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

Proceeding	91223190
Party	Plaintiff Hatch Chile Company, Inc.
Correspondence Address	ROD D BAKER LAW OFFICE OF ROD D BAKER 12126 HIGHWAY 14 N SUITE A7 CEDAR CREST, NM 87008-9406 UNITED STATES rdbaker@swcp.com
Submission	Other Motions/Papers
Filer's Name	Rod D. Baker
Filer's e-mail	rdbaker@swcp.com
Signature	/Rod D. Baker/
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

HATCH CHILE COMPANY, INC., Opposer-Plaintiff,	)	
v.	)	Opposition No. 91223190
HATCH CHILE ASSOCIATION, Applicant-Defendant.	)	

OPPOSER'S PETITION TO DISQUALIFY PURSUANT TO TBMP 513.02

Opposer Hatch Chile Company, Inc. ("HCC"), hereby petitions the Director pursuant to TBMP § 513.02 to disqualify the attorney for Applicant Hatch Chile Association's ("HCA"), Deborah A. Peacock, and her law firm Peacock Myers, PC (individually "Peacock" and collectively the "Peacock Law Firm") from representation of HCA in this Opposition No. 91223190, for the following reasons:

(1) HCA's attorney, Peacock, has a conflict of interest and, therefore, should be disqualified pursuant to 37 C.F.R. §§11.109, 11.110, because of Peacock's past representation of HCC in substantially related matters.

(2) The Peacock Law Firm has an imputed conflict of interest and must be disqualified from further representation of HCA.

I. BACKGROUND FACTS

1. Peacock, a New Mexico licensed attorney, began her representation of Hatch Farms Inc. ("HFI") in 1990. Stephen H. Dawson ("Dawson"), the President of HFI, executed a Representation Agreement on July 9, 1990 with Peacock, who was at the firm of Chappell & Barlow at the time. The purpose of Peacock's retention was to contest an application by El

Encanto, Inc. d/b/a Bueno Foods ("El Encanto") to register the term "Hatch" with the U.S. Patent and Trademark Office ("El Encanto's Trademark Case"). *See* Stephen H. Dawson Affidavit, attached hereto as Exhibit 1; Representation Agreement attached thereto as Exhibit 1-A.

2. During the representation by Peacock, Dawson shared confidential information with Peacock about HFI, its goals, its interests, and its position on trademark and other business matters. Peacock and Dawson discussed El Encanto's Trademark Case, HFI's opposition, and settlement matters. *See* Exhibit 1.

3. In the fall of 1990 through January, 1991, and on behalf of HFI, Peacock engaged in efforts to settle the El Encanto Trademark Case, which involved a dispute over the mark "Hatch" for chile. *See* Exhibit 1.

4. An agreement, drafted by Peacock, was entered into between HFI and El Encanto in January, 1991 ("1991 Agreement") to settle the El Encanto Trademark Case. It pertained to the parties' respective permissions and restrictions regarding use and registration of the term "Hatch." *See* Exhibit 1.

5. Peacock continued to represent HFI and HCC, a wholly owned subsidiary of HFI, in trademark matters for nine years following her representation of HFI in El Encanto's Trademark Case, including the filing at the USPTO of several trademark applications for HCC involving the words "Hatch Select." *See* Exhibit 1.

6. On June 12, 1998, Peacock, Myers & Adams ("Law Firm"), the firm subsequently formed by Peacock, sent a letter to Dawson seeking HFI/HCC's approval of the Law Firm's limited representation of El Encanto. *See* Exhibit 1; Letter attached thereto as Exhibit 1-B.

7. The letter requested approval for the Law Firm's limited representation of El Encanto in trademark and related matters. (The Law Firm, with some partial changes in ownership, continues today as the Peacock Law Firm.) The letter stated in relevant part as follows:

> We will not represent El Encanto in any dispute involving Hatch Farms, Inc. at any time. We will not represent El Encanto in any trademark matter involving the word "Hatch" whether owned by Hatch Farms, Inc. or any other affiliated or successor entity or any confusingly mark relating to agricultural products.
>
> We have advised El Encanto that we have and continue to represent Hatch Farms, Inc. in trademark and related matters. <u>They understand the scope of any representation that we can provide to them does not include any matter relating to your company or to any trademark involving the word "Hatch" or confusingly similar mark used on agricultural products</u>.

Exhibit 1-B [emphasis added].

8. Dawson agreed to the limited representation of El Encanto by HFI's Law Firm. *See* Exhibit 1.

9. In 2007, HCC filed an application at the USPTO to register the mark "Hatch" for enchilada sauce. HCC was represented in that matter by another intellectual property attorney, Kevin Wildenstein. *See* Exhibit 1.

10. In October, 2007, Peacock sent a letter to Wildenstein advising him that she previously represented HCC/HFI in an opposition proceeding against El Encanto, and that she currently represented El Encanto. Peacock provided to Wildenstein the 1991 Agreement that was entered into between HFI and El Encanto. Peacock acknowledged, "Since I was directly involved in this matter representing Hatch, this would be conflict of interest for our firm to represent Bueno Foods in this matter." *See* Letter from Peacock to Wildenstein, attached as Exhibit 2.

11. On March 2, 2013, El Encanto and the Hatch Chile Association ("HCA") filed with this Board a Joint Petition for Cancellation ("Cancellation Case") against HCC's Registration No. 3,391,024 (for the trademark "Hatch"). *See* Joint Petition for Cancellation of Registration

No. 3,391,024 in TTAB Cancellation No. 92056871 attached as Exhibit 3. In addition, El Encanto filed oppositions to three other applications filed by HCC relating to the word "Hatch." [1] These oppositions were consolidated with Opposition No. 91204917 (parent).

12. In the Cancellation Case, El Encanto and HCA are represented by the Brownstein Hyatt Farber Schreck law firm. *Id.*

13. The consolidation by the TTAB was by Order of May 10, 2013 (Dkt No. 8 in No. 92056871).

14. As part of the Consolidated Case, El Encanto and HCA attacked HCC's registration of the word "Hatch" based on the 1991 Agreement drafted by Peacock. *Id.*

15. Peacock, along with her current law firm, Peacock Myers, P.C. ("Peacock Law Firm"), also represents HCA. *See* HCA Trademark Application Serial No. 85/942,024 (for "Hatch").

16. In May 24, 2013, Peacock and the Peacock Law Firm, on behalf of HCA, filed Trademark Application Serial No. 85/942,024 seeking to obtain for HCA a certification mark of the word "Hatch" ("HCA's Certification Mark Application"). *Id.*

17. On March 30, 2015, Peacock and the Peacock Law Firm filed a response to the Office's refusal of HCA's application for the certification mark of the word "Hatch." As part of the response, Peacock relied upon the 1991 Agreement between HFI and El Encanto, and asserted that her former client HCC's registration and applications were prohibited by the terms of the 1991 Agreement. *See* HCA's March 30, 2015 Response to Office Action in HCA's Certification Mark Application (App. Ser. No. 85/942,024) (Exhibit 4)

[1] See Application Nos. 85/259610, 85/556144,and 85/556157.

18. On August 7, 2015, HCC filed the present Notice of Opposition to HCA's application for the certification mark for "Hatch." As part of its Opposition, HCC relied upon its registration of the trademark "Hatch" in 2007 (which registration now is sought to be canceled by HCA in the Consolidated Case). In part, HCC's Opposition is based upon the likelihood of confusion between HCC's previously registered "Hatch" trademark and HCA's applied-for "Hatch" certification mark. *See* Notice of Opposition in the present matter.

19. In early 2016, Peacock informed counsel for HCC that she would like to mediate the trademark issues between HCA, her client, El Encanto, her other client, and HCC/HFI, her former clients, in an attempt to obtain a global settlement of the Consolidated Case. *See* Exhibit 1-D (Consent Agreement)

20. Peacock drafted a Consent Agreement, which was executed by all of the parties, which allowed Peacock to act as a settlement facilitator to resolve "pending disputes regarding the term "HATCH"." Peacock then attempted to settle the disputes between all of her current and former clients. Her attempts were not successful and the matters were not resolved. *See* Exhibit 1.

21. In August and September of 2016, HCC hired new intellectual property attorneys, Paul Adams and Rod Baker, to represent it in the Consolidated Case and in the present case. *See* Exhibit 1.

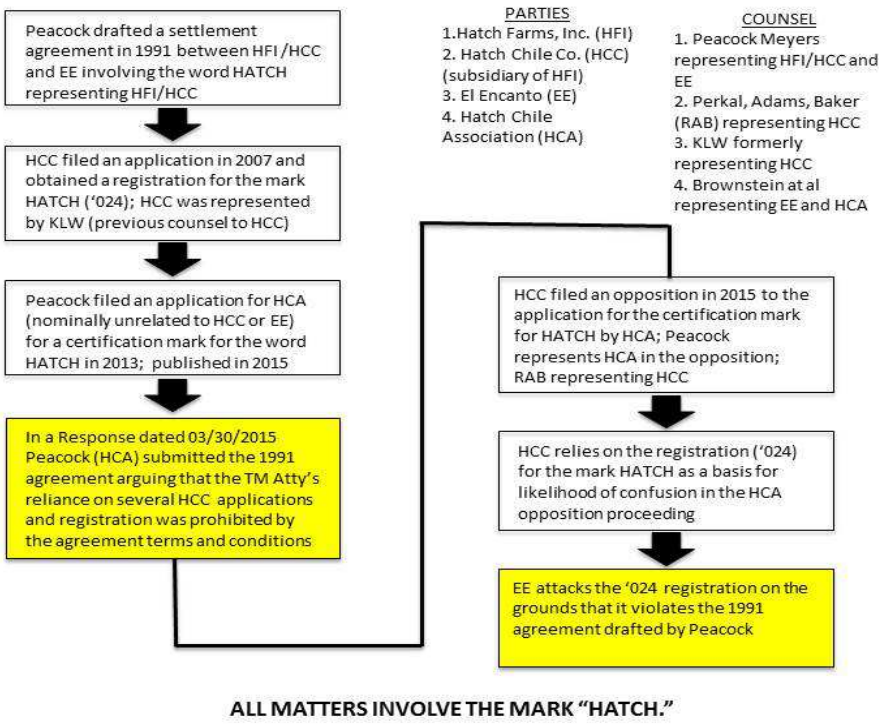
22. On October 10, 2016, Baker and Adams sent a letter to Peacock demanding that she and the Peacock Law Firm withdraw from the representation of HCA due to their conflict of interest. In addition, the letter required that Peacock cease communicating with counsel for El Encanto in the Consolidated Case due to her conflict of interest. *See* Exhibit 3.

23. On October 17, 2016, Jeffrey Squires, an attorney who is Of Counsel with the Peacock Law Firm, responded to the letter and indicated that neither Peacock nor the Peacock Law

Firm would withdraw from the representation of HCA in the present Opposition matter, which required that this Petition be filed in this proceeding. *See* Exhibit 4.

24. For the convenience of the Director, Opposer has prepared a chronological chart of the relevant events.

CHRONOLOGY OF RELEVANT EVENTS



ALL MATTERS INVOLVE THE MARK "HATCH."

II. LEGAL STANDARD

A party in an Opposition proceeding before the Board may petition the Board to disqualify an attorney and her law firm from representation in the Opposition pursuant to TBMP §513.02. Petitions to disqualify are handled on a case-by-case basis under such conditions as the USPTO

Director deems appropriate. *Id.*; 37 C.F.R. § 11.19(c). In addition, the courts have held that "when a party moves for disqualification of his adversary's attorney any doubt is to be resolved in favor of disqualification." *Blue Planet Software, Inc. v. Games International, LLC*, 331 F. Supp. 2d 273, 274 (S.D.N.Y. 2004); *Westinghouse Elec. Corp. v. Gulf Oil Corp.*, 588 F.2d 221, 225 (7th Cir. 1978); *Kaselaan & D'Angelo Assoc., Inc. v. D'Angelo,* 144 F.R.D. 235 (D. N.J. 1992). HCA's attorneys in the present opposition, Peacock and the Peacock Law Firm, should be disqualified from further representation in this matter.

A. Prohibition on Representing Parties With Conflicting Interests

"As a general rule, a practitioner (i.e., attorney or other authorized representative) may not represent parties with conflicting interests in proceedings before the Board." TBMP § 114.08. 37 CFR § 11.109(a) further states as follows:

> A practitioner who has formerly represented a client in a matter shall not thereafter represent another person in the same or a substantially related matter in which that person's interests are materially adverse to the interests of the former client unless the former client gives informed consent, confirmed in writing.

[Emphasis added.] HFI/HCC have not given informed consent in writing to Peacock or the Peacock Law Firm.

The Commissioner of Patents and Trademarks has implemented a "substantial relationship" test for determining whether a practitioner has a conflict of interest sufficient to justify disqualification. *Plus Products v. Con-Stan Industries, Inc.*, 221 U.S.P.Q. 1071, 1074 (Comm'r Pat. & Trademarks, 1984). A "substantial relationship" gives rise to a conflict of interest where the practitioner has taken a position in an opposition which conflicts with a presently asserted position. *Id.* The Commissioner also has ruled that a disqualification may arise from a practitioner's exposure and access to confidential information and business practices of another.

Id. at 1075 (an attorney's exposure during a prior representation to business methods and practices of a former client can also result in disqualification).

The Board historically has considered how courts have addressed issues of conflicts of interest, particularly when the USPTO rules and American Bar Association ("ABA") model rules of conduct are similar. *See Finger Furniture Co., Inc. v. Finger Interests Number One, Ltd.,* 2004 TTAB Lexis 349 (TTAB 2004), *citing Little Caesar Enterprises Inc. v. Domino's Pizza Inc.,* 11 USPQ2d 1233, 1235 (TTAB 1989). Rule 1.9 of the ABA rules is identical to 37 CFR §11.109(a), applicable to attorneys practicing in USPTO cases.[2] In addition, the New Mexico Rules of Professional Conduct, which are applicable to Peacock's conduct as an attorney in New Mexico, mirror the USPTO and ABA model rules. *See* NM R. Prof. Conduct 16-109(A). It is, therefore, appropriate to consider case law from various jurisdictions in analyzing the issue of Peacock's conflict of interest.

1. <u>Public Policy Requires Attorneys To Preserve Client's Confidential Information</u>.

