

2020-1196

United States Court of Appeals
for the Federal Circuit

PIANO FACTORY GROUP, INC., SWEET 16 MUSICAL
PROPERTIES, INC.,

Appellants,

v.

SCHIEDMAYER CELESTA GMBH,

Appellee.

*Appeal from the United States Patent and Trademark Office,
Trademark Trial and Appeal Board, Case No. 92061215*

**BRIEF OF APPELLANTS PIANO FACTORY GROUP, INC. and
SWEET 16 MUSICAL PROPERTIES, INC.**

Adam R. Stephenson
Kevin W. Hawkes
ADAM R. STEPHENSON, LTD.
8350 E. Raintree Dr. Ste 245
Scottsdale, Arizona 85260
Telephone: 480.264.6075
Facsimile: 480.718.8336

Attorneys for Appellants

April 7, 2020

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

Piano Factory Group, Inc v. Schiedmayer Celesta GmbH

Case No. 2020-1196

CERTIFICATE OF INTEREST

Counsel for the:

(petitioner) (appellant) (respondent) (appellee) (amicus) (name of party)

Adam R. Stephenson

certifies the following (use "None" if applicable; use extra sheets if necessary):

1. Full Name of Party Represented by me	2. Name of Real Party in interest (Please only include any real party in interest NOT identified in Question 3) represented by me is:	3. Parent corporations and publicly held companies that own 10% or more of stock in the party
Piano Factory Group, Inc	Sweet 16 Musical Properties, Inc.	NONE
Sweet 16 Musical Properties, Inc.	Sweet 16 Musical Properties, Inc.	NONE

4. The names of all law firms and the partners or associates that appeared for the party or amicus now represented by me in the trial court or agency or are expected to appear in this court (**and who have not or will not enter an appearance in this case**) are:

NONE

5. The title and number of any case known to counsel to be pending in this or any other court or agency that will directly affect or be directly affected by this court's decision in the pending appeal. *See* Fed. Cir. R. 47.4(a)(5) and 47.5(b). (The parties should attach continuation pages as necessary).

Arthrex, Inc. v. Smith & Nephew, Inc., et al., No. 18-214 (Fed Cir. 2019)

3/12/2020

Date

/s/ Adam Stephenson

Signature of counsel

Adam R. Stephenson

Printed name of counsel

Please Note: All questions must be answered

cc: _____

Reset Fields

TABLE OF CONTENTS

CERTIFICATE OF INTEREST.....	i
TABLE OF CONTENTS.....	ii
TABLE OF AUTHORITIES.....	iv
STATEMENT OF RELATED CASES.....	vi
JURISDICTION.....	1
STATEMENT OF THE ISSUES.....	1
STATEMENT OF THE CASE.....	2
A. Nature of the Case.....	2
B. Proceedings Before the USPTO and TTAB.....	2
STATEMENT OF FACTS.....	3
A. Identity and History of Appellee.....	3
B. Appellant’s Registration of SCHIEDMAYER for Pianos.....	6
C. Appellant’s Use of the SCHIEDMAYER Mark for Pianos.....	8
D. Appellee’s Non-use of the Mark for Pianos.....	9
E. Consumer Confusion Between SCHIEDMAYER Marked Pianos and SCHIEDMAYER Marked Celestas.....	10
F. Evidence of Appellee’s Knowledge of Appellant.....	11
SUMMARY OF ARGUMENT.....	12
STANDARD OF REVIEW.....	14

ARGUMENT.....14

I. The Board’s Laches Analysis is Error by Finding No Material Prejudice to Appellant.....14

II. The Board’s Panel Consisted of Judges Unconstitutionally Appointed.....18

III. The Board Legally Erred in Holding that There is a False Suggestion of a Connection.....14

 i. The Board Legally Erred in Defining the Petitioner.....19

 ii. The Board Legally Erred in Defining the Goods.....20

 ii. The Board Erred in Applying the Four Factor Test.....23

 a. The Board Erred in Finding that SCHIEDMAYER Points Uniquely and Unmistakably to Appellee.....23

 b. The Board Erred in Finding that the Appellee’s Name is of Sufficient Fame or Reputation that When Appellant Uses the Mark, in Connection with Their Goods or Services, a Connection with the Appellee Would be Presumed.....28

 i. The Board Erred in Failing to Determine the Fame and Reputation of the Appellee at the Time of Registration.....28

 ii. The Board Erred in Determining that any Fame or Reputation of the Appellee extended to more than Just Celestas and Glockenspiels.....28

CONCLUSION.....30

TABLE OF AUTHORITIES

CASES	Page(s)
<i>Arthrex, Inc. v. Smith & Nephew, Inc., et al.</i> , No. 18-214 (Fed Cir. 2019).....	vi, 2, 18
<i>In re Bayer Aktiengesellschaft</i> , 488 F.3d 960 (Fed. Cir. 2007).....	14
<i>B&B Hardware Inc. v. Hargis Industries, Inc.</i> , 135 S.Ct. 1293 (2015).....	15, 16, 17
<i>Bd. of Trs. of Univ. of Ala. v. Pitts</i> , 107 USPQ2d 2001 (TTAB 2013).....	23
<i>In re Jackson International Trading Co.</i> , 103 USPQ2d 1417 (TTAB 2012).....	23
<i>Lesley Hornby v. TJX Companies, Inc.</i> , 87 USPQ2d 1411 (TTAB 2008).....	23, 28
<i>Consol. Edison v. NLRB</i> , 305 U.S. 197 (1938).....	14
<i>Nasalok Coating Corp. v. Nylok Corp.</i> , 522 F.3d 1320 (Fed. Cir. 2008).....	16
<i>In re Pacer Tech.</i> , 338 F.3d 1348 (Fed. Cir. 2003).....	14
<i>In re Pedersen</i> , 109 USPQ2d 1185 (TTAB 2013).....	23
<i>In re Peter S. Herrick, P.A.</i> , 91 USPQ2d 1505 (TTAB 2009).....	27
<i>In re Viterra Inc.</i> , 671 F.3d 1358 (Fed. Cir. 2012).....	14

In re White,
73 USPQ2d 1713 (TTAB 2004).....23

In re Wielinski,
49 USPQ2d 1754 (TTAB 1998).....23

STATUTES

15 U.S.C. § 1052(a).....1, 2, 7, 23
15 U.S.C. § 1057(c).....16
15 U.S.C. § 1057(b).....16
15 U.S.C. § 1115(a).....16
15 U.S.C. § 1125(a)(1).....16, 18
15 U.S.C. § 1071(a).....1
28 U.S.C. § 1295(a)(4)(B).....1

STATEMENT OF RELATED CASES

In accordance with Fed. Cir. R. 47.5, appellants Piano Factory Group, Inc. and Sweet 16 Musical Properties, Inc. (hereinafter “Appellant”) state that:

(a) No other appeal in or from this same proceeding before the U.S. Patent and Trademark Office, Trademark Trial and Appeal Board, was previously before this or any other appellate court.

(b) Counsel notes that arguments raised herein rely in part upon the decision of *Arthrex, Inc. v. Smith & Nephew, Inc., et al.*, No. 18-2140 (Federal Circuit, 2019) for which the petition rehearing *en banc* by this Court was denied and the mandate issued to the United States Patent and Trademark Office on April 6, 2020.

JURISDICTION

The Appellant appeals the decision of the Trademark Trial and Appeal Board (“the Board”), entered September 11, 2019, granting a petition for cancellation of the SCHIEDMAYER trademark, U.S. Registration No. 3,340,759 (the “mark”). (Appx0031). The Board granted the petition on the ground that a false association existed under section 2(a) of the Lanham Act¹, 15 U.S.C. § 1052(a). The Board also rejected Appellant’s defense of Laches.

Appellant timely filed a Notice of Appeal under 15 U.S.C. § 1071(a) on November 8, 2019. This Court has jurisdiction under 15 U.S.C. § 1071(a) and 28 U.S.C. § 1295(a)(4)(B).

STATEMENT OF THE ISSUES

1. Did the Board err in 1) granting the Petitioner/Appellee’s petition for cancelation on the ground that a false association existed under section 2(a) of the Lanham Act, 15 U.S.C. § 1052(a) and 2) rejecting the Respondent/Appellant’s defense of laches based on the theory that the Appellant has not experienced material prejudice due to a delay? Further, was the panel of administrative trademark judges that granted the petition constitutionally appointed as of the date of the issuance of the panel decision granting cancellation?

¹ “Lanham Act” refers to the Trademark (Lanham) Act of 1946, as amended and codified, 15 U.S.C. § 1051, *et seq.*

STATEMENT OF THE CASE

A. Nature of the Case.

This is an appeal of a precedential decision of the Trademark Trial and Appeal Board (“Board”). The Board held that the petition for cancellation of the Mark should be granted under Section 2(a) of the Lanham Act, 15 U.S.C. § 1052(a). The Board found that a false association existed between Appellants use of the Mark and the Appellee. The Board also issued the decision prior to this Court handing down its decision in *Arthrex, Inc. v. Smith & Nephew, Inc., et al.*, No. 18-2140 (Federal Circuit, 2019).

Appellant asserts that the Board’s decision is legal error and not supported by substantial evidence. No false association exists between the Appellant’s use of the Mark and the Appellee. If any such association could be regarded as existing in the minds of consumers based on the evidence presented, Appellee’s petition is barred by Appellant’s defense of laches.

B. Proceedings Before The USPTO and TTAB.

On August 24, 2002, the Appellant filed a trademark application for SCHIEDMAYER (serial no. 78157552) to be used with pianos. (Appx0001). This mark later registered November 20, 2007 as Reg. No. 3340759. (Appx0001). The registration became incontestable in May of 2014. Over 7 years after registration and 12 years after filing, on April 1, 2015, the Appellee filed a Petition for Cancellation of the Mark on the sole ground that the Appellant fraudulently

obtained the registration for the Mark. (Appx0032-0035). The Appellant answered the petition on May 29, 2015. (Appx0037). On January 5, 2016, the Appellee filed its first amended petition for cancellation (Appx0041) and on May 10, 2016, the Appellee filed its second amended petition for cancellation. (Appx0049). The Appellant filed a motion to dismiss on May 31, 2016 (Appx0055), following which the Appellee filed its final amended petition for cancellation on January 3, 2017. (Appx0061). The final amended petition for cancellation claimed cancellation on the grounds of false association, abandonment, and abandonment for failure to file a declaration of use. (Appx0063-0066). On December 12, 2018, the Appellee filed its main brief and on January 14, 2019, the Appellant filed its main brief. On September 11, 2019, the Board issued their final decision granting the petition and cancelling the registration. (Appx0002).

STATEMENT OF FACTS

Identity and History of Appellee

The Appellee in the instant case is the entity *Schiedmayer Celesta GmbH*. (Appx0003) The Appellee was founded in 1995 and was originally called *Schiedmayer Celestebau GmbH*. (Appx0263). The name was changed to its current name in 2003. (Appx0263-0264). The Appellee has specialized in the production of celestas and glockenspiels. (Appx0263). The Appellee has never manufactured a piano forte (piano). (Appx0748).

In 1969, Georg Schiedmayer, the late husband of Elianne Schiedmayer, the current president of the Appellee, took over the company Schiedmayer Pianofortefabrik. (Appx0263). This entity built pianos. (Appx0261-0262). In 1980, Georg Schiedmayer collaborated with the piano company Rud Ibach & Sohn to continue producing pianos. (Appx0263). Shortly thereafter, in 1980, Georg Schiedmayer apparently withdrew from this collaboration and discontinued the manufacture of pianos entirely. (Appx0263). Georg Schiedmayer apparently was the last of his family to manufacture pianos and changed his focus to building glockenspiels and celestas as of 1980. (Appx0263). Appellee claims that no trademark rights to SCHIEDMAYER were ever transferred to Rud Ibach & Sohn in 1980, but admits and confirms that Rud Ibach & Sohn continued producing pianos using the SCHIEDMAYER mark for decades after 1980. (Appx0263).

However, according to every authoritative reference on piano provenance the Appellant has reviewed, Georg Schiedmayer transferred rights to the SCHIEDMAYER trademark for pianos in 1980 to Rud Ibach & Sohn at the same time he sold the piano line to Rud Ibach & Sohn. More specifically, according to the 12th edition of the *Pierce Piano Atlas*, it states that “George Schiedmayer sold this piano line to Rud. Ibach Sohn in 1980.” (Appx0777) Further, according to the volume *Piano: An Encyclopedia* from *The Encyclopedia of Keyboard Instruments* series, it states “Georg Schiedmayer, who was the last of his family to build pianos, changed his focus to building celestas and glockenspiels and in 1980 sold the piano

name, models, drawings, tools, and forms to the Rudolf Ibach Sohn firm. Schiedmayer is now a brand name of the Ibach company.” (Appx0791). It further states that “[i]n the 1980s Ibach expanded by purchasing the venerable Schiedmayer piano division (est. in 1809) and the piano firm of Roth and Junius (est. in 1889), known for its affordable instruments for home and school. Both brand names are still in production under the auspices of Rudolf Ibach Sohn.” (Appx0786).²

During the pendency of the cancellation, Elianne Schiedmayer stated that “[i]n the 1990s, Ibach started a cooperation with KAWAI and began advertising pianos under the label Schiedmayer Pianofortefabrik GmbH and used a false ‘Schiedmayer S’ logo.” (Appx0794). While Ms. Schiedmayer states that the logo used was “false,” the statement does not provide any further evidence as to why the logo was unauthorized. She further confirms other entities took actions in Europe consistent with having rights to the SCHIEDMAYER mark for pianos: “the company Schiedmayer Pianos GmbH filed for bankruptcy in 2003. The name Schiedmayer Pianos GmbH was changed in the same year to Pianocenter Wuppertal GmbH. This company filed for bankruptcy in 2006.” (Appx0794). She further corroborates the authoritative references in this record on appeal by stating

² The information in the references regarding the history of the use of SCHIEDMAYER mark in the US are further corroborated throughout the prosecution history of the SCHIEDMAYER mark, the declaration of Russel Kassman, and the declaration and testimony of Glenn Treibitz.

that in 2006, Musikhaus Thomann e.K. utilized the remaining goods from the bankruptcy estate of the Pianocenter Wuppertal GmbH.” (Appx0777, Appx0794). This is further corroborated by archived web pages in the record included in Appx0778-0781. The records of the USPTO reflect that in 1984, Schiedmayer Pianos GmbH was the entity that applied for a US registration for the SCHIEDMAYER logo “S” trademark that included the word “SCHIEDMAYER.” including a translation of a German registration for the mark (Appx0094-0101). The records of the USPTO reflect that this application was opposed by Steinway and Sons in 1985 (Appx0109-0115) and Schiedmayer Pianos, GmbH ultimately withdrew its application in 1986 (Appx0164).

