

THIS OPINION
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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

DUNN

Mailed: May 22, 2013

Cancellation No. 92053314

adidas AG

v.

Christian Faith Fellowship
Church

**Before Seeherman, Taylor, and Mermelstein, Administrative
Trademark Judges:**

By the Board:

This case comes up on respondent's motion to amend the subject registrations and the parties' cross-motions for summary judgment on the pleaded issues of nonuse and abandonment.¹ The cross-motions are fully briefed.

Respondent owns two registrations for variants of the same mark used on the same goods:

¹ Unlike petitioner, the Board views CFFC's cross-motion as only seeking entry of summary judgment on the pleaded claims of nonuse and abandonment.

<p>Registration No. 3173207 issued November 21, 2006</p>	<p>Registration No. 3173208 issued November 21, 2006</p>
<p>ADD A ZERO (standard characters)</p>	
<p>clothing, namely, shirts, pants and caps</p>	<p>clothing, namely, shirts, pants and caps</p>

On November 23, 2010, petitioner filed a consolidated petition to cancel the registrations. On November 7, 2011, petitioner filed, with respondent's consent, an amended consolidated petition to cancel which became the operative pleading. Petitioner alleges ownership of the mark ADIZERO in standard characters for "footwear, shirts, singlets, jackets, shorts, tights, bottoms", which is the subject of application Serial No. 77822018; that its application has been refused registration under Trademark Act Sec. 2(d) based on respondent's registrations; and that, inter alia, respondent's marks were not in use at the time the applications underlying the subject registrations were filed; that the marks have never been used in connection with the "pants" listed in the registration; and that respondent has abandoned the registered marks.

In its answer to the amended petition, respondent admitted that petitioner's application has been refused registration under Trademark Act Sec. 2(d) based on respondent's

registrations, and admitted that respondent has never used the mark on pants. Discovery closed March 3, 2012.

On April 4, 2012, petitioner moved for summary judgment, arguing that respondent's ADD A ZERO mark for clothing was not in use "in commerce" at the time the applications underlying CFFC's registrations were filed because respondent purchased the shirts and caps from an Illinois supplier and respondent's sales were limited to respondent's bookstore in Illinois; that respondent has admitted that it has never used the mark with pants; and that respondent has provided evidence that it sold only two shirts over the four year period prior to the commencement of this proceeding; and this is insufficient to avoid a finding of abandonment of the mark.

In support of its motion petitioner has submitted the declaration of attorney John Zaccaria and exhibits², including excerpts from the discovery depositions of respondent's witnesses, Craig Mason, its treasurer, secretary, and executive pastor, and Edward Logan, its senior pastor³; and the declaration

² The Zaccaria exhibits include copies of the registration files; respondent's invoices, accounting report, and bookstore receipt journal; respondent's letters and emails involving the mark; and discovery responses.

³ Respondent argues that it is not bound by the statements of witnesses Mason and Logan because they testified as both Fed. R. Civ. P. 30(b)(6) witnesses and in their individual capacities. Respondent has provided no legal support for this argument. Respondent designated them as 30(b)(6) witnesses, and therefore we must presume that they are competent to testify on behalf of respondent as to the

of petitioner's investigator Edgar Bridges and his attached report attesting to his two unsuccessful attempts in May 2010 to buy ADD A ZERO merchandise from respondent, during which he was told that the ADD A ZERO mark had not been used for years.⁴

On May 3, 2012, respondent moved to amend the subject registrations to delete "pants" from the recitation of goods.

On May 9, 2012, respondent filed a combined opposition to petitioner's motion for summary judgment and cross-motion for summary judgment. Noting that respondent is a church located in Zion, Illinois and its ADD A ZERO clothing is sold in a bookstore located in its church building which is located in Zion, respondent argues that, inasmuch as its church members travel from out of state to attend services and purchase ADD A ZERO shirts and caps from the bookstore, respondent's use affects interstate commerce; that the sale in respondent's bookstore of foreign-made ADD A ZERO clothing acquired from an

topics designated in the notice of deposition for the Fed. R. Civ. P. 30(b)(6) witnesses. The fact that they also have personal knowledge of additional facts regarding the designated topics would not detract from this testimony.

