

ESTTA Tracking number: **ESTTA315687**

Filing date: **11/06/2009**

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

Proceeding	91166487
Party	Plaintiff HASBRO, INC.
Correspondence Address	PAUL N. VANASSE HASBRO INC 1027 NEWPORT AVENUE PAWTUCKET, RI 02862 UNITED STATES IPDOCKETING@PBWT.COM
Submission	Opposition/Response to Motion
Filer's Name	Kim J. Landsman
Filer's e-mail	kjlandsman@pbwt.com, cfrost@pbwt.com
Signature	/Kim J. Landsman/
Date	11/06/2009
Attachments	Opposer's Memorandum in Opposition to Applicant's Motion to Compel - Redacted, Final.pdf (23 pages)(1025666 bytes)

This Document Contains Information that Applicant Has Designated Confidential Pursuant to the Stipulation and Order for Protection and Confidentiality

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

In the Matter of Application Serial No. 78/359,895
Filed: January 30, 2004
For the Mark: MEMORY MAGIC in International Class 28
Published in the Official Gazette: May 10, 2005 at TM 330

HASBRO, INC.	:	
	:	
Opposer,	:	
	:	
v.	:	Opposition No. 91/166,487
	:	
CREATIVE ACTION LLC,	:	
	:	
Applicant.	:	

**OPPOSER’S MEMORANDUM IN OPPOSITION TO APPLICANT’S MOTION
TO COMPEL AND REQUESTING LIFTING OF THE STAY
IN ANTICIPATION OF AMENDING THE NOTICE OF OPPOSITION**

Table of Contents

	<u>Page</u>
Preliminary Statement.....	1
The Parties’ Products	4
The Application’s Description of the Memory Magic Product.....	7
Prior Proceedings	8
The Request at Issue for All Documents in the Any Case Involving the MEMORY Trademark.....	9
Argument.....	12
I. The Motion To Compel Should Be Denied Because It Seeks More Information Concerning Other Litigation Than This Board Allows.....	12
II. The Motion To Compel Should Be Denied Or Held In Abeyance Because Knowledge Recently Gained About Applicant's Actual Product Indicates That The Focus Of The Opposition Will Shift To Correcting The Product Description.....	13
Conclusion.....	17

Table of Authorities

Page(s)

Cases

Eurostar, Inc. v. "Euro-Star" Reitmoden GMBH & Co. KG,
34 U.S.P.Q.2d 1266, 1995 WL 231387 (TTAB 1994)..... 15

Hasbro v. Bold Well Industrial, Inc.,
Opposition Number 91189834 12

Hasbro, Inc. v. Kellogg Company et ano.,
03 Civ. 3645 (LAP) (SDNY) 10, 12

Hasbro, Inc. v. MGA Entertainment, Inc.,
C.A. No. 06-262 S (DRI) 8, 10, 12, 17

Johnson & Johnson v. Rexall Drug Co.,
186 U.S.P.Q. 167 (TTAB 1975)..... 12

Ritchie v. Simpson,
170 F.3d 1092, 50 U.S.P.Q.2d 1023 (Fed. Cir. 1999) 16

Toni & Guy (USA) Limited v. Ardell Nelson,
2004 WL 725459 (TTAB March 30, 2004) 12

Statutes

15 U.S.C. § 1068 1, 14

15 U.S.C. § 1116 10

Fed. R. Civ. P. 65 10

Other Authorities

77 TRADEMARK REP. 452 (1987) 14

The Random House Dictionary of the English Language 582
(Unabridged Ed. 1983)..... 4

Staff of Senate Comm. on the Judiciary, 100th Cong., Report on
Trademark Law Revision Act of 1988 (Comm. Print 1988) 15

Trademark Trial and Appeal Board Manual of Procedure 414.10..... 12

Opposer Hasbro, Inc. respectfully submits this memorandum in opposition to Creative Action LLC's Motion For an Order to Compel Hasbro, Inc. to Produce Documents and Things. Hasbro also respectfully requests that the Board lift the order forbidding the parties to file any paper not germane to the motion to compel in anticipation of moving to amend its notice of opposition to assert a claim under Section 18 of the Lanham Act, 15 U.S.C. § 1068, to limit the description of Applicant's goods to conform to its actual product.

Preliminary Statement

The motion at issue seeks a breathtaking amount of documents: all documents concerning any other litigation over the MEMORY[®] trademark. The order it requests would require the production of tens of thousands of documents either filed or produced in discovery in two federal court infringement actions filed by Hasbro. Both settled on terms that Hasbro is required to keep confidential. A large portion of those documents were produced under a protective order that forbids dissemination or use beyond the litigations in which they were produced.

Applicant Creative Action LLC ("Creative Action" or "Applicant") seems most focused on the second litigation, which was against MGA Entertainment, Inc. ("MGA"). The final judgment in that case was in Hasbro's favor; it recognized the validity of the MEMORY trademark, enjoined the defendant from using it without a license, and sealed major parts of the record.

