

This Opinion is Not a
Precedent of the TTAB

Oral Hearing: October 10, 2023

Mailed: January 12, 2024

UNITED STATES PATENT AND TRADEMARK OFFICE

—
Trademark Trial and Appeal Board
—

Edward Levy and Marc Padro

v.

Kenneth Harris Hyman

—
Cancellation No. 92068029
—

Michael A. Grow and Danielle W. Bulger of ArentFox Schiff LLP,
for Edward Levy and Marc Padro.

Michael Tod Sawyer of Law Offices of Michael T. Sawyer
for Kenneth Harris Hyman.

—

Before Taylor, Wellington, and Lynch, Administrative Trademark Judges.

Opinion by Wellington, Administrative Trademark Judge:

Kenneth Harris Hyman (hereinafter “Respondent”) owns Registration No. 4474499 (Reg. No. ’499) for the standard character mark FREEDOM PARTY (with a disclaimer of PARTY) for “organizing and conducting dance parties” in Class 41.¹

—
¹ Issued January 28, 2014; maintained.

Edward Levy and Marc Padro (“Petitioners” or, individually, “Levy” and “Padro”) filed a petition to cancel Respondent’s registration on the grounds, as amended, of fraud, likelihood of confusion and that the registration is void because Respondent was not the owner of the mark at the time of filing the application to register the mark. Specifically, as to the latter ground, Petitioners allege that from 2003 to October 2016, Petitioners and Respondent operated as a partnership and “shared the profits derived from arranging and organizing dance parties in New York City under the ‘Freedom Party’ brand equally, with each partner receiving 1/3rd of the profits,” but, in 2013, Respondent filed the underlying application “under § 1(a), [falsely] representing to the USPTO that at the time of filing he was the sole owner of the mark for the services listed in the application.”²

Respondent, in his answer, makes certain admissions but otherwise denies the salient allegations of the petition to cancel.³ Respondent also asserts that Petitioners’ claims “are barred or otherwise limited under principles of equity, including laches, waiver, estoppel, and/or acquiescence.”⁴

² 35 TTABVUE (amended Pet. to Cancel ¶¶ 19 and 63). In further support of this ground, Petitioners also assert that “Respondent obtained the Registration by making fraudulent statements in the Application that he was the sole owner of the Registered Mark.” *Id.*; ¶ 52.

³ 37 TTABVUE (amended Answer).

⁴ *Id.* at 8 (“Second Affirmative Defense”).

Respondent also asserts, as “affirmative defenses,” that Petitioners “lack standing” and the “Petition for Cancellation fails to state a claim.” *Id.* An alleged lack of standing (now called entitlement to a statutory cause of action) is not a true affirmative defense. *See, e.g., Shenzhen IVPS Tech. Co. v. Fancy Pants Prods., LLC*, 2022 USPQ2d 1035, at *3 n.5 (TTAB 2022). *See also Empresa Cubana Del Tabaco v. Gen. Cigar Co., Inc.*, 2022 USPQ2d 1242, *5 n.14 (TTAB 2022) (Entitlement to a statutory cause of action is not a true affirmative defense because it is an essential part of a plaintiff’s case and must be proven.). Similarly, failure to

The cancellation has been fully briefed,⁵ and an oral hearing was held.

I. The Record – Evidentiary Objections

The record consists of the pleadings and, by operation of Trademark Rule 2.122(b), 37 C.F.R. § 2.122(b), the file of the involved registration.

During their trial period, Petitioners submitted the testimonial declarations of Petitioner Padro, with exhibits,⁶ and Petitioner Levy.⁷

During his trial period, Respondent filed his testimony declaration with exhibits.⁸

On rebuttal, Petitioners filed testimony declarations of:

- Padro and Levy, with exhibits;⁹
- the following persons claiming to have personal knowledge of the parties' prior business activities: Andrew Katz, Christopher Allen, Elaine Esguerra, Kevin Powell, L-Mani S. Viney, Peter Van Miller, with exhibit, Yvette Baez, Michael July, Maurice Coleman, and Hifza Nosheen;¹⁰ and

state a claim is not an affirmative defense and was not pursued by motion by Respondent. *Shenzhen*, 2022 USPQ2d 1035, at *3 n.5.

