

**THIS OPINION IS NOT
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AS PRECEDENT OF
THE TTAB**

**UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, Virginia 22202-3514**

Greenbaum

Mailed: 8/18/04

Opposition No. 91153683

UNIVERSAL CITY STUDIOS,
LLLP

v.

VALEN BROST

Before Hairston, Walters, and Chapman, Administrative
Trademark Judges.

By the Board.

This case now comes up on opposer's concurrently filed motions for leave to file an amended notice of opposition, and for summary judgment on the newly pleaded grounds for opposition. The parties have fully briefed the issues, and we have considered opposer's reply briefs.¹ See Trademark Rule 2.127(a).

OPPOSER'S MOTION FOR LEAVE TO FILE
AMENDED NOTICE OF OPPOSITION

We turn first to opposer's motion for leave to amend the notice of opposition to add claims of (i) applicant's non-use of the mark UNIVERSAL TOYS in commerce prior to the filing date of his use-based application, (ii) applicant's

¹ The parties' stipulation (filed April 16, 2004) to extend the briefing schedule for both motions is approved.

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lack of ownership of the involved mark, and (iii) applicant's fraud in representing to the USPTO that he had used the mark in commerce prior to the filing date of his opposed application. Opposer contends that it first learned of the new grounds in mid-March 2004, when it took applicant's discovery deposition;² that opposer promptly thereafter filed the motion for leave to amend (before opposer's testimony period was scheduled to open); and that allowing the amendment will not prejudice applicant because applicant possesses all information relevant to the new allegations.

In response, applicant argues that opposer should have addressed applicant's commercial use and ownership of the involved mark, and any related fraud claims, while discovery was open; and that opposer's inexcusable delay in pursuing these claims will prejudice applicant by preventing applicant from effectively defending himself without conducting additional discovery.

Once a responsive pleading is served, Fed. R. Civ. P. 15(a) allows a party to amend its pleading only upon written consent of the adverse party, or by leave of the court (or, in this instance, the Board). Leave to amend is freely given when justice so requires. Accordingly, the Board

² By agreement of the parties, the discovery deposition of applicant occurred one month after the discovery period closed.

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liberally grants leave to amend pleadings at any stage of a proceeding when justice so requires, unless entering the proposed amendment would violate settled law or be prejudicial to the rights of the adverse party, or would be futile. See, e.g., *Commodore Electronics Ltd. v. CBM Kabushiki Kaisha*, 26 USPQ2d 1503 (TTAB 1993). See also, TBMP §507.02 (2d ed. rev. 2004).

As opposer filed its motion for leave to amend before the opening of its testimony period, and promptly after it learned of the basis therefor, the motion is timely. See, e.g., *Commodore Electronics, supra*; *United States Olympic Committee v. O-M Bread Inc.*, 26 USPQ2d 1221 (TTAB 1993); and *Focus 21 International Inc. v. Pola Kasei Kogyo Kabushiki Kaisha*, 22 USPQ2d 1316, 1318 (TTAB 1992). Further, applicant's argument that he will be prejudiced due to the delay and his inability to conduct discovery are not convincing. This amendment to the pleadings involves only the normal delay in acting on such a matter, and applicant has made no showing as to what discovery he needs regarding the new claims about applicant's own use. Thus, applicant has not shown that he would be prejudiced by the granting of the motion to amend. He has neither argued nor shown that the amendment would be futile for failure to state a claim upon which relief may be granted. See Trademark Rule 2.107(a).

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Opposer's motion for leave to file an amended notice of opposition is granted, and its amended notice of opposition is accepted.

OPPOSER'S MOTION FOR SUMMARY JUDGMENT

A party is entitled to summary judgment when it has demonstrated that there is no genuine issue as to any material fact, and that it is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c). The evidence must be viewed in a light favorable to the nonmoving party, and all justifiable inferences are to be drawn in the nonmovant's favor. *Opryland USA Inc. v. The Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992).

