

**UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451**

jk

Mailed: August 3, 2012

Opposition No. 91200105

NOVOZYMES BIOAG, INC.

v.

CLEARY CHEMICALS, LLC

By the Board:

Cleary Chemicals, LLC ("applicant") seeks to register the mark TORQUE (standard characters) for "fungicides for agricultural use; fungicides for domestic use" in International Class 5.¹

Novozymes BioAg, Inc. ("opposer") opposes registration on the grounds of priority and likelihood of confusion pursuant to Trademark Act Section 2(d), pleading ownership of a registration for the mark TORQUE (standard characters) for "natural molecule or bacteria for plant growth enhancement in agriculture crops" in International Class 1.²

In response to the Board's December 20, 2011 order, applicant filed an answer in which it asserts an affirmative defense that it is at least entitled to a registration for an

¹ Application Serial No. 77942162, filed February 23, 2010, asserting a bona fide intent to use the mark in commerce pursuant to Trademark Act § 1(b).

amended identification of goods, and sets forth a counterclaim captioned "Request to Restrict Identification of Goods," and a counterclaim to cancel opposer's Registration No. 3511124 on the ground of fraud on the USPTO. Applicant also filed a motion to restrict identification of goods, under Trademark Rule 2.133.

Opposer moved to strike applicant's counterclaim captioned "Request to Restrict Identification of Goods," and moved for summary judgment on applicant's counterclaim for fraud.

This proceeding is now before the Board for consideration of applicant's motion (filed January 19, 2012) to restrict its identification of goods, opposer's motion (filed January 26, 2012) to strike and/or motion for judgment on the pleadings with respect to applicant's counterclaim captioned "Request to Restrict Identification of Goods," and applicant's motion (filed February 10, 2012) for discovery under Fed. R. Civ. P. 56(d).³ The motions have been fully briefed.

Opposer's motion to strike and/or motion for judgment on the pleadings with respect to applicant's counterclaim entitled "Request to Restrict Identification of Goods"

In its amended answer, applicant set forth as an affirmative defense a proposed amendment to the

² Registration No. 3511124, registered October 7, 2008, asserting a date of first use anywhere and date of first use in commerce of June 25, 2007.

³ This provision, in primarily the same form and substance, was formerly Fed. R. Civ. P. 56(f).

identification of goods in its application, and set forth as noted above, an amended counterclaim captioned "Request to Restrict Identification of Goods" in which it asserts that opposer's Registration No. 3511124 "should be restricted to exclude fungicides for outdoor terrestrial turf and ornamental agricultural fungicides from the description of its goods" (amended answer, p. 12). Applicant alleges in said Request to Restrict that the restriction will avoid a likelihood of confusion, and that opposer is not using its mark on the products sought to be excluded from its registration by the proposed restriction (amended answer, p. 12). Opposer moved to strike this amended counterclaim Request to Restrict."⁴

Pursuant to Fed. R. Civ. P. 12(f), the Board may strike from a pleading an insufficient defense or any redundant, immaterial, impertinent or scandalous matter. Fed. R. Civ. P. 12(f); TBMP § 506.01 (3d ed. rev. 2012).

However, motions to strike are not favored, and matter will not be stricken unless such matter clearly has no bearing upon the issues in the case ... The primary purpose of the pleadings, under the Federal Rules of Civil Procedure, is to give fair notice of the claims or defenses asserted ... Thus, the Board, in its discretion, may decline to strike even objectionable pleadings where their inclusion will not prejudice the adverse party, but rather

⁴ The Board construes opposer's motion as a motion to strike, rather than as a motion for judgment on the pleadings. The Board notes, and opposer acknowledges, that in filing its amended answer, and motion under Trademark Rule 2.133(a), applicant addressed the deficiencies noted by the Board in its December 20, 2011 order.

will provide fuller notice of the basis of a claim or defense.

Ohio State University v. Ohio University, 51 USPQ2d 1289, 1292 (TTAB 1999) (citations omitted).

