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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

Cancellation No. 92051532

PICTURECODE, LLC,
Petitioner,

v.

JUAN B. MELENDEZ III
Respondent.

RESPONDENT’S OBJECTION TO (1) MODIFICATION OF “STANDING” PROTECTIVE ORDER TO EXPLICITLY PERMIT FILING IN DISTRICT COURT ACTION UNDER SEAL, OR ORDER SHORTENING TIME ON NOTICED MOTION THEREON; AND (2) STAY OF TTAB CANCELLATION PROCEEDING; DECLARATION OF KENNETH G. PARKER IN SUPPORT THEREOF

MEMORANDUM

I. INTRODUCTION

JUAN B. MELENDEZ III (“Respondent”) objects to **PETITIONER’S REPLY IN SUPPORT OF APPLICATION FOR (1) MODIFICATION OF “STANDING” PROTECTIVE ORDER TO EXPLICITLY PERMIT FILING IN DISTRICT COURT ACTION UNDER SEAL, OR ORDER SHORTENING TIME ON NOTICED MOTION THEREON; AND (2) STAY OF TTAB CANCELLATION PROCEEDING; DECLARATION OF KENNETH G. PARKER IN SUPPORT THEREOF** in its entirety and moves it be stricken from the record. It is argumentative and offers nothing substantial to the “Ex Parte application” claims. The Petitioner’s assertion that by granting their requests, “would allow all issues between the parties to be resolved in the [sic] single proceeding in the district court”

and “something that cannot happen in this cancellation proceeding” is speculative and the Respondent maintains this statement is an evasive procedural tactic.

The Respondent currently maintains a registered trademark senior to Petitioner’s any of the Petitioner’s claims and has evidence of use since. Infringement and Unfair Use claims under the Lanham Act are not automatic and could only be won (1) *if the mark were to be cancelled first* and then subsequently (2) *only if* intentional confusion and deception with willful intent is established. Both requirements have not (and cannot) be substantiated by any specifics and (as should be noted, those claims were) not claimed by Petitioner prior to cancellation proceedings by them. The Petitioner cannot argue Respondent’s date of prior use or its common-law usage prior to that, wherefore they have no standing in claims of infringement or unfair use within any of the 50 United States of America.

The Petitioner’s earlier Fraud claim was denied and subsequent Fraud claims continue to fail in presentation, as they are rooted in mere speculations. Petitioner cannot win its fraud claim and any subsequent abandonment, non-use, or likelihood of confusion claims. *In re Bose Corp.* (580 F.3d 1240 (Fed. Cir. 2009), states the party alleging fraud must prove a willful intent to deceive through its material misrepresentations. The Petitioner has not provided any material contradicting the Respondent’s registration, testimony, or confidential documents provided. Furthermore, the Respondent vehemently asserts never intending to deceive or cause confusion or passing off with its DIGITAL NINJA trademark.

Please note also, the Petitioner waited nearly six years before assertion of any claimed rights to registration for any claimed marks (laches). Petitioner also waited nearly three months to initiating cancellation proceedings, and nearly seven months before declaring infringement and non-use, while continuously threatening Respondent with litigation, unless an amendment of

the DIGITAL NINJA trademark was provided. The Petitioner failed to claim any infringement or unfair use claims prior to the opening of Discovery and therefore Petitioner's claim for redress should be denied due to Respondent's objection (See CCI Corp. v. Continental Communications, Inc., 184 U.S.P.Q. 445 (TTAB 1974); Dep, Inc. v. Litton Industries, Inc., 185 U.S.P.Q. 177 (TTAB 1975)).

The allegation by the Petitioner, Respondent's Motion to Compel is a "red herring" is unsubstantiated, baseless, and unequivocally false. Dictionary.com provides the etymology of the "red herring" idiom dates back to the early 15th century, "supposedly used by fugitives to put bloodhounds off the scent (1680s)" and the definition in a legal sense is defined as "something that distracts attention from the main issue, diversion." Respondent assures the Members of the Board, he is not a "fugitive" or on the run from "bloodhounds" and has not attempted any diversion. The opposite is true. The Respondent is requesting these proceedings run their course. Respondent is taken aback at the audacity of the "pot" attempting to "call the kettle black," as Petitioner has not provided customer information of its customers (to evidence the geography of Petitioner's sales), Federal and State tax documentation to corroborate sales claimed, and as they seemingly attempt to evade answering the Request for Admissions.

II. ARGUMENT

A. TTAB Should Not Modify Its Standard Protective Order

Respondent objects to the assertion, "Respondent does not dispute that the TTAB has the inherent discretion, as a tribunal, to modify its own orders." Respondent *respectfully suggested* they have discretionary powers as to modification of orders, and made no mention of "inherent discretion" concerning the Standard Protective Order (see Respondent's "Response To: Ex Parte Application", filed on via ESSTA on April 12,

2010). Respondent requests this response and also the “Response To: Ex Parte Application” be seen as a clearly articulated disputes to the modification of those orders. Petitioners claim, “Respondent has articulated no reasoned response to this independent reason to modify the protective order,” is false and has been stated in both the Respondent’s “Response To: Ex Parte Application” and in this document. Clearly marked confidential documents *were provided prior to any infringement or unfair use claims*, under the protection of the Standard Protective Order, and in good faith upon the Petitioner’s *multiple threatening insistences* they be provided.

