

Mailed:
December 22, 2004

This Opinion is Not
Citable as Precedent
of the TTAB

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Makiki Electronics
v.
Douglas Mervyn Gray and David William Holloway

Cancellation No. 92041178

Edward A. Sokolski, Esq. for Makiki Electronics.

Douglas Mervyn Gray and David William Holloway, pro se.

Before Chapman, Bottorff and Rogers,
Administrative Trademark Judges.

Opinion by Rogers, Administrative Trademark Judge:

Douglas Mervyn Gray and David William Holloway, individual citizens and residents of Australia, are the owners of Registration No. 2562987 for the mark TERMOUT for goods identified as "biocidal preparations for control and extermination of insects, pests and larvae, pesticides, insecticides and termiticides, all for agricultural, domestic, and horticultural use; insect repellents; and pest repellents," in Class 5. The registration issued April 23, 2002 based on Section 44(e) of the Trademark Act, 15 U.S.C. § 1126(e), and respondents' ownership of an Australian

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registration for their mark. The USPTO application which resulted in issuance of respondents' United States registration included a claim of priority under Section 44(d), 15 U.S.C. § 1126(d), so that respondents' priority filing date is September 28, 1999.

Makiki Electronics has petitioned for cancellation of respondents' registration. In the petition to cancel, Makiki Electronics was identified as a partnership composed of David H. Miller and Joseph W.O. Lee. Petitioner's brief, however, reports that the partnership was dissolved during the pendency of this proceeding and that Makiki Electronics is now a sole proprietorship of David Miller. Brief, p. 6. References in this decision to petitioner include both the partnership and the sole proprietorship.

The petition for cancellation is based on petitioner's claim of use of "the mark TERM-OUT in connection with the sale of insecticide for the extermination of insects," such use having been "in connection with sales in intra-state commerce since at least July, 1971 and in connection with sales in inter-state commerce since at least January, 1992." Petitioner also alleges its "use has been valid and continuous" and that it has not abandoned use of its mark. Finally, petitioner alleges that there exists a likelihood that consumers will be confused, mistaken or deceived about the source of the parties' respective goods, because of the

"identity of the respective marks and the related nature of the goods." Petitioner attached various materials to its petition, but items attached to a pleading (with one exception not relevant herein) do not form part of the trial record in a Board inter partes proceeding, in the absence of an admission of their authenticity by the non-offering party in a responsive pleading, or by a stipulation of the parties, or by proper introduction during trial. See Trademark Rule 2.122(c) and (d), 37 C.F.R. §2.122(c) and (d); see also TBMP Sections 317, 704.05, 704.06 and 706 (2d ed. rev. 2004).

Respondents, appearing pro se, submitted an answer alleging that they were not aware of petitioner or its product until they received notice of this proceeding; that they believe their mark is legally registered and they want to maintain the registration; that petitioner was neglectful in not seeking to register a mark that it claims to have used since 1971; that they "examined the 'exhibits'" attached to petitioner's pleading and find them insufficient to prove continuous use by petitioner of its mark since 1971; and that the exhibits appear to substantiate "interstate sales ... only ... in 4 or 5 states." Respondents also provided a detailed critique of the exhibits attached to the petition; state that it is not in their best interest to have a product on the market with a similar brand name;

note that petitioner's mark has a hyphen while respondents' mark does not; assert that their product is a "termiticide dust specifically formulated for subterranean termite eradication, to be used by professional pest control operators," while petitioner's product is used for eradication of drywood termites, cockroaches and ants, can be purchased "off the shelf" by non-professionals, and is sold in aerosol cans; and respondents' hope not "to have to go through the ... time-consuming and costly process of finding and registering another trademark." Respondents attached a joint declaration and two exhibits to their answer. As we have already observed, exhibits attached to a pleading, including declarations, do not form part of the record except as already noted, usually by being properly made of record during trial.

A Board attorney noted the filing of, and accepted, respondents' answer, without characterization or assessment of its contents. Petitioner apparently concluded that the answer included an affirmative defense that petitioner had abandoned use of its mark and filed a motion for summary judgment seeking a ruling that it had not abandoned its mark. The motion was fully briefed by the parties and then denied by a panel of this Board. The Board order dated November 4, 2003 denying petitioner's motion specifically noted that evidence submitted in conjunction with the

briefing of a motion for summary judgment did not by virtue of such submission become part of the record.¹

That Board order also reset trial periods. Petitioner's testimony (or trial) period was set to close on January 29, 2004. Because the trial period is a 30-day period, it opened on December 31, 2003.

