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

Proceeding	91212024
Party	Plaintiff Republic Technologies (NA), LLC
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Application Serial  
No. 85/551,808 for S.O.B.

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REPUBLIC TECHNOLOGIES (NA),  
LLC,

Opposer,

v.

BROOKS ENTERTAINMENT, INC.,

Applicant.

**Opposition No. 91212024**

**REPLY IN SUPPORT OF REPUBLIC TECHNOLOGIES'  
MOTION FOR SUMMARY JUDGMENT**

In an effort to stave off summary judgment, Applicant's opposition to the present motion presents the Board with a group of unexplained and inadmissible documents, some of which Applicant failed to produce during the discovery period. While Applicant claims that these documents support registration of its mark under § 1(a) and § 44(e), not one suggests Applicant used the S.O.B. mark in interstate commerce by the time it filed its application or that it maintained a bona fide and effective business establishment in the Dominican Republic. Rather, Applicant's documents establish, if anything, that it did not sell cigars in the United States until 2013 at the earliest and that its only business ties to the Dominican Republic are a third-party manufacturing contract and an individual acting as a liaison. Applicant has thus failed to meet its burden of producing credible, admissible evidence sufficient to support a reasonable finding in its favor. Summary judgment should therefore be entered in favor of Republic Technologies.

**I. Applicant's Has Failed to Produce Credible, Admissible Evidence to Support its Allegations of First Use and Bona Fide Dominican Industry**

Applicant's discovery responses establish that Applicant did not (i) use the S.O.B. mark in interstate commerce by February 24, 2012, when it filed its application, and (ii) maintain a bona fide and effective business establishment in the Dominican Republic as of February 15, 2012, when its Dominican trademark registration issued. Thus, to avoid summary judgment, Applicant must produce admissible evidence of its use of the mark in the United States prior to February 12, 2012 and the existence of its legitimate business establishment in the Dominican Republic. Such evidence must be sufficiently credible to support a reasonable judgment in Applicant's favor. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 252 (1986). At a minimum, such evidence should consist of "a counterstatement of facts set forth in detail in an affidavit by a knowledgeable affiant." *ChaCha Search Inc. v. Grape Tech. Group Inc.*, 105 U.S.P.Q.2d (BNA) 1298, 1303 (TTAB 2012) (quoting *Otocom Systems Inc. v. Houston Computers Services Inc.*, 918 F.2d 937, 941, 16 U.S.P.Q.2d (BNA) 1783, 1786 (Fed. Cir. 1990)).

Applicant presents no such counterstatement or affidavit. Instead, it merely offers a small stack of documents accompanied by its counsel's declaration. Applicant's counsel cannot and does not even attempt to lay any foundation for the admissibility of the documents. Instead, although not competent to do so, he attempts only to authenticate them by declaring that they are "true and correct" copies.<sup>1</sup> Applicant then foists upon the Board the burden of interpreting the documents and determining their relevance and admissibility. As the documents, many of which are unintelligible on their faces, are not accompanied by any explanation or foundational

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<sup>1</sup> Applicant's counsel does not declare that any of the documents are true and correct copies of what they purport to be (*i.e.*, "payments for [Applicant's] sales and promotional activities" or "[Applicant's] activities in the Dominican Republic"). Rather, counsel merely declares that they are "documents produced by Applicant." *See* p. 4-5 below. Accordingly, Republic Technologies moves to strike all of Applicant's documents as hearsay pursuant to F.R.E. 802, as they lack a foundation for their admissibility under the exceptions to the hearsay rule.

statements of fact, they are inadmissible.

Moreover, Applicant admits in its response that it does not manufacture cigars, Resp. at 5, and Applicant concedes that, as shown by its own documents, it did not have a contract with a third party to manufacture its cigars or even a permit to import cigars to the United States until 2013. Republic Technologies' Mot. for Summ. J. at 3-4, Exs. G and H. Applicant also admits that it announced the "debut" of S.O.B. cigars in May 2013 press release and stated that the cigars "will be headed" to the United States "upon the launch date." *Id.*, Exs. I and J. Consistent with a first use date in late 2013, Applicant does not dispute that it solicited "pre-orders" for S.O.B. cigars in June 2013. *Id.*, Ex. L.