⁴ With respect to CFFC's argument that the investigator's declaration regarding information provided by the individuals who answer the church phone on CFFC's behalf is inadmissible, we note that (i) the investigator is relaying information about his personal experience and (ii) a statement offered against an opposing party is not hearsay if the statement "was made by the party's agent or employee on a matter within the scope of that relationship and while it existed." Federal Rule of Evidence 801(d)(2)(D). We distinguish the case cited by CFFC as it involved an attorney's declaration regarding a conversation in which he took no part. In re American Olean Tile Company Inc., 1 USPQ2d 1823, 1824 n2 (TTAB 1986).

Illinois company affects foreign commerce; that respondent's use of the mark on its goods was not merely intrastate at the time the applications were filed; that the lack of use with pants does not make the applications void ab initio; that the ADD A ZERO mark has remained in use to the present; that, with the exception of a period of months in 2008 when the bookstore was closed, the clothing has been constantly available in the bookstore; that the modest sales are bona fide transactions appropriate for a church bookstore; that respondent has no intent to discontinue its use of the ADD A ZERO mark; and that the mark has not been abandoned. In support of its combined opposition and cross motion respondent submitted the declarations of Craig Mason, its treasurer, secretary, and executive pastor, and attorney John Conour, and exhibits.⁵

Summary judgment is an appropriate method of disposing of cases that present no genuine disputes of material fact, thus leaving the case to be resolved as a matter of law. See Fed. R. Civ. P. 56(a). The evidence must be viewed in a light favorable to the nonmoving party, and all justifiable inferences are to be drawn in the nonmovant's favor. *Lloyd's Food Products, Inc. v.*

⁵ Respondent's exhibits include photographs of clothing labels showing foreign manufacture; a photo of the bookstore showing clothing bearing the mark on display; the Morris and Logan notices of deposition and excerpted transcript pages; and respondent's receipt journal, website roadmap, accounting report, interrogatory responses, and registrations.

Eli's, Inc, 987 F.2d 766, 25 USPQ2d 2027, 2029 (Fed. Cir. 1993); Opryland USA Inc. v. The Great American Music Show, Inc., 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992).

Here, each moving party has the burden of demonstrating the absence of any genuine dispute of material fact, and that it is entitled to judgment as a matter of law. See *Celotex Corp. v. Catrett*, 477 U.S. 317 (1986). The mere fact that cross-motions for summary judgment have been filed does not necessarily mean that there are no genuine disputes of material fact, and that a trial is unnecessary. See *University Book Store v. University of Wisconsin Board of Regents*, 33 USPQ2d 1385, 1389-90 (TTAB 1994).

First, inasmuch as respondent admits that petitioner's application was refused registration based on likelihood of confusion with respondent's registrations, petitioner's standing to bring its claims is established. See *Life Zone Inc. v. Middleman Group Inc.*, 87 USPQ2d 1953, 1959 (TTAB 2008).

Turning to petitioner's claim that the marks were not in use in commerce on the "pants" listed in the registrations at the time the underlying applications were filed, there is no genuine dispute of material fact inasmuch as respondent's answer admits that respondent has never used the mark on pants, and, in lieu of an opposition to the motion, respondent filed a motion to amend the subject registrations to delete "pants" from the

identification of goods. Accordingly, petitioner's motion for summary judgment is granted, and respondent's motion to amend is granted.⁶ See *Grand Canyon West Ranch LLC v. Hualapai Tribe*, 78 USPQ2d 1696, 1698 (TTAB 2006). Cf: *Spirits International B.V. v. S.S. Taris Zeytin Ve Zeytinyagi Tarim Satis Kooperatifleri Birliigi*, 99 USPQ2d 1545, 1547 n.3 (TTAB 2011).

