

ESTTA Tracking number: **ESTTA319825**

Filing date: **12/02/2009**

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

Proceeding	92051638
Party	Defendant Hugh Lord
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Date	12/02/2009
Attachments	0086_001-2.pdf (6 pages)(572973 bytes)

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

Napco, Inc.)	
)	
Petitioner)	
)	
v.)	Cancellation No. 92051638
)	
)	Registration No. 3,198,902
Hugh Lord and)	Mark: PAPALATTE
Linda Lord)	Reg. Date: Jan. 16, 2007
)	
Respondents)	

Answer to the Petition for Cancellation

Hugh Lord and Linda Lord (“Respondents”), the owners of Registration No. 3,198,902, in answer to Petitioner Napco, Inc.’s (“Petitioner”) Petition for Cancellation, hereby state as follows:

1. Respondents admit the allegations of paragraph 1 insofar as this information is reflected in the records of the Office, except with the further clarification that said PAPA PODS pending application was filed as, and maintains a current filing basis, under Section 1(b) of the Lanham Act.
2. Respondents admit the allegations in paragraph 2 of the Petition for Cancellation, except with the further clarifications that Petitioner responded to the initial office action denying any likelihood of confusion and that said refusal subsequently became final and that Petitioner did not appeal the final refusal, but requested suspension of the application in light of the instant cancellation proceeding.
3. Respondents admit the allegation in paragraph 3 of the Petition to Cancel that the date of first use of the PAPALATTE mark is August 21, 2003, but are without sufficient

knowledge or information to form a belief as to the truth of the remaining allegations pertaining to use of the remaining identified marks and therefore deny those allegations; furthermore, Respondents admit the allegations pertaining to the marks, registration dates, registration numbers, dates of first use, identification of goods, and International Class designations of the PAPANICHOLAS, PAPA POINTS, and PAPA NICK'S registrations insofar as that information is reflected in the records of the Office, except that Respondents deny that the PAPA POINTS mark drawing is other than a stylized mark; Respondents add the further clarification that inherent in registrations are limitations and information which may further bear on the issues present in the instant cancellation proceeding and thereby put the Petitioner to its proof on said issues.

4. Respondents deny the allegations in paragraph 4 of the Petition to Cancel.

Respondents expressly deny all allegations in unnumbered paragraphs of the Petition to Cancel not expressly admitted herein, except as to the registration number, registration date, date of first use, mark, identification of goods, International Class, and owners of the registration sought to be canceled, except as to the address of the Respondents, which is now 14930 West Dynamite Boulevard, Surprise, Arizona 85387; further, Respondents put the Petitioner to its proof on the issues present in the instant cancellation proceeding.

In further answer to the Petition to Cancel, Respondents assert that:

Failure to State a Claim Upon Which Relief May Be Granted

5. In contravention to Section 14 of the Lanham Act, the Petition to Cancel fails to allege a valid ground for why the Respondents are not entitled under law to maintain their registration; at no place in the Petition to Cancel does the Petitioner allege that there is a likelihood of confusion between any of its marks and the registration. It logically follows that

the Petition to Cancel thereby additionally fails to allege a priority of use of a mark or marks. It can be similarly stated that the Petition to Cancel does not allege a grounds for cancellation grounded in abandonment, fraud, misrepresentation as to source, functionality, genericness, functionality, dilution, or any other basis. Given that the cited jurisdictional basis for the Petition to Cancel is Section 14(1) (indicating only that the Petition to Cancel is filed before the five-year bar, meaning that the potential grounds are numerous), the lack of a statement of the grounds for cancellation has all the more bearing on the requirement that the Petitioner specifically state the grounds of its claim for relief.

6. The Petition to Cancel also fails to allege facts upon which any grounds may be based. The Petition to Cancel purports to identify one intent-to-use application and three registrations owned by Petitioner and claims “damage” and potential damage to Petitioner vis-à-vis the intent-to-use application, but these allegations pertain to the issue of standing and not to any grounds for cancellation of a registration. Even had the Petition to Cancel managed to incorporate the phrases “likelihood of confusion” and “priority of use” anywhere within it, those allegations would merely amount to bald allegations in the language of the statute. Having failed to even make such “bald allegations,” the Petition to Cancel logically further fails to make clear and specific articulations of facts on any grounds for cancellation.

