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

Proceeding	92066007
Party	Plaintiff Little Sprouts, LLC
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Attachments	Little Sprouts - Cancellation Action - Joint Voluntary Cancellation C ontingent Upon Entry of Settlement.pdf(178450 bytes)

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

LITTLE SPROUTS, LLC, Petitioner, v. LITTLE SPROUTS ACADEMY, INC., Registrant.	))))))))))	Proceeding No.: 92066007 (parent) 92066035 92066041

STIPULATED VOLUNTARY SURRENDER OF REGISTRATIONS CONTINGENT ON ENTRY OF SETTLEMENT AGREEMENT IN CONCURRENT USE ACTION

Pursuant to 37 C.F.R. § 2.134(a) and Trademark Trial and Appeal Board Manual of Procedure § 602.02(a), Petitioner Little Sprouts, LLC ("Petitioner") and Little Sprouts Academy, Inc. ("Registrant") jointly request, contingent upon the terms stated herein, that the Board cancel Registration Nos. 5047742, 4658405, and 4953893 (the "Registrations") in the name of Registrant.

Petitioner filed trademark Application Serial No. 87111721 for LITTLE SPROUTS, which was preliminarily refused based on the Registrations under Section 2(d) of the Lanham Act. Petitioner then filed this action to cancel the Registrations (the "Cancellation Action").

Thereafter, Registrant filed Serial Nos. 87506538, 87506542, and 87506545, followed by a concurrent use proceeding against Petitioner, which was assigned Proceeding No. 94002965 (the "Concurrent Use Action").

Registrant and Petitioner signed a settlement agreement (the "Settlement Agreement") to resolve this Cancellation Action and the Concurrent Use Action. On October 23, 2020, the parties jointly filed a motion in the Concurrent Use Action to enter the Settlement Agreement. (Concurrent Use Action, 4 TTABVUE). On December 8, 2020, the Board entered an order in the

Concurrent Use Action (the "Order") stating that the Settlement Agreement's "provisions are of the type that support concurrent use registration for each party." (Concurrent Use Action, 6 TTABVUE at 6). A copy of the Order is attached hereto as Exhibit A. However, the Order refused to enter the Settlement Agreement because the Registrations are still valid and do not have any territorial limitations. Ex. A, at p. 7. The Order therefore gave Registrant until January 7, 2021 to voluntarily surrender the Registrations with Petitioner's consent in this Cancellation Action and specifically advised that Registrant's "voluntary surrender of [the Registrations] may be made contingent upon the Board's acceptance of the parties' Agreement in [the Concurrent Use Action]." Ex A, p. 7-8.

Registrant, therefore, respectfully requests the Board cancel the Registrations contingent upon the Board's acceptance of the Settlement Agreement in the Concurrent Use Action for a stipulated judgment approving Registrant's concurrent use applications for registration in the Concurrent Use Action. Petitioner expressly consents to said request.

WHEREFORE, the parties jointly request the Board cancel Registration Nos. 5047742, 4658405, and 4953893 in the name of Registrant contingent upon the Board's acceptance of the Settlement Agreement in the Concurrent Use Action for a stipulated judgment approving Registrant's concurrent use applications for registration in the Concurrent Use Action.

Dated: December 22, 2020

DLA PIPER LLP (US)

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Attorney for Registrant Little Sprouts Academy, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this date I have caused to be served: **STIPULATED VOLUNTARY SURRENDER OF REGISTRATIONS CONTINGENT ON ENTRY OF SETTLEMENT AGREEMENT IN CONCURRENT USE ACTION** by transmitting copies via electronic mail to:

BEN L WAGNER
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Date: December 22, 2020

/s/Michael A. Geller
Michael A. Geller

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
General Email: TTABInfo@uspto.gov

Myles/Butler

December 8, 2020

Concurrent Use No. 94002965

Little Sprouts Academy, Inc.

v.

Little Sprouts, LLC

Mary Beth Myles, Interlocutory Attorney:

Little Sprouts Academy, Inc. ("Little Sprouts Academy") seeks concurrent use registrations of the following marks:

- 

(Application Serial No. 87506538) for "Child care services; Preschooler and infant care at daycare centers; Providing child care centers" in International Class 43;[1]

[1] Application Serial No. 87506538, filed June 27, 2017, and claiming January 19, 2012 as both the date of first use anywhere and the date of first use in commerce. The description of the mark is as follows: "The mark consists of the stylized brown words 'Little Sprouts' with a green sketch of a small sprout plant in between the words."

