

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

Mailed: December 13, 2011

Opposition No. 91196845

Terra Sul Corporation a/k/a
Churrascaria Boi Na Brasa

v.

Boi Na Braza Inc.

Concurrent Use No. 94002525

Boi Na Braza Inc.

v.

Terra Sul Corporation a/k/a
Churrascaria Boi Na Brasa

Before Quinn, Kuhlke, and Wellington,
Administrative Trademark Judges.

By the Board:

In the above-captioned opposition, on December 5, 2011, concurrent use applicant Boi Na Braza, Inc. ("Boi") filed a motion to compel discovery based on opposer/excepted user Terra Sul Corporation a/k/a Churrascaria Boi Na Brasa's ("Terra Sul") statement in a November 29, 2011 letter from its attorney to Boi's attorney that it would not respond to Boi's discovery requests.

In the interest of resolving this motion without undue delay, the Board determined that a telephone conference was warranted. See Trademark Rule 2.120(i)(1); TBMP Section 502.06(a) (3d ed. 2011). On December 8, 2011, such conference was held between Terra Sul's attorney Eamon J. Wall, Boi's attorney Justin S. Cohen, and Board attorney Andrew P. Baxley.

Pursuant to the schedule adopted by way of the Board's October 25, 2011 order, proceedings herein resumed on November 14, 2011 with the discovery period closing on November 15, 2011. Boi served its initial disclosures on November 14, 2011, nearly six months late, and served its first set of discovery on November 15, 2011.

On November 29, 2011, Terra Sul's attorney sent a letter to Boi's attorney in which he noted that Boi served its initial disclosures on November 14, 2011 and served its first set of discovery requests on the next day. Based thereon, Terra Sul's attorney advised Boi that it would not respond to Boi's discovery requests. Terra Sul's attorney, noting that Terra Sul timely served initial disclosures on May 16, 2011, stated that it did not need to take discovery because it intends to file a notice of reliance upon the documentary evidence filed in Cancellation No. 92047056 between the parties, and suggested that Boi do the same.

During the conference, Terra Sul's attorney expressed concern about the scope and volume of Boi's discovery requests and indicated that Terra Sul seeks to contain costs herein.

In reply, Boi's attorney indicated during the conference that the parties disagree about whether Terra Sul's concurrent excepted use territory should include the State of New York. Therefore, Boi seeks discovery regarding Terra Sul's nexus to the State of New York.

Trademark Rule 2.120(a)(3) states that "[a] party must make its initial disclosures prior to seeking discovery." There is no dispute that Boi made its initial disclosures one day prior to serving its discovery requests. Bearing in mind that "[e]ach party involved in an inter partes proceeding is obligated to make [timely] initial disclosures," the Board shares Terra Sul's frustration with Boi's six months late service of initial disclosures. TBMP Section 401.02 (3d ed. 2011). However, Boi is not precluded from taking discovery under the circumstances herein. Rather, Terra Sul's remedy would have been to file a motion to compel Boi's initial disclosures after such disclosures were past due. See *Influence, Inc. v. Elaina Zuker*, 88 USPQ2d 1859, 1860 n.3 (TTAB 2008). Instead of refusing to respond to any of Boi's discovery requests, Terra Sul should serve responses to those discovery requests, providing

information that it believes to be proper and stating objections to those requests that it believes are improper. Cf. TBMP Section 526 (3d ed. 2011) (it is generally

inappropriate to respond to discovery by filing a motion attacking the discovery at issue).

In view thereof, Boi's motion to compel is granted. Terra Sul is allowed until thirty days from the mailing date set forth in this order to serve responses to Boi's discovery requests.¹

Further, Terra Sul's intent to make the documentary evidence of Cancellation No. 92047056 of record by way of a notice of reliance, Trademark Rule 2.122(f) states as follows:

By order of the ... Board, on motion, testimony taken in another [Board inter partes] proceeding ... between the same parties or those in privity may be used in a proceeding, so far as relevant and material, subject, however, to the right of any adverse party to recall or demand the recall for examination or cross-examination of any witness whose prior testimony has been offered and to rebut the testimony.

The Board has construed the term "testimony," as used in Trademark Rule 2.122(f), as meaning only trial testimony, or a discovery deposition which was used, by agreement of the

¹ Because Boi filed the motion to compel prior to the due date for responses to its first set of discovery requests, Terra Sul may object on the merits to Boi's discovery requests.