It is generally recognized that an attorney is prohibited from using confidential information she obtained from a client against that client on behalf of another client. *See, e.g., In re DataTreasury Corp.,* 2010 U.S. App. LEXIS 16631 (Fed. Cir. 2010). In order to encourage public trust in the attorney-client relationship, a more restrictive rule on attorneys exists to prohibit an attorney's representation of an adversary of a former client if the subject matter of the two representations is "substantially related." *Id. See also In re Am. Airlines,* 972 F.2d 605, 611 (5th Cir. 1992)(court is obligated to take measures against unethical conduct occurring in connection

[2] Rule 1.9 of the ABA rules provides: (a) A lawyer who has formerly represented a client in a matter shall not thereafter represent another person in the same or a substantially related matter in which that person's interests are materially adverse to the interests of the former client unless the former client gives informed consent, confirmed in writing.

with any proceeding before it). The test requires only that the attorney could have received confidential information during the first representation that would be relevant to the second. *Id.* It is irrelevant whether confidential information is actually received. *Id. See also W.R. Grace & Co. v. Gracecare, Inc.,* 152 F.R.D. 61, 65 (D. Md. 1993)(substantial relationship is presumed when there is a reasonable probability that the client disclosed confidences that could be used adversely later); *Levi Strauss & Co. v. Abercrombie & Fitch Trading Co.,* 2007 U.S. Dist. LEXIS 83150 (N.D. Calif. 2007).

The reason for this stringent standard of ensuring that an attorney not represent a party with an opposing interest is to both protect parties against the adverse use of information, and to encourage frank and honest discussions between an attorney and client. *In re Am. Airlines,* 972 F.2d at 619. As aptly described by the Fifth Circuit in *In re Am. Airlines*:

> The trust a lawyer's duty of loyalty inspires in clients encourages them freely to confide in the lawyer and freely to rely on the advice provided by the lawyer. The substantial relationship test aims to protect the adversary process but also, or as part of this concern, seeks to provide conditions for the attorney-client relationship.

2. <u>Substantial Relationship Test Requires Disqualification of Peacock</u>.

Because HFI/HCC and Dawson are former clients of Peacock, the test for disqualification is whether the subject matter of the present representation is substantially related to the subject matter of the previous representation. The courts have adopted various tests for determining if disqualification of an attorney is proper due to the attorney's conflict of interest. *McDonald v. City of Wichita*, 2016 U.S. Dist. LEXIS 8822, *7 (D. Kan. 2016). The following three part test sets forth the elements found in the various cases addressing the disqualification of an attorney: (1) an actual attorney-client relationship existed between the moving party and the opposing counsel; (2) the present litigation involves a matter that is "substantially related" to the subject of

the movant's prior representation; and (3) the interest of the opposing counsel's present client are materially adverse to the movant. *Id., citing Seifert v. Unified Government of Wyandotte Count and Kansas City,* 2016 U.S. Dist. LEXIS 4883 (D. Kan. 2016).[3] In this case, all the elements are established by HFI/HCC.

a. Attorney Client Relationship Existed Between Peacock and HFI/HCC.

The first requirement, which requires the existence of an attorney-client relationship between HCC/HFI and its former attorney, is demonstrated in the Affidavit of Dawson, the President of HFI and HCC. Peacock represented HFI in opposing the trademark "Hatch" in El Encanto's Trademark Case. *See* Fact No. 1. The Representation Agreement unequivocally reflected that an attorney-client relationship existed between Peacock (and her prior law firm) and HFI. *Id.* HCC, in this proceeding, is the wholly owned subsidiary of HFI. *See* Fact No. 4. Dawson is the President of both companies. *See* Fact No. 1; Affidavit of Dawson. Peacock represented both HFI and HCC for at least nine years from 1990 through 1998. *See* Fact No. 6. Therefore, an attorney-client relationship existed between Peacock and HFI/HCC.

b. Substantial Relationship Exists Between Peacock's Prior Representation of HFI/HCC and Her Current Representation of HCA.

The substantial relationship prong (i.e., second prong) of the test exists when "there. . . is a substantial risk that confidential factual information as would normally have been obtained in the prior representation would materially advance the client's position in the subsequent matter." *See Living Cross Ambulance Serv. v. N.M. Pub. Regulation Comm'n*, 2014-NMSC-036, 338 P.3d

[3] Other cases have identified the disqualification test as containing only two parts, requiring only that an actual attorney-client relationship existed between the moving party and the attorney and that a substantial relationship existed between the subject matter of the former and present representations. *See, e.g., In re Am. Airlines, Inc.,* 972 F.2d at 614. The additional third factor identified in *McDonald* will also be addressed, however, to demonstrate that all relevant factors have been satisfied.

1258 (N.M. 2014). Not only does Rule 11.109(a) require disqualification when factual information was actually disclosed, but it prohibits an attorney from representing another client when there is the "'appearance' that confidential information might have been given to the attorney in the prior representation." *Id; State v. Barnett,* 1998-NMCA-105, 125 N.M. 739, 965 P.2d 323 (the existence of a substantial relationship turns on the appearance of one). As succinctly noted by one United States District Court, successive representations are substantially related where the facts support a "rational conclusion that information material to the evaluation, prosecution, settlement or accomplishment of the former representation given its factual and legal issues is also material to the evaluation, prosecution, settlement or accomplishment of the current representation given its factual and legal issues." *Levi Strauss,* 2007 U.S. Dist. LEXIS 83150, *7.[4]

In the present matter, HFI, the parent company of HCC, hired Peacock in the summer of 1990 to act as its intellectual property attorney in contesting the trademark application of El Encanto, which sought to register the word "Hatch" as its trademark. Fact No. 1. During her representation of HFI/HCC, Peacock communicated with Dawson, the President of both HFI and HCC, concerning El Encanto's Trademark Case, HFI's opposition, and the settlement negotiations that ensued with El Encanto concerning the mark "Hatch." Dawson shared confidential information with Peacock about HFI, its goals, its interests, and its position on trademark and other business matters. Fact No. 2. During her lengthy representation of HFI/HCC over the course of at least nine years, she was in a unique position to learn of HFI/HCC's business practices, interests, and negotiations strategies. Further, Peacock drafted the 1991 Agreement relating to the word

[4] A variety of factors may be considered, including: the matters or transactions are relevantly interconnected or reveal the client's pattern of conduct, the lawyer's knowledge of a former client's negotiation strategies was relevant, the commonality of witnesses, legal theories, and business practices of the client were significant, and a common subject matter existed. *McDonald,* 2016 U.S. Dist. 8822 *7.

"Hatch," and eventually El Encanto's Trademark Case and opposition were resolved between HFI/HCC and El Encanto. Fact No. 4. Peacock continued to represent HFI/HCC for many years following her representation in El Encanto's Trademark Case, including filing of trademark applications for HCC involving the words "Hatch Select." *See* Fact No. 5.

In 1998, Peacock sought to represent El Encanto. At that time, she asked for the consent of Dawson. Fact No. 6. In that letter, it was made clear to Dawson, on behalf of HFI and HCC, that she would not represent El Encanto or engage in any matter relating to HFI/HCC or "to any trademark involving the word "Hatch" or confusingly similar mark used on agricultural products." Fact No. 7. Based on these representations, Dawson signed the consent form allowing Peacock's law firm limited permission to represent El Encanto. Fact No. 8.

In 2007, HCC filed an application and obtained a registration for the mark "Hatch." Fact No. 9. When Peacock saw the application, she sent a letter to HCC's then counsel providing the 1991 Agreement to him and seeking HCC's withdrawal of the trademark application. In her letter, Peacock admitted that she could not represent El Encanto because it would be a conflict of interest for her to represent El Encanto against her former client, HFI/HCC. Fact No. 10.

Seemingly forgetful of her own promise to HFI/HCC in 1998 to never seek "any trademark involving the word "Hatch" or confusingly similar mark used on agricultural products" contrary to the interests of HFI/HCC, Peacock in 2013 improvidently filed an application for her new client HCA to obtain a certification mark for the word "Hatch." Fact Nos. 7 and 11. HCA's initial application was correctly refused by the Office. Fact No. 17. Further exacerbating Peacock's conflict of interest, and to overcome the refusal of HCA's certification mark application, Peacock deliberately responded to the Office by submitting the 1991 Agreement between HFI/HCC and El Encanto — even though HCA was not a party to the 1991 Agreement. Fact No. 17. Peacock, of

course, had the 1991 Agreement in her possession as a consequence of her prior representation of HFI/HCC. In her response to the Office, Peacock erroneously claimed that the Trademark Attorney's reliance on several senior applications and registration owned by HCC (Peacock's former client) was prohibited by the 1991 Agreement's terms. *Id.* As a direct result of Peacock's representations to the Office in an apparent intent to harm her former client, HCA's application to register "Hatch" was subsequently allowed and published in 2015.

Due, in part, to the likelihood of confusion between HCA's proposed certification mark for the word "Hatch" and HCC's senior trademarks for the word "Hatch," HCC filed the present opposition to HCA's certification mark application. Fact No. 18. Despite the fact that Peacock's former client, HFI/HCC, filed an opposition to her current client's application, Peacock has steadfastly continued to represent HCA in this proceeding. Further, HCC's new counsel has specifically requested that Peacock and the Peacock Law Firm withdraw from their representation of HCA, but they have refused to withdraw. Fact Nos. 22 and 23.

In addition, El Encanto (who Peacock also represented from 1998 to the present) filed a cancellation proceeding and three oppositions to HCC's prior registration and applications for trademarks featuring the word "Hatch," on the grounds that by so doing HCC allegedly violated the 1991 Agreement that Peacock had drafted for HCC. Fact Nos. 11 and 13. Although Peacock does not represent El Encanto or HCA in that Consolidated Case, her current client HCA is also a party to that effort to cancel HCC's registration of the word "Hatch."[5] Fact No. 11.

It is clear that the matters involved in the various trademark and certification mark applications are substantially related to Peacock's prior representation of HFI/HCC in 1990 and 1991. The prior representation and all pending trademark matters relate to the mark "Hatch."

[5] HFI/HCC has been unable to ascertain the extent of Peacock and the Peacock Law Firm's actual involvement and assistance in the Cancellation Proceedings in which HCA is a party.

Given the factual and legal similarity of the issues in both proceedings involving the same "Hatch" mark, HFI/HCC has unequivocally demonstrated the substantial relationship between Peacock's former representation of them and her conflicting representation of another party, HCA. All of the matters are relevantly interconnected, have a common factual origin in the 1991 Agreement, and mandate the immediate disqualification of Peacock in her current representation of HCA and further disqualify her and the Peacock Law Firm from any ongoing assistance to either EL Encanto or the Brownstein Law Firm in the Consolidated Case.

Once a determination is made that there was a substantial relationship between the former representation and the current proceedings, "an irrebuttable presumption arises that the former client revealed facts requiring the attorney's disqualification." *Living Cross,* 2014-NMSC-036, *17, 338 P.3d at 1262. The Board is not required to inquire into whether the confidential information was actually revealed or whether the attorney would be likely to use the information to the disadvantage of the former client. "To conduct such an inquiry would frustrate the former client's interest in the confidential information." *Id.*

c. Interests of Peacock's Current and Former Clients Are Adverse.

Finally, the third prong of the test, which requires a showing that the interests of Peacock's present client are materially adverse to HFI/HCC, is also met. There can be no dispute that the interests of HCA, Peacock's current client, are materially adverse to the interests of Peacock's former client, HFI/HCC. In this proceeding, HCA is attempting to obtain a certification mark of the word "Hatch," which is opposed by HCC for reasons, inter alia, of likelihood of confusion. Fact Nos. 16 and 18. Additionally, HFI/HCC previously obtained a trademark registration for the word "Hatch," which registration HCA has challenged in its Joint Petition for Cancellation of HFI/HCC's trademark. Fact Nos. 10 and 11. Two of Peacock's clients have sought to obtain

competing trademark or certification marks for the same word, "Hatch." Both of Peacock's clients are opposing the other client's application(s). Consequently, there is little question but that HCA's interest is directly opposed to the interests of HFI/HCC.

Peacock attempted to cover her wrongful conduct by posing as a mediator for settlement between her multiple adverse clients. Given her representations that she could resolve all of the issues between the parties based on her inside information about their interests, they consented. See Fact Nos. 19 and 20. She failed. She then continued her representation of HCA.

In summary, Peacock has violated the rules prohibiting an attorney from engaging in a conflict of interest between a present client and a former client. Due to Peacock's former representation of HFI/HCC in previous "Hatch"-related trademark matters, including HFI's 1990 and 1991 opposition against El Encanto's effort to use or register the trademark of the word "Hatch," Peacock is not permitted to now represent HCA in a substantially related matter where the interests of HCA are materially adverse to the interests of HFI/HCC.[6] The conflict of interest is reinforced by the fact that while Peacock's former client, HCC, is relying upon its senior "Hatch" registration to challenge her current client HCA's application in the present opposition, in the Consolidated Case, HCA is attacking the same HCC "Hatch" registration by alleging the registration violates the 1991 Agreement – which agreement was drafted by Peacock on behalf of HFI/HCC.

B. Imputed Disqualification Bars Peacock Law Firm From Continuing Representation of HCA in this Proceeding.

In addition to the mandatory disqualification of Peacock as an attorney for HCA in this case, the Peacock Law Firm must also be disqualified from further representation of HCA. The

[6] Further, Peacock has not sought the written consent of HFI/HCC to represent HCA in any of these proceedings involving the word, "Hatch."

Peacock Law Firm must be disqualified because Peacock's conflict of interest is necessarily imputed to the firm as a whole.

The general rule requiring the imputed disqualification of Peacock & Myers is found in 37 CFR § 11.110. Section 11.110 reads as follows:

> (a) While practitioners are associated in a firm, none of them shall knowingly represent a client when any one of them practicing alone would be prohibited from doing so by §§ 11.107 or 11.109.

The general rule is applicable here.[7] It mandates that none of the other attorneys of a law firm shall knowingly represent a client where one is prohibited from doing so. The purpose behind the imputation is that "a firm of lawyers is essentially one lawyer for purposes of the rules governing loyalty to the client, or from the premise that each lawyer is vicariously bound by the obligation of loyalty owed by each lawyer with whom the lawyer is associated." *See McDonald,* 2016 U.S. Dist. LEXIS 8822, *13. Because Peacock must be disqualified, there is a presumption that she shared information with her current law firm about her prior representation of HFI/HCC in the trademark dispute involving the registration of the word "Hatch." *Id., citing, Smith v. Whatcott,* 757 F.2d 1098, 1101 (10th Cir. 1985); *Levi Strauss,* 2007 U.S. Dist. LEXIS 83150, *7. The entire law firm should, therefore, be disqualified. *See, e.g., Kaselaan,* 144 F.R.D. at 246.

