

THIS OPINION IS NOT A
PRECEDENT OF THE TTAB

Oral Hearing:
June 19, 2008

Mailed:
November 25, 2008

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Mattel, Inc.
v.
The Crash Dummy Movie, LLC

Opposition No. 91159002
to application Serial No. 76504400
filed on March 31, 2003

Jill M. Pietrini of Mannatt, Phelps & Phillips, LLP for
Mattel, Inc.

Ted F. Gerdes of Gerdes & Associates and David J. Kera of
Oblon, Spivak, McClelland, Maier & Neustadt, PC for The
Crash Dummy Movie, LLC.

Before Walters, Kuhlke and Cataldo, Administrative Trademark
Judges.

Opinion by Kuhlke, Administrative Trademark Judge:

Applicant, The Crash Dummy Movie, LLC, seeks
registration of the mark CRASH DUMMIES (in typed form) for
goods ultimately identified in the application as "games and
playthings, namely, action figures, toy cars, crib toys,
puppets, marionette puppets, toy vehicles, radio controlled
toy vehicles, model vehicles play sets for toy vehicles,

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play sets for toy vehicles, play set buildings, houses, stand alone video game machines, board games, toy pedal cars, skateboards, toy banks, toy rockets and accessories therefore sold as sets, plush toys, amusement park rides, beach toys, inflatable toys, toy racing sets, in line skates, protective padding for skateboarding and in line skating, toy foam weapons, toy candy dispensers, toy gloves, costume masks, hula dolls, toy goggles, water squirting toys and toy catapults" in International Class 28. The application, filed on March 31, 2003, is based on an allegation of a bona fide intention to use the mark in commerce under Trademark Act Section 1(b), 15 U.S.C. §1051(b).

Opposer, Mattel, Inc., opposed registration of applicant's mark on the grounds that, as applied to applicant's goods, the mark so resembles opposer's previously used marks CRASH DUMMIES and THE INCREDIBLE CRASH DUMMIES ("CRASH DUMMIES Marks") for "action figures and playsets, including accessories" as to be likely to cause confusion, to cause mistake, or to deceive under Trademark Act Section 2(d), 15 U.S.C. §1052(d). In addition, opposer alleges that applicant entered into an "option agreement" with opposer's predecessor-in-interest for "motion picture and television rights to the CRASH DUMMIES Property" in which applicant "recognized Mattel's predecessor's rights in

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the CRASH DUMMIES Marks and toy merchandising rights, inter alia, were expressly excluded from the Option.”¹ Notice of Opposition ¶¶ 13, 14 and 15.

Applicant filed an answer by which it denied the salient allegations and asserted the affirmative defense that opposer did not acquire rights in the marks inasmuch as the predecessor-in-interest had already abandoned the marks and to the extent opposer acquired such rights they have abandoned them through non use of the marks.

The evidence of record consists of the pleadings herein; the file of the opposed application; the testimony depositions (with exhibits) taken by opposer of Peter L. Frank, a Marketing Manager employed by opposer, Robert D. Walsh, a paralegal employed by opposer, and Adelle Jones, a paralegal with Manatt, Phelps & Phillips, LLP (opposer’s outside counsel) and former executive secretary with opposer. In addition, opposer submitted notices of reliance upon applicant’s discovery responses and printed publications. Applicant submitted a notice of reliance on opposer’s cancelled registrations and the assignment abstract of title for each registration.

EVIDENTIARY OBJECTIONS

¹ During oral argument opposer asserted that applicant is estopped from challenging opposer’s trademark rights based on the prior option agreement. However, the pleadings do not sufficiently raise the issue of estoppel nor was this issue tried by implied consent; therefore, we have given it no consideration.

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Within its main brief applicant objected to a large portion of opposer's evidence. The various grounds of objection include hearsay, lack of personal knowledge (incompetency of the witnesses), and evidence not admissible by notice of reliance.

