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

Proceeding	92060348
Party	Plaintiff BuzzBallz, L.L.C.
Correspondence Address	CHARLES A IRVIN BUZZBALLZ LLC 2114 MCDANIEL DRIVE CARROLLTON, TX 75006 UNITED STATES Email: compliance@buzzballz.com, charles.irvin@buzzballz.com
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Signature	/s/ Charles A. Irvin /s/
Date	12/11/2017
Attachments	OppositionToMotionForSuspension.pdf(85096 bytes) ExhibitA-ShowCauseOrder.pdf(82197 bytes) ExhibitB-BuzzBallzResponse.pdf(123956 bytes) ExhibitC-BuzzBoxResponse.pdf(99766 bytes) ExhibitD-BoardRuling.pdf(116034 bytes)

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

BUZZBALZ, L.L.C.,	§	
Opposer	§	
v.	§	Opposition No. 91233863 (parent case)
	§	Cancellation No. 92060348
BUZZBOX BEVERAGES, INC.,	§	
Applicant	§	
	§	

**OPPOSER’S RESPONSE IN OPPOSITION TO APPLICANT’S MOTION TO SUSPEND
PENDING FINAL DETERMINATION OF A CIVIL ACTION**

Pursuant to 37 C.F.R. § 2.117 and §§ 502.02(b) and 510.02 of the Trademark Trial and Appeal Board Manual of Procedure (“TBMP”), Opposer BuzzBallz, L.L.C. (“Opposer” or “BuzzBallz”) hereby submits its response in opposition to Applicant BuzzBox Beverages, Inc.’s (“Applicant” or “BuzzBox”) Motion to Suspend Pending Final Determination of a Civil Action (“Applicant’s motion”) and, in support of such response, would show as follows:

I. FACTS & PROCEDURAL BACKGROUND

1. On or about August 20, 2014, BuzzBallz filed a civil lawsuit between the parties in the District Court for the Central District of California styled *BuzzBallz, L.L.C. v. BuzzBox Beverages, Inc.*, Case No. 5:14-cv-01725 (“the prior district court case”).
2. On or about June 27, 2016, the court entered its Judgment on the Verdict (“the Judgment”) in the prior district court case (10 TTABVUE 153-154).
3. November 10, 2014, BuzzBallz filed its Petition to Cancel with the Trademark Trial and Appeal Board (“the Board” or “TTAB”) seeking cancellation of Registrant’s BUZZBOX standard text mark. That proceeding (Cancellation No. 92060348) (“the cancellation”) is the child case of this consolidated proceeding.

3. On or about August 11, 2016, the Board ordered BuzzBallz to show cause why the cancellation should not be dismissed with prejudice in view of the Judgment. (Attached hereto as Exhibit A).

4. On or about December 28, 2016, after considering responsive pleadings from both parties, the Board declined to apply the doctrines of claim preclusion or issue preclusion and ruled BuzzBallz had shown cause why the cancellation should not be dismissed. The Board resumed the cancellation proceeding and reset dates therein. (Attached hereto as Exhibit D).

5. On or about April 7, 2017, BuzzBallz filed its Notice of Opposition to Applicant's BUZZBOX graphic mark (Application Serial No. 87165371) with the Board. That proceeding (Opposition No. 91233863) ("the opposition") is the parent case of this consolidated proceeding.

6. On or about August 2, 2017, after considering a joint motion to consolidate filed by the parties, the Board ordered the cancellation and the opposition consolidated and reset dates therein. (9 TTABVUE 1-3)

7. On or about November 8, 2017, BuzzBox filed its Complaint with the District Court for the Central District of California in a civil lawsuit styled *Buzzbox Beverages, Inc. v. BuzzBallz, L.L.C.*, Case No. 5:17-cv-02281-WDK-KK ("the civil action"). Applicant's Complaint in the civil action seeks, among other things, a declaratory judgment that both the cancellation and the opposition are barred by the judgment in the prior district court case. (10 TTABVUE 6-13).

II. INTRODUCTION

Applicant's motion should be denied for, at a minimum, the following reasons: First, this matter is near completion in comparison to the civil action and should be allowed to proceed in the interest of efficiency and justice. Second, at the time of this filing, BuzzBallz is preparing to file a Motion to Dismiss the civil action in its entirety. Should BuzzBallz's Motion to Dismiss the

civil action be denied in whole or in part, BuzzBallz intends to immediately file a Motion to Stay the civil action pending resolution of this matter before the Board. Accordingly, there is no reasonable certainty the civil action will proceed at this time. Third, the civil action and BuzzBox's corresponding motion to suspend this consolidated proceeding is a delay tactic and attempted forum shopping intended to avoid an unfavorable TTAB decision that would be highly persuasive, if not preclusive, in district court. The Board should not reward such procedural gamesmanship with a suspension that will serve to further delay a long-awaited final determination of this matter. Finally, the civil action is, at least in part, an attempt to improperly relitigate the Board's prior decision not to apply the doctrines of claim preclusion or issue preclusion in the cancellation.

Opposer respectfully requests the Board exercise its discretion to deny Applicant's Motion to Suspend Pending Final Determination of a Civil Action; or, in the alternative, Opposer respectfully requests the Board delay consideration of Applicant's motion until Opposer's above-referenced motions in the civil action are decided.

III. ARGUMENTS & AUTHORITIES

Applicant's three paragraph motion neglects to brief, or mention even once, how Count II of the complaint in the civil action may have a bearing on this consolidated proceeding. (10 TTABVUE 2-3). Since Applicant's motion did not address Count II, Applicant's motion for suspension relies solely on how Count I may bear on this consolidated proceeding. Therefore, BuzzBallz will not further address Count II of the complaint in the civil action in this response.

The Board has discretion to suspend proceedings when the parties to a case pending before it are involved in a civil action that may have a bearing on the Board case. 37 C.F.R. § 2.117(a); TBMP § 510.02(a). Additionally, "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.” *Boyd's Collection Ltd v. Herrington & Co.*, 65 U.S.P.Q.2d 2017 (TTAB 2003). Suspension is not the proper result in this proceeding for at least the reasons mentioned above, which are more fully explained below.

a. The Principles of Efficiency and Justice Favor Moving Forward with This Proceeding

Absent good cause, the Board should deny a motion to suspend an *inter partes* proceeding when such suspension would delay final determination of the matter. *Jodi Kristopher Inc. v. Int'l Seaway Trading Corp*, 91 U.S.P.Q.2d 1957 (TTAB 2009). Granting Applicant's motion would result in a lengthy delay because Applicant moved to suspend this consolidated proceeding pending final determination of the civil action. The term “final determination” means “when an order or ruling that ends litigation has been rendered, and no appeal has been filed, or all appeals filed have been decided and the time for any further review has expired.” TBMP § 510.02(b). No good cause to suspend this proceeding exists and, as discussed below, a suspension will result in delaying a final determination of this matter.

Discovery is set to close in this consolidated proceeding on February 17, 2018, just one month after the responsive pleading deadline in the civil action. (9 TTABVUE 3). Opposer expects the answer deadline will be extended by rule in response to Opposer's filing of a motion to dismiss the civil action in accordance with Fed. R. Civ. P. 12(a)(4). Trial is set to begin in this consolidated proceeding on April 18, 2018. (9 TTABVUE 3). Based on prior experience, and barring exceptional circumstances, Opposer does not expect the civil action could reach trial until at least midway through 2019, with a real possibility of pushing into 2020. Should BuzzBallz prevail in the civil action, at least the cancellation portion of this proceeding would resume and have dates reset therein. The resulting likelihood is instead of 2018, the cancellation may not be finally determined until 2020 or 2021, if not much later in case of appeal.

