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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

GMA Accessories, Inc.
v.
Charlotte Olympia Holdings Limited

Opposition No. 91211164

Kevin A. Marks of The Bostany Law Firm PLLC for
GMA Accessories, Inc.

Brad D. Rose, Dyan Finguerra-DuCharme, and Ryan S. Klarberg of Pryor Cashman LLP for
Charlotte Olympia Holdings Limited.

Before Cataldo, Bergsman, and Wellington,
Administrative Trademark Judges.

Opinion by Wellington, Administrative Trademark Judge:

Charlotte Olympia Holdings Limited ("Applicant") has filed an application seeking to register the mark **CHARLOTTE OLYMPIA** for the following goods:

> Precious metals and their alloys; goods in precious metals or coated therewith, namely, rings, earrings, necklaces, bangles, and bracelets; jewelry, costume jewelry, precious stones; horological and chronometric instruments, clocks and watches, component parts and fittings for all of the aforementioned goods, in International Class 14; and

> Clothing namely, outer clothing in the nature of anoraks and ponchos, under clothing in the nature of bras, underpants, long johns, and vests, underwear, tights, shirts, dressing gowns, dresses, wedding dresses, gowns, saris, shirts, skirts, trousers, ready-made clothes in the nature of shirts, pants, dresses, T shirts, skirts, shorts, jeans, and leggings, knitwear in the nature of cardigans, jumpers, sweaters, pullovers, overcoats, coats, rain coats, waterproof clothing in the nature of waterproof jackets and waterproof trousers, parkas, jackets, suits, layettes, swimsuits, beachwear, bikinis, mittens, gloves, muffs, scarves, and clothing belts; footwear, headgear, namely, headwear, hats, caps, shower caps, headbands, and sunvisors; lingerie, hosiery, in International Class 25.[1]

GMA Accessories, Inc. ("Opposer") opposes registration of Applicant's mark on the ground of likelihood of confusion with its previously-registered mark, under Section 2(d) of the Trademark Act. Opposer pleads ownership of the following registrations for the mark **CHARLOTTE**, in typed drawing and standard character form:[2]

> Registration No. 2535454 (hereinafter referred to as the "'454 registration") for "clothing, footwear and headgear, namely hats, scarves, gloves and socks," in International Class 25;[3] and
>
> Registration No. 3922088 (hereinafter referred to as the "'088 registration") for "jewelry; jewelry for the head; jewelry pins for use on hats; lapel pins; necklaces; ornamental pins; earrings; charms; chokers; and costume jewelry," in International Class 14.[4]

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[1] Application Serial No. 79103730, filed on September 8, 2011, based upon Applicant's ownership of an International Registration, under Section 66(a) of the Trademark Act, having a priority date of March 8, 2011 pursuant to Section 67 of the Trademark Act. The Application also lists goods and services in Classes 9, 18 and 35, which were not opposed and thus not subject of the opposition.

[2] 1 TTABVUE (Notice of Opposition). Prior to November 2, 2003, "standard character" drawings were known as "typed" drawings. Effective November 2, 2002, Trademark Rule 2.52, 37 C.F.R § 2.52, was amended to replace the term "typed" drawing with "standard character" drawing. A typed mark is the legal equivalent of a standard character mark.

[3] Issued on February 5, 2002, renewed.

[4] Issued on February 22, 2011, Section 8 affidavit accepted and Section 15 affidavit acknowledged.

Applicant, in its answer admits to "the existence" of Opposer's pleaded registrations[5] and makes certain other admissions with respect to its application, but otherwise denies the remaining salient allegations in the Notice of Opposition. Applicant also pleads several "affirmative defenses," and asserts a counterclaim to cancel both of Opposer's pleaded registrations on the ground of abandonment. Applicant alleges in the counterclaim that based on "Opposer's failure to use the CHARLOTTE mark in connection with the goods identified in [the pleaded registrations] for at least three consecutive years with the intent not to resume such use, the CHARLOTTE mark … has become abandoned for purposes of Section 45 of the Trademark Act."[6]

In its answer, Opposer denies the salient allegations of the counterclaim.[7]

The opposition and counterclaim have been fully briefed.

We turn first to the evidentiary motions filed by the parties.

I. Evidentiary Objections

Opposer's "Motion to Preclude"[8]

Opposer filed a motion, on May 5, 2016, to preclude Applicant from relying at trial on certain documents on the ground that such documents were responsive to

[5] 56 TTABVUE 57-58 (Amended Answer paras. 1-2).

[6] *Id.* at 61.

[7] 93 TTABVUE.

[8] Opposer captioned the motion as "Opposer's Motion to Preclude"; we interpret this as a motion to strike or exclude evidence at trial. See TBMP §§ 532-533 (Jan. 2017).

