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

BUO

Mailed: December 2, 2013

Cancellation No. 92057806
("Parent")

Cancellation No. 92057807 Cancellation No. 92057820

American Pro International Corp.

v.

American DJ Supply, Inc.

## Benjamin U. Okeke, Interlocutory Attorney:

Now before the Board is respondent's motion, filed October 14, 2013, to suspend the proceeding pending the disposition of various civil actions, filed in proceeding No. 92057820; respondent's motions, filed October 14, 2013, to dismiss the petitions for cancellation in proceeding Nos. 92057806 and 92057807; and respondent's motion, also filed October 14, 2013 in the '806 proceeding, to consolidate proceeding Nos. 92057806, 92057807, and 92057820. Petitioner contests respondent's motions to suspend pending the disposition of the civil actions, and its motions to dismiss the petition for cancellation.

Petitioner did not object to respondent's motion to consolidate.

## Consolidation

Respondent's motion to consolidate is **GRANTED** as conceded, because petitioner failed to respond thereto.

Trademark Rule 2.127(a); Central Mfg., Inc. v. Third

Millennium Technology, Inc., 61 USPQ2d 1210 (TTAB 2001);

Boston Chicken, Inc. v. Boston Pizza Int'l, Inc., 53 USPQ2d 1053 (TTAB 1999).

The Board notes initially that respondent has yet to file its answer in any of the proceedings for which consolidation is sought. See TBMP § 511.

The Board may consolidate pending cases that involve common questions of law or fact. See Fed. R. Civ. P. 42(a); see also, Regatta Sport Ltd. v. Telux-Pioneer Inc., 20

USPQ2d 1154 (TTAB 1991) and Estate of Biro v. Bic Corp., 18

USPQ2d 1382 (TTAB 1991). Inasmuch as the parties to the respective proceedings are the same and the proceedings involve common questions of law or fact, the Board finds that consolidation of the above-referenced proceedings is appropriate. Consolidation will avoid duplication of effort concerning the factual issues and will thereby avoid unnecessary costs and delays.

Accordingly, Cancellation Nos. 92057806, 92057807 and 92057820 are consolidated and may be presented on the same record and briefs. The record will be maintained in Cancellation No. 92057806 as the "parent" case. The parties should no longer file separate papers in connection with each proceeding, but file only a single copy of each paper in the parent case. However, because these proceedings are being consolidated before the filing of answers in those proceedings, respondent must file its answers in each proceeding, following which subsequent filings should be filed only in the parent case.

Each paper filed should bear the numbers of all consolidated proceedings in ascending order, and the parent case should be designated as the parent case by following it with: "(parent)," as in the case caption set forth above.

Consolidated cases do not lose their separate identity because of consolidation. Each proceeding retains its separate character and requires entry of a separate judgment. The decision on the consolidated cases shall take into account any differences in the issues raised by the respective pleadings and a copy of the final decision shall be placed in each proceeding file. See Dating DNA LLC v. Imagini Holdings Ltd., 94 USPQ2d 1889 (TTAB 2010).

The parties are instructed to promptly inform the Board of any other related cases within the meaning of Fed. R. Civ. P. 42.

## Motion to Suspend

By way of background, American Pro International Corp. ("petitioner") has petitioned to cancel Registration Nos. 2652876 (AMERICANDJ), 1 3047295 (AMERICAN DJ), 2 and 3964197 (AMERICAN AUDIO), 3 owned by American D.J. Supply, Inc. ("respondent"). In the petition to cancel the '876 and '295 registrations, petitioner alleges that respondent has abandoned the registrations and that respondent committed fraud in maintaining and renewing the registrations, based upon nonuse. In its petition to cancel the '197 registration, petitioner alleges that the mark is merely descriptive of respondent's audio products, and that

<sup>&</sup>lt;sup>1</sup> Subject registration in proceeding No. 92057807, and registered on the Supplemental Register on November 19, 2002, from an application filed April 9, 2001, for use with a "series of musical sound recordings."

