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

Proceeding	91154092
Party	Plaintiff National Academy of Recording Arts & Sciences National Academy of Recording Arts & Sciences 3402 Pico Boulevard Santa Monica, CA 90405
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Submission	Motion to Amend Pleading/Amended Pleading
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Date	01/07/2005
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In re.: U.S. Trademark Application No. 76/182,727
Mark: GRAMMY SHAR
File: December 19, 2000

In re.: U.S. Trademark Application No. 76/182,726
Mark: GRAMMI SHAR
Filed: December 19, 2000

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NATIONAL ACADEMY OF RECORDING	:
ARTS & SCIENCES, INC.	:
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Opposer,	:
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	:
v.	:
	:
SHAREEM, INC.	:
	:
Applicant.	:
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Opposition No. 91154092
Opposition No. 91154147

**OPPOSER'S LEAVE TO AMEND ITS NOTICES OF OPPOSITION
AND MEMORANDUM OF LAW IN SUPPORT THEREOF**

Opposer National Academy of Recording Arts & Sciences, Inc., pursuant to Rule 507 of the Trademark Trial and Appeal Board Manual of Procedure ("TBMP") and Rule 15(a) of the Federal Rules of Civil Procedure ("FRCP"), hereby moves the Trademark Trial and Appeal Board (the "Board") for an Order granting Opposer leave to amend its Notices of Opposition in the above-captioned consolidated cases. Specifically, Opposer seeks to amend its Notices of Opposition to include as additional grounds for both Opposition Proceedings a dilution claim; Applicant's proposed marks dilute the strength of Opposer's Marks by lessening the capacity of Opposer's Marks to identify and distinguish Opposer's goods and services.

FACTUAL BACKGROUND

On December 19, 2000, Applicant Shareem, Inc. ("Applicant") filed intent to use applications to register the marks "GRAMMY SHAR" (Serial No. 76182727) and "GRAMMI SHAR" (Serial No. 76182726) for "motion picture films and pre-recorded video cassettes, audio cassettes, compact discs and DVDs featuring musical performances which feature a grandmotherly character" in International Class 9, "sheet music, series of children's books and other publications, namely children's magazines, newsletters for children and booklets for children" in International Class 16 and "entertainment services in the nature of a series of children's television programs; providing recorded musical performances directed to children via the Internet; and live musical performances directed to children, all featuring a grandmotherly character" in International Class 41.

Opposer filed Notices of Opposition on October 23, 2002 against these Applications (Opposition Nos. 91154092 and 91154147) because Opposer has previously used and registered the GRAMMY Mark in International Class 9 and 41 and registration of Applicant's marks would be likely to cause confusion, mistake, or deception. Following discussions between the parties' counsel, Applicant and Opposer agreed to suspend proceedings pending settlement discussions. However, on January 7, 2004, Opposer requested that the Board lift the suspension on the Oppositions because the settlement discussions had broken down. The Board lifted the suspensions to both Oppositions which were later consolidated by the Board on August 9, 2004.

Since consolidating the Oppositions, the parties have filed a Protective Order with the Board and exchanged written discovery responses and both confidential and non-

confidential documents¹. No depositions have been scheduled or taken. Currently, the parties are still attempting to resolve innumerable discovery disputes. The parties have not progressed past the preliminary stages of discovery, much less reached the merits of the case.

On, September 24, 2004, Opposer filed a Motion to Amend the Notices of Opposition to add a claim for dilution (“Opposer’s Original Motion”). Thus, Applicant has been aware of Opposer’s intent to amend for approximately four (4) months; yet during this time, Applicant failed to take any additional discovery on the dilution claim. Opposer has recently, on several different occasions, asked Applicant to re-consider consenting to the Motion to Amend. Once again, Applicant refused. Most recently during a telephone conversation between counsel for the parties on January 4, 2005, Opposer again asked Applicant to consent to the Motion to Amend, particularly in light of Opposer’s willingness, (which it shared with Applicant’s counsel) to extend the discovery period as Applicant had wanted.² As before, Applicant denied Opposer’s request.

On January 5, 2005, Opposer withdrew Opposer’s Original Motion with leave to file a new motion to amend because the facts supporting the motion had changed. Therefore, Opposer, in good faith, is filing an updated Motion to Amend the Notices of Opposition to the Board. Opposer asked Applicant to consent to its new Motion to

¹ Opposer collected, redacted and sent thousands of confidential documents to Applicant, whereas Applicant produced but a single paragraph to Opposer.

