

Federal Court Rules in Favor of JMBM Client, Manley Toys, in 'Wham-O' Trademark Cancellation Case

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The U.S. District Court for the Central District of California ruled in favor of JMBM client Manley Toys, allowing its trademark cancellation case to move forward. In Wham-O Inc. v. Manley Toys, Rod Berman, Chair of JMBM's Intellectual Property Group — with the assistance of associate Jessica Bromall Sparkman — successfully argued that Wham-O did not establish federal subject matter jurisdiction and that Manley's contention that certain alleged trademarks of Wham-O are generic was not enough to create a federally judiciable controversy. Manley Toys can now proceed to the Trademark Trial and Appeal Board (TTAB) to prove that the alleged marks are generic and no longer protected.

Manley Toys and AW Computer Holdings LLC filed cancellation petitions with the TTAB in 2008, claiming that Wham-O should not have exclusive rights to the alleged marks "Slip 'N Slide," "Frisbee," "Hula Hoop" and "Superball." Wham-O thereafter filed a lawsuit in federal court against Manly and AW claiming it had rights to the alleged marks, that they were not generic and that a federal court rather than the TTAB was the appropriate forum to resolve the generic issue. But Berman, on behalf of Manley Toys and AW, successfully applied precedent from an earlier case, MedImmune Inc. v. Genetech, Inc., which states that there must be a substantial controversy affecting the parties legal rights to provide federal jurisdiction for the kind of declaratory judgment suit brought by Wham-O. Since Wham-O did not assert that Manley was infringing its alleged marks, the Court ruled that Wham-O could not demonstrate that such a controversy existed and therefore the federal court had no jurisdiction to handle the case.

In the September 2, 2009 BNA Patent, Trademark and Copyright Journal, Berman noted that Wham-O Inc. v. Manley Toys "is the first case post MedImmune Inc. in which a federal court has considered whether the filing of a petition for cancellation of a federal trademark registration on the grounds of genericness before the TTAB gives rise to federal court jurisdiction under the Declaratory Judgment statute."

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