

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

Schiedmayer Celesta GmbH,

Cancellation No.: 92/061,215

Petitioner,

Reg. No. 3,340,759

v.

Mark: SCHIEDMAYER

Piano Factory Group, Inc.

Registration Date: November 20, 2007

Respondent.

**RESPONDENT'S REPLY TO PETITIONER'S MOTION TO FILE FIRST
AMENDED PETITION FOR CANCELLATION**

Respondent Piano Factory Group, Inc. ("Respondent") hereby submits its reply to Petitioner's Schiedmayer Celesta GmbH ("Petitioner") Motion to File its Amendment Petition for Cancellation.

FACTS

Respondent provided Petitioner with the enclosed Amended responses and documents to First and Second Sets of Interrogatories and First and Second Requests for Production of documents on January 14th. Copies had also been provided on December 29th, but were signed by the undersigned. Copies of the documents sent on the 14th, along with corresponding copies of Petitioner's Requests, are enclosed as Exhibits 1, 2, 3, and 4, respectively. While through oversight, Respondent's responses were signed by Respondent but not verified as of January 14th, Respondent is working to provide Petitioner with officially verified copies of the same.

The Cancellation Petition, paragraph 8 includes Petitioner's statement: "Upon information and belief, Piano Factory Group does not manufacture and has never manufactured pianos."

The Cancellation Petition, paragraph 9 includes Petitioner's statement: "In fact, Piano Factory Group was never the owner of the trademark Schiedmayer; and never manufactured a Schiedmayer product; and never had any control whatsoever over the quality of the Schiedmayer keyboard instrument."

The Cancellation Petition, paragraph 12 in its entirety reads:

The false and fraudulent obtaining and maintaining of the trademark Schiedmayer by the Piano Factory Group is likely to cause confusion and has caused confusion in the marketplace. Purchasers and potential purchasers are being falsely and fraudulently led to believe that some relationship exists between Piano Factory Group and the coveted and highly respected Schiedmayer keyboard instrument. Schiedmayer has been and is continuing to be damaged by the false and fraudulent obtaining of a trademark registrations for the mark Schiedmayer by Piano Factory Group.

The discovery provided by Respondent, Piano Factory Group, Inc., indicates that Respondent has and does manufacture pianos under the SCHIEDMAYER trademark and sells them to consumers. Respondent does this by purchasing pre-ordered pianos from contract manufacturers which it has selected to be branded as SCHIEDMAYER pianos and then affixing the SCHIEDMAYER trademark to them prior to their being offered for sale directly to consumers. Judicial notice can be taken of the fact that contract manufacturing is ubiquitous in product sales and marketing in today's modern economy.

Respondent's renewal application filed April 18th, 2014 shows a piano bearing the mark SCHIEDMAYER for sale to consumers within the past five years of the date of filing of the Cancellation Petition.

ARGUMENT

At the outset, the Respondent notes that under 37 CFR § 2.115, pleadings in a cancellation proceeding may be amended consistent with the guidelines of FRCP 15.

In the present case, Petitioner's counsel made no effort to contact Respondent's counsel to determine whether Respondent would give written consent. Accordingly, the amendment can only be made by leave of the Board. TBMP § 507.02 states that the Board "liberally grants leave to amend pleadings at any stage of a proceeding when justice so requires, unless entry of the proposed amendment would violate settled law or be prejudicial to the rights of the adverse party or parties...[W]here the moving party seeks to add a new claim or defense, and the proposed pleading thereof is legally insufficient, or would serve no useful purpose, the Board normally will deny the motion for leave to amend." Emphasis added. TBMP § 507.02(a) states "A long and unexplained delay in filing a motion to amend a pleading (when there is no question of newly discovered evidence) may render the amendment untimely." Emphasis added.

In *Media Online Inc., v. El Clasificado Inc.*, 88 USPQ2d 1285, 1286 (TTAB 2008), the Petitioner delayed filing its motion to amend the pleadings to add claims of descriptiveness and fraud for 7 months and until after Respondent's motion for judgment of the pleadings, though its motion relied on "facts within petitioner's knowledge at the time the petition to cancel was filed." The Board found that the Petitioner had unduly delayed filing its motion to amend since the evidence relied upon in its motion to amend was already publicly available (dictionary definitions and selections from Respondent's website).

In the present case, Petitioner filed the present Motion to Amend its Pleadings over 9 months after filing the original Cancellation Petition. Petitioner asks leave of the Board to amend to designate a Count I, Fraud and to add Count II, False Designation of Origin and Count III, Abandonment. Petitioner filed the Motion after receiving Respondent's discovery responses. Respondent's discovery provides evidence of sales of SCHIEDMAYER branded pianos within the previous 5 years of the filing date of the Cancellation Petition. Respondent's discovery is consistent with the specimen provided to the USPTO and which was publicly available to Petitioner at the time of filing of the Cancellation Petition. Furthermore the sales invoices provided in Respondent's discovery are further evidence of actual sales, all of which actually counter Petitioner's new allegations of abandonment. In other words, Petitioner now has even more evidence that the grounds it is attempting to add are legally and factually flawed than it did when it filed the original Cancellation Petition. Allowing the Petition to amend the complaint to add these grounds seems like moving this case entirely backwards from the direction discovery should be heading it.

