

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

SAKATA RICE SNACKS AUSTRALIA PTY LTD.,

Opposer,

v.

SESMARK FOODS, INC.,

Applicant.



08-26-2002

U.S. Patent & TMO/TM Mail Rpt Dt. #39

Opposition No.: 124,245

08 AUG 30 AM 12:23

TRADEMARK TRIAL AND APPEAL BOARD

**APPLICANT'S MOTION FOR DISMISSAL AND/OR JUDGMENT
ON THE PLEADINGS FOR PLAINTIFF'S FAILURE TO TAKE TESTIMONY**

Applicant, Sesmark Foods, Inc. (now known as Terra Harvest Foods, Incorporated), by and through its attorneys, hereby moves, pursuant to 37 CFR §2.132(a), for the dismissal of the opposition proceeding, with prejudice, and/or judgment in favor of Applicant on the grounds that the testimony period for the party in the position of plaintiff has closed and Plaintiff/Opposer, Sakata Rice Snacks Australia Pty Ltd. has not taken testimony or offered any other evidence.

Plaintiff/Opposer has the burden of proof of supporting its Opposition, in which it alleged that the trade name SAKATA had become, at and before the time Applicant's application was filed, strongly associated with Plaintiff's company name and goods, and that registration of Applicant's mark will cause damage to Plaintiff/Opposer. Applicant filed an Answer denying these allegations. Plaintiff/Opposer cannot meet its burden due to its failure to take testimony within the allotted time.

Accordingly, the allegations of the Notice of Opposition having been denied by Applicant, the Applicant requests the dismissal of the Opposition, with prejudice, to prevent Applicant from incurring unnecessary expenses.

In support of its motion, Applicant submits the following:

1. Applicant's Memorandum in Support of its Motion for Dismissal and/or Judgment on the Pleadings; and
2. Declaration George H. Kobayashi.

Respectfully submitted,

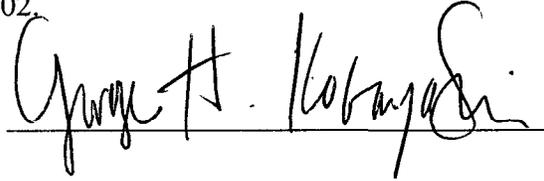
MASUDA, FUNAI, EIFERT & MITCHELL, LTD.

By: Nancy E. Sasamoto
Attorneys for Applicant Sesmark Foods, Inc.
(now known as Terra Harvest Foods,
Incorporated)
Joseph S. Parisi,
Nancy E. Sasamoto,
and George H. Kobayashi
Masuda Funai Eifert & Mitchell, Ltd.
One East Wacker Drive, Suite 3200
Chicago, Illinois 60601
(312) 245-7500

Date: August 26, 2002

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing APPLICANT'S MOTION FOR DISMISSAL AND/OR JUDGMENT ON THE PLEADINGS FOR PLAINTIFF'S FAILURE TO TAKE TESTIMONY was mailed first-class mail, postage prepaid, to Miller Nash LLP, attorneys for the Opposer, this 20th day of August, 2002.



THRB

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Transmitted herewith for filing is Applicant's Motion for Dismissal and/or Judgment on the Pleadings for Plaintiff's Failure to Take Testimony for:

Sakata Rice Snacks Pty Ltd. v. Terra Harvest Foods, Incorporated

Opposition Number: 124,245

TRANSMITTAL LETTER AND CERTIFICATE OF EXPRESS MAILING

To: United States Patent and Trademark Office
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, VA 22202-3513

From: Masuda, Funai, Eifert &
Mitchell, Ltd.
One East Wacker Drive
Suite 3200
Chicago, Illinois 60601-2002

Attn: Duion Walker
Legal Assistant
Trademark Trial and Appeal Board



Enclosed are:

