

THIS DECISION IS NOT A
PRECEDENT OF THE TTAB

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451
General Contact Number: 571-272-8500

WINTER

Mailed: September 16, 2014

Opposition No. 91212024

Republic Technologies (NA), LLC

v.

Brooks Entertainment Inc.

Before Kuhlke, Wellington, and Gorowitz,
Administrative Trademark Judges.

By the Board:

This case now comes up for consideration of Opposer's concurrently submitted motions (filed June 12, 2014) to amend its pleading and for summary judgment on its newly-asserted claims that the involved application is void *ab initio* based on non-use under Trademark Act Section 1(a) and under Trademark Act Section 44(e) for failing to satisfy the requirements of that section. Accompanying Opposer's motion for leave to file an amended notice of opposition is its proposed Amended Notice of Opposition.¹

¹ Opposer's reply brief to its summary judgment motion, filed July 17, 2014, is over-length at 11.5 pages. As such, it exceeds the ten-page limit for reply briefs in support

For purposes of this order, we presume the parties' familiarity with the pleadings, arguments and materials submitted in connection with the referenced motions. Inasmuch as the motion for summary judgment is based on Opposer's proposed new claims, we turn first to Opposer's motion for leave to amend.

Motion to Amend Notice of Opposition

Opposer seeks to amend its notice of opposition to add two claims set forth in paragraphs 6-12, as follows:

6. On February 24, 2012, ... Applicant filed an application to register the mark S.O.B. based [on] its purported use of the mark in connection with "cigars" in International Class 34 "[a]t least as early as" June 16, 2011. Applicant concurrently claimed a priority date of November 16, 2011, based on its ownership of a Dominican Republic registration for the mark pursuant to §§ 1(a) and 44(d) of the Lanham Act (15 U.S.C. §§ 1051(a) and 1126(d)). On February 14, 2013, as part of its petition to revive its abandoned application, Applicant asserted §§ 1(a) and 44(e) of the Lanham Act (15 U.S.C. §§ 1051(a) and 1126(e)) as a basis for registration. On May 20, 2013, in response to an Office Action, Applicant amended its application to state that it "ha[d] a bona fide and effective industrial or commercial establishment in the Dominican Republic as of the date of issuance of the foreign registration" in order to perfect its claim under §44(e) of the Lanham Act (15 U.S.C. § 1126(e)).

7. On information and belief, at the time Applicant filed the application, Applicant did not use the S.O.B. mark in commerce in the United States in connection with any of the goods described in the application. Specifically, on information and belief, Applicant did not sell

of motions and has therefore received no consideration. Trademark Rule 2.127(a); *see also Mattel Inc. v. Brainy Baby Co.*, 101 USPQ2d 1140, 1141 (TTAB 2011). In view thereof, Opposer's uncontested motion to strike Applicant's evidence submitted in response to the summary judgment motion (see reply, footnote 1) has also received no consideration. *See also Vignette v. Marino*, 77 USPQ2d 1408 (TTAB 2005) ("Although applicant clearly could have been more forthcoming in his responses to interrogatories, we do not believe that applicant's delay in providing this information requires us to exclude his declaration.")

or transport cigars bearing the mark in interstate commerce and did not import such cigars to the United States prior to the date of filing of the subject application. Accordingly, the application is void *ab initio* to the extent that it is based on § 1(a) of the Lanham Act (15 U.S.C. § 1051(a)).

8. On information and belief, Applicant is not a national of the Dominican Republic.

9. On information and belief, Applicant is not a domiciliary of the Dominican Republic.

10. On information and belief, Applicant did not have a bona fide and effective industrial or commercial establishment in the Dominican Republic as of February 15, 2012, the date of issuance of its Dominican trademark registration.

11. On information and belief, Applicant did not have, and has never had, a legitimate Dominican business office or production facility.

12. Applicant cannot claim the Dominican Republic as a country of origin for the purposes of § 44(e) of the Lanham Act (15 U.S.C. § 1126(e)) and therefore does not have a basis for United States registration under that Section.

