

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451
General Contact Number: 571-272-8500

WINTER

Mailed: May 29, 2015

Cancellation No. 92058315

State of Michigan

v.

M22, LLC

Before Bucher, Cataldo, and Greenbaum,
Administrative Trademark Judges.

By the Board:

This case now comes up for consideration of Petitioner's fully briefed motion (filed February 6, 2015) for partial judgment on the pleadings under Fed. R. Civ. P. 12(c) on the basis that Respondent's use of its registered marks is *per se* unlawful.

By way of background, Petitioner seeks to cancel Respondent's registrations for the marks shown below:



and

¹ U.S. Reg. No. 3992159, issued July 12, 2011, for "Retail store services featuring clothing, sporting goods, and novelty items."



As set forth in the second amended petition to cancel filed on June 30, 2014 (14 TTABVUE 2), as amended by the Board's order issued on December 1, 2014 (20 TTABVUE 10), Petitioner pleads the following grounds for cancellation: the marks are not in lawful use in commerce; abandonment; false suggestion of connection; misrepresentation of source; insignia of a state or municipality; and fraud. As regards Reg. No. 3992159, Petitioner also pleads grounds of likelihood of confusion and geographic descriptiveness.

- *Parties' Arguments*

Petitioner seeks judgment on the pleadings only with respect to its claim that the involved registrations are not in lawful use in commerce. In support thereof, Petitioner argues, *inter alia*, that because federal regulations, specifically, the Manual on Uniform Traffic Control Devices (hereafter "MUTCD"),³ prohibits the protection of the State's "M22" traffic control device as a trademark, it likewise prohibits use of that traffic control device as a trademark. Petitioner points out that the federal MUTCD provides as follows:

² U.S. Reg. No. 3348635, issued December 4, 2007, for "Apparel specifically hats, t-shirts, long sleeve shirts, sweat shirts, pants, shorts, underwear, tank tops." The wording "M22ONLINE.COM" appears at the bottom right-hand corner of the mark.

³ See 23 C.F.R. §§ 655.601 and 655.603(a).

Any traffic control device design or application provision contained in this Manual shall be considered to be in the public domain. Traffic control devices contained in this Manual shall not be protected by a patent, trademark, or copyright, except for the Interstate Shield and any items owned by the FHWA.

Further, Petitioner states that the Michigan MUTCD contains the statement from the federal MUTCD prohibiting the trademark protection of any traffic control devices contained with the Manual, and that the term “traffic control devices” includes “all signs, signals, markings, and devices not inconsistent with this Act placed or erected by authority of a public body or official having jurisdiction, for the purpose of regulating, warning or guiding traffic” (citing to M.C.L. 257.70). In view of the foregoing, asserts Petitioner, Respondent’s registrations and use of the highway sign in its two marks is *per se* unlawful use in commerce, creates no trademark rights, and the registrations of the highway signs should be cancelled. Attached to Petitioner’s motion is a copy of relevant pages of the federal MUTCD (22 TTABVUE 14-15) and of the State of Michigan MUTCD (22 TTABVUE 17-19).

Respondent argues that genuine disputes of material fact remain to be resolved, namely, whether the MUTCD prohibits private citizens, in addition to governmental agencies that implement traffic standards, from obtaining intellectual property rights in sign components, and as to whether Respondent’s registrations and use constitute a *per se* violation of the federal and state regulations. Additionally, Respondent asserts that further development of the record is necessary in order to determine whether Respondent’s defenses of laches, acquiescence, estoppel, consent, and waiver successfully prohibit Petitioner’s claims.

In reply, Petitioner contends that there are no issues of fact to be resolved. Rather, Petitioner argues that the questions at issue are legal, not factual, and can be resolved now.⁴

- *Decision*

A motion for judgment on the pleadings is a test solely of the undisputed facts appearing in all the pleadings, supplemented by any facts of which the Board will take judicial notice. *Media Online Inc. v. El Clasificado Inc.*, 88 USPQ2d 1285, 1287 (TTAB 2008). Such a motion will be granted only if the moving party clearly establishes that no material issue of fact remains to be resolved and that it is entitled to judgment as a matter of law. Fed. R. Civ. P. 12(c); *Baroid Drilling Fluids Inc. v. SunDrilling Products*, 24 USPQ2d 1048 (TTAB 1992). An unresolved material issue of fact may result from an express conflict on a particular point between the parties' respective pleadings or from defendant's pleading of new matter and affirmative defenses in its answer. Thus, a plaintiff may not secure a judgment on the pleadings when the answer raises issues of fact that, if proved, would defeat plaintiff's claim. *Leeds Tech. Ltd. v. Topaz Comm. Ltd.*, 65 USPQ2d 1303 (TTAB 2002).

