

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

BUO

Mailed: June 24, 2015

Opposition No. 91215813

*Crystalline Management, LLC, Najat
Kanache*

v.

International Pastry Concepts LLC

Benjamin U. Okeke, Interlocutory Attorney:

Crystalline Management, LLC and Najat Kanache (“Opposers”) filed, on April 8, 2014, a notice of opposition against Application Serial No. 85936327¹ (“the involved application”) for the mark CRONUT, filed by International Pastry Concepts LLC (“Applicant”). In their original notice of opposition Opposers asserted that the

¹ Filed on May 19, 2013, under Trademark Act Section 1(a), 15 U.S.C. § 1051(a), alleging Applicant’s current use of the mark in commerce for “bakery desserts; bakery goods; bakery goods and dessert items, namely, cheesecakes for retail and wholesale distribution and consumption on or off the premises; bakery goods, namely, croissant and doughnut hybrid; bakery products; bakery products, namely, sweet bakery goods; beverages made of coffee; beverages made of tea; beverages with a chocolate base; beverages with a coffee base; biscuits; biscuits and bread; biscuits, tarts, cakes made with cereals; bread and buns; bread and pastry; bread doughs; bread mixes; bread rolls; bread sticks; brioche; cake doughs; cake icing; cake mixes; cakes; chocolate for confectionery and bread; cocoa-based beverages; cocoa-based ingredient in confectionery products; coffee based beverages; coffee beverages with milk; coffee-based beverages; coffee-based iced beverages; confectioneries, namely, snack foods, namely, chocolate; confectionery chips for baking; cookie dough; cookie mixes; cookies; croissants; doughnuts; edible cake decorations; edible decorations for cakes; edible flour; food package combinations consisting primarily of bread, crackers and/or cookies; instant doughnut mixes; macaroons; madeleines; mixes for bakery goods; muffin mixes; muffins; pastries; pastry dough; pastry mixes; prepared cocoa and cocoa-based beverages; prepared coffee and coffee-based beverages; scones.” Applicant alleges May 10, 2013, as both the first date of use of the mark anywhere and the first date of its use in commerce for these goods.

involved application should be denied based upon a likelihood of confusion with Opposers' previously used and applied-for mark CRONUTS, which is the subject of application Serial No. 85961168 ("the '168 application"),² under Trademark Act Section 2(d), 15 U.S.C. § 1052(d). Opposers also asserted that: (i) Applicant's mark is descriptive under Section 2(e)(1), 15 U.S.C. § 1052(e)(1); (ii) Applicant committed fraud on the USPTO in the prosecution of the involved application; (iii) Applicant had not made bona fide use of its mark in commerce; and (iv) Applicant misused the registration symbol under Section 29 of the Trademark Act. Applicant filed, on the same day as it filed its answer, a motion to dismiss the notice of opposition. In response to this motion, Opposers filed an amended notice of opposition, which Applicant also moved to dismiss, on June 14, 2014. On October 3, 2014, the Board issued an order noting that Opposers had properly pleaded their standing, as well as their claims of likelihood of confusion, nonuse, misuse of the registration symbol, but granted the motion to dismiss with respect to Opposers' renewed claim of descriptiveness, dismissing the claim without prejudice. Opposers were allowed twenty days from the issuance of that order to file an amended notice of opposition properly pleading their descriptiveness claim.

On October 23, 2014, Opposers filed an amended pleading, repleading their descriptiveness claim. Applicant filed its answer to the amended pleading on November 6, 2014, denying the salient allegations of the amended notice of opposition, except that Applicant admitted that "Opposers' subsequent [applied-for

² Filed June 17, 2013, under Trademark Act Section 1(b), 15 U.S.C. § 1051(b), alleging Opposer's intent to use the mark in commerce.

mark] ... is substantially identical to Applicants' mark." 12 TTABVUE 3, ¶ 5. Applicant also asserted nine "affirmative defenses" in its answer. On December 16, 2014, the Board participated in the parties' mandatory discovery conference by Applicant's request. During the conference the Board discussed the pleadings with the parties, and as a result of that discussion, the Board struck Applicant's first, second, fourth, seventh, eighth and ninth affirmative defenses. The Board noted in relation to Applicant's third "affirmative defense" that it was merely an amplification of Applicant's denials of Opposers' descriptiveness claim, and need not be stricken. Similarly, Applicant's sixth affirmative defense was not stricken because it was merely an attack on Opposers' rights in its applied-for mark.

