

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

In the Matter of Registration No. 2,105,538
Registration date: **October 13, 1997**
For the Mark: **CONCHITAS**
For: **corn chips**



01-31-2003

U.S. Patent & TMOfr/TM Mail Rcpt Dt. #77

Conchita Foods, Inc.
Petitioner,

v.

Cancellation No. 32,853

Fritos Encanto de Monterrey, S.A. de C.V.
Registrant.

**PETITIONER'S OPPOSITION TO REGISTRANT'S MOTION
FOR LEAVE TO FILE LATE ANSWER**

Petitioner, **Conchita Foods, Inc.**, a corporation of Florida, with its principal place of business at 9115 N.W. 105 Way, Medley, Florida 33178, by and through its undersigned attorneys, opposes to Registrant FRITOS ENCANTO DE MONTERREY, S.A. DE C.V.'s Motion for Leave to File a Late Answer and requests that the Trademark Trial and Appeal Board grant Petitioner's Motion to Enter Default for failing to file a timely answer to Petitioner's Petition for Cancellation.

I. Factual and Procedural Background

On November 20, 2002, the Trademark Trial and Appeal Board issued an Order, requesting an Answer from Registrant, no later than December 30, 2002. This order was sent to Philip N. Islip of Baker &

McKenzie, attorney of record for Registrant, as well as to Jesus Sanchelima, of Sanchelima & Associates, P.A., attorney for Petitioner.

Pursuant to this Order, the Discovery period opened on December 10, 2002. On December 3, 2002, Maribel Elias, paralegal for Sanchelima & Associates, P.A., spoke to Nicole Emmans, Esq. of Baker & McKenzie in an attempt to find out if Baker & McKenzie was still representing Registrant. Before filing Petitioner's Petition for Cancellation, attempts were made to contact Mr. Islip, attorney of record for Registrant along with the law firm, to try to negotiate a co-existence agreement between the parties. Neither, Mr. Islip or anyone from Baker & McKenzie returned phone calls from Petitioner's counsel.

On December 3, 2002, Ms. Emmans spoke to Ms. Elias concerning this cancellation. On December 13, 2002, Petitioner served discovery instruments on Registrant's counsel, since Baker & McKenzie still appeared as the attorney/firm of record for Registrant, as Ms. Emmans never advised otherwise. See attached Exhibit "1" corresponding to the Affidavit of Maribel Elias.

Petitioner's counsel was at no point advised that Registrant's counsel could not locate Registrant, and that as such, they needed an extension of time to submit an Answer to Petitioner's Petition for Cancellation or any other concessions. In addition to this, a Withdrawal of Counsel was never filed by Mr. Islip or other attorney from Baker and McKenzie. As of this date Mr. Islip still appears as attorney of record for Registrant.

II. The Board Should Not Grant Leave for Registrant to file a Late Answer

In *inter partes* cases before the Trademark Trial and Appeal Board, the Federal Rules of Civil Procedure (hereinafter "Federal Rules") apply "wherever applicable and appropriate", unless the Rules of Practice in Trademark cases provide otherwise. Rule 2.116, 37 C.F.R. § 2.116. The determination of whether default judgment should be entered against a party lies within the sound discretion of the Board. Simultaneously, the Trademark Rules do not establish a standard for determining when a default or default order may be set aside, and Federal Rules 6(b), 55(c) and 60(b) all apply.

Under rule 2.113, 37 C.F.R. § 2.113 when a petition for cancellation is filed, the Board, "shall designate a time...within which an answer must be filed." If the cancellation respondent fails to file an answer within the time set by the Board, "the petition may be decided as in case of default". However, under Fed.R.Civ.P. 55(c), a default is required to be set aside upon showing of "good cause". Petitioner will show that Registrant's delay in filing an answer to the Petition for Cancellation was (1) the result of gross neglect, and (2) that Petitioner will substantially be prejudiced by this delay. As such, a Leave to File a Late Answer should not be Granted.

A. Discretion of the Board Not to Grant Leave To File A Late Answer.

The decision of granting a default is to the sound discretion of the Board. Failure to answer within the forty days following mailing of

the Board's institution letter may result in the opposition or cancellation being decided by way of default. *Orange Theatre Corp v. Rayhertz Amusement Corp.*, 130 F.2d 185 (3d Cir. 1942). Although, the Board is reluctant to enter a default judgment for failure to file a timely answer, entry of default may be necessary in some cases. *Djeredjian v. Kashi Co.*, 21 USPQ 1613. Default judgments may be imposed, if warranted by facts and circumstances, not only to penalize those whose conduct may be deemed to warrant such sanction, but also to deter those who might be tempted to such conduct in absence of such deterrent. *Regent Baby Products Corp. v Dundee Mills, Inc.*, 199 USPQ 571. Furthermore, courts have held that in a case where the plaintiff has been prejudiced, has failed to state adequate circumstances to support relief under Fed.R.Civ P. 60(b), and has failed to show that it has a meritorious defense to the petition to cancel, a default may be granted. *Djeredjian v. Kashi Co.*, 21 USPQ 1613.

B. Lack of Good Cause Should Prevent Granting of the Leave to File Late Answer and Thus Grant Default

Good cause does not exist as to why Registrant should be allowed to file its late Answer and why default should not be granted.