Opposer's document requests, but were not timely produced.[9] Applicant filed a brief in opposition to the motion.[10]

By way of its motion, Opposer objects to Applicant's reliance on materials (identified by Bates nos. 04145-04850) that were submitted by Applicant during its testimony period as exhibits to the declaration of Ms. Takhar and under notice of reliance. Opposer argues that these materials, mostly comprising third-party registrations for marks containing the term CHARLOTTE and website printouts showing use of such marks, were responsive to Opposer's discovery requests but were not previously produced by Applicant. Accordingly, Opposer argues that, pursuant to Fed. R. Civ. P. 37(c), Applicant is now precluded from use these materials.

In response to Opposer's motion, Applicant asserts that, in preparation for its trial period, it conducted an Internet search and acquired the objected-to materials; that it "provided those Internet printouts to Opposer on a rolling basis"; and that "none of the trial evidence produced after the close of discovery was within its possession, custody or control during the discovery period."[11] These statements are corroborated by the declaration of Applicant's principal, Ms. Takhar, as well as the materials themselves bearing the dates the websites were accessed.[12]

It is clear that the objected-to documents were obtained or created by Applicant in anticipation of its testimony period, as opposed to responsive documents already

[9] 109 TTABVUE.

[10] 110 TTABVUE.

[11] 110 TTABVUE 4.

[12] *Id.* at 33.

within its possession or control when Applicant was responding to the discovery requests. The Board has routinely held that a party need not investigate third-party registrations or use to respond to discovery requests. See, *e.g.*, *Sheetz of Delaware, Inc. v. Doctor's Assocs. Inc.*, 108 USPQ2d 1341 (TTABVE 2013); *Rocket Trademarks Pty Ltd. v. Phard S.p.A.*, 98 USPQ2d 1066, 1071 (TTAB 2011); and *Sports Auth. Michigan Inc. v. PC Auth. Inc.*, 63 USPQ2d 1782, 1788 (TTAB 2001) (no obligation to search for third-party uses). We further disagree with Opposer's assertion that Applicant's submission of the materials amounts to "sandbagging," given that Applicant asserted the weakness of the term CHARLOTTE as an affirmative defense and, with its initial disclosures, stated these types of materials would be relied upon for the same stated purpose, *i.e.*, to show commercial weakness of the term CHARLOTTE.[13] Opposer was not put at a disadvantage because the materials introduced by Applicant were equally accessible to Opposer inasmuch as they were publicly available via the Internet and it is common practice for parties to introduce evidence of third-party registrations and other evidence to third-party use to demonstrate that a mark or a portion of a mark is weak. *See Sheetz of Delaware, Inc. v. Doctor's Assoc. Inc.,* 108 USPQ2d at 1348. Moreover, Opposer could have moved to reopen its testimony period and had time after the close of Applicant's testimony period to prepare any rebuttal against the evidence of third-party use.

[13] Opposer also does not dispute Applicant's claim that, long before trial opened, "[o]n October 28, 2013, Applicant made its first document production which included dozens of pages reflecting third party use and registrations that were within Applicant's possession, custody and control." 110 TTABVUE 4.

Accordingly, Opposer's motion to exclude the objected-to materials from consideration at trial is denied.

Applicant's Motion to Strike

Applicant attached a motion to strike to its trial brief arguing that Opposer "seeks to admit hundreds of pages of improperly filed documents that should all be stricken from the Record."[14] Applicant asserts various reasons for striking Opposer's submissions from the record, including: the submissions violated a prior Board order precluding Opposer from introducing certain testimony or evidence;[15] the materials were not produced as they should have been during the course of discovery or timely supplemented; the materials were not appropriate matter for submission under the notices of reliance or contain hearsay; and the notices of reliance do not contain a statement as to the relevance of the materials.[16]

a. No Statements of Relevance of Materials With Notices of Reliance

With respect to the objection involving a failure to state the purported relevance of the materials, the Board has long held that a party introducing evidence by way of a notice of reliance "must indicate the relevance of those materials to the case." TBMP § 704.02 (2016);[17] *see also, e.g.*, *FUJIFILM SonoSite, Inc. v. Sonoscape Co., Ltd.*, 111

[14] 129 TTABVUE 54, 59.

[15] Specifically, Applicant references the Board order (35 TTABVUE) prohibiting Opposer from introducing at trial any testimony or evidence related to the subject matter of these interrogatories. *See* the discussion *infra*.

[16] Applicant also objected to the introduction of the declaration testimony of Kailee McMahon (117 TTABVUE) on the basis that Opposer failed to disclose this witness in its pre-trial disclosures. Opposer, in reply, withdrew the declaration. 130 TTABVUE 47 at n. 2.

