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U.S. DEPARTMENT OF COMMERCE  
PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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Jules Jurgensen/Rhapsody, Inc.

v.

Fabrica Di Orologi Sindaco S.A., Orologi "Jaguar"  
(Fabrique d'Horologerie Sindaco S.A., Montres "Jaguar")  
(Uhrenfabrik Sindaco A.G., "Jaguar" Uhren) and  
Peter Baumberger, joined as party defendant

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Cancellation No. 21,824

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Paul Maleson of Maleson, Rosenberg, Bilker & Farrell for Jules  
Jurgensen/Rhapsody, Inc.

Anne H. Peck of Cooley, Godward, Castro, Huddleson & Tatum for  
Fabrica Di Orologi Sindaco S.A., Orologi "Jaguar" (Fabrique  
d'Horologerie Sindaco S.A., Montres "Jaguar") (Uhrenfabrik  
Sindaco A.G., "Jaguar" Uhren) and Peter Baumberger.

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Before Simms, Hohein and Hairston, Administrative Trademark  
Judges.

Opinion by Hohein, Administrative Trademark Judge:

Jules Jurgensen/Rhapsody, Inc. has petitioned to cancel  
the registration of the mark "URBAN" for "mechanical watches with  
manual or automatic winding, electrical and electronic watches,  
watch parts, movements, and dials; watch cases, diving watches,

[and] chronometers".<sup>1</sup> As the basis for cancellation, petitioner alleges that it is the owner of the mark "URBAN JURGENSEN" for wrist watches, having commenced use thereof in interstate commerce since at least as early as May 7, 1991; that petitioner, on December 13, 1991, filed its pending application, Ser. No. 74/230,739 to register such mark for wrist watches; that its application presently stands refused in view of the existence of the registration it seeks to cancel; and that "the registered trademark 'Urban' has been abandoned within the meaning of 15 USC 1064(3)" inasmuch as "[i]nquiry has indicated that registrant is not and has not been using the trademark 'Urban' in the United States for at least a period of time sufficient to constitute abandonment."

Peter Baumberger, who by certain assignments claims to be the present owner of the involved registration and accordingly was joined as the respondent in this proceeding pursuant to Fed. R. Civ. P. 19(a), has filed an answer denying the allegations of the petition for cancellation.<sup>2</sup>

The record consists of the pleadings; the file of the involved registration; and, as petitioner's case-in-chief, the testimony, with an exhibit, of the president of Regal Industries,

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<sup>1</sup> Reg. No. 965,536, issued on August 7, 1973, based upon Swiss Reg. No. 255,118, dated September 22, 1971; renewed.

<sup>2</sup> Although the answer also alleges, as "AFFIRMATIVE DEFENSES," that "the Petition for Cancellation is barred by the doctrines of estoppel, waiver, laches and acquiescence," these defenses were not properly pleaded, in that the factual grounds therefor were not set forth, nor did respondent offer any evidence with respect thereto at trial. Accordingly, such defenses will not be given further consideration.

David Popowich, and the testimony, with exhibits, of petitioner's president and chief executive officer, Morton Clayman. No testimony or other evidence was submitted by respondent, and only petitioner filed a brief. An oral hearing was not requested.

The issues to be determined are whether petitioner has proven its standing to bring this proceeding and whether it has demonstrated that the registered mark has been abandoned.

According to the testimony of the president of Regal Industries, David Popowich, such firm is a manufacturer and importer of watch bands. Regal Industries supplies watch bands to watch companies, watch importers and watch retailers. Except as a vendor, Regal Industries has no relationship with petitioner. Regal Industries' customer relationships as a vendor of watch bands extend to almost all companies in the watch business in the United States, including "[m]any" importers of watches into this country. (Popowich dep. at 7.)