Furthermore, the quoted portions above of paragraphs 8 and 9 of the Cancellation Petition demonstrate Petitioner evidently had information to support what would be analogous to a claim of Abandonment. The original Cancellation Petition, however, merely alleges fraud, which is why Petitioner is attempting to get the Petition amended to add Abandonment and False Designation of Origin as additional grounds. Accordingly, it apparent, that, at the time the original Cancellation Petition was filed, Petitioner had facts within its knowledge that would have suggested to Petitioner that it should have filed an Abandonment claim.

Allowing Petitioner to amend the complaint to add an Abandonment claim would prejudice Respondent in two ways: 1) the motion is unduly delayed, and 2) it furthers the efforts of Petitioner to again misrepresent to the Board that Respondent's discovery provided evidence that "Respondent has in fact never offered for sale or sold Schiedmayer pianos of any type, notwithstanding their filing of a Declaration of Use under Sections 8 and 15." Petitioner's Motion to Amend, p. 2. Petitioner wholly fails to provide any explanation as to why, after having facts in its knowledge at the time the original Cancellation Petition was filed, it only now, 9 months later during discovery, wishes to amend to add an Abandonment ground. Respondent will be prejudiced by the Board permitting Petitioner to add this ground as Respondent will now have to answer questions already asked and answered in the existing interrogatories and provide the same information. There is simply "no useful purpose" (TBMP § 507.02) in Petitioner's attempt other than to seek duplicative evidence during discovery.

Respondent raises the same undue delay arguments against Petitioner's motion to amend to add Count II, False Designation of Origin. Again, the quoted portion of the original Petition, paragraph 12, demonstrates that Petitioner apparently already had facts and information within its possession that allegedly established that consumers would be deceived by Respondent's use of the SCHIEDMAYER trademark for pianos as they would believe they would emanate from the Petitioner. If Petitioner already believed this and stated this in the original Petition, why did Petitioner delay 9 months in seeking to amend the complaint to add this count? Furthermore, Petitioner's allegation of False Designation of Origin in Count II is also legally defective and should be denied entry.

As the Board knows, to show False Designation of Origin, 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. Jeffery A. Handelman, *Guide to TTAB Practice* § 8.05[E] (2016)

Petitioner's description of its claim in count II fails to make *inter alia*, any factual allegations regarding point 2, how the SCHIEDMAYER mark, which is merely a person's last name, historically used for piano manufacturing companies and for celesta manufacturing companies, points uniquely and unmistakably to the Petitioner itself. Furthermore, Petitioner's allegations fail to adduce any explanation as to how, at the time of registration, "the mark in question pointed uniquely to the [Petitioner] as of the time the registration issued, not as of the time of the filing of the petition for cancellation." Jeffery A. Handelman, *Guide to TTAB Practice* § 8.05[D] (2016). Because the time of registration was over 11 years ago, it is legally critical for Petitioner to allege in the Petition at least some evidence that, 11 years ago, the mark SCHIEDMAYER pointed uniquely to Petitioner. Petitioner's vague allegations that "[a]ny consumer or potential consumer seeing a Schiedmayer piano product in the marketplace or being offered for sale will assume that it emanates from Schiedmayer, the petitioner herein" in para. 13 of the Amended Petition are not pleaded facts, but merely legal conclusions.

Respondent will be significantly prejudiced by the Board permitting amendment of the complaint to include Count II, False Designation of Origin. This is because Respondent and Petitioner will now have to now prepare and take discovery to find facts relating all 4 points outlined above. Given that Respondent has already provided discovery to Petitioner in this matter, and Petitioner apparently had facts in its possession at the time the original Petition was filed 9 months ago, it is unreasonable and unduly burdensome for Petitioner to attempt to now add Count II. Permitting the Petitioner to engage in duplicative and recursive discovery as result of permitting amendment of the Cancellation Petition will significantly prejudice the Respondent and will significantly delay the resolution of this matter because of Petitioner's undue delay.

In view of the foregoing, the Respondent respectfully requests that Petitioner's Motion to File its Amended Petition for Cancellation be denied.

Dated: January 21, 2015

Respectfully submitted,
/s/ Adam R. Stephenson
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CERTIFICATE OF SERVICE

It is hereby certified that one (1) copy of the foregoing RESPONDENT'S REPLY TO PETITIONER'S MOTION TO FILE FIRST AMENDED PETITION FOR CANCELLATION is being sent via email and U.S. Mail to Petitioner Schiedmayer Celesta GmbH's attorney of record as follows:

Michael J. Striker
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Dated: January 21, 2015

/s/ Adam Stephenson