

ESTTA Tracking number: **ESTTA635375**

Filing date: **10/27/2014**

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

Proceeding	94002580
Party	Applicant Morro Castle Corporation
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Date	10/27/2014
Attachments	MORRO CASTLE Petitioner's Brief Showing Entitlement to Registration of Concurrent Use Application.pdf(26729 bytes ) MORRO CASTLE Villalobos Declaration and Exhibit A.pdf(342587 bytes )



the United States and all territories under its jurisdiction and control, with the exception of the limited territory of Hialeah, Florida, which comprises the corporate boundaries of the cities of Hialeah, Florida and Miami Lakes, Florida.

On October 6, 2013, the Board issued a *Notice of the Concurrent Use Proceeding*. Given that the Concurrent User failed to file an answer to the *Notice of the Concurrent Use Proceeding* (as required by 37 C.F. R. § 2.99(d)(2)), the Board issued a Notice of Default on February 24, 2014 against the Concurrent User. The Board also afforded Concurrent User thirty days from the mailing date of the order to show cause why judgment by default should not be entered in accordance with Fed. R. Civ. P. 55(b). No response to the notice of default was filed by Concurrent User. On April 28, 2014, the Board entered a default judgment against the Concurrent User. Pursuant to Trademark Rule 2.99(d)(3), if an answer, when required, is not filed, judgment will be entered precluding the specified user(s) from claiming any right more extensive than that acknowledged in the application for concurrent use registration.

### **ARGUMENT**

Under 37 C.F.R. § 2.99(d)(2), an “applicant for concurrent use registration has the burden of proving entitlement thereto.” Even if there is a default by the concurrent user, “each concurrent use application still will have the burden of proving its entitlement to the registration(s) sought as against every party specified in its application(s), including any party against which default judgment for failure to answer has been entered.” TBMP § 1107.

Where a concurrent use proceeding involves one or more specified common law concurrent users that do not have an involved application or registration, such as in the instant case, and default judgment for failure to answer is entered against every specified user, and applicant may prove its entitlement to registration as against the defaulting user by an “ex parte”

type of showing, that is, by submitting evidence in affidavit form. See *Precision Tune Inc., v. Precision Auto-Tune Inc.*, 4 USPQ2d 1095 (TTAB 1987) TBMP § 1107. That is, “applicant may prove its entitlement to registration by less formal procedures (such as by the submission of affidavit evidence) than those (such as depositions upon oral examination) normally required for the introduction of evidence in an *inter partes* proceeding.” TBMP § 1107.

The TBMP points to *Precision Tune Inc., v. Precision Auto-Tune Inc.*, 4 USPQ2d 1095 (TTAB 1987) as an example of sufficient proof of entitlement in cases, such as the instant case, involving concurrent users that have defaulted. TBMP § 1107, at 1100-34 n. 99; see also *Mid-Atlantic Car Wash Technology, Inc. v. Carwash Tech*, 2006 TTAB LEXIS 8 (TTAB Jan. 6, 2006).

Consistent with TBMP § 1107 and the Board’s decision in *Precision Tune*, the attached Declaration of Alberto Villalobos (“Villalobos Declaration”) contains precisely the type of proof that the TBMP and the Board have recognized as sufficient to satisfy an applicant’s burden of showing entitlement to a concurrent use registration. Mr. Villalobos, the President of Petitioner, has knowledge concerning Petitioner and general knowledge concerning the Concurrent User. Villalobos Declaration, at ¶ 7. Since at least as early as 1964, Petitioner has used the “MORRO CASTLE and design” mark (which is subject of U.S. Trademark Application Serial No. 85/405169) continuously in connection with restaurant services in Miami, Florida. Villalobos Declaration, at ¶4.

To the best of Mr. Villalobos’ knowledge, Petitioner operates and provides restaurant services only in Miami, Florida. Villalobos Declaration, at ¶5. Similarly, to the best of Mr. Villalobos’ knowledge, Concurrent User operates and provides restaurant services only in Hialeah, Florida. Villalobos Declaration, at ¶6.

Importantly, Petitioner has not operated, and will not operate, any restaurant using the “MORRO CASTLE and design” mark in Hialeah, Florida as long as the Concurrent User continues to use the “MORRO CASTLE” mark in connection with restaurant services in Hialeah. Villalobos Declaration, at ¶12.

Petitioner has not advertised, and will not advertise, its services in Hialeah, Florida as long as the Concurrent User continues to use the “MORRO CASTLE” mark in connection with restaurant services in that city. Villalobos Declaration, at ¶11. Even if there were some instance of overlapping advertising, which Petitioner does not believe to be the case, the Board nevertheless has held that “overlapping advertising and customer solicitation does not require a determination that there is a likelihood of confusion.” *CDS, Inc. v. IC.E.D. Management, Inc.*, 80 USPQ2d 1572, 2006 TTAB LEXIS 243, \*34 (2006).

