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

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| Party | Applicant Boi Na Braza, LLC |
| Correspondence Address | JUSTIN S COHEN THOMPSON & KNIGHT LLP 1722 ROUTH STREET, SUITE 1500 DALLAS, TX 75201-2532 UNITED STATES justin.cohen@tklaw.com, deborah.lively@tklaw.com |
| Submission | Rebuttal Brief |
| Filer's Name | Justin S. Cohen |
| Filer's e-mail | justin.cohen@tklaw.com |
| Signature | /Justin S. Cohen/ |
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

BOI NA BRAZA, LLC,

APPLICANT,

VS.

TERRA SUL CORPORATION A/K/A
CHURRASCARIA BOI NA BRASA,

EXCEPTED USER.

CONCURRENT USE No. 94002525

APPLICANT BOI NA BRAZA'S REPLY BRIEF

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Boi Na Braza is entitled to a concurrent use registration for the entire United States except for the state of New Jersey. Boi Na Braza lawfully adopted the mark in good faith in 1999 and proactively sought and acquired nationwide trademark rights for the BOI NA BRAZA mark, acquiring two registrations for BOI NA BRAZA in 2002. Boi Na Braza has an incontestable geographically unrestricted registration for BOI NA BRAZA and design.¹ In addition, Boi Na Braza expanded its operations through restaurants in Texas, Ohio, and Georgia² and has plans to expand in New York. The static senior user, Terra Sul, has been in business since 1996 but has not expanded beyond one neighborhood in Newark, New Jersey, despite having nearly 17 years to do so.³ Terra Sul didn't even file a trademark application until 2009, but asks the Board to reserve most of the United States for itself.

In its trial brief, Terra Sul argues that the Board should deny Boi Na Braza's concurrent use application for three main reasons: (1) Terra Sul's advertising allegedly circulates outside of New Jersey; (2) as the senior user, Terra Sul is presumably entitled to nationwide rights; and (3) Boi Na Braza has not maintained "sustained, continuous and substantial nationwide expansion." These arguments are all undercut by the Board's most recent, relevant, and precedential case that is directly on point – *America's Best Franchising, Inc. v. Abbott*, 106 USPQ2d (BNA) 1540 (TTAB Mar. 20, 2013). Terra Sul's trial brief completely ignored this case.

I. The case that Terra Sul ignored – *America's Best* – supports Boi Na Braza.

The facts of *America's Best* are analogous to this proceeding. Like this proceeding, *America's Best* involved a junior user seeking a concurrent use registration for the entire United States except for the one state where the senior user was located. And like this proceeding, the senior user opposed based on allegedly overlapping advertising. Most importantly, like this proceeding, the senior user failed to expand its operations beyond one geographic area. The Board found in favor of the junior user, awarding it the entire United States except for the one state where the static senior user was located.

¹ U.S. Trademark Registration No. 2,666,968.

² The restaurant in Georgia no longer uses the Boi Na Braza mark.

³ See Boi Na Braza's Trial Brief at 2-4.

A. Like the static senior user in *America's Best*, Terra Sul has abandoned its right to expand through years of inaction.

In *America's Best*, the junior user America's Best Franchising, Inc. ("ABF") began using 3 PALMS mark in 2008 in Florida and, like junior user Boi Na Braza in this proceeding, immediately filed a trademark application.⁴ And like Boi Na Braza, ABF expanded its operations.⁵ ABF sought concurrent use registrations for three 3 PALMS design marks for hotel and motel services, claiming exclusive rights in the United States except Arizona. Senior user Roger Abbott ("Abbott") had been using the 3 PALMS mark for a single hotel in Scottsdale, Arizona since 2004. The Board granted ABF's concurrent use registrations, holding that "through inaction over a considerable period of time, [senior user Abbot] abandoned his right to expand use of the mark outside of his trading area; and that by virtue of such abandonment, Abbott's prior use of the mark cannot serve to preclude ABF, an innocent [junior] user, from filling the territorial void left by Abbott."⁶

Here, Terra Sul has been in business since 1996. But has never attempted to expand beyond its Newark, New Jersey neighborhood, and has no plans to expand.⁷ Therefore, like Abbot, Terra Sul has abandoned its right to expand beyond its neighborhood in Newark through its nearly 17 years of inaction. And like Abbot, Terra Sul cannot prevent junior user Boi Na Braza "from filling the territorial void left by [Terra Sul]," which is the entire United States except for New Jersey.

