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

Proceeding	91166487
Party	Defendant Creative Action, LLC
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**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 30

<p>HASBRO, INC.</p> <p style="text-align: center;">Opposer,</p> <p style="text-align: center;">v.</p> <p>CREATIVE ACTION LLC,</p> <p style="text-align: center;">Applicant</p>	<p style="text-align: center;">Opposition No. 91166487</p>
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**CREATIVE ACTION LLC'S REPLY TO 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**

Creative Action LLC ("Creative Action") hereby replies to Hasbro Inc.'s ("Hasbro") opposition to Creative Action's motion to compel the production of litigation-related documents and things

Creative Action has requested the production of normally discoverable litigation documents that it believes will establish that Hasbro's MEMORY marks are generic. Perhaps realizing that its position on document production cannot be justified, Hasbro uses its memorandum as an opportunity to argue the merits of something not under consideration – whether a proceeding under Section 18 of the Lanham Act should be instituted. Even if Creative Action's identification of goods were to be amended and the opposition dismissed, Creative Action's counterclaim would remain for adjudication, thereby justifying production of the requested documents.

1. CASE LAW DOES NOT SUPPORT HASBRO'S ARGUMENT THAT CREATIVE ACTION SEEKS TOO MUCH INFORMATION CONCERNING OTHER LITIGATION

Hasbro cites section 414.10 of the TBMP for the position that only limited information concerning third-party litigation needs to be provided. Opp. Br., at 12. More specifically, Hasbro contends that only the names of the parties, the jurisdiction, the proceeding number, the outcome of the proceeding, and the citation of the decision needs to be supplied. *Id.* Hasbro contends that the foregoing position is supported by the holdings in *Johnson & Johnson v. Rexall Drug Co.*, 186 U.S.P.Q. 167, 172 (TTAB 1975) and *Toni & Guy (USA) Limited v. Ardell Nelson*, 2004 WL 725459, 2004 TTAB LEXIS 203 (TTAB March 30, 2004).

Section 414.10 of the TBMP and the *Johnson & Johnson* case generally relate to providing interrogatory answers, not documents. In the context of interrogatory answers, it makes sense that only limited information needs to be provided to the requesting party. While *Toni & Guy* deals with document production requests, the Board in that case held that information concerning third-party litigation is discoverable and that the requested documents should be produced. In the face of objections by petitioner concerning privilege, work product, and confidentiality, the Board stated: “[p]etitioner shall produce all documents responsive to this request in accordance with the Board’s standard Protective Order.” 2004 TTAB LEXIS 203, at 25.¹

There is no reason why relevant litigation-related documents in the possession, custody, or control of a party should not be discoverable. It is entirely unnecessary for Creative Action be forced to go to the effort and expense to obtain relevant documents from third parties when Hasbro already has those documents.

¹ Creative Action is aware that the *Toni & Guy* case is not citable as precedent. As noted by the Board, “THIS OPINION IS NOT CITABLE AS PRECEDENT OF THE TTAB.” 2004 TTAB LEXIS 203, 1. Nevertheless, since Hasbro cited the case, Creative Action believes that responsive commentary is appropriate.

2. HASBRO CLAIMS THAT THE REQUESTED DOCUMENT PRODUCTION WOULD BE "ENORMOUSLY BURDENSOME" BUT DOES NOT PROVIDE ADEQUATE JUSTIFICATION FOR THAT ASSERTION

Despite its assertion that "identifying and producing all such documents would be *enormously* burdensome," (Opp. Br. at 13, emphasis in original), Hasbro does not even provide a list or meaningful characterization of relevant documents in its possession. It is likely that Creative Action will rely on only a small portion of the documents in Hasbro's possession, and might be agreeable to a limited document production. Unfortunately, without having a list of the documents in Hasbro's possession, it is impossible for Creative Action to do anything other than to ask for all litigation documents.

As a minimum first step, the Board should order Hasbro to compile a list of the documents in its possession so that Creative Action can make an attempt to determine which of those documents it will need to support its case. Such an approach would minimize needless effort and expense by each party and is countenanced by § 414(2) of the TBMP. Nevertheless, Hasbro has not prepared such a list and should not be rewarded for that failure by being permitted to produce *no documents*.

3. MERELY BECAUSE SOME DOCUMENTS IN HASBRO'S POSSESSION ARE UNDER A PROTECTIVE ORDER OR ARE UNDER SEAL DOES NOT MEAN THAT HASBRO SHOULD NOT PRODUCE THEM

A protective order is intended to protect the confidentiality of a party's documents when they are disclosed to an opposing party, and a sealing order is intended to protect the confidentiality of a party's documents when they are filed with a court. Accordingly, Hasbro can rely on protective orders and/or sealing orders in the *Kellogg* and *MGA* cases to ensure that Hasbro's confidential documents disclosed in those cases will not be produced to an opposing party or made available to the public. Similarly, since there is a protective order in the present proceeding, Hasbro can rely on that order to ensure

that its confidential documents will not be disclosed to the principals of Creative Action or to the general public.

