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

Proceeding	92045000
Party	Plaintiff Bass Pro Trademarks, L.L.C.Bass Pro Trademarks, L.L.C. Bass Pro Trademarks, L.L.C. 2500 East Kearney Springfield, MO 65898 UNITED STATES
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Date	05/02/2006
Attachments	Bass Pro's Reply in Support of Mtn to Amend Pet.pdf (8 pages)(304371 bytes)

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

In the matter of Trademark Registration No. 2,390,988

For the mark SPORTSMAN'S WAREHOUSE HUNTING FISHING CAMPING RELOADING OUTERWEAR FOOTWEAR and Design

Date registered: October 3, 2000

Bass Pro Trademarks, L.L.C., PETITIONER, v. Sportsman's Warehouse, Inc., RESPONDENT	CANCELLATION NO. 92045000

PETITIONER'S REPLY IN SUPPORT OF ITS MOTION FOR LEAVE TO FILE AMENDED PETITION FOR CANCELLATION

COMES NOW Petitioner Bass Pro Trademarks, LLC ("Petitioner" or "Bass Pro"), by and through its undersigned counsel, and hereby respectfully requests leave of the Board to file its Reply in Support of Its Motion for Leave to File an Amended Petition for Cancellation.

I. Consideration of a Reply Brief is within the Board's Discretion and May Be Allowed Where It Helps to Clarify the Issues

Consideration of a Reply Brief is within the Board's discretion. 37 CFR 2.127(a) ("The Board may, in its discretion, consider a reply brief."). A Reply Brief is appropriately considered where it helps to clarify the issues between the parties, Medinol Ltd. v. Neuro Vasx Inc., 67 USPQ2d 1205, 1205 & n.1 (TTAB 2003).

II. The Allegations Contained in Petitioner's Amended Petition Are Not Only Pleaded with Particularity, They Are Sufficient to Establish That Respondent Committed Fraud in Obtaining Its Trademark Registration

In pleading the additional claims contained in its Amended Petition, Petitioner more than satisfied its requirement to plead with particularity. Petitioner has pleaded the fact that Respondent listed in its application papers for the SPORTSMAN'S WAREHOUSE HUNTING FISHING CAMPING RELOADING OUTERWEAR FOOTWEAR and Design mark that the mark had been used in connection with "[r]etail and wholesale stores featuring hunting supplies, fishing supplies, camping supplies, reloading supplies, outerwear clothing and footwear." Amended Petition, ¶ 6. Petitioner also pleaded that Stuart B. Utgaard, president of Respondent signed the declaration for the application on behalf of Respondent. Id. Finally, Petitioner pleaded that Respondent admitted during discovery that this statement was false because Respondent has never used the mark in connection with wholesale stores. Id. There is no question that this information relating to Respondent's actual use of the mark, in contrast to what was alleged in its statement of use, was only discovered by Petitioner as a result of Respondent's responses to discovery requests propounded in this matter. As discussed in greater detail below, under TTAB precedent this information is actually sufficient to establish that a registrant obtained its registration fraudulently and is grounds for cancellation of the mark. Medinol, 67 USPQ2d at 1209-1210.[1]

Thus, the information cited by Petitioner in its Amended Petition not only clearly sets out with particularity the grounds for its new claim but also establishes (1) that Respondent has not used the mark in conjunction with wholesale stores and (2) that, contrary to this basic fact,

[1] Petitioner has also pleaded sufficient information to show that it has standing to bring the fraud claim, namely that "Petitioner is the owner of U.S. Trademark Registration No. 2071417 for the mark BASS PRO SHOPS SPORTSMAN'S WAREHOUSE and Design which was registered on the Principal Register on June 17, 1997." Amended Petition, ¶ 1.

representatives of Respondent, who clearly knew or should have known the extent of Respondent's business, filed materially false statements with the U.S. Patent and Trademark Office in support of Respondent's effort to obtain registration of the mark at issue.

Recent case law from the TTAB has concluded that such evidence is sufficient in and of itself to establish fraud in this context. Medinol, 67 USPQ2d at 1209-10 (summary judgment granted in cancellation proceeding to Petitioner where president/CEO of Respondent company, who knew or should have known the truth of the matter, signed statement of use which incorrectly stated that the mark was used on stents: "Respondent's knowledge that its mark was not in use on stents – or its reckless disregard for the truth – is all that is required to establish intent to commit fraud in the procurement of a registration.").

The facts of the Medinol case are similar to those of the instant case. In Medinol the respondent during prosecution entered a statement of use indicating that the mark was being used in commerce in conjunction with all of the goods listed on the notice of allowance, "medical devices, namely, neurological stents and catheters." Medinol, 67 USPQ2d at 1205-1206. However, in its answer to the petition for cancellation, respondent admitted that it had not used the mark in conjunction with stents and requested that "stents" be removed from the list of goods in its registration. Id. at 1206. Nonetheless, the Board determined that fraud had already been committed and that "deletion of the goods upon which the mark has not yet been used does not remedy an alleged fraud upon the Office." Id. at 1208.