<sup>&</sup>lt;sup>2</sup> Subject registration in proceeding No. 92057806, and registered on the Principal Register under Section 2(f) of the Trademark Act, 15 U.S.C. 1052(f), on January 24, 2006, from an application filed October 24, 2002, for use with "gym bags" and "clothing, namely t-shirts, jackets, ties and caps."

<sup>&</sup>lt;sup>3</sup> Subject registration in proceeding No. 92057820, and registered on the Principal Register under Section 2(f) of the Trademark Act, 15 U.S.C. 1052(f), with a disclaimer of the term "AUDIO," on May 24, 2011, from an application filed February 16, 2010, for use with "[a]udio amplifiers and audio mixers ...; audio mixer accessories ...; ... sound cards ...; computer software for audio mixers...; cases for audio equipment; audio recorders and players ...; audio speakers, audio speaker accessories ...; audio headphones;

respondent's mark is primarily geographically descriptive of the origin of respondent's audio products under Sections 2(e)(1) and 2(e)(2) of the Trademark Act.

Respondent avers that this now consolidated proceeding should be suspended pending the disposition of "multiple" civil actions involving both parties to this proceeding, filed in the Central District of California, and the Southern District of California. Respondent attached plaintiff's (petitioner here) amended answer to defendant's (respondent) counterclaim as an exhibit to its motion.

For its part, petitioner argues that "as presently constituted, final determination of the pending litigation ... will have no bearing on this Cancellation proceeding because the issue of cancellation of the '197 Registration is not before the district court." Petitioner states that "[w]hile the Board is empowered with the discretion to suspend proceedings where a civil action seeks relief identical to the relief requested in the TTAB, the Board is not required to automatically suspend proceedings in the face of concurrent civil litigation."

microphones ...; electric cables and wires ...; and electrical power distribution units."

<sup>4</sup> Respondent provided the case number for the Central District case, as Case No.: CV12-08951 MWF; and the Southern District case is styled as American Pro Int'l. Corp., ARPI Group, Inc., Claudio Resnick, and Omar Diaz Blasco v. American DJ Supply, Inc., Case No. 13-CV-22093-CMA (S.D. Cal. 2013).

It is the policy of the Board to suspend proceedings when the parties are involved in a civil action, which may be dispositive of or may have a bearing on the Board case. See Trademark Rule 2.117(a). The Board may suspend proceedings whenever it comes to the attention of the Board that a party or parties to a case pending before it are involved in a civil action which may have a bearing on the Board case. Trademark Rule 2.117(a). See General Motors Corp. v. Cadillac Club Fashions Inc., 22 USPQ2d 1933 (TTAB 1992). Suspension of a Board proceeding pending the final determination of another proceeding is solely within the discretion of the Board. See Opticians Ass'n of Am. v. Independent Opticians of Am. Inc., 734 F. Supp. 1171, 14 USPQ2d 2021 (D.N.J. 1990).

While petitioner's argument regarding identity of relief sought before the Board and federal courts is facial correct, it is nonetheless inaccurate. The relief sought before a federal court need not mirror the relief sought before the Board in order for the Board to exercise its discretion to suspend its proceeding. Petitioner makes much of the fact that cancellation has not been sought in the civil action and that the district court will not determine whether the subject registrations should be cancelled. This reasoning ignores the language of Trademark Rule 2.117(a), which states that a proceeding may

be suspended pending disposition of a civil action which may have a bearing on the proceeding. The claims in the civil action and Board proceeding need not be mirror images, all that is required is that the court's discussion of any issues in a civil action may have some bearing on the Board's determinations, i.e. where a court's finding on any pertinent issue may inform our decision on any of the outstanding issues. See, e.g., New Orleans Louisiana Saints LLC v. Who Dat? Inc., 99 USPQ2d 1550, 1552 (TTAB 2011) (civil action need not be dispositive of Board proceeding, but only needs to have a bearing on issues before the Board).