² Applicant has a pending Motion to Extend Discovery before the Board. Attached hereto as Exhibit B is Opposer’s brief response to Applicant’s Motion in which Opposer consents to an extension of the discovery period to take depositions and for written and oral discovery on the issue of dilution.

Amend and Applicant refused. Subsequently, Opposer has asked Applicant for its reasoning for denying consent and Applicant has failed to provide any justification.

ARGUMENT AND CITATION OF AUTHORITIES

A. The Legal Standard For Allowing Leave to Amend

Rule 507 of the TBMP provides that “[a]mendments to pleadings in inter partes proceedings before the Board are governed by Fed. R. Civ. P. 15.” FRCP 15(a) states that leave to amend “shall be given freely when justice so requires.” The Supreme Court has held that leave to amend should be freely given unless there is evidence of “undue delay, bad faith or dilatory motive on the part of the movant, repeated failure to cure deficiencies by amendments previously allowed, undue prejudice to the opposing party by virtue of allowance of the amendment, futility of amendment.” Foman v. David, 371 U.S. 178, 182 (1962). The Board also “liberally grants leave to amend pleadings at any stage of a proceeding when justice so requires, unless entry of the proposed amendment would violate settled law or be prejudicial to the rights of the adverse party or parties.” Boral Ltd. v. FMC Corp., 59 U.S.P.Q.2d 1701, 1702 (T.T.A.B. 2001). See also Toro Co. v. ToroHead Inc., 61 U.S.P.Q.2D (BNA) 1164, 1172 (2001); Commodore Electronics Ltd. v. CBM Kabushiki Kaisha Opposition, 26 U.S.P.Q.2d 1503, 1505 (T.T.A.B. 1993) (motion to amend will be granted where there is no undue prejudice and the amendment is legally sufficient); American Optical Corp. v. American Olean Tile Co., 168 U.S.P.Q. 471, 473 (T.T.A.B. 1971).

The rationale behind the liberal policy of amendment that underscores the FRCP and the decisions of both the federal courts and the Board interpreting those rules is to allow for the full adjudication of cases on the merits. See Space Base, Inc. v. Stadis

Corp., 17 U.S.P.Q.2d 1216, 1216 n.1 (T.T.A.B. 1990). For the reasons that follow, Opposer's Motion to Amend should be granted because it will not unduly prejudice Applicant and the claim is legally sufficient.

B. Opposer's Leave to Amend The Notices of Opposition Should be Granted

1. *Applicant Will Not Suffer Any Prejudice as a Result of Adding a Claim For Dilution*

In view of the fact that the Oppositions are still very early in the pre-trial discovery stage and Opposer has consented to extend the discovery period, Applicant will suffer no prejudice by amending Opposer's claim. See Commodore Electronics Ltd., 26 U.S.P.Q.2d at 1506; Marmark Ltd. v. Nutrexpa S.A., 12 U.S.P.Q.2d 1843, 1844 (T.T.A.B. 1989). Moreover, Applicant originally submitted very broad discovery, which encompassed questions regarding a possible claim of dilution. Opposer notified Applicant of its desire to amend and add a dilution claim four (4) months ago. Applicant was provided with ample time to conduct further discovery on the issue of dilution; yet failed to do so. Thus, the interests of justice and judicial economy are best served by allowing Opposer to proceed with adding a dilution claim. Applicant will suffer no cognizable prejudice as a result. See Boral, 59 U.S.P.Q. at 1702 (granting opposer's motion to amend the notice of opposition to add a dilution claim approximately two years after institution of the opposition).

2. *The Amendment is Not Futile*

Opposer has a very strong and legally sufficient dilution claim. In order to be successful on a claim for dilution the Board considers the following factors: "(1) the other party's use is in commerce, (2) the other party adopted its mark after the plaintiff's mark

became famous, (3) the mark is famous, and (4) the other party diluted the mark.” Toro Co. v. ToroHead Inc., 61 U.S.P.Q.2d 1164, 1173 (2001).

The four dilution factors all favor Opposer. Applicant filed intent to use applications which “satisfies the commerce requirement of the FTDA for proceedings before the Board.” Id. at 1174. Secondly, Opposer commenced use of its famous GRAMMY Mark over forty-five years before Applicant attempted to register its marks.

