

US: TRADE MARKS

TTAB allows only one bite at the apple

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In July 2015, in the case *The Urock Network, LLC v Umberto Sulpasso*, the USPTO's Trademark Trial and Appeal Board (TTAB) issued a precedential decision holding that a party who unsuccessfully opposes an application for a particular mark is precluded from petitioning to cancel the registration that subsequently issues for such mark, regardless of whether the judgment in the opposition proceeding was the result of a default, consent or dismissal with prejudice.

In January 2010, John Kevin Timothy d/b/a UROCK Radio had filed a notice of opposition against Sulpasso's trade mark application for the stylised mark UROCK claiming a likelihood of confusion. The opposition was ultimately dismissed by the TTAB due to the opposer's failure to take testimony or enter evidence. Following the dismissal of the opposition, in March 2014, the USPTO issued a certificate of registration for the stylized UROCK mark and Timothy shortly thereafter filed a cancellation action, this time through his corporate entity, The Urock Network, LLC. Sulpasso filed a motion for summary judgment based on the doctrine of claim preclusion.

The doctrine of claim preclusion is an equitable doctrine that holds that a "judgment on the merits in a prior suit bars a second suit involving the same parties or their privies based on the same cause of action." In *The Urock Network, LLC*, it was conceded that the plaintiff in the opposition, John Kevin Timothy, and the plaintiff in the cancellation proceeding, The Urock Network, LLC, were "the same person". The Urock Network had argued that the decision in the opposition proceeding should not bar it from seeking to cancel the registration that subsequently issued because the opposition was decided on a "technical proce-

dure" rather than on the merits of the case and because there are differences between the goods and services at issue in the two proceedings.

The TTAB, however, rejected these arguments, ruling that that the doctrine of claim preclusion applies regardless of the reason for the dismissal of the opposition; and that the doctrine extends to the re-litigation of claims that were raised during the first proceeding as well as claims that could have been raised. In short, the TTAB held that both the opposition proceeding and the cancellation action "involve the same nucleus of operative facts such that both proceedings stem from the same set of transaction facts", as the plaintiff could have brought the claims raised in the cancellation proceeding during the opposition. Accordingly, the TTAB granted Sulpasso's motion for summary judgment, ruling that a plaintiff is barred from a "subsequent assertion of the same transactional facts in the form of a different cause of action or theory of relief".

This case is instructive in that it confirms that a party only gets one bite of the proverbial apple if it opposes a trade mark application. An opposer who is lax in prosecuting its claims in an opposition proceeding against a particular mark will likely be precluded from subsequently petitioning to cancel a registration that later issues for such mark.