Allowing this consolidated proceeding to move forward will provide by far the quickest resolution possible in this matter. An efficient resolution of the cancellation proceeding, which has been pending for over three years already, would certainly be in the interest of both parties and the public. This is especially true where, such as here, instances of actual consumer confusion between the marks at issue have occurred.

b. There Is No Reasonable Certainty the Civil Action Will Proceed at This Time

The Complaint in the civil action seeks relief in the form of declaratory judgment. (10 TTABVUE 1, 6-13). A Federal court's statutory authority to issue such relief is granted by the Declaratory Judgment Act ("the DJA"), which states in pertinent part, "...any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations..." 28 USC § 2201(a) (emphasis added). The DJA's own permissive language makes clear it is within the court's discretion to exercise subject matter jurisdiction over a request for declaratory judgment. The United States Supreme Court held in *Wilton v. Seven Falls Co.* that a district court has "unique and substantial discretion in deciding whether to declare the rights of litigants." *Id.*, 515 U.S. 277, 286 (1995). The district court may exercise its discretion to reject "cases that are properly before the Patent and Trademark Office." *Chesebrough-Pond's, Inc. v. Faberge, Inc.*, 666 F.2d 393, 396 (9th Cir. 1982). At the time of this filing, Opposer is preparing a Motion to Dismiss the civil action which will be filed in due course. The district court's ruling on Opposer's Motion to Dismiss will erase any uncertainty over whether the district court will exercise its jurisdiction to hear the civil action.

Assuming, *arguendo*, Opposer's Motion to Dismiss is denied in whole or in part, Opposer will immediately thereafter file a Motion to Stay the civil action pending disposition of this matter before the Board. The decision to stay the civil action rests within the district court's discretion. *See e.g., Citicasters Co. v. Country Club Commc'ns*, No. 97-0678 RJK, 1997 WL 715034, 44

U.S.P.Q.2d 1223 (C.D. Cal. 1997) (ordering stay pending resolution of TTAB cancellation proceeding). Should the Board order suspension and the district court order a stay, at the very least, further pleading would be required to resume either proceeding, and corresponding delay would result. Given the already drawn out nature of this proceeding, any further delay would prejudice BuzzBallz and, where possible, should be avoided entirely.

Considering the anticipated motions discussed above, there is no reasonable certainty the civil action will proceed at this time. The Board should exercise its discretion not to suspend this matter to avoid the possibility that both the civil action and this consolidated proceeding are halted at the same time.

The Board has discretionary power to condition suspension on the occurrence of a certain event. *See Miscellaneous Changes to Trademark Trial and Appeal Board Rules of Practice*, 81 FR 19296-01 (Proposing to amend 37 CFR § 2.117(c) “to clarify that the Board...retains discretion to condition approval of consented or stipulated motions to suspend on the provision by parties of necessary information about the status of settlement talks or discovery or trial activities.”). In the alternative to outright denial of Applicant’s motion, Opposer respectfully requests the Board not consider Applicant’s motion until after the district court rules on Opposer’s above-mentioned motions.

c. The Civil Action and the Corresponding Motion to Suspend Is Attempted Forum Shopping and a Delay Tactic Intended to Avoid an Unfavorable TTAB Decision

The Board’s general policy to suspend in favor of a civil action has not changed since the Supreme Court’s decision in *B & B Hardware, Inc. v. Hargis Indus., Inc.*, 135 S. Ct. 1923 (2015). TBMP 510.02(a). In *B & B Hardware*, the Supreme Court held that “[s]o long as the other ordinary elements of issue preclusion are met, when the usages adjudicated by the TTAB are materially the

same as those before the district court [in an infringement suit], issue preclusion should apply.” *B & B Hardware*, 135 S. Ct. at 1310. While the Board’s policy has not changed, the *B & B Hardware* decision greatly increased the importance of TTAB rulings to litigants (at least in comparison to when a decision of the Board was not binding upon the district court). Compare TBMP § 510.02(a) (2015) & TBMP § 510.02(a) (2017). The Board’s decision in this matter would be highly persuasive, if not preclusive, in the District Court for the Central District of California. See e.g., *Anstalt v. Bacardi & Co.*, No. CV1606411GHKFFMX, 2016 WL 7635955, at *3 (C.D. Cal. 2016) (granting a motion to stay pending TTAB’s ruling on pending motions for summary judgment).

Given the circumstances, the civil action is likely an attempt to wrest adjudication of this matter from the Board in favor of a forum where BuzzBox feels it has a better chance of prevailing. Rod Vandenbos, BuzzBox’s president and founder, was reportedly thrilled with the verdict in the prior district court case. See Slovak Baron Empey Murphy & Pinkney LLP, Buzzbox Beverages, Inc. and Bendistillery, Inc. Successfully Defend Trademark Infringement Claims, ReleaseWire (2016), <http://www.releasewire.com/press-releases/buzzbox-beverages-inc-and-bendistillery-inc-successfully-defend-trademark-infringement-claims-710925.htm> (last visited Dec 8, 2017). Mr. Vandenbos was quoted as saying “This is a hugely significant victory for us. The jury clearly recognized that... there was nothing confusing about the two products.” *Id.* at ¶ 5. While Mr. Vandenbos’ interpretation of the jury’s verdict is clearly erroneous, it does serve to illustrate BuzzBox’s satisfaction with the outcome of the prior district court case. It is entirely understandable a party may prefer to litigate a suit in a forum where it perceives past success. However, BuzzBox’s desire for a familiar venue does not justify further delaying the resolution of this matter to the detriment of BuzzBallz.

BuzzBox alleged in its Complaint in the civil action that BuzzBallz's continued participation in this consolidated proceeding is "wrongfully interfering in Buzzbox's business." (10 TTABVUE 7). BuzzBox had notice BuzzBallz intended to continue to pursue the cancellation since at least September 9, 2016, when BuzzBallz filed its response to the Board's order to show cause arguing the cancellation should not be dismissed. (Exhibit B attached hereto). Further, BuzzBox had notice that BuzzBallz intended to oppose its redesigned graphic mark since at least April 7, 2017, when BuzzBallz filed its notice of opposition in the parent case of this consolidated proceeding (1 TTABVUE 3-6).

Instead of seeking relief in district court in either September 2016, or April 2017, BuzzBox waited over a year, or over eight months respectively, to file a complaint alleging BuzzBallz is wrongfully interfering with, and causing irreparable injury to, BuzzBox's business. (10 TTABVUE 7, 11). If this alleged wrongful interference is truly motivating BuzzBox's suit in district court, BuzzBox's extensive delay in filing the civil action merits explanation. BuzzBox's protracted and unexplained delay in filing suit further dispels the notion that there is good cause to suspend this consolidated proceeding.

Moreover, if BuzzBox's business is truthfully suffering irreparable injury, then it naturally follows that BuzzBox should have a substantial interest in seeing this matter resolved as expeditiously as possible. As discussed above, suspending this consolidated proceeding in deference to the district court would only further delay a final determination of this matter. It is puzzling to see a party complain of irreparable harm resulting from conduct so injurious it merits filing a lawsuit in federal court, only to subsequently request the injurious conduct persist for far longer than necessary. Given the incongruity of Applicant's various filings, Opposer believes the alleged basis for the complaint in the civil action is at best overstated, and at worst disingenuous.

d. The Current Civil Action Is, At Least In Part, an Improper Attempt to Relitigate the Board's Prior Decision to Continue Hearing the Cancellation

The complaint in the civil action alleges BuzzBallz's continued participation in this consolidated proceeding amounts to a collateral attack on the Judgment in the prior district court case and a relitigation of its underlying suit. (10 TTABVue 2, 6). However, the Board lacks authority to overturn the Judgment. The decision of a Federal district court in a civil action is binding upon the Board to the extent that the civil action involves issues in common with those in the Board proceeding. *See, e.g., Goya Foods Inc. v. Tropicana Products Inc.*, 846 F.2d 848, 6 U.S.P.Q.2d 1950 (2d Cir. 1988). Even if the Board could overturn the Judgment, the circumstances in this consolidated proceeding don't require the Board do so to find in favor of BuzzBallz, as key facts/circumstances changed after the Judgment.

