

ESTTA Tracking number: **ESTTA771251**

Filing date: **09/16/2016**

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

## Petition for Cancellation

Notice is hereby given that the following party requests to cancel indicated registration.

### Petitioner Information

Name	Cannei, LLC		
Entity	LLC	Citizenship	Arizona
Address	15402 E. Verbena Drive Fountain Hills, AZ 85268 UNITED STATES		

Attorney information	Bree Popp 16537 E. Laser Drive Suite 10 Fountain Hills, AZ 85268 UNITED STATES bpopp@setgame.com Phone:480-837-3628
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### Registration Subject to Cancellation

Registration No	3890427	Registration date	12/14/2010
Registrant	NJKK HOLDINGS LLC P.O. BOX 342015 KAILUA, HI 96734 UNITED STATES		

### Goods/Services Subject to Cancellation

Class 028. First Use: 2010/09/14 First Use In Commerce: 2010/09/14 Cancelled goods and services in the class: cardgames
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### Grounds for Cancellation

Abandonment	Trademark Act Section 14(3)
Fraud on the USPTO	Trademark Act Section 14(3); In re Bose Corp., 580 F.3d 1240, 91 USPQ2d 1938 (Fed. Cir. 2009)

Related Proceedings	Petitioner is also filing Petitions for Cancellation marks with the following registration numbers: 2552951, 2987642, 3890428
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Attachments	2016-09-16 Petition for Cancellation w exhibits - 3890427.pdf(3768875 bytes )
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## Certificate of Service

The undersigned hereby certifies that a copy of this paper has been served upon all parties, at their address record by First Class Mail on this date.

Signature	/bree popp/
Name	Bree Popp
Date	09/16/2016

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

CANNEI, LLC,

Petitioner

v.

NJKK HOLDINGS LLC,

Respondent

Registration No. 3890427

Mark: KARMA KULA

Issued: December 14, 2010

Cancellation No. \_\_\_\_\_

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**PETITION FOR CANCELLATION**

Pursuant to 15 USC §§1064 and 1068, 37 CFR §2.111(b) and TBMP §309.03(d), Petitioner, Cannei, LLC, an Arizona limited liability company with its principal place of business at 15402 E. Verbena Drive, Fountain Hills, Arizona 85268 (hereinafter referred to as “Petitioner”), believes that it is and will be damaged by Registration No. 3890427 for the mark KARMA KULA (the “KARMA KULA Mark”), currently owned by NJKK Holdings LLC, a limited liability company with a mailing address at PO Box 342015, Kailua, Hawaii 96734 (hereinafter referred to as “Respondent”) and hereby petitions to cancel said registration.

As grounds for cancellation, Petitioner asserts that:

1. Petitioner is an established developer and licensor of card and board games for production and distribution in the United States and around the world. One of the card games Petitioner created and licensed to Set Enterprises, Inc. is titled KARMA. Petitioner’s Licensee, Set Enterprises, began production of the KARMA card game for sale in the US, Canada, Australia and New Zealand in 2013 and started selling the game in 2014. Set Enterprises has since sublicensed the title for localization and production in other countries.

2. On November 27, 2013, Petitioner filed an application for registration of the word mark KARMA for use in connection with “playing cards and card games” in international class 28, which was pending as US Trademark Application Serial No. 86121317 (the “Application”).

3. On October 2, 2014, the Examiner issued a Final Office Action rejecting Petitioner's Application under Trademark Action Section 2(d), 15 USC § 1052(d), based on Respondent's KARMA KULA Mark.

4. In light of the Final Office Action, Petitioner abandoned the Application on or about April 30, 2015, and it has thus been damaged and will continue to be damaged as a result of Respondent's registration.

5. On September 16, 2016, Petitioner filed a new application for registration of the word mark KARMA in connection with playing cards, card games and game cards in international class 28, US Trademark Application Serial No. 87174303 ("New Application").

6. Petitioner has a good faith belief that if this Petition for Cancellation is not granted, the KARMA KULA Mark will be cited against its New Application as a basis for refusal of registration under Trademark Act Section 2(d), 15 USC §1052(d), which further harms Petitioner.

