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

Proceeding	91211414
Party	Plaintiff Purapharm International (H.K.) Limited
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Trademark Application Serial No: 79/124353

Filed on: October 30, 2012

For the mark: **PURE**  **PHARMA**

Date of Publication in the Official Gazette: June 4, 2013

PURAPHARM INTERNATIONAL (H.K.)
LIMITED,

Opposer,

v.

PUREPHARMA APS,

Applicant.

Opposition No. 91211414

**OPPOSER, PURAPHARM INTERNATIONAL (H.K.) LIMITED'S
RESPONSE IN OPPOSITION TO APPLICANT, PUREPHARMA APS' MOTION FOR
LEAVE TO AMEND THE ANSWER TO THE NOTICE OF OPPOSITION;
OPPOSER'S CONSENT TO APPLICANT'S MOTION TO SUSPEND; AND
OPPOSER'S MOTION TO RE-OPEN DISCOVERY AND RE-SET DEADLINES**

Opposer, PuraPharm International (H.K.) Limited ("Opposer"), by and through its undersigned counsel, hereby files this: (1) opposition to applicant, Purepharma APS' ("Applicant") Motion for Leave to Amend the Answer to the Notice of Opposition (the "Motion for Leave"); (2) consent to Applicant's Motion to Suspend the Proceedings (the "Motion to Suspend"); and (3) Motion to Re-Open Discovery and Re-Set Deadlines in the Case, should the Board grant Applicant's Motion for Leave, and states as follows:

BACKGROUND FACTS AND INTRODUCTION

This proceeding was initiated on July 1, 2013, when Opposer filed its Notice of Opposition to the mark shown in Application Serial No. 79/124,353. Prior to answering the Notice of Opposition, on September 18, 2013, Applicant sent to Opposer's counsel a letter,

wherein Applicant stated that it believed that Opposer's registration was subject to cancellation. A true and correct copy of the letter is attached hereto as **Exhibit A**.¹ Further, Applicant detailed in the letter what it believed to be various grounds for restriction of the parties' respective goods, including its belief that Opposer's goods are only offered for sale in the Chinese medicine market, while Applicant's goods are geared for athletes, to optimize athletic performance.

Applicant filed its Answer to the Notice of Opposition on October 10, 2013, after having been granted a brief extension. However, the Answer failed to include any counterclaims for cancellation or restriction of Opposer's pleaded registration, even though Opposer was aware of such alleged grounds at the time of filing its Answer.²

In March 2014, Opposer served its responses to Applicant's Requests for Admissions. Applicant admits to having receiving these responses in its Motion for Leave.

On the date discovery closed, August 8, 2014, after 5:00 p.m., Applicant filed its Motion for Leave, seeking leave to amend its Answer to add counterclaims for cancellation based on fraud, non-use, and abandonment, and restriction, based on Section 18 of the Lanham Act. The Motion for Leave was filed nearly one (1) year after Applicant sent its letter to Opposer's counsel, detailing what it believed to be grounds for cancellation of Opposer's registration, and five (5) months after Applicant received Opposer's discovery responses.

¹ The letter was labeled by Applicant's Counsel, "FOR SETTLEMENT PURPOSES ONLY." However, Opposer does not seek to use the letter for either of the prohibited purposes under Federal Rule of Evidence 408. Instead, it seeks to use the letter to demonstrate that Applicant had knowledge of its alleged grounds for its cancellation and restriction counterclaims prior to filing its original Answer.

² For purposes of this Motion, Opposer only admits that Applicant was aware of its alleged grounds for filing the cancellation and restriction counterclaims prior to filing its Answer. However, Opposer denies that cancellation and/or restriction of Opposer's registration is appropriate in this case, and further denies that the alleged grounds are valid grounds for cancellation and/or restriction.

ARGUMENT

Applicant should not be permitted to amend its Answer to the Notice of Opposition to add counterclaims for cancellation and restriction. Applicant knew of its alleged grounds for filing such counterclaims prior to the date of filing its original Answer; therefore, its Motion for Leave should be denied.