Creative Action's motion to compel is contrary to

(a) the rules of practice of this Board and cases that have interpreted it, which place strict limits on the information a party has to give about other litigation;

(b) the protective order in the second litigation (against MGA), similar to that entered here, by which the parties agreed to produce large numbers of highly confidential competitive information under condition that the information not be made available to anyone other than the parties and the Court and not be used outside the litigation; and

(c) the settlement agreements in both litigations, in which the parties agreed to keep the terms confidential, and the Court's decision at the parties' request to place large numbers of filings under seal. That sealing was an integral condition to the settlement.

Moreover, now that Creative Action has finally produced a sample of its product and produced its witness for a deposition, the focus of this Opposition will probably, once the restriction on filing other papers is lifted and the recent deposition of Creative Action is no longer confidential, dramatically shift from one based on likelihood of confusion to one relying on Section 18 of the Lanham Act to limit the description of the product to what it actually is.

All of the evidence -- the recently produced Memory Magic product itself, the description of it on Creative Action's website, and the recent testimony of Creative Action's President, CEO, and founder Dr. Ronni Sterns -- shows that Applicant's intent-to-use application did not accurately describe the actual product it is now selling. Applicant's product is not a game, but is instead a therapeutic activity for elderly patients with dementia sold to nursing homes.

Hasbro's and Creative Actions products are very different and are marketed through different channels of trade to different customers at very different prices. Hasbro's MEMORY game is a simple children's competitive matching game sold through mass retailers for about \$7 that is colorful and lacks text because it is directed to preschool children who cannot read. The players rely on short-term memory skills rather than knowledge.

Creative Action's Memory Magic, by contrast, is a therapeutic activity reimbursable by Medicare for elderly patients living in nursing homes. It is sold in plain packaging directly to those nursing homes, rather than at retail, and is expensive at \$399 a unit. Memory Magic relies on reading and long-term memory skills to stimulate interaction among senior citizens with dementia.

The problem is not with the Memory Magic mark used on Applicant's actual product. It is instead with the inaccurate description of the product in the intent-to-use application. Unfortunately, because of the long delay of Creative Action in providing information about the product in discovery, and the fact that its counsel has (at least temporarily) designated the entire transcript of the deposition of its witness confidential, Hasbro's lawyers have not been able to adequately disclose all the newly discovered information and to discuss the issues with the client before responding to Applicant's motion, so Hasbro has not as yet been able to make an informed decision about likelihood of confusion of the mark at issue when used on the actual product.

It is quite likely, however, that with adequate consultation, the assertion of likelihood of confusion would be replaced by one of inaccurate description of the Applicant's product and a motion to assert a Section 18 claim would be made. With likelihood of confusion no longer the focus of the Opposition, the validity of Hasbro's mark would no longer need to be decided. The Section 18 issue is a simple one that can be decided solely on the product itself and on Creative Action's deposition testimony describing it.

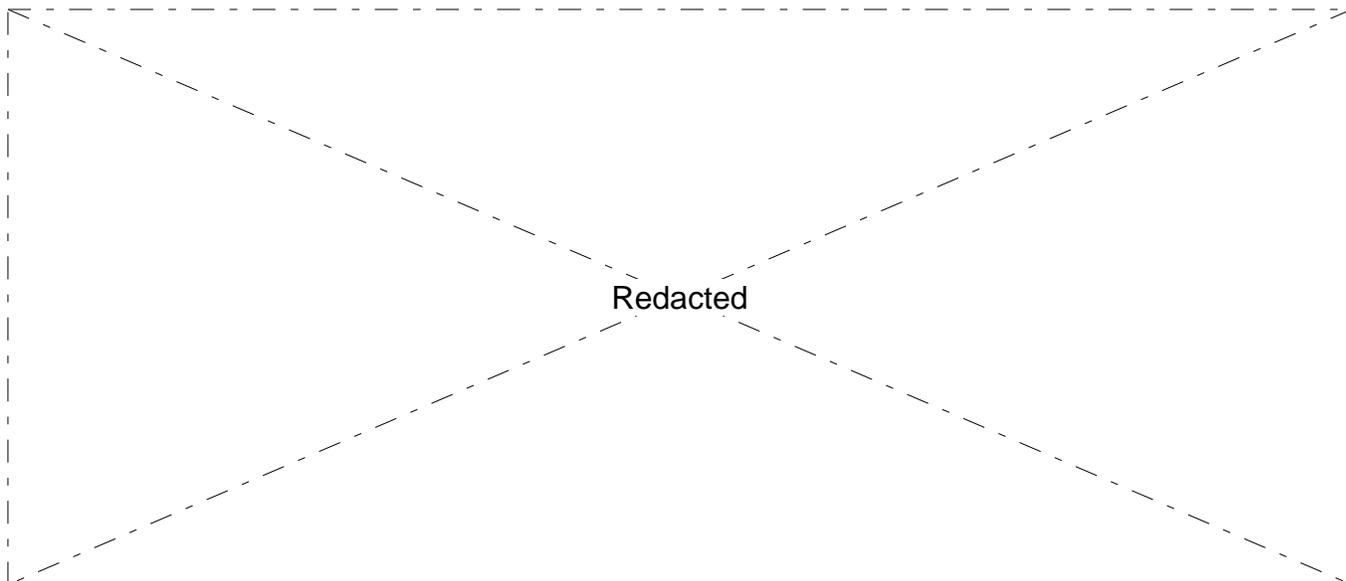
In sum, the Board should deny the motion on its merits or at least deny the motion without prejudice or hold the motion in abeyance, lift the stay on other filings, and thereby give Hasbro the opportunity to move to amend its Notice of Opposition, dismiss the

