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

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| Proceeding | 91184529 |
| Party | Defendant<br>Global Tissue Group, Inc. |
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**BEFORE THE UNITED STATES**
**TRADEMARK TRIAL AND APPEAL BOARD**

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| GEORGIA-PACIFIC CONSUMER PRODUCTS LP,<br><br>Opposer,<br><br>v.<br><br>GLOBAL TISSUE GROUP, INC.,<br><br>Applicant. | Opp. No. 91184529<br>Serial No. 77/364616 |

**APPLICANT'S SUR-REPLY TO MOTION TO COMPEL DISCOVERY**

In its Reply Brief to Applicant's Opposition to Opposer's Motion to Compel Discovery, Opposer's fundamental argument is that Applicant has no basis to object and refuse to answer questions that are beyond the scope of this proceeding. This is patently untrue. The only TTAB case which Opposer sites regarding the acceptable scope of questioning in discovery depositions, Johnston Pump/General Valve Inc. v. Chromalloy American Corp., 10 USPQ2d 1671 (TTAB 1988), includes, in no uncertain terms a statement that the Board fully understands that a party in a discovery deposition—even one that is being compelled to produce information—may choose to withhold said information and accept the adverse inference and limitations on its own ability to product information later in the proceeding. Specifically, in Johnson Pump, the Board granted a motion to compel discovery of certain information about Opposer's

business practices which Applicant requested. The Board then cautioned both parties at the end of the decision:

**"Both parties are reminded that if proper discoverable matter is withheld from the requesting party, the responding party will be precluded from relying on such information and from adducing testimony with regard thereto during its testimony period."**

Id., at 1677 (emphasis added) citing Shoe Factory Supplies Co. v. Thermal Engineering Company, 207 USPQ 517 (TTAB 1980). This makes absolutely clear TTAB law and practice contemplates that a party may choose to refuse production in a discovery deposition even in light of a motion to compel. The Board makes clear that there will be appropriate adverse inferences drawn and there can be limitations on the refusing party's ability to put forward their case later on in the proceedings. But in no uncertain terms, accepting the adverse inferences rather than producing materials (even where the materials sought to be discovered are relevant) is an available path in a discovery deposition in a Board proceeding.[1]

In addition, the case of Red Wing Co. v. J.M. Smucker Co., 59 USPQ2d 1861 (TTAB 2001) is instructive as to the propriety of a relevance objection in a discovery deposition—even though the case involves a testimony deposition. While there is little TTAB case law on the proper scope of TTAB discovery depositions to guide either party, it stands to reason that the Board's decision to

[1] To be sure, this is not a path that Applicant would choose if the scope of the questions were squarely within the bounds of acceptable discovery questioning. However, when a direct competitor is seeking wholly irrelevant, highly sensitive, business information of Applicant that will undoubtedly be shared with its in-house personnel, it is reasonable and legally justifiable under the circumstances.

uphold the relevance/confidentiality objection in Red Wing with respect to Applicant's answering questions about certain topics would have been upheld in a discovery deposition too. After all, if applicant Red Wing was not compelled to answer certain questions in a testimony deposition—particularly because the answers would require the disclosure of confidential information to its competitors (even with a protective order in place), what sense would the Board's ruling make if the opposer in that case could have compelled the same information in a discovery deposition. In like manner, if the Board would uphold Applicant's objections in a testimony deposition, it should uphold these same objections in a discovery deposition. The scope of the proceeding and relevancy standard never changes—there is no support for the proposition that the Board's position should change either.

The foregoing analysis would apply even if the Board found that the information requested by Opposer at the depositions in question was reasonable. However, Applicant does not in any way, shape or form, agree that the information requested by Opposer has relevance to this proceeding or is even being asked in good faith to lead to the discovery of relevant information. Discovery has limits[2]—and Opposer has exceeded them here.