The Peacock Law Firm may attempt to claim that one of the exceptions to the general rule of imputed disqualification should apply. Under 37 CFR § 11.110(a)(2), the firm will not be disqualified if the prior representation arose from the "practitioner's association with a prior firm," and the disqualified practitioner is (1) timely screened from any participation in the matter and is apportioned no part of the fee therefrom, and (2) written notice is promptly given to the affected

[7] This rule is markedly similar to the ABA Model Rule 1.10 relating to Imputation of Conflicts of Interest.

former client to enable the former client to ascertain compliance with the professional rules of the USPTO.

The Peacock Law Firm cannot make any of these required showings in this case. Not only was Peacock not timely screened from any participation in the present Opposition matter, Peacock filed the instant application for certification mark on behalf of HCA and submitted the responses to the Office's initial refusals of the application – which responses cast aspersions upon HCC's prior registration. Further, it is through Peacock's prior representation of HFI/HCC that she had access to the 1991 Agreement that she attached to one of the responses she filed, even though HCA was not a party to the 1991 Agreement. Because she represented HFI/HCC in the earlier dispute when she was an attorney at Chappell & Barlow, Peacock had knowledge of material and confidential information from HFI/HCC concerning the mark "Hatch" and concerning its business practices and interests. She also had knowledge of the negotiations and position of HFI/HCC that resulted in the 1991 Agreement between HFI/HCC and El Encanto.

In addition, the Peacock Law Firm never sent a written notice to HFI/HCC indicating that it was going to be representing HCA in filing a proceeding that would directly conflict with HFI/HCC's "Hatch" registration and other existing and pending trademark applications. Because Peacock was and is directly involved in the representation of HCA in the certification mark case, the entire Peacock Law Firm must be disqualified.

III. CONCLUSION.

HCC attempted to resolve the subject matter of this Petition with Peacock and the Peacock Law Firm by requesting that they voluntarily withdraw as counsel in this case. *See* Exhibit 3. They refused to withdraw as counsel. *See* Exhibit 4. Therefore, this Motion was required to be filed as an opposed motion.

Since El Encanto is represented by the Brownstein Firm and HCA is represented by the Peacock Firm in the '871 Cancellation that is the basis in part for the present opposition, the Brownstein Firm, familiar with the entire dispute, would appear to be a likely substitute for the Peacock Firm with little loss of time or financial hardship to HCA.

Opposer Hatch Chile Company requests the Director to grant this Petition to Disqualify Deborah Peacock, its former intellectual property lawyer, and her current law firm, Peacock Myers PC, due to the existence of their conflict of interest.

Dated: December 22, 2016

Law Office of Rod D. Baker

/Rod D. Baker/

Rod D. Baker
12126 Highway 14 N., Suite A7
Cedar Crest, NM 87008-9406
rdbaker@swcp.com
Attorney for Hatch Chile Company, Inc.

The Adams Law Firm

/Paul Adams/
Paul Adams
3800 Osuna Rd. N. E.
Albuquerque, NM 87109
adamspatentlaw@gmail.com

CERTIFICATE OF SERVICE

I hereby certify that on December 22, 2016, the foregoing was filed electronically with the Trademark Trial and Appeal Board and served via first class mail, postage prepaid, to:

Ms. Deborah Peacock
Mr. Jeffrey L. Squires
Peacock Myers P.C.
P. O. Box 26927
Albuquerque, NM 87125-6927

/ Rod D. Baker/
Rod D. Baker

Exhibits in Support of Petition to Disqualify Counsel Pursuant to TBMP 513.02

Index of Exhibits

Exhibit	Description
Exhibit 1	Affidavit of Stephen H. Dawson
1. A	Representation Agreement
1. B	Letter from Adams to Dawson (June 12, 1998)
1. C	Application for Registration of the mark "Hatch."
1. D	Consent Agreement
Exhibit 2	Letter from Peacock to Wildenstein with Agreement Attached (October 29, 2007).
Exhibit 3	Petition for Cancellation with Agreement Attached
Exhibit 4	Response to Office Action
Exhibit 5	Letter from Baker/Adams to Peacock
Exhibit 6	Letter from Squires to Baker/ Adams

AFFIDAVIT OF STEVEN DAWSON

STEVEN DAWSON, being duly sworn and upon his oath states the following:

1. I am the President of Hatch Farms, Inc. and the President of Hatch Chile Company, Inc.

2. Hatch Chile Company, Inc. ("HCC") is the wholly owned subsidiary and assignee of Hatch Farms, Inc. ("HFI"). HCC owns all of the trademarks and other intellectual property which HFI utilizes in its national sales.

3. In 1990, on behalf of HFI, I initially hired Deborah Peacock, a New Mexico licensed attorney, to represent HFI in opposing El Encanto, Inc.'s ("El Encanto") trademark application with the Patent and Trademark Office for the term "Hatch."

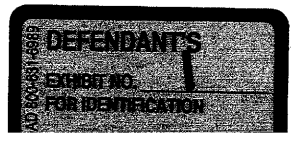
4. I executed a Representation Agreement on July 9, 1990 with Deborah Peacock who was at the firm of Chappell & Barlow at the time. A true and accurate copy of the Representation Agreement is attached hereto as Exhibit 1-A.

5. During the representation by Ms. Peacock, I shared confidential information with Ms. Peacock about HFI, its goals, its interests, and its position on trademark and other business matters. I communicated with Ms. Peacock concerning El Encanto's trademark application, HFI's opposition to the application, and settlement matters.

6. In the fall of 1990 through January, 1991, Ms. Peacock worked to settle the HFI and El Encanto trademark dispute over the word "Hatch" for chile.

7. Ms. Peacock drafted an agreement that was eventually entered into between the parties in January, 1991. It pertained to the parties' ability to use and register the term "Hatch."

8. Ms. Peacock continued to represent HFI and HCC in trademark matters for several years following her representation of HFI in the El Encanto trademark application case, including filing of trademark applications for HCC involving the word "Hatch Select."



9. On or about June 12, 1998, I received a letter from Peacock, Myers & Adams ("Law Firm"), the firm subsequently formed by Ms. Peacock. As the attached letter shows, I was asked to approve the firm's limited representation of El Encanto. Attached to my Affidavit as Exhibit 1-B is a true and correct copy of the letter I received from the Law Firm.

10. I agreed to the limited representation of El Encanto by the Law Firm.

11. In 2007, HCC filed an application for registration of the mark "Hatch" for enchilada sauce. HCC was represented by another intellectual property attorney, Kevin Wildenstein, in this filing. Exhibit 1-C, (Opposition #/128345,Reg. No. 3,391,1024).

12. I learned that Ms. Peacock filed an application with the U.S. Patent and Trademark Office for her new client, the Hatch Chile Association ("HCA"), to obtain a certification mark of the word "HATCH." I also recently learned that Ms. Peacock relied upon the 1991 agreement between HFI and El Encanto in supporting her application by claiming that HCC's registration and applications were prohibited by the terms of the 1991 Agreement.

13. On August 7, 2015, I authorized HCC to file its Notice of Opposition to HCA's application for the certification mark for "HATCH." As part of its opposition, HCC relied upon its registration of the trademark "Hatch" in 2007, which is opposed by HCA.

14. In early 2016, I was informed that Ms. Peacock wanted to act as a mediator to attempt to settle the various trademark issues between HCA, her client, El Encanto, her other client, and HFI/HCC, her former clients.

15. Ms. Peacock prepared a Consent Agreement, which I signed on behalf of HFI/HCC, which allowed her to act as the mediator to resolve "pending disputes regarding the term "HATCH"." Ms. Peacock's attempts were not successful and the matters were not resolved. I have attached the Consent Agreement as Exhibit 1-D to my Affidavit.

16. In the late summer (August and September) of 2016, HCC hired new intellectual property attorneys, Rod Baker and Paul Adams, to represent it in the Consolidated Case and HCA's Certification Mark Case.

FURTHER AFFIANT SAYETH NAUGHT.

Stephen H. Dawson
STEPHEN H. DAWSON

STATE OF GEORGIA)
) ss.
COUNTY OF GLYNN)

SUBSCRIBED AND SWORN TO before me on this 4th day of November, 2016, by Stephen H. Dawson.

Gail L Richardson
Notary Public

My Commission Expires:
March 3, 2017

GAIL L. RICHARDSON
Notary Public
Glynn County
State of Georgia
My Commission Expires Mar 3, 2017

4607 P

RECEIVED JUL 1 0 1990

CHAPPELL & BARLOW
Attorneys at Law

Telephone
(505) 889-3636

3500 CityPlace
2155 Louisiana Boulevard, N.E.
Albuquerque, New Mexico 87110

Telecopier
(505) 888-0554

REPRESENTATION AGREEMENT

We are pleased to have the opportunity to work with you. Our objective is to provide the highest quality and most efficient legal services possible. Experience has shown that our relationship will be stronger if we start it with a mutual understanding about the attorney/client relationship, fees and their payment. Unless a special engagement letter alters these arrangements, they will also apply to future matters you refer to us.

Fees. Our fees are formulated in an effort to assess the value of our services to our clients. The amount of actual time spent by lawyers and paralegals (and in some instances by clerks), subject to certain adjustments, is, in most engagements, the primary basis of the fee to be charged. Each lawyer and paralegal in our firm has an hourly billing rate and records his or her time in tenths of an hour (minimum of 0.2 hours) as the work is performed. In addition to time incurred, we may also take into account such other factors as the novelty or complexity of the issues and problems encountered, the extent of the responsibility involved, the results achieved, the efficiency of our work, the customary fees for similar legal services, the turnaround time required, and other factors which will enable us to arrive at a fair fee.

Deborah Peacock's current hourly rate is $120 per hour; Roberta Price's billing rate is $120; Robert Weig's billing rate is $125 per hour; Bill Eklund's hourly rate is $125; Donovan Duggan's hourly rate is $125 per hour; Suzanne Kinney's hourly rate is $125; and Annette Turk, our intellectual property paralegal, who assists us on each patent, trademark and copyright application, dockets all deadlines, and maintains contact with clients, charges her time at $60 per hour (New Mexico Gross Receipts Tax is not included). Our rates are usually revised on an annual basis.

Work Assignments. The lawyer principally responsible for your work may assign parts of your work to other lawyers or other personnel in the office under his or her supervision, and may use other firm lawyers or technical consultants where specialized help is needed. The supervising lawyer will continue to be responsible to you for the entire assignment and will be available to discuss the use of other personnel with you. Several of our intellectual property attorneys work with us on a part time basis; should you have difficulties reaching one of them, please feel free to contact Deborah Peacock or Annette Turk, who will contact the person who can help you or determine if someone else can assist you. Our practice is to have your work performed by attorneys or paraprofessionals (under attorney supervision) having the appropriate experience and expertise for the matter at hand. Our goal is to produce the highest quality legal work at reasonable cost to you.

Diligence. As your attorneys, particularly in the intellectual property areas, it is our job to attend to the various deadlines, communications, Examiner phone calls and requests, etc., that, during the course of any patent prosecution, may come from the U.S. Patent and Trademark Office and Copyright Office. When you retain us as your attorneys, we represent you with the understanding that necessary work will be performed *automatically; e.g.*, calendaring of all deadlines as communications from the various agencies are received, reviewing and transmitting to you those communications, communicating by telephone with agency personnel, and providing documentation for your file. We will proceed with substantive legal work only after receiving authorization from you.

Telephone calls and Meetings. We charge for advice given over the telephone as well as in person. Telephone calls and meetings and are usually followed up with a letter summarizing the discussion. In this way, we can share our impressions of the discussion with you so that you can notify us if there are any discrepancies, questions, or concerns.

Billing. It is firm policy to request a retainer prior to performing any legal services. Your retainer is kept in a trust account and charged off at the time the billing statement is rendered. Statements are rendered monthly for work done in the previous month, covering and identifying services rendered, disbursements, and other charges. The statements are typically mailed toward the latter part of the month following the close of the previous month's accounting. Hence, services performed at the beginning of one month may not actually get billed for nearly two months. Likewise, an up-to-date status of charges is sometimes not readily available. The date appearing on the statement is merely the date of mailing and not the date of the services performed. The date appearing alongside a disbursement is the date the cost was entered on your account (usually the last day of the month), rather than the date the disbursement was actually made. We are making attempts to update our billing system so that statements are sent on a more timely basis and information is more readily available; we are hopeful that the current system will not cause you any difficulties.

Please contact Debbie Selvage, our bookkeeper, or the attorney if you have any billing questions or concerns; our desire to maintain an excellent relationship with our clients includes promoting understanding of our billing system.

Disbursements on Your Account. Disbursements and charges include items incurred and paid by us on your behalf, such as U.S. Patent and Trademark Office searches, other database searches, filing fees, issue fees, and similar charges, long distance telephone charges, special postage, delivery charges, telecopy charges, travel, photocopying, and use of providers of special services, such as printers and draftsmen. If the firm advances costs, they will be included on your disbursement statement, together with any applicable N.M. Gross Receipts Tax. We may also include as an expense the use of computerized legal research systems that in our experience significantly reduce lawyer research time.

Payment. Payment will be due upon receipt of our statement. If we do not receive comment about the statement within fifteen days of receipt of the statement, we will assume you have reviewed the bill and find it acceptable. Payment should be made by check payable to Chappell & Barlow.

Delinquent Accounts. Statements unpaid after thirty days are considered past due, and the client will receive a reminder statement of the unpaid charges. Accounts over sixty days past due are subject to a late charge. The charge will commence at the invoice mailing date and continue until paid. After the third reminder, the account will be sent for collection. In fairness to the firm's clients who pay their bills each month, these collection procedures and the late payment charge have been established so that the minority of clients whose accounts become delinquent will bear the firm's cost of such delinquent accounts. If any of our statements remain unpaid, we may, consistent with firm policy, cease performing services for you until arrangements satisfactory to us have been made for payment of arrearages and prospective future fees.

Questions or Concerns. If you have any questions or concerns about any aspect of our arrangements or our statements from time to time, feel entirely free to raise those questions. It is important that we proceed on a mutually clear and satisfactory basis in our work for you. We are open to discussion of all of these matters, including the amount of our statements, and we encourage you to be frank about them.

I HAVE READ, UNDERSTOOD, AND AGREED TO THE TERMS STATED HEREIN.