⁵ On December 2, 2023, and after the cancellation was fully briefed, Respondent filed a paper informing the Board that, on November 21, 2023, Petitioners brought a civil action against Respondent with the Supreme Court of the State New York State (County of New York). 118 TTABVUE. Respondent attached a copy of the complaint. On December 11, 2023, Petitioners filed a motion to “strike the Complaint filed by [Respondent]” with the Board arguing that it “is immaterial and impertinent to the Cancellation Proceeding.” 119 TTABVUE 3. The Board, in its discretion, may suspend a Board proceeding pending a civil action between the parties in a state court. *See* TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE (TBMP) 510.02(a) (2023). Here, we decline to do so –this proceeding is fully briefed, ready for final decision, and neither party has requested suspension.

⁶ 86 TTABVUE.

⁷ 87 TTABVUE.

⁸ 93 TTABVUE (Hyman declaration) and 92 TTABVUE (Hyman declaration exhibits).

⁹ 94 TTABVUE (Padro rebuttal declaration) and 95-99, 102-103 TTABVUE (Padro rebuttal declaration exhibits); 101 TTABVUE (Levy rebuttal declaration and exhibits). Petitioners also filed “bulky” exhibits (listed as 105 TTABVUE).

¹⁰ 100 TTABVUE.

- Jack Hitt, a paralegal specialist with Petitioners' counsel's law firm, with exhibits.¹¹

Petitioners' Objections

Petitioners object to certain paragraphs of Respondent's testimony declaration, and related exhibits, mainly involving tax allegations involving Petitioner Padro.¹²

Particularly, in their reply brief, Petitioners argue:¹³

Hyman presents no valid arguments, evidence, or rationale to justify the inclusion of Paragraphs 3, 4, and 14 and Exhibits 1-4, 10, and 11 to Hyman's Testimony Declaration. These contain unsubstantiated allegations by Hyman regarding Padro's child support, form of payment for FREEDOM PARTY profits, and Hyman's alleged taxes. These allegations are false and irrelevant to the issues in this proceeding. Moreover, they are either hearsay, unqualified opinions, or mere speculation. Any probative value these allegations might have is outweighed by prejudice, confusion, and waste of the Board's time.

We decline to decide the merits of Petitioners' objections. Inter partes proceedings, such as this cancellation, are akin to bench trials and the Board is the trier of facts. In this respect, the Board is capable of assessing the proper evidentiary weight to be accorded to admissible testimony and evidence. With this in mind, we consider all of the testimony and evidence properly introduced into the record and, for purposes of making our factual and legal determinations, we keep in mind Respondent's objections and accord the evidence the probative value it merits. *See Luxco, Inc. v.*

¹¹ 100 TTABVUE.

¹² Petitioners first raise their objections in their trial brief. 106 TTABVUE 52-54. Respondent responded to these objections in his brief. 107 TTABVUE 28-30. Petitioners repeat and elaborate upon the objections in their reply brief. 110 TTABVUE 10-11.

¹³ 110 TTABVUE 10-11.

Consejo Regulador del Tequila, A.C., 121 USPQ2d 1477, 1479 (TTAB 2017); *U.S. Playing Card Co. v. Harbro, LLC*, 81 USPQ2d 1537, 1540 (TTAB 2006). *See also Poly-America, L.P. v. Ill. Tool Works Inc.*, 124 USPQ2d 1508, 1510 (TTAB 2017). We keep the objections in mind and, if necessary and appropriate, we will point out any limitations in the evidence or otherwise note that we cannot rely on the evidence in the manner sought.

II. Background – The Parties’ Relationship and Services

Petitioners and Respondent are professional disc jockeys or “deejays” offering their deejay services primarily in the New York City region. In approximately 2002, the three deejays began working together to provide deejay services for events or parties “under the name ‘FREEDOM.’”¹⁴ Until late 2017, the three individuals worked together amicably using the following monikers – Petitioner Padro (“DJ Marc Smooth”), Petitioner Levy (“DJ Cosi”), and Respondent (“DJ Herbert Holler”). They eventually began using the name “Freedom Party NYC” for events in which they provided deejay services.¹⁵

On April 18, 2011, an attorney for an unrelated third-party, Marc Katz, sent a cease-and-desist letter addressed to Respondent and Arnell Jackson,¹⁶ stating that

¹⁴ 93 TTABVUE 4 (Hyman Dec. ¶ 8).