The Board concluded that based on the relatively simple facts of the case – that the statement of use listed "stents" yet respondent had never used the mark in conjunction with stents – petitioner was entitled to summary judgment on its fraud claim:

> There were only two goods identified in the notice of allowance; the mark was either in use on both, or it was not. Respondent signed its statement of use

> under penalty of "fine or imprisonment, or both, ... and [knowing] that such willful false statements may jeopardize the validity of the application or any resulting registration...." Statements made with such degree of solemnity clearly are — or should be — investigated thoroughly prior to signature and submission to the USPTO. Respondent will not now be heard to deny that it did not read what it had signed.
>
> The undisputed facts in this case clearly establish that respondent knew or should have known at the time it submitted its statement of use that the mark was not in use on all of the goods. Neither the identification of goods nor the statement of use itself were lengthy, highly technical, or otherwise confusing, and the President/CEO who signed the document was clearly in a position to know (or to inquire) as to the truth of the statements therein.
>
> Respondent's explanation for the misstatement (which we accept as true) -- that the inclusion of stents in the notice of allowance was "apparently overlooked" -- does nothing to undercut the conclusion that respondent knew or should have known that its statement of use was materially incorrect. Respondent's knowledge that its mark was not in use on stents -- or its reckless disregard for the truth -- is all that is required to establish intent to commit fraud in the procurement of a registration.

Medinol, 67 USPQ2d at 1209-1210 (emphases added)

Furthermore, Medinol is not an isolated decision but, in fact, represents well-established precedent in the TTAB. See e.g. Hawaiian Moon, Inc. v. Doo, Cancellation No. 92032471 (TTAB 2004) (grant of summary judgment awarded to petitioner in a cancellation proceeding on the issue of fraudulent registration, where respondent signed statement of use contrary to the fact that the mark was not being used on six of the seven products listed); Physicians Formula Cosmetics, Inc. v. Cosmed, Inc., Cancellation No. 92040782 (TTAB 2005) (Board granted petitioner summary judgment on fraud claim where evidence of fraud consisted of (i) a copy of the statement of use filed in support of the trademark application, and (ii) discovery evidence indicating that the mark had not been used in commerce in connection with all of the goods listed in the statement of use); Nougat London Ltd. v. Garber, Cancellation No. 92040460 (TTAB 2003) (same).

It is clear, therefore, that to establish that there has been fraud on the US Patent and Trademark Office in obtaining a trademark registration, a petitioner must establish that (a) the

statement in its declaration is false, (b) the party making the statement knew, or should have known, that the statement is false, and (c) the statement is a material misrepresentation. It is also clear from the above discussion that Petitioner has pleaded with more than enough particularity to establish all of these elements.

III. Petitioner Has Not Unreasonably Delayed In Filing its Amended Petition and Acceptance of the Amended Petition Will Not Cause Delay or Prejudice Respondent

One of the purposes behind Fed. R. Civ. P. 9(b) is to "safeguard defendants from lightly made claims charging the commission off acts that involve some degree of moral turpitude. The notion is that a heightened pleading requirement imparts a note of seriousness and encourages a greater degree of pre-institution investigation by the plaintiff." WRIGHT & MILLER, FEDERAL PRACTICE AND PROCEDURE: CIVIL 3d §1296 (2005). Petitioner has taken great care to follow not only the text of Rule 9(b) but also its intent. Only once Respondent confirmed through discovery that it had not used the mark in question in connection with wholesale services did Respondent have the information required to properly plead its fraud claim, which, as outlined in detail in Section II, *supra*, Respondent has clearly done, and to satisfy the intent behind Rule 9(b). Therefore, Petitioner's filing of its Amended Petition within one month after receiving the answers to the interrogatories does not cause delay or prejudice on the Respondent and instead is a timely submission based on Petitioner's following of the intent and spirit of Fed. R. Civ. P. 9(b).

Furthermore, the timing of Petitioner's filing of its Amended Petition will not cause delay or prejudice to Respondent if the Board accepts and enters the Amended Petition. Entry of the Amended Petition will not require any amendment to the schedule for this matter other than what the parties have already tentatively agreed to.

With respect to written discovery, Petitioner has no documents to provide that are relevant to the issues raised in the Amended Petition, and Petitioner has already obtained whatever written discovery it needs to support the claims in the Amended Petition. Therefore, Petitioner asserts that it does not need any more time for obtaining written discovery from Respondent. Furthermore, Respondent admits in its opposition that "it is unlikely that any additional evidence exists" relating to Petitioner's fraud claims. Respondent's Opposition to Petitioner's Motion for Leave to File Amended Petition for Cancellation, p. 2. Therefore, it is clear that Respondent will not be prejudiced in any way with respect to the current schedule for written discovery by the entry of Petitioner's Amended Petition.[2]

With respect to depositions, the parties have reached a general agreement to extend the period of discovery as it pertains to the taking of depositions, and so any additional information that needs to be gathered through deposition testimony can be obtained during this extended period.

Therefore, entry of the Amended Petition will not lead to any delay and will help the Board address all relevant issues associated with Respondent's registration in a timely manner and will not prejudice Respondent in any manner.

[2] Of course, Respondent is under a continuing obligation to disclose any documents it becomes aware of which are relevant to any of Petitioner's previously-filed discovery requests, which addressed the issues relevant to the claims contained in the Amended Petition. To the extent that Respondent has potentially exculpatory evidence relevant to these issues that it wishes to introduce into the case, it is free, and actually obligated in view of Petitioner's discovery requests, to produce and use such evidence.

Respectfully submitted, this 2nd day of May, 2006.

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CERTIFICATE OF SERVICE

It is hereby certified that a true and correct copy of the foregoing document was served by facsimile and first class mail, postage prepaid, on Garrett M. Weber, Lindquist & Vennum, PLLP, 80 South 8th Street, 4200 IDS Center, Minneapolis, MN 55402-2205, the attorney for Respondent, on this 2nd day of May, 2006.