

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

Mailed: November 21, 2014

Opposition No. 91210813
Opposition No. 91217915
Cancellation No. 92059849

SATA GmbH & Co. KG

v.

Mike Ghorbani

Andrew P. Baxley, Interlocutory Attorney:

This case now comes up for consideration of (1) Plaintiff's motion (filed June 17, 2014) to compel discovery in Opposition No. 91210813; (2) Defendant's motion (filed June 26, 2014) to compel discovery in Opposition No. 91210813; and (3) Plaintiff's motion (filed June 27, 2014) to strike Defendant's motion to strike.¹

In Opposition No. 91210813, Plaintiff opposes registration of Defendant's mark EURO in the following form, , for "[p]owered and pneumatic tools for automotive finishing, namely, paint spray guns, replacement cups for spray guns, compressed air filters for paint spray guns, air filters for paint spray guns, accessories for spray guns in the nature of

¹ The remaining above-captioned consolidated proceedings are not at issue in the pending motions.

adaptors, cups, collars, lids, and liners; pneumatic ratchets, pneumatic sanders, pneumatic grinders, pneumatic air control units in the nature of air regulators for pneumatic tools, pneumatic drills for automotive purposes, pneumatic riveters in the nature of rivet hammers, rivet guns, and air pop riveters, and accessories for pneumatic tools used in automotive finishing in the nature of air reels and air regulators” in International Class 7² on grounds that the mark is: (1) primarily geographically descriptive under Trademark Act Section 2(e)(2), 15 U.S.C. § 1052(e)(2), if Defendant’s goods originate in Europe; (2) primarily geographically deceptively misdescriptive under Trademark Act Section 2(e)(3), 15 U.S.C. § 1052(e)(3), if Defendant’s goods do not originate in Europe; and (3) geographically deceptive under Trademark Act Section 2(a), 15 U.S.C. § 1052(a). Defendant, in his answer, denied the salient allegations of the notice of opposition and asserted affirmative defenses.

Regarding the motion to strike, Defendant did not file a brief in response thereto. However, the Board elects to decide that motion on the merits. *See* TBMP § 502.04 (2014). Plaintiff correctly notes that Defendant’s motion to compel is not germane to Plaintiff’s motion to compel. *See* TBMP § 403.03 (each party is under an obligation to respond to its adversary’s discovery requests, even where an adversary has failed to respond to discovery

² Application Serial No. 85712789, filed August 24, 2012, based on an allegation of use in commerce under Trademark Act Section 1(a), 15 U.S.C. § 1051(a), and alleging August 2010 as the date of first use anywhere and date of first use in commerce.

requests). Nonetheless, Defendant's motion to compel has been fully briefed, and consideration of that motion at this time will help these consolidated proceedings move forward in an orderly manner. Accordingly, the Board, in its discretion, elects to consider Defendant's motion to compel, and Plaintiff's motion to strike is therefore denied.

Turning to the motions to compel, the Board finds as an initial matter that each party made a good faith effort to resolve their discovery dispute prior to seeking Board intervention, as required by Trademark Rule 2.120(e)(1). However, the parties' could have resolved many issues presented in their motions by more carefully reviewing TBMP § 414.

The Board notes that many of Defendant's responses to Plaintiff's document requests are unacceptable because they indicate only that, subject to objections, Defendant will produce responsive documents "after a reasonable search." Responses to request nos. 1, 3, 8, 9, 11-14, 16-17, and 19-26. Such responses suggest that Defendant did not conduct a thorough search of his records, as required by TBMP § 408.02, prior to preparing his responses to Plaintiff's document requests. In responding to a document request, the responding party must state whether or not it has responsive documents in its possession, custody, and control; if so, the party must state that responsive documents will be produced or that documents are being withheld based on a specific objection or claim of privilege. *See No Fear Inc. v. Rule*, 54 USPQ2d 1551, 1555 (TTAB 2000).

Defendant's responses to request nos. 11 and 20 that it will produce responsive documents "following entry of a protective order" are also unacceptable. Unless and until the parties file an executed amended protective order that the Board accepts, the Board's standard protective order is operative herein under Trademark Rule 2.116(g). See <http://www.uspto.gov/trademarks/process/appeal/guidelines/stndagmnt.jsp>.

