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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

TORONTO ASIA TELE ACCESS
TELECOM INC., now known as TATA
TELECOM INC., a company organized
under the laws of Canada, and
MANMOHAN SINGH THAMBER, a
natural person residing in Canada,

Plaintiffs,

v.

TATA SONS LIMITED, a company
organized under the laws of India,

Defendant.

CASE NO. C09-1356-RSM

**ORDER DENYING PLAINTIFFS’
MOTION TO STAY**

I. INTRODUCTION

This matter comes before the Court upon Plaintiffs’ Motion to Stay. Dkt. 38. For the reasons set forth below, Plaintiffs’ motion is DENIED.

II. BACKGROUND

Plaintiff TATA Telecom Inc. is a telecommunications provider based in Toronto, and has been operating since 2002. Dkt. 1 at 2. Defendant Tata Sons Ltd. is the holding company of a

1 conglomerate based in Mumbai that has been operating for over a century. The Tata Group is
2 one of India's leading businesses, and its revenue accounts for about 2% of India's GDP. Dkt. 9
3 at 6. It claims to have been in the telecom business for over 30 years. Dkt. 9 at 7.

4 In 2003, Plaintiff registered the domain name *tata-telecom.com*. Dkt. 1 at 2. In 2009,
5 Defendant filed a complaint with the World Intellectual Property Organization (WIPO), asking
6 that the domain name be transferred from Plaintiff to Defendant. The WIPO sided with
7 Defendant and ordered Plaintiff to transfer the name, finding that Plaintiff's "use of the domain
8 name was confusingly similar" to Defendant's marks, that Plaintiff "had no legitimate interest"
9 in those marks, and that Plaintiff's use of the marks was "in bad faith." Dkt. 9 at 15.

10 Plaintiff now essentially seeks review of the WIPO decision in this court.¹ Plaintiff
11 requests a declaration that its use of *tata-telecom.com* is not invalid under the Cyberpiracy
12 Prevention provisions found in the Lanham Act 15 U.S.C. §1125(d). Namely, it requests a
13 declaration that *tata-telecom.com* was not identical or confusingly similar to a mark owned by
14 Defendant, that it did not use *tata-telecom.com* with a bad faith intent to profit from Defendant's
15 marks, and that its use of the domain name was fair or otherwise lawful. Dkt. 1 at 4-5; *see also*
16 15 U.S.C. §1125(d). Plaintiff also seeks injunctive relief prohibiting Defendant from taking any
17 further action to assume the *tata-telecom.com* domain name. Dkt. 1 at 5.

18 Defendant has filed a number of counterclaims alleging first, that Plaintiff has infringed
19 on Defendant's federally-registered trademarks under 15 U.S.C. §1114; second, that Plaintiff has
20 used Defendant's marks in a way that is likely to mislead consumers as set out in 15 U.S. C.

21
22 ¹ The WIPO will not immediately enforce a decision if an affected party commences a legal proceeding within 10
23 days of its decision. Dkt. 1 at 3. The Lanham Act provides that a "domain name registrant whose domain name has
24 been suspended, disabled, or transferred [pursuant to an arbitration policy or similar policy] may, upon notice to the
mark owner, file a civil action to establish that the registration or use of the domain name by such registration is not
unlawful under this Act." 15 U.S.C. §1114(2)(D)(v).

1 §1125(a); third, that Plaintiff has violated the Cyberpiracy provisions in 15 U.S.C. §1125(d);
2 fourth, that Plaintiff has violated the Washington Consumer Protection Act (RCW 19.86); fifth,
3 that Plaintiff has violated Defendant's common law trademark rights; and sixth, that Plaintiff has
4 engaged in unfair competition.

5 Before the court is Plaintiff's motion to stay pending a decision by the FCC regarding the
6 lawfulness of Plaintiff's telecommunications activities. Dkt. 38 at 2. Whether these activities
7 were lawful is relevant to this suit because Defendant contends that Plaintiff should have had a
8 certificate to operate as required by §214 of the Federal Communications Act, and Plaintiff did
9 not have this certificate. *Id.* If Plaintiff's business activities relating to the use of *tata-*
10 *telecom.com* were unlawful, Plaintiff would not be able to establish priority of use of that mark.
11 *CreAgri, Inc. v USANA Health Sciences, Inc.*, 474 F.3d 626, 633-34 (9th Cir. 2007). Priority of
12 use is "the standard test of ownership" in trademark law. *Sengoku Works Ltd. v. RMC Intern.,*
13 *Ltd.*, 96 F.3d 1217,1219 (9th Cir. 1996). The issue has come up in the discovery process but
14 Defendant has not raised this issue in any formal motion or complaint before this court. Dkt. 38
15 at 2.²

