

ESTTA Tracking number: **ESTTA11839**

Filing date: **07/16/2004**

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

Proceeding	91154632
Party	Defendant LOUFRANI, Franklin LOUFRANI, Franklin 17 Chaussee de la Muette FRX 75016 PARIS,
Correspondence Address	Jane Dore Morgan & Finnegan, LLP 345 Park Avenue New York, NY 10154
Submission	Motion to Compel Discovery
Filer's Name	Natalie A. Harris
Filer's e-mail	nharris@mms-law.net, sbaron@mms-law.net
Signature	/NAH/
Date	07/16/2004
Attachments	Motion to Compel.pdf (58 pages)

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

Wal-Mart Stores, Inc.

v.

Opposition No. 91/150,278

Opposition No. 91/154,632

Franklin Loufrani

Franklin Loufrani

v.

Opposition No. 91/152,145

Wal-Mart Stores, Inc.

Box TTAB No Fee
Commissioner for Trademarks
2900 Crystal Drive
Arlington, VA 22202-3513

**FRANKLIN LOUFRANI'S MOTION TO COMPEL
DISCOVERY RESPONSES FROM WAL-MART STORES, INC.**

Applicant/Opposer Franklin Loufrani ("Mr. Loufrani") in the above-identified consolidated opposition proceeding, by his attorneys, pursuant to 37 C.F.R. §2.120(e) and F.R.Civ.P. 37, hereby requests an order to compel Opposer/Applicant Wal-Mart Stores, Inc. ("Wal-Mart") to respond to written discovery. In support of this motion, Mr. Loufrani states as follows:

1. On June 28, 2002, Mr. Loufrani served his first set of interrogatories and document requests on Wal-Mart. A true and correct copy of these discovery requests are attached hereto as Exhibits A-1 and A-2, respectively.

2. On August 16, 2002, Wal-Mart served its answers and objections to Mr.

Loufrani's first set of interrogatories and document requests. A true and correct copy of Wal-

Mart's responses are attached hereto as Exhibit B-1 and B-2, respectively. Although Wal-Mart indicated that it would produce responsive documents, to date it has produced no documents.

3. On September 27, 2002, Wal-Mart served its supplemental response to Mr. Loufrani's first set of interrogatories. A true and correct copy of Wal-Mart's supplemental response is attached hereto as Exhibit C.

4. On September 18, 2003, Mr. Loufrani filed a motion for summary judgment in which he asserted, *inter alia*, that Wal-Mart's Happy Face Design could not function as a trademark.

5. On February 9, 2004, the Trademark Trial and Appeal Board issued its opinion denying Mr. Loufrani's motion for summary judgment.

6. Thereafter, the parties engaged in settlement discussions, which, to date, have not been successful.

7. Because it appears that these consolidated matters will now proceed into the testimony phase, Mr. Loufrani is entitled to and must receive complete responses to the written discovery identified in paragraph 1 above. The initial testimony phase for parties in the position of plaintiff is scheduled to close on October 8, 2004 (and therefore opens on September 8, 2004).

8. On July 8, 2004, counsel for Mr. Loufrani wrote a detailed letter to counsel for Wal-Mart identifying the insufficiencies in Wal-Mart's responses (the "Letter"). A true and correct copy of the Letter is attached hereto as Exhibit D. As of the date of the submission of this motion, Wal-Mart has not responded, in writing or otherwise, to the issues Mr. Loufrani's counsel raised in the Letter.

9. Mr. Loufrani, through his counsel, has made a good faith effort by correspondence with counsel for Wal-Mart to resolve the issues presented in this motion, but he has been unable to reach an agreement.

WHEREFORE, Franklin Loufrani, respectfully requests that the Trademark Trial and Appeal Board enter an order compelling Wal-Mart Stores, Inc. to respond completely to his first set of interrogatories and requests for documents and cure the deficiencies in its responses (as set forth in the Letter) and produce all responsive documents on or before August 18, 2004, which is twenty-one (21) days prior to the opening of the initial testimony period.

Respectfully submitted,

FRANKLIN LOUFRANI

BY: 

Steven L. Baron
Natalie A. Harris
Mandell Menkes & Surdyk, LLC
333 W. Wacker Drive, Suite 300
Chicago, Illinois 60606
(312) 251-1000 (phone)
(312) 251- 1010 (fax)
sbaron@mms-law.net
nharris@mms-law.net

and


Mary Catherine Merz, Esq.
Merz & Associates, P.C.
Attorneys at Law
1140 Lake Street, Suite 304
Oak Park, Illinois 60301-1051
(708) 383-8801 (phone)
(708) 383-8897 (fax)
mcmmerz_law@msn.com

Dated: July 16, 2004

CERTIFICATE OF SERVICE

I hereby certify that on this 16th day of July, 2004, I caused a copy of the foregoing FRANKLIN LOUFRANI'S MOTION TO COMPEL DISCOVERY RESPONSES FROM WAL-MART STORES, INC. to be served, via first class mail upon:

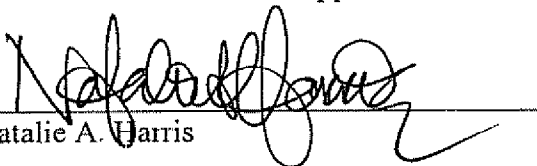
Renee A. Sekel
Venable LLP
575 7th Street, NW
Washington, D.C. 20004
Counsel for Wal-Mart Stores, Inc.

By: 
Natalie A. Harris

CERTIFICATE OF MAILING BY "EXPRESS MAIL"

"Express Mail" mailing label number : EU344888353 US
Date of Deposit: July 16, 2004

I hereby certify that this correspondence is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" Service under 37 C.F.R. 1.10 on the date indicated above and is addressed to the Commissioner for Trademarks, BOX TTAB – NO FEE, 2900 Crystal Drive, Arlington, Virginia 22202-3513 and filed electronically on the Electronic System for Trademark Trial and Appeals..


Natalie A. Harris

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

In the Matter of U.S. Application Serial No. 75/977,376
For: SMILEY and Happy Face Design
Filed: June 3, 1997
Date of Publication: May 22, 2001

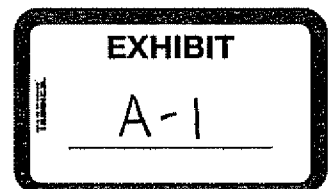
WAL-MART STORES, INC.)
)
 Opposer,)
)
 v.) Opposition No. 150,278
)
 FRANKLIN LOUFRANI)
)
 Applicant.)

APPLICANT'S FIRST SET OF
INTERROGATORIES TO OPPOSER NOS. 1-21

Pursuant to 37 C.F.R. §2.120 and Rule 33 of the Federal Rules of Civil Procedure, applicant Franklin Loufrani requests that opposer Wal-Mart Stores, Inc. answer under oath within thirty (30) days hereof the interrogatories set forth below, subject to the following instructions and definitions.

INSTRUCTIONS AND DEFINITIONS

A. These interrogatories shall be deemed to seek answers as of the date hereof, but shall be deemed to be continuing so that any additional information relating in any way to these interrogatories which opposer acquires or which becomes known to



opposer, up to and including the time of trial, shall be furnished to opposer promptly after such information is acquired or becomes known.

B. "Opposer," as used herein, shall mean Wal-Mart Stores, Inc. and includes, without limitation, the present opposer; any predecessor-in-interest; as well as any subsidiary, affiliate, division, licensee, or any identity under which opposer does business.

C. "Applicant," as used herein, shall mean Franklin Loufrani and includes, without limitation, the present applicant; any predecessor-in-interest; as well as any subsidiary, affiliate, division, licensee, or any identity under which applicant does business.

D. The term "document" is used in its customary sense and includes, without limitation, the following items (whether printed, or recorded or reproduced by any other mechanical process, or written or produced by hand, and whether or not claimed to be privileged against discovery on any ground): letters, memoranda, notes, agreements, contracts, licenses, communications (including intra-company communications), correspondence, telegrams, bills of lading, warehouse receipts, orders for the delivery of goods or performance of services, documents of title, summaries of records of personal conversations or interviews, diaries, forecasts, statistical

statements, graphs, laboratory and engineering reports and notebooks, charts, plans, drawings, minutes or records of meetings, minutes or records of conferences, expressions or statements of policy, lists of persons attending meetings or conferences, reports and/or summaries of interviews, reports and/or summaries of investigations, opinions or reports of consultants, opinions of counsel, records, reports or summaries of negotiations, brochures, pamphlets, advertisements, circulars, trade letters, press releases, drafts of any documents, original or preliminary notes, photographs, all other writings and data compilations, marginal comments appearing on any document, copies which differ in any respect from an original or copy thereof, and tangible things such as models or prototypes.

