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

Proceeding	91253736
Party	Defendant Nexsan Technologies
Correspondence Address	STEVEN A ABREU SUNSTEIN KANN MURPHY & TIMBERS LLP 100 HIGH STREET BOSTON, MA 02110 UNITED STATES trademarks@sunsteinlaw.com, sabreu@sunsteinlaw.com, ksoule@sunsteinlaw.com 617-443-9292
Submission	Opposition/Response to Motion
Filer's Name	Steven A. Abreu
Filer's email	sabreu@sunsteinlaw.com, ksoule@sunsteinlaw.com
Signature	/Steven Abreu/
Date	04/20/2020
Attachments	Nexsan Opposition to Dell and EMC Motion to Suspend.pdf(108748 bytes) Opposition to Motion to Suspend Exhibit 1 reduced size.pdf(437023 bytes) Opposition to Motion to Suspend Exhibit 2.pdf(49115 bytes)

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

In the Matter of Application:
Serial No.: 86/948,640
Mark: UNITY
Published: December 31, 2019

Dell Inc. and EMC Corporation,

Opposers,

v.

Nexsan Technologies,

Applicant.

Opposition No. 91253736

NEXSAN’S OPPOSITION TO DELL and EMC’S MOTION TO SUSPEND

Nexsan Technologies (“Nexsan”) hereby opposes the Motion to Suspend filed by Dell Inc. and EMC Corporation (the Opposers are collectively referred to as “EMC”). The Board should deny EMC’s motion because: (1) EMC’s opposition is based solely on the purported descriptiveness of the UNITY mark, whereas the distinctiveness of UNITY as a mark is not now and has never been an issue in the civil action; (2) the Board is in the best position to determine whether the UNITY mark is descriptive.

I. INTRODUCTION

EMC’s prior argument, which was made to the U.S. District Court for the District of Massachusetts and to this Board, was that UNITY was a valid distinctive trademark and that EMC had priority in it over Nexsan. Since the decision on priority was decided in Nexsan’s favor EMC now argues that UNITY is descriptive.

EMC's argument that UNITY is descriptive is without merit. UNITY is a distinctive mark and Nexsan welcomes the opportunity to refute EMC's attempt to prove UNITY is descriptive in this opposition. We ask that the Board not allow EMC to stymie Nexsan's progress towards registration of UNITY by suspending EMC's own opposition in favor of a district court action in which descriptiveness has never been at issue.

The District Court administratively closed its case three years ago. Nexsan does not seek to reopen the district court case because it has already received the relief from the district court that it initially sought, namely, a declaration that Nexsan does not infringe EMC's rights. EMC must have its own reasons for not seeking to proceed with its counterclaims. Nexsan now seeks registration of its UNITY trademark and the USPTO is the only body that can grant a U.S. trademark registration. Nexsan's effort to register its mark should not be suspended pending the conclusion of a long-dormant and non-germane court proceeding.

In addition, the Trademark Trial and Appeal Board is in the best position to determine whether the UNITY mark is merely descriptive as EMC asserts. The Board is comprised of experts on trademark law who make decision as to a mark's distinctiveness on a routine basis, and can efficiently handle an adjudication on descriptiveness in this matter. Further, judicial economy is not at issue since neither party made arguments as to the distinctiveness of UNITY to the district court.

II. FACTUAL BACKGROUND

In 2016, both Nexsan and EMC launched new computer storage systems branded "UNITY." On March 22 of that year, Nexsan filed intent-to-use ("ITU") applications to register the marks UNITY and NEXSAN UNITY in connection with "computer hardware and software

for use in managing storing, transferring, accessing, and sharing data in an enterprise private cloud environment” in class 9. See, Exhibit C to Opposer’s Motion to Suspend, 5 TTABVUE 71.

Five weeks later, EMC filed applications to register the marks UNITY and EMC UNITY in connection with “computer hardware; computer software for data management and data storage” in class 9 and “computer services, namely, computer consultation, customization of computer hardware and software, computer hardware and software design and development, deployment and installation of computer software” in class 42. See, Exhibit B to Opposer’s Motion to Suspend, 5 TTABVUE 65.

On April 29, 2016, John Hurley, counsel for EMC, sent a cease and desist letter to Nexsan alleging that Nexsan’s use and application to register UNITY and NEXSAN UNITY were an infringement of EMC’s rights in the UNITY mark. See, Exhibit 1.