Litigation of a claim is barred where the doctrines of claim preclusion (also known as res judicata) or issue preclusion (also known as collateral estoppel) are applicable. Claim preclusion will bar suit in a later filed action if "(1) there is identity of parties (or their privies); (2) there has been an earlier final judgment on the merits of a claim; and (3) the second claim is based on the same set of transactional facts as the first." *Jet, Inc. v. Sewage Aeration Sys.*, 223 F.3d 1360, 1362 (Fed. Cir. 2000). Issue preclusion will bar revisiting of issues already litigated based on the following four factors: "(1) identity of the issues in a prior proceeding; (2) the issues were actually litigated; (3) the determination of the issues was necessary to the resulting judgment; and, (4) the party defending against preclusion had a full and fair opportunity to litigate the issues." *Id.*, 55 U.S.P.Q.2d at 1365-66.

After affording both parties the opportunity to show cause why the cancellation shouldn't be dismissed with prejudice, the Board declined to apply either above-described doctrine. (Exhibit D

pgs. 10-11). First, the Board held claim preclusion inapplicable to the cancellation because although the claims in the civil action depend on finding a likelihood of confusion, they are based on different transactional facts from the section 2(d) claim in the cancellation. (Exhibit D pg. 10). As the board rightly stated: “Section 2(d) likelihood of confusion claims in Board proceedings are determined independent of the context of actual use, whereas the jury verdict in the civil action was based on [BuzzBox]’s use of its marks.” (Exhibit D pgs. 10-11) (citing Trademark Act Sections 2(d), 32(1)(a) and 43(a)(1)(A), 15 U.S.C. §§ 1052(d), 1114(1)(a) and 1125(a)(1)(A); and *Mayer/Berkshire corp. v. Berkshire Fashions Inc.*, 434 F.3d 1229, 76 U.S.P.Q.2d 1310, 1313 (Fed. Cir. 2005)).

The parties actually litigated the issue of preclusion after BuzzBox was afforded a full and fair opportunity to do so. Additionally, the Board’s determination on whether preclusion applied was necessary to the resulting final determination of the Board’s order to show cause. If BuzzBox is unhappy with the Board’s decision, and should BuzzBallz prevail in the cancellation, BuzzBox is within its right to appeal based in part on the Board declining to dismiss the cancellation on the basis of issue preclusion.

The Board did not apply issue preclusion to dismiss the cancellation due, at least in part, to possessing insufficient information. (Exhibit D pg. 11) However, the manner and nature of BuzzBox’s use of the word mark changed after the prior district court case. (10 TTABVUE 8-10). Namely, BuzzBox redesigned its graphic mark after the Judgment enjoined further use of its old graphic mark. *Id.* The manner or nature of BuzzBox’s use of its word mark has changed in at least its depiction and stylization, which is an important factor in testing for a likelihood of confusion. *See Application of E. I. DuPont DeNemours & Co.*, 476 F.2d 1357, 1361 (C.C.P.A. 1973).

In light of the logo redesign, the argument for declining to apply res judicata is further strengthened. *See Miniark Elc. Co. v. Electro Sales Co., Inc.*, 223 F. Supp. 2d 334, 338 (D. Mass. 2002) (“even if the claims in the two suits appear to be similar, if the circumstances have changed since the first lawsuit such that claims in the second suit are based on facts that did not exist at the time of the first suit, then res judicata cannot apply.”); *Lawlor v. National Screen Service Corp.*, 349 U.S. 322, 328, 75 S. Ct. 865, (1955)). Even if the Board could have applied issue preclusion previously, the change in facts surrounding BuzzBox’s use of its mark would not, on the basis of res judicata, preclude BuzzBallz’s filing a later infringement suit. *See Mayer/Berkshire Corp.*, 76 U.S.P.Q.2d 1310 (res judicata defense in registration proceeding rejected when opposer presented evidence of changed circumstances in the five-year period after the district court’s judgment in infringement action that may be relevant to the issue of likelihood of confusion in the opposition proceeding).

Judges across the United States should be flattered by BuzzBox’s proposed interpretation of the Judgment. BuzzBox claims the district court litigated and found non-infringing a redesigned graphic mark that didn’t exist until months after the Judgment was entered. (10 TTABVUE 8-10). Logically, the preceding claim must posit a reality where the district court is not only prescient, but also willing to conveniently ignore the requirements of subject matter jurisdiction to declare a non-existent mark non-infringing upon an existing mark. As discussed above, a judgment cannot be given the effect of extinguishing claims which did not even exist when it was rendered. *Lawlor*, 349 U.S. 322, 328, 75 S.Ct. 865, 868. BuzzBox’s claim in the civil action that the opposition is precluded by the Judgment is so divorced from reality and widely understood tenets of law that it should not form a reasonable basis to suspend this proceeding.

CERTIFICATE OF SERVICE

I hereby certify that on December 11, 2017, a true and correct copy of the foregoing RESPONSE IN OPPOSITION TO APPLICANT’S MOTION TO SUSPEND PENDING FINAL DETERMINATION OF A CIVIL ACTION was served on Applicant via email to Applicant’s counsel of record at the addresses below:

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EXHIBIT A

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451
General Contact Number: 571-272-8500

Am

Mailed: August 11, 2016

Cancellation No. 92060348

Cancellation No. 92061050

BuzzBallz, L.L.C.

v.

BuzzBox Beverages, Inc.

Andrew P. Baxley, Interlocutory Attorney:

Proceedings herein have been suspended since May 15, 2015 pending final determination of a civil action styled *Buzzballz, L.L.C., v. Buzzbox Beverages, Inc.*, Case No. 5:14-cv-01725, filed in the United States District Court for the Central District of California. On July 12, 2016, Petitioner filed a copy of a judgment on the verdict that was issued on June 27, 2016 in that civil action.

The judgment on the verdict indicates that a jury found, among other things, that (1) Respondent's use of its word mark BUZZBOX (the subject of Registration No. 4618174, the involved registration in Cancellation No. 92060348) "has not caused a likelihood of confusion" with the BUZZBALLZ marks in Petitioner's pleaded Registration Nos. 3865524 and 4498235, and (2) Respondent's "use of its graphic mark for the term 'BuzzBox'" (the subject of Registration No. 4646160, the involved registration in Cancellation No. 92061050) "has caused a likelihood of

Cancellation Nos. 92060348 & 92061050

confusion with” the BUZZBALLZ marks in Petitioner’s pleaded registrations. The judgment on the verdict indicates that the parties’ attorneys approved the judgment on the verdict “as to form and content.”

In view of these jury findings,

(1) Petitioner is allowed until thirty days from the mailing date set forth in this order to show cause why Cancellation No. 92060348 should not be dismissed with prejudice, and

(2) Respondent is allowed until thirty days from the mailing date set forth in this order to show cause why Cancellation No. 92061050 should not be sustained.

Proceedings herein otherwise remain suspended.