E. "Person" or "persons" includes, without limitation, any natural person or individual, association, business organization, partnership, corporation, government, organization, or formal or informal group subdivision thereof.

F. "Advertising" shall mean activity which attracts attention to opposer or its products or services, including the use of "advertisements" as hereafter defined. "Advertisements" include network, local, cable and spot television commercials; television and radio billboards; print advertising; point of sale, point of purchase, direct mail, press releases, promotion and publicity materials of all kinds; exhibits and shows;

coupons; premiums; novelties; talkers; signs; posters; brochures; samples; co-op, dealer, distributor and audio-visual catalogs, price lists, spec sheets, and directories; and all other forms of media or communication utilized in the commercial advertising, promotion, marketing or sale of opposer's products/services, or in connection with publicity relating thereto.

G. The term "applicant's mark" shall mean "SMILEY and Happy Face Design" as identified in Trademark Application Serial No. 75/977,376.

H. The term "Serial No. 75/977,376" shall mean U.S. Trademark Application Serial No. 75/977,376, as identified in the Notice of Opposition.

INTERROGATORIES NOS. 1-21

INTERROGATORY NO. 1:

Describe with particularity the happy face design identified as "'SMILEY face' design" on page 2 of the Notice of Opposition.

INTERROGATORY NO. 2:

Identify all documents and sources relied upon by opposer to support opposer's assertion on page 2 of the Notice of Opposition that "[t]he 'smiley face' design is a ubiquitous icon, tracing its origins back to the early 1960s in the United States."

INTERROGATORY NO. 3:

Identify all products and services offered or sold by opposer in connection with its retail department store services, which bear or are offered in connection with the happy face design described in response to Interrogatory No. 1, above.

INTERROGATORY NO. 4:

For each product or service identified in response to Interrogatory No. 3, above, identify the manufacturer or provider and state whether that manufacturer or provider is owned by, controlled by, sponsored by, licensed by, affiliated with or

related to opposer, or whether that manufacturer or provider is otherwise authorized by opposer to use a happy face design.

INTERROGATORY NO. 5:

Identify any uses of the happy face design described in response to Interrogatory No. 1, above, in connection with retail store services by parties other than opposer, of which opposer is aware. Include the name of each user, the locations of use, and the goods or services offered in connection with such retail store services.

INTERROGATORY NO. 6:

For each use identified in response to Interrogatory No. 5, above, state whether opposer offers any of the same types of goods or services in connection with its happy face design identified as "Mr. Smiley" in the Notice of Opposition.

INTERROGATORY NO. 7:

Describe with particularity the happy face design identified as "Mr. Smiley" in the Notice of Opposition, including any unique characteristics that distinguish opposer's "Mr. Smiley" happy face design from the happy face design described in response to Interrogatory No. 1, above.

INTERROGATORY NO. 8:

Identify all documents showing or relating to (a) opposer's first use date of January 26, 1996 for its "Mr. Smiley" happy face design, and (b) opposer's continuous use of its "Mr. Smiley" happy face design since January 26, 1996 in connection with retail store services.

INTERROGATORY NO. 9:

Identify all documents showing that opposer refers to its happy face design as "Mr. Smiley," including documents showing or relating to the date on which opposer began referring to its happy face design as "Mr. Smiley."

INTERROGATORY NO. 10:

Identify all names or terms other than "Mr. Smiley," which opposer uses or has used to identify the happy face design referred to as "Mr. Smiley" in the Notice of Opposition, and identify all documents showing or relating to the dates on which opposer began using each such name or term.

INTERROGATORY NO. 11:

Identify all goods and services in connection with which opposer has used its "Mr. Smiley" design in commerce, and for each product or service,

- (a) list the date of first use;
- (b) list the manner in which opposer's "Mr. Smiley" design has been used (e.g., brochures, marketing materials, point of sale displays, signage, labels directly attached to the goods, product packaging, etc.);
- (c) state whether such use has been continuous since the dates of first use identified in response to subpart (a), above;
- (d) set forth any dates of non-use and state the reason for such non-use;
- (e) identify the geographic location(s) (by city and state) in which sales, sales promotion and advertising have taken place;
- (f) set forth the annual volume of sales in units and dollars, along with advertising expenses, for each year since the date of first use;
- (g) set forth opposer's general sale price and/or suggested list price, from the date of first sale to present, indicating the dates upon which such prices were effective;
- (h) identify all documents which relate to the information stated in answer to subparts (a) through (g) of this Interrogatory.

INTERROGATORY NO. 12:

Identify all products and services in connection with which opposer intends to use its "Mr. Smiley" design, for which use has not yet begun.

INTERROGATORY NO. 13:

For each year from 1996 to the present, set forth the amount spent by opposer in advertising and marketing its retail department store services in connection with its "Mr. Smiley" design.

INTERROGATORY NO. 14:

Identify with specificity:

(a) which of the services listed in Serial No. 75/977,376 opposer considers to be "the same kinds of services as those with which Opposer uses Mr. Smiley"; and

(b) which of the goods listed in Serial No. 75/977,376 opposer considers to be "the same kinds of goods as those sold by Opposer in its capacity as a retailer."

INTERROGATORY NO. 15:

State whether opposer owns or claims any trademark rights in the happy face design described in response to Interrogatory No.

1 above, and identify all products and services for which opposer owns or claims such rights.

INTERROGATORY NO. 16:

Identify all marks containing or consisting of the happy face design described in response to Interrogatory No. 1, above, which opposer has registered or sought to register, and for each mark state:

- (a) application and/or registration numbers;
- (b) dates of application and/or registration;
- (c) the products/services claimed in each application and/or registration;
- (d) status or disposition of each application and/or registration, including reasons for refusal of registration, if applicable; and
- (e) identify all documents which relate to any application or registration identified in response to this Interrogatory.

INTERROGATORY NO. 17:

State whether opposer owns or claims any trademark rights in the "Mr. Smiley" happy face design described in response to Interrogatory No. 7 above, and identify all products and services for which opposer owns or claims such rights.

INTERROGATORY NO. 18:

Identify all marks containing or consisting of the "Mr. Smiley" happy face design described in response to Interrogatory No. 7, above, which opposer has registered or sought to register, and for each mark state:

- (a) application and/or registration numbers;
- (b) dates of application and/or registration;
- (c) the products/services claimed in each application and/or registration;
- (d) status or disposition of each application and/or registration, including reasons for refusal of registration, if applicable; and
- (e) identify all documents which relate to any application or registration identified in response to this Interrogatory.

INTERROGATORY NO. 19:

Identify the persons holding, or who have held, the following offices (or equivalent if different titles are used by opposer for the office described), or who have performed the stated functions relating to any business of opposer's involving the distribution, promotion or sale of products/services by opposer in connection with opposer's "Mr. Smiley" happy face design for the past five (5) years:

- (a) marketing director,
- (b) product/service development manager,
- (c) custodian of records and files,
- (d) procurer of trademarks/trademark registrations, and
- (e) all corporate officers.

INTERROGATORY NO. 20:

If opposer is aware of any instances of actual confusion between (a) applicant's use of applicant's mark or any other mark which includes a happy face design element, and (b) opposer's use of opposer's "Mr. Smiley" happy face design, then state the date on which each such instance of actual confusion occurred, the circumstances of each instance of actual confusion, the goods or services involved in each instance of actual confusion, and the names of the persons involved in each instance of actual confusion.

INTERROGATORY NO. 21:

Identify the person(s) most knowledgeable of the information stated in answer to the above 19 Interrogatories and their subparts.

Respectfully submitted,

FRANKLIN LOUFRANI

Date: 6/28/02

By: Mary Catherine Merz
Mary Catherine Merz, Esq.
Bruce Haraguchi, Esq.
MERZ & ASSOCIATES, PC
1140 Lake Street, Suite 304
Oak Park, Illinois 60301
(708) 383-8801 (phone)
(708) 383-8897 (fax)

Attorneys For Applicant

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing APPLICANT'S FIRST SET OF INTERROGATORIES TO OPPOSER NOS. 1-21 was served on the attorney for opposer by First Class Mail this 28th day of June, 2002 addressed to:

Barbara L. (Pixie) Waite, Esq.
Venable, Baetjer, Howard & Civiletti, L.L.P.
1201 New York Avenue, N.W., Suite 1000
Washington, DC 20005

Tel. (202) 962-4800

Attorney for Opposer

By: Mary Catherine Merz

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

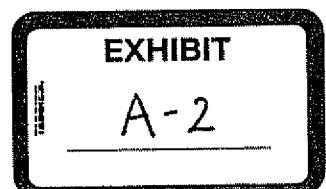
In the Matter of U.S. Application Serial No. 75/977,376
For: SMILEY and Happy Face Design
Filed: June 3, 1997
Date of Publication: May 22, 2001

WAL-MART STORES, INC.)	
)	
Opposer,)	
)	
v.)	Opposition No. 150,278
)	
FRANKLIN LOUFRANI)	
)	
Applicant.)	