Third, Opposer’s incontestable GRAMMY Mark, is famous. The Lanham Act, 15 U.S.C. § 1125(c), provides a list of factors a court may consider in determining whether the mark is famous. These factors include:

- (A) the degree of inherent or acquired distinctiveness of the mark;
- (B) the duration and extent of use of the mark in connection with the goods or services with which the mark is used;
- (C) the duration and extent of advertising and publicity of the mark;
- (D) the geographical extent of the trading area in which the mark is used;
- (E) the channels of trade for the goods or services with which the mark is used;
- (F) the degree of recognition of the mark in the trading areas and channels of trade used by the marks' owner and the person against whom the injunction is sought;
- (G) the nature and extent of use of the same or similar marks by third parties; and
- (H) whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the Principal Register.

Use of Applicant’s marks is likely to dilute the distinctive quality of Opposer’s famous marks. The GRAMMY Mark and variations thereof have been used for “educational services in the form of providing incentives to people to demonstrate excellence in the field of music and video arts and sciences through the issuance of awards” for over forty-five (45) years. The GRAMMY Mark has gained worldwide recognition through the issuance of the annual GRAMMY Awards to musical artists, record companies and recording arts professionals. In 2004, the GRAMMY Awards

were broadcast to over 600 million viewers in 160 countries worldwide. The GRAMMY Mark is registered worldwide in more than 34 countries and there are more than 50 international registrations for the GRAMMY Mark. Opposer has conducted extensive national and international promotional and marketing efforts in advertising the GRAMMY Mark. Opposer has vigorously enforced its trademark rights to prevent dilution of its famous GRAMMY Mark. Therefore, Opposer's GRAMMY Mark is famous and distinct.

The fourth dilution factor requires that Applicant dilute Opposer's Mark. Applicant is attempting to register marks that are in significant part identical to Opposer's Mark in the same classes as Opposer's Mark. Due to the highly similar nature of Opposer's GRAMMY Mark and Applicant's proposed marks, registration of Applicant's marks would likely result in consumer confusion as to source, sponsorship, approval, or affiliation. Approving Applicant's registrations would also tarnish, degrade, and dilute the positive associations of Opposer's world-famous and distinctive GRAMMY trademarks. See Panavision Int'l, L.P. v. Toeppen, 141 F.3d 1316, 1326 (9th Cir. 1998) (defining tarnishment "when a famous mark is improperly associated with an inferior or offensive product or service"); Deere & Co. v. MTD Prods., Inc., 41 F.3d 39, 43 (2d Cir. 1994) (tarnishment occurs when applicant's use "reduces the trademark's reputation and standing in the eyes of consumers as a wholesome identifier of the owner's products or services"). Therefore, Opposer is likely to be damaged and its Mark will be diluted by the registration of Applicant's proposed marks. For the reasons stated above, Opposer has set forth the necessary requirements to sufficiently plead a claim for dilution.

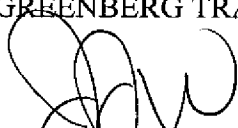
CONCLUSION

WHEREFORE, for the foregoing reasons, Opposer respectfully requests that the Board grant its Motion to Amend Its Notices of Opposition. Opposer's proposed Amended Notices of Opposition is annexed as Exhibit A to this Motion.

Dated: January 11, 2005

Respectfully Submitted,

GREENBERG TRAUER LLP



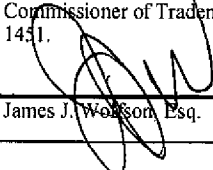
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Atlanta, Georgia 30327
(678) 553-2100

Attorneys for Opposer
NATIONAL ACADEMY OF RECORDING
ARTS & SCIENCES, INC.

CERTIFICATE OF ELECTRONIC TRANSMISSION

Date: January 11, 2005

I hereby certify that this paper is being transmitted electronically to the United States Patent & Trademark Office through the TEAS electronic filing system on the date indicated above and is addressed to the Commissioner of Trademarks, P.O. Box 1451, Alexandria, VA 22313-1451.



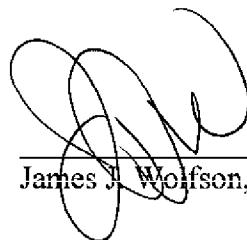
James J. Wolfson, Esq.

