

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE TTAB

JULY 13, 98

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

George Garcia

v.

George K. Setka

Cancellation No. 23,554

Irving Keschner for George Garcia.

George K. Setka appearing pro se.

Before Simms, Seeherman and Hairston, Administrative
Trademark Judges.

Opinion by Seeherman, Administrative Trademark Judge:

George Garcia has petitioned to cancel George K. Setka's Registration No. 1,849,716 for DUDA MAN and design for "men [sic] and womens [sic] clothing, namely, T-shirts." This registration issued on the Supplemental Register on August 9, 1994. The issue before us is whether respondent is the owner of the mark, petitioner having alleged, in the petition for cancellation, that in 1990 he and respondent formed a partnership under the name Wetsun Sportswear, which

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was in the business of designing logos, other designs and silk-screening operations for their clients. Petitioner also alleged that during the time Wetsun was operating, respondent developed the design DUDA MAN; that this design was an asset of the partnership; that respondent initially applied to register this mark under Serial No. 74/206,083, stating that the applicant was "George K. Setka: a partnership composed of George Setka and George Garcia" which statement accurately reflected the ownership of the trademark as being the partnership, although the name of the partnership was misstated; that this application was abandoned; that respondent filed application Serial No. 74/230,454 (which ultimately issued into the registration which is the subject of this proceeding); that respondent named himself as the applicant and stated therein that the prior application had been a mistake because the design was his rather than the partnership's; and that respondent is not and never was the sole owner of the trademark, which belongs to the partnership. Petitioner has also alleged he is damaged because the profits derived from the use of the trademark are revenue of the partnership.

Respondent answered the petition for cancellation by admitting that petitioner and respondent had formed a partnership in or about 1990 under the fictitious name Wetsun Sportswear, which was in the business of designing

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logos, other designs, and silk-screening operations for their clients; that on September 23, 1991 respondent filed trademark application Serial No. 74/206,083 for DUDA MAN and design; and that in April 1993 this application was abandoned and on December 16, 1991 respondent filed application Serial No. 74/230,454 naming himself as applicant and stating that the prior application was a mistake in that the design was his and not that of the partnership. Respondent denied the remaining allegations in the petition.¹

Because of problems with the evidentiary submission by both parties, we will discuss the record in some detail. The registration file which is the subject of this proceeding is automatically of record by virtue of Trademark Rule 2.122(d). In addition, petitioner has submitted his testimony deposition, with exhibits, properly taken during petitioner's testimony period.

Petitioner referred, in his brief, to respondent's responses to interrogatories and requests for admission served by petitioner, but the Office has no record of receipt of such papers during petitioner's testimony period.

¹ Respondent's answer was acknowledged by the Board on June 20, 1995. On January 2, 1996 respondent submitted, inter alia, a document stated to be in response to the petition to cancel. The Board, in its decision of March 4, 1996 commenting on the January 2 communication, did not treat this document as an amended answer, and we reiterate that, in view of the fact that respondent never moved to amend his pleading, the answer filed on June 20, 1995 will stand.

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Upon inquiry by the Board, petitioner submitted, on June 15, 1998, a copy of a notice of reliance which bears, on a certificate of service on respondent, a date of April 19, 1996. However, this copy does not bear a certificate of mailing, nor has petitioner provided any evidence showing that the notice of reliance was received by the Patent and Trademark Office during the testimony period. Therefore, petitioner's notice of reliance and accompanying papers have not been considered.

Respondent's testimony period was originally scheduled to run from December 6, 1995 to January 5, 1996. On January 2, 1996 respondent filed a collection of papers. On March 4, 1996 the Board, in the course of ruling on petitioner's motion to compel discovery, commented on the January 2, 1996 submission and indicated that trial evidence should be filed under a notice of reliance and explained the procedure therefor. The Board also reset testimony periods for both parties, and on June 24, 1996, during its reset testimony period, respondent filed another set of papers, many of which were the same as those submitted on January 2, 1996.