B. Like the static senior user in *America's Best*, Terra Sul is not presumably entitled to the entire United States.

Terra Sul also argues that as the senior user, it is presumably entitled to the entire United States.⁸ But Terra Sul ignored *America's Best* where the Board addressed this presumption. In *America's Best*, the Board held that the presumption "can be overcome."⁹ The Board stated that

⁴ *America's Best* at *1, 2, 16.

⁵ *Id.* at *7.

⁶ *Id.* at *45, citing *Nark, Inc. v. Noah's, Inc.*, 212 USPQ 934, 947 (TTAB 1981)(internal quotes omitted).

⁷ Terra Sul Corporation's Objections and Responses to Applicant's First Set of Interrogatories, No. 23.

⁸ Terra Sul Brief at 14 citing *In re Beatrice Foods*.

⁹ *America's Best* at *26.

“as the predecessor to our primary reviewing court pointed out in *Wiener King*, ‘there is a policy of encouraging prompt registration of marks by rewarding those who first seek registration under the Lanham Act.’”¹⁰ Going even further, the Board stated that “[p]erhaps not coincidentally, the concurrent use proviso of Section 2(d) ‘exhibits no bias in favor of the prior user.’”¹¹

Like the junior user in *America’s Best*, Boi Na Braza filed its trademark applications first – back in 1999. Terra Sul didn’t file a trademark application until 2009 – after being in business for 13 years. If there is a presumption in favor of the senior user, such a presumption cannot apply to a sedentary senior user like Terra Sul who has never attempted to expand beyond one neighborhood in Newark New Jersey in nearly 17 years.

C. Like the static senior user in *America’s Best*, Terra Sul has not reserved the entire United States through its advertising.

Without any support, Terra Sul alleges that “[w]ithin a short amount of time [after 1999], the restaurant Churrascaria Boi Na Brasa and the associated service mark CHURRASCARIA BOI NA BRASA had become well-known to the relevant public, primarily in the Tri-state area of New York, New Jersey and Connecticut.”¹² However, Terra Sul cites no evidence beyond its advertising to support such a notion. Terra Sul then argues that the Board should deny Boi Na Braza’s application because Terra Sul’s advertising reaches beyond New Jersey.¹³ Terra Sul’s argument fails, however, because its advertising is sporadic, minimal, and primarily focused on Portuguese-speaking consumers, as shown in the table below:¹⁴

| Publication Name | Year(s) Advertised | Language | Amount Spent (per NOR) |
|-----------------------------|--------------------|------------|------------------------|
| Printed Publications | | | |
| The Star Ledger | 2002 | English | No invoices |
| Luso-Americano | 2003 2007 | Portuguese | No invoices |

¹⁰ *Id.* at *41.

¹¹ *Id.*

¹² Terra Sul Brief at 4.

¹³ *See* Terra Sul’s Trial Brief at 12.

¹⁴ Summary of Terra Sul’s advertising invoices from Terra Sul’s Notice of Reliance, Exhibit D.

| | | | |
|---|---|------------|-------------|
| Brazilian Times | 2010 | Portuguese | No invoices |
| Brazilian Voice | 2010 | Portuguese | \$1,710.00 |
| Brazilian Press | 1997 1999-2003 2005 2007 2008 2012 | Portuguese | \$1,200.00 |
| Television | | | |
| TV Globo International (Dish Network channel 596) | 2003 2004 2007 | Portuguese | \$7,150.00 |
| Comcast Cable: Food Network, ESPN, CNN, Fox | 2007 | English | No invoices |

Terra Sul’s evidence shows only about \$10,000 in advertising that primarily targets Portuguese-speaking consumers. This is not “substantial, regular and sustained advertising and marketing efforts that target New York City and State” as Terra Sul alleges.¹⁵ By way of contrast, Boi Na Braza has spent over \$2 million dollars in advertising nationally and internationally in the *American Way* and *Delta Sky* magazines.¹⁶ Therefore, if any overlapping advertising actually exists, it is minimal. And as the Board held in *America’s Best*, “courts have found that the elimination of all possible confusion which might arise from overlapping advertising is not necessary” to entitle the junior user to a concurrent registration for the entire United States except for the state where the senior user is located.¹⁷

¹⁵ Terra Sul’s Trial Brief at 12.