counterclaim as moot, and focus the Board's attention on the simple issue of accurately describing the Applicant's actual product as a therapeutic device for elderly patients with dementia, rather than as a game.

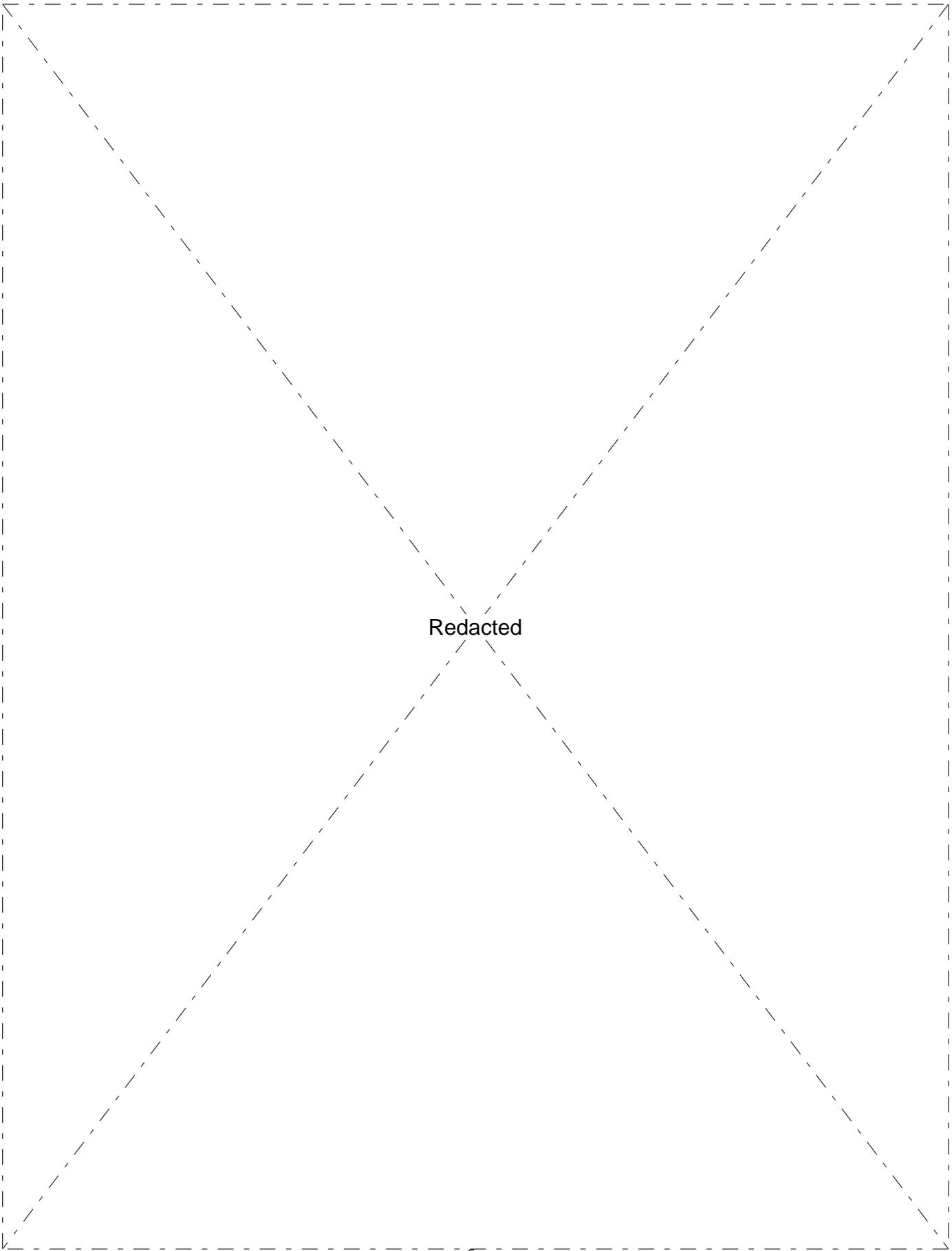
The Parties' Products

Hasbro's MEMORY trademark is used on a game directed to preschool children. It uses colorful images rather than text, is played by matching images, and is played competitively for fun. It is sold principally through mass retailers at an inexpensive price point (about \$7 a unit). Declaration of Peter Kristoffy submitted herewith ("Kristoffy Decl.") ¶¶ 4-6.

