

**United States Department of Commerce
Patent and Trademark Office
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, VA 22202-3513**

CEW

July 23, 99

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE TTAB

Opposition No. 100,003
and
Cancellation No. 25,476

King Par Corporation

v.

Litespeed Titanium
Components, Inc.

Before Seeherman, Hairston and Walters, Administrative
Trademark Judges.

Opinion by Walters, Administrative Trademark Judge:

King Par Corporation ("King Par") filed its opposition to the application of Litespeed Titanium Components, Inc. ("Litespeed") to register the mark LITESPEED in connection with "recreational and sporting equipment, namely, racquets for tennis and racquetball; and paddle sport equipment, namely, kayak and canoe paddles."¹ As grounds for

¹ Application serial no. 74/456,509, based upon an allegation of a bona fide intention to use the mark in commerce. The application record includes applicant's statement that it is the owner of registration no. 1,706,553 for the mark LITESPEED, in a stylized form, in connection with "bicycle parts: namely, frames for road bikes and mountain bikes." However, the records of the Patent and Trademark Office indicate that

opposition, King Par asserts that Litespeed's mark, when applied to Litespeed's identified goods, so resembles King Par's previously used and registered mark LITESPEED for "golf club shafts"² as to be likely to cause confusion, mistake or deception under Section 2(d) of the Trademark Act.

Litespeed, in its answer, denies the salient allegations of the claim and asserts as "affirmative defenses" that "by virtue of [King Par's] position asserted in Civil Action No. 93 CV 40213FL filed in the United States District Court for the Eastern District of Michigan filed May 28, 1993, [King Par] is estopped to assert" (1) the stated claim of likelihood of confusion; (2) "that it has any plans to use the LITESPEED mark on products other than those directly related to the golf industry"; and (3) "that it has any rights in the LITESPEED mark other than for use in connection with inexpensive graphite golf shafts utilized on golf clubs sold through mass market and discount retailers."

this registration has been canceled under Section 8 of the Trademark Act.

² Registration no. 1,711,930, issued September 1, 1992. [Sections 8 and 15 affidavits filed on August 20, 1998, but not processed.] King Par alleges use of its mark on the identified goods since October 1, 1991.

At the same time it filed its answer in the opposition proceeding, Litespeed filed its petition to cancel King Par's Registration No. 1,711,930. As grounds for cancellation, Litespeed asserts that King Par's mark, when applied to King Par's identified goods, so resembles Litespeed's previously used and registered mark LITESPEED for "bicycle parts: namely, frames for road bikes and mountain bikes,"³ as to be likely to cause confusion, mistake or deception under Section 2(d) of the Trademark Act "when used with or to promote any recreational goods of [King Par] other than inexpensive graphite golf shafts sold through mass market and discount stores, when those goods might be attributed to [Litespeed]."

Litespeed asserts, further that, since prior to October 1, 1991, it has manufactured and sold recreational equipment, including titanium bicycle frames, and designed and manufactured titanium components for recreational and sporting equipment; and that since 1985 Litespeed has used LITESPEED as a trade name and as a trademark in connection with its goods and that such mark is well-known. Litespeed adds that "sporting good items commonly made of titanium

³ As noted herein, this registration, which issued on August 11, 1992, has been canceled under Section 8 of the Trademark Act. Thus, we strike petitioner's claims relative to this registration, leaving intact its claims relative to use.

[include] bicycle frames and components, canoe and kayak paddle shafts, racquet frames for sports such as tennis and racquetball, golf club heads and shafts, components of in-line skates, and hockey and lacrosse sticks"; and that "the use of titanium in the golf industry has received considerable attention." In its answer, King Par denies the salient allegations of the petition to cancel. Additionally, King Par asserts both collateral estoppel and res judicata as affirmative defenses in view of the aforementioned determination of the United States District Court for the Eastern District of Michigan in Civil Action No. 93 CV 40213FL.

Following Litespeed's request, and over King Par's objections, the Board has consolidated the two proceedings.