Petitioner cites cases involving infringement as an example of situations where it would be improper for the Board to suspend a concurrent proceeding. However, where grounds for a civil action involve a claim of infringement, a claim that is indeed outside the Board's purview, the court's findings regarding the similarity of the marks or relatedness of the goods or services may have a bearing on a concurrent Board proceeding and would inform our determination on those issues. Therefore, suspension of the Board's proceeding would be appropriate in view of a related civil action involving a claim of infringement.

See Other Tel. Co. v. Conn. Nat'l Tel. Co., 181 USPQ 125, 126-27 (TTAB 1974) (decision in civil action for

infringement and unfair competition would have bearing on outcome of Trademark Act § 2(d) claim before Board), pet. denied, 181 USPQ 779 (Comm'r 1974).

Our review of petitioner's amended answer and asserted affirmative defenses filed in the civil action reveals that the court's determination of outstanding issues in that proceeding may undoubtedly have a bearing on the instant proceeding. In particular, petitioner alleges in its third affirmative defense that respondent's counterclaim should be barred due to respondent's "unclean hands" in committing fraud upon USPTO:

in maintaining and renewing the trademark registrations for their so-called "family of American marks," including without limitation AMERICANDJ and AMERICAN DJ, when ADJ knowingly made false, material representations with the intent to deceive the PTO. Specifically, ADJ knowingly and falsely represented that it was using the AMERICANDJ and AMERICAN DJ trademarks, with the intent to deceive the PTO when it maintained and renewed its registrations.

Indeed, this is the very claim and set of facts that proceeding Nos. 92057806 and 92057807 are based upon, petitioner even naming the subject marks in its affirmative defense in the civil action. Additionally, as respondent notes in its motion, petitioner's fourth affirmative defense in the civil action, alleges that respondent's counterclaim should be barred "because the mark AMERICAN AUDIO is merely descriptive and this trademark has not

acquired secondary meaning with respect to ADJ;" again naming the subject mark of proceeding No. 92057820.

Petitioner will not now be heard to claim that the civil actions will have no bearing on this proceeding, when petitioner itself named the subject marks in its pleading in the civil actions and has alleged claims identical to those at issue in this consolidated proceeding. In fact, the court's determination of any of these issues could potentially be dispositive of this proceeding, as a determination of fraud or descriptiveness by the district court would be "binding upon the Board," and necessitate cancellation of the registrations. TBMP § 510.02(a) (3d ed. rev. 2013); see also, The Other Tel. Co., 181 USPQ 779 (Comr. 1974); Whopper-Burger, Inc. v. Burger King Corp., 171 USPQ 805 (TTAB 1971). Therefore, proceeding here would risk inconsistent judgments, which establishes that judicial economy would in fact be best served by waiting for the Court to resolve the parties' fraud and descriptiveness disputes.

Accordingly, respondent's motion to suspend this proceeding pending final determination of the civil actions is **GRANTED**. The consolidated cancellation proceeding is suspended pending final disposition of the civil actions.

## Motion to Dismiss

In view of the suspension of this proceeding, respondent's motions to dismiss, filed in proceeding Nos. 92057806 and 92057807 are **DENIED** without prejudice.

Within TWENTY DAYS after the final determination of the civil action, the parties shall so notify the Board in writing, including a copy of the court's final order.

If respondent believes its motion pending at the time of suspension and denied by this order was not resolved or made moot by the civil action, respondent may renew the motion by citing its title, date of filing, and docket entry in the Board's electronic proceeding file. Any motion renewed must be accompanied by a signed statement that the motion has been reviewed in its entirety and concerns matters still disputed between the parties.

If petitioner believes that its original response requires supplementation in view of events since suspension, petitioner is allowed **FIFTEEN DAYS** from the date of service of the renewal of the motion to file a supplemental response.

During the suspension period, the parties shall notify the Board of any address changes for the parties or their attorneys.