Applicant objects to exhibits 8-140 on the basis that they are "inadmissible as evidence" because each of these printed publications is "hearsay for the truth of the matter for which it was introduced." Br. p. 3. Further, as to exhibits 10, 31 and 32 applicant asserts that they are irrelevant inasmuch as they "purport to report events or facts in a foreign country." Br. p. 4. These objections are overruled to the extent that the matter is admissible and has been made properly of record by way of notice of reliance. This issue goes to the probative value of the individual exhibits and we have not considered them for the truth of the matter asserted. However, they may be used to show, for example, that opposer advertised the goods under the mark in the publications on those dates. See *Gravel Cologne, Inc. v. Lawrence Palmer, Inc.*, 469 F.2d 1397, 176 USPQ 123 (CCPA 1972); *Wagner Electric Corp. v. Raygo Wagner, Inc.*, 192 USPQ 33, 36 n. 10 (TTAB 1976). In addition, they may be used to show the manner in which the words CRASH DUMMIES are used in an article and of the fact that the public has been exposed to the articles and may be aware of

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the information contained therein. *Harjo v. Pro-Football Inc.*, 50 USPQ2d 1705, 1721 n. 50 (TTAB 1999).

The objection to exhibit nos. 141 through 143, is sustained to the extent that they are of little probative value, however, they are admissible. In *re Bayer Aktiengesellschaft*, 82 USPQ2d 1828 (Fed. Cir. 2007) (evidence of registration of ASPIRINA in another country is of little value to our analysis of its entitlement to protection in the United States); *Aktieselskabet af 21. November 2001 v. Fame Jeans Inc.*, 77 USPQ2d 1861 (TTAB 2006). In arguing against the objection, opposer cites to several cases that speak to the possible probative value of evidence of foreign origin (registrations, printed publications or websites). In general, these cases involve consumer perception in the context of a descriptiveness or genericness claim or refusal. Here, applicant is relying on them in the context of rebutting an abandonment claim to show residual goodwill and intent to resume use in the United States. In such a context this type of evidence has limited probative value.

Applicant's objection to exhibit nos. 144 through 153 and 155 through 161 is sustained. Documents received in response to requests for production are not proper matter for a notice of reliance absent an admission as to their authenticity or admissibility. Further, the interrogatory

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responses to which opposer refers in response to applicant's objection do not serve to save these documents. Under the exception cited by applicant the interrogatory response itself must consist of the documents. See Trademark Rule 2.120(j)(3)(i) ("...a copy of the interrogatory and an answer thereto with any exhibit made part of the answer...") In addition, the responses do not reference the specific documents.

The option agreement identified in exhibit no. 34 has been authenticated by applicant in its response to admission request nos. 68 and 69. The denial of admission request no. 74 does not undo the identification and authentication of that document but rather is applicant's opinion as to its relevancy. In addition, Mr. Walsh's testimony further serves to identify and authenticate that agreement.

Applicant asserts that matter appearing in a letter submitted under notice of reliance in exhibit 161 serves as an admission against interest. The letter is not proper matter for a notice of reliance, as noted above, and the quote from the letter is hearsay and may not be considered for the truth of the matter asserted. Thus, it cannot be considered an admission against interest. Moreover, even if we were to consider it as an admission it only admits that a Mr. Davis is "informed" that "The Incredible Crash Dummies" action figures had not been marketed since the early 1990's.

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Applicant's objections to the testimony of Mr. Frank and Mr. Walsh on the basis that they lack personal knowledge are overruled. We find both witnesses sufficiently competent to testify on the matters covered in the depositions. Moreover, applicant's objections that various documents presented in the exhibits do not satisfy the business records exception were waived during testimony. Frank Test. pp. 22-23; Walsh Test. p. 34.

To the extent an objection has not been specifically addressed above, we have considered the evidence, keeping in mind the objections, and have accorded whatever probative value the testimony and evidence merits.

STANDING

As discussed below, opposer has shown that it intended to resume use and in fact did resume use of the CRASH DUMMIES Marks in connection with a variety of toys, including action figures and has demonstrated a real interest in preventing registration of the proposed mark. See *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999); *Jewelers Vigilance Committee, Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021 (Fed. Cir. 1987); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982). Thus, opposer has established its standing.

LIKELIHOOD OF CONFUSION/PRIORITY

The goods in issue are, at least in part, identical (action figures) and the marks are identical (CRASH DUMMIES) or highly similar (THE INCREDIBLE CRASH DUMMIES). Thus, there can be no dispute that a likelihood of confusion exists and, indeed, the parties do not dispute this. In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24 (CCPA 1976) (two key considerations are the similarities between the marks and the similarities between the goods).

