

UNITED STATES PATENT AND TRADEMARK OFFICE  
Trademark Trial and Appeal Board  
P.O. Box 1451  
Alexandria, VA 22313-1451

Mailed: March 3, 2010

Opposition No. 91190681

Opposition No. 91190739

Opposition No. 91191087

ARCADIA GROUP BRANDS LTD.

v.

STUDIO MODERNA SA

**Cheryl Butler, Attorney, Trademark Trial and Appeal Board:**

Opposition Nos. 91190739 and 91191087 are presently suspended in accordance with the parties' stipulation to suspend, filed and granted September 22, 2009, pending final disposition of the consolidated proceeding (hereinafter sometimes the "consolidated proceeding") composed of Opposition No. 91169226 ("parent") and Cancellation No. 92049146, involving the same parties and at least some of the same questions of law and fact.

***Opposition No. 91190681***

In Opposition No. 91190681, opposer, on September 23, 2009, filed a motion to suspend pending the outcome of the consolidated proceeding. Applicant filed a response thereto where it indicated it does not object to suspension of the opposition but does object to suspension of the counterclaim to cancel Registration No. 3237860, present in Opposition No. 91190681

only. Opposer filed a reply directed to applicant's arguments concerning suspension of the counterclaim.

Insofar as the parties do not dispute a suspension for the opposition proceeding, the Board only addresses the parties' arguments with respect to the counterclaim.

At the time Opposition No. 91169226 commenced on February 17, 2006, opposer did not own either Registration No. 3237860 or the underlying application which matured into such registration. Consequently, opposer did not assert such registration in the notice of opposition. An answer to the opposition is of record. On April 7, 2008, opposer (as a petitioner) filed a petition to cancel, No. 92049146. Before the answer was filed in the cancellation proceeding, Opposition No. 91169226 and Cancellation No. 92049146 were consolidated by order of the Board dated September 15, 2008. In the petition to cancel, opposer (as petitioner) asserted its ownership of Registration No. 3237860. The record reflects that an answer has not yet been filed for Cancellation No. 92049146.

Opposer also asserted its ownership of Registration No. 3237860 in Opposition No. 91190681. Applicant, with its answer, counterclaimed to cancel such registration on the basis that the assignment to opposer of the underlying application which matured into the registration was in contravention of Trademark Act §10.

In support of its motion, opposer argues that Opposition No. 91190681 should be suspended pending disposition of the

consolidated proceeding for purposes of judicial economy.

Opposer indicates that both proceedings involve the same parties and resolution of the consolidated proceeding will have a bearing on certain legal and factual issues present herein.

In response, applicant argues that it would be prejudiced by suspension of the opposition unless it has the ability to pursue its counterclaim in the consolidated proceeding. Applicant notes that it has not yet filed an answer in the cancellation that forms part of the consolidated proceeding. Applicant asks that the Board either 1) join this opposition to the consolidated proceeding; 2) order that its counterclaim be deemed to have been filed in the consolidated proceeding; or 3) allow applicant to file its counterclaim in the consolidated proceeding when it answers the amended pleading (and currently operative pleading) therein.<sup>1</sup>

In reply, opposer argues that applicant cannot be prejudiced if it is able to file the counterclaim in the consolidated proceeding, on the basis that it has not yet filed an answer to the petition to cancel, with its answer to the amended pleading. Opposer argues that applicant's alternative requests would allow it to circumvent normal Board procedures with respect to the assertion of a counterclaim in the consolidated proceeding.

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<sup>1</sup> Presently pending in the consolidated proceeding is a motion to dismiss such pleading.

Opposer requests that the suspension of Opposition No. 91190681 include the counterclaim.

Trademark Rule 2.114(b)(2)(i) provides in relevant part that

A defense attacking the validity of any one or more of the registrations pleaded in the petition shall be a compulsory counterclaim if grounds for such counterclaim exist at the time when the answer is filed. If grounds for a counterclaim are known to respondent when the answer to the petition is filed, the counterclaim shall be pleaded with or as part of the answer.

Inasmuch as applicant (as respondent) has not yet filed an answer in Cancellation No. 92049146, applicant is able to assert a counterclaim to cancel Registration No. 3237860 when it files its answer to the amended pleading in the consolidated proceeding.

Trademark Rule 2.114(b)(2)(ii) provides as follows:

An attack on the validity of a registration pleaded by a petitioner for cancellation will not be heard unless a counterclaim or separate petition is filed to seek the cancellation of such registration.

Thus, alternatively, applicant may file a separate petition to cancel. See also TBMP §313.01 (2d ed. rev. 2004). See also TBMP 313.04 (2d ed. rev. 2004) ("If the defendant knows the grounds for a counterclaim to cancel a pleaded registration when the answer is filed, the counterclaim **must** be pleaded with or as part of the answer," emphasis added; and "A defendant who fails to timely plead a compulsory counterclaim cannot avoid the effect of its failure by thereafter asserting the counterclaim grounds in a separate petition to cancel.")

**Opposition Nos. 91190681; 91190739; and 91191087**

Pursuant to Trademark Rule 2.117(a), the Board may, in its discretion, suspend a proceeding pending the final determination of another Board proceeding in which the parties are involved, particularly if a determination in the earlier proceeding may have a bearing on the later-filed case. See TBMP §510.02(a) (2d ed. rev. 2004).

Here, the parties do not dispute suspension of the opposition. As discussed, applicant (as respondent) has an opportunity to assert its counterclaim when it answers the amended pleading in the consolidated proceeding, should the pending motion to dismiss therein not be granted.

Accordingly, opposer's motion to suspend Opposition No. 91190681, including the counterclaim therein, is granted.

Within twenty days after the final determination of the consolidated proceeding, the interested party should notify the Board so that this case may be called up for appropriate action. During the suspension period the Board should be notified of any address changes for the parties or their attorneys.

***Consolidation of Opposition Nos. 91190681; 91192739; and 91191087***

The Board has reviewed each of the above-identified oppositions. Each proceeding involves the same parties and at least some of the same questions of law and fact. Answers have been filed in all cases. Such answers are noted and entered, including the counterclaim and answer thereto in Opposition No. 91190681.

**Opposition Nos. 91190681; 91190739; and 91191087**

When cases involving common questions of law or fact are pending before the Board, consolidation of such cases may be appropriate. Proceedings may be consolidated upon the Board's own initiative. See Fed. R. Civ. P. 42(a); and TBMP §511 (2d ed. rev 2004). The Board finds it appropriate to consolidate the above-identified proceedings for purposes of judicial economy.

Accordingly, Opposition Nos. 91190681; 91192739; and 91191087 are hereby consolidated and may be presented on the same records and briefs. The record will be maintained in Opposition No. **91190681** as the "parent" case, but all papers filed in these cases should include both proceeding numbers in ascending order.

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