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

Proceeding	91158978
Party	Defendant DRL Enterprises, Inc.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

NORTH ATLANTIC OPERATING COMPANY, INC.; NORTH ATLANTIC TRADING COMPANY; and NATIONAL TOBACCO COMPANY, L.P.	)	Opposition Nos. 91158978
Opposers-Petitioners,	)	
v.	)	**Consolidated as Proceedings No. 91158276**
DRL ENTERPRISES, INC.,	)	
Applicant-Registrant.	)	

AMENDED ANSWER TO FIRST AMENDED NOTICE OF OPPOSITION

In the matter of application Serial No. 76/296,944 for "1.5 & Design"
Published in the Official Gazette on October 21, 2003
Applicant: DRL Enterprises, Inc.

Applicant DRL Enterprises, Inc., for its Amended Answer to the First Amended Notice of Opposition filed by Opposers, North Atlantic Operating Company, Inc., North Atlantic Trading Company, Inc., and National Tobacco Company, L.P., states as follows:

COUNT I

OPPOSITION ¶ 1

Applicant, DRL Enterprises, Inc. (hereinafter "Applicant") seeks to register the term "1.5 & Design" herein in respect of "smoker's articles, namely, cigarettes."

ANSWER TO OPPOSITION ¶ 1

Applicant states that the file history of Application Serial No. 76/296,944 speaks for itself. Applicant denies each and every remaining allegation contained in Opposition ¶ 1.

OPPOSITION ¶ 2

Opposers are engaged in the manufacture, distribution and/or sale of tobacco and cigarette products and in the promotion and advertising thereof throughout the United States, including, most particularly, tobacco and cigarette rolling paper products.

ANSWER TO OPPOSITION ¶ 2

Applicant does not know the specific nature of the business operated by each of the three respective legal entities comprising Opposers. Hence, Applicant does not have sufficient knowledge upon which to admit or deny the allegations contained in Opposition ¶ 2. Accordingly, Applicant denies each and every allegation contained in Opposition ¶ 2.

OPPOSITION ¶ 3

> Opposers and other third parties engaged in the cigarette rolling paper industry have for several years extensively and continuously manufactured, distributed, advertised, promoted and/or sold in interstate commerce various types of cigarette rolling paper products, which have been and continue to be properly, accurately and generically described by use of the designation "1.5" (and other designations such as "1.25", "1.0").

ANSWER TO OPPOSITION ¶ 3

Applicant denies each and every allegation contained in Opposition ¶ 3.

OPPOSITION ¶ 4

> Cigarette rolling paper products have long been and are now often advertised, promoted and/or sold in conjunction with and in the context of said descriptive use of the designation "1.5" (and other numerical designations) because they are size designations.

ANSWER TO OPPOSITION ¶ 4

Applicant denies each and every allegation contained in Opposition ¶ 4.

OPPOSITION ¶ 5

> Specifically, cigarette rolling paper products are distributed, advertised, promoted and/or sold by using size designations, much like dress sizes, shoe sizes, etc. Consumers who purchase such products roll their own cigarettes using rolling papers of the corresponding size designation.

ANSWER TO OPPOSITION ¶ 5

Applicant admits that some cigarette paper distributors distribute different sizes of cigarette papers. Applicant denies each and every remaining allegation contained in Opposition ¶ 5.

OPPOSITION ¶ 6

The meaning and significance of the designation "1.5" and variations thereof, when employed in conjunction with cigarette rolling paper products, is well established and so understood by the trade and relevant consumers.

ANSWER TO OPPOSITION ¶ 6

Applicant states that use of the designation 1.5 in connection with smoking articles is understood to identify Applicant as the source of the smoking articles. Applicant denies each and every remaining allegation contained in Opposition ¶ 6.

OPPOSITION ¶ 7

The designation "1.5" and variations thereof, when used by Opposers and/or other third parties in the trade fully, completely and intentionally describe either product ingredient(s), formulation(s), quality(ies), characteristic(s), effect(s) and/or other feature(s) of the specific product or products in connection with which the said designation is used, including cigarette rolling papers and cigarettes rolled in paper of such size.