08-26-2002

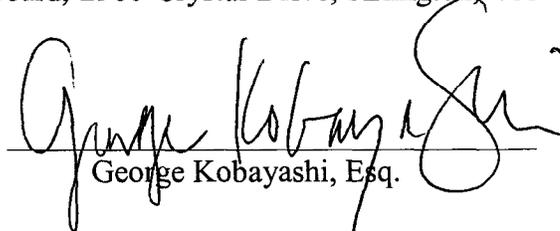
U.S. Patent & TMO/TM Mail Rpt Dt. #39

1. Transmittal letter including Certificate of Express Mailing;
2. One (1) Return Postcard Receipt; and
3. Applicant's Motion for Dismissal and/or Judgment on the Pleadings for Plaintiff's Failure to Take Testimony;
4. Applicant's Memorandum in Support of its Motion for Dismissal and/or Judgment on the Pleadings for Plaintiff/Opposer's Failure to Take Testimony.

CERTIFICATE OF EXPRESS MAILING

I hereby certify the papers listed above are being deposited with the U.S. Postal Service as Express Mail Post Office to Addressee in an envelope addressed to the United States Patent and Trademark Office, Trademark Trial and Appeal Board, 2900 Crystal Drive, Arlington, VA 22202-3513, on the date indicated below.

Express Mail No. is EE543914070US
Date: August 26, 2002

Signature: 
George Kobayashi, Esq.

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



SAKATA RICE SNACKS AUSTRALIA PTY LTD.,

Opposer,

v.

SESMARK FOODS, INC.,

Applicant.

08-26-2002

U.S. Patent & TMO/TM Mail Rcpt Dt. #39

Opposition No.: 124,245

**APPLICANT'S MEMORANDUM IN SUPPORT OF ITS MOTION FOR DISMISSAL
AND/OR JUDGMENT ON THE PLEADINGS
FOR PLAINTIFF/OPPOSER'S FAILURE TO TAKE TESTIMONY**

INTRODUCTION:

Applicant, Sesmark Foods, Inc. (now known as Terra Harvest Foods, Incorporated), by and through its attorneys, has moved, pursuant to 37 CFR §2.132(a), for the dismissal of the opposition proceeding, with prejudice, and/or judgment in favor of Applicant on the grounds that the testimony period for the party in the position of Plaintiff/Opposer has closed and Plaintiff/Opposer, Sakata Rice Snacks Australia Pty Ltd., has not taken testimony or offered any other evidence. Thus, the opposition should be dismissed and a Notice of Allowance should be issued with respect to Applicant's application.

FACTUAL BACKGROUND:

On October 25, 2000, Applicant filed an intent-to-use application for the mark SAKATA, serial number 78/032,358. Notice of Publication under Section 12(a) was issued on August 8, 2001 and the mark was published for opposition on August 28, 2001.

Plaintiff/Opposer filed an intent-to-use application for its SAKATA mark with design on January 4, 2001, serial number 76/189,598. This application was suspended on January 17, 2002.

The Notice of Opposition in this matter was mailed on October 26, 2001. In the Opposition, Plaintiff/Opposer alleges that it adopted and continuously used in United States commerce the word SAKATA as a tradename prior to October 25, 2000. Plaintiff/Opposer admits that Applicant's application was filed prior to the ITU application of Plaintiff/Opposer, but alleges that Plaintiff/Opposer's tradename had become, at and before the time Applicant's application was filed, strongly associated in the United States with Plaintiff/Opposer's company name and its goods.

On January 3, 2002, Applicant filed its Answer denying the allegations of Plaintiff/Opposer regarding its use in the United States; Applicant's alleged knowledge thereof; that the mark was strongly associated in the United States with Plaintiff/Opposer and that the registration of the mark will cause damage to Plaintiff/Opposer.

Plaintiff/Opposer's assigned period for taking testimony-in-chief closed August 12, 2002. During the 30-day testimony period, Plaintiff/Opposer did not offer any evidence or take testimony of any witness. The parties never agreed to the extension of any of the discovery or testimony periods. Plaintiff/Opposer never filed a motion seeking extension of Plaintiff/Opposer's testimony period and never sought Applicant's concurrence to such a motion. (Declaration of George H. Kobayashi, par. 4 and 5). There is no good or sufficient cause for Plaintiff/Opposer's failure to prosecute its case.

