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

Proceeding	92046084
Party	Defendant MISTER DONUT OF AMERICA, INC.
Correspondence Address	Gabrielle S. Roth Dickestein Shapiro LLP 1825 Eye Street, N.W. Washington, DC 20006-5403 UNITED STATES rothg@dicksteinshapiro.com
Submission	Reply in Support of Motion
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Date	11/06/2007
Attachments	Reply.pdf (13 pages)(1728610 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
Before the Trademark Trial and Appeal Board

River West Brands, LLC,)
)
Petitioner,)
) Cancellation No. 92046084
v.)
)
DD IP Holder LLC,)
)
Respondent.)

RESPONDENT'S REPLY TO PETITIONER'S RESPONSE TO RESPONDENT'S MOTION
TO COMPEL PETITIONER TO ANSWER RESPONDENT'S FIRST SET OF
INTERROGATORIES, FIRST SET OF REQUESTS FOR ADMISSION, AND TO PRODUCE
DOCUMENTS, AND MEMORANDUM IN SUPPORT THEREOF

Pursuant to 37 C.F.R. § 2.127(a), Respondent respectfully requests that the Board consider the following statements made in reply to Petitioner's Response to Respondent's Motion to Compel. The statements clarify issues under consideration in this cancellation and address incorrect information alleged in Petitioner's Response to Respondent's Motion to Compel. Accordingly, Respondent respectfully requests that the Board exercise its discretion and consider this reply.

1. Although Petitioner objects to the burden of providing information about its numerous ITU applications and its efforts to use the marks, case law and the legislative history require a fact-finder to examine such pattern-of-conduct information in deciding whether, for any particular application, an applicant had a bona fide intention to use the mark when the application was filed. Memorandum in Support of Respondent's Motion to Limit Discovery Pursuant to Fed. R. Civ. P. 26, pp. 6-7.

2. Petitioner states that the parties' meeting was a settlement conference, but does not provide a sworn declaration to this effect from anyone who attended the meeting. As stated under oath by one who attended the meeting, it was a business pitch by Petitioner no aspect of

which is confidential because nothing of substance was conveyed. Exhibit B to Memorandum in Support of Respondent's Motion to Limit Discovery Pursuant to Fed. R. Civ. P. 26, *Laudermilk Decl.*, ¶¶ 5-10.

3. Respondent is prepared to execute the Protective Order deemed most appropriate by the Board, and to produce for inspection all non-privileged documents and to respond to Petitioner's interrogatories once a Protective Order is entered.

4. A more complete reference to the case cited by Petitioner, *River West Brands, LLP v. The J. M. Smucker Co.*, Cancellation No. 92045958, would have noted that the affirmative defenses of fraud and inequitable conduct were allowed in that case, and that the respondent has filed a request for reconsideration on the issue of standing. Exhibit A, September 27, 2007 Order and Exhibit B, Registrant's Motion for Reconsideration on Motion.

5. As proof that standing is not a legitimate issue, Petitioner lists thirteen cancellation actions decided in its favor in which standing was not questioned. Standing was not questioned because no answer was filed in any of them and all were decided by default.

Respectfully submitted,

DD IP HOLDER LLC

Dated: 11/6/07

By: Stephanie Wade

Stephanie K. Wade
Gabrielle S. Roth
Luna M. Samman
Dickstein Shapiro LLP
Attorneys for Respondent
1825 Eye Street, NW
Washington, DC 20006
(202) 420-3126

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Respondent's Reply to Petitioner's Response to Respondent's Motion to Compel Petitioner to Answer Respondent's First Set of Interrogatories, First Set of Requests for Admission, and to Produce Documents, and Memorandum in Support Thereof was served upon the following attorney of record for Petitioner by depositing a copy of same in the United States mail, postage prepaid, this 6th day of November, 2007.

Brett M. Tolpin, Esq.
Walsh & Katz, Ltd.
120 South Riverside Plaza
22nd Floor
Chicago, IL 60606

Kimberly A. Reumire

EXHIBIT A

UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

Mailed: September 28, 2007

Cancellation No. 92045958

RIVER WEST BRANDS, LLC

v.

