

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

Arrow Trading Co, Inc.,

Opposer,

v.

Victorinox, A.G. and Wenger, S.A.,

Joint Applicants.

Opposition No. 103,315

Attorney Docket No. 7594-016-999

APPLICANTS' OPPOSITION TO OPPOSER'S
MOTION TO ADD PARTIES

Applicants, Victorinox, A.G. and Wenger, S.A. submit the following memorandum in opposition to Opposer's motion to amend the Notice of Opposition to add two parties.

I. SUMMARY OF ARGUMENT

After seven years of proceedings, after cross-motions for summary judgment that addressed in depth the issue of standing, after completion of trial and submission of trial briefing, and after final argument, Opposer effectively concedes it lacks standing and so seeks to join as parties two individuals, Mark and Jack Dweck, whom it suggests might have a better basis to oppose. Although styled as a motion to amend under Fed.R.Civ.P. Rule 15(b), no trial evidence

CERTIFICATION UNDER 37 C.F.R. 1.10

I hereby certify that this paper is being deposited with the United States Postal Service as Express mail, label No. EV327493130US in the envelope addressed to: Commissioner for Trademarks, 2900 Crystal Drive, Arlington, Virginia 22202-3514, on May 28, 2003

Jacqueline M. Lesser
(Name)


(Signature)

(Reg. No.)

May 28, 2003
(Date of Signature)

supports Opposer's contention that either individual has any better basis to establish standing than does Opposer. To the contrary. Rule 15(b) presumes that admissible record trial evidence justifies an amendment of the pleadings to *conform to* that evidence; yet Opposer makes no pretense that any evidence concerning the interest(s), if any, of Mark or Jack Dweck was presented at trial here. The motion simply asks the Board to accept on faith that there was some assignment to the brothers in 1993. But that assignment, if it in fact occurred, is nowhere demonstrated. Neither brother testified at trial, and if either has any genuine interest in this proceeding, nothing in the record reveals what that interest might be.

Any amendment to add the brothers thus would be futile, since the Dweck brothers are no better able than the named Opposer, Arrow Trading Co., Inc., to satisfy the opposer's burden of proving a concrete, non-hypothetical interest to warrant opposition - a burden this Board recently addressed in *Nobelle.com LLC v. Quest Communications Int'l. Inc.*, 66 U.S.P.Q.2d 1300, 1303 (T.T.A.B. 2003). Indeed, the only evidence, which is unrebutted, is that Opposer's business dissolved as a matter of fact in 1993 and as a matter of law in 2000. (App. Not. Rel. Ex. J.) Opposer put in no evidence in its case in chief or in rebuttal to prove it or any other associated entity, including either Dweck brother, has a concrete and legally cognizable interest in this proceeding, or that any party has succeeded to whatever possible interest Opposer may have claimed before its *de facto* or *de jure* dissolution.

The issue of standing was extensively briefed in the parties' 1997 cross-motions for summary judgment and thus has been directly in issue for at least five years. Opposer can hardly contend it was unaware of the issue, yet it offered no evidence at trial (including in its rebuttal period after Applicants submitted proof of Opposer's lack of standing), to prove that it - much

less Mark or Jack Dweck - had any basis to sustain *its burden* of showing that it has any genuine interest in this proceeding (now or at any time since it filed its Notice of Opposition in 1996). See *Nobelle.com* 66 U.S.P.Q.2d at 1304. There is no evidence that either brother succeeded to any claimed interest of Opposer after (or before) the proceeding commenced and no evidence that either brother (in his own name) has ever used the name "Swiss Army" or anything like it to market pocket knives.

Opposer also bases the motion under Fed.R.Civ.P. Rule 21, for joinder, not Fed. R. Civ. P. Rule 25(c) ("transfer of interest"). However, absent some transfer of interest, which has not been shown, the time to join parties has long-since expired under Trademark Rules of Practice Rule 2.102. Opposer nowhere mentions Rule 2.102 or shows how the motion can be reconciled with the time constraints imposed by the rule. Indeed, that Opposer moves under Rule 21 rather than Rule 25 is consistent with and tends to confirm there has been no demonstrable transfer of any relevant rights.

