

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

Mailed: June 25, 2009

Cancellation No. 92050750

SENSIENT TECHNOLOGIES CORPORATION

v.

DIEHL FOOD INGREDIENTS, INC.

Cheryl Butler, Attorney, Trademark Trial and Appeal Board:

Respondent owns a registration for the following mark:



for "edible oils and fats, cheese, butter, cacao butter, milk and milk products excluding ice cream, ice milk and frozen yoghurt; conserved, dried and cooked fruits and vegetables."¹ As grounds for the petition to cancel, petitioner alleges priority of use and likelihood of confusion, fraud in procuring a trademark registration, and dilution. Petitioner pleads ownership of numerous registrations for the marks SENSIENT, SENSIENT and design, SENSIENT TECHNOLOGIES, and SENSIROME for, generally, flavor, fragrance and color systems that are essential components of food, beverage, household care, and personal care products and related services.

¹ Registration No. 3259135, issued on July 3, 2007, claiming a date of first use anywhere and a date of first use in commerce of July 2004.

Respondent's answer was due on May 9, 2009. This case now comes up on respondent's fully briefed motion, filed May 8, 2009, to suspend proceedings because the parties are involved in a civil action.²

In support of its motion, respondent indicates that the court case includes a trademark infringement claim and a request for entry of a permanent injunction prohibiting respondent from using the name and mark SENSORYEFFECTS FLAVOR or any other related or derivative marks and from further diluting the distinctive value of petitioner's SENSIENT marks. Respondent argues that a final determination of the civil action will have a bearing on the rights of the parties in this cancellation proceeding. Respondent submitted copies of the first amended complaint and answer thereto in the civil action.³

In response, petitioner indicates that the pending civil action does not address its fraud claim and that Registration No. 3529135 is not specifically addressed in the civil litigation. On these bases, petitioner argues that the outcome of the court case will not obviate the need for the Board proceeding; that suspension of this case will delay a determination of petitioner's fraud claim; and that suspension of this case will allow respondent the continued benefits of a federal registration despite the alleged fraud.

² *Sensient Technologies Corp. and Sensient Flavors LLC v. SensoryEffects Flavor Company, et al.*, Case No. 4:08-CV-336-ERW in the United States District Court for the Eastern District of Missouri.

³ Respondent's motion to extend its time to answer, and all subsequent dates, pending disposition of its motion to suspend is granted. Fed. R. Civ. P. 6(b) (1) (A); and Trademark Rule 2.127(a).

Petitioner argues that distinctly different issues are present in the two cases, including potentially different marks.

In its reply, respondent states that the court has rendered a decision in its favor. Respondent indicates that, because petitioner's time for appealing the court's decision has not yet passed, the decision is not considered final at this time. Respondent argues that suspension of the Board's proceeding remains appropriate insofar as the court's determination is relevant to petitioner's likelihood of confusion claim and may have a bearing on petitioner's fraud claim, specifically with respect to petitioner's standing to maintain such a claim. Respondent alternatively moves to dismiss, in the event petitioner does not appeal the court decision, on the basis that petitioner lacks standing to maintain the fraud claim. Respondent's reply is accompanied by a copy of the district court's June 12, 2009 opinion.

Whenever it comes to the attention of the Board that a party (or parties) to a case pending before it is 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. To the extent that a case in Federal district court involves issues in common with those in the proceeding before the Board, the decision of the court is often binding on the Board, while the decision of the Board is not binding upon the court. See TBMP §510.02 (2d ed. rev. 2004). It is not necessary that the claims or issues be identical, only that the

determination of issues presented to the court may have a bearing on the issues presented to the Board. Moreover, judicial economy lies in the suspension of the Board proceeding because the Board has limited jurisdiction, involving the issue of registrability only, and any decision of the Board is appealable to U.S. District Court, including the court in which the parties are involved in a civil suit. See Trademark Act Section 21.

The Board has reviewed the pleadings from the district court action, as well as the court's decision, and determines that the adjudication therein has a bearing on at least some of the issues presented herein. However, as pointed out by respondent, the court's decision is not yet final.

Accordingly, respondent motion to suspend proceedings is granted, and proceedings are suspended pending **final** disposition of the civil action between the parties. Consideration of respondent's motion to dismiss is deferred. Upon resumption, appropriate dates will be reset, including the time for petitioner to file its response to respondent's motion to dismiss.

In the event no appeal is taken, the Board should be notified within twenty days of the expiration of the time to appeal. If an appeal is taken, within twenty days after the final determination of the civil action, the interested party should notify the Board so that this case may be called up for appropriate action. During the suspension period the Board

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should be notified of any address changes for the parties or their attorneys.