Steve Dawson
(SIGNATURE)

HATCH FARMS, Inc
(COMPANY NAME, IF APPLICABLE)

DATE: 7-9-90

Please complete the following for our records:

Responsible Party: HATCH FARMS, Inc
If Corporation or Partnership, or other business please provide
name of principal contact: STEVE DAWSON
Billing Address: BOX 14354
ALBUQ, NM 87111

Phone Numbers: 292-1105 (h) 881-0689 (o)

PEACOCK, MYERS & ADAMS, P.C.
INTELLECTUAL PROPERTY LAW SERVICES

Deborah A. Peacock, P.E.*
Jeffrey D. Myers*††
Paul Adams*‡
Rod D. Baker*††
Brian J. Pangrle, Ph.D*
Augustine M. Rodriguez

* Registered at U.S. Patent and Trademark Office
‡ Admitted California and Washington Bars
†† Admitted Colorado Bar

U.S. and International
Patent searches and protection
Trademark searches and protection
Copyright searches and registrations
Intellectual property lawsuits
Licensing and contracts
Employment agreements
Computer law, Art law
Trade secrets

June 12, 1998

Steve Dawson
Hatch Farms, Inc.
P. O. Box 14354
Albuquerque, New Mexico 87111

Re: Approval of Limited Representation

Dear Steve:

Following up on our telephone conversation of yesterday, we are seeking your approval for limited representation of El Encanto, Inc. ("Bueno") in trademark and related matters.

We will not represent El Encanto in any dispute involving Hatch Farms, Inc. at any time. We will not represent El Encanto in any trademark matter involving the word "Hatch" whether owned by Hatch Farms, Inc. or any other affiliated or successor entity or any confusingly mark relating to agricultural products.

We have advised El Encanto that we have and continue to represent Hatch Farms, Inc. in trademark and related matters. They understand the scope of any representation that we can provide to them does not include any matter relating to your company or to any trademark involving the word "Hatch" or confusingly similar mark used on agricultural products.

We would greatly appreciate if you would indicate your approval of this limited right to represent El Encanto, Inc. while we continue to represent your company. If you are agreeable, we would appreciate your execution at the bottom of this letter and the return of an executed copy to us.

ALBUQUERQUE:
201 Third Street NW · Suite 1340
Post Office Box 26927
Albuquerque, New Mexico 87125-6927
Telephone: (505) 998-1500
Fax: (505) 243-2542

Email: peacmyer@rtoo.com
http://www.rtoo.com/peacmyer

SAN DIEGO:
Pacific Office Centers
4660 La Jolla Village Drive · Suite 500
San Diego, California 92122
Telephone: (619) 220-0030
Fax: (619) 535-4890

Thank you for your cooperation.

Sincerely,

Paul Adams
Direct Line: (505) 998-1503

PA/pas
File No. 70090-91-01

I approve of the limited representation of El Encanto, Inc. by Peacock, Myers and Adams, P.C. as expressed in the above letter.

Steve Dawson

F:\PA\Client\Hatch Valley\Da-ron.610.doc

Generated on: This page was generated by TSDR on 2014-03-23 12:26:49 EDT

Mark: HATCH

HATCH

US Serial Number: 77128345

Application Filing Date: Mar. 12, 2007

US Registration Number: 3391024

Registration Date: Mar. 04, 2008

Register: Principal

Mark Type: Trademark

Status: A cancellation proceeding is pending at the Trademark Trial and Appeal Board. For further information, see TTABVUE on the Trademark Trial and Appeal Board web page.

Status Date: Mar. 06, 2013

Publication Date: Sep. 11, 2007

Mark Information

Mark Literal Elements: HATCH

Standard Character Claim: Yes. The mark consists of standard characters without claim to any particular font style, size, or color.

Mark Drawing Type: 4 - STANDARD CHARACTER MARK

Related Properties Information

Claimed Ownership of US Registrations: 1722215, 1735053, 1735090

Goods and Services

Note: The following symbols indicate that the registrant/owner has amended the goods/services:

- Brackets [..] indicate deleted goods/services;
- Double parenthesis ((..)) identify any goods/services not claimed in a Section 15 affidavit of
- Asterisks *..* identify additional (new) wording in the goods/services.

For: Enchilada sauce and sauce for rice

International Class(es): 030 - Primary Class

U.S Class(es): 046

Class Status: ACTIVE

Basis: 1(a)

First Use: Nov. 15, 1988

Use in Commerce: Nov. 15, 1988

Basis Information (Case Level)

Filed Use:	Yes	**Currently Use:**	Yes	**Amended Use:**	No
Filed ITU:	No	**Currently ITU:**	No	**Amended ITU:**	No
Filed 44D:	No	**Currently 44D:**	No	**Amended 44D:**	No
Filed 44E:	No	**Currently 44E:**	No	**Amended 44E:**	No
Filed 66A:	No	**Currently 66A:**	No		
Filed No Basis:	No	**Currently No Basis:**	No		

Current Owner(s) Information

Owner Name: Hatch Chile Company, Inc.

Owner Address: 2005 South Commercial Drive
Brunswick, GEORGIA 31525
UNITED STATES

Legal Entity Type: CORPORATION

State or Country Where Organized: NEW MEXICO

Attorney/Correspondence Information

Attorney of Record

Attorney Name: Kevin Lynn Wildenstein

Docket Number: HATCH

Correspondent

Correspondent Name/Address: KEVIN LYNN WILDENSTEIN
SOUTHWEST IP SVCS
9400 HOLLY AVE NE BLDG 4
ALBUQUERQUE, NEW MEXICO 87122
UNITED STATES

Phone: (505) 944-2500 **Fax:** (505) 944-2501

Correspondent e-mail: klw@swiplaw.com **Correspondent e-mail Authorized:** No

Domestic Representative - Not Found

Prosecution History

Date	Description	Proceeding Number
Mar. 27, 2013	NOTICE OF ACCEPTANCE OF SEC. 8 & 15 - MAILED	
Mar. 27, 2013	REGISTERED - SEC. 8 (6-YR) ACCEPTED & SEC. 15 ACK.	68502
Mar. 27, 2013	CASE ASSIGNED TO POST REGISTRATION PARALEGAL	68502
Mar. 26, 2013	TEAS CHANGE OF CORRESPONDENCE RECEIVED	
Mar. 26, 2013	APPLICANT/CORRESPONDENCE CHANGES (NON-RESPONSIVE) ENTERED	88888
Mar. 26, 2013	TEAS CHANGE OF OWNER ADDRESS RECEIVED	
Mar. 08, 2013	TEAS SECTION 8 & 15 RECEIVED	
Mar. 06, 2013	CANCELLATION INSTITUTED NO. 999999	56871
Jul. 21, 2010	ASSIGNMENT OF OWNERSHIP NOT UPDATED AUTOMATICALLY	
Mar. 04, 2008	REGISTERED-PRINCIPAL REGISTER	
Jan. 25, 2008	EXTENSION OF TIME TO OPPOSE PROCESS - TERMINATED	
Nov. 21, 2007	CHANGES/CORRECTIONS AFTER PUB APPROVAL ENTERED	65294
Nov. 20, 2007	ASSIGNED TO PETITION STAFF	65294
Nov. 19, 2007	FAX RECEIVED	
Nov. 12, 2007	FAX RECEIVED	
Sep. 17, 2007	EXTENSION OF TIME TO OPPOSE RECEIVED	
Sep. 11, 2007	PUBLISHED FOR OPPOSITION	
Aug. 22, 2007	NOTICE OF PUBLICATION	
Aug. 07, 2007	LAW OFFICE PUBLICATION REVIEW COMPLETED	68171
Aug. 07, 2007	ASSIGNED TO LIE	68171
Jun. 22, 2007	APPROVED FOR PUB - PRINCIPAL REGISTER	
Jun. 22, 2007	ASSIGNED TO EXAMINER	67512
Mar. 15, 2007	NEW APPLICATION ENTERED IN TRAM	

Maintenance Filings or Post Registration Information

Affidavit of Continued Use: Section 8 - Accepted

Affidavit of Incontestability: Section 15 - Accepted

TM Staff and Location Information

TM Staff Information - None

File Location

Current Location: TMO LAW OFFICE 111 **Date in Location:** Mar. 27, 2013

Assignment Abstract Of Title Information

Summary

Total Assignments: 1 **Registrant:** Hatch Chile Company, Inc.

Assignment 1 of 1

Conveyance: INTELLECTUAL PROPERTY SECURITY AGREEMENT

Reel/Frame: 4244/0017 **Pages:** 9

Date Recorded: Jul. 19, 2010

Supporting Documents: assignment-tm-4244-0017.pdf

Assignor

Name: HATCH CHILE COMPANY

Execution Date: Jul. 09, 2010

Legal Entity Type: CORPORATION

State or Country Where Organized: NEW MEXICO

Assignee

Name: TRIANGLE MEZZANINE FUND II LP

Legal Entity Type: LIMITED PARTNERSHIP

State or Country Where Organized: DELAWARE

Address: 3700 GLENWOOD AVENUE, SUITE 530
RALEIGH, NORTH CAROLINA 27612

Correspondent

Correspondent Name: KARL S. SAWYER, JR.

Correspondent Address: 214 N TRYON ST, HEARST TOWER 47TH FLOOR
K & L GATES LLP
CHARLOTTE, NC 28202

Domestic Representative - Not Found

Proceedings

Summary

Number of Proceedings: 2

Type of Proceeding: Cancellation

Proceeding Number: 92056871

Filing Date: Mar 02, 2013

Status: Pending

Status Date: Mar 02, 2013

Interlocutory Attorney: ELIZABETH A DUNN

Defendant

Name: Hatch Chile Company, Inc.

Correspondent Address: KEVIN LYNN WILDENSTEIN
SOUTHWEST IP SVCS
9400 HOLLY AVE NE BLDG 4
ALBUQUERQUE NM , 87122
UNITED STATES

Correspondent e-mail: klw@swiplaw.com

Associated marks

Mark	Application Status	Serial Number	Registration Number
HATCH	Cancellation Pending	77128345	3391024

Plaintiff(s)

Name: El Encanto, Inc. d/b/a Bueno Foods, and Hatch Chile Association

Correspondent Address: BRUCE L PLOTKIN
BROWNSTEIN HYATT ET AL
410 17 TH ST STE 2200
DENVER CO , 80202-4432
UNITED STATES

Correspondent e-mail: bplotkin@bhfs.com , eholmes@bhfs.com , dnipdocket@bhfs.com

Prosecution History

Entry Number	History Text	Date	Due Date
1	FILED AND FEE	Mar 02, 2013	
2	NOTICE AND TRIAL DATES SENT; ANSWER DUE:	Mar 06, 2013	Apr 15, 2013
3	PENDING, INSTITUTED	Mar 06, 2013	
4	D UNDELIVERABLE MAIL	Mar 19, 2013	
5	INSTITUTION ORDER REMAILED; DATES RESET	Mar 21, 2013	
6	P NOTICE OF INEFFECTIVE SERVICE	Mar 25, 2013	
7	ANSWER	Apr 28, 2013	
8	CONSOLIDATED (CHILD); DATES RESET	May 10, 2013	

Type of Proceeding: Extension of Time

Proceeding Number: 77128345

Filing Date: Sep 14, 2007

Combined Declaration of Use and Incontestability under Sections 8 & 15
To the Commissioner for Trademarks:

REGISTRATION NUMBER: 3391024
REGISTRATION DATE: 03/04/2008

MARK: HATCH

The owner, Hatch Chile Company, Inc., a corporation of New Mexico, having an address of
PO Box 752
Deming, New Mexico 88031
United States
is filing a Combined Declaration of Use and Incontestability under Sections 8 & 15.

For International Class 030, the mark is in use in commerce on or in connection with **all** of the goods or services listed in the existing registration for this specific class: Enchilada sauce and sauce for rice; **and** the mark has been continuously used in commerce for five (5) consecutive years after the date of registration, or the date of publication under Section 12(c), and is still in use in commerce on or in connection with **all** goods or services listed in the existing registration for this class. Also, no final decision adverse to the owner's claim of ownership of such mark for those goods or services exists, or to the owner's right to register the same or to keep the same on the register; and, no proceeding involving said rights pending and not disposed of in either the U.S. Patent and Trademark Office or the courts exists. The owner is submitting one specimen for this class showing the mark as used in commerce on or in connection with any item in this class, consisting of a(n) Registrant's label for the goods as used in interstate commerce.
Specimen File1
The registrant's current Attorney Information: Kevin Lynn Wildenstein of PO BOX 752

DEMING, New Mexico (NM) 88031
United States

The registrant's proposed Attorney Information: Kevin Lynn Wildenstein of Southwest Intellectual Property Services LLC
9400 Holly Avenue NE, Bldg. 4
Albuquerque, New Mexico (NM) 87122
United States

The phone number is (505) 944-2500.

The fax number is (505) 944-2501.
The registrant's current Correspondence Information: HATCH CHILE COMPANY INC of PO BOX 752

CONSENT AGREEMENT

THIS CONSENT AGREEMENT is made and entered into effective as of February 1, 2016 by and between Hatch Chile Association, El Encanto, Inc., Hatch Chile Company, Hatch Farms, Inc., and Steve Dawson (collectively "Parties"), and Peacock Myers, P.C. ("Peacock Myers).

WHEREAS, Peacock Myers is a law firm that provides legal services and specializes in Intellectual Property Law; and

WHEREAS, Hatch Chile Association and El Encanto, Inc. wish to use Peacock Myers' services in facilitating settlement with Hatch Chile Company regarding pending trademark administrative proceedings regarding the term "HATCH" before the U.S. Patent and Trademark Office and associated litigation; and

WHEREAS, Peacock Myers currently represents the Hatch Chile Association in its certification mark matter, and currently represents El Encanto, Inc., in unrelated trademark matters; and

WHEREAS, Peacock Myers, has in the past represented Hatch Chile Company and Hatch Farms, Inc. with respect to trademark matters involving the term "HATCH" and has represented Hatch Farms, Inc. and Steve Dawson in his individual capacity, as signatories of the 1991 agreement with El Encanto, Inc.; and

WHEREAS, the said settlement facilitation will involve the Parties working to settle the pending disputes regarding the term "HATCH".

NOW THEREFORE, in consideration of the foregoing and of the promises and covenants set forth herein, and intending to be legally bound, the Parties and Peacock Myers agree as follows:

1. Parties hereby give their written consent to Peacock Myers' role in the settlement facilitation.

2. Peacock Myers shall not use information concerning the settlement discussions and facilitation in any litigation or administrative proceeding matters among the Parties.

3. Peacock Myers shall not use information relating to any former representation to the disadvantage of its former clients except when the information has become generally known.

