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

Proceeding	91215813
Party	Defendant International Pastry Concepts LLC
Correspondence Address	CANDICE COOK CA-CO GLOBAL INC./THE COOK LAW GROUP 77 WATER ST FL 8 NEW YORK, NY 10005-4418 UNITED STATES csc@ca-coglobalinc.com;candicescook@hotmail.com
Submission	Reply in Support of Motion
Filer's Name	Noah H. Rashkind
Filer's e-mail	nrashkind@lottfischer.com, ljlott@lottfischer.com, ufischer@lottfischer.com, kclayman@lottfischer.com
Signature	/Noah H. Rashkind/
Date	06/01/2015
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

**Najat Kaanache and
Crystalline Management, LLC,
Opposers,**

v.

**International Pastry Concepts LLC
and Dominique Ansel,
Applicants.**

Opposition No.: 91215813
Application Serial No.: 85/936,327

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**APPLICANTS INTERNATIONAL PASTRY CONCEPTS LLC AND DOMINIQUE
ANSEL’S REPLY IN SUPPORT OF THEIR MOTION TO AMEND THEIR ANSWER
TO SECOND AMENDED NOTICE OF OPPOSITION AND AFFIRMATIVE DEFENSES**

I. INTRODUCTION

Applicants International Pastry Concepts LLC and Dominique Ansel (collectively, “Applicants”) request leave in their Motion to Amend their Answer to Second Amended Notice of Opposition and Affirmative Defenses [DE-22] (“Motion to Amend”) to amend their previously filed Answer to Second Amended Notice of Opposition and Affirmative Defenses [DE-12] (“Answer”), for the purposes of streamlining the pleadings and discovery in this proceeding.

Opposers’ cite to only one case, Foman v. Davis, 371 U.S. 178, 182 (1962), in support of their Opposition to Applicants’ Motion to Amend Answer to Second Amended Notice of Opposition [DE-23 at 2] (“Opposition to Motion to Amend”). Opposers not only misquote the clause they cite, they also fail to highlight that the Foman opinion reversed the lower court, and ruled that the amended pleading in that case should have been permitted. Id. The Supreme Court held in Foman, inter alia, that the Court of Appeals “erred in affirming the District Court’s denial of petitioner’s motion to vacate the judgment in order to allow the amended complaint.” Foman

v. Davis, 371 U.S. at 182. Writing for the majority, Justice Goldberg stated, “[a]s appears from the record, the amendment would have done no more than state an alternative theory for recovery,” reiterating that the “shall be freely given when justice so requires” mandate of Rule 15(a) “is to be heeded.” Id.

The Foman court did provide a laundry list of possible reasons why, in rare circumstances, leave to amend may not be “freely given,” viz., “undue delay, bad faith or dilatory motive on the part of the movant, repeated failure to cure deficiencies by amendments previously allowed, undue prejudice to the opposing party by virtue of allowance of the amendment, futility of amendment, etc,” Foman v. Davis, 371 U.S. at 182 (emphasis added to highlight language omitted by Opposers). Opposers focus on two of the aforementioned reasons in support of their position, neither of which apply to the instant proceeding, as follows: i) futility of amendment, and ii) undue prejudice to the opposing party by virtue of the allowance of the amendment.

II. THE PROPOSED AMENDED ANSWER IS NOT FUTILE

The proposed amended answer is not futile; rather it is necessary in order to place Opposers on notice of Applicants’ position in this proceeding. The pleadings define the parameters of discovery and issues to be proved or disproved at trial.¹ Although this is a straightforward matter, with relevant dates that span a short timeframe, there has been extensive discovery propounded by the parties. This amendment will make the proceedings less complicated by clarifying issues, particularly as it relates to the language of the Sixth “affirmative defense,” and by further refining matters for discovery and for proof at trial. Applicants do not wish to be “left to their proofs on this assertion,” [DE-15 at 14], and they do not wish to be required to expend resources on an assertion they do not intend to make at trial.

¹ Fed. R. Civ. P. 26(b)(1) states, in part as follows: “Parties may obtain discovery regarding any nonprivileged matter that is relevant to any party’s claim or defense”

In its December 16, 2014 Order, the Board struck only the language it deemed necessary and left what it “did not find [] necessary to strike.” [DE-15 at 14] The language of the Sixth “affirmative defense” [DE-14 at 7] that the Board did not strike is unintelligible as written, serves only to confuse issues rather than to bring clarity to them, and distracts from the core issues in this proceeding. Clarifying and streamlining the pleadings at this early stage is anything but futile.