We turn then to the question of priority. Because opposer has not pleaded any registrations, opposer must prove common law rights prior to applicant's priority date. Hydro-Dynamics Inc. v. George Putnum and Company Inc., 811 F.2d 1470, 1 USPQ2d 1772, 1773 (Fed. Cir. 1987). In defense of its position, applicant has asserted that opposer or opposer's predecessor-in-interest abandoned any rights it had in the CRASH DUMMIES Marks.

Certain testimony and exhibits were designated as confidential and we will refer only to the evidence that opposer discusses in its brief.

Findings of Fact

Opposer's predecessor-in-interest, TYCO, first used the CRASH DUMMIES Marks at least as early as December 27,

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1991. Frank Test. pp. 145-153 Exh. 48. The use included a broad advertising campaign that included several television commercials and mini cartoons. Frank Test. pp. 140-144 Exhs. 45-46. In 1993, Fox aired an animated television special in association with based upon the CRASH DUMMIES characters. Frank Test. pp. 132-134 Exh. 44. From January through July 1992, TYCO had \$15 million in sales domestically of the CRASH DUMMIES products and TYCO expanded the line to include 37 products in 1993. Frank Test. pp. 149-150 Exh. 48. Because 55% of sales occurred in November and December the total year sales likely amounted to \$50 million. Frank Test. pp. 137-139, 149-150 Exhs. 45, 48. TYCO sold toys under the CRASH DUMMIES Marks at least through 1994. Frank Test. p. 18. In 1995, applicant entered into an option agreement with TYCO regarding the production of a motion picture based on TYCO's CRASH DUMMIES which expired on July 14, 1996. Walsh Test. pp. 26-28 Exh. 34. TYCO entered into licenses with 49 different entities for use of the CRASH DUMMIES Marks in connection with a variety of consumer items. Walsh Test. pp. 19-25. Exh. 32. Some of the licenses lasted until December 31, 1995 and had a sell off period of 4-6 months. Id. TYCO assigned its trademarks to opposer on February 12, 1997. Opposer fully acquired TYCO on December 31, 1997. Walsh Test. pp. 28-30. The list of over 300 trademarks acquired by opposer from

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TYCO included the CRASH DUMMIES Marks and Registration Nos. 1809338 and 1773754. Frank Test. pp. 23-24 Exh. 38.

Opposer did not file the Section 8 declaration of continuing use for Reg. Nos. 1809338 and 1773754 and these registrations were cancelled. Applicant's Notice of Reliance. Due to the size of the acquisition, the integration of the two businesses was accomplished over a long period of time. Frank Test. p. 35. In 1998, opposer was approached by a toy retailer to sell products under the CRASH DUMMIES Marks but opposer could not do so at that time due to retooling requirements. Frank Test. p. 37.

Beginning in 2000, opposer began product research to produce toys under the CRASH DUMMIES marks culminating in the first shipment and sales in December 2003 and continuing through 2004. Frank Test. pp. 55-56. In 2003-2004, opposer ran short CRASH DUMMIES animations on television following Saturday morning cartoons. Frank Test. pp. 60-62.

Previously produced TYCO toys under the CRASH DUMMIES Marks are currently available for sale on the Internet. Jones Test. pp. 54-57 Exhs. 25-26. Applicant filed its application for the mark CRASH DUMMIES based on an intention to use the mark in commerce on March 31, 2003. Applicant has not used CRASH DUMMIES in connection with the goods identified in the application. Opposer's Notice of Reliance Exh. 2 Response to Request for Admission No. 12.

Analysis

"Under the rule of Otto Roth, a party opposing registration of a trademark due to a likelihood of confusion with his own unregistered term cannot prevail unless he shows that his term is distinctive of his goods, whether inherently or through the acquisition of secondary meaning or through 'whatever other type of use may have developed a trade identity.'" Towers v. Advent Software Inc., 913 F.2d 942, 16 USPQ2d 1039, 1041 (Fed. Cir. 1990), citing, Otto Roth & Co. v. Universal Food Corp., 640 F.2d 1317, 209 USPQ 40, 43 (CCPA 1981). Thus, in order to prevail, opposer must establish that its CRASH DUMMIES Marks are distinctive, either inherently or through acquired distinctiveness, and that its use predates applicant's filing date of March 31, 2003. As discussed below, based on this record we find that opposer has proven by a preponderance of the evidence that it continues to own the CRASH DUMMIES Marks and it has not abandoned these marks.