We have determined that the following papers submitted on January 2, 1996 and June 24, 1996, during respondent's original and reset trial periods, are official records and may be made of record under a notice of reliance:

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PTO filing receipt, and Office Action mailed December 27, 1990, in connection with Application Serial No. 74/081,309 for the mark WET SUN and design applied for by George K. Setka;

Two notices of incomplete trademark applications filed by George K. Setka for WET SUN and WET SUN and design;

Notice of application filing fee deficiency and filing receipt for Application Serial No. 74/230,454 (the application which matured into the registration which is the subject of this proceeding;

Registration No. 1,849,716 for DUDA MAN and design (this registration is also of record pursuant to Trademark Rule 2.122(d));

State of California trademark registration certificate for DUDA MAN and design, issued to George K. Setka on July 21, 1992;

California State Board of Equalization Seller's Permit issued to Duda Man Activewear, George Kenneth Setka, on August 17, 1992

A Fictitious Business Name Statement for Los Angeles County by which George K. Setka registered as an individual doing business under the name Duda Man Active Wear on July 31, 1992. The statement indicates that Mr. Setka commenced transacting business on July 25, 1992;

The other materials submitted by respondent, including catalogs, invoices, sales items, affidavits and copies of correspondence, may not be made of record pursuant to a notice of reliance, and they have not been considered. Moreover, to the extent that respondent's explanation of the

relevance of the materials consists of mere argument, it has not been considered.

Petitioner and respondent filed briefs, and respondent filed a reply brief. With his brief, respondent submitted two exhibits. These particular exhibits were not previously made of record and have not been considered. Further, we note that many of the "factual" statements made in the briefs are not supported by the evidence of record. We would point out that we have based our decision only on the evidence, and not on what the parties have asserted the facts to be. The parties did not request an oral hearing.

According to the testimony of petitioner, George Garcia, he and respondent have known each other since high school, a period of about 20 years. In 1987 the two of them established a business named Garset Graphics, which acted as a small advertising agency and designed brochures and logos for others. Petitioner considered this business to be a partnership, although there was no written agreement. Petitioner's contribution was primarily financial, while respondent's contribution was primarily artistic. They agreed to share profits and losses equally.

In 1989 they started silk screening designs on T-shirts, and changed the business name to Wetsun Sportswear. Respondent then created the DUDA MAN design. Petitioner

testified that the logo was to further the business activities of Wetsun Sportswear.

With his testimony petitioner has made of record a number of exhibits, including a brochure distributed by Wetsun Sportswear showing available screenprints and featuring the mark DUDA MAN and various versions of the DUDA MAN design. The cover of the brochure shows DUDA MAN and design, as it appears in the registered mark, but the figure's hand is touching a logo that includes the words WET SUN. Petitioner also made of record a promotional letter on WET SUN SPORTSWEAR stationery that began, "With this letter, Wet Sun Sportswear proudly introduces a bright and new design, "DUDA MAN" the character." This letter was signed by both petitioner and respondent.² A promotional brochure Wetsun Sportswear put together in January 1992 features DUDA MAN and design, as well as other designs. It contains the following text:

Wet Sun sportswear is a partnership owned by George Setka and George Garcia. Both partners have lived in San Pedro all their lives and have been in business for over four years. ... George Setka has currently created a new charactor [sic] named "DUDA MAN". George Garcia created the story behind

² In its brief respondent suggests that petitioner somehow altered this letter by adding petitioner's name. Respondent has provided no admissible evidence to support this charge. In any event, it is respondent's signature on the letter, rather than petitioner's, which is of more import in terms of whether the DUDA MAN mark was regarded as a partnership asset or the property of respondent.

the charactor [sic]. They proudly display and sell the "DUDA MAN" T-shirts at the San Pedro location and currently at J.C. Penneys. ... Along with great San Pedro local T-shirt designs and "DUDA MAN" plus custom designs, Wet Sun is growing and is taking pride in the work they do. So come in and meet the guys and see "DUDA MAN" in person. And I'm sure you'll like what you'll see. Wet Sun Sportswear can do you custom art work.

An October 16, 1991 invoice on WET SUN SPORTSWEAR stationery shows a sale to J.C. Penney Company Inc. for various "Duda" clothing items; the bank statement for "George K Setka or George Garcia DBA Wetsun" indicates deposit of this payment on December 19, 1991. A bank savings account passbook was issued on March 11, 1992 in the name of George K Setka or George Garcia DBA WETSUN.