**APPLICANT'S FIRST SET OF
DOCUMENT REQUESTS TO OPPOSER**

Pursuant to 37 C.F.R. §2.120 and Rule 34 of the Federal Rules of Civil Procedure, applicant hereby requests opposer Wal-Mart Stores, Inc. to produce to applicant and to permit applicant, or its representatives, to inspect and copy the following documents and things within thirty (30) days hereof:

Each and every document and thing which was or should have been identified by opposer in answer to APPLICANT'S FIRST SET OF INTERROGATORIES TO OPPOSER NOS. 1-20, served herewith, and all documents and things relating to the subject matter of such interrogatories and opposer's answers thereto.



The definitions set forth in the Instructions and Definitions of the aforesaid Interrogatories shall be applicable hereto and are incorporated herein by reference. The documents requested shall include, but not be limited to, the following categories.

1. All documents and things in opposer's possession which refer to, relate to, or comment upon the happy face design identified as "'smiley face' design" on page 2 of the Notice of Opposition.

2. All documents and things relied upon by opposer to support opposer's assertion on page 2 of the Notice of Opposition that "[t]he 'smiley face' design is a ubiquitous icon, tracing its origins back to the early 1960s in the United States."

3. Documents and things identifying all products and services offered or sold by opposer in connection with its retail department store services, which bear or are offered in connection with the happy face design identified as "'smiley face' design" on page 2 of the Notice of Opposition, including documents and things sufficient to identify the manufacturer or provider of each such product or service.

4. All documents and things in opposer's possession which refer to, relate to, or comment upon any party's use of the happy face design identified as "'smiley face' design" on

page 2 of the Notice of Opposition, in connection with retail store services.

5. All documents and things which refer to, relate to, or comment upon any unique characteristics of the happy face design identified as "Mr. Smiley" in the Notice of Opposition, which distinguish it from the happy face design identified as "'smiley face' design" on page 2 of the Notice of Opposition.

6. All documents and things which refer to, relate to, or comment upon opposer's first use of the happy face design identified as "Mr. Smiley" in the Notice of Opposition, including documents and things specifying the first use date for each product or service sold or offered by opposer in connection with the "Mr. Smiley" happy face design.

7. All documents and things showing that opposer refers to its happy face design as "Mr. Smiley," including documents showing or relating to the date on which opposer began referring to its happy face design as "Mr. Smiley."

8. All documents and things which refer to, relate to, or comment upon any name or term other than "Mr. Smiley," which opposer uses or has used to identify the happy face design referred to as "Mr. Smiley" in the Notice of Opposition, including but not limited to documents showing or relating to the dates on which opposer began using each such name or term.

9. Documents and things identifying all products and services offered or sold by opposer in connection with its retail department store services, which bear or are offered in connection with the happy face design identified as "Mr. Smiley" in the Notice of Opposition, including documents and things identifying the manufacturer or provider of each such product or service.

10. All documents and things in opposer's possession which refer to, relate to, or comment upon any party's use of the happy face design identified as "Mr. Smiley" in the Notice of Opposition, in connection with retail store services.

11. Samples of all products and services sold or offered by opposer in connection with the happy face design identified as "Mr. Smiley" in the Notice of Opposition.

12. Specimens of all advertising and advertisements for all products and services sold or offered by opposer in connection with the happy face design identified as "Mr. Smiley" in the Notice of Opposition.

13. All documents identifying the advertising and broadcast media in which opposer has advertised, is advertising, or plans to advertise any of its products and services in connection with the happy face design identified as "Mr. Smiley" in the Notice of Opposition.

14. All documents and things relating or referring to opposer's promotion of any products and services in connection with the happy face design identified as "Mr. Smiley" in the Notice of Opposition, including, but not limited to, any press releases, business plans, mailing lists, and internal memoranda.

15. All documents and things regarding the types and classes of consumers to which, and the markets and channels of trade in the United States in which, opposer markets, sells, or intends to market or sell its products and services in connection with the happy face design identified as "Mr. Smiley" in the Notice of Opposition, including without limitation all documents indicating the chain of distribution for such products and services, the identification of the manufacturer or provider of such products and services, identification of all distributors, wholesalers and employees who are involved in sales or marketing, and including without limitation all documents indicating the manner in which orders are solicited for such products and services.

16. All documents and things identifying the products and services intended to be offered or sold by opposer in connection with the happy face design identified as "Mr. Smiley" in the Notice of Opposition, for which use has not yet begun.

17. All documents relating or referring to, or comprising, any contracts, license agreements, consent agreements, co-existence agreements, manufacturing agreements, joint venture agreements, or other documents relating to agreements between opposer and third parties regarding (a) opposer's use or registration of the happy face design identified as "Mr. Smiley" in the Notice of Opposition, or (b) any party's use or registration of a happy face design.

18. All documents and things which refer to, relate to, or comment upon any instances of actual confusion between (a) opposer's use or registration of the happy face design identified as "Mr. Smiley" in the Notice of Opposition, and (b) any other party's use or registration of a happy face design.

19. Documents sufficient to identify all sales and marketing personnel who are presently selling or marketing, or who have in the last five (5) years, directly or indirectly sold or marketed, or been responsible for the sales and marketing of products and services sold or offered in

connection with the happy face design identified as "Mr. Smiley" in the Notice of Opposition.

Respectfully submitted,

FRANKLIN LOUFRANI

Date: June 28, 2002

By: Mary Catherine Merz
Mary Catherine Merz, Esq.
Bruce Haraguchi, Esq.
MERZ & ASSOCIATES, PC
1140 Lake Street, Suite 304
Oak Park, Illinois 60301
(708) 383-8801 (phone)
(708) 383-8897 (fax)

Attorneys For Applicant

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing APPLICANT'S FIRST SET OF DOCUMENT REQUESTS TO OPPOSER was served on the attorney for opposer by First Class Mail this 28th day of June, 2002 addressed to:

Barbara L. (Pixie) Waite, Esq.
Venable, Baetjer, Howard & Civiletti, L.L.P.
1201 New York Avenue, N.W., Suite 1000
Washington, DC 20005

Tel. (202) 962-4800

Attorney for Opposer

By: Mary Catherine Merz

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
Before the Trademark Trial and Appeal Board

In the Matter of U.S. Application Serial No. 75/977,376
For: SMILEY and Happy Face Design
Filed: June 3, 1997
Date of Publication: May 22, 2001

WAL-MART STORES, INC.,

Opposer,

vs.

Opposition No. 150,278

FRANKLIN LOUFRANI,

Applicant.

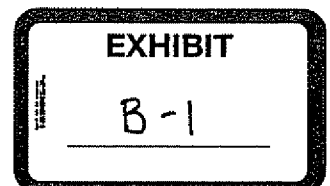
RESPONSE OF OPPOSER
TO APPLICANT'S FIRST SET OF INTERROGATORIES

Opposer, Wal-Mart Stores, Inc., hereby responds to Applicant's First Set of Interrogatories as follows. Opposer observes first, from both contextual and jurisdictional standpoints, all Interrogatories and Responses thereto are interpreted as being limited to the United States. Opposer also reserves the right to correct and/or supplement these responses.

INTERROGATORY NO. 1.

The "smiley face" design is comprised of a circle, within which appears two dots, parallel to each other and in the upper third of the circle, approximating eyes in a human face, and an upturned parabola in the lower third of the circle, approximating a smile on a human face. The design appears sometimes with, sometimes without, lines perpendicular to the corners of the "smile" element. It is usually represented in the color yellow.

INTERROGATORY NO. 2.



Such documents will be produced.

INTERROGATORY NO. 3.

Opposer uses the "smiley face" design in association with its retail department store services. To the extent that Opposer has also sold goods bearing this design, its records are not maintained in such a manner as to be able to identify the same.

INTERROGATORY NO 4.

See Response to Interrogatory No. 3.

INTERROGATORY NO. 5.

Opposer has never specifically investigated such use. Such use might appear in the response to Interrogatory No. 2.

INTERROGATORY NO. 6.

See Response to Interrogatory No. 5.

INTERROGATORY NO. 7.

Opposer uses the "smiley face" design as described in Response to Interrogatory No. 1. It also uses the design in an animated form, and in both an animated and static form, depending upon the media employed, wearing a cowboy hat, wearing a "Zorro" style outfit, and wearing a hard hat.

INTERROGATORY NO. 8.

Opposer objects to this Interrogatory as overly burdensome and unnecessary to establish the facts at hand. Identifying all documents relating to Opposer's continues use of the "smiley face" design over a seven and one-half year period would be overly burdensome, if it could even be done over such

a long period of time. Opposer does not object to producing representative documents supporting its claimed date of first use and of its continuous use.