In email correspondence that Plaintiff included as an exhibit to its motion to compel, Plaintiff contends that Defendant's interrogatory responses are improperly signed by Defendant's attorney. Defendant's attorney may answer interrogatories even though he has no personal knowledge of the facts stated therein; however, that attorney's answers, like an officer's answers, must be based on the information available to Defendant himself.³ See *Allstate Insurance Co. v. Healthy America Inc.*, 9 USPQ2d 1663 (TTAB 1988). Rather, Defendant's initial and supplemental interrogatory responses are improper because they are not under oath, as required by Fed. R. Civ. P. 33(b)(3).

Where a party has sent documents responsive to its adversary's document requests, those documents should be organized and labeled to indicate the request(s) to which each document is responsive. See Fed. R. Civ. P. 34(b)(2)(E)(i); TBMP § 406.04(b). In lieu of providing multiple copies of individual documents that are responsive to more than one document

³ An attorney who answers interrogatories on behalf of a corporation may thereafter be exposed to additional discovery and possibly even disqualification. See Patent and Trademark Rule 10.63; *Allstate Insurance Co. v. Healthy America Inc.*, 9 USPQ2d 1663 (TTAB 1988).

request, a responding party may meet a requesting party's discovery needs by providing one copy of each discovery document and an index or other writing which identifies the requests to which particular documents are responsive. *See* TBMP § 402.02.

The Board turns first to the individual discovery requests at issue in Plaintiff's motion. In interrogatory no. 1, Plaintiff seeks information regarding the selection of Defendant's involved mark; in document request no. 1, Plaintiff seeks documents regarding Defendant's conception, selection, and adoption of his involved EURO mark. The requested information and documents are generally discoverable. *See* TBMP § 414(5) and cases cited therein. Defendant's responses that he selected the mark "spontaneously" is insufficient because it provides no specific information. Further, Defendant's indication in his initial disclosures that he intends to rely on "[d]ocuments reflecting [his] creation and prior use of [his] mark" raises doubts as to the credibility of Defendant's supplemental response to interrogatory no. 1 that he has no responsive documents in connection with his selection of his involved EURO mark. Defendant is directed to serve a supplemental response to interrogatory no. 1 or amend his initial disclosures, if necessary; however, he need not identify other marks that were considered in the process of such selection. *See Neville Chemical Co. v. Lubrizol Corp.*, 183 USPQ 184, 190 (TTAB 1974). Defendant is also directed to produce

documents responsive to document request no. 1 in accordance with the foregoing.

Plaintiff also refers to document request no. 2 in its argument regarding interrogatory no. 1 and document request no. 1, but makes no specific arguments regarding that document request in its brief in support of its motion to compel. In document request no. 2, Plaintiff seeks “[s]amples and/or specimens of each different use made by [Defendant] of the [involved EURO] mark in connection with [Defendant’s] goods and any related services.” To the extent that Plaintiff seeks samples or specimens of the goods identified in involved application Serial No. 85712789, such samples or specimens are discoverable. *See* TBMP § 414(11). Except as noted *supra*, Defendant’s response to this request is acceptable. However, Defendant’s assertion in his brief in response that Plaintiff has waived any right to such samples and specimens because Plaintiff did not respond to Defendant’s May 16, 2014 request that Plaintiff pay for such samples and specimens is not well-taken. In lieu of actual product samples and specimens, Defendant may comply with this request by making such samples and specimens available for inspection and/or providing photographs of the identified goods and complete copies of product packaging with all type legible. *See* Fed. R. Civ. P. 34(e); TBMP § 402.02.

In interrogatory no. 5 and document request nos. 13, Plaintiff seeks information and documents regarding classes of purchasers of Defendant’s

identified goods. Such information and documents are properly discoverable. *See Johnston Pump/General Valve Inc. v. Chromalloy American Corp.*, 10 USPQ2d 1671, 1675 (TTAB 1988) (need not reveal names of customers including dealers); TBMP § 414(3). Defendant's initial response that his use and intended uses of the involved EURO mark are identified in the involved application does not answer the question posed. However, in a supplemental response, Defendant states that he served a representative sample of eighty-three unredacted invoices, which identify actual customers from which Plaintiff can derive the requested information.⁴ Except as noted *supra*, these documents constitute acceptable responses to interrogatory nos. 5 and document request no. 13. *See* Fed. R. Civ. P. 33(d).

