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

Proceeding	91203036
Party	Defendant Top Tobacco L.P.
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Date	01/27/2012
Attachments	Paradise_answer.pdf ( 13 pages )(34724 bytes )

Registration Subject to the filing

Registration No	3723783	Registration date	12/08/2009
Registrant	Holt's Company 1105 N. Market Street Suite 1300 Wilmington, DE 19801 UNITED STATES		

Goods/Services Subject to the filing

Class 034. First Use: 2009/09/16 First Use In Commerce: 2009/09/16  
All goods and services in the class are requested, namely: Cigars

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

RE: U.S. Trademark Application Serial No. 85/373,718  
Published in the Official Gazette on October 18, 2011

HOLT's COMPANY,	)	
	)	
Opposer	)	
	)	
-v-	)	Opposition No. 91203036
	)	
TOP TOBACCO L.P.,	)	
	)	
Applicant	)	

**APPLICANT'S ANSWER TO NOTICE OF OPPOSITION**

1. Applicant is a Delaware Limited Partnership having an address at 2301 Ravine Way Glenview, Illinois 60025. On July 18, 2011, Applicant filed a Use Based Application, Serial No. 85/373,718, for the mark PARADISE, for Applicant's Goods, as allegedly used in commerce at least as early as July 1, 2011.

**ANSWER:** Admitted.

2. Since at least as early as September 16, 2009, Opposer has continuously used the PARADISO Mark in commerce in connection with goods described as "cigars" ("Opposer's Goods").

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 2.

3. When translated to English, Opposer's PARADISO mark means "PARADISE."

**ANSWER:** Applicant admits that "PARADISE" is one of numerous English translations of Opposer's "PARADISO" mark, as Opposer itself asserted in the prosecution of its application to register PARADISO (*See* Serial No. 78/572,986; Reg. No. 3,723,783). Top Tobacco denies each and every remaining allegation in Paragraph 3.

4. Opposer has invested substantial resources in advertising and promoting its goods and has acquired substantial goodwill and notoriety under the PARADISO trademark.

**ANSWER:** Top Tobacco lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 4, and therefore denies the same.

5. Opposer will rely upon its ownership of a prior Federal trademark registration for the mark PARADISO, as well as the Common Law rights it has obtained through prior and continuous use of the PARADISO Mark in commerce.

**ANSWER:** Top Tobacco lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 5, and therefore denies the same. Answering further, Top Tobacco denies that Opposer has used the mark PARADISO in the United States sufficiently to obtain, develop or maintain common law and federal trademark rights in the mark.

6. Opposer is the owner of U.S. Trademark Registration No. 3,723,783, for the mark PARADISO® registered with the USPTO since December 8, 2009, for goods described as “cigars.”

**ANSWER:** Top Tobacco lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 6, and therefore denies the same.

7. Opposer’s registration is not limited by channels of trade or classes of purchasers.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 7.

8. Opposer’s Registration No. 3,723,783 is valid and subsisting and is conclusive evidence of the validity of the registered mark, the registration of the registered mark, Opposer’s ownership of the registered mark, and Opposer’s exclusive right to use the registered mark with the goods specified in the registration.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 8.

9. Applicant’s filing date of July 18, 2011 and first use date of July 1, 2011 are both subsequent to the date of first use of and issuance date of U.S. Reg. No. 3,723,783 for PARADISO.

**ANSWER:** Top Tobacco admits that its filing date of July 18, 2011 and first use date of July 1, 2011 are both subsequent to Opposer’s alleged date of first use of and issuance date of U.S. Reg. No. 3,723,783 for PARADISO. Answering further, Top Tobacco lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 9, and therefore denies the same.

10. Since its initial use of Opposer’s PARADISO Mark, Opposer has made a substantial investment in advertising and promoting its Goods under its PARADISO Mark. Opposer has extensively used, advertised, promoted, offered and sold its Goods to the public through various channels of trade in commerce. Opposer’s customers and the public in general know and recognize its PARADISO branded goods, namely cigars, and associate same with Opposer. Opposer has built and continues to build extensive goodwill in connection with the sale of goods bearing Opposer’s PARADISO Mark.