[17] We intentionally cite to the 2016 edition of the TBMP because this was the relevant edition at the time of trial. We further note that Trademark Rule 2.122(g) became effective on

USPQ2d 1234, 1237 (TTAB 2014) (notice of reliance failed to sufficiently indicate relevance of materials; "Although opposer will have an opportunity to explain its exhibits in its trial brief, applicant is entitled to know, prior to its testimony period, which web pages assertedly support which likelihood of confusion factor."); *Safer, Inc. v. OMS Investments, Inc,*, 94 USPQ2d 1031 (TTAB 2010); *Weyerhaeuser Co. v. Katz*, 24 USPQ2d 1230, 1233 (TTAB 1992) (motion to strike granted where notice of reliance did not explain relevance of appended copy of notice of opposition from a different case).

Applicant specifically objects to Opposer's notices of reliance identified as 64-89, 114 TTABVUE.[18] We have reviewed these notices of reliance and, indeed, each fails to include a statement regarding the relevance of the materials being submitted.

Although a statement of relevance is required, the Board has held that any failure to provide this statement is a procedural matter. *Hunt-Wesson Foods, Inc. v. Riceland Foods, Inc.*, 201 USPQ 881, 883 (TTAB 1979) (objection that notice of reliance did not set forth relevance of appended documents is a procedural matter and may be waived if raised for first time in brief); see also TBMP § 707.02(b) (2016). As such, any

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January 14, 2017 and it essentially codifies the requirement. The rule provides, in relevant part, that:

> For all evidence offered by notice of reliance, the notice must indicate generally the relevance of the evidence and associate it with one or more issues in the proceeding. Failure to identify the relevance of the evidence, or associate it with issues in the proceeding, with sufficient specificity is a procedural defect that can be cured by the offering party within the time set by Board order.

[18] Set forth in Applicant's brief at 129 TTABVUE 65.

objection involving this issue should be raised promptly to allow time for the party submitting the notices to rectify; otherwise, the objection may be deemed waived. *Id.*

Here, Applicant first raised the matter with Opposer through a series of letters sent shortly after Opposer's filing of its notices of reliance and Opposer had ample time to cure the deficiency by providing the required statements of relevancy for each of the notices of reliance. Specifically, Applicant's counsel sent a letter (dated January 27, 2016), informing Opposer's counsel, "I write concerning several deficiencies with [Opposer's] Notice of Reliance in an effort to provide you with notice to correct these errors … you did not indicate the relevance of the materials."[19] Opposer's counsel responded by letter the same day requesting, *inter alia*, that Applicant identify the notices of reliance that it believes were deficient.[20] Applicant's counsel sent Opposer's counsel a letter the following day stating "None of your 'notices' of reliance indicate the relevance of the material offered into evidence."[21] The correspondence continues with Applicant making it plainly clear that it believed the notices of reliance were deficient because they do not have statements regarding the relevance of the materials, as required by rule, and that it "reserves its right to challenge such evidence either by motion to strike or at trial" if Opposer does not comply with rule.[22]

[19] 125 TTABVUE 4. Opposer's last notice of reliance was filed on December 3, 2015. The proceeding was suspended by the Board on the same day and proceedings were not resumed until February 25, 2016.

[20] *Id.* at 5.

[21] *Id.* at 6.

[22] *Id.* at 8.

In view of Applicant's prompt and continuous efforts to raise the issue of the deficiency of the notices of reliance, we do not find the objection to be waived. Opposer had sufficient time to cure the deficiency and chose not to do so. Opposer's arguments that Applicant "never previously raised the alleged defects to the Board so that the Board could direct [Opposer] to cure any defects" or that "the relevancy of these documents is self-evident" are not persuasive.[23] Although Applicant could have filed a motion to strike shortly after the notices of reliance were filed, this was not obligatory. Moreover, the attempt to rectify the matter between the parties, without the Board's involvement, should be encouraged. It should also be emphasized that this was not a matter of a statement of reliance being ambiguous or insufficient; rather, there were no statements whatsoever regarding the relevance of the materials in the notices of reliance. The submitting party is not exempted from the requirement because it believes the relevance of the materials is "self-evident."

For these reasons, Applicant's objection to the specified notices of reliance (64-89 and 114 TTABVUE) is granted and the materials submitted under these notices are not given consideration.[24]

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[23] 130 TTABVUE 47 and 49.

