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

Proceeding	91194280
Party	Plaintiff Pirelli Tyre S.p.A., Pirelli & C. S.p.A.
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
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PIRELLI TYRE S.P.A. v. ZERO MOTORCYCLES, INC., PIRELLI TYRE S.P.A. AND PIRELLI & C. S.P.A., v. ZERO MOTORCYCLES, INC.,	Consolidated Opposition No. 91192093 Opposition No. 91192475 Cancellation No. 92051520 Cancellation No. 92051859
PIRELLI TYRE S.P.A. AND PIRELLI & C. S.P.A., v. ZERO MOTORCYCLES, INC.,	Opposition No. 91194280

PIRELLI’S OPPOSITION TO APPLICANT’S MOTION FOR SUSPENSION

Opposers/Petitioners Pirelli Tyre S.p.A. and Pirelli & C. S.p.A (collectively “Pirelli”), through their undersigned counsel, hereby oppose Applicant’s Motion For Suspension.

According to 37 C.F.R. 2.117(a), suspension is a discretionary decision by the Trademark Trial and Appeal Board (“Board”) and is not the necessary result in all cases. *See Boyds Collection Ltd. v. Herrington & Co.*, 65 USPQ2d 2017 (TTAB 2003). Suspension is unnecessary in this case because there is no good cause for suspension. *See National Football League v. DNH Management LLC*, 85 USPQ2d 1852, 1855, n. 8 (TTAB 2008). Applicant brought its motion for the purposes of delay and forum shopping. Also, because Pirelli is a foreign entity not subject to jurisdiction in California, it is unlikely that Applicant’s case will actually go forward, creating foreseeable

unnecessary delay to the resolution of these issues. For these reasons, as discussed below, Applicant's motion to suspend should be denied.

BRIEF RECITATION OF THE FACTS

On September 29, 2009, Pirelli filed Opposition No. 91192093 against three of Applicant's applications for electronic motorcycles and related parts. Pirelli's original Notice of Opposition involved application Serial No. 77616233 for ZERO Z, Serial No. 77665628 for ZERO SS, and Serial No. 77665629 for ZERO S. Shortly thereafter the parties move to consolidate that opposition with Opposition No. 91192475, involving Serial No. 77793886 for ZERO DS, and Cancellation No. 92051520, involving Registration No. 3661976 for the ZERO. On December 22, 2009, the Board granted the parties' Joint Motion to Consolidate Opposition No. 91192093, Opposition No. 91924725 and Cancellation No. 92051520.

Thereafter, on January 19, 2010, the parties filed another joint motion to consolidate Cancellation No. 92051859 with the other three consolidated proceedings. Cancellation No. 92051859 involved Registration No. 3669900 for the mark ZERO MOTORCYCLES. On January 25, 2010, the Board granted the parties' Joint Motion to Consolidate Cancellation No. 92051859 with Opposition No. 91192093, Opposition No. 9192475 and Cancellation No. 92051520. All four of these proceedings were consolidated into one and maintained as Opposition No. 91192093. Further, on April 19, 2010, Pirelli moved to consolidate Opposition No. 91194280, involving yet another application owned by Applicant for a related mark, ZERO MX, with Consolidated Opposition No. 9192093. That motion is currently pending before the Board.

On January 27, 2010, after consolidating the first four proceedings, the Board set the dates for discovery and trial. The deadline for the discovery conference was March 22, 2010, the discovery opening date was March 22, 2010, and the date initial disclosures were due by April 21, 2010. The parties held the discovery conference and exchanged initial disclosures on or before March 22, 2010. In addition, the parties timely exchanged written discovery requests such that the parties discovery responses were all due on April 21, 2010.

On April 20, 2010, the day before Applicant's written discovery responses were due, Applicant filed its motion for suspension of these proceedings. As the basis for this motion, Applicant relies on a Complaint for Declaratory Judgment it filed in the United States District Court for the Northern District of California. Applicant has not yet served either named Pirelli entity with summons or the complaint in the district court case. And, as explained to Applicant, because both named Pirelli entities are foreign entities which do not conduct business in the United States, the District Court for the Northern District of California does not have jurisdiction over them. Currently, the only case proceeding on the merits of these issues is this proceeding before the Board.

