

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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Mailed: July 31, 2015

Cancellation No. **92058978**

Daniel P. Matthews

v.

Black Clouds

**Before Seeherman, Ritchie and Masiello,
Administrative Trademark Judges**

By the Board:

This proceeding was instituted on April 8, 2014, based on a petition to cancel Registration No. 4233433¹ for the mark BLACK CLOUDS in standard characters. As grounds for the petition, Petitioner asserted priority and likelihood of confusion based on Petitioner's common law use of THE BLACK CLOUDS in connection with "audio and video recordings via hard media, streaming and download" and "entertainment services in the nature of musical performances." Petitioner later filed an amended petition in response

¹ Underlying application filed on March 9, 2012, and registered on October 30, 2012, for "audio and video recordings featuring music and artistic performances; audio recordings featuring music; compact discs featuring music; digital music downloadable from the internet; downloadable music files; downloadable musical sound recordings; downloadable music via the Internet and wireless devices; musical recordings; musical sound recordings; musical video recordings; sound recordings featuring music; video recordings featuring music" in International Class 9.

to a motion to dismiss filed by Respondent. The Board accepted the amended petition on June 3, 2014, and Respondent answered on July 11, 2014.

This matter now comes up on Petitioner's motion (filed January 16, 2015) for summary judgment on his pleaded claim of priority and likelihood of confusion.² The motion is fully briefed.

Petitioner's Motion for Summary Judgment

A motion for summary judgment is a pretrial device intended to save the time and expense of a full trial when the moving party is able to demonstrate, prior to trial, that there is no genuine dispute of material fact, and that it is entitled to judgment as a matter of law. *See* Fed. R. Civ. P. 56(a); *Celotex Corp. v. Catrett*, 477 U.S. 317 (1986); *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992); and *Sweats Fashions Inc. v. Pannill Knitting Co. Inc.*, 833 F.2d 1560, 4 USPQ2d 1793 (Fed. Cir. 1987). If the moving party is able to meet this initial burden, the burden shifts to the nonmoving party to demonstrate the existence of specific genuinely disputed facts that must be resolved at trial. The nonmoving party may not rest on mere allegations or assertions but must designate specific portions of the record or produce additional evidence showing the existence of a genuine dispute of material fact for trial. Should the nonmoving party fail to raise a genuine dispute of material fact as to an

² The motion fails to indicate proof of service on Respondent as required by Trademark Rule 2.119. However, as Respondent confirms that it has received a service copy of the motion and has opposed the motion on the merits, we have considered the motion.

essential element of the moving party's case, judgment as a matter of law may be entered in the moving party's favor.

A factual dispute is genuine if, on the evidence of record, a reasonable fact finder could resolve the matter in favor of the non-moving party. *See Olde Tyme Foods, Inc. v. Roundy's, Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1544 (Fed. Cir. 1992). The evidence must be viewed in a light most favorable to the non-moving party, and all reasonable inferences are to be drawn in the non-movant's favor. *Lloyd's Food Products, Inc. v. Eli's, Inc.*, 987 F.2d 766, 25 USPQ2d 2027, 2029 (Fed. Cir. 1993); *Opryland USA, supra*. The Board does not resolve disputes of material fact but rather only ascertains whether disputes of material fact exist. *See Lloyd's Food Products*, 25 USPQ2d at 2029; *Olde Tyme Foods*, 22 USPQ2d at 1542.

In order for Petitioner to prevail on his motion, he must establish that there is no genuine dispute that he has standing to maintain the proceeding, that he has prior proprietary rights in his pleaded mark, and that contemporaneous use of the parties' respective marks on their respective goods and/or services would be likely to cause confusion or mistake or to deceive consumers. *See Hornblower & Weeks, Inc. v. Hornblower & Weeks, Inc.*, 60 USPQ2d 1733, 1735 (TTAB 2001).

Standing

Turning first to the question of standing, it is a threshold issue that must be proven by a plaintiff in every *inter partes* case so as to prevent litigation

when there is no real controversy between the parties. *See Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999); and *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982). To establish standing, the plaintiff must demonstrate that it has a “real interest,” i.e., a direct and personal stake, in the outcome of the proceeding and a reasonable basis for its belief of damage. *Ritchie*, 50 USPQ2d at 1025-26.

In his amended petition, Petitioner has alleged prior use of and goodwill in a mark similar to that of Respondent in connection with related goods and services and damage resulting from Respondent’s use of its mark. *Amended Petition for Cancellation*, 6 TTABVUE ¶¶ 2, 3, 5, 7, 8 and 10. In support thereof, Petitioner has submitted a declaration attesting to the same and provided evidence of CD and digital sales of his albums since 2005 and pages from various third-party web sites offering for sale Petitioner’s albums. *Declaration of Daniel P. Matthews (“Matthews Declaration”)* and Exhibits B, C, F and G, 9 TTABVUE 17-24, 31-185, 194-203. These averments and supporting evidence are sufficient to demonstrate a reasonable basis for Petitioner’s belief of damage. *See Giersch v. Scripps Networks Inc.*, 90 USPQ2d 1020, 1022 (TTAB 2009) (finding standing based on common law use). Further, as Respondent has not otherwise disputed Petitioner’s standing, we find no genuine dispute of material fact concerning Petitioner’s standing to bring this cancellation proceeding. *See Cunningham v. Laser Golf*

Corp., 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

Priority

Trademark Rule 2.122(b)(2) provides that “[t]he allegation ... in a registration[] of a date of use is not evidence on behalf of the ... registrant; a date of use of a mark must be established by competent evidence.” Thus, notwithstanding Respondent’s first use dates of its mark anywhere (October 5, 2011) and in commerce (November 20, 2011) as set forth in its registration, Respondent has failed to submit any evidence establishing such first use. Respondent, therefore, may not rely on such dates to establish its priority. Nevertheless, Respondent may rely, without further proof, upon the filing date of its registration’s underlying application as a “constructive use date” for purposes of priority. *See* 15 U.S.C. § 1057(c); *Zirco Corp. v. American Telephone and Telegraph Co.*, 21 USPQ2d 1542, 1544 (TTAB 1991). As such, Respondent’s priority date is March 9, 2012, for purposes of this motion.