EXHIBIT B

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

3 RE: U.S. Trademark Registration No. 4618174 and 4646160
4 Registered on October 7, 2014 and November 25, 2014

5 BuzzBallz, L.L.C.

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6 Petitioner,

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7 v.

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Cancellation No. 92060348

Cancellation No. 92061050

8 BuzzBox Beverages, Inc.

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9 Registrant.

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10 **PETITIONER’S RESPONSE TO THE BOARD’S ORDER TO SHOW CAUSE**

11 Commissioner for Trademarks
12 P.O. Box 1451
13 Alexandria, Virginia 22313-1451

14 To the Commissioner for Trademarks:

15 **COMES NOW**, Petitioner BuzzBallz, L.L.C. who files this Response to the Board’s Order
16 to Show Cause (the “Response”) and, in support of such Response, would show as follows:

17 **I. PROCEDURAL BACKGROUND**

18 1. On or about May 11, 2015, the Board consolidated and jointly suspended these
19 cancellation proceedings pending disposition of the civil lawsuit between the parties filed under
20 Case No. 5:14-cv-01725 in the United States District Court Central District of California (the
21 “Civil Action”).

22 2. On or about June 27, 2016, the Court entered its Judgment on the Verdict in the
23 Civil Action (the “Judgment”), wherein it held (i) that Registrant’s use of its word mark “BUZZ-
24 BOX” (the subject of Registration No. 4618174, the involved registration in Cancellation No.

1 92060348) (the “BuzzBox Text”) has not caused a likelihood of confusion with the
2 “BUZZBALLZ” marks in Petitioner’s pleaded Registration Nos. 3865524 and 4498235 (the
3 “BuzzBallz Marks”); and (ii) that Registrant’s use of its graphic mark for the term “BUZZBOX”
4 (the subject of Registration No. 4646160, the involved registration in Cancellation No. 92061050)
5 (the “BuzzBox Graphic”) has caused a likelihood of confusion with the BuzzBallz Marks. Said
6 Judgment was thereafter provided to the Board by Petitioner.

7 3. On or about August 11, 2016, the Board issued its show cause order, indicating
8 that, based on the Judgment, it would be dismissing with prejudice Cancellation No. 92060348
9 unless Petitioner showed cause why it should not be so dismissed and that it would be sustaining
10 Cancellation No. 92061050 unless Registrant showed cause why it should not be so sustained.

11 4. Accordingly, Petitioner comes now to show cause why Cancellation No. 92060348
12 should not be dismissed with prejudice but that an amendment of Registration No. 4618174 should
13 be ordered to avoid confusion, as follows:

14 II. ARGUMENTS & AUTHORITIES

15 5. Cancellation No. 92060348 should not be dismissed and Registration No. 4618174
16 should be amended in that, because the BuzzBox Text is without claim to any particular font, style,
17 size, or color, the BuzzBox Text arguably encompasses the expression of the term “BUZZBOX”
18 set forth in the BuzzBox Graphic, which the Judgment held infringed the BuzzBallz Marks. That
19 is, because the BuzzBox Graphic is merely a stylized expression of the BuzzBox Text and such
20 stylized expression has been found infringing, the BuzzBox Text should be amended to explicitly
21 disclaim such expression to avoid any confusion, now or in the future, as to whether the owner of
22 the BuzzBox Text may use the expression of that mark as found in the BuzzBox Graphic without
23 infringement.

1 6. “Under Trademark Act § 18, 15 U.S.C. § 1068, the Board has the authority to cancel
2 registrations in whole or in part, to restrict the goods or services identified in an application or
3 registration, or ‘to otherwise restrict or rectify...the registration of a registered mark.’ TBMP
4 § 309.03(d) (emphasis added). Additionally, 37 CFR § 2.133(b) provides:

5 If, in an inter partes proceeding, the Trademark Trial and Appeal Board finds
6 that a party whose application or registration is the subject of the proceeding is
7 not entitled to registration in the absence of a specified restriction to the in-
8 volved application or registration, the Board will allow the party time in which
to file a motion that the application or registration be amended to conform to
the findings of the Board, failing which judgment will be entered against the
party.

9 7. In this case, the Court in the Civil Action, which has concurrent jurisdiction with
10 the Board to order cancellation or amendment of a registration, *see* 15 U.S.C. § 1119; *Phillip*
11 *Morris USA, Inc. v. King Mountain Tobacco Co., Inc.*, 569 F.3d 932, 944 (9th Cir. 2009), has
12 found that a specific expression of the term “BUZZBOX”—namely, the BuzzBox Graphic—in-
13 fringes the BuzzBallz Marks. Because the BuzzBox Text is “without claim to any particular font,
14 style, size, or color,” it implicitly includes the expression of the term “BUZZBOX” in the BuzzBox
15 Graphic, which has been found to be infringing. Accordingly, pursuant to the Board’s authority
16 under 15 U.S.C. § 1068, the BuzzBox Text should be amended to disclaim the expression of the
17 term “BUZZBOX” set forth in the BuzzBox Graphic to avoid any suggestion that such expression
18 may be used by the holder of the BuzzBox Text without infringement of the BuzzBallz Marks.
19 For these reasons, Petitioner submits that there is good cause that Cancellation No. 92060348 not
20 be dismissed with prejudice and requests that the Board amend Registration No. 4618174.

21 8. Alternatively, to the extent the Board declines to exercise its authority under 15
22 U.S.C. § 1068 and 37 CFR § 2.133(b), Petitioner respectfully requests that Cancellation No.
23 92060348 be suspended for not less than sixty (60) days to permit Petitioner the opportunity to
24

1 seek an order from the Court in the Civil Action requiring an amendment of Registration No.
2 4618174 in accordance with its Judgment.

3 **III. PRAYER**

4 **WHEREFORE, PREMISES CONSIDERED,** Petitioner BUZZBALLZ, L.L.C. prays
5 that the Board not dismiss Cancellation No. 92060348 with prejudice and order Registration No.
6 4618174 to be amended to specifically disclaim the expression of the term “BUZZBOX” set forth
7 in Registration No. 4646160. Alternatively, Petitioner prays that the Board suspend Cancellation
8 No. 92060348 to permit Petitioner to seek an order of amendment from the Court in the Civil
9 Action. Petitioner prays for such further relief, at law or in equity, to which it is entitled.

10 **DATED:** September 9, 2016

11 Respectfully submitted,
WILSON LEGAL GROUP P.C.

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18 **BUZZBALLZ, L.L.C.**

EXHIBIT C

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

BuzzBallz, L.L.C.,

v.

Cancellation No. 92060348
Cancellation No. 92061050

BuzzBox Beverages, Inc.

RESPONDENT’S OPPOSITION TO PETITIONER’S RESPONSE TO ORDER TO SHOW CAUSE

I. INTRODUCTION

BuzzBox Beverages, Inc. (“**BuzzBox Beverages**”) opposes Petitioner BuzzBallz, LLC’s request for an amendment to BuzzBox Beverages’ Registration No. 4618174; or, for a suspension of 60 days to allow it to move in the civil action.

The Trademark Trial and Appeal Board (“**Board**”) should deny Petitioner’s request because there is absolutely no legal authority justifying its request and the request directly conflicts with the judgment in the civil action.

II. FACTUAL BACKGROUND

In addition to these two cancellation proceedings, BuzzBallz, LLC filed a civil action for trademark infringement against BuzzBox Beverages (Case No. 5:14-cv-01725; United States District Court, Central District of California) (the “**Civil Action**”). BuzzBallz claimed that BuzzBox Beverages’ word mark (Registration No. 4618174) and design mark (Registration No. 4646160) infringed BuzzBallz’s word and design marks, respectively. The Civil Action proceeded to trial on June 7, 2016.