16 Plaintiff has now filed two petitions with the FCC, one seeking a certificate under §214,
17 and one seeking a declaration that Plaintiff's previous business activities did not require a §214
18 certificate. Dkt. 38 at 11, 4. Plaintiff claims that the latter petition is dispositive in the case
19 before this court and that the case should not proceed until the FCC makes its decision. Dkt. 38
20 at 5. Defendant asserts that this court need not wait for the FCC decision as this case may be
21 easily decided on its merits without any interpretive assistance from the FCC. Dkt. 43 at 1-2.

22 ² Plaintiff insists that Defendant has made the compliance issue "the lynchpin of its case" (Dkt. 46 at 4.), but also
23 argues that because Defendant neglected to raise the issue as an affirmative defense, Defendant will not be able to
24 raise it for the first time on summary judgment. Dkt. 38 at 2. Plaintiff therefore seems to think that this issue is both
central to the resolution of this dispute and unavailable for use by Defendant.

III. DISCUSSION

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2 Plaintiff invokes the doctrine of primary jurisdiction to support a stay of proceedings.
3 This doctrine “applies where a claim is originally cognizable in the courts, and comes into play
4 whenever enforcement of the claim requires the resolution of issues which, under a regulatory
5 scheme, have been placed within the special competence of an administrative body; in such a
6 case the judicial process is suspended pending referral of such issues to the administrative body
7 for its views.” *U.S. v. Western Pac. R. Co.* 352 U.S. 59, 64, 77 S.Ct. 161 (1956). Plaintiff
8 contends that the crux of this case hinges on an interpretation of telecommunications law, and as
9 the FCC is charged with regulating telecommunications, that agency must issue its interpretation
10 before proceedings can continue in this court.

11 Primary jurisdiction is a prudential doctrine, and as such it is a matter of discretion for this
12 court. *Syntek Semiconductor Co., Ltd. v. Microchip Technology Inc.* 307 F.3d 775, 780-81 (9th
13 Cir. 2002). The doctrine is most often invoked upon “the need to resolve an issue” that “requires
14 expertise” of an agency *U.S. v. General Dynamics Corp.*, 828 F.2d 1356, 1362 (9th Cir. 1987).
15 Courts may invoke the doctrine if a claim “requires resolution of an issue of first impression, or
16 of a particularly complicated issue that Congress has committed to a regulatory agency.” *Brown*
17 *v. MCI WorldCom Network Services, Inc.* 277 F.3d 1166, 1172 (9th Cir. 2002). Because the
18 primary jurisdiction doctrine is discretionary, courts will weigh “the advantages of applying the
19 doctrine against the potential costs resulting from complications and delay.” *National*
20 *Communications Ass'n, Inc. v. American Tel. and Tel. Co.* 46 F.3d 220, 223 (2nd Cir. 1995),
21 *citing Ricci v. Chicago Mercantile Exchange*, 409 U.S. 289, 321 (1973) (Marshall, J, dissenting).
22 In deciding whether to stay this case, then, this court must evaluate four criteria: whether the
23 issues Plaintiff has presented to the FCC require resolution before this case can proceed, whether
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1 they are matters of first impression for this court, whether they are so complicated that the FCC
2 would be the better agency to adjudicate them, and whether the benefits of granting a stay
3 outweigh the harm of a delay. *See generally, National Communications Ass'n, Inc.* 46 F.3d at
4 223.

5 **A. The Issue Before the FCC Is Not Central to this Case**

6 Primary jurisdiction is “not designed to ‘secure expert advice’ from agencies ‘every time
7 a court is presented with an issue conceivably within the agency's ambit.’ ” *Clark v. Time*
8 *Warner Cable*, 523 F.3d 1110, 1114 (9th Cir. 2008), *citing Brown*, 277 F.3d at 1172. Rather, the
9 doctrine is only invoked when a central issue in a case *requires* resolution by an administrative
10 agency. *Id.*; *see also CSX Transp. Co. v. Novolog Bucks County* 502 F.3d 247, 253 (3rd Cir.
11 2007) (agency’s “expertise, while helpful, would not have been crucial to the determination of
12 the issues”). A stay is therefore appropriate in this case only if resolution of the issue before the
13 FCC (whether Plaintiff was compliant with FCC regulations so as to establish lawful prior use) is
14 crucial to the determination of this case. Because prior use is only one of a many considerations
15 that may arise in this case, a stay is not appropriate here.