THE BOARD SHOULD DENY APPLICANT'S MOTION TO SUSPEND

In determining whether the Board should grant Applicant's motion, "both the permissive language of Trademark Rule 2.117(a) ('proceedings ... may be suspended...'), and the explicit provisions of Trademark Rule 2.117(b) make clear that suspension is not the necessary result in all cases." *Boyds Collection Ltd. v. Herrington & Co.*, 65 USPQ2d 2017, 2018 (TTAB 2003); *see also* Trademark Rule 2.117(c). For suspension to be considered by the Board, Applicant must show that there is good

cause to suspend the case. *National Football League v. DNH Management LLC*, 85 USPQ2d 1852, 1855, n. 8 (TTAB 2008) (“all motions to suspend, regardless of circumstances and even with the adverse party’s consent, are subject to the ‘good cause’ standard.”). Applicant fails to meet this standard.

Pirelli filed its original opposition in September 2009. From that time, Pirelli has expended significant time and resources consolidating the proceedings now before the Board to be able to expeditiously resolve these issues. Currently, the issues before the Board are moving towards resolution, with completion of this matter scheduled for next year.

With its motion, Applicant attempts to stall these proceedings and obtain what it believes to be a more favorable jurisdiction. While this opposition has been pending for over seven months, it was only when Applicant was required to provide Pirelli its discovery responses that it moved to suspend this case. However, Applicant may not obtain a suspension merely to avoid its responsibilities set out by this Board. See *Ortho Pharmaceutical Corporation v. Hudson Pharmaceutical Corporation*, 178 USPQ 429, 429 (TTAB 1973).

Also, Applicant may not seek to suspend this case merely to obtain a more favorable jurisdiction. In bringing its case, Applicant chose the United States District Court for the Northern District of California. Applicant and Applicant's counsel have their offices and homes in California. Through this motion, Applicant attempts to force Pirelli, an Italian entity, to move its case from the Board in Washington, D.C. to California, Applicant's home court.

Further, even if the Board does not deny Applicant's motion, it is likely that the district court will never reach a decision on the merits and the Board will be left to decide these issues, only after substantial delay. Both Pirelli entities, Pirelli & C. S.p.A. and Pirelli Tyre S.p.A., are Italian companies that do not do business in the United States. Though Pirelli owns US trademark registrations for its marks, it does not itself use those marks in the United States. Instead, Pirelli licenses the use of these marks to other companies, who in turn do business in the United States. As such, Pirelli is not subject to the jurisdiction of the United States District Court for the Northern District of California.

Applicant has not even perfected service of the complaint on Pirelli. While Applicant may serve Pirelli through the Hague Service Convention, a timely procedure, Pirelli will continue to oppose jurisdiction. These proceedings will likely take years. If the Board does not deny Applicant's motion, instead of resolving these issues next year, it is likely they will drag on for two or three years before the merits of the case are reached.

Applicant has not met the standard of "good cause" required to suspend these proceedings. *National Football League v. DNH Management LLC*, 85 USPQ2d 1852, 1855, n. 8 (TTAB 2008); *see also E.I. du Pont de Nemours and Company v. G.C. Murphy Company*, 199 USPQ 807, 809, n. 3 (TTAB 1978). The parties have already expended substantial time and resources in the case and Applicant seeks suspension to merely cause delay, avoid its discovery responsibilities, and obtain a more favorable jurisdiction. Applicant has failed to provide any facts or evidence that show good cause to suspend this case. Therefore, in the interest of the expeditious resolution of these

issues, the Board should deny Applicant's motion for suspension of consolidated proceedings.

Respectfully submitted,

Dated: April 29, 2010

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CERTIFICATE OF SERVICE

I certify that a true and accurate copy of the foregoing PIRELLI'S OPPOSITION TO APPLICANT'S MOTION FOR SUSPENSION was served by agreement, by email transmission this 29th day of April 2010, upon counsel for Applicant:

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