With respect to its purported business establishment in the Dominican Republic as of February 2012, Applicant concedes in its response that it:

- does not have, and has never had, a fixed physical place of business in the Dominican Republic, instead contracting with Tabacqueria Carbonell CXA, an independent Dominican company, to manufacture cigars, Resp. at 5;
- is not and has never been incorporated or licensed to do business in the Dominican Republic;
- has never owned or rented real property in the Dominican Republic; and
- has not produced any payroll data, personnel records, pay stubs, tax forms, benefits data, or any other sort of documentation of Dominican employees.

Applicant further concedes that three of the employees it attempted to claim as its own in response to Republic Technologies' discovery requests are actually employed by the Dominican law firm Wendy Diaz & Associates, P.A. Republic Technologies' Mot. for Summ. J., Ex. P. In fact, in its response, Applicant now identifies only one purported Dominican "staff member," Jose Rivas, describing him as the "contact person" with Tabacqueria Carbonell CXA. Resp. at 7.

All of these facts corroborate Republic Technologies' initial showing that Applicant did

not use the S.O.B. mark in interstate commerce, nor did it have a bona fide business establishment in the Dominican Republic, as of February 2012 as it alleged in its application. Thus, Applicant's admissions and concessions, and the undisputed, credible record evidence, establish that Applicant does not have a valid basis for registration under either § 1(a) or § 44(e), and summary judgment should be granted in favor of Republic Technologies.

**II. Applicant's Documents Lack Foundation and Do Not Establish Any Facts Sufficient to Avoid Summary Judgment**

Applicant relies on four exhibits consisting of a small stack of documents, offered without explanation, that are inadmissible because they lack any foundation. Many of the documents are unintelligible or irrelevant. Applicant then makes bare conclusory statements that it "has produced evidence to corroborate its statements that the Mark was used in commerce" and that it "has an organized staff in the Dominican Republic." Resp. at 5, 7. In fact, however, Applicant's documents show no such thing.

As an initial matter, all of Applicant's documents lack any foundation for their admissibility under an exception to the hearsay rule, as noted above. *See, e.g., Canada v. Blain's Helicopters, Inc.*, 831 F.2d 920, 925 (9th Cir. 1987) (holding that "documents which have not had a proper foundation laid to authenticate them ... may not be relied upon to defeat a motion for summary judgment"). Applicant's counsel purports to authenticate the documents by declaration. Decl. of Richard B. Jefferson. However, Applicant's counsel declares only that the documents are "true and correct" copies of documents Applicant produced. "An affidavit or declaration used to ... oppose a motion must be made on personal knowledge, set out facts that would be admissible in evidence, and show that the affiant or declarant is competent to testify on the matters stated." Fed. R. Civ. P. 56(c)(4). Applicant's counsel cannot and does not have personal knowledge of the purported substance of Applicant's documents, namely Applicant's

payments for sales and promotional activities and Applicant's activities in the Dominican Republic. He is not competent to testify on those matters at trial, and therefore his declaration is insufficient to lay a foundation for the admissibility of any of Applicant's documents under an exception to the hearsay rule.

Even more importantly, however, the documents do not in any way support Applicant's arguments that it is entitled to registration under § 1(a) and § 44(e).

**A. *Applicant's Documents Do Not Show Use of the Mark in Interstate Commerce as of the Filing Date of the Application***

Applicant maintains that it used the S.O.B. mark in interstate commerce in the United States in connection with cigars as of February 14, 2012, when it filed its application. Hoping to persuade the Board of this, Applicant offers three exhibits comprising documents purporting to show its "payment for sales and promotional activities" in 2011, 2012 and 2013. Decl. of Richard B. Jefferson, ¶¶ 1-3. None of the documents in the exhibits can reasonably be construed to support Applicant's contention that it has a legitimate basis for registration under § 1(a).

**Applicant's Exhibit A**

Applicant's Exhibit A, which purports to show use of the S.O.B. mark in interstate commerce in 2011, consists of four single-page documents bearing production numbers 160, 169, 170, and 009. Of these, Documents Nos. 160, 169 and 170 were produced concurrently with Applicant's response, well after the close of the discovery period in this matter, and therefore cannot be relied on to defeat summary judgment. Applicant repeatedly represented that it was producing documents responsive to Republic Technologies' discovery requests "to the extent they exist." If, as Applicant now asserts, these documents were created in 2011, Applicant was obligated under Rule 26 to produce them during discovery and should not be allowed to rely on them now despite falsely representing that they did not exist. *See Era Corp. v. Elec. Realty*

*Assocs., Inc.*, 211 U.S.P.Q.2d (BNA) 734, 737 (“a party ... is obliged to comply with an adversary’s timely discovery request for the production of documents and cannot, at a later date ... introduce as evidence in its behalf documents embraced within the request but which had not been furnished to the requesting party”); *Presto Prods. Inc. v. Nice-Pak Prods. Inc.*, 9 U.S.P.Q.2d (BNA) 1895, 1897 n.5 (TTAB 1988) (“[A] party who has refused ... to produce information sought in a discovery request may not thereafter rely on the information as evidence in its behalf”).