Now before the Board is Applicant's motion, filed April 23, 2014, seeking leave to amend its answer and remove its third and sixth "affirmative defenses." Applicant alleges that amendment of the answer in this manner will "streamline this litigation." Applicant states that it does not wish to pursue the affirmative defenses and that specifically with regard to the sixth affirmative defense, the defense is "ambiguous, difficult to interpret and, as written, not clearly comprehensible." 22 TTABVUE 4. Opposers contest this motion, arguing that "Opposers would be prejudiced by the striking of Exhibit 5 to the Amended Answer and Affirmative Defenses from Applicants' operative pleading because, as Applicants note in their moving brief, [o]nce an amended pleading is interposed, the original pleading no

longer performs any function in the case.” 23 TTABVUE 4. The motion has been fully briefed.³

Amendment of the Pleadings

The amendment of pleadings prior to trial is contemplated by Federal Rule of Civil Procedure 15(a). *See* Trademark Rule 2.107(a) (Fed. R. Civ. P. 15 applicable to oppositions). With respect to the circumstances at hand, Rule 15(a)(2) provides that “a party may amend its pleading only with the opposing party’s written consent or the court’s leave. The court should freely give leave when justice so requires.” *See* TBMP § 507.01 (2014). *See also Hurley Int’l LLC v. Volta*, 82 USPQ2d 1339, 1341 (TTAB 2007).

In interpreting Rule 15(a), the Supreme Court noted in *Forman v. Davis*, 371 U.S. 178, 182 (1962), that:

If the underlying facts or circumstances relied upon by a plaintiff may be a proper subject of relief, he ought to be afforded an opportunity to test his claims on the merits. In the absence of any apparent or declared reason—such as 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.—the leave sought should, as the rules require, be “freely given”.

Applicant seeks to amend its answer to remove the third and sixth affirmative defenses alleged in its original answer. Applicant’s proposed amendment does not otherwise substantively modify the answer in any significant respect.⁴ Under the

³ Applicant’s reply brief filed June 1, 2015, is noted.

⁴ Applicant’s proposed amended answer also includes amendments to recognize the appearance of Applicant’s new co-counsel. Opposer does not contest those amendments that relate to the appointment of Applicant’s counsel.

present circumstances, any prejudice to Opposers would be the primary concern, as Applicant is not seeking to add defenses, but to remove two previously asserted affirmative defenses, therefore, the “futility” of the amendment is of much lesser significance. Moreover, the Board finds that any delay by Applicant in requesting this amendment was not excessive. Additionally, there is no evidence of record to indicate any bad faith or dilatory motive on the part of Applicant in filing this motion.

Finally, contrary to Opposers’ contentions regarding prejudice, specifically regarding Exhibit 5 attached to the original answer, striking of the exhibits would neither prejudice Opposers nor help Applicant. Indeed, exhibits attached to pleadings are not considered in connection with those pleadings and further, are not considered part of the record of the proceeding going forward. *See* Trademark Rule 2.122(c). Therefore, striking the affirmative defense(s) related to any such exhibit has no effect on the proceeding and vice versa.

However, Opposers are reminded that a party may take discovery not only as to matters specifically raised in the pleadings, but also as to any matter which might serve as the basis for an additional claim, defense, or counterclaim. *See Varian Assoc. v. Fairfield-Noble Corp.*, 188 USPQ 581, 583 (TTAB 1975) (discussing general scope of discovery); *Mack Trucks, Inc. v. Monroe Auto Equipment Co.*, 181 USPQ 286, 287 (TTAB 1974) (opposer must answer interrogatories concerning allegations in notice of opposition); *Neville Chemical Co. v. Lubrizol Corp.*, 183 USPQ 184, 187 (TTAB 1974) (“applicant is entitled to take discovery not only as to the matters

specifically raised in the pleadings but also as to any matters which might serve as the basis for an affirmative defense or for a counterclaim.”). Both parties should note, however, that although the scope of discovery is somewhat broad, parties may not engage in “fishing expeditions” and must act reasonably in framing discovery requests. Fed. R. Civ. P. 26(b). *See Luehrmann v. Kwik Kopy Corp.*, 2 USPQ2d 1303, 1305 (TTAB 1987).

Accordingly, the Board does not find that Applicant’s proposed amendment would prejudice Opposer or significantly delay resolution of the proceeding.⁵

Accordingly, Applicant’s motion is **GRANTED**, and the proposed amended answer is now Applicant’s operative pleading in this proceeding.

Schedule

The parties stipulated motion filed April 17, 2015, is **GRANTED**. Discovery, disclosure and trial dates are as set in the parties’ motion.

In each instance, a copy of the transcript of any testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of taking of that 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.

⁵ However, both parties should note that any further motions to amend the pleadings filed after this point will be strictly scrutinized for the potential to further delay resolution of this proceeding.