INTERROGATORY NO. 9.

See Response to Interrogatory No. 8. Notwithstanding its objection, Opposer responds that it does not have a practice of using the reference "Mr. Smiley" to refer to the "smiley face" design anywhere except internally.

INTERROGATORY NO. 10 .

Opposer objects to this Interrogatory as overly burdensome and unnecessary to establish the facts at hand. Notwithstanding the objection, Opposer does not have a practice of referring to the design in any manner to the general public. Internally, the design may have been referred to variously as "Mr. Smiley", "smiley face", "the yellow one", and/or "happy face".

INTERROGATORY NO. 11 .

See Response to Interrogatory No. 3.

(A) January 26, 1996.

(B) From a centralized marketing basis, the design has been used, at least, in advertising materials (print and video), point of sale displays, signage, on associate vests, on shopping bags, and on stickers handed out to children. Because of the ubiquitous nature of the design and the nature of Opposer's business records, Opposer cannot recite with particularity the various uses to which it may have been put at a regional and/or store level.

(C) Yes.

(D) Not applicable.

(E) Opposer has presently has over 2600 locations within all fifty states of the United States and 10 in Puerto Rico in which the "smiley face" design has been used. Reciting the specific location of each would be overly burdensome and unnecessary to establish the facts at hand. Notwithstanding the objection, Opposer will produce copies of its Annual Reports documenting the nature and extent of its retail locations.

(F) Opposer does not keep its records in such a manner as to segregate sales relating specifically to the "smiley face" design. Advertising expenses for print and video materials by year are held as confidential and will be produced at such time as an appropriate Protective Order is in place.

(G) See Response to Interrogatory No. 3.

(H) Opposer objects to identifying all documents as overly burdensome and unnecessary to establish the facts herein.

INTERROGATORY NO. 12.

See Response to Interrogatory No. 3.

INTERROGATORY NO. 13.

See Response to Interrogatory No. 11(F).

INTERROGATORY NO 14.

Upon information and belief,

(A) The only services listed in Serial No. 75/977,376, which Opposer considers "similar" to its own are those in International Class 35 in which retail department store services are classified and computerized data base management, economic forecasting and analysis, and providing statistical information in International Class 35; credit card services in International Class 36; electronic

transmission of documents and data via a computer terminal and electronic mail services in International Class 38; arranging travel tours in International Class 39.

(B) The only goods listed in Serial No. 75/977,376 which Opposer does not sell are the following: herbicides for agricultural use, tobacco-free cigarettes for medical purposes, insecticides for agricultural use, animal semen, and agricultural pesticides in International Class 5; musical juke boxes, automatic distribution machines, namely, foodstuff dispensers; gas dispensers, ticket dispensers, neon or luminous road signs, cash registers, metered gasoline pumps, magnetic encoded cards, magnetic encoded identify cards, printed circuits, integrated circuits, bar code readers, commutators, telecommunication transmitters, bullet-proof waistcoats, loudspeakers, computer interface boards, parking meters, signal processors, satellite processors, semi-conductors, lasers not for medical purposes in International Class 9; works of art of precious metal and ashtrays for smokers in precious metal in International class 14; beers in International Class 32; and alcoholic beverages in International Class 33.

INTERROGATORY NO. 15.

See Response to Interrogatory No. 3.

INTERROGATORY NO. 16.

Opposer objects to Interrogatory No. 16 as overly burdensome and unnecessary because the identification requested is part of the public record and easily available to Applicant. Notwithstanding the objection, Opposer identifies Serial No. 76/320,901 as the only responsive application.

INTERROGATORY NO. 17.

See response to Interrogatory No. 3.

INTERROGATORY NO. 18.

See Response to Interrogatory No. 16.

INTERROGATORY NO. 19.

Opposer objects to Interrogatory No. 19 as being overly burdensome and unnecessary. There are hundreds, if not thousands, of Wal-Mart associates who would be responsive to this Interrogatory. Furthermore, as previously stated, Opposer does not maintain its business records in such a manner as to specifically identify all such responsive persons. Notwithstanding its objections, Opposer identifies Randy Curtis, Vice President, Creative, Wal-Mart Marketing, as its most knowledgeable person in response to this Interrogatory.

INTERROGATORY NO. 20.

Opposer has no such knowledge.

INTERROGATORY NO. 21.

Randy Curtis, Vice President, Creative, Wal-Mart Marketing.

WAL-MART STORES, INC.

By: _____
Randy Curtis
Vice President

STATE OF ARKANSAS

COUNTY OF BENTON

SWORN TO AND SUBSCRIBED before me this the ____ day of August, 2002.

Notary Public

My Commission Expires: _____

dc2docs1\wp\394364

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
Before the Trademark Trial and Appeal Board

In the Matter of U.S. Application Serial No. 75/977,376
For: SMILEY and Happy Face Design
Filed: June 3, 1997
Date of Publication: May 22, 2001

WAL-MART STORES, INC.,

Opposer,

vs.

Opposition No. 150,278

FRANKLIN LOUFRANI,

Applicant.

RESPONSE OF OPPOSER
TO APPLICANT'S FIRST SET OF DOCUMENT REQUESTS

Opposer, Wal-Mart Stores, Inc., hereby responds to Applicant's First Set of Document Requests as follows. Opposer observes first, from both contextual and jurisdictional standpoints, all Document Requests and Responses thereto are interpreted as being limited to the United States. Opposer also reserves the right to correct and/or supplement these responses.

As to the unnumbered request referencing Applicant's First Set of Interrogatories to Opposer, Opposer responds by referring Applicant to its Response to the same. As to the numbered requests:

1. Opposer objects to this Request as overly broad, unduly burdensome, unnecessary to establish the facts at hand, and as seeking confidential business information. Notwithstanding the objection, to the extent that an adequate Protective Order is established to protect confidential information, Opposer is willing to work with Applicant on narrowing this Request to something to which Opposer can respond.

EXHIBIT

B-2

2. Such documents will be produced.
3. Opposer objects to this Request as overly burdensome and unnecessary to establish the facts at hand. Identifying all documents relating to Opposer's continued use of the "smiley face" design over a seven and one-half year period would be overly burdensome, if it could even be done over such a long period of time. Opposer does not object to producing representative documents supporting its claimed date of first use and of its continuous use. To the extent that Opposer has sold goods bearing the design, Opposer does not maintain its business records in such manner as to be able to identify the same.
4. Opposer objects to this Request as overly burdensome. The objection notwithstanding, to the extent not privileged and/or not confidential business information, such documents will be produced.
5. Opposer objects to this Request as overly burdensome. Notwithstanding the objection, Opposer believes that no responsive documents exist.
6. Opposer objects to this Request as overly burdensome. Notwithstanding the objection, Opposer will produce documents sufficient to establish its date of first use and its continuous use of the design for retail services.
7. Opposer objects to this Request as overly burdensome and as neither relevant nor likely to lead to the discovery of relevant evidence. Notwithstanding its objection, Opposer responds that it does not have a practice of using the reference "Mr. Smiley" to refer to the "smiley face" design anywhere except internally.
8. Opposer objects to this Request as overly burdensome and as neither relevant nor likely to lead to the discovery of relevant evidence. Notwithstanding its objection, Opposer responds that it

does not have a practice of using any name or term to refer to the design in any manner to the general public or anywhere except internally.

9. Opposer objects to this Request as overly burdensome and as neither relevant nor likely to lead to the discovery of relevant evidence. Notwithstanding its objection, Opposer believes that there are no documents responsive to this Request.

10. Opposer objects to this Request as overly burdensome. Notwithstanding this objection, there may be responsive documents contained within those being produced in response to Request No. 2; Opposer otherwise has no knowledge of any documents responsive to this Request.

11. Opposer objects to this Request as overly burdensome. Notwithstanding its objection, Opposer responds that, to the extent that it has sold products bearing the named design, it does not maintain its business records in such a manner as to respond to this Request.

12. Opposer objects to this Request as overly burdensome. Notwithstanding its objection, Opposer responds that, to the extent that it has sold products bearing the named design, it does not maintain its business records in such a manner as to respond to this Request. Notwithstanding its objection, as to services, Opposer will provide representative documents and specimens.

13. Opposer objects to this Request as overly burdensome and unnecessary to establish the facts at hand. It also objects on the basis that it considers this information to be confidential business information. Notwithstanding its objections, Opposer responds that it does not maintain its business records in such a manner as to respond to this Request with respect to any products Opposer may have sold bearing the named design.

14. Opposer objects to this Request as overly burdensome and unnecessary to establish the facts at hand. It also objects on the basis that it considers this information to be confidential business information. It further objects on the basis that it is neither relevant nor likely to lead to the discovery of relevant evidence.

