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

Proceeding	92051532
Party	Defendant Juan B. Melendez III
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In re Registration No. 3,321,797
Mark: DIGITAL NINJA
Issued: October 23, 2007

PICTURECODE, LLC,
Petitioner,

v.

JUAN B. MELENDEZ III
Respondent.

Cancellation No. 92051532

RESPONSE TO: PETITIONER'S
EX PARTE APPLICATION FOR
(1) MODIFICATION OF
"STANDING" PROTECTIVE
ORDER TO EXPLICITLY
PERMIT FILING OF
"CONFIDENTIAL"
DOCUMENTS IN DISTRICT
COURT ACTION UNDER SEAL,
OR ORDER SHORTENING
TIME ON NOTICED MOTION
THEREON; AND (2) STAY OF
TTAB CANCELLATION

I. INTRODUCTION

This is a cancellation proceeding initiated by PictureCode LLC ("Petitioner") on October 1, 2009. Petitioner has alleged fraud, abandonment, non-use, and the likelihood of confusion in its claims toward the cancellation of the DIGITAL NINJA trademark registration (Reg. No. 3,321,797), possessed by Juan B. Melendez III ("Respondent"). On March 19, 2010, Petitioner filed a complaint in the United States District Court in the Western District of Texas against Respondent and Respondent's California limited liability company, Digital Ninja, LLC. Respondent is requesting the Trademark Trial and Appeals Board (TTAB) dismiss or deny Petitioner's *ex parte* application in its entirety which asks for an order (1) modifying the TTAB's standard protective order, allowing Petitioner to file highly confidential "produced documents" acquired during the Discovery period of TTAB cancellation proceeding; and (2) dismiss or deny the request to stay cancellation proceedings.

II. ARGUMENTS

A. The TTAB Should Not Modify Its Standard Protective Order.

Although, Petitioner *desires* to file motions in a district court action, and wishes to submit documents Respondent disclosed, *all said documents are (clearly marked and) highly confidential, were provided in good faith, and protected by the TTAB's standard protective order.* Petitioner did, in fact agree to the protective order, which was enacted at the Discovery Conference on December 7, 2009, and made no arguments or motions prior to the opening of Discovery. Although, the TTAB possesses the discretion, as a tribunal, to modify its own Orders, it need not execute those tribunal powers. Modifying the standard protective order is not required by the First Amendment as the Petitioner asserts.

If in this instance, the standard protective order *is not an agreement of the parties*; why have a Standard Protective order in the first place? Petitioner now has unclean hands, as they have made mention of these (clearly marked) confidential documents without prior approval from this board or from Respondent, shown said documents to numerous other outside parties not under agreement, and therefore should not be given permission to file those documents in a district court. Respondent asks the order remain in place as Respondent was deceived by Petitioner, and said documents were acquired in bad faith, and Petitioner has shown blatant disregard for the federal procedure.

B. The TTAB Should Not Stay This Cancellation Proceeding

The TTAB should not stay these proceedings as they were *initiated by the Petitioner* on October 1, 2009 and would deny due process against the accusations presented against Respondent. Respondent argues a stay is not appropriate pursuant to 37 C.F.R. § 2.117, TBMP § 510.02(a) or they cases cited therein. Petitioner should have thought about an action in a district

court *prior* to filing for the cancellation of the DIGITAL NINJA registration and related claims. The Respondent asserts the TTAB is better suited for both parties to decide the validity of the Petitioner's cancellation claims and render judgment. A district court does not maintain the entire procedural history associated with these proceedings or the technological fluidity to which the TTAB provides in deciding matters of trademarks. Permitting a stay would in fact, lead to a longer, protracted, and inefficient use of government resources as the process would begin anew. Additionally, introduction of confidential documents into another court, modification of protective orders, and an issuance of a stay to seek judicial review outside of these proceedings, would set precedent and only encourage similarly deceptive procedural practices, thus denying due process of law, in response to initial accusations.

C. *Ex Parte* Relief Is Not Appropriate.

As of Friday April 9th, 2010 Petitioner has not completed its document production or admissions. Only through Petitioner's abuse of these proceedings, was Petitioner able to acquire confidential documents which they would not have otherwise. Petitioner requested document production with intent to deceive, and when Respondent reciprocated (Petitioner's own) nearly IDENTICAL document request (see Respondent's Motion to Compel), was not provided all of Petitioner's documents. *Additionally, Petitioner has admitted (in Ex Parte application) knowledge of documentation of prior use and has acknowledged Respondent's DIGITAL NINJA mark possesses a senior date of use.*

Those materials include documentation of domain name purchase on July 25th, 2003, articles of incorporation on August 12th, 2003, invoices and an additional DIGITAL NINJA mark application (Reg. No. 3,169,349), containing the DIGITAL NINJA name, filed on August 19, 2003 for related services associated with the DIGITAL NINJA products. Any common-law

claims would also therefore apply to the DIGITAL NINJA mark. Respondent would argue Petitioner is also attempting to avoid production and admissions, as evident in their request the “TTAB should shorten time on a motion schedule to hear this motion quickly, and require any opposition to be filed within two days of the TTAB’s order, with PictureCode’s reply to be filed within one day of the filing of the opposition, provided the opposition is served by electronic mail.” The Petitioner has and continues to utilize deceptive measures, threats, and intimidation, and expose the Pro Se Respondent to exhaustive additional monetary damages, litigation, and filing fees in their actions. If a stay or modification of the order is granted Petitioner would gain additional unfair advantages.

IV. CONCLUSION

The Petitioner initiated these proceedings under specific claims and intentions brought upon the Respondent, failed to argue any issues concerning institution of the standard protective order *prior* to the opening of discovery, and knowingly has made mention of (clearly marked) confidential documents before another judicial body. The Petitioner’s earlier Fraud claim was denied and subsequent Fraud claims continue to fail in presentation. In regard to the stay request, the Petitioner is attempting to “hit the reset button” (adding additional claims), open up a “second front” (in a district court) and “lay siege” (adding additional litigation, copy, and filing fees) to Respondent by taking case to a district court on their “home field” (Texas).

These are blatant attempts against the Respondent to relinquish its substantially senior DIGITAL NINJA trademark rights, more specifically in regards to “computer programs that edit images.” The Petitioner should not be allowed to do so. Petitioner has been deceitful and acted willfully in bad faith within these proceedings. Petitioner has shown a blatant disregard for judicial procedures, in an obvious attempt to circumvent their obligations to the rule of law and

to this judicial body. For the foregoing reasons, Respondent humbly asks the Members of the Board deny or dismiss the Ex Parte application in its entirety, the Standard Protective Order remain in place, as Petitioner now has un-clean hands in the presentation of federally protected, confidential documents outside of this venue.

Dated: April 12, 2010

Respectfully Submitted,

/Juan B. Melendez III/
Juan B. Melendez III
("Respondent")
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CERTIFICATE OF SERVICE

Pursuant to C.R.F. § 2.111, and by agreement of the parties, I hereby certify that a true and correct copy of the foregoing response has been served on Petitioner's Attorneys via electronic mail on April 12, 2010:

1. Petitioner's Attorney, Kenneth G. Parker, Esq., at the following electronic mail address: kenneth.parker@haynesboone.com

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/Juan B. Melendez III/
Juan B. Melendez III, Respondent