The jury returned a verdict finding that BuzzBox Beverages’ word mark did not infringe BuzzBallz’s word mark in that there was no likelihood of confusion resulting

from BuzzBox Beverages' use of its registered trademark. (See Judgment on file with Board). With respect to the design marks, the jury found a likelihood of confusion resulting from BuzzBox Beverages' use of its registered design mark. (*Id.*) Judgment on the verdict was subsequently entered and provided to the Board.

By order dated August 11, 2016, the Board directed the parties to show cause regarding Cancellation No. 92061050 (design mark) and 92060348 (word mark). Regarding Cancellation No. 92060348, BuzzBallz asked the Board to amend Registration No. 4618174 (word mark) "to specifically disclaim the expression of the word mark (BUZZBOX) set forth in Registration No. 4646160" (design mark). (See BuzzBallz Response, p. 4: 6-7). Alternatively, BuzzBallz requested a stay to allow it to seek an order in the Civil Action. Its request should be denied because it is contrary to law and in direct conflict with the Judgment.

III. ARGUMENT

A. The jury expressly found that BuzzBox Beverages' word mark does not create confusion with BuzzBallz's word mark.

In its Response to the OSC, BuzzBallz contends that BuzzBox Beverages' Registration No. 4618174 (word mark) should be amended "to avoid confusion." (See BuzzBallz Response, p. 2: 12-13). The jury's verdict and the Judgment establish conclusively that BuzzBox Beverages' word mark does not create ***any likelihood of confusion***. Thus, there is no confusion and no need for any action regarding Registration No. 4618174.

Furthermore, the Judgment precludes BuzzBox Beverages from using the design mark in Registration No. 4646160, and BuzzBox Beverages is required to comply with the Judgment. The Judgment addresses and governs any legitimate concern BuzzBallz may have regarding its design mark. The Judgment does not, however, provide any authority to BuzzBallz to seek or obtain an amendment to Registration No. 4618174, which the jury expressly found was not infringing.

B. The authorities cited by Petitioner do not permit an amendment to Registration No. 4618174 and particularly where there has been an express finding of no likelihood of confusion.

Title 15 U.S.C. § 1068 provides that, "the Director may refuse to register the opposed mark, may cancel the registration, in whole or in part, may modify the

application or registration by limiting the goods or services specified therein, may otherwise restrict or rectify with respect to the register the registration of a registered mark, may refuse to register any or all of several interfering marks, or may register the mark or marks for the person or persons entitled thereto..." The restriction remedy under section 1068 is available for those who believe that a restriction in a cited registration may serve to avoid a likelihood of confusion. *See Eurostar Inc. v. "Euro-Star" Reitmoden GmbH & Co. KG*, 34 USPQ2d 1266 (TTAB 1994). Here, there is a jury verdict and a judgment expressly finding no likelihood of confusion. Thus, 15 U.S.C. § 1068 provides no legal authority for Petitioner's request.¹

Additionally, "the only ways a registration can be 'restricted' are by placing limitations on the **description of the goods**, the **channels of trade**, or the **areas of use**. We find this functional definition of the term 'restrict' used in the § 2(d) proviso (note 6, *infra*) in reference to concurrent use proceedings, and it is reasonable to presume that the power to restrict granted in § 18 [15 U.S.C. 1068] was intended to be exercised in a § 2(d) concurrent use proceeding. *See Selfway, Inc. v. Travelers Petro., Inc.* (C.C.P.A. 1978) 579 F.2d 75, 81 (emphasis added.)

Moreover, the court in *Selfway* added, "to logically justify relief in the form of 'restriction' in any proceeding involving a registered mark, one must establish (1) that more than one person is entitled to use the mark and (2) that there would be no likelihood of confusion from the continued use of the mark under the conditions and limitations of the restriction. If the party antagonistic to the registration is not entitled to use the mark, no relief, let alone restriction, would be in order." *Ibid.*

First, a restriction or partial cancellation is generally limited to a description of the goods, channels of trade and/or geographic areas of use. *Id.*; *see, e.g., Alberto-Culver Co. v. F.D.C. Wholesale Corp.*, 1987 TTAB LEXIS 83, *3, 3 U.S.P.Q.2D (BNA) 1460, 1461 (Trademark Trial & App. Bd. Mar. 3, 1987) (defendant may restrict the registration by narrowing the class of goods to avoid confusion). Petitioner seeks none of those remedies here. Instead, Petitioner is trying to limit the appearance of a

¹ Notwithstanding the lack of merit, Petitioner never asserted a claim under 15 U.S.C. § 1068 in the cancellation proceedings to restrict BuzzBox Beverages' registered trademark making its current request untimely.

registered trademark, which has been found to not cause a likelihood of confusion. There is no authority for such a limitation under 15 U.S.C. § 1068.

Second, a registration restriction under section 1068 requires use of the trademark by more than one user with the proposed restriction being necessary to avoid confusion. Petitioner is not a concurrent user and its trademark is different from BuzzBox Beverages' as found by the jury in the Civil Action. This is not a concurrent use situation. Title 15 U.S.C. § 1068 therefore provides absolutely no authority to limit the appearance of a registered trademark, particularly one found to NOT infringe.

Petitioner's reliance on 37 CFR § 2.133(b) is similarly misplaced and in fact is not even a procedure available to Petitioner in this matter. By its express language, 37 CFR § 2.133(b) is available only to an applicant or registrant, i.e., BuzzBox Beverages. It applies where the Board finds that a party's application or registration cannot be approved without a specified restriction. In those circumstances, the party, i.e., the **applicant** or the **registrant**, may file a request with the Board to amend the application or the registration to conform to the Board's findings. Thus, an amendment under 37 CFR § 2.133(b) is available only to an applicant or a registrant; not an opposer or petitioner. *See also Brunswick Corp. v. British Seagull Ltd.* (Fed. Cir. 1994) 35 F.3d 1527, 1533-34.

Furthermore, an amendment under 37 CFR § 2.133(b) "applies only to 'restrictions' pertaining to the identification of goods and services in the application. Thus, section 2.133(b) does not apply where the applicant seeks to amend the description of the mark." *Brunswick Corp.*, 35 F.3d at 1534. Petitioner has no right to request amendment under section 2.133(b) and the section is limited to a description of the goods and services.

Petitioner's reliance on 15 U.S.C. § 1119, is similarly misplaced. Section 1119 gives a court the discretion to order the cancellation of a registration, in whole or in part, or to otherwise rectify the register with respect to the registration of any party to the action. However, the party seeking cancellation, either in whole or in part, or to rectify the register, **must plead** such relief in the civil action. *See Empresa Cubana del Tabaco v. Culbro Corp.* (2nd Cir. 2008) 541 F.3d 476, 478-79. Petitioner has failed to show that it requested such relief in the Civil Action or that it timely moved to amend

the judgment in the Civil Action.²

Finally, Petitioner's reliance on TBMP § 309.03(d) is misplaced as well. TBMP § 309.03(d) permits a claim to restrict or limit the goods or services under 15 U.S.C. § 1068. Specifically, it states:

A plaintiff may seek to partially cancel a registration, or partially oppose registration only as to specific items in the identification of goods or services, or only to the extent of restricting the goods or services in a particular manner in terms of type, use, customers, trade channels, etc. In such case, essentially a plaintiff is seeking either to delete specific items or limit the identification in some way. For example, a plaintiff may seek to restrict or modify the goods or services in a particular manner, that is, by the addition of wording that identifies the goods or services with greater particularity in terms of type, use, channels of trade, etc. (citing *Board of Regents, University of Texas System v. Southern Illinois Miners, LLC*, 110 USPQ2d 1182, 1196-97 (TTAB 2014); *DAK Industries Inc. v. Daiichi Kosho Co.*, 35 USPQ2d 1434, 1437 (TTAB 1995); and *Eurostar Inc. v. "Euro-Star" Reitmoden GmbH & Co. KG*, 34 USPQ2d 1266, 1270 (TTAB 1994). Cf. *IdeasOne Inc. v. Nationwide Better Health Inc.*, 89 USPQ2d 1952, 1954 (TTAB 2009) (amendment denied).

