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

Proceeding	92056154
Party	Defendant World Marketing of America, Inc.
Correspondence Address	JULIE ANN GREGORY MIDDLETON REUTLINGER 2500 BROWN & WILLIAMSON TOWER LOUISVILLE, KY 40202 UNITED STATES jgregory@middletonlaw.com
Submission	Other Motions/Papers
Filer's Name	Julie Gregory Ray
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Signature	/Julie Gregory Ray/
Date	05/12/2014
Attachments	Resp to SC with Exhibit A 5-12-2014.pdf(4673428 bytes)

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

In Re Trademark Reg. No. 3,169,769

Mark:

Filed: 01/25/2005

Registered: 11/07/2006

MCS Central Europe Sp. z.o.o.	)	
Petitioner	)	**Cancellation No. 92056154**
v.	)	
World Marketing of America, Inc.	)	
Respondent	)	

CERTIFICATE OF TRANSMISSION

I HEREBY CERTIFY THAT THIS CORRESPONDENCE IS BEING TRANSMITTED BY ELECTRONIC MAIL TO THE TRADEMARK TRIAL AND APPEAL BOARD, UNITED STATES PATENT AND TRADEMARK OFFICE, THIS 12th DAY OF MAY, 2014.

/JULIE GREGORY RAY/

RESPONSE TO SHOW CAUSE ORDER ON BEHALF OF WORLD MARKETING OF AMERICA, INC.

Respondent, World Marketing of America, Inc., by counsel, as and for its Response to the Show Cause Order issued by the Trademark Trial and Appeal Board (the "Board"), states as follows:

World Marketing of America, Inc. ("Respondent") acquired all rights to the heating business owned by DHP Holdings II Corp., Desa Heating LLC, Desa LLC, and DESA IP, LLC[1] (all collectively hereinafter referred to as the "Former DESA") in the United States on June 11, 2009. This included, among other assets and intellectual properties, all rights in and to Reg. No. 3,169,769 for the composite mark DESA INDOOR/OUTDOOR PRODUCTS & DESIGN for use in connection with "space heaters, namely, fluid fired, fixed and mobile space heaters for domestic and industrial use." *See*, Declaration of Randy Meyers, attached hereto as Exhibit A. Assignment of ownership of Reg. No. 3,169,769 from DESA IP, LLC to Respondent is recorded with the USPTO at Reel/Frame No. 4883/0931.[2]

Following the acquisition of the heating business, Respondent has used the mark DESA and the composite mark DESA INDOOR/OUTDOOR PRODUCTS & DESIGN in connection with the sale of replacement parts for the space heaters sold by Former DESA or, in the alternative, has made analogous use thereof which has created an association of the marks with World Marketing in the consuming public. *Id.*

The present action arose on MCS Central Europe Sp. z.o.o.'s ("Petitioner's") Petition to Cancel Reg. No. 3,169,769 for the composite mark DESA INDOOR/OUTDOOR PRODUCTS & DESIGN on September 12, 2012, due to the fact that No. 3,169,769 had been cited against Petitioner's application to register the mark DESA for identical goods (Ser. No. 85/505,748). The sole ground asserted in the Petition to Cancel the Registered Mark was abandonment of the mark in connection with the goods listed in the registration. On September 13, 2012, the Board issued its scheduling order which outlined the pertinent deadlines for the cancellation

[1] DESA IP, LLC is that entity which previously owned and assigned Reg. No. 3,169,769 to Respondent.
[2] Further, by Order dated April 21, 2014, the United States Bankruptcy Court for the District of Delaware approved the sale of Reg. No. 2,097,910 for the mark DESA to Respondent. Assignment of Reg. No. 2,097,910 from DESA IP, LLC to Respondent is recorded with the USPTO at Reel/Frame No. 5270/0912.

procedures. On October 17, 2012, Petitioner's application Ser. No. 85/505,748 was placed in suspension pending disposition of the cancellation proceedings herein.

Respondent filed its Answer to the Petition to Cancel on October 22, 2012, generally denying the claims and defending its rights to the DESA mark on the ground that Petitioner lacks standing, since as between the parties, Respondent has priority over Petitioner with respect to use of the mark DESA for heating products in the United States. In its letter dated October 22, 2012 providing Petitioner its service copy of the Answer, Respondent inquired whether Petitioner had any interest in acquiring Respondent's rights in and to the DESA mark in the United States before the proceedings got too far along. Thereafter, on November 5, 2012, Respondent provided Petitioner with samples of Respondent's use of DESA dating back to 2009.