CERTIFICATE OF SERVICE

I hereby certify that Opposer's Motion to Amend The Notices of Opposition have been faxed and being deposited with the United States Postal Service via First Class Mail with postage fully prepaid addressed to:

Patricia S. Smart
Smart & Bostjancich
19 South LaSalle Street
Suite 1300
Chicago, IL 60603

Dated January 11, 2005



James J. Wolfson, Esq.

EXHIBIT A

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

In re.: U.S. Trademark Application No. 76/182,727
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File: December 19, 2000

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NATIONAL ACADEMY OF RECORDING :
ARTS & SCIENCES, INC. :
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Opposer, : **Opposition No. 91154092**
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 : **Opposition No. 91154147**
v. :
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SHAREEM, INC. :
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Applicant. :
 :
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BOX TTAB – NO FEE
Commissioner for Trademarks
2900 Crystal Drive
Arlington, VA 22202-3513

AMENDED NOTICES OF OPPOSITION

Opposer, the National Academy of Recording Arts & Sciences, Inc. (“Opposer”), through its undersigned counsel, hereby opposes the above-identified applications and states as follows:

1. Opposer is a Delaware corporation located and doing business at 3402 Pico Boulevard, Santa Monica, California 90405.
2. Upon information and belief, Applicant is an Illinois corporation, doing business at 965 Lambrecht Road, Frankfort, IL 60423.

3. For close to 45 years, Opposer has been using the mark GRAMMY (U.S. Registration 2,332,258) for its “educational services in the form of providing incentives to people to demonstrate excellence in the field of music and video arts and sciences through the issuance of awards.” This mark has gained worldwide recognition through the issuance of the annual GRAMMY Awards to musical artists, record companies and recording arts professionals.

4. Since 1994, Opposer has continuously used the mark GRAMMY in connection with pre-recorded audio tapes, audio compact discs and video tapes. Opposer is the owner of U.S. Registration No. 1,865,177 for “pre-recorded audio tapes, audio compact discs, and video tapes featuring musical entertainment” in International Class 9 (the “Class 9 Registration”). (A printout of the record of this Registration from the TESS database is attached). Said Registration is in good standing, is valid, subsisting and incontestable, and is conclusive evidence of Opposer’s exclusive right to use the GRAMMY mark in commerce in connection with the goods specified in the Registration. Opposer has garnered substantial, nationwide common law rights in the GRAMMY mark by virtue of its extended use of the GRAMMY mark on these goods.

5. Since 1993, Opposer has continuously used the mark GRAMMY ALL-AMERICAN HIGH SCHOOL BAND in connection with entertainment services. Opposer is the owner of U.S. Registration No. 1,844,805 for “entertainment and educational services, namely performance by a musical group and providing incentives to students to demonstrate excellence in the field of music through the issuance of awards and scholarships” in International Class 41 (the “Class 41 Registration”). (A printout of the record of this Registration from the TESS database is attached). Said Registration is

in good standing, is valid, subsisting and incontestable, and is conclusive evidence of Opposer's exclusive right to use the GRAMMY ALL-AMERICAN HIGH SCHOOL BAND mark in commerce in connection with the services specified in the Registration. Opposer has garnered substantial, nationwide common law rights in the GRAMMY ALL-AMERICAN HIGH SCHOOL BAND mark by virtue of its extended use of the mark on these entertainment services.

6. The GRAMMY mark and variations thereof are extensively used by the applicant in the United States and worldwide for an entire range of goods and services related to the recording and musical arts. Opposer is the owner of numerous Federal Registrations including: (1) U.S. Registration No. 887,642 (GRAMMY for "association services, namely promoting artistic progress and achievement in the field of recording arts and sciences," in International Class 42); (2) U.S. Registration 2,046,118 (GRAMMY LEGEND AWARDS for "educational services, namely, providing incentives to people to demonstrate excellence in the field of recording arts and sciences through issuance of awards," in International Class 41); (3) U.S. Registration No. 2,364,216 (GRAMMY IN THE SCHOOLS for "association services, namely, promoting artistic progress and achievement in the field of recording arts and sciences by operating a program to educate school students on careers and service opportunities in the recording community," in International Class 42); (4) U.S. Registration No. 2,500,319 (GRAMMY HALL OF FAME) for "association services, namely, promoting artistic progress and achievements in the field of recording arts and sciences," in International Class 42); and (5) U.S. Registration No. 2,583,348 (GRAMMY FOUNDATION for "educational services, namely, conducting classes and workshops in the field of music

and music education,” in International Class 41). (Printouts of the records of these Registrations from the TESS database are attached). Furthermore, the mark GRAMMY is registered worldwide in more than 34 countries. There are more than 50 international registrations for the GRAMMY mark, including registrations for goods in International Class 9 and services in International Class 41.

