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

Proceeding	92057222
Party	Plaintiff Jollibee Foods Corporation
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Date	06/20/2014
Attachments	Jollibee - Combined Brief in Supp of MSJ and Response to CNJ Cross-MSJ.pdf(814016 bytes)

that its failure to use the mark in commerce after registering on a Section 44(e) basis should be excused.

The Board should not heed the Registrant's plea. Petitioner has met its burden to show Registrant's abandonment of the mark, namely, nonuse for three consecutive years for the services covered by the registration. Registrant's lack of use for restaurant services has been freely admitted by Registrant in its discovery responses and briefs, so intent to resume use is not applicable. Even if merely having an intent to use the mark after registration were the test to avoid a finding of abandonment (and it is not), Registrant has not come forward with any evidence to support its conclusory statements and affidavit claiming intent to use the mark or excusable nonuse. Therefore, Registration No. 3567736 for CHICK-N-JOY should be deemed abandoned and summary judgment granted to Petitioner, Jollibee Foods Corporation.

II. ARGUMENT

A. Summary Judgment Standard.

Summary judgment is proper when "there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a). An issue is genuine if there is sufficient evidence for a reasonable fact finder to find for the non-moving party. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248-49 (1986). A fact is material if the fact may affect the outcome of the case. *Id.* at 248. All inferences are drawn in a light most favorable to the non-moving party. *Id.* at 255. The party seeking summary judgment bears the burden of establishing the lack of any genuine issues of material fact. *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986).

When a party has had a full opportunity to present its arguments and there is no genuine issue as to any material fact, the Board should enter summary judgment against the nonmoving

party. *The Koninklijke Philips Electronics N.V. v. Cardiac Science Operating Co.*, 93 USPQ2d 1227, 1231-32 (Fed. Cir. 2010) (summary judgment appropriate after a party has had a full and fair opportunity to address the issues); TBMP § 528.01.

B. The Abandonment Standard.

A registration may be cancelled at any time if the registered mark has been abandoned. 15 U.S.C. § 1064(3). Nonuse of a mark for three consecutive years is *prima facie* evidence of abandonment. 15 U.S.C. § 1127. To cancel a registration on the ground of abandonment, a party must establish abandonment of the mark due to nonuse by the registrant for three consecutive years. *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 14 USPQ2d 1390, 1393 (Fed. Cir. 1990). By showing that the mark has not been used for three consecutive years, the party challenging the mark has established that the mark has been discontinued without intent to resume use. 15 U.S.C. § 1127.

Because evidence of nonuse of the mark for three consecutive years constitutes a *prima facie* claim of abandonment, after that has been shown, the burden shifts to the party contesting abandonment to show either: (1) evidence to rebut the presumption of nonuse or (2) evidence of an intent to resume use. 15 U.S.C. § 1127; *On-Line Careline, Inc. v. Am. Online*, 56 USPQ2d 1471, 1476 (Fed. Cir. 2000) (establishing a *prima facie* case eliminates the challenger's burden to establish the intent element of abandonment as an initial part of its case). The party contesting abandonment must establish the intent not to resume use within the three-year period of nonuse. *Specht v. Google Inc.*, 110 USPQ2d 1319, 1323 (7th Cir. 2014) (the intent to resume use must be formulated within the three years of nonuse); *ITC Ltd. v. Punchgini Inc.*, 82 USPQ2d 1414, 1422, n.9 (2d Cir. 2007) (intent to resume use of the mark formulated after more than three years of nonuse cannot dislodge the rights of another party who has commenced use of a mark). The

relevant three-year abandonment period for Registrant's mark began when Registration No. 3567736 issued on January 27, 2009, and ended on January 27, 2012.

A registrant cannot avoid a determination of abandonment merely by stating that it has an intent to use a mark or no intent to abandon. *Imperial Tobacco*, 14 USPQ2d at 1394 (party contesting abandonment cannot establish no intent to abandon through conclusory testimony or affidavits). Where a party has never used a mark, the analysis is simple: has the mark been used in a three-year period? If the mark has never been used, intent to resume use is not at issue and mere intention to use is insufficient to avoid a finding of abandonment. *Imperial Tobacco*, 14 USPQ2d at 1394 (where the mark has never been used in the United States, the statutory language of "intent not to resume" is inapplicable). Where a mark has never been in use the Board may assess whether a registrant has excusable nonuse. *Rivard v. Linville*, 45 USPQ2d 1374, 1376 (Fed. Cir. 1998) (excusable nonuse requires evidence to be produced by the registrant for the Board's review). To prove excusable nonuse, the registrant must produce evidence showing that, under its particular circumstances, its activities pertaining to nonuse of the mark are those that a reasonable businessman would have undertaken. *Id.*

