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

Proceeding	91121980
Party	Plaintiff ESTEFAN ENTERPRISES, INC. ,
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Opposition No. 91121980
Cancellation No. 92042251

ESTEFAN ENTERPRISES, INC.,
a Florida corporation,

Petitioner/Opposer,

vs.

BONGO, S.A. de C.V. and ROBERTO NOBLE,

Registrants/Applicants.

_____/

PETITIONER ESTEFAN ENTERPRISES, INC.'S REPLY IN SUPPORT OF SUPPLEMENT TO MOTION FOR SUMMARY JUDGMENT

Petitioner, Estefan Enterprises, Inc. ("EEI"), pursuant to T.M.B.P. § 528.01 and § 528.02, hereby files its Reply in Support of Supplement to Motion to Summary Judgment and states as follows:

I. **Inadmissibility of Deposition of Registrant**

In Response to EEI's Supplement to Motion for Summary Judgment (DK #45), Registrant has objected to the use of Mr. Halabe's deposition because it was unsworn. However, Registrant has not claimed that any portion of the transcript is not true or inaccurate. Mr. Halabe was designated by Registrant as the corporate representative of Grupo Industrial Hotelero, S.A. de C.V. and Bongo, S.A. de C.V. In that capacity, Mr. Halabe signed the deposition transcript (See Exhibit A hereto) and, therefore, EEI submits that the signed deposition transcript is admissible as an admission of a party opponent. See Fed.R.Civ.P. 801(d)(2). Rule 801(d)(2) excludes from the definition of hearsay any statement that is:

> offered against a party and is (A) the party's own statement, in either an individual or a representative capacity or (B) a statement of which the party has manifested an adoption or belief in its truth, or (C) a statement by a person authorized by the party to make a statement concerning the subject, or (D) a statement by the party's agent or servant concerning a matter within the scope of the agency or employment, made during the existence of the relationship . . .

Fed. R. Evid. 801(d)(2). "Admissions by a party opponent are excluded from the category of hearsay on the theory that their admissibility in evidence is the result of the adversary system, rather than satisfaction of the conditions of the hearsay rule." *Schering Corp. v. Pfizer Inc.*, 189 F.3d 218 (2d Cir. 1999) (*citing* Fed. R. Evid. 801(d)(2) Advisory Committee's Note; 4 Wigmore, *Evidence in Trials at Common Law* § 1048 (Chadbourn rev. 1972)). The Advisory Committee thus recommends "generous treatment of this avenue to admissibility." *Id.*

Moreover, Mr. Halabe was fully aware of the purpose of the deposition and the importance of providing truthful and accurate answers:

> Q: Now, are you also aware that the purpose of this deposition is to be used in that case?
>
> A: Yes, I understand that.
>
> Q: Okay. And are you aware that the Trademark Board who the case is in front of will be relying on your testimony in this case? Do you understand it's for this purpose?
>
> A: Yes.
>
> Q: So, given that, do you agree that you will be giving today your most honest answers within your knowledge?
>
> A: Yes.

Halabe deposition transcript at p. 11, lines 14-24.

In addition and in the alternative, EEI relies on the Affidavit of Isaac Halabe filed in support of Registrant's Memorandum of Law in Opposition to EEI's Motion for Summary Judgment wherein Mr. Halabe attests to facts consistent with his deposition and relied on by EEI in support of its Motion for Summary Judgment. To support its argument that Registrant has not used its COCO BONGO mark in the United States, EEI cited to the Deposition Transcript of Isaac Halabe at pp. 43-44, 48-50 in its Supplement to Motion for Summary Judgment. Similarly, Mr. Halabe lists in his Declaration various "uses" of the mark in the United States such as advertising and promotional efforts (Halabe Declaration at ¶ 20), but does not state that Registrant operates an actual restaurant, self-service restaurant, cafeteria, canteen, night club or snack-bar in the United States. Certainly, since Registrant's non-use of the COCO BONGO mark in the United States has been at the center of the cancellation proceeding, if such restaurant, self-service restaurant, cafeteria, canteen, night club or snack-bar existed in the United States, Mr. Halabe would have stated so in his Declaration! Moreover, Mr. Halabe admits in his Declaration that it is Registrant's "**intention** to offer [in the United States] the identical services which are offered at our famous Cancun nightclub..... Currently, we are negotiating lease terms, and making other arrangements for our opening which is currently planned for the spring of 2006." Halabe Declaration at ¶26. Clearly, since the date of its U.S. registration over five years ago in May 2, 2000, Registrant has not operated a restaurant, self-service restaurant, cafeteria, canteen, night club or snack-bar in the U.S.

Additionally, in EEI's Supplement to Motion for Summary Judgment, EEI sets forth as an additional basis for cancellation of Registrant's mark its admissions that it is

not using the mark in connection with each service enumerated in its registration citing Halabe deposition transcript at pp. 105-08. Specifically, Registrant has never offered restaurant, self-service restaurant or cafeteria services under the COCO BONGO mark in Mexico and does not regularly offer snack bar services under the COCO BONGO mark. Halabe deposition transcript at pp. 106-08. This same information is sworn to by Isaac Halabe within his Declaration:

> Since 1999, the COCO BONGO nightclub has never offered traditional "sit-down" restaurant services.... Our current Cancun nightclub does not have a kitchen on the premises.

Halabe Declaration, ¶ 14.

