

ESTTA Tracking number: **ESTTA621414**

Filing date: **08/14/2014**

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

Proceeding	91207525
Party	Defendant Starbucks Corporation DBA Starbucks Coffee Company
Correspondence Address	JULIA ANNE MATHESON FINNEGAN HENDERSON FARABOW GARRETT & DUNNER, LLP 901 NEW YORK AVE NW WASHINGTON, DC 20001 4432 UNITED STATES docketing@finnegan.com, julia.matheson@finnegan.com, anna.balishina@finnegan.com, TTAB-Legal-Assistants@finnegan.com
Submission	Motion to Compel Discovery
Filer's Name	Julia Anne Matheson
Filer's e-mail	docketing@finnegan.com, julia.matheson@finnegan.com, anna.balishina@finnegan.com, TTAB-Legal-Assistants@finnegan.com
Signature	/Julia Anne Matheson/
Date	08/14/2014
Attachments	8-14-14 App. Reply ISO Motion to Compel Opp Resp to Interrog & Doc Re-qs.pdf(515590 bytes)

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

<p>TAZA SYSTEMS, LLC,</p> <p style="text-align: center;">Opposer,</p> <p style="text-align: center;">v.</p> <p>STARBUCKS CORPORATION dba STARBUCKS COFFEE COMPANY,</p> <p style="text-align: center;">Applicant.</p>	<p>Opposition No. 91207525</p> <p>Mark: TAZO Serial No.: 85439878 Filed: October 5, 2011</p>
--	--

**APPLICANT’S REPLY IN SUPPORT OF MOTION TO COMPEL
OPPOSER’S RESPONSES TO INTERROGATORIES AND DOCUMENT REQUESTS**

Starbucks Corporation dba Starbucks Coffee Company (“Starbucks”) respectfully submits this reply in support of its motion to compel Taza Systems, LLC (“Taza”) to fully respond to Starbucks First Set of Interrogatories and Document Requests.

I. TAZA’S MERITLESS OBJECTIONS SHOULD BE OVERRULED

A. Taza’s Rule 34(b) Objections Are Frivolous

In its opposition, Taza conceded that the subject matter of Starbucks Document Requests Nos. 4-8 and 22 (Ex. 2 to Decl. of Anna Naydonov, July 15, 2014 (“Naydonov Decl.”), Dkt. # 29) is proper, sufficiently particular, and that Taza understands what topics Starbucks seeks discovery on. Instead, Taza has now taken a frivolous position that requests asking for “documents sufficient” to show or identify a matter run afoul of Fed. R. Civ. P. 34(b) because they do not “apprise a person of ordinary intelligence what documents are required.” (Opp. Br. 2.)

Although appalling that Taza would even waste the Board's time on this issue, Starbucks nevertheless notes that the "documents sufficient" to show/identify wording is proper and widely utilized by the federal courts, the Board, and trademark practitioners. Notably, the American Intellectual Property Law Association's Trademark Litigation Committee offers sample document requests for use in the Board proceedings (available at http://www.aipla.org/committees/committee_pages/Trademark-Litigation/Committee%20Documents/Sample%20Pleadings%20Index/Trademark%20Trials%20and%20Appeals%20Board/t5-docRequests.pdf), and these model requests extensively utilize the "documents sufficient to" wording, e.g.:

DOCUMENT REQUEST NO. 19:

Document sufficient to identify every product and service on or in connection with which you have used or are using the _____ marks.

DOCUMENT REQUEST NO. 31:

Documents sufficient to show your annual expenditures on domestic advertising and marketing of the _____ since first use in the United States.

DOCUMENT REQUEST NO. 32:

Documents sufficient to show the geographic scope of your business and promotional activities using the _____ marks.

DOCUMENT REQUEST NO. 36:

All documents sufficient to identify trade shows or conferences that you have attended.

DOCUMENT REQUEST NO. 38:

All documents sufficient to show the cost to your customers of all products or services you offer in connection with the _____ marks.

The Board and the federal courts frequently endorse the language "documents sufficient to identify" as properly delineating discovery requests. *See Honda Motor Co. v. Winkelmann*, 90 USPQ2d 1660, 2009 WL 962810, *3 (TTAB 2009) (relying on the record comprised of responses to document requests that sought "documents sufficient to identify" matters related to

the applicant's intended uses of the mark); *In re Toyota Motor Corp. Securities Litigation*, 2012 WL 3791716, *19-20 (C.D. Cal. Mar. 12, 2012) (holding that requests for "all documents 'relating to'" were overly broad and that defendants "need only produce documents sufficient to show" whether they had authority for recall decisions and "only those documents sufficient to describe" certain policies); *Zuniga v. Western Apartments*, 2014 WL 2599919, *6 (C.D. Cal. Mar. 25, 2014) (compelling defendants to produce "documents sufficient to reflect the amount of rent charged," "documents sufficient to reflect the substance of any household rules," and "documents sufficient to reflect whether any other action (e.g., eviction, lawsuit, etc.) was taken against the tenant"); *Sher v. Barclays Capital Inc.*, 2013 WL 4603431, *5 (D. Md. Aug. 28, 2013) (granting a motion to compel and ordering the defendant to produce "all documents sufficient to identify all non-agency mortgage backed securities"); *Clearone Commc'ns, Inc. v. Chiang*, 2007 WL 4166137, *4 (D. Utah Nov. 20, 2007) (granting motion to compel production of "[d]ocuments sufficient to show" the organizational structure of one of the parties).

