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

Proceeding	91245801
Party	Plaintiff LenÃ´tre S.A.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

LENÔTRE S.A., Opposer	Mark: LENOTRE
v.	Serial No. 87105897
ALAIN LENOTRE and MARIE LENOTRE, Applicants	Opposition No. 91245801

OPPOSER'S REPLY TO APPLICANTS' RESPONSE TO MOTION FOR SUMMARY JUDGMENT

The Motion for Summary Judgment filed by Opposer Lenôtre S.A. ("LSA") presented two issues: (a) whether LSA has standing to oppose; and (b) whether Applicants had a bona fide intention to use the mark on the date when they filed their application under Section 1(b).

Standing

As to the first issue, Applicants do not appear seriously to contest the issue of LSA's standing. Applicants allege that LSA has abandoned its mark in the United States, but even if all justifiable inferences are drawn in Applicants' favor as to facts underlying the alleged abandonment, the Board may properly rely on the undisputed evidence of record that LSA has standing to oppose. For example, the Consent Judgment which is of record (7 TTABVUE 56), and whose contents are undisputed, embodies a settlement agreement negotiated between the parties in the context of previous litigation. The Consent Judgment suffices by itself to establish that Opposer has standing.

Accordingly, the allegation of abandonment does not raise a material issue as to standing, and does not preclude the entry of summary judgment in LSA's favor as to the standing issue. *Cf. Kellogg Co. v. Pack'Em Enterprises Inc.*, 951 F.2d 330, 21 USPQ2d 1142 (Fed. Cir. 1991) (single *du Pont* factor of dissimilarity of marks outweighed all others such that other factors, even if decided in nonmovant's favor, would not be material because they would not change the result).

Applicants' Lack of Bona Fide Intention to Use

As to the issue of Applicants' bona fide intention to use the mark at the time they filed the application, Applicants argue that there is a material dispute over the issue whether the Consent Judgment , which prohibited Applicants' use of the mark, is "ineffective as a matter of law." Applicants argue that the Consent Judgment is either: (1) "based on abandoned trademark registrations" [sic]; or (2) "not relevant" to Applicants' use of their mark for the services covered by the opposed application. 9 TTABVUE 2.

Although the Consent Judgment referred to LSA's ownership of four U.S. registrations which are no longer in force, the Consent Judgment did not condition its effectiveness on the continued maintenance of those registrations, and did not limit the goods or services for which the Applicants were prohibited from using the LENOTRE mark. 7 TTABVUE 58.

Furthermore, Paragraph 3 of the Consent Judgment explicitly refers to LSA's goal of "avoiding confusion in the marketplace or any dilution of its trademarks and service mark rights in the United States and elsewhere." 7 TTABVUE 57 (emphasis added). The reference to LSA's

rights "elsewhere" would not be necessary if the Consent Judgment had been predicated on the LSA's maintenance of its U.S. registrations in particular.

In any case, Applicants filed their application on July 15, 2016, at a time when LSA's Registration No. 1029596 was still in force. (It was not cancelled until April 30, 2018. Wolfe Declaration Ex. B-1, 9 TTABVUE 23.) Even if the subsequent expiration of Registration No. 1029596 were somehow interpreted to trigger the ineffectiveness of the Consent Judgment in 2018, that state of affairs did not exist on July 15, 2016, and could not have formed a basis for disregarding the requirements of the Consent Judgment on the application filing date.

Furthermore, the opposed application (as amended) claims use of the LENOTRE mark since at least as early as May 31, 1998 with respect to the Class 35 and Class 41 services, and since at least as early as October 10, 1984 with respect to the Class 43 services. If those dates are accurate, and if the status of LSA's U.S. registrations had been a salient factor, Applicants would not have continued their use of the mark at a time when all four registrations were in force, and when the 1987 Consent Judgment expressly forbade Applicants from doing so.

Applicants rely on *Mayer/Berkshire Corp. v. Berkshire Fashions, Inc.,* 424 F.3d 1229 (Fed. Cir. 2005) for the proposition that evidence of "changed circumstances" may justify disregarding a prior district court judgment. However, the "changed circumstances" in that case pertained to significant differences in: (a) the relevant facts underlying the decision in a trademark infringement case compared to (b) the relevant facts underlying the subsequent opposition proceeding. Facts pertaining to registrability in the *Berkshire* opposition differed significantly from those pertaining to infringement in the prior district court judgment, and the result in the opposition was therefore not

governed by the prior judgment. The present case is different, because the conduct at issue is expressly governed by the terms of the Consent Judgment.