C. The Undisputed Facts Demonstrate That Registrant Abandoned the Mark.

CNJ is not entitled to summary judgment in its favor on the issue of abandonment because CNJ has admitted it never used the mark at issue and CNJ cannot establish excusable nonuse legally or factually. (Ex. 8 to Petitioner's MSJ, Petitioner's Requests for Admission, Nos. 7-14; Ex. 9 to Petitioner's MSJ, Registrant's Responses to Petitioner's Requests for Admission, Nos. 7-14; Registrant's Brief in Opposition to Petitioner's Motion for Summary Judgment at 4-5 and Cross-Motion for Summary Judgment at 3-4, 8-10.) (Registrant's briefs hereinafter respectively referred to as "Registrant's Brief in Opposition" and "Cross-Motion".)

Petitioner should be granted summary judgment in its favor on the issue of abandonment.¹ There is no genuine dispute as to any material fact concerning CNJ's use of the mark because CNJ admits it never used the mark in commerce for restaurant services. (Ex. 8 to Petitioner's MSJ, Petitioner's Requests for Admission, Nos. 7-14; Ex. 9 to Petitioner's MSJ, Registrant's Responses to Petitioner's Requests for Admission, Nos. 7-14; Registrant's Brief in Opposition at 4-5 and Cross-Motion at 3-4, 8-10.) CNJ's admission means CNJ did not use the mark in commerce for restaurant services for a consecutive three-year period after registration, *i.e.*, from at least January 27, 2009 to January 27, 2012. There is no genuine dispute as to any material fact concerning CNJ's intent to use the mark, because intent to use is not the abandonment standard. *Imperial Tobacco*, 14 USPQ2d at 1394 (statutory definition of abandonment is "without intent to resume use"). (Registrant's Brief in Opposition at 7 and Cross-Motion at 8.)

D. Registrant's Intent is Not a Material Fact in Dispute That is Relevant to Abandonment.

CNJ attempts to argue the same "fact" of having an intent to use the mark both ways – first as disputed for its brief in opposition and then as undisputed for its cross-motion. (Registrant's Brief in Opposition at 8-11 and Cross-Motion at 8-10.) Whether CNJ has a continuing intent to use the mark does not matter and is not the test. *Imperial Tobacco*, 14 USPQ2d at 1394 (statutory definition for abandonment of a mark does not use the words "intent to use"). Contrary to CNJ's argument (Registrant's Brief in Opposition at 6 and Cross-Motion at 5-6), whether it claims a continued intent to use the mark is not a material fact for an abandonment determination. *Imperial Tobacco*, 14 USPQ2d at 1394 (a registrant cannot overcome a presumption of abandonment by simply averring a subjective affirmative intent not to abandon). Petitioner does not have to demonstrate or establish that CNJ intended not to use the mark. 3 J. McCarthy, *Trademarks and*

¹ CNJ has not contested and therefore conceded Petitioner's standing. (See Ex. 8 to Petitioner's MSJ, Petitioner's Requests for Admission, Nos. 109-110; Ex. 9 to Petitioner's MSJ, Registrant's Responses to Petitioner's Requests for Admission, Nos. 109-110.)

Unfair Competition, Section 17:11 (4th ed. 2014) (intent not to abandon is not the same test as intent not to resume use).

Petitioner has established a *prima facie* case of abandonment by showing CNJ did not use the mark in commerce for a three-year period after registration. 15 U.S.C. § 1127; *Imperial Tobacco*, 14 USPQ2d at 1395 (Fed. Cir. 1990) (affirming summary judgment and cancellation of registration on abandonment where mark was not used in statutory period). CNJ already concedes nonuse for three years: "Petitioner . . . relies on the fact that [CNJ] did not, within the three year period following registration, implement a restaurant service utilizing the registered mark." (Registrant's Brief in Opposition at 4-5 and Cross-Motion at 8-10, discussing CNJ's failure to use the mark.) Petitioner has met its burden to show that CNJ did not use the CHICK-N-JOY Mark in commerce, which is a requirement to prove that the mark has been abandoned.