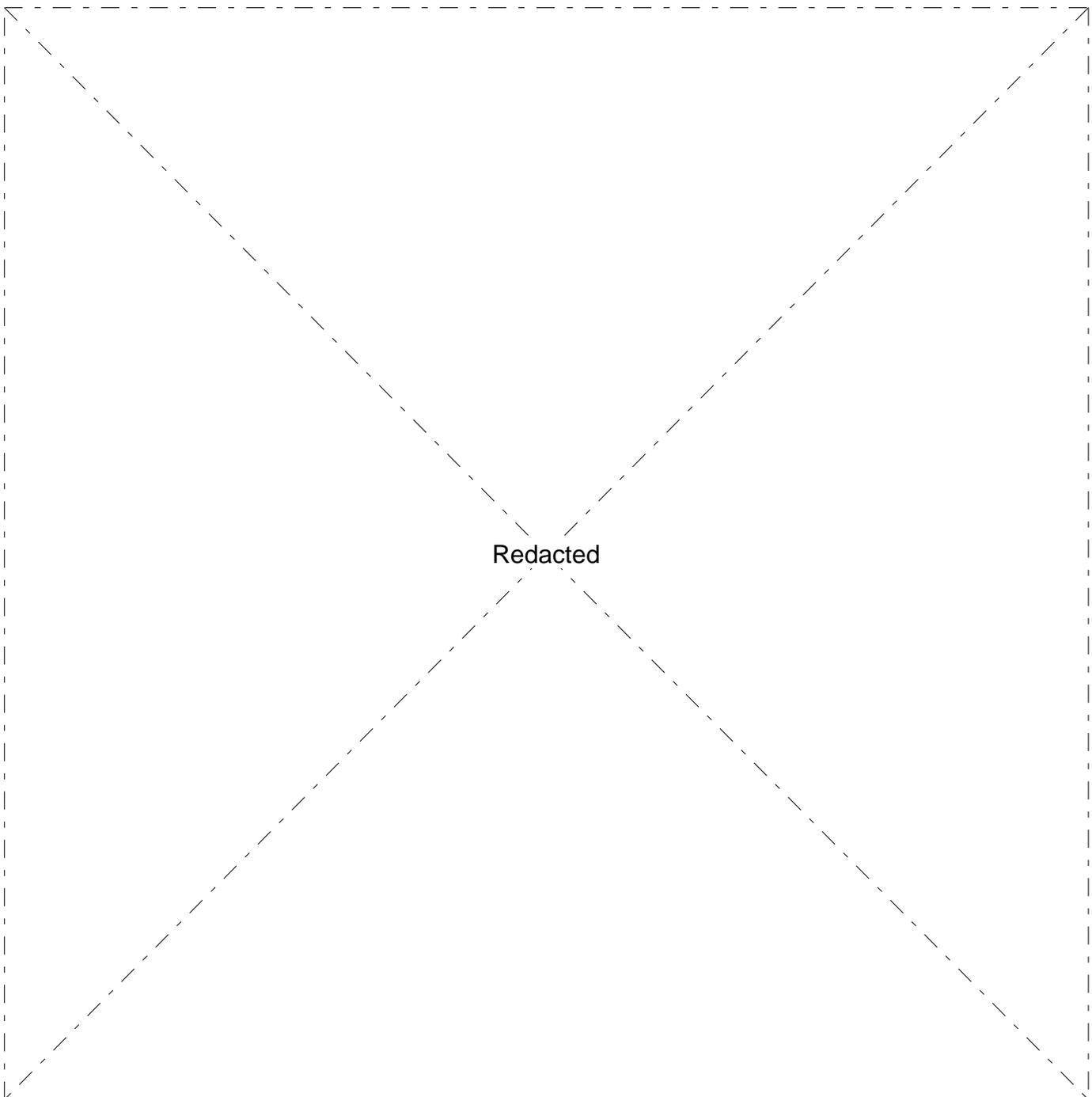
The principal dictionary definitions of "game" are "1. an amusement or pastime: *children's games*. 2. the material or equipment used in playing certain games 3. a competitive activity involving skill, chance, or endurance on the part of two or more persons who play according to a set of rules, usually for their own amusement or for that of spectators." THE RANDOM HOUSE DICTIONARY OF THE ENGLISH LANGUAGE 582 (Unabridged Ed. 1983).



¹ The deposition of Dr. Ronni Sterns, Creative Action's president and CEO, was originally noticed for June 2006 and finally taken on October 20, 2009. The transcript of it will be cited herein as "Sterns Dep." followed by the page and line numbers of the transcript, which, at present, must be considered confidential under the terms of the Stipulation and Order for Protection and Confidentiality entered in this proceeding.



Redacted



Redacted

The Board should note that Hasbro's attorneys have not been able to discuss most of the above information with Hasbro's business people. The protective order agreed to by the parties and put into place by the Board provides that counsel may designate information as CONFIDENTIAL, in which case the information may only be disclosed to

those attorneys and their staff actively involved in the opposition or supervision of the opposition of this matter who are (i)

employed by counsel of record in this action or (ii) regularly employed in the legal departments of the parties; and the other employees in those law firms or legal departments whose functions require access to CONFIDENTIAL MATERIALS.

