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

Proceeding	91196222
Party	Plaintiff ESP Shibuya Enterprises Inc. and ESP CO LTD
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Submission	Motion for Sanctions
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Signature	/s/ Bradley S. Rothschild
Date	05/27/2011
Attachments	Motion for Sanctions w Declaration - ESSENTIAL.pdf (10 pages)(1068618 bytes)

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

In the Matter of Trademark Application Serial No. 77/759567
For the Mark: "ESSENTIAL SOUND PRODUCTS, INC."
Published in the Official Gazette: June 8, 2010

ESP CO., LTD., a Japanese corporation, E.S.P. SHIBUYA ENTERPRISES, INC. d/b/a ESP GUITAR COMPANY, a California corporation,	)	
Opposers,	)	Opposition No. 91196222
vs.	)	
ESSENTIAL SOUND PRODUCTS, INC., a Michigan corporation,	)	
Applicant.	)	

OPPOSERS' MOTION FOR DISCOVERY SANCTIONS

I. INTRODUCTION

Opposers, ESP Co., Ltd. and E.S.P. Shibuya Enterprises, Inc. d/b/a ESP Guitar Company (collectively, "Opposers") hereby moves the Trademark Trial and Appeal Board (the "Board"), pursuant to 37 C.F.R. § 2.120(g) and TBMP § 527.01, for an order imposing sanctions on Applicant, Essential Sound Products, Inc. ("Applicant") for failure to comply with the Board's Order of May 3, 2011 (the "Order"), and serve their Initial Rule 26(a)(1) Disclosures, as required by 37 C.F.R. § 2.120(a)(2).

Applicant's failure to act in good faith has deprived Opposers of a fair opportunity to conduct discovery in a timely manner. Moreover, Applicant's actions, or

lack thereof, have only served to increase the cost of litigation. Applicant's refusal to fulfill its responsibilities regarding discovery has forced Opposers into otherwise unnecessary motion practice.

Accordingly, Opposers respectfully requests that the Board issue an order dismissing the above-captioned Application with prejudice, and grant such other relief as the Board deems appropriate.

II. RELEVANT PROCEDURAL AND FACTUAL HISTORY

On August 25, 2010, Opposers filed a Notice of Opposition (the "Opposition"). On October 4, 2010, Applicant filed an Answer. On August 25, 2010, the Board set forth an Order that included a trial schedule (the "Order"), requiring an Initial Discovery Conference by November 3, 2010. Due to Applicant's counsel's scheduling conflicts, the Initial Discovery Conference did not occur until November 8, 2010, when Opposers and Applicant participated in a Discovery Conference by telephone. Declaration of Bradley Rothschild ("Rothschild Decl.") as Exhibit A.

At the Discovery Conference, Opposers and Applicant agreed to move forward with discovery on a schedule consistent with that set forth within the Order. Id. The Order required that that Initial Rule 26(a)(1) Disclosures be served by December 3, 2010. Opposers served their Initial Rule 26(a)(1) Disclosures on Applicant on December 7, 2010. Id.

Between December 7, 2010 and March 7, 2011, counsel for Opposers and Applicant have been in constant communication by email correspondence and telephone regarding the status of this matter, including the status of Applicant's Initial Rule 26(a)(1)

Disclosures. Id. Counsel for Applicant has repeatedly stated that Applicant's Initial Rule 26(a)(1) Disclosures are forthcoming. Id.

On March 8, 2011, Opposers filed a Motion to Compel Applicant's Initial Rule 26(a)(1) Disclosures. Id. Opposers' Motion to Compel Applicant's Initial Rule 26(a)(1) Disclosures was not opposed by Applicant. Id.

Accordingly, on May 3, 2011, the Board granted Opposers' Motion to Compel Initial Rule 26(a)(1) Disclosures, providing Applicant twenty (20) days from the date of the Order to serve Initial Initial Rule 26(a)(1) Disclosures. See Order. The Order further provides, "[i]n the event applicant failes to serve its initial disclosures as ordered herein, opposer's remedy lies in a motion for sanctions pursuant to Trademark Rule 2.120(g)." Id.

The deadline for Applicant to provide Initial Rule 26(a)(1) Disclosures was May 23, 2011. Id. As of the date of this writing, Applicant has failed to comply with the Board's Order, and failed to serve their Initial Rule 26(a)(1) Disclosures. Applicant's failure to provide Opposers with its Initial Rule 26(a)(1) Disclosures has rendered Opposers unable to serve Applicant with effectively tailored Discovery Demands. Id.