Where a mark has never been used as here, a registrant's intent to resume use is not applicable. *Imperial Tobacco*, 14 USPQ2d at 1394 (intent to resume use inapplicable for Section 44(e) registrant that never used the mark). Because CNJ has not used the mark, it cannot have an intent to resume use. *City National Bank v. OPGI Management GP Inc./Gestion OPGI Inc.*, 106 USPQ2d 1668, 1678 (TTAB 2013) (presumption of abandonment based on three years nonuse may be invoked against a Section 44(e) registrant who never began use of the mark).

Even if CNJ's inaccurate interpretation of law were credited, CNJ has produced no evidence of the activity it argues shows its continued intent to use the mark. (Registrant's Brief in Opposition at 9-11 and Cross-Motion at 9-10.) There are no facts or evidence here of any use of the mark, just CNJ's conclusory affidavit of George Kastanas, which is insufficient to rebut the presumption of abandonment. *Imperial Tobacco*, 14 USPQ2d at 1394 (registrant must proffer more than conclusory testimony or affidavits on the issue of intent because a conclusory statement on the ultimate issue does not create a genuine issue of fact); *Sweats Fashions Inc. v. Pannill*

Knitting Co. Inc., 4 USPQ2d 1793, 1795 (Fed. Cir. 1987) (party opposing summary judgment may not rest upon general denials but must proffer countering evidence sufficient to create genuine factual dispute).

The affidavit of Mr. Kastanas is not entitled to any evidentiary weight because it includes no supporting exhibits or evidence. (Registrant's Brief in Opposition, Ex. A and Cross-Motion, Ex. A.) As a conclusory statement on the ultimate issue it is insufficient and creates no question of fact. *Imperial Tobacco*, 14 USPQ2d at 1394 (avermment of no intent to abandon is insufficient to preclude summary judgment on the ground the facts are disputed). Mr. Kastanas discusses franchise arrangements pertaining to franchises in Canada, not in the United States, delayed by CNJ's own choice not to push forward. (Registrant's Brief in Opposition at 11 and Ex. A in Support and Cross-Motion at 10-11 and Ex. A in Support.) The correspondence is not attached to his affidavit and was not produced in discovery to Petitioner. (CNJ has represented that all relevant documents were produced in discovery. Ex. 5 to Petitioner's Motion for Summary Judgment, March 18, 2014 email of M. Mullineaux.) Without any supporting contemporaneous or corroborating evidence within the relevant timeframe, the affidavit of Mr. Kastanas, containing conclusory, speculative, and hearsay statements, is irrelevant to the issue of abandonment.² *Sweats Fashions*, 4 USPQ2d at 1795 (party opposing summary judgment may not rest upon general denials). Nor should Registrant be permitted to submit additional evidence in its closing brief. *Weiner King, Inc. v. Wiener King Corp.*, 204 USPQ 820, 828 (C.C.P.A. 1980) (party's representation that all relevant facts were already of record precludes submission of additional documents or evidence). Even if the requests to prepare franchise documents had occurred within the relevant three-year period, they would not constitute use of the mark in commerce and would

² Nor is CNJ's argument that Petitioner's decision not to depose Mr. Kastanas regarding evidence of intent on point or convincing. (Registrant's Brief in Opposition at 4 and Cross-Motion at 4.) Once Petitioner's Motion for Summary Judgment was filed, CNJ was obligated, but failed, to come forward with evidence of intent. *On-Line Careline*, 56 USPQ2d at 1476.

not be evidence sufficient to counter Petitioner's *prima facie* case of abandonment. *Rivard*, 45 USPQ2d at 1376 (half-hearted attempts to initiate the business relationships insufficient to rebut the presumption of abandonment).

Mr. Kastanas also references correspondence with an attorney in May 2013, when this cancellation action began, which resulted in a franchise agreement for the restaurants in Canada a month later, in June 2013. (Registrant's Brief in Opposition, Ex. A, ¶¶ 15-17 and Cross-Motion, Ex. A, ¶¶ 15-17.) That correspondence, even if it had been provided, would be irrelevant because it is outside of the three-year abandonment period and after this action began. *Imperial Tobacco*, 14 USPQ2d at 1396 (use must be in the relevant period and in the United States). CNJ provides neither documentation of the arrangements nor other proof that the arrangements pertain to any restaurant services in the United States. *Id.* Moreover, if arrangements could be completed so quickly post-challenge, CNJ's choice to delay using the mark for years was not excusable nonuse. *Rivard*, 45 USPQ2d at 1377 (making last minute arrangements to use a mark supports the conclusion that five years of nonuse is not excusable).

