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

Proceeding	91218846
Party	Defendant Tri-Coastal Design Group, Inc.
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Submission	Motion to Amend/Amended Answer or Counterclaim
Filer's Name	TEDD S. LEVINE
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Signature	/Tedd S. Levine/
Date	12/26/2014
Attachments	Tri-Coastal-SEASIDE-Reply to Opposition to Motion to Amend.pdf(112736 bytes ) TM - Petition to Cancel a Trademark-SEASIDE.pdf(118011 bytes )

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

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Seaside Community Development Corp.,

Opposer,

Opposition No.: 91218846  
Serial No. 86/188,378

-v-

**REPLY TO OPPOSITION TO  
MOTION TO AMEND ANSWER**

Tri-Coastal Design Group, Inc.

Applicant.

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Applicant, by its attorneys, filed a motion for an Order pursuant to Fed. R. Civ. P. 15(a) and Trademark Rule 2.107(a) that grants Applicant leave to amend its answer to the Notice of Opposition to add a counterclaim(s) and to modify its affirmative defenses to the extent necessary. Opposer filed an opposition to such motion on grounds that (1) Applicant failed to file board procedures for filing a motion to amend, (2) Applicant didn't identify the *grounds for the Motion* or the marks to which the identified counterclaim applies, and (3) Applicant does not sufficiently detail why it didn't know the new grounds. As noted below, Opposer's opposition is misguided.

**ARGUMENT**

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**I. OPPOSER FAILS TO IDENTIFY UNDUE PREJUDICE OR THAT THE AMENDMENT WILL BE FUTILE.**

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As noted previously, Trademark Rule 2.107(a)<sup>1</sup> [in conjunction with Fed. R. Civ.

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<sup>1</sup> § 2.107 Amendment of pleadings in an opposition proceeding.

(a) Pleadings in an opposition proceeding against an application filed under section 1 or 44 of the Act may be amended in the same manner and to the same extent as in a civil action in a United States district court, except that, after the close of the time period for filing an opposition including any extension of time for

P. 15(a)] encourage the Board to look favorably on motions to amend, providing that “leave shall be freely given when justice so requires.” Only if allowance of the amendment would cause undue prejudice or be futile, amendment will be denied. *See Foman v. Davis*, 371 U.S. 178, 182 (1962); and *W.R. Grace & Co. v. Arizona Feeds*, 195 USPQ 670, 671 (TTAB 1977).

**A. Opposer fails to identify any permissible basis to deny Applicant’s motion.**

Rather than address the appropriate requirements for denying Applicant’s motion to amend, Opposer attempts to argue in a wholesale manner that Applicant didn’t follow proper procedure. That being said, Applicant is seeking to amend the Answer to modify the affirmative defenses to add additional facts (in the event the Board requires such amplified allegations to permit the currently propounded defenses to go forward), and add a counterclaim. Clearly, as to amending the Answer with regard to augmenting the factual allegations supporting the affirmative defenses, the Applicant is *not* required to identify at this time the modified defenses or any purported “new grounds”, which don’t necessarily exist and are unrelated to such an amendment. Clearly, proper procedure was followed as to this aspect of the motion.

As to the portion of the request relating to the addition of a counterclaim, contrary to Opposer’s statement that Applicant “[m]akes no representation that it discovered grounds for the counterclaims after filing its answer”, in actuality Applicant states in its motion, [“g]rounds to assert a counterclaim to cancel one or more of Opposer’s registrations were recently discovered by Applicant.” To be clear, such *recent discovery*

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filing an opposition, an opposition may not be amended to add to the goods or services opposed.

occurred after the filing of the Answer; thus, the use of the word “recent”. An inquiry into why such grounds were not known to Applicant when it filed its Answer is simply not required under the law. To suggest, as Opposer does, that some previous communication between the parties was necessary or that the information was publicly available to Applicant prior to filing the Answer has no effect on whether or not Applicant actually knew the requisite information. The tenet doesn’t turn on constructive knowledge but actual knowledge. As far as the proposed counterclaim, the Board is directed to the attached form (see Exhibit A).

Finally, it is important to note that nothing in the rules prevents Applicant from filing a separate action to cancel the registration at issue. Consequently, for the sake of judicial economy the counterclaim should be permitted.

**WHEREFORE**, Applicant prays that it be granted the right to amend its answer to add a counterclaim(s) and to modify its affirmative defenses to the extent necessary, and for such further relief as the TTAB finds just and equitable.

DATED: December 26, 2014

Respectfully submitted,

THE LAW OFFICES OF TEDD S. LEVINE, LLC

By:           /Tedd S. Levine          

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## CERTIFICATE OF SERVICE

I TEDD S. LEVINE hereby certify that on the 26<sup>th</sup> day of December 2014, I served a copy of APPLICANT'S REPLY TO THE OPPOSITION TO THE MOTION TO AMEND AND PROPOSED COUNTERCLAIM by express mail to the following:

Rochelle D. Alpert  
Morgan, Lewis & Bockius LLP  
One Market, Spear Street Tower  
San Francisco, CA 94105  
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/Tedd S. Levine/  
Tedd S. Levine, Esq.

