**United States Patent and Trademark Office**
**Trademark Trial and Appeal Board**
P.O. Box 1451
Alexandria, Virginia 22313-1451

Taylor

Mailed: September 19, 2005

Cancellation No. 92043340

A.V. Imports, Inc.

v.

Spirits International, N.V.

Before Walters, Bucher and Walsh, Administrative Trademark Judges.

By the Board:

A.V. Imports, Inc. seeks to cancel the registration of Spirits International, N.V. for the mark RUSSKAYA for "vodka."[1] Petitioner has alleged abandonment as the sole ground for cancellation. Specifically, petitioner has alleged that it has a pending application for the mark RUSSKAYA for "vodka";[2] that the RUSSKAYA mark has not been in use for at least seven years; and that the registered RUSSKAYA mark has been abandoned.

Respondent, in its answer, has denied the essential allegations of the petition to cancel.

---

[1] Registration No. 1487042 issued May 3, 1988, Section 8 affidavit accepted May 14, 1995.

[2] Application Serial No. 76573600 filed January 30, 2004, and alleging a bona fide intention to use the mark in commerce.

This case now comes up for consideration of petitioner's motion (filed May 11, 2005) for summary judgment on the ground that respondent has abandoned the involved mark with no intent to resume use. In its motion, petitioner contends that it has established a *prima facie* case of abandonment because respondent has admitted that it has not made any commercial use of the RUSSKAYA mark since May 10, 2001, the date respondent purportedly acquired the mark from PepsiCo, i.e., a period of more than three consecutive years of nonuse. Petitioner further contends that documents produced by respondent suggests that no vodka bearing the RUSSKAYA brand has been sold in the United States since at least November 1994. Petitioner also argues that respondent has provided no evidence of excusable nonuse and no evidence of its use of the mark or an intent to resume use of the mark.[3]

---

[3] Petitioner alternatively argues that because the previous owner of the involved RUSSKAYA mark abandoned the mark prior to its transfer to respondent, the assignment of rights to the RUSSKAYA mark to respondent is void *ab initio* and, therefore, respondent never acquired any trademark rights in the RUSSKAYA mark. This argument has been given no consideration, inasmuch as it is directed to an unpleaded claim. In that regard, it is well established that a party may not obtain summary judgment on an issue which has not been pleaded. See Fed. R. Civ. P. 56(a) and 56(b); and *Paramount Pictures Corp. v. White*, 31 USPQ2d 1768 (TTAB 1994).

Likewise, respondent's inappropriate motion for discovery of "PepsiCo," its predecessor in interest, pursuant to Fed. R. Civ. P. 56(f) has been given no consideration. Respondent also should note that a proper Rule 56(f) request must be supported by an affidavit showing that the nonmoving party cannot, for reasons stated, present by affidavit facts essential to justify opposition to the motion. Apart from the lack of affidavit,

For these reasons, petitioner maintains that respondent abandoned the RUSSKAYA mark and, accordingly, respondent's involved Registration No. 1487042 should be cancelled.[4]

In its brief in opposition to the motion for summary judgment, respondent asserts that there are many issues of material fact that preclude summary judgment. More specifically, respondent argues that it never abandoned the RUSSKAYA mark because it never ceased using the mark with the intention not to resume use; that its plans to resume use of the RUSSKAYA mark in the United States have been affected by a worldwide dispute with the Russian Federation and various Russian agencies and state-owned companies over rights to a group of vodka marks, including the RUSSKAYA mark; that while the RUSSKAYA trademark is not yet explicitly at issue in the worldwide legal actions, the theories advanced in these other cases could be used to

---

respondent filed a brief in opposition to petitioner's motion for summary judgment.

[4] As evidentiary support for its motion, petitioner submitted, among other things, the declaration of Justin Pierce. The Board notes that petitioner filed a corrected copy of the Pierce declaration, arguing that it should have been filed under seal because Exhibit C thereto contained documents labeled confidential. We note the parties' stipulated protective agreement filed May 16, 2005 and made of record on July 26, 2005. Although the corrected copy of the declaration is marked confidential filed under seal, it appears that only Exhibit C was filed under separate cover and marked confidential. In any case, the only document that should not be a part of the public record is Exhibit C and the corrected version of the Pierce declaration will remain a part of the public record.

challenge respondent's rights to the RUSSKAYA mark; and that because of the continuing worldwide legal disputes and the resulting drain on respondent's resources, respondent "concluded that it was not prudent to re-launch RUSSKAYA vodka in the United States until its rights in the RUSSKAYA mark were confirmed." For those reasons, respondent maintains that its nonuse of the RUSSKAYA mark is excused.

Respondent further argues that now that it has received several favorable rulings in its worldwide disputes over its rights to the vodka marks, it has taken concrete steps to re-launch the RUSSKAYA brand in the United States.

In reply, petitioner contends that respondent failed to overcome the statutory presumption of abandonment. More particularly, petitioner contends that respondent did not dispute the fact that it never used the RUSSKAYA mark since acquiring the registration on January 1, 2001 and therefore the statutory presumption has been met. Petitioner further argues that respondent had failed to set forth sufficient evidence of actual plans to resume use of the RUSSKAYA mark in the United States; that instead, respondent relies on two uncorroborated statements that respondent purportedly took steps to re-launch the RUSSKAYA brand in the United States; that this evidence, in the form of the declaration of Alexander Skuratov, contains no dates nor does it refer to any reliable supporting exhibit; that because the

declaration contains no dates, the activities cited therein could have arisen after petitioner filed the petition to cancel; and therefore, the self-serving affidavit is insufficient to negate the presumptive abandonment and to avoid summary judgment.[5]

Petitioner also contends that respondent has failed to set forth a sufficient excuse for nonuse of the RUSSKAYA mark in the United States. More particularly, petitioner contends that respondent's attempts to justify its failure to use the mark by citing the existence of various worldwide litigation relating to vodka trademarks since 1991 is not sufficient to excuse respondent's nonuse of the RUSSKAYA mark because respondent did not explain how or why the outcome of these proceedings in any way interferes with its exploitation of RUSSKAYA brand vodka in the United States.

