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

Proceeding	92057344
Party	Defendant Racemi, Inc.
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Cloudpath Networks, Inc.,	§	
	§	Cancellation No. 92057344
Petitioner,	§	(Registration No. 4,174,640)
	§	
vs.	§	
	§	
Racemi, Inc.,	§	
	§	
Registrant.	§	
	§	

REGISTRANT'S RESPONSE IN OPPOSITION TO PETITIONER'S MOTION TO AMEND

Registrant Racemi, Inc. ("Racemi") hereby responds in opposition to the post-trial motion of Petitioner Cloudpath Networks, Inc. ("CNI") for leave to amend its *Petition to Cancel* to add a claim that Racemi's registration of the CLOUD PATH mark is void *ab initio* under Section 1(a) of the Lanham Act.

Contrary to CNI's argument, the fact there was written discovery and oral testimony establishing Racemi's actual date of first use to be August 25 or 26, 2011 (vis-à-vis the claimed date of first use of August 23, 2011) does not support a claim that the registration issuing from Racemi's subsequent October 31, 2011 use-based application was therefore void *ab initio*. Nor did such discovery and testimony provide fair notice to Racemi that the ill-founded Section 1(a) issue was being tried. Moreover, CNI now attempts to expand even further its grounds for challenging Racemi's registration via this motion asserting, for the first time, in Paragraph 8 of its proposed amended petition, that Racemi "did not actually provide any services under Registrant's CLOUD PATH mark until after its [October 31, 2011] application filing date." ([Proposed] *Amended Petition to Cancel* ¶8) There can be no doubt that such a claim was not

asserted and was not tried by consent. Instead, the only testimony or other evidence solicited relating to such a contention was the evidence that Racemi's first use occurred a couple of days after its claimed date of first use, but at least two months before the filing of its use-based application.

A post-trial motion to add an unpleaded claim under Rule 15(b)(2), F.R.Civ.P., requires that the claim must have been tried by the express or implied consent of the nonmovant, and:

> Implied consent to the trial of an unpleaded issue can be found only where the nonoffering party (1) raised no objection to the introduction of evidence on the issue, and (2) was fairly apprised that the evidence was being offered in support of the issue. Fairness dictates whether an issue has been tried by consent – there must be an absence of doubt that the nonmoving party is aware that the issue is being tried.

TBMP §507.03(b)

In this case, CNI alleged in Paragraph 6 of its original *Petition to Cancel* that Racemi "made no valid use of the CLOUD PATH mark for the registered services prior to the [October 25, 2011] registration [by CNI] or [the August 12, 2009 constructive] first use of [CNI's] CLOUDPATH mark." (*Petition to Cancel* ¶6.) The only effect of that allegation was to give notice to Racemi that CNI, in support of its pled claim under Section 2(d), claimed priority – nothing more and nothing less. Not only was that the sole effect, that was, without doubt, the sole intent and purpose of the contention, inasmuch as CNI admits that CNI "originally pleaded the statement in paragraph 6 in conjunction with paragraph 5 of the *Petition to Cancel* in order to establish a claim of *priority* under 2(d)." *Petitioner's Rebuttal Brief* p. 10 (emphasis in original).

In support of its argument that Racemi was on notice of the Section 1(a) claim during the discovery and trial periods, CNI refers to three pieces of evidence solicited without objection. CNI first refers to Racemi's response to Interrogatory No. 5 in which Racemi stated that it "began offering its CLOUD PATH server migration services in or about August 2011," two

months before filing its use-based application. Such evidence was relevant to the pled claims of priority and likelihood of confusion – Such evidence did not inform Racemi of any claim under Section 1(a).

CNI next refers to Racemi's response to Interrogatory No. 6 in which Racemi stated that it derived no revenue from the sales or provision of (Beta stage) services under the CLOUD PATH mark in 2012. Such evidence was relevant to the pled claims of priority and likelihood of confusion – Such evidence did not inform Racemi of any claim under Section 1(a).

Finally, CNI refers to the testimony of Racemi's James Strayer who testified that Racemi's first use of the CLOUD PATH mark, during the Beta stage, with that mark being visible to Racemi's customers or partners, was on August 25 or 26, 2011. Such evidence was relevant to the pled claims of priority and likelihood of confusion – Such evidence did not inform Racemi of any claim under Section 1(a).

Racemi had no reason to object to any such discovery or testimony. Via that discovery and testimony, Racemi had "no clue" that CNI intended to assert or rely on an unpled claim under Section 1(a). And Racemi certainly had "no clue" that such discovery or testimony would be offered to support the claim now quietly embedded in Paragraph 8 of its proposed *Amended Petition to Cancel* that Racemi "did not actually provide any services under [Racemi's] CLOUD PATH mark until after its [October 31, 2011] application filing date."

In short, CNI's motion is both futile and unsupported. Accordingly, CNI's motion for leave to amend its petition to add a claim under Section 1(a) clearly should be rejected.

Dated: September 17, 2015

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing "Registrant's Response in Opposition to Petitioner's Motion to Amend" was duly served on Petitioner via email as shown below on September 17, 2015, pursuant to an agreement between the parties to serve all such documents electronically:

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