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

Proceeding	91229272
Party	Defendant Dentsply Sirona Inc.
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Roth Licensing, LLC, a California limited liability company,	:	
	:	
Opposer,	:	Opposition No.: 91229272
v.	:	
	:	
Dentsply Sirona Inc., a Delaware corporation,	:	
	:	
Applicant.	:	
	:	

In re Application of Dentsply Sirona Inc.:

Serial No.:	86/742,723
Filed:	August 31, 2015
Trademark:	RT Rx
Filing Basis:	1(a)
Published:	July 12, 2016

RESPONSE IN OPPOSITION TO OPPOSER’S MOTION TO SUSPEND PROCEEDINGS PENDING ARBITRATION BETWEEN THE PARTIES

Applicant Dentsply Sirona Inc. (“Applicant” or “Dentsply”) herein responds in opposition to the Motion to Suspend Proceedings filed by Opposer Roth Licensing LLC (“Roth” or “Opposer”). As set forth below, there is no procedural or substantive basis to suspend this proceeding. To the contrary, under recent Supreme Court authority, this Board should proceed with determination of this matter, not defer to other proceedings. *See B&B Hardware, Inc. v. Hargis Indus., Inc.*, 135 S. Ct. 1293, 1299 (2015) (holding that TTAB decisions are entitled to full preclusive effect in judicial and other fora).

BACKGROUND

On August 31, 2015, Dentsply applied for registration of the mark at issue, RT Rx, which it has been using in commerce since at least April 1, 2015. *See Application for Registration*. On August 1, 2016, Roth filed a Notice of Opposition to the registration. Also on August 1, 2016, this Board entered a trial order scheduling discovery and trial submissions. On September 20, 2016, Dentsply filed a separate cancellation proceeding in the TTAB, to invalidate Roth's federal registration of the mark ROTH®, on grounds of genericness and fraud in connection with Roth's statements to the Patent and Trademark Office regarding non-use of the mark.

On September 1, 2016, pursuant to notice it had given a week earlier, a Dentsply subsidiary, GAC International LLC ("GAC"), moved to stay a separate arbitration filed by Roth pending the outcome of this proceeding before the Board. The same day, Roth filed the instant motion to suspend this proceeding pending the outcome of the arbitration. Under the authorities discussed herein, the proper result would be for the arbitrator to stay that proceeding in favor of this Board's primary jurisdiction, and for this Board to determine certain core issues – including issues within its sole jurisdiction – to which the arbitrator would then give collateral estoppel effect under *Hargis*, 135 S. Ct. 1293. The relevant authorities have also been cited in GAC's submissions to the arbitrator.

ARGUMENT

1. Neither the Procedural Rules Nor Common-Law Doctrines Contemplate Suspension of Federal Registration Proceedings in Favor of Private Arbitration

TTAB Rule 2.117(a) and the federal regulation on which it is based, 37 C.F.R. § 2.117(a), provide for a discretionary suspension when the parties to a TTAB proceeding "are engaged in a *civil action or other Board proceeding* which may have a bearing on the case." TTAB R.2-117(a) (emphasis added). The rule does not expressly address arbitration; this Board has

recognized that arbitral proceedings are neither “civil actions” nor “Board proceedings.” Storm Jenkin v. MD Science Lab LLC, Cancellation No. 92-054021, 2011 WL 13054932 at *2 (T.T.A.B. Jul. 27, 2011) (“Trademark Rule 2.117(a) does not specifically provide for suspension of Board proceedings pending the final disposition of an *arbitration proceeding* between the parties involved in a Board case.”) (emphasis added).

In its motion, Roth relies on Michael Farah v. Topiclear Beauty Products, Inc., Opp’n. No. 91-151334, 2003 WL 22022077 (T.T.A.B. Aug. 21, 2003) and Storm Jenkin, 2011 WL 13054932 to support its argument that this Board should suspend its proceedings pending the outcome of Roth’s separate arbitration against GAC. Neither authority supports Roth’s argument.

In Farah, 2003 WL 22022077, an unpublished and non-precedential opinion, *id.* at *1, there was not only a separate arbitration pending but also a civil action in federal court. *Id.* at *2. The pendency of the arbitration, thus, was immaterial to the outcome in Farah. Further, unlike here, the central dispute in Farah was on rightful *ownership* of the mark as a result of a contractual agreement to *transfer it*; that contractual dispute was being decided in the arbitration. *Id.* at *2. Here, by contrast, ownership of either mark is not at issue.

Instead, the key issues before the TTAB here are (1) federal *registrability* of Dentsply’s requested mark, RT Rx, and of Roth’s federally registered mark, ROTH®; and (2) Roth’s allegation of a likelihood of confusion between Dentsply’s mark, RT Rx, and Roth’s mark, ROTH®. These issues fall squarely within the Board’s jurisdiction and designated area of responsibility. Notably, only the TTAB – and not the arbitrator – can decide the validity of the marks’ registrations. Further, as discussed below, any issue as to likelihood of confusion between the marks, if any, is squarely within this Board’s primary jurisdiction. Farah, thus, is not persuasive on the issues at hand.

In Storm Jenkin, 2011 WL13054932, also a non-precedential opinion, the separate arbitration similarly involved rightful ownership of the mark at issue. *Id.* at *2. Here, there is no dispute as to ownership of either mark, and the key issues are for determination by this Board. In Storm Jenkin, further, the petitioners had filed a counterclaim in the arbitration, seeking transfer of rights to the mark at issue. The Board, thus, was “not persuaded by petitioners’ arguments [against suspension] especially since petitioners themselves have availed themselves of the jurisdiction of the arbitration panel to determine issues which may have a direct bearing on this proceeding, namely, who is the rightful owner of the involved SWISS NAVY mark.” *Id.* at *2.