Opposers assert that the Motion to Amend does not “streamline this litigation,” because Applicants did not remove the “affirmative defenses” that the Board already struck [DE-23 at 3-5]. Applicants agree that the Board struck Affirmative Defenses One, Two, Four, Seven, Eight, and Nine from their Answer. Applicants did not move to amend these affirmative defenses, and Applicants do not agree that all of these affirmative defenses should have been stricken, particularly the Eighth Affirmative Defense – Abandonment/Non-Use, where Applicants did sufficiently allege “nonuse of the mark and intent not to resume use,” to survive the pleading stage. ShutEmDown Sports v. Carl Dean Lacy, 102 U.S.P.Q.2d 1036, 1042 (TTAB 2012). Regardless, Applicants seek to re-plead these affirmative defenses so that it is not later viewed as a waiver of their rights to appeal the Board’s decision to strike them, as is controlling law in the Eighth and Ninth Circuits, described in greater detail below.²

When co-counsel entered an appearance in this matter, less than two months ago, they quickly reviewed and analyzed the pleadings and decided to abandon the superfluous language of the Sixth “affirmative defense,” and to remove from the pleading other unnecessary language (i.e. Third “affirmative defense”) that they did not find necessary to re-plead for appellate

² Applicants also reserve the right to move to amend their Answer at a future date if, as in Focus 21 International Inc. v. Pola Kasei Kogyo Kabushiki Kaisha, 22 U.S.P.Q.2D 1316 (TTAB 1992), Applicants learn of additional or different grounds to support these or some other affirmative defense or claim.

purposes. When a party files an amended pleading after a court's order striking the matter; however, removal of the stricken matter is deemed, in at least two federal circuits, as a waiver of a party's rights to seek review of the court's decision to strike the matter. See London v. Coopers & Lybrand, 644 F.2d 811, 814 (9th Cir. 1981) ("It has long been the rule in this circuit that a plaintiff waives all causes of action alleged in the original complaint which are not alleged in the amended complaint."); Tolen v. Ashcroft, 377 F.3d 879, 882 n.2 (8th Cir. 2004) (plaintiff "waived his Bivens claims," reasoning that the plaintiff had "voluntarily dismissed his Bivens claim[s]" by "not includ[ing] either of these claims in his [final complaint]."); Forsyth v. Humana, Inc., 114 F.3d 1467, 1474 (9th Cir. 1997) ("If a plaintiff fails to include dismissed claims in an amended complaint, the plaintiff is deemed to have waived any error in the ruling dismissing the prior complaint.")³ For applicants to remove counts stricken by the TTAB would potentially be to waive rights to appeal. Applicants are not requesting to do so. The requested amendments to Applicants' Answer are necessary and serve a useful purpose. They are not futile.

III. THE PROPOSED AMENDED ANSWER DOES NOT CAUSE UNDUE PREJUDICE TO OPPOSERS BY VIRTUE OF ITS ALLOWANCE

a. The Timing of Applicants' Proposed Amended Answer Does Not Unduly Prejudice Opposers

The proposed Amended Answer does not cause undue prejudice to Opposers by virtue of its allowance. Opposers initially highlight that this proceeding has been pending "for over a year" and "has proceeded well into discovery," [DE-23 at 1] thereby inferring that Opposers are unduly prejudiced by the timing of Applicants' Motion to Amend. This assertion ignores that the

³ See also Studio Carpenters Local Union No. 946 v. Loew's, Inc., 182 F.2d 168, 170 (9th Cir. 1950) ("Since appellant elected to amend, the amended complaint was substituted in all respects for the original."); King v. Atiyeh, 814 F.2d 565, 567 (9th Cir. 1987) ("All causes of action alleged in an original complaint which are not alleged in an amended complaint are waived."); Marx v. Loral Corp., 87 F.3d 1049, 1055-56 (9th Cir. 1997) ("Ninth Circuit authority clearly states that 'all causes of action alleged in an original complaint which are not alleged in an amended complaint are waived.'").

