UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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Opposition No. 91171191
Opposition No. 91176823
Opposition No. 91176837
Opposition No. 91176848
Opposition No. 91176851

Peer Bearing Company

v.

RBC Bearings Inc.

Elizabeth A. Dunn, Attorney (571-272-4267):

This case comes up on opposer's motion to amend the notice of opposition, and applicant's motion to suspend proceedings pending the disposition of civil actions between the parties in Opposition No. 91176848.

Both motions are contested, and at the parties' joint request, the Board ruled on the motions in a phone conference held July 23, 2010. The participants were Thomas McDonough, attorney for opposer, John Mutchler, attorney for applicant, and Elizabeth Dunn, attorney for the Board. In preparation for the conference it became clear that Opposition No. 91176848 is one of many related proceedings between the parties, and during the conference the parties

were informed that the motions to amend and to suspend were granted, and that the Board would likely consolidate these proceedings.

The parties are ordered to notify the Board in writing immediately if the parties or the related entities identified in this order become, or are, parties to another Board proceeding or another civil action involving related marks or other issues of law or fact which overlap with this case and which are not identified in this order.

BACKGROUND

As is established by the papers filed by the parties in various proceedings listed in this order, Peer Bearing Company (hereafter, Peer) is a subsidiary of SKF USA, Inc. and applicant RBC Bearings Inc. (hereafter, RBC) is a parent to subsidiaries, Roller Bearing Corp. of America, Inc. and RBC Nice Bearings, Inc. Both parties, and their related companies, are in the ball bearing business, have worked together, and have used designations comprising a numerical designation and the term SERIES in connection with ball bearings.

On February 28, 1997, SKF USA, Inc. and Roller Bearing Corp. of America, Inc. and RBC Nice Bearings, Inc. executed an Asset Purchase Agreement and a Sales and Supply Agreement. On July 31, 2000, the parties executed an

Agreement to Amend Sales and Supply Agreement (the Amended Agreement"). Among other things, the agreements addressed the transfer of ownership of SKF's marks.

PROCEEDINGS ARE CONSOLIDATED

In each proceeding, opposer brings the same claims that the marks are merely descriptive or generic against applications featuring a numeric designation and the term SERIES. With the exception of Opposition No. 91171191, in each opposed application SERIES is disclaimed, and the marks are used on "ball bearings for machines, motors, engines, and tools."[1]

Opposition No.[2]	Application Serial No.	Mark
91171191	78535213	1600 SERIES
*91176823	78745178	600 SERIES
*91176837	78754894	7600 SERIES

[1] In Opposition No. 91171191, there is no disclaimer in the opposed application, and the mark is used on "ball bearings for equipment relating to construction, mining, material handling, transportation and off-highway, robotics and automation, farming, machine tool, and semiconductor applications."

On April 17, 2010, in Opposition No. 91171191 the Board ordered the parties to provide the status of the civil action which was the basis for suspension. This order is vacated inasmuch as the Board has obtained the information. However, Peer should note that the correspondence address of record for Peer in that proceeding remains the law firm which filed the notice of opposition. A courtesy copy of this order will be sent to that firm.

[2] As discussed in connection with suspension, the four opposed applications listed with an asterisk (*) are also subject to an opposition in the consolidated opposition brought by Peer's related company SKF USA, Inc.

*91176848	78754907	6900 SERIES
*91176851	78754876	7500 SERIES

Where the parties are the same, the proceedings involve common issues of law and fact, and the interest of judicial economy will be served thereby, the Board may consolidate proceedings. *See* Fed. R. Civ. P. 42(a); *Dating DNA LLC v. Imagini Holdings Ltd.*, 94 USPQ2d 1889, 1893 (TTAB 2010). Despite being consolidated, each proceeding retains its separate character, and the decision on the consolidated cases shall take into account any differences in the issues raised by the respective pleadings. *Id.* Here, each proceeding was suspended while in the discovery stage, and the issues of law and fact are sufficiently related that the oppositions should be tried together.

Accordingly, the Board sua sponte consolidates Opposition Nos. 91171191, 91176823, 91176837, 91176848 and 91176851, which may be presented on the same record and briefs.[3]

OPPOSER'S MOTION TO AMEND THE NOTICE OF OPPOSITION

[3] The Board file will be maintained in Opposition No. 91171191 as the "parent" case, but all papers filed herein must include the proceeding numbers of all consolidated cases in ascending order. A copy of the final decision for the consolidated proceeding shall be placed in each proceeding file.