ARGUMENT:

Trademark Rule 2.132(a) provides that if the time for taking testimony by any party in the position of Plaintiff/Opposer has expired and that party has not taken testimony or offered any other evidence, any party in the position of defendant may, without waiving the right to offer evidence in the event the motion is denied, move for dismissal on the ground of the failure of the Plaintiff/Opposer to prosecute. 37 CFR 2.132(a). The purpose of Trademark Rule 2.132 is to save the defendant from the expense and delay of presenting evidence and a brief and awaiting a decision if and when it is apparent that Plaintiff/Opposer has dropped the matter or has failed to present a prima facie case. *Litton Business Systems, Inc. v. J.G. Furniture Company, Inc.*, 190 U.S.P.Q. 431, 434 (1976). In *Litton*, the Trademark Trial and Appeal Board held that, “The avoidance of unnecessary expense and delay is not only consonant with Rule 1, FRCP but is mandated thereby.” *Id.*

It is incumbent upon the opposer to timely seek an enlargement of its testimony period. *See, Hewlett-Packard Company v. Olympus Corporation*, 931 F.2d 1551 (Fed. Cir. 1991). In the absence of a showing of good and sufficient cause, judgment may be rendered against the Plaintiff/Opposer. 37 CFR 2.132(a). This requires the opposer to show that its failure to offer evidence or take testimony was occasioned by “excusable neglect.” *See, Grobet File Co. of America Inc. v. Associated Distributors Inc.*, 12 U.S.P.Q. 1649, 1651 (1989).

In *Grobet File Co. of America*, the TTAB denied the opposer’s motion for reconsideration of an order denying its motion to reopen discovery and testimony period and dismissing the opposition with prejudice. The TTAB rejected the opposer’s argument that “it was implicitly understood by and between counsel” that the discovery and trial dates were to be extended by applicant’s motions to extend the time to respond to opposer’s discovery requests.

In fact, the TTAB found that the opposer's own actions demonstrated that opposer was aware of the trial dates and that opposer's failure to take testimony during the time set therefore or to timely move to extend that period cannot be considered to have been occasioned by excusable neglect. *See also, Tel-E-Gift Corporation v. Teleflora Incorporated*, 193 U.S.P.Q. 254 (1976)(judgment entered against petitioner in cancellation proceeding where petitioner failed to take testimony as a result of "communication" problem with client.)

Here, as in *Grobet*, counsel for Plaintiff/Opposer's own words establish that she was aware of the trial dates. In a letter dated July 22, 2002, counsel for Plaintiff/Opposer forwarded documents in response to Applicant's discovery requests and stated, "As I am sure you are aware, Sakata's 30-day testimony period is scheduled to end on August 12, 2002. We cannot assess the need for depositions in this case until we receive Terra Harvest/Sesmark's documents..." (Declaration of George Kobayashi, par. 2. A copy of the July 22, 2002 letter is attached as Exhibit A to the Declaration of George H. Kobayashi). Applicant produced documents to Plaintiff/Opposer's counsel three days later. (See Declaration of George Kobayashi, par. 3 and letter, dated July 25, 2002, of George H. Kobayashi, which is attached as Exhibit B to Mr. Kobayashi's Declaration).

Notwithstanding its knowledge of the trial dates, Plaintiff/Opposer did not file a motion seeking to extend the trial testimony periods or seek Applicant's agreement to such an extension (Declaration of George H. Kobayashi, par. 4 and 5). There is no excusable neglect under these circumstances.