For purposes of determining a motion for judgment on the pleadings, all well-pleaded factual allegations of the non-moving party must be accepted as true, while those allegations of the moving party which have been denied (or which are taken

⁴ We note Petitioner's supplement to its motion submitted after its reply brief. Said submission is not permissible. See Trademark Rule 2.127(a). In any event, the paper submitted is already of record in this matter. See Trademark Rule 2.122(b).

as denied, pursuant to Federal Rule 8(b)(5) because no responsive pleading thereto is required or permitted) are deemed false. Conclusions of law are not taken as admitted. All reasonable inferences from the pleadings are drawn in favor of the non-moving party. *See Baroid Drilling*, 24 USPQ2d at 1049. *See also* 5C Fed. Prac. & Proc. Civ. 3d § 1368 (2015). Further, a judgment on the pleadings may be granted only where, on the facts deemed admitted, there is no genuine issue of material fact to be resolved, and the moving party is entitled to judgment on the substantive merits of the controversy, as a matter of law. *Id.* *See also* 5C Fed. Prac. & Proc. Civ.3d § 1367 (2015). Additionally, motions for partial judgment on the pleadings are appropriate. *See Kraft Group LLC v. Harpole*, 90 USPQ2d 1837 (TTAB 2009) (internal citations omitted).

Based on the pleadings in this case and the materials attached to Petitioner's motion of which we take judicial notice under Fed. R. Evid. 201, Petitioner cannot prevail as a matter of law on its claim that the involved marks are not in lawful use in commerce. Specifically, we find that material issues of fact are raised by the express conflict between the parties' pleadings, as well as by Respondent's pleading of affirmative defenses in its answer. In particular, Respondent has denied paragraphs 1 through 7, and 12, of the amended petition to cancel, as well as paragraphs 15, and 17 through 26 thereof, which comprise Petitioner's unlawful use in commerce claim. Additionally, Respondent has pleaded six affirmative defenses.⁵

⁵ Respondent's first affirmative defense, *i.e.*, failure to state a claim upon which relief can be granted, and sixth affirmative defense, *i.e.*, failure to plead fraud with particularity, are not affirmative defenses; rather, said assertions relate to the sufficiency of Petitioner's pleading. In view thereof, said "defenses" are hereby stricken. *See* Fed. R. Civ. P. 12(f).

At a minimum, Respondent's denial of paragraph 1 of the petition to cancel in which Petitioner alleges that its highway route marker sign for Michigan Highway M-22 is identical to the M-22 sign in Respondent's registrations, and Respondent's denial of paragraph 24, in which Petitioner alleges that granting exclusive rights to use the M-22 sign under the Lanham Act, regardless of associated goods or services, violates the Federal Highway Safety Act, are sufficient to raise genuine issues of material fact.

Accordingly, Petitioner's motion for judgment on the pleadings is **denied**.

Proceeding Resumed; Trial Dates Reset

This proceeding is resumed. Trial dates are reset as shown in the following schedule:

Initial Disclosures Due	6/28/2015
Expert Disclosures Due	10/26/2015
Discovery Closes	11/25/2015
Plaintiff's Pretrial Disclosures Due	1/9/2016
Plaintiff's 30-day Trial Period Ends	2/23/2016
Defendant's Pretrial Disclosures Due	3/9/2016
Defendant's 30-day Trial Period Ends	4/23/2016
Plaintiff's Rebuttal Disclosures Due	5/8/2016
Plaintiff's 15-day Rebuttal Period Ends	6/7/2016

Additionally, the fourth and fifth affirmative defenses, *i.e.*, that Petitioner's claims are *barred* because Petitioner does not have priority and because there is no likelihood of confusion, respectively, are improper insofar as Petitioner's claims may fail, but are not barred *per se*, for the reason given. However, inasmuch as matter will not be stricken unless it clearly has no bearing upon the issues in the case, said defenses are construed to be mere amplifications of Respondent's denial of Petitioner's allegations of priority and likelihood of confusion. The remaining six affirmative defenses are laches, acquiescence, estoppel, consent, and/or waiver, and unclean hands.

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. *See* Trademark Rule 2.125, 37 C.F.R. § 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b), 37 C.F.R. §§ 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129, 37 C.F.R. § 2.129.

