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

Proceeding	91239143
Party	Defendant L2 Apparel Group LLC
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Attachments	Applicant L2 Apparel Reply In Support of Motion to Extend Time and En force Order on Motion to Compel.pdf(198131 bytes)

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

Mark: **TERRA LUXE**
Serial No.: 86/933,826

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W-D Apparel Company, LLC, :
Opposer, :
v. : Opposition No.: 91239143
L2 Apparel Group LLC, :
Applicant. :
----- x

**APPLICANT’S REPLY IN SUPPORT OF MOTION TO ENFORCE DISCOVERY
ORDER AND TO EXTEND DEADLINES AND MEMORANDUM IN SUPPORT**

Pursuant to Trademark Trial and Appeal Board Rule 502.02(b), Applicant L2 Apparel Group LLC (“L2” or “Applicant”) submits the following reply in support of its motion under TTAB Manual of Procedure § 527, Trademark Rule § 2.120(h), and Federal Rule of Civil Procedure 37(b), to enforce the Board’s January 31, 2020 Order compelling Opposer W-2 Apparel Company, LLC (“Opposer” or “W-D”) to respond in greater detail to Applicant’s Interrogatory Nos. 2 and 7 and Request for Production of Documents No. 17.

I. Introduction

Opposer attaches to its June 22 opposition to the motion modestly “updated” (yet *still unverified*) responses to Interrogatories 2 and 17 that simply refer again to the woefully incomplete documentation it previously produced in response to RFP 17, and an updated response to RFP 17 that offers no new documents, but merely references documents previously produced that fail to show sales of clothing and other key products in the United States as

claimed in its pleaded application Serial No. 87/579,471 (hereinafter the “’471 Application”)(now Registration 5,533,347).

In short, Opposer has conceded it is unable to supplement its discovery responses in any meaningful way but instead asks the Board to accept that in the mere five months between the time it filed its application for the mark TERRA and Design on numerous clothing articles (on August 22, 2017), certifying use of the mark as early as 2002, and the date it filed this opposition on January 26, 2018, Opposer somehow lost the records of use that might substantiate such use. Because such alleged use was, moreover, by a predecessor, this is, in effect, an admission that Opposer itself possessed no information to support the claim of use in the ’471 Application. The Application therefore may have been fraudulent. The lengths to which Opposer has gone to dodge answering the relevant discovery and to force Applicant to ask repeatedly for coherent sales records, even in the face of two discovery motions, only deepens the sense Opposer has been engaged in a pattern of knowing and deliberate concealment.

Opposer’s discovery failures also explain why Applicant contemplated moving for summary judgment. Indeed, Opposer says very little in its opposition to defend the sufficiency of its discovery responses following the Board’s Order. However, procedurally, Applicant could not have moved for summary judgment until after it received Opposer’s June 22 opposition to the motion, and, under either Fed. R. Civ. P. Rule 16 or TBMP § 509.01(b)(1) the requested extension is supported by good cause and any possible delay should be deemed excusable.

Opposer asserts that it served supplemental responses on March 2, 2020. Without purporting to dispute the accuracy of this assertion, the undersigned counsel notes that at that time he was in Los Angeles preparing to argue an appeal the following day in the Ninth Circuit

in the matter *Blumenthal Distributing, Inc., d/b/a Office Star v. Herman Miller, Inc.*, Nos. 18-56471 and 18-56493, and was unaware of having received any such communication and further that before filing the present motion, he conducted a search for any correspondence from opposing counsel, which revealed nothing. Although the certificate of service states that the supplemental responses were served only by email, the certificate is also inconsistent with the covering email attached to the motion, which purports to be addressed only to counsel, and which inexplicably excludes the paralegal who has been copied on most other messages. Opposer's certificate of service does not contend that it mailed hard copies of the supplemental discovery responses, but if it did, the undersigned counsel has not been in his office because of the pandemic since the beginning of March and is unable to access any materials that might have been sent by mail.