16 Plaintiff’s suit asks this court to declare that Plaintiff’s use of *tata-telecom.com* is not
17 unlawful under the Lanham Act, 15 U.S.C. § 1051, *et seq.* Specifically, Plaintiff seeks a
18 declaration that use of *tata-telecom.com* is not contrary to the provisions of 15 U.S.C. § 1125(d),
19 which are aimed at cyberspiracy prevention. Section 1125(d) allows for civil liability for those
20 who use a mark that is “identical or confusingly similar” or “dilutive” of a mark that is already
21 “distinctive” or “famous” in connection with a domain name. 15 U.S.C. § 1125(d)(1)(A). In
22 order to be liable under the statute, the person using the disputed mark in a domain name must
23 have a “bad faith intent to profit from that mark.” *Id.* Part (B) of §1125(d) lists nine factors a
24 court may take into consideration for a bad faith determination, including fair use, the “intent to

1 divert consumers,” the “provision of misleading contact information,” the “extent to which the
2 mark... is or is not distinctive and famous,” and the “prior use, if any, of the domain name in
3 connection with the bona fide offering of any goods or services.” 15 U.S.C. § 1125(d)(1)(B)(i).

4 This list of considerations is non-exhaustive.

5 Prior use, then, is one of a number of factors a court may take into account in determining
6 liability under §1125(d). The Ninth Circuit has determined that lawfulness is a prerequisite to
7 establish prior use. *CreAgri*, 474 F.3d at 630. Thus while Plaintiff’s lawful prior use of *tata-*
8 *telecom.com* is a consideration that may be taken into account in determining whether Plaintiff is
9 liable under the Cyberpiracy Act, it is just one of many—it is not the sole dispositive issue.

10 Defendant’s counterclaims involve the prior use issue to an even lesser extent. The
11 counterclaim under cyberpiracy prevention requires consideration of prior use to the extent
12 described above. 15 U.S.C. § 1125(d). Defendant’s other counterclaims all center on whether
13 Plaintiff’s use of *tata-telecom.com* was likely to confuse or mislead the public. The claim for
14 infringement of a registered trademark involves imitation of a mark where “such use is likely to
15 cause confusion, or to cause mistake, or to deceive.” 15. U.S.C. §1114. Plaintiff could
16 potentially invoke priority of use to defend this counterclaim by claiming that Plaintiff was the
17 first to establish the trademark in connection with the telecommunications industry. *See, e.g.*,
18 *Sengoku Works*, 96 F.3d at 1219 (“To acquire ownership of a trademark it is not enough to have
19 invented the mark first or even to have registered it first; the party claiming ownership must have
20 been the first to actually use the mark in the sale of goods or services”). However, Defendant
21 has asserted that it has established use of the “tata” name in a number of industries around the
22 world and in the United States long before 2002. Dkt. 9 at 6-14. If these assertions are true, even
23 if Plaintiff establishes that it was first to use *tata-telecom.com* or the “tata” name in connection
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1 with telecommunications, such use could still deceive or cause confusion or mistake in relation
2 to Defendant's use of "tata" elsewhere.

3 Defendant's other counterclaims involve priority of use on a similarly tangential basis. 15
4 U.S.C. § 1125(a) establishes civil liability where person's use of a mark is "likely to cause
5 confusion ... as to the affiliation, connection, or association of such person with another person."
6 *Id.* Unfair competition claims similarly hinge on causation of confusion. *See, e.g., Twin Peaks*
7 *Productions, Inc. v. Publications Intern.*, 778 F. Supp. 1247 (S.D. N.Y. 1991) ("the essence of
8 unfair competition ... is the bad faith misappropriation of the labors and expenditures of another
9 likely to cause confusion or to deceive purchasers as to the source of the origin of goods")
10 (internal citations omitted), *decision aff'd in part and vacated in part on other grounds*, 996 F.2d
11 1366 (2d Cir. 1993). The Washington Consumer Protection Act also focuses on deception of the
12 public. RCW 19.86.020 ("unfair or deceptive acts or practices in the conduct of any trade or
13 commerce are hereby declared unlawful"). For each of these three claims, as for the cyberpiracy
14 claim, Plaintiff may try to invoke priority of use as a defense. However, the central issue for
15 each claim is whether Plaintiff's use of *tata-telecom.com* was confusingly similar to any of
16 Defendant's "tata" marks, despite the possibility that Plaintiff may have been first to use "tata"
17 specifically in connection with telecommunications.