Mr. Popowich, who claims that Regal Industries probably knows more about watch bands and the watch band industry, as it relates to watches and the resale of watch bands, than anyone else in the United States, testified that he is familiar with the watch industry in the United States; that he attends conventions pertaining to the watch industry; that he "very closely" follows the watch industry trade literature (id. at 8); that he is familiar with advertising done in the United States for watches; and that he routinely looks at watch catalogs. Based upon his careful attention to the foregoing sources of information for at least 30 years and the fact that his company is a major supplier

of watch bands in the United States, Mr. Popowich further testified as follows:

Q. Have you ever seen a watch in the United States with the trademark Urban on it?

A. No.

Q. Let me ask it in even more detail. Have you ever seen a watch with the trademark Urban on it at a convention?

A. Never.

Q. Has anybody ever approached you for a business relationship regarding such a watch?

A. Never.

Q. Have you ever seen an advertisement for a watch with the trademark Urban on it?

A. Never.

Q. Or a catalogue entry?

A. Never.

(Id. at 9-10.)

In addition, while Mr. Popowich conceded that an "URBAN" brand watch could also be for sale in the jewelry department of discount stores, he noted that he frequents such stores "on a regular basis just to see what is happening with watches and watch bands in these stores" and that, as is the case with his knowledge of brands brought into the United States by watch importers, he has never encountered a watch with the mark "URBAN" on it. (Id. at 10.) Moreover, Mr. Popowich insisted, in this regard, that "[i]f it was brought in in any significant numbers, yes, I think I would have known about it." (Id. at 11.)

By contrast, Mr. Popowich stated that he has heard of sales of petitioner's "URBAN JURGENSEN" watches and, in fact, knows that petitioner is the source thereof.

Petitioner's president and chief executive officer, Morton Clayman, indicated that petitioner has made continuous and increasing sales of its "URBAN JURGENSEN" watches in interstate commerce since May 1991.<sup>3</sup> According to Mr. Clayman, he has been in the watch business since 1957 and has been actively involved in the American watch business for approximately 30 years. Mr. Clayman purchased petitioner in 1974. Petitioner offers and advertises its watches, including those sold under the "URBAN JURGENSEN" mark, through its catalogs, which it distributes to jewelry retailers, including such major mass merchandisers as Montgomery Ward, K Mart, Service Merchandise, Best Products and J. C. Penney. Petitioner also publishes and distributes to its customers a booklet entitled "The Jules Jurgensen Story," which explains, among other things, that the brothers Urban and Jules Jurgensen were 18th century Danish watchmakers whose names are used by petitioner as marks for two of its lines of watches.

Like Mr. Popowich, Mr. Clayton is familiar with the watch industry in the United States; he attends conventions relating to the watch trade in the United States, Hong Kong and Switzerland and has done so for 25 to 30 years; and he is familiar with trade literature, catalogs and other material

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<sup>3</sup> Invoices documenting representative sales of petitioner's "URBAN JURGENSEN" watches in 1993 and 1994 were also introduced.

produced by those who sell watches. Yet, despite the knowledge and experience gained as the result of at least 30-years of active involvement in the watch business, Mr. Clayton stated that he has never seen a watch in the United States with the name "URBAN" used thereon as a mark. Specifically, Mr. Clayton testified that:

Q. In all of those years of your active participation in the watch business and your involvement in it, have you ever seen, in the United States, a watch with the name Urban on it as a trademark?

A. Absolutely not.

Q. Have you ever seen any printed or written material or advertisement material or a catalogue in the United States showing a watch with the trademark Urban on it?

A. No.

Q. Have you ever seen what I will call an Urban watch or an Urban advertisement anywhere in the world in any language at any time?

A. Absolutely not. I've been in Switzerland and Hong Kong, all of the shows. I've gone around to all of the shows. I've talked to people. I know everybody in the industry. They know me, and I have never heard of an Urban watch.

Q. You talk to people in the industry, you say?

A. Yes.

Q. You chat with them and discuss business with them?

A. Yes.

Q. Is it fair to say that if there had been a watch with the brand or trademark Urban on it that was sold or on sale or being promoted in the United States in any significant way, you would have been aware of it?

