ESTTA Tracking number: **ESTTA102946**

Filing date: **10/05/2006**

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

Proceeding	91169654
Party	Plaintiff Visual Changes Skin Care International, Inc. Visual Changes Skin Care International, Inc. ,
Correspondence Address	Mark D. Miller Kimble, MacMichael & Upton 5260 N. Palm Ave., Ste. 221 Fresno, CA 93704 UNITED STATES mmiller@kmulaw.com
Submission	Reply in Support of Motion
Filer's Name	Mark D. Miller
Filer's e-mail	mmiller@kmulaw.com, dturner@kmulaw.com
Signature	/Mark D. Miller/
Date	10/05/2006
Attachments	reply.amend.pdf (9 pages)(633531 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

* * *

In the matter of Trademark Application No. 78/490,974
Published in the "Official Gazette" of September 13, 2005
Filing Date: September 28, 2004
For the Mark: **RESURRECTION BIOMIST**

-and-

In the matter of Trademark Application No. 78/490,954
Published in the "Official Gazette" of September 13, 2005
Filing Date: September 28, 2004
For the Mark: **NEWAYS RESURRECTION BIOMIST**

VISUAL CHANGES SKIN CARE INTERNATIONAL, INC. Opposer v. NEWAYS, INC. Applicant	**OPPOSER'S REPLY TO NEWAYS' OPPOSITION TO MOTION TO AMEND AND TO EXTEND TRIAL DATES** Opposition No. 91169654 - consolidated with - Opposition No. 91169655

Opposer, Visual Changes Skin Care International, Inc. ("Visual Changes") submits this reply memorandum in support of its motion for leave to amend its Notice of Opposition in the above-captioned consolidated cases. Neways, Inc. ("Neways") has opposed the motion. Neways has also filed a motion to dismiss the Amended Notice of Opposition which is addressed in a separate paper filed concurrently herewith.

I. THE MOTION FOR LEAVE TO AMEND SHOULD BE GRANTED

Rule 15(a) of the Federal Rules of Civil Procedure provides liberality in amending pleadings, that "leave shall be freely given when justice so requires." Fed. R. Civ. P. 15(a). The Supreme Court has declared that "this mandate is to be heeded." *Foman v. Davis*, 371 U.S. 178, 182, 83 S.Ct. 227, 230, 9 L.Ed. 2d 222 (1962). In view thereof, the Trademark Trial and Appeal Board (the "Board") liberally grants leave to amend pleadings at any stage of a proceeding when

LAW OFFICES
Kimble, MacMichael & Upton
A PROFESSIONAL CORPORATION
5260 NORTH PALM AVENUE
SUITE 221
P. O. Box 9489
FRESNO, CA 93792-9489

justice so requires. TBMP § 507.02. This is so even when a plaintiff seeks to amend its complaint to plead a claim other than those stated in the original complaint. *Id.* In addition, "a proposed amendment may serve simply to amplify allegations already included in the moving party's pleading." *Id. See Avedis Zildjian Co. v. D.H. Baldwin Co.*, 180 USPQ 539, 541 (TTAB 1973).

In the present case, the Proposed Amended Notice of Opposition to Registration (the "Amended Notice of Opposition") would actually *narrow* the scope of these proceedings, by eliminating one of two bases for opposition, and would amplify the other basis by precisely setting forth the goods in issue. The original Notice of Opposition included claims based on both the Opposer's registration and the Opposer's common law rights. The Amended Notice of Opposition eliminates reliance on the registration, limiting the basis to the common law rights.

A. No New Claims Are Asserted in the Amended Notice of Opposition

In its opposition, Neways asserts that the Amended Notice of Opposition presents "an entirely new legal theory." (Neways' brief, p. 3, line 9.). This is incorrect. With the exception of clarifying the listing of goods, the allegations in paragraph 1 of the Amended Notice of Opposition are *identical* to the allegations that were made in paragraph 2 of the original Notice of Opposition – which Neways answered. These paragraphs are worded so as to track the necessary allegations under Section 2(d) of the Lanham Act (15 U.S.C. § 1052(d)), as suggested in the McCarthy treatise (*See McCarthy on Trademarks and Unfair Competition*, § 20:30.).

Section 2(d) of the Act provides a statutory ground for opposition based on registered or unregistered marks:

> "(d) Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, ***or a mark or trade name previously used in the United States by another and not abandoned,*** as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive." (Emphasis supplied.)