TBMP § 309.03(d) also permits a claim to restrict or rectify with respect to the register. Specifically, it states:

A petition to restrict or clarify the description of a mark in a registration would fall under the provision giving the Board authority to "restrict or rectify" the register. As in the case of a petition to restrict goods or services, a proper pleading to restrict the description of a mark could include allegations that, for example, the description of the mark in the registration is ambiguous or overly broad and not specific to the mark actually used by the defendant, and that the limitation would avoid a finding of a likelihood of confusion.

Neither of these provision apply to the current circumstances. As stated in the notes to TBMP § 309.03(d), a request to restrict cannot be divorced from the question of likelihood of confusion. A party seeking to restrict must demonstrate a likelihood of confusion. Here there is a jury verdict and judgment finding ***no likelihood of confusion***. Thus, there is no basis to restrict, clarify, or amend.

The judgment precludes BuzzBox from using the mark in the stylized form that was used in the design mark. Compliance with the Court's judgment assures

² It cannot do either. In its complaint BuzzBallz did not seek a partial cancellation. BuzzBallz also did not move within 10 days after entry of judgment to amend the judgment as required by FRCP, Rule 59(e). *Id.*

BuzzBallz that the infringing design will not be used. It is asking for clarification, amendment or to rectify a registration that has not been deemed to be defective, incorrect or infringing. The jury failed to find confusion, thus there is no basis for Petitioner's request.

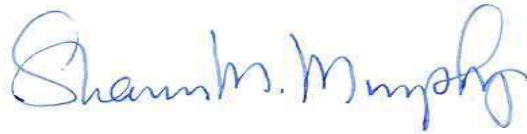
IV. CONCLUSION

BuzzBox Beverages requests the Board to deny BuzzBallz' request for an amendment to Registration No. 4618174 or for a stay. Cancellation No. 92060348 should be dismissed forthwith.

Dated: September 16, 2016

Respectfully Submitted,
SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

By:




Shaun M. Murphy
Attorney for Registrant BuzzBox Beverages, Inc.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and complete copy of the foregoing Respondent's Response to Order to Show Cause has been served on Petitioner BuzzBallz, L.L.C.'s attorney of record, Mr. John T. Wilson, by mailing said copy on September 16, 2016 via First Class Mail, postage prepaid to John T. Wilson, Esq., Wilson Legal Group P.C., 16610 Dallas Parkway, Suite 1000, Dallas, Texas 75248.

By:



Shaun M. Murphy

EXHIBIT D

This decision is not a precedent of the Trademark Trial and Appeal Board.

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

Mailed: December 28, 2016

Cancellation No. 92060348 (parent)
Cancellation No. 92061050

BuzzBallz, L.L.C.

v.

BuzzBox Beverages, Inc.

(as consolidated)¹

Before Ritchie, Lykos, and Larkin,
Administrative Trademark Judges.

By the Board:

BuzzBox Beverages, Inc. (“Respondent”) owns registrations for the mark BUZZBOX in standard characters² and BUZZBOX in the following stylized form, **BuzzBox**,³ for “Alcoholic beverages, excluding beer and wine; alcoholic carbonated

¹ By Board order dated May 11, 2015, proceedings herein were consolidated.

² Registration No. 4618174, issued October 7, 2014, with a February 16, 2013 constructive use date, and alleging October 14, 2013 as the date of first use anywhere and as the date of first use in commerce. This registration is the subject of Cancellation No. 92060348. After Respondent failed to file an answer and then failed to respond to the notice of default that the Board issued on January 5, 2015 (4 TTABVUE), the Board entered a default judgment on February 17, 2015 (5 TTABVUE), and Registration No. 4618174 was cancelled on March 9, 2015 (6 TTABVUE). Respondent, on April 13, 2015, filed a motion for relief from judgment, which the Board granted in a May 11, 2015 order (12 TTABVUE). Registration No. 4618174 was reinstated on June 11, 2015 (13 TTABVUE).

³ Registration No. 4646160, issued November 25, 2014, with an August 8, 2013 constructive use date, and alleging October 14, 2013 as the date of first use anywhere and as the date of first use in commerce. This registration is the subject of Cancellation No. 92061050.

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beverages, excluding beer; alcoholic cocktail mixes; alcoholic fruit cocktail drinks; prepared alcoholic cocktail beverages; liquor and liqueur beverages; and spirits” in International Class 33. BuzzBallz, L.L.C. (“Petitioner”) filed petitions to cancel Respondent’s registrations on the ground of likelihood of confusion with its previously used and registered marks BUZZBALLZ and design in the following form,



,⁴ and BUZZBALLZ in standard characters⁵ for “Alcoholic beverages except beers; Alcoholic beverages, namely, mixed alcoholic drinks or wine, such as rum/coke, gin and tonic, vodka tonic, martinis, whiskey sour, cosmopolitan, manhattan (sic), mojito, red wine, white wine, pink wine, scotch and water, scotch and soda, margaritas, and other mixed alcoholic beverages; Alcoholic cocktail mixes” in International Class 33 under Trademark Act Section 2(d), 15 U.S.C. § 1052(d).⁶ Respondent, in its answers, denied the salient allegations of the petitions to cancel.

⁴ Registration No. 3865524, issued October 19, 2010, with a July 23, 2009 constructive use date, and alleging March 1, 2009 as the date of first use anywhere and October 1, 2009 as the date of first use in commerce. Section 8 affidavit accepted, Section 15 affidavit acknowledged.

⁵ Registration No. 4498235, issued March 18, 2014, with an October 1, 2013 constructive use date, and alleging March 1, 2009 as the date of first use anywhere and October 1, 2009 as the date of first use in commerce.

⁶ The ESTTA cover forms of the petitions to cancel indicate that Petitioner also intends to pursue claims of false suggestion of a connection under Trademark Act Section 2(a), 15 U.S.C. § 1052(a). In addition, Petitioner alleges in the petition to cancel in Cancellation No. 92061050 that the grounds for cancellation in Cancellation No. 92060348 were under Sections 2(a) and 2(d). However, a review of the texts of the petitions to cancel indicates that Petitioner did not plead claims of false suggestion of a connection therein. Although the ESTTA cover form forms part of the petitions to cancel (*see PPG Industries Inc. v. Guardian Industries Corp.*, 73 USPQ2d 1926, 1928 (TTAB 2005)), the mere mention of a ground therein is insufficient to constitute a pleading of that ground (*see Embarcadero Techs. Inc. v. RStudio Inc.*, 105 USPQ2d 1825, 1827 n.2 (TTAB 2013)).

