

ESTTA Tracking number: **ESTTA373384**

Filing date: **10/14/2010**

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

Proceeding	91166201
Party	Defendant Fortune Casuals, LLC and Premium Denim LLC
Correspondence Address	ROD S. BERMAN, ESQ. JEFFER MANGELS BUTLER & MITCHELL, LLP 1900 AVENUE OF THE STARS, SEVENTH FLOOR LOS ANGELES, CA 90067 UNITED STATES trademarkdocket@jmbm.com
Submission	Other Motions/Papers
Filer's Name	JESSICA C. BROMALL
Filer's e-mail	trademarkdocket@jmbm.com
Signature	/S/ JESSICA C. BROMALL
Date	10/14/2010
Attachments	2010-10-14 Reply ISO Petition to Director re Motion to Dismiss.pdf (7 pages) (35175 bytes)

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

ASHLEY PAIGE DEPEW,

Opposer

v.

FORTUNE CASUALS, LLC

Applicant.

Opposition No. 91166201

Application Serial No. 78/447486

Mark: PAIGE

**CONSOLIDATED BY TTAB FEBRUARY
17, 2007 ORDER WITH:**

Opposition No. 91175192

Application Serial No. 78/668652

Mark: ASHLEY PAIGE

Our File No. 66884-0002

REPLY IN SUPPORT OF PETITION TO DIRECTOR FOR REVIEW OF
INTERLOCUTORY DECISION

Applicants Fortune Casuals, LLC and Premium Denim, LLC (collectively, "Premium") hereby respectfully submit their Reply in Support of their Petition the Director for review for review of the Board's August 12, 2010 order (the "Order") denying Premium's Motion to Dismiss Opposition No. 91/166,201.

I. INTRODUCTION

In the Settlement Agreement, Ashley Paige Depew ("Depew") agreed that, in exchange for payment of \$825,000, she would: (1) not interfere with Premium's use of its PAIGE mark; (2) dismiss the her opposition to the registration of the mark PAIGE (the "Depew Opposition"); (3) restrict the manner in which she used the term "paige"; and (4) amend her application for registration of ASHLEY PAIGE to conform to those restrictions.

In the Settlement Agreement, Premium agreed that it would pay Depew \$825,000 and that, upon amendment of Depew's application for ASHLEY PAIGE, it would dismiss its opposition to Depew's application for registration of the mark ASHLEY PAIGE (the "Premium Opposition"). Premium has paid Depew \$825,000. Despite her receipt of this money, and notwithstanding the clear language of the Settlement Agreement, Depew has not amended her application for registration of ASHLEY PAIGE or dismissed the Depew Opposition.

The Board has suggested several ways that Depew could comply with the Settlement Agreement's requirement that she amend her application for registration of ASHLEY PAIGE. Although successful amendment would resolve this matter, to date, Depew has made no attempt to implement any of the Board's suggestions. At the same time, and although she has received \$825,000 from Premium, she maintains her opposition to Premium's application for registration of its mark PAIGE.

Thus, Premium moved for dismissal of the Depew Opposition, pursuant to the terms of the Settlement Agreement. The Board, however, determined that Depew had no obligation to dismiss the Depew Opposition until Premium dismissed the Premium Opposition. As discussed in Premium's Motion for Reconsideration, this interpretation of the Settlement Agreement leads to the result that, notwithstanding her receipt of the \$825,000, Depew may indefinitely and

unilaterally perpetuate these proceedings by failing to amend her application for ASHLEY PAIGE to conform to the terms of the Settlement Agreement.

This outcome cannot possibly be the intention of the parties to the Settlement Agreement. The Board should dismiss the Depew Opposition.

II. ARGUMENT

Depew now claims that the so-called "Berman Amendment" justifies her refusal to amend her application and dismiss the Depew Opposition, notwithstanding her receipt of \$825,000 from Premium. This argument is without merit.

A. The So-Called "Berman Amendment" is Not a Part of the Agreement

First, the "Berman Amendment" is not an amendment at all. Rather, it is Exhibit B to the Settlement Agreement. The term of Exhibit B were not incorporated into the Settlement Agreement. "Whether a document is incorporated into the contract depends on the parties' intent as it existed at the time of contracting. The parties' intent must, in the first instance, be ascertained objectively from the contract language." *Versaci v. Superior Court*, 127 Cal. App. 4th 805, 814 (2005).

Here, there is no indication that the parties intended the terms of Exhibit B be incorporated into the Settlement Agreement. Indeed, the Settlement Agreement does not expressly or impliedly incorporate the terms of Exhibit B into the Settlement Agreement. Rather, Exhibit B merely represents one of many ways the parties could have effectuated the amendment and dismissal requirements set forth in the Settlement Agreement. In fact, the Settlement Agreement explicitly refers to Exhibit B merely as "*an* agreed-upon form" of the foregoing amendment and dismissal - not *the* agreed upon form. Settlement Agreement C.3 (emphasis added).

