

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF
THE TTAB

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, Virginia 22202-3513

ejs

Mailed: July 11, 2003

Opposition No. 91151171

Angel World, Inc.

v.

Treasures and
Trinkets Inc.

Before Seeherman, Bottorff and Drost, Administrative
Trademark Judges.

Opinion by Seeherman, Administrative Trademark Judge:

Opposer has filed an opposition to the registration by Treasures and Trinkets Inc. of the mark GUARDIAN ANGEL for various items of jewelry.¹ Opposer alleges that it has used the mark GUARDIAN ANGEL in connection with the sale of jewelry since June 11, 1985, prior to the June 1, 1989 date of first use alleged in applicant's application; that opposer obtained a registration of the mark, No. 1,784,046; that applicant's mark is confusingly similar due to the identity of the marks and identity of

¹ Application Serial No. 74/434,985.

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the class of goods offered in connection with the mark; that applicant's application is likely to cause confusion as to the origin of opposer's goods; that applicant's application "will be cited against Opposers' original registration of the mark Guardian Angel because of the likelihood of being one and the same mark. Trademark Office in its examination of Applicant's application will determine that Opposers' mark is still active...." ¶10.

In lieu of filing an answer, applicant filed a motion to dismiss for failure to state a claim or, in the alternative, a motion for summary judgment on the basis of res judicata. On December 20, 2002, the Board stated that, because applicant's motion relies on matters outside the pleadings, the Board would treat it as a motion for summary judgment, and allowed opposer thirty days in which to file a response, if desired.

Thereafter the parties filed a number of papers, resulting in the Board's describing the proceeding, in its March 13, 2003 order, as having an "already-tortured prosecution history." The Board noted that on February 20, 2003 opposer had filed a request to extend its time to respond to the summary judgment motion, stating that it had not yet received a copy of applicant's motion. The Board found opposer's request to be puzzling, because

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opposer had, in fact, filed a response to the motion on January 17, 2003, "and that response clearly indicates that opposer has read the paper." However, "to afford opposer every possible opportunity to respond to applicant's motion," the Board allowed opposer an additional thirty days to respond. The Board specifically stated that, "inasmuch as opposer will by then have had approximately four months in which to respond to the motion, it is unlikely that further extensions will be allowed."

On April 11, 2003, on the last day of the thirty-day period, opposer filed a response to the motion. Applicant's copy of the response included a handwritten note from Martha Powers, president of opposer, stating, "I forgot the index. So my brief with Index and exhibits will be there within 10 days, I will send priority mail." Applicant indicated in its submission, which was filed on April 21, 2003, its objection to any late-filed documents. Opposer did, in fact, file a brief, with exhibits, in opposition to applicant's motion on April 22, 2003.

In view of the foregoing, and particularly the Board's prior accommodations to opposer in allowing opposer additional time to file a supplemental response;

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the Board's warning that further extensions were unlikely to be granted; and applicant's objection to what in effect would be an extension, the Board has given opposer's April 22, 2003 submission no consideration.²

This brings us to the substantive claim of applicant's motion, namely, that the current proceeding is precluded by the doctrine of res judicata, or claim preclusion. The papers and supporting exhibits submitted by both parties herein establish that applicant in the present proceeding, Treasures & Trinkets, Inc., had previously petitioned to cancel the registration owned by Martha M. Powers, the president of opposer Angel World, Inc., and which was pleaded in the notice of opposition. Martha M. Powers and Angel World, Inc. thereupon brought an infringement action in the District Court for the District of South Carolina, Angel World, Inc. and Martha M. Powers v. Treasures and Trinkets, Inc., No. C/A 6P95-1349-3. At that point the Board suspended action in the cancellation proceeding. On April 18, 1996, after a jury trial, a verdict was rendered finding that the defendant (applicant herein) is entitled to the trademark "Guardian Angel" as it relates to jewelry products. After the verdict in the District Court action, and the subsequent

² Even if the submission had been considered, it would have no

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affirmance of that decision by the Fourth Circuit Court of Appeals on June 11, 1997, Civ. No. 96-1776, the Board granted the petition to cancel, and Martha Powers' registration, No. 1,784,046, was cancelled pursuant to Section 18 on March 19, 1999.³

Opposer does not dispute any of the foregoing. In its initial response to the motion for summary judgment (filed on January 17, 2003), it appears that opposer argues the motion for summary judgment has been brought on an unpleaded issue. However, Fed. R. Civ. P. 12(b) provides for certain defenses which may be made by motion, and should be made before pleading. The rule further provides that if, on a motion to dismiss for failure of the pleading to state a claim upon which relief can be granted, matters outside the pleading are presented, the motion is treated as one for summary judgment. In this case, applicant has brought its motion to dismiss/motion for summary judgment in lieu of filing an answer. The gravamen of the motion is that opposer cannot state a claim because the Federal District Court

effect on our decision herein.