On December 30, 2003, petitioner filed and served a "Notice of Reliance on Evidence Submitted With Petition to Cancel and Motion for Summary Judgment Under 37 CFR 2.122(c)," whereby petitioner stated that it was relying on (1) the declaration of David Miller and accompanying exhibits A-E previously submitted with the petition to cancel, and (2) exhibit F submitted with petitioner's motion for summary judgment. The notice of reliance was received by the USPTO on January 2, 2004. Subsequently, and with 20 days still remaining in its trial period, petitioner filed and served a notice that it would take the deposition of David Miller on written questions on January 20, 2004.² The deposition was taken as scheduled and resulted in a four-page transcript with five exhibits. The transcript and

¹ We agree with the statement in the order denying summary judgment that respondents' answer must be viewed as constituting a denial of the allegations of the petition, insofar as respondents' critique of the petition (with exhibits) did not contain any admissions.

² Petitioner's notice that it would take a deposition on written questions was filed and served by first class mail on January 9, 2004 and was received by the USPTO on January 13, 2004.

exhibits were filed May 27, 2004, two weeks after the close of the rebuttal testimony period.

Respondents' main 30-day testimony period was scheduled to close on March 29, 2004. Thus, it opened on April 30, 2004. With a cover letter dated March 24, 2004, respondents filed and served their "testimony." The submission was received by the USPTO on April 2, 2004. Respondents' testimony consists of a nine-page joint declaration with numerous exhibits.

In their declaration, respondents acknowledge receipt of petitioner's notice of reliance and state, in regard to the material the notice seeks to introduce into the record, that "[t]hese documents have previously been commented upon in our Answer and Summary Judgment." In addition, respondents acknowledge their "receipt of a Copy of the Deposition of David Miller on Written Questions." In regard to this item, they state that they understand "that the Questions 1-16 have been compiled by the petitioner's Attorney" and then outline "questions which we would like answers to (some of which were asked of the Petitioner in the Discovery Period, but not answered)." Respondents' "testimony" then recites 15 questions. Following these questions, respondents' declaration sets out their defense,

including a critique of petitioner's submissions³ and an explanation of the significance of respondents' submissions, some previously submitted by their answer or response to petitioner's motion for summary judgment and others submitted for the first time with the joint declaration intended as testimony.

The parties' procedurally irregular trial activities, and their trial submissions, raise a host of questions. The first question is whether petitioner's notice of reliance is timely, in that it was filed and served one day prior to the commencement of its testimony period. We find that it was.

While the notice of reliance was filed and served one day prior to the opening of petitioner's testimony period, it did not arrive at the USPTO until after the testimony period had opened. Under the certificate of mailing procedure utilized by petitioner, see 37 C.F.R. § 1.8,⁴ the filing would have been considered "timely" if petitioner was trying to meet a looming deadline, see 37 C.F.R. §§

³ One general criticism is that petitioner's evidence is insufficient and that petitioner failed to provide requested information or material in response to discovery requests. Of course, the proper way to deal with an adversary that does not answer discovery requests is to file a motion to compel under Trademark Rule 2.120(e), 37 C.F.R. § 2.120(e). Having failed to do so, respondents cannot now complain about petitioner's refusal to answer discovery requests.

⁴ Currently, Trademark Rule 2.197, 37 C.F.R. § 2.197, covers the filing of first class mail in trademark matters. Petitioner, however, used a certificate invoking Rule 1.8, and Trademark Rule works in the same manner as Rule 1.8. For convenience, we discuss the rule on which petitioner relied.

1.8(a)(1)(i) and 1.8(b), and filed the notice of reliance on or shortly before the last day for doing so, even if it actually arrived after the deadline. In this instance, however, petitioner was not attempting to ensure compliance with a looming deadline, and Rule 1.8 specifies that, apart from determining questions of timeliness when a paper filed under Rule 1.8 is filed near or on a deadline, the "actual date of receipt will be used for all other purposes."

Had petitioner filed the notice of reliance in exactly the way it did, i.e., by first class mail, but without the certificate of mailing, there would be no question that the notice was properly filed. We do not see how or why petitioner can be penalized for filing a notice of reliance with a certificate of mailing, which only served as, in essence, an insurance policy. Further, even if this were not the case, any objection respondents might have had based on asserted premature filing of the notice should have been promptly raised. Cf. Of Counsel Inc. v. Strictly of Counsel Chartered, 21 USPQ2d 1555, 1556 n.2 (TTAB 1991) (where testimony deposition was taken two days prior to commencement of testimony period, late objection to premature taking of deposition held waived, as error could have been corrected during testimony period had there been a seasonable objection).