The Opposition should be dismissed and judgment entered in favor of Applicant without requiring it to incur the cost of going forward in a case where Plaintiff/Opposer has no evidence to prove its allegations. In granting motions under Trademark Rule 2.132(a), the TTAB has

recognized that the party in the position of defendant should not be placed in the state of uncertainty that would result from denying its motion on the mere possibility that the TTAB may subsequently take judicial notice of facts which necessitate a defense. *Litton Business Systems, Inc. v. J.G. Furniture Company, Inc.*, 190 U.S.P.Q. at 434. In this case, based on the allegations contained in the Opposition, there are no facts that the TTAB could properly take judicial notice of that would require Applicant to present a defense.

For the above reasons, Applicant's Motion, pursuant to 37 CFR §2.132(a), for the Dismissal of the Opposition Proceeding and/or Judgment in Favor of Applicant should be granted.

Respectfully submitted,

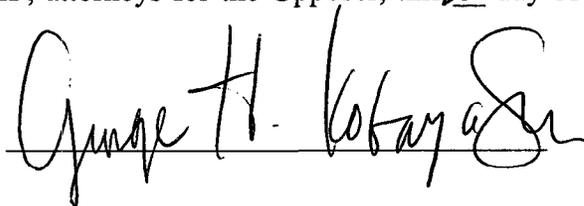
MASUDA, FUNAI, EIFERT & MITCHELL, LTD.

By: Nancy E. Sasamoto
Attorneys for Applicant Sesmark Foods, Inc.
(now known as Terra Harvest Foods,
Incorporated)
Joseph S. Parisi,
Nancy E. Sasamoto,
and George H. Kobayashi
Masuda Funai Eifert & Mitchell, Ltd.
One East Wacker Drive, Suite 3200
Chicago, Illinois 60601
(312) 245-7500

Date: August 26, 2002

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing APPLICANT'S MEMORANDUM IN SUPPORT OF ITS MOTION FOR DISMISSAL AND/OR JUDGMENT ON THE PLEADINGS FOR PLAINTIFF/OPPOSER'S FAILURE TO TAKE TESTIMONY was mailed first-class mail, postage prepaid, to Miller Nash LLP, attorneys for the Opposer, this 20th day of August, 2002.

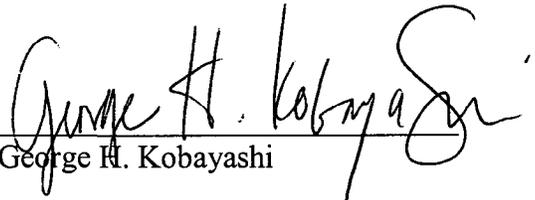
A handwritten signature in cursive script, reading "George H. Kobayashi". The signature is written over a horizontal line.

4. To the best of my knowledge, Plaintiff/Opposer never filed a Motion to Extend or Reschedule the Testimony Periods in this opposition proceeding.

5. Counsel for Plaintiff/Opposer never sought the concurrence of Applicant to an extension of the testimony periods.

6. All statements made herein of my own knowledge are true and all statements made on information and belief are believed to be true; and further the statements were made with the knowledge that willful false statements and the likes so made are punishable by fine or imprisonment or both, under Section 1001 of Title 18 of the United States Code.

Date: 8/26/02


George H. Kobayashi

Valerie du Laney
dulaney@millernash.com
(206) 777-7434 direct line

3500 U.S. Bancorp Tower
111 S.W. Fifth Avenue
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(503) 224-5858
(503) 224-0155 fax

1100 Riverview Tower
900 Washington Street
Post Office Box 694
Vancouver, WA 98666-0694
(360) 699-4771
(360) 694-6413 fax

July 22, 2002

**VIA EMAIL TO *gkobayashi@masudafunai.com* AND
nsasamoto@masudafunai.com; ENCLOSURES BY
FEDERAL EXPRESS**

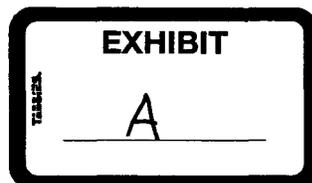
Ms. Nancy E. Sasamoto
Mr. George H. Kobayashi
Masuda Funai Eifert & Mitchell
One East Wacker Drive
Suite 3200
Chicago, Illinois 60601-2002

Subject: *Sakata Rice Snacks Australia Pty Ltd. v. Sesmark Foods Inc./Terra
Harvest Foods Inc.*
TTAB Opposition No. 124,245
Our Reference: 202360-2100

Dear Ms. Sasamoto and Mr. Kobayashi:

As promised, I enclose copies of documents responsive to Terra Harvest/Sesmark's discovery requests. Those documents are numbered [Sakata] 100001 - 100365.