In document request no. 22, Plaintiff seeks documents which support Defendant's assertion in his answer that his spray guns are sold to different potential consumers;⁵ in document request no. 24, Plaintiff seeks documents that support his assertion that purchasers of spray guns are sophisticated. In response, Defendant states that, subject to objections, he will produce responsive documents. Accordingly, it is incumbent on Defendant to (1)

⁴ Because a party may provide business records in lieu of a substantive written response to interrogatories, Plaintiff's assertion that it is entitled to receive Defendant's characterization of his classes of involved purchasers is incorrect. *See* Fed. R. Civ. P. 33(d); TBMP § 405.04(b).

⁵ In Defendant's involved application, the identified "paint spray guns" are limited to those used "for automotive finishing." As such, they encompass all goods of the type identified and that they are or will be sold in all normal channels of trade and to all of the usual customers for such goods. *See Octocom Sys. Inc. v. Houston Computers Servs. Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990); *In re Elbaum*, 211 USPQ 639, 640 (TTAB 1981).

identify the documents that he has already produced which are responsive to those requests; (2) produce responsive documents; or (3) amend his responses to these requests to state that he does not have responsive documents.

In interrogatory no. 8., Plaintiff seeks information regarding when and under what circumstances Defendant first learned of Plaintiff. Such information is properly discoverable. *See Volkswagenwerk AG v. MTD Products Inc.*, 181 USPQ 471, 473 (TTAB 1974) (Defendant's knowledge of use by Plaintiff or by the public or the trade, is relevant); TBMP § 414(19). Defendant's initial response that he learned of Plaintiff through trade shows and industry news does not provide specific information concerning when Defendant first learned of Plaintiff. In response to Plaintiff's motion, Defendant contends that he "does not recall a specific period of time or event to further supplement this interrogatory with greater specificity." If Defendant genuinely does not recall when he first learned of Plaintiff, Defendant is not required to provide a date solely to satisfy Plaintiff's discovery request. *See Washington v. Garrett*, 10 F.3d 1421, 1437-38 (9th Cir. 1993). Accordingly, this response is acceptable, subject to Defendant's obligation to correct or supplement its response. *See Fed. R. Civ. P. 26(e)*; TBMP § 408.03.

In interrogatory no. 9 and document request nos. 11 and 17, Plaintiff seeks information regarding Defendant's first use and ongoing use of the involved mark. Defendant's response to interrogatory no. 9 that it began use

of the involved EURO mark as long as eight years ago in connection with paint spray guns is insufficient because it provides no specific information regarding that first use, such as the name and address of Defendant's first customer and the date of Defendant's first sale of the identified goods in the involved EURO mark. However, in a supplemental response, Defendant served responsive documents, pursuant to Fed. R. Civ. P. 33(d), that allegedly include a representative sample of eighty-three unredacted invoices from which Plaintiff can obtain the requested information. Such documents are acceptable responses to interrogatory no. 9 and document request nos. 11 and 17.

In interrogatory no. 19, Plaintiff seeks information regarding the primary significance of EURO in general and as used in Defendant's involved EURO mark. Defendant's response that "a primary significance" of that mark is "its identification of [Defendant's] products" is acceptable.⁶ Defendant provided additional responsive information in the supplemental interrogatory responses of its expert, Michal Demarco. The credibility and probative weight of these responses is a matter for determination at trial.

In document request no. 9, Plaintiff seeks documents pertaining to searches conducted by Defendant or on Defendant's behalf concerning its involved EURO mark. Although Defendant stated in his initial response to

⁶ In any event, Defendant's intended significance of the term EURO is not particularly probative in this case because Plaintiff's Section 2(a) and 2(e)(3) claims are concerned with United States consumer perception of that term. *See* TMEP § 1210.05(a)-(b) (October 2014).

Plaintiff's document requests that he would produce responsive documents, Defendants stated in his brief in response to Plaintiff's motion that he has no responsive documents. It is therefore incumbent upon Defendant to amend his response to this request to indicate that he does not have responsive documents.