Tellingly, Taza has not cited a single case where the Board or a court found that the "documents sufficient" to show/identify wording was found to violate Rule 34(b). Taza's frivolous Rule 34(b) objections to Starbucks Request Nos. 4-8 and 22 should be overruled.

B. Taza's Meritless Claim that Interrogatory Nos. 6, 7, and 10 and Request Nos. 5-8 Are Not Reasonably Calculated to Lead to the Discovery of Admissible Evidence Should Be Rejected

1. Taza's Argument that It Is Immune from Discovery Because It Relies on Registrations, Not Common Law Rights, Misses the Mark

Taza reiterates its argument that it is immune from discovery into actual use of its pleaded marks, its trade channels, classes of purchasers, and geographic locations because it is relying on unrestricted registrations and because "[t]his is not a proceeding in which Taza is relying on prior common law use." (Opp. Br. 3.)

First, Taza misunderstands that the right to maintain a registration is rooted in, conditioned on, and defined by the actual use of the mark in commerce. That is why a party against whom a registration has been asserted has the right to inquire in discovery into the opposer's actual use of the registered mark in commerce. As *Toro Co. v. Hardigg Indus., Inc.*, 549 F.2d 785, 789 (CCPA 1977), one of the cases relied on by Taza, teaches, although the "rule is clear that registration must be determined in the light of an applicant's goods as described in the application," "the goods must be those on which the mark is actually in use and must be accurately and truthfully described." *Id.* Here, a major issue—and one on which Taza resists discovery—is that the services in Taza's registrations are not "accurately and truthfully described."

If the Board were to accept Taza's reasoning, there would be no way for a defendant to ever check in discovery whether the registrant actually uses the mark on the pleaded goods/services, whether the registrant abandoned its rights in the U.S., whether the registrant's purchasers are sophisticated, etc. It is absurd to argue that once a registration is pled, the registrant is immune from discovery, and the proceeding is limited to the four corners of the registration certificate. Indeed, Taza's position would render moot the fundamental basis of U.S. trademark law found in the Lanham Act and the U.S. Constitution—use in commerce—since registrants would never have to establish actual use of registered marks asserted in an opposition or cancellation. In this case, where Starbucks has raised both priority and the scope of the registration as issues, Taza's actual use is a central issue that the Board will need to consider.

Second, as explained in detail in Starbucks' opening brief (Starbucks Br. 13-15, Dkt. # 28), Taza's argument completely ignores the scope of permissible discovery under Fed. R. Civ. P. 26(b)(1), the controlling case law, and the TBMP discovery guidelines. The same Rule

26(b)(1) governs discovery in all Board proceedings (both where opposers rely on common law rights and where they rely on federal registrations) and provides that a party “may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action.” TBMP § 402.01. “That is to say, it is solely within the discretion of [the party] itself to determine the scope of discovery it will take, and the *only* restrictions thereon are those specified in Rule 26(b)(1) ... and it is *not* ground for objection that the information sought will be inadmissible at the trial if the information sought appears to be reasonably calculated to lead to the discovery of admissible evidence.” *Crane Co. v. Shimano Indus. Co.*, 184 USPQ 691 (TTAB 1975) (emphases added). *See also Axiohm S.A. v. Axiom Tech., Inc.*, 2000 WL 1720151, at *2 (TTAB 2001) (“The requirement of relevance is generally construed liberally and discovery generously allowed unless it is clear that the information which is sought can have *no possible bearing* on the issues involved in the particular proceeding.”) (emphasis added).¹ Indeed, neither Rule 26 nor the Board precedent provide two sets of discovery rules: one for opposers asserting pleaded registrations and one for those asserting common law rights in the mark.

And while the Board and the federal courts permit a broad scope of discovery, none of the disputed discovery requests come anywhere near those broad limits. Taza fails to rebut Starbucks' showing that all the disputed discovery requests are highly-relevant to the likelihood-of-confusion factors, and many fall squarely within the topics specifically permitted by the

¹ The federal courts permit a broad scope for the further reason that discovery “serves purposes in addition to the uncovering of the information. By the use of discovery, the parties may be able to simplify the issues, obviate the need to authenticate exhibits at trial, agree on uncontroverted facts and explore possible grounds for settlement.” *Fischer Gesellschaft m.b.H. v. Molnar & Co.*, 203 USPQ 861, 1979 WL 24867, *3 (TTAB 1979).