Both parties agree that Rud Ibach & Sohn, along with other companies such as Kawai, manufactured and sold pianos in the US marked with the SCHIEDMAYER mark for at least 20 years after 1980. In a statement found on Appellee’s website, Appellee admits and claims that for over 30 years (between 1983 and 2014), other companies operated under the belief they had rights to the registered “Schiedmayer S” logo which included the printed name “Schiedmayer.” (Appx0795). Appellee has provided no evidence in this record that it or any of its successors in interest or other members of the Schiedmayer family ever took any action in the US or Europe against any of these companies to stop use of SCHIEDMAYER for pianos.

Appellant’s Registration of SCHIEDMAYER for Pianos

As stated in the Declaration of Glenn Treibitz, owner of Appellant, “[i]n approximately 2001 I had noticed that Kawai was no longer selling pianos branded as “Schiedmayer” in the United States.” (Appx0768). Believing the mark was at that time abandoned for pianos, on August 24, 2002, Appellant filed U.S. Trademark Application Serial No. 78/157552 for the mark SCHIEDMAYER for various types of pianos. (Appx0768). The trademark application was subsequently rejected as the Examiner refused to register the trademark specifically because “the applicant’s mark suggests a false connection with the pianos previously and currently manufactured under the trademark SCHIEDMAYER.”³ (Appx0928). The Examining attorney claimed this violated 15 U.S.C. § 1052(a). (Appx0928). In support of the rejection, the Examining Attorney included Attachment-1 to the 9/12/2003 Office Action which appears to be taken from Rud Ibach & Sohn’s website at that time. (Appx0930). The Attachment states, “Georg Schiedmayer was the last of his family, who built upright and grand pianos in this 1809 established firm. His interest changed and he started building “celeste” and “glockenspiel” and in 1980 he sold the traditional piano company to his friend Mr. Ibach.” (Appx0930). Attachment-1 further states “Ibach bought the name as well as the models, drawings, tools, forms and installations. This means even today Schiedmayer pianos are made continuously in the tradition of the 1809 established

³ The identical basis Appellee eventually relied on in its final amended petition for cancellations and what was used by the Board in its decision.

company. Schiedmayer pianos had always been instruments of a higher product category. Schiedmayer est. 1809™ is a brand mark of IBACH.” (Appx0930).

In response to this Office Action, the Appellant through its counsel explained that the Schiedmayer family’s piano business was sold in 1980 to IBACH. The Appellant further explained that “[t]he trademark SCHIEDMAYER was subsequently used by Schiedmayer Piano GmbH of Wuppertal, Germany, a subsidiary of Rud Ibach Sohn and was made under license by Kawai Piano of Japan. However, Kawai Piano ceased manufacture of SCHIEDMAYER a few years prior to 2002.” (Appx0909). The Appellant further explained that as far as Appellant could tell, Schiedmayer Piano GmbH had also ceased making SCHIEDMAYER branded pianos at that date. (Appx0909). The Appellant then explained how there could be no false association under section 2(a) of the Lanham act as Rud Ibach & Sohn had the rights to mark SCHIEDMAYER for pianos and they had ceased use of the mark with no apparent intent to resume use (abandoned use of the mark). (Appx0910-0914).

The Examining attorney agreed with Appellant and issued a Notice of Allowance on Sep. 14, 2004. (Appx0907). Following the filing of a statement of use, U.S. Trademark Application Serial No. 78/157,552 issued on November 7, 2007 as U.S. Trademark Registration No. 3,340,759. (Appx0001). The mark was most recently renewed on Nov. 9, 2017, by Appellant. (Appx0905).

Appellant’s Use of the SCHIEDMAYER Mark for Pianos

The record reflects use by Appellant of the SCHIEDMAYER mark for pianos sold by Appellant following the date of registration. The total quantities and dates of sale were not able to be precisely calculated or determined, however. The record reflects that Appellant, due to data losses resulting both from forced migration of record keeping software and due to losses suffered from computer system failure, was unable to produce the entirety of the records that specifically identify SCHIEDMAYER branded piano sales. (Appx0768). Paper records were also not kept organized and many were discarded. (Appx0815). Further complicating the ability to produce records of SCHIEDMAYER branded piano sales, the practice at Hollywood Piano was that when a SCHIEDMAYER branded piano was needed on the showroom floor, a quality piano from those in the warehouse, such as an unbranded piano manufactured by companies like American Sejung Corporation (ASC), had a SCHIEDMAYER brand nameplate placed on it. (Appx0768). In the sales tracking system, however, the record for the unbranded piano was not always updated to reflect its SCHIEDMAYER brand once the physical branding was completed and the piano actually sold, resulting in an automatic undercounting of SCHIEDMAYER sales. (Appx0768). A number of SCHIEDMAYER branded pianos were also placed into Hollywood Piano's piano rental pool.

In total, the record reflects sales of approximately 29 SCHIEDMAYER marked pianos since the registration date and rental of a few more similarly

branded pianos. (Appx0769). As each of the pianos sold for anywhere between \$1,999 & \$6,999, and each rented piano rented for anywhere between \$49 and \$199 per month, Appellant had approximately \$137,000.00 in gross revenue from SCHIEDMAYER branded pianos. (Appx0769).

Appellee's Non-use of the Mark for Pianos

As admitted by the Appellee, it has never manufactured or sold a piano.

(Appx0748). Appellee manufactures and sells celestas and glockenspiels.

(Appx0263). Appellee's records of sales (Appx0314-0462) reflect that since the registration date of the trademark, Appellee sold approximately 65 celestas in the United States—only 36 more instruments than sold by the Respondent over the same time period. The records show that sales have been made to primarily orchestras, symphonies, philharmonics, and music education institutions.

(Appx0355-0450).

Appellee has never registered a United States trademark for any form of the SCHIEDMAYER mark, thus the only United States trademark rights of the Appellee are limited to common law rights. Since the mark is the same as the last name of the owners of Appellee, the mark SCHIEDMAYER is primarily a surname.

Consumer Confusion Between SCHIEDMAYER Marked Pianos and SCHIEDMAYER Marked Celestas

As admitted by the Appellee, “[a] celesta is not the same musical instrument as a piano forte,” (Appx0751) nor does a celesta have a confusingly similar sound

to the sound of a piano forte. (Appx0752). Further, according to Russell Kassman, the founder of R. Kassman Piano, who sold both SCHEIDMAYER branded pianos and celestas at the same time, “In my experience, no customer of mine has indicated that they were confused thinking a celeste [celesta] is a piano forte.” (Appx0763). The evidence in the record confirms that a celesta is a rare and specialized instrument made by a small number of manufacturers—indeed, Appellee contends that it is the only manufacturer of a “true celesta.” (Appx0263). Appellee’s records of sales of celestas appear to show sales only to sophisticated musical institutions such as universities, orchestras, philharmonics, music schools, and operas. (Appx0355-0450).

Russell Kassman, who has sold both SCHIEDMAYER branded pianos and SCHIEDMAYER branded celestas at the same time stated “[d]uring the time I sold Schiedmayer branded pianos and the SCHIEDMAYER branded celestes, I am unaware of any customer expressing any confusion about whether an association existed between the manufacture of SCHIEDMAYER branded pianos and the manufacturer of SCHIEDMAYER branded celestas.” (Appx0763-0764).

Since the Appellant adopted the SCHIEDMAYER mark for pianos, it has never been approached or contacted by any individual who expressed a belief there was an association or relationship between the celestas sold by Schiedmayer Celesta (the Appellee) and SCHIEDMAYER branded pianos. (Appx0771). Appellee also admitted that it has never experienced an incident where a consumer

contacted it thinking Appellant's pianos were related to Appellee's celestas.
(Appx0755).

Evidence of Appellee's Knowledge of Appellant

Appellee was aware of Appellant's planned use of the SCHIEDMAYER mark as early as 2002 despite Appellee stating during discovery that none of its agents had never contacted Glenn Treibitz via telephone during the pendency of the application (Appx0750). Elianne Schiedmayer did eventually admit during the testimony period that she did in fact call Glenn Treibitz in the year 2002, the same year that the Appellant filed its trademark application. (Appx0884). The record contains no evidence that Appellee took any further to stop Appellant's use of the SCHIEDMAYER mark until the date of filing of the cancellation petition in April 2014, nearly 12 years later.

SUMMARY OF ARGUMENT

On September 11, 2019, the Board granted the petition for cancellation of the registration for the SCHIEDMAYER mark. (Appx0002). The decision finding that the Appellants defense of laches did not apply is legally erroneous because, despite finding undue delay, when considering material prejudice to Appellant, the Board failed entirely to consider the prejudice and harm to the Appellant inherent in the Board's decision to cancel a registration based on a petition filed by a senior common law user of a mark. The decision is legal error because it failed entirely

to consider the harm caused by the preclusive effect of a decision to cancel the registration has in subsequent legal proceedings against Appellant by Appellee.

The entire decision of the Board must be vacated because it was rendered by a panel of three administrative trademark judges who were unconstitutionally appointed. The right to raise this issue on appeal is not waived because it would have been futile to raise it to the unconstitutionally appointed panel in Appellant's opening brief to the Board.

Finally, the Board found that a false association existed under section 2(a) of the Lanham Act. However, the Board's decision contains two fundamental legal errors. First, the decision erroneously treated Appellee as equivalent to the entire Schiedmayer family, not as itself, a German legal entity formed in 1995. Second, the decision erroneously equated the registered goods of the Appellant and the common law goods of the Appellee to be the same by predicating the entire analysis on a description of goods for both Appellant and Appellee of "keyboard musical instruments." This fundamental legal error ignored that Appellant's registration is only for pianos and Appellee's actual common law use is only for celestas and glockenspiels. Furthermore, the decision is not supported by substantial evidence inasmuch as it completely disregards the evidence of record which shows that the SCHIEDMAYER mark, as used on pianos, points to other entities beside the Appellee or the Schiedmayer family.

In determining that a false association exists under section 2(a) of the Lanham act, the decision erroneously concluded that the Appellee's name or identity was of sufficient fame or reputation that, when the Appellant's mark is used on its goods or services, a connection with the plaintiff would be presumed (Appx0019). The fundamental legal error of this portion of the decision is that the Board failed to determine the fame or reputation of the Appellee at the time of trademark registration. The decision is also not supported by substantial evidence because it relies on present-day evidence in the record instead of the trademark file history evidence which is much closer to the date of registration.

STANDARD OF REVIEW

The Board's factual determinations are reviewed for substantial evidence. *In re Viterra Inc.* 671 F.3d 1358, 1361 (Fed. Cir. 2012). The Board's decision is also reviewed for legal error, which is conducted *de novo*. The issues raised in this appeal concern both the Board's factual and legal conclusions and are reviewed by this Court 1) to determine whether the Board's decision is supported by substantial evidence and 2) whether the Board committed legal error in the decision. The Court summarized what is substantial evidence in *Viterra* (at 1361):

Substantial evidence is “‘more than a mere scintilla’ and [is] ‘such relevant evidence as a reasonable mind would accept as adequate’ to support a conclusion.” *In re Pacer Tech.*, 338 F.3d 1348, 1349 (Fed. Cir. 2003) (quoting *Consol. Edison v. NLRB*, 305 U.S. 197 (1938)). Accordingly, “[w]here two different conclusions may be warranted based on the evidence of record, the Board's decision to favor one conclusion over the other is the type of decision that must be sustained

by this court as supported by substantial evidence.” *In re Bayer Aktiengesellschaft*, 488 F.3d 960 at 970 (Fed. Cir. 2007) (alterations in original) (parallel citations omitted).

ARGUMENT

I. The Board’s Laches Analysis is Error by Finding No Material Prejudice to Appellant.

The Board erred when it found that Appellant will not suffer material prejudice due to the delay of Appellee in filing suit.⁴ In considering this issue, the Board reasoned the only harm to the Appellant from cancelling the registration would be the costs of changing out the SCHIEDMAYER plates and decals used on the pianos that the Appellant sold and rented for 7 years. (Appx0027-0030). However, the Board entirely failed to consider the significant material prejudice from the legal effects of preclusion and collateral estoppel caused by cancelling Appellant’s registration. The evidence of record indicates that, in the United States, Appellee is a senior common law user of the SCHIEDMAYER mark for celestas and glockenspiels. It is also not difficult to see that without its registration, Appellant would be amenable to suit for trademark infringement and unfair competition in view of the Board’s decision.

Supreme Court precedent⁵ makes it is clear that in a trademark infringement action against the Appellant, Appellee can use the Board’s decision cancelling the

⁴ The issue of reasonableness of the delay in filing is not addressed in this brief as the Board determined Appellee’s delay was unreasonable.