In document request no. 12, Plaintiff seeks documents regarding trade channels of the relevant goods. Defendant in his initial response indicated that he would produce responsive documents. In a supplemental response, Defendant served responsive documents that allegedly include a representative sample of eighty-three unredacted invoices from which Plaintiff can obtain the requested information. Such documents are an acceptable response to document request no. 12.

In document request no. 19, Plaintiff seeks documents regarding Defendant's annual advertising and promotional expenditures. In response, Defendant stated that, subject to objections, he will produce responsive documents. Although Defendant contends that he produced documents regarding advertisements and trade shows, the documents that Defendant in response to Plaintiff's motion do not provide the requested information. Defendant is directed to provide documents that show his annual advertising and promotional figures since 2010 in round numbers. *See Neville Chemical Co. v. Lubrizol Corp.*, 184 USPQ 689, 690 (TTAB 1975); TBMP § 414(18).

However, Defendant is not required to create documents to respond to this request. *See Washington, supra.*

In document request no. 21, Plaintiff seeks documents supporting Defendant's assertion that its goods are not inferior to Plaintiff's. In response, Defendant stated that, subject to objections, he will produce responsive documents. Defendant indicated in his brief in response that he provided responsive documents. Accordingly, this response is acceptable.

Defendant's assertion that he need not provide a privilege log because Plaintiff has not provided one is not well-taken. Plaintiff's failure to provide a privilege log in no way relieves Defendant of his duty to so provide. Rather, each party is under an obligation to provide a privilege log, as necessary, irrespective of its adversary's failure to provide one. *See TBMP § 403.03.*

Based on the foregoing, Plaintiff's motion to compel is granted to the extent that Defendant is allowed until thirty days from the mailing date set forth in this order, to in accordance with the foregoing, to (1) serve a revised set of interrogatory responses made under oath and a revised set of responses to document requests based on a thorough search of Defendant's records; (2) serve a privilege log; and (3) serve supplementary document production as necessary in accordance with the foregoing. The revised sets of responses should include amended responses to interrogatory no. 1 and document request nos. 1, 2, 9, 19, 22 and 24 that comply with the foregoing.

The Board now turns to the discovery requests at issue in Defendant's motion to compel. In the notice of opposition in Opposition No. 91210813, Plaintiff alleges that its "German engineered and manufactured paint spray guns have long been recognized throughout the global market as the benchmark by which competitors' goods might be measured" (paragraph 2); and that it is subjected "to attempts by vendors of inferior products to avail themselves of [Plaintiff's] reputation for superior German design, product quality and performance" (paragraph 3). In interrogatory nos. 9 and 15 and document request nos. 5 and 11, Defendant seeks information regarding the identity and market shares of Plaintiff's competitors. In interrogatory no. 22, Defendant seeks specific information regarding products sold by Anest Iwata, Inc., a non-party to this proceeding, in the United States. Plaintiff made its competitors an issue in this case by alleging in paragraph 2 of the notice of opposition that its "paint spray guns have long been recognized throughout the global market as the benchmark by which competitors' goods might be measured." Accordingly, Plaintiff is directed to identify its competitors in response to interrogatory no. 9. *Mack Trucks, Inc. v. Monroe Auto Equipment Co.*, 181 USPQ 286, 287 (TTAB 1974) (Plaintiff must answer interrogatories concerning allegations in notice of opposition). However, the Board finds that requiring Plaintiff to provide information concerning the competitors' market share is unduly burdensome. That is, it is incumbent upon Defendant to do

his own research regarding the market share and other information regarding those competitors.

In interrogatory nos. 13 and 20, Defendant seeks information regarding instances of actual confusion between the parties' goods and instances in which Defendant's goods sold under the EURO mark were confusingly believed to be from Europe. Inasmuch as there is no likelihood of confusion claim in Opposition No. 91210813, instances of actual confusion between the parties' marks are minimally relevant in this case. *See In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). However, whether or not consumers believe that Defendant's goods come from Europe is a central issue in this case. *See* TMEP § 1210.05(b) and cases cited therein. Plaintiff's responses that, upon information and belief, customers have expressed confusion to Plaintiff's exclusive importer are acceptable. Because further statements concerning what the importer told Plaintiff may be hearsay, it may be necessary to seek any further, more detailed information from that importer. *See* TBMP § 404.03(a).

