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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

HASBRO, INC. Opposer, v. CREATIVE ACTION LLC, Applicant	Opposition No. 91/166487
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**CREATIVE ACTION LLC’S RESPONSE TO OPPOSER’S SECOND MOTION TO
AMEND OPPOSER’S NOTICE OF OPPOSITION**

Creative Action LLC (“Creative Action”) hereby responds to Hasbro Inc.’s (“Hasbro”) Second Motion to Amend Opposer’s Notice of Opposition.

OVERVIEW

Hasbro’s repeated attempts to amend the notice of opposition reflect indecision concerning how Hasbro would like to proceed. Not only has the present motion been brought late in the proceedings, but it also relies on evidence that has been available to Hasbro for over five years.

Hasbro’s first motion to amend the notice of opposition, filed in December, 2009, was based on deposition testimony and exhibits provided by Creative Action two months earlier, in October, 2009. Dkt. # 52 at 3-4. In contrast, the present motion, filed in April, 2011, leapfrogs back to Creative Action’s interrogatory answers served in April, 2006. Dkt. # 85, at 5, 8.

The expressed rationale for filing the first motion was to avoid likelihood of confusion by redefining Creative Action’s goods, and the amended notice of opposition

was alleged to accomplish that purpose. The Board granted Hasbro's motion, stating that the amended notice was "the operative complaint herein." Dkt. # 58, at 9. Now, in an apparent change of heart, Hasbro seeks to "refine the language" of the identification of goods even further for no discernable purpose other than to prolong these proceedings, harass Creative Action and to unnecessarily restrict the scope of Creative Action's eventual registration. Hasbro's motion should be denied as untimely and unjustified.

1. HASBRO'S MOTION IS UNTIMELY AND PREJUDICIAL

Hasbro's motion is based entirely on Creative Action's interrogatory answers that were served on Hasbro in April, 2006. See Hasbro Br. at 5, and Dkt. #56, Declarations of Wayne D. Porter, Jr. ("Porter Decl.") ¶¶ 3 and 4, and Ronni S. Sterns ("Sterns Decl.") ¶ 6, attached as Exhibits A and B, respectively.

The interrogatory answers informed Hasbro exactly who Creative Action's game was intended for and how it was expected to be marketed. Interrogatory answer no. 2(e) stated that the actual or intended class of clients or consumers for the product was "[l]ong-term care facilities, adult day care centers, home health care agencies, psychiatric hospitals and units, and care givers of older adults with dementia, head trauma or stroke who live at home." Porter Decl., Ex. 1. Interrogatory answer no. 2(d) stated that the channels of trade for MEMORY MAGIC are "[t]rade show exhibits, direct marketing, and distributors of products to the health and long term care industries." *Id.*

Leave to amend a pleading shall be freely given when justice so requires. Civil Rule 15(a). Nevertheless, undue delay between the filing of a complaint and a motion to amend may amount to prejudice that would be grounds for denying a motion to amend. *Zahra v. Town of Southold*, 48 F.3d 674, 685-86 (2d Cir. 1995)(motion to amend appropriately denied as constituting undue delay when made two and one-half years after commencement of action); *Sohk Sportswear, Inc. v. K.S. Trading Corp.*, 2003 U.S.

Dist. LEXIS 16700 (S.D.N.Y. 2003)(delay of 15 months and nearing completion of discovery deemed to be prejudicial); *NAS Elecs., Inc. v. Transtech Elecs. Pte Ltd.*, 262 F. Supp. 2d 134, 2003 U.S. Dist. LEXIS 8473 (S.D.N.Y. 2003)(delay of nearly two years and after completion of discovery deemed to be prejudicial).

Here, Hasbro not only waited five years to file the present motion to amend, but it did so after having previously filed a motion to amend while being in possession of Creative Action's interrogatory answers and after discovery had closed (Dkt. # 82). If Hasbro had included the proposed identification of goods in its first motion to amend (Dkt. # 52), the issue would have been resolved by the Board in its May 13, 2010 order (Dkt. # 58). In turn, Creative Action would have been spared the time and expense associated with responding to the present motion. Hasbro's delay in filing the present motion has been prejudicial to Creative Action.