Furthermore, putting aside that Applicant knew of potential counterclaim grounds before filing its Answer, it received further confirmation of its alleged grounds for cancellation and restriction in March 2014, yet it inexplicably delayed in filing its Motion for Leave until the close of discovery. For this additional reason, the Motion for Leave should be denied.

Regarding Applicant's Motion to Suspend, which seeks to suspend the case pending disposition of the Motion for Leave, Opposer consents to the relief sought. Opposer agrees that it will serve the interests of justice and economy to suspend the case until the parties know precisely which claims will be tried in this case.

To the extent the Court grants the Motion for Leave and allows the Applicant to plead its counterclaims, Opposer moves to re-open discovery and re-set all deadlines in the case, so that it may take discovery on the matters raised in the amended pleading.

I. Applicant Knew Of The Alleged Grounds For Its Counterclaims Prior To Filing Its Answer; Therefore, It Should Not Be Allowed To Amend Its Answer To Add A Counterclaim One Year Later.

A motion for leave to amend to assert a counterclaim for cancellation of one or more of an opposer's pleaded registrations is governed by 37 C.F.R. § 2.106, which states:

If grounds for a counterclaim are known to the applicant when the answer to the opposition is filed, the counterclaim shall be pleaded with or as part of the answer. If grounds for a counterclaim are learned during the course of the opposition proceeding, the counterclaim shall be pleaded promptly after the grounds therefor are learned.

37 C.F.R. § 2.106(b)(2)(i). *See also Turbo Sportswear, Inc. v. Marmot Mountain Ltd.*, 77 U.S.P.Q.2d 1152, 1154 (TTAB 2005) (in considering whether to allow an amendment to add or amend a counterclaim, the Board “must determine whether [the petitioner] knew of the grounds at the time it filed its answers and, if not, whether [the petitioner] filed its counterclaims promptly upon learning of those grounds”).

In this instance, Applicant claims that it has only recently learned of the grounds for seeking cancellation of Opposer’s registration. However, as Exhibit A demonstrates, Applicant knew of its alleged cancellation and restriction grounds *at least as early as September 18, 2013, nearly a month before filing its original Answer.*³ Accordingly, such grounds should have been pled “with or as part of the answer.” *Jack Rajca v. New Yorker S.H.K. Jeans GmbH & Co. Kg*, 2014 WL 3752425, *2 (TTAB July 22, 2014) (denying motion for leave to amend to add a counterclaim for cancellation of petitioner’s pleaded registration on grounds of non-use and abandonment, where the respondent knew of the grounds for same at the time of filing its answer) (citing 37 CFR § 2.106(b)(2)(i)).

Applicant cites to Rule 15(a) for the proposition that motions for leave to amend are freely given when justice so requires. While that is the rule when a party seeks to amend in a timely manner, “[a] long and unexplained delay . . . may render the amendment untimely.” TBMP § 507.02(a). In the event that a party wants to file a motion for leave to amend, such a motion

should be filed as soon as any ground for such amendment, e.g., newly discovered evidence, becomes apparent. A long delay in filing a motion for leave to amend may render the amendment untimely. Any party who delays filing a motion for leave to amend its pleading and, in so delaying, causes prejudice to its

³ It is anticipated that Applicant will argue that it only had a preliminary belief at the time it sent the letter on September 18, 2013, that it had a claim for cancellation and restriction. However, from a plain reading of the letter, it is clear that Applicant had a reasonable basis for bringing the counterclaims at the time of filing its original Answer, and knew enough facts to make allegations as required by Federal Rule of Civil Procedure 11.

adversary, is acting contrary to the spirit of Rule 15(a) and risks denial of that motion.

Media Online Inc. v. El Clasificado, Inc., 88 U.S.P.Q.2d 1285, 1286 (TTAB 2008) (internal citations omitted).