³ It appears that opposer's dissatisfaction with the cancellation of this registration forms the basis for the statement in paragraph 10 of the notice of opposition, quoted previously in this opinion, that "the Trademark Office in its examination of Applicants' [sic] application will determine that Opposers' mark is still active...."

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has found that opposer is not entitled to the trademark GUARDIAN ANGEL, and thus does not have any rights in this mark on which to bring the opposition proceeding.

Opposer's second response to the motion, filed April 11, 2003, discusses the alleged counts upon which relief can be granted, e.g., "claim of malicious destruction of an innocent Opposer-Powers business," applicant is guilty of wrongful intent; violation of opposer's right to freely advertise. Apparently opposer is attempting to show that its notice of opposition does state a claim. Aside from not having been pleaded in the notice of opposition, the alleged claims asserted by opposer in this paper are not grounds for opposition. Not all claims which may be brought in a federal district court action are cognizable claims in an opposition proceeding before the Board. See **Enterprise Rent-A-Car Co. v. Advantage Rent-A-Car Inc.**, 62 USPQ2d 1857 (TTAB 2002), aff'd 330 F.3d 1333, 66 USPQ2d 1811 (Fed. Cir. 2003), and cases cited therein.

The only argument that appears to have any bearing on the issue of res judicata/collateral estoppel appears to be opposer's charges regarding the activities of applicant's attorney in the District Court action and

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opposer's inability to adequately pursue its own case. For example, opposer asserts that "Attorney Hollman [applicant's attorney], overbearingly, switched cases on the Judge and Court *causing intended mass confusion* and let the case at trial for Applicant's deliberate Unfair Competition continue to be overlooked or *fall through the cracks-unplead[sic]*." (emphasis in original) Opposer also claims that "Opposer was not allowed even the privilege of participation in the Jury questions." Response to motion, p. 2. However, opposer had raised its complaints regarding its counsel and the manner in which the civil action was tried in its appeal to the Fourth Circuit Court of Appeals, and they were rejected in the Court's affirmance of the District Court decision. Thus, we do not consider these assertions to prevent our finding for applicant on its res judicata claim.

Under the doctrine of res judicata, "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." **Jet Inc. v. Sewage Aeration Systems**, 223 F.3d 1360, 55 USPQ2d 1854 (Fed. Cir. 2000), quoting **Parklane Hosiery Co. v. Shore**, 439 U.S. 322, 326 n.5 (1979). The doctrine has come to incorporate common law concepts of merger and bar. Thus, claim preclusion also

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refers to the effect of a judgment in foreclosing litigation of a matter that never has been litigated, because of a determination that it should have been advanced in an earlier suit. Id. Accordingly, a second suit will be barred by claim preclusion if: (1) there is identity of parties (or their privies); (2) there has been an earlier final judgment on the merits of a claim; and (3) the second claim is based on the same set of transactional facts as the first. Id.

In addition, the doctrine of issue preclusion, also known as collateral estoppel, may be invoked to bar the revisiting of issues that have already been litigated.

The four factors required for issue preclusion are:

- 1) identity of the issues in a prior proceeding;
- (2) the issues were actually litigated;
- (3) the determination of the issues was necessary to the resulting judgment; and
- (4) the party defending against preclusion had a full and fair opportunity to litigate the issues.

Id.

A party moving for summary judgment has the burden of demonstrating the absence of any genuine issue of material fact, and that it is entitled to summary

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judgment as a matter of law. Fed. R. Civ. P. 56(c).

See also, **Celotex Corp. v. Catrett**, 477 U.S. 317 (1986).

At the very least, the finding in favor of applicant herein in the infringement proceeding has a preclusive effect, i.e., issue preclusion, on opposer's ability to relitigate the issue of ownership of the mark GUARDIAN ANGEL in the present opposition. In the prior proceeding the jury found, that applicant herein is entitled to the trademark GUARDIAN ANGEL as it relates to jewelry products, and the Court granted such judgment. The ownership of the trademark is an essential element of opposer's claim in this opposition. Thus, there is no genuine issue that the issue of ownership of the mark was/is present in both proceedings; that the issue was actually litigated in the District Court action; and that the determination of the issue was necessary to the resulting judgment. Further, there is no genuine issue that opposer had a full and fair opportunity to litigate the issues in the prior proceeding. As noted above, the District Court proceeding involved a jury trial resulting in a verdict by the jury, and the Court of Appeals affirmed the verdict. Thus, as a matter of law, applicant is entitled to summary judgment on the issue of res judicata (collateral estoppel).

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Decision: The opposition is dismissed with prejudice. It is noted that applicant requests, in addition to the dismissal of the opposition, that the Board enjoin opposer from filing a petition to cancel the registration that will result from the application that is the subject of this opposition proceeding. As previously explained to applicant, the Board has no authority to grant such relief. However, opposer is advised that this decision, as well as the decision of the Federal District Court, will have a preclusive effect on any further proceeding filed by opposer which involves the same issues or cause of action.