¹⁵ 93 TTABVUE 4 (Hyman Dec. ¶ 8).

¹⁶ According to Respondent, Arnell Jackson is a friend of Petitioner Padro. 93 TTABVUE 4 (Hyman Dec. ¶ 8). According to Petitioner Padro, he and Mr. Jackson formed “a partnership ... through which [Padro] received payments and provided dance party services from time to time.” 94 TTABVUE (Padro Rebuttal Dec. ¶ 3).

Mr. Katz owns a registration for the mark FREEDOM PARTY NYC and that “[i]t has come to [Mr. Katz’s] attention that DJ ‘Herbert Holler’ and Arnell Jackson p/k/a DJ Marc Smooth ... have used the ‘Freedom Party’ and ‘The Freedom Party NYC’ [marks] in connection with parties held at various venues without a license from Mr. Katz.”¹⁷ On May 11, 2011, counsel for Respondent, Priscilla Gallagher, responded to the cease-and-desist letter, asserting that Respondent “has been continuously using the name ‘Freedom’ in connection with organizing and conducting weekly dance parties in the New York area since 2003” and that Respondent has “prior common law rights in the names Freedom and Freedom party and can continue such use... .”¹⁸

Although Respondent characterizes Ms. Gallagher as counsel for him, individually, Petitioners testified that she was representing the partnership that consisted of both parties to this cancellation (all three individuals)¹⁹ and that they shared communications regarding Ms. Gallagher’s advice in connection with the dispute with Mr. Katz and a response to the cease-and-desist letter.²⁰ In an email communication dated December 16, 2010, Respondent tells Petitioners that “[w]e have first use rights, we used the mark in commerce not only before [Katz] made the

¹⁷ 93 TTABVUE (Hyman Ex. 12).

¹⁸ 93 TTABVUE (Hyman Ex. 28) (“[Respondent] volunteered to coordinate with Gallagher to register the FREEDOM PARTY mark on behalf of all three of us and, although we all paid for and received advice from Gallagher, [Respondent] insisted that all communications with her would go through him after consulting with [Petitioners].”)

¹⁹ 86 TTABUE (Padro Dec. ¶ 3).

²⁰ 86 TTABVUE (Padro Exs. 5-7).

mark, but before [Katz] began using it” and “[i]n conclusion, no need to worry ... we were using Freedom Party commercially before June 4th, 2004.”²¹

In regard to filing an application for registration, Respondent sent an email to Petitioners on May 28, 2013, wherein he states that “I have a call planned with our lawyer, Priscilla Gallagher” and relaying information she provided “about our trademark inquiry.”²²

On June 6, 2013, counsel Gallagher filed the underlying application for the involved registration of the FREEDOM PARTY mark with an allegation of first use of the mark anywhere and in commerce as of “November 2007.” The application identified Respondent as the sole individual owner of the mark and was signed by counsel, Ms. Gallagher. Respondent testifies that he “told [Ms. Gallagher] that I myself wanted to register that same mark [FREEDOM PARTY NYC],” but later agreed upon seeking to register the mark FREEDOM PARTY and did so “in my name alone.”²³

According to Respondent, “Petitioners knew that the application for that mark and its subsequent registration were in my name alone because I told them so at the time and because those facts were of public record.”²⁴ However, before the application

²¹ 86 TTABVUE (Padro Ex. 5).

²² 86 TTABVUE (Padro Ex. 7).

²³ 93 TTABVUE (Hyman Dec. ¶ 10).

²⁴ 93 TTABVUE (Hyman Dec. ¶ 11).

was filed, Respondent in an email to Petitioners dated May 28, 2013, informed them:²⁵

3) We have to establish whose name the mark is going under. She's not sure you can do three separate names—she'll check. Otherwise, it can go under my name (he he he he ... evil grin ... rubbing hands together ...) OR we can create an LLC, but not sure how long that will take.

In the response message, Petitioner Padro communicated:²⁶

3) I think going into this we really need to create an LLC regardless of how long it takes. There is no way 1 of us can put that into their name.