[24] With respect to 114 TTABVUE, this is a copy of the declaration of Charen Kim, with exhibits, under a notice of reliance. The Kim declaration is dated in 2008 and filed originally in a proceeding before the U.S. District Court for the Southern District of New York involving Opposer and an unrelated third party. To the extent Opposer sought to introduce this declaration as testimony, it would also be stricken pursuant to Rule 2.122(f) which provides that such testimony may be entered only if it involves the "same parties or those in privity." The rule also requires that introduction be "[b]y order of the Trademark Trial and Appeal Board, on motion . . ." so that an objecting party can recall the testifying party for examination or cross-examination. In other words, there are multiple reasons why the deposition, and attached exhibits, cannot be introduced in this manner.

b. Evidence Inappropriate for Submission Under Notice of Reliance

In addition to submitting a copy of a declaration that was introduced in a different, unrelated court proceeding (see Note 24), Opposer also introduced copies of exhibits that were attached to that declaration of Mr. Charen Kim under a separate notice of reliance under Rule 2.120(j).[25] Opposer asserts in the notice of reliance that the materials are "relevant to show use in commerce," and the materials appear to be photocopies of catalogs or website printouts; however, there is no Internet URL provided, date accessed or further description. Applicant objects to the introduction of these materials on the basis that they are "not appropriate material for introduction by notice of reliance, because [they] lack proper foundation."[26]

There is no proper basis for allowing these materials to be introduced under notice of reliance. The rule that Opposer cites to in its notice of reliance, Rule 2.120(j), involves "telephone and pretrial conferences," and is unrelated. To the extent Opposer sought to introduce these as part and parcel of the testimony in another proceeding, it is not admissible pursuant to Rule 2.122(f) which provides that testimony may be entered only if it involves the "same parties or those in privity" and upon order of the Board. See Note 24.

Accordingly, Applicant's motion is granted, in part, and the materials submitted under the discussed notice of reliance (115 TTABVUE) are stricken.[27]

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[25] 115 TTABVUE.

[26] 129 TTABVUE 81.

[27] For a different reason, Opposer agreed in its opposition brief to these materials being stricken ("in light of the Altirs declaration, the Kim Declaration may be stricken as duplicative.") 130 TTABVUE 44, N. 1. We further note that Opposer agreed to withdraw the

c. The Board's Preclusion Order

During the course of this proceeding, the Board partially granted a motion for sanctions, prohibiting Opposer from introducing at trial any testimony or evidence related to the subject matter of several interrogatories, namely, Opposer's: (a) sales volume for the last five years for any goods identified by Opposer's pleaded marks; (b) advertising expenditures for the last five years related to goods identified by Opposer's pleaded marks; (c) retail price points for any goods identified by Opposer's pleaded marks; and (d) channels of distribution and target consumers for any goods identified by Opposer's pleaded marks.[28]

Applicant argues that the entirety of the declaration of Mr. George Altirs, Opposer's CEO, and all accompanying exhibits should be stricken based on the preclusion order. The declaration contains 14 averments touching on subjects such as Opposer's asserted "assumed name" (or doing business as "Capelli"), Opposer's asserted continuous use of its registered marks, the location and items that can purchased from Opposer's "New York showroom," exhibits comprising a "representative sampling" of sales orders for Opposer's goods for the years 2008-2016, and photographs of goods with a "Charlotte" label or hangtag.

For the most part, we agree with Opposer that the preclusion order does not prohibit the introduction of the type of testimony provided by Mr. Altirs. He does not testify regarding Opposer's sales in terms of "sales volume," nor does he provide

declaration of Ms. McMahon (117 TTABVUE). 130 TTABVUE 48, N. 2.

[28] 35 TTABVUE.

"advertising expenditures" or discuss "retail price points." Likewise, the exhibits comprising invoices or sales orders and the photographs do not per se violate the preclusion order. However, Mr. Altirs' testimony regarding Opposer's "New York showroom" and the assertions regarding the manner in which Opposer's goods may be purchased does violate the provision of the preclusion order restricting testimony and evidence involving the channels of distribution and target consumers for any goods identified by Opposer's pleaded marks. Accordingly, paragraphs 8, 11-14 of the Altirs declaration are hereby stricken. Paragraph 14 of the declaration, in particular, contains Mr. Altirs' statement that photographs (attached as "Exhibit C") show "merchandise on display at [Opposer's] showroom" and, because this statement involves a channel of distribution for Opposer's goods, it is stricken.

d. Evidence not produced as it should have been during the course of discovery or timely supplemented

Applicant has also moved to strike documents and evidence that were responsive to Applicant's discovery requests but were not produced by Opposer during the course of discovery or timely supplemented. In particular, Applicant objects to Opposer's introduction of Altirs Declaration which, according to Applicant, "includes extensive evidentiary attachments that were never produced during discovery or timely supplemented even though they were in GMA's possession, custody or control."[29] In addition to objected-to documents that were not previously produced, Applicant also