⁵ *B&B Hardware Inc. v. Hargis Industries, Inc.*, 135 S.Ct. 1293 (2015).

present registration to collaterally estop the Appellant from defending itself.⁶

Issue preclusion applies to trademark infringement actions provided those issues have been adjudicated by the TTAB⁷ and the ordinary principles of issue preclusion apply.⁸

In the instant case, Appellant relied on its registration to allow it to ensure its rights were exclusive for pianos and to “freeze” any as yet unknown senior common law users of the mark in place as of the 2002 date of constructive notice provided by the filing of Appellant’s intent-to-use trademark application.⁹ The value of Appellant’s registration is reflected in Appellee’s own conduct. Instead of bringing an infringement/unfair competition lawsuit against Appellant for infringing Appellee’s common law trademark rights (such as they might be for pianos), the Appellee filed to cancel the present registration. Filing to cancel is Appellee’s recognition of the value of the presumption of ownership and exclusive rights to use the mark for pianos afforded by Appellant’s registration.¹⁰

⁶ Appellant notes that this argument is not waived because the Board compounded the harm in its decision by characterizing Appellee’s use of the mark as being for “keyboard musical instruments” rather than just celestas and glockenspiels.

⁷ *Id* at 1310.

⁸ This Court’s precedent is found in *Nasalok Coating Corp. v. Nylok Corp.*, 522 F.3d 1320 (Fed. Cir. 2008) (finding the petitioner’s cancellation petition was precluded as an improper collateral attack on an underlying default judgment entered by a U.S. District Court.).

⁹ 15 U.S.C. § 1057(c).

¹⁰ 15 U.S.C. § 1057(b), § 1115(a).

The Appellant firmly maintains that the false association decision by the Board was reached in error. However, the Board made its decision and with it in hand, the Appellee could file a trademark infringement action based on section 43(a) of the Lanham Act.¹¹

It cannot be seriously argued that such an infringement action would be barred by laches. If Appellee's delay is found to not prejudice Appellant, Appellant will have difficulty arguing to a District Court that an infringement suit would prejudice it now. A set of facts giving rise to laches in a trademark cancellation context should necessarily give rise to laches in a trademark infringement proceeding between the same parties.

According to *B&B Hardware Inc.*, issue preclusion only applies "when the usages adjudicated by the TTAB are materially the same as those before the district court."¹² With this said, the Supreme Court made this holding after specifically considering procedural differences between a TTAB proceeding and a District Court proceeding,¹³ the differences in stakes between a TTAB proceeding and a District Court proceeding,¹⁴ and even differences between the various factors considered by the TTAB and the Eight Circuit.¹⁵

¹¹ 15 U.S.C. § 1125(a)(1).

¹² 135 S.Ct. 1293, at 1297 (2015).

¹³ *Id.* at 1309.

¹⁴ *Id.* at 1309-1310.

¹⁵ *Id.* at 1306-1308.

Contrary to the Board's conclusion, the harm to Appellant is much more than just the cost of throwing away labels and name plates. While, in its defense, the Appellant takes the position that issues relating to an adjudication of the present proceeding determining false association under section 2(a) of the Lanham Act¹⁶ before the Board are not materially the same as those under section 43(a) of the Lanham Act,¹⁷ it will be up to a District Court judge to determine the issue. Clearly, when damages, the effects of injunction on Appellant's business, and attorneys' fees and costs are added up, the harm to Appellant flowing from the erroneous adverse decision by the Board is far more material and highly prejudicial than the cost of new decals and name plates.

II. The Board Panel Consisted of Judges Unconstitutionally Appointed.

On October 31, 2019, six weeks after the Board granted the petition for cancellation, the Federal Circuit issued its panel decision in *Arthrex, Inc. v. Smith & Nephew, Inc., et al.*, No. 18-2140 (Federal Circuit, 2019). In this decision the panel of the Federal Circuit ruled that the administrative patent judges of the Patent Trial and Appeal Board (PTAB) judges are unconstitutionally appointed. Inasmuch as administrative trademark judges of the TTAB are appointed in the same manner as PTAB judges, under *Arthrex*, TTAB judges are also unconstitutionally appointed.

¹⁶ 15 U.S.C. § 1052(a).

¹⁷ 15 U.S.C. § 1125(a)(1).

This issue is not waived by not being presented in Appellant’s brief to the Board, because as *Arthrex* indicates, it would have been futile to raise the issue to a panel of already unconstitutionally appointed judges.¹⁸

III. The Board Legally Erred In Holding that There is a False Suggestion of a Connection.

The Board’s decision that a false suggestion of a connection between the Appellant’s SCHIEDMAYER mark and the Appellee is a product of fundamental legal error as the Board incorrectly defined and identified the legal identity of Appellee and incorrectly classified the registered goods of the Appellant and the common law goods of Appellee as being the same. The Board also failed to support its conclusion that a false association exists with substantial evidence.

i. The Board Legally Erred in Defining the Petitioner

In finding a false association, the Board argued that SCHIEDMAYER “points uniquely, and unmistakably, to the SCHIEDMAYER family of which Elianne Schiedmayer is a member, and to the family’s businesses which have long offered keyboard musical instruments.” (Appx0020). The Board then argued that “[T]he record reveals that Petitioner is the SCHIEDMAYER family business which currently offers SCHIEDMAYER keyboard musical instruments in the United States.” (Appx0020). Though somewhat ambiguous, it appears that the Board is arguing that SCHIEDMAYER points uniquely and unmistakably to the

¹⁸ *Id.* at p. 27.

SCHIEDMAYER family and the family's businesses (note that the decision references more than a single business), and the Petitioner is the family business. While the Board refers to "family's businesses" in one sentence and "the family business" in the next, it appears that in making their decision the Board is arguing that the Petitioner is the same as the family business which it forms out of a conglomerate of all legally terminated and disparate businesses carried on by people with the last name of Schiedmayer in Germany and the US dating back almost 300 years. Such a finding is jurisdictional fundamental legal error.

The sole Appellee in this case is *Schiedmayer Celesta GmbH*. The Board acknowledges as much when they stated that "Ms. Schiedmayer founded Petitioner in 1995." (Appx0007). As a legal entity organized under the laws of Germany, the Appellee is a single "it." As a single entity, Appellee is not 1) a natural person, like Ms. Schiedmayer, or 2) any of the various now legally non-existent instrument making businesses located in Germany historically run by blood and/or marriage related natural persons with the last name of Schiedmayer.

For the Board to have jurisdiction to decide the rights of Ms. Schiedmayer, as an individual, or any other unidentified person with the last name Schiedmayer claiming an interest in the surname applied to keyboard instruments, Ms. Schiedmayer and such persons must be joined in this action. Neither she nor they are joined and remain as non-parties to this action—the Board possessed no personal jurisdiction to make a decision adjudicating their rights as individuals at

the time of its decision. The sole party whose rights to the SCHIEDMAYER mark are at issue and can be adjudicated in this case is the Appellee.

ii. The Board Erred in Defining the Goods:

In reaching its decision that SCHIEDMAYER points uniquely and unmistakably to the Appellee, the Board stated that it considered the Appellant's goods to be "keyboard musical instruments" rather than the goods stated on the registration certificate, pianos. (Appx0019-0022). Similarly, the Board only evaluated the Appellee's business as the manufacture of "keyboard musical instruments" rather than celestas and glockenspiels. (Appx0019-0022). The Board justified this type of evaluation by arguing that "the differences between celestas and pianos are internal, mechanical and perhaps not even noticeable to or known by some consumers of keyboard musical instruments." (Appx0023). Further, the Board reasons that a celesta "generally resembles a piano and is played as a piano would be played." (Appx0005-0006). All this constitutes error.

The Appellant's SCHIEDMAYER registered trademark at issue is registered only for pianos. (Appx0001). Likewise, the Appellant has used the SCHIEDMAYER mark on pianos (and only pianos) since registering the mark in 2007. (Appx0768-0777). Contrary to this, the Appellee has never manufactured a piano. (Appx0748). Appellee's CEO and owner, Ms. Elianne Schiedmayer, has declared that "[T]he company [Scheidmayer Celesta GmbH] was founded on the fortunate decision of Georg Schiedmayer in 1980, to specialize in the production of

Celestas and Keyboard Glockenspiels with wooden resonators.” (Appx0245).

Appellant only has ever sold pianos and the Appellee, by its own testimony, has only ever sold celestas and glockenspiels.

The Appellee admitted that a piano is not the same instrument as a celesta. (Appx0751). The Appellee further admitted that the sound of a celesta is not confusingly similar to the sound of a piano. (Appx0752). Appellant’s submitted declaration from Russel Kassman, a store owner involved in the sale of SCHIEDMAYER branded pianos and SCHIEDMAYER branded celestas at the same time was “unaware of any customer expressing any confusion about whether an association existed between the manufacturer of SCHIEDMAYER branded pianos and the manufacturer of SCHIEDMAYER branded celestas.” (Appx0763-0764). Further, he has testified that “no customer of mine has indicated that they were confused thinking a celeste is a piano forte.” (Appx0763).

The value and customers for the respective goods must be also be considered before determining what the goods of the Appellant and Appellee are. A celesta is a rare instrument. In fact, the Appellee contends that they are the only manufacturer of a “true celesta.” (Appx0263). As referenced on pg. 9 of the Appellants final brief before the TTAB, the Appellee has only sold approximately 65 celestas in the United States. If Appellee truly is the only manufacturer of “true celestas” in the world, it stands to reason that there are likely fewer than 100 such celestas in the United States today. Further, the invoices indicate that the celestas

were sold to universities, orchestras, philharmonics, music schools, and operas. (Appx0355-0450). These are all very sophisticated buyers. None of these sophisticated music institutions would ever confuse a piano to be the same as a celesta, because, as the Appellee has testified, they are different instruments and their respective sounds are not confusingly similar. (Appx0751-0752).

Thus, the Appellant's goods for the analysis of false association should be considered as pianos while the Appellee's goods are celestas and glockenspiels.

iii. **The Board Erred in Applying the Four Factor Test**

A registration may be denied when the mark:

...consists of or comprises ... matter which may ... falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols ..." 15 U.S.C. § 1052(a). A four-factor test is used to determine whether a mark should be refused registration under 15 U.S.C. § 1052(a). The Petitioner must prove:

1. That the defendant's mark is the same as, or a close approximation of, the plaintiff's previously used name or identity;
2. That the mark would be recognized as such, in that it points uniquely and unmistakably to the plaintiff;
3. That the plaintiff is not connected with the goods sold or the activities performed by the defendant under the mark; and
4. That the plaintiff's name or identity is of sufficient fame or reputation that, when the defendant's mark is used on its goods or services, a connection with the plaintiff would be presumed. *In re Pedersen*, 109 USPQ2d 1185, 1188-89 (TTAB 2013); *Bd. of Trs. of Univ. of Ala. v. Pitts*, 107 USPQ2d 2001, 2025 (TTAB 2013); *In re Jackson International Trading Co.*, 103 USPQ2d 1417, 1419 (TTAB 2012).

Factors 2 and 4 will be considered in turn in this brief.

a. The Board Erred in Finding that SCHIEDMAYER Points Uniquely and Unmistakably to the Appellee.

If SCHIEDMAYER points “uniquely and unmistakably” to the Appellee, it must be determined that the mark points uniquely and unmistakably to the Appellee in “the context of the [Appellant’s] goods.” *Lesley Hornby v. TJJ Companies, Inc.*, 87 USPQ2d 1411 at 1424, 1426-1427 (TTAB 2008); *In re White*, 73 USPQ2d 1713 (TTAB 2004); *In re Wielinski*, 49 USPQ2d 1754 (TTAB 1998).

The Board concluded that “in the field of keyboard musical instruments, the only entity SCHIEDMAYER ‘could possibly identify,’ *id.*, is Petitioner.” (Appx0022). While the Appellant presented substantial evidence which shows numerous other entities from 1980 till today using the mark SCHIEDMAYER for pianos, the Board completely ignored this information. The Board stated: “[T]here is no evidence that anyone other than Petitioner and Respondents are currently using SCHIEDMAYER for keyboard musical instruments in the United States, and to the extent that others may have used the term in the United States at one time, there is no evidence that this use was unauthorized, that it continues or that it had any effect between their goods and Petitioner.” (Appx0021-0022). In a footnote, the Board argues that “the Respondents’ arguments on this issue appear to be based only on printed publications and Internet printouts, which are not admissible for the truth of the matters asserted therein.” (Appx0021) This conclusion is unsupported by the evidence of record.

Contrary to the Board’s assertion, the Appellant’s arguments that others had used the SCHIEDMAYER mark to brand pianos is based on much more than the

printed publications and internet printouts submitted by Appellant. Indeed, the Appellee testifies as much. The 2011 publication *Musikinstrument*, the contents of which Appellee testifies are true and accurate (Appx0244), states “[A]lthough Ibach continued to produce pianos under the Schiedmayer label, the Schiedmayer musical-instrument-building dynasty established in 1735 has nothing to do with pianos manufactured by Ibach. This refers in particular to the so-called Schiedmayer Pianos produced for Ibach by the firms of Roth & Junius, Young Chang, Concorde, Kawai, Sauter, Seiler and Steinberger.” (Appx0263). The Appellee’s website, as submitted into evidence by the Appellee, recites this same information. (Appx0295). These statements are admissible as they are made by a party opponent, and are direct, specific admitted evidence that others wholly unrelated to the Appellee or the SCHIEDMAYER family of businesses used the SCHIEDMAYER mark for pianos for years in the United States.

Further, during examination of the SCHIEDMAYER registration owned by Appellant, an Office Action was issued in 2003 rejecting the mark. (Appx0928). It was rejected as the Examining Attorney believed that the mark SCHIEDMAYER may suggest a false association with a Mr. Schiedmayer. (Appx0928). The Examining Attorney stated “pianos are currently being made under the method previously used by Schiedmayer and carry his name and the SCHIEDMAYER trademark.” (Appx0928). The Examining Attorney came to this conclusion because when they searched for Schiedmayer pianos, they were taken to what

appears to be a webpage from the company Rud Ibach & Sohn. On this page it states “IBACH bought the name as well as the models, drawings, tools, forms and installations. This means even today Schiedmayer pianos are made continuously in the tradition of the 1809 established company....SCHIEDMAYER est. 1809 (TM) is a brand-mark of IBACH.” (Appx0930).^{19 20}

The Board’s decision fails entirely to address and provides no evidence that the Board even considered any of the above evidence of record which proves that the mark SCHIEDMAYER, as applied to pianos, never has pointed uniquely and unmistakably to Appellee.