With the exception of Opposition No. 91171191, in each opposition Peer Bearing Company filed a motion to amend the notice of opposition to add the claims that the mark is deceptively misdescriptive and that applicant was not the owner at the time the application was filed, based on facts recently acquired in civil litigation. In opposition applicant alleges that amendment would be futile, because the claims are insufficient, and would be prejudicial to applicant, because applicant is already litigating the ownership claim in another forum.

Upon review of the amended notices of opposition, we find that the new claims that the mark is deceptively misdescriptive and that applicant was not the owner of the mark at the time it filed the opposed application are legally sufficient. *In re Shniberg*, 79 USPQ2d 1309, 1311 (TTAB 2006)("The two-prong test for whether a mark is deceptively misdescriptive [:] (i) whether the mark misdescribes the goods to which it applies; and (ii) whether consumers are likely to believe the misdescription."); *Great Seats, Ltd. v. Great Seats, Inc.*, 84 USPQ2d 1235, 1239 (TTAB 2007)("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.").

Moreover, inasmuch as discovery remains open in each proceeding, we see no prejudice to applicant in allowing the amendment. The prejudice asserted by applicant in having to defend the same claim in two proceedings is not appropriately remedied by denial of the amendment, and the issue is discussed further in connection with the motion to suspend. Accordingly, opposer's motions to amend the notices of opposition in Opposition Nos. 91176823, 91176837, 91176848 and 91176851 are granted.

PROCEEDINGS ARE SUSPENDED PENDING THE DISPOSITION OF CONSOLIDATED OPPOSITION NO. 91176838 AND THE CIVIL ACTIONS BETWEEN THE PARTIES

1. Opposition No. 91176838

The Board notes that four of the five applications (600 SERIES, 6900 SERIES, 7500 SERIES, and 7600 SERIES) opposed in this consolidated opposition are also the subject of oppositions brought by Peer's related company SKF USA, Inc.

Opposition No.	Application Serial No.	Mark
*91176838	78754894	7600 SERIES
*91176844	78754876	7500 SERIES
91176845	78754833	5000 SERIES
*91176856	78754907	6900 SERIES
91176952	78745159	400 SERIES
91176953	78754811	500 SERIES
*91176971	78745178	600 SERIES
91176976	78745182	3000 SERIES

Those oppositions have been consolidated with others listed above, with Opposition No. 91176838 designated the parent case, and are now suspended pending the outcome of the civil litigation between the parties. In consolidated Opposition No. 91176838, opposer's related company brings the same claims that the marks are merely descriptive and generic which are pleaded in this consolidated opposition, and the additional claims that the marks are functional, have not acquired secondary meaning, and are not used as trademarks.

If opposer succeeds in consolidated Opposition No. 91176838, this opposition largely will be made moot. Accordingly, the Board sua sponte suspends proceedings herein pending the disposition of consolidated Opposition No. 91176838. See Trademark Rule 2.117(a)("Whenever it shall come to the attention of the Trademark Trial and Appeal Board that a party or parties to a pending case are engaged in … another Board proceeding which may have a bearing on the case, proceedings before the Board may be suspended until termination of … the other Board proceeding.).

2. the first district court action

In 2006, RBC filed a complaint in *RBC Nice Bearings, Inc. and Roller Bearing Company of America, Inc. v. Peer Bearing Corp.* in the United States District Court for the District of Connecticut, Case 3:06-cv-01380 (VLB) (the first

district court action). The complaint alleges, among other things, RBC's ownership of the marks 1600 SERIES, 7500 SERIES, 7600 SERIES, 600 SERIES, 6900 SERIES for bearings (¶10) and trademark infringement by Peer's "use of [RBC's] bearing numbers on essentially identical goods"(¶36). Peer's answer includes the affirmative defenses that RBC does not have proper title to the alleged trademarks (Fifth Affirmative Defense), that the alleged trademarks are not inherently distinctive and have not acquired secondary meaning (Sixth Affirmative Defense), and that the alleged trademarks are common descriptive or generic terms which identify and distinguish the bearings with which they are used on size, class, type, or style of bearing (Seventh Affirmative Defense).