15. Opposer objects to this Request as overly burdensome and unnecessary to establish the facts at hand. It also objects on the basis that it considers this information to be confidential business information. Notwithstanding the objection, Opposer notes that it does not solicit orders for products or services from others. Notwithstanding the objection, to the extent that Opposer has sold products bearing the named design, it does not maintain its business records in such a manner as to identify the same and respond to this Request.

16. Opposer objects to this Request as overly burdensome and unnecessary to establish the facts at hand. It also objects on the basis that it considers this information to be confidential business information. Notwithstanding the objection, to the extent that Opposer intends to sell products bearing the named design, it does not maintain its business records in such a manner as to identify the same and respond to this Request.

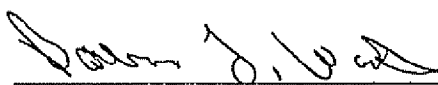
17. Opposer objects to this Request as overly burdensome and unnecessary to establish the facts at hand. Notwithstanding the objection, Opposer believes that there are no documents responsive to this Request.

18. There are no documents responsive to this Request.

19. Opposer objects to this Request as overly burdensome and unnecessary to establish the facts at hand. Opposer also objects on the basis that it asks for confidential business information.

Notwithstanding the objection, to the extent that Opposer has sold products bearing the named design, it does not maintain its business records in such a manner as to identify the same and respond to this Request. Opposer further notes that documents responsive to this Request potentially include documents relating to all of its retail associates and would be a violation of privacy. Notwithstanding the objection, Opposer is willing to attempt to accommodate Applicant's request if it can be narrowed sufficiently for Opposer to do so.

WAL-MART STORES, INC.

By: 
Barbara L. (Pixie) Waite
Venable, Baetjer, Howard & Civiletti, LLP
1201 New York Ave., NW, Ste. 1000
Washington, DC 20005
(202) 962-4811

Counsel to Opposer

Dated: 

dc2docs1\wp\395154

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
Before the Trademark Trial and Appeal Board

In the Matter of U.S. Application Serial No. 75/977,376
For: SMILEY and Happy Face Design
Filed: June 3, 1997
Date of Publication: May 22, 2001

WAL-MART STORES, INC.,

Opposer,

vs.

Opposition No. 150,278

FRANKLIN LOUFRANI,

Applicant.

SUPPLEMENTAL RESPONSE OF OPPOSER
TO APPLICANT'S FIRST SET OF INTERROGATORIES

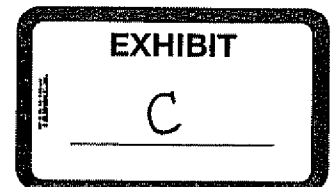
Opposer, Wal-Mart Stores, Inc., hereby supplements its response to Applicant's First Set of Interrogatories as follows.

INTERROGATORY NO. 10 .

Opposer objects to this Interrogatory as overly burdensome and unnecessary to establish the facts at hand. Notwithstanding the objection, Opposer does not have a practice of referring to the design in any manner to the general public. Internally, the design may have been referred to variously as "Mr. Smiley", "smiley face", "the yellow one", and/or "happy face".

Opposer supplements its original response, above, with the following information. A video advertisement run during 1997 referred to "the happy face". A video advertisement run during 1999 referred to "Smiley".

WAL-MART STORES, INC.



By: _____

Randy Curtis
Vice President

STATE OF ARKANSAS

COUNTY OF BENTON

SWORN TO AND SUBSCRIBED before me this the ____ day of _____,
2002.

Notary Public

My Commission Expires: _____

dc2docs1\wp\397436

FACSIMILE COVER SHEET

Date: July 8, 2004

Number of pages (including this
cover sheet): 20

Time: 3:40 p.m.

Reference: 21308

To:Renee A. Sekel, Esq.
VENABLE LLP
575 7th Street, NW
Washington, D.C. 20004-1601

Office Telephone: (202) 344-4000

Facsimile Number: (202) 344-8300

From:Mary Catherine Merz, Esq.
MERZ & ASSOCIATES, PC
Attorneys At Law
1140 Lake Street, Suite 304
Oak Park, Illinois 60301-1051
U.S.A.

Office Telephone: (708) 383-8801 ext. 22

Facsimile: (708) 383-8897

E-mail: mcmmerz_law@msn.com

Message:

THE INFORMATION CONTAINED IN THIS FACSIMILE TRANSMISSION IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE AND THOSE PROPERLY ENTITLED TO ACCESS TO THE INFORMATION AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL, AND/OR EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF THE READER OF THIS TRANSMISSION IS NOT THE INTENDED OR AN AUTHORIZED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY UNAUTHORIZED DISTRIBUTION, DISSEMINATION, OR DUPLICATION OF THIS TRANSMISSION IS PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE OR FACSIMILE. THANK YOU.

EXHIBIT

D

Mary Catherine Merz, Esq.
Direct Dial: (708) 383-8801 ext. 22
Fax (708) 383-8897
Email: mcmmerz_law@msn.com

DOMESTIC/INTERNATIONAL
Trademarks, Copyrights
Unfair Competition and
Advertising Law

VIA FACSIMILE
CONFIRMATION VIA MAIL

COPY

July 8, 2004

Renee A. Sekel, Esq.
Venable LLP
575 7th Street, NW
Washington, DC 20004-1601

Re: Wal-Mart Stores, Inc. v. Franklin Loufrani,
Opposition Nos. 150,278 and 154,632; Franklin
Loufrani v. Wal-Mart Stores, Inc., Opposition No.
152,145 (Our Ref. 21308)

Dear Renee:

The purpose of this letter is to confirm the extent of Wal-Mart Stores, Inc.'s ("Wal-Mart") written responses to discovery to date and to highlight deficiency in Wal-Mart's responses.

Scope of Discovery to Wal-Mart To-Date

Our records reflect that the following Interrogatories and Document Requests have been issued to Wal-Mart by Franklin Loufrani ("Loufrani"), and that the following responses have been received:

1. Loufrani's First Set of Document Requests to Wal-Mart June 28, 2002
2. Loufrani's First Set of Interrogatories to Wal-Mart June 28, 2002
3. Wal-Mart's Response to Loufrani's First of Document Requests August 16, 2002
4. Wal-Mart's Response to Loufrani's First Set of Interrogatories August 16, 2002

Renee A. Sekel, Esq.
July 8, 2004
Page 2

5. Wal-Mart's Supplemental Response to Loufrani's
First Set of Interrogatories September 27, 2002

Deficiencies in Wal-Mart's Responses to Discovery Requests
Propounded by Loufrani

Interrogatory Responses:

Interrogatory No. 2: In this interrogatory, Loufrani sought the identification of all documents relied upon by Wal-Mart to support its assertion on page 2 of the Notice of Opposition that "the 'smiley face' design [The "Smiley Face Design"] is a ubiquitous icon, tracing its origins back to the early 1960's in the United States." In response, Wal-Mart indicated that "such documents will be produced." To date, no such documents have been produced. Loufrani therefore requests that the documents be produced immediately, as promised nearly two years ago.

Interrogatory No. 3: In this interrogatory, Loufrani sought the identification of all products and services offered or sold by Wal-Mart in connection with its retail department store services, which bear or are offered in connection with the Smiley Face Design. In response, Wal-Mart responded only vaguely that the [Smiley Face Design] is used "in association with its retail department store services." Wal-Mart further responded that its records are not maintained in a manner to identify any relevant goods with particularity. Wal-Mart has failed to identify even a representative sample of the goods which it sells bearing or connected with the Smiley Face Design. Certainly, Wal-Mart's records cannot be kept in a fashion that prevents them from identifying any goods which bear or are connected with the Smiley Face Design. Without waiving any of his objections to Wal-Mart's response to Interrogatory No. 3. Loufrani requests that Wal-Mart identify at least a representative sample of goods sold by Wal-Mart which bear or are connected with the Smiley Face Design.

Interrogatory No. 4: In this interrogatory, Loufrani requested that Wal-Mart identify the manufacturer or provider of each product listed in response to Interrogatory No. 3 and state whether the manufacturer or provider is owned by, controlled by, sponsored by, licensed by, affiliated with, or related to Wal-Mart, or whether that manufacturer or provider is otherwise

Renee A. Sekel, Esq.
July 8, 2004
Page 3

authorized by Wal-Mart to use a happy face design. In response, Wal-Mart simply stated: "See Response to Interrogatory No. 3." Without waiving any of his objections to Wal-Mart's Response to Interrogatory No. 4, Loufrani requests that Wal-Mart provide the information sought in Interrogatory No. 4 which relates to the representative sample of goods identified in Response to Interrogatory No. 3.