You will notice that most of the documents have been marked "Trade Secret/Commercially Sensitive" to protect Sakata financial information and the identities of Sakata customers and distributors from disclosure. Under the agreed protective order, documents so marked may not be shared with your client. You have voiced a concern that you will need to share documents with Terra Harvest to allow your client to evaluate the case. We have, therefore, prepared a separate set of documents from which commercially sensitive and irrelevant information has been redacted. If, after you review the documents marked "Trade Secret/Commercially Sensitive," you feel you need to share any of these documents with your client, please let us know. We will send you a redacted set of the documents you request.

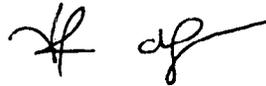


George H. Kobayashi
Ms. Nancy E. Sasamoto
Masuda Funai Eifert & Mitchell
July 22, 2002
Page 2

As I am sure you are aware, Sakata's 30-day testimony period is scheduled to end on August 12, 2002. We cannot assess the need for depositions in this case until we receive Terra Harvest/Sesmark's documents. In April, Sesmark answered Sakata's requests for production of documents and indicated that Sesmark is prepared to produce responsive documents. Please send us copies of those documents by Federal Express as soon as is possible. Further to my April 17 letter, please advise if Sesmark will respond to Sakata's Interrogatory No. 6 under the protective order.

Please feel free to give me a call or send me an e-mail if you have any questions or comments. I look forward to hearing from you.

Very truly yours,



Valerie du Laney

cc w/enc: Sakata Rice Snacks Australia Pty Ltd.
KMPG Legal - Melbourne, Aleksandra Janezic and Robert McNab
Erich W. Merrill, Jr.

du LANEY.mcl
Enclosures
File No.: 202360-2100
Doc ID: SEADOCS:132606.2

**MASUDA FUNAI
EIFERT & MITCHELL**
Attorneys at Law

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310 323 6446 fax

July 25, 2002

Via: Federal Express

Miller Nash LLP
4400 Two Union Square
601 Union Street
Seattle, WA 98101-2352

Attention: Valerie du Laney, Esq.

Re: Sakata Rice Snacks Pty Ltd. v. Terra Harvest Foods, Incorporated
Opposition No.: 124,245
Applicant's Production of Documents

Dear Valerie:

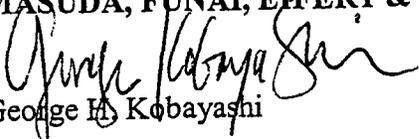
Please find enclosed copies of documents responsive to Sakata Rice Snacks Pty Ltd.'s Request for Production of Documents. Such documents are numbered 000001 to 000207, and are produced subject to the Protective Order entered into by the parties.

Additionally, Applicant maintains its stated objection to Opposer's Interrogatory No. 6 to the extent that the Interrogatory seeks the identities of the Applicant's distributors, sellers, specific retailers (including online retailers) and wholesalers on the ground that the information sought is not reasonably calculated to lead to discovery of admissible evidence. The information sought is not relevant or material to the issues involved in this case where Applicant has not sold or distributed goods using the mark SAKATA in the U.S.

If you have any questions or comments with respect to this matter, please do not hesitate to contact me at 312-245-7500.

Very truly yours,

MASUDA, FUNAI, EIFERT & MITCHELL, LTD.


George H. Kobayashi

Enclosure

cc: Terra Harvest Foods, Incorporated
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