This case now comes up on King Par's combined motions, in relation to Litespeed's petition to cancel, for summary judgment and to dismiss under F.R.C.P. 12 (h)(2). As grounds for its motion for summary judgment, King Par asserts res judicata (claim preclusion) and collateral estoppel (issue preclusion) based on the aforementioned civil action. As grounds for its alternative motion to dismiss for failure to state a claim upon which relief may be granted, King Par asserts that Litespeed's claim in this cancellation proceeding appears to allege likelihood of

confusion with respect to less than all of the goods identified in King Par's registration, implying that King Par has at least a limited right to make use of its mark; and thus, that Litespeed's claim is legally insufficient as Litespeed must seek cancellation of King Par's entire registration.

In response to King Par's motions, Litespeed contends that summary judgment is not warranted on the basis of either claim or issue preclusion. Litespeed argues that claim preclusion is inapplicable because a claim of trademark infringement before a court and cancellation proceedings before the Board are two different causes of action.

Litespeed argues that issue preclusion is similarly inapplicable because determination of its petition to cancel does not involve the same factual issues conclusively determined in the civil action. Litespeed reasons that the court determined the claim of infringement (finding no infringement) by applying infringement standards to its determination of the question of likelihood of confusion; and that, in so doing, the court based its determination on factual issues not generally considered by the Board in determining likelihood of confusion.

Litespeed contends, further, that dismissal of Litespeed's cancellation petition is not warranted because its petition states a claim for partial cancellation pursuant to Section 18 of the Trademark Act.

Turning, first, to King Par's motion for summary judgment, it is well established that a party is entitled to summary judgment when it has demonstrated that there are no genuine issues as to any material fact, and that it is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c); See *Celotex Corp. v. Catrett*, 477 U.S. 317, 106 S. Ct. 2548 (1986). To establish that a factual dispute is genuine, the nonmoving party need only present evidence from which the fact finder might return a verdict in its favor. See *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992); *Old Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542 (Fed. Cir. 1992). The evidence must be viewed in a light most favorable to the nonmovant, and all justifiable inferences are to be drawn in the nonmovant's favor. *Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027 (Fed. Cir. 1993); *Opryland USA, supra*.

The question before us on summary judgment is whether Litespeed's petition to cancel is barred by res judicata (claim preclusion) or collateral estoppel (issue

preclusion) in view of the final decision of the United States District Court for the Eastern District of Michigan in Civil Action No. 93 CV 40213FL.

Under the doctrine of claim preclusion (*i.e.*, *res judicata*), the entry of a final judgment "on the merits" of a claim (*i.e.*, cause of action) in a proceeding serves to preclude the relitigation of the same claim in subsequent proceedings between the parties or their privies, even in those cases where prior judgment was the result of a default or consent. *See, Lawlor v. National Screen Service Corp.*, 349 U.S. 322, 75 S.Ct. 865, 99 L.Ed. 1122 (1955); *Chromalloy American Corp. v. Kenneth Gordon, Ltd.*, 736 F.2d 694, 222 USPQ 187 (Fed. Cir. 1984); and *Flowers Industries, Inc. v. Interstate Brands Corp.*, 5 USPQ2d 1580 (TTAB 1987).

The doctrine of issue preclusion (*i.e.*, collateral estoppel), serves to preclude the relitigation by the parties or their privies of issues actually and necessarily determined by a court of competent jurisdiction, whether or not the prior proceeding involved the same claim as the subsequent proceeding. The requirements that must be met for issue preclusion are:

- (1) the issue to be determined must be identical to the issue involved in the prior action;
- (2) the issue must have been raised, litigated and actually adjudged in the prior action;

- (3) the determination of the issue must have been necessary and essential to the resulting judgment; and
- (4) the party precluded must have been fully represented in the prior action.

Larami Corp. v. Talk To Me Programs, Inc., 36 USPQ2d 1840, 1843-1844 (TTAB 1995), citing *Lukens Inc. v. Vesper Corporation*, 1 USPQ2d 1299 (TTAB 1986), *aff'd* Appeal No. 87-1187 (Fed. Cir., September 18, 1987). See also, *Lawlor v. National Screen Service Corp.*, *supra*; *Chromalloy American Corp. v. Kenneth Gordon, Ltd.*, *supra*; *Mother's Restaurant Inc. v. Mama's Pizza Inc.*, 723 F.2d 1566, 221 USPQ 394 (Fed. Cir. 1983); and *International Order of Job's Daughters v. Lindeburg & Co.*, 72 F.2d 1087, 220 USPQ 1017 (Fed. Cir. 1984).