Furthermore the Board applied a double standard when evaluating the Appellant’s submitted evidence and the Appellee’s submitted evidence. The Board stated that Appellant’s printed publications and internet printouts are “not admissible for the truth of the matters asserted therein.” (Appx0021). On the other hand, when the Appellee submitted internet references and internet search results, the Board stated that they did not consider that evidence for the truth of the matter

¹⁹ Russel Kassman, a piano store owner in the United States, declared that he “was involved in the sale of approximately four (4) SCHIEDMAYER branded pianos sold to me by Rud. Ibach & Sohn and Kawai USA during the timeframe of 1981-1989.” (Appx0763).

²⁰Glenn Treibitz declared that as of 2001, it was his understanding that “Kawai had rights to apply the SCHIEDMAYER trademark to pianos they manufactured for Ibach” and that he applied for the SCHIEDMAYER trademark only after he believed that Kawai was no longer manufacturing SCHIEDMAYER branded pianos and the mark was abandoned. (Appx0768).

asserted, “but only for what they show on their face, specifically that certain searches and materials point to Ms. Schiedmayer’s family and its businesses and their musical instruments.” (Appx0023). Why was Appellant’s printed publication or internet evidence never considered, but the Appellee’s is considered to at least show what the references teach on their face? Even if the Appellant’s printed publications and internet references are not admissible for the truth of what they teach, they should still be admissible for what they show on their face.^{21 22 23}

In light of the evidence above and a proper understanding of who the Appellee is and what the goods of the Appellant are, it becomes clear that SCHIEDMAYER, as used on pianos, cannot reach the very high standard of **uniquely** and **unmistakably** pointing to the Appellee. Appellant makes pianos. The Appellee has never made pianos. The Appellee admits that others started

²¹ The Board further erred in assuming that others’ use of the SCHIEDMAYER mark in connection with pianos had to be authorized by a common law user to be given any weight in determining whether or not use of the mark points uniquely and unmistakably to the petitioner.

²² The Board also erred in assuming that present day use of the SCHIEDMAYER mark in the United States is relevant in determining whether or not the use of the SCHIEDMAYER mark points uniquely and unmistakably to the Appellee. (Appx0020).

²³ The Board’s reliance on *In re Peter S. Herrick, P.A.*, 91 USPQ2d 1505 (TTAB 2009) is misplaced. In this case the registration of the mark U.S. CUSTOMS SERVICE AND DESIGN was refused because it was the former name of U.S. Customs and Border Protection, a government agency and the TTAB reasoned that applied for mark could still point uniquely and unmistakably to the name of the government agency even though the government agency changed their name. However, in *Herrick*, there was no evidence that use of the applied for mark ever actually pointed to any other entity other than the government agency.

making SCHIEDMAYER branded pianos after 1980. During prosecution of the mark at issue, the Examining Attorney believed that SCHIEDMAYER, as used for pianos, pointed to Rud Ibach & Sohn, an entity entirely different from Appellee. Thus, the Board erred in determining that use of the mark SCHIEDMAYER pointed uniquely and unmistakably to the Appellee.

b. The Board Erred in Finding that the Appellee's Name is of Sufficient Fame or Reputation that When Appellant Uses the Mark, in Connection with Their Goods or Services, a Connection with the Appellee Would be Presumed.

The Board erred by failing to determine the fame or reputation of the Appellee at the time of registration of the SCHIEDMAYER registration, 2007.

The Board also erred in determining that the fame and reputation of the Appellee extends to all keyboard instruments and not just celestas and glockenspiels, the only instruments Appellee has ever made or sold.

i. The Board Erred in Failing to Determine the Fame and Reputation of the Appellee at the Time of Registration.

Sufficient fame and reputation must be determined at the time of registration. *Hornby v. Tjx Cos. Inc.*, 87 USPQ2d 1411, 1426 (TTAB 2008).

In concluding that the Appellee is famous in the United States, the Board relied on its observations that the Schiedmayer family has been associated with keyboard musical instruments for centuries, their instruments have won awards, they have been used by prominent United States orchestras, one of their instruments is on display at the Boston Museum of Fine Arts, and internet search results as of 2017 identify SCHIEDMAYER with the Appellee. (Appx0022). The

awards won are from the years 1897, 1904, and 1976, ranging between 31 to 110 years prior to the registration of the SCHIEDMAYER trademark. Further, all of the internet evidence relied upon by the board is taken 10 years after the registration of the SCHIEDMAYER trademark. The Board made fundamental legal error by relying upon this evidence to show sufficient fame and reputation as none of that evidence dates from the time of registration, 2007.

Further, the Board appears to have failed entirely to consider the evidence in the records of the USPTO that shows the extent of fame or reputation of the Appellee at the time of registration of the mark. Indeed, the best evidence available to show the extent of fame or reputation at that time would be the Examining Attorney's internet search results for Schiedmayer pianos. When the Examining Attorney conducted such a search the record reflects that the results included only the website of Rud Ibach & Sohn. (Appx0930). If only this association is what existed in 2003, then it is likely that Appellee's reputation in 2007 for pianos likely was non-existent at the time of registration. Further, the printed publications and internet printouts provided by the Appellant (Appx0774-0791) were all in publication at the time of registration of the mark, teaching that SCHIEDMAYER pianos were not affiliated with the Appellee.

Accordingly, the Board erred 1) in relying upon evidence that was well before or after to establish sufficient fame and reputation at the time of registration

and 2) erred in disregarding the evidence showing the lack of sufficient fame and reputation at the time of registration.

ii. The Board Erred in Determining that any Fame or Reputation of the Appellee extended to more than Just Celestas and Glockenspiels.

Not only must the Appellee's name have sufficient fame and reputation, but use of the name on the Appellant's goods and services must point a consumer to the Appellee. To reiterate, the Appellee, which has only existed since 1995, has never made a piano and only makes celestas and glockenspiels. The previous discussion regarding the proper definition of the goods in section III(ii) herein proves that Appellee's use of the SCHIEDMAYER mark extends only to celestas and glockenspiels.

Thus, if the Board determines that the Appellee has gained sufficient fame or reputation, it is limited to celestas and glockenspiels as other entities have been distributing SCHIEDMAYER branded pianos and have coexisted with the Appellee since 1980.

CONCLUSION

For the foregoing reasons, the Appellant respectfully requests that the Court reverse the Board's decision granting the petition for cancellation of the SCHIEDMAYER mark or vacate the same and remand for consideration by a panel of constitutionally appointed administrative trademark judges.

April 7, 2020

Respectfully submitted,

/s/ Adam Stephenson

Adam R. Stephenson
Kevin W. Hawkes
ADAM R. STEPHENSON, LTD.
8350 E. Raintree Dr. Ste. 245
Scottsdale, AZ 85260
Telephone: 480.264.6075
Facsimile: 480.718.8336
Email: adam@iptech.law

*Attorneys for Appellant Sweet 16 Musical Properties,
Inc. and Piano Factory Group*

ADDENDUM

This Opinion is a
Precedent of the TTAB

Mailed: September 11, 2019

UNITED STATES PATENT AND TRADEMARK OFFICE

—
Trademark Trial and Appeal Board

—
Schiedmayer Celesta GmbH

v.

Piano Factory Group, Inc. and Sweet 16 Musical Properties, Inc.

—
Cancellation No. 92061215

—
Michael J. Striker of Collard & Roe, PC
for Schiedmayer Celesta GMBH.

Adam Stephenson of IPTechLaw
for Piano Factory Group, Inc. and Sweet 16 Musical Properties, Inc.

—
Before Taylor, Adlin and Pologeorgis,
Administrative Trademark Judges.

Opinion by Adlin, Administrative Trademark Judge:

Respondent Sweet 16 Musical Properties, Inc. (“Sweet 16”) (by assignment from co-Respondent Piano Factory Group, Inc. (“Piano Factory”)) owns a registration for the mark SCHIEDMAYER in typed form for “pianos, namely, upright pianos, grand pianos, and digital pianos.”¹ In its third amended petition for cancellation, 34

—
¹ Registration No. 3340759, issued November 20, 2007; Section 8 affidavit accepted and Section 15 affidavit acknowledged; renewed (the “Registration”).

TTABVUE,² Petitioner Schiedmayer Celesta GmbH (“Schiedmayer”) alleges that it is the “successor in interest to the trademark SCHIEDMAYER dating to its origin in the year 1735,” and that beginning well prior to Respondents’ first use of the involved mark, “Schiedmayer and its predecessors in interest have manufactured and sold Schiedmayer keyboard instruments” worldwide, including in the United States. As grounds for cancellation, Petitioner alleges that Respondents’ use of SCHIEDMAYER falsely suggests a connection with Petitioner under Section 2(a) of the Trademark Act, 15 U.S.C. § 1052(a), and that Respondents abandoned the involved mark based on nonuse with intent not to resume use.³ In their answer, Respondents admit that they have no connection to Petitioner, but otherwise deny the salient allegations in the third amended petition for cancellation; they also assert the affirmative defenses of laches and acquiescence.

I. The Record

The record consists of the pleadings and, by operation of Trademark Rule 2.122(b), the file of Sweet 16’s involved Registration. In addition, Petitioner introduced:

Notice of Reliance (“Pet. NOR”) on Respondent’s discovery responses and initial disclosures. 37 TTABVUE.⁴

² Citations to the record reference TTABVUE, the Board’s online docketing system. The number preceding “TTABVUE” corresponds to the docket entry number(s), and any number(s) following “TTABVUE” refer to the page number(s) of the docket entry where the cited materials appear.

³ Petitioner asserted a separate abandonment claim based on Piano Factory rather than Sweet 16 signing the Section 8 declaration submitted to maintain the Registration, but has withdrawn this claim. 75 TTABVUE 13 (Petitioner’ Trial Brief at 8).

⁴ We have considered Respondents’ written discovery responses, but not the unauthenticated documents Respondents produced in response to Petitioner’s document requests. Trademark Rule 2.120(k)(3)(ii) (“A party that has obtained documents from another party through

Testimony Declaration of Elianne Schiedmayer, Petitioner's Chief Executive Officer, and the exhibits thereto ("Schiedmayer Dec."). 38-39 TTABVUE.

Testimony Declaration of Olga Fuchs, an administrator with Petitioner's law firm, and the exhibits thereto ("Fuchs Dec."). 40 TTABVUE.

Testimony Declaration of Helga Kasimoff, a co-owner of Kasimoff-Blüthner Piano Co., and the exhibits thereto ("Kasimoff Dec."). 41 TTABVUE.

Discovery deposition of Glenn Treibitz, Respondents' principal and "main shareholder," and the exhibits thereto ("Treibitz Disc. Tr."). 42 TTABVUE.

Oral cross-examination of Mr. Treibitz (concerning his testimony declaration) ("Treibitz Test. Tr."). 71 TTABVUE.

Rebuttal NOR on printed publications and Internet printouts. 72 TTABVUE.

Rebuttal declaration of Ms. Schiedmayer and the exhibits thereto ("Schiedmayer Rebuttal Dec."). 73 TTABVUE.

Rebuttal declaration of Michael Floymayr, a German patent attorney, and the exhibits thereto ("Floymayr Rebuttal Dec."). 74 TTABVUE.

Respondents introduced:

Notice of Reliance on Petitioner's discovery responses,⁵ and Trademark Office and Board records relating to uninvolved application Serial No. 73475680 and Opposition No. 91073054 between Petitioner and a third party ("Resp. NOR."). 65 TTABVUE.

disclosure or under Rule 34 of the Federal Rules of Civil Procedure may not make the documents of record by notice of reliance alone, except to the extent that they are admissible by notice of reliance under the provisions of [37 C.F.R.] § 2.122(e) or the party has obtained an admission or stipulation from the producing party that authenticates the documents.").

⁵ For the reasons explained in footnote 4, we have not considered the documents Petitioner produced in response to Respondents' document requests, unless separately authenticated.

Testimony declaration of Russell Kassman, founder and Chief Executive Officer of Lewent Enterprises LLC DBA R. Kassman Piano (“Kassman Dec.”). 66 TTABVUE.

Testimony declaration of Mr. Treibitz, and the exhibits thereto (“Treibitz Dec.”). 66 TTABVUE.

II. Facts of Record

Petitioner manufactures and sells “a keyboard musical instrument known as a Celesta.” 38 TTABVUE 4 (Schiedmayer Dec. p. 1).⁶ Celestas have much in common with pianos, but rather than striking wires, as piano keys do, celesta keys strike a metal plate to make sounds:



Id. at 17. Notwithstanding this specific difference, a celesta “generally resembles a piano and is played as a piano would be played,” as depicted in the advertisement below:

⁶ Neither party numbered the paragraphs in any of the testimony declarations.



SCHIEDMAYER
building Celestas since 1890

The World's Only Manufacturer of the Celesta
as invented and patented by Victor Mustel

Celestas
(available in natural oak or black satin finish):

- 4 octave (c1-c5)
- 5 octave (c-c5)
- 5½ octave Compact model (c-f5)
- 5½ octave Studio model (c-f5)

When buying a new celesta, trade-in of the old or used instrument is possible.