III. ARGUMENT

Under Trademark Rule 2.120(a)(2), initial disclosures must be made no later than thirty days after the opening date of discovery. Trademark Rule 2.120(a)(2) requires parties to serve initial disclosures, see Fed. R. Civ. P. 26(a)(1), no later than thirty days after the opening of the discovery period.

The requirement for parties to make reciprocal initial disclosures was introduced into Board inter partes proceedings by amendments to the Trademark Rules, and is applicable to all proceedings which commenced on or after November 1, 2007. See Notice of Final Rulemaking, Miscellaneous Changes to Trademark Trial and Appeal Board Rules, 72 Fed. Reg. 42242 (Aug. 1, 2007), (hereinafter "Final Rule"). In the Final Rule, the Board indicated that the requirement for reciprocal initial disclosures facilitates the exchange of "core information regarding the existence of and location of witnesses and documents," lessens the expense of traditional discovery, and promotes early communication toward possible settlement. It is clear that the obligation of parties to make initial disclosures is integral to the efficient conduct of Board proceedings and not an obligation to be taken lightly by the parties. See, Kairos Inst. of Sound Healing, LLC, 88 U.S.P.Q.2d 1541 (Trademark Tr. & App. Bd. Oct. 17, 2008)

However, the Final Rule also made clear, in various places, that initial disclosures would essentially be treated the same as discovery responses. Id. citing Final Rule, 72 F.R. at 42246 ("In essence, initial written disclosures and initial disclosures of documents will be treated like responses to discovery requests.").

"The law is clear that if a party fails to comply with an order of the Board relating to discovery, including an order compelling discovery, the Board may order appropriate sanctions as defined in Trademark Rule 2.120(g)(1) and *Fed R. Civ. P.* 37(b)(2), including entry of judgment." MHW, Ltd. and PepsiCo., Inc. v. Simex, Aussenhandelsgesellschaft Savelsberg KG, 59 USPQ 2d (BNA) 1477 (TTAB 2000), (Board granting motion for sanctions for failure to comply with discovery order, in the form of entry of judgment with prejudice, cancelling registration.), citing Baron Phillippe

de Rothschild S.A. v. Styl –Rite Optical Mfg. Co., 55 USPQ 2d 1848 (TTAB 2000) (Board granting motion for sanctions for failure to comply with discovery order, in the form of entry of judgment with prejudice, when failure to comply with order caused a long history of delays and increased cost of litigation, as well as resulting prejudice because of overall delay in proceedings) ; Unicut Corp. v. Unicut, Inc., 222 USPQ 341 (TTAB 1984); TBMP § 527.01.

Applicant has failed to comply with the Board's Order, and failed to provide Opposers with Initial Rule 26(a)(1) Disclosures. Additionally, as discussed above, Applicant has made a good-faith effort by both correspondence and telephonic conferences to resolve the issues presented in this motion. See Exhibit A. *These communications clearly satisfy Applicant's duty to attempt to resolve the issues presented in this motion.*

IV. CONCLUSION

For the foregoing reasons, Opposers respectfully requests that the Board grant Opposers' Motion for Discovery Sanctions, and that the resulting order result in the dismissal of the above-captioned Application, with prejudice, or such other relief as the Board deems appropriate.

Dated: May 27, 2011
Hackensack, New Jersey

Respectfully submitted,
BIENSTOCK & MICHAEL, P.C.

By: _____
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COUNSEL FOR OPPOSERS

EXHIBIT "A"

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

In the Matter of Trademark Application Serial No. 77/759567
For the Mark: "ESSENTIAL SOUND PRODUCTS, INC."
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Opposers,	Opposition No. 91196222
vs.	
ESSENTIAL SOUND PRODUCTS, INC., a Michigan corporation,	
Applicant.	

DECLARATION OF BRADLEY S. ROTHSCHILD, ESQ.
IN SUPPORT OF OPPOSERS' MOTION FOR DISCOVERY SANCTIONS

I, Bradley S. Rothschild, Esq., declare that:

1. I am an attorney licensed to practice in the States of New York and New Jersey. I am in good standing with the State Bars of New York and New Jersey. I am in all respects competent to testify to the facts stated in this Declaration.