Moreover, it has been previously held that a court decision on likelihood of confusion is preclusive and binding on the Patent and Trademark Office on the issue of likelihood of confusion arising under Section 2(d) of the Trademark Act. *Midland Cooperatives, Inc. v. Midland International Corp.*, 421 F.2d 754, 164 USPQ 579 (CCPA 1970). See, *Midland International Corp. v. Midland Cooperatives, Inc.*, 434 F.2d 1399, 168 USPQ 107 (CCPA 1970).

The aforementioned civil action was an action by King Par for a declaratory judgment of non-infringement of Litespeed's mark in federal Registration No. 1,706,53; and Litespeed's counterclaims for trademark infringement and unfair competition under federal law, including a request for cancellation of King Par's federal Registration No. 1,711,930 (the registration which is the subject of the petition to cancel in this case). On the parties' cross motions for summary judgment, the court granted summary judgment to King Par, finding no infringement by King Par and, in an opinion issued from the bench, stated "the dominant legal question in this case is whether there is likelihood of confusion as to the source or origin which is the appropriate test for determining infringement ..." The court then discussed each of the eight factors for determining likelihood of confusion, as articulated by the Sixth Circuit. The court specifically stated that it intended to address, in its decision, all of the issues in the case, except dilution, which the parties' expressly withdrew.

There is no dispute that the parties herein are identical to the parties in the civil action; that the court rendered a final decision in that action on the issue of trademark infringement on the basis of likelihood of

confusion; and that the action included a claim for the cancellation of the same registration, owned by King Par, which is the subject of Litespeed's petition to cancel herein. Thus, we find that Litespeed's petition to cancel is barred by res judicata, or claim preclusion.

Further, we find that the four elements for the application of issue preclusion have been met and, thus, the petition to cancel is equally barred by collateral estoppel, or issue preclusion. The prior decision deals directly with the issue of likelihood of confusion between the identical marks, for the identical goods, involved in the petition to cancel before us.⁴ The issue to be determined in this case is identical to the issue involved in the prior proceeding; the issue of likelihood of confusion was raised, litigated and actually adjudged in the prior proceeding; the determination of likelihood of confusion was necessary and essential to the resulting judgment; and neither party argues that it was not fully represented in the prior action.

⁴ Litespeed argues that "the factual frame of reference" is different in the case herein because the application that is the subject of King Par's opposition involves Litespeed's intent to use its LITESPEED mark on goods not involved in the prior proceeding. We find this argument unpersuasive, as the summary judgment motions before us pertain to the petition to cancel, not to the opposition proceeding.

Litespeed incorrectly argues that differences in the factual considerations in the determination of likelihood of confusion by a court in an infringement action and by the Board in a cancellation proceeding render issue preclusion inapplicable to the issue of likelihood of confusion before the Board. Further, Litespeed has not raised any genuine issues of material fact by its unsupported assertions of changes in factual circumstances.

In view of our determination that Litespeed's petition to cancel is barred by both claim preclusion and issue preclusion, it is unnecessary to consider King Par's motion to dismiss Litespeed's petition to cancel for failure to state a claim upon which relief can be granted.⁵

Decision: King Par's motion for summary judgment is granted and the petition to cancel is dismissed on the grounds of claim preclusion, *i.e.*, *res judicata*, and issue preclusion, *i.e.*, collateral estoppel.

⁵ We note that we generally grant leave to amend a petition to cancel where petitioner is seeking a modification of the identification of goods, under Section 18, and has improperly set out this claim. Additionally, the questions of claim and issue preclusion are not affected by the mere fact that the petition to cancel may seek to cancel less than all of the goods in the registration involved in the prior civil action. The restriction sought by Litespeed in the identification of goods in King Par's registration was specifically considered by the court in making its decision of no likelihood of confusion. Thus, the cause of action and issues considered remain essentially the same in both proceedings.

Opposition No. 100,003 and
Cancellation No. 25,276

Trial dates in the opposition proceeding herein are
reset as shown in the accompanying order.

E. J. Seeherman

P. T. Hairston

C. E. Walters
Administrative Trademark Judges
Trademark Trial and Appeal Board