Other Products:

- Keyboard Glockenspiel "Papageno" (c2-g5)
- Built-In Glockenspiel or Celesta for Pipe Organs

Services:

- Rental instruments
- Overhauling and refurbishing
- Maintenance and repair
- Worldwide deliveries

5½ octave Studio model, natural oak

Schiedmayer Celesta GmbH
Schaeferhauser Str. 10/2
73240 Wendlingen/Stuttgart
Germany

Tel. +49 (0) 7024-501 98 40
Fax +49 (0) 7024-501 98 41

mail@schiedmayer-germany.com
www.celesta-schiedmayer.de

© Schiedmayer Celesta GmbH 2014

Id. at 5, 18 (Schiedmayer Dec. p. 2 and Ex. A).

Petitioner and its CEO Ms. Schiedmayer are connected to the German Schiedmayer family and the Schiedmayer family businesses known for offering musical keyboard instruments, including pianos and celestas, throughout the world.

Id. “The first Schiedmayer musical keyboard instrument was a clavichord manufactured by Balthasar Schiedmayer in 1735.” *Id.* More than 200 years after Balthasar Schiedmayer manufactured his first clavichord, Elianne Schiedmayer’s late husband, Georg Schiedmayer, inherited the Schiedmayer family-affiliated business Schiedmayer & Soehne from his father. *Id.*

Eventually, in 1980, Georg Schiedmayer “closed down the production of the Schiedmayer pianos in Stuttgart,” and renamed the company Schiedmayer GmbH & Co. KG. *Id.* at 6 (Schiedmayer Dec. p. 3). “In 1980, a joint venture company [had] been created with Rud. Ibach GmbH in order to have Schiedmayer pianos manufactured

by the firm Ibach in Germany,” but that relationship ended quickly, and Georg Schiedmayer decided in 1980 to specialize in celestas. *Id.* “[T]he trademark SCHIEDMAYER was never sold, licensed, assigned or in any way transferred to Rud. Ibach & Sohn,” however. 73 TTABVUE 5 (Schiedmayer Rebuttal Dec. p. 2).⁷ In any event, “at some time in the 1990’s, Rud. Ibach & Sohn nevertheless started a cooperation with the Kawai Company and some pianos were manufactured by Kawai under a false SCHIEDMAYER trademark. These sales continued for a short period of time and were then discontinued. Kawai never obtained any right or license or assignment of any type of the SCHIEDMAYER trademark” *Id.* Mr. Floymayr, the German patent attorney, testified that based on his search of German trademark registrations, “no company bearing the name [Rud. Ibach & Sohn or] Ibach ever obtained any rights to the trademark SCHIEDMAYER in Germany, either by original filing, by assignment or any other transfer.” 74 TTABVUE 4-15 (Floymayr Dec. p. 1 and Ex. A).

Georg Schiedmayer died in 1992 and Elianne Schiedmayer was his sole heir. 38 TTABVUE 7, 29-31 (Schiedmayer Dec. p. 4 and Ex. C). She is now sole owner of Schiedmayer GmbH & Co. KG, the current name of “Schiedmayer & Soehne GmbH founded in 1809 by Johann Lorenz Schiedmayer in Stuttgart, Germany.” 73 TTABVUE 4 (Schiedmayer Rebuttal Dec. p. 1). In addition, Ms. Schiedmayer founded Petitioner in 1995. Petitioner claims to be the only current producer of celestas that

⁷ It is not clear that “Rud. Ibach GmbH” (referenced in Ms. Schiedmayer’s original declaration) is the same as “Rud. Ibach & Sohn” (referenced in her rebuttal declaration), but this is ultimately immaterial to our decision.

Cancellation No. 92061215

meet the specifications developed by the celesta's inventor. 38 TTABVUE 7-8 (Schiedmayer Dec. pp. 4-5); 73 TTABVUE 4 (Schiedmayer Rebuttal Dec. p. 1).

Ms. Schiedmayer testified, with support from Petitioner's invoices and those of its distributors, that Petitioner began offering celestas in the United States prior to Respondent's first use of the involved mark. 38 TTABVUE 9, 77-220 (Schiedmayer Dec. p. 6 and Ex. F). Ms. Kasimoff testified that her Los Angeles piano store, Kasimoff-Blüthner Piano Co., "imported our first Schiedmayer Celesta in 1967 and since 1967 we have continuously offered for sale and rental Schiedmayer Celestas in the United States." 41 TTABVUE 11 (Kasimoff Dec. p. 1). The following are representative advertisements for Petitioner's celestas which predate Respondents' first use of SCHIEDMAYER:

THE CELESTA OF CHOICE
FOR SYMPHONY ORCHESTRAS AND UNIVERSITIES, INCLUDING:

- BOSTON SYMPHONY ORCHESTRA
- DETROIT SYMPHONY ORCHESTRA
- EUGENE SYMPHONY ORCHESTRA
- JACKSONVILLE SYMPHONY ORCHESTRA
- THE KANSASVILLE SYMPHONY
- NORTH CAROLINA SYMPHONY
- COLUMBUS SYMPHONY ORCHESTRA
- QUAD CITY SYMPHONY ORCHESTRA

SCHIEDMAYER CELESTA
STUTTGART, GERMANY • SINCE 1890

Schiedmayer Celesta available in the U.S. exclusively from:

PERCUSSION SOURCE
(800)397-9378
www.percussionsource.com
service@percussionsource.com

Warranty Repair and Refurbishment Services Available

4.0, 5.0 and 5.5 Octave Standard Models and 5.3 Octave Studio Models available.

many an evening. This season the Seattle Symphony utilized its Wajon Concert Organ by presenting a popular holiday sing-along event in December, a three-part *Flauto/Celesta Organ Recital Series*, and a program of five monthly recital/demonstrations. At least three orchestra halls with pipe organs—the Meyerson in Dallas, Jack Singer Hall in Calgary, and the Philharmonic Center for the Arts in Naples, Florida—host important competitions for young organists. In Calgary, in fact, a year-round whirl of classical and popular concerts, demonstrations, and educational activities has grown up around the big Casavant looming over the stage. And, between them, Dallas and Calgary have commissioned major new works for organ and orchestra from composers Günther Schuller, Joseph Schwantner, and Michael Colgrass.

One of the guiding principles of the symphony orchestra is natural, unamplified sound. Symphonists may have loved Broadway musicals, but in the symphony hall we still wouldn't think of accepting electronic imitations of violas, flutes, or trumpets. Why should we settle for a digital simulacrum of the most sonically complex instruments of all? Organists, naturally, are thrilled to have these high-visibility new outlets for their art. Concert halls attract patrons who wouldn't be caught dead in a church, and symphony hall organs nourish the perception—never really lost in Europe—of the organ as an honored part of the musical mainstream. *see*

Classical music critic of *The Dallas Morning News* since 1999, Scott Cantrell was active as an organist for 20 years and still occasionally plays in public.

SCHIEDMAYER CELESTA
STUTTGART GERMANY SINCE 1890

The celesta that is the standard for symphony orchestras and universities the world over. 4.0, 5.0 and 5.5 Octave Standard Models and 5.5 Octave Studio Models available. Please call for a brochure.

HEAR THE SOUND OF HISTORY

Schiedmayer Celesta available in the U.S. exclusively from:

PERCUSSION SOURCE
(800)397-9378
www.percussionsource.com
service@percussionsource.com

linking music education to other areas of study and incorporating regular, personal contact between orchestra musicians and students.

Pacific Symphony Orchestra
\$25,000
To support Class Act, a music education program in Orange County elementary and middle schools.

Philadelphia Orchestra (Consortium)
\$90,000
To support the consortium Music Education Partnership (MEP) with Settlement Music School, benefiting 60 public elementary schools.

Rochester Philharmonic Orchestra
\$10,000
To support the expansion of the Elementary Ensembles Program, offering youth concerts and in-school performance workshops for third-grade students in 37 Rochester City Schools.

San Francisco Symphony (on behalf of San Francisco Symphony Youth Orchestra)
\$25,000
To support the San Francisco Symphony Youth Orchestra's artistic development and career development program.

JULY • AUGUST 2008

Id. at 236, 253. “[M]ost orchestras in the United States ... have purchased and are currently using at least one Schiedmayer Celesta,” including the New York Philharmonic Orchestra, Boston Symphony Orchestra, Cleveland Orchestra, Los

Angeles Philharmonic, San Francisco Symphony and many others. 38 TTABVUE 10, 71-75 (Schiedmayer Dec. p. 7 and Ex. E); 41 TTABVUE 4-5 (Kassimoff Dec. p. 1-2).

The Wikipedia entry for “Schiedmayer” indicates that it “is the name of a German Instrument-manufacturing family. Established in 1735 as a keyboard instrument manufacturer, it is still active today as a family business.” 40 TTABVUE 8 (Fuchs Dec. Ex. A). Google searches for “Schiedmayer” or “Schiedmayer celesta” yield results that almost exclusively refer to Petitioner, the Schiedmayer family or Schiedmayer keyboard instruments. *Id.* at 4, 13-35 (Fuchs Dec. p. 1 and Exs. B and C).⁸ From the second half of the 19th century through the first half of the 20th, keyboard instruments manufactured by the Schiedmayer family and its affiliated companies won many awards and gained worldwide notoriety. 38 TTABVUE 10 (Schiedmayer Dec. p. 7). A 1796 Schiedmayer clavichord is on display in the permanent collection of the Boston Museum of Fine Arts. *Id.* at 11 (Schiedmayer Dec. p. 8). Ms. Kasimoff testified that she is “aware that the reputation and fame of Schiedmayer musical instruments dates back almost 300 years and that Schiedmayer Celesta GmbH and Elianne Schiedmayer represent the continuum of a history relating to the sale of keyboard musical instruments dating back almost 300 years.” 41 TTABVUE 7 (Kasimoff Dec. p. 4); *see also* 38 TTABVUE 22, 26-27 (Schiedmayer Dec. Ex. B, *Musikinstrument*

⁸ We have not relied on this Internet evidence for the truth of the matters asserted therein, but only for what it shows on its face. Specifically, we have considered what these sources state, rather than the truth of what they state.

article Ms. Schiedmayer testified is “true and correct” entitled “The Heavenly Piano Builders”).

Respondent Sweet 16 is a Los Angeles piano dealer which claims to have acquired all of Respondent Piano Factory’s assets in 2006.⁹ 66 TTABVUE 6 (Treibitz Dec. p. 1). The Registration issued the following year, and in 2016 Respondents recorded an assignment of the Registration to Sweet 16. Sweet 16 now uses both “Piano Factory” and “Hollywood Piano” as DBAs. *Id.* Respondents are retailers, and do not manufacture pianos. 37 TTABVUE 7 (Respondents’ Response to Petitioner’s Interrogatory No. 5).

Respondents’ owner and president Mr. Treibitz has “been involved with piano fortes (pianos) since 1981 as a performing artist and in working in every facet of the piano business from sales and marketing to hands on rebuilding in a piano rebuilding shop.” 66 TTABVUE 6 (Treibitz Dec. p. 1); 71 TTABVUE 7 (Treibitz Test. Tr. 4); 37 TTABVUE 132 (Respondents’ Initial Disclosures). He has also “been involved in the sale and rental of approximately 50,000 pianos, including nearly all major piano brands being manufactured today and many historical brands no longer under manufacture.” 66 TTABVUE 6 (Treibitz Dec. p. 1).

In 2001, Mr. Treibitz had an “understanding,” apparently based on Kawai no longer selling SCHIEDMAYER-branded pianos, that the SCHIEDMAYER mark had been abandoned in the United States for pianos. *Id.* at 9 (Treibitz Dec. p. 4). Piano

⁹ Reel/Frames 5866/0016 and 5866/0019. Sweet 16 was joined as a co-defendant by the Board’s December 21, 2016 order. 33 TTABVUE 21-22.

Factory filed its application to register the mark the following year, and the application subsequently matured into the involved Registration.

Respondents merely sold, but did not manufacture, pianos bearing the SCHIEDMAYER mark, however. “[T]he practice at Hollywood Piano was that when a SCHIEDMAYER branded piano was needed on the showroom floor, we often selected a quality piano from those in our warehouse that was a ‘no name’ or unbranded piano manufactured by companies like American Sejung Corporation (ASC) and placed our SCHIEDMAYER brand nameplate on it.” *Id.* In fact, all “Schiedmayer” pianos Respondents have ever sold were bought “as no-name pianos from China,” and Respondents affixed SCHIEDMAYER labels to each of them. 71 TTABVUE 30 (Treibitz Test. Tr. 27). Respondents purchased the “SCHIEDMAYER” labels from trophy stores and decal makers. *Id.* at 31 (Treibitz Test. Tr. 28).

Respondents’ practice of buying unbranded, “no-name” pianos from China and later branding them with marks of unaffiliated manufacturers is apparently not uncommon in the keyboard instrument industry. The no-name pianos are known in the industry as “stencil pianos,” and Mr. Treibitz agrees that “[a] classic example of stencil pianos is when manufacturers produce a cheap-end piano that has a German sounding name.” *Id.* at 36, 40 (Treibitz Test. Tr. 33, 37). Mr. Treibitz also agrees that Respondents “are selling a relatively cheap no-name Chinese piano as a Schiedmayer piano.” *Id.* at 41 (Treibitz Test. Tr. 38). As summarized in The Complete Idiot’s Guide to Buying a Piano, which Mr. Treibitz testified was written by two of his former employees, 70 TTABVUE 40 (Treibitz Test. Tr. 37):

Not all pianos are what they appear to be. For decades, some manufacturers have built generic, lower-quality pianos for distributors and retailers with a variety of names stenciled on the front. These are called *stencil pianos*. Often the stenciled name sounds close to that of a more famous and recognizable brand. Frequently these names come from old, defunct American companies that still command some recognition in the marketplace. Names are usually chosen because they sound American or German, even though the piano may be made in Indonesia or mainland China ... Unsuspecting customers see that name on a piano and assume they are getting great value, when in fact, the actual instrument may or may not be at the level of quality that name implies.