[29] 129 TTABVUE 67. Applicant does not object to the entirety of the Altirs declaration and all related exhibits on this basis alone, but specifically identifies and objects to "119 TTABVUE 78-110, 876-78; 120 TTABVUE 5-25" (in addition to the duplicative materials located in 121-122 TTABVUE).

points out that it requested "documents identifying Opposer's corporate structure and any affiliates, companies, employees, partners, agents, representative and any other person or entity acting on its behalf, and their respective officers, directors and employees," to which Opposer responded, *inter alia*, "there are no affiliates."[30] Applicant objects that Mr. Altirs, during his testimony, states that Opposer "does business as 'Capelli' [and] Capelli is an assumed name of [Opposer]."[31]

Opposer does not contradict Applicant's assertions that the objected-to evidence was responsive to Applicant's discovery requests and was not produced during discovery or timely supplemented. Rather, Opposer argues that "[t]here was no discovery following the December 3, 2015 filing of the counterclaim because [Applicant] didn't want any," referencing a prior Board order.[32] Essentially, Opposer is arguing that it was relieved of its duty to supplement its discovery responses that pertained to Applicant's abandonment counterclaim.

The statement from a prior Board order that Opposer relies upon cannot reasonably be interpreted as relieving Opposer of its duty to supplement its discovery responses pursuant to Fed. R. Civ. P. 26. The referenced statement is:[33]

> Moreover, Applicant has acknowledged that it does not need any further discovery on its [proposed] counterclaims. *See* Motion, p. 7. Accordingly, if

[30] 100 TTABVUE 87-103.

[31] 119 TTABVUE 2.

[32] 130 TTABVUE 32.

[33] 90 TTABVUE 7. Applicant's statement, that the Board relied upon, was: "Applicant also does not need to take additional discovery because Applicant's original discovery requests all included requests that went directly to the issue of current use of the mark and Opposer's intent to resume use" (56 TTABVUE 8).

> Applicant's motion is granted, proceedings will not be further delayed by a reopening of discovery.

It is clear that the Board was merely noting that discovery would not be reopened based on Applicant's assertion in a motion that additional discovery requests were not necessary.

In view thereof, Opposer's failure to timely supplement its responses to Applicant's discovery requests precludes it from introducing responsive materials at trial. The objection is sustained and the objected-to materials are not considered.[34] Moreover, we find that Opposer's failure to supplement its discovery responses and disclose "Capelli" as one of the "affiliates, companies, employees, partners, agents, representative and any other person or entity acting on its behalf, and their respective officers, directors and employees," also precludes Mr. Altirs testimony that Opposer does business as "Capelli." Accordingly, paragraph 3 of the Altirs declaration is stricken.[35]

Summary of Evidentiary Objections

Opposer's motion to exclude certain materials introduced by Applicant at trial is denied.

For the aforementioned reasons discussed, Applicant's motion to strike is granted, in part, and the following materials submitted by Opposer at trial are not given consideration: Opposer's notices of reliance at 64-89 and 114-115 TTABVUE; 119

[34] See *supra* note 29 and accompanying text (identifying the objected-to materials).

[35] 119 TTABVUE 2.

TTABVUE 78-110, 876-78; 120 TTABVUE 5-25;[36] and Paragraphs 3, 8, 11-14 of the Altirs declaration.

Applicant lodged additional objections that are not specifically addressed in this decision and, indeed, asserted multiple bases of objection to the same materials. Thus, although certain materials have been stricken on one basis, the same materials may also have been excluded for a different asserted basis.[37] Moreover, the Board is capable of weighing the relevance and strength or weakness of the objected-to testimony and evidence, including any inherent limitations. As necessary and appropriate, we point out in this decision any limitations in the evidence or otherwise note that the evidence cannot be relied upon in the manner sought. In particular, we have kept in mind the various objections and have accorded whatever probative value the subject testimony and evidence merit. *See, e.g., Kohler Co. v. Baldwin Hardware Corp.*, 82 USPQ2d 1100, 1104 (TTAB 2007).

II. The Record

The record includes the pleadings and, by way of Rule 2.122, the files of the involved application (subject of the opposition) and registrations (subjects of the counterclaim).

[36] In addition, the duplicate materials located in 121-122 TTABVUE are also stricken.

[37] For example, Opposer's attempt to introduce its own discovery responses (to Applicant's discovery requests) during its initial trial period under a notice of reliance (89 TTABVUE) is clearly improper and would excluded on this basis in addition to Opposer's failure to include a statement of relevance of these materials. See TBMP § 409 and authority cited therein regarding a party's submission of its own discovery responses.

