

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

In re Registration No. 2,569,766

Registered: May 14, 2002

For Mark: Chief Wahoo Design

-----X
PEOPLE NOT MASCOTS, INC., ANTHONY
MENESS, SHYANNE MENESS, FEATHER
SHENDO, ROBERT ROCHE, SUNDANCE,
JEANNINE WITHROW, ROSE ROUBIDEAUX,
CLIFFORD A. TAHSLER, WENONAH GREGG,
RAYMOND MOODY, DEREK WITHROW, PAUL
WITHROW and O.T. WILLIAMS,

Cancellation No. 92063171 - 76211115

Petitioners,

v.

CLEVELAND INDIANS BASEBALL COMPANY
LP and CLEVELAND INDIANS BASEBALL
COMPANY, INC.,

Registrants.

-----X

REGISTRANTS' MOTION TO DISMISS OR SUSPEND THE PROCEEDING

Registrants¹ hereby move, pursuant to Fed. R. Civ. P. 12(b)(6) and 37 C.F.R. § 2.117(c),
for an order dismissing this cancellation proceeding on the grounds that it fails to state a cause of
action, or alternatively suspending the proceeding pending final disposition of In re Tam, 808

¹The registration in question is owned by Cleveland Indians Baseball Company LP, a
limited partnership. However, since Petitioners also named the general partner of that limited
partnership, Cleveland Indians Baseball Company, Inc., as a party to this proceeding, that entity
joins in the motion, without waiving any objections to its improper inclusion in this case.

"Express Mail" Mailing Label Number

EF106090727 us

I hereby certify that this paper or fee is being deposited with the United States
Postal Service "Express Mail Post office to Addressee" service under 37
C.F.R. 1.10 on the date indicated below and is addressed to the Commissioner for
Trademarks, Post Registration Division, P.O. Box 1451, Alexandria, Virginia
22313-1451 on

3-31-16
(Date of Deposit)

Colleen Regan
(Print name)

(Signature)

Colleen Regan



03-31-2016

U.S. Patent & TMO/TM Mail Rpt Dt #

F.3d 1321, 117 U.S.P.Q.2d 1001 (Fed. Cir. 2015) (en banc) and/or In re Brunetti, No. 2015-1109 (Fed. Cir.).

Petitioners seek to cancel Reg. No. 2,569,766 under section 2(a) of the Lanham Act, 15 U.S.C. § 1052(a), claiming that the mark at issue consists of immoral or scandalous matter and disparages Native Americans. However, the Federal Circuit's recent decision in Tam held that the disparagement provision of section 2(a) of the Lanham Act is unconstitutional under the First Amendment. While Tam did not expressly address the immoral or scandalous prong of section 2(a), the issue of the applicability of Tam to such claims has been directly raised in the Brunetti case currently pending before the Federal Circuit. In that case, the Department of Justice has acknowledged that there is no basis to distinguish immoral or scandalous claims from disparagement claims under the reasoning of Tam. Accordingly, there is no present statutory basis for any of the relief sought by Petitioners. Under these circumstances, the case should at a minimum be suspended until after (1) any further review of Tam that may occur in the Supreme Court; and/or (2) the Federal Circuit's final decision in Brunetti.

MEMORANDUM IN SUPPORT OF MOTION

I. THE PETITION FAILS TO STATE A CLAIM

The petition for cancellation is based entirely on section 2(a) of the Lanham Act, 15 U.S.C. § 1052(a), alleging claims under both the disparagement prong and the immoral or scandalous prong of that statutory provision. The Federal Circuit expressly addressed the constitutionality of section 2(a)'s disparagement provision in its recent Tam decision, holding that such provision violated the First Amendment of the U.S. Constitution. 808 F.3d at 1327-1358, 117 U.S.P.Q.2d at 1003-1025. While it is presently unclear whether the USPTO will seek

Supreme Court review of such decision,² the ruling by the Board's reviewing court is of course binding on the Board. Accordingly, Petitioners cannot presently maintain a claim for disparagement under section 2(a) and such claim is subject to dismissal.