72 TTABVUE 9. *See also id.* at 12-13 (separate article mentioning use of “Schiedmayar” as an example of a stenciled name which “sounds like Schiedmayer & Soehne”) and 15-17. According to Ms. Schiedmayer, “[t]he sale of cheap ‘no name’ pianos manufactured in China and Indonesia under the great name Schiedmayer diminishes and violates the fame and reputation of my name and the name of my company and one of the great names in musical keyboard instruments” 73 TTABVUE 7 (Schiedmayer Rebuttal Dec. p. 4).

Mr. Treibitz testified that Sweet 16 sold “approximately 29” pianos bearing the SCHIEDMAYER mark from 2007-2018. 66 TTABVUE 10 (Treibitz Dec. p. 5). The quantity is approximate, and not supported by business records, “[d]ue to data losses resulting both from migration of my record keeping software and due to losses suffered from computer system failure.” *Id.* at 9 (Treibitz Dec. p. 4). Rather, the figures are based on a “general recollection.” 71 TTABVUE 25 (Treibitz Test. Tr. 22).

Mr. Treibitz further testified, in conclusory fashion, that Sweet 16 never intended to discontinue use of the SCHIEDMAYER mark, and never discontinued use of the

mark with an intent not to resume use. 66 TTABVUE 10 (Treibitz Dec. p. 5). Instead, over the past three years, Mr. Treibitz has “been working diligently (including traveling to China on multiple occasions) to evaluate Chinese piano manufacturers to make pianos suitable for sale under the SCHIEDMAYER brand line.” *Id.* at 11 (Treibitz Dec. p. 6).

Respondents advertise their pianos bearing the SCHIEDMAYER mark by touting their “German strings” as shown below:

**27th Annual
MEMORIAL DAY WEEKEND PARKING LOT**

Piano Sale

3 DAYS ONLY
OPEN TO THE PUBLIC
SAT MAY 26TH • SUN MAY 27TH
MON MAY 28TH
ALSO BY APPOINTMENT
MAY 24TH & 25TH
FOR APPOINTMENTS CALL
1800-MY-PIANO Ext 7002

FREE DELIVERY*
with purchase

FREE SALES TAX**
(We pay the sales tax.)

39 - USED UPRIGHT PIANOS
\$398 to \$14,995

32 - USED GRAND PIANOS
\$799 to \$89,995

68 - NEW GRAND PIANOS
\$1,298 to \$98,995

72 - NEW UPRIGHT PIANOS
\$2,500 to \$29,995

62 - NEW DIGITAL PIANOS
\$298 to \$19,995 (88NOTE)



SCHIEDMAYER
An amazing buy on a new baby grand with German strings bench included 10 Year parts & labor warranty.

Valued at \$12,785
NOW \$6,998

Hollywood Piano

- Voted Top 10 in the World 4 times by National Association of Music Merchants
- We beat all other sales, get 18% of the difference back if you find the same item for less for 1 year!
- All acoustic pianos carry our 100% (with no time restriction) future tradeup. Digitals 2 years 100% trade up.
- We have a piano for every budget and every level of pianist from entry to luxury from student to concert pianist.

SCHIEDMAYER

Stunning gloss black pianos with slow fall key cover and German strings. Price includes the matching bench.

Valued at \$5,495
NOW \$2,498

BALDWIN SPECIAL PURCHASE!

This 48" is Baldwin's most affordable upright piano. A Steinway like American piano sound for the price of an entry level Yamaha.

Valued at \$8,625
NOW \$5,998

STEINWAY & SONS

5'7" "M" Queen Anne

A stunning Steinway rebuilt and refinished to perfection like new.

List Price \$92,700
NOW \$38,888

MASON & HAMLIN

5'4" "B" BABY GRAND

A demo table show piano like brand new with a new manufacturers warranty. Many pianos say this is the best sounding small grand, made.

Valued at \$59,811
NOW \$38,888

STEINWAY 42" Console

A vintage pre-owned American Walnut console traditional with Steinway floor 5 years parts & labor warranty, if this was still made today it would be over 25k!

Valued at \$26,300
NOW \$6,998

YAMAHA C7 7'6"

This pre-owned instrument is the perfect piano for the recording studio or for the larger room. This is the sound Yamaha lovers want.

New MSRP \$82,999
NOW \$21,998

KAWAI 49" Upright

Professional Upright

This high gloss black upright look and sounds like new.

Valued at \$16,495
NOW \$3,998

ROLAND Includes Bench, Headphones & Tablet

Special package on a top selling Roland digital piano with Bluetooth and including an Android Tablet running Roland Piano Partner.

Valued at \$1,595
NOW \$95

AMAZING BUYS Check out these items at Hollywoodpiano.com/amazingbuys

Mason & Hamlin 7" "BB" Grand Demo with new warranty	\$59,995
Grotrian Steinweg - 185 5'1" - Black gloss Steel!	\$24,995
Reichstein - A 6'1" grand - Hand Made in Germany	\$12,995
Steinway "A" 5'7" Walnut sounds great	\$12,995
Baldwin "M" French just arrived, perfect!	\$12,995
Yamaha 63 6' Grand Perfect! Ebony gloss	\$12,995
Steinway 185B - 45" Studio Upright!	\$12,995
Mason & Hamlin Model 58-50" Pre Upright Great shape	\$6,995
Samick 5'10" Grand Ebony Polish, individual stringing	\$5,995
Mason & Hamlin 5'6" "A" Ebony Satin great bargain	\$4,995
Schaffner 5' Grand Ivory Polish - Sharp	\$4,995
Hambe 5'7" Baby Grand French, rare art case	\$4,995
Yamaha U1 48" upright, Excellent Condition	\$3,995
Essex - upright - 42" Upright Ebony Polish like new	\$3,995
Chickering Bros-Grand - excellent condition	\$3,995
Baldwin Spinnet, a classic Acoustic	\$3,995
Yamaha Clavinova Excellent 88 Note digital piano	\$2,995
Kimball console in great shape volume!	\$2,995

Plus Hundreds More - at Hollywoodpiano.com

ALL BRANDS New & Used

Grotrian Steinweg • Steinway & Sons
Mason & Hamlin • Estonia
Baldwin • Schutte Pollmann
Schiedmayer • Steingraeber
Yamaha • Kawai • Pearl River
Ritmuller • Hardman • Petrof
Roland • Kurzweil • Casio • Korg

AWARD WINNING

100 Years of Excellence
5 STAR BAYBUSH BUSINESS
BBB ACCREDITED BUSINESS

Hollywood Piano Co. 323 SOUTH FRONT STREET - BURBANK
1 800 MY-PIANO (800-697-4266)
WWW.HOLLYWOODPIANO.COM

*Ground floor delivery within 150 miles & priced over \$1,000, we pay tax over \$2,500, over 1k used. Must present ad. **This item exempt from free tax and delivery. Items subject to prior sale.

Id. at 48 (Treibitz Dec. Ex. 12).

Mr. Treibitz acquired the “schiedmayer.com” domain name in 2002, and since that time a “DNS redirect” has redirected those accessing “schiedmayer.com” to Hollywood Piano’s website. *Id.* at 9, 11 (Treibitz Dec. pp. 4, 6); 40 TTABVUE 5, 66 (Fuchs Dec. p. 2 and Ex. H). In addition, Mr. Treibitz owns the domain names “ritmuller.com,” “voseandsons.com” and “shoninger.com,” and applied to register VOSE & SONS as a trademark for “pianos, namely, upright pianos, grand pianos, and digital pianos; piano keyboard instruments.”¹⁰ 40 TTABVUE 5, 60-67 (Fuchs Dec. p. 2 and Ex. H); 42 TTABVUE 39-41, 148 (Treibitz Disc. Tr. 36-38 and Ex. 8); 66 TTABVUE 12 (Treibitz Dec. p. 7). Ritmuller, Vose and Sons and Shoninger are, or at least were, piano manufacturers, and Respondents apparently use their names in connection with stencil pianos, the same way they use SCHIEDMAYER. 42 TTABVUE 36-42, 54-57 (Treibitz Disc. Tr. 33-39, 51-54). Respondents advertise these brands as well as their SCHIEDMAYER stencil pianos on their website:

¹⁰ Application Serial No. 78157550. Mr. Treibitz testified that after his application to register the mark VOSE & SONS was refused and eventually abandoned, another company, Wrightwood Enterprises, registered the same mark. He further testified that “[i]t is my belief that Wrightwood Enterprises, Inc. had knowledge of my application and its status and strategically made their filing to ensure they were able to prevent my adoption of the mark after the *ex parte* appeal failed (i.e., ‘stole’ the trademark from me). This is because I am unaware of any association between Wrightwood Enterprises, Inc. and any of the former users of the VOSE & SONS trademark.” 66 TTABVUE 12 (Treibitz Dec. p. 7).

Hollywood Piano Company, Est. 1928 - Los Angeles, CA - Piano Sales, Piano Rentals, for Los Angeles, Burbank, Glendale, Pasadena, and all of Southern California



Hollywood Piano is one of the largest piano dealers in the Los Angeles Metro area serving the San Fernando Valley, San Gabriel Valley, Ventura County, Conejo Valley, Orange County, San Bernardino County, Riverside County, Inland Empire, Lancaster, Palmdale, Burbank, Glendale, Pasadena, Hollywood, West Hollywood, Arcadia, San Moreno, Alhambra, Monterey Park, Baldwin Hills, West Covina, Walnut, Diamond Bar, Eastvale, Duarte, Hancock Park, Culver City, West LA, Santa Monica, Westwood, Brentwood, Beverly Hills, South Bay, Redondo Beach, Manhattan Beach, Palos Verdes, Long Beach, and North Hollywood. Hollywood Piano is the largest Baldwin piano dealer in the United States of America. Our Company sells new pianos, used pianos, and is the largest piano rental agency in the Los Angeles metropolitan region. The models of new and used acoustic pianos that it sells include Steinway & Sons, Mason & Hamlin, Seiler, Estonia, Albert Weber, Brodmann, Steingraeber, Sohmer, Knabe, Young Chang, Petrof, Pleyel, Weber, Bergmann, Falcone, George Steck, Hobart M. Cable, Brodmann, Schiedmayer, Bernard Shoninger, Kawai, Yamaha, Samick, Chares Walter, Shigeru Kawai, Schimmel, Perzina, Star, Hallet & Davis, Kingsburg, Chickering, Kimball, Boston, Essex, Kohler & Campbell, Bosendorfer, Bechstein, Bohemia, Fazioli, Bluthner, Vose and Sons, Kurtzmann, Pramberger, Story & Clark, Hallet & Davis, Knabe, Wurlitzer, Adagio, Hailun, Ritmuller, Pearl River, Yamaha Disklavier, August Forester, Grotrin Steinweg, Sauter, Schulz Pollman and Hardman Peck. Also digital pianos from Roland, Kurzweil, Yamaha Clavinova, Casio, AvantGrand, The One, Dynatone, and Korg. Finally, we carry player piano systems from Pianomation, Piano Disc and QRS, Pianoforce and Live Performance LX.

Copyright © 2016 HollywoodPiano. SEO & Digital Marketing by Go Big



Id. at 110 (Trebitz Disc. Tr. Ex. 5).

III. Standing

Petitioner is named after the Schiedmayer family known for keyboard musical instruments, is owned by a member of that family and uses SCHIEDMAYER as a trademark for keyboard musical instruments in the United States. 38 TTABVUE 4-7 (Schiedmayer Dec. p. 1-4). This establishes that it has a personal stake in this proceeding, and is not an intermeddler. *See Empresa Cubana Del Tabaco v. Gen. Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014); *Bos. Athletic Ass'n v. Velocity*, 117 USPQ2d 1492, 1494-95 (TTAB 2015). *See generally Association pour la defense et la Promotion de L'oeuvre de Marc Chagall dite Comite Marc Chagall v. Bondarchuk*, 82 USPQ2d 1838, 1842 (TTAB 2007) (committee which defends the rights and work of Marc Chagall had standing to challenge registration of MARC

CHAGALL for vodka); *Estate of Biro v. Bic Corp.*, 18 USPQ2d 1382, 1385 (TTAB 1991) (estate of ball point pen inventor had standing to challenge registration of inventor's surname for ball point pens).

IV. False Suggestion of a Connection

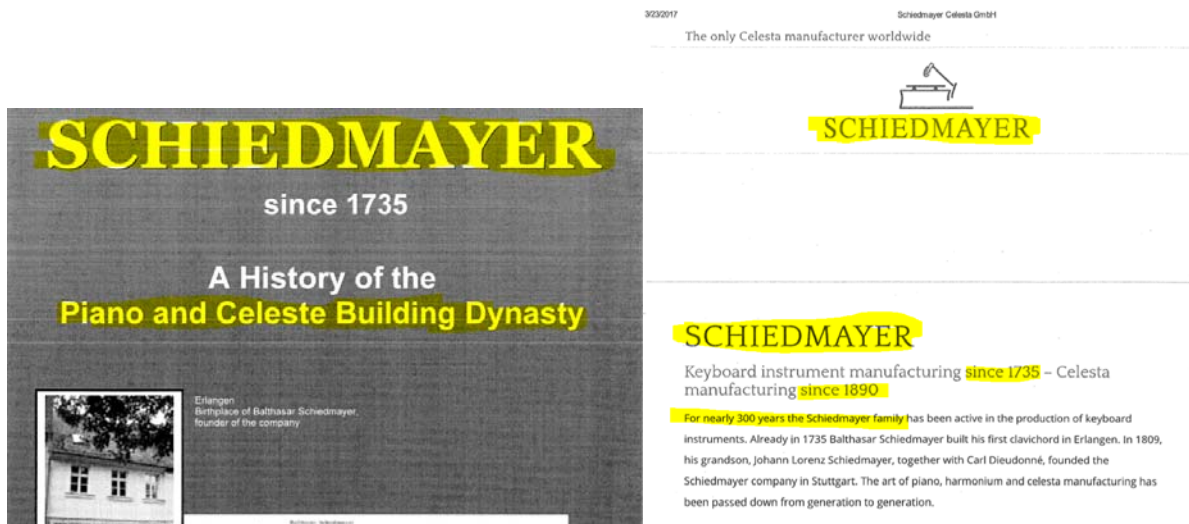
To prevail on its false suggestion claim, Petitioner bears the burden of proving that SCHIEDMAYER is “unmistakably associated with a particular personality or ‘persona.’” *Univ. of Notre Dame Du Lac v. J.C. Gourmet Food Imps. Co., Inc.*, 703 F.2d 1372, 217 USPQ 505, 509 (Fed. Cir. 1983). To make this showing, Petitioner must establish that: (1) the mark is the same as, or a close approximation of, Petitioner's previously used name or identity; (2) the mark would be recognized as such, in that it points uniquely and unmistakably to Petitioner; 3) Petitioner is not connected with the activities performed by Respondents under the mark; and 4) Petitioner's name or identity is of sufficient fame or reputation that when Respondents use the mark in connection with their goods or services, a connection with Petitioner would be presumed. *Id.*; *Bos. Athletic Ass'n*, 117 USPQ2d at 1495; *Bondarchuk*, 82 USPQ2d at 1842; *Hornby v. TJX Cos., Inc.*, 87 USPQ2d 1411, 1424 (TTAB 2008); *Buffett v. Chi-Chi's, Inc.*, 226 USPQ 428, 429 (TTAB 1985).