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The parties were involved a civil action styled *BuzzBallz, L.L.C. v. BuzzBox Beverages, Inc.*, Case No. 5:14-cv-01725, filed in the United States District Court for the Central District of California (“the civil action”). In the amended complaint therein (8 TTABVUE 22-38), Petitioner alleged (1) trademark infringement under Trademark Act Section 32(1)(a), 15 U.S.C. § 1114(1)(a), and (2) false designation of origin and trade dress infringement under Trademark Act Section 43(a)(1)(A), 15 U.S.C. § 1125(a)(1)(A), and asked, among other things, that Respondent be temporarily and permanently enjoined from using its marks. Petitioner did not seek cancellation of Respondent’s registrations as part of its requested relief in the civil action complaint. The Board, in the May 11, 2015 order, suspended proceedings pending final determination of the civil action.

On July 12, 2016, Petitioner filed a notice of final determination of the civil action. Such notice included a copy of the judgment on the verdict that the District Court entered on June 27, 2016 therein (17 TTABVUE 6-7). The two-page judgment includes a statement that it was “[a]pproved as to form and content” by both parties’ attorneys and states that, after a jury trial that was held between June 7 and 10, 2016, the jury determined, among other things, that (1) Respondent’s “use of its word mark for the term” BUZZBOX as shown in Registration No. 4618174⁷ “has not caused a likelihood of confusion with” Petitioner’s pleaded registered marks; and (2) Respondent’s use of the mark BUZZBOX in the stylized form set forth in Registration No. 4646160 “has caused a likelihood of confusion with” Petitioner’s pleaded,

⁷ The mark is in standard characters in that registration.

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registered marks. “The jury awarded no actual damages to” Petitioner and it was therefore “ORDERED, ADJUDGED, AND DECREED that [Petitioner] recover nothing from” Respondent.

Based thereon, the Board, in an August 11, 2016 order, allowed (1) Petitioner until September 10, 2016 to show cause why the petition to cancel in Cancellation No. 92060348 should not be dismissed with prejudice, and (2) Respondent until September 10, 2016 to show cause why the petition to cancel in Cancellation No. 92061050 should not be granted.

We note initially that, notwithstanding the consolidation of the above-captioned proceedings, each proceeding retains its separate character and requires the filing of separate pleadings and entry of a separate judgment. *See* TBMP § 511 (2016). Accordingly, we will review the parties’ briefing in connection with each of the orders to show cause separately.

Cancellation No. 92061050

With regard to the order to show cause in Cancellation No. 92061050, Respondent contends in a response thereto (TTABVUE 20, filed September 9, 2016) that, following entry of judgment in the civil action, the parties engaged in negotiations regarding a phase-out period for Respondent’s use of the stylized mark and a new design mark; that, on July 12, 2016, the parties agreed informally in writing to a phase-out period through November 30, 2016; and that Respondent would continue to sell its existing inventory that uses the stylized mark either until that inventory is sold or until November 30, 2016, whichever is sooner. 20 TTABVUE 2-3. In support

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thereof, Respondent has submitted the declaration of its counsel, Shawn M. Murphy, with a “true and correct copy” of an email exchange between the parties’ attorneys informally memorializing their agreement. Accordingly, Respondent contends that Cancellation No. 92061050 should not be sustained until after the expiration of the phase-out period on November 30, 2016. None of this is disputed by Petitioner.⁸

It is clear that, by its response to the Board’s order to show cause, Respondent consents to sustaining the petition to cancel in Cancellation No. 92061050, so long as the Board’s judgment is entered after November 30, 2016, and has therefore not shown cause why Cancellation No. 92061050 should not be sustained. Based on the foregoing, the petition to cancel in Cancellation No. 92061050 is granted, judgment is sustained in Cancellation No. 92061050, and Registration No. 4646160 will be cancelled in due course.

Cancellation No. 92060348

In response to the order to show cause in Cancellation No. 92060348, Petitioner contends that such proceeding should not be dismissed with prejudice and that, because Respondent’s Registration No. 4618174 for the mark BUZZBOX in standard characters encompasses any presentation of the word mark BUZZBOX, including the presentation of the mark BUZZBOX in the stylized form set forth in Respondent’s Registration No. 4646160, Registration No. 4618174 should be amended to include a “disclaimer” of any right to use the mark in that stylized form. Accordingly, Petitioner asks that the Board, under Trademark Act Section 18, 15 U.S.C. § 1068, and

⁸ Petitioner did not address at all the order to show cause in Cancellation No. 92061050 in its briefs.

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Trademark Rule 2.133(b), amend Registration No. 4618174 to add such a “disclaimer” or suspend this case for sixty days to allow Petitioner time in which to seek an order from the district court to require such an amendment.

In opposition to Petitioner’s response, Respondent contends that there is no authority for Petitioner’s request; that such request conflicts with the jury verdict that Respondent’s mark in standard characters is not likely to cause confusion with Petitioner’s pleaded marks; that the proposed amendment is impermissible because (a) Trademark Act Section 18 provides no basis for limiting the appearance of a mark, and (b) an amendment under Trademark Rule 2.133(b) must be sought by an applicant or registrant and only applies to restrictions in the identification of goods or services; and, that, because the “judgment precludes [Respondent] from using the mark in the stylized form,” compliance with that judgment assures that Respondent will not use the mark BUZZBOX in that stylized form. 22 TTABVue 6. Accordingly, Respondent asks that the Board deny the request to amend Respondent’s Registration No. 4618174 and dismiss Cancellation No. 92060348.

In reply, Petitioner contends that, after the jury rendered the verdict in the civil action, the parties and the trial judge discussed whether the verdict was legally or logically inconsistent in its finding that the mark BUZZBOX in stylized form created a likelihood of confusion, but that the mark BUZZBOX in standard characters did not; and that the parties and the trial judge concluded that the verdict “was not necessarily inconsistent” and “may be consistently read to hold that the [mark BUZZBOX in standard characters], referring merely to the word “BUZZBOX” without

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style, font, size, or color, does not infringe [Petitioner’s pleaded marks,] but that a given stylized expression of that word, such as the BuzzBox Graphic, might and, in fact, does infringe the BuzzBallz Marks” (23 TTABVUE 2-3 and n.1). Petitioner further contends that Respondent’s “proposed reading ... would have the Court illogically and inconsistently holding that the [mark BUZZBOX in standard characters] ... does not create any likelihood of confusion while simultaneously holding that a stylized expression of the [mark BUZZBOX] does create a likelihood of confusion.” 23 TTABVUE 3. Petitioner further contends that, “like the powers of the district courts under [Trademark Act Section 37,] 15 U.S.C. § 1119, with which the Board shares concurrent jurisdiction, Petitioner would assert that the Board has broad powers to cancel, amend, or otherwise rectify trademarks on the principal and supplemental registers to avoid confusion” (23 TTABVUE 4); that, to the extent that Respondent asserts that the proposed amendment is an unpleaded claim, the proposed amendment is encompassed by the pleaded claim for cancellation of Registration No. 4618164; and that, in the alternative, that registration must be cancelled because the mark BUZZBOX in standard characters “has implicitly been found to create a likelihood of confusion because it encompasses infringing expressions” (23 TTABVUE 5).

As an initial matter, we reject Petitioner’s assertion that its proposed restriction of amendment under Trademark Act Section 18 is somehow within the scope of its Trademark Act Section 2(d) claim. Although the question of likelihood of confusion is at issue in a claim for restriction under Section 18, such a claim is “an equitable

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remedy ... not tied to a ground to cancel.”⁹ *DAK Industries Inc. v. Daiichi Kosho Co.*, 35 USPQ2d 1434, 1437 (TTAB 1995). The Board will exercise its authority under Section 18 “only where the issue of possible restriction has been raised by the pleadings and/or is tried by the parties.” *Eurostar Inc. v. “Euro-Star” Reitmoden GmbH & Co. KG*, 34 USPQ2d 1266, 1272 (TTAB 1994). As such, it is distinct from Petitioner’s Section 2(d) claim and therefore must be pleaded as a separate claim. Compare TBMP §§ 309.03(c) with 309.03(d). Because that claim is an unpleaded claim, Petitioner cannot obtain the requested relief at this juncture without first filing a motion for leave under Fed. R. Civ. P. 15(a) to amend the petition to cancel in Cancellation No. 92060348 wherein it asserts that claim. See TBMP §§ 314 and 507.