ANSWER TO OPPOSITION ¶ 7

Applicant denies each and every allegation contained in Opposition ¶ 7.

OPPOSITION ¶ 8

When used in labeling, promotional and advertising materials, with or without other descriptive or identifying proprietary words, the designation "1.5" is purely descriptive or generic to the trade, consuming public, and public and is incapable of functioning as a trademark to distinguish one party's cigarette products rolled in rolling papers of a particular size from those of another.

ANSWER TO OPPOSITION ¶ 8

Applicant denies each and every allegation contained in Opposition ¶ 8.

OPPOSITION ¶ 9

By reason of Opposers', Applicant's and others' use of the designation "1.5" (and other designations) in the distribution, labeling, promotion, advertising and sale of cigarette rolling papers of such size by the Opposers, the Applicant, the trade and the consuming public have come to recognize and accept and continue to recognize and accept said designation "1.5" in such product category and related categories as descriptive terms, as appropriately describing the size of the paper (or, as here, the size of the paper in which the tobacco is rolled).

ANSWER TO OPPOSITION ¶ 9

Applicant denies each and every allegation contained in Opposition ¶ 9.

OPPOSITION ¶ 10

For the reasons hereinabove set forth, the designation "1.5" is merely descriptive within the meaning of 15 U.S.C. § 1052(e) by reason of the fact that it conveys the immediate idea of the significant ingredient(s), product formulation, nature, qualities, characteristics, size, and/or other descriptive features of the papers from which the cigarettes are rolled, or indicate the results desired, expected and/or produced when such products are utilized by the consuming public, here in particular, cigarettes which are rolled in paper of a certain size, and as such have been, are and will continue to be descriptive or generic (common descriptive name) terms with respect to said cigarettes which are rolled in paper of a certain size.

ANSWER TO OPPOSITION ¶ 10

Applicant denies each and every allegation contained in Opposition ¶ 10.

OPPOSITION ¶ 11

The trademark registration sought by Applicant pursuant to Serial No. 76/296,944 would be injurious to Opposers, and indeed to the cigarette and tobacco industry and trade as a whole, because it will appear to create statutory rights in Applicant with respect to a common designation used descriptively and/or generically by Applicant's competitors and will provide Applicant with false *prima facie* presumptions attending registration rights, in derogation of the established and continuing rights of Opposers and others in the business to use descriptively, prominently and otherwise the designation "1.5" in its ordinary and descriptive sense in connection with the distribution, packaging, promotion, advertising, publicity and sale of their own products. Furthermore, the allowance of the generic or descriptive term "1.5" for registration as a trademark will create the erroneous, misleading and false impression that only Applicant's goods may be sold bearing that designation.

ANSWER TO OPPOSITION ¶ 11

Applicant admits that the registration of the mark at issue in this proceeding would provide Applicant with the rights attendant thereto. Applicant denies each and every remaining allegation contained in ¶ 11.

OPPOSITION ¶ 12

For the foregoing reasons, allowance of application Serial No. 76/296,944 and it's [sic] passage to registration would cause Opposers and the trade and industry in general damage on a continuing basis by *inter alia*, inhibiting

competition in the sale of both the particular goods at issue and related products and would endanger the freedom of the public, the trade and industry to use the designation at issue. Therefore, to preserve competitive needs and avoid the erroneous claim of exclusive right by way of registration or otherwise to the use of the generic or descriptive term by Applicant, Opposers therefore request that this Amended Notice of Opposition be sustained and that the application for registration of the generic or merely descriptive designation "1.5 & Design" be refused.

ANSWER TO OPPOSITION ¶ 12

Applicant denies each and every allegation contained in Opposition ¶ 12.

COUNT II

OPPOSITION ¶ 13

Opposers repeat and reallege the allegations contained in paragraphs 1 through 12 hereinabove as though fully set forth herein.

ANSWER TO OPPOSITION ¶ 13

Applicant restates its respective answers to Opposition ¶¶ 1 through 12 as its answer to Opposition ¶ 13 as though fully set forth herein. Applicant denies each and every remaining allegation contained in Opposition ¶ 13.