A. Is SCHIEDMAYER the Same as Petitioner's Previously Used Name or Identity?

Petitioner is Schiedmayer Celesta GmbH, with “celesta” merely identifying Petitioner's primary keyboard product and GmbH merely being a German entity designation. In other words, Schiedmayer is Petitioner's name and identity. Respondents have registered the exact same name. *See In re White*, 73 USPQ2d 1713,

1719 (TTAB 2004) (“Just as an applicant cannot take another’s name and add matter to it to avoid a refusal of false suggestion under Section 2(a), an applicant cannot take a significant element of the name of another and avoid a refusal by leaving one or more elements behind, provided that that which has been taken still would be unmistakably associated with the other person.”); *see also In re Jackson Int’l Trading Co.*, 103 USPQ2d 1417, 1419 (TTAB 2012) (“We find that the commercial impression engendered by applicant’s mark [BENNY GOODMAN COLLECTION THE FINEST QUALITY (stylized)] is that there is a ‘Benny Goodman’ collection of products which makes applicant’s mark a close approximation of the name Benny Goodman.”).

Petitioner prominently promotes its connection to the Schiedmayer family and its continuation of the Schiedmayer family tradition of offering keyboard musical instruments. 38 TTABVUE 16-27, 33-70 (Schiedmayer Dec. Exs. A, B, D). This is clear from Petitioner’s promotional materials and articles about Petitioner:



38 TTABVUE 21, 33 (Schiedmayer Dec. Exs. B, D). Moreover, Petitioner is owned by Elianne Schiedmayer, who is a member of the well-known Schiedmayer family,

another in a long line of Schiedmayer family members in the keyboard musical instrument business and the literal and figurative heir to Schiedmayer family businesses. 38 TTABVUE 7, 29-31 (Schiedmayer Dec. p. 4 and Ex. C); 73 TTABVUE 4 (Schiedmayer Rebuttal Dec. p. 1). See *In re Sauer*, 27 USPQ2d 1073 (TTAB 1993), *aff'd*, 26 F.3d 140 (Fed. Cir. 1994) (finding that a wide variety of products bearing the name Bo Jackson establish that “Bo” is Mr. Jackson’s name or identity); *Buffett*, 226 USPQ at 430 (finding that promotional materials and press reports associating MARGARITAVILLE with Jimmy Buffett tend to support a finding that the term is Buffett’s identity). While Petitioner is known formally as “Schiedmayer Celesta GmbH,” the record, including encyclopedia entries, Internet search results and media mentions, reveals that Petitioner and its instruments are known to and by the public as “Schiedmayer.” *In re White*, 73 USPQ2d at 1719; *cf. In re Urbano*, 51 USPQ2d 1776, 1779 (TTAB 1999) (“while the general public in the United States may or may not have seen the upcoming Olympic Games referred to precisely as ‘Sydney 2000’ we have no doubt that the general public in the United States would recognize this phrase as referring unambiguously to the upcoming Olympic Games in Sydney, Australia, in the year 2000”).

The fact that other Schiedmayer family-affiliated companies have previously also offered keyboard musical instruments does not mean that SCHIEDMAYER is not Petitioner’s identity, especially where Petitioner’s founder and chief executive is the

heir to some of those companies.¹¹ In fact, “the statute clearly contemplates refusal of matter that would falsely suggest a connection with multiple persons, whether natural or juristic, or with multiple institutions.” *In re White*, 73 USPQ2d at 1717-18. In *White* we rejected the “contention that because none of the federally-recognized Apache tribes goes by the name APACHE alone and each has one or more other terms in its name, APACHE per se cannot be found to be the name or equivalent thereof of these tribes.” *Id.* at 1719. In short, SCHIEDMAYER is Petitioner’s name or identity.

B. Would SCHIEDMAYER Be Recognized As Petitioner’s Name or Identity, Pointing Uniquely and Unmistakably to Petitioner?

In determining whether SCHIEDMAYER would be recognized as Petitioner’s name or identity, the question is whether it points “uniquely and unmistakably” to Petitioner “in the context of the [Respondents’] goods.” *Hornby*, 87 USPQ2d at 1424, 1426-27; *White*, 73 USPQ2d at 1658; *Wielinski*, 49 USPQ2d at 1757. It does.

All of the evidence indicates that the name SCHIEDMAYER is associated with a family that has been prominent in the keyboard musical instrument industry for hundreds of years. Respondents do not even suggest another meaning for SCHIEDMAYER.¹² In fact, Mr. Treibitz admits to knowing about the Schiedmayer

¹¹ This is not a case where SCHIEDMAYER is no longer in use, or in which Petitioner’s connection with SCHIEDMAYER keyboard musical instruments is in dispute. *Cf. In re Wielinski*, 49 USPQ2d 1754, 1758 (TTAB 1998) (“There could be someone who stands in the shoes of the former truck company, but this record does not establish who that might be.”), *overruled in part on other grounds, In re WNBA Ent. LLC*, 70 USPQ2d 1153 (TTAB 2003).

¹² Respondents’ argument that SCHIEDMAYER would point to a number of people because it is a surname is not well-taken, nor is Respondents’ attempt to impose on Petitioner a higher burden of proof on this factor. Indeed, the record here clearly shows that the name

family and SCHIEDMAYER keyboard musical instruments, and admits that he only filed the application underlying the Registration when he believed that the SCHIEDMAYER mark had been abandoned. 66 TTABVUE 7-9 (Treibitz Dec. pp. 2-4).¹³

Furthermore, in the context of pianos, celestas and other keyboard musical instruments, SCHIEDMAYER has only one meaning — it points uniquely, and unmistakably, to the SCHIEDMAYER family of which Elianne Schiedmayer is a member, and to the family's businesses which have long offered keyboard musical instruments. The record reveals that Petitioner is the SCHIEDMAYER family business which currently offers SCHIEDMAYER keyboard musical instruments in the United States.

Respondents' argument that third parties are offering or at one time offered SCHIEDMAYER-branded keyboard instruments and therefore that the name does not point uniquely and unmistakably to Petitioner is not well-taken. There is no evidence that anyone other than Petitioner and Respondents are currently using SCHIEDMAYER for keyboard musical instruments in the United States, and to the extent that others may have used the term in the United States at one time, there is no evidence that this use was unauthorized, that it continues or that it had any effect

SCHIEDMAYER, which is Petitioner's name, enjoys fame and recognition in connection with keyboard musical instruments, which is Petitioner's field.

¹³ We need not find that Petitioner owns United States trademark rights in SCHIEDMAYER in order to find that Respondents' use of SCHIEDMAYER falsely suggests a connection with Petitioner.

on the public perception of the SCHIEDMAYER name as referring to Petitioner.¹⁴ Nor does the one-time existence of other Schiedmayer family-affiliated businesses which used SCHIEDMAYER as a mark detract from the finding that SCHIEDMAYER now points uniquely and unmistakably to Petitioner. The applicant in *In re Peter S. Herrick, P.A.*, 91 USPQ2d 1505 (TTAB 2009) made a somewhat analogous argument when his application to register U.S. CUSTOMS SERVICE & Design was refused because that was the former name of U.S. Customs and Border Protection, a U.S. government agency. Applicant's claim that his mark did not point uniquely and unmistakably to the U.S. Customs Service, because it no longer existed, was rejected:

Applicant's use of the former U.S. Customs Service seal in connection with its offer of legal services "concentrating" on U.S. customs law is strong evidence that applicant is attempting to draw a connection between its services and the agency that oversees customs issues, especially because a segment of the public still uses U.S. Customs Service to refer to United States Customs and Border Protection. Finally, the name "U.S. Customs Service" has meaning only as a governmental agency. The only entity the name "U.S. Customs Service" could possibly identify is the government agency and, therefore, it is associated only with United States Customs and Border Protection.

Id. at 1508. Here, the same logic applies – Respondents' use of SCHIEDMAYER on keyboard musical instruments is strong evidence that they seek to draw a connection

¹⁴ As Petitioner points out, Respondents' arguments on this issue appear to be based only on printed publications and Internet printouts, which are not admissible for the truth of the matters asserted therein. *Ayoub, Inc. v. ACS Ayoub Carpet Serv.*, 118 USPQ2d 1392, 1399 n.62 (TTAB 2016); *Nat'l Pork Bd. and Nat'l Pork Producers Council v. Supreme Lobster and Seafood Co.*, 96 USPQ2d 1479, 1483 (TTAB 2010).

between their goods and Petitioner, the prominent source of SCHIEDMAYER keyboard musical instruments in the United States. In fact, in the field of keyboard musical instruments, the only entity SCHIEDMAYER “could possibly identify,” *id.*, is Petitioner. The record thus establishes that SCHIEDMAYER points to Petitioner uniquely and unmistakably.

C. Is Petitioner Connected to Respondents or Their Activities?

Respondents concede that they are not connected in any way to Petitioner. 35 TTABVUE 4 (Answer ¶ 8) (“Respondents admit that they have had no formal business relationship with Petitioner.”); 76 TTABVUE 23 (Respondents’ Trial Brief at 17) (“The Respondent agrees that they are in no way connected with the goods sold or the activities performed by Petitioner.”).

D. Is SCHIEDMAYER Sufficiently Famous That When Respondents Use the Name a Connection Between the Parties Would be Presumed?

The inquiry under this Section 2(a) factor differs from the traditional likelihood of confusion or dilution analyses of fame in that “the key is whether the name per se ... as *used* would point uniquely to the person or institution.” *White*, 73 USPQ2d at 1720. Here, the Schiedmayer name and family has been associated with keyboard musical instruments for centuries. Schiedmayer keyboard musical instruments have won many awards, are used by prominent United States orchestras, a Schiedmayer keyboard musical instrument is on permanent display at the Boston Museum of Fine Arts, and Internet reference works and search results identify SCHIEDMAYER with keyboard musical instruments from the Schiedmayer family and essentially nothing

else.¹⁵ This establishes that SCHIEDMAYER is sufficiently famous in the United States that Respondents' use of it would lead to a presumption that the parties are somehow connected.¹⁶

In light of the evidence that SCHIEDMAYER is famous in the United States in connection with keyboard musical instruments,¹⁷ and given Respondents' use of SCHIEDMAYER for keyboard musical instruments, "we may draw an inference that [Respondents] inten[d] to create a connection with" Petitioner, and that the public would make the false association. *In re Peter S. Herrick, P.A.*, 91 USPQ2d at 1509 (citing *In re N. Am. Free Trade Ass'n*, 43 USPQ2d 1282, 1285 (TTAB 1997) (quoting *Univ. of Notre Dame*, 217 USPQ at 509)).¹⁸

¹⁵ We have not considered the Internet reference works and search results for the truth of the matters asserted therein, but only for what they show on their face, specifically that certain searches and materials point to Ms. Schiedmayer's family and its businesses and their musical instruments.

¹⁶ We have focused on the evidence of Petitioner's fame and reputation in the United States, but have also considered the degree to which Petitioner is famous abroad. *See Hornby*, 87 USPQ2d at 1416 ("Because evidence of fame or reputation in other countries may have relevance to the extent that consumers in the United States would be aware of her as a result of these activities, we will not exclude this evidence, but will give it only the probative weight to which it is entitled."). To be clear, however, the SCHIEDMAYER name is sufficiently famous in the United States to find for Petitioner on its false suggestion claim, even if we did not consider any evidence from abroad.

¹⁷ Respondents concede that Petitioner "may have some level of fame or reputation" for celestas (described above) and glockenspiels (a percussion instrument which may have a keyboard), but argue that this fame or reputation does not carry over to pianos. 76 TTABVUE 24 (Respondents' Trial Brief at 18). The argument is not well-taken. As shown above, the differences between celestas and pianos are internal, mechanical and perhaps not even noticeable to or known by some consumers of keyboard musical instruments. Celestas and pianos are so similar that Respondents' use of the SCHIEDMAYER name for pianos would result in consumers making a false association between the parties.

¹⁸ Petitioner makes clear that the references in its Trial Brief to "palming off" are not to a separate ground for cancellation. 75 TTABVUE 21 (Petitioner's Trial Brief at 13) ("Plaintiff

E. Conclusion Regarding False Suggestion Claim

Petitioner has established each of the four factors, and thus that use of Respondents' mark would falsely suggest a connection between the parties.