On May 6, 2016, Nexsan filed suit against EMC, seeking a declaration that Nexsan, not EMC, had priority in the UNITY marks. In that civil action, *Nexsan Technologies Inc. v. EMC Corp.*, Civil Action 1:16-10847-WGY, United States District Court, District of Massachusetts, each party contended that undisputed facts require the conclusion that it has priority over the other. See, Declaration of counsel for EMC, Elizabeth Brenckman at ¶2, 5 TTABVUE 10.

On October 11, 2016, while the district court action was pending, EMC filed a notice of opposition to the NEXSAN UNITY mark. Nexsan asked the Board to suspend the opposition proceeding pending determination of the district court action on November 7, 2016. See, Exhibit 2.

After conducting discovery and submitting to the court cross-motions of summary judgment, the parties presented their competing arguments of priority in a January 11, 2017 hearing before Judge William G. Young. On April 14, 2017, the court issued a written decision,

concluding that Nexsan holds priority over EMC to the UNITY trademark. Significantly, the court rejected each argument made by EMC that it had made legally cognizable “use” of a UNITY mark prior to Nexsan’s ITU application. See, Exhibit 5 to EMC’s Motion to Suspend at 5 TTABVUE 88.

Nexsan’s application to register UNITY published for opposition on December 31, 2019, and EMC filed an opposition objecting to registration on the basis of descriptiveness. See, 1 TTABVUE.

III. ARGUMENT

A. EMC’s basis for opposition, that UNITY is a descriptive mark, is not germane to the dispute in the district court.

Contrary to EMC’s contention, the prior-filed civil action does not involve an issue central to this Opposition. The civil action, filed by Nexsan in search of a Declaratory Judgment of non-infringement, related to whether Nexsan or EMC had priority in the UNITY mark. In making its determination, the Court agreed that Nexsan’s earlier filing date gave Nexsan constructive priority over EMC. The court was unpersuaded by EMC’s arguments that Nexsan’s filing was the result of bad faith actions by Nexsan or Nexsan’s unclean hands. See, 5 TTABVUE 88.

EMC’s instant opposition is based on a different issue: whether the UNITY mark is inherently distinctive and capable of registration on the Principal Register. This is the sole ground of the opposition. See, 1 TTABVUE. EMC does not advance any ground of opposition in this case that was also a subject of argument in the district court case.

In fact, this is the first time that EMC has made the argument that UNITY is descriptive in the course of the four-year dispute between the parties. EMC did not advance this argument in the district court. Its arguments in that venue were that UNITY was a valid trademark in which it had prior rights. This first argument also forms the basis of EMC’s cease and desist letter sent by EMC

to Nexsan. Having failed at providing priority in UNITY, EMC now argues in this venue that the mark lacks distinctiveness.

Asserting that a mark lacks distinctiveness is a valid ground for an opposition. Nexsan welcomes defending the distinctiveness of its UNITY mark. Nexsan would like to proceed with a determination on descriptiveness of UNITY in this venue at all deliberate speed. However, EMC seeks to stymie its own opposition in favor of a district court case where the descriptiveness of UNITY as a mark has never been at issue. The Board should continue this proceeding on pace towards a decision on the merits of descriptiveness to bring clarity to this part of the dispute.

EMC's arguments in its Motion about Nexsan's allegedly fraudulent activities and bad faith are a smoke screen. The district court was not persuaded by these arguments when they were previously made by EMC. EMC argues that the district court's must still address facts "relevant to the registrability" of Nexsan's mark, including Nexsan's alleged fraudulent activities and bad faith. However, all of these issues are entirely irrelevant to this Opposition and were already addressed by the district court in its priority determination. Regarding "fraud," EMC alleges in its Motion that Nexsan engaged in fraudulent activities and bad faith actions, namely, by filing applications for UNITY and NEXSAN UNITY in bad faith. However, because EMC failed to prove priority in the district court action, EMC's allegation of fraud in the district court necessarily fails. Nexsan's application could not be based on fraud if EMC did not have priority in the first place.

More importantly, fraud, bad faith or unclean hands are completely irrelevant to a determination as to whether the mark UNITY is or is not inherently distinctive.