2. I am an Associate in the law firm of Bienstock & Michael, P.C. (the "Firm"), counsel to the above-captioned Opposers, ESP Co., Ltd. and E.S.P. Shibuya Enterprises d/b/a ESP Guitar Company ("Opposers").

3. The Firm represents Opposers in various trademark matters, including the above-captioned proceeding pending in the United States Patent and Trademark Office before the Trademark Trial and Appeal Board ("TTAB").

4. The facts stated in this Declaration are based on my personal knowledge, and are true and correct. I understand that this Declaration will be submitted to the Trademark Trial and Appeal Board of the United States Patent and Trademark Office in connection with Opposers' Motion to Compel ("Motion to Compel") in the above-captioned opposition proceeding.

5. On August 25, 2010, Opposers filed a Notice of Opposition.

6. On August 25, 2010 the Board set forth an Order that included a trial schedule (the "Order") requiring an Initial Discovery Conference by November 3, 2010.

7. On October 4, 2010 Applicant filed an Answer.

8. Due to Applicant's counsel's scheduling conflicts, the Initial Discovery Conference did not occur until November 8, 2010, when Opposers and Applicant participated in the Initial Discovery Conference by telephone.

9. At the Initial Discovery Conference on November 8, 2010, Opposers and Applicant agreed to move forward with discovery on a schedule consistent with that set forth in the Order, which set Initial Rule 26(a)(1) Disclosures due by December 3, 2010.

10. Opposers served their Initial Rule 26(a)(1) Disclosures on Applicant on December 7, 2010.

11. Between December 7, 2010 and March 7, 2011, counsel for Opposers and Applicant have been in constant communication by email correspondence and telephone regarding the status of this matter, including the status of Applicant's Initial Rule 26(a)(1)

Disclosures. Counsel for Applicant has repeatedly stated that Applicant's Initial Rule 26(a)(1) Disclosures are forthcoming.

12. On March 8, 2011, Opposers filed a Motion to Compel Applicant's Initial Rule 26(a)(1) Disclosures. Opposers' Motion to Compel Applicant's Initial Rule 26(a)(1) Disclosures was not opposed by Applicant.

13. Accordingly, on May 3, 2011, the Board granted Opposers' Motion to Compel Initial Rule 26(a)(1) Disclosures, providing Applicant twenty (20) days from the date of the Order to serve Initial Initial Rule 26(a)(1) Disclosures. The Order further provides, "[i]n the event applicant failes to serve its initial disclosures as ordered herein, opposer's remedy lies in a motion for sanctions pursuant to Trademark Rule 2.120(g)."

14. The deadline for Applicant to provide Initial Rule 26(a)(1) Disclosures was May 23, 2011.

15. As of the date of this Declaration, Applicant has failed to comply with the Board's Order, and failed to serve their Initial Rule 26(a)(1) Disclosures. This has limited Opposers ability to prepare effective discovery demands in this matter.

The undersigned, being warned that willful false statements and the like are punishable by fine or imprisonment, or both, under 18 U.S.C. § 1001, and that such willful false statements and the like may jeopardize the validity of the application or document or any registration resulting therefrom, declares that all statements made of his own knowledge are true; and all statements made on information and belief are believed to be true.

Bradley S. Rothschild, Esq.

Dated: May 27, 2011

CERTIFICATE OF FILING

I hereby certify that this foregoing Opposers' Motion for Discovery Sanctions and Declaration of Bradley S. Rothschild, Esq. in Support of Opposers' Motion for Discovery Sanctions, is being transmitted to the United States Patent and Trademark Office, Trademark Trial and Appeal Board, via the TTAB's ESTTA procedure on May 27, 2011.

Bradley S. Rothschild, Esq.

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Opposers' Motion for Discovery Sanctions and Declaration of Bradley S. Rothschild, Esq. in Support of Opposers' Motion for Discovery Sanctions has today been deposited with the United States Postal Service on the date below as first class mail, postage prepaid, in an envelope addressed as follows:

Stephon E. Johnson, Esq.
Law Offices of Stephon E. Johnson, PLLC
535 Griswold Street, Suite 1330
Detroit, MI
48226

COUNSEL FOR APPLICANT

Date: May 27, 2011

By: Bradley S. Rothschild, Esq.