TBMP § 414 list of matters that are generally discoverable from all parties in all proceedings before the Board. (Starbucks Br. 14, Dkt. # 28.)

The cases Taza cites in its brief (Opp. Br. 4) fare no better. Not a single one states that discovery rules differ for opposers asserting a federal registration versus those who rely on common law rights. And not a single one of them holds that the scope of discovery Starbucks seeks is improper. At the same time, Taza fails to distinguish *Johnston Pump/General Valve, Inc. v. Chromalloy Am. Corp.*, 10 USPQ2d 1671, 1988 WL 252400, at *1-2 (TTAB 1988) (Starbucks Br. 15, Dkt. # 28), where the Board compelled discovery from the opposer—the owner of a federal registration—that, like Taza here, refused to answer discovery on topics such as classes of purchasers, actual use of the pleaded mark, and geographic locations.

Moreover, in violation of its own proposed standard, *Taza* served on Starbucks 46 document requests, including “[a]ll documents relating to actual, planned, or intended use of the alleged mark TAZO” (Taza’s Request No. 27), documents about the demographic information relating to purchasers of Starbucks services (Request No. 17), and Starbucks’ channels of distribution (Request No. 12). (Ex. 7 to Naydonov Decl.) Yet somehow when similar requests are propounded on Taza, they are improper and not likely to lead to the discovery of admissible evidence. But as the Board explained in *McCormick Delaware, Inc. Williams Foods, Inc.*, 2001 WL 831224, at *2 (TTAB July 23, 2001), “a party ordinarily will not be heard to contend that discovery is proper when propounded by the party itself but improper when propounded by its adversary.”

2. Starbucks Is Entitled to Seek Discovery as to Any Claim, Defense, or Counterclaim, Irrespective of Whether It Is Currently Pending

Taza argues that the requested discovery should not be allowed because the Board has not ruled on Starbucks’ motion to amend its answer allowing Starbucks to add a Section 18

counterclaim. In doing so, Taza fails to rebut the two critical points Starbucks made in its opening brief.

First, Starbucks Interrogatory Nos. 6, 7, and 10 and Request Nos. 5-8 are relevant to Starbucks' affirmative defenses that are specifically pled, i.e., that "Opposer's mark, goods and services, and channels of trade differ from those of Applicant" and that "Opposer's alleged marks ... are weak, and entitled to a narrow scope of protection." (Answer ¶¶ 12-13, Dkt. # 10, April 16, 2013.)

Second, "a party may take discovery *not* only as to matters specifically raised in pleadings, but as to any matter which may serve as the basis for an additional claim, defense or counterclaim." *McCormick*, 2001 WL 831224 at *2 (emphasis added). The decision in *Johnson & Johnson v. Rexall Drug Co.*, 186 USPQ 167, 1975 WL 20825 (TTAB 1975) is on point. In that case, the "opposer contend[ed] that in order for applicant's interrogatories to be relevant to the subject matter involved in this action, they must be relevant to some defense or claim which has been properly pleaded by applicant." *Id.* at *3. The Board held that the "[o]pposer's contentions [were] not well taken" because the "Board has previously ruled ... that an 'applicant is entitled to take discovery not only as to the matters specifically raised in the pleadings but as to any matters which might serve as the basis for an affirmative defense or for a counterclaim'." *Id.* at *4. The Board explained that "if applicant should learn through discovery of the existence of circumstances which would serve as a basis for an affirmative defense or a counterclaim, it may move to amend its answer." *Id.* Like in *Johnson & Johnson*, Taza's contention that Starbucks' discovery requests are improper until the Board specifically allows the Section 18 counterclaim are "not well taken" because Starbucks' right to discovery is not limited to matters "specifically raised in the pleadings."

II. CONCLUSION

For the reasons and authorities above and in Starbucks' opening brief, Starbucks respectfully renews its requests that the Board grant its motion to compel.

Dated: August 14, 2014

By:  _____

Julia Anne Matheson
Anna B. Naydonov
Finnegan, Henderson, Farabow,
Garrett & Dunner, L.L.P.
901 New York Ave., N.W.
Washington, D.C. 20001-4413
Telephone: 202-408-4000
Facsimile: 202-408-4400

Attorneys for Applicant
STARBUCKS CORPORATION DBA
STARBUCKS COFFEE COMPANY

CERTIFICATE OF SERVICE

I certify that a true and accurate copy of the foregoing APPLICANT'S REPLY IN SUPPORT OF MOTION TO COMPEL was served by first class mail, postage prepaid, on this 14th day of August 2014, upon counsel for Opposer at the following address of record:

EDWARD T SAADI
EDWARD T SAADI LLC
970 WINDHAM COURT, STE 7
BOARDMAN, OH 44512


