ESTTA Tracking number: **ESTTA392967**
Filing date: **02/11/2011**

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

Proceeding	91184978
Party	Defendant Walgreen Co.
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Date	02/11/2011
Attachments	2011.02.11 Reply in Support of Motion to Preclude.pdf (6 pages)(235106 bytes)

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McNEIL-PPC, Inc.	)	In re Trademark Application
	)	Serial No. 76/682,070
Opposer,	)	Opposition No. 91184978
	)	Trademark: WAL-ZYR
v.	)	
	)	
WALGREEN COMPANY,	)	
	)	
Applicant.	)	

APPLICANT'S REPLY IN SUPPORT OF ITS MOTION TO PRECLUDE DOCUMENTS FROM INTRODUCTION AT TRIAL

1. Walgreen Company ("Walgreens") hereby submits this Reply in support of its Motion to Preclude Documents from Introduction at Trial (the "Motion"). In McNeil's Response to the Motion, McNeil talks at length about various disagreements between the parties. McNeil's histrionics should not distract the TTAB from the only question at issue: Was McNeil's production of documents after the close of discovery timely? The answer to this question is "No."

2. The parties agree that McNeil was required to produce documents in a reasonably timely manner. (*See* McNeil Resp. p. 7.) McNeil argues its production of documents after the discovery deadline was "timely" because it had not identified the documents until one to two months earlier. (McNeil Resp. p. 2.) Walgreens disagrees, and so has the TTAB and federal courts. (*See* Motion, Paras. 16-21.) McNeil was required to act diligently to produce documents throughout the discovery period and before the close of discovery. There is no justification for deviating from this discovery rule, and doing so would unfairly prejudice Walgreens. Accordingly, McNeil's late-produced documents should be excluded from trial.

I. MCNEIL'S PRODUCTION OF DOCUMENTS WAS NOT TIMELY

3. McNeil had more than sufficient time to identify and produce the complained-of documents during the discovery period. The complained-of documents are responsive to

document requests that Walgreens sent to McNeil on October 8, 2008 and April 30, 2009 – *fifteen to twenty months* before the discovery deadline. McNeil says it did not identify the late-produced documents until one to two months before the discovery deadline. This is no excuse, and no excuse for the delay in identifying these documents is even offered. McNeil had an ongoing duty to search its files and records throughout the discovery period and make productions and supplements in a timely manner.

4. In fact, McNeil could have identified the complained-of documents much earlier than one to two months before the discovery deadline. For instance, the Amended License Agreement was signed on January 27, 2010, *ten months* before the discovery deadline, (McNeil Resp. p. 4), and McNeil's outside counsel had this document in her possession *a month* before the discovery deadline. (McNeil Resp. p. 9.) McNeil clearly had this document in January 2010. The other late-produced documents included information that dated back to 2009 and 2008. (*See* McNeil Resp. pp. 4-5.) No reason is given why McNeil could not have identified the documents prior to one to two months before the discovery deadline, and there is no justification for not being able to produce these documents, which amounted to just two boxes of documents, during the one to two months before the discovery deadline.

5. Whether the late-produced documents are "supplements" or an "initial production" in response to Walgreen's requests is irrelevant. McNeil must produce both types of documents in a timely manner and before the discovery deadline. However, the documents were not "supplements" – they were documents responsive to Walgreen's requests that simply had not been produced.

6. The suspension of the opposition did not suspend McNeil's duty to produce and McNeil's responses to Walgreen's discovery requests, (see TBMP 510.03(a)), and the suspension was lifted on July 9, 2010, giving McNeil more than sufficient time to make its production anyway.

7. McNeil's accusation that Walgreens is somehow to blame for not "alerting" McNeil of its duty to respond to the Third Set of Document Requests (McNeil Resp. p. 4) is totally unfounded in fact, law, or reason. Walgreens served McNeil with the Third Set of Document Requests on August 25, 2010 – *not October 25, 2010* as stated by McNeil (*see* McNeil Resp. p. 1, Ex. 6, Ex. 7, p. 2) – thereby giving McNeil more than two months to respond before the close of discovery. However, when Walgreens served the Third Set of Document Requests is irrelevant because the late-produced documents are not responsive to these requests. (*See* McNeil Resp. pp. 4-5 and Ex. 6.)