Opposer argues, inter alia, that applicant's amended counterclaim Request to Restrict, seeking to amend opposer's goods in its registraton, is impermissible or insufficient and should be stricken, that there is no provision allowing such relief, that the proposed amendment raises questions regarding what applicant is seeking to do, and that the proposed amendment does not adequately distinguish the goods.

In response, applicant argues, inter alia, that "[I]t should be sufficient at this stage of this proceeding, that Cleary alleges (and later proves) that Novozymes is not using TORQUE for fungicides, and that Cleary's proposed restriction of its goods avoids a likelihood of confusion" (brief, unnumbered p. 2).⁵

In general, in considering likelihood of confusion, the Board analyzes all probative facts in evidence which are relevant to the thirteen factors set forth in *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). It is apparent from the record that the foundation of applicant's amended counterclaim Request to Restrict is its position that, to the extent that both parties' goods can be

⁵ All motions and briefs submitted to the Board must be numbered in compliance with Trademark Rule 2.126(a)(5).

characterized as agricultural chemicals, such a finding should not lead to the conclusion that the goods are so related as to create a likelihood of confusion. Applicant is essentially setting forth in the counterclaim its argument regarding one of the pivotal factors within the Board's analysis under *In re E.I. du Pont de Nemours & Co.*, namely, the similarity between the parties' goods.

However, applicant cites no procedural or substantive authority to support its assertion that the Board should enter applicant's proposed amendment restricting the goods in opposer's registration. While parties to a proceeding may enter into a settlement agreement that provides for an amendment of this nature, applicant cannot seek such relief from the Board by way of a counterclaim. Moreover, the record clearly reflects opposer's firm position that it does not consent to the proposed amendment to its registration. To the extent that applicant is arguing its position regarding the *du Pont* factors that address the similarity between the parties' goods, applicant will have ample opportunity to develop and set forth its arguments by way of its testimony and brief on the case.

In view of these findings, applicant's amended counterclaim Request to Restrict is futile. Accordingly, opposer's motion to strike said counterclaim is granted.

Applicant's motion to restrict its identification of goods

Pursuant to Trademark Rule 2.133(a),

An application subject to an opposition may not be amended in substance nor may a registration subject to a cancellation be amended or disclaimed in part, except with the consent of the other party or parties and the approval of the Trademark Trial and Appeal Board, or upon motion granted by the Board.

By way of its motion under Trademark Rule 2.133, applicant sets forth its proposed amendment to its goods, explaining its position as to why the parties' goods are dissimilar and why the amendment is suitable.

In its brief in opposition to the motion, opposer states that it does not consent to the proposed amendment because it does not distinguish the goods and does not avoid a likelihood of confusion. In particular, it asserts, *inter alia*, that the proposed amendment does not change the goods in applicant's application, namely, "fungicides for agricultural use; fungicides for domestic use," and that applicant must show and cannot show that opposer is not using its mark for goods in the areas sought to be restricted, namely, the broad designation of "agricultural use."

As the Board noted in its December 20, 2011 order, an unconsented amendment to an opposed application is generally deferred until final decision or until the case is decided upon summary judgment. See TBMP § 514.03 (3d ed. rev. 2012); *Space Base Inc. v. Stadis Corp.*, 17 USPQ2d 1216 (TTAB

1990). It is apparent that opposer does not consent to applicant's proposed amendment to the opposed application, and that the parties have very differing positions with respect to, inter alia, the goods themselves, the extent to which the parties conduct business in the same field and trade channels, and other factors going to likelihood of confusion. Indeed, the nature and extent of both parties' use, the nature of their goods, and related issues are all matters for discovery. However, discovery has not been served in this proceeding.

Accordingly, further consideration of applicant's motion to restrict its identification of goods is deferred until final decision on opposer's Trademark Act Section 2(d) claim.

Applicant's motion for discovery pursuant to Fed. R. Civ. P. 56(d)

On January 26, 2012, opposer filed its answer to applicant's counterclaim for cancellation of Registration No. 3511124 on the ground of fraud on the USPTO, and concurrently moved for summary judgment with respect to said claim.⁶ In support of its motion, opposer submitted the declaration of Charles Broughton, Director, Global Business Development of Novozymes BioAg, Inc., as well as various exhibits thereto.