Both the original and amended pleadings meet all of the elements required by Section 2(d). No authority is cited on p.4 of Neways' opposition brief regarding the alleged insufficiency of the

LAW OFFICES
Kimble, MacMichael & Upton
A PROFESSIONAL CORPORATION
5260 NORTH PALM AVENUE
SUITE 221
P. O. Box 9489
FRESNO, CA 93792-9489

amended or original pleading. The statute does not use or require recitation of the words "common law," nor does it require mention of any specific geographic region. It simply refers to prior use "in the United States" which is what was alleged. The allegations track the language of Section 2(d) almost word for word. So, if these allegations were proven, they provide a valid statutory ground for denying the registrations sought. This is hardly a "wholly new theory" or "moving target" as asserted by Neways.[1]

Finally, it must be recognized that the proposed amended pleading does not introduce any additional statutory or other basis for opposition not contained in the original complaint (which would also be permissible under TBMP § 507.02). In fact, it does just the opposite – it removes one basis. Thus, the proposed amended pleading would clarify and streamline future proceedings in the case, resulting in judicial economy.

B. The Motion for Leave to Amended is Timely

The present opposition was commenced on March 9, 2006, following several extensions of time that were agreed to by Neways. Opposer's motion for leave to amend was filed on August 31, 2006, just over 5 months after the commencement of the case, more than a month before the discovery cutoff date of October 9, 2006, and several months before the first testimony period cutoff of January 7, 2007. Thus, the motion was timely filed, and the filing was accomplished long before the expiration of any of the deadlines in the case. No other motions (such as summary judgment motions, or motions for judgment on the pleadings) were pending at the time the motion for leave to amend was filed.

In its opposition, Neways asserts that the motion for leave to amend is untimely. However, the Board has routinely granted leave to amend in similar situations. In *Polaris Industries Inc. v. DC Comics*, 59 USPQ2d 1798, 1800 (TTAB 2001), a motion for leave to amend filed prior to the close of discovery where the opposer stipulated to an extension of the discovery deadline was found not to be prejudicial; 30 days leave to amend was granted. The

[1] In the case of *Minter v. Prime Equip. Co.*, 451 F.3d 1196 (10th Cir. 2006) cited by Neways on this issue, leave to amend 3 weeks before trial was granted. In the "moving target" case cited by Neways, *Viernow v. Euripides Dev. Corp.*, 157 F.3d 785 (10th Cir. 1998), the motion for leave to amend was denied not only because it was filed a full 19 months after original complaint, but also because it was only made after an oral ruling by the court granting the opponent's motion for summary judgment. There has been no such delay, nor any such motion in the present case.

LAW OFFICES
Kimble, MacMichael
& Upton
A PROFESSIONAL CORPORATION
5260 NORTH PALM AVENUE
SUITE 221
P. O. Box 9489
FRESNO, CA 93792-9489

Board has also re-opened discovery in granting a motion for leave to amend that was filed prior to the discovery cutoff in order to avoid potential prejudice to the applicant. *Boral Ltd. v. FMC Corp.*, 59 USPQ2d 1700, 1704 (TTAB 2001). The same is true in the present case: the motion was filed over a month before the discovery cutoff (which deadline had still not arrived as of the date this brief was filed), and the moving party requested an extension of the trial deadlines as part of the motion. Neways has also requested such an extension in its opposition. Thus, the motion should be granted and the discovery cutoff and other trial deadlines should be extended.

The jurisprudence from several circuits confirms that delay alone is not sufficient to deny leave to amend. *See Johnson v. Oroweat Foods Co.*, 785 F.2d 503, 509 (4th Cir. 1986) (delay alone is an insufficient reason to deny leave to amend). *See also Arthur v. Maersk*, 434 F.3d 196, 204 (3rd Cir. 2005) (a period of eleven months from the commencement of the action to the filing of a motion for leave to amend is not, on its face, so excessive as to be presumptively unreasonable).[2] The Eight Circuit has relied on the fact that a trial was nearly three months away in concluding that the district court abused its discretion in denying leave to amend an answer. *Dennis v. Dillard Dep't Stores, Inc.*, 207 F.3d 523, 526 (8th Cir.2000). The court reasoned that, although discovery had closed, the district court had discretion to reopen it for the limited purpose of exploring the additional defense raised by the amendment, noting that "an 'adverse party's burden of undertaking discovery, standing alone, does not suffice to warrant denial of a motion to amend a pleading.'" *Id.* (quoting *United States ex rel. Maritime Admin. v. Cont'l Ill. Nat'l Bank & Trust Co.*, 889 F.2d 1248, 1255 (2d Cir.1989)).

The cases cited by Neways are distinguishable. In *Solomon v. North Am. Life & Cas. Co.*, 151 F.3d 1132, 1134 (9th Cir. 1998), the plaintiff sought to amend the complaint for a second time to include a cause of action that did not include the proper elements. The present motion is the first amended pleading, and does not introduce any new claims as explained above. In two cases, the motion for leave to amend was filed three months after the cutoff for filing such motions, and in another case it was four months after such a deadline. *See Durham v. Xerox*

---

[2] This case was cited by Neways in opposition to the present motion.

