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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92066374
Party	Defendant Wholesale Moissanite, LLC
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Submission	Motion to Suspend for Civil Action
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Attachments	Motion to Suspend TTAB Proceeding.PDF(1529562 bytes )

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the matter of Registration No.: 5,079,587

For the Mark: NEO MOISSANITE

Date of Registration: November 8, 2016

Serenity Aryamond, LLC,	)	
Petitioner,	)	
	)	Cancellation No.: 92066374
v.	)	
	)	
Wholesale Moissanite, LLC,	)	
Respondent.	)	

**REGISTRANT’S MOTION TO SUSPEND PROCEEDING BASED ON CO-  
PENDENCY OF RELATED U.S. DISTRICT COURT ACTION**

Respondent and Registrant Wholesale Moissanite, LLC, (“Registrant”) by and through its undersigned counsel, hereby moves for a suspension of this proceeding, which arose from Serenity Aryamond, LLC’s (“Petitioner”) Petition for Cancellation (“Petition”), based on the co-pending action between Registrant and Petitioner in the United States District Court for the Central District of California (the “District Court Action”), Case no. 5:17-cv-01628-DMG-SP, before the Honorable Dolly M. Gee. Suspension of this proceeding is authorized by Trademark Trial & Appeal Board (“TTAB”) Practices and Procedures section 3:26, and is appropriate because the judgment rendered in the District Court Action will dispose of all claims before the TTAB and will be binding on the TTAB as a matter of law. Further, suspension is warranted in the interests of judicial economy and the preservation of the parties’ resources.

**I. Suspension of this proceeding is expressly authorized by TTAB Practices and Procedures section 3:26 because there is co-pending civil action that will dispose of the issues before the TTAB.**

Section 3:26 of the TTAB Practices and Procedures provides “that whenever it comes to the attention of the Board that the parties to the Board case are engaged in a civil action that may be dispositive of the Board case, the Board may suspend action on its proceeding pending termination of the civil action.” *Trademark Trial & App. Board Prac. & Proc.* § 3:26.

Attached hereto as EXHIBIT 1 is a true and correct copy of the Complaint filed by Registrant in the co-pending District Court Action. When a co-pending action in U.S. District Court “could be dispositive of the registrability questions before the Board, the Board **will** suspend action on the opposition or cancellation proceeding pending final disposition of the civil action.” *Id.* (Emphasis added.) Per section 3:26, “the rationale for suspension of the Board case is that the federal court’s determination is binding on the Board, whereas the Board’s decision is not binding on the court.” See also *New Orleans Louisiana Saints LLC & NFL Properties LLC*, 99 U.S.P.Q.2d 1550 (T.T.A.B. July 22, 2011) (“A decision by the district court may be binding on the Board whereas a determination by the Board as to a defendant’s right to obtain or retain a registration would not be binding or *res judicata* in respect to the proceeding pending before the court. *Whopper-Burger, Inc. v. Burger King Corp.*, 171 USPQ 805, 807 (TTAB 1971).”)

Registrant is aware of *B&B Hardware, Inc. v. Hargis Industries, Inc.*, 135 U.S. 1293 and its discussion of preclusion, but Registrant notes that *B&B Hardware, Inc.* has not changed the TTAB position on favoring suspension of proceedings when, as here, the co-pending District Court case involves the same

parties and issues. In fact, *Trademark Trial & Appeal Board Manual of Procedure* section 510.02(a) (June 2017) expressly address *B&B Hardware, Inc.* and states that “[a]lthough the Supreme Court held that issue preclusion can be based on a decision by the Board in a case in which the ordinary elements of issue preclusion are met, **the Board’s policy to suspend in favor of a civil action has not changed.** A civil action may involve other matters outside Board jurisdiction and may consider broader issues beyond right to registration and, therefore, judicial economy is usually served by suspension.” (Emphasis added.)

**II. The co-pending District Court Action will be dispositive of all issues before the TTAB in this cancellation proceeding.**

**a. The parties in this TTAB proceeding are also parties in the co-pending District Court Action.**

In *New Orleans Louisiana Saints LLC*, *supra*, the Court stated that “[i]f the parties to an opposition are involved in a district court action involving the same mark or the opposed application, the Board will scrutinize the pleadings in the civil action to determine if the issues before the court may have a bearing on the Board’s decision in the opposition.” The TTAB has even suspended proceedings before the TTAB when the co-pending action was in a *foreign court* and involved *only one* of the parties before TTAB proceeding, because the determination of the court in the foreign civil action would have had a bearing on the TTAB proceeding. See *Marie Claire Album S.A.*, 29 U.S.P.Q.2d 1792 (T.T.A.B. Nov. 16, 1993) (“Therefore, it is appropriate to suspend this proceeding pending the determination of the German civil action concerning the validity of the foreign registration.”)

The analysis of the parties involved here is straightforward - the defendants in the District Court Action are Petitioner Serenity Aryamond, LLC, Serenity

Technologies Incorporated, and Does 1 through 20; the plaintiff is Registrant Wholesale Moissanite, LLC. *Every party* in this TTAB cancellation proceeding is *also a party* in the co-pending District Court Action. Accordingly, the TTAB should consider the allegations and causes of action in the Complaint filed by Registrant in District Court Action to determine if they have a bearing on the Board's decision in this TTAB proceeding. See also *Forest Laboratories Inc. v. G.D. Searle & Co.*, 52 USPQ2d 1058, 1061 (TTAB 1999).

**b. The issues in the District Court Action have a bearing on the Board's decision in this TTAB proceeding and suspension of the TTAB proceeding is proper.**

When the issues in the civil action bear on the issues before the TTAB, the Board's general policy is to suspend the TTAB proceeding. See *Boyds Collection Ltd*, 65 U.S.P.Q.2d 2017 (T.T.A.B. Jan. 16, 2003) ("As petitioner correctly argues, it would appear that the civil action in question "may have a bearing on [this] case," inasmuch as it involves the same parties and the same marks. Further, it is generally the Board's policy to suspend when the parties are engaged in such a civil action.")

Registrant's complaint in the District Court Action asserts causes of action for (1) Federal Trademark Infringement, (2) Federal Unfair Competition, (3) California Statutory Unfair Competition, (4) California Common Law Unfair Competition, (5) Breach of Oral Contract, (6) Breach of Written Contract, and (7) Declaratory Relief. Count One (I) in the District Court Action's is for Lanham Act Trademark Infringement. *Exh. 1*, ¶¶ 47-52. The trademark at issue in the co-pending District Court Action is the same trademark that Petitioners seek to cancel in this TTAB proceeding, namely the "NEO MOISSANITE" mark, Registration No. 5079587, with a registration date of November 8, 2016. *Exh. 1*, ¶ 36.

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