SMUCKER FRUIT PROCESSING
COMPANY

Frances S. Wolfson, Interlocutory Attorney:

On February 13, 2007, respondent filed a motion for leave to amend its answer to the petition to cancel, to add seven affirmative defenses to its answer that were not previously pleaded. Petitioner has filed a response to the motion.¹

The Board liberally grants leave to amend pleadings at any stage of a proceeding when justice so requires, unless entering the proposed amendment would violate settled law or be prejudicial to the rights of the adverse party. See Fed. R. Civ. P. 15(a); *Space Base Inc. v. Stadis Corp.*, 17 USPQ2d 1216 (TTAB 1990); *Buffett v. Chi-Chi's, Inc.*, 226 USPQ 428 (TTAB 1985); and *American Optical Corporation v. American Olean Tile Company, Inc.*, 168 USPQ 471, 473 (TTAB 1971).

¹ The Board regrets the delay in addressing respondent's motion.

Cancellation No. 92045958

Entry of a newly-pleaded claim or defense would violate settled law if such claim or defense is legally insufficient or would be futile. See TBMP § 507.02 (2d ed. rev. 2004).

Upon careful review of the submissions and arguments of the parties, it is adjudged that entry of the amended answer would not violate settled law, except with respect to the affirmative defenses raised in paragraph nos. 1 and 2.

Paragraph 1 alleges that petitioner fails to state a claim upon which relief may be granted, but petitioner has properly pleaded abandonment as a basis for cancellation. Paragraph 2 alleges that petitioner lacks standing, but petitioner has properly stated its standing as applicant in serial no. 78771593, which application has been refused registration because of respondent's registered marks. Therefore, paragraphs 1 and 2 are hereby stricken as futile.

Paragraph nos. 3, 4, and 5 do not state additional affirmative defenses but serve merely to amplify respondent's denials of petitioner's claims. Therefore, these paragraphs are not stricken. Paragraph no. 6 states an affirmative defense of inequitable conduct and paragraph no. 7 states an affirmative defense of fraud by trademark trafficking. Under notice pleading, the defenses stated are adequate to survive a motion to dismiss. Of course, whether or not respondent can actually prove such allegations is a

Cancellation No. 92045958

matter to be determined after the introduction of evidence at trial.

As for possible prejudice to petitioner, respondent's motion to amend was filed before the close of discovery and the record does not indicate that petitioner's ability to defend against respondent's affirmative defenses would be prejudiced by their addition. There has been no showing that any of petitioner's witnesses or evidence have become unavailable as a result of the delay.

Accordingly, respondent's motion to amend its answer is granted, with the exception that paragraphs 1 and 2 are stricken. Trial dates, including the close of discovery, are reset as indicated below.

DISCOVERY PERIOD TO CLOSE:	December 15, 2007
30-day testimony period for party in position of plaintiff to close:	March 14, 2008
30-day testimony period for party in position of defendant to close:	May 13, 2008
15-day rebuttal testimony period for plaintiff to close:	June 27, 2008

IN EACH INSTANCE, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within **thirty days** after

Cancellation No. 92045958

completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.

EXHIBIT B

TTAB

IN THE UNITED STATES PATENT AND TRADEM.
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

River West Brands, LLC,

Petitioner,

v.

The J. M. Smucker Company,
by assignment from
Smucker Fruit Processing Company,

Registrant.

Cancellation No. 92/045,958
Reg. Nos. 822,031 and 1,084,147
Mark: PURITAN

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U.S. PATENT & TRADEMARK OFFICE
TRADEMARK PROCESS RECEIVED

REGISTRANT'S MOTION FOR RECONSIDERATION OF DECISION ON MOTION

Registrant The J.M. Smucker Company, by counsel, hereby moves, pursuant to 37 CFR §2.127(b) and TBMP § 518, for modification of the order issued by the Board on September 28, 2007, in connection with registrant's motion to amend its answer.

In support of this motion, registrant asserts that this motion is timely because it is being filed within one month from the date of the order. While registrant is very pleased that the Board has granted its motion to amend its pleading, registrant does not believe that the Board should have stricken the affirmative defense raised in paragraph 2 pertaining to the petitioner's lack of standing "as futile." While "lack of standing" is not an affirmative defense; standing is an essential element of a petitioner's case which, if it is not proved at trial, defeats a petitioner's claim. Nobelle.com LLC V. Qwest Communications Int'l Inc., 66 USPQ2d 1300, 1303 (TTAB 2003).