4. Peacock Myers shall not reveal information relating to the former representations referenced herein.

5. The Parties understand that attorney fees of Peacock Myers with respect to the settlement facilitation will be paid by Hatch Chile Association and El Encanto, Inc. (as mutually agreed upon in writing between them).

6. If the settlement facilitation is not ultimately successful, Peacock Myers will be free to continue to represent Hatch Chile Association with respect to its certification mark application and all other matters, and will be free to continue to represent El Encanto, Inc. with respect to all unrelated matters.

7. No term or provision of this Consent Agreement may be varied, changed, modified, waived or terminated, except in writing by all Parties and Peacock Myers.

8. Any controversy or claim arising out of or relating to this Consent Agreement, or the breach thereof, shall be settled by arbitration administered by JAMS, Inc. The results of such arbitration shall be final, binding, and non-appealable, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees. "Costs and fees" mean all reasonable pre-award expenses of the arbitration, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. The laws of the State of New Mexico shall control.

Parties and Peacock Myers have executed this Consent Agreement to be effective as of the date hereinabove on the dates indicated below.

Date: February ____, 2016

Hatch Chile Association

By: s/ _____

Print Name:_____

Date: February ____, 2016

Preston Mitchell

s/ _____

Date: February ____, 2016

El Encanto, Inc.

By: s/ Gene Baca

ELECTRONIC

Print Name: Gene Baca

Date: February ____, 2016

Jacqueline J. Baca

s/ _____

Date: February ____, 2016

Gene Baca

s/ Gene Baca

Date: February ____, 2016

Hatch Chile Company

By: s/ _____

Print Name: _____

Date: February ____, 2016

Hatch Farms, Inc.

By: s/ _____

Print Name: _____

Date: February ____, 2016

Steve Dawson

s/ _____

Date: February ____, 2016

Peacock Myers, P.C

By: s/ _____

Print Name: _____

Title: _____

5. The Parties understand that attorney fees of Peacock Myers with respect to the settlement facilitation will be paid by Hatch Chile Association and El Encanto, Inc. (as mutually agreed upon in writing between them).

6. If the settlement facilitation is not ultimately successful, Peacock Myers will be free to continue to represent Hatch Chile Association with respect to its certification mark application and all other matters, and will be free to continue to represent El Encanto, Inc. with respect to all unrelated matters.

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8. Any controversy or claim arising out of or relating to this Consent Agreement, or the breach thereof, shall be settled by arbitration administered by JAMS, Inc. The results of such arbitration shall be final, binding, and non-appealable, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees. "Costs and fees" mean all reasonable pre-award expenses of the arbitration, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. The laws of the State of New Mexico shall control.

Parties and Peacock Myers have executed this Consent Agreement to be effective as of the date hereinabove on the dates indicated below.

Date: February ____, 2016

Hatch Chile Association

By: s/ _____

Print Name: _____

Date: February ____, 2016

Preston Mitchell

s/ _____

Date: February 9, 2016

El Encanto, Inc.

By: s/ Jacqueline M

Print Name: Jacqueline J Baca

Date: February 9, 2016

Jacqueline J. Baca

s/ _____

Date: February ____, 2016

Gene Baca

s/ _____

Date: February ____, 2016

Hatch Chile Company

By: s/ _____

Print Name:_____

Date: February ____, 2016

Hatch Farms, Inc.

By: s/ _____

Print Name:_____

Date: February ____, 2016

Steve Dawson

s/ _____

Date: February ____, 2016

Peacock Myers, P.C

By: s/ _____

Print Name:_____

Title:_____

PEACOCK MYERS, P.C.

INTELLECTUAL PROPERTY LAW SERVICES
TECHNOLOGY COMMERCIALIZATION

Deborah A. Peacock, P.E.[1,2,3]
Jeffrey D. Myers[1,2,3]
Roger E. Michener, Ph.D.[2,6,7]
Vidal A. Oaxaca[1,2,3,4,5]
Janeen Vilven-Doggett, Ph.D.[1,2]
Philip D. Askenazy, Ph.D.[9]
Registered Patent Agent
Justin R. Jackson[1,2]
Hilary A. Noskin, Ph.D.[1,2]
Samantha A. Updegraff[9]
Registered Patent Agent
Stephen A. Slusher, Of Counsel[1,2]
Dickson G. Kehl, Of Counsel[1,4]
Steve M. McLary, Of Counsel[1,8]

U.S. and International Intellectual Property
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Corporate and Commercial Transactions
Venture Capital, Securities and Due Diligence

October 29, 2007

Kevin Wildenstein
SW Intellectual Property Services LLC
6700 Jefferson St. NE, #B8
Albuquerque, New Mexico 87109-4382

Re: Your Client: Hatch Chili Company, Inc. and Hatch Farms, Inc. ("Hatch")
Hatch U.S. Application Serial No. 77/128,345

Dear Kevin:

I previously represented Hatch in an opposition proceeding against El Encanto Inc., d/b/a Bueno Foods. We currently represent Bueno Foods. (Hatch knows this and approved, and subsequently transferred its files to you.)

It has come to Bueno Food's attention that you have filed an application for HATCH, Serial No. 77/128,345. We wanted you to be aware of the settlement agreement that was entered into between Hatch and El Encanto (copy enclosed).

Since I was directly involved in this matter representing Hatch, this would be conflict of interest for our firm to represent Bueno Foods in this matter. Accordingly, we have informed Bueno Foods that it will need to hire other counsel regarding this matter.

In any event, I wanted you to be aware of this agreement, in case you do not have it.

Best regards,

Deborah A. Peacock, P.E.
Direct line: (505) 998-1501
dpeacock@peacocklaw.com

DAP:kkc
Enclosure
G:\A-CLIENTS\BUENO\CORR\Kevin Wildenstein 102307.doc

DEFENDANT'S EXHIBIT NO. 2 FOR IDENTIFICATION
DATE: RPTR:

1 Registered U.S. Patent & Trademark Office
2 Admitted New Mexico Bar
3 Admitted Colorado Bar
4 Admitted Texas Bar
5 Admitted Washington Bar
6 Admitted New York and New Jersey Bars
7 Admitted Washington DC and Pennsylvania Bars
8 Admitted Indiana and Ohio Bars
9 Registered U.S. Patent & Trademark Office (non-attorney)

201 Third Street NW • Suite 1340
Albuquerque, New Mexico 87102-3368
Post Office Box 26927
Albuquerque, New Mexico 87125-6927

Telephone (505) 998-1500
Fax (505) 243-2542
Info@PeacockLaw.com

AGREEMENT

EL ENCANTO, INC., a New Mexico corporation, and HATCH FARMS, INC., a New Mexico corporation, agree:

1. The parties agree that the word "HATCH" as used in connection with chile is a geographically descriptive term and when the word "HATCH" is used in connection with chile, prospective purchasers expect the chile to come from the Hatch Valley in New Mexico.

2. The parties agree that they, their subsidiaries, affiliates, successors and associate companies, and Steve Dawson ("Dawson"), acting directly or indirectly through any business enterprises, may use a combination of the word "HATCH" with a design or with another word or words or with both words and design as a trademark for chile or a trade name for a business that deals in chile and may assert exclusive rights in the combination, so long as the combination is not likely to be confused with a prior trademark or trade name of the other party. The parties and Dawson will never use the word "HATCH," or assert exclusive rights to the word "HATCH," as a trademark for chile or trade name for a business that grows or deals in chile, except as part of such a combination. The parties and Dawson are free to use the word "HATCH" as a geographically descriptive term in connection with chile.

3. El Encanto agrees that it will withdraw its application for registration, Serial No. 73/727,882, filed on

May 12, 1988, in the U.S. Patent and Trademark Office, or cancel the registration if it issues, in a form agreed to by both parties; provided, however, that El Encanto may reapply for registration of the logo which was the subject of that application or registration upon changing the logo to include the "BUENO" trademark and reducing the size and prominence of the word "HATCH" in or outside of the logo so that the word "BUENO" is prominently featured in the logo and on the label. In its application, El Encanto will disclaim exclusive rights to use the word "HATCH" apart from the mark. Hatch Farms, Inc., and Dawson agree they will not oppose or seek cancellation of registration of such mark, nor will they encourage or assist others in doing so.

4. Hatch Farms, Inc., may seek registration for its HATCH SELECT mark in connection with its green chile products in the U.S. Patent and Trademark Office, provided it disclaims exclusive rights to use the word "HATCH" apart from its HATCH SELECT mark. Likewise, Hatch Farms, Inc., may seek registration for its HATCH SELECT mark in connection with its non-chile containing products in the U.S. Patent and Trademark Office, and shall not be required, under this Agreement, to disclaim the word "HATCH" as it pertains to such products. El Encanto agrees it will not oppose or seek cancellation of registration of such marks, nor will it encourage or assist others in doing so.

5. This Agreement binds the parties, their successors and assigns, may not be modified except in writing signed by the

parties, and will be governed by and construed according to the laws of the State of New Mexico.

HATCH FARMS, INC.

By Steve Dawson
Its PRESIDENT

EL ENCANTO, INC.

By _____
Its _____

I agree to the provisions of paragraphs 2 and 3.

Steve Dawson
STEVE DAWSON

Trademark Trial and Appeal Board Electronic Filing System. http://estta.uspto.gov
ESTTA Tracking number: **ESTTA524482**
Filing date: **03/02/2013**

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

Petition for Cancellation

Notice is hereby given that the following parties request to cancel indicated registration.

Petitioner Information

Name	El Encanto, Inc. d/b/a Bueno Foods		
Entity	Corporation	Citizenship	New Mexico
Address	2004 4th Street NW Albuquerque, NM 87102 UNITED STATES		

Name	Hatch Chile Association		
Entity	Nonprofit corporation	Citizenship	New Mexico
Address	400 Dawson Raod La Mesa, NM 88044 UNITED STATES		

Attorney information	Bruce L. Plotkin Brownstein Hyatt Farber Schreck, LLP 410 17th Street, Suite 2200 Denver, CO 80202 UNITED STATES bplotkin@bhfs.com, eholmes@bhfs.com, dnipdocket@bhfs.com

Registration Subject to Cancellation

Registration No	3391024	Registration date	03/04/2008
Registrant	Hatch Chile Company, Inc. PO Box 752 Deming, NM 88031 UNITED STATES		

Goods/Services Subject to Cancellation

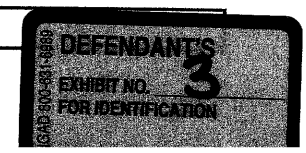
Class 030. First Use: 1988/11/15 First Use In Commerce: 1988/11/15
All goods and services in the class are cancelled, namely: Enchilada sauce and sauce for rice

Grounds for Cancellation

The mark is primarily geographically descriptive	Trademark Act section 2(e)(2)
The mark is primarily geographically deceptively misdescriptive	Trademark Act section 2(e)(3)
Other	Breach of contract

Related Proceedings	91204917, 91207365, 91207335

Attachments	Petition.pdf (10 pages)(6093825 bytes)



Certificate of Service

The undersigned hereby certifies that a copy of this paper has been served upon all parties, at their address record by First Class Mail on this date.

Signature	/emilycholmes/
Name	Emily C. Holmes
Date	03/02/2013

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

In the Matter of the Trademark Registration No. 3,391,024
For the Trademark: HATCH in International Class 30

El Encanto, Inc. d/b/a Bueno Foods, and
Hatch Chile Association
Opposers,

v.

Hatch Chile Company, Inc.,
Applicant.

CANCELLATION NO. _____

JOINT PETITION FOR CANCELLATION

El Encanto, Inc. d/b/a Bueno Foods ("Bueno"), a New Mexico corporation having its principal place of business at 2004 4th Street NW, Albuquerque, New Mexico 87102, and Hatch Chile Association (the "Association"), a New Mexico nonprofit corporation having its principal place of business at 400 Dawson Road, La Mesa, New Mexico 88044, each believes that it is damaged by Registration No. 3,391,024, for the mark HATCH which is owned by Hatch Chile Company, Inc. ("HCC"), and hereby jointly petition to cancel the same under the provisions of 15. U.S.C. § 1064. As grounds for cancellation, Bueno and the Association assert that:

A. The Parties

1. Bueno is a successful food company based in New Mexico that produces New Mexican and Mexican style foods.

2. Bueno manufactures, prepares, and distributes more than 150 authentic, gourmet-quality food products to restaurants, grocery stores and other retail customers throughout the United States. Bueno's products include green chile, red chile, salsas, and a line of ready-to-

serve prepared products such as tamales and enchiladas. Certain of Bueno's products are sourced from the Hatch Valley in New Mexico.

3. For years, Bueno – like many other New Mexico-based food producers – has used the descriptive term "Hatch" in connection with the description and promotion of certain food products that are sourced from New Mexico's Hatch Valley, and Bueno intends to continue such use.

4. The Association is an association of growers of chilies in New Mexico's Hatch Valley.

5. The Association also uses the descriptive term "Hatch" in connection with the description and promotion of its chilies that are grown in New Mexico's Hatch Valley, and the Association intends to continue such use.

6. HCC is a food company based in Brunswick, Georgia. Upon information and belief, HCC manufactures and distributes food products to restaurants and grocery stores throughout the United States.

7. Upon information and belief, an individual named Steve Dawson is the president of HCC.

8. Upon information and belief, in one of his prior employment positions, Mr. Dawson served as the president of Hatch Farms, Inc. ("Hatch Farms"), the predecessor entity to HCC.

9. Upon information and belief, and as stated in the records of the USPTO, HCC began using the HATCH mark in commerce on November 15, 1988.

10. Upon information and belief, and as stated in the records of the USPTO, HCC filed an application to register the HATCH mark on March 12, 2007, pursuant to 15 U.S.C. 1051

(a). The application matured into U.S. Registration No. 3,391,024 on March 4, 2008, for "enchilada sauce and sauce for rice," in Class 30 (the "HCC Product").

B. The Meaning of the Term "Hatch"

11. Hatch, New Mexico is a village located in Doña Ana County, New Mexico.

12. The Hatch Valley is the area surrounding Hatch, New Mexico.

13. The Hatch Valley is known among the relevant consuming public for its chile and other New Mexican food products that originate from that area.

14. In certain trademark registrations owned by HCC (U.S. Reg. Nos. 1735090, 1735053, and 1722215), HCC has disclaimed the term "Hatch," thereby acknowledging that "Hatch" is a descriptive term.

C. The "Hatch" Agreement

15. In or around 1991, Mr. Dawson and Hatch Farms entered into an agreement with Bueno regarding the use of the term "Hatch" (the "Agreement"). A copy of the Agreement is attached as Exhibit A.