Petitioners also allege a claim under the immoral or scandalous prong of section 2(a). Although the Tam decision declined to extend its unconstitutionality holding beyond the disparagement prong of section 2(a), it recognized that "other portions of § 2 may likewise constitute government regulation of expression based on message, such as the exclusions of immoral or scandalous marks" 808 F.3d at 1330 n.1, 117 U.S.P.Q.2d at 1005 n.1. The Tam Court indicated it would "leave to future panels the consideration of the § 2 provisions other than the disparagement provision" at issue in that case. Id.

One such panel is presently considering the precise issue of the constitutionality of the immoral or scandalous prong of section 2(a). In In re Brunetti, Serial No. 85/310,960 (Docket No. 28)³ (T.T.A.B. August 1, 2014), the Board refused registration of the mark "fuct" on the ground that the mark comprised immoral or scandalous matter under section 2(a). The applicant appealed to the Federal Circuit. Following briefing and oral argument in that case, the Federal Circuit's decision in Tam was handed down, and the Court sought additional letters from the parties addressing the effect of that ruling on the appeal before it. Both sides agreed in their letters that there was no reasonable basis for distinguishing immoral or scandalous marks from disparaging marks under the reasoning of Tam, and that accordingly the Board's decision in

²The USPTO recently sought and received a 30 day extension until April 20, 2016 of its deadline to file a petition for certiorari seeking Supreme Court review of the Federal Circuit's decision.

³<http://ttabvue.uspto.gov/ttabvue/v?pno=85310960&pty=EXA&eno=28>

Brunetti should be vacated.⁴ See Appendix (attaching the parties' letters in Brunetti).

Accordingly, Registrants maintain that the immoral or scandalous claim under section 2(a) also fails for the same reasons as the disparagement claim – all of these provisions of section 2(a) violate the First Amendment.

II. THIS PROCEEDING SHOULD BE SUSPENDED

Registrants recognize that there could still be a further appeal from Tam to the Supreme Court, and that the Federal Circuit has not yet expressly endorsed the parties' views in Brunetti that the Tam decision also applies to immoral or scandalous matter. Accordingly, to the extent the Board does not believe dismissal is appropriate until there is finality on these issues, the appropriate action is to suspend the present cancellation proceeding pending the final dispositions in Tam and Brunetti.

Pursuant to 37 C.F.R. § 2.117(c) and the Board's inherent authority to regulate proceedings to promote their fair and efficient adjudication, "[p]roceedings may ... be suspended, for good cause, upon motion ..." See also TBMP § 510.03(a) ("The Board suspends proceedings in cases before it for a wide variety of reasons ..."). The Board has already indicated that it will suspend proceedings raising claims under the immoral or scandalous provision of section 2(a). Thus, in Nasty Pig, Inc. v. Janoskians LLC, Opp. No. 91217154 (Docket No. 27)⁵ at 15 (T.T.A.B. Feb. 3, 2016), in anticipation of Applicant's filing of a counterclaim seeking cancellation on the ground that a mark constituted immoral or scandalous matter, the Board stated:

⁴ The Department of Justice explained that it believed Tam was incorrectly decided and was still considering whether to seek Supreme Court review of that decision.

⁵<http://ttabvue.uspto.gov/ttabvue/v?pno=91217154&pty=OPP&eno=27>

In the interest of judicial economy, and consistent with the Board's inherent authority to regulate its proceedings to avoid the possibility of reaching a conclusion inconsistent with any final resolution of *In re Brunetti* case, the Board will issue an order suspending this proceeding in its entirety upon Applicant's filing of its amended pleading permitted herein if it includes a claim under the scandalous/immoral provisions of Section 2(a) of the Lanham Act pending a final decision in *In re Brunetti*, including any appeal of the Federal Circuit's decision or remand of the *In re Brunetti* application.

The Board has also followed that approach in the Tam case itself, suspending the matter pending possible further proceedings before the Supreme Court, and the Federal Circuit recently upheld such suspension as within the Board's discretion. See In re Tam, No. 2016-121 (Fed. Cir. Mar. 30, 2013) (denying mandamus petition seeking to force USPTO to publish THE SLANTS application without waiting for possible Supreme Court review).