⁶ Opposer states in its motion that it served its initial disclosures (opposer's brief, p. 4), and applicant acknowledges the contemporaneous service of opposer's initial disclosures with the summary judgment motion (applicant's brief, p. 5).

In response, applicant filed a motion for time in which to conduct discovery pursuant to Fed. R. Civ. P. 56(d), with a supporting declaration of counsel stating, inter alia, that it "is unable to present facts essential to justify its request for cancellation" (Drenski declaration, p. 4).

Opposer did not file a brief specifying arguments in opposition to applicant's motion for discovery.

Nevertheless, the Board has considered the merits of applicant's motion, and declines to grant it as conceded.

A party that believes that it cannot effectively oppose a motion for summary judgment without first taking discovery may file a request with the Board for time to take the needed discovery. The request must be supported by an affidavit showing that the nonmoving party cannot, for reasons stated therein, present by affidavit facts essential to justify its opposition to the motion. It is not sufficient that a nonmovant simply state in an affidavit that it needs discovery in order to respond to the motion for summary judgment; rather, the party must state therein the reasons why it is unable, without discovery, to present by affidavit facts sufficient to show the existence of a genuine dispute of material fact for trial. If a party has demonstrated a need for discovery that is reasonably directed to obtaining facts essential to its opposition to the motion, discovery will be permitted, especially if the

information sought is largely within the control of the party moving for summary judgment. The motion should set forth with specificity the areas of inquiry needed to obtain the information necessary to enable the party to respond to the motion for summary judgment. See Fed. R. Civ. P. 56(d); TBMP § 528.06 (3d ed. rev. 2012); *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992); *Keebler Co. v. Murray Bakery Products*, 866 F.2d 1386, 9 USPQ2d 1736 (Fed. Cir. 1989).

Applicant asserts, inter alia, that it has had no opportunity to question or depose Mr. Broughton regarding statements in his declaration, and that information relating to opposer's intent, necessary to defend the summary judgment motion, is in the sole possession of opposer. Applicant also raises issues regarding the identity, content or legibility of certain exhibits to the declaration.

Applicant seeks, "at a minimum, ... sufficient time to propound written discovery requests and requests for admissions to Novozymes regarding the circumstances of Novozymes' application ... and to take the deposition of Mr. Broughton (or such other person determined to have more information regarding the circumstances of Novozymes' predecessor's applications" (brief, p. 6).⁷

⁷ Applicant's request that the Board defer consideration of the summary judgment motion until discovery closes (see brief, p. 5) is denied.

It is apparent that there has been no discovery in this proceeding, and that the only documents related to discovery that have been exchanged are opposer's initial disclosures. Moreover, the issue of intent is fact-intensive, and information going to this element is in opposer's possession. Considering these circumstances, applicant has shown, as the nonmoving party, that it cannot present by affidavit facts essential to justify its opposition to the motion.

In view of these findings, the motion for discovery under Fed. R. Civ. P. 56(d) is granted as modified. Specifically, applicant is allowed until thirty (30) days from the mailing date of this order in which to take written discovery of opposer.⁸

Applicant's brief in response to the motion for summary judgment shall be due within thirty (30) days from the date of service of opposer's responses to written discovery. Opposer's reply brief, if filed, shall be due by operation of Trademark Rule 2.127(e)(1).

⁸ To the extent that applicant seeks to take the deposition of Mr. Broughton or of another individual having information regarding this matter, its motion for discovery under Fed. R. Civ. P. 56(d) is denied. Applicant is able to obtain the discovery it needs in order to prepare a response to the summary judgment motion by way of written discovery, and applicant has not set forth a compelling reason why deposing Mr. Broughton, or another individual, is necessary for preparation of said response. Moreover, the Board recognizes the general time, expense and burden involved in taking depositions, and the delay that may be caused by the need to wait for final preparation and receipt of a deposition transcript.

Opposition No. 91200105

This opposition proceeding otherwise remains suspended pursuant to Trademark Rule 2.127(d).