LAW OFFICES
Kimble, MacMichael & Upton
A PROFESSIONAL CORPORATION
5260 NORTH PALM AVENUE
SUITE 221
P. O. Box 9489
FRESNO, CA 93792-9489

Corp., 18 F.3d 836, 840 (10th Cir. 1994) (three months); *Zivkovic v. S. Cal. Edison Co.*, 203 F.3d 1080, 1084 (9th Cir. 2002) (three months); Frank v. U.S. West, 3 F.3d 1357, 1366 (10th Cir. 1993) (four months). In *Amerisourcebergen Corp. v. Dialysist West,* 445 F.3d 1132 (9th Cir. 2006), the motion for leave to amend was filed after a fifteen month delay. In *Las Vegas Ice & Cold Storage Co. v. Far West Bank*, 893 F.2d 1182, 1185 (10th Cir. 1990), the motion for leave to amend was filed a year and a half after the original complaint. By way of contrast, in the present case the motion was filed a mere five months after the original pleading, and more than a month *before* the discovery cutoff (which deadline has still not arrived). The Amended Notice does not seek to add new claims or new parties, but actually streamlines the proceedings by eliminating a basis for opposition.

In several other cases cited by Neways, the motion for leave to amend was a last ditch effort to preserve the case in the face of a dispositive motion (such as summary judgment or judgment on the pleadings), or other factors were present. No such motion was pending when the present motion for leave to amend was filed, and the other factors further distinguish these cases and the reasons for their results. *See Chodos v. West Publishing Co., Inc.*, 292 F.3d 992, 996 (9th Cir. 2002) (motion for summary judgment prompted motion for leave to amend); *Lockeed Martin v. Network Solutions*, 194 F.3d 980, 986 (9th Cir. 1999) (summary judgment motion pending; deadline for amending pleadings had passed; newly proposed claim deemed "futile"); *Sanders v. Venture Stores, Inc.* 56 F.3d 771, 774 (7th Cir. 1995) (summary judgment motion pending; amended pleading filed four years after original complaint, and would have added four new parties); *Andrix Pharm, Inc. v. Elan Corp.*, 421 F.3d 1227, 1236-37 (11th Cir. 2005) (motion for judgment on the pleadings pending; 2 year delay after original complaint); *Hayes v. New England Millwork Distribs., Inc.*, 602 F.2d 15, 19-20 (1st Cir. 1979) (motion for judgment on the pleadings pending; 2 year delay after original pleading filed).

In the present case, there has been no significant delay in bringing the motion for leave to amend. It was filed long before the expiration of any of the deadlines in the case. Moreover, the papers submitted by both parties agree that if the motion for leave is granted, that the discovery

///

LAW OFFICES
Kimble, MacMichael
& Upton
A PROFESSIONAL CORPORATION
5260 NORTH PALM AVENUE
SUITE 221
P. O. Box 9489
FRESNO, CA 93792-9489

cutoff and other deadlines in the case should be extended. Under these circumstances, judicial economy and the interest of justice warrant granting the motion for leave to amend.

3. Granting Leave to Amend the Notice of Opposition will Not Prejudice Neways

Neways complains that granting the motion for leave to amend would result in additional costs related to discovery. However, the expense of discovery is a natural part of any litigation proceeding, and this expense alone does not justify denial of the motion for leave to amend. *Marmark Ltd. v. Nutrexpa S.A.*, 12 USPQ2d 1843 (TTAB 1989) (fact that applicant had filed interrogatories and requests for production of documents was insufficient to show prejudice – motion for leave to amend granted). *See also S.S. Silberblatt, Inc. v. E. Harlem Pilot Block Bldg. 1 Hous. Dev. Fund Co.*, 608 F.2d 28, 42-43 (2d Cir.1979) (reversing the denial of the appellant's motion for leave to amend, rejecting the appellee's argument that it would suffer undue prejudice because of the extensive discovery that would be required, stating that this was insufficient to overcome the policy in favor of permitting amendment, "particularly when trial has not yet commenced and is not likely to do so for some time"). Moreover, much of the discovery already propounded by Neways is general in nature and pertains to the remaining basis for relief set forth in the amended pleading.