- LITTLE SPROUTS, in Standard Characters (Application Serial No. 87506542), for "Child care services; Preschooler and infant care at daycare centers; Providing child care centers" in International Class 43;[2] and
- LITTLE SPROUTS CHILD ENRICHMENT ACADEMY, in Standard Characters (Application Serial No. 87506545), for "Child care services; preschooler and infant care at daycare centers; providing child care centers" in International Class 43.[3]

In each of its applications, Little Sprouts Academy names use by Little Sprouts, LLC ("Little Sprouts, LLC") as an exception to Little Sprouts Academy's exclusive right to use the marks in commerce. The Board instituted this concurrent use proceeding on September 9, 2020.

I. Little Sprouts Academy's Unrestricted Registrations

Little Sprouts Academy is also the owner of unrestricted registrations for the following marks:

[2] Application Serial No. 87506542, filed June 27, 2017, and claiming January 19, 2012 as both the date of first use anywhere and the date of first use in commerce.

[3] Application Serial No. 87506545, filed June 27, 2012, and claiming January 19, 2012 as both the date of first use anywhere and the date of first use in commerce. "CHILD ENRICHMENT ACADEMY" is disclaimed.

-  (Registration No. 5047742), for "Child care services; Preschooler and infant care at daycare centers; Providing child care centers" in International Class 43;[4]
- LITTLE SPROUTS, in Standard Characters (Registration No. 4658405), for "Child care services; Preschooler and infant care at daycare centers; Providing child care centers" in International Class 43;[5] and
- LITTLE SPROUTS CHILD ENRICHMENT ACADEMY, in Standard Characters (Registration No. 4953893), for "Child care services; Preschooler and infant care at daycare centers; Providing child care centers" in International Class 43.[6]

Little Sprouts, LLC filed a separate petition to cancel each of Little Sprouts Academy's unrestricted registrations on May 3, 2017, alleging prior use of the mark LITTLE SPROUTS for "educational services." Little Sprouts, LLC also claimed ownership of Application Serial No. 87111721, for the mark LITTLE SPROUTS, in Standard Characters, for "Educational services, namely, providing preschool, pre-K,

[4] Registration No. 5047742, issued September 27, 2016, and claiming February 1, 2009 as both the date of first use anywhere and the date of first use in commerce. The description of the mark is as follows: "The mark consists of the stylized brown words 'Little Sprouts' with a green sketch of a small sprout plant in between the words."

[5] Registration No. 4658405, issued December 23, 2014, and claiming February 1, 2009 as both the date of first use anywhere and the date of first use in commerce. "SPROUTS" is disclaimed.

[6] Registration No. 4953893, issued May 10, 2016, and claiming February 1, 2009 as both the date of first use anywhere and the date of first use in commerce. "CHILD ENRICHMENT ACADEMY" is disclaimed.

and Kindergarten classes" in International Class 41 and "Preschooler and infant care at daycare centers; Providing child care centers" in International Class 43.[7]

In each petition to cancel, Little Sprouts, LLC alleged that use of Little Sprouts Academy's mark was likely to cause confusion (Cancellation Nos. 92066007, 92066035,[8] and 92066041). In its answers, Little Sprouts Academy denied that confusion was likely. The Board consolidated each of the cancellation proceedings on September 30, 2017, and the consolidated proceedings were suspended on December 20, 2019, pending the abandonment or registration of Little Sprouts Academy's concurrent use applications.[9]

II. Joint Motion to Submit Settlement Agreement in Concurrent Use No. 94002965

On October 23, 2020, Little Sprouts, LLC filed the parties' Joint Motion to Submit Settlement Agreement and Request Restriction of Applications concurrently with a copy of the parties' executed Coexistence Agreement ("Agreement") in Concurrent Use No. 94002965.[10] In its applications, Little Sprouts Academy originally sought claim to the entire United States, except Massachusetts and New Hampshire. The Agreement is narrower in scope, limiting Little Sprouts Academy to the entire United

[7] Application Serial No. 87111721, filed July 21, 2016, and claiming June 1, 2003, as both the date of first use anywhere and the date of first use in commerce.

[8] Cancellation No. 92066035 was instituted against Little Sprouts. The registration was assigned, nunc pro tunc, to Little Sprouts Academy, effective March 1, 2012 and recorded June 27, 2017. Reel/Frame 6091/0485. On December 1, 2017, the Board substituted Little Sprouts Academy as the party defendant. 8 TTABVUE in Cancellation No. 92066035.

[9] 13 and 16 TTABVUE in Cancellation No. 92066007.

[10] 4 TTABVUE in Concurrent Use No. 94002965.

