

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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BUO

Mailed: November 30, 2015

Opposition No. 91214191 (Parent)
Cancellation No. 92061664

Boston Iced Tea Company, Inc.

v.

BBK Pictures, Inc.

Benjamin U. Okeke, Interlocutory Attorney:

Now before the Board is BBK Pictures, Inc.'s ("Respondent) motion, filed July 21, 2015, to dismiss the petition to cancel filed by Boston Iced Tea Company, Inc. against Registration No. 4703971. Respondent argues that Petitioner "waived its right to challenge the registration at issue by failing to timely file a counterclaim or separate petition attacking the same registration in Opposition No. 91214191 ... in which this same registration was asserted against [Petitioner]." 5 TTABVUE 2.¹ Petitioner contends that inasmuch as the subject registration did not issue until late into the prior opposition proceeding, "the current Petition could not have been

¹ Citations to the record will be to TTABVUE, the docket history system for the Trademark Trial and Appeal Board. Because the Board primarily uses TTABVUE in reviewing evidence, the Board prefers that citations to material or testimony in the record that has not been designated confidential include the TTABVUE docket entry number and the TTABVUE page number. For material or testimony that has been designated confidential and which cannot be viewed on TTABVUE, the TTABVUE docket entry number where such material or testimony is located should be included in any citation. See *Turbin v. Trilobite, Ltd.*, 109 USPQ2d 1473, 1476 n.6 (TTAB 2014).

made the subject of a compulsory counterclaim unless and until a registration issued.” 7 TTABVUE 2. The motion is fully briefed.²

Background

On December 24, 2013, BBK Pictures filed a notice of opposition against application Serial No. 85884091. The proceeding was instituted as Opposition No. 91214191 (“the ’191 opposition”). As grounds for its opposition, BBK Pictures alleged likelihood of confusion with its then pending application for the mark BOSTON TEA, in standard character format, for use on goods alleged to be related to those claimed by Boston Iced Tea Company in application Serial No. 85237182 (“the ’182 application”).³ Boston Iced Tea Company denied the salient allegations in the notice of opposition, and also asserted seven “affirmative defenses,” five of which were stricken by the Board in its May 15, 2014 order in the ’191 opposition.⁴

The parties agreed to a modified schedule under the Board’s accelerated case resolution (“ACR”) procedure, choosing, in lieu of testimony periods, to submit the case on briefs in summary judgment format directly following the close of the discovery period, allowing the Board to resolve any remaining genuine disputes of material fact as necessary to the Board’s resolution of the matter. BBK Pictures

² Respondent’s reply brief, filed August 28, 2015, is noted.

³ Filed February 8, 2011, alleging a bona fide intent to use the mark in commerce under Section 1(b) of the Trademark Act. The mark is for use with “tea-based beverages with fruit flavoring; tea; [and] tea-based beverages,” in International Class 30, and “concentrated fruit juice; concentrates for making fruit juices; fruit drinks and fruit juices; fruit drinks and juices; fruit juices; fruit juice bases; fruit juice concentrates; herbal juices; mixed fruit juice; non-alcoholic beverages containing fruit juices; non-alcoholic fruit juice beverages; non-alcoholic beverages with tea flavor,” in International Class 32.

⁴ The remaining “affirmative defenses” were found to not be affirmative defenses, but an amplification of Petitioner’s defenses, and a reservation of right to amend the answer to allege additional affirmative defenses as may become available.

filed its final brief on the case on February 17, 2015. Boston Iced Tea Company's response brief was then filed on March 17, 2015, according to the schedule as last reset by the Board's January 15, 2015 order.

Meanwhile, on that same day, the '182 application matured into Registration No. 4703971 ("the '971 registration"). Consequently, in conjunction with its reply brief filed April 1, 2015, BBK Pictures attached a printout from the USPTO Trademark Electronic Search System ("TESS") of the registration record for the '971 registration, asserting the registration as an additional basis for its likelihood of confusion claim. Boston Iced Tea Company then filed its petition to cancel the '971 registration on June 2, 2015, alleging that: (i) Respondent committed fraud on the USPTO in the prosecution of the underlying application; (ii) the mark is primarily geographically deceptively misdescriptive; and (iii) Respondent is not the owner of the mark. On June 30, 2015, the Board issued an order suspending the '191 opposition proceeding pending resolution of this cancellation proceeding.

In lieu of filing an answer to the petition to cancel, Respondent has filed the instant motion to dismiss.

Motion to Dismiss

Counterclaims to cancel pleaded registrations in Board proceedings are governed by Trademark Rule 2.106(b)(2)(i), which provides as follows:

A defense attacking the validity of any one or more of the registrations pleaded in the opposition shall be a compulsory counterclaim if grounds for such counterclaim exist at the time when the answer is filed. If grounds for a counterclaim are known to the applicant when the answer to the opposition is filed, the counterclaim shall be

pleaded with or as part of the answer. If grounds for a counterclaim are learned during the course of the opposition proceeding, the counterclaim shall be pleaded promptly after the grounds therefor are learned.

