

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
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Dunn

Mailed: August 26, 2008

Opposition No. 91179298

WALGREEN CO.

v.

SYLMARK HOLDINGS LIMITED

Before Walters, Drost, and Wellington, Administrative
Trademark Judges.

By the Board:

This case comes before the Board on opposer's motion, filed January 9, 2008, to amend the notice of opposition to add a claim that applicant lacks a bona fide intent to use the mark in commerce.¹ The motion has been fully briefed.

On September 4, 2007, Walgreen Co. filed a notice of opposition against application Serial No. 77179411 for the mark CALGREENS for "nutritional supplements."² As grounds for opposition, opposer alleges dilution and likelihood of

¹ Proceedings are considered to have been suspended with the filing of the motion. The Board regrets the delay in addressing the suspension of this proceeding.

² Application Serial No. 77179411 was filed May 11, 2007 under Trademark Act Section 1(b).

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confusion with opposer's mark WALGREENS, the subject of pleaded registrations for, among other things, vitamin supplements and retail pharmacy and drugstore services. Applicant filed an answer denying the salient allegations of the notice of opposition. Pursuant to the Board's institution and trial order, discovery was scheduled to close March 22, 2008.

On January 9, 2008, opposer filed a motion to amend the notice of opposition to add the claim that applicant lacks a bona fide intent to use the mark in commerce based on discovery responses which purportedly demonstrate that applicant has no documentary evidence indicating plans to bring its product to market. The motion was accompanied by opposer's proposed amended notice of opposition.

Under Fed. R. Civ. P. 15(a), leave to amend pleadings shall be freely given when justice so requires. The Board liberally grants leave to amend pleadings at any stage of the proceeding when justice requires, unless entry of the proposed amendment would violate settled law or be prejudicial to the rights of the adverse party or parties. *Giersch v. Scripps Networks, Inc.*, 85 USPQ2D 1306, 1311 (TTAB 2007). Where the moving party seeks to add a new claim or defense, and the proposed pleading thereof is legally insufficient, or would serve no useful purpose, the Board normally will deny the motion for leave to amend. See

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Octocom Systems Inc. v. Houston Computer Services Inc., 918 F.2d 937, 16 USPQ2d 1783 (Fed. Cir. 1990). Thus, in deciding opposer's motion for leave to amend, the Board must consider whether there is undue prejudice to applicant and whether the amendment is legally sufficient. *Hurley International LLC v. Volta*, 82 USPQ2d 1339,, 1341 (TTAB 2007)

In support of its motion to amend, opposer contends that the grounds for the new claim became apparent after receiving and reviewing applicant's discovery responses, and that applicant cannot identify products intended for sale under the mark, intended dates of first use, expected channels of trade or target markets for the goods, or methods of advertising applicant's mark. Applicant opposes amendment of the notice of opposition because the proposed new claim is legally insufficient, and because addition of the new claim would be futile inasmuch as applicant has provided opposer with evidence indicative of its bona fide intent to use the mark.

The proposed amended notice of opposition would add the following paragraph (¶12):

In the alternative, Applicant has no bona fide intent to use the mark in commerce as required by Section 1(b) of the Trademark Act and to support its Intent to Use application to register the CALGREENS mark.

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We agree with applicant's first point, and find that the new claim in the proposed amended notice of opposition fails to state a claim inasmuch as it "fails to set forth any facts which would give applicant fair notice of why opposer believes that applicant lacked the bona fide intent required by Section 1(b) to use the involved mark when [applicant] filed the involved application." *Commodore Electronics Ltd. v. CBM Kabushiki Kaisha*, 26 USPQ2d 1503, 1506 (TTAB 1993). *Compare Fair Indigo LLC v. Style Conscience*, 85 USPQ2d 1536, 1539 (TTAB 2007) (pleading which includes allegation that "Applicant has not supplied any documentation of actual use despite repeated requests by Opposer" found to state legally sufficient claim that applicant lacks bona fide intent to use the mark).

We disagree with applicant's second point that amendment to add the new claim would be futile because applicant provided opposer with the search report for the proposed mark. This argument addresses the perceived likelihood of success of the new claim, and not its legal sufficiency. "Under the notice pleading rules applicable to this proceeding opposer is only required to state a valid claim. Applicant's arguments and evidence are of no import in considering opposer's motion to amend, but rather are more appropriate on summary judgment or for submission as evidence during its testimony period and for argument as

part of its trial brief." *Fair Indigo LLC v. Style Conscience*, 85 USPQ2d at 1539 (no need to consider evidence of design patent application in determining sufficiency of claim that applicant lacks a bona fide intent to use the mark).

In short, while opposer's proposed amended notice of opposition does not state a claim that applicant lacks a bona fide intent to use the mark, it would not be futile for opposer to add such a claim so long as the claim includes the necessary factual allegations.

In addition, the Board notes that the proposed amended notice of opposition does not include a legally sufficient claim of dilution. The allegation that applicant's mark will dilute the distinctiveness of opposer's famous mark does not include the necessary allegation that opposer's mark became famous prior to the filing date of the involved application. See *Polaris Industries Inc. v. DC Comics*, 59 USPQ2d 1798, 1800 (TTAB 2000).

Accordingly, opposer's motion to amend the notice of opposition is denied.

Opposer is allowed until thirty days from the mailing date of this order to file a second amended notice of opposition, failing which this proceeding will go forward only with respect to the likelihood of confusion claim.

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Applicant is allowed until thirty days from service of the amended notice of opposition to file its answer.

Discovery is open and the close of discovery and trial dates are reset as follows:

DISCOVERY PERIOD TO CLOSE:	November 28, 2008
Thirty-day testimony period for party in position of plaintiff to close:	February 26, 2009
Thirty-day testimony period for party in position of defendant to close:	April 27, 2009
Fifteen-day rebuttal testimony period to close:	June 11, 2009

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

The USPTO published a notice of final rulemaking in the Federal Register on August 1, 2007, at 72 F.R. 42242. By this notice, various rules governing Trademark Trial and Appeal Board inter partes proceedings are amended. Certain amendments have an effective date of August 31, 2007, while most have an effective date of November 1, 2007. For further information, the parties are referred to a reprint of the final rule and a chart summarizing the affected rules, their changes, and effective dates, both viewable on the USPTO website via these web addresses:

<http://www.uspto.gov/web/offices/com/sol/notices/72fr42242.pdf>

http://www.uspto.gov/web/offices/com/sol/notices/72fr42242_FinalRuleChart.pdf

By one rule change effective August 31, 2007, the Board's standard protective order is made applicable to all TTAB

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inter partes cases, whether already pending or commenced on or after that date. However, as explained in the final rule and chart, this change will not affect any case in which any protective order has already been approved or imposed by the Board. Further, as explained in the final rule, parties are free to agree to a substitute protective order or to supplement or amend the standard order even after August 31, 2007, subject to Board approval. The standard protective order can be viewed using the following web address:

<http://www.uspto.gov/web/offices/dcom/ttab/tbmp/stdagmnt.htm>