Regardless, even if timely, none of Applicant’s documents show use of the S.O.B. mark in interstate commerce:

- Document 169<sup>2</sup> purports to be a receipt from the Habana Club Café in San Diego, California. As Applicant is also based in California, this receipt would show, if anything, purely *intrastate* use that does not provide a basis for federal registration. *See* TMEP § 901.03.
- Document 170, purportedly an email from November 15, 2011, does not mention importation or United States sales of S.O.B. cigars. Rather, it contains references to payment for “Art & Design,” a cigar box, and a “cigar ring print.” The message can reasonably be construed only as preliminary communication regarding preparatory activities and cannot establish actual use of the mark S.O.B. in interstate commerce.
- Document No. 9, a better-quality copy of which is attached hereto as Exhibit A, is the “specimen” Applicant submitted with its application. This document plainly shows an ordinary wood box, to which a printout of the mark has been affixed with clear tape. It does not show the mark used on cigars; the mark is not actually printed on the box; and there is no UPC code, shipping label, or manufacturer information on the box. In short, this document shows nothing that would indicate that the “specimen” is product packaging used in commerce, or fit for use in commerce, as opposed to merely a piece of paper taped to a box. It is surprising that this “specimen” was accepted, as it is plainly not packing “normal for [cigars] *as they move in trade*” as required by TMEP 904.03(c) (emphasis added).
- Document 160 purports to show only that Applicant registered the domain name *sobcigars.com* in 2011. Mere use of a term in a domain name does not show trademark use. *See* TMEP § 1215.02(a); *In re Roberts*, 87 US.P.Q.2d (BNA)

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<sup>2</sup> Documents will be addressed hereafter in the order presented by Applicant.

1474, 1479 (TTAB 2008) (holding that domain name did not function as a mark when it was used only to indicate address of applicant's website); *In re Eilberg*, 49 U.S.P.Q.2d (BNA) 1955, 1957 (TTAB 1998) (holding that domain name displayed on applicant's letterhead was not capable of functioning as a mark).

### **Applicant's Exhibit B**

Applicant's Exhibit B, purporting to show use of the S.O.B. mark in interstate commerce in 2012, comprises a host of illegible, inadmissible or irrelevant documents:

- Documents Nos. 183-185, 131, 139-140 and 142 are illegible and are therefore inadmissible due to lack of foundation. *See Hard Rock Café Licensing Corp. v. Elsea*, 48 U.S.P.Q.2d (BNA) 1400, 1404-5 (TTAB 1998) (noting that "it is [a party's] responsibility to review the documents it submits as evidence to ensure that such submissions meet certain basic requirements, such as that they are legible" and sustaining objections to illegible exhibits). Moreover, to the extent that they are discernible, they cannot reasonably be interpreted to show any use of S.O.B. as a trademark in connection with cigars in interstate commerce.
- Documents Nos. 212-215 appear to be a printout of a posting to a cigar-oriented website containing the same image Applicant submitted as its "specimen" and a reproduction of Applicant's logo. The posting does not show or even mention the existence of actual S.O.B. cigars, merely referring to Applicant's trademark registration. Moreover, it is dated March 3, 2012 and therefore cannot show use in commerce as of February 24, 2012, when Applicant filed its application.

### **Applicant's Exhibit C**

Applicant admits that all documents comprised by Applicant's Exhibit C (Docs. Nos. 135, 193, 195, 138, 94, 93, 136, 88-89, 141, 137, 133, 132, 126, 85-86, 82-83, 79-80, 76-77, 73-74, 13, 14, 60, 57-59, 10-12, 177-178, 63, 66, 61-62) relate to Applicant's activities during 2013. *See Decl. of Richard B. Jefferson*, ¶ 3. Therefore, these documents cannot show use of the mark in interstate commerce as of February 24, 2012 and are irrelevant.

