

This Order is Not a
Precedent of the TTAB

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

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Mailed: February 26, 2016

Cancellation No. 92061574

Skippy, Inc.

v.

Hormel Foods, LLC

**Before Cataldo, Mermelstein, and Lykos,
Administrative Trademark Judges.**

By the Board:

Petitioner (proceeding *pro se*) seeks to cancel Respondent's registration for the mark SKIPPY¹ for "peanut butter" in International Class 29. As grounds for cancellation, Petitioner alleges fraud on the Office in the procurement of the subject registration, claiming that Respondent's predecessor-in-interest, Rosefield Packing Co., Ltd., failed to inform the U.S. Patent and Trademark Office of the outcome of Opposition No. 13,134 (discussed more fully *infra*) at the time it applied for the registration in 1947, and later falsified the affidavit it filed under Section 15 of the Trademark Act (15 U.S.C. § 1065) in support of the registration, in 1954.

¹ Registration No. 504940, issued December 21, 1948 to Rosefield Packing Co., Ltd.; affidavit Section 8 accepted; affidavit Section 15 received; renewed; record title in Hormel Foods, LLC; assignment filed on February 15, 2013.

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In lieu of an answer, Respondent filed a motion to dismiss under Fed. R. Civ. P. 12(b)(6) on July 7, 2015 which the Board has construed as a motion for summary judgment on the ground of *res judicata*. See Board's Order of October 29, 2015 (9 TTABVUE). The motion is fully briefed.

Respondent seeks summary judgment in its favor on the ground that Petitioner is barred from bringing this action under the doctrine of *res judicata* because the Board has twice before adjudicated the issue, namely, Opposition No. 65712 and Cancellation No. 92032070, involving the subject registration.

Respondent contends that in Opposition No. 65712, its predecessor-in-interest, CPC International Inc. (CPC), filed oppositions in 1986 (which were consolidated) against two trademark applications filed by Petitioner for the mark SKIPPY for “promoting the sale of goods and/or services of others by rendering assistance in devising advertising and merchandising programs”;² that the oppositions were based on Registration No. 504940; that Petitioner had moved for leave to amend its answer to assert a counterclaim to cancel the registration during the consolidated opposition proceeding, but that Petitioner’s motion was denied as untimely; and that CPC’s consolidated oppositions were sustained.³ On the closing date of CPC’s rebuttal testimony period in the consolidated oppositions (April 10, 1986), Petitioner filed (a) an “amended answer and counterclaim” and (b) a separate petition to cancel two of CPC’s registrations (Registration No. 504940, which had

² Opposition No. 65,712 to trademark application Serial No. 206,445; Opposition No. 65,713 to trademark application Serial No. 207,476.

³ The final decision sustaining the consolidated oppositions was published as *CPC International Inc. v. Skippy, Inc.* 3 USPQ2d 1456 (TTAB 1987).

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been pleaded, and Registration No. 1248537 for “peanut butter,” which had not been pleaded). The Board allowed Petitioner’s petition to cancel the non-pleaded registration as a separate petition (which Petitioner subsequently withdrew), but denied both its compulsory counterclaim and its separately-filed petition to cancel Registration No. 504940. In doing so, the Board expressed its view that “A petition for cancellation of opposer’s pleaded Registration No. 504,940 is a compulsory counterclaim under Rule 2.114(b)(2)(i), and applicant is not free to file a separate such cancellation petition.” Petitioner did not appeal the Board’s decision.

Respondent further asserts that in Cancellation No. 92032070, despite the Board’s ruling dismissing Petitioner’s counterclaim and separate petition to cancel Registration No. 504940 in the earlier opposition proceeding, Petitioner commenced a new Board action seeking to cancel Registration No. 504940 based on the ground of “fraudulent procurement and maintenance under 15 U.S.C. §1064(3).” CPC moved to dismiss the petition pursuant to Fed. R. Civ. P. 12(b)(6) as barred by *res judicata*. The Board granted the motion and in so doing held that Petitioner was required to raise any invalidity claims it may have had against Registration No. 504940 in a timely manner in the consolidated opposition proceedings but failed to do so. On appeal, the Fourth Circuit affirmed the dismissal.

Respondent, therefore, argues that Petitioner is barred under the doctrine of *res judicata* from now seeking to cancel the same registration that it was unable to cancel by way of the counterclaim in Opposition No. 65712 and by way of the petition to cancel in Cancellation No. 92032070. Specifically, Respondent contends

that “the Board and the courts have ruled on this issue. This latest effort to resurrect the claim is based on the same transactional facts of which Skippy, Inc. long has been aware.”

Petitioner responds to the motion by contending that it is the decision in Opposition No. 13134⁴ that governs the outcome in this case; that Respondent’s predecessor-in-interest in this earlier proceeding had applied to register SKIPPY for peanut butter in 1933, but was successfully opposed by Petitioner; and the opposition was sustained. Petitioner argues that Respondent’s predecessor committed fraud when it failed to reveal the decision in Opposition No.13134 to the Office at the time it applied for the mark in 1947 and at the time it filed the Section 15 affidavit in 1954. Petitioner further asserts that Respondent was not a party to the earlier Board proceedings so it lacks standing to argue that Petitioner failed to assert compulsory counterclaims for cancellation in those earlier proceedings; that “there is every reason to doubt the quality, extensiveness, and fairness of the prior proceedings here, for Petitioner had a right to make arguments seeking cancellation of the mark on the basis of fraud, but the authorities turned a blind eye to them”; and that new evidence that was unavailable in the prior proceedings “relieves Petitioner from any possible application of the compulsory counterclaim rule.”