Stipulation And Order for Protection and Confidentiality § 5.

With respect to depositions, counsel is given a twenty-day period to make designations, during which the restrictions apply as if the designation had already been made:

As to depositions upon oral examination or testimony, if any counsel so states before the record is closed, the testimony of the witness shall be deemed CONFIDENTIAL MATERIALS until the expiration of twenty (20) calendar days after the receipt by counsel of the record of the transcript. The transcript may only be shown to the persons specified in paragraph 5 below during the twenty (20) calendar day period.

Stipulation and Order for Protection and Confidentiality § 3.

Counsel for Creative Action exercised his right under Section 3 of the protective order to designate the entire deposition transcript Confidential until the opportunity within twenty days after receipt to be more discriminating. That means that Hasbro's counsel may not disclose to the Hasbro business people what Dr. Sterns said about the Memory Magic product.

The Application's Description of the Memory Magic Product

Creative Action applied to register its mark in Class 28, which is for toys and sporting goods, further delineated as "Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees." The product is described as follows in its application:

therapeutic game in the nature of a trivia game and a bingo game for engaging persons with memory loss consisting of game cards that contain answers to questions and calling cards that contain questions and information related thereto.

As shown above, however, the product does not belong in Class 28, because it is not a game, plaything, or sporting article. It is a medical or therapeutic apparatus that probably

belongs in Class 10 as a medical apparatus. Its medical function is clearly indicated by the fact that Creative Action advertises the reimbursement codes that can be used to obtain Medicare/Medicaid reimbursement for the product's purchase. See Landsman Decl. Exh. 10

An accurate description of Applicant's actual product would read something like the following:

therapeutic activity intended for use by nursing homes and other elderly care facilities to promote the use of cognitive abilities by elderly persons with memory loss, and accompanying apparatus consisting of cards that contain questions and related prompts for discussion and cards that contain an array of potential answers to the questions.

Use of the Memory Magic mark on the product described above would not be likely to cause confusion with Hasbro's preschool game.

Prior Proceedings

This Opposition has been suspended for most of the time since it was commenced in August 2005. A series of extensions of time and suspensions were requested on consent and granted – first for settlement discussions and then pending disposition of Hasbro, Inc. v. MGA Entertainment, Inc., C.A. No. 06-262 S (DRI). For example, on August 4, 2006, March 5, 2007, and September 7, 2007, the Board granted suspensions that collectively suspended the proceedings through March 3, 2008, pending settlement negotiations. (The September 7, 2007 order incorrectly gives the year date as 2007.)

Before the discovery period for those suspensions closed, the parties moved to suspend the proceeding pending final determination of the MGA case, and that motion was granted May 9, 2008. On October 22, 2008, Hasbro notified the Board that the case was over and attached a copy of the final judgment in that action. The Board then set August 20, 2009, as

the date for discovery to close, which was extended to October 31, 2009, by consented motion granted August 13, 2009.

In March 2006, before the various suspensions began, Hasbro served document requests and interrogatories. Document Request No. 1 was for "Two samples of each and every actual or intended good or service by Applicant in the United States that bears the MEMORY MAGIC mark." Landsman Decl. Exh 2. The deposition of Creative Action's president Ronni S. Sterns was initially noticed for June 9, 2006. Landsman Decl. Exh 4. Because of the numerous suspensions, as well as stalling by Creative Action, Hasbro's counsel did not see a sample of the product until October 20, 2009, the day Hasbro was finally able to take Dr. Sterns' deposition, and the sample was only obtained by paying the retail price for it.

**The Request at Issue for All Documents in the
Any Case Involving the MEMORY Trademark**

Creative Action seeks to compel Hasbro to produce documents in response to an extremely broad request for

All documents that relate to any inter partes proceedings or litigation in which the [sic] Hasbro has been or is involved that refers to or relates to the mark MEMORY, other than the instant proceeding, including, but not limited to, pleadings, discovery documents, documents, depositions, and transcripts relating to such proceedings or litigation.

Hasbro responded as follows:

Hasbro objects to this request as overbroad, unduly burdensome, duplicative of other requests, irrelevant, and not reasonably calculated to lead to the discovery of admissible evidence. Hasbro further objects to the extent the request seeks information protected by the attorney-client privilege, attorney work product, or other privilege. Subject to and without waiving the foregoing and the General Objections, Hasbro will produce publicly filed documents, if any, from inter partes proceedings or litigation in which the Hasbro has been or is involved over the right to use the MEMORY® trademark.

Landsman Decl. Exh. 6. Hasbro's counsel later wrote to Creative Action's counsel offering to produce the documents in the public files provided that Creative Action agreed to pay for the copying. Landsman Decl. Exh. 7. Creative Action never responded.