On November 14, 2012 (which was *after* the November 7, 2012 deadline to file the Section 8 Affidavit of Use in Reg. No. 3,169,769), Petitioner offered to acquire Respondents rights in DESA for a sum certain. On November 20, 2012, Respondent agreed to suspend the proceedings for 30 days at the request of the Petitioner to allow the parties to continue negotiations. On January 25, 2013, Respondent accepted Petitioner's final offer, at which time Petitioner's counsel advised that she would send a draft agreement in due course.

That said, despite further reminders to Petitioner, Petitioner did not send the draft agreement and assignment of Reg. No. 3,169,769 to Respondent until May 28, 2013(which was *after* the final deadline of May 7, 2013 to file the Section 8 Affidavit of Use in Reg. No. 3,169,769), which Respondent returned to Petitioner the next day. Thereafter, Respondent advised Petitioner on June 10, 2013, that unless Respondent received the signed agreement and payment of the purchase price by June 30, 2013, Respondent would move forward with continued use of the DESA brand. On June 28, 3013, Petitioner asked that this deadline be

pushed to July 1, 2013 since June 30, 2013 was a Sunday, to which Respondent agreed. To date, Respondent has not received the signed agreement or the payment check, and Respondent has received no communication from Petitioner since that June 28, 2013 correspondence.

The records of the USPTO Trademark Status & Document Retrieval ("TSDR") database reflect that on November 20, 2013, Petitioner filed a Response to the Letter of Suspension to request that its application Ser. No. 85/505,748 be removed from suspension since "It is now believed that [the] registration maintenance documents [of the cited registration] were not timely filed, and that the cited registration(s) will be canceled under Section 8 or expire under Section 9 and will no longer present a bar to registration under Section 2(d)." Application Ser. No. 85/505,748 was subsequently published for opposition on January 7, 2014. Respondent filed its Notice of Opposition to Ser. No. 85/505,748 with this Board on May 6, 2014 to contest registration of Petitioner's mark based on Respondent's prior use of the DESA brand in connection with replacement parts for space heaters, as those goods would be closely related to the heaters identified in Petitioner's application Ser. No. 85/505,748.

Respondent submits that judgment in the cancellation proceedings should not be entered adverse to Respondent pursuant to Trademark Rule 2.134 since Petitioner did not act in good faith during the course of these proceedings, as best evidenced by Petitioner's repeated delays and ultimate failure to fulfill the agreement the Petitioner made to purchase Respondent's rights in and to the DESA mark and the registration at issue (even after the deadline to file the Section 8 Affidavit of Use had passed).[3] Even though this Board may not have jurisdiction to enforce the

[3] As noted *supra,* Petitioner offered to purchase Respondent's rights to Reg. No. 3,169,769 for a sum certain on November 14, 2012, which was *after* the November 7, 2012 deadline to file the Section 8 Affidavit of Use in Reg. No. 3,169,769. Further, Petitioner first forwarded the settlement agreement to acquire all common and registration rights in and to Reg. No. 3,169,769 for the mark DESA INDOOR/OUTDOOR PRODUCTS & DESIGN to Respondent on May 28, 2013, which was *after* the expiration of the grace period to file the Section 8 Affidavit of Use in Reg. No. 3,169,769.

settlement agreement, the Board should not allow Petitioner's delays and misconduct work as a judgment against Respondent's interest with respect to dismissal of these cancellation proceedings. *Omega Engineering, Inc. v Omega, S.A.,* 432 F.3d 437, 77 USPQQ2d 1417 (2nd Cir. 2005)(Second Circuit held party to the agreement entered into by its counsel despite the presence of a signed agreement, recognizing "It is an elementary principle of contract law that a party's subsequent change of heart will not unmake a bargain already made." *Id.* at 445).

Petitioner has not taken any action to pursue the cancellation proceedings. Petitioner did not request any discovery or take any testimonial proof. To that end, Petitioner should not be allowed to now obtain a judgment in the cancellation proceedings herein which could in any way adversely impact Respondent's right to register its mark in the future. If anything, the cancellation proceedings should be dismissed with prejudice as against Petitioner, not Respondent.