In addition, the parties entered into a Concurrent Use Agreement in 1994 and agreed that Petitioner would have to the right to use and register the mark MORRO CASTLE throughout the United States. Further the parties have agreed to cooperate and consult with one another, in good faith, to ensure that no likelihood of confusion occurs. See EXHIBIT A attached to the Villalobos Declaration.

To the extent Petitioner encounters any actual confusion in the future, the parties will cooperate reasonably with each other to avoid such confusion in the future.

### **CONCLUSION**

Based on all of the foregoing reasons, Petitioner has met its burden of showing entitlement to a concurrent use registration. *See* TBMP § 1107, at 1100-34 n.99; *Precision Tune Inc., v. Precision Auto-Tune Inc.*, 4 USPQ2d 1095 (TTAB 1987). For the foregoing reasons,

Petitioner respectfully requests that the Board register Petitioner's mark and the concurrent use application.

Respectfully submitted,

GARDERE WYNNE SEWELL LLP

By: /Lisa R. Hemphill/  
Lisa R. Hemphill

Date: 10/27/2014

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ATTORNEYS FOR PETITIONER  
MORRO CASTLE CORPORATION

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

**MORRO CASTLE CORPORATION**

Petitioner,

V.

**MORRO CASTLE CAFETERIA  
RESTAURANT CORP. dba  
MORRO CASTLE**

Common Law User.

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Concurrent Use No. 94002580  
Regarding App. No. 85/405169

**DECLARATION OF ALBERTO VILLALOBOS**

I, Alberto Villalobos, declare as follows:

1. My name is Alberto Villalobos. I am over the age of twenty-one and suffer from no legal disability.
2. This Declaration is submitted in connection with *Applicant's Brief Showing Its Entitlement to the Registration of Its Concurrent Use Application*. The facts set forth herein are true and accurate, and based upon my personal knowledge.
3. I am the President of Morro Castle Corporation, a Florida corporation ("Morro Castle").
4. Since at least as early as 1964, Morro Castle has used the MORRO CASTLE and design mark (which is the subject of Application Serial No. 85/405169) continuously in connection with restaurant services.
5. Morro Castle currently provides restaurant services in Miami, Florida.

6. User, Morro Castle Cafeteria Restaurant Corp. dba Morro Castle ("Castle Cafeteria") currently provide restaurant services in Hialeah, Florida.

7. I also have knowledge concerning the business and operations of Castle Cafeteria. The Castle Cafeteria restaurant is owned by my uncle.

8. To the best of my knowledge, Castle Cafeteria operates and provides restaurant services only in Hialeah, Florida, and Morro Castle currently operates and provides restaurant services in Miami, Florida.

9. The parties, Morro Castel and Castle Cafeteria, previously entered into and executed a Concurrent Use Agreement in 1994 wherein the parties agreed that Morro Castle would have the right to use and register the MORRO CASTLE mark throughout the United States, except in the limited territory of Hialeah, Florida, which comprises the corporate boundaries of the cities of Hialeah, Florida and Miami Lakes, Florida. The Concurrent Use Agreement was executed by Estrella Villalobos, on behalf of Morro Castle, who was the President of Morro Castle at the time, and by Horacio Villalobos, on behalf of Castle Cafeteria. A copy of the Concurrent Use Agreement is attached hereto and marked as EXHIBIT A.

10. I am not aware of any instances of overlapping advertising between Morro Castle and Castle Cafeteria.

11. Morro Castle has not advertised, and will not advertise, its services in Hialeah, Florida, as long as the Concurrent User, Castle Cafeteria, continues to operate its restaurant in Hialeah under the mark MORRO CASTLE.

12. Morro Castle has not operated, and will not operate, any restaurant in Hialeah, as long as the Concurrent User, Castle Cafeteria, continues to operate its restaurant in Hialeah.

13. To the extent Morro Castle encounters any actual confusion, the parties will cooperate reasonably with each other to avoid such confusion in the future.

14. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed this 27 day of October, 2014



Alberto Villalobos, President  
Morro Castle Corporation

CONCURRENT USE AGREEMENT

This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 1994, by and among MORRO CASTLE CORPORATION, a Florida corporation, having its principal place of business at 2500 N.W. 7th Street, Miami, Florida 33125 (hereinafter referred to as "Morro Castle") and MORRO CASTLE CAFETERIA RESTAURANT CORP., a Florida corporation, having its principal place of business at 1201 West 44th Place, Hialeah, Florida 33012 (hereinafter referred to as "Morro Castle Cafeteria"). Morro Castle and Morro Castle Cafeteria are sometimes hereinafter collectively referred to as the "parties" and singularly as a "party."