**ANSWER:** Top Tobacco lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 10, and therefore denies the same.

11. Applicant is also the owner of such cigar and pipe tobacco brands as ASHTON® (Reg. No. 1376628), registered December 24, 1985, covering “smoking pipes, pipe tobacco and

cigars”; ASHTON® (Reg. No. 1,885,186), registered March 21, 1995 covering “smoking pipes, pipe tobacco, and cigars”, and HOLT’S™ covering cigars and pipe tobacco.

**ANSWER:** Top Tobacco lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 11, and therefore denies the same.

12. Applicant’s filing of Application Serial No. 85/373,718 for PARADISE is without license, authorization or permission from Opposer.

**ANSWER:** Admitted.

**FIRST GROUND FOR OPPOSITION  
(LIKELIHOOD OF CONFUSION – FEDERAL)**

13. Opposer re-alleges the allegations contained in Paragraphs 1 through 12 of this Notice of Opposition.

**ANSWER:** Top Tobacco incorporates and realleges its answers to Paragraphs 1-12 of this Notice of Opposition.

14. Applicant’s PARADISE Mark so resembles Opposer’s PARADISO Mark in sound, appearance and commercial impression as to be likely, when used in connection with Applicant’s Goods, to cause confusion or mistake or to deceive purchasers resulting in damage and detriment to Opposer and its reputation.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 14.

15. Opposer’s PARADISO Mark when translated to English is identical to Applicant’s Mark.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 15.

16. Applicant’s filing date of July 18, 2011, is subsequent to Opposer’s registration and use dates for U.S. Reg. No. 3,723,783. As such, priority is not an issue in this proceeding.

**ANSWER:** Applicant admits that it filed its PARADISE application subsequent to the issuance of U.S. Reg. No. 3,723,783. Top Tobacco denies each and every remaining allegation contained in Paragraph 16.

17. Opposer’s Goods and Applicant’s Goods are nearly identical and/or related, which is further established by Opposer’s owning the marks ASHTON® and HOLT’S™ covering both cigars and pipe tobacco, but also by the hundreds of other USPTO Trademark registrations by competitors covering both cigars and pipe tobacco.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 17.

18. Opposer's Goods and Applicant's Goods are and will be offered and sold through the same channels of trade and purchased and consumed by the same class of purchasers, particularly those same customers.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 18.

19. Opposer's customers, and the public in general, are likely to be confused, mistaken or deceived as to the origin, affiliation, endorsement and sponsorship of Applicant's Goods offered and marketed under the PARADISE Mark and misled into believing that such Goods are offered by, emanate from, or are in some way associated with, sponsored by or endorsed by Opposer, to the damage and detriment of Opposer and its reputation.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 19.

20. Opposer will be damaged by Applicant's registration of PARADISE as set forth in Application Serial No. 85/373,718, in that the mark, "PARADISE" is similar in appearance, sound and commercial impression (and when Opposer's Mark is translated into English, it is identical) to Opposer's PARADISO Mark and is used in connection with goods nearly identical and/or related to the goods set forth in Opposer's Registration.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 20.

21. Applicant's registration of the PARADISE Mark would be contrary to 15 U.S.C. § 1052(d) and would violate and diminish the prior and superior rights of Opposer to its PARADISO Mark.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 21.

**SECOND GROUND FOR OPPOSITION  
(LIKELIHOOD OF CONFUSION – COMMON LAW)**

22. Opposer re-alleges the allegations contained in Paragraphs 1 through 21 of this Notice of Opposition.

**ANSWER:** Top Tobacco incorporates and realleges its answers to Paragraphs 1-21 of this Notice of Opposition.

23. Applicant's PARADISE Mark so resembles Opposer's PARADISO Mark as to be likely, when used in connection with Applicant's Goods, to cause confusion or mistake or to deceive purchasers resulting in damage and detriment to Opposer and its reputation.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 23.

24. Applicant's date of first use in commerce, July 1, 2011, claimed in Appl. Ser. No. 85/373,718, is subsequent to Opposer's first use in commerce, September 16, 2009, for the PARADISO Mark of Opposer. As such, priority is not an issue in this proceeding.

