

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

Mailed: September 26, 2012

Cancellation No. 92055878

National Ayurvedic Medical
Association

v.

Posh Hair Salon Incorporated

Jennifer Krisp, Interlocutory Attorney:

Pursuant to Fed. R. Civ. P. 26(f) and Trademark Rules 2.120(a)(1) and (2), the parties held a timely discovery and settlement conference on September 25, 2012. See TBMP § 401.01. At petitioner's request, a member of the Board participated in the conference. Participating were petitioner's counsel Samantha Updegraff, Esq., respondent's counsel Donald Barker, Esq., and the assigned interlocutory attorney.

The Board apprised the parties of various procedural rules and guidelines which govern this proceeding, including the Board's liberal granting of motions to suspend for settlement efforts, the automatic applicability of the Board's Standard Protective Order pursuant to Trademark Rule 2.116(g), and the requirement that a party serve initial disclosures prior to or concurrent with the serving of discovery (see Trademark Rule

2.120(a)(3)) and the filing of a motion for summary judgment (see Trademark Rule 2.127(e)(1)).

In reviewing the pleadings, the Board noted that the petition to cancel sufficiently sets forth petitioner's standing, as well as the grounds that the mark is: 1) merely descriptive pursuant to Trademark Act Section 2(e)(1), and 2) generic pursuant to Trademark Act Section 23.

The Board noted that respondent, in its answer, asserts the affirmative defenses that the petition fails to state a claim upon which relief can be granted under Fed. R. Civ. P. 12(b)(6), and that petitioner lacks standing. Inasmuch as petitioner has sufficiently pled both standing and statutory grounds for cancellation, as noted above, the affirmative defenses are stricken.

Insofar as the answer asserts that the claims are barred by the doctrines of laches, waiver, acquiescence, estoppel and unclean hands, respondent sets forth no specific allegations of conduct on which it bases these theories or which, if proved, would raise any of the equitable defenses and prevent petitioner from prevailing on its claims. Furthermore, as the Board informed the parties, the applicability of most equitable defenses is very limited in cancellation proceedings before the Board, the defenses generally start to run from the date of registration, and laches and acquiescence may not be available against claims of descriptiveness and genericness for public

policy reasons. See TBMP § 311.02(b); *Cf. National Cable Television Ass'n., Inc. v. American Cinema Editors, Inc.*, 937 F.2d 1572, 19 USPQ2d 1424, 1427 (Fed. Cir. 1991); *Barbara's Bakery Inc. v. Landesman*, 82 USPQ2d 1283, 1292 n.14 (TTAB 2007).

The Board briefly explained the availability of and features of the "accelerated case resolution" ("ACR") process, and noted that counsel may consult TBMP § 528 *et seq.* and 702.04, the Board's web page, as well as *Federal Register*, Volume 72, for further information. The Board noted that, in the event that this proceeding is resumed on its merits, it may be appropriate for resolution by ACR, and the parties should give this consideration. The Board instructed that at the appropriate time, in the event that the parties stipulate to pursue resolution by ACR, they should telephone the assigned interlocutory attorney, or file a consented motion to that effect.

Suspension

It is the policy of the Board to suspend proceedings when parties are involved in a civil action or other proceeding which may be dispositive of or may have a bearing on the Board proceeding. See Trademark Rule 2.117(a). To the extent that a civil action in a federal district court involves issues in common with those in a proceeding before the Board, the decision of the district court is often

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binding on the Board, while the decision of the Board is not binding on the district court. *See, e.g., Goya Foods Inc. v. Tropicana Products Inc.*, 846 F.2d 848, 6 USPQ2d 1950, 1954 (2d Cir. 1988); *American Bakeries Co. v. Pan-O-Gold Baking Co.*, 650 F Supp 563, 2 USPQ2d 1208 (D.Minn 1986). The suspension of a Board proceeding pending the determination of a civil action or another proceeding is solely within the discretion of the Board. *See* TBMP § 510.02(a).

During the conference, the Board noted that Cancellation No. 92053826, instituted April 1, 2011, also involves respondent's Registration No. 3848130, and was brought by a different petitioner, H&B Beauty Supplies, Inc. Therein, the Board granted the parties' consented motion to suspend pending the outcome of a civil action, *H&B Beauty Supplies, Inc. v. Posh Hair Salon, Inc., et al.*, Case No. CV-11-04142-JCS, which Mr. Barker noted is presently pending in the United States District Court for the Northern District of California.

Furthermore, Mr. Barker noted that respondent is also defending a second civil action, *Doshacare, Inc. v. Posh Hair Salon, Inc.*, Case No. CV-11-1322, pending in the United States District Court for the Central District of California. Said action includes a declaratory judgment claim involving the registered mark.

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Based on Mr. Barker's clarification regarding the status of the underlying civil actions, the Board has determined that the outcome of either action may potentially have a bearing on this cancellation.

In view thereof, this cancellation is suspended pending final disposition of 1) Cancellation No. 92053826 and the civil action which occasioned suspension of that proceeding; and 2) *Doshacare, Inc. v. Posh Hair Salon, Inc.*, Case No. CV-11-1322.

It is noted that counsels indicated their willingness to discuss settlement of this cancellation, as appropriate, at such time as it is resumed.

Within twenty (20) days after the final determination of either of these proceedings, the parties shall so inform the Board by filing notification of this herein, so that the Board can call this case up for any appropriate action.¹

During the suspension period, the parties shall notify the Board of any address changes for the parties or their attorneys.

¹ As the Board noted during the conference, a proceeding is considered to have been finally determined when a decision on the merits of the case (i.e. a dispositive ruling that ends litigation on the merits) has been rendered, and no appeal has been filed therefrom or all appeals filed therefrom have been decided. See TBMP § 510.02(b).