Applicant further notes that after it moved on consent to extend the deadlines (including the deadline to move for summary judgment) on April 30, 2020, the Board took no action on the request. Applicant then repeatedly called the staff attorney and paralegals assigned to this case to determine whether the extension was being granted but was unable to speak with anyone until eventually the Staff Attorney returned my call on or about June 13, 2020 to say the case was suspended.

Under these circumstances, the delay of at most one day (still falling within the stated deadline), was justified given Applicant's attempts at the time to try to confirm with the PTO why it had not acted on the parties' prior motion on consent to extend the deadline. During the relevant period, Applicant was unaware that Opposer had purported to have served its discovery responses, and as shown herein, those supplemental discovery responses confirm why Applicant believes it should be entitled to summary judgment. Hence, it would constitute undue prejudice

to preclude Applicant from moving for summary judgment on a subject as to which Opposer has violated the Board's discovery order.

II. Argument

Even accepting the premise that Opposer's supplemental discovery responses were sent by email, the problem remains that the materials sent (and attached to the June 22 opposition) are not responsive to the Board's January 31, 2020 Order and confirm that Opposer had no good faith basis to apply for registration of its claimed mark TERRA and Design. Nor does it have a good faith basis to assert the registration in this proceeding. Applicant has produced no new documents or information, and the interrogatory answers are still unverified by anyone at W-D purporting to have personal knowledge. Instead, Opposer's unverified interrogatory answers simply refer to documents previously produced before Applicant filed its original August 5, 2019 motion to compel (and of course before the Board's January 31 Order), which Applicant demonstrated were insufficient to prove use in commerce of the mark TERRA (or TERRA and Design) since 2002 on goods such as "reflective safety vests . . . industrial grade coveralls and overalls" and "[c]lothing, namely, gloves, socks, hosiery, caps, hats, rainwear."

Stated differently, under Fed.R.Civ.P. Rule 33(d), a party can only answer interrogatories by reference to business records "if the burden of deriving or ascertaining the answer will be substantially the same for either party." It should be abundantly clear that Applicant's review of the subject business records leaves it convinced there were *not* sales of the relevant goods in the United States in the relevant time period. Yet, Opposer, evidently for no reason other than to obscure the truth, continues to refuse to provide narrative answers to Interrogatories 2 and 17, and instead merely refers to the inadequate business records it previously produced. Nor was

any officer or employee of Opposer willing or able to verify the truth of the interrogatory responses.

Because the '471 application was filed on August 22, 2017, only five months before Opposer filed the present Opposition, and because it was based on alleged use of a predecessor, absent hard data received from that predecessor, Opposer could not plausibly have alleged in the application or in this Opposition use since 2002 (or any time earlier than Applicant's priority date) on clothing items such as "reflective safety vests . . . industrial grade coveralls and overalls" and "[c]lothing, namely, gloves, socks, hosiery, caps, hats, rainwear." If Opposer lacks access to such documentation now (which it could only have received from its predecessor), its '471 Application was without factual basis as to the alleged use dates, and its application was false if not fraudulent when made.

Nor could such unsubstantiated allegations of use defeat the present application, because the '471 Application was filed almost one and a half years after L2 filed its TERRA LUXE Application. For precisely these reasons, summary judgment would be appropriate. Yet, by its delay and refusal to provide basic information – even as ordered by the Board – Opposer has frustrated Applicant's ability to seek summary judgment.

Minimally, Applicant had expected to have those responses in hand before preparing a motion for summary judgment. Opposer does not show why Applicant should fairly be prejudiced by being denied the information it has requested and the Board has ordered be produced (including being denied the opportunity to move for summary judgment), particularly given the Opposer's longstanding refusal to answer the relevant discovery (hence necessitating two motions) and its continued refusal to do so, even in violation of the Board's discovery order. *See, e.g., Raygun Limited v. Planet 9 Studios, Inc. and Sapientix Inc.*, 2020 WL 2788036, at *6

(T.T.A.B. May 27, 2020) (“[J]udgment in favor of Petitioner is warranted in light of Respondent’s failure to comply with the Board’s order compelling Respondent’s discovery responses in full and without objection.”).