EMC makes mention of the Board's decision to suspend EMC's opposition of Nexsan's application to register NEXSAN UNITY but those circumstances were different for two reasons.

First, the NEXSAN UNITY was first suspended by Motion of the Applicant, Nexsan. See, Exhibit 2. In this case the Applicant opposes suspension. Second, EMC's opposition of NEXSAN UNITY was based on claims that were directly related to the dispute in the district court proceeding, namely, EMC's contention that EMC has priority in UNITY and that the NEXSAN UNITY application was filed in bad faith.

B. The Trademark Trial and Appeal Board is in the best position to make the descriptiveness determination.

The Trademark Trial and Appeal Board is the most efficient venue to make a determination of the descriptiveness of the UNITY mark. First, it is arguable that both parties agree that the Board should make such a determination: Nexsan states explicitly as such in this brief and EMC by its actions, having first brought attention to the purported lack of distinctiveness of UNITY to this Board rather than in front of the District Court. It follows that since EMC filed this opposition it has an interest in having this opposition decided by the Board.

Second, the Board has the requisite expertise and experience to easily make such a determination. District Courts have regularly noted such expertise. Indeed, under the doctrine of "primary jurisdiction," district courts have stayed suits pending decisions by the TTAB, finding that the Trademark Board is "better equipped than are the courts" to determine trademark matters, finding that the driving factor is whether a stay would be the "more efficient" course of action. *See, e.g., Driving Force, Inc. v. Manpower, Inc.*, 498 F.Supp. 21, 25-26 (E.D.Pa.1980) (ordering stay pending TTAB resolution of opposition proceeding); *Rhoades v. Avon Prod., Inc.*, 504 F.3d 1151, 1165, 1164 n. 13 (9th Cir. 2007) ("The deciding factor should be efficiency" and "district courts should defer to ... [the] TTAB in cases where that would be the more efficient course of action."); *Citicasters Co. v. Country Club Communications*, 44 U.S.P.Q.2d 1223, 1997 WL 715034 (C.D. Cal. 1997) (stay of court case allowing TTAB proceeding to go forward granted

because of “the efficiencies generated by the TTAB first addressing the issues involved in this matter,” and because “the court is confident that the TTAB will exercise its specialized knowledge in effecting a determination that will prove valuable to this court”).

Since this opposition has already been commenced, and the District Court case is administratively closed, the Board can take up a determination of this contention at all deliberate speed right now. Furthermore, as argued previously, the distinctiveness of the mark was never at issue in the District Court. The Court heard no evidence on this point and the parties did not even exchange discovery on this point having limiting their inquiries only to the question of priority.

IV. CONCLUSION

For the foregoing reasons Applicant Nexsan respectfully requests that Opposer’s Motion for Suspension be denied.

Dated: April 20, 2020
Boston, Massachusetts

NEXSAN TECHNOLOGIES INCORPORATED

By its attorneys,



Steven A. Abreu
Katherine W. Soule
Sunstein LLP
100 High Street
Boston, MA 02110
Tel: (617) 443-9292
sabreu@sunsteinlaw.com
ksoule@sunsteinlaw.com

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing Answer to Notice of Opposition has been served on April 20, 2020, to counsel for Opposers, Elizabeth Brenckman by electronic mail to ebrenckman@orrick.com, and mweddington@orrick.com.



Steven A. Abreu

Exhibit 1

BY EMAIL: sabreu@sunsteinlaw.com and trademarks@sunsteinlaw.com

April 29, 2016

Steven A. Abreu, Esq.
Sunstein Kann Murphy & Timbers LLP
125 Summer Street
Boston, Massachusetts 02110

RE: Nexsan's trademark applications for UNITY and NEXSAN UNITY

Dear Mr. Abreu:

I am IP Counsel at EMC Corporation. With annual sales of approximately \$25 billion and market capitalization of over \$50 billion, EMC is a Fortune 200 company and the world's leading developer and provider of information infrastructure technology and solutions, including hardware, software and services for storing and managing data.

We recently became aware that your client Nexsan Technologies filed two trademark applications with the USPTO for marks that include the term UNITY: Ser. No. 86948652 for the mark NEXSAN UNITY, and Ser. No. 86948640 for the mark UNITY. Both marks are for goods in Class 9, namely, "computer hardware and software for use in managing, storing, transferring, accessing, and sharing data in an enterprise private cloud environment." Those applications were filed March 22, 2016, on an intent-to-use basis. No amendment to allege use has yet been filed in support of either application.

