

Re: Trademark Application of :
 Uzon Ltd. :
 Registration No. 1,945,378 :
 Issued: January 2, 1996 : On Petition
 For: DEAD FROG :
 Petition Filed: March 27, 1996 :

Uzon, Ltd. has petitioned the Commissioner to withhold cancellation of the registration inadvertently issued from its application. The petition is denied under Trademark Rule 2.146(a)(3), 37 C.F.R. §2.146(a)(3).

FACTS

The subject application was filed November 11, 1994, based upon use of the mark in commerce under Section 1(a) of the Trademark Act, 15 U.S.C. § 1051(a). The mark was published for opposition on June 9, 1995. GI Apparel, Inc. (the "Opposer") timely requested, and was granted by the Trademark Trial and Appeal Board, extensions of time until October 9, 1995 (a holiday) in which to file an opposition. On October 10, 1995, Opposer filed a timely Notice of opposition; however, on January 2, 1996, the subject application issued inadvertently as Registration No. 1,945,378 while subject to the opposition. On March 18, 1996, the Board issued an action wherein it, *inter alia*, notified the parties of the institution of the proceeding, noted that a registration had inadvertently issued from Applicant's subject application, and informed Applicant that the registration would be forwarded to the Commissioner for cancellation of the inadvertently issued registration and restoration of the file to application status. This petition followed.

In its petition, Petitioner specifically requests that the Commissioner not cancel the inadvertently issued registration. First, Petitioner requests that the Commissioner consider the considerable hardship and potential damage for the Registrant that would result from the fact that it has been conducting business under the assumption that the registration is valid. Specifically, it has informed its customer base that the subject mark has been federally registered in Petitioner's name; altered art work, labels and packaging to include the registration symbol next to the mark; and expended substantial amounts of money to promote the mark. Second, Petitioner also asserts that certain customers have begun to stock Petitioner's merchandise, having previously refused to do so until the issuance of the federal registration. Third, Petitioner also requests that the Commissioner consider the fact that Opposer could obtain the same result in a cancellation proceeding as it could in an opposition proceeding. Fourth, Petitioner notes that the pending civil action between Applicant and Opposer is likely to dispose of matters related to the opposition proceeding. Finally, Petitioner asserts that Opposer has admitted that Petitioner was the first to use the subject mark in commerce.

DECISION

The Commissioner has the inherent authority to cancel an inadvertently issued registration. This authority will be exercised with caution. *In re McLachlan Touch, Inc.*, 6 USPQ2d 1395 (Comm'r

Pats. 1988). Nonetheless, a mark that issues while the application for registration of the mark is subject to a timely opposition is not issued in compliance with Section 13 of the Trademark Act, 15 U.S.C. § 1063. Therefore, a registration that issues inadvertently while the application is subject to a timely opposition will ordinarily be cancelled by the Commissioner even where hardship may exist.

Here, Petitioner was on notice of the possibility of an opposition prior to the inadvertent issuance of the registration because the timely request for extension of time for filing the Notice of opposition had been filed and granted. Furthermore, Petitioner and Opposer had been involved in civil litigation since at least as early as May 1, 1995 over matters related to the opposition. This is distinguishable from the applicant in *In re McLachlan Touch Inc.* who was not aware of the potential opposition prior to registration because the requested extension of time to file the opposition was deemed untimely and evidently not received by the office during the opposition period.

The registration will be cancelled, restored to application status and forwarded to the Board for resumption of the opposition proceeding.

Philip G. Hampton, II
Assistant Commissioner
for Trademarks

PGH:NLO: SLC

Date:

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