Summary judgment is only appropriate when there is no genuine dispute as to any material fact and the moving party is entitled to judgment as a matter of law. *See Fed. R. Civ. P. 56(a).* The Board may not resolve issues of material fact; it

⁴ *Skippy, Inc. v. Rosefield Packing Co., Ltd.*, Opposition No. 13134, filed September 6, 1933; opposition sustained January 9, 1934. The opposition file for this proceeding was apparently destroyed around 1965.

may only ascertain whether a genuine dispute regarding a material fact exists. *See Lloyd's Food Products, Inc. v. Eli's, Inc.*, 987 F.2d 766, 766, 25 USPQ2d 2027, 2029 (Fed. Cir. 1993); *Olde Tyme Foods*, 961 F.2d at 200, 22 USPQ2d at 1542. A factual dispute is genuine if, on the evidence of record, a reasonable fact finder could resolve the matter in favor of the non-moving party. *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471, 1472 (Fed. Cir. 1992); *Olde Tyme Foods, Inc. v. Roundy's, Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1544 (Fed. Cir. 1992).

Under the doctrine of *res judicata* or claim preclusion, the entry of a final judgment "on the merits" of a claim (i.e., cause of action) in a proceeding serves to preclude the relitigation of the same claim in a subsequent proceeding between the parties or their privies. *See Lawlor v. National Screen Service Corp.*, 349 U.S. 322 (1955); *Chromalloy American Corp. v. Kenneth Gordon, Ltd.*, 736 F.2d 694, 222 USPQ 187 (Fed. Cir. 1984); *Flowers Industries, Inc. v. Interstate Brands Corp.*, 5 USPQ2d 1580 (TTAB 1987).

The requirements which must be met for claim preclusion are: (1) identity of the parties or their privies; (2) a final judgment on the merits of the prior claim; and (3) the claim in the later-filed case must be based on the same transactional facts as the first case. *Parklane Hosiery Co. v. Shore*, 439 U.S. 322, 327 n.5 (1979); *Jet Inc. v. Sewage Aeration Systems*, 223 F.3d 1360, 55 USPQ2d 1854, 1856 (Fed. Cir. 2000).

In this instance, it is clear that there is no genuine dispute as to any pertinent facts and that the doctrine of *res judicata* applies as a matter of law.

As to the first factor, despite Petitioner's argument to the contrary, CPC and Respondent in this proceeding are in privity. The subject registration was assigned to Respondent through a series of assignments and the assignments were recorded in the Office.⁵ With regard to the second factor of the *res judicata* analysis, the dismissal of Opposition No. 65712 and the decision in Cancellation No. 92032070 were both a judgment on the merits.

Turning to factor three, there is no genuine issue of material fact that the transactional facts which are the basis of Petitioner's claims in this proceeding are identical to those that formed the basis of the claims made by Petitioner in the two previous Board proceedings. Petitioner alleges that Jerome Rosefield, Respondent's predecessor, falsely stated at the time he applied to register the SKIPPY mark for peanut butter that "no other person, firm, or corporation" had the right to the SKIPPY mark thereby "deliberately withholding" from the Office the outcome of Opposition No. 13,134 which according to Petitioner acknowledged that Petitioner had a right to the mark. Similarly, Petitioner alleges that after the mark registered, Rosefield, on behalf of the registrant, falsely stated that "there ha[d] been no final decision adverse to registrant's claim of ownership" when by virtue of that decision it knew otherwise. Petitioner further alleges that others have renewed the mark concealing their imputed knowledge that Registration No. 504940 was void *ab initio*. These are the same facts upon which Petitioner asserted its prior compulsory counterclaim in Opposition No. 65712 and its petition to cancel in Cancellation No. 92032070. As this Board has pointed out in the previous proceedings, a defense

⁵ Reel/Frame Nos. 4964/0001.

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attacking the validity of a registration pleaded in an opposition is a compulsory counterclaim if grounds for such counterclaim exist at the time when the answer is filed. *See Trademark Rule 2.106(b)(2)(i); TBMP Section 313.04 (2015).* Petitioner was required to raise any invalidity claims it may have had against the subject registration in a timely manner in the first consolidated opposition proceedings. Petitioner failed to do so. If any grounds existed for attacking the validity of the Registration No. 504940, Petitioner's opportunity to raise these grounds has passed. Petitioner's claim that new evidence is available that was not previously considered is not well-taken. Such evidence is merely additional evidence of the same allegedly fraudulent occurrences of which Petitioner was indisputably aware in the earlier opposition proceeding. It is clear that these grounds were not newly discovered but, on the contrary, were grounds which existed and were known to Petitioner at the time it filed its answer in Opposition No. 65712. *See S&L Acquisition Co. v. Helene Arpels Inc.*, 9 USPQ2d 1221, 1224 (TTAB 1987) and *Consolidated Foods Corp. v. Big Red, Inc.* 231 USPQ 744 (TTAB 1986). Rather, Petitioner appears to assert Opposition No. 13134 as the basis for its present petition to cancel in an attempt to circumvent our previous determinations regarding Registration No. 504940.

Hence, there is no genuine dispute of material fact that *res judicata* bars Petitioner's claim in this proceeding.

In view of the foregoing, we hereby grant Respondent's motion for summary judgment.

The petition for cancellation is dismissed with prejudice.