States except Maine, New Hampshire, Vermont, Massachusetts, Connecticut, and Rhode Island. Little Sprouts, LLC's geographic area is identified as comprising the states of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, and Rhode Island. The Board treats the changes to Little Sprouts Academy's claimed geographic area as a consented motion to amend the concurrent use applications. Inasmuch as the proposed amendment is narrower in scope than the geographic area claimed in the concurrent use applications, the amendment is approved and the construed motion to amend is granted and entered.[11]

The Agreement provides that the parties do not believe that there is a likelihood of confusion between their respective marks in their geographically restricted areas based upon the following: the parties have coexisted since 2012 without any known instances of actual confusion; the parties' services are not competitive in each other's respective geographic areas; consumers selecting daycare or education facilities for children are likely to exercise a high degree of care and such services are generally sought within close proximity to the children's parents or guardians.

The agreement provides for concurrent use of their respective marks within the specified geographic territories, in accordance with the following relevant terms: the parties agree not to use their respective marks or any substantially similar mark in the United States inside each other's territory; the parties agree not to target advertising directly to consumers in the other party's territory; the parties agree to operate separate domain names with a prominently displayed "locations" tab; the

[11] Because the amended geographic restriction is narrower than that originally claimed by Little Sprouts Academy, it is not necessary to republish the applications.

parties agree to use different logos in advertising and marketing to further distinguish the marks; and in the event actual confusion arises, the parties agree to take efforts to eliminate existing confusion and prevent further confusion.

Such provisions are of the type that support concurrent use registration for each party.

In this case, however, Little Sprouts, LLC is also the owner of unrestricted Application Serial No. 87111721. The application is currently suspended pending determination of the consolidated cancellation proceedings. In their joint motion, the parties have requested that "the Board enter an order that each party is entitled to concurrent registrations for their respective applications."[12] The Board has no jurisdiction over Little Sprouts, LLC's application pending before the examining attorney unless the application is amended to seek concurrent use, is published without successful opposition, and is added to the proceeding. *See Pro-Cuts v. Schilz-Price Enters. Inc.*, 27 USPQ2d 1224, 1226 (TTAB 1993).

On November 16, 2020, the Board held a teleconference with the parties. Participating in the call were Ben Wagner, counsel for Little Sprouts Academy, William Bartow and Michael Geller, counsel for Little Sprouts, LLC, and Mary Beth Myles, Interlocutory Attorney for the Board. During the call, the Board advised Little Sprouts, LLC that it may file an amendment with the Trademark Examining Attorney to amend its pending unrestricted Application Serial No. 87111721 to seek concurrent use registration. In the event the application is otherwise acceptable for

[12] 4 TTABVUE 2 in Concurrent Use No. 94002965.

publication and meets the jurisdictional requirement for concurrent use registration, the application would be published for opposition. The Board could suspend the concurrent use proceeding pending completion of the opposition period and, if there are no successful oppositions, the application could be joined to this concurrent use proceeding. During the telephone conference, counsel for Little Sprouts, LLC stated that it did not want to amend its pending unrestricted application at this time. Accordingly, to the extent the parties have requested an order granting a restricted registration to Little Sprouts, LLC's suspended application, the request is denied.

Additionally, Little Sprouts Academy has existing unrestricted registrations (subject to the consolidated cancellation proceedings) for the identical marks and identical services as its concurrent use applications. The Board cannot grant the parties' joint motion while Little Sprouts Academy has existing unrestricted registrations for the same marks and services. The parties have indicated that Little Sprouts Academy intends to voluntarily surrender each of its unrestricted registrations and to dismiss the consolidated cancellation proceedings.[13] Accordingly, Little Sprouts Academy is allowed until **thirty days** from the date of this order in which to file its voluntary surrender of Registration Nos. 5047742, 4658405, and 4953893 in the consolidated cases, with the **written** consent of Little Sprouts, LLC,

[13] 14 TTABVUE in Cancellation No. 92066007. During the teleconference with the Board, Mr. Wagner confirmed that it was Little Sprouts Academy's intention to voluntarily surrender its unrestricted registrations upon the Board's acceptance of the parties' Agreement.

or otherwise advise the Board how it wishes to proceed.[14] Little Sprouts Academy's voluntary surrender of its registrations may be made contingent upon the Board's acceptance of the parties' Agreement in Concurrent Use No. 94002965.

The parties are encouraged to contact the Interlocutory Attorney assigned to the case should they have any questions.

If Little Sprouts Academy fails to respond prior to the expiration of the deadline set forth above, the concurrent use proceeding will be resumed.

Proceedings are otherwise suspended.

[14] Trademark Rule 2.134(a) provides that if a respondent applies for cancellation of a registration subject to a cancellation proceeding without the written consent of every adverse party, judgment will be entered against the respondent. In the event that Little Sprouts Academy surrenders its registrations without the written consent of Little Sprouts LLC, such judgment against the unrestricted registrations may be a bar to concurrent use registration of the marks.