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Docket No. 937-47-001

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TRADEMARK

Exhibits

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

In the Matter of Application Serial No. 75/719,474

Published in Official Gazette on March 27, 2001

MING LAU, d/b/a)	
KOWLOON WHOLESALE MARKET)	
Opposer)	
)	
v.)	
)	
WESTERN PACIFIC PRODUCE)	
)	Opposition No. 123,758
Applicant)	

BOX: TTAB
Assistant Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513

APPLICANT'S RESPONSE TO ORDER TO SHOW CAUSE

Applicant WESTERN PACIFIC PRODUCE, ("Applicant") submits the following response to the November 6, 2001 order to show cause from the Trademark Trial and Appeal Board ("Board").

1. Factual Background

Applicant's above referenced mark was found to be entitled to registration and was published for opposition on March 27, 2001. After two requests for an extension of time by Opposer, a Notice of Opposition was filed on July 26, 2001. On August 17, 2001 the Board mailed its discovery and testimony schedule, which indicated that an Answer was due forty days after the mailing date. Applicant was notified of the Notice of Opposition but because of pressing business matters, it did not

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communicate its desire to answer the opposition until October 30, 2001. An answer was immediately filed as evidenced by the return postcard with a filing date of October 30, 2001 (see attached Exhibit "A"). The notice of default was entered against the Applicant on November 6, 2001, seven days after the Applicant filed its answer.

2. Entry of Notice of Default Was Improper

In its order to show cause the Board indicated that because no answer had been filed, and because Applicant did not file a motion to extend its time to answer, notice of default was entered against applicant under Fed. R. Civ. P. 55(a). First, Applicant did file an answer before the entry of default so one of the Board's grounds for entry of the default is not satisfied.

Further, Applicant respectfully submits that this entry of notice of default did not comply with the Fed. R. Civ. P. 55(a), which provides as follows:

When a party against whom a judgment for affirmative relief is sought has failed to plead or otherwise defend as provided by these rules and that fact is made to appear by affidavit or otherwise, the clerk shall enter the party's default.

Entry of default is not automatic and plaintiff (Opposer) must present proof to the court clerk (by affidavit or declaration) that the defendant is "in default". Schwarzer et al., Federal Civil Procedure Before Trial, Defaults §6:36, pp. 6-7 (2001). Before a default will be entered, the court clerk must be satisfied from the request and accompanying documentation of the following: the defendant has been served with a summons, the time allowed by law for responding has expired, and the defendant has failed to file a pleading permitted by law. *First American Bank v. United Equity Corp.* (D DC 19811) 89 FRD 81, 86; *Jacobs v. Tenny* (D De 1970) 316 F.Supp. 151, 165.

It appears that the Opposer did not file a request or affidavit to support an entry of default. Further, Applicant did make an appearance by an answer before the notice of default was entered. The answer was accepted and filed by the board and accordingly, the Applicant did file a pleading in this matter before entry of notice of default. Applicant respectfully requests that the entry of default was improper and should be vacated.

3. **Entry of Judgment of Default would be Improper Without an Affidavit or Application From the Opposer**

Applicant respectfully submits that an entry of judgment of default would be improper as failing to comply with the clear language of Fed. R. Civ. P. 55(b), which provides:

(b) **Judgment.** Judgment of default may be entered as follows:

- (1) **By the Clerk.** When the plaintiff's claim against the defendant is for a sum which can by computation be made certain, the clerk upon request of the plaintiff and upon affidavit of the amount due shall enter judgment . . .
- (2) **By the Court.** In all other cases the party is entitled to a judgment by default shall apply to the court therefor; . . .

It appears as though the Opposer has not filed a request for judgment of default or affidavit as require under section (a) and has not filed application for entry of default under section (b). Accordingly, it would be improper for the Board to enter a judgment of default under this section.

4. **Good Cause Exists for the Board to Set Aside the Entry of Default**

Applicant was notified of the Notice of Opposition and thereafter engaged in an assessment of whether to answer the opposition it light of the cost and inconvenience of such proceedings. Due to the press of business Applicant was not paying close attention to the due dates for the answer and failed to give its approval to proceed with the answer before the due date passed. When Applicant became aware that its answer was past due it immediately filed its answer.