While the Storm Jenkin board found in that case that policy considerations favored suspension in favor of arbitration, any such policy considerations have since been substantially undermined and should now be rejected in light of Hargis, where the Supreme Court abrogated prior decisions that had diminished the binding effect of TTAB decisions. Hargis, 135 S.Ct. at 1305. The Board, thus, should proceed with adjudication of this matter, whose core issues are within the Board’s exclusive and/or “primary jurisdiction.”

Under the doctrine of primary jurisdiction (which GAC has invoked before the arbitrator), courts or arbitrators may stay their proceedings to allow referral of an issue to an administrative agency. *See, e.g., Reiter v. Cooper*, 507 U.S. 258, 268-69 (1993). (Here, of course, no referral would be needed as this proceeding is already pending before the TTAB.) The primary jurisdiction doctrine has been applied in both intellectual property matters in general, *e.g., Syntek Semiconductor Co. v. Microchip Tech., Inc.*, 307 F.3d 775 (9th Cir. 2002) (*sua sponte* ordering stay for referral to Register of Copyrights), as well as to matters involving trademarks in particular. *See, e.g., Unitek Solvent Servs., Inc. v. Chrysler Group LLC*, 2014 WL 5528234 (D. Hawaii Oct. 31, 2014) (dismissing federal court proceedings without prejudice and

deferring to parallel TTAB proceedings concerning registration/cancellation of trademark); Realty Experts, Inc. v. RE Realty Experts, Inc., 2012 WL 699512 (S.D. Cal. Mar. 1, 2012) (dismissing federal court proceeding in light of parallel TTAB proceedings over registration of trademark); Citicasters Co. v. Country Club Commc'ns, 1997 WL 715034 at *2 (C.D. Cal. July 21, 1997) (“In granting the motion to stay, the court is confident that the TTAB will exercise its specialized knowledge in effecting a determination that will prove valuable to this court.”).

While there have been contrary decisions, *e.g.*, Goya Foods, Inc. v. Tropicana Prods., Inc., 846 F.2d 848 (2nd Cir. 1988); Rhoades v. Avon Prods., Inc., 504 F.3d 1151, 1165 (9th Cir. 2007), the continued vitality of those decisions, if any, is doubtful in light of the Supreme Court’s recent ruling in Hargis. In that older line of cases, which Roth has indicated it will rely on, certain lower federal courts had expressed their “inclination against according excessive deference to pending PTO proceedings.” Goya Foods, Inc. v. Tropicana Prods., Inc., 846 F.2d at 853. That “inclination against according excessive deference” to the TTAB, however, has since been undermined, at the very least, by Hargis. As the Hargis Court held, “There is no categorical ‘reason to doubt the quality, extensiveness, or fairness’ . . . of the [TTAB’s] procedures.” Hargis, 135 S.Ct. at 1309 (internal citation omitted).

Post-Hargis, therefore, TTAB decisions are entitled to binding, collateral estoppel effect. Any policy considerations based on lesser levels of deference to TTAB rulings are, at best, suspect. Accordingly, there is no warrant for the TTAB deferring to other proceedings – particularly, where, as here, the TTAB proceedings involves federal registration of two separate marks, which is not at issue in the other proceeding and is within the sole jurisdiction of the TTAB. As the Court concluded in Hargis:

The benefits of registration are substantial. Registration is “prima facie evidence of the validity of the registered mark,”

15 U.S.C. § 1057(b), and is a precondition for a mark to become “incontestable,” § 1065. . . .

. . . It is incredible to think that a district court’s adjudication of particular usages would not have preclusive effect in another district court. Why would unchallenged TTAB decisions be different? Congress’ creation of this elaborate registration scheme, with so many important rights attached and backed up by plenary review, confirms that registration decisions can be weighty enough to ground issue preclusion.

Id. at 1310.

Under the primary jurisdiction doctrine, the separate arbitral proceeding should be stayed in favor of the TTAB proceedings here. After this Board decides the key issues of registrability of the two marks (RT Rx and/or ROTH®) and the likelihood, if any, for confusion between them, this Board’s ruling must be given preclusive effect by the arbitrator under Hargis.

2. The Ultimate Issue To Be Decided Here, Registrability, Will Not Be Determined By The Separate Arbitration

The separate arbitration proceeding does not address and will not decide the central matter here, registrability of the mark at issue here, RT Rx. (Or, for that matter, the central matter in the separate cancellation proceeding filed by Dentsply, registrability of the mark ROTH®.) GAC has moved before the arbitrator to stay that proceeding pending this Board’s determination of the registrability of the RT Rx mark. Under Hargis, the Board’s determination here should take precedence over the arbitration. Thus, a “final determination” of issues in the arbitration will not have a bearing on the issues here, and even if it could, this case involves “unusual circumstances.” *See* T.B.M.P. § 510.02(a). Only this Board can determine the registrability of the RT Rx mark and whether the ROTH® mark should be cancelled. The arbitration, thus, should in no way affect the advancement of this proceeding.

CONCLUSION

For the reasons discussed above, there is no warrant for the Board to suspend this proceeding in light of the Trademark Rules, Supreme Court authority, policy considerations and the circumstances here. Dentsply therefore respectfully requests that the Opposer's Motion to Suspend be denied.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on this 21st day of September, 2016, a true and complete copy of the Response in Opposition to Oppose Motion to Suspend Proceedings has been served via First Class Mail, postage prepaid to:

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