¹⁶ Boi Na Braza Brief at 3.

¹⁷ *America’s Best* at *35 (citing *Thrifty Rent-A-Car System, Inc. v. Thrift Cars, Inc.*, 831 F.2d 1177, 4 USPQ2d 1709, 1714 (1st Cir. 1987) (“While we recognize that some consumer confusion may result because there will be some overlap in advertising, the Lanham Act does not require the complete elimination of all confusion.”); and *All Video, Inc. v. Hollywood Entertainment Corp.*, 929 F. Supp. 262, 40 USPQ2d 1130, 1135 (E.D. Mich. 1996) (“Congress recognized and accepted that some level of confusion would inevitably result from allowing a limited defense for junior users”)).

D. Like *America's Best*, the lack of actual confusion is relevant.

The Board in *America's Best* found that “the lack of actual confusion in this case is at least somewhat relevant.”¹⁸ Despite overlapping Internet advertising for about four years, there were no instances of actual consumer confusion between ABF and Abbot. In this proceeding, there have been no instances of actual confusion, despite the allegedly overlapping advertising and despite the fact that the parties have coexisted since 1999. In fact, Terra Sul and Boi Na Braza didn't even learn about each other's existence until 2007, after coexisting for nearly 8 years.

II. A proactive junior user shouldn't lose to a sedentary senior user just because the junior user stops expanding.

Terra Sul argues that it is now entitled to nationwide rights because Boi Na Braza is not engaged in “sustained, continuous and substantial nationwide expansion.”¹⁹ Terra Sul cites no authority for the proposition that the junior user who was first to file trademark applications and the first to expand its operations must also maintain “sustained, continuous and substantial nationwide expansion.” If Terra Sul were correct, the sedentary senior user who never sought trademark registrations or attempted to expand its operations would be rewarded when the proactive junior user stops expanding its operations. Terra Sul is essentially arguing that it should win a foot race because Boi Na Braza isn't running fast enough, even though Terra Sul never left the starting blocks. This is not the law nor the policy of the Lanham Act.

III. Boi Na Braza is entitled to a registration for the entire United States except for New Jersey.

It is undisputed that Boi Na Braza lawfully adopted the mark in good-faith in 1999 and expanded its operations – all before Terra Sul filed its trademark applications in 2009. Senior user Terra Sul is a static, local operation that has never expanded beyond a single neighborhood in Newark and has no plans to expand. Therefore, Boi Na Braza is entitled to a registration for the entire United States except for New Jersey.

¹⁸ *Id.* at *39.

¹⁹ Terra Sul Brief at 15.

In the alternative, should the Board decide to grant Terra Sul rights in New York, Boi Na Braza respectfully requests that the Board amend the application and issue Boi Na Braza's registration covering the entire United States except for the states of New Jersey and New York. This geographic restriction would unquestionably prevent any likelihood of confusion between the parties.

Dated: July 29, 2013

Respectfully submitted,

BOI NA BRAZA, LLC

By: /s/ Justin S. Cohen
Herbert J. Hammond
Justin S. Cohen

THOMPSON & KNIGHT LLP
1722 Routh St. Suite 1500
Dallas, Texas 75201

ATTORNEYS FOR APPLICANT
BOI NA BRAZA, LLC

Certificate of Service

I certify that this paper is being served on Excepted User through its attorney of record, Eamon J. Wall, via First Class Mail, postage prepaid, on this 29th day of July, 2013, at the following address:

Eamon J. Wall
Wall & Tong, LLP
25 James Way
Eatontown, New Jersey 07724

/s/ Justin S. Cohen
Justin S. Cohen