As for Petitioner, he relies on his rights in THE BLACK CLOUDS mark accrued at common law. Petitioner has averred in his declaration first use of the mark in 2005 [*Matthews Declaration*, ¶¶ 7-8] and the release of three music albums under the mark THE BLACK CLOUDS in 2005, 2008 and 2012 [¶¶ 8, 9, 12; *see also* Exh. F and G]. Petitioner has also submitted as exhibits several sales reports of his music under the mark through a third-

party distributor. Petitioner's evidence reflects CD sales since 2005 [Exh. B], digital CD sales since 2008 [Exh. B], and sales of digital singles from Petitioner's albums since 2006 [Exh. C].

Respondent contends in response that any prior use of the mark by Petitioner was *de minimis* and therefore insufficient to bestow trademark rights. Alternatively, Respondent contends that even if Petitioner is able to establish prior trademark rights, he abandoned such rights between 2009 and 2013. *Respondent's Opposition*, 11 TTABVUE 3-4. These contentions are neither well taken nor supported by the record.

Respondent's contention of *de minimis* use is based on Petitioner's digital and non-digital CD sales data, which are arguably minimal. However, Respondent's position fails to account for the digital sales of songs from Petitioner's albums since 2006. *See* Exh. C. While recognizing the "sheer heft" of the digital sales data, Respondent discounts such evidence as merely representing "streamed plays of music" rather than actual sales, notwithstanding actual sales information shown in the exhibit, such as amounts payable to Petitioner. Indeed, Respondent fails to explain or otherwise demonstrate why streamed music does not represent sales of Petitioner's music under Petitioner's mark. Respondent's suggestion that such streams and downloads could have all been made by Petitioner is mere speculation and unsupported by evidence.

The same can be said concerning Respondent's assertion of abandonment. Respondent argues that the digital sales data is insufficient to show use of the mark, but as discussed above, we find that this is mere argument and therefore does not raise a genuine dispute. There is nothing in the record to suggest that Petitioner abandoned his mark between 2009 and 2013³, or to raise a genuine dispute. Thus, we find no genuine dispute that Petitioner has priority of use over Respondent.

Likelihood of Confusion

We determine the question of likelihood of confusion based on the factors set forth in *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 1361, 177 USPQ 563, 567 (CCPA 1973). We consider all *du Pont* factors for which there is evidence of record but “may focus ... on dispositive factors, such as similarity of the marks and relatedness of the goods.” *Han Beauty, Inc. v. Alberto-Culver Co.*, 236 F.3d 1333, 57 USPQ2d 1557, 1559 (Fed. Cir. 2001).

Here, aside from the definite article THE (which has no trademark significance) in Petitioner's mark, there is no genuine dispute that the parties' marks are identical. *See, e.g., In re Thor Tech, Inc.*, 90 USPQ2d 1634, 1635 (TTAB 2009) (definite article “The” at the beginning of a mark has no trademark significance). Nor is there a genuine dispute as to the relatedness

³ Indeed, we note significant and consistent digital sales of Petitioner's songs under Petitioner's mark during this time period, *see* Exh. C, 9 TTABVUE 60-165, as well as the release of Petitioner's third album in 2012. *See Matthews Declaration*, ¶ 12 and Exh. G.

of the goods as both parties use their marks in connection with audio recordings in downloadable and CD form. This is undisputed by Respondent.

There is also no genuine dispute that the parties' goods travel in the same trade channels as evidenced by Petitioner's printouts from third-party retail music websites offering both parties' albums. *See* Exh. D – G. Respondent's contention that the differences in musical styles will serve to distinguish the marks among consumers is unavailing. *Respondent's Opposition*, 11 TTABVUE 4. The nature and scope of a party's goods must be determined on the basis of the goods recited in the party's registration. Since there is no limitation in Respondent's registration as to the goods' nature, type, channels of trade, or class of purchasers, it is presumed that the registration encompasses all goods of the type described, that they move in all normal channels of trade for such goods, and that they are available to all classes of purchasers of such goods. *See, e.g., Levi Strauss & Co. v. Abercrombie & Fitch Trading Co.*, 719 F.3d 1367, 1373, 107 USPQ2d 1167, 1173 (Fed. Cir. 2013).

Finally, we note that the record contains no evidence or arguments regarding a genuine dispute of material fact as to any other factors bearing on the issue of likelihood of confusion, as set forth in *du Pont*. Where priority and likelihood of confusion are established as to a particular good in a class, then the petition must be granted as to the entire class. *See Tuxedo Monopoly, Inc. v. General Mills Fun Group*, 648 F.2d 1335, 209 USPQ 986, 988 (CCPA 1981) (once likely confusion found as to one item, registration

refused as to entire class); *see also The B.V.D. Licensing Corp. v. Rodriguez*, 83 USPQ2d 1500, 1507 (TTAB 2007); *Baseball America Inc. v. Powerplay Sports Ltd.*, 71 USPQ2d 1844, 1847 n.9 (TTAB 2004).

We find that Petitioner is entitled, as a matter of law, to a judgment in his favor as to his claim of priority and likelihood of confusion. Petitioner's motion for summary judgment is hereby **GRANTED** and judgment is entered against Respondent on the ground of priority and likelihood of confusion. Registration No. 4233433 will be cancelled in due course.

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