Even if Applicants believed when filing their application that there were valid grounds for deviating from the literal terms of the Consent Judgment, the proper procedure would have been to seek relief under Fed. R. Civ. P. 60(b) from the district court which issued the decree. That approach would have been consistent with the established principle that a district court retains continuing jurisdiction to enforce its judgments, including those obtained through consent decrees. *See Pigford v. Vilsack*, 777 F.3d 509, 514 (D.C. Cir. 2015); *Florida Ass'n for Retarded Citizens, Inc. v. Bush*, 246 F.3d 1296, 1298 (11th Cir. 2001); *Hook v. State of Ariz., Dept. of Corr.*, 972 F.2d 1012, 1014 (9th Cir. 1992).

Instead, Applicants are improperly asking the Board to disregard the Consent Judgment as "ineffective" at a time when the district court itself retains jurisdiction to interpret and apply its own decree. *Cf. Flanagan v. Arnaiz*, 143 F.3d 540, 545 (9th Cir. 1998) ("[I]t would make no sense for the district court to retain jurisdiction to interpret and apply its own judgment to the future conduct contemplated by the judgment, yet have a state court construing what the federal court meant in the judgment. Such an arrangement would potentially frustrate the federal district court's purpose. It would also impose an uncomfortable burden on the state judge, to determine what the federal judge meant." (citation omitted)).

Potential Affirmative Defenses

Applicants did not plead laches or abandonment as an affirmative defense, but allege in their brief that there are factual issues regarding such potential defenses. As TMBP § 314 plainly states, however, "A party may not obtain summary judgment on an unpleaded claim or defense, nor may a party defend against a motion for summary judgment by asserting the existence of genuine disputes of material fact as to an unpleaded claim or defense" (emphasis added).

With respect to the purported laches issue, it is well established that the availability of laches as a defense starts to run from the time of knowledge of the application for registration (that is, from the time the application is published for opposition), not from the time of knowledge of use. *See Nat'l Cable Television Ass'n v. Am. Cinema Editors, Inc.*, 937 F.2d 1572, 19 USPQ2d 1424, 1432 (Fed. Cir. 1991); *Bausch & Lomb Inc. v. Karl Storz GmbH & Co. KG*, 87 USPQ2d 1526 (TTAB 2008); *Barbara's Bakery, Inc. v. Landesman*, 82 USPQ2d 1283, 1292 n.14 (TTAB 2007); *Krause v. Krause Publ'ns Inc.*, 76 USPQ2d 1904, 1914 (TTAB 2005); *Warner-Lambert Co. v. Sports Solutions Inc.*, 39 USPQ2d 1686, 1697 (TTAB 1996).

Applicants have not alleged any facts pertaining to laches occurring between the time their application was published for opposition (September 18, 2018) and the filing of the notice of opposition (January 13, 2019). Since the opposition was filed within the time allowed therefor, this affirmative defense would not be available to Applicants even if it had been properly pleaded.

Applicants assert in a footnote that they are asserting laches "as a defense to enforcement of the Consent Judgment, not as a defense to opposition generally." 9 TTABVUE 12 n.13. However, this is an opposition proceeding, and not an action to enforce the Consent Judgment.

With respect to the purported abandonment issue, even if a properly pleaded claim of abandonment were proven, the requirements of the Consent Judgment are not conditioned on LSA's maintenance of prior trademark rights in the United States. As discussed above, the Consent Judgment explicitly identifies the goal of avoiding confusion in the marketplace "in the United States and elsewhere." Indeed, the evidence which Applicants themselves have submitted refers repeatedly to recognition of the Applicants' business outside the United States, 9 TTABVUE 16, Paragraph 3, and refers to Applicants' school as "international" and "world famous." 9 TTABVUE 17, Paragraph 5; 9 TTABVUE 42. Abandonment of LSA's marks in the United States, even if proven, would therefore not justify a disregard for the terms of the Consent Judgment as written.

In view of the foregoing, Opposer LSA respectfully requests that its Motion for Summary Judgment be granted, and that Applicants' requests for leave to amend their answer and to take discovery be denied as moot.

Respectfully submitted,

Date: July 5, 2019

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CERTIFICATE OF SERVICE

I hereby certify that a correct copy of the foregoing Opposer's Reply to Applicants' Response to Motion for Summary Judgment has been served on Applicant by sending the same via electronic mail on July 5, 2019 to the Applicants' attorneys of record:

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