Perhaps most telling, petitioner has made of record a copy of a February 10, 1992 check, drawn on the Wetsun checking account, signed by respondent and made out to the "U.S. Dep. of Commerce Patent Trademarks." The check, which is for \$25, bears the notation "Application Serial No. 74/230,454 DUDA MAN." That application eventually issued into the subject registration. Respondent's own evidence shows that the Patent and Trademark Office issued on February 4, 1992, in connection with that application, a notice of filing fee deficiency in the amount of \$25.

The evidence made of record by respondent indicates that subsequent to the time period of petitioner's evidence

respondent obtained a California state registration for DUDA MAN and design and filed a fictitious business name statement for the name "Duda Man Active Wear." Respondent has submitted no admissible evidence relating to his relationship with petitioner. As for Wetsun Sportswear, respondent claims that at the time he filed the application for DUDA MAN and design petitioner had been absent for a year, and that respondent was the sole proprietor of the Wetsun business and the "Wet Sun mark was in Setka's name only...." Brief, p. 2. However, respondent has provided no evidence to support his assertion that he was the sole proprietor of the Wetsun business. On the contrary, the brochures which were produced by the business in January 1992 (the application was filed December 16, 1991) state that "Wet Sun Sportswear is a partnership owned by George Setka and George Garcia." Petitioner's exhibit 8. Moreover, the fact that respondent attempted to file trademark applications for WET SUN and WET SUN and design, as shown by the notices of incomplete filing, are not proof of respondent's ownership of these marks. We also note that even in Application Serial No. 74/081,309 for WET SUN and design, respondent identified the applicant as a partnership.

As indicated above, respondent has admitted in its answer that he and petitioner formed a partnership in or

about 1990 under the fictitious name Wetsun Sportswear, and were in the business of designing logos, other designs, and silk-screening operations for their clients. Even without this admission, however, the evidence of record demonstrates that such a partnership existed. In particular, the bank statement and passbook account are in the name of petitioner and respondent, doing business as WETSUN SPORTSWEAR, and the language in the promotional brochure, quoted above, is also evidence that petitioner and respondent were engaged in a partnership under the name Wetsun Sportswear.

There is no dispute that respondent created the name and picture which became the trademark DUDA MAN and design. However, a word or design does not become a trademark simply because someone has conceived of the idea; to be a trademark, it must be used in trade, to identify the goods or services of a party.³ See J.T. McCarthy, McCarthy on Trademarks and Unfair Competition § 16.04[1] (3d ed. 1992).

The evidence of use of the mark is by Wetsun Sportswear, which was the trade name of the partnership composed of petitioner and respondent. Therefore, the partnership is either the owner of the mark, by virtue of its use of the mark on clothing, or the partnership is a

³ We recognize that the Trademark Revision Act of 1988, which became effective November 16, 1989, provided that a trademark application could be filed on the basis of a bona fide intention to use the mark in commerce. However, intent-to-use does not

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licensee which uses the mark under license from the mark's owner. However, respondent has not even suggested, let alone provided any evidence, that he licensed the rights in the mark to the partnership. On the contrary, the record shows that respondent, when he filed the application for DUDA MAN and design, used the partnership funds to pay at least part of the application filing fee. Moreover, Wetsun's promotional brochure featuring the DUDA MAN and design projects describe the mark as a joint effort by the partnership: "George Setka has currently created a new charactor [sic] named :DUDA MAN". George Garcia created the story behind the charactor. They proudly display and sell the "DUDA MAN" T-shirts...." See also, **Zanetti v. Zanetti**, 77 Cal. App.2d 553, 175 P.2d 603 (1947), which shows that under California law a patent was considered to be part of the assets of an "oral" partnership, even though the patent was taken out in the name of one of the partners, because, inter alia, the expenses in connection with obtaining the patent were paid out of the common partnership account; that the machines made under the patent were used in the partnership business, and the profit from those sold were divided equally between the partners.

Because petitioner has proven that the trademark DUDA MAN and design was an asset of the partnership composed of

come into play in this case, as the application from which the

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petitioner and respondent, and doing business under the name Wetsun Sportswear, respondent as an individual was not the owner of the mark at the time he filed the application which matured into Registration No. 1,849,716.

Decision: The petition to cancel is granted, and the registration will be cancelled in due course.

R. L. Simms

E. J. Seeherman

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

subject registration issued was based on use in commerce.