below, respondent's combined motion is denied.

I. *Conversion of Respondent's Motion to Dismiss into a Motion for Summary Judgment based on Res Judicata*

As a threshold matter, we note that respondent's motion for dismissal based on the prior district court litigation involving the parties relies on matters outside of the

² *Charles Bookman, d/b/a Thunder Hawk Internet Systems v. Bitstream, Inc.*, Civil Action No. 02-12078-NG (March 31, 2005).

pleadings, namely the district court's determination. The Board has the discretion to convert such a motion to one for summary judgment. See Fed. R. Civ. P. 12(b) and discussion in TBMP Section 503.04 (2d ed. rev. 2004). However, the Board's discretion in *inter partes* cases commenced after November 1, 2007 is tempered by Trademark Rule 2.127(e)(1) which provides that a party may not file a motion for summary judgment until the party has made its initial disclosures, except for a motion asserting claim or issue preclusion or lack of jurisdiction by the Board. Insofar as respondent's motion is based on the doctrine of claim preclusion, we find that in this instance it is appropriate prior to joinder and prior to the exchange of initial disclosures to exercise our discretion and convert respondent's motion to dismiss into a motion for summary judgment.

Summary judgment is an appropriate method of disposing of cases in which there are no genuine issues of material fact in dispute, thus leaving the case to be resolved as a matter of law. See Fed. R. Civ. P. 56(c). A party moving for summary judgment has the burden of demonstrating the absence of any genuine issue of material fact, and that it is entitled to summary judgment as a matter of law. See *Celotex Corp. v. Catrett*, 477 U.S. 317, 106 S.Ct. 2548 (1986). The nonmoving party must be given the benefit of

all reasonable doubt as to whether genuine issues of material fact exist, and the evidentiary record on summary judgment, and all inferences to be drawn from the undisputed facts, must be viewed in the light most favorable to the nonmoving party. See *Opryland USA, Inc., v. Great American Music Show, Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992).

Under the doctrine of *res judicata*, the entry of a final judgment "on the merits" of a claim (i.e., cause of action) in a proceeding serves to preclude the re-litigation of the same claim in a subsequent proceeding between the parties or their privies, even in those cases where the prior judgment was the result of a default or consent. See *Lawlor v. National Screen Service Corp.*, 349 U.S. 322, 75 S.Ct. 865, 99 L.Ed. 1122 (1955); *Chromalloy American, supra*; and *Flowers Industries, supra*. A second suit is barred by *res judicata* or claim preclusion if:

- (1) the parties (or their privies) are identical;
- (2) there has been an earlier final judgment on the merits of a claim; and
- (3) the second claim is based on the same set of transactional facts as the first.

Jet, Inc. v. Sewage Aeration Systems, 223 F.3d 1360, 55 USPQ2d 1854, 1856 (Fed. Cir. 2000).

After reviewing the pleadings in this cancellation proceeding and the district court decision, we find that the doctrine of *res judicata* does not apply. While the first and second criteria of the *res judicata* analysis have been met, the third has not been satisfied. In the federal district court case, respondent, who was in the position of plaintiff, asserted claims of federal and state trademark infringement against petitioner. The district court granted petitioner's motion for summary judgment on respondent's infringement claims, finding no "substantial likelihood of confusion between [respondent's] services and [petitioner's] products." District Court Decision, p. 32. In the present proceeding, however, petitioner has not asserted a claim of likelihood of confusion pursuant to Section 2(d) but rather, as noted above, has only asserted claims of fraud and abandonment. The fraud and abandonment claims before us involve different transactional facts from the infringement claims previously litigated in the civil suit. Therefore, the district court decision does not have preclusive effect on this proceeding.

B. *Dismissal for Lack of Standing*

We next turn to respondent's motion to dismiss the instant proceeding for lack of standing. Respondent contends that petitioner has failed to adequately plead its standing because the allegation in the petition to cancel is

only that petitioner's pending application may be refused registration by the examining attorney. Respondent asserts that because registration has not yet been refused, the filing of the instant petition to cancel is premature.