EMC first used the mark UNITY for an extension of its VNX product line over a year ago in customer presentations. For example, on March 19, 2015, EMC presented the UNITY product line to a customer and large reseller. There were at least three other customer presentations of the UNITY product line that month alone. Since that time, EMC's UNITY products have been presented to dozens of third parties.

Today EMC filed two applications with the USPTO, both use-based and both with the March 19, 2015, date of first use. Those applications are for the marks UNITY and EMC UNITY and cover the following goods and services:

Class 9: Computer hardware; computer software for data management and data storage.

Class 42: Computer services, namely, computer consultation, customization of computer hardware and software, computer hardware and software design and development, deployment and installation of computer software.

As you will readily see, EMC uses its UNITY marks for goods and services that are the same as and/or closely related to the goods in Nexsan's two UNITY applications. Since the parties' marks are, respectively, identical or confusingly similar, the parties' uses conflict. Based on EMC's senior use of its own UNITY marks, we believe Nexsan does not have the right to use UNITY as a mark on similar goods and services. Accordingly, we ask for Nexsan's immediate agreement to do the following:

1. Expressly abandon the two above-referenced USPTO applications; and
2. Not use any UNITY mark for goods or services related to EMC's UNITY goods and services.

We ask for a response from you within one week, by Friday, **May 6, 2016**. We further request that you send us a copy of your submission to the USPTO, withdrawing or abandoning Nexsan's two UNITY applications. EMC reserves the right to commence legal action without further notice in the event those applications proceed toward registration and/or Nexsan initiates use of any UNITY mark in connection with similar goods or services.

If you would like to discuss this matter by telephone or email, please do not hesitate to contact me at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "John T. Hurley".

John Hurley
Intellectual Property Counsel
(Direct) 508-293-6820
john.t.hurley@emc.com

Exhibit 2

ESTTA Tracking number: **ESTTA781351**

Filing date: **11/07/2016**

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

Proceeding	91230537
Party	Defendant Nexsan Technologies
Correspondence Address	STEVEN A ABREU SUNSTEIN KANN MURPHY & TIMBERS LLP 125 SUMMER STREET BOSTON, MA 02110 trademarks@sunsteinlaw.com
Submission	Motion to Suspend for Civil Action
Filer's Name	Steven A Abreu
Filer's e-mail	sabreu@sunsteinlaw.com
Signature	/Steven Abreu/
Date	11/07/2016
Attachments	Motion to Suspend.pdf(32999 bytes)

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

In the Matter of Application:

Serial No.: 86/948,652
Mark: NEXSAN UNITY
Published: August 9, 2016

EMC Corporation Opposer, v. Nexsan Technologies Applicant.	Opposition No. 91230537
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MOTION TO SUSPEND

Applicant Nexsan Technologies moves the Board to suspend the above referenced Opposition pending the outcome of the civil action, *Nexsan Technologies v. EMC Corporation*, No. 1:16-cv-10847-WGY, between the Parties, now pending in the Federal District Court for the District of Massachusetts with respect to the above-referenced trademark. This Motion is made pursuant to TBMP 510.02(a) and 37 C.F.R. §2.117. The current federal court proceeding involves a dispute between Nexsan and EMC with respect to priority in the UNITY, EMC UNITY and NEXSAN UNITY trademarks. Thus, the Federal Court's determination as to priority will have a bearing on the Board's determination in this case. Discovery with respect to the issue of priority has already been completed and both Parties have filed Motions for Summary Judgment on the issue. For these reasons a suspension of the Opposition is proper.

Dated: November 7, 2016

NEXSAN TECHNOLOGIES

By its attorneys,

/Steven A. Abreu/
Steven A. Abreu
SUNSTEIN KANN MURPHY & TIMBERS LLP
125 Summer Street
Boston, Massachusetts 02110-1618
(617) 443-9292
sabreu@sunsteinlaw.com

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing Consented Motion has been served on Elizabeth Brenckman of Fish & Richardson, 601 Lexington Avenue, Floor 52, New York, NY 10022.

/Steven A. Abreu/

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