parties consented to three deadline extensions in this proceeding [DE-16, 18, 21], and also ignores the TTAB line of cases that state a motion to amend pleadings at this stage is not unduly prejudicial to the opposing party. See Zanella Ltd. v. Nordstrom Inc., 90 U.S.P.Q.2D 1758, 1759 (TTAB 2009) (Board finds no prejudice in allowing an amendment to the pleadings when there's three and a half months remaining in the discovery period); Focus 21 International Inc. v. Pola Kasei Kogyo Kabushiki Kaisha, 22 U.S.P.Q.2D 1316, 1318 (TTAB 1992) (no undue prejudice to respondent when motion to amend was filed prior to opening of petitioner's testimony period); Flatley v. Trump, 11 U.S.P.Q.2d 1284, 1286 (TTAB 1989) (respondent not prejudiced when Board permits amended pleadings during discovery stage); Hurley International L.L.C. v. Volta, 82 U.S.P.Q.2d 1339, 1341 (TTAB 2007) (no undue prejudice where amended notice of opposition filed prior to the start of trial, and which contained an additional fraud claim to the likelihood of confusion claim); Karsten Manufacturing Corp. v. Editoy AG, 79 U.S.P.Q.2d 1783, 1786 (TTAB 2006) (no undue prejudice where amended pleading filed after a discovery deposition); Boral Ltd. v. FMC Corp., 59 U.S.P.Q.2d 1701, 1703 (TTAB 2000) (no undue prejudice where amended notice of opposition added a claim of dilution, where parties consented to several extensions and discovery was still ongoing). It should be noted that in this action, depositions have not yet commenced.

Regardless, Opposers ultimately concede in their Conclusion section of their Opposition to Motion to Amend that they are not prejudiced by the timing of Applicants' Motion to Amend (“[w]hile Opposers are not necessarily prejudiced by the timing of Applicants' motion to amend, they are prejudiced by the substance of it.”) [DE-23 at 5]. Therefore, the Board should not use the timing of Applicants' Motion to Amend as a basis to deny the requested relief; and instead should grant Applicants' Motion to Amend.

b. The Removal of Exhibit 5 from Applicants' Proposed Amended Answer Does Not Unduly Prejudice Opposers

Opposers take the position that they would be prejudiced by the removal of Exhibit 5 from Applicants' pleading (presumably the "substance" they refer to [DE-23 at 5]); however, the exclusion of Exhibit 5 cannot unduly prejudice Opposers because i) Opposers are aware of Exhibit 5, which is a publicly available article that was published by a third party, not written or endorsed by Applicants, ii) Opposers have a copy of it by virtue of Applicants' earlier filed pleading, and iii) Applicants provided an additional copy of it to Opposers as part of Applicants' First Supplemental Production of Documents on April 21, 2015, prior to Opposers' filing of their Opposition to Motion to Amend [DE-23]. Nevertheless, Opposers state that they intend to rely on Exhibit 5 in their case, and will be prejudiced if it is omitted from the amended pleading "because the taint of that document which Applicants previously embraced and now wish to jettison will be removed if their motion is granted." *Id.* at 3-4. First, Applicants removed the Exhibit because it was referred to only in Applicants' Third "affirmative defense," which Applicants now seek to remove from their pleading, so it would make little sense for Applicants to re-attach it to the amended pleading. Second, if Opposers wish to attempt to use Exhibit 5 in this proceeding for some legitimate purpose, the Board can later make a determination as to the Exhibit's relevance and what weight to assign to it, regardless of whether it is attached to Applicants' amended pleading. Therefore, Opposers are neither unduly prejudiced, nor even slightly prejudiced by the removal of Exhibit 5 from Applicants' proposed amended answer.

To the extent that the exclusion of Applicants' Third "affirmative defense" provides "less notice" to Opposers about Applicants' position in the case, as Opposers argue [DE-23 at 4], Applicants are under no duty to assert affirmative defenses in the first place. A defendant may state as many separate defenses as it has, regardless of consistency; [and] may also set forth two

or more statements of a defense alternatively or hypothetically.” TBMP § 311.02(b) (emphasis added). Furthermore, such grounds are not an enumerated basis under Foman, or any other case known to Applicants, to deny the requested relief. Therefore, the Board should not use the exclusion of the Third “affirmative defense” and Exhibit 5 from the proposed amended pleading as a basis to deny the requested relief; and instead should grant Applicants’ Motion to Amend Answer.

c. The Proposed Amended Answer, After Service of Opposers’ Discovery Requests, Does Not Unduly Prejudice Opposers