7. Applicant filed the instant intent to use applications for the marks GRAMMY SHAR and GRAMMI SHAR for “motion picture films and pre-recorded video cassettes, audio cassettes, compact discs and DVDs featuring musical performances which feature a grandmotherly character,” in International Class 9, “sheet music, series of children’s books and other publications, namely, children’s magazines, newsletters for children and booklets for children,” in International Class 16, and “entertainment services in the nature of a series of children’s television programs; providing recorded musical performances directed to children via the Internet; and live musical performances directed to children, all featuring a grandmotherly character,” in International Class 41 as amended, on December 19, 2000. Applicant’s proposed marks were published in the Official Gazette on September 24, 2002.

8. Opposer has been using its marks in connection with its goods and services long before Applicant commenced use or applied to register the GRAMMY SHAR and GRAMMI SHAR marks.

9. Applicant’s proposed GRAMMY SHAR and GRAMMI SHAR marks are highly similar to Opposer’s GRAMMY marks.

10. Due to the highly similar nature of the marks and the relatedness of the goods and services, concurrent use of the marks GRAMMY SHAR and GRAMMI

SHAR by Applicant and the marks in the Class 9 and Class 41 Registrations by Opposer will likely result in consumer confusion as to source, sponsorship, approval, or affiliation within the meaning of 15 U.S.C. §§ 1114 and 1125(a), and as such, Opposer is likely to be damaged by the registration of Applicant's proposed mark within the meaning of 15 U.S.C. § 1063(a).


11. Applicant's proposed mark is unregistrable pursuant to 15 U.S.C. § 1052(d), as it so resembles an unabandoned mark previously used in the United States by another which is likely to cause confusion, mistake or to deceive.

12. Opposer, upon information and belief, avers that it will be damaged by the continued use and registration by Applicant of the alleged GRAMMY SHAR and GRAMMI SHAR trademarks, as set forth in Applicant's Trademark Applications Serial No. 76/182727 and Serial No. 76/182726, in that the marks are substantially similar to Opposer's Registrations and common law rights and are used in connection with goods and services related to the goods and services offered to the public by Opposer.

13. Through Opposer's extensive advertising and promotion, Opposer's GRAMMY trademarks have become distinctive and famous. Upon information and belief, Applicant has not yet begun to use the GRAMMY SHAR or GRAMMI SHAR mark, and any use will occur after Opposer's GRAMMY trademarks have become distinctive and famous. Once in use, Applicant's GRAMMY SHAR and GRAMMI SHAR marks are likely to tarnish the positive associations of Opposer's world-famous GRAMMY trademarks. Thus, in addition, if Applicant were granted the registration herein opposed, it would cause dilution of the distinctive quality of Opposer's well-known GRAMMY trademarks.

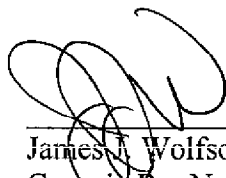
14. If the Applicant were granted the registration herein opposed, it would thereby obtain at least a *prima facie* exclusive right to the use of its mark. Such registration would be a source of damage and injury to the Opposer.

WHEREFORE, Opposer prays that the instant opposition be sustained and registrations refused.

Dated: January , 2005

Respectfully Submitted,

GREENBERG TRAURIG LLP



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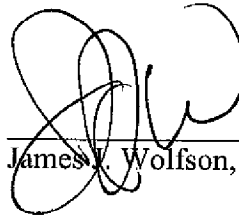
Attorneys for Opposer
NATIONAL ACADEMY OF RECORDING
ARTS & SCIENCES, INC.

CERTIFICATE OF SERVICE

I hereby certify that Opposer's Amended Notice of Opposition have been faxed and being deposited with the United States Postal Service via First Class Mail with postage fully prepaid addressed to:

Patricia S. Smart
Smart & Bostjancich
19 South LaSalle Street
Suite 1300
Chicago, IL 60603

Dated January 14, 2005



James V. Wolfson, Esq.