TTAB

APR 01 2008 PATENT & TRADEMARK OFFICE

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

CALIFORNIA CLOSET COMPANY, INC.	)	
	)	76670880
Opposer,	)	
	)	
v.	)	Opposition No. 91180462
	)	
CHARLES KENWORTHY	)	
TERRI KENWORTHY	)	
	)	
Applicants.	)	

REPLY TO APPLICANTS' OPPOSITION TO OPPOSER'S MOTION FOR (PARTIAL)DISMISSAL OF COUNTERCLAIMS, AND RESPONSE IN OPPOSITION TO APPLICANTS' MOTION FOR LEAVE TO AMEND

Opposer California Closet Company, Inc., hereby submits the following Reply to Applicants' Opposition to Opposer's Motion for (partial) dismissal of counterclaims for cancellation (hereafter, "Applicant's Opposition"), and Response in opposition to Applicants' Motion for leave to file and serve an Amended Answer and Counterclaim.

1. THE MOTION FOR (PARTIAL) DISMISSAL SHOULD BE GRANTED.

Applicants' Opposition states that they "otherwise oppose Opposer's Motion to Dismiss and the contentions set forth therein" (p. 3), but then fails to present a *single* contention of fact or law to support this assertion. This is because there are none. As a matter of law, Applicants' ***pleaded*** counterclaim for cancellation based on unclean hands is **not** a cognizable cancellation claim. *See Seculus Da Amazonia S/A v. Toyota Jidosha Kabushiki Kaisha*, 66 USPQ2d 1154 (TTAB 2003). Further, Applicants' **pleaded** claims that the mark of Registration No. 1915339 is descriptive, and that the application which matured into that Registration is void *ab initio*, for the failure to make use or "*bona fide*" use of the subject mark as of the filing date of the application, are not among the specific grounds enumerated in §14(3) and (5) of the Trademark Act. *See* 15 U.S.C. §1064(3) and

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(5). Therefore, they are not cognizable cancellation claims, either. *See Treadwell's Drifters, Inc. v. Larry Marshak*, 18 USPQ2d 1318 (TTAB 1990); *Food Specialty Co., Inc. v. Carnation Company*, 170 U.S.P.Q. 222, 223-24 (TTAB 1971).

Applicant contends that its Amended Answer and Counterclaims "moots" Opposer's Motion to dismiss on these grounds. However, that is not the case, even if the Board accepts the Amended Answer and Counterclaims.

As respects these particular counterclaims, the Amended Answer and Counterclaims is not merely an effort to correct a procedural "defect" in pleading. Rather, the Amended Answer and Counterclaims, in effect, is a **withdrawal** by Applicants of the forgoing counterclaims for cancellation. This withdrawal occurred after the filing of an Answer, and without the consent of Opposer. As such, these counterclaims must be dismissed *with prejudice*. *See* 37 C.F.R. §2.114(c). The fact that Applicants' still cling to their asserted right to bring and maintain – and, presumably, later to assert – such counterclaims for cancellation (*see* Applicants' Opposition, p. 3) more than amply demonstrates why Opposer's Motion in this regard is not moot, and why the requirements of Rule 2.114(c) should not be waived. Indeed, Opposer respectfully submits that the requirement of Rule 2.114(c) for dismissal with prejudice is mandatory and cannot be waived by the Board.

2. LEAVE TO AMEND SHOULD NOT BE GRANTED.

Applicants correctly note that F.R.Civ.P. 15(a)(2) provides that an amendment to a pleading may be permitted "when justice so requires." However, Applicants, who bear the burden of making this showing in support of their Motion, fail to do so. Applicants suggest that because the Motion is made before trial, this, in itself, amounts to the required showing. But ***all*** motions under F.R.Civ.P. 15(a) (entitled, "Amendments Before Trial") are before trial. No showing has been made

at all as to why Applicants – who were represented by able counsel – filed counterclaims which patently were defective under F.R.Civ.P. 9 and the law. Why does "justice" require that they be given a second chance to do that which they could have, and should have, done correctly in the first place?[1] Contrary to Applicants' assertions, the Board is not required to accept their Amendment. *See* TBMP §503.03, cited by Applicants ("However, in appropriate cases, that is, where justice does not require that leave to amend be given, the Board, in its discretion, may refuse to allow an opportunity, or a further opportunity, for amendment").

WHEREFORE, for all of the foregoing reasons, Opposer's Motion for partial dismissal should be granted, and Applicants' Motion for leave to amend its Answer and Counterclaims should be denied. Even if the Motion for leave is granted, Applicants' (withdrawn without consent) counterclaim based on unclean hands, and (withdrawn without consent) counterclaims for cancellation of Registration No. 1915339 based on the assertion that the registered mark is descriptive, and that the application which matured into that Registration is void *ab initio*, must be dismissed with prejudice.

Respectfully submitted,
CALIFORNIA CLOSET COMPANY, INC.

Dated: April 1, 2008

By: _____

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[1] Contrary to Applicants' assertion, Opposer has been prejudiced. Opposer already filed an Answer in this proceeding (as well as a Motion to dismiss), expenses and work that now will have to be needlessly reproduced.

CERTIFICATE OF SERVICE

I hereby certify that on the 1st day of April, 2008, the foregoing Reply to Applicants' Opposition to Opposer's Motion for (Partial) Dismissal of Counterclaims, and Response in Opposition to Applicants' Motion for Leave to Amend, was served on Applicants by mailing same, first class and postage prepaid, to the following:

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