Under no circumstances should Respondent's failure to file the Section 8 Affidavit of Use in this instance be deemed to be the equivalent of a "cancellation by request of the respondent without the consent of the adverse party." This is not a situation whereby Respondent failed to file the Section 8 to evade judgment against it. Instead, Respondent did not file the Section 8 Affidavit of Use because, for business reasons other than to avoid these cancellation proceedings, it was not using this particular mark, namely, DESA INDOOR/OUTDOOR PRODUCTS & DESIGN, on the specific goods identified in Reg. No. 3,169,769 at the time the Section 8 Affidavit of Use was due, and had not been doing so prior to the time Petitioner filed the Petition to Cancel on September 12, 2012. *See* Exhibit A. *Marshall Field & Co. v. Mrs. Fields Cookies,* 11 USPQ2d 1154 (TTAB 1989). Even though Respondent may not have use of the mark DESA INDOOR/OUTDOOR PRODUCTS & DESIGN for the

goods specifically identified in Reg. No. 3,169,769, cancellation of that registration should not be adjudicated in any way that would impair Respondent's right to register that mark in the future for replacement parts or any other heating products. To that end, the cancellation proceedings should be dismissed as moot. *Id.*

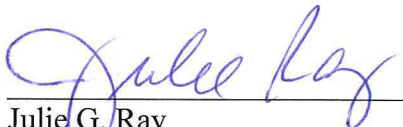
In the alternative, Respondent asks that judgment be entered only and specifically as to the claim of abandonment (which was the only claim raised in the Petition to Cancel) with respect to the particular mark and goods identified in Reg. No. 3,169,759, pursuant to Section 604 of the Trademark Trial and Appeal Board Manual of Procedure ("TBMP").[4] *Multisorb Technologies, Inc. v Pactiv Corporation,* 109 USPQ2d 1170 (TTAB 2013). Since the only ground asserted by Petitioner in the Petition for Cancellation was abandonment of the mark DESA INDOOR/OUTDOOR PRODUCTS & DESIGN in connection with the goods listed in Reg. No. 3,169,759, and Petitioner has not sought discovery, offered any testimony, or taken any other action to otherwise prosecute its Petition for Cancellation, no other issues remain. *Id.* Respondent does not admit to any other claims or allegations which may be raised by Petitioner and furthermore, otherwise reserves its rights in and to its trademarks and any corresponding registrations thereof.

[SPACE INTENTIONALLY LEFT BLANK]

[4] Respondent's concession of non-use is limited only to the mark and goods identified in Reg. No. 3,169,759, which is the registration at issue in this proceeding and does not apply to any other marks, goods, or registrations that Respondent owns. Respondent expressly reserves all rights to all other marks and registrations it owns and any remedies flowing therefrom.

Based upon the evidence and arguments provided herein, Respondent submits that judgment should not be entered against Respondent as provided by Trademark Rule 2.134 since Respondent did not file the Section 8 Affidavit of Use only because it was not using this particular mark for the goods identified in Reg. No. 3,169,759 at the time the Section 8 Affidavit of Use became due for business reasons other than to avoid these cancellation proceedings. If anything, Respondent submits that judgment in the cancellation proceedings should be entered against Petitioner. Otherwise, these proceedings should be dismissed as moot since abandonment was the only ground asserted by Petitioner in its Petition to Cancel. In the alternative, Respondent consents to judgment and cancellation of Reg. No. 3,169,759 with respect to the mark and goods identified in Reg. No. 3,169,759 as to the claim of abandonment only pursuant to TBMP §604, expressly reserving all rights in and to any and all of the other marks, uses and registrations Respondent owns for, or which include, the mark DESA.

Respectfully submitted,



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Counsel for Respondent
World Marketing of America, Inc.

Dated: May 12, 2014

Certificate of Service

The undersigned hereby certifies that a true and correct copy of this Notice of Opposition has been served via US First Class Mail, postage prepaid, on May 12, 2014 to Anne M. Sterba, Fish & Richardson P.C., P.O. Box 1022, Minneapolis, Minnesota 55440-1022, Counsel for Applicant.