CNJ also argues that putting the mark on the bags printed in the United States is evidence of intent to use. (Registrant's Brief in Opposition at 4 and Cross-Motion at 4.) Again, intent to use the mark is not the test. *Imperial Tobacco*, 14 USPQ2d at 1394 (abandonment definition does not use the words "intent to use"). Even if having the mark put on bags were evidence, the bags were used to provide restaurant services only in Canada and not in the United States, so that cannot be evidence of use in United States commerce. (Registrant's Brief in Opposition, Ex. A, ¶¶ 11, 19 and Cross-Motion, Ex. A, ¶¶ 11, 19.) CNJ did not respond to, and therefore concedes, Petitioner's argument in its motion for summary judgment that printing food bags in the United States for use

in Canada is not use in commerce. (Petitioner's Motion for Summary Judgment at 11-13.)³ CNJ cites no authority for its argument that printing bags in the United States to use only in Canada constitutes use in commerce for CHICK-N-JOY restaurant services in the United States. (Registrant's Brief in Opposition at 4 and Cross-Motion at 4.) In addition, the bag on which CNJ relies do not even show the registered trademark, so it is not evidence of use of the mark. (Registrant's Brief in Opposition at Ex. C and Cross-Motion at Ex. C.)

CNJ's registration should be cancelled because the undisputed facts show that mark at issue has never been used in the United States by CNJ for the covered services over a consecutive three-year period, dating from the registration date in January 27, 2009 to January 27, 2012 and beyond. Having never used the mark, CNJ's intent to resume use is not at issue. *Imperial Tobacco*, 14 USPQ2d at 1394 (where the mark has never been used, the statutory language of "intent not to resume" is inapplicable). Therefore, the mark in Registration No. 3567736 has been abandoned in the United States, and Petitioner is entitled to summary judgment in its favor.

E. Registrant Has Not Met Its Burden To Rebut the Presumption of Abandonment.

Petitioner has met its burden to show abandonment because Petitioner has submitted CNJ's discovery responses admitting that the mark in Registration No. 3567736 has never been used in the United States for the covered restaurant services. (Ex. 8 to Petitioner's Motion for Summary Judgment, Petitioner's Requests for Admission, Nos. 7-14; Ex. 9 to Petitioner's Motion for Summary Judgment, Registrant's Responses to Petitioner's Requests for Admission, Nos. 7-14.) CNJ has admitted the same in its briefs. (Registrant's Brief in Opposition at 4-5 and Cross-Motion at 8-10.) Now that Petitioner has met its evidentiary burden, the burden shifts to CNJ to provide

³*General Healthcare Ltd. v. Qashat*, 70 USPQ2d 1566, 1569-70 (1st Cir. 2004) (manufacturing in the United States and shipping to owner in a foreign country for the owner's use in providing services in the foreign country is not use in commerce); *Avakoff v. Southern Pacific Company*, 226 USPQ 435, 436 (Fed. Cir. 1985) (shipping goods to trademark owner for use by owner in a foreign country is not use in commerce); *Clorox Co. v. Salazar*, 108 USPQ2d 1083, 1086-87 (TTAB 2013) (shipment by manufacturer of trademarked goods from the United States to a foreign country is merely transportation in preparation for offering not *bona fide* use in commerce).

evidence to rebut the presumption of abandonment. *On-Line Careline, Inc.*, 56 USPQ2d at 1476 (establishing a *prima facie* case eliminates the challenger's burden to establish the intent element of abandonment as an initial part of its case).

CNJ admits it has no evidence whatsoever showing use of the mark in the United States for "restaurant services, take-out restaurant services." (Ex. 5 to Petitioner's Motion for Summary Judgment, Registrant's Entire Document Production; Ex. 8 to Petitioner's Motion for Summary Judgment, Petitioner's Requests for Admission, Nos. 7-14, 18-26; Ex. 9 to Petitioner's Motion for Summary Judgment, Registrant's Responses to Petitioner's Requests for Admission, Nos. 7-14, 18-26; Ex. 10 to Petitioner's Motion for Summary Judgment, Petitioner's Interrogatories, Nos. 1-4, 6-9, 15; Ex. 11 to Petitioner's Motion for Summary Judgment, Registrant's Amended Responses to Interrogatories, Nos. 1-4, 6-9, 15; Ex. 12, TTAB Docket No. 4, Registrant's Answer; Registrant's Brief in Opposition at 4-5 and Cross-Motion at 8-10.)