Respondent also testifies that:²⁷

[Respondent] agreed with [Petitioners] that, for as long as the three of us continued to work together, the registered mark "FREEDOM PARTY" would be the name or part of the name under which all of the dance parties on which we collaborated would be held and that there would be no charge for the use of that mark by the three of us. I further agreed that, upon the formation of a business entity by the three of us on mutually agreeable terms to use that mark which I owned, I would either assign the mark to that entity or else license to it for no charge the right to use that mark, subject to the necessary operating agreement of that entity.

While the application was still pending, Respondent communicated with Petitioners regarding the status of the application and potential ownership of the registration. In an email dated November 19, 2013, Respondent wrote: "The US Patent and Trademark Office has published our Trademark in their Gazette. If in 23 days from today, nobody files a notice of opposition ... IT IS OURS!"²⁸

²⁵ 86 TTABVUE (Padro Ex. 9).

²⁶ 86 TTABVUE (Padro Ex. 9).

²⁷ 93 TTABVUE (Hyman Dec. ¶ 12).

²⁸ 86 TTABVUE (Padro Ex. 10).

The involved registration issued on January 28, 2014. Approximately two weeks later, Respondent sent an email to Petitioners stating, in part:²⁹

Guys:

For now on, it is our duty to have that trademark symbol next to our name. Please see the letter I've scanned, attached to this email. (It clearly states if we don't use that, we're not letting anyone know, and hence can't recover any damages for trademark infringement.) I have to find out from Priscilla exactly how we/where we put it. For instance, do we put it after our name no matter the way we've listed the name? Like, do we just put it after "Freedom Party," or do we put it after "Freedom Party NYC" or "Freedom" or ... etc. etc.?

Cosi [Petitioner Levy] ... As soon as I find out, we're gonna need it updated everywhere--on all logos, flyers, websites, here, there, everywhere.

Within minutes of receiving the above email, Petitioner Padro responded:³⁰

That's pretty awesome.

Now we have to work on getting Cosi and My name on it. I guess while you're at [sic] talking to the attorney, you might want to ask her about that next important step.

The parties' business relationship was never formalized in writing or through the creation of a separate legal entity. However, based on the record and the parties' admissions, the operating expenses and profits were shared equally, i.e., each having a one-third share.³¹ In various emails, the parties refer to this arrangement without any disagreement that this arrangement was in existence at least from 2003 to October 2017. For example, in one email dated July 16, 2013, Respondent outlined

²⁹ 86 TTABVUE (Padro Ex. 10).

³⁰ 86 TTABVUE (Padro Ex. 11).

³¹ 86 TTABVUE (Padro Dec. ¶ 9) ("Even though the Parties did not sign a written partnership agreement we mutually agreed to operate as such and to jointly organize, conduct and promote dance parties under the 'Freedom Party' mark, to jointly own the mark, and to share equally in all of the profits after jointly paying all expenses incurred at these events.")

various earning and expenses, including a “lawyer fee,” that were to be shared amongst the parties.³² In a prior email to Petitioners, Respondent makes the following statement:³³

Which leads me to the final order of business: Figuring out how we should split profits/percentage shares of our business moving forward. I think you’ve again seen first-hand what happens, now that there’s more work on the table than I alone can handle. It’s very, very skewed. Perhaps it’s best to proceed 33 and a 1/3 forever, ignoring delinquent behavior. I don't know. I may not be a naturally peaceful person, but I ALWAYS think/strive for/want peace, so maybe proceeding as usual is the way.

Thus, while there was clearly some dissention as early as 2013 between Respondent and Petitioners regarding their profit sharing, the one-third equal sharing continued at least until October of 2017.³⁴ For events in Chicago, however, the parties had a separate arrangement whereby one of three individual deejays would travel to Chicago to perform deejay services and would receive a higher percentage of the earnings.³⁵

³² 86 TTABVUE (Padro Ex. 13).

³³ 86 TTABVUE (Padro Ex. 14).