Interrogatory No. 5: In this interrogatory, Loufrani requested that Wal-Mart identify any uses of the Smiley Face Design in connection with retail store services by parties other than Wal-Mart, of which Wal-Mart is aware. Wal-Mart responded that it had never specifically investigated such use. Please confirm that Wal-Mart's response remains accurate, or supplement Wal-Mart's response as appropriate.

Interrogatory No. 6: In this interrogatory, Loufrani requested that for each use identified in Response to Interrogatory No. 5, Wal-Mart state whether Wal-Mart offers any of the same types of goods or services in connection with its Smiley Face Design. Wal-Mart responded simply by stating: "See Response to Interrogatory No. 5." Please confirm that Wal-Mart's response to Interrogatory No. 6 is accurate and complete or provide a supplemental response if appropriate.

Interrogatory No. 7: In this interrogatory, Loufrani requested that Wal-Mart describe with particularity the happy face design identified as "Mr. Smiley" including any unique characteristics that distinguish Wal-Mart's Mr. Smiley happy face design from the Smiley Face Design. Wal-Mart responded that it "uses the 'smiley face' design as described in response to Interrogatory No. 1. It also uses the design in both an animated and static form, depending upon the media employed, wearing a cowboy hat, wearing a "Zorro" style outfit, and wearing a hard hat." Wal-Mart's response completely ignores the portion of Interrogatory No. 7 which requires the description, with particularity, as well as any reference to unique characteristics that distinguish Wal-Mart's Mr. Smiley from the Smiley Face Design. We ask that Wal-Mart provide the requested description, including any unique characteristics, as requested in Interrogatory No. 7.

Interrogatory No. 8: In this interrogatory, Loufrani requested that Wal-Mart identify all documents showing or relating to (a) Wal-Mart's first use date of January 26, 1996 for

Renee A. Sekel, Esq.
July 8, 2004
Page 4

its "Mr. Smiley" happy face design and (b) Wal-Mart's continuous use of its "Mr. Smiley" happy face design since January 26, 1996 in connection with retail store services. In response, Wal-Mart objected to the overly burdensome nature of Interrogatory No. 8, but agreed to produce "representative documents supporting the claimed date of first use and its continuous use." To date, no such documents have been produced. We ask that Wal-Mart immediately provide the documents referenced in its response to Interrogatory No. 8, as promised nearly two years ago.

Interrogatory No. 9: In this interrogatory, Loufrani requested that Wal-Mart identify all documents showing that Wal-Mart refers to its happy face design as "Mr. Smiley" including documents showing or relating to the date on which Wal-Mart began referring to its happy face design as "Mr. Smiley." In response, Wal-Mart referenced its objection to Interrogatory No. 8 and further responded that Wal-Mart "does not have a practice of using the referenced "Mr. Smiley" to refer to the "smiley face" design anywhere except internally. Despite Wal-Mart's admission that the referenced "Mr. Smiley" is used to refer to the "smiley face" design internally, no documents relating to that internal reference have been identified. Wal-Mart has also failed to identify any documents showing or relating to the date on which Wal-Mart began referring to its happy face design as "Mr. Smiley." We ask that Wal-Mart identify and immediately provide all documents responsive to Interrogatory No. 9.

Interrogatory No. 10: In this interrogatory, Loufrani requested that Wal-Mart identify all names or terms other than "Mr. Smiley" which Wal-Mart uses or has used to identify the happy face design referred to as "Mr. Smiley" in the Notice of Opposition, and identify all documents showing or relating to the dates on which Wal-Mart began using each such name or term. In response, Wal-Mart admitted that "internally the design may have been referred to variously as 'Mr. Smiley,' 'smiley face,' 'the yellow one' and/or 'happy face.'" However, despite that admission, to date, Wal-Mart has not identified or produced any documents showing or relating to the dates on which Wal-Mart began using any of those names or terms. Please identify and produce all such documents as requested in Interrogatory No. 10.

Interrogatory No. 11: In this interrogatory, Loufrani requested that Wal-Mart identify all goods and services in connection with which Wal-Mart has used its "Mr. Smiley" design in commerce. In response, Wal-Mart simply referenced its "Response to Interrogatory No. 3." Without waiving any of his

Renee A. Sekel, Esq.
July 8, 2004
Page 5

objections to Wal-Mart's response to Interrogatory No. 11, Loufrani requests that Wal-Mart identify at least a representative sample of goods and services in connection with which Wal-Mart has used its "Mr. Smiley" design. For each of the representative goods identified in response to Interrogatory No. 11, please provide the supplementary information set forth in (a) through (h) of Interrogatory No. 11. In Wal-Mart's response to Interrogatory No. 11(E), Wal-Mart agreed to "produce copies of its Annual Reports documenting the nature and extent of its retail locations." To date, no such documents have been produced. Please produce said documents immediately, as promised nearly two years ago. In Wal-Mart's response to Interrogatory No. 11(F) Wal-Mart stated that "advertising expenses for print and video materials by year are held as confidential and will be produced at such time as an appropriate protective order is in place." Enclosed you will find a Protective Order, agreed to in principle by the parties, which has been signed by Loufrani. Please sign the Protective Order, and immediately produce documents reflecting the advertising expenses for print and video materials.

Interrogatory No. 12: In this interrogatory, Loufrani requested that Wal-Mart identify all products and services in connection with which Wal-Mart intends to use its "Mr. Smiley" design, for which use has not yet begun. In response, Wal-Mart simply referenced its "Response to Interrogatory No. 3." Interrogatory No. 3 requests only information regarding products and services currently offered or sold by Wal-Mart, and therefore Wal-Mart's response to Interrogatory No. 3 cannot possibly be an accurate response to Interrogatory No. 12, which seeks information regarding products and services for which use has not yet begun. Loufrani therefore requests that Wal-Mart supplement its response to Interrogatory No. 12 as soon as possible.

Interrogatory No. 15: In this interrogatory, Loufrani requested that Wal-Mart state whether it owns or claims any trademark rights in the Smiley Face Design, and identify all products and services for which Wal-Mart's owns or claims such rights. In response, Wal-Mart again referenced only its "Response to Interrogatory No. 3," which is non-responsive to the request set forth in Interrogatory No. 15. Loufrani requests that Wal-Mart respond directly to the request which asks Wal-Mart to state whether Wal-Mart owns or claims any trademark rights in the Smiley Face Design and, without waiving any objections to Wal-Mart's response to Interrogatory No. 15, Loufrani requests that Wal-Mart identify at least a representative sample of all

Renee A. Sekel, Esq.
July 8, 2004
Page 6

products and services for which Wal-Mart owns or claims such rights.

Interrogatory No. 17: In this interrogatory, Loufrani requested that Wal-Mart state whether it owns or claims any trademark rights in the "Mr. Smiley" happy face design, and identify all products and services for which Wal-Mart owns or claims such rights. In response, Wal-Mart again simply invokes its Response to Interrogatory No. 3, which is wholly unresponsive to the request set forth in Interrogatory No. 17. Loufrani reiterates its request that Wal-Mart state whether it owns or claims any trademark rights in the "Mr. Smiley" happy face design, and identify all products and services for which Wal-Mart owns or claims such rights.

Interrogatory No. 19: In this request Loufrani asked Wal-Mart to identify the persons holding, or who have held, the following offices (or equivalent if different titles are used by Wal-Mart for the office described), or who have performed the stated functions related to any business of Wal-Mart' involving the distribution, promotion or sale of products / services by Wal-Mart in connection with Wal-Mart's "Mr. Smiley" happy face design for the past five (5) years: (a) marketing director, (b) production/service development manager, (c) custodian of records and files, (d) procurer of trademarks/trademark registrations and (e) all corporate officers. In response, Wal-Mart objected to Interrogatory No. 19 as being overly burdensome and unnecessary and further responded that "there are hundreds, if not thousands of Wal-Mart's associates who would be responsive to this Interrogatory." Wal-Mart's response goes on to name only "Randy Curtis, Vice President, Creative, Wal-Mart Marketing, as its most knowledgeable person in response to this Interrogatory [19]." Loufrani finds it difficult to believe that there are "hundreds, if not thousands, of Wal-Mart associates who held the five positions listed in Interrogatory 19 (a) through (e) for the period beginning five years before August 16, 2002. Loufrani also finds it difficult to believe that Wal-Mart does not maintain its business records in such a manner as to specifically identify its marketing director, product/service development manager, custodian of records and files, procurer of trademarks/trademark registration, and corporate officers for the five years proceeding August 16, 2002. Therefore, without waiving any objections to Wal-Mart's response to Interrogatory No. 19, Loufrani requests that Wal-Mart supplement its response to Interrogatory No. 19 by providing, at least, the names and current contact information for each individual who held the

Renee A. Sekel, Esq.
July 8, 2004
Page 7

following positions (or equivalent positions if different titles are used by Wal-Mart for the office described) for the five year period ending August 16, 2002: marketing director, product/service development manager, custodian of records and files, procurer of trademarks/trademark registration, and corporate officers.