V. Laches/Acquiescence

Although Respondents have asserted "laches" and "acquiescence" as separate affirmative defenses, it is clear that Respondents are using the two terms to describe the same conduct (or lack thereof) by Petitioner, and that Respondents' defenses are based on the same legal theory. Indeed, Respondents' fourth affirmative defense is pleaded as follows: "Petitioner's Petition for Cancellation is barred by laches. Petitioner did not seek cancellation of the Respondent's registration for nearly 7.5 years." Respondents' pleading of their fifth affirmative defense is substantively the same: "Petitioner's Petition for Cancellation is barred by acquiescence. Petitioner did not seek to cancel Respondent's registration for such a long period of time that it amounts to a relinquishment of any claims by Petitioner to cancel it." 35 TTABVUE 6-7. Not only is the basis for both pleaded defenses essentially the same, but in their Trial Brief Respondents discuss "laches" under its own heading, but do not separately address "acquiescence." 76 TTABVUE 34-38 (Respondents' Trial Brief at 28-32). *See generally Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes, Inc.*, 971 F.2d 732, 23 USPQ2d 1701, 1703 (Fed. Cir. 1992) ("While laches and estoppel are entirely separate

wishes to emphasize that this Petition to Cancel is not based upon Defendants' palming off of Plaintiff's products. Rather, Plaintiff is calling attention to Defendants' acts of palming off as it establishes intent, which is a strong element in finding a 2(a) violation"). We have therefore considered Petitioner's allegations of "palming off" only to the extent that they relate to Petitioner's claim of false suggestion of a connection.

defenses ... in this case both defenses turn on essentially the same facts.”). Here, Respondents’ laches defense subsumes their acquiescence defense.

“The elements of laches are (1) unreasonable delay in assertion of one’s rights against another; and (2) material prejudice to the latter attributable to the delay.” *Lincoln Logs*, 23 USPQ2d at 1703. In this case, and Board proceedings generally, laches “must be tied to a party’s registration of a mark *not* to a party’s use of the mark.” *Lincoln Logs*, 23 USPQ2d at 1703. “[L]aches is available against a false suggestion claim.” *Hornby v. Tjx Cos., Inc.*, 87 USPQ2d 1411, 1419 (TTAB 2008) (citing *Bridgestone/Firestone Research Inc. v. Automobile Club de l’Ouest de la France*, 245 F.3d 1359, 58 USPQ2d 1460, 1462 (Fed. Cir. 2001)).

A. Was the Delay Unreasonable?

The facts surrounding Petitioner’s delay are somewhat murky. Petitioner argues that it learned about the Registration’s existence “in connection with the filing of its own trademark applications” in April 2015, but does not specifically state when in relation to the preparation, filing and examination of the application it learned about the Registration; nor does Petitioner state when it learned of Respondents’ use. 75 TTABVUE 35 (Petitioner’s Trial Brief at 27). Respondents point out that sometime after Mr. Treibitz registered the domain name “schiedmayer.com” in August 2002, Elianne Schiedmayer called him to discuss the domain name, and argue that “[a]t the very least Petitioner should have known that a trademark application may have been filed and been put to inquiry as to whether one existed following the [conversation] with Mr. Treibitz regarding his intentions with the mark.” 76 TTABVUE 35 (Respondents’ Trial Brief at 29). In any event, there is no dispute that the

Registration's underlying application was published for opposition on June 22, 2004, and the Registration issued on November 30, 2007.

“[L]aches begins to run from the time action could be taken against the acquisition by another of a set of rights to which objection is later made. In an opposition or cancellation proceeding the objection is to the rights which flow from registration of the mark.” *Nat'l Cable Television Ass'n v. Am. Cinema Editors, Inc.*, 937 F.2d 1572, 19 USPQ2d 1424 (Fed. Cir. 1991). Thus, in cases where a plaintiff has actual knowledge of the defendant's trademark use, or its application, laches begins to run from the date of publication of the application, but where the plaintiff does not have actual knowledge of a party's use or application to register a mark before the close of the opposition period, laches begins to run from the date the registration issues. *Ava Ruha Corp. v. Mother's Nutritional Ctr., Inc.*, 113 USPQ2d 1575, 1580 (TTAB 2015) (“in a cancellation proceeding, laches begins to run no earlier than the date the involved mark was published for opposition (if there was actual knowledge), and no later than the issue date of the registration (when Plaintiff is put on constructive notice, see 15 U.S.C. § 1072)"); *Jansen Enters. Inc. v. Israel Rind and Stuart Stone*, 85 USPQ2d 1104, 1114 (TTAB 2007); *Teledyne Techs., Inc. v. W. Skyways, Inc.*, 78 USPQ2d 1203, 1210 & n.10 (TTAB 2006), *aff'd* 208 F. App'x. 886 (Fed. Cir. 2006).

Here, Petitioner did not petition to cancel the Registration until almost seven and one-half years after it issued, and after Respondents filed their declarations under Sections 8 & 15. This delay was fairly long, and in the absence of extenuating circumstances or an excuse, unreasonable. *See Bridgestone Firestone*, 58 USPQ2d at

1463 (finding unreasonable delay based in part on “the absence of a reasonable excuse by the Automobile Club for its inaction”); *Alfacell Corp. v. Anticancer, Inc.*, 71 USPQ2d 1301, 1307 (TTAB 2004) (finding seven year delay unreasonable where “Petitioner has been completely silent as to the reason for its delay”); *Turner v. Hops Grill & Bar Inc.*, 52 USPQ2d 1310, 1312 (TTAB 1999) (finding five year delay unreasonable where “the only reason petitioner presented for his delay is his lack of actual knowledge,” pointing out that actual knowledge “is not the appropriate measure, and the length of the delay is clearly substantial”). Here, because Petitioner had at least constructive knowledge of the Registration since its date of issuance, November 20, 2007, and has provided no excuse for not filing the petition to cancel until April 1, 2015, seven and one-half years later, we find that Petitioner’s delay is unreasonable.

B. Have Respondents Suffered Material Prejudice Attributable to the Delay?

Mere delay is not enough to establish Respondents’ laches defense, however. Indeed, to meet their burden of proving that laches bars Petitioner’s claims, Respondents must establish that they suffered harm as a result of the delay. *Ralston Purina Co. v. Midwest Cottage Co.*, 373 F.2d 1015, 153 USPQ 73, 76 (CCPA 1967) (respondent “bears the burden of showing the injustice”). *See also Bridgestone/Firestone*, 58 USPQ2d at 1462; *Charette Corp. v. Bowater Comm’n Papers Inc.*, 13 USPQ2d 2040, 2043 (TTAB 1989) (“There can be no question that mere delay in asserting one’s trademark rights is insufficient to give rise to an

estoppel. More is needed.”); *Trans Union Corp. v. Trans Leasing Int’l Inc.*, 200 USPQ 748, 755 (TTAB 1978).

Here, Respondents have not met their burden. The entirety of their argument that they have suffered material prejudice is “the Respondent sold and rented SCHIEDMAYER branded pianos continuously for seven years.” 76 TTABVUE 36 (Respondents’ Trial Brief at 30). The entirety of the evidence Respondents provided in support of this argument is Mr. Treibitz’s “general recollection” unsupported by documentary evidence that Respondents sold at most 17 SCHIEDMAYER-labeled pianos between issuance of the Registration and the filing of the petition to cancel in 2015. 71 TTABVUE 25 (Treibitz Test. Tr. 22); 66 TTABVUE 10 (Treibitz Dec. p. 5) (claiming that Respondents sold approximately 12 pianos bearing the SCHIEDMAYER mark in 2016 and 2017). Respondents provide no information about any advertisement or promotion of SCHIEDMAYER-labeled pianos specifically, as opposed to general advertising of all brands on offer. Nor have Respondents shown any other “material prejudice” attributable to Petitioner’s delay.

This showing falls short, and calls to mind *Ralston Purina*, in which the respondent did not make a “serious effort to show prejudice to itself.” *Ralston Purina*, 153 USPQ at 76. The Court found that the respondent did not establish material prejudice and that laches did not apply, for reasons equally applicable here:

We have no evidence of promotional expenditure. Sales data are too imprecise even to indicate any substantial growth of registrant’s trade in the six-month period between petitioner’s alleged acquiescence and first assertion of right in the mark for baler twine ... We do not scan petitioner’s history for one fatal misstep. We sustain

petitioner's rights in the absence of a showing that to do so would work *injustice*.

Id. at 76-77. Similarly, in *Alfacell*, the Board found the evidence of prejudice insufficiently specific, because “it is difficult to gauge, in the absence of dollar amounts or other specific information relative to its promotional efforts, the degree to which there has been any detriment.” *Alfacell*, 71 USPQ2d at 1308. *See also Hornby*, 87 USPQ2d at 1419 (unsupported claim that investment was made in a mark not credited); *Charrette Corp.*, 13 USPQ2d at 2043 (no laches where “registrant has submitted no evidence to show that it acted to its detriment in reliance on petitioner’s failure to act more promptly”); *Cf. Bridgestone Firestone*, 58 USPQ2d at 1463 (“Bridgestone asserted economic prejudice, presenting evidence of its longstanding investment in and promotion of the LEMANS brand of tires, including use of the mark on at least four types of tires manufactured by Bridgestone ... Bridgestone presented testimony on the advertising of the LEMANS brand and the role of the LEMANS brand in Bridgestone’s marketing structure ... It was undisputed that Bridgestone invested in and promoted the LEMANS brand tires over this lengthy period, during which the Automobile Club was silent.”); *Ava Ruha*, 113 USPQ2d at 1583 (finding material prejudice based on showing of tens of millions of dollars spent on growing a business, adding at least 15 stores and spending over \$7 million promoting its marks); *Turner*, 52 USPQ2d at 1313 (“Looking at the evidence from 1992, when petitioner was put on constructive notice of respondent’s mark, respondent had four restaurants in Florida. By 1994 it had nine restaurants; during 1995 respondent opened four new restaurants ... In 1996 five new restaurants were

opened, and twelve were added in 1997. Its sales during this period of time went from approximately \$7 million to \$58 million, and the business continues to grow.”).

Here, while the record includes a few of Respondents’ advertisements, there is no evidence regarding how widely they were distributed or seen, and in those advertisements Respondents promoted not just SCHIEDMAYER-labeled pianos, but also pianos bearing a number of other, unrelated marks. *See Alfacell*, 71 USPQ2d at 1308 (“respondent’s testimony regarding its appearances at conferences, trade shows and presentations is diminished by the fact that it was promoting other drugs at the same time ... respondent might very well have attended the various trade shows and conferences to promote its other drugs even if its ONCASE brand drug had not been developed”). Moreover, and perhaps more importantly, Respondents’ claim of prejudice rings hollow where the only direct, marginal expense incurred in selling SCHIEDMAYER-labeled pianos is buying the SCHIEDMAYER labels from trophy or decal makers. Indeed, virtually all of the money Respondents spent to offer SCHIEDMAYER-labeled pianos related to acquisition of the no-name pianos themselves, which could just as easily be labeled something else. It is obvious that the costs of acquiring pianos will dwarf the negligible cost of buying labels from trophy or decal sellers, and that re-labeling the pianos as something other than SCHIEDMAYER would be quick, easy and inexpensive. In any event, Respondents have produced no evidence to the contrary, much less established any material prejudice arising from changing the names on stencil pianos.

“Economic prejudice arises when a defendant suffers the loss of monetary investments or incurs damage that likely would have been prevented by an earlier suit. ... A nexus must be shown between the delay in filing suit and the expenditures; the alleged infringer must change his position because of and as a result of the plaintiff’s delay.” *Alfacell*, 71 USPQ2d at 1307. Here, Respondents have not shown any meaningful economic or other damage resulting from Petitioner’s delay in seeking to cancel the Registration, or any significant change of position as a result of Petitioner’s delay. Because material prejudice is a necessary element of any laches defense, Respondents have not met their burden of establishing that the petition is barred by laches.

VI. Conclusion

Because Respondents have used Petitioner’s unique name and identity in connection with keyboard musical instruments similar to those for which Petitioner and the Schiedmayer family are famous, use of Respondents’ mark will falsely suggest a connection between Petitioner and Respondents. We need not reach Petitioner’s abandonment claim. *See Azeka Bldg. Corp. v. Azeka*, 122 USPQ2d 1477, 1478 (TTAB 2017) (Board has “discretion to decide only those claims necessary to enter judgment and dispose of the case”) (quoting *Multisorb Tech., Inc. v. Pactive Corp.*, 109 USPQ2d 1170, 1171, 72 (TTAB 2013)).

Decision: The petition is granted and the Registration will be cancelled in due course.

CERTIFICATE OF COMPLIANCE WITH RULE 32(a)

1. This updated brief complies with the type-volume limitations of Fed. R. App. P. 32(a)(7)(B) because this brief is 30 pages long and contains 7247 words, excluding the parts of the brief exempted by Fed. R. App. P. 32(a)(7)(B)(iii) and Local Rule 32(b).

2. This updated brief complies with the typeface and type style requirements of Fed. R. App. P. 32(a)(5) and 32(a)(6) because this updated brief has been prepared in proportionally spaced typeface using Microsoft Word® 2016 in 14-point Times New Roman font.

April 7, 2020

/s/ Adam Stephenson

*Attorney for Appellant Sweet 16 Musical
Properties, Inc. and Piano Factory Group*

CERTIFICATE OF FILING AND SERVICE

I hereby certify that on this 7th day of April, 2020, as required by Federal Rule of Appellate Procedure 25(c)(2) and the Court's May 17, 2012 Administrative Order Regarding Electronic Case Filing, the foregoing updated Brief of Appellant was served on all counsel of record via the Court's electronic filing system.

/s/ Adam Stephenson

Adam R. Stephenson
ADAM R. STEPHENSON, LTD.
8350 E. Raintree Dr. Ste. 245
Scottsdale, AZ 85260
Telephone: 480.264.6075
Facsimile: 480.718.8336
Email: adam@iptech.law

*Attorney for Appellant Sweet 16 Musical
Properties, Inc. and Piano Factory Group*