The purpose of the standing requirement, which is directed solely to the interest of the plaintiff, is to prevent litigation when there is no real controversy between the parties. In the case of a petition to cancel, the standing requirement has its basis in Section 14 of the Trademark Act, which provides in relevant part that "[a]ny person who believes that he is or will be damaged . . . by the registration of a mark upon the principal register" may "upon payment of the prescribed fee," "file a petition to cancel stating the grounds relied upon" A petitioner must also satisfy two judicially-created requirements for standing, as set forth by the Federal Circuit in *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999) ("*Ritchie*"): the petitioner (1) must have a "real interest" in the proceeding, that is, "a direct and personal stake in the outcome" of the case, and (2) must have a "reasonable" basis for its belief of damage.

Applying the standards established above, the Board finds that petitioner has satisfied both requirements for alleging its standing, that is, petitioner has sufficiently

pleaded a "real interest" in the proceeding, and has alleged facts which, if proven, would show it has a "reasonable" basis for its belief of damage as to its asserted claims.

First, with regard to the "real interest" prong, as stated by the Court of Appeals for the Federal Circuit in *Herbko International, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 64 USPQ2d 1375, 1378 (Fed. Cir. 2002), a "direct commercial interest" generally satisfies the "real interest" prong. Here, petitioner has alleged a "direct commercial interest" in the case by specifically pleading use of a mark identical to respondent's registered mark in connection with computer goods and services as well as ownership of a pending application for that mark. Petition to Cancel, Paragraph Nos. 3-5. For purposes of bringing a cancellation proceeding, these allegations alone confer a "real interest" in cancelling respondent's registration.

As to the second prong of "damage," we find that petitioner has asserted a "reasonable basis" for this allegation. The allegations that petitioner has invested a "great deal of time and money" in promoting its business, has used its own THUNDERHAWK mark since 2002, and has filed an application for registration of the THUNDERHAWK mark suffice to meet this reasonableness standard. Petition to Cancel, Paragraph Nos. 2, 3, and 4.

To address respondent's argument, the fact that at the time the petition to cancel was filed the USPTO had not yet refused registration of petitioner's pleaded pending application on the basis of respondent's registration does not render the filing of the instant petition to cancel premature. Applying the standards explained above, petitioner has sufficiently alleged its standing to bring claims of fraud and abandonment, without regard to whether its pending application was refused registration. It is sufficient that petitioner anticipated the refusal of registration.³

Accordingly, respondent's motion to dismiss is denied.

Proceedings herein are resumed. Dates are reset as follows:

³ We note petitioner's supplemental communication filed September 18, 2008 pointing out that on September 10, 2008, the examining attorney refused registration of petitioner's pleaded application in view of respondent's registration. It was not necessary to file this because, as noted above, an allegation of a reasonable expectation of a refusal is sufficient to allege standing.

Time to Answer	1/10/09
Deadline for Discovery Conference	2/9/09
Discovery Opens	2/9/09
Initial Disclosures Due	3/11/09
Expert Disclosures Due	7/9/09
Discovery Closes	8/8/09
Plaintiff's Pretrial Disclosures	9/22/09
Plaintiff's 30-day Trial Period Ends	11/6/09
Defendant's Pretrial Disclosures	11/21/09
Defendant's 30-day Trial Period Ends	1/5/10
Plaintiff's Rebuttal Disclosures	1/20/10
Plaintiff's 15-day Rebuttal Period Ends	2/19/10

In each instance, a transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b).

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

Advisory Note to *Pro Se* Litigants

The Board notes that respondent is appearing *pro se* in this case. While Patent and Trademark Rule 10.14 permits

any person to represent itself,⁴ it is generally advisable for a person who is not acquainted with the technicalities of the procedural and substantive law involved in a cancellation proceeding to secure the services of an attorney who is familiar with such matters. The Patent and Trademark Office cannot aid in the selection of an attorney.