#### ***B. Applicant's Documents Do Not Show It Maintained a Bona Fide Business Establishment in the Dominican Republic***

In its response, Applicant concedes that it has never had a physical place of business in the Dominican Republic and can identify only one person, Jose Rivas, as its "contact person" in

the Dominican Republic. Resp. at 7. A bona fide business establishment, as required by § 44(e), is defined as “the place where one is permanently fixed for business; an institution or place of business, with its fixtures and organized staff.” *Ex parte Blum*, 138 U.S.P.Q. (BNA) 316, 317 (Comm’r of Patents 1963). A single individual, without an office, acting as a liaison to a Dominican manufacturer falls far short of that standard.

Applicant nonetheless asserts, without further explanation or evidentiary support, that it has “an organized staff in the Dominican Republic” and therefore has a legitimate basis for registration under § 44(e). Resp. at 7. Applicant attaches as Exhibit D to its response documents purportedly “related to Applicant’s activities in the Dominican Republic.” Decl. of Richard B. Jefferson, ¶ 4. Here too, however, Applicant’s documents are inadmissible and insufficient to substantiate Applicant’s claim:

- Document No. 146 appears to be an invoice, addressed to Applicant in the United States, from Wendy Diaz & Associates, the Dominican law firm Applicant used to register its mark in the Dominican Republic. Accordingly, it is irrelevant to the issue of Applicant’s purported business establishment in the Dominican Republic.
- Document No. 145 appears to be a grant, signed in the United States, of power of attorney to Wendy Diaz for registering the mark in the Dominican Republic. It is similarly irrelevant.
- Documents Nos. 171, 174, and 53-54 are written in Spanish and are therefore inadmissible. *See Hard Rock Café Licensing Corp.*, 48 U.S.P.Q.2d at 1405 (sustaining objections to documents in a language other than English); *Productos Lacteos Tocumbo S.A. de C.V. v. Paletería La Michoacana Inc.*, 98 U.S.P.Q.2d (BNA) 1921 (TTAB 2011) (stating that documents in Spanish have no probative value).
- Document No. 172 appears to be duplicative of Document No. 145.
- Document No. 173 is merely a reproduction of Applicant’s logo.
- Document No. 52 appears to be a copy of Applicant’s Dominican trademark registration certificate and is therefore irrelevant to the issue of Applicant’s purported business establishment in the Dominican Republic.

- Documents Nos. 151-155 appear to be excerpts from Applicant's contract with Tabaqueria Carbonell CXA. Because "a bona fide and effective industrial or commercial establishment cannot be created by ... reliance on the commercial facilities of an independent legal entity," *Kallamni v. Khan*, Applicant's contract is irrelevant to the issue. 101 U.S.P.Q.2d (BNA) 1864, 1868 (TTAB 2012).
- Document No. 150 purports to show an email from Jose Rivas to Applicant's principal. The email appears to forward a copy of Applicant's contract with Tabaqueria Carbonell. As shown above, a single liaison retained for the limited purposes of negotiating a contract with a Dominican third party does not constitute a bona fide business establishment in the Dominican Republic. Moreover, the email is dated September 12, 2013, and therefore cannot show a bona fide business establishment as of February 15, 2012, the date of Applicant's Dominican registration.
- Document 143 appears to be a Customs declaration showing Applicant's principal having traveled to the Dominican Republic in May 2013. Evidence of a single trip to the Dominican Republic in 2013 cannot show a bona fide business establishment as of February 15, 2012 and is therefore irrelevant.
- Document 144 was not produced during the discovery period and is therefore inadmissible. Moreover, it appears to be an email regarding consignment sales dated May 6, 2014 (in Spanish) and therefore cannot show a bona fide business establishment as of February 15, 2012.

Accordingly, Applicant has failed to produce credible, admissible evidence of a bona fide and effective industrial establishment in the Dominican Republic sufficient to support a reasonable finding that it has a legitimate basis for registration under § 44(e).

### **III. Applicant Cannot Cure the Defects in its Application at This Stage of the Proceeding**

Applicant contends that even if it does not have legitimate bases for registration under § 1(a) or § 44(e), it may cure its defects by amending its application, presumably to claim § 1(b) as its basis. Resp. at 7-8. Such an amendment, however, would require either the consent of Republic Technologies or approval of the Board. "An application subject to an opposition may not be amended in substance ... except with the consent of the other party ... or upon motion granted by the Board." 37 C.F.R. § 2.133(a). Republic Technologies does not consent to such an

amendment, and Applicant has not moved to amend its application. Applicant's argument, therefore, is moot.