Neither party addressed the question of the marks' distinctiveness, however, based on the extent of use by opposer's predecessor, which included broad television advertising and an extensive licensing regime, we find that the CRASH DUMMIES Marks CRASH DUMMIES and INCREDIBLE CRASH DUMMIES did, at a minimum, acquire distinctiveness in connection with toys by 1995, prior to opposer's acquisition

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of TYCO. While the use was predominantly in the form of a logo mark, the phrase CRASH DUMMIES had a separate commercial impression due to its prominent placement on product packaging. In addition, the additional wording THE INCREDIBLE, appearing in the marks with the remaining phrase CRASH DUMMIES, presents a separate commercial impression from the design. Finally, there is nothing in the record to rebut the evidence that supports this finding.²

The Trademark Act provides that "[n]on use for 3 consecutive years shall be prima facie evidence of abandonment." 15 U.S.C. §1127. Introduction of evidence of nonuse of the mark for three consecutive years constitutes a prima facie showing of abandonment and shifts the burden to the party contesting the abandonment to show either evidence to disprove the underlying facts triggering the presumption of three years nonuse, or evidence of an intent to resume use to disprove the presumed fact of no intent to resume use. *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 889 F.2d 1575, 14 USPQ2d 1390, 1393 (Fed. Cir. 1990).

While toys may not have been sold by TYCO to its retailers after 1994 the toys would have remained on retail

² The only evidence of record that touches on the distinctiveness of the phrase CRASH DUMMIES consists of the two prior cancelled registrations wherein the wording CRASH DUMMIES is registered based on acquired distinctiveness under section 2(f) in Reg. No. 1809338 and disclaimed in Reg. No. 1773754. While this could bring into question the inherent distinctiveness of the phrase it does not undermine a finding of acquired distinctiveness.

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shelves through the spring of 1995. Moreover, licenses for other related or accessory goods for sale under the CRASH DUMMIES Marks continued until December 31, 1995, with a four month sell-off period. Therefore, for purposes of calculating a prima facie abandonment we begin with December 31, 1995, at the earliest. Cf. *American Motors Corp. v. Action-Age, Inc.*, 178 USPQ2d 377, 378 (Sales of accessory items, among other activities, supported finding that record fell short of establishing abandonment). Opposer was assigned the marks on February 12, 1997 and fully acquired TYCO on December 31, 1997, thus, at most, two years had passed between the end-term date of the licensing agreements and opposer's acquisition of TYCO. In view thereof, the record does not support prima facie abandonment by opposer's predecessor.³

Turning then to opposer's actions after having acquired these marks (both the registrations and its predecessor's common law rights), the next actual shipment and sale of goods under the CRASH DUMMIES Marks does not occur until mid-December 2003. This period of nonuse presents prima facie abandonment based on three years of nonuse. However,

³ Even if we used December 1994 as the date of TYCO's last use, the licensing that extended to December 1995 with the sell-off period through the spring of 1996 along with the motion picture negotiations during 1995 and 1996 would evidence TYCO's intent to resume use. See *General Motors Corp. v. Aristide & Co., Antiquaire de Marques*, 87 USPQ2d 1179, 1183 (TTAB 2008), citing

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opposer has shown through its continuing efforts an intent to resume use and eventual resumption of use of the marks. Compare *Parfums Nautee Ltd. v. American International Industries*, 22 USPQ2d 1306, (TTAB 1992) (defendant's witness not aware of any activity regarding plans to use mark and no demonstration of "constancy of effort" to market it thus no evidence of intent to resume meaningful commercial use). We do not find the period of nonuse under the circumstances of this case to have worked an abandonment of common law trademark rights.