CNJ provided ten pages of documents about its bags. Some of the documents purport to show that CNJ may have arranged for Canadian or United States manufacturers to print bags in the United States and an image of the bottom of a bag. (Ex. 5 to Petitioner's Motion for Summary Judgment, Registrant's Entire Document Production; Registrant's Brief in Opposition, Ex. C and Cross-Motion, Ex. C). The image does not show the mark at issue, and CNJ offered no authority to support its argument that the bag constitutes use of the mark in commerce. (Ex. 5 to Petitioner's Motion for Summary Judgment, Registrant's Entire Document Production; Registrant's Brief in Opposition at 4 and Ex. C, and Cross-Motion at 4 and Ex. C). CNJ has admitted that any food bags it had printed were never used in the United States for any restaurants and are never seen by any United States restaurant customers. (Ex. 8 to Petitioner's Motion for Summary Judgment, Petitioner's Requests for Admission, Nos. 7-14, 18-26; Ex. 9 to Petitioner's Motion for Summary Judgment, Registrant's Responses to Petitioner's Requests for Admission, Nos. 7-14, 18-26.) CNJ

has also conceded that its registration does not cover any goods (Petitioner's Motion for Summary Judgment at 4, Ex. 2.), and does not cover any printing or shipping services. So the bags do not show the mark, and there is no use of the bags for restaurant services by CNJ's own admission, making the bags and the printing irrelevant to the analysis of whether the mark has been used for the covered services.

F. Registrant's Argument is Not Supported by the Law.

The cases CNJ relies on do not support its argument. In *Exxon Corporation, et al. v. Humble Exploration Company, Inc.*, 217 USPQ 1200 (5th Cir. 1983), which CNJ cites in support of its asserted lack of "intent not to use," Brief in Opposition at 6 and Cross-Motion at 6, the abandonment analysis turned on whether the party had an intent to *resume* use after using the mark previously. 217 USPQ at 1205. This case is readily distinguishable where CNJ concedes it never use the mark in commerce and where intent to resume use is not a factor.

CNJ relies on *Emergency One Inc. v. American FireEagle Ltd.*, 56 USPQ2d 1343 (4th Cir. 2000) to argue that even if its mark has not been used for three years, CNJ may rebut a presumption of abandonment by producing evidence that it intended to use the mark. (Registrant's Brief in Opposition at 7 and Cross-Motion at 7.) *Emergency One* is distinguishable because the registrant had previously used its mark for fire equipment and continued to use the mark for ancillary goods. 56 USPQ2d at 1343. That use being deemed lacking, the court was required to assess the registrant's intent not to *resume* use. 56 USPQ2d at 1346. Because CNJ has no evidence of use of its mark for restaurant services, intent not to resume use is inapplicable.

Similarly, in *Crash Dummy Movie LLC v. Mattel Inc.*, 94 USPQ2d 1315 (Fed. Cir. 2010), the challenged party had previously used a mark, and the decision turned on whether the registrant was without intent to resume use. 94 USPQ2d at 1317. Accordingly, *Exxon*, *Emergency One* and

Crash Dummy are inapplicable here, where CNJ never began use of a mark after registration on a Section 44(e) basis.

Finally, CNJ's argument that its attempts at franchising in Canada – accelerated only after these proceedings began in 2013 – show use or an intent to use the mark in the United States is similarly not supported by the cases CNJ cites. (Registrant's Brief in Opposition at 11, Ex. A, ¶¶ 15-17 and Cross-Motion at 10-11, Ex. A, ¶¶ 15-17.) *Rivard*, 45 USPQ2d at 1376 (sporadic franchising attempts for locations in Canada held not to constitute use of a mark in the United States and last minute licensing negotiations in the United States only after a challenge arises do not show excusable non-use).