16. Pursuant to Paragraph 2 of the Agreement, Mr. Dawson and Hatch Farms agreed to "never use the word 'HATCH,' or assert exclusive rights to the word 'HATCH,' as a trademark for chile or trade name for a business that grows or deals in chile," except as part of a combination "with a design or with another word or words or with both words and design."

17. The HCC Product contains chile as the primary ingredient.

18. HCC's specimen submitted for the HCC Product is a can label for HATCH SELECT enchilada sauce, that lists "dried red chile" as a primary ingredient.

19. Paragraph 2 of the Agreement expressly applies to, among others, Mr. Dawson, Hatch Farms, and "their subsidiaries, affiliates, successors, and associate companies," as well as Mr. Dawson "acting directly or indirectly through any business enterprises."

20. The Agreement was executed by Mr. Dawson, both in his individual capacity and his capacity as president of Hatch Farms.

FIRST JOINT GROUND FOR CANCELLATION

21. The alleged mark HATCH is primarily geographically deceptively misdescriptive under Section 2(e)(3) of the Lanham Act, 15 U.S.C. § 1052(e)(3).

22. The primary significance of the term "Hatch" is as a generally known geographic location: the Hatch Valley in New Mexico, which includes the village of Hatch, New Mexico.

23. The consuming public is likely to believe that the place identified by the alleged mark HATCH indicates the origin of the HCC Product (that is, that a goods/place association exists).

24. Upon information and belief, the HCC Product – or at least a portion of the HCC Product – will not (or do not) come from the Hatch Valley.

25. HCC's misrepresentation through its use of the alleged mark HATCH with the HCC Product would be a material factor in the relevant public's decision to purchase the HCC Product.

26. As HCC's alleged mark has registered, HCC has obtained at least a prima facie exclusive right to use the term "HATCH" in certain contexts, thereby endangering Bueno's and the Association's right to continue using the term "Hatch" in their own commercial efforts. In addition, Bueno, the Association and the purchasing public is damaged by HCC's registration of the alleged mark HATCH for the HCC Product as a result of HCC's deceptive misrepresentation through the use of the alleged mark.

27. In light of the foregoing, the Board should cancel the registration of the alleged mark pursuant to Section 2(e)(3) of the Lanham Act, 15 U.S.C. § 1052(e)(3)

SECOND JOINT GROUND FOR CANCELLATION

28. As an alternative to the First Ground for Cancellation set forth above, the alleged mark HATCH is primarily geographically descriptive under Section 2(e)(2) of the Lanham Act, 15 U.S.C. § 1052(e)(2).

29. The primary significance of the term "Hatch" is as a generally known geographic location: the Hatch Valley in New Mexico, which includes the village of Hatch, New Mexico.

30. The consuming public is likely to believe that the place identified by the alleged mark HATCH indicates the origin of the HCC Product (that is, that a goods/place association exists).

31. As HCC's alleged mark has registered, HCC has obtained at least a prima facie exclusive right to use the term "HATCH" in certain contexts, thereby obscuring Bueno's right to continue using the term "Hatch" in its own commercial efforts.

32. In light of the foregoing, the Board should cancel the registration of the alleged mark pursuant to Section 2(e)(2) of the Lanham Act, 15 U.S.C. § 1052(e)(2).

BUENO'S THIRD GROUND FOR CANCELLATION

33. The Agreement remains in full force and effect.

34. HCC, and its president, Mr. Dawson, are bound by terms of the Agreement.

35. The Agreement prohibits HCC and/or Mr. Dawson from using or asserting exclusive rights in the alleged mark HATCH in connection with the HCC Product.

36. By filing the use-based application, HCC has asserted exclusive rights in the alleged mark HATCH in connection with the HCC Product, in breach of the Agreement.

37. The Agreement precludes and/or estops HCC from registering the alleged mark HATCH in connection with the HCC Product.

38. As the alleged mark HATCH has been allowed to register, HCC is in further violation of the Agreement since such registration issued after HCC's use of the alleged mark – which is prohibited by the Agreement – commenced.

39. As a result of HCC's claim to trademark rights in the term "Hatch" and register the alleged mark HATCH in contravention of the terms of the Agreement, Bueno has suffered and will continue to suffer damage to its business.

D. Conclusion

WHEREFORE, Bueno and the Association respectfully request that U.S. Trademark Registration No. 3,391,024, be cancelled, and that this Petition to Cancel be sustained in favor of Bueno and the Association.

Respectfully submitted,

Dated: March 2, 2013

By: Emily Holmes

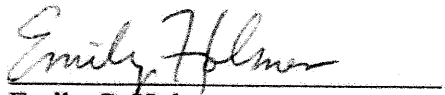
Bruce L. Plotkin
Emily C. Holmes
Brownstein Hyatt Farber Schreck, LLP
410 17th Street, Suite 2200
Denver, CO 80202
Tel.: 303.223.1100
bplotkin@bhfs.com
eholmes@bhfs.com

ATTORNEYS FOR BUENO AND THE ASSOCIATION

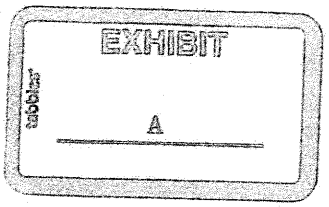
CERTIFICATE OF SERVICE

I, Emily C. Holmes, hereby certify that on March 2, 2013, I served the foregoing Petition for Cancellation upon the following person(s) via U.S. mail:

Hatch Chile Company, Inc.
PO Box 752
Deming, NM 88031



Emily C. Holmes
Brownstein Hyatt Farber Schreck, LLP
410 Seventeenth Street, Suite 2200
Denver, CO 80202



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2. The parties agree that they, their subsidiaries, affiliates, successors and associate companies, and Steve Dawson ("Dawson"), acting directly or indirectly through any business enterprises, may use a combination of the word "HATCH" with a design or with another word or words or with both words and design as a trademark for chile or a trade name for a business that deals in chile and may assert exclusive rights in the combination, so long as the combination is not likely to be confused with a prior trademark or trade name of the other party. The parties and Dawson will never use the word "HATCH," or assert exclusive rights to the word "HATCH," as a trademark for chile or trade name for a business that grows or deals in chile, except as part of such a combination. The parties and Dawson are free to use the word "HATCH" as a geographically descriptive term in connection with chile.

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5. This Agreement binds the parties, their successors and assigns, may not be modified except in writing signed by the

parties, and will be governed by and construed according to the laws of the State of New Mexico.

HATCH FARMS, INC.

By Steve Dawson
Its President

EL ENCANTO, INC.

By [illegible]
Its [illegible]

I agree to the provisions of paragraphs 2 and 3.

Steve Dawson
STEVE DAWSON

PTO Form 1957 (Rev 9/2005)
OMB No. 0651-0050 (Exp. 07/31/2017)

Response to Office Action

The table below presents the data as entered.

Input Field	Entered
SERIAL NUMBER	85942024
LAW OFFICE ASSIGNED	LAW OFFICE 105
MARK SECTION (no change)	
ARGUMENT(S)	
Please see the attached argument text attached within the Evidence section.	
EVIDENCE SECTION	
EVIDENCE FILE NAME(S)	
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DESCRIPTION OF EVIDENCE FILE	Response to Office Action dated September 30, 2014; Response Exhibit A - Letter Response Exhibit B- Hatch Chile Company Agreement; Response Exhibit C - Villa Agreement
CORRESPONDENCE SECTION	
ORIGINAL ADDRESS	DEBORAH A. PEACOCK PEACOCK MYERS, P.C. PO BOX 26927 ALBUQUERQUE New Mexico (NM) US 87125-6927
NEW CORRESPONDENCE SECTION	
NAME	DEBORAH A. PEACOCK
FIRM NAME	PEACOCK MYERS, P.C.
INDIVIDUAL ATTORNEY DOCKET/REFERENCE NUMBER	33761-1001
STREET	PO BOX 26927
CITY	ALBUQUERQUE

STATE	New Mexico
ZIP/POSTAL CODE	87125-6927
COUNTRY	United States
PHONE	(505) 998-1500
FAX	(505) 243-2542
EMAIL	info@PeacockLaw.com;File@PeacockLaw.com;Docketing@PeacockLaw.com;dp
AUTHORIZED EMAIL COMMUNICATION	Yes
SIGNATURE SECTION	
RESPONSE SIGNATURE	/Deborah A. Peacock/
SIGNATORY'S NAME	Deborah A. Peacock
SIGNATORY'S POSITION	Attorney of record, New Mexico and Colorado and New York bar member
SIGNATORY'S PHONE NUMBER	505-998-1500
DATE SIGNED	03/30/2015
AUTHORIZED SIGNATORY	YES
FILING INFORMATION SECTION	
SUBMIT DATE	Mon Mar 30 18:15:58 EDT 2015
TEAS STAMP	USPTO/ROA-207.66.12.2-201 50330181558453952-8594202 4-5306c2671e786b01a67b4d3 98429d99e94166b879cda995b 85e547922471658a096-N/A-N /A-20150330173520984947

PTO Form 1957 (Rev 9/2005)
OMB No. 0651-0050 (Exp. 07/31/2017)

Response to Office Action

To the Commissioner for Trademarks:

Application serial no. **85942024** has been amended as follows:

ARGUMENT(S)

In response to the substantive refusal(s), please note the following:

Please see the attached argument text attached within the Evidence section.

EVIDENCE
Evidence in the nature of Response to Office Action dated September 30, 2014; Response Exhibit A - Letter dated April 5, 2014 from Registrant's attorney; Response Exhibit B- Hatch Chile Company Agreement; Response Exhibit C - Village of Hatch Resolution; Response Exhibit D - License Agreement has been attached.
Original PDF file:
evi_1-20766122-20150330173520984947_._Response_to_Office_Action.pdf
Converted PDF file(s) (7 pages)
Evidence-1
Evidence-2
Evidence-3
Evidence-4
Evidence-5
Evidence-6
Evidence-7
Original PDF file:
evi_20766122-20150330173520984947_._Exhibit_A_to_Response_-_Letter.pdf
Converted PDF file(s) (1 page)
Evidence-1
Original PDF file:
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Converted PDF file(s) (3 pages)
Evidence-1
Evidence-2
Evidence-3
Original PDF file:
evi_20766122-20150330173520984947_._Exhibit_C_to_Response_-_Resolution.pdf
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Evidence-1
Original PDF file:
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Converted PDF file(s) (7 pages)
Evidence-1
Evidence-2
Evidence-3
Evidence-4
Evidence-5
Evidence-6
Evidence-7

CORRESPONDENCE ADDRESS CHANGE
Applicant proposes to amend the following:
Current:
DEBORAH A. PEACOCK

PEACOCK MYERS, P.C.
PO BOX 26927
ALBUQUERQUE
New Mexico (NM)
US
87125-6927

Proposed:
DEBORAH A. PEACOCK of PEACOCK MYERS, P.C., having an address of
PO BOX 26927 ALBUQUERQUE, New Mexico 87125-6927
United States
info@PeacockLaw.com;File@PeacockLaw.com;Docketing@PeacockLaw.com;dpeacock@PeacockLaw.co
(505) 998-1500
(505) 243-2542
The attorney docket/reference number is 33761-1001 .

SIGNATURE(S)
Response Signature
Signature: /Deborah A. Peacock/ Date: 03/30/2015
Signatory's Name: Deborah A. Peacock
Signatory's Position: Attorney of record, New Mexico and Colorado and New York bar member

Signatory's Phone Number: 505-998-1500

The signatory has confirmed that he/she is an attorney who is a member in good standing of the bar of the highest court of a U.S. state, which includes the District of Columbia, Puerto Rico, and other federal territories and possessions; and he/she is currently the applicant's attorney or an associate thereof; and to the best of his/her knowledge, if prior to his/her appointment another U.S. attorney or a Canadian attorney/agent not currently associated with his/her company/firm previously represented the applicant in this matter: (1) the applicant has filed or is concurrently filing a signed revocation of or substitute power of attorney with the USPTO; (2) the USPTO has granted the request of the prior representative to withdraw; (3) the applicant has filed a power of attorney appointing him/her in this matter; or (4) the applicant's appointed U.S. attorney or Canadian attorney/agent has filed a power of attorney appointing him/her as an associate attorney in this matter.

Mailing Address: DEBORAH A. PEACOCK
PEACOCK MYERS, P.C.
PO BOX 26927
ALBUQUERQUE, New Mexico 87125-6927

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To the Commissioner of Trademarks

This is in response to the Office Action dated September 30, 2014

Registration Refused – Section 2(d)

The Examining Attorney rejects Applicant's mark HATCH, Serial No. 85/942,024 because of a likelihood of confusion (Trademark Act, 15 U.S.C. §1052(d)) based on several prior registrations for Hatch Chile Company, Inc. as follows:

Mark	Registration/ Serial Number	Owner	Goods
HATCH SELECT	1,722,215	Hatch Chile Company, Inc.	IC 029: Southwestern style foods; namely, processed green chili peppers and refried beans with processed green chili peppers
	1,735,053	Hatch Chile Company, Inc.	IC 029: Southwestern style foods; namely, [refried beans] and processed jalapeno peppers
	1,735,090	Hatch Chile Company Inc.	IC 030: Southwestern style foods; namely, enchilada sauce and picante sauce
HATCH	3,391,024	Hatch Chile Company, Inc.	IC 030: Enchilada sauce and sauce for rice

Comparison of the Marks

The Examining Attorney found a likelihood of confusion both as to the marks themselves and on the basis of the similarity and relatedness of the goods and services. Applicant disagrees that there is any likelihood of confusion and responds to both arguments *infra*:

U.S. Registration No: 3,391,024 for Hatch

The Examining Attorney stated that Applicant's goods were "identical or virtually identical" to the goods in HATCH Registration No. 3,391,024. This is incorrect. We note that Applicant's goods, namely: "unprocessed chiles," are not "identical" to the goods specified in Registration No. 3,391,024, namely "enchilada sauce and sauce for rice."

U.S. Registrations for HATCH SELECT

The Examining Attorney cites HATCH SELECT (Reg. 1,722,215), HATCH SELECT (stylized font) (Reg. 1,735,053) and HATCH SELECT (stylized font) (1,735,090) noting these

registrations incorporate the entirety of Applicant's mark and arguing that Applicant's mark does not create a commercially distinct impression. Applicant respectfully disagrees with these assertions. Applicant's mark is for HATCH. In contrast, all of these cited registrations are for HATCH SELECT, and two of these registrations include a design element.

