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

Proceeding no.	92082310
Party	Plaintiff Matos Insurance Agency, Inc. and Armando J Matos
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Date	06/28/2023
Attachments	TTAB Response - Opposition Stay TTAB.pdf(135034 bytes)

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

Registration No.:	**6209276**
Mark:	**MATTOS INSURANCE**
Registered:	**December 1, 2020**
Class:	**036**
Cancellation No.:	**92082310**

MATOS INSURANCE AGENCY, INC.,
ARMANDO JOSE MATOS)
)
Petitioner,)
)
v.)
)
MATTOS INSURANCE, INC.)
)
Respondent.)

PETITIONERS' RESPONSE IN OPPOSITION TO
RESPONDENT'S MOTION TO SUSPEND PROCEEDINGS

Petitioners Armando Jose Matos and Matos Insurance Agency, Inc., respectfully request the Board deny Respondent's Motion to Suspend Proceedings.

I. INTRODUCTORY STATEMENT.

The crux of Respondent's Motion to Stay provides in summary that a stay of the instant proceedings is warranted because disposition of the related civil action first will determine whether Petitioner herein "may continue its infringement of Respondent's mark, whether Respondent's Registration of its Mattos Insurance mark is valid and whether Respondent's registration of its Mattos Insurance mark should be cancelled." Further, Respondent implies that because Petitioners, in the related civil action, asserted affirmative defenses regarding the validity of Respondent's

mark[1], they somehow waived the right to bring a subsequent cancellation proceeding before this Board.

Proceeding under Respondent's theory would only cause unnecessary expenditure of resources as it would force the litigation of, and discovery on, issues that may ultimately be moot (i.e. Respondent's purported entitlement to damages for infringement of an allegedly valid mark). Since the filing of Respondent's Motion to Stay, Petitioners' Motion to Stay in the federal court matter is fully briefed and pending a ruling. Respondent also filed an Answer in the instant proceeding, but did not assert any affirmative defenses.

Respondent concedes that one of the issues before the district court is the validity of the mark, while also noting other issues to be addressed of by the court, including issues regarding infringement. Petitioners recognize the TTAB cannot rule on infringement issues, but Petitioners are only seeking cancellation of the Respondent's mark, and have no intention of pursuing an application for their own mark. A determination of the invalidity of the mark will simplify issues in the district court proceeding and allow for the issue of cancellation to be determined before the TTAB – "the primary means of securing a cancellation". *See Nike, Inc., v. Already, LLC*, 663 F.3d 89, 98-99 (Second Cir. 2011). Further, Respondent recognizes that 15 U.S.C. § 1119 appears to provide a district court with jurisdiction to cancel a federal trademark, but this is in the form of a remedy, and does not serve as an independent source of jurisdiction – rendering Petitioners unable to assert the same relief via counterclaim or other pleadings in the district court (as Petitioners have no other cause of action against Respondent, except for cancellation of its mark).

If the Respondents' mark is determined invalid in this proceeding, there will be no issues of infringement to litigate in the related proceeding, and as a result, each of Respondents'

[1] *Mattos Insurance, Inc. v. Jose Matos Armando and Matos Insurance Agency, Inc*., Case No. 22-cv-62075-AHS in the Broward Division of the Southern District of Florida.

corresponding causes of action, including injunctive relief – must fail, as they are all premised on the notion of a valid mark. To litigate issues of validity and infringement contemporaneously does not appear an efficient course of action.

Petitioners recognize there is an abundance of case law discussing the relationship between pending TTAB and district court proceedings, and that, TTAB proceedings are often the proceeding to be stayed because TTAB decisions can be appealed. But in the instant matter, Petitioners submit the asserted grounds for cancellation are unique and cannot be addressed by the district court because the deficiencies arise out of issues generated during the application process of the subject mark, including certain omissions made by the examining attorney when analyzing the subject mark's application.