On April 3, 2009, the parties stipulated that plaintiffs allege trademark rights in the terms 600 SERIES and 6900 SERIES for use with bearings (¶1), that plaintiffs allege defendant's use of the terms with bearings infringes its marks (¶2), and

> 3. The parties have agreed and stipulate to the dismissal, with prejudice, of all causes of action in this litigation with respect to the use of the terms "600 SERIES" or "6900 SERIES" by Defendant Peer Bearing Company in connection with the manufacture, importation, marketing, advertising, offer for sale or sale of metric radial ball bearings.

With respect to this stipulation, opposer contends that "applicant is unable to prevent Peer from selling ball bearings using the [600 or 6900] Series term … [and] Applicant is, therefore, not entitled to registration of this term as a trademark." The Board finds this conclusion unwarranted. As discussed below, the parties have been involved in a business and contractual relationship which is the present subject of litigation. If opposer's use of the term 600 SERIES or 6900 SERIES inures to applicant's benefit, applicant may still register the marks. Accordingly, the Board sees no basis for action in the 600 SERIES or 6900 SERIES oppositions based on the stipulation.

On October 29, 2009, the court granted summary judgment for Peer on RBC's trademark claims regarding the 1600 SERIES mark based on laches, but denied summary judgment on the claims regarding the 7500 SERIES and 7600 SERIES marks. On December 30, 2009, the court dismissed all remaining claims of RBC with prejudice and dismissed Peer's counterclaim without prejudice. The court's decision regarding the 1600 SERIES mark is presently on appeal to the Second Circuit Court of Appeals (Case No. 10-383).

If RBC is successful in its appeal, and the finding of laches is reversed, the district court will again take up RBC's claims and Peer's defenses regarding the ownership and validity of the 1600 SERIES mark. Any district court

findings regarding Peer's defenses on the validity of the 1600 SERIES mark may have a bearing on the disposition of Peer's claims in this consolidated opposition addressing, among other things, the validity of the 1600 SERIES mark. *Whopper-Burger, Inc. v. Burger King Corp.*, 171 USPQ 805, 807 (TTAB 1971)(the federal court determination of a trademark issue normally has a binding effect in subsequent proceedings before the Board involving the same parties and issue). Accordingly, proceedings herein also are suspended pending the final disposition of the first district court action.

3. the second district court action[4]

On September 17, 2007, applicant's subsidiaries filed a civil action against SKF USA, Inc. in the same court alleging, among other things, infringement of plaintiff's SERIES marks and breach of the agreement between the parties. *RBC Nice Bearings, Inc. v. SKF USA, Inc.*, Case 3:06-cv-01880 (JCH)(the second district court action). The complaint also alleges that applicant's trademark rights associated with its ball bearing business were assigned to opposer in connection with a contract between the parties,

[4] Inasmuch as the papers filed in other proceedings discussed herein and reviewed in connection with this order provide more information about the relationship between the parties and the ongoing litigation, the Board's January 4, 2010 order in Opposition No. 91176848, finding that this district court action was not the basis for suspension, is vacated.

but reverted to applicant upon opposer's alleged breach of the contract. On November 13, 2007, SKF filed its answer with the affirmative defense that the marks are generic, and a counterclaim for breach of contract. The district court, at the request of the parties, has stayed its proceeding pending the decision in related state court litigation which will address "the majority of the claims and counterclaims in this case." (RBC's consented motion filed October 17, 2008 in Case 3:06-cv-01880). Because the district court action will address ownership and validity of the marks in addition to the claim of infringement, the court's decision may have a bearing on this consolidated opposition. Accordingly, proceedings herein also are suspended pending the final disposition of the second district court action.

4. the arbitration proceeding

On September 16, 2009, applicant's subsidiaries filed a demand for arbitration of the provisions of the 1997 sales agreements with SKF USA, Inc. with the American Arbitration Association. The demand alleges breach of contract regarding the ownership of RBC's product designations. The decision in arbitration regarding ownership may have bearing on the claims of ownership brought in this opposition. Accordingly, proceedings herein also are suspended pending the final disposition of the arbitration proceeding.

SUMMARY

Opposition Nos. 91171191, 91176823, 91176837, 91176848 and 91176851 are consolidated; the motions to amend the notices of opposition in 91176823, 91176837, 91176848 and 91176851 are granted; and this consolidated proceeding is suspended pending the final disposition of the other proceedings between the parties which may have a bearing on this case.

During the suspension period, the parties shall notify the Board immediately and in writing of any address changes for the parties or their attorneys, or if the parties become parties to another Board proceeding or another civil action involving related marks or other issues of law or fact which overlap with this case.

cc:

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