³⁴ In an email dated October 5, 2017, Respondent claims that he “spend[s] exponentially more *time* working on Freedom--as I have for 14.5 years--than you and Cosi [Petitioners]” and that “[i]t is time to adjust the percentage split to accurately and justly reflect that *time*. I’m open to negotiate; please get back to me ASAP.” 86 TTABVUE (Padro Ex. 15).

³⁵ As explained by Petitioner Padro, the parties had “an arrangement with a local individual in Chicago for these events and he got 50% of the earnings and we agreed that the other 50% from the Freedom Party Chicago Events would be divided as follows: (a) 70% to the partner who attended the Freedom Party Chicago Events, whether it be Padro, Levy or Hyman; and (b) the remaining 30% shared equally among the other two partners who did not attend” 86 TTABVUE (Padro Dec. ¶ 16).

Throughout their collaboration until late 2017, the “Freedom Party” was advertised to the public as the joint creation of the parties.³⁶ As recently as July 3, 2017, on a website created by Respondent (www.herbertholler.com), the following information is provided:³⁷



THE HISTORY OF FREEDOM PARTY®

Created in 2003 by Herbert Holler, DJ Cosi and Marc Smooth, Freedom's purpose is to bring different people together through a classic NYC dance party. Playing predominantly hits from the 80s, 90s and 2000s, be it hip-hop, R&B, pop, rock, reggae or house, Freedom fills its dance floor with people from all walks of life, all ethnicities, races, creeds and colors, from all over the world, looking to have fun, celebrate life, make new friends and be free.

In 2010, Freedom won Papermag's award for "Best Party (Peoples Choice)," and received an honorable mention in URB Magazine's "Best Party" nationwide. In 2015, Freedom won Village Voice's highly coveted award for "Best Dance Party."

In the summer of 2011, Freedom flew Midwest to begin a new journey. Now in its fifth year, Freedom Party® CHI has quickly become the Second City's #1 party destination. Each month, Freedom brings hundreds of discerning partygoers to its dance floor (now at Beauty Bar, 1444 West Chicago Ave), spreading that NYC love to new listeners and growing the Freedom family.

³⁶ See, e.g., Padro Rebuttal Exs. 37-39 and 43-46.

³⁷ 100 TTABVUE 40 (Hitt Dec. ¶ 3); Hitt Ex. 78.

Petitioners also submitted the testimonial declarations of ten persons, each with “personal knowledge” of various aspects of the parties’ deejaying services under the mark FREEDOM PARTY.³⁸ As to the Respondent and Petitioners’ business relationship, the testimony of these individuals includes:

- “In no way did I ever see the Freedom Party as something that was created by Kenneth Hyman or that Edward Levy and Marc Padro worked for him. I’ve always seen the Freedom Party as a business belonging to all three of them.”³⁹
- “Over the 20+ years of knowing all of the participants in this grievance, the hosts/proprietors of the Freedom Party consisted of Marc, Cosi and Herbert. All 3 members are DJs with DJ Cosi and Herbert Holler out front as the talent.”⁴⁰
- “the Freedom team was a combination of the three men that all had their roles and responsibilities”

“All three partners – Edward, Marc and Kenneth – all contributed to the success of the party with their individual strengths: having a great ear for music, a great mind for business and collaborating with each other, which equated to an energetic dance floor and a historic NYC party for their patrons. Their individual efforts behind the scenes and/or their front office efforts, combined in three equal parts formulated together, generated an epic party week-after-week, year-after-year. For a woman that worked in New York City nightlife, the team always treated me with respect, as if I were their younger sister and always in a professional manner. No one was ‘the boss.’”

“Not one person owned the Freedom party, they all did.”⁴¹

- “Through the years I watched the Freedom Party grow tremendously, due to the equal energy and shared vision of the three co-founders. Never did I ever think it was anything other than an equal partnership, as that was how it was always presented to me, by all three, together, and individually. Sometimes I cohosted a Freedom Party, and there were also times where the principals

³⁸ 100 TTABVUE 1-40.

³⁹ 100 TTABVUE 3 (Andrew Katz Dec.).

⁴⁰ 100 TTABVUE 5 (Allen Dec.).