A long standing rule is that the mark should be considered as a whole and not dissected by its parts. The Supreme Court in Estate of P.D. Beckwith, Inc., v. Comm'r of Patents, 252 U.S. 538, 40 S. Ct. 414, 64 L. Ed. 705 (1920) ruled that the "commercial impression of a trade-mark is derived from it as a whole, not from its elements separated and considered in detail. For this reason it should be considered in its entirety." (*Id.* at 545-546). In Bell Labs, Inc. v. Colonial Prods., Inc., 644 F. Supp. 542, 231 U.S.P.Q. 569 (S.D. Fla. 1986) the Court held that there was no likelihood of confusion between FINAL and FINAL FLIP, despite both marks covering goods pertaining to rodenticide. Similarly in Murray Corp. of Am. V. Red Spot Paint & Varnish Co., 280 F.2d 158 (C.C.P.A. 1960) the court found no likelihood of confusion between EASYTINT and EASY). Applicant's mark HATCH is similarly distinguishable from Registrant's marks, HATCH SELECT and HATCH (with designs). Registrant's marks when considered as a whole are readily distinguished by the additional word "SELECT" and the stylized features. Thus, there is no likelihood of confusion between Applicant's marks and Registrant's marks.

No Opposition from Registrant of Reg. Nos. 3,391,024; 1,735,090; 1,735,053; 1,722,215

The mark HATCH, Registration No. 3,391,024, and the marks HATCH SELECT Reg. Nos. 1,735,090; 1,735,053; 1,722,215 are cited by the Examining Attorney as allegedly being confusingly similar to Applicant's mark. These marks are owned by Hatch Chile Company. Applicant's attorney received a letter dated April 5, 2014 (see Exhibit A) from the Registrant's attorney stating:

> "I am writing on behalf of Steve Dawson and Hatch Chile Company, Inc. ("HCC") to congratulate your client Hatch Chile Association ("HCA") in advancing its certification mark application for the mark HATCH in the U.S. Trademark Office.
>
> Now that the U.S. Trademark Office has allowed the certification mark application for publication, HCC is hopeful that a trademark registration certificate will follow soon thereafter.
>
> As you know, HCC is a staunch supporter of HCA's grower members and their efforts to promote unprocessed chile. HCC will not oppose this certification application."

The Examining Attorney will note that Registrant's attorney, Kevin Wildenstein sent this letter to the Applicant and is also listed as the Attorney of Record of Registrant's marks. This letter speaks for Hatch Chile Company as to the Applicant's mark. This letter was sent after the application was allowed and before the Examiner withdrew the allowance.

Registrant Agreed To Have Limited Rights To HATCH

Applicant submits an agreement (attached as Exhibit B) entered into by Hatch Chile Company (then Hatch Chile Farms) and its CEO Steve Dawson wherein Hatch Chile Company agreed to in part:

> "1. ...The parties agree that the word "HATCH" as used in connection with chile is a geographically descriptive term and when the word "HATCH" is used in connection with chile, prospective purchasers expect the chile to come from the Hatch Valley in New Mexico."
>
> "2. The parties agree that they, their subsidiaries, affiliates, successors and associate companies, and Steve Dawson ("Dawson"), acting directly or indirectly through any business enterprises, may use a combination of the word "HATCH" with a design or with another word or words or with both words and design as trademark for products containing chile or a trade name for a business that deals in products containing chile and may assert exclusive rights in the combination, so long as the combination is not likely to be confused with a prior trademark or trade name of the other party. The parties and Dawson will never use the word 'HATCH,' or assert exclusive rights to the word 'HATCH,' as a trademark for products containing chile or trade name for a business that grows or deals in products containing chile, except as part of such a combination."
>
> And;
>
> "4. Hatch Farms, Inc., may seek registration for its HATCH SELECT mark in connection with its products containing chile in the U.S. Patent and Trademark Office, provided it disclaims exclusive rights to use the word 'HATCH' apart from its HATCH SELECT mark."

Under the obligations of this agreement, Hatch Chile Company agreed that "when the word "HATCH" is used in connection with chile, prospective purchasers expect the chile to come from the Hatch Valley in New Mexico." Likewise, Registrant, Hatch Chile Company agreed to only use HATCH as follows with products containing chile:

1) in combination with a design; or
2) with another word or words; or
3) with both words and a design.

As can be seen in the above chart, Registrations 1,722,215; 1,735,053, and 1,735,090 all contain chile and all have a combination of two words (HATCH SELECT) or two words (HATCH SELECT) and design. Reg. No. 3,391,024 for HATCH is for enchilada sauce, which does not contain chile.

Prior Pending Applications

Applicant acknowledges the Examining Attorney's advisory notification that filing dates are pending for the marks shown in the chart below:

Mark	Serial Number	Owner	Filing Date	Goods
	85/556,144	Hatch Chile Company, Inc.	February 29, 2012	IC 029: Processed jalapenos, processed green chile, green chile stew, processed tomatoes and green chile, processed tomatoes and jalapenos, snack mix consisting primarily of processed peanuts, processed almonds, sesame sticks and seasonings.
HATCH	85/359,610	Hatch Chile Company, Inc.	June 29, 2011	IC 029: Processed tomatoes and chile; processed tomatoes and jalapenos; processed jalapenos; processed tomatillos; green chile stew. IC 030: Taco sauce, salsa featuring green chile, and salsa featuring diced tomatoes
	85/556,157	Hatch Chile Company, Inc.	February 29, 2012	IC 029: Processed jalapenos, processed green chile, green chile stew, processed tomatoes and green chile, processed tomatoes and jalapenos, snack mix consisting primarily of processed peanuts, processed almonds, sesame sticks and seasonings.

All of these marks are owned by Hatch Chile Company. As noted above, Hatch Chile Company has addressed a letter to Applicant stating it does not oppose Applicant's certification mark. Likewise, none of these marks are for unprocessed chiles. Hatch Chile Company is bound by the terms of the agreement wherein Hatch Chile Company is precluded from registering certain HATCH marks that cover chiles (see Exhibit B). And, these applications are the subject of opposition proceedings by El Encanto, Inc., the other signatory to that Agreement.

Certification Mark vs. Trademark

Applicant is not applying for a trademark but rather for a certification mark (T.M.E.P. § 1306.01). The United States Patent and Trademark Office permits the registering of certification marks that are similar to or even identical to existing trademarks.

In the case of In Re 88 Consortium Ltd., 28 U.S.P.Q.2d 1314 (P.T.O. July 27, 1993) the Board held: "it was permissible for a person to utilize the identical designation as both a trademark and as a certification mark provided that when the identical designation was used as a certification mark, it was used in a 'different setting' such that it would be recognized as a certification mark and not as a trademark." Applicant's association is a non-profit entity, that does not actually produce chile products. In this sense, Applicant's use of the certification mark is in a "different setting" than the mark, HATCH, Registration No. 3,391,024.

The Examining Attorney notes that the marks are identical in terms of appearance and sound as well as being similar in commercial impression. The Board in In Re 88 Consortium Ltd., however, citing the case of In Re Monsanto Co., 201 U.S.P.Q. (BNA) ¶ 864 (P.T.O. May 26, 1978) overruled a similar argument to the one Examining Attorney forwards. The Board noted that:

> In Monsanto, this Board cited with approval the concurrent use of TEFLON as a trademark on synthetic fibers or sheets and "TEFLON Du Pont approved finish" as a certification mark on goods coated with those identical synthetic fibers or sheets. Obviously, TEFLON coated products and TEFLON coatings are just as closely related, if not more closely related, than the present applicant's certification services and goods and services identified by its prior registrations.

The cases of In Re 88 Consortium Ltd. and In Re Monsanto Co. stand for the rule that a certification mark is permitted to be identical to an existing trademark so long as the mark is used in a different context. Applicant's use of the mark is in a different context, as Applicant's association is a non-profit entity that does not market its own line of products, but rather certifies others who grow unprocessed chiles. The cooperation and support of the Registrant of the mark, HATCH, Registration No. 3,391,024 with Applicant also militates against a finding of confusion and will ensure that the marks are used in different contexts.

The board in the case of Swiss Watch Int'l, Inc., 101 U.S.P.Q.2d 1731 (P.T.O. Jan. 30, 2012), rejected the Examiner's line of argument. This case involved a request for cancellation of two certification marks (SWISS and SWISS MADE). The petitioner supported its case by proffering evidence of some twenty trademarks that were "identical or substantially or virtually identical" to the respondent's marks, marks such as LEONARD SWISS or WENGER SWISS. Petitioner also argued that the mark SWISS was the salient and distinguishing feature of respondent's marks. The Board rejected this argument holding: "On the contrary, the additional elements in the various marks clearly make these marks different from SWISS and from SWISS MADE." By virtue of the holding in Swiss Watch Int'l., Applicant submits that its mark is not confusingly similar to the other HATCH SELECT or HATCH marks.

Comparison of the Goods

Applicant's mark is a certification mark and should not be precluded registration based on the holdings in In Re 88 Consortium Ltd. and In Re Monsanto Co. In both cases the Board held that a certification mark may certify the same product covered by a trademark. Trademark regulations also do not bar even the same organization from using both a certification mark and

a trademark on the same goods: "organizations may perform services for their members, and sell various goods to their members and others, as well as conduct programs wherein they certify characteristics or other aspects of goods or services, especially of kinds which relate to the main purpose of the association" (TMEP § 1306.04).

Applicant's mark was rejected by the Examining Attorney on the grounds that the goods Applicant's mark certifies are similar to goods covered by other marks and applications. The goods Applicant's marks cover, however, are not the same as the goods covered by the other marks. Applicant's mark covers goods such as unprocessed chiles, whereas the other marks cover goods for processed chiles.

Exercise of Legitimate Control Over Use of the Certification Mark

The existence of four registrations and three pending applications containing the geographic term HATCH was cited by the Examining Attorney as raising doubt as to the existence of Applicant's control over use of the mark. The Examining Attorney's argument, however, is rebutted by the board's holding in Swiss Watch Int'l, Inc. In that case, the petitioner argued that respondent did not control use of its certification marks because there was "widespread third party use prior to Registrant's date of registration of its Marks." Petitioner was able to show nearly 20 registered trademarks bearing the word SWISS. The Board rejected this argument holding that the mere fact that other registrations exist does not alone preclude the registration of a certification mark.

Applicant's mark is also distinguishable from the marks at issue in Swiss Watch Int'l, Inc. in that there are fewer registrations at issue in this case (7) as opposed to (20). All of the marks except for one, contain multiple different words. Unlike in Swiss Watch Int'l, Inc. the Registrant of the other marks at issue gives its explicit support to the registration of Applicant's certification mark. As the Board noted in Swiss Watch Int'l Applicant's control of the mark need not be absolute but merely adequate. In this case, since Applicant has the support of the Registrant of the mark HATCH Registration No. 3,391,024, Applicant's right to use the marks is not contested. Similarly the argument that the mark "HATCH" is generic because of prior use does not preclude the registration of Applicant's certification mark. As the Board noted in Swiss Watch Int'l, Inc. the petitioner in that case proffered some 75 internet pages showing the use of the mark "SWISS" and yet this evidence did not cancel a valid certification mark.

Authority and Control

A request was made for the Applicant to proffer evidence of its authority to control the geographic term in the mark HATCH. Applicant is a private, non-profit entity. Applicant has attached a resolution (see Exhibit C) between Applicant and the Village of Hatch giving Applicant the authority to control the geographic term in the mark. As stated in the Resolution,

> "The Board of Trustees of the Village of Hatch, New Mexico, does hereby grant Hatch Chile Association the authority to:
>
> 1) Certify chile peppers and products containing chile peppers for chile peppers grown in the Hatch Valley; and

2) Register marks and certification marks for chile peppers and products containing chile peppers under HATCH mark(s) for chile peppers grown in the Hatch Valley; and

3) Promulgate rules and requirements for a certification process for the Hatch chile peppers and products containing chile peppers, and for use of the HATCH mark(s) for chile peppers grown in the Hatch Valley."

Accordingly, Applicant has the authority to control the term HATCH regarding HATCH chiles grown in the Hatch Valley.

The Examining Attorney requested that Applicant proffer evidence of how Applicant maintains control over the mark. Applicant has a Certification Agreement (one example attached as Exhibit D), which has been signed by growers in the Hatch Valley, New Mexico. As stated in these Certifications:

> **"QUALITY**. Licensor shall have the right to control the nature and quality of all HATCH™ chiles. Licensee agrees to maintain a quality standard for its HATCH™ chiles meeting the applicable minimum U.S.D.A. Standards. Chiles shall only be ones that are grown in the Hatch Valley of New Mexico, as certified by Licensor. Licensee agrees to allow Licensor access to Licensee's harvesting, packing, storage, manufacturing, production and/or marketing facilities during normal hours and with reasonable notice to inspect the HATCH™ chiles to enable Licensor to determine if appropriate quality standards are being maintained. The representations contained in Licensee's most recent Application for Registration were relied upon in entering into this Agreement, and such representations and said Application are incorporated into this Agreement and made a part hereof by reference thereto. Licensee agrees to abide strictly with said representations and to abide by the requirements of the New Mexico Chile Advertising Act, as amended."

Thus, Applicant maintains control over the use and quality of HATCH chiles grown in the Hatch Valley.

CONCLUSION

For the foregoing reasons, it is submitted that the present application is in condition for publication and allowance, and such action is requested.

LAW OFFICE OF ROD D. BAKER

12126 Highway 14 N., Suite A-7
Cedar Crest, New Mexico 87008-9406
Tel. (505) 286-9700
Fax (505) 281-6333
rdbaker@swcp.com

October 10, 2016

Via Email and Mail

Ms. Deborah Peacock
Peacock Myers, P.C.
P.O. Box 26927
Albuquerque, NM 87125-6927

RE: Demand for Withdrawal Due to Conflict of Interest in Representation of Hatch Chile Association

Dear Deborah:

Our Representation

As you know, Paul Adams and I are currently representing the Hatch Chile Company (HCC), Hatch Farms Inc. (HFI) and Stephen H. "Steve" Dawson (Dawson) [collectively the "Hatch Clients"] in connection with proceedings in the United States Patent and Trademark Office (USPTO), more specifically, the Trademark Trial and Appeal Board (TTAB). These proceedings as you are aware, include three oppositions to prevent registration of the Hatch Clients' trademark applications filed by El Encanto, Inc., dba Bueno Foods (EE) and one cancellation proceeding jointly filed by EE and Hatch Chile Association (HCA or Association). A further proceeding was filed in the USPTO by the Hatch Clients to oppose an Intent-to-Use application of the Association for the certification mark HATCH to be used on unprocessed chile.