**Exhibit A**

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

**PETITION TO CANCEL**  
**REGISTRATION NUMBER 3846308**

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Seaside Community Development Corp.,

Opposition No. 91218846

Opposer/  
Counterclaim Defendant,

**COUNTERCLAIM**

-v-

Tri-Coastal Design Group, Inc.,

Applicant/  
Counterclaim Plaintiff.

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**UNITED STATES PATENT AND TRADEMARK OFFICE**  
**Trademark Trial and Appeal Board**  
**USPTO Headquarters - Main Campus**  
**Madison Buildings (East & West)**  
**600 Dulany Street**  
**Alexandria, VA 22314**

Plaintiff Tri-Coastal Design Group, Inc. (“Tri-Coastal”), by and through its undersigned attorneys, The Law Offices of Tedd S. Levine, LLC, alleges as follows:

1. Tri-Coastal is a corporation organized and existing under the laws of New Jersey.
2. Upon information and belief, Counterclaim Defendant Seaside Community Development Corp. (“Seaside Development”) is a corporation organized and existing under the laws of California.

## FACTS

3. Tri-Coastal was formed in or about February 1990, and is a leading manufacturer and distributor of relatively low priced gift and novelty items, bath and body products, and apparel accessories.

4. Tri-Coastal's principal bath and body products include, bubble bath, body crème and lotions, bath salts and soap petals, body oils, dusting powders, body scrubs, bath and shower gels, pedicure sets, body sprays, cosmetic bags, lip balms and lip glosses, bath brushes, bath sponges and bath poufs, foot lotions, scrubs and soaks, nail polish, oil diffusers and fragrances, slippers, candle sets, felt bags, bar and liquid soap, hand sanitizers, neck wraps, nail files, moisturizing gloves, gel eye masks, sleep masks, calming pillow sprays, manicure set, and aloe plush socks ("Tri-Coastal's Bath & Body Products").

5. All of the Tri-Coastal's Bath & Body Products (i) are clearly labelled as originating with Tri-Coastal, (ii) use original artwork that is licensed to Tri-Coastal or created in Tri-Coastal's product design department and protected by United States copyright laws, and (iii) are unmistakably branded with trademarks that are registered or are in the process of being registered with the United States Patent and Trademark Office ("PTO").

6. As a result of the care and skill exercised by Tri-Coastal in the conduct of its business, the uniform standards of high quality of Tri-Coastal's Bath & Body Products offered and sold under Tri-Coastal's name and brands, and the public acceptance thereof, Tri-Coastal's Bath & Body Products have become well and favorably known by the trade

and public identifying and distinguishing Tri-Coastal as the exclusive source or origin of Tri-Coastal's Bath & Body Products.

7. On July 21, 2009, Seaside Development filed an intent-to-use application, serial # 77786381, with the United States Patent & Trademark Office to register the purported trademark THE SEASIDE STYLE (the "Alleged Mark") for on-line retail store services featuring gifts, housewares, home furnishings, clothing, shoes and sundries; Promoting the goods and services of others via a global computer network in *international class 35* (the "Registered Goods").

8. The Registered Goods and Tri-Coastal's Bath & Body Products appear to be closely related, are offered or may be offered through the same, substantially the same, and/or related channels of trade, to the same, substantially the same, and/or related classes of purchasers.

9. Use of the term SEASIDE is used by Tri-Coastal in connection with Tri-Coastal's Bath & Body Products. Additionally, marks similar to the Alleged Mark have been widely used and continue to be widely used by parties apart from Seaside Development and Tri-Coastal in connection with products equivalent to the Registered Goods with, upon information and belief, Seaside Development's knowledge.

10. Tri-Coastal will be damaged by the continued registration of the Alleged Mark because such registration would support and assist Seaside Development in misleading the public into believing Seaside Development has an exclusive right to use *all* variations of the word SEASIDE in connection with bath & body products, which would be inconsistent with and detrimental to Tri-Coastal's rights in and to Tri-Coastal's Bath & Body Products.



### **NATURE OF THE ACTION**

11. This is a petition seeking cancellation of the registration of the purported trademark THE SEASIDE STYLE in connection with the Registered Goods and like products, pursuant to TMEP § 1607, Trial and Appeal Board §14 of the Trademark Act, and 15 U.S.C. §1064.

### **GROUNDS FOR STANDING**

12. Tri-Coastal has a direct and personal stake in the outcome of the proceeding.

13. Tri-Coastal believes that it will be damaged by the trademark registration of the Alleged Mark in connection with the Registered Goods.

14. Tri-Coastal has a direct interest in the proceedings based upon Seaside Development claiming, *inter alia*, that any use of SEASIDE rises to the level of trademark infringement if such marks are used in connection with the Registered Goods or like goods.