The parties stipulated, *inter alia*, that "that testimony of the witnesses may be submitted into evidence in the form of an Affidavit or Declaration … [and] may submit and rely on documentary exhibits attached to said Affidavits or Declarations."[38] The parties further stipulated that "all documents produced and exchanged by the Parties during discovery and produced as of the date of this Stipulation are authentic and may be of record-evidence and relied upon at trial without objection as to authenticity."[39]

Applicant, during its initial trial period, submitted the testimony declaration of its President, Ms. Bonnie Takhar, with exhibits;[40] copies of Applicant's registrations Nos. 4838878 and 4377113;[41] copies of Opposer's responses to Applicant's discovery requests as well as, pursuant to Rule 2.120(j)(5), Applicant's responses to Opposer's discovery requests;[42] copies of website printouts for purposes of showing weakness of the term CHARLOTTE;[43] and copies orders involving Opposer from the U.S. District Court for the Southern District of New York.[44]

During its rebuttal period, Opposer filed the following under notice of reliance: a copy of a Board order involving Opposer;[45] copies from the file of the '088

[38] 61 TTABVUE.

[39] *Id.*

[40] 97-99 TTABVUE.

[41] 100 TTABVUE.

[42] *Id.* and 101 TTABVUE.

[43] *Id.* and 102-103 TTABVUE.

[44] 103 TTABVUE.

[45] 116 TTABVUE.

registration;[46] and, excluding that which has been stricken, the declaration with exhibits of Applicant's CEO, George Altirs.[47]

During its rebuttal testimony period, Applicant submitted the "rebuttal declaration of Bonnie Takhar," with exhibits consisting of correspondence between the parties' counsel regarding the sufficiency of Opposer's evidentiary submissions.[48]

We turn now to the merits of Applicant's counterclaim charging that Opposer has abandoned the pleaded registrations which form the basis of its opposition for likelihood of confusion. Because we grant Applicant's counterclaim, as detailed below, the likelihood of confusion claim necessarily fails and need not be discussed.

III. Standing

Standing is a threshold issue that must be proven by a plaintiff in every *inter partes* case. To establish standing in an opposition or cancellation proceeding, a plaintiff must show "both a 'real interest' in the proceedings as well as a 'reasonable basis' for its belief of damage." *Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014) (quoting *ShutEmDown Sports, Inc., v. Lacy*, 102 USPQ2d 1036, 1041 (TTAB 2012)); *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999); *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). The Court of Appeals for the

[46] 118 TTABVUE.

[47] 119-122 TTABVUE; excluding Paragraphs 3,8,11-14 of the Altirs declaration and exhibits located at 19 TTABVUE 78-110, 876-78; 120 TTABVUE 5-25 (and the duplicate materials in 121-122 TTABVUE).

[48] 125 TTABVUE.

Federal Circuit has enunciated a liberal threshold for determining standing in Board proceedings. *Ritchie*, 50 USPQ2d at 1030.

By virtue of its position as defendant in the instant opposition proceeding and Opposer's ownership and reliance upon its pleaded registrations in the same proceeding, Applicant possesses the requisite standing to bring the counterclaim for cancellation. *See Ohio State Univ. v. Ohio Univ.*, 51 USPQ2d 1289, 1293 (TTAB 1999) ("[A]pplicant's standing to assert the counterclaim arises from applicant's position as a defendant in the opposition and cancellation initiated by opposer"). *See also Finanz St. Honore B.V. v. Johnson & Johnson*, 85 USPQ2d 1478, 1479 (TTAB 2007).

IV. Counterclaim Cancellation – Abandonment

In order to prevail on a counterclaim for cancellation on the ground of abandonment, a party must prove nonuse of the mark in connection with the goods with intent not to resume such use. *See DAK Indus. Inc. v. Daiichi Kosho Co.*, 35 USPQ2d 1434, 1438 (TTAB 1995). A showing of nonuse for three years constitutes a prima facie showing of abandonment. Trademark Act Section 45, 15 U.S.C. § 1127. "A showing of a prima facie case creates a rebuttable presumption that the trademark owner has abandoned the mark without intent to resume use. The burden then shifts to the trademark owner to produce evidence that he either used the mark during the statutory period or intended to resume use." *Crash Dummy Movie, LLC v. Mattel, Inc.*, 601 F.3d 1387, 1391, 94 U.S.P.Q.2d 1315, 1316 (Fed. Cir. 2010).

Applicant argues cancellation of the two registrations is warranted because:[49]

[49] 129 TTABVUE 13.