Demand for Withdrawal

For the reasons detailed below, we hereby demand that you immediately withdraw from legal representation of any client whose interests are adverse to the Hatch Clients in the above described proceedings on the grounds of: (1) your agreement to do so as reflected in your letter of June 12, 1998; (2) the New Mexico Rules of Professional Conduct (as detailed below); and (3) your law firm's involvement in proceedings before the TTAB, in which you are not directly representing an adverse client, but are assisting counsel rather than formally appearing.

Background

You personally began representing HFI at least as early as 1990 as shown in a retainer letter agreement between your former law firm, Chappell and Barlow, dated July 9, 1990. In 1990 and

1991, you represented HFI in a settlement of a pending (TTAB) dispute between HFI and EE. Documents that have been produced in the above-mentioned proceedings show that you negotiated and drafted an agreement that the parties executed and is currently involved in a state court action between HFI and EE, that now also involves HCC. That agreement proscribed certain actions of HFI regarding use of various "Hatch" trademarks indefinitely, into the future. The agreement is also involved in the above-mentioned proceedings.

June 1998 Conflict Letter

On or about June, 1998 your law firm elected to discontinue representation of HFI, and to begin representation of its competitor, EE. You and Steve Dawson, on behalf of HFI, agreed in a letter of June 12, 1998, as follows:

> We will not represent El Encanto in any dispute involving Hatch Farms, Inc. at any time. We will not represent El Encanto in any trademark matter involving the word 'Hatch' whether owned by Hatch Farms, Inc. or any other affiliated or successor entity or any confusingly similar mark relating to agricultural products.
>
> We have advised El Encanto that we have and continue to represent Hatch Farms, Inc. in trademark and related matters. They understand the scope of any representation that we can provide to them does not involve any matter relating to your company or to any trademark involving the word 'Hatch' or confusingly similar mark used on agricultural products.

That letter clearly prohibits your firm from engaging in the direct or indirect representation of EE or HCA in the above-mentioned proceedings, all of which involve the word "Hatch."

NM Rules of Professional Conduct

The Rules clearly proscribe your current formal representation of HCA in the specific proceeding wherein the Hatch Clients have opposed registration of the mark HATCH (in standard characters) for unprocessed chile (HCA Application No. 85/942,024) (Opposition No. 91223910).

The New Mexico Rules of Professional Conduct Rule 16-109(A) prohibits your representation of HCA as follows:

> 16-109 Duties to former clients.
> A. Subsequent representation. A lawyer who has formerly represented a client in a matter shall not thereafter represent another person in the same or a substantially related matter in which that person's interests are materially adverse

> to the interests of the former client unless the former client gives informed consent, confirmed in writing.

The Comments to the Rule state, "[K]nowledge of specific facts gained in a prior representation that are relevant to the matter in question ordinarily will preclude such a representation." You continue to owe a duty to your former client, the Hatch Clients, to not represent or be adverse to the Hatch Clients in any substantially related matter in which your current client's interests are materially adverse to the interest of the Hatch Clients. The one caveat is you can do so if the Hatch Clients have given informed consent in writing. As you are aware, you never sought the Hatch Clients' consent to represent HCA in its certification mark case. The TTAB cases involving HCA involve questions that are substantially related to your prior representation of the Hatch Clients in trademark matters.

Further, your conflict of interest is also imputed to your law firm. *See* NM Rule of Prof. Resp. 16-110(A) and (C). This bars your firm from knowingly representing HCA in the TTAB proceedings as well.

We also invite your attention to the corresponding USPTO Ethical rules that are implicated: 37 CFR 11.109 and 37 CFR 1.110. These rules are substantially similar to the New Mexico state rules.

Your Improper Implicit Representation on Substantially Related Matters

While your firm has not formally entered an appearance in the above-described proceedings initiated by EE, you recommended EE to the Brownstein law firm for representation of EE in the three oppositions and the cancellation proceedings. The Brownstein law firm not only represents EE in the three oppositions, it also represents both EE and HCA in the cancellation proceeding of the HCC Registration No. 3,391,024 (Cancellation No. 9205687). It is obvious that the reason that the Brownstein law firm is representing HCA in the '687 proceeding, instead of your law firm acting as HCA counsel, is to avoid the appearance of impropriety, which your conflict of interest causes. That is superficial; you refrain from representing HCA in one proceeding yet you are HCA's trademark counsel in another proceeding, both involving the same word: HATCH.

Moreover, if your formal client HCA succeeds in registering HATCH, it will severely restrict the scope, if not the validity of the HCC right to use HATCH on not only enchilada sauce, but on related products. Essentially, your client's attempt to procure a registration for a mark that is identical to the '024, obviously based on your approval, if not encouragement, that benefits EE who you represent in other trademark matters, is a breach of your law firm's letter agreement and the Rules. Representing HCA is tantamount to representing EE, which you are not permitted to do.

Furthermore, it is inconceivable that given your firm's long engagement in matters involving the word Hatch as a trademark, that you and/or your law firm have never, at least indirectly, or perhaps directly, assisted the Brownstein law firm from pursuing a common cause for HCA and EE – adversely affecting the rights of HCC.

Conclusion

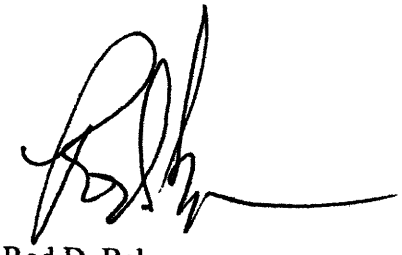
In our opinion you have created fictitious distinctions between matters in which you may be permitted to represent a competitor of HCC/HFI and matters in which you have expressly agreed to refrain from representation, or are precluded by the Rules regarding conflicts of interest.

Your failure to voluntarily withdraw will force us to seek relief in the USPTO by motion. Such a motion will not reflect favorably upon your law firm's reputation and your personal standards of ethical conduct. Unless we hear from you that you are unequivocally committing to withdraw from the TTAB proceeding identified above in the next seven days from the date of this letter, you will force us to take appropriate action.

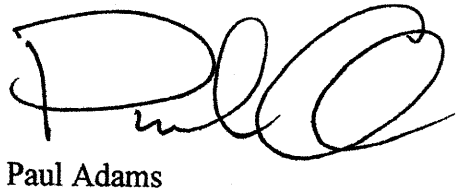
In addition, due to your ongoing conflict of interest, your or your firm's communications with counsel for El Encanto or El Encanto itself must cease because they further violate your ethical duties to the Hatch Clients.

Finally, while your withdrawal will resolve the immediate problem caused by your conflict of interest, we are concerned that you may have already shared confidential information from the Hatch Clients to current counsel for EE relating to your prior representation of the Hatch Clients. To evaluate whether such improper disclosures have occurred, please produce copies of all written communications you have had with current counsel for EE, the Brownstein law firm, from 1998 when you ceased representing the Hatch Clients, until the present relating to the two TTAB cases and the state court case. Please provide this documentation within seven days.

Sincerely,



Rod D. Baker



Paul Adams
The Adams Law Firm, LLC

xc: HFI/HCC Boards of Directors
Stephen H. Dawson, President HFI/HCC

PEACOCK MYERS, P.C.
INTELLECTUAL PROPERTY LAW SERVICES
TECHNOLOGY COMMERCIALIZATION

Deborah A. Peacock, P.E. [1,2,3]
Jeffrey D. Myers [1,2,3]
Janeen Vilven-Doggett, Ph.D. [1,2]
Philip D. Askenazy, Ph.D. [8]
Justin R. Jackson [1,2,4,7]
Isaac Estrada [1,2]
Jeffrey L. Squires, Of Counsel [2,4,5]
Ryan Jennings Wityak [2]
Justin R. Muehlmeyer [1,2]
Stephen A. Slusher, Of Counsel [1,2]
Steve M. McLary, Of Counsel [1,6]

U.S. and Foreign Intellectual Property
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Biotechnology and FDA Law
Computer and Internet Law
Art and Entertainment Law
Trade Secrets and Policies
Intellectual Property Litigation
Corporate and Commercial Transactions
Venture Capital and Due Diligence

October 17, 2016

Via Email: rdbaker@swcp.com
adamspatentlaw@gmail.com

Rod D. Baker
Paul Adams
c/o Law Office of Rod D. Baker
12126 Highway 14 N.
Suite A-7
Cedar Crest, NM 87008-9406

Re: Hatch Chile Company, Inc. v. Hatch Chile Association, Opposition No. 91223190
El Encanto Inc. v. Hatch Chile Company, Consolidated Opposition and Cancellation Proceedings

Dear Rod and Paul:

I write in response to your letter of October 10, 2016 to Deborah Peacock, in which you "demand" that she and this firm withdraw from the two proceedings pending before the TTAB referenced above. For a number of reasons--each of which is sufficient by itself--your demand is not supported by either the Rules of Professional Conduct applicable to these proceedings, or the facts that apparently have given rise to your letter.

Initially, I note that your letter and demand come quite late in the involvement of this firm in its representation of HCA. Our firm has represented HCA since it was formed in 2013, and on its behalf applied to the USPTO for its Certification Mark on May 24, 2013, which your client HCC opposed more than two years later by filing its Opposition on August 7, 2015. And although HCA is indeed a party to the Consolidated Opposition and Cancellation Proceeding with respect to the Cancellation filed against one of HCC's registrations for Hatch on March 2, 2013, this firm is not counsel of record in that proceeding. You offer no explanation for your client not having previously raised any question about conflicts that could disqualify Deborah or this firm in any of these matters, and HCC's delay in raising this issue is itself sufficient to undercut any effort on your part to have Deborah or this firm disqualified from the Opposition to HCA's application to register its Certification MarkA. See, e.g., Coffeyville Resources Refining & Marketing v. Liberty Surplus Insurance Corp., 261 F.R.D. 586, 589 (D. Kan. 2009) and cases cited therein.

1 Registered U.S. Patent & Trademark Office
2 Admitted New Mexico Bar
3 Admitted Colorado and New York Bars
4 Admitted Washington D.C. Bar
5 Admitted Maryland, Virginia and Texas Bars
6 Admitted Indiana and Ohio Bars
7 Admitted Oklahoma Bar
8 Registered Agent, U.S. Patent & Trademark Office (non-attorney)

Albuquerque (Main Office)
201 Third Street NW · Suite 1340
Albuquerque, NM 87102-3368
P.O. Box 26927 · Albuquerque, NM 87125-6927
Telephone (505) 998-1500 · Fax (505) 243-2542
www.PeacockLaw.com

New York
488 Madison Avenue
17th Floor · Suite 1700
New York, NY 10022
Telephone (877) 998-1506

Washington D.C.

Even were your "complaint" about our representation not barred by this unexplained delay, there is no basis for disqualifying Deborah or this firm given the applicable facts. As I understand the background, which you mention briefly, the firm with which Deborah was associated more than 25 years ago represented your present client Hatch Farms, Inc. ("HFI") when Deborah was involved in settling a trademark dispute with El Encanto. Years later in 1998--after having formed the predecessor of our present firm in which Paul, interestingly, was a member-- Peacock Myers & Adams, P.C., undertook to represent El Encanto, as Paul referenced in his June 12, 1998 letter. Given Paul's (and perhaps Rod's, who I gather was also a member of this firm for several years) past actions on behalf of El Encanto, there is more than a bit of irony in your contending that anyone here is disqualified from representing HCA in a matter in which your clients are adverse. But that is another question, and at the present time we have no intention of challenging your representation of HCC in these matters.

In his June 12, 1998 letter Paul (while representing El Encanto), indeed assured Steve Dawson that his firm (Peacock Myers & Adams) would not represent El Encanto in any trademark matter involving the word Hatch, while continuing to represent HFI in trademark matters. This in itself would not seem to have any bearing on the issue you present or the disqualification you demand--except possibly to raise issues with respect to your representation of HFI or HCC in any dispute with El Encanto. But that, as I think is clear, has no bearing on our representation of HCA, an entity formed 15 years after Paul's June 12, 1998 letter, and drawn into a dispute only by reason of HCC's opposition to its Certification Mark application.

Certainly there is no conflict of interest that disqualifies Deborah or this firm from representing HCA in connection with its application or HCC's Opposition under the Rules of Professional Conduct as adopted in New Mexico or as contained in the essentially identical counterpart rules of the USPTO. NMRA 16-107 (37 C.F.R. § 11.107), the basic conflict rule, bars simultaneous representation of adverse current clients, and of course is not applicable here. NMRA 16-109 (37 C.F.R. § 11.109) concerns duties owed to former clients. Deborah, more than 25 years ago, indeed represented HFI in settling a matter with El Encanto, but there is no basis for asserting--and no court would find--that HCC's present Opposition to HCA's application for a Certification Mark is "substantially related" to that old matter; or that Deborah acquired confidential information in that old matter that is material to HCA's effort to secure registration of its Certification Mark. Finally, there is no fact basis for finding that the (non-existent) conflict you allege concerning Deborah's prior involvement with HFI would be imputed to others in our firm in connection with HCC's pending Opposition, under the standards of NMRA 16-110 (37 C.F.R. § 11-110). Certainly I--who became associated with this firm four years ago and had no involvement in or knowledge of any of these prior matters and have not discussed any information that could be considered confidential with Deborah--would not be precluded from representing HCA. But I am somewhat flattered that you would be concerned. Finally, as shown above, there is nothing in Paul's June 12, 1998 letter that could be interpreted to bar anyone in this firm from representing HCA in connection with its efforts to secure a Certification Mark. It seems to me that the only persons who might be vulnerable to a claim of having a disqualifying conflict are the two of you; but again, we have no present intention to raise such questions.

I was frankly surprised to receive your letter, after having had what I thought were pleasant and productive communications with each of you over the past few weeks. Your letter caused me to wonder why you would raise such an issue, which struck me as being on the far side of frivolous. I suspect that your client has, again quite late in the game, encouraged conduct solely for the purpose of imposing burdens and engaging in improper harassment. I'm pretty sure a

court would see it that way. We all need to be careful that we act as lawyers, and not take on the coloring of sometimes overly-aggressive clients. That does not help in performing our proper roles.

Sincerely,

Jeffrey L. Squires
Direct Line: 505-998-6116
jsquires@peacocklaw.com

JLS:tj
Encl.
cc: Preston Mitchell
Deborah Peacock

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