OPPOSITION ¶ 14

In the alternative, Opposers believe they will be damaged by registration of the designation "1.5" because, when used in labeling, packaging, promotional and advertising materials alone or with other descriptive or identifying proprietary words, said designation for the cigarettes which are rolled in the paper of a particular size covered by the subject application are deceptively misdescriptive (unless merely descriptive or generic as alleged hereinabove) and given to misunderstanding and misinterpretation by the trade, consuming public, and the public and trade press, and are accordingly incapable of functioning as a trademark to distinguish one party's goods from those of another.

ANSWER TO OPPOSITION ¶ 14

Applicant does not know Opposers' state of mind or beliefs concerning this matter. Hence, Applicant does not have sufficient knowledge upon which to admit or deny the allegations relating thereto contained in Opposition ¶ 14. Accordingly, Applicant denies each and every allegation contained in Opposition ¶ 14.

OPPOSITION ¶ 15

For the reasons hereinabove and hereinafter set forth, the designation "1.5" for said product category and related categories, unless descriptive or generic or alleged hereinabove, are deceptively misdescriptive within the meaning of 15 U.S.C. § 1052(e) by reason of the fact that they falsely indicate and deceptively misdescribe the significant, product formulation, nature quality(ies), characteristic(s), effect(s) and/or other feature(s) of the specific goods in connection with which Applicant allegedly uses and seeks to register this designation, or falsely indicates or otherwise deceptively misdescribes the characteristics of such products because said designation when so employed by Applicant is deceptively misdescriptive.

ANSWER TO OPPOSITION ¶ 15

Applicant denies each and every allegation contained in Opposition ¶ 15.

OPPOSITION ¶ 16

The trademark registration sought by Applicant pursuant to Serial No. 76/296,944 would therefore be injurious to Opposers, and indeed to the tobacco and cigarette paper industries and trade as a whole, because it will appear to create statutory rights in Applicant respecting a common numerical designation used descriptively and/or generically by Applicant, Opposers and third parties for cigarettes rolled from paper of a certain size, and unless used descriptively or as a generic term as alleged, hereinabove, are used deceptively misdescriptively by Applicant and will provide Applicant with false *prima facie* presumptions attending registration rights, in derogation of the established and continuing rights of Opposers and others in the business to use accurately and correctly, descriptively, prominently and otherwise the designation "1.5" in its ordinary and descriptive generic sense in connection with the distribution, packaging, promotion and advertising, publicity and sale of their own products, to the extent that such usage is accurate and appropriate.

ANSWER TO OPPOSITION ¶ 16

Applicant admits that the registration of the mark at issue in this proceeding would provide Applicant with the rights attendant thereto. Applicant denies each and every remaining allegation contained in ¶ 16.

OPPOSITION ¶ 17

Furthermore, the trademark registration sought by Applicant pursuant to Serial No. 76/296,944 would be contrary to the public interest and public policy in that said term deceptively misdescribes the nature or character of Applicant's subject goods and is confusing, misleading, damaging and injurious to the trade and to all relevant classes of consumers.

ANSWER TO OPPOSITION ¶ 17

Applicant denies each and every allegation contained in Opposition ¶ 17.

OPPOSITION ¶ 18

For the foregoing reasons, allowance of application Serial No. 76/296,944 and its passage to registration would cause Opposers and the consuming public, the trade and industry in general, great damage on a continuing basis by, *inter alia*, inhibiting competition in the sale of the particular goods at issue and related products and would endanger the freedom of the public, the trade and industry to use the designation at issue, while at the same time affording Applicant the right to deceptively misdescribe its product, with statutory proprietary rights, to the prejudice and damage of all concerned. Therefore, to preserve competitive needs and avoid the putative and erroneous claim of exclusive right by way of registration or otherwise to the deceptively misdescriptive use of the generic or descriptive term "1.5" by Applicant, Opposers therefore request that this Amended Notice of Opposition be sustained and the application for registration of the generic or descriptive designation "1.5 & Design" be refused.