This motion, after the close of discovery and trial, and after final argument, is thus, untimely; is supported by no evidence and simply reveals Opposer's own awareness that the record evidence proves Opposer itself will not be harmed by registration of the subject mark and, indeed, is incapable as a matter of law of being harmed by registration. To allow the amendment now would be either futile (since it is supported by no evidence) or prejudicial to Applicants. Opposer itself acknowledges that the brothers could, if they wish, petition to cancel registration even if they are not permitted to join this proceeding at this late date.

II. ARGUMENT

A. Opposer's Motion Is Supported By No Evidence.

Although Opposer's motion purports to be brought under Fed. R. Civ. P. 15(b) and TBMP § 507.03, which permit amendment to *conform* to the evidence presented at trial, there is no conforming evidence supporting the proposed amendment. What the only evidence of record shows is that in 1992 and 1993 Opposer sold at most 8,000 Chinese-made knives (which it purchased for \$1.36 each) (Appl. Not. Rel. L; Dweck Tr. 80-86; 119-20, 127; Dweck Ex. 4 at pp 5-7; Dweck Ex. 11). There were no previous sales and have been no further sales of such knives in the ensuing ten years. Opposer concedes it closed its doors and ceased all business in 1993 (Opp. Reply Trial brief at 8). Opposer did not offer any evidence or call a single witness (including either brother it now wishes to add as a party) to identify what interest Opposer (or possibly either brother, collectively or individually) has in this case. To the contrary, all the record shows is that Opposer ceased doing business at the end of 1993 (Appl. Not. Rel. Ex. L; Dweck Tr. 11, 119-120, 127), well before this Opposition was commenced in 1996. After 1993, it had no offices, no assets and made no sales (Appl. Not. Rel. Ex. L; Dweck Tr. 10-12). There is no record evidence of what became of the assets it may have had or of any relationship Arrow Trading may have had with alleged "successors" referred to in Opposer's motion. Nor is there any evidence either brother or any affiliated company has sold any relevant products at any time before or after 1993.

Although Opposer states in its motion papers that there was an arbitration and some assignment of rights to Mark Dweck and Jack Dweck, the trial record contains no evidence of either. Nor does the record reveal what interest the two individuals purport to have in this dispute

now. There is no record evidence of the current status of the alleged entities named in the motion papers, Arrow Trading Group, Classic Knife Corporation, Archer Worldwide, Ltd. or International Branded Cutlery, or what relationship, if any, they might have (now or at any time in the past ten years) to the named Opposer.¹ Rather, what Opposer's motion reveals is its tacit acknowledgement that Opposer itself indeed does not have standing, and that if this proceeding could properly be maintained by anyone, it would not be Opposer.

Indeed, it is remarkable that Opposer now asserts (Motion at 2) that "by the time the present Opposition was filed in 1996, *Applicants* were already well aware of the status of Arrow and its shareholders." (Emphasis added.) Laying aside that the supposed basis for this knowledge is litigation to which Applicants were not parties, if the status of Opposer was so clear by 1996, it should certainly have been clear to Opposer (or the other individuals allegedly affiliated with Opposer who now wish to be joined as parties). Movant does not identify on what basis the duty falls to Applicants to identify a possibly proper party to the proceeding. To the contrary, as the Board very recently confirmed, it is an opposer's burden to establish standing; it is not an affirmative defense, but, rather, an essential element of the opposer's case which, if not proven at trial, defeats opposer's claim. *Nobelle.com LLC*, 66 U.S.P.Q.2d at 1303 (opposer lacked standing where it was not actually engaged in the manufacture or sale of the same or related goods).

¹ Indeed, Opposer's motion creates only new ambiguity as to the relationships among the Dweck brothers and these corporate entities (who do *not* seek to be added) as to which entity or entities could possibly claim to have a genuine commercial interest, if any, in the name "Swiss Army" or on what grounds. Indeed, if the brothers were doing business through the corporate entities, and if the corporate entities had made any sales of any relevant products (which has not been shown), it would presumably be the corporate entities, not the individuals, with the greater commercial interests.