Moreover, notwithstanding the Board’s authority under Section 18 to “restrict or rectify” registrations, Petitioner’s proposed amendment to Registration No. 4618174 is impermissible.¹⁰ We note initially that a disclaimer is a means by which an applicant or registrant may disclaim the exclusive right to use an unregistrable

⁹ Under Section 18, the Board

may refuse to register the opposed mark, may cancel the registration, in whole or in part, may modify the application or registration by limiting the goods or services specified therein, *may otherwise restrict or rectify with respect to the register the registration of a registered mark*, may refuse to register any or all of several interfering marks, or may register the mark or marks for the person or persons entitled thereto, as the rights of the parties.

(emphasis added).

¹⁰ Marks may be presented in standard characters or in a special form. See Trademark Rule 2.52. A standard character mark is “without claim to any particular font style, size, or color” (Trademark Rule 2.52(a)) and encompasses any presentation of that mark. See *Citigroup Inc. v. Capital City Bank Group Inc.*, 637 F.3d 1344, 98 USPQ2d 1253, 1258-59 (Fed. Cir. 2011). A special form mark is for a particular stylization of wording and/or design. See Trademark Rule 2.52(b). That is, a drawing of a mark covers either any presentation of the mark or a single stylization and/or design.

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component of an otherwise registrable mark, such as a descriptive or generic term or matter that is incapable of a source identifying function, apart from the mark as shown. *See* Trademark Act Section 6(a), 15 U.S.C. § 1056(a); TMEP § 1213 (October 2016). A disclaimer does not remove the disclaimed matter from the mark for purposes of determining likelihood of confusion. *See In re Nat'l Data Corp.*, 753 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985); *Specialty Brands, Inc. v. Coffee Bean Distribs., Inc.*, 748 F.2d 669, 223 USPQ 1281, 1282 (Fed. Cir. 1984); TMEP § 1213.10. By contrast, a claim for restriction under Trademark Section 18 is appropriate where (1) the proposed restriction will avoid a likelihood of confusion, and (2) Respondent is not using the mark in the manner excluded as a result of the proposed restriction. *See Eurostar Inc.*, 34 USPQ2d at 1270; *see also Dak Industries*, 35 USPQ2d at 1437.

Although Petitioner seeks restriction in the form of a disclaimer, the proposed disclaimer is more in the nature of a description of how Respondent's standard character mark will not be used in view of the judgment on the verdict in the civil action. Statements regarding how a mark may not be used "must not be printed on the registration certificate." TMEP § 808.02. "[D]escriptions are solely to be used to describe the mark shown in the drawing and are not to be used to describe how the mark does not and will not appear." TMEP § 808.03(g). Based on the foregoing, we find that allowing Petitioner leave to file an amended petition to cancel in which it added a claim to add the proposed amendment to Registration No. 4618174 would be futile. Accordingly, Petitioner's motion for leave to file an amended petition to cancel in Cancellation No. 92060348 is denied. Petitioner's motion to suspend Cancellation

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No. 92060348 to allow Petitioner time in which to file a motion to amend Registration No. 4618174 with the District Court is also denied.

In addition, the decision of a Federal district court in a civil action before it is binding upon the Board to the extent that the civil action involves issues in common with those in the Board proceeding. *See, e.g., Goya Foods Inc. v. Tropicana Products Inc.*, 846 F.2d 848, 6 USPQ2d 1950 (2d Cir. 1988). In determining whether the issues in the civil action are in common with those in Cancellation No. 92060348, we must determine whether the doctrines of claim preclusion (*res judicata*)¹¹ and issue preclusion (collateral estoppel)¹² are applicable. Regarding the applicability of the doctrine of claim preclusion, “[a] prior trademark infringement action will not, by action of claim preclusion, bar the subsequent prosecution of a petition for cancellation of the defendant's registered trademark.” *See Jet Inc.*, 55 USPQ2d at 1859. Although the claims in the civil action involve determinations of the question of likelihood of confusion, they are based on different transactional facts from the Section 2(d) claim in Cancellation No. 92060348. *See id.*, 55 USPQ2d at 1856-57. In particular, Section 2(d) likelihood of confusion claims in Board proceedings are

¹¹ A second claim will be barred by the doctrine of claim preclusion if: (1) there is identity of parties (or their privies); (2) there has been an earlier final judgment on the merits of the first claim; and (3) the second claim is based on the same set of transactional facts as the first. *See Jet Inc. v. Sewage Aeration Systems*, 222 F.3d 1360, 55 USPQ2d 1854, 1856 (Fed. Cir. 2000).

¹² A second claim will be barred by the doctrine of issue preclusion where (1) there is an identity of issues with a prior proceeding; (2) the issues were actually litigated; (3) the determination of the issues was necessary to the resulting judgment; and, (4) the party defending against preclusion had a full and fair opportunity to litigate the issues. *See Jet Inc.*, 55 USPQ2d at 1859. “[W]here common issues, such as likelihood of confusion, are actually litigated in the earlier proceeding, issue preclusion will prevent their relitigation.” *Id.*

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determined independent of the context of actual use, whereas the jury verdict in the civil action was based on Respondent's use of its marks. *See* Trademark Act Sections 2(d), 32(1)(a) and 43(a)(1)(A), 15 U.S.C. §§ 1052(d), 1114(1)(a) and 1125(a)(1)(A); *Mayer/Berkshire Corp. v. Berkshire Fashions Inc.*, 424 F.3d 1229, 76 USPQ2d 1310, 1313 (Fed. Cir. 2005). Accordingly, the doctrine of claim preclusion is inapplicable.

In addition, we decline to apply the doctrine of issue preclusion because we cannot find that the issues in the civil action and Cancellation No. 92060348 are identical. The District Court's judgment states that the jury determined that Respondent's "use of its word mark for the term" BUZZBOX "has not caused a likelihood of confusion" with Petitioner's pleaded marks. The jury verdict was based on Respondent's particular use of the word mark BUZZBOX; however, the District Court, in the two-page judgment on the verdict, does not specify the manner or nature of Respondent's use of its mark (e.g., its depiction or stylization, trade channels, regions of use, etc.) upon which the jury verdict was based, and we have no other information in that regard. Accordingly, we find that Petitioner has shown cause why Cancellation No. 92060348 should not be dismissed.

Proceedings in Cancellation No. 92060348 are hereby resumed. Dates are reset as follows.

Answer Due	1/27/2017
Deadline for Discovery Conference	2/26/2017
Discovery Opens	2/26/2017
Initial Disclosures Due	3/28/2017
Expert Disclosures Due	7/26/2017
Discovery Closes	8/25/2017
Plaintiff's Pretrial Disclosures Due	10/9/2017
Plaintiff's 30-day Trial Period Ends	11/23/2017

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Defendant's Pretrial Disclosures Due	12/8/2017
Defendant's 30-day Trial Period Ends	1/22/2018
Plaintiff's Rebuttal Disclosures Due	2/6/2018
Plaintiff's 15-day Rebuttal Period Ends	3/8/2018

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 2.125. Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129. If either of the parties or their attorneys should have a change of address, the Board should be so informed promptly.