7. For the foregoing reasons, Respondents pray that the Petition to Cancel be dismissed for failure to state a claim upon which relief may be granted.

Non-justiciability; Unclean Hands

8. In this case, Petitioner’s interest in obtaining registration for the PAPA PODS mark is too attenuated to present a ripe controversy. Petitioner filed an intent-to-use application for the same mark (PAPA PODS) for a similar identification of goods (“coffee filters filled with

coffee” in the application) on February 17, 2004, Serial No. 78/369,385; however, after five extensions to file a statement of use, the application went abandoned as of May 24, 2008. The “new” PAPA PODS application identified in the Petition to Cancel is likewise an intent-to-use application, for which proof of use could likewise fail to be shown for another four years or more. Petitioner’s selection of a course of action to argue against the rejection under Section 2(d), not seek a co-existence agreement or other consent from Respondent, and filing of a Petition to Cancel the cited registration rather than filing an ex parte appeal even though more than two years remain to file a cancellation proceeding pursuant to Section 14(1), resulting in a suspension of the pending intent-to-use application may be reasonably inferred as an attempt to gain time within which to file a statement of use. Especially in light of the particular history of the Petitioner with this potential mark, the Petitioner should be required to allege, and ultimately prove, specific facts demonstrating the presence of a ripe controversy and that Petitioner’s actions are not the result of unclean hands; the Petition to Cancel fails on both grounds.

9. The Petition to Cancel rests its allegation of standing upon potential future damage to its use of the PAPA PODS mark and potential prevention of its obtaining a registration for the PAPA PODS mark, yet does not allege priority of use (nor could it) nor likelihood of confusion between the Respondents’ registered mark and the PAPA PODS mark. Consequently, Petitioner has failed to allege grounds sufficient to establish its standing to maintain the Petition to Cancel.

10. Furthermore, given the lack of a nexus between Petitioner’s alleged damage or potential damage and its three registrations which pre-date the registration date for the registration sought to be cancelled, Petitioner acts as a mere interloper in its challenge to Respondent’s registration.

Laches; Acquiescence

11. Respondents have been using the mark PAPALATTE since August 21, 2003. The mark was registered January 16, 2007 following a lack of any notice of opposition filed against the registration. Each of Petitioner's three registrations identified in the Petition to Cancel bear dates of first use pre-dating the August 21, 2003 date of first use for PAPALATTE. Assuming, *arguendo*, that Petitioner intends to assert that the PAPALATTE mark is likely to be confused with any of the registrations listed as owned by Petitioner in the Petition to Cancel, Respondents assert that confusion is not inevitable and that Petitioner knew or should have known of Respondents' mark, which mark was in use over a significant period of time (more than six years of use and nearly three years since the registration date) and resulted in the creation of considerable, valuable goodwill in Respondents' trademark, which constituted an inexcusable delay for an undue period of time that will result in material prejudice to Respondents if the Petition to Cancel is granted.

12. Despite alleged prior use of the three registered marks by Petitioner, Petitioner did not oppose Respondents' later-filed registration for PAPALATTE, send a cease and desist letter to Respondents or otherwise take action to interfere with Respondents' use or registration of the PAPALATTE mark during a time of the continuous operation of a business by Respondents using the PAPALATTE mark, to the prejudice of Respondents. Therefore, Petitioner apparently acquiesced to Respondents' continued use and registration of the PAPALATTE mark.

WHEREFORE, Respondents pray that the Petition for Cancellation be dismissed and that judgment be entered in favor of Respondents and against Petitioner.

Respectfully submitted,
HUGH LORD and LINDA LORD,
By and Through Their Attorneys,

Dated: Dec. 2, 2009



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Certificate of Service

I hereby certify that the foregoing document was served upon Petitioner this 2nd day of December, 2009 by mailing a copy thereof via first-class mail, postage pre-paid, to its counsel, Joseph F. Schmidt, Husch Blackwell Sanders Welsh & Katz, 120 S. Riverside Plaza, Suite 2200, Chicago, IL 60606.



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