The only evidence of record here is that the named Opposer is long dissolved (in fact and now at law) and that no sales of any relevant goods have been made by anyone in ten years. It is not at all clear to Applicants even now what are the relationships among Opposer and the individuals and entities named in the present motion or by what means the two individuals who actually request joinder could prove standing even if an amendment were allowed. All that is clear is Opposer's acknowledgement that at least *it* knew as of the time it filed the Notice of Opposition that it no longer had any interest in the outcome of this proceeding, and nonetheless proceeded in its name only.

Equally curious is Opposer's statement (Brief at 2) that as a result of the undocumented arbitration referred to in the motion, Mark and Jack Dweck purportedly "were given the right to sell Swiss Army knives." Opposer's trial brief (at 9) and reply brief (at 8-9) similarly argued (without any record citation) that the brothers' consider themselves as holding some "asset" in the "Swiss Army" name. Laying aside that Opposer was enjoined from using the trademark SWISS ARMY in 1993 and has made no use of the name (except in connection with a 1993 promotional video for "Classic Swiss Army" knives (Appl. Not. Rel. Ex. L; Dweck Ex. 18) that earned Opposer a contempt citation (Appl. Not. Rel. Ex. L; Dweck Ex. 21)), Opposer's motion calls attention to the fact that the only claimed interest any entity or individual associated with Opposer purports to claim is some *proprietary* right in the name SWISS ARMY. That position is fundamentally inconsistent with Opposer's main argument in opposing registration that the name

is in the public domain, free for all to use. And of course, there is no evidence in the record of this supposed transfer of rights in the name "Swiss Army."²

B. Additional Parties Should Not Be Joinded Under Rule 21

Fed.R.Civ.P. Rule 21 simply permits a Court to maintain an action despite misjoinder or nonjoinder, and thus, provides the Court with the discretion to add or drop parties "on such terms as are just." However, in so ordering, a court must consider whether such order of joinder would prejudice any party, or result in delay. See 4 James Wm.Moore *et al Moore's Federal Practice* § 21.01 Most commonly an order under Rule 21 corrects a plaintiff's failure to join a necessary or indispensable party pursuant to Fed. R. Civ. P. Rule 19. See 4 James Wm.Moore *et al Moore's Federal Practice* § 21.01 [1] (3d ed. 2001). There is no record evidence that either Jack or Mark Dweck are "necessary parties." To the contrary, there are no supporting facts that either has a legitimate interest in these proceedings. Indeed, even Opposer concedes their presence is not required for full adjudication but, rather, acknowledges the brothers could independently seek cancellation in a later proceeding. Nor does Opposer seek to substitute the brothers as purported transferees under Fed.R.Civ.P. Rule 25, thus underscoring that they are not successors to Opposer. The Board in denying in part the 1997 summary judgment motions declined then to dismiss for lack of standing, because of its then view that there could be evidence of a successorship interest. (Memorandum Decision at 7.) However, Opposer conceded in its trial papers, at oral argument, and now in its motion to amend that no such evidence exists to support

² Opposer made similar claims during final argument. However, Opposer misrepresented to the Board that it wished only to retain time for rebuttal, when in fact it used its entire time for argument after Applicants had argued, thus depriving Applicants of an opportunity to correct this and other erroneous and unsupported statements.

addition of parties under Rule 25. Although Opposer contends that no prejudice would occur if either Dweck were now joined, it ignores that the trial was been completed and discovery long closed. Neither Dweck brother had been deposed as to his individual claim of rights in the proceeding, nor had either testified at trial of rights in this proceeding, or in any way established standing over this action.