The Board liberally grants leave to amend pleadings at any stage of the proceeding when justice requires, unless entry of the proposed amendment would be prejudicial to the rights of the adverse party or parties, would violate settled law, or would serve no useful purpose. Fed. R. Civ. P. 15(a). *See, e.g., Polaris Indus. v. DC Comics*, 59 USPQ2d 1789 (TTAB 2001); *Boral Ltd. v. FMC Corp.*, 59 USPQ2d 1701, 1703 (TTAB 2000); *Institut National des Appellations d'Origine v. Brown-Forman Corp.*, 47 USPQ2d 1875, 1896 (TTAB 1998); and TBMP § 507.02 (2014). This is so even when a plaintiff seeks to amend its complaint to plead a claim other than those stated in the original complaint. *See Commodore Elec. Ltd. v. CBM Kabushiki Kaisha*, 26

USPQ2d 1503, 1506-1507 (TTAB 1993) (allowing opposer to add the claim that applicant did not have a bona fide intention to use the mark in commerce). Whether or not the moving party can actually prove the allegations sought to be added to a pleading is a matter to be determined after the introduction of evidence at trial or in connection with a proper motion for summary judgment. *Focus 21 Int'l Inc. v. Pola Kasei Kogyo Kabushiki Kaisha*, 22 USPQ2d 1316, 1318 (TTAB 1992). Further, “the timing of a motion for leave to amend under Fed. R. Civ. P. 15(a) is a major factor in determining whether applicant would be prejudiced by allowance of the proposed amendment.” *Boral*, 59 USPQ2d at 1703.

Notwithstanding Applicant’s argument to the contrary, we find that Opposer’s motion for leave to amend to add the additional claims was timely inasmuch as the proposed new claims are based on information set forth in Applicant’s discovery responses that were served on Opposer after the close of discovery, that is, on May 16, 2014. Opposer filed the instant motion only 27 days after it received Applicant’s responses. As to whether Applicant will be prejudiced by the amendments, we find none inasmuch as Applicant has not shown that any of its witnesses or evidence has become unavailable as a result of Opposer’s asserted delay in seeking to amend the notice of opposition. *See Trek Bicycle Corp. v. Styletrek Ltd.*, 64 USPQ2d 1540, 1541 (TTAB 2001), *citing Pratt v. Philbrook*, 109 F.3d 18 (1ST Cir. 1997). Further, Applicant’s asserted inability to pursue its commercial interests in view of

the pendency of this proceeding is insufficient to demonstrate prejudice. *See Hurley International LLC v. Volta*, 82 USPQ2d 1339, 1341 (TTAB 2007).

We also find Opposer's proposed claims as set forth in paragraphs 6-12 of the amended notice of opposition to be legally sufficient as they provide adequate notice of the two claims, *viz.* that Applicant was not using the applied-for mark in commerce on the filing date of the application as required under Trademark Act Section 1(a), 15 U.S.C. § 1051(a); and that Applicant did not have a bona fide and effective industrial or commercial establishment in the Dominican Republic as of February 15, 2012, the date of issuance of its Dominican trademark registration.² Finally, entry of the new claims would not violate settled law. *See Commodore Elec. Ltd.* as to the former and *Kallamni v. Khan*, 101 USPQ2d 1864 (TTAB 2012) as to the claim regarding the Section 44(e) basis.

In view of the foregoing, Opposer's motion for leave to amend its pleading is granted. Accordingly, Opposer's Amended Notice of Opposition filed on June 12, 2014 (as an exhibit to its motion to amend) is considered Opposer's operative pleading in this proceeding. Applicant will be allowed time at the conclusion of this order to file an answer thereto. Nonetheless, for purposes of our consideration of Opposer's motion for summary judgment on its new claims (see *infra*), we consider Opposer's new allegations to be denied. *See Societe des Produits Marnier Lapostolle v. Distillerie Moccia S.R.L.*, 10 USPQ2d 1241, 1242 n.4 (TTAB 1989) (motion to amend to add new ground,

filed simultaneously with motion for summary judgment, granted and allegations in new ground deemed denied).

Motion for Summary Judgment

Summary judgment is an appropriate method of disposing of cases in which there is no genuine dispute with respect to any material fact, thus leaving the case to be resolved as a matter of law. *See* Fed. R. Civ. P. 56(c)(1). A party moving for summary judgment has the burden of demonstrating the absence of any genuine dispute as to a material fact, and that it is entitled to judgment as a matter of law. *See Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986); *Sweats Fashions, Inc. v. Pannill Knitting Co. Inc.*, 833 F.2d 1560, 4 USPQ2d 1793, 1796 (Fed. Cir. 1987). A factual dispute is genuine if, on the evidence of record, a reasonable fact finder could resolve the matter in favor of the non-moving party. *See Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471, 1472 (Fed. Cir. 1992); *Olde Tyme Foods, Inc. v. Roundy's, Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1544 (Fed. Cir. 1992).