Opposers take the position that they have taken discovery pertaining to the “affirmative defenses” that Applicants now seek to remove from their pleading, and as a result they would be unduly prejudiced if the Board grants the requested relief [DE-23 at 4-5]. However, the parties are still in the early stages of discovery. Opposers have not taken or scheduled a single deposition as of the date of this filing, they have directed only three out of the 127 discovery requests served on Applicants thus far to the “affirmative defenses” that Applicants seek to remove [DE-23 at 4], and Applicants already agreed not to assert those three discovery requests against the limit prescribed by the TTAB. Furthermore, the Board not only allowed the petitioner in Focus 21 International Inc., 22 U.S.P.Q.2D at 1318 to amend their petition to cancel to add a claim of abandonment, it did so after the discovery period closed, and found that merely reopening the discovery period would eliminate any undue prejudice to the respondent. Similarly, if the Board grants Applicants’ Motion to Amend in this proceeding, with multiple months remaining in the discovery period, Opposers will not be unduly prejudiced. Therefore, the Board should not use the timing of Applicants’ Motion to Amend as a basis to deny the requested relief; and instead should grant Applicants’ Motion to Amend Answer.

d. Opposers Failed to Meet and Confer, So Any Motion to Compel is Premature

Although not specifically stated, Opposers appear to attempt to interpose a request to compel discovery in their Opposition to Applicants' Motion to Amend [DE-23 at 4-5]. However, Opposers did not meet and confer with Applicants on the discovery issues raised in their Opposition to Motion to Amend. TBMP § 523.02 requires that a motion to compel

. . . must be supported by a written statement from the moving party that such party or its attorney has made a good faith effort, by conference or correspondence, to resolve with the other party or its attorney the issues presented in the motion, and has been unable to reach agreement.

See 37 CFR § 2.120(e).

Although the parties have engaged in an initial meet and confer conference on unrelated discovery issues, and have made progress towards resolving those issues, Opposers have not met and conferred with Applicants regarding the discovery issues raised in Opposers' Opposition to Motion to Amend. As stated in Envirotech Corporation v. Compagnie Des Lampes, 219 U.S.P.Q. 448 (TTAB1979):

Where there has been a response to discovery which is unsatisfactory to the party seeking discovery, the moving party has a duty to confer with the opposing party to try to settle their disputes as to the propriety of the discovery requests and/or response thereto.

Therefore, the Board should not entertain Opposers' premature request to compel discovery.

IV. CONCLUSION

The proposed amendments to Applicants' Answer to Second Amended Notice of Opposition are necessary and serve a useful purpose by deleting superfluous language from the pleadings, and re-pleading only what is necessary to preserve the record. The amended answer will reduce the costs associated with having to litigate defunct claims, while maintaining the

rights to appeal the sufficiency of the remaining affirmative defenses, and will do so at an early enough stage in the proceedings so as not to cause hardship or prejudice to any party. For the above reasons, and the reasons stated in their Motion to Amend [DE-22], Applicants respectfully request that this Court grant Applicants' Motion to Amend pursuant to Fed. R. Civ. P. 15(a)(2), 37 C.F.R. § 2.107(a) and TBMP § 507.

[signature on following page]

Date: June 1, 2015

Respectfully submitted,

LOTT & FISCHER, PL

s/Noah H. Rashkind/

Leslie J. Lott, Esquire
E-mail: ljlott@lottfischer.com
Ury Fischer, Esquire
E-mail: ufischer@lottfischer.com
Noah H. Rashkind, Esquire
E-mail: nrashkind@lottfischer.com
P.O. Drawer 141098
Coral Gables, FL 33114-1098
Telephone: (305) 448-7089
Facsimile: (305) 446-6191

And

Candice S. Cook, Esquire
CA-CO Global Inc./The Cook Law Group
77 Water Street, 8th Floor
New York, NY 10005
csc@ca-coglobalinc.com;
candicescook@hotmail.com
Telephone: (646) 722-4166

*Attorneys for Applicants
International Pastry Concepts, LLC and
Dominique Ansel*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing document is being served upon Opposers by delivering a true and correct copy of same to counsel for Opposers via U.S. Mail and a courtesy copy by electronic mail on June 1, 2015 as follows:

Robert B. G. Horowitz, Esquire
Lesley Grossberg, Esquire
Baker & Hostetler LLP
45 Rockefeller Plaza, 14th Floor
New York, NY 10111
rhorowitz@bakerlaw.com; BHIPDocket@bakerlaw.com
adossantos@bakerlaw.com; lgrossberg@bakerlaw.com
Telephone: (212) 589-4200
*Attorneys for Opposers
Crystalline Management LLC and Najat Kaanache*

s/Noah H. Rashkind/
Noah H. Rashkind