A. Absolutely.

Q. But even in a non-significant way, you never saw or heard of one?

A. Never saw one.

Mr. Clayton also indicated that he asked petitioner's counsel to file an application for federal registration of petitioner's "URBAN JURGENSEN" mark for watches. However, in view of respondent's involved registration, Mr. Clayton was advised by petitioner's counsel that petitioner's application to register its mark was being held up.

Turning, therefore, to the issues herein, Mr. Clayton's testimony is sufficient to demonstrate that petitioner has a real commercial interest in this proceeding and thus has standing to seek cancellation of respondent's involved registration. In particular, petitioner's proof, through the testimony of Mr. Clayton, that it has filed an application for federal registration of its "URBAN JURGENSEN" mark for watches which has been refused registration in light of the existence of respondent's registration for the mark "URBAN" for watches and their components establishes petitioner's standing herein. See Lipton Industries, Inc. v. Ralston Purina Co., 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

With respect to the issue of whether the registered mark has been abandoned, Section 45 of the Trademark Act

provides, in relevant part, that "[a] mark shall be deemed to be 'abandoned' when ... the following occurs:"<sup>4</sup>

(1) When its use has been discontinued with intent not to resume such use. Intent not to resume use may be inferred from circumstances. Nonuse for two consecutive years shall be prima facie evidence of abandonment. "Use" of a mark means the bona fide use of that mark made in the ordinary course of trade and not made merely to reserve a right in a mark.

It is settled that "[a]bandonment, being in the nature of a forfeiture, must be strictly proved." *Wallpaper Manufacturers, Ltd. v. Crown Wallcovering Corp.*, 680 F.2d 755, 214 USPQ 327, 332 (CCPA 1982). Moreover, it is petitioner who bears the ultimate burden of proof of abandonment by a preponderance of the evidence. See *Cerveceria Centroamericana S.A. v. Cerveceria India Inc.*, 892 F.2d 1021, 13 USPQ2d 1307, 1309 (Fed. Cir. 1989). Thus, for instance, it is petitioner who bears the burden of establishing a prima facie case of abandonment on the basis of nonuse of the "URBAN" mark by respondent for a period of at least two consecutive years and, only upon such a showing, does the burden of persuasion shift to respondent to come forward with evidence to disprove the presumption of abandonment. Id. at 1312.

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<sup>4</sup> While we note that, as of January 1, 1996, Section 45 of the Trademark Act was amended to provide that a period of three consecutive years of nonuse, instead of a two-year period, constitutes prima facie abandonment, we have applied the two-year standard, since these proceedings were commenced on May 7, 1993, so as not to give retroactive effect to the statutory amendment. See *Clairol Inc. v. Compagnie D'Editions et de Propagande du Journal La Vie Claire-Cevic*, 24 USPQ2d 1224, 1226 (TTAB 1992).

In the present case, we find that petitioner has satisfied its burden of proof. The testimony presented by petitioner of two individuals, each of whom has 30 years of knowledge and experience in the watch and related watch band industries, respectively, that at all times relevant herein, neither has ever encountered a watch or trade literature in the United States which bears the mark "URBAN" is sufficient to establish a prima facie case of abandonment of such mark, through a showing of at least two consecutive years of nonuse, and to shift to respondent the burden of coming forward with evidence to disprove the statutory presumption of abandonment. Respondent, however, offered nothing to explain or refute the observations by two knowledgeable and experienced individuals who have long been familiar with, respectively, all aspects of the watch and watch band industries in this country and who have never seen or heard of any use of the mark "URBAN" for watches.

**Decision:** The petition for cancellation is granted and Reg. No. 965,536 will be canceled in due course.

R. L. Simms

G. D. Hohein

P. T. Hairston  
Administrative Trademark Judges,  
Trademark Trial and Appeal Board

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