⁴¹ 100 TTABVUE 8-11 (Esguerra Dec.).

involved in the Freedom Party worked with me on my annual holiday party and clothing drive for the homeless in New York.”⁴²

- “Freedom Party was never built by one person. Always three. Marc, Cosi and Herbert.”⁴³

III. Laches

Respondent argues in his brief that “any possible claims” Petitioners may have based on ownership of the registered mark FREEDOM PARTY “are barred by Petitioners’ laches.”⁴⁴ However, as the Board explained in *Wendel Machine Co. v. Altoona Fam Inc.*, 133 USPQ 410 (TTAB 1962), “laches is not available as a defense in an action to remove a registration which was clearly void ab initio.” *Id.* at 410-411, citing *Schnur & Cohan, Inc. v. Academy of Motion Picture Arts and Sciences*, 106 USPQ 181 (CCPA, 1955). Thus, to the extent we find that the underlying application was void ab initio, and so too the resulting registration, laches is not an available defense.

IV. Petitioners’ Entitlement to a Statutory Cause of Action

Entitlement to a statutory cause of action is a requirement in every inter partes case. *Australian Therapeutic Supplies Pty. Ltd. v. Naked TM, LLC*, 965 F.3d 1370, 2020 USPQ2d 10837, at *3 (Fed. Cir. 2020) (citing *Lexmark Int’l, Inc. v. Static Control Components, Inc.*, 572 U.S. 118, 125-26 (2014)). A party in the position of plaintiff may seek to cancel a registration of a mark when doing so is within the zone of

⁴² 100 TTABVUE 12-15 (Powell Dec.).

⁴³ 100 TTABVUE 20 (Viney Dec.).

⁴⁴ 107 TTABVUE 23.

interests protected by the statute and it has a reasonable belief in damage that would be proximately caused by the registration. *Corcamore, LLC v. SFM, LLC*, 978 F.3d 1298, 2020 USPQ2d 11277, at * 6-7 (Fed. Cir. 2020) (holding that the test in *Lexmark* is met by demonstrating a real interest in opposing or cancelling a registration of a mark, which satisfies the zone-of-interests requirement, and a reasonable belief in damage by the registration of a mark, which demonstrates damage proximately caused by registration of the mark).

Here, there is no dispute that Petitioners and Respondent collaborated in an ongoing business from approximately 2003 through 2017 involving deejaying services under the mark FREEDOM PARTY. Based on the record, Petitioners are not mere interlopers and their allegations that they were co-owners of the mark at the time of filing of the application are not without merit. *CBC Mortg. Agency v. TMRR, LLC*, 2022 USPQ2d 748, at *15 (TTAB 2022); *see also UVeritech, Inc. v. Amax Lighting, Inc.*, 115 USPQ2d 1242, 1244 (TTAB 2015) (a dispute over ownership of a mark establishes entitlement to bring a statutory cause of action); *Conolty v. Conolty O'Connor NYC LLC*, 111 USPQ2d 1302, 1308 (TTAB 2014) (same). That is to say, Petitioners have “a direct and personal stake” in the outcome of this proceeding. *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1027 (Fed. Cir. 1999). Accordingly, Petitioners are entitled to seek cancellation of Respondent’s registration on the ground of ownership.

V. Trademark Ownership – Void Ab Initio

“In a use-based application under Trademark Act Section 1(a), only the owner of the mark may file the application for registration of the mark; if the entity filing the application is not the owner of the mark as of the filing date, the application is void ab initio.” *Great Seats, Ltd. v. Great Seats, Inc.*, 84 USPQ2d 1235, 1239 (TTAB 2007); *see also*, 15 U.S.C. § 1051(a); 37 C.F.R. § 2.71(d) (“An application filed in the name of an entity that did not own the mark as of the filing date of the application is void”); *Huang v. Tzu Wei Chen Food Co., Ltd.*, 849 F.2d 1458, 7 USPQ2d 1335 (Fed. Cir. 1988); *Conolty*, 111 USPQ2d at 1309 (application void *ab initio* because applicant was not the sole owner of the mark at the time of the application).

In terms of deciding competing ownership claims of the same mark when the parties are known to each other and base their ownership on some of the same transactional facts, the Board has identified three relevant factors for making such a determination: (1) the parties’ objective intentions or expectations; (2) who the public associates with the mark; and (3) to whom the public looks to stand behind the quality of goods or services offered under the mark. *Wonderbread 5 v. Gilles*, 115 USPQ2d 1296 (TTAB 2015).