1. **Deficiencies in the application process of the subject mark warrant proceeding in this forum.**

For purposes of brevity, Petitioners will not reassert the arguments outlined in their Petition presently before the TTAB – but to reiterate pertinent points: Respondent was issued a nonfinal office action wherein the examining attorney noted Respondent's mark was primarily a surname coupled with the generic phrase, "Insurance". Respondent sought to overcome the nonfinal office action by submitting a Declaration of Tiago M. Manguiera that simply declared Respondent's mark had become distinctive through continuous use in commerce. This, however, on its own, should not have been enough to overcome the Office's refusal. As further articulated in its Petition to Cancel, Respondent's reference to "use in commerce for five years" may have established a presumption of distinctiveness, but did not automatically ensure a sufficient level of protection on the Principal Register as Respondent had yet to submit other evidence of distinctiveness, including actual evidence showing the duration, extent and nature of use of a mark. Further, the Declaration

fails to allege Respondent's use of the subject mark was "as a mark". *See generally*, Petition to Cancel.

These preliminary, substantive application issues are inherently better addressed through resolution in the TTAB, as the deficiencies concern acts and/or omissions of the examining attorney assigned to Respondent's mark application. The examining attorney should have required additional evidence of distinctiveness prior to submitting Respondent's mark to the publication phase. 15 U.S.C. §1052(f); *see In re Craigmyle*, 224 USPQ 791, 793 (TTAB 1984) (finding registrability under §2(f) not established by sales over a long period of time where there was no evidence that the subject matter had been used as a mark); *In re Kwik Lok Corp*., 217 USPQ 1245, 1248 (TTAB 1983) (holding declarations as to sales volume and advertising expenditures insufficient to establish acquired distinctiveness. "The significant missing element in appellant's case is evidence persuasive of the fact that the subject matter has been used as a mark.").

If Respondent's mark is ultimately held generic, it would be incapable of acquiring federal trademark protection. This is not the same as asserting rights to an *unregistered* mark which may be still be afforded trademark protections.

As noted in Petitioners' Motion to Stay, a stay of the civil action pending resolution of the instant Board proceedings would be an efficient use of judicial resources and would not prejudice the Respondent, Staying the civil court litigation pending resolution of the instant proceeding will simplify the issues in question and likely dispose of all claims asserted by Respondents in the district court case. The totality of the circumstances as outlined in the federal court briefing and in Petitioner's instant Petition to Cancel, further warrant a denial of Respondent's Motion to Stay the instant proceedings.

2. **General benefits to proceeding before the TTAB.**

The instant proceeding will resolve issues of invalidity which would dispose of any infringement claims in the district court litigation, and moot any of the corresponding claims asserted by Respondent, including those for injunctive relief. A TTAB proceeding is, generally, far less expensive than litigation in district court, with more predictable expenses. The parties in the TTAB proceeding may also avail themselves of the TTAB's Accelerated Case Resolution Procedure in furtherance of streamlining the instant proceedings. According to the TTAB: "ACR is intended as an alternative to a traditional Trademark Trial and Appeal Board (TTAB) inter partes proceeding that involves full discovery, trial and briefing. Its form can vary but the process is generally thought of as approximating a summary bench trial." See *Acuff-Rose Music, Inc. v. Jostens, Inc.*, 47 USPQ2d 1953, 1954-55 (2nd Cir. 1998). Finally, the proceedings herein are ultimately decided by a panel of three administrative judges, rather than a jury trial – making the overall costs of determining the validity of Respondent's mark first, through the TTAB proceedings, much less than proceeding with the district court litigation.

WHEREFORE, for the reasons set forth in its Petition to Cancel, as well as in the instant Response, Petitioners, Matos Insurance Agency, Inc., and Armando Jose Matos, respectfully request the Board deny Respondent's Motion to Suspend Proceeding, and for any other and further relief this Board deems just and proper.

Date: June 28th, 2023

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