As a threshold matter, there is no genuine issue that opposer has standing to maintain this proceeding. In support of the motions for leave to file an amended notice of opposition and for summary judgment, opposer submitted the declaration of Anne B. Nielson, opposer's Vice President and Senior Trademark Counsel, in which she avers as to opposer's ownership of its five UNIVERSAL and UNIVERSAL-inclusive registrations that opposer pleaded in the notice of opposition, and that opposer is using and/or licensing "various marks and names consisting of or containing the mark 'UNIVERSAL.'"³ Nielson Decl. Par. 2.

³ The original and amended notices of opposition include claims of likelihood of confusion between opposer's previously used and registered UNIVERSAL and UNIVERSAL-inclusive marks for a variety

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We now turn to opposer's claim that applicant had not used the mark in commerce before he filed the application. An application filed under Section 1(a) of the Trademark Act is void ab initio if the first use of the mark occurs after the filing date of the application. See *Justin Industries, Inc. v. D.B. Rosenblatt, Inc.*, 213 USPQ 968, 974-75 (TTAB 1981) (application void where application filed before first order or sale and delivery of goods under the mark occurred).

The record shows that applicant did not use the mark in commerce before he filed the opposed application. Specifically, during applicant's discovery deposition, the pertinent pages of which opposer submitted in support of the summary judgment motion, applicant testified that he had not used the applied-for mark in commerce either as of the July 31, 2001 execution and mailing date of the application, or the August 6, 2001 filing date of the application, and that the first sales of goods bearing the mark occurred in "the late fall of 2001 or early 2002," (Tr. 54:22-55:2) or possibly as late as the New York Toy Fair in February 2002.

In response to the summary judgment motion on the issue of applicant's use of the mark in commerce, applicant argues that he shipped goods bearing the UNIVERSAL TOYS trademark

of entertainment, communication, marketing and development services and products, including the licensing and sale of toys, and applicant's mark UNIVERSAL TOYS for toy rockets.

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in commerce on July 31, 2001; and that his first use of the mark in commerce included, among other things, the mailing of brochures through interstate commerce. Applicant supports these arguments in a concurrently submitted declaration offered "[i]n clarification of my deposition transcript." However, applicant's declaration directly contradicts, rather than clarifies, his prior testimony with respect to his claimed pre-filing use in commerce.

Specifically, applicant makes the following statement in his declaration:

Par 4: In clarification of my deposition transcript, I shipped samples of finished product I referred to at page 56, line 2-4 of my deposition transcript to key customers including Toys R Us and Zany Brainy at the time I sent out brochures bearing the UNIVERSAL TOYS mark on or about July 31, 2001.

A party cannot create an issue of fact, and thereby avoid summary judgment, merely by submitting an affidavit or declaration contradicting his prior deposition testimony, without explaining the contradiction or attempting to resolve the disparity. *Sinskey v. Phamada Ophthalmics Inc.*, 982 F.2d 494, 25 USPQ2d 1290 (Fed. Cir. 1992) cert. denied, 508 U.S. 912 (1993). Applicant has done neither to our satisfaction.

Upon careful consideration of the arguments and evidence presented by the parties, and drawing all justifiable inferences in favor of applicant as the nonmoving party, we find that opposer has demonstrated,

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through applicant's own testimony in his discovery deposition, that no genuine issue of material fact remains for trial, and that opposer is entitled to judgment as a matter of law, with respect to opposer's claim that applicant had not used the mark in commerce as of the filing date of the application.

In view thereof, opposer's motion for summary judgment on the issue of applicant's non-use of the mark in commerce prior to the filing date of the application is GRANTED.⁴

Accordingly, judgment is hereby entered against applicant, the opposition is sustained on the basis that applicant had not used the mark prior to the filing date of his use-based application, the application is void ab initio, and registration to applicant is refused.

⁴ In view of our decision granting opposer's summary judgment motion on the issue of applicant's non-use of the mark in commerce prior to the filing date of the application, we need not reach the issues of whether applicant was the owner of the mark as of the filing date of the application, whether applicant made fraudulent representations to the USPTO that the mark had been used in commerce as of the filing date of his application, and whether contemporaneous use of the parties' respective marks on the identified goods and/or services is likely to cause confusion.