II. MCNEIL'S LATE PRODUCTION UNFAIRLY PREJUDICED WALGREENS

8. McNeil argues that, to remedy any harm caused by McNeil's late production, Walgreens should have taken follow-up discovery or taken discovery during the testimony deposition of McNeil's main witness, Rohonish Hooda. (*See* McNeil Resp. p. 10.) As a remedy, McNeil would have Walgreens reopen discovery and send Walgreen's attorney to New York to take a *third* discovery deposition of Mr. Hooda, resulting in added expense of thousands of dollars, further delay, and interfere with what should have been a routine opposition. Alternatively, McNeil would have Walgreens take discovery during trial, putting Walgreens in the untenable position of not having taken discovery on the documents being presented at trial. McNeil would have Walgreens clean up McNeil's mess.

9. The proper and customary remedy in this case is the exclusion of the documents from trial. (*See* TBMP 408.02.) The rules do <u>not</u> add an exception such as, "unless Walgreens could take follow-up discovery long after the discovery deadline or during trial at significant prejudice, expense and delay."

10. Finally, McNeil *never* agreed to make follow-up discovery available to Walgreens before Walgreens filed this Motion and without the imposition of several conditions. After Walgreens filed its Motion, McNeil said it *might* allow for follow-up discovery if

Walgreens first reviewed the late-produced documents and notified McNeil of the follow-up discovery Walgreens believed it needed. (*See* McNeil Resp. Ex. 12.) Furthermore, McNeil did not propose taking discovery of Mr. Hooda during Mr. Hooda's testimony deposition until *after* Mr. Hooda's testimony deposition had already taken place. Thus, even McNeil's proposed solutions are obviously crafted to impose unnecessary expense and prejudice to Walgreen and are, therefore, unworkable.

III. MCNEIL DOES NOT CITE ANY CASE LAW TO SUPPORT ITS POSITION

11. The factual differences (highlighted by McNeil in its Response) between cases cited by Walgreens and this opposition do not relieve McNeil of its discovery duties. Case law explicitly states that party that fails to produce responsive documents *during the discovery period* will be precluded from introducing or relying on such documents at trial. *See Mana Prods. Inc. v. Black Onyx, Inc.*, Opposition No. 112,190, 2001 WL 930583 (T.T.A.B. 2001) (decision attached as Ex. P to Motion); *see also* TBMP 408.02. Moreover, McNeil did not cite *any cases* for its proposition that McNeil can produce documents after the discovery deadline and offer these documents, which were not subject to discovery, as evidence.

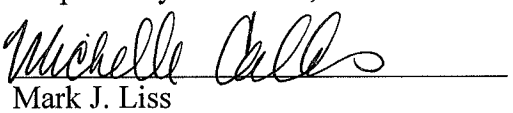
CONCLUSION

12. McNeil proclaims, "actions speak louder than words." (McNeil Resp. p. 11.) Walgreens agrees. At issue are McNeil's actions – McNeil egregiously delayed production of documents until after the discovery deadline – documents that were clearly in McNeil's possession months or years before without any reasonable explanation and with unfair prejudice to Walgreens. "A responding party which, due to an incomplete search of its records, provides an incomplete response to a discovery request, may not thereafter rely at trial on information from its records which was properly sought in the discovery request but was not included in the response thereto . . . unless the response is supplemented <u>in a timely fashion</u> pursuant to Fed. R. Civ. P. 26(e)." (TBMP 408.02) (emphasis added). McNeil did not provide a complete response

to Walgreen's repeated discovery requests, and McNeil did not supplement its response in a timely fashion. The rules exist to protect a party from these sorts of actions by an opponent. Therefore, these documents should be precluded from trial.

Date: February 11, 2011

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above foregoing "Applicant's Reply In Support Of Its Motion To Preclude Documents From Introduction At Trial" was served by first class mail and e-mail on February 11, 2011 to:

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