Document Requests:

Document Request No. 2: In this request, Loufrani asked Wal-Mart to produce all documents and things relied upon by Wal-Mart to support Wal-Mart's assertion on page 2 of the Notice of Opposition that "[t]he 'smiley face' design is a ubiquitous icon, tracing its origins back to the early 1960's in the United States." In response, Wal-Mart agreed that: "Such documents will be produced." However, to date, no such documents have been produced, and Loufrani requests that the documents referenced in Wal-Mart's response to Document Request No. 2 be produced immediately, as promised nearly two years ago.

Document Request No. 4: In this request, Loufrani asked Wal-Mart to produce all documents and things in Wal-Mart's possession which refer to, relate to, or comment upon any party's use of the happy face design identified as Smiley Face Design, in connection with retail store services. In response, Wal-Mart objected to the burdensome nature of Document Request No. 4 but agreed that "such documents will be produced." However, to date, no such documents have been produced and Loufrani requests that the documents referenced in Wal-Mart's response to Document Request No. 4 be produced immediately, as promised nearly two years ago.

Document Request No. 6: In this request, Loufrani asked Wal-Mart to produce all documents and things which refer to, relate to, or comment upon Wal-Mart's first use of the happy face design identified as "Mr. Smiley" in the Notice of Opposition, including documents and things specifying the first use date for each product or service sold or offered by Wal-Mart in connection with the "Mr. Smiley" happy face design. In response, Wal-Mart agreed to "produce documents sufficient to establish its date of first use and its continuous use of the design for retail services." However, to date, no such documents have been produced, and Loufrani requests that the documents referenced in Wal-Mart's response to Document Request No. 6 be produced immediately, as promised nearly two years ago.

Renee A. Sekel, Esq.
July 8, 2004
Page 8

Document Request No. 7: In this request, Loufrani asked Wal-Mart to produce all documents and things showing that Wal-Mart refers to its happy face design as "Mr. Smiley," including documents showing or relating to the date on which Wal-Mart began referring to its happy face design as "Mr. Smiley." In response, Wal-Mart objected to the Document Request, but notwithstanding its objection, Wal-Mart noted that "[Wal-Mart] does not have a practice of using the reference "Mr. Smiley" to refer to the "smiley face" design anywhere except internally." Despite the admission that Wal-Mart does use the Smiley Face Design internally, to date, no documents have been produced in response to Document Request No. 7 which show or relate to the date on which Wal-Mart began referring to its happy face design as "Mr. Smiley". Loufrani requests that documents responsive to Document Request No. 7 be produced immediately.

Document Request No. 8: In its request, Loufrani asked Wal-Mart to produce all documents and things which refer to, relate to, or comment upon any name or term other than "Mr. Smiley," which Wal-Mart uses or has used to identify the happy face design referred as "Mr. Smiley" in the Notice of Opposition, including but not limited to documents showing or relating to the dates on which Wal-Mart began using such name or term. In response, Wal-Mart objected to Document Request No. 8. However, notwithstanding its objection, Wal-Mart responded that it "does not have a practice of using any name or term to refer to the design in any manner to the general public or anywhere except internally." Despite the implicit admission that Wal-Mart does use other names or terms to refer to "Mr. Smiley" internally, no documents have been produced which refer to, relate to, or comment upon such other names or uses. Furthermore, no documents showing or relating to the dates on which Wal-Mart began using such other names or terms have been produced in response to Document Request No. 8. Loufrani requests that all documents responsive to Document Request No. 8 be produced immediately.

Document Request No. 12: In this request, Loufrani asked Wal-Mart to produce specimens of all advertising and advertisements for all products and services sold or offered by Wal-Mart in connection with the happy face design identified as "Mr. Smiley" in the Notice of Opposition. In response, Wal-Mart agreed that "as to services, [Wal-Mart] will provide representative documents and specimens". However, to date, no such documents have been produced, and Loufrani requests that the

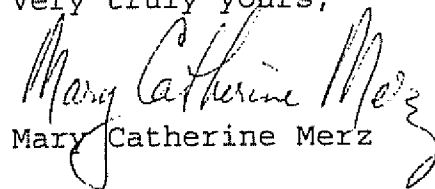
Renee A. Sekel, Esq.
July 8, 2004
Page 9

documents referenced in Wal-Mart's response to Document Request No. 12 be produced immediately, as promised nearly two years ago.

Document Request Nos. 1, 3, 5, 9, 10, 11, 13, 14, 15, 16, 17, 18 and 19: Wal-Mart's responses to these document requests are replete with objections claiming that the Document Requests are "overly burdensome", "unnecessary", "irrelevant or not likely to lead to the discovery of relevant evidence" and that Wal-Mart "does not maintain its business records in such a manner as to respond to the Document Requests". In addition, in response to Document Requests No. 5, 9, 10, 17, 18, Wal-Mart responded that "there are no documents responsive to this Request". Please confirm that Wal-Mart stands by all of its objections, and responses or alternatively, provide supplemental responses to the document requests listed above.

We write this letter in the spirit of 37 C.F.R. § 2.120(e), which mandates that Loufrani or his attorney make a good faith effort, by conference or correspondence, to resolve with Wal-Mart or its attorneys the discovery issues presented above in an effort to reach an agreement as to their resolution. In this regard, please contact us by phone or by e-mail no later than 12:00pm CST on Friday, July 9, 2004 regarding whether you will commit to supplementing your responses as reflected above and, if so, advise us by what date you will complete those responses. As you know, the written discovery period closes on July 12, 2004. If we do not hear from you by 12:00pm CST on Friday, July 9, 2004, we will assume that you stand on your responses and require us to pursue a motion to compel.

Very truly yours,


Mary Catherine Merz

MCM/mm

Enclosure

cc: Steven L. Baron
Natalie Harris
Nicolas Loufrani
Franklin Loufrani

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

Wal-Mart Stores, Inc.

v.

Opposition No. 91/150,278

Opposition No. 91/154,632

Franklin Loufrani

Franklin Loufrani

v.

Opposition No. 91/152,145

Wal-Mart Stores, Inc.

STIPULATED PROTECTIVE ORDER

Subject to the approval of the Trademark Trial and Appeal Board ("The Board"), the parties stipulate to the entry of the following terms governing the exchange of information deemed confidential by the parties pursuant to 37 C.F.R. § 2.120(f).

1) Classes of Protected Information.

The Rules of Practice in Trademark Cases provide that all inter partes proceeding files, as well as the involved registration and application files, are open to public inspection. The terms of this order are not to be used to undermine public access to files. When appropriate, however, a party or witness, on its own or through its attorney, may seek to protect the confidentiality of information by employing one of the following designations.

Confidential—Material to be shielded by the Board from public access.

Highly Confidential—Material to be shielded by the Board from public access and subject to agreed restrictions on access even as to the parties and/or their attorneys.

Trade Secret/Commercially Sensitive—Material to be shielded by the Board from public access, restricted from any access by the parties, and available for review by outside counsel for the parties and, subject to the provisions of paragraph 4 and 5, by independent experts or consultants for the parties.

2) Information Not to Be Designated as Protected.

Information may not be designated as subject to any form of protection if it (a) is, or becomes, public knowledge, as shown by publicly available writings, other than through violation of the terms of this document; (b) is acquired by a non-designating party or non-party witness from a third party lawfully possessing such information and having no obligation to the owner of the information; (c) was lawfully possessed by a non-designating party or non-party witness prior to the opening of discovery in this proceeding, and for which there is written evidence of the lawful possession; (d) is disclosed by a non-designating party or non-party witness legally compelled to disclose the information; or (e) is disclosed by a non-designating party with the approval of the designating party.

3) Access to Protected Information.

The provisions of this order regarding access to protected information are subject to modification by written agreement of the parties or their attorneys, or by motion filed with and approved by the Board.

Judges, attorneys, and other employees of the Board are bound to honor the parties' designations of information as protected but are not required to sign forms

acknowledging the terms and existence of this order. Court reporters, stenographers, video technicians or others who may be employed by the parties or their attorneys to perform services incidental to this proceeding will be bound only to the extent that the parties or their attorneys make it a condition of employment or obtain agreements from such individuals, in accordance with the provisions of paragraph 4.

Parties are defined as including individuals, officers of corporations, partners of partnerships, and management employees of any type of business organization.

Attorneys for parties are defined as including **in-house counsel** and **outside counsel**, including support staff operating under counsel's direction, such as paralegals or legal assistants, secretaries, and any other employees or independent contractors operating under counsel's instruction.

Independent experts or consultants include individuals retained by a party for purposes related to prosecution or defense of the proceeding but who are not otherwise employees of either the party or its attorneys.