Registrant's corporate representative deposition should, therefore, be considered as an admission of a party opponent. In addition and in the alternative, EEI relies on the Declaration of Isaac Halabe as noted above.

II. **Partial Cancellation as Sole Remedy**

Registrant does not dispute that it has not used the COCO BONGO mark in either the United States or Mexico in conformity with the categories listed on its U.S. application and its Mexican registration on which the U.S. application is based. In response to EEI's reliance on *Medinol Ltd. v. Neuro Vasx, Inc.*, 67 USPQ2d 1205, 1208 (T.T.A.B. 2003) in support of its argument that Registrant's mark should be cancelled in its entirety for this reason, Registrant argues that *Eurostar v. "Euro-Star" Reitmoden GmbH & Co. KG*, 34 USPQ 2d 1266 (T.T.A.B. 1994) requires only partial cancellation.

First, *Eurostar* only involved a petition for partial cancellation, so it is difficult to understand Registrant's argument that *Eurostar* somehow addressed the issue of whether

partial cancellation is the only remedy which may be sought where an applicant has misstated the scope of its trademark use.

Second, even within *Eurostar*, the TTAB noted that Section 18 of the Lanham Act authorizes the TTAB to "cancel a registration in whole or in part . . . ." *Eurostar*, 34 USPQ 2d at *10 (emphasis added). Clearly, *Eurostar* does not stand for the proposition that the only potential consequence for blatantly overstating ones goods and services on a trademark application is partial cancellation of the registration.[1]

Third, and most importantly, *Medinol* and its progeny are directly on point and clearly represent the modern trend on these issues, having been repeatedly reaffirmed by the TTAB. Those cases make clear that a fraudulent application may not be remedied, but is rather deemed *void ab initio*. *Medinol*, 67 USPQ2d 1205.

In *Medinol*, despite Registrant's belated attempt to amend its registration to reflect actual use, the TTAB stated that "deletion of the goods upon which the mark has not yet been used does not remedy an alleged fraud upon the Office." *Id.* at 1208. The ultimate issue is whether, under an "objective manifestations" of intent test (as opposed to "registrant's subjective intent"), "respondent committed fraud upon the Office in the procurement of its registration." *Id.* at 1209. In *Medinol*, which like this case was before the Board on a motion for summary judgment, the respondent claimed that the overstatement of goods was "apparently overlooked." The TTAB held that this excuse was insufficient as a matter of law because it "does nothing to undercut the conclusion that respondent knew or should have known that its statement of use was materially incorrect" or that it "reckless[ly] disregard[ed] . . . the truth . . . ". *Id.* at 1220.

[1] Indeed, the actual holdings of *Eurostar* are: (1) partial cancellation must relate to the issue of likelihood of confusion; and (2) Section 18 may be invoked when tied to a properly pleaded ground for cancellation, such as abandonment. *Id.* at *22.

By contrast, Registrant here has made no attempt at all to even defend its material misstatements, claiming instead in the most conclusory fashion that EEI has somehow failed to meet its burden to establish the lack of a genuine issue of material fact. It is inconceivable to imagine that anything could be more persuasive in this regard than Registrant's own admissions contained in its deposition and in its Declaration filed both in opposition to EEI's Motion for Summary Judgment and in support of its own Motion for Summary Judgment. See DK # 47 and DK # 51, ¶ 6. Other than spouting these oft-repeated "buzz words," Registrant has done nothing to refute the plain fact that at the time it filed its U.S. application based on its foreign registration, it simply was not using its mark in four of six categories of goods and services listed on its Mexican and U.S. application anywhere. Registrant's argument that there is a possibility of a partial cancellation of its mark is unavailing. Registrant's mark should, therefore, be cancelled in its entirety.

For all the foregoing reasons and for the reasons contained in EEI's Motion for Summary Judgment, EEI respectfully requests that the Board enter summary judgment in favor of EEI and cancel Registrant's COCO BONGO Registration No. 2347247.

Respectfully submitted,

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By:/Karen L. Stetson/
Karen L. Stetson
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CERTIFICATE OF MAILING

I HEREBY CERTIFY that the foregoing has been sent via U.S. Mail to Michael Santucci, Esq., Silverman Santucci, LLP, 500 West Cypress Creek Road, Suite 500, Fort Lauderdale, Florida 33309 on this 30th day of November, 2005.

By: /Karen L. Stetson/
Karen L. Stetson

EXHIBIT A

DATE: September 25th, 2005

IN RE: ESTEFAN ENTERPRISES, INC., a Florida corporation,
vs. BONGO, S.A. de C.V.,

Isaac Halabe
c/o MICHAEL SANTUCCI, Esq.
SILVERMAN & SANTUCCI, L.L.C.
500 West Cypress Creek Road
Suite 500
Fort Lauderdale, Florida 33309

Please take notice that on Friday, September 2nd, 2005, you gave your statement in the above-referred matter. At that time, you did not waive signature. It is now necessary that you sign your examination.

Please call our office at the below-listed number to schedule an appointment between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday at the Esquire office located nearest you.

If you do not read and sign the deposition within a reasonable time, the original, which has already been forwarded to the ordering attorney, may be filed with the Clerk of the Court. If you wish to waive your signature, sign your name in the blank at the bottom of this letter and return it to us at 515 N. Flagler Drive, Suite 200-P, West Palm Beach, Florida 33401.

Very truly yours,

Susan D. Fox
Esquire Deposition Services, LLC

I do hereby waive my signature.

_____

cc via transcript: Karen L. Stetson