Applicant respectfully submits that good cause exists to set aside the entry of default based on Applicant's excusable neglect. What constitutes "excusable" neglect is basically an equitable determination by the court. The court has discretion to determine whether "equitable considerations" excuse a party's failure to follow applicable rules. "Excusable neglect has a new and broader meaning in the aftermath of the Supreme Courts (Pioneer) decision." *Robb v. Norfolk & Western Ry. Co.* (7th

Serial No. 75/719,474

Cir. 1997) 122 F3d 354, 361. Some of the considerations include: danger of prejudice to other party, length of delay, and whether the Applicant acted in good faith.

There is no danger of prejudice to the applicant. The length of delay was only 30 days. Applicant acted in good faith by filing an answer as soon as it discovered that the answer was overdue. These facts in addition to the fact that the Applicant filed its answer before the entry of notice of default, supports a showing of good cause to set aside the entry of default.

Based on the above, the Applicant respectfully requests that the entry of default be vacated.

Respectfully submitted,
KOPPEL & JACOBS

Dated: December 6, 2001

By 

JAYE G. HEYBL
Attorney for Applicant

KOPPEL & JACOBS
555 St. Charles Drive, Suite 107
Thousand Oaks, California 91360
(805) 373-0060

Serial 75/719,474 Docket No 937-47-001

Client WESTERN PACIFIC PRODUCE

Applicant WESTERN PACIFIC PRODUCE

Title MING LAU V. WESTERN PACIFIC PRODUCE



On 10-30-01, we mailed:

10-30-2001

U.S. Patent & T.O. TM Mail Rcpt Dt. #74

1. ANSWER

The PTO received the above on the date stamped on this card.

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Assistant Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513

ANSWER

Applicant WESTERN PACIFIC PRODUCE, ("Applicant") for itself alone, answers the Notice of Opposition ("Opposition") of MING LAU, d/b/a KOWLOON WHOLESALE MARKET ("Opposer") as follows:

Answering the preliminary paragraph of the Opposition, Applicant denies that Opposer will be damaged in any way by the registration of the mark KOWLOON shown in Serial No. 75/719,474. Applicant lacks sufficient knowledge or information to form a belief as to the truth of the remaining allegations in said paragraph and on that basis denies the same.

1. Answering paragraph 1 of the Opposition, Applicant lacks sufficient knowledge or information to form a belief as to the truth of the allegations therein, and on such basis denies the same.

2. Answering paragraph 2 of the Opposition, Applicant lacks sufficient knowledge or information to form a belief as to the truth of the allegations therein, and on such basis denies the same.

3. Answering paragraph 3 of the Opposition, Applicant denies its Application Serial No. 75/719,474 recites any "services". Applicant admits that the "goods" recited in the subject application are "fresh produce, namely fruits and vegetables" in International Class 31.

4. Answering paragraph 4 of the Opposition, Applicant denies that the goods under its KOWLOON mark are closely related to services provided by the Opposer in that Opposer's use of the KOWLOON, if any, is as a trade name and is strictly related to retail markets. Applicant further denies that Opposer uses the KOWLOON name on any products and again denies that Applicant's Application Serial No. 75/719,474 recites any "services".

5. Answering paragraph 5 of the Opposition, Applicant denies that there is any actual confusion or likelihood of confusion, and Applicant further denies that there are any overlapping goods and services.

6. Answering paragraph 6 of the Opposition, Applicant denies that there is no issue of priority and further denies that it filed an intent-to-use applicant on June 2, 1999. The application was filed as an actual use claiming a date of first use in commerce and interstate commerce of January 2, 1995. Applicant lacks sufficient knowledge or information to form a belief as to the truth of when, if ever, Opposer used KOWLOON in commerce, and on such basis denies the same.

7. Answering paragraph 7 of the Opposition, Applicant denies that there is a likelihood that customers and prospective customers will be confused as to the source of the respective goods and services of Applicant and Opposer and Applicant further denies that Opposer has used the KOWLOON mark in relation to any goods or services..