Hasbro's obligation under any prior protective order or sealing order is to make certain that its *opponent's* confidential documents are not disclosed to Creative Action in the present proceeding, *not its own documents*. If it truly is concerned about confidentiality, Hasbro should produce its own documents to Creative Action's counsel pursuant to the terms of the protective order in effect in the present proceeding. Hasbro also should provide a list of confidential documents that are being shielded from production so that Creative Action can challenge the adequacy of the designation or can contact the document owner to obtain permission for disclosure to be made to Creative Action.²

4. DISMISSAL OF THE OPPOSITION WOULD NOT RENDER CREATIVE ACTION'S COUNTERCLAIM MOOT OR OBVIATE THE NEED FOR DISCOVERY

Hasbro devotes a considerable portion of its memorandum to argue that it supposedly only recently discovered that the respective goods of the parties are sufficiently different that there is no real competition between the parties.³ The implication from this "discovery" is that Hasbro will not sustain damage if Creative Action's mark were to be registered, albeit with a different description of goods. As a consequence, in the relatively near future Hasbro can be expected to take steps under Section 18 of the Lanham Act to have the opposition dismissed.

² "The identification of discovery documents (as opposed to their substance) is not privileged or confidential." Section 414(1), TBMP.

³ The contention that Hasbro only recently discovered what Creative Action's product was all about after taking Mrs. Sterns' deposition is simply wrong and appears to be nothing but an excuse to justify Hasbro's inaction. Hasbro has known all of the details of Creative Action's product and how it is marketed for several years because Creative Action provided full discovery concerning its MEMORY MAGIC product to Hasbro in 2006.

Hasbro seems to believe that the anticipated dismissal of the opposition will remove Creative Action's standing to continue to assert a counterclaim for cancellation, thereby rendering it moot, and with it any need for discovery of Hasbro's documents. Hasbro is incorrect in its belief.

The termination of proceedings concerning an opposition does not result in termination of a counterclaim. Pursuant to Section 606 of the TBMP, "[i]f, prior to the determination of a counterclaim, . . . the original claim is withdrawn, dismissed for failure to prosecute, or otherwise disposed of, the counterclaim will nevertheless go forward . . ." *Syntex (U.S.A.) Inc. v. E.R. Squibb & Sons Inc.*, 14 U.S.P.Q.2d 1879, 1880 (TTAB 1990) (opposition dismissed with prejudice; applicant elected to go forward with counterclaim to cancel opposer's registration and had standing to do so). See also, *Lipton Indus., Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 U.S.P.Q. 185 (CCPA 1982).

The only case cited by Hasbro, *Ritchie v. Simpson*, 170 F.3d 1092, (Fed. Cir. 1999), hardly supports Hasbro's position. In *Ritchie*, a private citizen filed an opposition against three registration applications filed by O.J. Simpson for O.J. SIMPSON, O.J., and THE JUICE. The essential basis for the opposition was that Mr. Ritchie was a "family man" who believed that he would be damaged by the registration of marks that are synonymous with wife-beater and wife-murderer and that the marks in question are scandalous because they "attempt to justify physical violence against women." *Id.*, at 1097. The Federal Circuit held that the belief of damage was reasonable because the opposer possessed a trait or characteristic that is clearly and directly implicated by the proposed trademark, and others shared the same belief of harm. *Id.*, at 1098. Thus, the Federal Circuit found that standing was present.

The present case is much more compelling than *Ritchie*, where the opposer was an individual who was not even selling any products under the marks sought to be

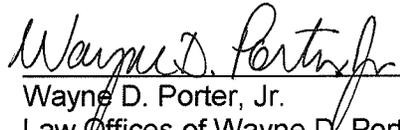
registered. Here, both parties are companies that are in business and their goods are being sold under marks that employ the word MEMORY as part of at least a portion of their respective marks. In a further twist on the facts in *Ritchie*, the opposer (Hasbro) is the owner of registrations that it has asserted against the applicant (Creative Action).

At the time of filing the present opposition proceeding, Hasbro knew that Creative Action was entitled to assert a counterclaim that might result in cancellation of its registrations. Now that Hasbro is confronted with the distinct possibility that its registrations will be cancelled, it would not be fair for Hasbro to be able to avoid an adverse ruling by pulling the rug out from under Creative Action at this late date. If nothing else, Creative Action has been damaged by incurring significant legal fees and disruption of its business. Moreover, there is a sound policy reason for the cancellation proceeding to continue, namely, the removal of invalid registrations from the register. See *Lipton, supra*, 670 F.2d at 1029-30. Since Creative Action's counterclaim will remain for adjudication regardless of the disposition of the opposition, there remains a need for Hasbro to produce the documents that Creative Action has requested.

5. CONCLUSION

Creative Action's motion to compel should be granted. At a minimum, Hasbro should be ordered to provide a list of responsive documents in its possession so that Creative Action can take further appropriate steps to obtain the documents that it needs.

Respectfully submitted,



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November 23, 2009

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2009 a true and correct copy of the foregoing *CREATIVE ACTION LLC'S REPLY TO 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* was served on counsel for Hasbro, Inc. electronically and by mailing a copy via first class mail, postage pre-paid, to:

Kim J. Landsman, Esq.
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Wayne D. Porter, Jr.