The Trademark Rules of Practice, other federal regulations governing practice before the Patent and Trademark Office, and many of the Federal Rules of Civil Procedure also govern the conduct of this proceeding. Trademark Rules are codified in part two of Title 37 of the Code of Federal Regulations (also referred to as the CFR). There are other rules in part one of Title 37, relevant to filing of papers, meeting due dates, etc., that are also applicable to this case. The CFR and the Federal Rules of Civil Procedure are likely to be found at most law libraries, and may be available at some public libraries. The parties may also refer to the Trademark Trial and Appeal Board Manual of Procedure (TBMP). The TBMP and the Trademark Rules of Practice are both

⁴ Any individual may appear in a trademark case for (1) a firm of which he or she is a member or (2) a corporation or association of which he or she is an officer and which he or she is authorized to represent, if such firm, corporation, or association is a party to a trademark proceeding pending before the Office. Further, individuals who are not attorneys are not recognized to practice before the Office in trademark matters. Trademark Rules 10.14(b) & (e), 37 C.F.R. §§ 10.14(b) and (e).

available on the Board's web page, at
www.uspto.gov/web/offices/dcom/ttab/index.html.

Trademark Rules 2.119(a) and (b) require that every paper filed in the Patent and Trademark Office in a proceeding before the Board must be served upon the attorney for the other party (or adversary), or on the party (or adversary) if there is no attorney, and proof of such service must be made *before the paper will be considered by the Board*.

Consequently, copies of all papers that the parties may subsequently file in this proceeding must be accompanied by "proof of service" of a copy on the other party or the other party's counsel. "Proof of service" usually consists of a signed, dated statement attesting to the following matters: (1) the nature of the paper being served, (2) the method of service (e.g., first class mail), (3) the person being served and the address used to effect service, and (4) the date of service.

The parties are advised that an *inter partes* proceeding before the Board is similar to a civil action in a Federal district court. There are pleadings, a wide range of possible motions, discovery (a party's use of discovery depositions, interrogatories, requests for production of documents and things, and requests for admission to ascertain the facts underlying its adversary's case), a trial, and briefs, followed by a decision on the case. The Board does not

preside at the taking of testimony. Rather, all testimony is taken out of the presence of the Board during the assigned testimony, or trial, periods, and the written transcripts thereof, together with any exhibits thereto, are then filed with the Board. No paper, document, or exhibit will be considered as evidence in the case unless it has been introduced in evidence in accordance with the applicable rules.

Strict compliance with the Trademark Rules of Practice, and where applicable the Federal Rules of Civil Procedure, is expected of all parties before the Board, whether or not they are represented by counsel.

NEWS FROM THE TTAB:

The USPTO published a notice of final rulemaking in the Federal Register on August 1, 2007, at 72 F.R. 42242. By this notice, various rules governing Trademark Trial and Appeal Board inter partes proceedings are amended. Certain amendments have an effective date of August 31, 2007, while most have an effective date of November 1, 2007. For further information, the parties are referred to a reprint of the final rule and a chart summarizing the affected rules, their changes, and effective dates, both viewable on the USPTO website via these web addresses:

<http://www.uspto.gov/web/offices/com/sol/notices/72fr42242.pdf>

http://www.uspto.gov/web/offices/com/sol/notices/72fr42242_FinalRuleChart.pdf

By one rule change effective August 31, 2007, the Board's standard protective order is made applicable to all TTAB inter partes cases, whether already pending or commenced on or after that date. However, as explained in the final rule and chart, this change will not affect any case in which any protective order has already been approved or imposed by the

Board. Further, as explained in the final rule, parties are free to agree to a substitute protective order or to supplement or amend the standard order even after August 31, 2007, subject to Board approval. The standard protective order can be viewed using the following web address:

<http://www.uspto.gov/web/offices/dcom/ttab/tbmp/stndagmnt.htm>