Hasbro has sued twice for infringement of its MEMORY trademark. The first case, Hasbro, Inc. v. Kellogg Company et ano., 03 Civ. 3645 (LAP), in the Southern District of New York, was settled and withdrawn pursuant to a confidential agreement in June 2003. The second, Hasbro, Inc. v. MGA Entertainment, Inc., C.A. No. 06-262 S, in the District of Rhode Island, was settled pursuant to a confidential agreement and consent judgment. In the latter case, MGA had asserted a counterclaim that Hasbro's trademark was generic.

The consent judgment in the MGA case is attached to the Landsman Decl. as Exhibit 1. In pertinent part, it provides that

2. This Court hereby vacates its Memorandum and Decision dated July 31, 2007, denying Hasbro's motion for a preliminary injunction. As noted in that decision, Hasbro might have at trial successfully negated MGA's attempts to prove genericness and ultimately establish its infringement claim.

...

6. Hasbro is the owner of the valid, subsisting Registration Nos. 834,282 and 2,894,970 for the trademark MEMORY® for board games in the United States Patent and Trademark Office.

7. MGA's counterclaims filed in this action are dismissed with prejudice.

8. Pursuant to Fed. R. Civ. P. 65 and 15 U.S.C. § 1116, MGA is permanently enjoined from using the term "memory" as all or part of the name of a game, except pursuant to license from Ravensburger AG [Hasbro's licensor of the MEMORY trademark].

...

10. The following docket entries in the Court record shall be sealed: Docket Nos. 24, 25, 26, 27, 28, 29, 33, 34, 37, 38, 39, 40, 44, 45, 46, 47, 48, 50, 53, 55, 63, 64, 65, 66, 69, 70, 71, 72, 73, 75, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 104, 106,

110, 111, 112, 113, 114, 115, 116, 121, 124, 126, 128, 129, 130,
and 133.

In other words, the consent judgment recognized the validity of Hasbro's MEMORY trademark, vacated the prior decision on a preliminary injunction motion that Creative Action uses to cast doubt on the mark's validity, and sealed certain portions of the court record that had not already been sealed. The district court did not, as Creative Action states it, "rule[] that a mark is generic." Creative Action Motion to Compel at 5. To the contrary, the district court vacated its preliminary injunction decision that had suggested that MGA might succeed in the counterclaim that the mark was generic, dismissed the counterclaims with prejudice, and ruled that Hasbro's MEMORY marks were valid.

The quantity of documents filed and exchanged in discovery in the MGA case alone is enormous, estimated to be over 50,000 pages. Both sides also had several expert witnesses produce reports with extensive exhibits and testify at the preliminary injunction hearing. To retrieve and produce all the documents would be a daunting task. Landsman Decl. ¶ 17. Furthermore, a large portion of the documents were marked confidential pursuant to a protective order in that case that would preclude their being disclosed to anyone other than the parties or used for any purpose other than that litigation. To produce them in this proceeding would therefore violate the Rhode Island District Court's protective order. Landsman Decl. ¶ 18 & Exh. 8 page 5 ("Unless otherwise ordered by the Court, all Discovery Materials bearing a confidentiality designation shall be used by the parties solely for the purpose of this litigation and for pursuing or defending legal rights relating to this litigation, and not for any other purpose, including, but not limited to, use in any business or commercial enterprise.").

Argument

I. THE MOTION TO COMPEL SHOULD BE DENIED BECAUSE IT SEEKS MORE INFORMATION CONCERNING OTHER LITIGATION THAN THIS BOARD ALLOWS.

Creative Action's motion to compel is contrary to the rules of practice of this Board concerning discoverable information from other litigation. The Trademark Trial and Appeal Board Manual of Procedure addresses precisely the type of request at issue here:

Information concerning litigation and controversies including settlement and other contractual agreements between a responding party and third parties based on the responding party's mark is discoverable. However, the only information which must be provided with respect to a legal proceeding is the names of the parties thereto, the jurisdiction, the proceeding number, the outcome of the proceeding, and the citation of the decision (if published).

TBMP 414.10 (emphasis added). This provision codified the Board's holding in Johnson & Johnson v. Rexall Drug Co., 186 U.S.P.Q. 167, 172 (TTAB 1975), in which Applicant's interrogatories demanded that Opposer identify all documents pertaining to litigation between Opposer and various third-parties. Rexall held that the request for all documents was "too broad and burdensome" and therefore limited Opposer's obligation to simply identifying the parties, the jurisdiction, and the proceeding number of such litigation, and stating the outcome. Id. The rule has since been applied to document requests as well as interrogatories. See Toni & Guy (USA) Limited v. Ardell Nelson, 2004 WL 725459 (TTAB March 30, 2004) at * 9.

Hasbro fully complied with these discovery obligations by disclosing the Kellogg and MGA cases.² Hasbro submitted to the Board and served on Creative Action the MGA consent judgment. Although it was not obligated to do so, Hasbro also offered to produce all

² Since Hasbro's response was served, another TTAB proceeding involving the Memory mark was commenced: Hasbro v. Bold Well Industrial, Inc., Opposition Number 91189834. It is in the process of settlement.

documents in the public record for these lawsuits, but Creative Action has not taken up Hasbro on its offer.