Although the *Wonderbread 5* decision involved a musical band’s name after the departure of a band member, we find the aforementioned “*Wonderbread 5*” factors applicable to our determination as to trademark ownership in this proceeding. *See Lyons v. Am. Coll. of Veterinary Sports Med. & Rehab.*, 859 F.3d 1023, 123 USPQ2d 1024 (Fed. Cir. 2017) (U.S. Court of Appeals for the Federal Circuit citing to the three

Wonderbread 5 ownership factors with approval, to resolve on appeal a dispute over the ownership of a mark for veterinary education services, registered by a veterinarian after she had been dismissed by a veterinary specialist organization that had developed a veterinary education program in connection with the mark in dispute.); *see also CBC Mortg. Agency*, 2022 USPQ2d 748, at *17-28 (TTAB 2022) (Board employed the *Wonderbread 5* factors to resolve a trademark ownership dispute a respondent (registration owner), which conceived a mortgage financing program to be run by a Native American tribe, and the petitioner, an entity formed by that Indian tribe to implement and operate the program the respondent conceived.).

Applicable to our determination and, as stated in *CBC Mortg. Agency*, “[i]n cases such as this where the parties have either a prior or current relationship, the question of [which party] is, in fact, the owner of the mark ‘must be determined on a case-by-case basis dependent on the particular facts adduced in each case.’” *Id.* at *16 (quoting *Wonderbread 5*, 115 USPQ2d at 1303 and *In re Briggs*, 229 USPQ 76, 77 (TTAB 1986)).

Petitioners ultimately bear the burden of proving by a preponderance of the evidence that Respondent was not the owner of the FREEDOM PARTY mark on June 6, 2013, when he filed the underlying use-based application. *Wonderbread 5*, 115 USPQ2d at 1302.

Here, based on the evidence and evaluating the record in connection with the *Wonderbread 5* factors, we find Petitioners have met their burden. There is no doubt

that at the time Respondent filed the use-based application to register the FREEDOM PARTY mark, it was the parties' objective intention and expectation that they were all owners of the mark. As detailed in the background section of this decision, the parties' communications with each other and other evidence make clear that all three individuals were under the belief that no one single individual had exclusive ownership of the mark. At the relevant time, Respondent did not hold himself out to be the exclusive owner of the mark, but instead represented to the Petitioners that the three of them, Petitioners Edward Levy and Marc Padro and Respondent Kenneth Harris Hyman, were all owners of the mark. This understanding is reflected and corroborated by the unwritten agreement amongst the parties to share the expenses and earnings equally for their deejaying services they rendered under the FREEDOM PARTY mark.

As to the second and third *Wonderbread 5* factors, the evidence shows that the relevant public only associated the FREEDOM PARTY mark and the parties' deejaying services with both parties, i.e., all three deejays together. Again, as outlined in the testimony declarations from ten different individuals, some of whom worked with the parties and others who attended the FREEDOM PARTY events and interacted with parties, the declarants associated the mark and related events as being the creation of all three individuals, and not Respondent by himself. According to these declarants, the quality and character of the services rendered under the FREEDOM PARTY mark were attributed to all three deejays, collectively.

In sum, the evidentiary record makes it abundantly clear that Respondent was not the sole owner of the FREEDOM PARTY mark on June 6, 2013, when he filed the underlying use-based application in his name as the sole owner. Petitioners have thus established by a preponderance of the evidence that Respondent was not the sole owner of the applied-for mark FREEDOM PARTY for the services identified in the involved registration at the time the application was filed. Accordingly, the use-based application Respondent filed was void *ab initio* and, consequently, the resulting registration is invalid.⁴⁵ Furthermore, as explained supra, insofar as we find the underlying application void *ab initio* and the resulting registration invalid, Respondent's laches defense is unavailable. *Wendel Machine*, 133 USPQ 410-411.

Decision: The petition to cancel Registration No. 4474499 on the ground of lack of ownership is granted.

⁴⁵ Because we have determined that Petitioners prevail on their ownership claim and the registration will be cancelled, we need not reach Petitioners' likelihood of confusion and fraud claims.