In *Media Online*, the petitioner filed its petition to cancel the respondent's mark in March 2007. Seven months later, the petitioner sought leave to amend its petition to identify additional grounds for seeking cancellation of the respondent's mark. The Board denied the petitioner's motion for leave to amend, stating that the "petitioner unduly delayed in filing its motion. The new claims appear to be based on facts within petitioner's knowledge at the time the petition to cancel was filed." *Id.* The Board also found that the "respondent would suffer prejudice if petitioner is permitted to add the claims at this juncture." *Id.* at 1287. Specifically, the Board indicated that "[i]t is incumbent upon petitioner to identify all claims promptly in order to provide respondent with proper notice. Otherwise, allowing piecemeal prosecution of this case would unfairly prejudice respondent by increasing the time, effort, and money that respondent would be required to expend to defend against petitioner's challenge to its registration." *Id.*

The holding in *Media Online* is similar to the holding in *Trek Bicycle Corporation v. Styletrek Limited*, where the Board refused to allow an opposer to amend its notice of opposition to include additional grounds for opposing (even though discovery was still open and the applicant would not suffer prejudice) where the "opposer's motion for leave to amend its pleading was filed eight months after opposer filed its notice of opposition and, from the language of the proposed amendment, appears to be based on facts within opposer's knowledge at the time it filed its notice of opposition." 64 U.S.P.Q.2d 1540, 1541 (TTAB 2001).

Therefore, Applicant's Motion for Leave should be denied.

II. Applicant Inexplicably Delayed Five Months In Filing Its Motion For Leave; Therefore, It Should Not Be Allowed To Amend Its Answer To File Counterclaims Against Opposer.

Even assuming that Applicant did not learn of its alleged counterclaim grounds until receiving Opposer's discovery responses, the Motion for Leave should still be denied. Opposer served its responses to the Requests for Admissions in March 2014, which Applicant admits in its Motion for Leave. *See* Motion for Leave, p. 6. Applicant does not address in its Motion for Leave why it waited five (5) months to request leave to amend.

Furthermore, adding the Counterclaim in this case will significantly change the landscape of the case and will prejudice Opposer. Opposer has been proceeding in this case as if the only issues to be proven were the Opposition claims pled against Applicant. Now, however, should the amendment be allowed, the case will be much broader and will require discovery to be re-opened to fully litigate the new counterclaims. Applicant should not be rewarded for its gamesmanship in this case. Thus, Applicant's Motion for Leave should be denied.

CONCLUSION

For the reasons stated above, Applicant's Motion for Leave must be denied. Applicant knew of its alleged grounds for its claims before filing its original Answer. Putting this aside, Applicant received further confirmation of its alleged grounds for cancellation and restriction when Opposer served its Request for Admissions responses in March 2014. However, Applicant inexplicably waited until the close of discovery to file its Motion for Leave.

With respect to the Motion to Suspend the Proceedings pending disposition of the instant Motion, Opposer consents to this relief.

Finally, should the Board allow Applicant to amend its Answer to add Counterclaims against Opposer, Opposer moves to re-open discovery and re-set deadlines in this case.

Respectfully submitted,

ADAMS AND REESE LLP

/ s / Melissa S. Rizzo

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CERTIFICATE OF SERVICE

I hereby certify that on this 25th day of August, 2014, a true and correct copy of the foregoing has been served on the Applicant by e-mailing a copy thereof to Applicant's attorney of record, Carla Calcagno, Esq., Calcagno Law PLLC, 1250 24th Street, N.W., Suite 300, Washington, D.C. 20037, Carla.calcagno@calcagnolaw.com and cccacagno@gmail.com.

/s/ Melissa S. Rizzo

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September 18, 2013

FOR SETTLEMENT PURPOSES ONLY

Melissa S. Rizzo, Esq.
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Re: PuraPharm International (H.K.) Limited v. Purepharma ApS
Opposition No. 91211414

Dear Melissa:

Purepharma ApS has reviewed your client's August 1, 2013 request that it withdraw its applications to register the mark **PURE♥PHARMA** in the U.S., the European Community, Australia, and China. Purepharma ApS respectfully declines to do so, as it firmly believes that the two marks can coexist without damage to either party or confusion in the marketplace.