The Board treats interrogatory no. 19 and document request no. 15 as seeking information and documents which identify the country in which certain of Plaintiff's goods are manufactured. Because Plaintiff's case is based largely upon its contention that European origin is a desirable characteristic of goods of the type, the requested information and documents are highly relevant. Plaintiff's responses that the goods at issue "are manufactured in

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Germany or in other European countries is insufficient.” Plaintiff is directed to identify and to provide documents sufficient to show the countries in which its named goods are manufactured.

In interrogatory nos. 14, 24 and 25, Defendant seeks information concerning Plaintiff’s total sales and market share in Europe and the United States. Because this proceeding is concerned with the perceptions of United States purchasers, Plaintiff’s European sales and market share are irrelevant to this proceeding. *See Double J of Broward Inc. v. Skalony Sportswear GmbH*, 21 USPQ2d 1609, 1612-13 (TTAB 1991); *Johnson & Johnson v. Salve S.A.*, 183 USPQ 375, 376 (TTAB 1974) (foreign use of mark creates no rights in mark in United States). However, Plaintiff’s United States sales and market share are relevant to its allegation in paragraph 2 of the notice of opposition in Opposition No. 91210813 that “German engineered and manufactured paint spray guns have long been recognized throughout the global market as the benchmark by which competitors’ goods might be measured.” Plaintiff is directed to provide its annual United States sales and market share in round numbers for its pleaded paint spray guns and parts thereof for each year since 2009. *See American Optical Corp. v. Exomet, Inc.*, 181 USPQ 120, 123 (TTAB 1974) (required to furnish round figures concerning sales under mark for period of five years); TBMP § 414(18).

In document request no. 4, Defendant seeks all documents regarding advertisement of Plaintiff’s goods that it contends compete with those

identified goods of Defendant's. Plaintiff's objections that the request is overly broad and unduly burdensome is sustained. However, the request is relevant to the aforementioned allegation in paragraph 2 of the notice of opposition of Opposition No. 91210813. Plaintiff is directed provide a representative sample of United States advertisements for its goods that it contends compete with Defendant's identified goods, identifying where each of those advertisements are placed.

In view thereof, Defendant's motion to compel is granted to the extent that Plaintiff is allowed until thirty days from the mailing date set forth in this order to serve supplemental responses to interrogatory nos. 9, 19, and 24 and document request nos. 4 and 15 and to supplement its document production with regard to those document requests in accordance with the foregoing.

The Board, in exercising its inherent authority to control the conduct of this proceeding, will not consider any further motions to compel in these consolidated proceedings unless the moving party receives leave of the Board to file such motion in advance by way of a telephone conference with the parties (or the attorney of any party who is represented by counsel) and the Board attorney assigned to this case.⁷

Proceedings herein are resumed. Dates are reset as follows.

⁷ The parties are reminded that they have an obligation to supplement or correct their discovery responses as needed. *See* Fed. R. Civ. P. 26(e). The parties are also reminded that they may be precluded from using at trial evidence that was properly requested but not disclosed in discovery. *See* Fed. R. Civ. P. 37(c)(1).

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Answers Due in Opposition No. 91217915 and Cancellation No. 92059849 **12/20/2014**

Deadline for Discovery Conference in Opposition No. 91217915 and Cancellation No. 92059849 **1/19/2015**

Discovery Opens in Opposition No. 91217915 and Cancellation No. 92059849/Reopens in Opposition No. 91210813 **1/19/2015**

Initial Disclosures Due in Opposition No. 91217915 and Cancellation No. 92059849 **2/18/2015**

Expert Disclosures Due **6/18/2015**

Discovery Closes **7/18/2015**

Plaintiff's Pretrial Disclosures Due **9/1/2015**

Plaintiff's 30-day Trial Period Ends **10/16/2015**

Defendant's Pretrial Disclosures Due **10/31/2015**

Defendant's 30-day Trial Period Ends **12/15/2015**

Plaintiff's Rebuttal Disclosures Due **12/30/2015**

Plaintiff's 15-day Rebuttal Period Ends **1/29/2016**

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. If either of the parties or their attorneys should have a change of address, the Board should be so informed promptly.