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parties, as trial testimony in the other proceeding. See TBMP Section 704.13 (3d ed. 2011).

In reviewing the record herein, we note that the parties had been involved in Cancellation No. 92047056, wherein Terra Sul sought cancellation of Boi's geographically unrestricted Registration No. 2534608 for the mark BOI NA BRAZA in typed form for "restaurant services" in International Class 42. In a June 12, 2009 final decision in that proceeding, the Board granted Terra Sul's claim under Trademark Act Section 2(d), 15 U.S.C. Section 1052(d), finding that there was likelihood of confusion between Boi's BOI NA BRAZA mark and Terra Sul's previously used mark BOI NA BRASA for restaurant services. In that decision, the Board also dismissed Terra Sul's "claim of descriptiveness under [Trademark Act Section 2(e)(1), 15 U.S.C. Section 1052(e)(1)]" and deemed waived any claims under Trademark Act Sections 2(e)(2) and (3), 15 U.S.C. Sections 1052(e)(2) and (3).

In the above-captioned opposition proceeding, Terra Sul opposes registration of Boi's concurrent use application Serial No. 77779339 to register the mark BOI NA BRAZA in standard character form for "restaurant and bar services" in International Class 43² on the ground of likelihood of

² Boi filed its concurrent use application on July 13, 2009 and therein alleges July 19, 1999 as the date of first use anywhere

confusion with its previously used mark BOI NA BRASA for restaurant and bar services under Section 2(d) and also alleges grounds that the mark, when properly translated from Portuguese to English and used in connection with the identified services, is merely descriptive or deceptively misdescriptive, primarily geographically descriptive and/or primarily geographically deceptively misdescriptive under Trademark Act Section 2(e).

The doctrine of merger and bar, also known as claim preclusion or *res judicata*, "generally binds parties from litigating or relitigating any [claim] that was or could have been litigated in a prior adjudication and prevents claim splitting." *Futura Dev. Corp. v. Centex Corp.*, 761 F.2d 33, 42 (1st Cir. 1985). Application of the doctrine of merger and bar is appropriate when (1) there is an identity of parties or their privies; (2) there was an earlier final judgment on the merits of a claim; and (3) the second claim is based on the same set of transactional facts as the

and September 11, 2000 as the date of first use in commerce. The application includes a statement that "[t]he English translation of the mark is 'steer over embers.'" In that application, Boi named Terra Sul as an excepted concurrent user and stated that it seeks "registration of the mark in connection with 'restaurant and bar services' for the entire United States, except for the State of New Jersey." Boi also notes that Terra Sul has filed applications Serial Nos. 77813335 and 77813416. USPTO records indicate that, in those applications, both of which were filed on August 26, 2009, Terra Sul seeks geographically unrestricted registrations and that those applications are suspended in *ex parte* examination pending disposition of Boi's involved application.

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first. See *Jet, Inc. v. Sewage Aeration Systems*, 223 F.3d 1360, 1362 (Fed. Cir. 2000).

In applying the doctrine of merger and bar herein, the parties in Cancellation No. 92047056 and the above-captioned opposition are identical, and there was a final judgment on the merits in Cancellation No. 92047056, and the Section 2(e) grounds in the respective proceedings are based on the same transactional facts in that the Section 2(e) grounds in both cases are based on the meaning of Boi's mark, when properly translated from Portuguese to English and used in connection with the identified services. Accordingly, the Section 2(e) grounds set forth in the notice of opposition are *sua sponte* dismissed.

Regarding Terra Sul's remaining claim under Trademark Act Section 2(d), we note that, in Cancellation No. 92047056, we found that Terra Sul had priority and that there was a likelihood of confusion between the parties' marks. Further, Boi, by identifying Terra Sul as an exception to its exclusive right to use, has effectively admitted that it is not entitled to a territorially unrestricted registration. Accordingly, the sole remaining issue herein is whether or not Boi is entitled to the concurrent use registration it seeks.

Where, as here, an applicant seeks a geographically restricted registration in which it names an opposer to that registration as a named excepted user to its exclusive right

to use the mark in commerce, the appropriate forum for an adjudication of the respective rights of the parties is a concurrent use proceeding; therein, the named excepted user may attempt to establish that applicant is not entitled to the concurrent use registration sought.³ See Trademark Rule 2.99(h); *Inland Oil & Transport Co. v. IOT Corp.*, 197 USPQ 562 (TTAB 1977); TBMP Section 1113.01. Accordingly, the above-captioned opposition is hereby dismissed without prejudice, and the above-captioned concurrent use proceeding is hereby instituted with Boi, the concurrent use applicant, in the position of plaintiff and Terra Sul, the named excepted common law user, in the position of defendant.