Additional factors other than the effect on discovery distinguish other cases cited by Neways in its opposition brief. For example, in the case of *M/V American Queen v. San Diego Marine Const. Corp.*, 708 F.2d 1483, 1492 (9th Cir. 1983) the motion for leave to amend was denied not only because it was filed a full 1½ years after filing complaint, but also because there was a pending motion for summary judgment that could result and possible disposition of the case. There is no factor of a prior pending dispositive motion in the present proceeding. In the case of *Campania Mgmt. Inc. v. Rooks, Pitts & Poust*, 290 F.3d 843, 850 (7th Cir. 2002), the motion for leave was denied not only because it was filed 6 days before discovery deadline, but also because it raised a potentially "futile" claim. There is no factor of a potentially futile claim in the present proceeding, and it was filed over a month before the discovery cutoff. In the case of *Acosta-Mestre v.Hilton Intl. of P.R., Inc.*,156 F.3d 49, 51-52 (1st Cir. 1998) the motion for leave to amend was filed 15 months after the original complaint which had already been

LAW OFFICES
Kimble, MacMichael
& Upton
A PROFESSIONAL CORPORATION
5260 NORTH PALM AVENUE
SUITE 221
P. O. Box 9489
FRESNO, CA 93792-9489

amended once, just before close of discovery, after pre-trial order had been entered, and it would have added a new party. There is no factor of a prior amendment to the pleadings, nor adding a new party in the present proceeding.

Neways argues that granting the present motion would result in undue delay. However, Neways does not assert that this delay would be prejudicial. Even so, "[b]ald assertions of prejudice cannot overcome the strong policy reflected in Rule 15(a) to 'facilitate a proper disposition on the merits.' " *Hurn v. Ret. Fund Trust of the Plumbing, Heating & Piping Indus.*, 648 F.2d 1252, 1254 (9th Cir.1981) (quoting *Conley v. Gibson*, 355 U.S. 41, 48, 78 S.Ct. 99, 2 L.Ed.2d 80 (1957)). Importantly here, Neways has already filed a (premature) motion to dismiss the amended pleading. The filing of the motion to dismiss is significant because (1) it demonstrates Neways' own belief that Opposer's motion for leave to amend should be granted, and (2) it serves to further delay these proceedings, since a decision on the motion to dismiss will take time—and even if the motion to dismiss were granted, the Board would most likely also grant leave to amend. Thus Neways' own actions will cause delay, demonstrating that it will not be prejudiced by any delay associated with this motion, its own motion, nor any extensions of the deadlines in this proceeding.

The lack of prejudice is further demonstrated in the present case because the proposed amendment does not expand, but actually *narrows* the issues to be determined in the consolidated opposition proceedings by eliminating one of the bases for the opposition.

Finally, before the motion was filed, and as part of the motion itself, Opposer proposed a 60-day extension of the discovery cutoff and all other deadlines in this proceeding. Neways has also requested such an extension in its opposition brief (p.7, lines 1-4.). Thus, any possible prejudice can be easily addressed by extending these deadlines.

///

///

///

///

///

LAW OFFICES
Kimble, MacMichael
& Upton
A PROFESSIONAL CORPORATION
5260 NORTH PALM AVENUE
SUITE 221
P. O. Box 9489
FRESNO, CA 93792-9489

II. CONCLUSION

In light of the above, it is respectfully requested that Opposer's Motion to Amend be granted as to these consolidated opposition proceedings, and that the discovery cutoff and all other deadlines in these proceedings be extended for a period of at least 60 days.

Dated: October 5, 2006

Respectfully Submitted,

KIMBLE, MacMICHAEL & UPTON
A Professional Corporation

By _____
MARK D. MILLER
5260 North Palm Ave., Suite 221
Fresno, California 93704
Telephone: (559) 435-5500
Facsimile: (559) 435-1500
Attorneys for Opposer
Visual Changes Skin Care International, Inc.

LAW OFFICES
Kimble, MacMichael & Upton
A PROFESSIONAL CORPORATION
5260 NORTH PALM AVENUE
SUITE 221
P. O. Box 9489
FRESNO, CA 93792-9489

Certificate of Mailing 37 CFR § 2.197

I hereby certify that that a true copy of the foregoing Opposer's Reply to Neways' Opposition to Motion to Amend and to Extend Trial Dates is being served on the Applicant by being deposited with the United States Postal Service as first class mail, postage prepaid, in an envelope addressed to:

John C. Stringham
Robyn L. Phillips, Esq.
WORKMAN NYDEGGER
1000 Eagle Gate Tower
60 East South Temple Street
Salt Lake City, Utah 84111

on October 5, 2006.

Signed: Deniece Turner
Deniece Turner

LAW OFFICES
Kimbie, MacMichael
& Upton
A PROFESSIONAL CORPORATION
5260 NORTH PALM AVENUE
SUITE 221
P. O. Box 9489
FRESNO, CA 93792-9489