Following Respondent’s production of confidential documents, Petitioner entered a claim against Respondent and Digital Ninja LLC, in a district court making mention of said (clearly marked confidential) documents, in conjunction with Petitioner’s cancellation and new additional claims. It is certain Petitioner did not seek a district court proceeding prior and has only done so after subversively procuring Respondent’s confidential documentation within these cancellation proceedings. It is certain Petitioner has mentioned those documents in a district court without the expressed consent of the Members of the Board, Interlocutory Attorney, or the Respondent, and has only done so after. The Petitioner *willfully intended to deceive* Respondent and the TTAB, in an effort to gain an unfair advantage. Respondent asks these documents be inadmissible as evidence in those proceedings by upholding the Standard Protective Order, as presentation by the Petitioner has skewed their entrance in the district court in favor of the Petitioner.

B. The TTAB Should Not Stay This Cancellation Proceeding

Additionally, the case quoted, *California Motor Transport Co. v. Trucking Unlimited*, 404 U.S. 508, 510, 92 S. Ct. 609, 30 L. Ed. 2d 642 (1972), (“CMT vs. TU”) by the Petitioner, has no bearing on the current cancellation proceedings as cited. The application of CMT vs. TU is at fault. Quoting “cliff notes” of a case does not present a valid argument to the complexities of these proceedings. It makes no mention of modification of a standard protective in order to provide First Amendment rights in regards to a sensible case for redress. The case Petitioner cited involved conspiracy, monopolization, and Sherman Act anti-trust laws between two trucking companies. Although, upon reading of the case, Respondent found it did present more precise arguments in favor of the Respondent.

In CMT vs. TU, the court explains, “First Amendment rights may not be used as the means or the pretext for achieving 'substantive evils' (see *NAACP v. Button*, 371 U.S. 415, 444, 83 S.Ct. 328, 343, 9 L.Ed.2d 405) which the legislature has the power to control,” (See *California Motor Transport Co. v. Trucking Unlimited*, 404 U.S. 508, 510, 92 S. Ct. 609, 30 L. Ed. 2d 642 (1972)). Respondent also illuminates that the, “nature of the views pressed does not, of course, determine whether First Amendment rights may be invoked; but they may bear upon a purpose to deprive the competitors of meaningful access to the agencies and courts...and thus fall within the exception to Noerr,” (See *California Motor Transport Co. v. Trucking Unlimited*, 404 U.S. 508, 510, 92 S. Ct. 609, 30 L. Ed. 2d 642 (1972)).

Respondent maintains a stay it not appropriate pursuant to 37 C.F.R. § 2.117, and TBMP § 510.02(a) or the cases cited therein. *These cancellation proceedings were initiated by the Petitioner and the civil case initiated after and only upon the willfully*

deceptive procurement of confidential documents within these proceedings. Furthermore, “whenever there is pending before the Board both a motion to suspend and a motion which is potentially dispositive of the case, the potentially dispositive motion may be decided before the question of suspension is considered regardless of the order in which the motions were filed,” pursuant 37 C.F.R. § 2.117 (b).

The Petitioner’s assumptions it “would be a more efficient use of resources to stay this action and allow the action in the district court to proceed,” are severely flawed. These proceedings began on October 1, 2009 and have now lasted in excess of six months. The Petitioner contends restarting these proceedings, re-introduction of un-provable claims, introduction of un-provable additional claims, and re-submission of all documentation is efficient? Respondent would argue that *it would only be efficient*, not for this court, not for the district court, and certainly not for the Respondent...*but only for the Petitioner.* There is no reasonable argument to assert “it would be a more efficient use of resources”.

Finally, Petitioner’s allegation that, “Respondent’s newly filed ‘motion for summary judgment,’ which has been cobbled together and filed in an effort to forestall a stay” is correct, although Respondent objects it was “cobbled” together as suggested. Respondent argues a stay should not be granted to a Petitioner who initiates proceedings, willfully deceives the Respondent (and the court) in acquisition of confidential documents in cancellation proceedings, and then subsequently requests modification of a standard order to introduce them into a district court. As to the statement made by the Petitioner that should the Respondent believe “that the motion has merit, he can simply refile [sic] it in the district court action” does not promote efficiency. This single

statement alone, made by the Petitioner undermines and belittles the current proceedings, the Respondent's rights (to introduce a motion), and consequently...Petitioner's own argument.

III. CONCLUSION

The Petitioner's intentions were made clear to Respondent in an email from Kenneth G. Parker on April 13th, 2010. On Monday April 19th, 2010 Petitioner will introduce an *Ex Parte Application for Order Requiring Production of Documents Previously Produced in Cancellation Proceeding, an Ex Parte Application to Exceed 10 Pages In Memorandum of Points and Authorities in support of motion for summary judgment, and also a Motion or Application to Strike Answer as to Digital Ninja, LLC for Failure to Obtain Counsel* in the Western District of Texas. In conjunction, the Petitioner is attempting to stay these proceedings and have the standard protective order modified; all of these measures would cease if the Respondent signs an agreement amending the DIGITAL NINJA trademark with respect to "computer programs that edit images".

The Petitioner has resorted to last-ditch procedural tactics, application of financial pressures, and thinly veiled intimidation techniques, in order for the Respondent to relinquish its superior rights. Trademark Trial and Appeal Board cancellation proceedings should not be a "playground" where "bullies" are able to prey upon Pro Se Respondents, utilize "bait and switch" legal maneuvers, and then be afforded the opportunity to procedurally wrest a Respondent's rights to a trademark (their "lunch money") under threat of additional circumstances should they resist. Petitioner's statements and actions provide evidentiary facts concerning their willful intent to avoid responsibilities to the rule of law and deny the Respondent's right to due process against their false allegations. Respondent requests the order

be upheld, the stay be denied, and “Petitioner’s Reply in Support of Application” be stricken from the record.

Dated: April 16, 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 a true and correct copy of the foregoing response has been served on Petitioner's Attorneys via electronic mail on April 16, 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