2. THE PROPOSED IDENTIFICATION OF GOODS UNNECESSARILY AND UNFAIRLY RESTRICTS THE SCOPE OF CREATIVE ACTION'S PROPERTY RIGHTS

By attempting to limit the identification of goods to intended customers¹ and marketing channels², Hasbro attempts to unnecessarily and unfairly restrict the scope of Creative Action's property rights. As pointed out in the TMEP, "Section 7(c) of the Trademark Act, 15 U.S.C. §1057(c), provides that filing an application for registration on the Principal Register establishes constructive use and nationwide priority, contingent on issuance of the registration (see TMEP §201.02). Therefore, the identification of goods and/or services in an application defines the scope of those rights established by the filing of an application for registration on the Principal Register." TMEP, § 1402.06.

¹ "for groups and for people with dementia, head trauma or stroke living in long term care facilities or attending adult day care centers and older adults with these cognitive impairments living at home,"

² "marketed through trade show exhibits, direct marketing, and distributors of products for the health and long term care industries, sold to long-term care facilities, adult day

As Creative Action has stated previously, the MEMORY MAGIC product is “intended for use by nursing homes and other elderly care facilities,” but it is not so limited. It can be used in any environment, including the home. Dkt. # 56, Sterns Decl., ¶ 9. Moreover, the product is not limited to use by “elderly” persons with memory loss. While many users can be expected to be elderly, the product can be used by anyone with memory loss. *Id.*, at ¶ 10.

Hasbro’s claim that Creative Action would not be prejudiced by the proposed amendment clearly is incorrect. The proposed identification of goods would unfairly restrict the scope of Creative Action’s expected registration, thereby denying Creative Action property rights. Although Hasbro alternatively is willing to accept Creative Action’s description of its product as a “therapeutic game” (see Hasbro Br. at 9), such alternate identification of goods still denies Creative Action property rights by being limited as to customer and marketing channel.

3. HASBRO HAS FAILED TO SHOW THAT ITS PROPOSED AMENDMENT TO THE IDENTIFICATION OF GOODS WILL AVOID A FINDING OF LIKELIHOOD OF CONFUSION.

In order to amend a pleading pursuant to Section 18 of the Lanham Act, 15 U.S.C. § 1068, a party must show that “in a case involving likelihood of confusion, [the party] pleads and proves 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 (TTAB 1994). Hasbro cannot meet these requirements because (1) Hasbro has admitted that likelihood of confusion does not exist between the parties’ products, (2)

care centers, home health care agencies, psychiatric hospitals and units, and care givers of older adults with dementia, head trauma or stroke who live at home.”

Hasbro has not shown that Creative Action's current identification of goods will result in a likelihood of confusion, and (3) no goods or services will be effectively excluded from the application if Hasbro's proposed restriction is entered (Hasbro's proposed identification of goods does not exclude goods, it only describes expected customers and marketing channels for the goods).

Pursuant to *Eurostar*, Hasbro must show that the entry of the proposed restriction to the goods or services in Creative Action's application will avoid a finding of likelihood of confusion. While Hasbro contends that the proposed identification will provide "greater flexibility for avoiding likelihood of confusion" (Hasbro. Br. at 10), Hasbro does not allege that its proposed identification will avoid a finding of likelihood of confusion. This is logical – and awkward for Hasbro -- since the current notice of opposition contains an identification of goods that Hasbro carefully drafted in order to avoid any likelihood of confusion.

Hasbro has not and cannot show that the present identification would result in a likelihood of confusion or that the proposed amendment would avoid a finding of likelihood of confusion. Hasbro's motion is without foundation and should be denied.

CONCLUSION

Hasbro's second motion to amend the notice of opposition should be denied

Respectfully submitted,

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May 5, 2011

CERTIFICATE OF SERVICE

I hereby certify that on May 5, 2011 a true and correct copy of the foregoing *CREATIVE ACTION LLC'S RESPONSE TO OPPOSER'S SECOND MOTION TO AMEND OPPOSER'S NOTICE OF OPPOSITION* was served by electronic mail on the following counsel for Opposer::

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