**ANSWER:** Top Tobacco admits that its first use in commerce of its PARADISE mark is at least as early as July 1, 2011. Top Tobacco denies each and every remaining allegation in Paragraph 24.

25. Opposer's Goods and Applicant's Goods are nearly identical and/or related, which is further established by Opposer's owning the marks ASHTON® and HOLT'S™ covering both cigars and pipe tobacco, but also by the hundreds of other tobacco product distributors selling and/or offering for sale both cigars and pipe tobacco, many also under the same brand name/trademark.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 25.

26. Opposer's Goods and Applicant's Goods will or are likely to be offered through the same channels of trade and purchased and used by the same class of purchasers.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 26.

27. Opposer's customers, and the public in general, are likely to be confused, mistaken or deceived as to the origin, affiliation, endorsement or sponsorship of Applicant's Goods offered under Applicant's PARADISE Mark and misled into believing that such Goods are offered by, emanate from, or are in some way associated with Opposer, to the damage and detriment of Opposer and its reputation.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 27.

28. Opposer will be damaged by Applicant's registration of the PARADISE Mark as set forth in Application Serial No. 85/373,718, as the term PARADISE is nearly identical in sound, appearance and commercial impression to Opposer's PARADISO Mark (and when Opposer's Mark is translated into English, it is identical) thereby violating Opposer's common law rights to its Mark.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 28.

29. Applicant's registration of PARADISE would be contrary to 15 U.S.C. § 1052(d) and would violate and diminish the prior and superior common law rights of Opposer to its PARADISO Mark.

**ANSWER:** Top Tobacco denies each and every allegation in Paragraph 29.

### **AFFIRMATIVE DEFENSES**

Further answering, Top Tobacco asserts the following defenses in response to the allegations of the Opposition, undertaking the burden of proof only as to those defenses required by law, regardless of how such defenses are denominated herein:

### **First Affirmative Defense**

Opposer's opposition to U.S. Application Serial No. 85/373,718 is barred because Opposer has not made sufficient use of the PARADISO mark in interstate or intrastate commerce in the United States in connection with cigars to obtain, develop or maintain trademark rights in the United States. On information and belief, prior to Top Tobacco filing its application to register the mark PARADISE (Serial No. 85/373,718), Opposer only used the PARADISO mark in connection with its cigars outside of the United States. On information and belief, prior to Top Tobacco filing its application to register the mark PARADISE (Serial No. 85/373,718), Opposer's cigars, which have been distributed under and in connection with the PARADISO name outside of the United States, have been distributed under and in connection with the SAN CRISTOBAL mark in the United States. Further, even if Opposer has made interstate use of the mark PARADISO in connection with cigars in the United States, such use has been *de minimis* and mere token use of the mark, and therefore, is insufficient to obtain, develop or maintain trademark rights.

### **Second Affirmative Defense**

Opposer's opposition to U.S. Application Serial No. 85/373,718 is barred due to Opposer's unclean hands. Opposer committed fraud in the procurement of a registration by knowingly misrepresenting in its Statement of Use in connection with its application for PARADISO, Serial App. No. 78/572,986 (now Registration No. 3,723,783) that Opposer was using the mark PARADISO in commerce when it was not. In particular, on September 16, 2009, Opposer submitted a Statement of Use for Serial App. No. 78/572,986 (now Registration No. 3,723,783) declaring that the PARADISO mark "is in use in commerce on or in connection with

the following goods listed in either the application or Notice of Allowance or as subsequently modified for this specific class: cigars. The mark was first used by the applicant, or the applicant's related company, licensee, or predecessor in interest at least as early as 09/16/2009, and first used in commerce at least as early as 09/16/2009 and is now in use in such commerce." However, at the time Opposer filed Serial App. No. 78/572,986, Opposer knew or should have known that it had not made sufficient use of the PARADISO mark in interstate or intrastate commerce in the United States in connection with cigars to obtain or maintain trademark rights in the United States. Accordingly, this Statement of Use included a false, material misrepresentation of fact – namely, that Opposer was using the PARADISO mark in interstate commerce – which Opposer knew or should have known was false, and which was made with the intent to deceive the Trademark Office for the purpose of obtaining Opposer's Registration No. 3,723,783.