First, Registrant's delay in filing the Answer was the result of willful conduct and gross neglect. Registrant's counsel was well aware that the Answer to Registrant's Petition for Cancellation was due on December 30, 2002. Registrant's counsel at no point advised Petitioner's counsel that Registrant was out of town or that they were attempting to make contact with their client in order to comply with

the TTAB's rules for filing an Answer or that they needed an extension of time. Registrant's counsel claims that Registrant was not served directly with the Trial Order. The Trial Order specifically states that "Respondent has designated Philip N. Islip of Baker and his law firm as its U.S. representative, on whom may be served notices affecting this proceeding". If Mr. Islip was no longer representing Registrant, a Notice of Withdrawal needed to be filed according to LR 83.12 of the Northern District of Texas, Rules of Court. The fact that Mr. Islip is no longer employed by Baker & McKenzie does not relieve the firm from its responsibility as counsel for Registrant.

In addition, Baker & McKenzie was contacted by Petitioner's counsel to ascertain if they were still the attorneys for Registrant. Ms. Emmans informed Maribel Elias, that Baker & McKenzie was no longer representing Registrant. Please see the enclosed Affidavit, sworn and signed by Maribel Elias. Baker & McKenzie had plenty of time from the date it claims receipt of the Trial Order, November 25, 2002, to contact Petitioner's counsel and in "good faith" advise of the circumstances, and perhaps request an extension of time until they contacted Registrant. Notwithstanding this, discovery was served, letters were sent, and contact was never made by Registrant's Counsel until now, after the Motion for Default was filed.

Second, Petitioner will be substantially prejudiced by the delay in filing the answer. Petitioner applied for federal registration of the trademark CONCHITA on January 9, 2002, over a year ago, and still does not have a registration yet. Its Application has been suspended

pending the disposition of this cancellation proceeding. The longer this proceeding takes, the longer the Petitioner will have to wait to have its registration if granted. This delay will also have a financial impact on Petitioner, since he will be responsible for attorneys fees incurred for defending its right to an entry of default in its favor, in addition to fees already incurred for filing a Request for Suspension with the PTO.

Third, Petitioner has stated in their Petition for Cancellation that Registrant has not used its mark in commerce as regulated by the United States Commerce, and as such, has no meritorious defense to this action.

Finally, Petitioner requests that the Board exercise its discretion and deny Registrant leave to file a late Answer, thereby granting Petitioner's Motion to Enter Default.

III. Conclusion

In view of the foregoing, good cause does not exist for allowing Registrant to file a late Answer. Registrant's allegations amount to "too little too late". Petitioner hereby respectfully requests that its Motion to Enter Default be granted.

Respectfully submitted,

SANCHELIMA & ASSOCIATES, P.A.

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By:



Jesus Sanchelima

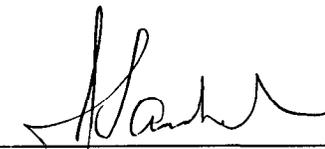
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of *Petitioner's Opposition to Registrant's Motion for Leave to File Late Answer* was served via facsimile: (214) 978-3099 and via first-class U.S. mail, to: Kimberly F. Rich, Esq., of **Baker & McKenzie**, 2001 Ross Avenue, Suite 2300, Dallas, Texas 75201, attorney for Registrant, on this 28th day of January 2003.

SANCHELIMA & ASSOCIATES, P.A.

Counsel for the Petitioner
235 S.W. Le Jeune Road
Miami, FL 33134-1762
Telephone: (305) 447-1617
Telecopier: (305) 445-8484

By:



Jesus Sanchelima
(Fla. Bar No. 231207)

AFFIDAVIT

The undersigned, after being duly sworn, states:

1. I am a paralegal employed with Sanchelima and Associates, P.A., attorneys for Petitioner, and doing business at 235 SW Le Jeune Road, Miami, Florida 33134. I am the person in charge of receiving and sending all communications pertaining to *inter partes* proceedings at the Office.

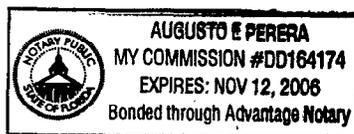
2. That on December 3, 2002, I spoke to Ms. Nicole Emmans, attorney at the firm of Baker & McKenzie, P.A. with regard to matters pertaining to cancellation proceeding No. 32,853. They indicated to me that they had received the petition and order.

3. On December 13, 2002, I personally served discovery documents on Registrant's counsel. I never received a call back or returned documents or any indication that our communications had not arrived at Baker & McKenzie.

By 
Title: Paralegal
Name: Maribel Elias

COUNTY OF MIAMI-DADE
STATE OF FLORIDA

SWORN AND SUBSCRIBED before me this 28 day of January,
2003.




Notary Public

My Com. expires



Sanchelima & Associates, P.A.
Attorneys at Law

TTAB

Patent, Trademark & Copyright Law

J. Sanchelima, Patent Attorney
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January 28, 2003

Box TTAB No Fee
Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513



Re: CONCHITA
Cancellation No.: 32,853
Our File No.: 22525

Dear Sir/Madam:

Enclosed please find PETITIONER'S OPPOSITION TO REGISTRANT'S MOTION FOR LEAVE TO FILE LATE ANSWER in connection with the above-referenced proceeding.

We would appreciate your acknowledging receipt by signing the enclosed self-addressed, postage paid postcard.

If you have any questions and/or concerns, please feel free to contact us.

Very truly yours,

SANCHELIMA & ASSOCIATES, P. A.

Jesus Sanchelima, Esq.

JS/mr
Enclosures: Motion and postcard

MT