If not limited in accordance with this Board's rules of practice, Creative Action's request for "[a]ll documents that relate to any inter partes proceedings or litigation in which the [sic] Hasbro has been or is involved that refers to or relates to the mark MEMORY, other than the instant proceeding" would encompass hundreds of emails and documents protected by the attorney-client privilege and work product doctrine; more than 500 documents, totaling more than 50,000 pages, exchanged by the parties during discovery (many of which were designated Confidential by Hasbro or MGA); more than 200 trial exhibits and demonstratives; more than 35 motions, many of which are under seal; 17 deposition transcripts and video recordings, with more than 100 associated exhibits; transcripts from numerous days of hearings that the Court ordered placed under seal; reports and related documents from seven different experts; and more. Landsman Decl. ¶ 17.

Identifying and producing all such documents would be *enormously* burdensome and would be contrary to the protective order and judgment of the Rhode Island district court. Hasbro therefore requests that the Board adhere to the rule it has established regarding discovery of third-party litigation and deny Creative Action's motion to compel.

II. THE MOTION TO COMPEL SHOULD BE DENIED OR HELD IN ABEYANCE BECAUSE KNOWLEDGE RECENTLY GAINED ABOUT APPLICANT'S ACTUAL PRODUCT INDICATES THAT THE FOCUS OF THE OPPOSITION WILL SHIFT TO CORRECTING THE PRODUCT DESCRIPTION.

In the alternative, Hasbro requests that this Board deny Creative Action's Motion to Compel without prejudice, or hold it in abeyance and lift the stay on other filings, to allow Hasbro adequate opportunity to decide whether to bring a claim pursuant to Section 18 of the Lanham Act and withdraw with prejudice its current claims based on likelihood of confusion.

Section 18 of the Lanham Act allows the Director to, inter alia, “modify the application or registration [in an opposition, concurrent use, or cancellation proceeding] by limiting the goods or services specified therein” or “otherwise restrict or rectify with respect to the register the registration of a registered mark.” 15 U.S.C. § 1068.

This language was put in place as part of the Trademark Law Revision Act of 1988 to give the Board the flexibility to take real-world facts into consideration in its decisions. The amendment was recommended by the United States Trademark Association (now INTA), which believed that prior law was too limiting:

Current law puts the Board in a straightjacket, bound by the goods and services descriptions in the relevant applications and registrations.... Not surprisingly, the Board often decides the likelihood of confusion issue on hypothetical, not real world, grounds.

The Commission believes that perpetuating this artificial environment is undesirable. Actual product and trade channel differences are highly relevant and often determinative in court proceedings. The Board should be able to consider them as well, and to modify a description if it would avoid likelihood of confusion.

THE UNITED STATES TRADEMARK ASSOCIATION TRADEMARK REVIEW
*COMMISSION REPORT AND RECOMMENDATIONS TO USTA PRESIDENT AND BOARD
OF DIRECTORS*, 77 TRADEMARK REP. 452 (1987)

During deliberation on the bill, the Senate Judiciary Committee also averred that the Board would benefit from the ability to consider “marketplace realities” rather than simply “hypothetical facts”:

Section 18 will permit the Board to base determinations of likelihood of confusion on marketplace realities rather than on hypothetical facts.... In addition, it gives the Board flexibility when addressing the goods or services identified in an intent-to-use application. For example, if testimony about the intended use results in a factual determination that the goods or services

specified in the application are stated too broadly, the Board would be permitted to modify the identification accordingly.

STAFF OF SENATE COMM. ON THE JUDICIARY, 100TH CONG., REPORT ON TRADEMARK LAW REVISION ACT OF 1988 (Comm. Print 1988).

A claim under Section 18 is properly pled when a party can demonstrate that “(i) the entry of a proposed restriction to the goods or services in its opponent’s application or registration will avoid a finding of likelihood of confusion and (ii) the opponent is not using its mark on those goods or services that will be effectively excluded from the application or registration if the proposed restriction is entered.” Eurostar, Inc. v. “Euro-Star” Reitmoden GMBH & Co. KG, 34 U.S.P.Q.2d 1266, 1995 WL 231387 (TTAB 1994) at *5. Based on facts uncovered by recent discovery, this appears to be just such a case.

By its examination of Creative Action’s Memory Magic product and through its deposition of Creative Action’s CEO and principal Ronni Sterns, Hasbro's counsel has recently learned the extent of the dissimilarities between the actual Memory Magic product (which, notwithstanding the fact that the application was based on intent to use, has been sold for some time now) and Hasbro’s MEMORY game. Indeed, the application at issue should not be in Class 28 at all.