#### **COUNTERCLAIM FOR CANCELLATION OF OPPOSER'S MARK**

Applicant Top Tobacco, L.P., for its counterclaim against Opposer Holt's Company, alleges as follows:

1. Opposer filed an application for federal registration of the mark PARADISO (Serial App. No. 78/572,986) for use in connection with cigars on an intent to use basis on February 23, 2005.

2. On September 16, 2009, Opposer submitted a Statement of Use pursuant to 15 U.S.C § 1051(d) for this application, declaring that "the mark [now, Registration No. 3,723,783] is in use in commerce on or in connection with the following goods listed in either the application or Notice of Allowance or as subsequently modified for this specific class: cigars. The mark was first used by the applicant, or the applicant's related company, licensee, or



predecessor in interest at least as early as 09/16/2009, and first used in commerce at least as early as 09/16/2009 and is now in use in such commerce.”

3. In reliance upon Opposer’s aforementioned Statement of Use Declaration, on December 8, 2009, the United States Patent & Trademark Office (“Trademark Office”) granted the federal registration of the PARADISO mark for use in connection with cigars, Registration No. 3,723,783, based upon the statements set forth by Opposer in its Statement of Use Declaration.

4. On information and belief, prior to Top Tobacco filing its application to register the mark PARADISE (Serial No. 85/373,718), Opposer’s cigars, which have been distributed under and in connection with the PARADISO name outside of the United States, have been distributed under and in connection with the SAN CRISTOBAL mark in the United States.

5. On information and belief, prior to Top Tobacco filing its application to register the mark PARADISE (Serial No. 85/373,718), Opposer has not made sufficient use of the PARADISO mark in interstate or intrastate commerce in the United States in connection with cigars to obtain, develop or maintain trademark rights in the United States.

6. Moreover, and in the alternative, to the extent Opposer has made any interstate use of the PARADISO mark in the United States, such use has been *de minimis* and mere token use of the mark, and therefore, is insufficient to obtain, develop or maintain trademark rights.

7. Thus, Opposer did not commence use of the PARADISO mark in interstate commerce within in the meaning of 15 U.S.C. §§1051 and 1127 and 37 C.F.R. §2.34 prior to Top Tobacco filing its application for PARADISE (Serial App. No. 85/373,718) on July 18,

2011.

8. Top Tobacco has applied to register the mark PARADISE based upon its alleged use of the mark in commerce at least as early as July 1, 2011 in connection with “pipe tobacco,” Serial No. 85/373,718.

9. Opposer asserted rights in Registration No. 3,723,783 against Top Tobacco in its Notice of Opposition filed on December 19, 2011, claiming a likelihood of confusion of Top Tobacco’s mark with Opposer’s PARADISE mark, Registration No. 3,723,783.

**COUNT I – INSUFFICIENT USE OF A MARK IN COMMERCE TO OBTAIN OR MAINTAIN A FEDERAL TRADEMARK REGISTRATION**

10. Top Tobacco re-states and incorporates by reference herein paragraphs 1-9 of its Counterclaim as if fully set forth herein.

11. Upon information and belief, and for the aforesaid reasons, Opposer has not commenced use of the PARADISO mark in connection with cigars in interstate commerce as required by 15 U.S.C. §§1051 and 1127 and 37 C.F.R. §2.34.

12. Top Tobacco will be damaged and injured by the maintenance of Registration No. 3,723,783. Opposer has asserted rights in Registration No. 3,723,783, and may attempt to re-assert rights in the future, against Top Tobacco for any use of the mark PARADISE.

13. For the foregoing reasons, Opposer’s Registration No. 3,723,783 should be cancelled pursuant to 15 U.S.C. §1064.

## **COUNT II – FRAUD IN THE PROCUREMENT OF A REGISTRATION**

14. Top Tobacco re-states and incorporates by reference herein paragraphs 1-9 of its Counterclaim as if fully set forth herein.

