

ESTTA Tracking number: **ESTTA104248**

Filing date: **10/13/2006**

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

Proceeding	91159361
Party	Plaintiff THRESHOLD ENTERPRISED LTD THRESHOLD ENTERPRISED LTD
Correspondence Address	STEVEN L. BARON MANDELL MENKES LLC 333 W. WACKER DR. SUITE 300 CHICAGO, IL 60606
Submission	Opposition/Response to Motion
Filer's Name	Kristin L. Lingren
Filer's e-mail	klingren@mandellmenkes.com
Signature	/s/ Kristin L. Lingren/
Date	10/13/2006
Attachments	Opposer's Brief In Response To Applicant's Motion To Compel.pdf (12 pages) (303073 bytes)

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

In re Matter of U.S. Application Serial No. 76/506,477
For: SOURCED FROM NATURE...PERFECTED BY SCIENCE
Filed: April 8, 2003
Date of Publication: January 6, 2004

OPPOSER ENTERPRISES LTD)	
)	
Opposer,)	
)	Opposition No. 159,137
)	(Parent)
v.)	Opposition No. 159,361
)	
NATURAL SOURCE)	
INTERNATIONAL, LTD.)	
)	
Applicant.)	

**OPPOSER'S BRIEF IN RESPONSE TO APPLICANT'S MOTION TO COMPEL AND
OPPOSER'S MOTION TO EXTEND DISCOVERY FOR BOTH PARTIES**

Opposer Threshold Enterprises Ltd. ("opposer") submits this brief in response to Applicant's Motion to Compel Discovery, Extend Applicant's Time to Take Discovery and for Protective Order filed on September 25, 2006. Opposer requests that the Trademark Trial and Appeal Board ("the Board") deny applicant's motion and grant for both parties a 60-day extension of the discovery period and remaining testimony dates.

INTRODUCTION

Opposer has neither unjustifiably delayed in responding to discovery nor prejudiced applicant in any way. Applicant seeks sanctions based on its dissatisfaction with opposer's delay in responding to certain discovery issues yet ignores the fact that the delay was both minimal and

the result of matters largely out of opposer's control – personnel changes internally and a need to appoint additional counsel to address applicant's discovery questions and concerns. Opposer has retained additional counsel recently to address these matters.

Moreover, contrary to applicant's representations, opposer has not refused to: (a) provide requested clarifications regarding its discovery responses; (b) comment on the proposed Protective Agreement; or (c) further extend the discovery period. Rather, opposer has acted with diligence and good faith since discovery re-commenced. The sanctions that applicant seeks, including an extension of the discovery period for applicant alone, a waiver of opposer's discovery objections, and entry of a protective order without input from opposer, are simply not warranted under the facts or the Board's procedures.

ARGUMENT

Despite having been served with opposer's written discovery responses in August of 2004, applicant contends that opposer should be sanctioned for not responding quickly enough to applicant's recent demands for clarification and supplementation to those responses. Applicant's position is without merit. Not only did applicant fail to raise any complaints concerning the discovery until barely a month before the original discovery cutoff, but opposer repeatedly communicated to applicant the reasons for its delay in addressing the issues and those reasons were justified. In addition, contrary to express provisions in the Board's procedures, applicant prematurely seeks discovery sanctions. Opposer has never violated any order entered by the Board. Accordingly, applicant's motion should be denied.

A. Applicant Possessed Opposer's Written Discovery Responses For Nearly Two Years, But First Voiced Objections As To Their Sufficiency Only Weeks Before The Original Close Of Discovery

As applicant concedes, discovery in this proceeding was suspended for a period of twenty-one months to allow the parties to pursue settlement. (*See, e.g.*, applicant's motion at 3; Fakler Decl. ¶ 9). Applicant also concedes that, once the proceedings re-commenced on May 19, 2006 (with the new discovery period set to close on September 19, 2006),¹ applicant did not contact opposer with questions or alleged deficiencies in opposer's discovery responses until August of 2006. This was nearly three months after discovery re-opened and nearly *two years* after applicant received opposer's written responses. (Applicant's motion at 5). Applicant cannot prematurely seek relief when opposer's delay in responding was minor compared to applicant's delay in voicing any concern.

B. Opposer's Delay In Providing Substantive Responses To Applicant's Objections Was Neither Lengthy Nor Made In Bad Faith

In addition, opposer's delay in providing additional substantive information was in good faith. Applicant filed its motion barely four weeks after first corresponding with opposer about alleged discovery deficiencies and without regard for why a delay was occurring. As opposer's counsel explained to applicant's counsel on August 20, opposer had undergone personnel changes and counsel's new contact at the company needed time to become familiar with the case. (*See* Fakler Decl. ¶ 15 and exhibit 6 thereto). As applicant's counsel should understand, changes in personnel inevitably make it more difficult for counsel to timely review substantive discovery responses with a client and to address alleged deficiencies. A party should not be punished for a delay caused by a personal change.