> [T]he sales documents [produced by Opposer] clearly show that [Opposer] has abandoned the registrations at issue. There is no evidence of use of the CHARLOTTE mark in connection with any of the Class 25 goods from 2011 through 2015, and there is only use for some of the Class 14 goods during that time period. Moreover, none of the invoices identify [Opposer] as the source of the goods. [Opposer] has offered no competent evidence to rebut [Applicant's] *prima facie* showing of abandonment.

In support, Applicant submitted copies of the following document requests it propounded and contends that Opposer produced no responsive documents for the years 2011-2015:[50]

> Document Request No. 6: All documents sufficient to identify the target consumers for Opposer's Goods, including, but not limited, to marketing studies, research reports, consumer correspondence, consumer surveys, opinions and investigations.
>
> Document Request No. 13: All documents concerning Opposer's marketing and advertising plans and strategies concerning Opposer's Marks.
>
> Document Request No. 14: All documents concerning communications with any outside consultants concerning Opposer's Marks, including, but not limited to, correspondence to or from publicity firms, public relations agents, advertising agencies, sales agencies, marketing firms and other consulting firms.
>
> Document Request No. 15: Representative samples of each piece of advertising or promotional material or proposed advertising or promotional material showing use of Opposer's Marks in the United States, if any, including a page (if applicable) that identifies the medium and date of publication of such advertisement or promotion.
>
> Document Request No. 16: All documents sufficient to identify Opposer's annual expenses in promoting, advertising and publicizing Opposer's Marks from the date of inception to the present in connection with goods.
>
> Document Request No. 17: All documents concerning advertising or plans to advertise Opposer's Goods sold under Opposer's Marks on television stations, radio stations, websites, cable television stations, national television networks, newspapers, magazines, circulars or other media outlets.

[50] 100 TTABVUE 87-98.

> Document Request No. 22: All documents sufficient to evidence the gross annual revenues received by Opposer from the sales of Opposer's Goods each year since Opposer commenced use of Opposer's Marks.
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> Document Request No. 23: All documents sufficient to show use of Opposer's Marks by Opposer each year from the date of first use through the present in connection with Opposer's Goods.
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> Document Request No. 24: All documents concerning Opposer's total advertising and promotional expenditures relating to Opposer's Marks since the date of first use of Opposer's Marks.

As to the sales invoices that Opposer introduced as exhibits to the Altirs declaration, Applicant asserts that because Opposer, itself, is not identified as a seller or that such sales were made on its behalf, Opposer cannot rely on them for purposes of showing use of its marks. Even if Opposer were able to rely on them, Applicant asserts that none of the sales documents involve any of the goods listed in the '454 registration, *i.e.*, hats, scarves, gloves and socks.

Opposer defends against the counterclaim by asserting that Applicant "presents no evidence of non-use," and that Opposer has "present[ed] evidence of continued use" of its mark.[51] With respect to the latter point, Opposer relies on its submission of Section 15 affidavits for the pleaded registrations and their "incontestability" status as evidence that "the USPTO has already found [Opposer's] continuous use during that entire period."[52] Opposer also relies on the testimony of Mr. Altirs along with the exhibits attached to his declaration.

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[51] 130 TTABVUE 25, 28.

[52] *Id.* at 30. With respect to Opposer's argument and reliance upon the incontestability status of its registrations as a defense to Applicant's counterclaim, the statute is clear that incontestable registrations remain subject to an abandonment claim for cancellation. Section 33(b) of the Trademark Act, 15 U.S.C. § 1115(b) (setting forth possible challenges to

Based on the entire record properly before us, we find that Applicant has established, at a minimum, a prima facie case of abandonment exists with respect to both of Opposer's pleaded registrations. Indeed, Opposer's inability to produce any documents in response to Applicant's document request nos. 6, 13-17, 22-24 is highly probative with respect to making a factual finding Opposer was not using its mark on the goods identified in the registrations for the years 2011-2015. In addition to failing to produce a single representative sample of advertising or promotional material (or proposed advertising or promotional material) showing use of its mark, Opposer could not produce, among other documents requested, any marketing studies, research reports, consumer correspondence, consumer surveys, opinions, investigations, marketing and advertising plans and strategies, correspondence to or from publicity firms, public relations agents, advertising agencies, sales agencies, marketing firms and other consulting firms. This is particularly telling given the number of years that the registrations have been in existence and the fact that the years in question, for which Opposer should have been able to produce such documents, were relatively a short time ago.

Having determined that a *prima facie* case of abandonment based on nonuse of Opposer's mark for the goods identified in the two pleaded registrations for period of 2011-2015, the burden of going forward and rebutting this showing with evidence shifts to Opposer. Based on the record before us, Opposer did not meet his burden.

incontestable registrations, including subsection (2) "that the mark has been abandoned by the registrant.")