15. Upon information and belief, on September 16, 2009, Opposer knowingly submitted a false declaration under oath in connection with the mark PARADISO (Registration No. 3,723,783) to the Trademark Office, in as much as it had not used and knew that it had not used the mark in interstate commerce prior to that date but falsely stated that the mark was in use in commerce, with the intent to deceive the Trademark Office.

16. In particular, a declarant for Opposer stated that “the mark [Registration No. 3,723,783] is in use in commerce on or in connection with the following goods listed in either the application or Notice of Allowance or as subsequently modified for this specific class: cigars. The mark was first used by the applicant, or the applicant’s related company, licensee, or predecessor in interest at least as early as 09/16/2009, and first used in commerce at least as early as 09/16/2009 and is now in use in such commerce.”

17. In addition, under penalty of perjury, Opposer’s President, Robert Levin, swore that to the best of his knowledge and belief, all of the statements made by his own knowledge in the declaration were true.

18. Opposer’s declaration included a false, material misrepresentation of fact – namely that Opposer was using the mark in commerce – when Opposer knew or should have known that Opposer had not begun using the mark in commerce within the meaning 15 U.S.C. §§1051 and 1127 and 37 C.F.R. §2.34, or had not otherwise made sufficient use of the

PARADISO mark in interstate or intrastate commerce in the United States in connection with cigars to obtain, develop or maintain trademark rights in the United States.

19. In order to obtain the benefits of a federal registration for the PARADISO mark, Opposer made this material representation with the specific intent to deceive or mislead the Trademark Office in order to obtain such rights through the acquisition of Opposer's Registration No. 3,723,783.

20. In reliance upon Opposer's aforementioned declaration, on December 8, 2009, the Trademark Office granted the registration of Registration No. 3,723,783 based upon the statements set forth by Opposer in its Statement of Use Declaration.

21. Accordingly, Opposer thereby committed fraud on the Trademark Office in the procurement of Registration No. 3,723,783.

22. Top Tobacco will be damaged and injured by the maintenance of Registration No. 3,723,783. Opposer has already demonstrated its willingness to assert rights in Registration No. 3,723,783 and may attempt to re-assert rights in the future against Top Tobacco for any use of the mark PARADISE.

23. For the foregoing reasons, Opposer's Registration No. 3,723,783 should be cancelled pursuant to 15 U.S.C. §1064.

### **COUNT III – ABANDONMENT**

24. Top Tobacco re-states and incorporates by reference herein paragraphs 1-9 of its Counterclaim as if fully set forth herein.

25. In the alternative, in the event Opposer commenced use of the mark PARADISO in connection with cigars in the United States within the meaning of 15 U.S.C. §§1051 and 1127 and 37 C.F.R. §2.34, on information and belief, Opposer has otherwise abandoned the PARADISO mark within the meaning of 15 U.S.C. §1127.

26. On information and belief, prior to Top Tobacco filing its application to register the mark PARADISE (Serial No. 85/373,718), Opposer discontinued use of the PARADISO mark in the United States in connection with cigars with the intent not to resume such use.

27. Top Tobacco will be damaged and injured by the maintenance of Registration No. 3,723,783. Opposer has already demonstrated its willingness to assert rights in Registration No. 3,723,783 and may attempt to re-assert rights in the future against Top Tobacco for any use of the mark PARADISE.

28. For the foregoing reasons, Opposer's Registration No. 3,723,783 should be cancelled pursuant to 15 U.S.C. §1064.

WHEREFORE, Top Tobacco requests that this Counterclaim be granted and that the Board cancel Registration No. 3,723,783.

Respectfully submitted,

/Antony J. McShane/

One of the Attorneys for Applicant

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**CERTIFICATE OF SERVICE**

I, Kathleen E. Blouin, state that I served a copy of the foregoing, *Applicant's Answer to Notice of Opposition*, upon Correspondent for Opposer as listed with the USPTO:

M. Kelly Tillery  
Pepper Hamilton LLP  
3000 Two Logan Square 18<sup>th</sup> and Arch Streets  
Philadelphia, Pennsylvania 19103

via First Class Mail in accordance with Trademark Rule §§ 2.201 and 2.119 on January 27, 2012.

/Kathleen E. Blouin/  
Kathleen E. Blouin

NGEDOCs: 1866817.3