Boi is allowed until ten days from the mailing date set forth in this order to serve upon Terra Sul copies of its application, specimens and drawing. See Trademark Rule 2.99(d)(1). Terra Sul is allowed until forty days from the mailing date set forth in this order to file an answer.⁴

³ Had opposer not filed the notice of opposition, the Board would have already instituted a concurrent use proceeding with Boi as the concurrent use applicant/plaintiff and Terra Sul as the named excepted common law user. See Trademark Rule 2.99(c). The parties were informed during the telephone conference that conversion of the opposition to a concurrent use proceeding may be appropriate. Neither party objected to such conversion.

⁴ Terra Sul has two geographically unrestricted applications that are suspended in *ex parte* examination. Those applications were filed after Boi's involved application and have not been brought into this proceeding. See TBMP Section 1104 (3d ed. 2011). Thus, Terra Sul is an excepted common law user in the above-captioned concurrent use proceeding and must file an answer to avoid entry of default judgment therein. Entry of default judgment in the concurrent use proceeding would result in Terra Sul's preclusion from claiming any right more extensive than that

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See Trademark Rule 2.99(d)(2); TBMP Section 1107 (3d ed. 2011). In view of the circumstances herein, the Board finds that a brief reopening of the discovery period for the limited purpose of allowing the parties time in which to take discovery regarding issues unique to the newly instituted concurrent use proceeding.

The Board attorney indicated during the aforementioned telephone conference that the parties may want to resolve this case by accelerated case resolution (ACR). ACR will likely save the parties and the Board time and expense and will likely reduce potential procedural problems. See generally TBMP Section 700 (3d ed. 2011). In an ACR proceeding, parties typically agree to proceed directly to final briefing on the merits and foregoing testimony periods. The parties would submit their evidence as exhibits to their ACR briefs with testimony offered and evidence introduced through declarations or affidavits and materials that would, in a typical trial, be made of record by notice of reliance submitted as exhibits to their ACR briefs without notices of reliance.

In an ACR proceeding, the evidence submitted in connection with the briefs would be treated as the final record for the case. See, e.g., *Freeman v. National*

acknowledged in Boi's involved concurrent use application, i.e., any right more extensive than the State of New Jersey. See TBMP Section 1107 (3d ed. 2011). In the answer, Terra Sul should set

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Association of Realtors, 64 USPQ2d 1700 (TTAB 2002); *Miller Brewing Co. v. Coy Int'l Corp.*, 230 USPQ 675 (TTAB 1986).

The Board would decide issues of material dispute and issue a final decision in an expedited manner after considering the parties' ACR briefs in accordance with the evidentiary burden at trial, that is, by preponderance of the evidence. Cf. *Gasser Chair Co., Inc. v. Infanti Chair Mfg Corp.*, 60 F.3d 770, 34 USPQ2d 1822, 1824 (Fed. Cir. 1995) (in addition to proving elements of claim by preponderance of the evidence, a party moving for summary judgment must also establish that there is no genuine issue of material fact as to those elements). The final decision would be judicially reviewable as set forth in Trademark Rule 2.145.

The parties should review Board ACR materials at <http://www.uspto.gov/trademarks/process/appeal/index.jsp> and discuss among themselves whether they want to pursue ACR herein. The parties should notify the Board that they want to pursue ACR by not later than the deadline for Boi's pretrial disclosures.

Dates herein are reset as follows.

Expert Disclosures Due	1/16/12
Discovery Closes	2/15/12
Boi's Pretrial Disclosures Due	3/31/12
Boi's 30-day Trial Period Ends	5/15/12
Terra Sul's Pretrial Disclosures Due	5/30/12
Terra Sul's 30-day Trial Period Ends	7/14/12

forth its position with regard to the concurrent use registration that Boi seeks. See *id.*

Boi's Rebuttal Disclosures Due	7/29/12
Boi's 15-day Rebuttal Period Ends	8/28/12

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

If either of the parties or their attorneys should have a change of address, the Board should be so informed promptly.