The evidence that Opposer relies upon is simply insufficient and does not adequately support Applicant's assertions of use of its mark on the relevant goods during the years 2011 to 2015. With respect to the sales invoices attached as exhibits to the Altirs declaration, there are several reasons why these do not evidence Opposer's use of its CHARLOTTE mark during the asserted abandonment time period.[53] As an initial matter, we note that the vast majority of the sales documents have order or ship dates for the years 2008-2010 (see, *e.g.*, 119 TTABVUE 111-860) that precedes the asserted abandonment period and thus are irrelevant.[54] More importantly, none of these documents identify Opposer, GMA Accessories, Inc., as the source of the sales or otherwise. Rather, the sales documents are on "Capelli" letterhead and/or were accessed from the website "http://webcatalogue.capellinewyork.com..." and/or identify "CAPNY Capelli NY" under the heading of "Vendor."[55] Moreover, the sales invoices fail to establish that Opposer's CHARLOTTE mark was actually being used as a trademark on the goods subject of the sales. For example, although certain goods may be described as "Charlotte Disco Earrings," there is no indication how, or if, the mark was actually being applied to the goods.[56]

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[53] 119 TTABVUE.

[54] See, *e.g.*, 119 TTABVUE 111-860. Many of the documents also contain date stamps with the URL reflecting they were accessed from an internal website and printed out during those years.

[55] As addressed in the evidentiary objections section, *supra*, Mr. Altirs' testimony regarding Opposer's connection with "Capelli" has been stricken.

[56] 119 TTABVUE 860.

We also find that Applicant is correct in its assessment that none of the sales documents actually produced by Opposer list any of the goods in the '454 registration, *i.e.*, hats, scarves, gloves and socks. Rather, many of these invoices involve robes, boots and boot liners.

We do not ignore Mr. Altirs statements in his declaration regarding Opposer's use of its mark. Specifically, Mr. Altirs avers that Opposer "has been continuously using the mark on all of the products listed in its original Class 14 registration from 2006 through 2011 and on all the goods listed in the March 2016 amendment from 2011 to date" and that Opposer "is now and has been continuously using the mark CHARLOTTE in commerce on all of the goods listed in its certificate of registration in Class 25 since 1999."[57] Referencing the aforementioned sales invoices, Mr. Altirs contends that they are "a representative sampling of GMA sales orders for Charlotte brand clothing and jewelry for the years 2008 to 2016."[58] However, Mr. Altirs does not explain why none of the sales invoices pertain to the goods identified in the '454 registration and otherwise offers little other admissible statements or information regarding Opposer's use of the Charlotte mark for the relevant years. Ultimately, for the reasons already given, the sales invoices attached as exhibits to the Altirs declaration do not show Opposer's use of the Charlotte mark on the involved goods for the relevant years nor do they help corroborate Mr. Altirs' testimony. As a result,

[57] Id. at 2 (paragraphs 5-6 of Altirs declaration).

[58] Id. at 3 (paragraph 9).

we find Mr. Altirs' statements with regard to Opposer's use of the mark for the relevant time period is not compelling.

Upon evaluation of the entire record, namely, all evidence properly introduced and deemed admissible, we find that Opposer made a *prima facie* case of abandonment based on nonuse of Opposer's mark for the goods identified in the two pleaded registrations for the years 2011-2015, and Applicant has not rebutted this showing. Accordingly, Applicant's counterclaim is granted and Opposer's pleaded registrations are cancelled on the ground of abandonment.

V. Likelihood of Confusion

We have found above that Opposer abandoned the mark CHARLOTTE in its pleaded Registrations '454 and '088, and these registrations will be cancelled in due course. A cancelled registration may not form the basis for a likelihood of confusion claim with a Section 2(d) claim of likelihood of confusion. *See. e.g., Action Temporary Services Inc. v. Labor Force Inc.*, 870 F.2d 1563, 10 USPQ2d 1307, 1309 (Fed. Cir. 1989). *See also* TBMP § 704.03(b)(1)(A) ("Cancelled Registration[] … not evidence of any presently existing rights in the mark show in the registration, of that the mark was ever used.") and authorities cited therein. Inasmuch as Opposer relied solely on these registrations as the basis for its likelihood of confusion ground for opposition, it cannot prevail on this claim. As a result, Opposer's likelihood of confusion inevitably fails.

Decision: Applicant's counterclaim to cancel Opposer's pleaded registrations is GRANTED on the ground of abandonment. Registrations Nos. 2535454 and 3922088 will be cancelled in due course.

The opposition to registration of Application Serial No. 79103730 for the mark **CHARLOTTE OLYMPIA** is DISMISSED.