In 1997, opposer acquired over 300 trademarks from TYCO, a very large toy company at that time. At the time of acquisition, it appears from the record that TYCO was not manufacturing or selling toys under the CRASH DUMMIES Marks. However, it is common practice in this industry to "recycle" the more popular toys based around key play patterns. Frank Test. p. 43; Walsh Test. p. 32.

A year later in 1998 opposer considered manufacturing and selling CRASH DUMMIES toys again to supply an interested party, but could not at that time due to the expense of retooling. The tooling it acquired from the predecessor-in-interest did not meet opposer's standards. Frank Test. p. 37. Applicant characterizes Mr. Frank's testimony about the licensing inquiry and opposer's inability to answer that

Sands, Taylor & Wood Co. v. The Quaker Oats CO., 978 F.2d 947, 24

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inquiry based on the required retooling investment as proof of opposer's intent not to resume use. App. Br. p. 13. Taking into account the totality of the evidence we cannot agree with that characterization. As noted above, in 1998, opposer had only recently acquired over 300 brands and was in the middle of merging two large companies. The fact that it "declined" to retool at that particular moment does not evince an intent not to resume. At most the testimony supports a finding that opposer was not ready or able to retool for that particular product line at that time. In 2000, opposer was able to start the process that precedes retooling, which consisted of research and development. Within three years, opposer began manufacturing toys under the CRASH DUMMIES Marks and shipped them in December 2003. In addition, during the period 1997-2004 opposer was faced with the task of integrating these two large companies. In fact, it was not until 2004 that the prior company's offices were moved from New Jersey to California. Moreover, while residual goodwill alone cannot defend or maintain a registration, *Parfums Nautee, supra*, the residual goodwill combined with opposer's "constancy of effort" and the industry practice to recycle brands clearly support a finding that opposer has not abandoned these marks.⁴ While

USPQ2d 1001, 1009 (7th Cir. 1992).

⁴ Opposer relies on *Mattel, Inc. v. Funline Merchandise Co.*, 18 USPQ2d 1372 (TTAB 2006) for the proposition that sales in the

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we recognize that an industry's practice of recycling brands "does not exempt the industry in toto from the normal statutory presumption that trademarks can become abandoned and that trademark owners must have an intent to resume use and an explanation for any nonuse," opposer has provided evidence of intent to resume use and explanations for the nonuse. General Motors at 1183.

During oral argument applicant relied on the recently issued opinion General Motors Corp. v. Aristide & Co., Antiquaire de Marques, supra. In that case, the Board found that the plaintiff had abandoned use of its mark LASALLE and dismissed the opposition against registration of defendant's mark LA SALLE for motor vehicles. That case is distinguishable on its facts. In General Motors, the applicant's priority date was December 15, 2003 and the opposer had not sold automobiles under its mark since 1940. The record presented prima facie evidence of nonuse for more than three years (60 years) and was devoid of any evidence "that [plaintiff] had used the LaSalle mark on any goods during this period [or] any explanation for its plans to

secondary market supported plaintiff's assertion of trademark rights. However, in that case opposer was relying on a pleaded registration and there was no abandonment claim. As stated in General Motors, "residual good will is not sufficient to avoid a finding of abandonment where the goodwill is generated through subsequent sales of a product by distributors or retailers." General Motors, at 1183 citing Societe des Produits Marnier Lappostolle v. Distillerie Moccia S.R.L., 10 USPQ2d 1241, 1244 n. 5 (TTAB 1989).

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resume use of this particular mark on vehicles." Id. at 1182.

In this case, as discussed above, opposer has rebutted the presumption of abandonment by showing "reasonable grounds for the suspension and plans to resume use in the reasonably foreseeable future when the conditions requiring suspension abate." *Silverman v. CBS, Inc.*, 870 F.2d 40, 9 USPQ2d 1778, 1773 (2d Cir. 1989) (citations omitted).

Inasmuch as applicant's mark CRASH DUMMIES is identical to opposer's mark CRASH DUMMIES and highly similar to opposer's mark THE INCREDIBLE CRASH DUMMIES, the goods are identical and otherwise related, there is a likelihood of confusion. Further, opposer has established priority of use. In view thereof, opposer has proven its claim under Section 2(d) of the Trademark Act.

Decision: The opposition is sustained on the claim under Section 2(d).