In sum, we find petitioner's notice of reliance to have been properly filed. A separate question, however, is whether the submissions made under the notice can properly be introduced into the record by a notice of reliance.

Petitioner used the notice to introduce "the Declaration of David H. Miller and exhibits 'A' -'E' submitted therewith with the Petition to Cancel" as well as photocopied pages, marked together as exhibit F, that assertedly had previously been submitted with petitioner's motion for summary judgment. The affidavit or declaration of a witness, however, may not be submitted by notice of reliance, absent a stipulation of the parties or upon motion granted by the Board. See Trademark Rule 2.123(b), 37 C.F.R. § 2.123(b), TBMP Sections 703.01(b) and 705 (2d ed. rev. 2004) and cases cited therein. Accordingly, neither the Miller declaration nor the exhibits introduced thereby (exhibits A-E) can be considered, with the possible exception of any exhibit that could, on its own be submitted by notice of reliance, as discussed below. See Trademark Rule 2.123(1), 37 C.F.R. § 2.123(1), and TBMP Section 706 (2d ed. rev. 2004) and cases cited therein.

Of the exhibits attached to the Miller declaration, one is a photocopy of a page from the Los Angeles Times of April 21, 1994. The page features a photograph of petitioner's product and an accompanying article. Though the page bears

a heading stating that it is an "Advertising Supplement," it is nonetheless from a printed publication in general circulation. Such materials may be introduced by notice of reliance. See Trademark Rule 2.122(e), 37 C.F.R. § 2.122(e). Therefore this exhibit to the Miller declaration has been considered.

As for what petitioner has referred to as "exhibit 'F' filed with the Motion for Summary Judgment," there is a discrepancy between the submission made in conjunction with the motion for summary judgment and that made with the notice of reliance. The former consisted of two photocopied pages, while the latter consists of four photocopied pages (specifically, the two pages submitted with the motion for summary judgment and two additional pages). In any event, the question whether any of the pages submitted with the notice of reliance can be considered is unrelated to whether they were previously submitted with the motion for summary judgment. As the parties were informed by the Board order denying petitioner's motion for summary judgment, materials submitted in conjunction with such a motion are not considered part of the trial record.

The four pages submitted as exhibit F to the notice of reliance are (1) a photocopy of the May 1, 2003 application by petitioner to register TERMOUT as a trade name with the Department of Commerce and Consumer Affairs in Hawaii; (2) a

photocopy of a "domestic limited partnership annual statement as of December 31, 2001" prepared by petitioner; and (3) photocopies of two one-page quarterly reports prepared by petitioner regarding pesticide sales in California, one covering the quarter ending December 31, 2001, and the other covering the quarter ending March 31, 2002.

We consider petitioner to have submitted the four pages marked as exhibit F as "official records," in accordance with Trademark Rule 2.122(e), 37 C.F.R. § 2.122(e). We note, however, that the rule requires submission of "the official record or a copy thereof whose authenticity is established under the Federal Rule of Evidence." Of the four pages, only one even bears evidence of its actual filing, as opposed to mere preparation for filing, with a government agency. That is the May 1, 2003 application for registration of TERMOUT as a trade name, which bears a legend that it was filed "5/1/2003 2:14 PM Business Registration Division Dept. of Commerce and Consumer Affairs State of Hawaii," which has an assigned registration number, and which bears a signature from an individual of the Hawaii Department of Commerce and Consumer Affairs. Though it is unclear whether the copy of the application/registration is a photocopy maintained in petitioner's own files or issued

by the state of Hawaii, we accept this as an official record and have considered it.

The three other pages submitted as exhibit F to the notice of reliance, however, have not been considered, as they do not appear to be anything more than documents prepared by petitioner for filing with a government agency and bear no evidence of actual filing. See TBMP Section 704.07 (2d ed. rev. 2004) and cases cited therein.

In sum, all that we consider to have been properly entered into the record by petitioner's notice of reliance are a photocopy of a newspaper advertisement from the April 21, 1994 edition of the Los Angeles Times, discussing petitioner's TERM-OUT product and a featuring a photo thereof, and petitioner's Hawaii state registration on May 1, 2003 of TERMOUT as a trade name, which specifies the term of registration to run from May 1, 2003 through April 30, 2004.