With respect to the claims of nonuse and abandonment, we begin with some general comments. Section 45 of the Trademark Act states that a mark shall be deemed to be used in commerce on goods when "it is placed in any manner on the goods ... and the goods are sold or transported in commerce"; and that "commerce" includes "all commerce which may lawfully be regulated by Congress".

" '[C]ommerce' includes intrastate transactions that affect interstate or foreign commerce." *In re Silenus Wines, Inc.*, 557 F.2d 1977, 194 USPQ 261, 266-267 (CCPA 1977). The issue is whether the transactions exert "a substantial economic effect on interstate commerce, and irrespective of whether such effect is what might at some earlier time have been defined as 'direct' or 'indirect.'" *Wickard v. Filburn*, 317 U.S. 111, 125 (1942).

Accord, *In re U.S. Home Corporation of Texas*, 201 USPQ 602, 604

⁶ Respondent also filed, on February 24, 2012, declarations under Trademark Act Sec. 8 in which it deleted "pants" from each registration. Inasmuch as this occurred after commencement of this proceeding, the Sec. 8 filing does not allow respondent to avoid entry of judgment on the claim that the mark was not in use with pants when the underlying use-based applications were filed.

(TTAB 1978) ("We fail to perceive that what applicant does has any substantial effect on interstate commerce."). Evidence that the mark has been used in connection with services rendered to customers traveling across state boundaries may be sufficient for the use in commerce requirement. *Larry Harmon Pictures Corp. v. Williams Restaurant Corp.*, 929 F.2d 662, 18 USPQ2d 1292, 1295 (Fed. Cir. 1991); *Pamex Foods, Incorporated v. Clover Club Foods Company*, 201 USPQ 308, 314 n.5 (TTAB 1978).

Section 45 of the Act further states that "[a] mark shall be deemed to be 'abandoned' ... [w]hen its use has been discontinued with intent not to resume such use" and "'Use' of a mark means the bona fide use of such mark made in the ordinary course of trade, and not made merely to reserve a right in a mark." 15 U.S.C. 1127. Merely not intending to abandon a mark is not enough to sustain rights in it. *First National Bank of Omaha v. Autoteller Systems Service Corp.*, 9 USPQ2d 1740, 1743 (TTAB 1988).

Upon careful consideration of the evidence and arguments of both parties, we find that respondent's evidence lacks convincing detail as to the interstate and foreign impact of respondent's admittedly sparse sales in its bookstore of its ADD A ZERO marks on clothing, as well as for the sales and availability for sale of respondent's ADD A ZERO clothing in the four years immediately prior to this proceeding. Nonetheless,

while petitioner presents a much stronger case on this record, we are constrained in considering a motion for summary judgment to view the evidence in a light favorable to respondent as the non-moving party, and to draw all justifiable inferences in respondent's favor. We therefore find that petitioner has not sustained its burden of establishing the absence of a genuine dispute of material fact. There are, at a minimum, genuine disputes remaining for trial relating to the impact of respondent's sales of ADD A ZERO clothing in commerce which Congress may regulate, and whether respondent's two sales in four years are, in light of all the circumstances, sufficient to constitute bona fide transactions in the ordinary course of trade.

In sum, petitioner's motion for summary judgment is granted as to the claim of nonuse on pants; the term "pants" is deleted from the identification of goods in the subject registrations; and the cross-motions for summary judgment are denied as to the claims of nonuse and abandonment.

Proceedings herein are resumed, and dates are reset as follows:

Discovery	CLOSED
Plaintiff's Pretrial Disclosures	7/4/2013
Plaintiff's 30-day Trial Period Ends	8/18/2013
Defendant's Pretrial Disclosures	9/2/2013
Defendant's 30-day Trial Period Ends	10/17/2013
Plaintiff's Rebuttal Disclosures	11/1/2013

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Plaintiff's 15-day Rebuttal Period
Ends

12/1/2013

In each instance, a copy of the 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.