7. The KARMA KULA Mark was registered on December 14, 2010 in connection with the following goods and services in International Class 28: "[Yoga products and yoga accessories, namely yoga mats, straps, bags, mat bags, totes, bricks, blocks, blankets, bolsters, zafus, wedges, yoga balls and physio balls; sports equipment, namely, basketballs, footballs, baseballs, surf boards, tennis racquets, hockey sticks, snorkel gear, swim fins, and goggles; ]action figures and accessories, [action skill games, cases for action figures and play accessories, ]costume masks, discs, [electric action toys, hand held electronic game units, pinball machines, ]rubber action balls, [toy airplanes, stuffed toy animals, stuffed toys, balloons, bath toys, board games, toy boxes, ]card games, [action figure clothing, ]flying discs, [party favors in the nature of small toys, swim floats for recreational use, jigsaw puzzles, kites and jump ropes, toy candy dispensers and holders, toy vehicles, dolls, stand alone video game machines, paper face masks, playsets for action figures, ]skateboards, [three dimensional puzzles, toy banks, toy model hobby craft kits, toy model rockets, ]toy weapons[, plush toys, roller skates, in-line skates; Christmas tree ornaments,

amusement park rides, beach toys, namely inflatable toys, water squirting toys, construction toys, toy building blocks, protective pads and padding for skateboarding, in-line skating and roller skating, toy coin banks, inflatable swimming pools, inflatable pool toys].”

8. The KARMA KULA Mark was originally owned by Ninjai Gang, LLC. Although the entire right, title and interest in the KARMA KULA Mark was transferred to Respondent in 2015. References to Respondent in this Petition may refer to Respondent or Respondent’s predecessor-in-interest, as the case may be.

9. According to the records of the Business Registration Division of the Hawaii Department of Commerce & Consumer Affairs, Respondent is a limited liability company organized under the laws of the state of Hawaii.

#### **ABANDONMENT**

10. Upon information and belief, Respondent has abandoned the KARMA KULA Mark with regard to card games pursuant to Section 14(3) of the Trademark Act, 15 USC §1064(3).

11. Upon information and belief, Respondent is not currently using the KARMA KULA Mark in connection with card games. While one of Respondent’s websites, [www.karmakulademonshredders.com](http://www.karmakulademonshredders.com), purports to offer for sale trading cards, there are no card games offered for sale at the site.<sup>1</sup>

12. Although in no way conceding that the trading cards pictured on the website are card games, Petitioner attempted to contact customer service regarding purchasing items from the site. The

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<sup>1</sup> While trading card games (referred to in the industry and among gamers as TCGs), such as Pokémon, do exist and are properly registered in international class 28, the trading cards pictured on [www.karmakulademonshredders.com](http://www.karmakulademonshredders.com) appear to be collectible trading cards, which are generally registered in international class 16 rather than international class 28. In fact, Respondent’s now-dead Registration No. 2639949 for KARMA KULA, DEMON SHREDDERS included trading cards in international class 16. Respondent’s application for the mark in class 16 for trading cards and in class 28 for card games shows that Respondent knows the difference between trading cards and card games and intended to register the KARMA KULA DEMON SHREDDERS mark for use with both. While the website shows that Respondent may have used the KARMA KULA Mark in connection with trading cards (if such trading cards were ever actually produced and sold), there is no evidence that the mark was ever used in connection with card games.

24-hour customer service phone number listed on the site has been disconnected and an email sent to the customer service email address, [orders@karmakulademonshredders.com](mailto:orders@karmakulademonshredders.com), received no response.

13. Upon information and belief, for at least the last three consecutive years, Respondent has not used the KARMA KULA Mark in connection with card games thereby constituting prima facie evidence of abandonment of the KARMA KULA Mark within the meaning of 15 USC §1127. Even if the trading cards on [www.karmakulademonshredders.com](http://www.karmakulademonshredders.com) are considered card games, the site appears to have been abandoned for over ten years. The date and time of the last modification to the site was 08/19/2006 at 03:08:53.

#### **FRAUD**

14. Upon information and belief, Respondent knowingly made a material false representation of fact regarding use of the KARMA KULA Mark on card games. Such false representation was made with the intent that the USPTO act upon it.

##### Respondent Represented that the KARMA KULA Mark was used in Connection with Card Games

15. On October 12, 2010 Respondent filed a Declaration of Use of Mark in Commerce Under Section 8. The Declaration deleted many of the goods from the Notice of Allowance, but averred that the KARMA KULA Mark was in use on “action figures and accessories, costume masks, discs, rubber action balls, **card games**, flying discs, skateboards, toy weapons.” (emphasis added).

##### Respondent’s Representation Was False

16. Upon information and belief, Respondent’s 2010 statement that Respondent was using the KARMA KULA Mark on and in connection with card games was false at the time it was made.

17. The Specimen Respondent filed in support of its Statement of Use did not show the mark being used on or in connection with card games.<sup>2</sup> See Exhibit A.