To be sure, even if Opposer could find a pattern in what Applicant has done with similar products under different marks, it would not limit, control or affect Applicant's ability to use of the QUILTY mark in any manner. It certainly does not shed any probative light on whether Applicant's goods are likely to be

[2] Even Opposer admits that the questions posed must be reasonably calculated to lead to the discovery of admissible information. Reply Brief at 2.

confused with Opposer's goods.[3] Any application of such information to the QUILTY mark would be grossly speculative such that it would be of no use to the Board in this proceeding.[4] Moreover, the Board would not consider that information in determining whether Applicant is entitled to register the mark at issue with the Patent and Trademark Office because no such limitations or restrictions are in the QUILTY application. Applicant's right to register the application is the only issue before the Board and, as such, the information sought by Opposer is entirely irrelevant to this proceeding. Moreover, it could not even lead to the discovery of admissible information since the answers to the disputed deposition questions in no way would (a) control, limit or effect Applicant's use of the QUILTY mark; or (b) elicit any facts that would be probative of any issue involved in this Opposition proceeding.

Contrary to Opposer's argument, Johnson Pump does not teach otherwise, even though similar information was compelled by the Board for production in that proceeding. Id, at 1671. The crucial distinction pertains to which party was seeking the information. Johnson Pump involved Applicant's discovery of an Opposer's business practices in order to determine how the Opposer would be damaged by the registration of the applicant's mark. Id. This is quite different than compelling the same information from an ITU-based applicant. Specifically, an opposer's position vis-à-vis an applicant is not limited just to the contents of

[3] There is no chance that the information is relevant when there is already a statement on the record that the goods, the channels of trade and prospective purchasers are identical.

[4] For example, let's say the average cost of a roll of toilet paper sold under any GTG mark is $3.00 and average sale price is $6.00. Nothing in this information could be used to determine what the cost of a QUILTY roll of toilet paper might be or what the sale price might be. It's of utterly no consequence. The same would be true of the name of any of Applicant's suppliers, licensees, licensors, materials, product quality, etc.

one or more registered marks. An opposer when setting out its case, claims damage to its business or mark(s) and the discovery of its business practices can show the extent of any such damage. In no uncertain terms, such information would bear on the Applicant's ability to register its mark because the scope of the application in issue is compared to what is being used in commerce by the Opposer to determine the validity of the Opposition—and not the other way around. Thus, the motion to compel was correctly decided in Johnson Pump, but the case should not suggest the same outcome here—where Opposer is seeking business history information from an ITU applicant with no use of the mark yet.

An ITU applicant's actual business practices for other goods and other marks have no bearing on the scope of an Opposition. Specifically, the scope of an ITU applicant's stated goods and services are all already given the broadest interpretation such that if any part of the goods, services, channels of trade or, potential customer base overlap, then confusion is deemed likely. An ITU applicant's introduction of facts with respect to its business with respect to similar products marketed under other marks would not in any way affect the Board's mandate to consider the opposition by analyzing the mark as applied for. Similarly, there is no legitimate need for an opposer to introduce such information because the issue is already decided in its favor.

Here, Opposer claims the information it seeks could lead to other admissible information, although it has not posited any such admissible information that goes to something other than similarity between the products, channels of trade and potential purchasers. No matter how many iterations

Opposer wants to try, the information leads only to more inadmissible information—and the only real purpose for the questions is to help Opposer learn about Applicant's business practices rather than move this Opposition forward. The Board cannot and should not allow discovery for this purpose.

Finally, all of the questions that were objected to because of relevance and/or being outside the scope of this proceeding pertained to business information about Applicant's existing products and business partners. Again, because none of this information is relevant to Applicant's intended use of the mark QUILTY and is outside the scope of this proceeding, it was not answered (and will not be answered). Contrary to Opposer's assertion on page 5 of its Reply Brief, the objections interposed in the Shaoul Deposition at 158:7 – 159:12 did not preclude answers to Opposer's questions and did not pertain to the question of relevance with respect to company's intent to adopt the mark. See Deposition of Philip Shaoul Attached as Exhibit 1 to Opposer's Motion to Compel.

For the reasons stated herein and in Applicant's Opposition to Opposer's Motion to Compel, Opposer's Motion to Compel should be denied.

Respectfully submitted,

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Dated: August 10, 2009

Counsel to Global Tissue Group, Inc.

## CERTIFICATE OF SERVICE

I hereby certify that on this 10th day of August, 2009, a true and correct copy of the foregoing Applicant's Surreply to Motion to Compel Discovery was sent by first class mail, postage pre-paid to the following:

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