When the moving party has supported its motion with sufficient evidence that, if unopposed, indicates there is no genuine dispute of material fact, the burden then shifts to the non-moving party to demonstrate the existence of a genuine dispute of material fact to be resolved at trial. *Enbridge, Inc. v. Excelerate Energy LP*, 92 USPQ2d 1537, 1540 (TTAB 2009). All evidence must be viewed in a light favorable to the nonmovant, and all justifiable

² Opposer's claims do not allege fraud, as suggested by Applicant.

inferences are to be drawn in the nonmovant's favor. *Lloyd's Food Products, Inc.*, 987 F.2d at 766, 25 USPQ2d at 2029; *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 850, 23 USPQ2d 1471, 1472 (Fed. Cir. 1992). Further, in considering whether summary judgment is appropriate, the Board may not resolve any genuine disputes of material fact necessary to decide the merits of the opposition. Rather, the Board may only ascertain whether any material fact cannot be disputed or is genuinely disputed. *See Lloyd's Food Products*, 25 USPQ2d at 2029; and *Olde Tyme Foods*, 22 USPQ2d at 1542.

Based on our review of the parties' arguments and evidence, and drawing all inferences in favor of Applicant, the non-movant, we find that genuine disputes of material facts preclude summary judgment on Opposer's two new claims regarding Applicant's two filing bases. Fed. R. Civ. P. 56(a). At a minimum, a genuine dispute exists as to whether Applicant sold the identified goods before February 24, 2012, and whether Applicant's presence in the Dominican Republic constitutes a commercial establishment, including whether Applicant's representative in the Dominican Republic is an employee.³ In view thereof, Opposer's motion for summary judgment is **denied**.⁴

³ The fact that we identify only two material facts that are genuinely in dispute as a sufficient basis for denying the motion for summary judgment should not be construed as a finding that they are necessarily the only issues which remain for trial.

In denying this motion, we note that the standard of proof for summary judgment, the absence of a genuine dispute of material facts, is quite different from the preponderance of evidence standard for trial. Evidence that may be sufficient to raise a genuine issue, may not be sufficient to rebut a prima facie case. We further note, that Applicant, in response to the motion for summary judgment observed that the filing basis of an application involved in an inter partes proceeding may be amended. Such amendment may be made with the consent of the other party or upon motion granted by the Board. Trademark Rule 2.133(a).⁵ In view thereof, Applicant is allowed until **FIFTEEN (15) DAYS** from the mailing date of this order to file a motion to amend its application to substitute Section 1(b)⁶ as a filing basis, failing which such a motion will not be given any consideration and the proceeding shall move forward on all three of Opposer's claims.

⁴ The parties are reminded that, absent the parties' stipulation that the evidence submitted in connection with Opposer's motion for summary judgment is to be considered of record for trial, said evidence is of record only for consideration of the motion for summary judgment. *See* TBMP § 501 (2014) and authorities cited therein. *See also* TBMP § 702.04(d). Any such evidence to be considered at final hearing must be properly introduced in evidence during their appropriate trial periods. *See Levi Strauss & Co. v. R. Joseph Sportswear Inc.*, 28 USPQ2d 1464 (TTAB 1993); *Pet Inc. v. Bassetti*, 219 USPQ 911 (TTAB 1983); *American Meat Institute v. Horace W. Longacre, Inc.*, 211 USPQ 712 (TTAB 1981).

⁵ Regarding Applicant's reference to Trademark Rule 2.133(b), Applicant is advised that amendment of the filing basis is not a restriction and therefore is not the type of amendment contemplated by that rule.

⁶ Applicant is reminded that any such amendment must be in compliance with Trademark Rule 2.34(a)(2). *See Sinclair Oil Corp. v. Kendrick*, 85 USPQ2d 1032 (TTAB 2007). *See also* TMEP § 806.

Proceeding Resumed; Trial Dates Reset

This proceeding is resumed. Trial dates are reset as shown in the following schedule:

Plaintiff's 30-day Trial Period Ends	11/10/2014
Defendant's Pretrial Disclosures Due	11/25/2014
Defendant's 30-day Trial Period Ends	1/9/2015
Plaintiff's Rebuttal Disclosures Due	1/24/2015
Plaintiff's 15-day Rebuttal Period Ends	2/23/2015

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. *See* Trademark Rule 2.125, 37 C.F.R. § 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b), 37 C.F.R. §§ 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129, 37 C.F.R. § 2.129.