18 Defendant's common law trademark counterclaim is the most likely of all claims in this
19 case to involve prior use, because establishing ownership of the trademark is the central issue in
20 that claim. *See, e.g., DSPT Intern., Inc. v. Nahum*, 624 F.3d 1213 (9th Cir. 2010) ("ownership of
21 common law trademark is obtained by actual use of a symbol to identify the goods or services of
22 one seller and distinguish them from those offered by others") (internal citations omitted).
23 However, the common law trademark claim is just one of many in this case. The other claims
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1 may involve priority of use as a defense but ultimately these issues may be decided on other
2 grounds; namely, whether Plaintiff's use, lawful or no, of "tata" in connection with its services
3 was confusingly similar to Defendant's "tata" marks.

4 Plaintiff insists that Defendant has made the compliance issue "the lynchpin of its case."
5 Dkt. 46 at 4. However, Defendant has yet to raise the compliance issue in a formal motion or
6 pleading before this court.³ Plaintiff points to numerous emails and correspondence with Defense
7 counsel concerning the legality issue (*id.*), but Plaintiff has failed to demonstrate exactly how the
8 compliance issue now before the FCC is so central to the resolution of this case that this court
9 must wait for an FCC determination before proceeding. Further, even if the lawfulness issue
10 does arise during the course of this litigation, this court is amply capable of making an
11 appropriate determination of the issue should it become necessary, as set forth below.

12 **B. The Issue Before the FCC is Not One of First Impression, Nor is it Unusually
13 Complicated**

14 This case need not be stayed pending an FCC determination on the lawfulness of
15 Plaintiff's business activities because this court is competent to determine that issue. Primary
16 jurisdiction is not invoked for a legal question that is "within the conventional competence of the
17 courts," when all a court must do is apply regulatory "standards to the facts of the particular
18 case." *Goya Foods, Inc. v. Tropicana Products, Inc.* 846 F.2d 848, 853 (2nd Cir. 1988) (internal
19 citations omitted). Previous courts have been faced with trademark disputes involving the
20 interpretation of administrative law. *See, e.g. CreAgri, Inc. v USANA Health Sciences, Inc.*, 474
21 F.3d 626 (9th Cir. 2007). For example, in *CreAgri*, the court determined whether a party was
22 compliant with the Food, Drug, and Cosmetic Act and whether non-compliance barred that party

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24 ³ Defendant has raised the affirmative defense of the doctrine of unclean hands, but in that defense does not point to any specific allegations. Dkt. 9 at 5.

1 from establishing priority of use of a mark. *Id.* at 633-634. Similarly, this court should have no
 2 problem determining whether Plaintiff was compliant with the provisions of §214 of the FCA.

3 Neither party has asserted that this is an issue of first impression, though Plaintiff claims
 4 that the questions it has presented to the FCC are in an “unsettled and uncertain regulatory
 5 environment.” Dkt. 38 at 4. To the contrary, the question of lawfulness seems to be rather a
 6 simple matter of application of the facts of Plaintiff’s case to the existing regulations. This
 7 practice is not unusual for the judiciary, even in the realm of telecommunications. The courts
 8 have often interpreted FCC regulations and would be able to do so here. *See, e.g. AT&T Corp. v.*
 9 *City of Portland*, 216 F.3d 871 (9th Cir. 2000) (finding that a party was subject to the obligations
 10 of a common carrier as regulated by the FCC).⁴

11 **C. The Balance of Hardships Weighs Against Granting a Stay**

12 A party requesting a stay must make a strong showing of hardship “if there is even a fair
 13 possibility that the stay for which he prays will work damage to some one [sic] else.” *Landis v.*
 14 *North American Co.*, 299 U.S. 248, 255, 57 S.Ct. 163, 81 L.Ed. 153 (1936). In a trademark
 15 dispute such as this, delay weighs heavily against a stay because the parties risk accruing
 16 damages. *Rhoades v Avon Products, Inc.*, 504 F.3d 1151, 1164 (9th Cir. 2007); *see also Goya*
 17 *Foods, Inc. v. Tropicana Products, Inc.*, 846 F.2d 848, 853-54 (2nd Cir. 1988) (In an
 18 infringement suit, “the interest in prompt adjudication far outweighs the value” of waiting for an