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<sup>2</sup> The printout of the website showed trading cards, but Respondent’s now-dead registration for KARMA KULA DEMON SHREDDERS in international class 16 for use on trading cards demonstrates that those are not card games and that Respondent knew they were not card games.

18. Petitioner has also been unable to discover any evidence that the KARMA KULA Mark was ever used on card games.

19. Based on Petitioner's investigation, card games have never been offered for sale on any of Respondent's KARMA KULA-related websites. See Exhibits B and C.

20. Petitioner has also been unable to discover any other outlet through which any merchandise bearing the KARMA KULA Mark is or was sold.

21. The authenticity of the goods pictured in Respondent's Specimen is questionable.

22. Comparison of the Specimen with the merchandise offered on Respondent's websites leads one to the conclusion that the branded merchandise pictured on the websites was never actually produced.

23. Specifically, the ball in the Specimen differs significantly from the merchandise displayed at [www.karmakulademonshredders.com](http://www.karmakulademonshredders.com). The ball pictured in the Specimen is a plain red ball with the KARMA KULA Mark only on the tag attached to the clear plastic package, while the balls pictured on Respondent's website have branding printed on the balls themselves. Compare Exhibit A to Exhibit B.

24. Further, the ball in the Specimen appears to be the same ball in the Specimen submitted on the same date in support of the Statement of Use filed for the mark KARMA KULA, DEMON SHREDDERS (Registration Number 3890428). In fact, it appears to be the same picture other than the words on the tag. See Exhibit D.

#### Materiality of False Representations of Fact

25. Absent the false representations of Respondent, the USPTO would not have issued the KARMA KULA Mark for use on or in connection with card games.

26. According to 37 CFR §2.88, a Statement of Use filed after a Notice of Allowance "may be filed only when the mark has been in use in commerce on or in connection with all the goods or services specified in the notice of allowance for which the applicant will seek registration in that application."

Respondent's false representation that it was using the KARMA KULA Mark on card games was material to the USPTO's decision to register the mark for card games.

27. To meet the requirements of Section 8 of the Trademark Act, an affidavit must (a) state that the mark is in use in commerce; (b) set forth the goods and services recited in the registration on or in connection with which the mark is in use in commerce; (c) be accompanied by such number of specimens or facsimiles showing current use of the mark in commerce as may be required by the Director; and (d) be accompanied by the fee prescribed by the Director. Respondent's false representation that it was using the KARMA KULA Mark on card games was material to the USPTO's issuance of the KARMA KULA Mark for use in connection with card games.

Respondent's Knowledge of the Falsity of the Representations of Fact

28. Upon information and belief, Respondent knew that it never produced or sold any card games with the KARMA KULA Mark. Even if Respondent argues that the trading cards on its website are card games, Respondent's now-dead Registration No. 2639949 for KARMA KULA, DEMON SHREDDERS in connection with trading cards in international class 16 is proof that Respondent knew that trading cards and card games are different goods and are meant to be registered in different classes.

Respondent's Intent that the Representations be Acted Upon

29. It is clear from the purpose of the declarations that Respondent specifically intended for the USPTO to act on its material false representations of fact. The representations were made in declarations submitted to the USPTO for action regarding the registration of the KARMA KULA Mark.

30. The US Patent and Trademark Office relied upon Respondent's material false statements in registering the KARMA KULA Mark. The US Patent and Trademark Office would not have granted registration of the KARMA KULA Mark with respect to card games absent Registrant's knowingly false statement.



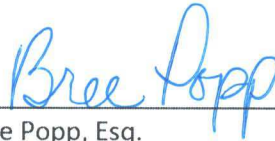
31. In view of Respondent's non-use, abandonment and fraud in obtaining and maintaining the KARMA KULA Mark for use on card games, Respondent is not entitled to continued registration of the mark pursuant to Section 14(3) of the Trademark Act, 15 USC §1064(3), and, as such, the registration should be cancelled with respect to card games.

Petitioner reserves the right to amend this Petition to allege other claims in the event discovery of other information indicates they are appropriate.

**WHEREFORE**, Petitioner prays that US Registration No. 3890427 be cancelled with regard to card games pursuant to 15 USC §1064(3) because the KARMA KULA Mark has been abandoned by Respondent and the registration was issued based on fraudulent representations to the USPTO.

Dated: 9/16/16

Respectfully submitted,



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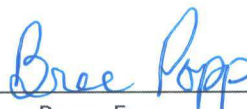
# CERTIFICATE OF SERVICE

I hereby certify that on September 16, 2016 this Petition for Cancellation and all marked attachments are being electronically filed with the Trademark Trial and Appeal Board through their website located at <http://estta.uspto.gov>.