ANSWER TO OPPOSITION ¶ 18

Applicant denies each and every allegation contained in Opposition ¶ 18.

COUNT III

OPPOSITION ¶ 19

Opposers repeat and reallege the allegations contained in paragraphs 1 through 18 hereinabove as though fully set forth herein.

ANSWER TO OPPOSITION ¶ 19

Applicant restates its respective answers to Opposition ¶¶ 1 through 18 as its answer to Opposition ¶ 19 as though fully set forth herein. Applicant denies each and every remaining allegation contained in Opposition ¶ 19.

OPPOSITION ¶ 20

On or about August 7, 2001, Applicant filed the instant application to register the mark "1.5 & Design" for "smoker's articles, namely, cigarettes" based upon its alleged bona fide intent to use the mark for said goods in commerce.

ANSWER TO OPPOSITION ¶ 20

Applicant states that the file history of Application Serial No. 76/296,944 speaks for

itself. Applicant denies each and every remaining allegation contained in Opposition ¶ 20.

OPPOSITION ¶ 21

At this time it filed and signed the instant application, Applicant did not in fact have a bona fide intention to use the "1.5 & Design" mark in commerce for the specified goods.

ANSWER TO OPPOSITION ¶ 21

Applicant denies each and every allegation contained in Opposition ¶ 21.

OPPOSITION ¶ 22

Therefore, the instant application should be refused registration.

ANSWER TO OPPOSITION ¶ 22

Applicant denies each and every allegation contained in Opposition ¶ 22.

AFFIRMATIVE DEFENSES

First Affirmative Defense

Opposers' claims are barred by the doctrine of acquiescence on the grounds that Opposers previously acknowledged that Applicant's mark is neither generic for, nor descriptive of, Applicant's smoking articles.

Second Affirmative Defense

Opposers' claims are estopped on the grounds that Opposers previously acknowledged that Applicant's mark is neither generic for, nor descriptive of, Applicant's smoking articles.

Third Affirmative Defense

Opposers' claims are barred by the doctrine of unclean hands on the grounds that Opposers previously acknowledged that Applicant's mark is neither generic for, nor descriptive of, Applicant's smoking articles.

Fourth Affirmative Defense

Opposers' claims are barred by the doctrine of acquiescence on the grounds that Opposers previously acknowledged Applicant's ownership of, and rights in, its numeric marks for smoking articles.

Fifth Affirmative Defense

Opposers' claims are estopped on the grounds that Opposers previously acknowledged Applicant's ownership of, and rights in, its numeric marks for smoking articles.

Sixth Affirmative Defense

Opposers' claims are barred by the doctrine of unclean hands on the grounds that Opposers previously acknowledged Applicant's ownership of, and rights in, its numeric marks for smoking articles.

WHEREFORE, Applicant respectfully requests that the Trademark Trial and Appeal Board enter an Order dismissing Opposers' First Amended Notice of Opposition with prejudice and permitting Applicant's mark to proceed toward registration.

Respectfully submitted,

Date: November 22, 2010

/ Antony J. McShane /
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CERTIFICATE OF TRANSMISSION

I, Antony J. McShane, hereby certify that the foregoing ***Amended Answer to First Amended Notice Opposition*** is being electronically transmitted via the Electronic System for Trademark Trials and Appeals ("ESTTA") at http://estta.uspto.gov/ on the date noted below:

Date: November 22, 2010

By: / Antony J. McShane /
One of the Attorneys for Applicant-Registrant
DRL Enterprises, Inc.

CERTIFICATE OF SERVICE

I, Antony J. McShane, state that I served a copy of the foregoing ***Amended Answer to First Amended Notice of Opposition*** to:

ARLANA S. COHEN
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by depositing said copy in a properly addressed envelope, First Class postage prepaid, and depositing same in the United States mail at Two North LaSalle Street, Chicago, Illinois, on the date noted below

Date: November 22, 2010

By: / Antony J. McShane /
One of the Attorneys for Applicant-Registrant
DRL Enterprises, Inc.