Mr. Kastanas, CNJ's President has no support for his statement that CNJ chose not to diligently pursue franchising and blames his counsel for not acting quickly. (Registrant's Brief in Opposition at 11 and Ex. A, ¶¶ 8-13 and Cross-Motion, at 10-11 and Ex. A, ¶¶ 8-13.) CNJ provides no evidence of any of these activities despite specific questions in discovery and CNJ provides no evidence that these actions ever pertained to the United States. (Ex. 5 to Petitioner's Motion for Summary Judgment, Registrant's Entire Document Production.) Even if CNJ had admissible evidence to support these claimed activities, these activities would be insufficient to avoid summary judgment under *Rivard*. CNJ admits it assumed there was no rush to use the mark before the fifth year and did not proceed with use. (Registrant's Brief in Opposition, at 3-4, 10, Ex. A, ¶ 8, Ex. B and Cross-Motion, at 3-4, 9-10, Ex. A, ¶ 8, Ex. B.) CNJ's lack of action until this cancellation was filed belies any intent to use the mark, and, the mark having never been used to this day for restaurant services in the United States, cannot support having any intent to resume use. Therefore, CNJ can find no support to avoid summary judgment in *Cerveceria Centroamericana S.A. v. Cerveceria India Inc.*, 13 USPQ2d 1307 (Fed. Cir. 1989), where the court found that lack of credible evidence of use or an attempt to resume use required a finding of

abandonment. Without providing the documents or evidence, CNJ's argument and conclusory statements cannot be considered for purposes of summary judgment. *Honda Motor Co. v. Winkelmann*, 90 USPQ2d 1660 (TTAB 2009) (granting motion for summary judgment where applicant produced no evidence to support its claim of bona fide intent to use).

Accordingly, CNJ's inaction has led to the mark becoming abandoned in the United States and CNJ's conclusory assertions of its hopes and intentions to use the mark at some unknown point in the future do not suffice to rebut the presumption of abandonment.

G. Registrant Cannot Rely on Excusable Nonuse.

1. Excusable nonuse does not apply here.

CNJ admits that it did not use the mark in commerce but attempts to rely on excusable nonuse. (Registrant's Brief in Opposition at 7, 9-11 and Cross-Motion at 7, 9-11.) Under trademark law, the owner of a registration must periodically prove use or excusable nonuse of the mark. 15 U.S.C. §1058(a). To rely on excusable nonuse to maintain an unused mark, a registrant must provide an affidavit and evidence showing that any such nonuse is due to special circumstances which excuse such nonuse and is not due to any intention to abandon the mark. 15 U.S.C. § 1058(b)(2). Merely stating that special circumstances exist and there is no intention to abandon the mark is not sufficient, actual proof of the special circumstances is required. *In re Conusa Corp.*, 32 USPQ2d 1857, 1859 (Comm'r Pats. 1993) (only limited, special circumstances beyond the registrant's control, such as regulatory prohibitions, fire or other catastrophes, can excuse nonuse). Excusable nonuse does not apply to a failure to never use a mark by choice. *Rivard*, 45 USPQ2d at 1376-77 (Fed. Cir. 1998) (business decision not to proceed does not excuse nonuse). Business decisions not to use a mark are not excusable nonuse. *In re Moorman Mfg. Co.*, 203 USPQ 712 - 714 (Comm'r Pats. 1979) (conscious business decision to indefinitely hold off use of a mark is not a special circumstance that excuses nonuse).

2. Registrant has no proof of excusable nonuse.

Even if excusable nonuse were relevant here, and it is not, CNJ has not established the legal or factual basis for excusable nonuse. CNJ attempts to rely on *Rivard*, 45 USPQ2d at 1449 (Registrant's Brief in Opposition, at 9 and Cross-Motion, at 9). As CNJ states, "to prove excusable nonuse, the registrant must produce evidence showing that under his particular circumstances" his actions are reasonable. 45 USPQ2d at 1449. CNJ has produced no evidence showing reasonable actions not to use the mark. In the 14 pages of documents produced by CNJ in its discovery responses, which is all the proof that CNJ could muster about its claimed use of the mark from the filing date ten years ago in 2004 to the close of discovery just weeks ago, CNJ produced no evidence of excusable nonuse of the mark. (Ex. 5 to Petitioner's Motion for Summary Judgment, Registrant's Entire Document Production.) The only conclusion is that Registrant has no evidence of excusable nonuse.