My client had offered to make a number of concessions in an effort to resolve this matter, which apparently your client has dismissed out of hand. Therefore my client sees no option at this point but to proceed with the opposition by filing its Answer, which it will plan to do before the October 11 deadline, unless in the meantime, your client expresses its willingness to discuss the settlement points along the lines that my client mentioned earlier.

In the course of reviewing this matter my client has observed the following points, all of which should prove to be relevant in the opposition:

- The U.S. trademark register includes hundreds of marks in class five consisting of the component "pure" or "pharma," rendering marks with these components weak and not overly distinctive;

EXHIBIT A

- Your client cited this very weakness occasioned by frequent third party use as the reason it thought there was no likelihood of confusion between Purapharm and a prior mark Pharma Pure, when an Examiner initially refused registration of your client's Purapharm mark because of the Pharma Pure mark. It appears that the Examiner agreed with Purapharm's argument, and withdrew the citation;
- My client's mark, two separate words "Pure" and "Pharma" with the heart separating the two, is sufficiently different from Purapharm to avoid the possibility of confusion;
- Your client cited similar differences between its mark and the cited mark Pharma Pure as sufficient to avoid confusion, i.e., two words with a design versus one word with no design, and different variations of the weak word components;
- In fact, my client's design component is more than "just" a design. A heart design these days often is spoken as the word "heart," as a substitute for the word or concept "love," so this mark is just as likely be read or said as "Pure Heart Pharma". That being the case, the marks are completely different, as the "heart" component, whether word or design, significantly alters the commercial impression of the overall mark;
- Your client appears to characterize itself as a "Chinese medicine company" or as a "Chinese Medicine manufacturer";
- My client's products are geared for athletes, to optimize athletic performance; your client's products appear to have nothing to do with that, and do not appear to be offered or promoted in athletic markets. Rather, your client's products appear to treat medical conditions and appear to be offered in the "alternative" or "Asian" medicine market;
- According to its website, it appears that your client has two authorized distributors in the U.S., Uncle Bill's U.S. Trading, Inc. and Tronex Herbal Solutions, both Asian specialty products distributors. On Uncle Bill's site, the only PuraPharm product that appears to be offered for sale is the Puragold product. On the Tronex and its related Natlink sites, Puragold, Cardioclear, Oncozac and certain other Purapharm herbal supplement products are offered for sale in the U.S. They all appear to treat specific medical conditions;
- Your client's products do not appear to be offered for sale in other than the "Chinese medicine" market, which appears to be a very specialized niche marketing and consumer channel, in which my client does not operate;

- Notwithstanding that in its 2012 Renewal Declaration of Use, your client declared that the Purapharm mark was in use in commerce on *all* the goods in the registration, based on my client's limited investigation, it appears that many of the goods in the registration are not offered in the U.S., and moreover it may well be that they were *never* offered in the U.S. under the mark. It appears that the registration may be subject to cancellation for the following: Health food for medically restricted diets; drink mixes in powder form; dietetic food preparations, dietetic beverages, food preparations all for medically restricted diets; appetite suppressants; pharmaceutical preparations and substances for appetite control and weight management; sunburn ointments and sunburn preparations for medical use; pharmaceutical preparations for skin care; medicated mud for skin care, medicated skin care mud for baths; medicated mouth washes; medicines for dental purposes; balms for medical purposes for the treatment of muscle pain, veterinary nutritional supplements for pets and livestock and medicated preparations for pet and livestock;

PURE♥PHARMA

- My client firmly believes that its mark can coexist on the register with Purapharm, considering the weakness of the components of the marks, and the differences in the marks, the products, their intended uses and purposes, their targeted consumers, and their usual trade channels.

If, after reviewing this, your client would like to renew settlement discussions along the lines raised in my July 11 email, please let me know.

I am going to be out of the country from September 21 through October 6, which leaves little time before the answer deadline, but if there is anything to discuss, I look forward to hearing from you. Best regards.

Sincerely,



Barbara A. Friedman