

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

Mailed: June 20, 2016

Cancellation No. 92063567

*Google Inc.*

*v.*

*Spy Phone Labs LLC*

**Andrew P. Baxley, Interlocutory Attorney:**

In lieu of an answer, Respondent, on May 27, 2016, filed a motion to suspend this proceeding under Trademark Rule 2.117(a), pending final determination of a civil action styled *Spy Phone Labs LLC v. Google Inc.*,<sup>1</sup> Case No. 5:15-cv-03756-PSG, filed in the United States District Court for the Northern District of California. Petitioner filed a brief in response thereto.

Respondent's time in which to file a reply brief in support of the motion to suspend has not lapsed. However, both parties have had an opportunity to be heard, and motions to suspend under Rule 2.117(a) are usually decided on the basis of a review of the relevant pleadings. See *Johnston Pump/General Valve Inc. v. Chromalloy American Corp.*, 13 USPQ2d 1719, 1720 n.3 (TTAB 1989) ("The presentation of one's arguments and authority should be presented thoroughly in the motion or the

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<sup>1</sup> Defendants in the civil action also include Andrei Ciuca, d/b/a CAD Design and John Does 1-49.

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opposition brief thereto”). Accordingly, the Board, in exercising its inherent authority to control the scheduling of cases on its docket, elects to decide the motion to suspend now.

Respondent’s involved registration is for the mark SPY PHONE in standard characters for “Computer application software for mobile phones” in International Class 9.<sup>2</sup> Petitioner seeks to cancel Respondent’s registration on the grounds of (1) genericness and mere descriptiveness without acquired distinctiveness under Trademark Act Section 2(e)(1), 15 U.S.C. § 1052(e)(1); (2) nonuse as of the filing date of the statement of use; and (3) nonownership based on an invalid assignment of the registration from original registrant Internet Source Communications LLC to Respondent. The record indicates that, on March 21, 2016, the district court, in the civil action, granted Petitioner’s motion to dismiss claims against it, including one of contributory trademark infringement, for failure to state claim, but granted Respondent (as plaintiff) leave to file an amended complaint; that, on April 11, 2016, Respondent filed a second amended complaint, wherein it renewed its contributory trademark infringement claim and other claims against Petitioner; and that, on May 25, 2016, Petitioner filed a renewed motion to dismiss claims against it, which is pending.

“Whenever it shall come to the attention of the ... Board that a party or parties to a pending case are engaged in a civil action ... which may have a bearing on the case, proceedings before the Board may be suspended until termination of the civil action

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<sup>2</sup> Registration No. 3948486, issued April 19, 2011.

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or the other Board proceeding.” Trademark Rule 2.117(a). *See* TBMP § 510.02(a). The civil action need not be dispositive of the Board proceeding to warrant suspension, it need only have a bearing on the issues before the Board. *See New Orleans Louisiana Saints LLC v. Who Dat? Inc.*, 99 USPQ2d 1550, 1552 (TTAB 2011). Although the USPTO has expertise in determining trademark registrability, such determinations are not within the USPTO's exclusive jurisdiction. *See* Trademark Act Section 37, 15 U.S.C. § 1119; *American Bakeries Co. v. Pan-O-Gold Baking Co.*, 2 USPQ2d 1208 (D. Minn. 1986). Moreover, the Board is empowered only to determine the right to register and has authority to decide infringement issues. *See General Mills Inc. v. Fage Dairy Processing Industry SA*, 100 USPQ2d 1584, 1591 (TTAB 2011) (no authority to determine the right to use, or the broader questions of infringement, unfair competition, damages or injunctive relief). 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 Federal district court is binding upon the Board.<sup>3</sup> *See, e.g., Goya Foods Inc. v. Tropicana Products Inc.*, 846 F.2d 848, 6 USPQ2d 1950 (2d Cir. 1988).

Suspension of a Board proceeding is within the Board’s sole discretion. *See Other Telephone Co. v. Conn. Nat’l Telephone Co., Inc.*, 181 USPQ 779, 782 (Comm'r Pat. 1974). “All motions to suspend, regardless of circumstances, ... are subject to the ‘good

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<sup>3</sup> Likewise, a Board decision, in certain circumstances, may provide a basis for application of issue preclusion. *See B&B Hardware, Inc. v. Hargis Industries, Inc.*, 113 USPQ2d 2045 (2015).

cause' standard." *Nat'l Football League v. DNH Mgt. LLC*, 85 USPQ2d 1852, 1855, n.8 (TTAB 2008) citing Trademark Rule 2.117(c).

Rather than suspending this proceeding pending final determination at this time, the Board finds that suspension of this proceeding pending the district court's decision on the renewed motion to dismiss is appropriate in this case for the time being. If the contributory trademark infringement claim against Petitioner is allowed to go forward, Respondent will be required to establish its rights in the involved SPY PHONE mark to prevail on that claim.<sup>4</sup> Any determination with regard to such rights would be binding on the Board and therefore may have a bearing upon this case.

In view thereof, the motion to suspend is granted to the extent that proceedings herein are suspended pending the district court's decision on Petitioner's renewed motion to dismiss in the civil action. *See* Trademark Rule 2.117(c). Following issuance of such decision, the Board will entertain a motion to resume proceedings. While this proceeding is suspended, the parties must keep their correspondence addresses current.

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<sup>4</sup> Respondent alleged trademark infringement and dilution against the remaining fifty defendants in the civil action. While Respondent may also need to establish its trademark rights in the involved SPY PHONE mark to prevail on those claims, suspension pending final determination of the civil action with regard to those defendants (forty-nine of whom have yet to be identified) may unreasonably delay resolution of this case.