Counsel for Respondent

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

In Re Trademark Reg. No. 3,169,769

Mark:

Filed: 01/25/2005

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MCS Central Europe Sp. z.o.o.	)	
Petitioner	)	**Cancellation No. 92056154**
v.	)	
World Marketing of America, Inc.	)	
Respondent	)	

CERTIFICATE OF TRANSMISSION

I HEREBY CERTIFY THAT THIS CORRESPONDENCE IS BEING TRANSMITTED BY ELECTRONIC MAIL TO THE TRADEMARK TRIAL AND APPEAL BOARD, UNITED STATES PATENT AND TRADEMARK OFFICE, THIS 12th DAY OF MAY, 2014.

/JULIE GREGORY RAY/

DECLARATION OF RANDY MEYERS PURSUANT TO 37 C.F.R. §2.20

Randy Meyers ("Declarant"), pursuant to 37 C.F.R. §2.20, being warned that willful false statements and the like are punishable by fine or imprisonment, or both, under 18 U.S.C. 1001, and that such willful false statements and the like may jeopardize the validity of the application or document or any registration resulting therefrom, declares that all statements made of his own knowledge are true; and that all statements made on information and belief are believed to be true.

Declarant, Randy Meyers, states the following in support of Respondent's Response to the Show Cause Order issued by the Trademark Trial and Appeal Board on April 22, 2014:

1. Declarant, Randy Meyers, states that he is Vice President of Sales of World Marketing of America, Inc. ("World Marketing"), located at Route 22 West, Mill Creek, Pennsylvania 17060, and is familiar with the issues raised in the above-styled proceedings.

2. Declarant states that World Marketing acquired all rights to the heating business owned by DHP Holdings II Corp., Desa Heating LLC, Desa LLC, and DESA IP, LLC (all collectively hereinafter referred to as the "Former DESA") in the United States on June 11, 2009. This included, among other assets and intellectual properties, all rights in and to the mark DESA INDOOR/OUTDOOR PRODUCTS & DESIGN and the registration of the mark for use in connection with "space heaters, namely, fluid fired, fixed and mobile space heaters for domestic and industrial use" (Reg. No. 3,169,769).

3. Declarant states that following the acquisition of the heating business from the Former DESA, World Marketing continued to use the mark DESA and the composite mark DESA INDOOR/OUTDOOR PRODUCTS & DESIGN in connection with the sale of replacement parts for the space heaters sold by Former DESA or, in the alternative, has made analogous use thereof which has created an association of the marks with World Marketing in the consuming public.

4. Declarant states that after Petitioner filed its Petition to Cancel Reg. No. 3,169,769, the parties engaged in negotiations for Petitioner to acquire World Marketing's right to the DESA brand.

5. Declarant states that on January 25, 2013, World Marketing accepted Petitioner's offer to purchase World Marketing's rights in and to the DESA brand for a certain sum.

6. Declarant states that Petitioner finally provided a draft settlement agreement and assignment of Reg. No. 3,169,769 to World Marketing on May 28, 2013, which World Marketing accepted and returned to Petitioner the next day.

7. Declarant states that World Marketing was not using the mark DESA INDOOR/OUTDOOR PRODUCTS & DESIGN for those goods identified in Reg. No. 3,169,769 (i.e., the space heaters themselves) at the time the Petition to Cancel was filed on September 12, 2012, or at the time the Section 8 Affidavit of Use was due, namely, November 7, 2012.

8. Declarant states that World Marketing did not file the Section 8 Affidavit of Use to maintain Reg. No. 3,169,769 only because World Marketing had not been using that particular mark on the products identified in that registration for business reasons which were unrelated to this action, and not because of any intention to avoid the cancellation proceedings.

9. Declarant states that World Marketing has common law rights in and to the DESA mark which are prior to Petitioner.

10. Declarant states that Petitioner misled World Marketing into accepting its offer to purchase World Marketing's rights in the DESA brand, only to renege on its agreement after the deadline to file the Section 8 Affidavit of Use had expired. Therefore, Declarant submits that the Trademark Trial and Appeal Board should not enter judgment in the cancellation proceedings adverse to World Marketing which would impair World Marketing's right to register the

contested mark for use in connection with replacement parts or other related heating products in the future.

Further the Declarant sayeth not.

Randy Meyers
Vice President of Sales
World Marketing of America, Inc.

Dated: 5/12/14