Applying similar reasoning, the USPTO has also alerted its examination guidelines with respect to refusals on immoral, scandalous or disparaging grounds under section 2(a) pending final resolution of the constitutionality issues. Under these guidelines, the USPTO will only issue advisory refusals based on immoral, scandalous or disparaging marks, and will suspend further action on such applications while the constitutionality of these provisions remains subject to potential Supreme Court review:

While the constitutionality of these provisions remains in question and subject to potential Supreme Court review, for any new applications the USPTO will issue only advisory refusals on the grounds that a mark consists of or comprises scandalous, immoral, or disparaging matter under Section 2(a). If a mark's registrability under these provisions in Section 2(a) is the only issue, the examining attorney will identify the reasons for the advisory refusal and suspend action on the application in the first Office action. For all applications, including those initially examined before the Federal Circuit's decision in *Tam*, if the examining attorney made other requirements or refusals in the first Office action, action on the application will be suspended when the application is in condition for final action on those other requirements or refusals. Any suspension of an application based on the scandalousness provision of Section 2(a) will remain in place until the Federal Circuit issues a decision in *Brunetti*, after which the USPTO will re-evaluate the need for further suspension. Any suspension of an application based on the disparagement provision of Section 2(a) will remain in place until at least the last of the following occurs: (1) the period to petition for a writ of certiorari (including any

extensions) in *Tam* expires without a petition being filed; (2) a petition for certiorari is denied; or (3) certiorari is granted and the U.S. Supreme Court issues a decision.

Trademark Examination Guide 01-16, Examination for Compliance with Section 2(a)'s Scandalousness and Disparagement Provisions While Constitutionality Remains in Question (March 2016), available at <http://www.uspto.gov/trademark/guides-and-manuals/trademark-examination-guides>.

Interests of judicial economy similarly support suspending the current cancellation proceeding, which is based entirely on the immoral or scandalous and disparagement provisions of section 2(a), pending final disposition of the Tam and Brunetti cases. There is no reason to require the parties to expend substantial time and resources engaging in discovery when there is a serious question as to whether the relief sought by the cancellation petition is legally available. Unless the Supreme Court reverses the Federal Circuit's Tam decision, the disparagement ground alleged by Petitioners here will remain unavailable. Moreover, unless the Federal Circuit in Brunetti somehow distinguishes the immoral or scandalous provision from the disparagement provision struck down in Tam – a result that both parties to the pending Brunetti litigation have acknowledged is not justified by the reasoning of Tam – then the immoral or scandalous ground asserted here by Petitioners will also be unavailable. Given these circumstances, the most efficient procedure for all concerned would be to suspend this case until such time as there is a final decision on the constitutionality of the relevant statutory provisions on which the present proceeding is based.

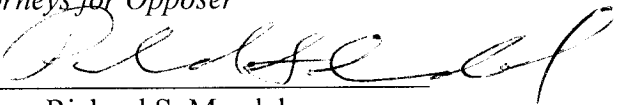
CONCLUSION

For the foregoing reasons, the cancellation petition should be dismissed, or alternatively, this proceeding should be suspended pending final disposition of the Tam and Brunetti cases.

Dated: New York, New York
March 31, 2016

Respectfully submitted,

COWAN, LIEBOWITZ & LATMAN, P.C.
Attorneys for Opposer

By: 

Richard S. Mandel
Mary L. Kevlin
Bridget A. Crawford

1133 Avenue of the Americas
New York, New York 10036
(212) 790-9200

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on March 31, 2016, I caused a true and correct copy of the foregoing Registrant's Motion to Dismiss or Suspend the Proceeding to be sent via First Class Mail, postage prepaid, to Petitioners' counsel of record, Lisa Mach, Esq., Mach Legal & Consulting Services LLC, 8639 Usher Rd., Olmsted Township, OH 44138.,



Mary L. Kevlin