Moreover, "[a]n unconsented motion to amend in substance is generally deferred until final decision or until the case is decided upon summary judgment." TBMP § 514.01; *see also Enbridge Inc. v. Excelerate Energy Ltd. Partnership*, 92 U.S.P.Q.2d (BNA) 1537, 1539 n.3 (TTAB 2009) (motion to amend identification of goods and dates of use deferred until final hearing); *Space Base Inc. v. Stadis Corp.*, 17 U.S.P.Q.2d (BNA) 1216 (TTAB 1990) (motion to amend identification of goods deferred); *Fort Howard Paper Co. v. C.V. Gambina Inc.*, 4 U.S.P.Q.2d (BNA) 1552 (TTAB 1987) (motion to amend dates of use deferred); *Mason Engineering & Design Corp. v. Mateson Chemical Corp.*, 225 U.S.P.Q. (BNA) 956, 957 n.4 (TTAB 1985) (same). Therefore, even if Applicant does move to amend its application, it would not affect the disposition of Republic Technologies' motion for summary judgment.

Finally, even if Applicant were granted leave to amend its application, Applicant's application would still be subject to a meritorious challenge that it constitutes fraud in the procurement of a registration, as the record demonstrates that Applicant's false statements regarding its use of the mark in interstate commerce and its maintenance of a bona fide business establishment in the Dominican Republic were made to gain the advantage of the priority date of its Dominican registration. Applicant's application proceeded to publication based on Applicant's knowingly false statements that it used the S.O.B. mark in commerce as of the filing date and that it maintained a legitimate business establishment in the Dominican Republic as of the issuing date of its Dominican trademark registration. Fraud in the procurement renders an application void *ab initio*, even after amendment, if the misstatement is not corrected prior to publication (as Applicant did not do here). *See Sinclair Oil Corp. v. Kendrick*, 85 U.S.P.Q.2d

(BNA) 1032 (TTAB 2007) (granting motion to amend application in opposition proceeding from § 1(a) to § 1(b), but finding application void *ab initio* nonetheless because of fraudulent statements of use); *cf. Hurley Int'l LLC v. Volta*, 82 U.S.P.Q.2d (BNA) 1339, 1344 n.5 (TTAB 2007) (“[A] misstatement in an application as to the goods or services on which a mark has been used does not rise to the level of fraud where an applicant amends the application prior to publication”). Therefore, permitting Applicant to amend its application would be futile in this instance and not a basis upon which to deny summary judgment.

### CONCLUSION

Applicant cannot survive summary judgment based on mere conclusory statements that it used the S.O.B. mark in interstate commerce when it filed its application and maintained a bona fide and effective business establishment in the Dominican Republic as of the date of its Dominican trademark registration. Applicant’s production of unexplained, unauthenticated and irrelevant documents does nothing to substantiate Applicant’s claims that it has legitimate bases for registration under § 1(a) and § 44(e). Because Applicant has not produced any credible, admissible evidence to support a reasonable verdict in Applicant’s favor, Applicant has failed to meet its burden to avoid summary judgment. Although Applicant contends that its defects can be cured, Applicant has not filed a motion to amend its application. Moreover, it is too late for Applicant to attempt to cure its false statements, as a motion to amend would not affect summary judgment and would not allow Applicant to escape a finding of fraud that would render the application void *ab initio*. Accordingly, Republic Technologies respectfully requests that the Board enter summary judgment in its favor.



**CERTIFICATE OF SERVICE**

I, Andrew S. Fraker, an attorney, state that, pursuant to 37 CFR §§ 2.101, 2.111, and 2.119, I caused a true and correct copy of the foregoing **Reply in Support of Republic Technologies' Motion for Summary Judgment** to be served upon:

Richard B. Jefferson  
M.E.T.A.L. Law Group, LLP  
Museum Square  
5757 Wilshire Blvd., PH 3  
Los Angeles, CA 90036

via U.S. Mail, with a courtesy copy sent via email, on July 17, 2014.

/Andrew S. Fraker /  
Andrew S. Fraker

# **Exhibit A**