Next we consider petitioner's submission of the transcript of the deposition of David Miller taken on written questions.

A party proposing to take a deposition on written questions must file and serve notice of the proposed deposition within 10 days of the opening of its testimony period. A copy of the questions to be answered by the witness must accompany the copy of the notice served on the

adverse party. See Trademark Rule 2.124(b), 37 C.F.R. § 2.124(b). The Miller deposition was noticed on January 9, 2004 and taken on January 20, 2004 over the course of less than 25 minutes. This was improper under Trademark Rule 2.124, insofar as it was premature. A party receiving notice that an adverse party wishes to take a deposition on written questions has 20 days from the date of service of the notice to serve cross questions. See Trademark Rule 2.124(d)(1), 37 C.F.R. § 2.124(d)(1).

Respondents, in their submission of their "testimony," and later in their brief, made clear that they would have liked to have had questions of their own answered by the witness. Petitioner's taking of the deposition on written questions was improper. Moreover, it cannot be justified by the brief delay of respondents in noting their dissatisfaction with their exclusion from the process, i.e., the delay between the taking of the deposition and their statement of their objections during their testimony period. Accordingly, we have not considered petitioner's improperly taken deposition on written questions.

Respondents' registration is presumed valid and petitioner bears the burden of proving its claim by a preponderance of the evidence. Cerveceria Centroamericana S.A. v. Cerveceria India Inc., 892 F.2d 1021, 13 USPQ2d 1307, 1309 (Fed. Cir. 1989); see also, Martahus v. Video

Duplication Services Inc., 3 F.3d 417, 27 USPQ2d 1846, 1850 (Fed. Cir. 1993). Given the legally identical nature of the involved marks and the legally identical nature of the involved goods, the likelihood of confusion among consumers is clear. The burden to be borne by petitioner, however, includes the critical element of proving its prior and continuous use of a trademark at common law. Hydro-Dynamics Inc. v. George Putnam & Company, Inc., 811 F.2d 1470, 1 USPQ2d 1772, 1773 (Fed. Cir. 1987) ("In the usual case the decision as to priority is made in accordance with the preponderance of the evidence.").

On the admissible evidence of record, which consists of a single printed publication showing only that petitioner advertised its TERM-OUT product in the April 21, 1994 edition of the Los Angeles Times, and an official record showing that petitioner registered TERMOUT as a trade name in Hawaii for the period of May 1, 2003 through April 30, 2004, petitioner has failed to establish by a preponderance of the evidence that it should prevail on the issue of priority.

The Los Angeles Times advertisement includes a photograph of applicant's product showing trademark use of its asserted mark, but the advertisement does not establish that the goods were sold in commerce, only that they were offered for sale in 1994. Even if we inferred from the

advertisement and photograph that petitioner had, in 1994, made actual sales of its product bearing the trademark, or if we considered the advertisement to establish use analogous to trademark use, there is no admissible evidence to show use of the mark in any manner subsequent to 1994 and prior to respondent's priority filing date in 1999.

Clearly, such a period of non-use presents a prima facie case of abandonment. In addition, because petitioner has been on notice during this case that respondent questioned whether petitioner's trademark use has been continuous - indeed, petitioner even moved for summary judgment on this issue - its failure to provide sufficient, admissible evidence of prior and continuous use of TERM-OUT, as a mark or in any manner sufficient to prove priority, is fatal to petitioner's case. Cf. West Florida Seafood Inc. v. Jet Restaurants Inc., 31 F.3d 1122, 31 USPQ2d 1660, 1666 (Fed. Cir. 1994)(plaintiff not put on proper notice of allegation of abandonment).

As to the evidence showing petitioner registered TERMOUT (without a hyphen) as a trade name in 2003, this is a date well after respondent's priority filing date. Even under the *West Florida Seafood* decision, *supra*, which instructs that the Board must look at admissible evidence "as a whole, as if each piece of evidence were part of a puzzle which, when fitted together, establishes prior use,"

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31 USPQ2d at 1663, we do not find that the fitting together of petitioner's 1994 advertisement of a TERM-OUT product and its 2003 registration of TERMOUT as a trade name makes a complete puzzle establishing priority. As petitioner's proof of priority is insufficient for it to bear its burden of proof, it cannot prevail on its claim under Section 2(d) of the Trademark Act.

Decision: The petition for cancellation is denied.