15. Tri-Coastal denies that the Alleged Mark denotes Seaside Development as the source of the Registered Goods and reasonably believes that should continuation of the registration of the Alleged Mark be permitted Tri-Coastal will be damaged. Tri-Coastal reasonably believes that Seaside Development will use the registration of the Alleged Mark as an instrument to unfairly prevent competition.

**COUNT I - Seaside Development made a willful false statement  
in its Declaration in the Application  
for the Alleged Mark  
37 C.F.R. § 2.20**

16. Tri-Coastal repeats and re-alleges paragraphs 1-15 as if more fully set forth herein.

17. Seaside Development's use of THE SEASIDE STYLE in connection with its merchandise, in particular "gifts" and "sundries", is not original or unique and does not denote Seaside Development as the source of the goods.

18. Seaside Development has knowledge of its competitors' use of *Seaside* in connection with products that are comparable to Seaside Development's Goods.

19. The use of *Seaside* has been widely used for a number of years in connection with goods similar to Seaside Development's Goods and/or a like genre.

20. As a result of Seaside Development's experience it had knowledge at the time it filed its application for the Alleged Mark that third parties have been using and continue to use throughout the United States *Seaside* in connection with goods similar to Seaside Development's Goods.

21. In Seaside Development's application for the Alleged Mark Seaside Development attested to the following:

- a. "he/she believes the Seaside Development to be the owner of the trademark/service mark sought to be registered"; and
- b. "to the best of his/her knowledge and belief no other person, firm, corporation, or association has the right to use the mark in commerce, either in the identical form thereof or in such near resemblance thereto as to be likely, when used on or in connection with the goods/services

of such other person, to cause confusion, or to cause mistake, or to deceive.”

22. Based upon Seaside Development’s knowledge of uses throughout the United States of third-party uses of *Seaside* in connection with like goods to Seaside Development’s Goods, Seaside Development had knowledge at the time it filed its application that the Alleged Mark was not a trademark and, hence, Seaside Development was not the owner of “the trademark/service mark sought to be registered”. The Patent & Trademark Office relied on Seaside Development’s misrepresentation and agreed to publish the mark for opposition.

23. In the event the Alleged Mark is considered a trademark, based upon Seaside Development’s knowledge of uses throughout the United States of third-party uses of *Seaside* in connection with like goods to Seaside Development’s Goods, and Seaside Development’s contention that any use of *Seaside* in connection with like goods to Seaside Development’s Goods causes a likelihood of confusion that Seaside Development is the source of or otherwise sponsored such goods, Seaside Development had knowledge at the time it filed its application that other persons, firms, corporations, or associations have the right to use such mark in commerce. The Patent & Trademark Office relied on Seaside Development’s misrepresentation and agreed to publish the mark for opposition.

24. Tri-Coastal will be damaged by the registration of the Alleged Mark because such registration would support and assist Seaside Development in misleading third-parties into believing Seaside Development has an exclusive right to use *Seaside* in

connection with bath & body products, which would be inconsistent with and detrimental to Tri-Coastal's rights in and to Tri-Coastal's Bath & Body Products.

25. As applied for and ultimately registered, the Alleged Mark perpetrates a fraud on the PTO and ultimately the public. More specifically, Seaside Development intentionally made false and misleading statements to the PTO claiming that the applied for trademark registration would ultimately have secondary meaning, Seaside Development would have the right to exclude the use of all images likely to cause confusion with the Alleged Mark if *Seaside* is used in connection with the Registered Goods, no other person, firm, corporation, or association has the right to use the Alleged Mark in commerce, and Seaside Development owns the use of such image as a trademark. The PTO has clearly relied upon such statements permitting the Alleged Mark to be registered on the Principal Register, Registration No. 3846308

26. By reason of the foregoing, Tri-Coastal has been damaged and the registration for the Alleged Mark, Registration No. 3846308, should be cancelled.

**COUNT II - The Alleged  
Mark is Deceptive**

27. Tri-Coastal repeats and re-alleges paragraphs 1 through 26 above as if fully set forth herein.

28. In addition to adopting a position that the Alleged Mark is fanciful, Seaside Development also adopted a position, that the Alleged Mark somehow indicates that the mark communicates to consumers the character and quality of the products that it is used in connection with.

29. In the event Seaside Development's position proves to be true that the Alleged Mark indicates it communicates to consumers the character and quality of the products that it is used in connection with, such mark is misdescriptive such that consumers will be misinformed by the Alleged Mark as to the actual character and quality of such goods which are different than Seaside Development professes.

30. By reason of the foregoing, Tri-Coastal has been damaged and the registration for the Alleged Mark, Registration No. 3846308, should be cancelled.

**PRAYER FOR RELIEF**

**WHEREFORE**, Tri-Coastal prays for judgment in its favor, against Seaside Development, cancelling the registration for the Alleged Mark, Registration No. 3846308, any other relief as the Trademark Trial and Appeal Board may deem just and proper.

DATED: December 26, 2014

Respectfully submitted,

THE LAW OFFICES OF TEDD S. LEVINE, LLC

By:       /Tedd S. Levine      

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