As has often been stated, summary judgment is an appropriate method of disposing of cases in which there are no genuine issues of material fact in dispute, thus leaving the case to be resolved as a matter of law. *See* Fed. R. Civ. P. 56(c). Petitioner, as the party moving for summary

[5] We also note petitioner's request that the allegations in the Skuratov declaration be stricken as a discovery sanction for respondent's failure to identify these facts during the discovery phase of this proceeding. We do not find the request, buried in a footnote to petitioner's reply brief, rises to the level of a motion. Accordingly, it has not been considered. We hasten to add that the Skuratov declaration will be accorded the probative value it merits.

judgment has the initial burden of demonstrating the absence of any genuine issue of material fact. *See Celotex Corp. v. Catrett*, 477 U.S. 317 (1986), and *Sweats Fashions Inc. v. Pannill Knitting Co.*, 833 F.2d 1560, 4 USPQ2d 1793 (Fed. Cir. 1987). The evidence must be viewed in a light most favorable to the non-movant, and all justifiable inferences are to be drawn in the non-movant's favor. *See Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027 (Fed. Cir. 1993), and *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992).

Based on the record now before us and for the reasons discussed below, we conclude that summary judgment is not appropriate in this case. Section 45 of the Trademark Act, 15 U.S.C. § 1127, provides that a mark is abandoned when "its use has been discontinued with intent not to resume use. … Nonuse for three consecutive years shall be prima facie evidence of abandonment." *See Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982). Introduction of evidence of nonuse of the mark for three consecutive years constitutes a *prima facie* claim of abandonment and shifts the burden to the party contesting abandonment to show either: (1) evidence to disprove the underlying facts triggering the presumption of nonuse or (2) evidence of an intent to resume use to disprove the presumed

fact of no intent to resume use. See Trademark Act 45, 15 U.S.C. § 1127; *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 899 F.2d 1575, 14 USPQ2d 1390 (Fed. Cir. 1990); see generally 2 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition*, 17:18 (4th ed. 1996).

There is no dispute that respondent has not used the RUSSKAYA mark for vodka in the United States between May 10, 2001, when the mark was assigned to respondent, and May 19, 2004, when the petition for cancellation was filed. As such, and for purposes of this motion for summary judgment, petitioner has made out a *prima facie* case of abandonment and the burden shifts to respondent to provide evidence of an intent to resume use. *See Imperial Tobacco, supra*; and Trademark Act Section 45, 15 U.S.C. § 1127.

In order to establish intent to resume/commence use, respondent must put forth evidence with respect to either specific activities undertaken during the period of nonuse or special circumstances which excuse nonuse. See *Cerveceria India Inc. v. Cerveceria Centroamerica, S.A.,* 10 USPQ2d 1064 (TTAB 1989), aff'd, *Cerveceria Centroamerica S.A. v. Cerveceria India Inc.,* 892 F.2d 1021, 13 USPQ2d 1307 (Fed. Cir. 1989).

The only evidence that respondent provided to show any attempt to market vodka under the RUSSKAYA mark in the United States is the declaration of Alexander Skuratov, the

regional manager of an affiliate company of respondent.[6] However, the statements made in the Skuratov declaration contain no reference to any dates and, accordingly, are of little, if any, probative value.

As to circumstances that would excuse respondent's nonuse of the RUSSKAYA mark, we find at a minimum that genuine issues of material fact remain as to whether there is a nexus between issues involved in foreign litigation, and litigation involving vodka marks owned by respondent other than RUSSKAYA, and respondent's nonuse of the RUSSKAYA mark in the United States. That is, there are factual issues as to what extent, if any, litigation outside the United States regarding other related Russian vodka marks, and litigation in the United States involving other related Russian vodka marks, might indicate significant legal and/or

---

[6] In his declaration, Mr. Skuratov states:

3. SPI has taken the following steps to re-launch RUSSKAYA brand vodka for sale in the United States:

a. Samples of the product and a Statement of Manufacture have been submitted to the laboratory of the United States Alcohol and Tobacco Tax and Trade Bureau (the "TTB") for pre-COLA product evaluation. The laboratory number assigned to this application for approval by the TTB is 120050630.

b. S.P.I. Spirits (Cyprus) Limited has reached a preliminary agreement with its current distributor, Allied Domecq Sprits and Wine USA, Inc., to commence delivery of RUSSKAYA brand vodka to the United States immediately upon TTB approval.

financial risks in undertaking use of the RUSSKAYA mark in the United States. A factual finding that such risks exist could support a finding of excusable nonuse.

In view of the foregoing, petitioner's motion for summary judgment is denied.

Proceedings herein are resumed and trial dates are reset as indicated below.

| | |
|---|---|
| THE PERIOD FOR DISCOVERY TO CLOSE: | CLOSED |
| 30-day testimony period for party in position of plaintiff to close: | December 1, 2005 |
| 30-day testimony period for party in position of defendant to close: | February 13, 2006 |
| 15-day rebuttal testimony period to close: | March 30, 2006 |

In each instance, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.l25.

Briefs shall be filed in accordance with Trademark Rule 2.l28(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.l29.

***