It is important to note that Rule 2.106 speaks to counterclaims to cancel *registrations*. The language of Rule 2.106 does not contemplate actions against pleaded *applications*.

Accordingly, inasmuch as the involved registration did not register until March 17, 2015, there can be no argument that a counterclaim could not have been compulsory at the time Respondent filed its answer in the '191 opposition, January 31, 2014.

The second clause of Rule 2.106 referencing “grounds ... learned during the course of the opposition proceeding,” requires that “the counterclaim ... be pleaded promptly after the grounds therefor are learned.” Trademark Rule 2.106(b)(2)(i). However, as the Board found in *M. Aron Corp. v. Remington Prods., Inc.*, 222 USPQ 93 (TTAB 1984), an opposer is obliged “as soon as possible after the omission (or newly issued registration) comes to the opposer’s ... attention” to plead such registration, and that Rule 2.106 must “provide sufficient flexibility to allow an applicant or respondent fair and adequate opportunity to plead, take discovery, and present evidence on a counterclaim on any available ground.” 222 USPQ at 96. Indeed, the Board held that an applicant should not be “deprive[d] ... of his right to petition to cancel [a] registration, either by counterclaim or by separate petition, at such time as opposer seeks to rely upon [the] registration.” *Id.*

In the context of the circumstances presented by the '191 opposition, the discovery period having closed, the parties having stipulated to forego trial and instead submitting the case for decision on summary judgment-like briefs, and both Respondent and Petitioner having filed their initial briefs prior to the issuance of the '971 registration, Petitioner could not have amended its answer at that point in the proceeding to raise its counterclaim to cancel the newly matured registration. In fact, there is no certainty that the Board would have considered the '971 registration to have been made properly of record thus allowing Petitioner to file such a counterclaim. Where a registration issues after the plaintiff's testimony period closes, even where the underlying application had previously been pleaded, the Board may in its discretion decide not to consider the registration.⁵ *See UMG Recordings Inc. v. O'Rourke*, 92 USPQ2d 1042, 1045 (TTAB 2009).

Finally, the Board finds that Petitioner's filing of the instant petition to cancel the '971 registration just two months after Respondent's assertion of the registration in its reply brief in the '191 opposition was made sufficiently promptly.

In light of the foregoing, Respondent's motion to dismiss is **DENIED**. Respondent is allowed **TWENTY DAYS** from the mailing date of this order to file its answer to the petition to cancel. If Respondent fails to file an answer within the time allowed, a notice of default will issue against Respondent.

⁵ Pleading ownership of a pending application merely relieves an opposer of the obligation to amend its notice of opposition to plead ownership of the newly matured registration. The opposer must nonetheless properly introduce the registration into the proceeding record in order to have it considered by the Board. *See UMG Recordings Inc.*, 92 USPQ2d at 1045, n.12.

Consolidation

When cases involving common questions of law or fact are pending before the Board, the Board may order the consolidation of the cases. Such consolidation may be ordered on the Board's own initiative. *See* Fed. R. Civ. P. 42(a); and TBMP § 511. Inasmuch as the parties to Opposition No. 91214191 and Cancellation No. 92061664 are the same and the proceedings involve common questions of law or fact, the Board finds that consolidation of the above-referenced proceedings is appropriate. Consolidation will avoid duplication of effort concerning the factual issues and will thereby avoid unnecessary costs and delays.

Accordingly, Opposition No. 91214191 and Cancellation No. 92061664 are consolidated and may be presented on the same record and briefs. **The record will be maintained in Opposition No. 91214191 as the “parent” case.** The parties should no longer file separate papers in connection with each proceeding, but file only a single copy of each paper in the parent case. However, because these proceedings are being consolidated before the filing of answer(s) in Cancellation No. 92061664, Respondent must file its answer in the cancellation proceeding as instructed above, following which subsequent filings should be filed only in the parent case.

Each paper filed should bear the numbers of all consolidated proceedings in ascending order, and the parent case should be designated as the parent case by following it with: “(parent),” as in the case caption set forth above.

Consolidated cases do not lose their separate identity because of consolidation. Each proceeding retains its separate character and requires entry of a separate judgment. The decision on the consolidated cases shall take into account any differences in the issues raised by the respective pleadings and a copy of the final decision shall be placed in each proceeding file. *See Dating DNA LLC v. Imagini Holdings Ltd.*, 94 USPQ2d 1889, 1893 (TTAB 2010).

The parties are instructed to promptly inform the Board of any other related cases within the meaning of Fed. R. Civ. P. 42.

Accelerated Case Resolution (“ACR”)

Following the filing of Respondent’s answer, if any is filed, the parties are instructed to, within **FIFTEEN DAYS** of that filing, contact the assigned Board interlocutory attorney to discuss modifying the current ACR schedule to accommodate the newly consolidated cancellation proceeding.

Schedule

The proceeding is otherwise **SUSPENDED** pending the parties’ telephone conference with the assigned interlocutory attorney. Dates will be reset upon resumption of the proceeding following the telephone conference.