8. Answering paragraph 8 of the Opposition, Applicant denies that registration on the Principal Register of its KOWLOON mark depicted in Application Serial No. 75/719,474, will cause injury and damage to the Opposer.

AFFIRMATIVE DEFENSES

1. As a separate and affirmative defense to the Opposition, Applicant alleges that the opposition fails to state facts sufficient to constitute a claim for relief against Applicant.

2. As a further separate and affirmative defense to the Opposition, Applicant alleges that Opposer has waived and is barred from alleging the matters set forth in the Opposition.

3. As a further separate and affirmative defense to the Opposition, Applicant alleges that there is no likelihood of confusion either as to source, sponsorship of affiliation between Applicant's goods and Opposer's trade name..

4. As a further and separate affirmative defense to the Opposition, Applicant alleges that the claim for relief in the Opposition is barred by the privilege of fair competition.

5. As a further and separate affirmative defense to the Opposition, Applicant alleges that the Opposition is barred in whole or in part by the doctrine of estoppel.

6. As a further and separate affirmative defense to the Opposition, Applicant alleges that the Opposition is barred in whole or in part by the doctrine of laches.

7. As a further and separate affirmative defense to the Opposition, Applicant alleges that the Opposition is barred in whole or in part by the doctrine of Acquiescence.

8. As a further and separate affirmative defense to the Opposition, Applicant alleges that the claim for relief set forth in the opposition is barred in whole or in part by an improper assignment or other transfer of Opposer's trade name.

9. As a further and separate affirmative defense to the Opposition, Applicant alleges that the Opposition is barred by Opposer's admitted failure to use or its trade name in interstate commerce.

10. As a further and separate affirmative defense to the Opposition, Applicant alleges that any use of KOWLOON by the Opposition is as a trade name

Serial No. 75/719,474

and that the Opposition is barred because the Opposer has no enforceable trademark or service mark rights in KOWLOON.

WHEREFORE, Applicant WESTERN PACIFIC PRODUCE prays for judgment as follows:

1. That the Opposition be denied; and
2. That its application for registration be accepted.

Respectfully submitted,
KOPPEL & JACOBS

Dated: October 30, 2001

By 

JAYE G. HEYBL
Attorney for Applicant

KOPPEL & JACOBS
555 St. Charles Drive, Suite 107
Thousand Oaks, California 91360
(805) 373-0060

I certify that a copy of the foregoing ANSWER was mailed first class mail, postage pre-paid to LAWRENCE A. MAXHAM, THE MAXHAM FIRM, 750 B Street, Suite 300, San Diego, CA 92101.

Dated: 10/30/01

Marianne Middleton
Marianne Middleton

PROOF OF SERVICE

STATE OF CALIFORNIA

COUNTY OF VENTURA

I am employed in the County of Ventura, State of California. I am over the age of 18 years and not a party to the within action. My business address is 555 St. Charles Drive, Suite 107, Thousand Oaks, California 91360.

On December 6, 2001, I caused to be served the attached document, **APPLICANT'S RESPONSE TO ORDER TO SHOW CAUSE** on the above action by placing a true copy thereof enclosed in a sealed envelope addressed as follows.

Lawrence A. Maxham
THE MAXHAM FIRM
Symphony Towers
750 "B" Street, Suite 3100
San Diego, California 92101

BY MAIL I caused such envelope with postage thereon fully prepaid to be placed in the United States mail at Thousand Oaks, California.

BY FAX I caused the attached document to be transmitted by facsimile transmission to the offices of the addressee.

BY FEDERAL EXPRESS I caused such envelope to be deposited in a mailbox, substation, mail chute or other like facility regularly maintained by Federal Express for receipt of Federal Express packages, in a sealed envelope fully prepaid.

BY PERSONAL SERVICE I caused such envelope to be delivered by hand.

Executed on December 6, 2001, at Thousand Oaks, California

FEDERAL I declare that I am employed in the office of a member of the bar of this Court at whose direction the service was made.


MARIANNE MIDDLETON