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 20 ⁴ The application of these regulations may involve questions of policy, as plaintiff points out (Dkt. 38 at 7), and
 21 primary jurisdiction may be invoked to make decisions that implicate public policy. *Davel Communications, Inc. v.*
 22 *Qwest Corp.* 460 F.3d 1075, 1088 (9th Cir. 2006) (“Where the issues raised by a complaint necessarily implicate
 23 policy concerns requiring application of the primary jurisdiction doctrine, a federal court *may*” grant a stay)
 24 (emphasis added). However, the questions before the FCC, even if they involve policy issues, are tangential to the
 resolution of the case before this court (as discussed *supra*). The court in *Davel* found it necessary to invoke
 primary jurisdiction because it could not determine the correct interpretation of FCC regulations “*without*
 addressing... questions of policy best left to the FCC.” 460 F.3d at 1089 (emphasis added). In the present case, this
 court is able to proceed without an FCC determination and moreover is capable of interpreting FCC regulations
 should such interpretation become necessary.

1 administrative determination). Plaintiff continues to make use of the *tata-telecom.com* domain
2 name during the pendency of this proceeding; it has already been more than a year and a half
3 since the WIPO ordered Plaintiff to relinquish the name to Defendant. In the event Defendant
4 prevails, a stay would prolong the period of confusion for Defendant's customers and the public.
5 Plaintiff has not demonstrated a sufficiently strong showing of hardship to justify this potential
6 damage to Defendant.

7 Further, there is no indication of when the FCC will actually make a decision on
8 Plaintiff's petition.⁵ A stay of proceedings is generally inappropriate if the delay will be
9 indefinite. *Dependable Highway Exp., Inc. v. Navigators Ins. Co.* 498 F.3d 1059, 1066 (9th Cir.
10 2007). Only a particularly strong justification will warrant an indefinite stay. *Yong v. I.N.S.* 208
11 F.3d 1116, 1119 (9th Cir. 2000). No such justification is preset here.

12 Finally, as Defendant points out, the longer this case is delayed, "the further memories
13 fade, documents are misplaced, and witnesses become unavailable." Dkt. 43 at 8. The need to
14 mitigate damages, to clarify this trademark dispute for the public, and to preserve evidence
15 weighs against granting a stay in this instance.

16 Plaintiff asserts that if this trial goes forward, there is a risk that a decision on the
17 lawfulness issue in this court will conflict with the FCC's determination. Dkt. 38 at 9. The
18 primary jurisdiction doctrine is often used to avoid judicial conflict with administrative agencies.
19 *Davel*, 460 F. 3d at 1090. There is some risk that this court could make a decision regarding
20 Plaintiff's compliance with FCA and that the FCC could later make a contrary determination on

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22 ⁵ The FCC released its Public Notice in this matter on March 30, 2011, and has scheduled all briefing to be
23 complete by May 16, 2011. Dkt. 51-1 at 1. Plaintiff notes, citing examples, that the FCC may issue an order as soon
24 as one year after the public notice date (Dkt. 54 at 2) while Defendant points to petitions still pending for more than
5 years. Dkt. 52 at 1. At its earliest, the FCC could issue its determination in March of 2012-- two and a half years
after Plaintiff filed its complaint.

1 the same issue. If that happened, Plaintiff could be prejudiced. However, given that the
2 compliance issue is not unusually complex, the risk that this court's decision will conflict with
3 the FCC's is minimal. *See National Communications Ass'n, Inc. v. American Tel. and Tel. Co.*,
4 46 F.3d 220, 223 (2nd Cir. 1995) ("This presents a unique and narrow factual dispute that poses
5 no risk of inconsistent interpretations"). In short, the small risk of harm to Plaintiff is
6 outweighed by the certainty of prejudice to Defendant and to the public if the stay were granted.

7 **IV. CONCLUSION**

8 There is no need to further delay this case for an issue that may be decided by this court.
9 Even if Plaintiff's compliance with §214 of the Federal Communications Act and status for
10 priority of use becomes relevant, this court is amply capable of applying the facts of this case to
11 make that compliance determination. Furthermore, any advantage of waiting for an FCC
12 determination is outweighed by the costs of a delay.

13 Having reviewed the relevant pleadings, the declarations and exhibits attached thereto,
14 and the remainder of the record, the Court hereby finds and ORDERS:

15 (1) Plaintiffs' Motion to Stay (Dkt. 38) is DENIED.

16 (2) The Clerk is directed to forward a copy of this order to all counsel of record.

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19 Dated this 26th day of May 2011.

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22 **RICARDO S. MARTINEZ**
23 **UNITED STATES DISTRICT JUDGE**
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