To successfully prosecute a cancellation, each petitioner must plead and prove two things: (1) that it has standing in that it is likely to be damaged by the registration;



10-23-2007

and (2) that there is a valid ground why the registrant is not entitled under law to register the mark he claims. Cunningham v. Laser Golf Corp., 222 F.3d 943, 945, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000). Both elements must be proved by a preponderance of the evidence. See Cerveceria Centroamericana, S.A. v. Cerveceria India, Inc., 892 F.2d 1021, 1023, 13 USPQ2d 1307, 1309 (Fed. Cir. 1989).

“Section 13 of the Lanham Act establishes a broad class of persons who are proper opposers or petitioners; by its terms the statute only requires that a person have a belief that he would suffer some kind of damage if the mark is registered. However, in addition to meeting the broad requirements of § 13, a petitioner must meet two judicially-created requirements in order to have standing – the petitioner must have a “real interest” in the proceedings and must have a “reasonable” basis for his belief of damage.” Ritchie v. Simpson, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999).

The petitioner must believe that he or she “would be damaged by the registration of the mark.” 15 U.S.C. §1063 (2000). “The purpose in requiring standing is to prevent litigation where there is no real controversy between the parties, where a plaintiff, petitioner or opposer, is no more than an intermeddler.” Lipton Industries, Inc. v. Ralston Purina Co., 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). It is not sufficient for a petitioner to merely allege facts supporting standing in the pleadings. International Order Job’s of Daughters v. Lindeburg & Co., 727 F.2d 1087, 1092, 220 USPQ 1017, 1030 (Fed. Cir. 1984). The facts supporting proper standing must be proved as well. Lipton, 670 F.2d at 1024 (“The facts regarding standing...are part of a petitioner’s (opposer’s) case and must be affirmatively proved.”) The fact that a petitioner believes that it is likely

damaged by registration of the mark must still be proved. Cunningham 222 F.3d at 945, 55 USPQ2d at 1844.

“Statements made in pleadings cannot be considered as evidence in behalf of the party making them; such statements must be established by competent evidence during the time for taking testimony.” TBMP §704.06(a) (Second Edition rev. 2004). See Kellogg Co. v. Pack’Em Enterprises Inc., 14 USPQ2d 1545 (TTAB 1990), aff’d, 951 F.2d 330, 21 USPQ2d 1142 (Fed. Cir. 1991); and Times Mirror Magazines, Inc. v. Sutcliff, 205 USPQ 656 (TTAB 1979).

The challenge to petitioner’s standing is not futile. It is registrant’s position that petitioner must prove through the introduction of evidence that it is not a mere intermeddler, who filed an application under Section 1(b) of the Trademark Act to merely “reserve” a mark. The petitioner must prove that it has a continuous bona fide intention to use the claimed trademark in connection with the named goods. Otherwise, it may be discovered that the petitioner has an alternative motive and is merely using the cancellation proceeding to harass the registrant by attempting to obtain confidential information pertaining to the registrant’s business.

CONCLUSION

Registrant respectfully moves for a modification of the Board’s order dated September 28, 2007, with respect to the incorrect statement that paragraph 2 of registrant’s affirmative defenses is hereby stricken “as futile.” Registrant’s challenge to petitioner’s claim of standing is not futile. As noted in Nobelle.com, “lack of standing” is not an affirmative defense; standing is an essential element of a petitioner’s case which, if it is not proved at trial, defeats a petitioner’s claim.

Issues relating to petitioner's claim of standing are within the scope of the discovery that registrant has and will be taking. Standing is a matter to be determined after the introduction of evidence at trial. Petitioner has yet to prove that it is not a mere intermeddler. Petitioner has yet to prove that it has standing.

Respectfully submitted,

THE J.M SMUCKER COMPANY

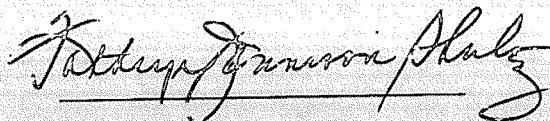
Date: October 23, 2007

By: 

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CERTIFICATE OF SERVICE

I hereby certify that true and complete copy of the foregoing REGISTRANT'S MOTION FOR RECONSIDERATION OF DECISION ON MOTION was served upon Petitioner River West Brands, LLC, by forwarding same via First Class Mail, postage prepaid, to Petitioner's counsel, Bret M. Tolpin, Esq., Welsh & Katz, Ltd., 120 S. Riverside Plaza, 22nd Floor, Chicago, Illinois 60606, this 23rd day of October, 2007.



Kathryn Jennison Shultz