¹ The parties subsequently agreed to extend the discovery cut-off to October 19, 2006.

Shortly thereafter, opposer's counsel further explained that: (1) opposer had decided to retain additional counsel; (2) additional counsel would address the outstanding discovery issues, and (3) opposer would agree to another extension of the discovery schedule.² (See Fakler Decl. ¶ 18 and exhibit 9 thereto). In other words, although opposer may not have been as quick in its substantive response as applicant would have preferred, opposer explained the reasons for its delay, offered an extension, and indicated that information requested would be forthcoming.

Applicant ignored this correspondence and failed to further communicate with opposer before filing its motion. The Board looks with "extreme disfavor" upon actions such as these. See, e.g., TBMP § 408.01 (Duty to Cooperate). The facts before the Board do not warrant an order compelling discovery responses (or sanctions, even if it were procedurally proper to request sanctions, see below). Applicant's motion should therefore be denied.

C. Applicant's Motion Ignores Board Procedures By Seeking Discovery Sanctions Before It Has Obtained An Order Compelling Discovery And Before The Non-Movant Has Violated Such Order

As set forth in this response brief, the facts giving rise to applicant's motion do not require entry of an order compelling discovery. However, even if such an order were appropriate, the express procedures governing trademark oppositions prohibit entry of sanctions at this juncture. Under 37 C.F.R. Section 2.120(g), sanctions are not available unless a party has failed to comply with an order of the Board. Because opposer has not been subject to an order compelling discovery, the relief applicant seeks is prohibited. See, e.g., *Dub Publishing, Inc. v. Jada Toys, Inc.*, No. 92044049, 2006 WL 1355818, n.5 (TTAB May 15, 2006).

² This was communicated in opposer's third email to applicant within the ten-day period between August 20 and August 30, 2006. By no means did opposer's counsel fail to maintain contact with applicant's counsel

D. Opposer Anticipates That Its Additional Counsel Will Be In A Position To Begin Addressing And Resolving The Pending Discovery Issues Within The Next Ten Days, And Applicant's Motion May Become Moot

Attached hereto at Exhibit A is a copy of the appearance that opposer's additional counsel has filed in this proceeding. Given the deadline to file this brief, opposer's additional counsel has not yet had the opportunity to review opposer's files so as to provide supplemental discovery responses or engage in substantive discussions with applicant's counsel concerning outstanding discovery issues, including the proposed Protective Agreement. Moreover, opposer's additional counsel contacted applicant's counsel immediately after filing their appearance in an effort to begin discussions concerning discovery. A copy of counsel's email is attached as Exhibit B. Opposer's additional counsel is making every effort to become familiar with the case so that it may (a) provide comment on the propose Protective Agreement; and (b) hold an initial discovery conference on substantive issues on or before October 20, 2006.

E. A Sixty-Day Extension Of Discovery Applicable To Both Parties Is Appropriate

As set forth above, to grant applicant a discovery extension without also applying it to opposer would constitute a discovery sanction prohibited by Board procedures. In order to permit opposer's additional counsel time to become familiar with the case and engage in a meaningful dialogue concerning discovery and the proposed protective order and to allow both parties adequate time to complete discovery in this proceeding, opposer hereby moves the Board contemporaneously with this brief, to grant a sixty-day extension of the discovery period and corresponding trial dates.

CONCLUSION

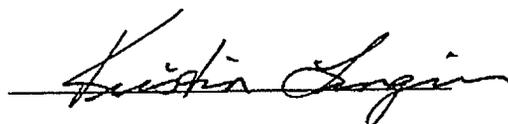
In view of the forgoing, opposer respectfully requests that the Board (a) deny applicant's motion to compel discovery responses and to impose discovery sanctions, including a waiver of objections to discovery requests and the unilateral extension of discovery; and (b) grant opposer's motion for a 60-day extension of the discovery period for both parties and remaining trial dates.

Respectfully submitted,

THRESHOLD ENTERPRISES LTD.

Date: Oct 13, 2006

By:



Steven L. Baron
Kristin L. Lingren
Mandell Menkes LLC
333 West Wacker Drive, Ste. 300
Chicago, Illinois 60606
sbaron@mandellmenkes.com
(312) 251-1000 (phone)
(312) 251-1010 (fax)
Attorneys for Opposer

Mary Catherine Merz, Esq.
Ameen Imam, Esq.
MERZ & ASSOCIATES. P.C.
Attorneys at Law
1140 Lake Street, Suite 304220
Oak Park, Illinois 60301
mmerz@merz-law.com
(708) 383-8801 (phone)
(708) 383-8897 (fax)
Attorneys for Opposer

EXHIBIT A

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

In re Matter of U.S. Application Serial No. 76/506,477
For: SOURCED FROM NATURE...PERFECTED BY SCIENCE
Filed: April 8, 2003
Date of Publication: January 6, 2004

THRESHOLD ENTERPRISES, LTD.)	
)	
Opposer,)	Opposition No. 159,137
)	(Parent)
v.)	Opposition No. 159,361
)	
NATURAL SOURCE INTERNATIONAL, LTD.)	
)	
Applicant.)	