The heart of the conflict in this Opposition lies in the inaccurate description of Memory Magic in Creative Action’s application, not in any likelihood of confusion between the parties’ actual products. See discussion at pp 13-14 above. Section 18 was amended to allow for flexibility in just such situations, and it seems likely that Hasbro will wish to pursue a claim under Section 18 in lieu of its current claims based on likelihood of confusion.³

³ The principal reason for hedging on this is that, as noted above, many of the facts concerning Creative Action's actual use have, at least for the time being, been designated Confidential by its counsel pursuant

With likelihood of confusion eliminated as an issue, Creative Action will no longer have a reasonable belief that it will be harmed by Hasbro's MEMORY mark. As such, Applicant will no longer have standing to sustain its counterclaim for cancellation of Hasbro's mark and the discovery request at issue here will become moot. See Ritchie v. Simpson, 170 F.3d 1092, 50 U.S.P.Q.2d 1023, 1025 (Fed. Cir. 1999) (to have standing to bring a petition to cancel, a party must show that it has a "real interest in the case"; it must have a personal interest in the outcome of the proceeding and a reasonable basis for its belief that it would be damaged by the mark sought to be cancelled).

Narrowing the issue to this key one – Creative Action's inaccurate description of its product – will avoid unnecessary discovery and litigation, conserving the resources of the parties and this Board. But in order to decide whether to amend Hasbro's claims in this fashion, Hasbro's counsel needs to be able to share information recently obtained through the deposition of Dr. Sterns with its business people. That information is currently restricted based on Creative Action's temporary designation of the deposition transcript as "Confidential" in its entirety. See Landsman Decl. Exh. 5. Denying Creative Action's Motion to Compel without prejudice, or holding it in abeyance and lifting the stay on filing other motions, will allow Hasbro sufficient opportunity to deliberate and, if appropriate, amend its claims.

Hasbro's counsel only recently obtained the facts on which to make this decision, although Hasbro has been seeking such information since the earliest days of this Opposition. Hasbro initially requested a copy of Creative Action's Memory Magic product through its First Set of Requests to Applicant for Production of Documents and Things, served March 3, 2006. Landsman Decl. Exh. 2. And Hasbro first gave notice of its intention to depose Dr. Sterns on

to the protective order in this proceeding. This precludes Hasbro's counsel from informing the client what was learned in the Ronni Sterns deposition.

May 8, 2006. Landsman Decl. Exh. 4. Nonetheless, because of difficulty accommodating Ms. Sterns' schedule and because of the many suspensions of this proceeding, Hasbro was not able to take Dr. Sterns deposition until October 20, 2009. Creative Action did not make a sample of Memory Magic available to Hasbro until the date of that deposition. Landsman Decl. at ¶ 8.

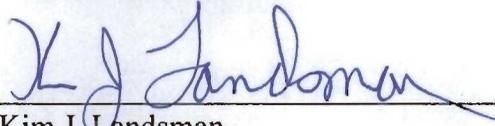
Hasbro seeks to use this belatedly provided information to spare the significant, unnecessary time and expense that would be incurred if the parties were to fully litigate likelihood of confusion and the validity of Hasbro's 45-year-old mark. It is, of course, not just the parties resources that would potentially be spared, but also those of the Board. As the enormity of the documents and expert reports generated in the MGA case indicate, litigating the validity of the mark at issue would be a complex and lengthy undertaking. Amending the application to conform to the actual product, on the other hand, is a simple matter requiring no more discovery. Examining the product and Dr. Sterns' description of it is all that is necessary, and amending the notice of opposition to assert a Section 18 claim and adjudicating it as a matter of summary judgment based on Creative Action's own testimony would be a simple, streamlined process conserving party and judicial resources.

Conclusion

Creative Action's motion ignores this Board's rule restricting the type of information that must be disclosed concerning other litigation. Furthermore, it ignores the fact that the problem with Creative Action's application, and the issue that the parties and the Board should focus on, is the incorrect and too broad description of its product. If the product were accurately described, there would be no need to engage in the enormous undertaking that would be involved in litigating the validity of the MEMORY mark. The motion should therefore be denied.

Dated: November 6, 2009

Respectfully submitted,



Kim J. Landsman

Claire Frost

PATTERSON BELKNAP WEBB & TYLER LLP

1133 Avenue of the Americas

New York, New York 10036-6710

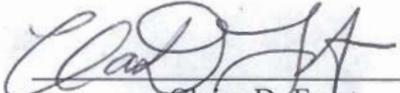
(212) 336-2000

Attorneys for Opposer Hasbro, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing MEMORANDUM IN OPPOSITION TO APPLICANT'S MOTION TO COMPEL AND REQUEST LIFTING OF THE STAY IN ANTICIPATION OF AMENDING THE NOTICE OF OPPOSITION was served by first class mail on November 6, 2009, on the following counsel for the applicant:

Wayne D. Porter Jr., Esq.
Law Offices of Wayne D. Porter, Jr.
1370 Ontario Street, Suite 600
Cleveland, OH 44113
Tel. No.: (216) 373-5545



Claire D. Frost

Please be advised that exhibits to the declaration of Kim J. Landsman, cited to in this Memorandum, will be sent via Express Mail of the USPO because they could not be loaded electronically onto esta.uspto.gov.

November 6, 2009

A handwritten signature in black ink, appearing to read "Claire D. Frost", is written over a horizontal line. The signature is stylized and cursive.

Claire D. Frost