Appropriate sanctions should be entered now, including dismissing the opposition, in whole or in part (for instance by precluding Opposer from relying on its registration for clothing items or any alleged use prior to Applicant for such goods), or precluding Opposer from offering any evidence in support of those claims as to which the discovery order pertained. *See* Trademark Rule § 2.120(h) (permitting the Board to award sanctions pursuant to Federal Rule of Civil Procedure 37(b)(2)); TBMP § 527.01 (permissible sanctions to include “striking all or part of the pleadings of the disobedient party to support or oppose designated claims or defenses; prohibiting the disobedient party from introducing designated matters in evidence; and entering judgment against the disobedient party”); *MHW Ltd. v. Simex, Aussenhandelsgesellschaft Savelsberg KG*, 59 U.S.P.Q.2d 1477 (T.T.A.B. 2000) (granting applicant’s motion for sanctions by dismissing the opposition and counterclaim with prejudice); *HighBeam Mktg., LLC v. Highbeam Research, LLC*, 85 U.S.P.Q.2d 1902 (T.T.A.B. 2008) (offending party barred from introducing evidence related to requested discovery topics); *M.C.I. Foods, Inc. v. Brady Bunte*, 86 U.S.P.Q.2d 1044 (T.T.A.B. 2008) (offending party barred from introducing evidence related to the requested discovery topics and documents produced by offending party are presumed to be authentic and admissible); *Omega SA v. Lamda Tau Omega Sorority, Inc.*, 2015 WL 9906320 (T.T.A.B. Dec. 4, 2015) (discovery closed and offending party barred from filing a motion for summary judgment).

Finally, and as noted in Applicant’s motion, minimally, the deadline for Applicant to move for summary judgment should also be extended given Opposer’s failure to comply in full

with the Board's original discovery Order. Although Applicant did not file the present motion until Monday, June 1, 2020, the Board had never ruled on Applicant's prior consensual motion to extend the discovery and trial deadlines, and (presumably because of the pandemic), repeated calls to the Board's paralegal and staff attorney went unanswered. At any rate, because Applicant has no record of having received Opposer's supplemental discovery responses, there was no way it could have moved sooner than June 22, 2020 (when it received the responses attached to Opposer's motion papers).

Unless the Board simply grants sanctions as requested herein, under Fed. R. Civ. P. Rule 16, good cause exists to extend the relevant deadline, and under TBMP § 509.01(b)(1) the delay should be deemed excusable. The delay was at most one day, falling within the stated deadline, and was at a time when Applicant had been trying to confirm with the PTO why it had not acted on the parties' prior motion on consent to extend the deadline. During the relevant period, Applicant was unaware that Opposer had purported to have served its discovery responses, and as shown herein, those supplemental discovery responses confirm why Applicant should be entitled to summary judgment. Hence, it would constitute undue prejudice to preclude Applicant from moving for summary judgment on a subject as to which Opposer has violated the Board's discovery order. *See also* Federal Rule of Civil Procedure 6(b)(1)(A) (permitting extension upon a showing of "good cause"); TBMP § 509.01(a); *Miss Universe L.P., LLP and IGM Universe, LLC v. Linda Grandia*, Opp. No. 91220573, 2018 WL 155270 (T.T.A.B. Mar. 28, 2018) ("So long as the moving party has not been guilty of negligence or bad faith and the privilege of extensions has not been abused, the Board is liberal in granting extensions of time.").

III. Conclusion

For the foregoing reasons, Applicant respectfully requests that the Board grant this Motion for Sanctions and to Extend the Deadline to Move for Summary Judgment.

Dated: New York, New York
July 13, 2020

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing Motion to Compel was served by e-mail this 13th day of July, 2020, upon the attorney of record for Opposer via the following email addresses:

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/s/ Patrick Rodriguez
Patrick Rodriguez