ADDITIONAL APPEARANCE

The undersigned hereby enter an additional appearance on behalf of *Threshold Enterprises, Ltd.*, Opposer in the above-captioned matter:


Steven L. Baron
Mandell Menkes LLC
333 W. Wacker Drive, Suite 300
Chicago, IL 60606
(312) 251-1000

Dated: October 11, 2006


Kristin L. Lingren
Mandell Menkes LLC
333 W. Wacker Drive, Suite 300
Chicago, IL 60606
(312) 251-1000

Steven L. Baron
Kristin L. Lingren
Mandell Menkes LLC
333 W. Wacker Drive, Suite 300
Chicago, IL 60606
(312) 251-1000

EXHIBIT
A-1

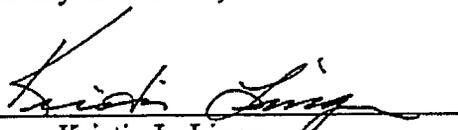
CERTIFICATE OF SERVICE

I, Kristin L. Lingren, an attorney, hereby certify that I caused to be served a true and correct copy of the foregoing *Additional Appearance* upon counsel of record as follows:

Mary Catherine Merz, Esq.
Ameen Imam, Esq.
Merz & Associates. P.C.
1140 Lake Street, Suite 304220
Oak Park, Illinois 60301
Counsel for Threshold Enterprises Ltd.

Paul M. Fakler, Esq.
Thelen, Reid & Priest, LLP
875 Third Avenue
New York, New York 10022
Counsel for Natural Source International, Ltd.

by First Class mail, postage prepaid and properly addressed and placed in the mail chute 333 West Wacker Drive, Chicago, Illinois 60606 on this 11th day of October, 2006.


Kristin L. Lingren

157857

Number (to 520)

EXHIBIT

A2

EXHIBIT B

Kristin L. Lingren

From: Kristin L. Lingren
Sent: Thursday, October 12, 2006 11:50 AM
To: 'pfakler@thelenreid.com'
Cc: Steven L. Baron
Subject: Threshold Enterprises v. Natural Source
Attachments: Threshold Additional Appearance.pdf

Dear Mr. Fakler,

We have been retained as co-counsel for Threshold Enterprises in the TTAB opposition proceeding *Threshold Enterprises Ltd. v. Natural Source Int'l, Ltd.* A courtesy copy of the appearance we filed yesterday is attached.

If possible, we would like to schedule a short call with you later this afternoon in anticipation of a more substantive discussion of discovery matters with you next week. Please let us know if you have any availability after 4:00 or so your time.

We look forward to speaking with you.

Regards,

Kristin Lingren
Mandell Menkes LLC
333 W. Wacker Drive, Suite 300
Chicago, Ill. 60606
312.251.1000 (main)
312.759.2766 (direct)
312.251.1010 (fax)
e-mail: klingren@mandellmenkes.com
Web site: www.mandellmenkes.com

This e-mail may contain confidential and privileged material for the sole use of the intended recipient. Any review or distribution by anyone other than the intended recipient is strictly prohibited. If you are not the intended recipient, please contact the sender and delete all copies of this e-mail immediately.

Any tax information or written tax advice contained herein (including any attachments) is not intended to be and cannot be used by any taxpayer for the purpose of avoiding any penalties that may be imposed under the Internal Revenue Code. (The foregoing legend has been affixed pursuant to US Treasury Regulations governing tax practice.)

10/13/2006

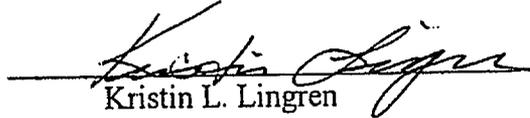
EXHIBIT
B
Barber No. 5376

CERTIFICATE OF SERVICE

I, Kristin L. Lingren, an attorney, hereby certify that I caused to be served a true and correct copy of the foregoing *Opposer's Brief In Response To Applicant's Motion To Compel And Opposer's Motion To Extend Discovery For Both Parties* upon counsel of record as follows:

Paul M. Fakler, Esq.
Thelen, Reid & Preiest, LLP
875 Third Avenue
New York, New York 10022
Counsel for Natural Source International, Ltd.

by First Class mail, postage prepaid and properly addressed and placed in the mail chute 333 West Wacker Drive, Chicago, Illinois 60606 on this 13th day of October, 2006.


Kristin L. Lingren