CNJ's reliance on *Cerveceria*, 13 USPQ2d 1307, for excusable nonuse is misplaced. (Registrant's Brief in Opposition, at 9 and Cross-Motion, at 9.) In *Cerveceria*, the cancellation petitioner had established a *prima facie* case of abandonment because the Board discounted use of the mark for forming of a United States subsidiary, and vague, unsubstantiated testimony by the registrant. 13 USPQ2d at 1312. As in *Cerveceria*, Mr. Kastanas' affidavit is unsubstantiated and devoid of any reasonable explanation of why CNJ chose not to use the mark for years. (Registrant's Brief in Opposition at 7, 9-11 and Ex. A in Support and Cross-Motion at 7, 9-11 and Ex. A in Support.) Further, Mr. Kastanas' affidavit details no special circumstances that would excuse nonuse, and includes no evidence to support the claim as required by *Rivard*. (Registrant's Brief in Opposition, Ex. A and Cross-Motion, Ex. A.)

CNJ says it decided not to use the mark for restaurant services until 2015, decided not to seek clarification of its attorney's advice, decided not to spend more money for better legal advice,

decided putting the marks on bags for use in Canada was all it needed to do, and decided to keep waiting for its attorney to act. (Registrant's Brief in Opposition, Ex. A and Cross-Motion, Ex. A.) The decisions not to use the mark in the United States for restaurant services were CNJ's alone. These circumstances are not special and were in CNJ's control, not outside of its control, as is required for excusable nonuse. 15 U.S.C. § 1058(b)(2); *In re Moorman Mfg. Co.*, 203 USPQ at 714 (business decision to hold off use is not a special circumstance).

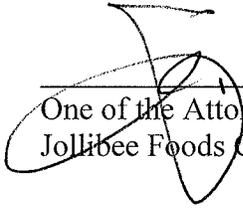
Moreover, Mr. Kastanas states that CNJ ultimately was able to complete a Canadian franchise arrangement within weeks after Petitioner filed this cancellation. (Registrant's Brief in Opposition, Ex. A, ¶¶ 15-16 and Cross-Motion, Ex. A, ¶¶ 15-16.) As in *Rivard*, where the registrant quickly reached license agreements within months of receiving notice of nonuse cancellation proceedings, CNJ's June 2013 actions show that the nonuse circumstances were in CNJ's control all along, and it was unreasonable and inexcusable to avoid using the mark for years after registration. *Rivard*, 45 USPQ2d at 1377 (quickly completing arrangements to use a mark after challenge supports the conclusion that five years of nonuse is not excusable.) And even then, CNJ's June 2013 franchise activity is not use in commerce in the United States, or within the three-year abandonment period.

Therefore, even if CNJ's litany of problems about franchising, sales of restaurants in Canada, and problems with attorneys was relevant to the excusable nonuse issue (and it's not), there is no evidence that supports CNJ's claim. *Cerveceria*, 13 USPQ2d at 1312. Without any evidence of excusable nonuse, CNJ cannot satisfy the legal or factual requirements for excusable nonuse. 15 U.S.C. § 1058(b)(2). Accordingly, CNJ's CHICK-N-JOY Mark should be deemed abandoned on the grounds of nonuse for three consecutive years after registration. Petitioner's summary judgment motion should be granted, and CNJ's summary judgment motion denied.

III. CONCLUSION

Petitioner, Jollibee Foods Corporation, is entitled to summary judgment in its favor against Registrant, Chick-N-Joy Systems Limited, because Petitioner has demonstrated that the CHICK-N-JOY mark in Registration No. 3567736 has not been used in the United States for the covered services for three consecutive years after registration. Registrant has failed to come forth with any evidence of use or excusable nonuse to rebut Petitioner's case or support Registrant's Motion for Summary Judgment. Therefore, Petitioner's Motion for Summary Judgment should be granted, and Registrant's Motion for Summary Judgment should be denied. Registration No. 3567736 should be cancelled, and the Board should enter judgment in Petitioner's favor.

Dated: June 20, 2014



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PROOF OF SERVICE AND FILING

The undersigned hereby certifies that the foregoing **PETITIONER'S REPLY BRIEF IN SUPPORT OF PETITIONER'S MOTION FOR SUMMARY JUDGMENT AND IN OPPOSITION TO REGISTRANT'S CROSS-MOTION FOR SUMMARY JUDGMENT** was electronically filed with the ESTTA and served on Registrant via United States Mail, with courtesy copy via email, to:

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this 20th day of June 2014.

/MTGeorge/
M. Tally George