Non-party witnesses include any individuals to be deposed during discovery or trial, whether willingly or under subpoena issued by a court of competent jurisdiction over the witness.

Parties and their **attorneys** shall have access to information designated as **confidential** or **highly confidential**, subject to any agreed exceptions.

Outside counsel, but not in-house counsel, shall have access to information designated as **trade secret/commercially sensitive**.

Independent experts or consultants, non-party witnesses, and any other individual not otherwise specifically covered by the terms of this order may be afforded access to

confidential or highly confidential information in accordance with the terms that follow in paragraph 4. Further, **independent experts or consultants** may have access to **trade secret/commercially sensitive** information if such access is agreed to by the parties or ordered by the Board, in accordance with the terms that follow in paragraph 4 and 5.

4) Disclosure to Any Individual.

Prior to disclosure of protected information by any party or its attorney to any individual not already provided access to such information by the terms of this order, the individual shall be informed of the existence of this order and provided with a copy to read. The individual will then be required to certify in writing that the order has been read and understood and that the terms shall be binding on the individual. No individual shall receive any protected information until the party or attorney proposing to disclose the information has received the signed certification from the individual. A form for such certification is attached to this order. The party or attorney receiving the completed form shall retain the original.

5) Disclosure to Independent Experts or Consultants.

In addition to meeting the requirements of paragraph 4, any party or attorney proposing to share disclosed information with an independent expert or consultant must also notify the party which designated the information as protected. Notification must be personally served or forwarded by certified mail, return receipt requested, and shall provide notice of the name, address, occupation and professional background of the expert or independent consultant.

The party or its attorney receiving the notice shall have ten (10) business days to object to disclosure to the expert or independent consultant. If objection is made, then the parties

must negotiate the issue before raising the issue before the Board. If the parties are unable to settle their dispute, then it shall be the obligation of the party or attorney proposing disclosure to bring the matter before the Board with an explanation of the need for disclosure and a report on the efforts the parties have made to settle their dispute. The party objecting to disclosure will be expected to respond with its arguments against disclosure or its objections will be deemed waived.

6) Responses to Written Discovery.

Responses to interrogatories under Federal Rule 33 and requests for admissions under Federal Rule 36, and which the responding party reasonably believes to contain protected information shall be prominently stamped or marked with the appropriate designation from paragraph 1. Any inadvertent disclosure without appropriate designation shall be remedied as soon as the disclosing party learns of its error, by informing all adverse parties, in writing, of the error. The parties should inform the Board only if necessary because of the filing of protected information not in accordance with the provisions of paragraph 12.

7) Production of Documents.

If a party responds to requests for production under Federal Rule 34 by making copies and forwarding the copies to the inquiring party, then the copies shall be prominently stamped or marked, as necessary, with the appropriate designation from paragraph 1. If the responding party makes documents available for inspection and copying by the inquiring party, all documents shall be considered protected during the course of inspection. After the inquiring party informs the responding party what documents are to be copied, the responding party will be responsible for prominently stamping or marking

the copies with the appropriate designation from paragraph 1. Any inadvertent disclosure without appropriate designation shall be remedied as soon as the disclosing party learns of its error, by informing all adverse parties, in writing, of the error. The parties should inform the Board only if necessary because of the filing of protected information not in accordance with the provisions of paragraph 12.

8) Depositions.

Protected documents produced during a discovery deposition, or offered into evidence during a testimony deposition shall be orally noted as such by the producing or offering party at the outset of any discussion of the document or information contained in the document. In addition, the documents must be prominently stamped or marked with the appropriate designation.

During discussion of any non-documentary protected information, the interested party shall make oral note of the protected nature of the information.

The transcript of any deposition and all exhibits or attachments shall be considered protected for 30 days following the date of service of the transcript by the party that took the deposition. During that 30-day period, either party may designate the portions of the transcript, and any specific exhibits or attachments, that are to be treated as protected, by electing the appropriate designation from paragraph 1. Appropriate stampings or markings should be made during this time. If no such designations are made, then the entire transcript and exhibits will be considered unprotected.

9) Filing Notices of Reliance.

When a party or its attorney files a notice of reliance during the party's testimony period, the party or attorney is bound to honor designations made by the adverse party or

attorney, or non-party witness, who disclosed the information, so as to maintain the protected status of the information.

10) Briefs.

When filing briefs, memoranda, or declarations in support of a motion, or briefs at final hearing, the portions of these filings that discuss protected information, whether information of the filing party, or any adverse party, or any non-party witness, should be redacted. The rule of reasonableness for redaction is discussed in paragraph 12 of this order

11) Handling of Protected Information.

Disclosure of information protected under the terms of this order is intended only to facilitate the prosecution or defense of this case. The recipient of any protected information disclosed in accordance with the terms of this order is obligated to maintain the confidentiality of the information and shall exercise reasonable care in handling, storing, using or disseminating the information.

12) Redaction; Filing Material With the Board.

When a party or attorney must file protected information with the Board, or a brief that discusses such information, the protected information or portion of the brief discussing the same should be redacted from the remainder. A rule of reasonableness should dictate how redaction is effected.

Redaction can entail merely covering a portion of a page of material when it is copied in anticipation of filing but can also entail the more extreme measure of simply filing the entire page under seal as one that contains primarily confidential material. If only a sentence or short paragraph of a page of material is confidential, covering that material

when the page is copied would be appropriate. In contrast, if most of the material on the page is confidential, then filing the entire page under seal would be more reasonable, even if some small quantity of non-confidential material is then withheld from the public record. Likewise, when a multi-page document is in issue, reasonableness would dictate that redaction of the portions or pages containing confidential material be effected when only some small number of pages contain such material. In contrast, if almost every page of the document contains some confidential material, it may be more reasonable to simply submit the entire document under seal. **Occasions when a whole document or brief must be submitted under seal should be very rare.**

Protected information, and pleadings, briefs or memoranda that reproduce, discuss or paraphrase such information, shall be filed with the Board under seal. The envelopes or containers shall be prominently stamped or marked with a legend in substantially the following form:

CONFIDENTIAL

This envelope contains documents or information that are subject to a protective order or agreement. The confidentiality of the material is to be maintained and the envelope is not to be opened, or the contents revealed to any individual, except by order of the Board.

13) Acceptance of Information; Inadvertent Disclosure.

Acceptance by a party or its attorney of information disclosed under designation as protected shall not constitute an admission that the information is, in fact, entitled to protection. Inadvertent disclosure of information which the disclosing party intended to

designate as protected shall not constitute waiver of any right to claim the information as protected upon discovery of the error.

14) Challenges to Designations of Information as Protected.

If the parties or their attorneys disagree as to whether certain information should be protected, they are obligated to negotiate in good faith regarding the designation by the disclosing party. If the parties are unable to resolve their differences, the party challenging the designation may make a motion before the Board seeking a determination of the status of the information.

A challenge to the designation of information as protected must be made substantially contemporaneous with the designation, or as soon as practicable after the basis for challenge is known. When a challenge is made long after a designation of information as protected, the challenging party will be expected to show why it could not have made the challenge at an earlier time.

The party designating information as protected will, when its designation is timely challenged, bear the ultimate burden of proving that the information should be protected.

15) Board's Jurisdiction; Handling of Materials After Termination.

The Board's jurisdiction over the parties and their attorneys ends when this proceeding is terminated. A proceeding is terminated only after a final order is entered and either all appellate proceedings have been resolved or the time for filing an appeal has passed without filing of any appeal.

The parties may agree that archival copies of evidence and briefs may be retained, subject to compliance with agreed safeguards. Otherwise, within 30 days after the final termination of this proceeding, the parties and their attorneys shall return to each

disclosing party the protected information disclosed during the proceeding, and shall include any briefs, memoranda, summaries, and the like, which discuss or in any way refer to such information. In the alternative, the disclosing party or its attorney may make a written request that such materials be destroyed rather than returned.

16) Other Rights of the Parties and Attorneys.

This order shall not preclude the parties or their attorneys from making any applicable claims of privilege during discovery or at trial. Nor shall the order preclude the filing of any motion with the Board for relief from a particular provision of this order or for additional protections not provided by this order.

By Agreement of the
Following, effective _____

WAL-MART STORES, INC.

October 28th, 2003

By: _____

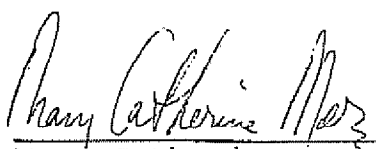
Name: _____

Title: _____



Franklin Loufrani

William D. Coston
Venable LLP
Counsel for Wal-Mart Stores, Inc.



Mary Catherine Merz
Merz & Associates, P.C.
Counsel for Franklin
Loufrani

By Order of the Board, effective _____