P R E A M B L E

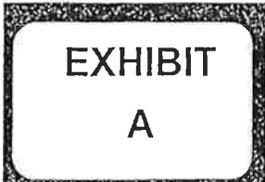
Morro Castle has for approximately thirty (30) years been engaged in the providing of restaurant services under the service-mark "Morro Castle" (hereinafter referred to as the "Mark"). Morro Castle is the owner of the state servicemark registration for the Mark, bearing State of Florida trademark registration no. T93000001045, registered on August 25, 1993 (hereinafter the "Florida Registration"), and has applied for registration of the Mark for restaurant services with the U.S. Patent and Trademark Office (hereinafter the "Trademark Office"), as evidenced by the Application bearing Serial No. 74/430,118, filed on August 30, 1993, in International Class 42 (hereinafter the "Morro Castle Application").

Morro Castle Cafeteria is also engaged in the providing of restaurant services under the Mark, in connection with a restaurant operation situated in Hialeah, Florida, and has been using the Mark by its predecessors in interest since at least as early as 1966 in the Limited Territory, as defined below.

Morro Castle and Morro Castle Cafeteria desire to amicably resolve and confirm their respective concurrent rights to use the Mark so as to avoid any likelihood of confusion in the future.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth below and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree:

1. Except as hereinafter expressly provided to the contrary, Morro Castle is the sole owner of and has the exclusive rights to use the Mark, whether alone or in conjunction with other words or designs, as it's servicemark, on or in connection with restaurant services and other services and products throughout the United States, except in the Limited Territory, as defined below. Morro Castle is the owner of the Florida Registration bearing trademark registration No. T93000001045, and is the owner of the Morro Castle Application filed with the Trademark Office, bearing Serial No. 74/430,118. Morro Castle shall not be required to amend the Morro



Castle Application to restrict its registration of the Mark to the United States, minus the Limited Territory, as defined below. Notwithstanding the foregoing, Morro Castle shall in no way interfere with nor intervene in Cafeteria Restaurant Corporation's exclusive right to use the Mark in the Limited Territory, as defined below. Cafeteria Restaurant Corporation has not and will not hereinafter contest the validity or ownership of the Florida Registration and the Morro Castle Application, or take any action against the use and registration in the various states and in the Trademark Office, of additional servicemarks or trademarks incorporating the Mark, provided they are restricted as mentioned above.

2. Morro Castle Cafeteria shall have the exclusive right to use the Mark, whether alone or in conjunction with other marks or designs, as its servicemark, solely on or in connection with restaurant services, in the limited territory which comprises the existing corporate boundaries of the cities of Hialeah, Florida and Miami Lakes, Florida (the "Limited Territory"). In connection with its limited use of the Mark in the Limited Territory, Cafeteria Restaurant Corporation may apply for registration of the Mark, solely for restaurant services, with the Trademark Office, in International Class 42.

3. The parties agree to cooperate and consult with one another, in good faith, to ensure that no likelihood of confusion shall occur with respect to their use of the Mark in commerce. The parties hereto shall use advertising media in such a way as to avoid any confusion concerning the Mark in the respective territories, and shall notify each other of any known third party infringement of the Mark, even if such infringement occurs outside of the parties' respective territories. Notwithstanding the foregoing, nothing in this Agreement shall prevent the parties from advertising in media that reaches the other party's territory, provided that the location of the advertising party is clearly disclosed in order to avoid confusion as to its sponsor.

4. The parties shall require and guarantee that any of their licensees and franchisees (if any) shall comply with all terms of this Agreement to the same extent as if they were parties hereto.

5. This Agreement is being entered into in the State of Florida and shall in all respects be interpreted, enforced and governed under the laws of said State. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties.

6. Should any provisions of this Agreement be declared or be determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected

thereby and said illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement.

7. As used in this Agreement, the use of the singular or plural form of any noun, pronoun, or verb will be deemed to include the other whenever the context so indicates or requires.

8. The provisions of this Agreement and the acknowledgements contained herein shall be binding upon and inure to the benefit of, with respect to the corporate parties, their agents, servants, employees, officers, directors, parents, subsidiaries and affiliates, franchisees, successors and assigns, and with respect to the individual parties, their respective representatives, executors and assigns.

9. This Agreement sets for the entire Agreement between the parties hereto, and fully supersedes any and all prior agreements or understandings between the parties pertaining to the subject matter hereof. This Agreement may not be amended, modified or terminated, in whole or in part, except by an instrument in writing duly executed by the parties hereto.

IN WITNESS WHEREOF, each of the corporate parties hereto has caused this Agreement to be executed by its duly authorized officers as of the date and year first above written.

MORRO CASTLE CORPORATION, a Florida corporation

By: *Estrella Villalobos*  
Name: Estrella Villalobos,  
President

MORRO CASTLE CAFETERIA RESTAURANT  
CORP., a Florida corporation

By: *Horacio Villalobos*  
Horacio Villalobos, President