I hereby certify that pursuant to 37 CFR §2.111(b) I served a copy of the foregoing Petition for Cancellation and its Exhibits upon the owner of record for the registration at the correspondence address of record in the USPTO. Said copy was addressed to:

NJKK Holdings LLC  
c/o Martin Hsia  
Cades Schutte a limited liability law partnership  
1000 Bishop Street  
12<sup>th</sup> Floor  
Honolulu, Hawaii 96813

and was sent USPS First Class Mail, tracking number 9402110200864135490874.



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EXHIBIT A

2010 Specimen – ball

TSDR Document for Registration Number 3890427  
dated October 12, 2010 and described as: Specimen

Available at:

<http://tsdr.uspto.gov/documentviewer?caseId=sn77086884&docId=SPE20101013142430#docIndex=6&page=1>

KARMA KULA™



EXHIBIT B

[www.karmakulademonshredders.com](http://www.karmakulademonshredders.com) – printed September 16, 2016

# Karma Kula™ Demon Shredders MERCHANDISE



**Calendar: \$15.76**

**Mouse Pads: \$12.33**



**Eraser: \$2.78**

**Ball Point Pen: \$1.65**

**Pencils: \$1.09 ea.**

**Ruler: \$5.29**

**Pen/Pencil Case: \$8.79**



**Folders: \$4.98**

**Binders: \$10.79**

Petition for Cancellation of Registration No. 3890427

Petitioner's Exhibit B, page 2



**Scrap Books: \$32.99**



**Sunglasses: \$35.94**



**Jump Rope: \$16.35**



**Kite: \$54.98**

Petition for Cancellation of Registration No. 3890427

Petitioner's Exhibit B, page 3



**Rubber Action Balls: \$22.75 ea.**



**Flying Disc: \$13.63**



**Journal/Book Cover**



**Bumper Stickers: \$5.00**



Petition for Cancellation of Registration No. 3890427

Petitioner's Exhibit B, page 4



**Comic Book: Coming Soon**



**Greeting Cards**



**Decorative Magnets: \$3.49 ea.**



**Poster: \$16.00**

Petition for Cancellation of Registration No. 3890427

Petitioner's Exhibit B, page 5



**Stickers: \$3.00 ea.**



**Ballons: 12 for \$6.00**



**Trading Cards: \$7.95 per pack**



**Writing Tablet: \$4.50**

Petition for Cancellation of Registration No. 3890427

Petitioner's Exhibit B, page 6



**Rubber Stamps: \$16.95 pack of 3**

[CLICK HERE TO ORDER!](#)

Searching desperately for a rare action video, or looking to film your own?

[CLICK HERE!](#)

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EXHIBIT C

[www.karmakop.com](http://www.karmakop.com) – printed September 16, 2016

# KarmaKop<sup>TM</sup>

## MERCHANDISE

PRODUCTS

SCREENSAVERS

### SCHOOL

Binder: \$6

Folders: \$4.55

[Order](#)

Lunch Box: \$19.99

Pencils: \$2.25 ea.

Pens: \$3.99

Ruler: \$3.99

Pencil Case: \$5.49

[Order](#)

### SPORTS

Flying Disc: \$9.95

Paddle Ball Set: \$10

[Order](#)

### APPAREL

Sunglasses: \$49.99

[Order](#)



T-shirts: \$19.95

[Order](#)



Hat: \$22.99  
Beanie: \$22.99

[Order](#)



Girls' Fleece: \$55.95

[Order](#)



Hooded Sweatshirt: \$32.95



Hooded Sweatshirt #2:  
\$37.99

[Order](#)



[Order](#)



Pants: \$49.99

[Order](#)



Khaki Cargo Pants: \$58.99

[Order](#)



Nylon Cargo Pants: \$64

[Order](#)



Backpacks: \$49.99

[Order](#)



Tote Bag: \$42.99

[Order](#)

EXTRAS

EXHIBIT D



October 12, 2010 Specimen – Registration Number 3890427

<http://tsdr.uspto.gov/documentviewer?caseId=sn77086884&docId=SPE20101013142430#docIndex=6&page=1>



October 12, 2010 Specimen – Registration Number 3890428

<http://tsdr.uspto.gov/documentviewer?caseId=sn77086931&docId=SPE20101013142440#docIndex=6&page=1>

The fact that these are the same photo with digital manipulation on the tag can be seen by opening two internet browser windows and flipping back and forth between the two links – the only thing that changes are the words on the tag.



Mouse Pads: \$8 ea.

Calendar: \$12.95

[Order](#)



*Coming Soon: Karma Kop™ Video Game and Action Figures!*

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