Further, the Settlement Agreement clearly provides: (1) that Depew was, without contingency, obligated to dismiss the Depew Opposition; and (2) that Premium was obligated to dismiss the Premium Opposition *only* upon the Board's acceptance of an amendment by Depew reflecting the limitations of the Settlement Agreement. Settlement Agreement, C.2 & C.3.

B. In Interpreting Agreements, Terms Inconsistent With the Purpose of the Agreement Must be Dismissed

Second, even if Exhibit B were incorporated into the Settlement Agreement, its terms, as construed by Depew, conflict with the explicit terms of the main body of the Settlement Agreement, as well as the main purpose of the Settlement Agreement. The law is clear that "[w]ords in a contract which are wholly inconsistent with its nature, or with the main intention of the parties, are to be rejected." Cal. Civ. Code § 1653.

Exhibit B states: "[C]ontingent upon entry of the foregoing amendment, Ashley Paige Depew agrees and consents to dismiss [the Depew Opposition]." Exhibit B, p. 2. If Exhibit B were integrated into the Settlement Agreement, Depew would have no obligation to dismiss the Depew Opposition until the Board accepted her amendment to her ASHLEY PAIGE application.

The foregoing, however, is contrary to the explicit language of the Settlement Agreement, which makes clear that Depew's obligation to dismiss the Depew Opposition is not contingent upon any occurrence or event. The Settlement Agreement states, in a separate and complete provision, "Ashley and Premium shall dismiss, with prejudice, the Depew Opposition." Settlement Agreement, C.2. The Settlement Agreement makes equally clear that Premium's obligation to dismiss the Premium Opposition does not arise until Depew amends her application for registration of ASHLEY PAIGE "to conform to the limitation on the appearance of the 'Ashley Paige' trademark imposed" by the Settlement Agreement. Settlement Agreement, Section C.3.

Moreover, the foregoing language of Exhibit B is contrary to entire purpose of the Settlement Agreement. The parties agreed to resolve their dispute by Premium's payment of \$825,000 to Depew in exchange for Premium having the unfettered right to use the mark PAIGE and Depew's agreement to limitations on the manner in which she could use the term "PAIGE." Settlement Agreement, Section D.

By Depew's logic, she may unilaterally perpetuate the Board proceedings by simply refusing to file an acceptable amendment of her ASHLEY PAIGE application. In fact, this is exactly what Depew has done. She has taken \$825,000 of Premium's money and, despite the Board's numerous suggestions for amendment and although she could resolve this entire matter by simply amending her application, Depew has chosen to keep these proceedings alive.

Under another, equally implausible interpretation of Exhibit B, Depew's duty to dismiss the Depew Opposition will never arise, since the Board has already rejected the proposed amendment. This cannot be the case, as the Settlement Agreement clearly provides that Depew is obligated to amend her application to conform to the limitations imposed by the Settlement Agreement. By that same logic, the Settlement Agreement would be subject to rescission for failure to consideration and Depew would be obligated to return to Premium the \$825,000 paid to her.

Both of the foregoing interpretations, as well as Depew's actual conduct, are contrary to the main purpose of the Settlement Agreement. Premium paid \$825,000 to Depew so that these proceedings could be resolved. Although she took Premium's money, Depew is simply not living up to her part of the agreement. Thus, even if Exhibit B were integrated into the Settlement Agreement, the Board must reject those terms in Exhibit B that are contrary to the purpose of the Settlement Agreement.

III. CONCLUSION

For all the foregoing reasons, and for the reasons set forth in Premium's Petition, Premium respectfully requests that the Director issue an order directing the Board to dismiss grant Premium's Motion and dismissing the Depew Opposition.

The Commissioner is hereby authorized by the attorney signature below to charge any additional fees which may be required for this Petition to Account No. 10-0440.

Dated: October 14, 2010

Respectfully submitted,

/s/ JESSICA C. BROMALL

Rod S. Berman
Jessica C. Bromall
JEFFER MANGELS BUTLER & MITCHELL LLP
1900 Avenue of the Stars, Seventh Floor
Los Angeles, CA 90067
(310) 203-8080

Attorneys for Fortune Casuals LLC, and
Premium Denim, LLC

CERTIFICATE OF SERVICE

It is hereby certified that on **October 14, 2010**, a copy of the foregoing document was sent by overnight delivery to the attorney of record for Ashley Depew:

James R. Schoenfield
JAMES R. SCHOENFIELD,PC
1801 Century Park East, 24th Floor
Los Angeles, CA 90067
310-556-9605 (Tel.)



Esther Silverman