C. Joinder Is Untimely Under Trademark Rule 2.102

Trademark Rule 2.102 provides a statutory time period in which to oppose. An additional party cannot merely tack onto this right by later intervening in an action, without having preserved its rights through timely filing of an opposition. Indeed, "[o]nce a timely notice of opposition has been filed, and the time for opposing has expired, the right to pursue the filed case is a right individual to the timely filer. Under certain circumstances, this right may be transferred but it may not be shared." *SDT Inc. v. Patterson Dental Co.*, 30 U.S.P.Q.2D 1707, 1709 (T.T.A.B. 1994). Although Opposer suggests Mark and Jack Dweck share some "right" in the name "Swiss Army", no evidence demonstrates why this is so. Indeed, by moving under Rule 21 rather than Rule 25, Opposer concedes the Dweck brothers can not truly claim to be "transferees" but rather simply wish to "share" in the opposition. Under *SDT Inc.*, any such request is untimely by about seven years.

Opposer argues it would be unfair to require Mark or Jack Dweck to petition to cancel a possible registration of the SWISS ARMY. Laying aside that there is nothing of record that Mark or Jack Dweck, now or in 1996, would have standing to oppose or cancel registration of the Applicants' mark, Opposer's argument of unfairness would similarly apply to any potential opposer who missed the statutory deadline to oppose. Indeed, by Opposer's logic, any party with

an interest in a pending opposition could routinely claim a retroactive right to join that opposition without meeting any statutory requirements. The only unfairness of allowing the addition of parties at this late date would be to Applicants.

D. Opposer's Motion Is Futile

Trademark Rule 2.132(a) provides:

If the time for taking testimony by . . . plaintiff has expired and that party has not taken testimony or offered any other evidence, . . . defendant may . . . move for dismissal on the ground of the failure of the plaintiff to prosecute. . . . [P]laintiff shall have fifteen days from the date of service of the motion to show cause why judgment should not be rendered against him.

To satisfy Rule 2.132(a), it is not enough that the opposer submit some testimony or exhibits -- regardless of form or content. The testimony and exhibits must be competent evidence, properly introduced. "Matters not properly introduced in evidence are not entitled to any consideration". *American Skein & Foundry Co. v. Stein*, 165 U.S.P.Q. 85 (T.T.A.B. 1970) (citing *Osmose Wood Preserving Co. of Am., Inc. v. California Spray Chem. Corp.*, 102 U.S.P.Q. 322 (Comr., 1954)). *Accord Bertram v. Bertram Yacht Corp.*, 172 U.S.P.Q. 189, 190 (T.T.A.B. 1971) ("[I]ncompetent evidence is no evidence at all and is therefore not entitled to be considered in the determination of a motion for judgment").

A proposed amendment to an opposition or cancellation petition should be denied if the amended pleading would be legally insufficient or serve no useful purpose. *See Octocam Systems, Inc. v. Houston Computer Services, Inc.*, 198 F.2d 937 (Fed. Cir. 1990). It is Opposer's burden to show a satisfactory basis for an amended pleading. *See Cresswell v. Sullivan & Cromwell*, 922 F.2d 60, 72 (2d Cir. 1990). Since Opposer identifies no record evidence to prove

what rights the two individuals, Mark and Jack Dweck, may have or what personal use they may have made of the "Swiss Army" name in the last ten years, adding them now would be futile.

III. CONCLUSION

For the reasons stated above, Applicants request that Opposer's motion be denied in its entirety and that the subject mark be passed to registration. Alternatively, if the Board were to allow Mark or Jack Dweck to be added as parties, judgment should be entered against them as well as the named Opposer, Arrow Trading Co., Inc.

Dated: May 28, 2003

Respectfully submitted,

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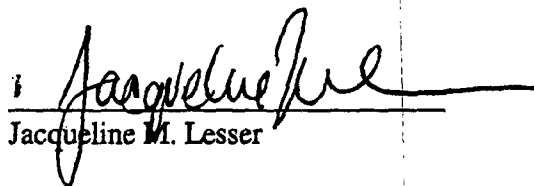
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing **APPLICANTS'**
OPPOSITION TO OPPOSER'S MOTION TO ADD PARTIES has been served by first class
mail upon Joseph Lessem, Esq., an attorney for Opposer, at Gursky & Ederer, 1350 Broadway,
11th Floor, New York, New York 10017, this 28 day of May, 2003.

Dated: May 28, 2003


Jacqueline M. Lesser